

HANGZHOU SF INTRA-CITY INDUSTRIAL CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

**Stock Code : 9699**



# 2024 | SF Intra-city

## Environmental, Social and Governance Report

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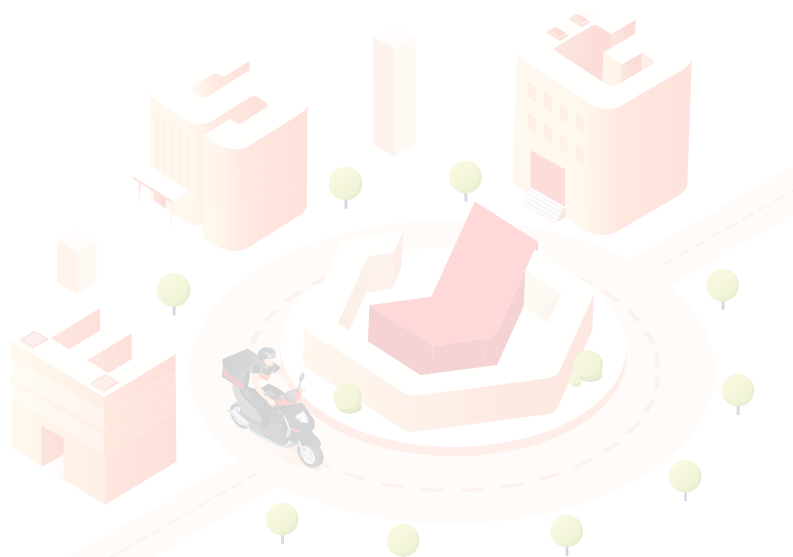
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# Report Description

## Report Description

Hangzhou SF Intra-city Industrial Co., Ltd. (“**SF Intra-city**”, “**We**” or the “**Company**”) is pleased to present the 2024 Environmental, Social and Governance Report (the “**ESG Report**”, the “**Report**”), which has been prepared in accordance with the ESG Reporting Guide as set out in Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”). We strictly adhere to the core principles of “Materiality”, “Quantitative”, “Balance” and “Consistency” in the ESG Reporting Guide.

	Principles	Our Response
Materiality	The issues covered in the report should reflect the significant impacts of the company on the environment, society and governance, or the scope of assessments and decisions of stakeholders being materially affected.	In accordance with principles and requirements of the ESG Reporting Guide of the Stock Exchange, in combination with focus of capital market on the Company’s ESG performance, the Company has identified sustainability issues related to the development of the Company through continuous communication and exchange with stakeholders and by taking into account the development of the Company, the industry and the business situation.
Quantitative	Key performance indicators (KPIs) disclosed in the report should be measurable to evaluate and validate the performance of ESG policies and management systems.	SF Intra-city has established a standardized ESG indicator management tool, regularly quantified KPIs including all “environment” categories and part of “social” categories in the ESG Reporting Guide and consolidated such indicators during the year to finally prepare this ESG Report for external disclosure. ESG quantitative data are detailed in the sections of this ESG Report.
Balance	The report should provide an unbiased picture of the positive and negative aspects of the performance of the company, so as to make a reasonable evaluation on the overall performance.	The ESG Report unbiasedly elaborates the achievements made and challenges faced by the Company on the sustainable development issues that have a significant impact on the business.
Consistency	The company should use consistent statistical disclosure methods for the preparation of the report so that stakeholders can analyse and evaluate the performance of the entity over time. The entity should explain any changes to the methodologies.	Unless otherwise stated, the Company will ensure the scope of disclosure and reporting methodologies used in the ESG Report are consistent with previous years.

By conducting research and interviews with key stakeholders, we identified ESG issues of concern and gathered the views of various stakeholders to identify materiality issues and determine the scope of disclosure in this ESG Report. The relevant data and information referred to in the ESG Report have been subjected to our rigorous scrutiny for the compilation of the report and review and approval by the Board of Directors (the “**Board**”). It is recommended that this ESG Report should be read in conjunction with the section headed “Corporate Governance Report” of the Annual Report.

The period of this ESG Report is the same as the reporting period (the “**Reporting Period**” or “**2024**”) of the Annual Report, from January 1, 2024 to December 31, 2024, with some references to previous years or 2025. Unless otherwise specified, the scope of this ESG Report is the same as that of the Annual Report, which includes SF Intra-city and its subsidiaries. In case of any conflict or inconsistency between the Chinese and English versions, the Chinese version shall prevail.

## About SF Intra-city



As of the end of 2024, our business scope covers **more than 2,300** cities and counties nationwide, with **650,000** active merchants, and **exceeded 23.41 million** active consumers.



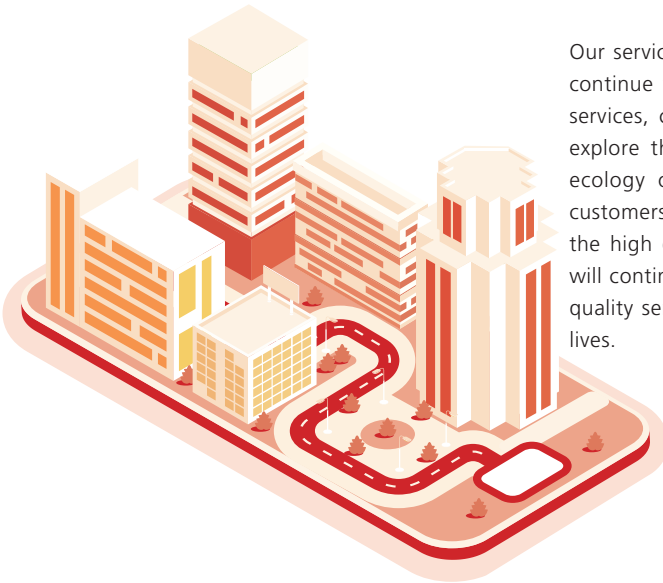
**SF Intra-city is the largest third-party on-demand delivery service platform in China<sup>1</sup>.**



SF Intra-city started focusing on on-demand delivery in 2016, began independent operation in 2019, and was successfully listed on the Main Board of Hong Kong Stock Exchange in December 2021. As a neutral and open infrastructure platform, we provide customers with high-quality, high-efficiency, and multi-scenario third-party on-demand delivery services.

SF Intra-city remain committed to the development concept of “high-quality, high-efficiency, and multi-scenario” and our mission of “bringing an enjoyable lifestyle to your fingertips” in our relentless pursuit of excellence in the third-party on-demand delivery services industry. We have adopted a multi-scenario business model featuring full coverage of delivery scenarios for all types of products and services. Our extensive service coverage, ranging from mature scenarios such as food delivery to growth scenarios like local retail, local e-commerce and local services, has enabled us to respond to the evolving customer needs brought about by the development and upgrade of the local consumer market, thereby constructing an infrastructure for the new consumption ecosystem, and striving to become the “No.1 brand amongst new consumption delivery”.

Our services go beyond the delivery. In the future, SF Intra-city will continue to serve as the explorer of personal high-quality lifestyle services, constantly carry out innovation and resource integration, explore the new mode of “on-demand delivery +” and the new ecology of “SF Intra-city+”, meet the diversified needs of the customers, improve service experiences, and constantly promote the high quality development of on-demand delivery industry. We will continue to create value for consumers and the society through quality services, driving business prosperity and enhancing people’s lives.



<sup>1</sup> Such ranking is based on the order volume of independent third-party on-demand delivery service in China in 2024 from Frost & Sullivan. The calculation of order volume takes into account the order volume generated by independent market participants, but excludes the order volume generated by connected parties.





# Statement of the Board



## Statement of the Board

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The Board of the Company is the highest responsible and decision-making body for ESG matters, which takes full responsibility for the Company's ESG strategies and this ESG Report, and monitors ESG-related matters that may affect the Company's business or operations, shareholders and other stakeholders. The Board attaches great importance to the sustainable development of the Company in the area of ESG and has established an ESG Committee responsible for identifying and assessing ESG risks relating to the Company and ensuring that the Company has put in place an appropriate and effective ESG risk management and internal control system, as well as reporting and reviewing the progress of the achievement of the relevant ESG objectives to the Board. For details, please refer to the section headed "Governance: Responsible Governance, Fortifying the Foundation of Sustainable Development" of this ESG Report.

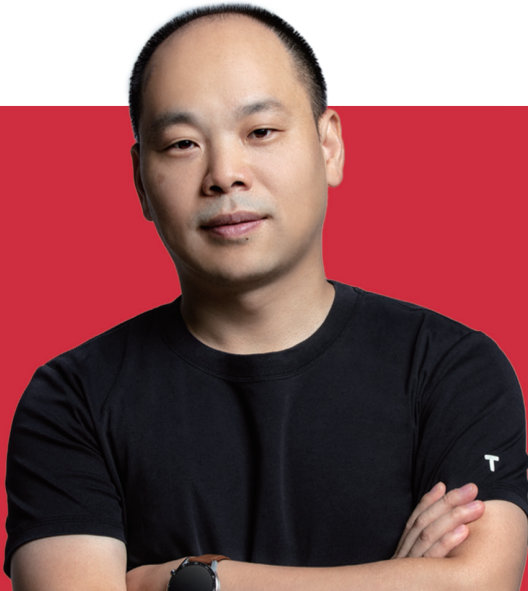
SF Intra-city attaches great importance to the suggestions and opinions of all stakeholders and ensures sufficient channels for communication and exchange with key stakeholders to discuss and identify important ESG issues and possible ESG risks faced by the Company, and to continuously improve ESG-related strategies and policies and systems. The Board of Directors has reviewed the ESG materiality issues for the year and has approved the proposed adjustments to the materiality level of each ESG issue to ensure that the materiality matrix is timely and reasonable. For details, please refer to the section headed "Management of Sustainability" of this ESG Report.

We have established an ESG target management system for emissions, energy use efficiency, water use efficiency, wastes and other indicators, and the Board of Directors reviews the progress of the targets on an annual basis and examines any necessary adjustments or improvements to ensure that the Company continues to make progress in achieving the ESG targets. For details, please refer to the section headed "Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain" of this ESG Report.

This ESG Report, which discloses in detail the progress and outcomes of SF Intra-city's 2024 ESG efforts, has been reviewed and approved by the Board of Directors at its meeting held on March 28, 2025.

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# Chairman's Statement



Chairman of  
the Board and CEO



## Chairman's Statement

The year 2024 marked the third year since the Company's listing and represents another year of continuous exploration in green and sustainable development. SF Intra-city remain committed to our mission of "bringing an enjoyable lifestyle to your fingertips" and deeply integrated the concept of sustainable development into its corporate strategies. As a leader in the independent third-party on-demand delivery industry, we continuously explore and promote service upgrades with a forward-looking vision for the industry, and provide users with higher quality, more efficient and warmer service experiences through full utilization of technological innovation and resource integration advantages.

### Governance as the Foundation, and Steady Progress for Long-Term Development

In a complex and ever-changing business environment, sound governance is a key pillar for stable development. SF Intra-city continues to improve its corporate governance structure, our ESG Committee and ESG Working Group promote ESG management through a top-down approach, fully understand the demands and expectations of stakeholders. During the year, they effectively advanced several key initiatives, including independent third-party verification that

encompassed Scope 3 carbon emissions verification, the establishment of ISO management systems, and ESG rewards. They also report and review various ESG efforts to the Board of Directors regularly, integrate ESG principles into corporate governance and daily operations, ensuring the strategic importance of and resource investment in sustainable development goals. We consistently drive sustainable business development with a compliance engine, and establish a comprehensive information security management framework to enhance corporate compliance and harmony. We have been honored with multiple industry-recognized awards, which demonstrate that the Company, while maintaining steady development, continuously advances its long-term goals of sustainable development, to create greater value for the industry and society.



# Chairman's Statement

## Green Empowerment and Symbiotic Ecosystem

Environmental protection is not only a corporate obligation but also our commitment to the future. SF Intra-city has embedded green and sustainable development into its core operating system and continuously carries out green emission reduction initiatives. By adopting clean delivery tools, primarily electric two-wheeled vehicles, and our self-developed City Logistics System (CLS), and through accurate route matching, path design and scheduling functions, we not only effectively achieve optimal matching between orders and riders across different industries, scenarios, and complex delivery networks, but also effectively reduce the environmental impact of our business activities, achieving synergistic effects in pollution reduction and carbon reduction. In addition, while continuously exploring green development within the Company, we also fully leverage our advantages and influence in carbon reduction innovation. For different delivery scenarios, we promote the application of green packaging concepts and export the industry's first "recyclable green packaging" to the value chain, with a view to continuously building a green ecosystem for the value chain through cooperation among upstream and downstream enterprises. We newly received the honor of a benchmark project related to pollution reduction and carbon emission reduction which is not only a recognition of our existing achievements but also continuously inspires us to move forward.

## Care Fosters Unity to Create the Future Together

We firmly believe a company's true value lies not only in its commercial success but also in its commitment to social well-being. SF Intra-city prioritizes talent training and development, provides employees with competitive compensation, and motivates core employees to contribute more to sustainable operations through equity incentive and other programs. This year, we specifically established ESG reward mechanism, to recognize employees who make outstanding contributions to achieving our ESG goals.

Regarding riders, we consider them as our primary partners. We are committed to long-term efforts to enhance their sense of identity and belonging to the platform. We strive to raise riders' income and prioritize their rights, experience, and well-being, with a strong emphasis on safety training and insurance system. In 2024, we established the Riders

Governance Committee to provide enhanced support and security system at the decision-making level and maintain multi-faceted effective communication with riders, and ultimately create a harmonious and mutually beneficial rider-friendly platform. During the Reporting Period, we became the first in the industry to introduce the "Grievance Care Allowance" to support riders who experience grievances during delivery. Additionally, we launched the "Public Charity Fund" program, which provides educational assistance for riders' children and offers family support programs. This further strengthens riders' sense of belonging and fosters a sense of shared growth.

We also actively participated in the formulation of standards in such aspects as the *On-demand Commerce Fulfillment Performance Metrics* (《即時零售履約能力評價指標》), and collaborative management of the supply chain. Furthermore, we further promote geographical coverage of standardized services to boost local economies and employment, and work together to foster a transparent and collaborative ecosystem.

## Sustainable Partnership Remains for the Future Journey

ESG practice system of SF Intra-city is not only a mission-driven strategic choice but also a future-oriented commitment to responsibility. Looking ahead, we will continue to explore new models empowered by AI and unmanned technology, improve the disclosure mechanism for value chain carbon emissions, and integrate resources to promote high-quality development of the industry. We will continuously encourage partners to take joint action and implement low-carbon transformation. Also adopting an open and win-win approach, we will empower ecosystem partners and, with the original intention of people-oriented care, consolidate team's strength to jointly promote the Company's growth and development.

Let us move forward hand in hand, leveraging the power of technology and the warmth of humanity to create a greener, more transparent, inclusive, and mutually beneficial world!

**Sun Haijin**

*Chairman of the Board and CEO*

# Highlights of the Year

## Highlights of the Year

### Highlights of ESG Performance

#### Governance



- Being **the first** in the on-demand delivery industry to undergo the independent third-party reporting **assurance** and **Scope 3** carbon emissions verification;
- Obtaining certifications in several leading domestic and international compliance management systems, including **ISO 14001** Environmental Management System, **ISO 45001** Occupational Health and Safety Management System, **ISO 27001** Information Security Management System, and **ISO 27701** Privacy Information Management System;
- Be awarded the “**Environmental, Social and Governance Excellence Award 2024**”, and “**Corporate Governance Excellence Award**” by the Chamber of Hong Kong Listed Companies of FY 2024;
- **4** independent non-executive Directors, **over 1/3** of the Board members are female, the proportion of female Directors, Supervisors and Senior Management<sup>2</sup> is **34%**;
- Adhering to the principle of “zero tolerance” for corruption, with a **100%** signing rate of the Anti-Corruption Commitment by employees for **5 consecutive years**, **over 1.02 million** attendances in integrity publicity and education activities of the Company during the year, with a total of **15,360 training hours** and a **100% participation rate by directors and employees**;
- Strengthening the establishment of network information security. Online training and education sessions covered **100%** of its **employees**, such as “Information Security Awareness Enhancement for All Employees” and “Red-Blue Work Safety Drills”, with a **100% signing rate** of the Information Security Commitment.

#### Environment



- Promoting the use of green delivery capacity, with an annual total delivery distance of **more over 8.25 billion km**, of which **more than 98%** of the delivery distance is achieved by using electric vehicles, reducing about **2.42 million tonnes** of carbon emissions due to using green transportation, with a **reduction of over 20%** in carbon emissions from deliveries per RMB1 million of revenue;
- Implementing the concept of green packaging. **15,000** new recyclable document envelopes were put into use during the year, which is equivalent to reducing the use of **750,000** paper document envelopes, with a **reduction of over 13%** in carbon emissions from packaging materials of document envelopes per RMB 1 million of revenue;
- Actively promoting e-signature platform actively and electronic bidding platforms to reduce the use of paper documents, resulting in approximately **12 tonnes** of **carbon emission savings**;
- Our submitted project, “Green Intra-city On-demand Delivery – Pollution and Carbon Reduction Based on CLS Scheduling Optimization and Promotion of Recyclable Packaging”, was successfully included in **Shenzhen’s first batch of benchmark projects for coordinated pollution and carbon reduction control**;
- Leveraging technology to enhance online communication channels and tool application, promoting virtual meetings over business travel where feasible. **Over 1.04 million attendances** in online meetings, effectively minimizing carbon footprint;
- There were **zero** environmental incident and **zero** environmental violation during the Reporting Period.

<sup>2</sup> Including directors, supervisors and senior management as defined in the Company Law of the People’s Republic of China.



# Highlights of the Year

## Society



- Attaching great importance to employee training system. **19,478** attendances in training during the year, which comprehensively covered employees across multi-tiered hierarchies, multi-stage career paths, and cross-functional roles, and helped them to enhance their abilities;
- Organizing **546** employee club activities, attracting **over 15,600** employee participations, representing a year-on-year increase of **over 150%**.
- Focusing on the development of riders, establishing the **Riders Governance Committee**, with the number of active riders reaching **approximately 1 million** during the year. Organizing **over 10,000** offline caring events to send “coolness in summer, warmth in winter, and holiday blessings”, and create a warm, amicable and rider-friendly platform with sustainable development opportunities;
- Strengthening commitment to rider well-being and care. The Company became the first in the industry to introduce the “**Grievance Care Allowance**”, and launched the “**Public Charity Fund**” program, which provides educational assistance for riders’ children and family support programs, with a view to establishing a comprehensive, multi-tiered rider welfare system;
- Attaching great importance to riders’ safety. achieving **100% insurance coverage for riders**. Rider **safety training** also reached **100% coverage**, and we actively conducted AED first-aid training for riders;
- Participating in the formulation of the group standard **On-demand Commerce Fulfillment Performance Metrics** (《即時零售履約能力評價指標》), and **Management Regulation of Live-Streaming E-commerce Supply Chain Cooperation** (《直播電子商務供應鏈協同管理規範》), and the revision of the *Guiding Opinions on Strengthening Party Building Work for Online Delivery Personnel (Draft for Comments)* by the State Administration for Market Regulation.

## Services



- Our services cover **over 2,300 cities and counties** nationwide. We also **officially launched** on-demand delivery services in **Hong Kong** under the “**SoFast**” brand;
- Continuously high-quality, efficient, and stable performance commitments. The fluctuation of fulfillment-in-time rate during holidays and poor weather conditions were **less than 1%** and **3%**, respectively;
- Embracing **AI Foundation Models Applications** to enhance user experience, upgradation improve full-process efficiency, empower merchants with effective operational decision-making, and expand service coverage;
- Actively developing unmanned vehicle delivery technology, operated **over one thousand active routes nationwide on average per month, which laid** the foundation for long-term green operations;
- Delivering premium services, which helped us achieve a **2 percentage points year-on-year improvement** in customer satisfaction;
- Attaching importance to the voice of the customer, end-to-end management and enhancement of the user experience. **100%** of the consumer complaints were **handled**;
- Advocating clean, transparent and green procurement. The **signing rates** of supplier integrity agreement and supplier social responsibility clauses **both reached 100%**. The **green environmental protection** has been included in the supplier cooperation agreements.

# Highlights of the Year

## Awards and Recognition

### Honor Awards



# Highlights of the Year

## Recognition in Capital Markets

Hang Seng Composite Index  
Hang Seng Composite Industry Index - Industrials  
Hang Seng Composite MidCap & SmallCap Index  
Hang Seng Composite SmallCap Index  
Hang Seng SCHK Materials & Industrials Index



An eligible stock of **Shanghai-Hong Kong Stock Connect** and **Shenzhen-Hong Kong Stock Connect**



The S&P Global CSA ESG score  
**increased by 53%** year-on-year  
ranking in the **top 25%** of the industry



Sino-Securities Index ESG Rating  
**A level** *No.1 in the industry*



Wind ESG Rating  
**A level** *No.5 in the industry*



SynTao Green Finance's ESG Rating  
**A- level**





# Highlights of the Year

## Building Complete International Compliance System Management

To systematically reduce operational risks and enhance management efficiency, SF Intra-city and its subsidiaries have established standardized management systems covering environment, occupational health and safety, information security, and privacy. Our compliance systems are further strengthened by obtaining multiple leading domestic and international certifications. These certifications have expanded our industry influence and helped us achieve globally benchmarked management standards in these critical areas.



**ISO 14001**  
Environmental Management System  
Certification

**Effective Control of Operating Costs:** Under the environmental management system, we have reduced resource consumption and waste generation by continuous investment in the use of eco-friendly packaging materials and reasonably planned delivery routes by our system, and then has minimized potential fines and reputational losses due to environmental issues, laying a solid foundation for the Company's green and compliant operations.



**ISO 45001**  
Occupational Health and Safety  
Management System Certification

**Increased Attention to Occupational Health:** Based on the occupational health and safety management system, we have strengthened safety training for riders and employees, equipped riders with professional protective gears, and improved safety facilities in the employees' workplace, effectively ensuring the stable operation of the business.



**ISO 27001**  
Information Security Management  
System Certification

**Enhanced Information Security Management Practices:** Adhering to information security management system standards, we have established a comprehensive and rigorous security protection framework. Through the development and continuous updating of security policies, regular risk assessments, threats identification and adoption of targeted mitigation measures, we have implemented an efficient emergency response mechanism to enable swift action during emergencies, minimizing potential impacts and safeguarding data integrity. This strengthens the foundation for stable and secure operations.



**ISO 27701**  
Privacy Information Management  
System Certification

**User Trust Significantly Improved:** With our privacy information management system, we have established strict mechanisms for data encryption, access control, and data backup to ensure the security of users' personal information throughout the entire delivery process. This year, we recorded zero customer complaints related to privacy issues, reflecting user trust in SF Intra-city's services.



# Management of Sustainability









## Management of Sustainability

Based on the brand proposition of “Professionalism brings delivery more warmth”, the Company upholds the sustainability principle and actively assumes its corporate social responsibility. By establishing a well-performing ESG governance structure, identifying key issues, and maintaining good communication with stakeholders on a regular basis, the Company gradually improves ESG management. In the meanwhile, as the largest third-party on-demand delivery service platform in China, we will continue to deliver value and fulfill our responsibilities to shareholders, employees, riders, business partners and other stakeholders.
















## Communication with Stakeholders

SF Intra-city highly values the communication and exchange with all stakeholders, and has established normalized, diversified and targeted communication channels. The Company fully responds to the demands of various stakeholders regarding ESG issues and demands, and takes them as an important basis for the improvement of the Company’s ESG management, so as to improve the standard of its ESG management.

During the Reporting Period, the key stakeholders we identified include shareholders and investors, employees, customers, riders, suppliers and business partners, government and regulatory authorities, industry associations, the media and the public, etc. We insist on proactively communicating the Company’s values to the market, sharing and exchanging ESG concepts with various parties, actively discussing and exploring ESG-related implementation paths and good practices, and continuously optimising the ESG management mechanism and work plans to strengthen the Company’s sustainable development capability.

Stakeholder	Concerns	Means of Communication	ESG Strategy of the Company	Practical Actions of the Company	Response to United Nations Sustainable Development Goals (SDGs)
 Shareholders and Investors	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Risk management</li> <li>Compliance operation</li> <li>Business ethics and anti-corruption</li> <li>High-quality products and services</li> </ul>	<ul style="list-style-type: none"> <li>Information disclosure</li> <li>General meeting</li> <li>Roadshow events</li> <li>Investor summit</li> <li>Investor official website, hotline, email</li> <li>On-site and online research</li> </ul>	Ensure effective information disclosure and risk management, and safeguard the rights and interests of shareholders and investors	<ul style="list-style-type: none"> <li>Ensure information disclosure and compliance operation, and expand information dissemination channels</li> <li>Establish a closed-loop process from risk identification to resolution</li> <li>Organise and participate in different types of investor events</li> <li>Maintain good communication and relationship with shareholders</li> <li>Improve the internal governance system</li> </ul>	 
 Employee	<ul style="list-style-type: none"> <li>Employee training and development</li> <li>Talent attraction and retention</li> <li>Employee health and safety management</li> <li>Employee rights and welfare</li> </ul>	<ul style="list-style-type: none"> <li>Internal OA platform</li> <li>Employee satisfaction survey</li> <li>Training activities</li> <li>Employee communication seminar</li> <li>Employee labor union</li> </ul>	Protect employee rights and interests, promote employee development, and enhance employee welfare	<ul style="list-style-type: none"> <li>Safeguard the rights of employees in accordance with the law</li> <li>Improve talent promotion and remuneration mechanism</li> <li>Actively carry out various types of training</li> <li>Implement diversified employee benefits</li> </ul>	   

# Management of Sustainability

Stakeholder	Concerns	Means of Communication	ESG Strategy of the Company	Practical Actions of the Company	Response to United Nations Sustainable Development Goals (SDGs)
 Customer	<ul style="list-style-type: none"> <li>Delivery service security</li> <li>Data security and privacy protection</li> <li>Provide high-quality products and services</li> <li>Customer experience and customer complaint management</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Customer communication and customer service channels</li> <li>SF Intra-city App, official website, hotlines and other online channels</li> </ul>	Continuously improve service quality and value based on customer needs, and enhance customer satisfaction and loyalty	<ul style="list-style-type: none"> <li>Provide safe, quality and efficient services</li> <li>Customer service team to follow up and solve problems immediately</li> <li>Improve customer complaint and claim processes</li> <li>Carry out user questionnaires and interviews on a regular basis to continuously optimise user experience</li> </ul>	 
 Riders	<ul style="list-style-type: none"> <li>Riders' health and rights protection</li> <li>Delivery service security</li> <li>Customer experience and customer complaint management</li> </ul>	<ul style="list-style-type: none"> <li>Rider satisfaction survey</li> <li>Online + offline training activities</li> <li>Rider App of SF Intra-city and hotline</li> <li>Rider care activities, seminars, and heart-to-heart meetings</li> </ul>	Pay attention to the rights and health of riders, and create a favorable delivery environment and community atmosphere	<ul style="list-style-type: none"> <li>Provide flexible job opportunities</li> <li>Protect the legal rights of riders</li> <li>Create a warm community of riders</li> <li>Build online and offline communication channels</li> </ul>	 
 Supplier and Business Partner	<ul style="list-style-type: none"> <li>Sustainable supply chain</li> <li>Business ethics and anti-corruption</li> <li>Risk management</li> <li>Promote green packaging</li> <li>High-quality products and services</li> </ul>	<ul style="list-style-type: none"> <li>Cooperation agreements</li> <li>Field visit</li> <li>Daily communication</li> <li>Performance assessment</li> <li>Questionnaire survey</li> </ul>	Pursue win-win cooperation, safeguard the interests of each party, and promote the sustainable development of the industry	<ul style="list-style-type: none"> <li>Ensure transparent procurement to eliminate corruption</li> <li>Sign one-on-one cooperation agreements, social responsibility agreements and integrity agreements</li> <li>Conduct regular site visits and qualification audits</li> <li>Implement green packaging and encourage the reuse of packaging materials</li> </ul>	     
 Government and Regulatory Authorities	<ul style="list-style-type: none"> <li>Compliance operation</li> <li>Business ethics and anti-corruption</li> <li>Social welfare</li> <li>Data security and privacy protection</li> <li>Tackling climate change</li> <li>Energy management</li> <li>Save water resources</li> </ul>	<ul style="list-style-type: none"> <li>Supervision and inspection</li> <li>Information disclosure</li> <li>Special research</li> <li>Ask for opinions</li> </ul>	Operate in accordance with laws and regulations, readily respond to government calls, and cooperate with regulators	<ul style="list-style-type: none"> <li>Operate in accordance with laws and regulations</li> <li>Actively assume corporate social responsibility</li> <li>Cooperate with the government in its work</li> </ul>	

# Management of Sustainability










Stakeholder	Concerns	Means of Communication	ESG Strategy of the Company	Practical Actions of the Company	Response to United Nations Sustainable Development Goals (SDGs)
 Industry Associations, Media and Public	<ul style="list-style-type: none"> <li>Technology innovation</li> <li>Social welfare</li> <li>Rural revitalisation</li> <li>Promoting green packaging</li> <li>Tackling climate change</li> </ul>	<ul style="list-style-type: none"> <li>Information disclosure</li> <li>Establish communication and interaction mechanisms</li> <li>Participate in the compilation of industry white paper, the discussion and research of industry systems and standards</li> </ul>	Intensify industry communication and collaboration, actively participate in public welfare, and enhance the Company's social image	<ul style="list-style-type: none"> <li>Participate in government-organised research and seminars</li> <li>Participate in the feedback on industry white papers and rules and regulations</li> <li>Participate in forums, summits and other industry exchange activities</li> <li>Actively cooperate with all parties</li> </ul>	       

Table: Stakeholder Communication Form

## Determination of Materiality Issues

During the year, we engaged an independent professional agency to conduct a questionnaire survey on internal and external stakeholders to collect stakeholders' opinions and prioritise the issues according to the analysis of the importance of the issues, in order to provide reference for the Company to improve its ESG management and better respond to the expectations and demands of the stakeholders. In the future, we will continue to follow up on the concerns of various stakeholders based on the Company's ESG materiality issue matrix to ensure that the ESG-related materiality issues can truly reflect the Company's current condition.

## Issue Materiality Analysis Process

In the materiality analysis process, we used a questionnaire survey combined with a dual materiality analysis to identify and recognise the materiality issues for the year through the following four steps.

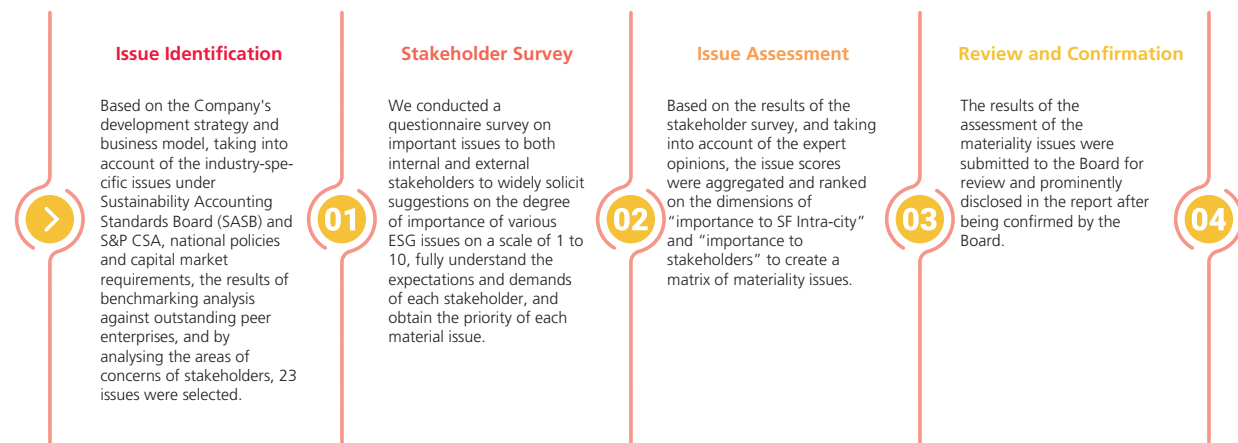
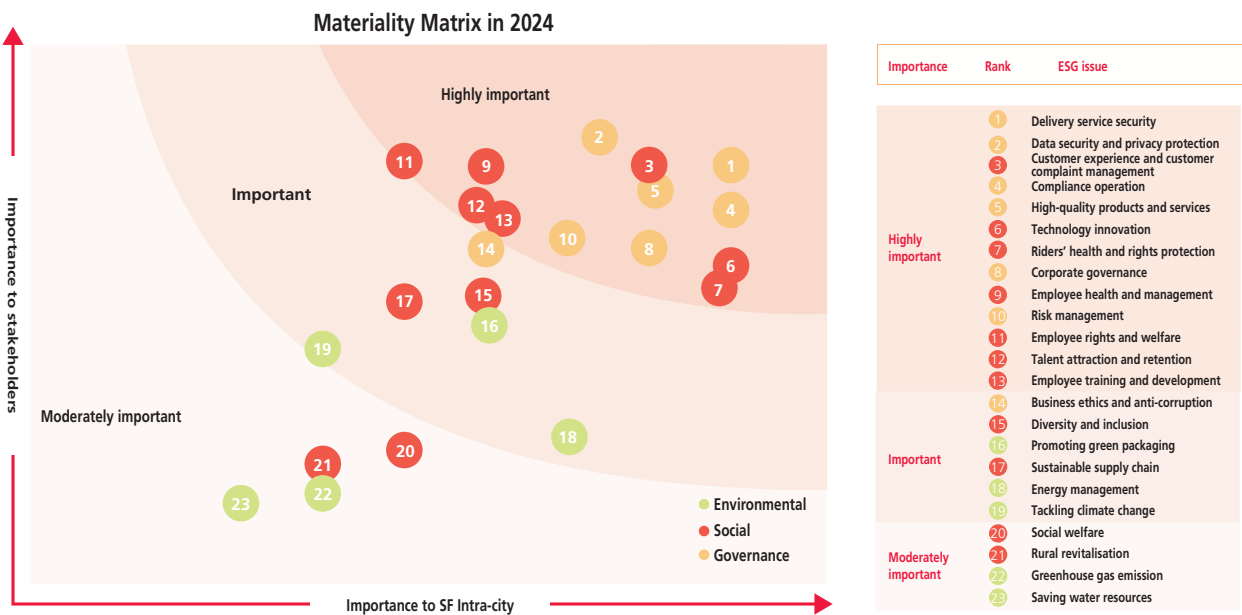


Figure: Process for identifying materiality issues

# Management of Sustainability

## Materiality Matrix



After identifying the materiality issues of SF Intra-city, we selected the three most important ESG issues from them and further analysed them in depth as follows:

### 1. Delivery Service Security

**Importance to SF Intra-city**

The safety of delivery services has a direct impact on the interests of customers and the operational efficiency of enterprises. The delivery process may be subject to various risks, including traffic accidents, weather disasters, lost or damaged goods, etc. SF Intra-city needs to ensure the safety and reliability of its delivery services through a series of measures, while enhancing public awareness of safety protection.

**Commitment and Strategy**

**Delivery Safety Training**

- All riders are required to complete training before delivery and regular updates, and pass relevant assessments.

**Delivery Equipment and Tool Maintenance**

- Regular inspection and maintenance are conducted on delivery equipment and safety of tools to ensure rider safety.
- Smart helmets and earphones can alert riders to high-risk behaviors in real-time, protecting public safety.

**Safety Accident Rate**

- The safety accident rate per one million orders decreases every year.

# Management of Sustainability

## 2. Data Security and Privacy Protection

### Importance to SF Intra-city

Nowadays, with the increasing digitalisation and networking, the importance of data security and privacy protection is becoming increasingly prominent. In order to protect the data security of riders, merchants and users on the platform, the Company requires the establishment of strict data security and privacy protection measures to prevent the data from being illegally accessed, used or leaked.

### Commitment and Strategy

#### Data Encryption and Access Control

- All sensitive data must be stored using strong encryption and strict access control measures must be implemented.

#### Employee Data Security Training

- Regularly train all employees on data security and privacy protection and ensure they understand and comply with the relevant policies.

#### Data Security Compliance

- Compliance with applicable data protection laws and standards. The Company has obtained certifications such as ISO 27001 Information Security Management System, ISO 27701 Privacy Information Management System, and has completed the filing for information system security level protection.

#### Data Leakage Emergency Response Plans

- Regularly update the Data Leakage Emergency Response Plans to ensure that appropriate measures can be taken promptly to minimise damage in the event of a data leakage.

## 3. Customer Experience and Customer Compliant Management

### Importance to SF Intra-city

In today's increasingly competitive market, customer experience and customer complaint management have become core elements of business operation. For SF Intra-city, exceptional customer experience is not only crucial for building brand image and enhancing market competitiveness, but also the cornerstone of earning customer trust and loyalty. Effective complaint management is an essential channel for identifying service issues promptly, improving service quality, and contributing to maintaining a positive market reputation.

### Commitment and Strategy

#### Full-Process Experience Optimization

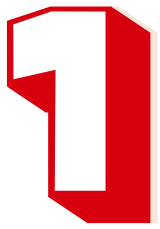
- Implement a comprehensive service process monitoring system, which enables tracking and evaluating of each stage of the customer journey from order placement and rider acceptance to delivery and completion to promptly identify and resolve any issues that may impact the customer experience.

#### Multi-Channel Communication Mechanisms

- Provide multiple customer feedback channels, including telephone hotlines, in-app complaint submissions, and online intelligent and human customer services to ensure customers can easily express their opinions and requests.

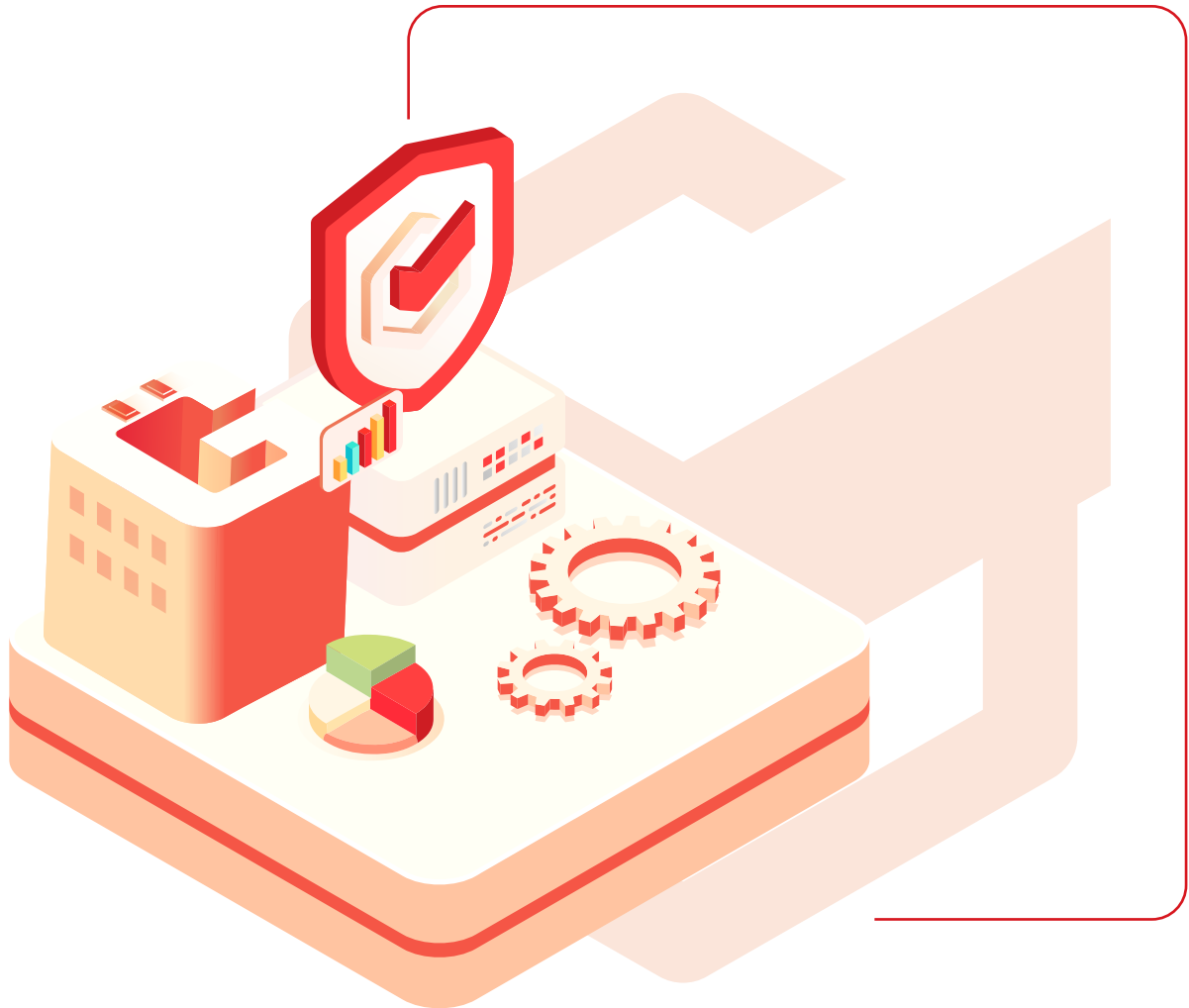
#### Rapid Complaint Response and Resolution

- Establish response time standards for complaints, along with standardized complaint handling procedures that clearly define responsibilities and deadlines for each stage of the process to ensuring prompt and effective resolution.



## **Governance:**

**Responsible Governance, Fortifying the Foundation for Sustainable Development**



**18 Robust Governance System**

**22 Risk Management**

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# Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

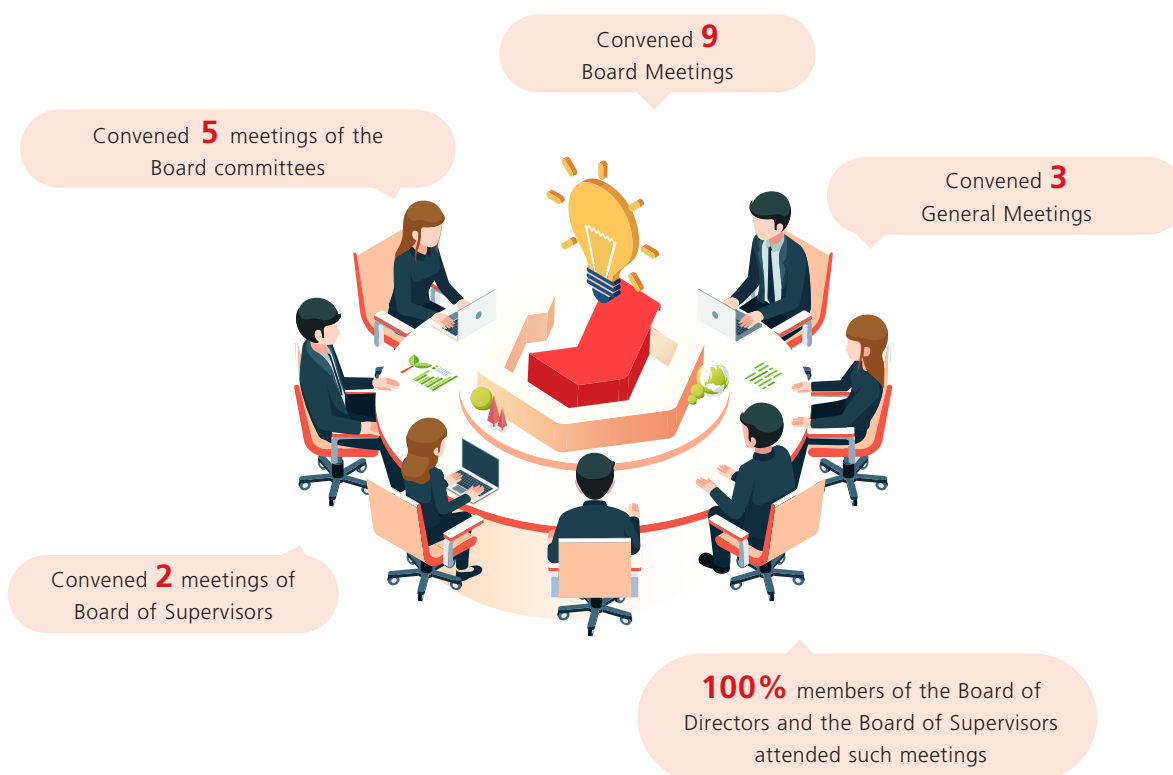
## Robust Governance System

### Corporate Governance

Corporate governance is the significant cornerstone of SF Intra-city in driving stable operations and achieving sustainable development. We strongly recognize that sound corporate governance is crucial for building investor confidence, enhancing corporate transparency and strengthening market competitiveness. Therefore, the Company strictly adheres to the requirements of relevant laws and regulations, including *the Company Law of the People's Republic of China*, *the Securities Law of the People's Republic of China*, and the Listing Rules, as well as *the Company's Articles of Association*, *the Rules of Procedure for General Meeting*, *the Rules of Procedure for the Board of Directors*, and *the Rules of Procedure for the Board of Supervisors*, and upholding the principle of professionalism, leadership and transparency, has formed a corporate governance structure that is scientific and standardized, efficient and balanced with clear division of authority and responsibilities.

Our diverse management team possesses a wide range of backgrounds and deep professional expertise, providing comprehensive perspectives and driving innovation in our decision-making processes. Committed to the pursuit of excellence, the management team regularly reviews and optimizes corporate governance strategies, ensuring comprehensive and effective oversight and continuous improvement in both business development and internal governance.

Additionally, SF Intra-city continuously refines its corporate governance structure, regulates operations, and optimizes internal control mechanisms. By following industry standard and aligning with market demands, the Company effectively addresses market changes and challenges, laying a solid foundation for long-term, stable, and sustainable development.



Corporate Governance Structure

SF Intra-city has established a corporate governance structure comprising the General Meeting of Shareholders, the Board of Directors, Board Committees and the Board of Supervisors. The Board of Directors is responsible for leading and overseeing the Company, bearing the core responsibilities of supervising the Company’s business and strategic decision-making to drive its success and sustainable development. Directly or indirectly through its committees, the Board of Directors establishes strategic objectives and monitors their implementation, providing clear guidance and direction to the management. It also oversees the Company’s operational and financial performance, ensuring the establishment of a robust and effective internal control and risk management system. As of the end of the Reporting Period, the Board of Directors comprises eleven Directors, consisting of three executive Directors (“EDs”), four non-executive Directors (“NEDs”) and four independent non-executive Directors (“INEDs”).

To further enhance the efficiency and professionalism of corporate governance, the Board of Directors has established three Board committees: the Audit Committee, the Remuneration Committee, and the Nomination Committee. These committees are responsible for overseeing specific areas of the Company’s affairs, ensuring transparency, fairness, and compliance in the decision-making process. For further details, please refer to the “Corporate Governance Report” section of the 2024 annual report of the Company. To enhance the governance efficiency and improve the operation of the Board of Directors, the categories of chairman and core responsibilities of the three Board committees of the Company are set as follows:

	Audit Committee	Nomination Committee	Remuneration Committee
Chairman	INED	ED	INED
Percentage of NEDs and INEDs	100%	66.7%	66.7%
Core responsibilities	Responsible for the coordination between the internal audit department and the external auditor, supervision, and inspection of their works as well as the risk management and internal control of the Company.	Responsible for reviewing the Board’s composition and diversity, formulating the policy for nominating Board candidates, make recommendations to the Board on the appointment of Directors and Board committee members, and assessing INED’s independence and commitment.	Responsible for developing remuneration policies and frameworks aligned with the Company’s business development needs, regularly reviewing the remuneration levels of directors and senior management, and overseeing the Company’s employee share incentive plan.

Board Diversity

Our Directors, Supervisors and Senior Management possess a balanced and diverse range of knowledge, skills, and experience, encompassing various fields such as on-demand delivery and express delivery services, new consumption, O2O, Internet, strategy and investment, accounting and financial management, audit and assurance, risk management, supply chain management, and marketing. Board members have solid professional backgrounds and hold a variety of professional diplomas and degrees in disciplines including electronic information engineering, logistics and supply chain management, finance and investment, business management, and business administration.

We have implemented and will continue to pursue various measures to promote gender diversity at all levels of the Company, including the Board of Directors, the Board of Supervisors, and the senior management team. The Company remains committed to applying meritocratic principles within the framework of its Board diversity policy to ensure fairness and inclusivity in the selection and appointment process.



34% of Directors, Supervisors and Senior Management are women



Diverse industry background  
4 independent non-executive directors accounting for more than 1/3 of the Board members



# Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

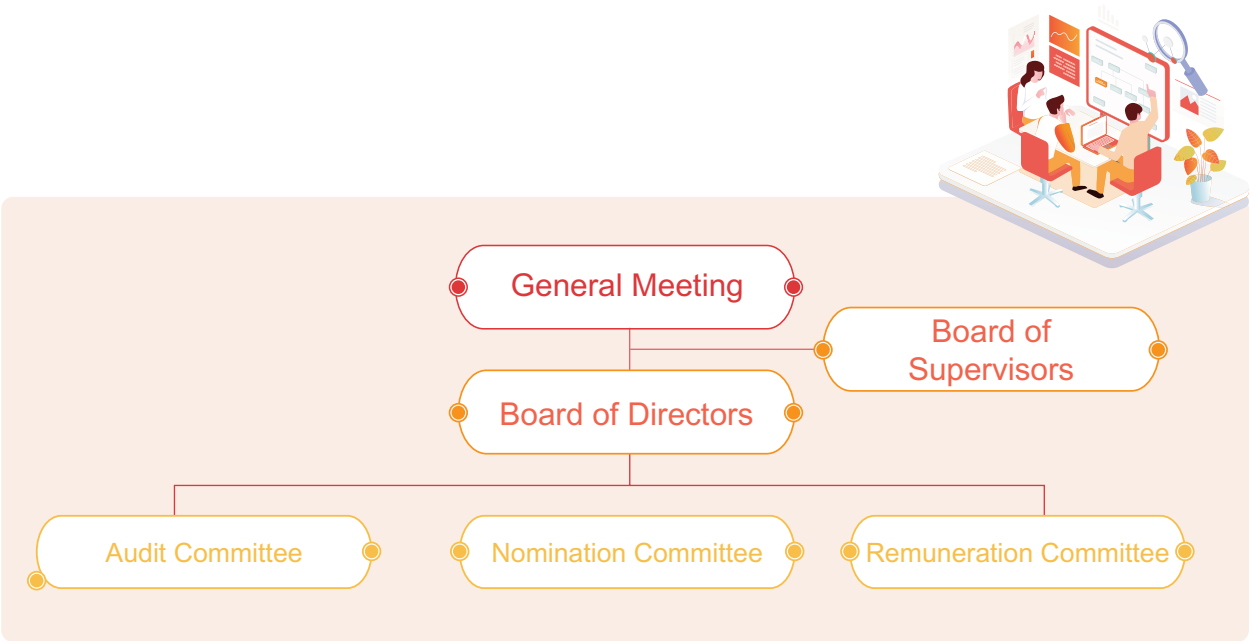
## Board Independence

The composition of the Board of Directors of SF Intra-city effectively ensures its independence. Our INEDs undergo an independence assessment upon appointment and are reassessed annually or whenever circumstances require reconsideration to ensure their continued compliance with independence requirements. None of the Company’s INEDs have served for more than nine years.

SF Intra-city has established formal and informal channels of communication to ensure that independent views and comprehensive information are available to the Board of Directors. Our Articles of Association and the terms of references of various committees under the Board of Directors have set out an explicit framework to ensure that the INEDs remain independent and free to express their views, and their suggestions are systematically considered by the Board of Directors. Additionally, the Executive Directors and the chairman of the Board of Directors also engage regularly and directly with the INEDs to receive their independent views and suggestions in a relation to a wide variety of matters, further strengthening the decision-making capabilities of the Board of Directors and the Company’s governance.

## ESG Governance Structure

SF Intra-city has established a three-level ESG governance structure with the Board of Directors as the core and has implemented a closed-loop management system of “Governance – Management - Execution”, operating from top to bottom. In addition to focusing on traditional operational management and financial oversight, the Board of Directors steers and directs the management in all aspects to promote implementation of ESG practices, including climate change responses and other matters. We are committed to developing, reviewing and improving our corporate governance system to ensure that our internal control and risk management systems are adapting to a fast-changing environment and meeting the requirements of sustainable development.



# Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

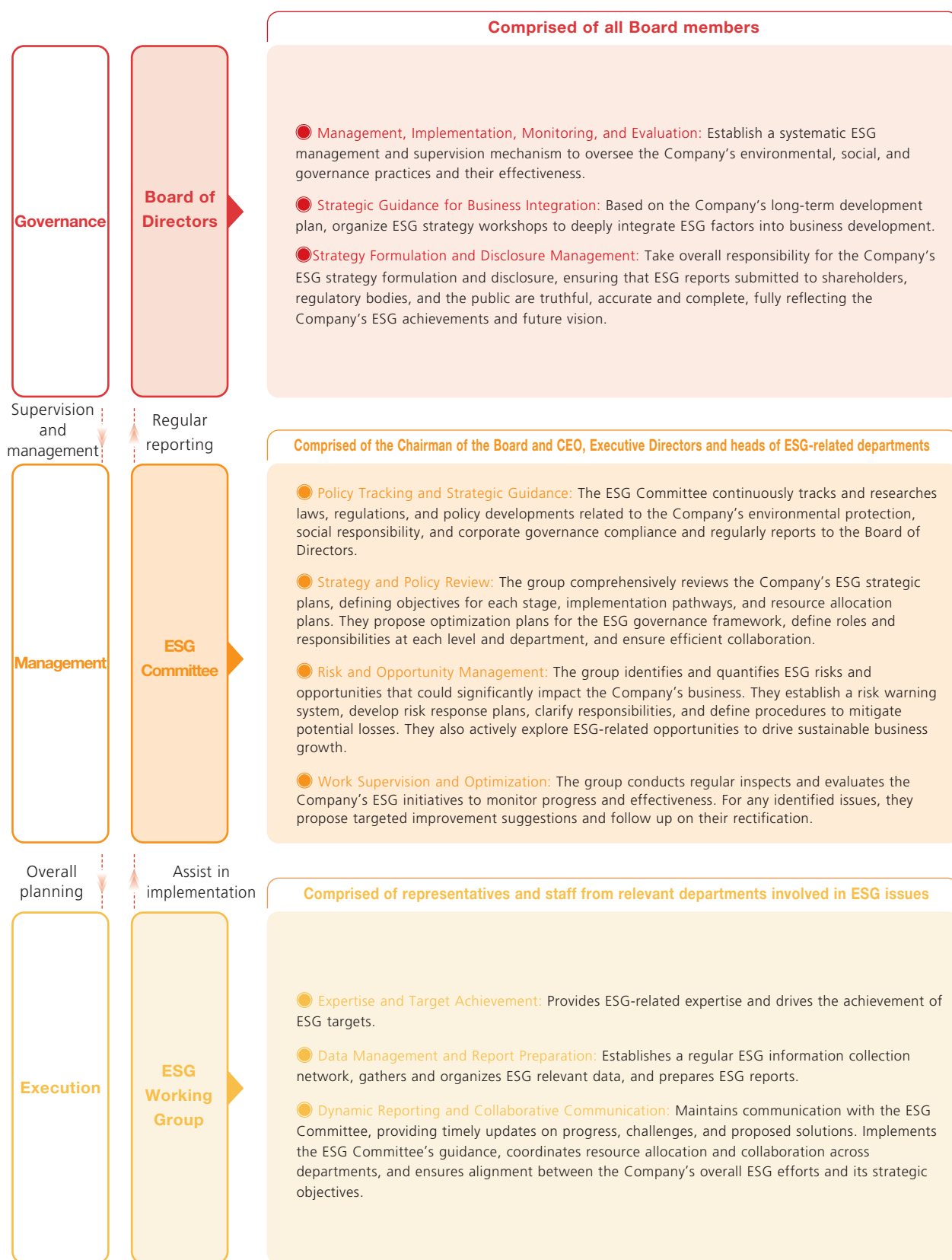


Figure: ESG Governance Structure Diagram

# Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

## Risk Management

SF Intra-city is firmly committed to developing its risk control capability, focusing on the needs of rapid business development. It continuously updates and iterates systems such as the *Risk Management System*, the *Implementation Manual for Internal Control*, and the *Internal Control Evaluation Method*, constantly improving the risk management system. In 2024, focusing on risk management and internal control, the Company identified internal and external risks, continuously improving our internal control system encompassing all aspects of our operations. We updated and iterated the contents of systems such as documents, finance, licenses, and information systems management to enhance operational efficiency, contributing to the long-term development.

The internal audit involves a thorough examination of every aspect, comprehensively inspect the processes, internal control and risks, and to strengthen the management level and establish a foundation for the stable operations and sustainable development. In accordance with regulatory requirements, and in conjunction with our internal systems, the Company conducted an assessment on its internal controls as of December 31, 2024 based on both regular monitoring and special supervision, and prepared the *2024 Annual Internal Audit and Assessment Report on Internal Controls* and submitted it to the Board of Directors and the Audit Committee for review. These efforts were made to ensure an in-depth internal control system that supports the meticulous operations. Furthermore, a third-party institution reviewed the internal audit report and prepared the *2024 Annual Audit Committee Report*, confirming that the Company did not have any material weaknesses in internal control over financial and non-financial reporting.

## Risk Management Framework

SF Intra-city has established a multi-tiered risk management and governance structure with clear responsibilities with checks and balances, systematically driving risk control at both management and operational levels. The management and the internal audit department collaborate in execution. The former formulates measures, and the latter conducts independent evaluations. Through the “three lines of defense”, the full-process risk control is achieved to balance risks and development, and provide robust support for the Company.

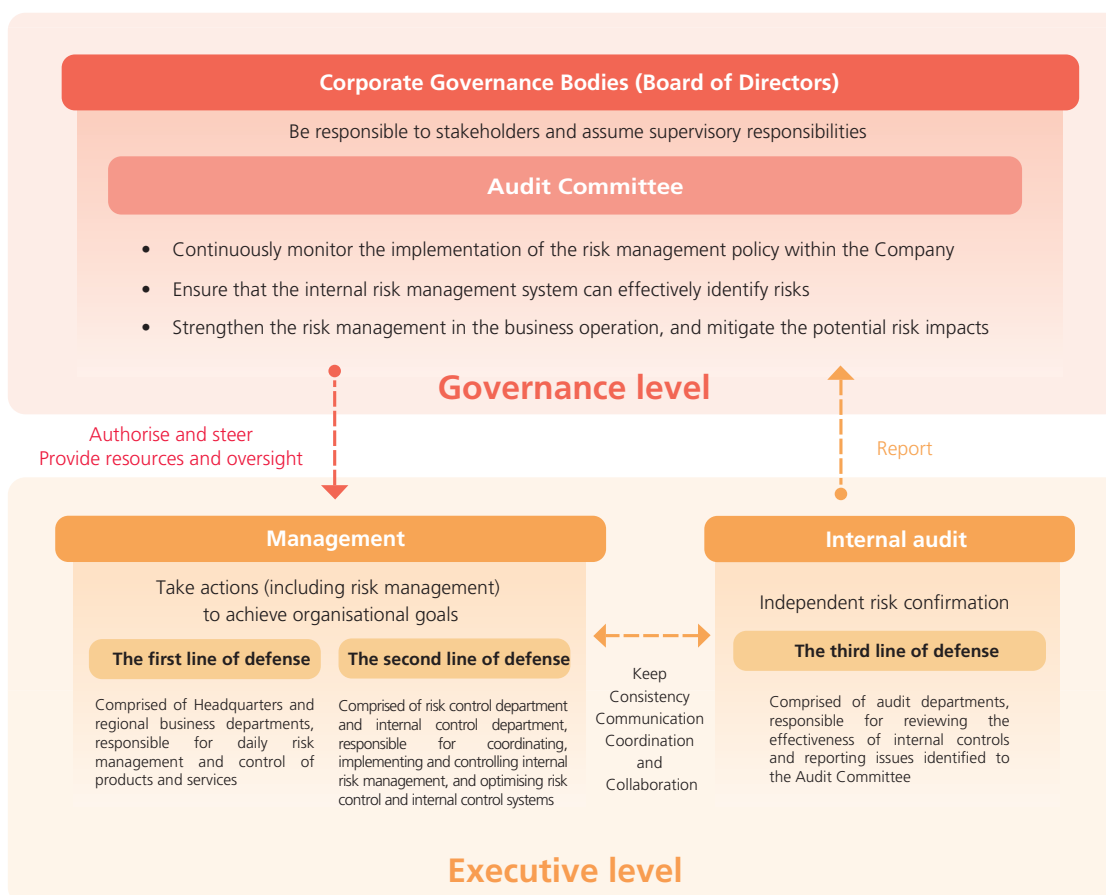


Figure: Risk Management Structure Diagram

# Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

## Risk Management System

SF Intra-city continuously enhances the development and integration of risk management and internal control systems and, in alignment with the Company's strategic development goals, has built a "five-in-one" comprehensive risk management systems, including the risk management culture system, risk management function architecture system, internal control system, risk management information system and risk management supervision and assessment system.

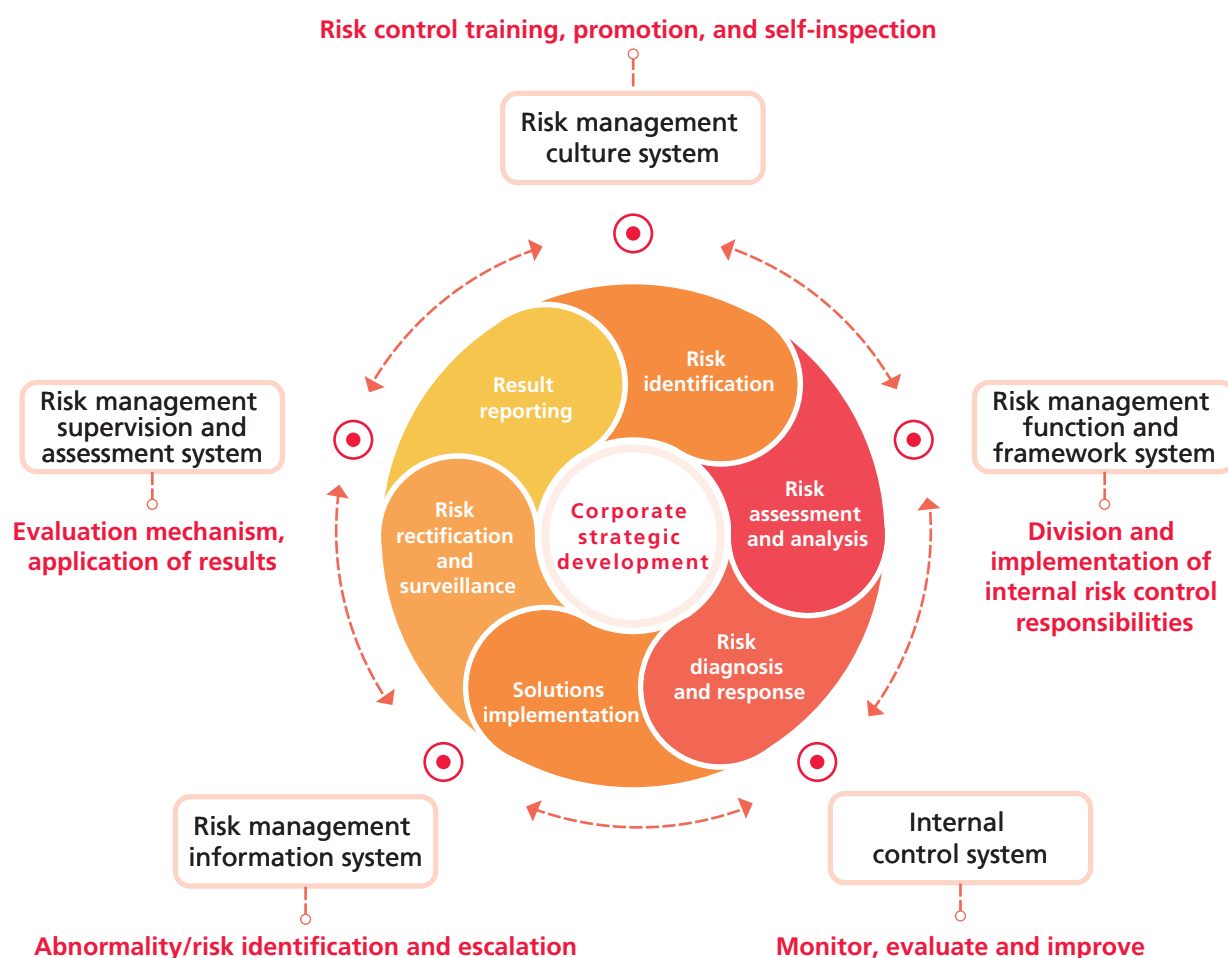


Figure: Risk Management System Diagram

# Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

## Risk Management Process

Our risk management system has helped us form a complete closed-loop process that not only enables us to identify and assess risks in a timely manner, but also to effectively respond to and resolve risks, monitor the effectiveness of risk improvement, and ultimately report on the results of risk management, thereby achieving continuous enhancement of our risk management practices.

### Risk identification



#### Risk identification

We have established a robust risk monitoring and identification mechanism through internal controls and external information channels. All business departments systematically identify risk factors in terms of strategy, operations, finance, regulatory compliance, IT, and information security, enabling timely detection, monitoring, and reporting for rapid response.



#### Risk Assessment and Analysis

We analyze the causes and potential impact of risk events based on their specific circumstances and actual affected areas. We conduct a graded and categorized assessment of these events, guiding decision-making in subsequent risk management and control initiatives.



#### Risk Diagnosis and Response

Upon confirmation of a risk event, we promptly activate the emergency response mechanism based on established contingency plans and guidelines. We promptly convene a temporary task force, define roles and responsibilities and formulate response plans.



#### Solution Implementation

During the emergency response process, we make rapid response through departmental collaboration and resource allocation, utilizing on-site or telephone meetings to further optimize response strategies and minimize the impact of risks on our operations.



#### Risk Rectification and Surveillance

Following incident resolution, we analyze the root causes of events, document lessons learned, and enhance emergency preparedness plans and risk control guidelines. At the same time, we strengthen the implementation of rectification measures and monitor the effectiveness of risk improvements through routine audits, self-assessment mechanisms, and cross-departmental collaboration to prevent the recurrence of similar risks.



#### Result Reporting

We summarize the incident management process, the effectiveness of rectification, and key lessons learned. For significant abnormal events, the Company defines clear reward and disciplinary measures to ensure transparent and standardized incident management.

# Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

## Development of Risk Control Culture

A strong risk control culture is the key to the Company's success. SF Intra-city prioritizes ex-ante control and prevention, and focuses on the establishment and implementation of systems to minimize the materialization of identifiable risks. We continuously enhance risk management awareness and capabilities across the organization through multi-layered and multi-dimensional training and education. In addition, we regularly conduct internal control evaluation, internal and external auditing, and specialized risk management training programs. Through case studies and practical guidance, we enable employees to understand the nature of risks, learn how to identify and report potential risks proactively, and effectively implement risk control measures in their daily work. At the same time, the Company strictly prohibits any behaviour that crosses the red line of compliance risk, while encouraging employees to actively participate in risk management. This dual approach lays a solid foundation for fostering a healthy and sustainable corporate culture.



**1,560** attendances in risk management training for regional managers

**2,381** attendances in risk management training for relevant headquarters departments and regional risk control officers



**46** case-based learning sessions and training activities were conducted

## Risk Identification and Mitigation Solutions

In order to identify and prevent potential risks, SF Intra-city has adopted a series of measures to enhance our internal control and risk management capabilities. Through the continuous optimization of risk control mechanisms, the Company comprehensively improves its risk response capabilities.

## Regular Internal Control Inspection and Ad-Hoc Internal Audit

According to the *SF Intra-city Internal Control Evaluation and Assessment System*, the Company conducted internal control assessment projects several times throughout the year, covering areas such as rider management, sales, procurement and financing activities. In accordance with the annual plan, the Company carries out ad hoc internal audits covering all product lines, business departments and business processes. For problems found in the audit process, the Company gives timely warnings in accordance with the corresponding systems, urges the responsible departments to make rectifications, and supervises their effectiveness.

## External Independent Audit

The Company engages external auditors to conduct independent third-party audits every year. For the risks identified by external auditors, the Company promptly reports them to the Board of Directors and its Audit Committee for decision-making, formulates detailed risk improvement plans according to the resolution, and implements the improvement measures to the specific responsible departments and persons.

# Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

## Enhancing Digital Capabilities and Strengthening the Foundation of Risk Control

The Company has actively integrated risk management practices with digital capabilities. By substantially investing in system iteration and upgrades and leveraging cutting-edge digital technologies, the Company has embedded risk control rules into key nodes of business processes. This transformation has enabled a shift from traditional manual controls to automated, intelligent risk mitigation. Through system-driven standardization and automation, the Company ensures strict enforcement of risk protocols across all operational workflows, such as customer data validation protocols, thereby effectively and proactively preventing financial and operational risks.

## Multi-Dimensional Strategy for Risk Management and Control

### Business Risk Management

SF Intra-city focuses on identifying and managing key risks related to delivery security, transportation security, rights protection, supply chain stability and customer satisfaction. In addition, information security and privacy protection are incorporated into the Company's overall risk management framework, ensuring the compliance and reliability of data security. We ensure timely response to industry changes and potential challenges through regular market analysis, understanding users' demands and preferences, technical safety assessments, and supply chain performance testing. To meet the changing needs of our customers, the Company has implemented flexible strategic planning to ensure stable service quality and enhance customer loyalty.

### Tax Risk Management

SF Intra-city steadfastly complies with all relevant tax regulations, and actively promotes tax compliance and transparency. In accordance with the *Measures for the Administration of the Registers of Thousand Large Groups* issued by the State Taxation Administration, we regularly submit complete and accurate corporate information to tax authorities. This not only reflects the Company's commitment to tax compliance but also serves as an essential component of our risk management system.

### Legal Compliance Risk Management

SF Intra-city places a high emphasis on legal compliance risk management. During the Reporting Period, the Company conducted multiple specialized training sessions for personnel at various levels, covering topics such as *Interpretation of the New Company Law*, *Contract Risk Prevention and Control*, etc. At the same time, the Company continuously drafted and updated contract templates, with a focus on refining business processes and optimizing risk points. This standardized contract management aims to mitigate contract risks. Additionally, the Company provides full-process legal support for significant risk events to ensure efficient responses and compliant solutions, further reducing any negative impact on business operations.

### ESG Risk Management

Currently, ESG risks have emerged as significant factors that cannot be overlooked in corporate operations. For SF Intra-city, the consequences of frequent extreme weather events, as an ESG risk, are substantial. Extreme weather may lead to delivery delays and heightened safety hazards for riders. Furthermore, climate change is likely to result in a significant increase in logistics costs in certain regions, which will undoubtedly have a certain impact on the operations of SF Intra-city.

In response to these challenging ESG risks, SF Intra-city proactively implements a series of effective measures. With regard to climate risks, we conduct professional climate risk assessments and, accordingly, develop practical adaptation strategies to proactively address regulatory requirements. In addition, SF Intra-city actively responds to the call for green development by researching green logistics solutions, striving to reduce our carbon emission footprint. Through these tangible actions, we are committed to embodying the principles of green development and achieving balanced development of economic and environmental benefits.

# Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

## Emerging Risk Management

Type of Emerging Risk	Impact	Response
False Information and Misinformation	<ul style="list-style-type: none"><li>The dissemination of false information or misinformation may have a negative impact on SF Intra-city's brand reputation, customer trust, and business stability.</li><li>Leading to misunderstandings among employees regarding the Company's development, and undermining their morale.</li></ul>	<ul style="list-style-type: none"><li>Establish a crisis public relations mechanism to clarify the facts in time.</li><li>Enhance internal and external communication to eliminate misunderstandings through transparent operations.</li><li>Utilize legal measures to address malicious actions, pursuing accountability in accordance with the law to safeguard the Company's reputation.</li></ul>
Cybersecurity Threats	<ul style="list-style-type: none"><li>Malicious attacks and data leakage may lead to reputation loss and legal problems.</li><li>Information security incidents can disrupt business operations resulting in economic losses.</li></ul>	<ul style="list-style-type: none"><li>Enhance information security infrastructure and implement regular security audits and monitoring.</li><li>Employee information security awareness education and training</li></ul>

## Business Ethics

SF Intra-city places great importance on the business ethics and integrity building within the Company, and adopts the "zero tolerance" principle in dealing with any form of corruption. We are dedicated to cultivating a corporate atmosphere of honesty and integrity, rigorously complying with laws and regulations, and adhering to the standards of business ethics, and ensuring the transparency and fairness of our business operations.

### Anti-Corruption Policies and Systems

SF Intra-city strictly comply with the provisions of the *Company Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China* and other relevant laws and regulations. Furthermore, the Company has instituted a set of comprehensive internal management systems, thereby laying a robust foundation for integrity in its operations. The Company has formulated the *SF Intra-city Measures for Reporting Management*, the *SF Intra-city Measures for Anti-Corruption Management*, and *SF Intra-city Measures for Relatives Avoidance Management*, among other policies. These regulations systematically explain the code of conduct to be observed by employees, and clearly define the disciplinary levels for violations such as warnings and termination. In addition, the Company's internal policies provide detailed specifications regarding the responsibilities, functions, and reporting processes of each department in respect of such code of conduct. This ensures that the concept of integrity permeates every facet of business operations, facilitating the standardized management of behaviour of all internal and external stakeholders. In 2024, through daily management practices and the application of big data modelling, we developed multiple risk warning models, achieved the rapid detection and analysis of abnormal data, thereby providing management insights and implementing investigative recommendations. This approach ensured the fairness and impartiality of our internal management.

### Publicity and Training on Integrity

SF Intra-city attaches great importance to the publicity and training on integrity for employees, striving to enhance the compliance awareness and integrity-related capabilities of the entire workforce. The Company set up an integrity culture publicity system covering all employees through a variety of means, including online courses, anti-corruption induction training for new employees, regular offline audit training, and emails sent out from time to time.

We are dedicated to promoting the signing of the *Letter of Anti-Corruption Commitment* by all employees to further reinforce their responsibility and awareness of anti-corruption. This letter serves as a crucial document for the Company in strengthening internal management and preventing and eliminating corrupt behaviours. It specifically includes the following:



## Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

- Not engaging in improper business practices: During their employment, employees undertake not to engage in any form of offering and accepting bribes, embezzlement and other improper business practices.
- Refusing and reporting improper gifts: If an entity or individual related to the Company's business offers or solicits a gift, employees shall immediately decline and promptly report the matter to the Company.
- Protecting the assets of the Company and customers: Employees commit to not embezzling or misappropriating the Company's or any customer's funds and assets, thereby safeguarding the interests of both the Company and its customers.



As of the end of the Reporting Period, the signing rate of the Letter of Anti-Corruption Commitment by employees reached **100%** for the **five consecutive years**

### During the Reporting Period



**Over 1.02 million<sup>3</sup>**

attendees participated in integrity publicity and education activities



**15,360 integrity training hours** in total



**100%** participation rate of directors, senior management and employees

During the Reporting Period, SF Intra-city did not have any corruption lawsuits against the Company or its employees, nor any violations relating to corruption, conflict of interest, money laundering or insider trading.

## Corruption Reporting Management

SF Intra-city is committed to fostering a fair, transparent, and integrity-driven business collaboration environment. We have established multiple reporting channels for related parties to report any irregularities, violations or frauds in a timely manner.

During this year, we have expanded our reporting channels by launching the "Integrity-Driven SF Intra-city" WeChat official account, which features a one-click reporting function and periodically shares content related to integrity culture. Through the implementation of this new digital reporting initiative, we aim to safeguard the interests of the Company, employees, customers, business partners, and other stakeholders. At the same time, the Company has developed multiple digital models pertaining to anti-fraud dimensions for data monitoring, which facilitates automated alerts for potential violations and frauds, and has significantly improved the efficiency and accuracy of the reporting handling. We promise to treat all reports received seriously and take appropriate investigative measures as necessary. We strive to strengthen the trust of employees and partners in our commitment to integrity and to work together to maintain a healthy business environment.

<sup>3</sup> Including attendees in the integrity publicity and education activities conducted for the Board of Directors, management, employees, and riders.

# Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

## Reporting Channels for Non-compliance events

APP	SF Intra-city Rider App – Rider Reporting
WeChat Official Account	Integrity-Driven SF Intra-city
Email	sftcjsjubao@sf-express.com
Hotline	400-188-1888
Mailing address	Audit Department (Attention to), 21/F, Shunfeng Headquarters Building, No. 3076 Xinghai Avenue, Nanshan District, Shenzhen, Guangdong Province

In accordance with the *SF Intra-city Measures for Reporting Management*, the Company has developed a set of standardized reporting handling procedures and all information related to reporting incidents can be transferred online. The Company strictly enforces the Three "One" Timeliness Requirements to ensure prompt response and timely resolution.

### Three "One" Timeliness Requirements:



Respond within one working day: After receiving the reporting, respond to the whistleblower within one working day.



File a case within one week: After receiving the reporting, confirm whether a case needs to be filed for investigation within one week.



Complete the investigation within one month: After a case is filed, complete the report investigation and reply with results within one month.

In order to ensure a fair and transparent reporting environment, the Company requires any employee who has access to the reported information to keep the information confidential. The Company will take proper measures to protect the whistleblowers and witnesses, safeguard by law their legitimate rights and interests, and eliminate any form of retaliation, thereby ensuring a trustworthy and reliable reporting mechanism. Upon investigation and verification of any violations, the Company will impose disciplinary actions against responsible parties in accordance with the severity of the misconduct. For cases involving suspected illegal activities, the Company will refer the responsible parties to judicial authorities.

## Information Security Management

SF Intra-city consistently regards the stability, reliability, and trustworthiness of data security and privacy protection as fundamental requirements. So far, we have established a robust information security management system and maintained its effective operation. We continuously elevate our information security safeguards by implementing emergency response procedures, conducting regular specialized security improvement programs, and fostering a culture of information security.

Framework for Information Security Governance

SF Intra-city strictly complies with the *Cybersecurity Law of the People’s Republic of China*, the *Data Security Law of the People’s Republic of China*, the *Personal Information Protection Law of the People’s Republic of China*, *Personal Data (Privacy) Ordinance*, the *Administrative Rules on Internet Information Services*, the *Provisions on the Administration of Mobile Internet Applications Information Services*, the *Provisions on the Technical Measures for the Protection of the Security of the Internet* and other applicable laws and regulations, establishes internal procedures and systems and builds up a framework for the governance of information security to rigorously implement safeguards for information security and users’ personal information.

In terms of the information security management, the Company has formed a three-level information security governance structure of “Decision - Management - Execution” complying with international standards based on the requirements of ISO 27001 information security management system and ISO 27701 privacy information management system. We are committed to comprehensively enhancing information security controls, continually optimizing information security management, mitigating risks of data breaches and misuse, and rigorously safeguarding the privacy of customers and partners.

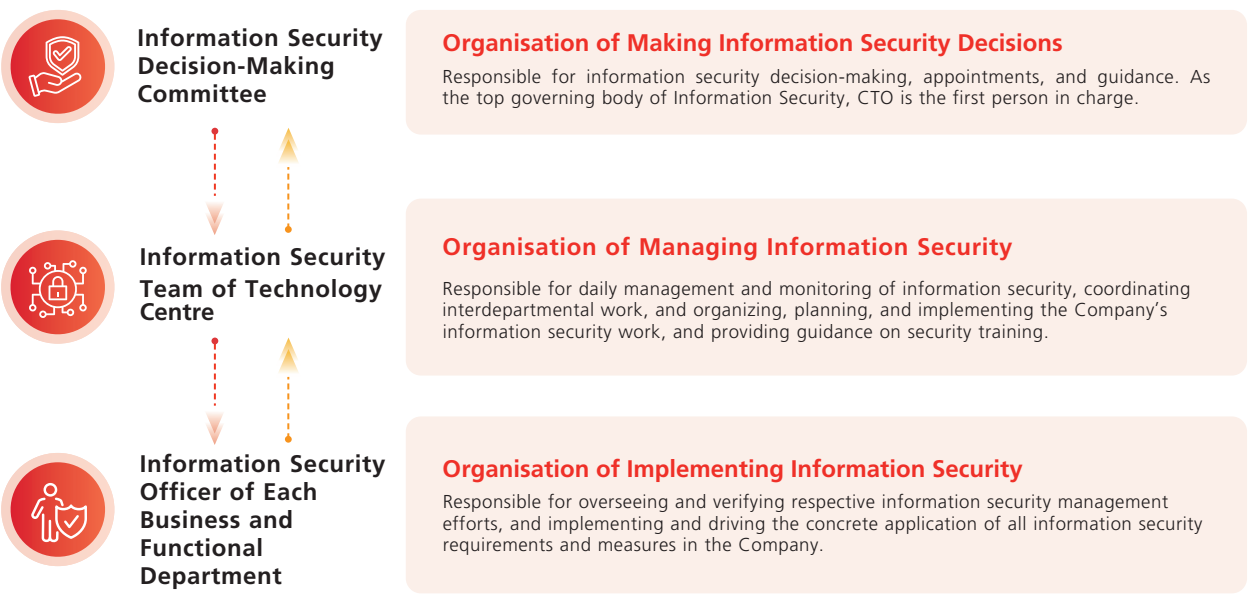


Figure: Information Security Governance Structure

Information Security Management System

SF Intra-city continues to improve the information and data security management system from three key dimensions: cybersecurity, data security and information security. The Company upholds the security system development concept of taking “technology as the means, people as the key, and management as the guarantee”, and establishes a long-term operation mechanism featuring “equal emphasis on management and technology, and integration of technology and measures”.

## Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

To this end, the Company has formulated a series of management policies and procedures such as the *SF Intra-city Information Security and Privacy Management Strategy Manual*, the *SF Intra-city System Privacy Data Security Management Specification*, the *SF Intra-city Management Regulations on Information Security and Privacy Risk Assessment of Technology System*, the *Information Security Audit Management Specification* and the *Management Policy on Data Asset Confidentiality Level Classification, Labeling and Disposal*.

We have continually maintained the validity of our Certifications of ISO 27001 Information Security Management System and ISO 27701 Privacy Information Management System, certified by an independent third party. Our major business system is also granted Certificate for Graded Protection of Information System Security for information system security by the Ministry of Public Security in accordance with applicable laws and regulations. To further safeguard the information and data security, the Company organises multiple internal audits and an external information security audit by a third-party professional organisation at least once a year. External and internal audits cover the overall information security management system, encompassing a wide range of aspects such as privacy security, and cybersecurity, so as to ensure that the effectiveness, adequacy and appropriateness of the operation of the information security management system will be evaluated, and that relevant management will be continuously optimised and strengthened.



Figure: Registration Certificate for Graded Protection of Information System Security

## Cultivation of Information Security Culture

SF Intra-city places a high priority on awareness cultivation and skill enhancement in information security and privacy protection among its employees. To regulate employee behavior, the Company has signed confidentiality agreements with all its employees and requires them to strictly comply with the information security commitments. Through the *SF Intra-city Information Security and Privacy Management Strategy Manual* and other internal policies, the Company sets clear information security management process requirements such as data return and the termination or adjustment of access rights for employees transferring or leaving, thereby safeguarding information security from a systemic perspective.

### Case: Specialized Training Sessions on Information Security

In 2024, SF Intra-city launched multiple rounds of specialized training sessions on information security for all employees, adopting a blended online-offline approach to ensure comprehensive coverage. Throughout the year, we released a total of 10 issues of information security awareness materials, helping employees gain a clear understanding of information security protocols. In their daily operations and data handling tasks, they are now better equipped to identify potential risks and rigorously implement safety measures. This has provided strong support for the secure operation of our business and the protection of customer information.

## Information Security Emergency Response

In order to ensure timely response and handling of information security incidents, SF Intra-city has established systems, plans and processes covering information security incident management, information security contingency plans, business continuity management and disaster recovery, etc., and strictly adheres to relevant regulatory requirements to comprehensively improve the Company's risk prevention capability and to secure the safe and stable operation of information systems.

During the Reporting Period, the Company did not have any information leakage or other emergency that triggered its information security contingency plan.



The online training and education sessions covered **100%** of employees  
The signing rate of the Employee Information Security Commitment reached **100%**

## Protection of Privacy and Data Security

### Protection of Data Security



#### Classified and Hierarchical Data Management



Differentiated security protection and control measures are developed and implemented for each category. During the Reporting Period, we refined the internal data classification system, upgraded the existing encryption scheme, and adopted a “one-file-one-key” encryption solution for confidential and higher-level data, achieving 100% implementation compliance.



#### Full Lifecycle Security Protection



Adhering to the principle of full lifecycle security protection, we have established clear security management and protection requirements for stages including data collection, transmission, storage, usage, sharing, and destruction, to ensure data confidentiality, integrity, and availability.



#### Data Backup Management



We have established and adhered to management standards and strategies related to data backup, and implemented corresponding backup measures for data, to effectively prevent data loss or damage from both technical and procedural perspectives to reduce data risks.



#### Privacy Data Protection



For privacy-sensitive data, comprehensive protection measures have been implemented throughout the entire process, including encrypted transmission, encrypted storage, ciphertext or desensitized display during usage, access control enforcement, and operation log recording, to strictly mitigate leakage risks.



#### Employee Management and Violation Handling



Employees are required to promptly report any privacy data violations to the technology center's information security team. Violations are strictly addressed, to reinforce staff accountability for privacy protection.



#### Cybersecurity Protection



Through a multi-layered security management approach and technical safeguards, including malware detection, strong password policies, vulnerability management, firewalls, and Zero Trust architecture, we have effectively mitigated cyber risks and enhanced overall security posture. During the Reporting Period, no customer complaints regarding data security breaches were received.

# Governance: Responsible Governance, Fortifying the Foundation for Sustainable Development

## Protection of User Privacy



### Privacy policy formulation and user notification

- We strictly comply with applicable laws and regulations, and have established and enforced the SF Intra-city Privacy Policy for both customer and rider platforms.
- Upon initial launch of the SF Intra-city Delivery and the Rider App, users are prominently notified via pop-up windows to review the privacy policy, which details personal information protection principles, data collection/processing methods, security safeguards, and user rights execution. Consent is obtained solely through active explicit authorization—never via pre-selected opt-ins—with data collected only when necessary and rigorously protected.



### Application of privacy protection technologies

- Since 2019, virtual number technology has been implemented to protect the security and privacy of both users' and riders' personal information during interactions.



### App privacy compliance management

- During the Reporting Period, we initiated a dedicated App privacy compliance program, requiring all SF Intra-city products to adhere to the principles of “minimum necessary data collection” and “no collection without necessity”. All App versions must undergo privacy compliance testing prior to release, and monthly testing when no new versions are released.
- By the end of the Reporting Period, we had conducted more than 100 privacy compliance tests with a 100% issue resolution rate.



### Security guarantee for information related to the industry's ecosystem

- For partner companies, we have established mandatory network, data, and information security requirements and standards, including the *SF Intra-city Supplier Security Assessment Checklist* and *SF Intra-city Supplier Security Baseline*.
- Through signed agreements and rigorous evaluation of partners' security capabilities, we ensure compliance with these specifications.
- We also provide suppliers with technical support and regulatory guidance to control and avoid information security risks during onboarding and infrastructure changes, achieving end-to-end data and information protection.

## Protection of Intellectual Property Rights

Technological innovation is the core driving force for the Company's development, and SF Intra-city therefore highly values the protection and accumulation of intellectual property rights in order to effectively safeguard innovation and development and promote the long-term progress of the business. SF Intra-city strictly adheres to the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China* and relevant laws and regulations, and devotes to the establishment of a sound intellectual property protection system and the standardization and specification of intellectual property management.

In order to further implement the protection of intellectual property rights, the Company has formulated internal systems such as the *SF Intra-city Trademark (Trade Name) Management Policy* and *SF Intra-city Patent (Software Copyright) Achievement Management Policy*, integrating the formation, protection and management of intellectual property rights throughout all aspects of the operation. The Company has relevant department and specialised positions responsible for intellectual property management, which interface with various departments involved in the creation of intellectual property and provide professional guidance and support. Also, the Company comprehensively protects and safeguards patents, trademarks, copyrights and domain names through online monitoring, offline actions, internal management and other initiatives, to completely prevent and address the risks of intellectual property infringement.

As of December 31, 2024, the Company had obtained a total of 56 authorised patents, and held a total of 143 intellectual property rights. In 2024, 13 new authorised patents and 24 new intellectual property rights were obtained. The intellectual property protection and innovation capability have continued to steadily improve. We have always regarded innovation as our unrelenting pursuit, emphasised the cultivation of an innovative culture and spirit, actively encouraged inventions and technological innovation activities, created a good innovation atmosphere, and promoted the continuous development of intellectual property achievements.

# 2

## Environment:

### Green Development, Practicing Low-Carbon and Environmental Value Chain



35 Environmental Management System

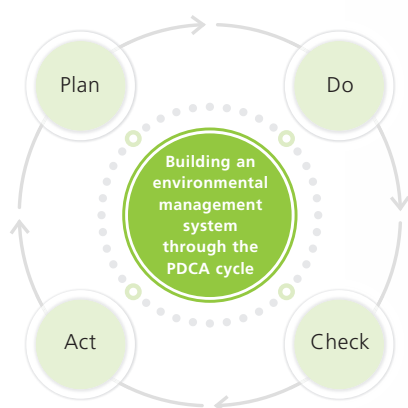
40 Tackling Climate Change

35 Low-Carbon Operation of the Value Chain

# Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

## Environmental Management System

Based on its own actual situation, in accordance with the requirements of the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*, the *Air Pollution Control Ordinance*, the *Waste Disposal Ordinance*, and other laws and standards, as well as ISO 14001 Environmental Management System, SF Intra-city has established a sound environmental management system, carried out environmental risk management on a regular basis, regularly organised all staff to carry out environmental protection training and awareness raising activities, and committed to gradually reducing the negative impacts of its operation on the environment.



SF Intra-city strictly follows the national green development policy, and builds an environmental management system in accordance with the "Plan – Do – Check – Act" (PDCA) cycle. It has successfully passed the ISO 14001 environmental management system certification. The Company has formulated the *Regulations on the Management of Identification and Evaluation of Environmental Factors*, to systematically identify the environmental impact factors throughout the entire process of the distribution service, and clarify the management requirements such as pollution prevention, energy conservation and consumption reduction.

For intra-city on-demand delivery services, the Company has formulated full, effective and appropriate environmental policies, strictly requiring compliance with laws and regulations, environmental protection, implementation of pollution prevention, energy conservation and consumption reduction, and sustainable development. For different business processes, including the disposal of packaging and the discarding of labor protection supplies, 53 environmental factors have been identified, the *Form of Identification and Evaluation of Environmental Factors* has been established, and 2 *Important Environmental Factors* have been identified and strictly controlled in response to issues such as fires and solid waste emissions.

## Low-Carbon Operation of the Value Chain

SF Intra-city is committed to reducing its environmental impacts through various means such as green operation, green data center, green delivery, and green packaging. We recognise the importance of collaborating with upstream and downstream parties to achieve emission reduction in the value chain. Therefore, while focusing on emission reduction in our own operations and creating green and sustainable on-demand delivery services, we are also dedicated to integrating the concept of green development into the overall business scenarios. We have deeply explored diversified low-carbon development measures for key upstream and downstream partners. By actively promoting green innovation, we contribute to the realization of sustainable green business development for the industry and our partners.



During the Reporting Period,  
0 environmental accident,  
0 violation of laws and regulations  
in the environmental field



# Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

## Green Operation

As a service platform-based enterprise, while providing high-quality, high-efficiency and multi-scenario intra-city on-demand delivery services, SF Intra-city actively explores new modes of green operation. Through the development and use of digital tools, it improves the green and low-carbon level of the delivery system, helping open a new chapter in the sustainable development of the environment and society.

### Green Office

In order to practice the concept of green development, SF Intra-city earnestly implements the low-carbon and environmental protection concept in its daily operation. It continuously enhances employees' environmental awareness, advocates the normalization of low-carbon behaviors, actively explores green operation methods, and collaborates with employees to build a green office environment.

During the year, we continued to promote the use of the e-signature platform and the electronic bidding platform, reducing the use of paper documents and approximately 12 tonnes of carbon emissions. In the meanwhile, we encourage employees to travel by public transportation means, advocates efficient and environmentally friendly meeting methods, promotes the online meeting mode, and reduces unnecessary business trip arrangements.



During the Reporting Period, business travel was replaced by online meetings, with **over 1.04 million** attendances throughout the year, effectively reducing the carbon footprint.

### Water Resource Management

The water consumption of SF Intra-city mainly comes from the water used in the office area. There are no problems for the Company in obtaining applicable water sources. The daily operation of the Company does not involve the use of a large amount of water resources or the discharge of wastewater, nor does it involve products or businesses that may cause pollution to water resources, and no significant impact has been caused to the environment and natural resources. In order to earnestly implement the concept of green development and contribute to building a resource-efficient and environmentally friendly society, SF Intra-city actively promotes the concept of water conservation in its daily operation. Through measures such as playing promotional videos on energy conservation and consumption reduction in the elevator lobbies and posting water conservation signs in water usage areas, the Company enhances employees' awareness of water conservation and integrates water-saving actions into daily business activities.

### Waste Management



In accordance with the "3R—Reduce, Reuse and Recycle" principle, SF Intra-city continuously conducts daily management work to reduce waste, effectively minimising waste and normalising green and low-carbon office.



# Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

## Reduce



- Comprehensively promote paperless office, online signature system, and paperless file management, and encourage black and white double-sided printing
- Unified management of temperature control and lighting, encouraging employees to turn off the lights during non-working hours and set the air conditioning temperature reasonably
- Advocate timely shutdown of idle computers to ensure that “shut down the computer and cut off its power connection before leaving”
- Promotional videos for energy conservation and consumption reduction are shown in the elevator lobbies, and water-saving signs are posted in the water usage areas
- The Company has established the *SF Intra-city Office Site Configuration Guide*, makes proper arrangements of office supplies and office consumables, sets self-service stationery collection cabinets and posts saving reminders in shared areas and requires employees to collect them as needed

## Reuse



- Strengthen routine maintenance and repair of electronic office equipment to extend the service life
- For document delivery in business scenarios, use document envelopes made of recyclable and green packaging materials to reduce the use of disposable packaging and paper document envelopes
- Reuse of decorative items in the office to improve the efficiency of resource utilization

## Recycle



- Provide waste paper recycling bins, plastic bottle recycling bins and separate waste bins in the office to promote the resource recycling
- Carry out centralized treatment after recycling the used batteries of riders' electric vehicles
- Orderly recycling of used computers and office consumables (e.g. ink cartridges) to reduce the risk of environmental pollution caused by improper disposal

## Green Data Center

Adhering to the concept of green and low-carbon development, SF Intra-city actively responds to policy requirements such as the *Guiding Opinions on Strengthening the Construction of Green Data Centers*, and takes environmental protection and low-carbon operations as an important consideration when selecting data center partners. We give priority to partners that meet the national standards for green data centers to ensure that they possess leading capabilities in such aspects as energy management, carbon emission control, and the use of renewable energy sources. The data centers we cooperate with successfully passed the third-party carbon emission verification during the Reporting Period, providing a scientific basis for the low-carbon operation strategy of the data centers.

# Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

## Green Delivery

While providing high-quality, efficient and multi-scenario intra-city on-demand delivery services, SF Intra-city actively enhances the green and low-carbon level of our delivery. We are committed to building a more environmentally-friendly on-demand delivery system, providing consumers with “green services” and supporting the national “dual-carbon” strategy through practical actions. We promote the use of green transportation capacity. The total annual delivery distance exceeds 8.25 billion kilometers, and the reduction rate of delivery carbon emissions per RMB million of operating revenue is over 20%.



**More than 98%** delivery distance used green electric vehicles

The main delivery capacity of our on-demand delivery business consists of electric two-wheeled vehicles and a small number of electric four-wheeled vehicles, with more than 98% of the delivery distance being made using green electric vehicles. In addition to using green vehicles, with technology at its core, we promote the operation digitization and the intelligence of AI decision-making throughout the entire business chain through the application of the CLS and AI large models. It achieves the optimal matching between orders and riders in different industries, scenarios, and complex distribution networks. Through the continuous deepening of the digital operation and the application of green delivery vehicles, we continue to reduce the carbon emission intensity in the delivery process and building a more environmentally friendly on-demand delivery network.



SF Intra-city applied the “Green Intra-city On-demand Delivery-Pollution and Carbon Reduction Project through CLS Scheduling Optimization and the Deployment of Reusable Packaging”, which has been included in the first batch of “Shenzhen’s Benchmark Project Portfolio for synergistic pollution and carbon reduction” of the Shenzhen Ecology and Environment Bureau.



Meanwhile, we have continuously explored the commercial application of unmanned delivery technology. In 2024, the Company accelerated the layout of unmanned delivery, promoted the unmanned delivery and operation in multiple cities, and focused on exploring the operation models between transit hubs and local delivery outlets as part of our last-mile delivery service. The monthly average number of active unmanned vehicle routes across the country reaches over 1,000.



Figure: Drone and Unmanned Vehicle

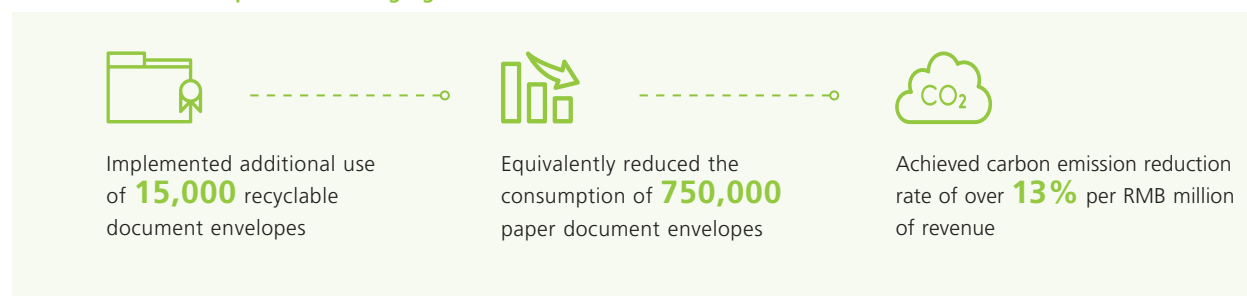
# Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

## Green packaging

Committed to taking on more corporate responsibilities, as an advocate and practitioner of green environmental protection, SF Intra-city actively responds to national policies by complying with the national standards, such as the *14th Five-Year Plan for Circular Economy Development*, and the *E-commerce Logistics Recyclable Packaging Management Standards*, and accelerates the sustainable development of the on-demand delivery industry through R&D innovations and cross-sector collaboration. We insist on using “original packaging”. For orders where products can be packed and transported in their original packaging, we try to avoid over-packaging to reduce packaging waste at source, thus reducing the impact on the environment.

To reduce the consumption of packaging resources, the Company continued to expand the use of environmentally preferable packaging during the year. The Company has independently developed and promoted the use of recyclable document envelopes. It is estimated that the utilization of each recyclable document envelope can reduce the consumption of 50 paper document envelopes, which greatly promotes the resource conservation while enhancing the recycling efficiency, and reduces the carbon footprint of products.

### Reduced the Consumption of Packaging Resources



We advocate for green packaging practices across merchants and customers. For merchants, we have launched a recycling service to encourage merchants to recycle the thermal insulation bags and adopt space-efficient designs to minimize voids, thereby reducing the quantity of void fill requirements and overall packaging volume. For consumers, we have incorporated eco-friendly reminders within the system, and provided consumers with the option to accept simplified packaging. During the delivery, riders express their gratitude to customers who use recyclable packaging while actively promoting the concept of environmental protection to cultivate public awareness about sustainability.



Figure: Green and Recyclable Packaging

# Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

## Tackling Climate Change

Responding to climate change is a globally confronted imperative that represents an unavoidable responsibility for forward-thinking companies. We recognize that corporate operations and products not only directly impact customers and business partners but also exert profound indirect effects throughout the entire industry chain. Therefore, responding to climate change is not only a corporate responsibility but also one of our core strategies.

SF Intra-city is committed to realising the national dual-carbon strategy, integrating the response to climate change into the Company's management and operation practices. We actively identify risks and opportunities related to climate change, and improve our governance performance in climate change issues, in order to become a leader in the sustainable development of the industry. To this end, the Company has made reference to the recommended framework of the Task Force on Climate-related Financial Disclosure (TCFD) to systematically disclose our related work plans and achievements in four major areas, namely, governance, strategy, risk management, and metrics and targets.

Through the TCFD framework, we clearly articulate our approach to addressing climate change, demonstrating the Company's unwavering commitment to climate governance excellence. We will steadfastly advance the implementation of green development principles and undertake concrete actions to facilitate a comprehensive low-carbon transformation within the industry, thereby contributing to addressing global climate challenges.

## Governance

SF Intra-city has established a three-level ESG governance structure of "Governance-Management-Execution" as its climate change governance structure. The ESG Committee coordinates and collates ESG-related policies and system updates every year, integrates the annual ESG practice performance, and promotes the identification and analysis of climate change risks. This ensures strategic direction for the Company's specific initiatives in addressing climate change, thereby facilitating the smooth and effective implementation of climate change governance efforts. For details, please refer to the section headed "ESG Governance Structure" of this ESG Report.

## Strategy

SF Intra-city remains steadfastly committed to enhancing the transparency and disclosure of the Company's response to climate-related risks, opportunities and their impacts. With reference to the guidelines from the TCFD, we have fully integrated environmental protection and climate change factors into business development and operation management. We have systematically identified and assessed climate change risks and opportunities to formulate concrete response strategies, thereby enhancing corporate resilience and competitiveness in the face of environmental challenges.

From the perspective of business types and operations of the Company, we identify the physical risks and transition risks with great impact and possibility while also exploring potential opportunities. We have recognized that these climate risks may have significant impacts on the Company in the short term (up to 3 years), medium term (3-5 years), and long term (more than 5 years). These risks encompass both the physical changes in the environment and the challenges associated with the transition to a low carbon economy.

To effectively respond to these risks, the Company analyzes their impact on risk control management objectives and assesses the Company's risk tolerance. Based on our identification outcomes, we have tailored response measures for physical risks (such as extreme weather events and natural disasters induced by climate change) and transition risks (including policy changes, technological advancements, and evolving market preferences). This ensures that the Company maintains a proactive and forward-looking approach to risk management.

# Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

## Climate related risks

Type of risks	Climate related risks	Duration	Potential impact	Response
<b>Physical risks: physical destruction or damage caused by climate changes to assets, supply chains, delivery chains, personnel safety, etc.</b>				
Acute risks	Typhoons, extreme precipitation, floods, extremely hot weather, extremely cold weather	Short term	<p>Severe supply chain disruptions are caused</p> <p>Transport infrastructure is damaged, and delivery is delayed</p> <p>The power supply of the back-end system is unstable, or the network is faulty, which affects services</p> <p>Safety risks of riders during delivery are increased</p> <p>Delivery is suspended, resulting in compensation for damage to goods</p> <p>The cost of repairing or replacing damaged or destroyed assets is increased, resulting in serious economic loss</p>	<p>Develop an emergency response mechanism for bad weather, giving early warning of unusual weather via the SF Intra-city Rider App in a timely manner and advising riders to hold off on taking orders under very special weather conditions, and ensuring delivery safety by providing emergency equipment, conducting safety training</p> <p>We provide subsidies to riders in hot weather or extremely cold weather, offer warming equipment, provide food supplies (such as green bean soup, and ginger soup), and protect the health and safety of riders</p> <p>We provide real-time feedback to different operating regions, develop emergency response plans for unexpected weather events</p>
Chronic risks	Heat stress, sea level rise and coastal flooding	Long term	Business development in coastal cities is restricted	We monitor and evaluate chronic climate risk trends and incorporate them into infrastructure development and decision-making
<b>Transition risks: broad changes in the external environment in terms of policy, law, technology and markets during the transition to a low carbon economy.</b>				

## Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

Type of risks	Climate related risks	Duration	Potential impact	Response
Policy and regulation risks	Disclosure of information relating to mandatory emissions and decarbonisation targets	Short term	Increased costs to meet compliance requirements, such as energy-saving retrofitting of office equipment, and the purchase of carbon quotas  Increased information disclosure risks	We keep abreast of and comply with relevant regulatory requirements and enhance our disclosure standards  We have strengthened our internal carbon emission accounting management
	Progress of decarbonisation of electricity grid	Medium term	Slow progress in decarbonising the grid and the increasing clean energy prices result in higher delivery costs	We explore renewable energy and other alternative energy sources, such as collaborating with wind power plants on charging riders' electric vehicles
Technical risks	Instability of green technologies	Medium term	The transitional cost of equipment replacement due to technology change, such as procurement, testing, training, etc.  Green technology developments are subject to uncertainties with respect to investment risk, time-to-market, and the ability to meet current and future market demand	We observe technological innovations from the external perspective through partnerships to ensure mastery of a diverse range of technologies
Market risks	Customer demand for green services and products	Short to medium term	The cost of communicating the environmental protection concept of green delivery to consumers  Customers deepen their understanding of low carbon and prefer green on-demand delivery services  In view of the green procurement requirements, the cost of the products may increase	We explore low carbon footprint services and product designs and incorporate emissions considerations into supply chain development and decision-making
Reputation risks	Lack of investment and leadership in climate action	Long term	During the low-carbon transition period, the government's attitude towards products or projects affects the financing cost  Concerns about delays in the on-demand delivery sector in extreme weather may affect investment  Enterprises are required to report and communicate on sustainable development and ESG-related issues regularly	We continue to focus on and participate in highly recognised or applicable green activities to enhance industrial competitiveness and corporate reputation  We regularly communicate our strategies and plans to stakeholders

## Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

### Climate-related opportunities

Type of opportunities	Climate-related opportunities	Duration	Potential impact
<b>Energy and Resources</b>			
Resource efficiency	Direct cost savings	Short to medium term	<p>The Company enhances operational efficiency and reduces operational costs through digitalisation and intelligent technologies</p> <p>The Company saves water and electricity resources and operating expenses</p>
Operational efficiency	Improving operational efficiency	Short to medium term	<p>Develop smart operations to control delivery, operation, service and management in a more refined and dynamic manner</p> <p>Gain insight into the trends of clean energy development for on-demand delivery</p>
Financing opportunities	Participation in green finance	Medium to long term	Financial institutions may link loan rates with green data, and enterprises that adopt sustainable development measures and make progress in achieving their goals may receive more favourable financing rates from banks, reducing financing costs
<b>Products and services</b>			
R&D and innovation	Improving the efficiency of delivery capabilities	Short to medium term	Improving the efficiency of delivery capabilities can reduce the risk of future energy price increases
Changes in consumer preferences	Increasing market competitiveness with the green and low-carbon image of the Company	Short to medium term	<p>Consumers with green preferences will increase their demand for green and low-carbon service models</p> <p>The Company can adapt to the changes in consumer preferences and enhance the research, application and publicity of green delivery</p> <p>Effectively respond to incidents such as large-scale delivery delays, delivery errors, and other events caused by extreme weather, so as to enhance corporate reputation.</p>
Preferences of investors	Becoming a green investment	Medium to long term	Investors will increase their investment in low-carbon green operation enterprises, and the working capital of enterprises will increase, rendering a more stable capital chain



## Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

### Climate Scenario Analysis

To better understand the impacts of climate-related risks, SF Intra-city implemented scenario analysis methodologies to comprehensively assess the impacts under various climate scenarios. We referenced the March 2023 release of the Sixth Assessment Report by the Intergovernmental Panel on Climate Change (IPCC) and selected two representative shared socio-economic pathways (SSPs) as analytical baselines to model the possibilities and potential financial impacts under various scenarios.

Scenario	A low Greenhouse Gas (GHG) emissions scenario (SSP1-2.6)	A high GHG emissions scenario (SSP3-7.0)
Description	Represent a positive scenario in which global carbon dioxide emissions are reduced to net zero around 2075, and global average temperature is projected to increase by 1.8°C by 2080-2100	Represent a negative scenario in which global carbon dioxide emissions double by 2100, with a projected potential increase in global average temperature of 3.6°C by 2080-2100

Under the two selected scenarios, we have analysed and identified a full range of climate risks with potential impacts on the Company. Then, by working with the various business departments and internal stakeholders, these risks are assessed and prioritised, taking into account the probability of occurrence as well as the positive or negative impacts in the short, medium and long-term timeframes.

Impact	Extent	Definition
Impact	Major	Continued loss of market potential/status/reputation – Major impact on long-term competitive advantage
	Moderate	– Some impact on market potential/status/reputation – Some impact on long-term competitive advantage
	Minor	– No or minor impact on market potential/status/reputation – No or minor impact on long-term competitive advantage
Probability	High	High probability of occurrence
	Medium	Medium probability of occurrence
	Low	Low probability of occurrence

## Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

Given the nature of the Company's business, in both scenarios, no events have been identified that would have a major and highly probable impact on the Company's long-term finances.

SSP1-2.6		Likelihood		
		Low	Medium	High
Impact	Critical	Lack of government-led initiatives Uncertainty on technological advancement	Lack of action affects reputation	Mandatory emissions disclosures Greener supply chain
	Moderate	Long-term climate change	Complex service portfolio Stigmatization of sector Extreme weather incidents Green financing Environmental green preferences of the employees	Government decarbonisation targets
	Minor			Mandatory recycling Carbon pricing and taxation
SSP3-7.0		Likelihood		
		Low	Medium	High
Impact	Critical	Greener supply chain Lack of action affects reputation	Mandatory emissions disclosures	Extreme weather incidents Lack of government-led initiatives Uncertainty on technological advancement
	Moderate	Carbon pricing and taxation Complex service portfolio Stigmatization of sector Green financing Environmental green preferences of the employees	Long-term climate change Decarbonisation demand led by the government	
	Minor		Mandatory recycling Carbon pricing and taxation	

# Environment: Green Development, Practicing Low-Carbon and Environmental Value Chain

## Risk Management

As other risks, the climate change risks have been included in the risk management system of the Company. As the highest risk management authority, the Board of Directors is responsible for the identification, prevention and control of ESG risks. For details, please refer to the section “Robust Governance System” in the Governance of this ESG Report.

## Indicators and Goals

SF Intra-city is dedicated to continuously enhancing the transparency and effectiveness of its climate change response efforts through quantitative indicators. In our annual ESG reports, key environmental indicators related to climate change, including energy consumption and density, and greenhouse gas emissions and density (please refer to “ESG Key Performance Overview” in this ESG Report for details), will be continuously disclosed. These quantitative data serve as a robust evidentiary foundation for evaluating the effectiveness of our climate actions while driving continuous improvement.

In 2023, the Company has set specific environmental targets concerning emissions, energy, water resources and waste, all of which were successfully achieved during the year. This accomplishment not only demonstrates our dedicated efforts in environmental management but also exemplifies the Company’s unwavering commitment to sustainable development. To further mitigate the environmental impact in the operation process, we have initiated and promoted environmental targets setting for 2025, striving to continuously optimize resource utilization efficiency and reduce adverse effects on the environment in the future.

Indicators	2024 Targets		Progress of 2024 Targets	2025 Targets
<b>Emission goal</b>	As the Company’s own operations do not involve relevant emissions, no target for the coming year has been set for the time being. If there are subsequent emissions arising from changes in the Company’s operations, we will consider setting targets.			
<b>Energy use efficiency</b>	Lower office electricity use intensity than in 2023	Achieved		Lower office electricity use intensity than in 2024
<b>Water use efficiency</b>	Lower office water use intensity than in 2023	Achieved		Lower office water use intensity than in 2024
<b>Waste generation</b>	Lower office waste intensity than in 2023  100% waste classification in the headquarters office premises	Achieved		Lower office waste intensity than in 2024  100% waste classification in the headquarters office premises

# 3

## Society:

People-Oriented, United with Care to  
Create the Future Together



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- 72 Promoting the Industry Development

# Society: People-Oriented, United with Care to Create the Future Together

## Empowering Corporate Culture

We firmly believe that a positive corporate culture is not only a reflection of our Company's values but also a driving force behind sustainable development. In 2024, SF Intra-city refreshed our corporate cultural values, and established new guiding principles of "Integrity, Professionalism, Competitiveness, and Refinement". Our employees deeply identify with and actively uphold the Company's values, contributing to the Company's growth with a professional, efficient, and passionate work attitude.

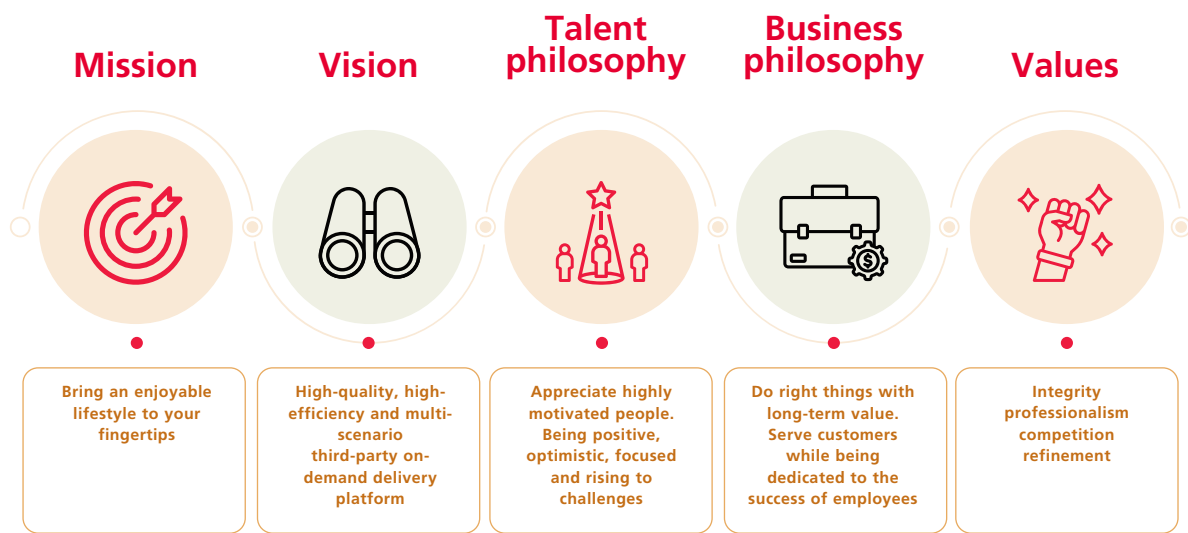


Figure: Corporate Culture

## Talent Development

### Talent Acquisition and Retention



#### Compliance in Employment

SF Intra-city remains committed to legal and compliant employment practices, strictly adhering to the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Employment Promotion Law of the People's Republic of China*, the *Law of the People's Republic of China on the Protection of Rights and Interests of Women*, the *Special Provisions on Labour Protection for Female Workers*, and the *Law on the Protection of Minors*, among other relevant laws and regulations. The Company has formulated and continuously refined internal management policies, such as the *SF Intra-city Recruitment Management Policy* and the *Daily Safety Management Measures for Employees*, to safeguard employees' legitimate rights and interests. We ensure that every employee signs a labour contract or relevant agreement based on their employment type and complete the timely renewal of contracts for employees whose terms are expiring.

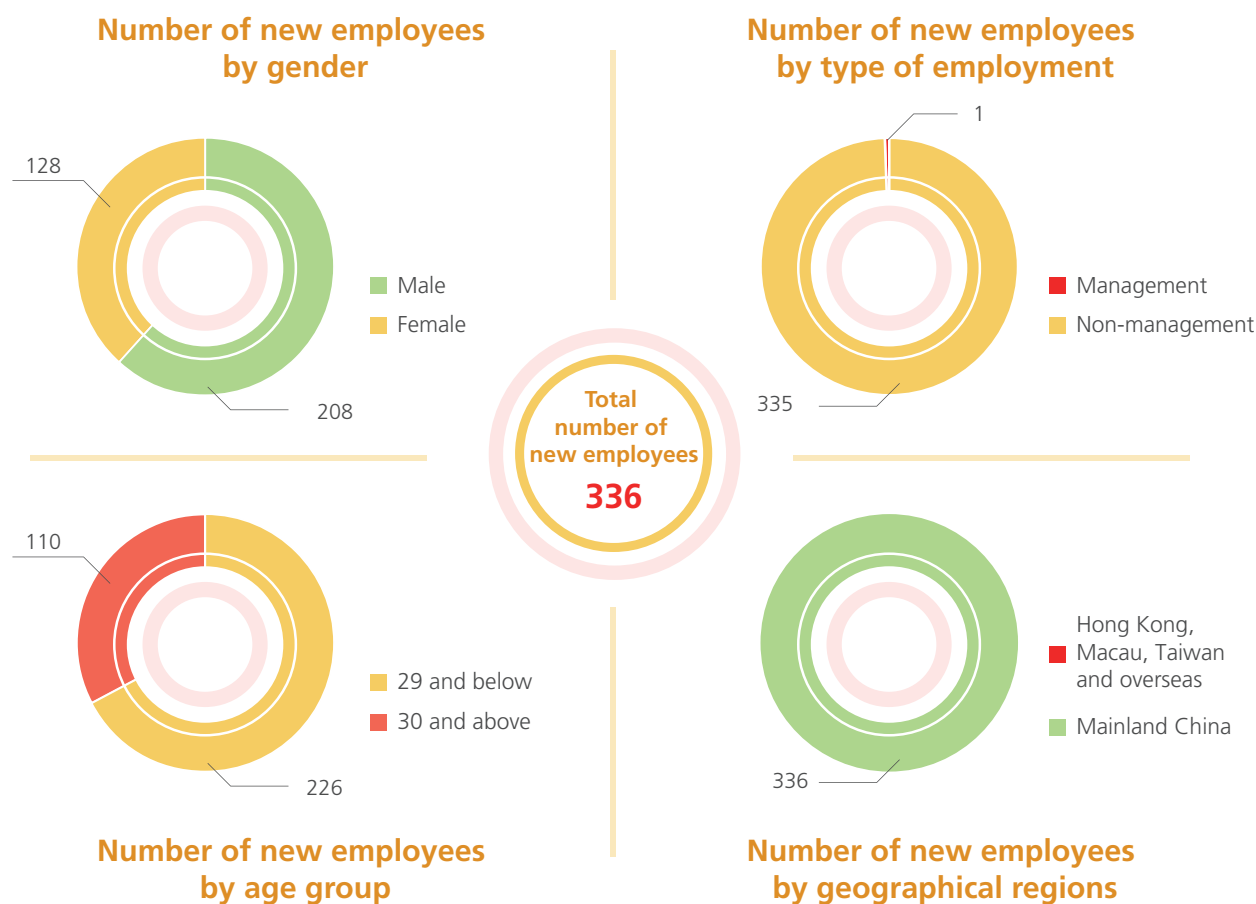
In terms of respecting and protecting human rights, the Company strictly prohibits any form of abuse towards employees, including corporal punishment, mental or physical coercion, and verbal insults. We uphold the dignity of all employees and safeguard their freedom of belief.

# Society: People-Oriented, United with Care to Create the Future Together

## Merit-Based Employment

SF Intra-city upholds the principle of “fair, just and open” in recruitment. To ensure transparency and fairness in the recruitment process, we have established a dedicated system to standardize and regulate each stage of hiring. In job descriptions, we strictly prohibit any discriminatory language and strive to uphold the principle of equality. During interviews, interviewers are required to adhere to clear guidelines to enhance the candidate experience, ensuring that every applicant is treated with respect and professionalism. For candidates who are not selected, we include them in our talent pool to provide future opportunities and maintain a positive connection with them. Furthermore, we conduct regular reviews and evaluations of our recruitment process. By continuously enhancing compliance and transparency, we ensure that our hiring practices evolve toward best practices, providing a solid foundation for selecting outstanding talent.

In 2024, the Company recruited a total of 336 new employees. As at the end of 2024, the percentage of new employees to total employees was 16% and the distribution of new employees is shown below (unit: person):



Employee Training and Development

In today’s highly competitive market, talent is the core driver of corporate growth. By establishing a comprehensive talent development framework, we provide employees with personalized career growth opportunities. Coupled with a diverse range of training programs, we are dedicated to cultivating a highly skilled and professional workforce, driving mutual growth for both the Company and its employees.

Talent Development System

SF Intra-city offers multiple development pathways tailored to the diverse profiles and characteristics of key employee groups, aimed at enhancing their professional growth and organizational adaptability. This year, we updated the *Talent Mobility Policy* to refine the transfer eligibility criteria and process authorization protocols. The Company encourages employees to align their career development pathway with their interests and capabilities. Through a combination of diverse workplace coaching and extensive job rotation opportunities, we help our employees achieve their career aspirations.



**Graduate training:** We implement a structured talent development and management program for fresh graduates, complemented by a mentorship system. This initiative empowers fundamental workplace skills such as teamwork, time management, and communication, enabling them to transition smoothly from academia to the professional world and develop into core talent for specialized or key positions.

**Corporate culture integration:** Through a blend of in-person training camps and online courses, we help new employees gain a deeper understanding of the Company’s culture and values, strengthening employees’ sense of belonging and corporate pride.



**Professional knowledge enhancement:** We have established a specialized communication and training platform for talent, offering high-quality learning resources. A series of training programs, including business training, operational training, and other function-specific courses, are tailored to individual needs, thereby strengthening the professional knowledge reserves of our diverse talent pool.

**Skills cultivation:** Adhering to the principle of learning through practice, we promote a job rotation system and hands-on project training. This approach helps employees to refine their professional competencies and enhance their competitive edge in specialized fields.



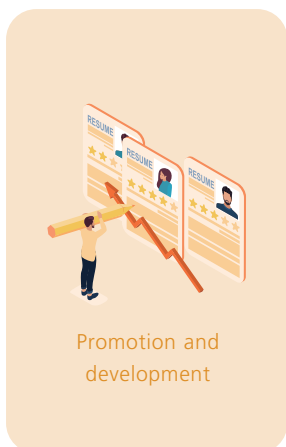
**Customized training program:** The personalized training programs are designed for key positions such as business supporting positions and potential city manager.

**Diverse learning system:** This includes leadership development, management skills enhancement, and other relevant knowledge learning and skills training areas. Through mentorship systems, job rotation programs, and mini-MBA courses, we broaden managers’ business perspectives and enhance their strategic thinking and decision-making abilities.

**Position experience and challenges:** Through hands-on experience and challenges in real positions, combined with personalized mentorship guidance, we accelerate the growth of employees in key positions, nurturing a pipeline of exceptional managerial talent for the Company.

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To comprehensively support employee growth and vitalize the organization, the Company has established a well-rounded talent development system, providing full support in promotion and development:



- Updating the *Position and Promotion Management System* to clarify promotion eligibilities, processes, and evaluation mechanisms, ensuring a fair and transparent promotion process;
- When an employee is nominated for promotion, they undergo an eligibility review, interview evaluation, and the results are publicly announced within the Company;
- After the announcement, results are communicated, and feedback is provided on the employee's development recommendations, as well as expectations and requirements for future work;
- The Company offers all employees a fair, unified annual promotion opportunity, where employees are evaluated based on their abilities and performance;
- For high-performing talent, the Company has established a "Fast-Track Promotion" program to help them advance quickly.

## Diverse Training Programs

### Online Training Platform

The online learning model of "SF Intra-city Academy" breaks the limitations of time and space, providing employees with a convenient and efficient learning channel. To ensure the platform's efficient and standardized operation, the Company has established the Teaching Material and Instructor Management System and the Management Guidelines for SF Intra-city Academy Operation, which comprehensively regulate every aspects from course content development, instructor selection and management, to the daily operations of the platform. For different groups, the Company adopts differentiated training models and designs exclusive empowerment channels and training content to ensure that each employee receives training tailored to their career stage and professional needs.

### Curriculum Ecosystem Development

The courses designed by the Company cover six categories: business capabilities, operational capabilities, general courses, professional courses, business management, and training projects. To ensure the quality of these courses, we conduct course evaluations and content updates every six months, continuously enriching and refining our curriculum system. This year in particular, the Company organized English training and learning camps, which enhanced our employees communication skills and adaptability in international environments. Through ongoing and diversified training, we are committed to developing a high-calibre team capable of coping future challenges and seizing new opportunities.



By 2024,  
the Company has offered **810**  
high-quality courses, with **605**  
new courses added in 2024.



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## Instructor Team Development

We regard the internal instructor team development as a key carrier for organizational knowledge accumulation and sustainable development. A three-level instructor certification system – Junior, Intermediate, and Senior – that covers all positions has been established. Relying on the *Teaching Material* and *Instructor Management System*, we quantitatively assess core capabilities such as course development and teaching implementation, supported by corresponding cultivation programs and incentive policies.



The Company had  
**481** instructors



The employee training  
attendance reached  
**19,478** throughout  
the year



Figure: Screenshot of "SF Intra-city Academy" Poster



Figure: Screenshot of "SF Intra-city Academy" Evaluation Activity

## Diversity and Inclusion

### Diversity in Recruitment

The Company actively encourages and respects diversity, embracing applicants from different races, ethnicities, genders, ages, religious beliefs, and backgrounds, offering them equal opportunities for recruitment and career development. Through diverse recruitment channels, including campus recruitment, social recruitment, internal transfers, and internal referrals, combined with both online and offline methods, we widely attract outstanding talent from various backgrounds, continually infusing the Company with fresh energy. Through these efforts, the Company continually enhances the participation of women in various fields, promoting the concept of gender equality.

The Company places particular emphasis on promoting gender diversity. This year, the percentage of female employees is 28.17%, meeting the target set for the previous year. In STEM-related positions, the percentage of female employees has reached 31.75%. In 2025, we maintain our target at 32%.

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## Anti-Discrimination and Anti-Harassment

The Company is committed to creating a fair, just, and inclusive workplace environment, with a firm stance against any form of discrimination and harassment. Upholding the principles of respect and human rights protection, the Company adopts a zero-tolerance policy toward discrimination based on legally protected characteristics such as gender, age, race, religion, as well as all forms of workplace sexual harassment and other forms of harassment.

The *Employee Handbook* clearly stipulates policies on anti-discrimination and equal treatment, ensuring equal pay for equal work, protecting the rights of female employees, and includes training on workplace discrimination and harassment within the human resources management system. It also establishes a reporting process for related incidents and corrective and disciplinary mechanisms for addressing discriminatory or harassing behaviors. As of the end of the Reporting Period, the Company has not experienced any incidents of discrimination or workplace harassment.

## Women's Rights Protection

In advancing gender equality and the protection of women's rights, the Company has consistently prioritized the needs and well-being of female employees.

- Facilities for women: Nursing rooms have been set up in office locations across the country, providing private, safe, and hygienic spaces for female employees during the breastfeeding period.
- Leave benefits: Comprehensive implementation of maternity leave, maternity check-up leave, miscarriage leave, and breastfeeding leave for female employees.
- Healthcare: Organizing "two-cancer" screenings for female employees; providing gifts to female employees on International Women's Day and recognizing the "Most Beautiful Female Employee".

## Employee Rights Protection

### Working Hours and Rights Protection

The Company clearly defines working hours and ensures employees' rest periods and legal rights in the *Employee Handbook* and *Labour Contracts*. All employees enjoy equal rights, and the same standards are applied in employee management and rights protection. Temporary employees are provided with legally binding contracts or agreements and are entitled to labour remuneration as well as employer liability insurance (including accident insurance) or work injury insurance.

### Prohibition of Child Labour and Forced Labour

The Company firmly opposes the use of child labour and forced labour, implementing strict verification measures. Upon onboarding, employee identities are rigorously verified using the national public security network, preventing any cases of child labour due to concealment or misreporting. The Company respects and upholds every employee's labour will, reasonably arranges working hours and leave benefits, and strictly prohibits any form of forced labour.

As of the end of the Reporting Period, the Company has not experienced any incidents of child labour or forced labour.

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## Employee Rights and Care

### Competitive Compensation and Benefits

To fairly reflect employee value, the Company has established and adheres to the *Employee Performance Management System of SF Intra-city* and the *Employee Benefit Management System of SF Intra-city*, which clearly define standards for compensation and benefits management. This provides employees with competitive salaries and benefit packages within the industry. SF Intra-city continuously attracts and retains outstanding talent through a flexible salary adjustment mechanism, value- and contribution-based bonus incentives and a diversified benefits system. Additionally, through equity incentives, the Company motivates key employees to contribute to sustainable operations. Through continuous improvements to the benefits system, we do not only strengthen employees’ sense of belonging and loyalty, but also provide a solid talent foundation for the Company’s long-term sustainable development and performance goals.

This year, the Company specially established ESG reward mechanism, presenting the “Green and Low-Carbon Best Practice Award” and the “Social Responsibility Best Practice Award” on a quarterly basis to recognize employees who have made outstanding contributions toward achieving ESG goals, thereby supporting the Company in realizing its long-term sustainable development objectives.

In terms of benefits, we provide a wide range of care initiatives for employees, focusing on basic benefits, humanistic care, and long-term development:

Benefits	Contents
 Basic Benefits	<p>Statutory Benefits: Five major social insurance programs, housing provident fund, paid leave, maternity leave, miscarriage leave, breastfeeding leave, paternity leave, parental leave, etc.</p> <p>Subsidies: Communication allowance, housing allowance, transportation allowance, cold and heat prevention allowance</p> <p>Other Benefits: Annual free health check-ups, online consultations, psychological counseling, etc.</p>
 Humanistic Care	<p>Holiday Care: Birthday benefits, holiday gifts or activities</p> <p>Relocation Care: Family visit leave, family visit transportation subsidies</p> <p>Outstanding Performance Care: Reward leave, activity funding</p> <p>Family Care: Scholarships for children, education grants, care allowance for critical illnesses</p> <p>Cultural and Sports Activities: Team-building, clubs, cultural and sports activities</p> 
 Long-Term Development	<p>Education and Skills Enhancement: Subsidies for further education and skill development, learning subsidies</p> <p>Diversified Internal Career Development: Clear channels for internal pathway transfers and diverse career development</p> <p>Honorary Recognition: Daily and annual excellence awards</p> <p>Training and Development: Provision of various learning resources and channels</p>

During the Reporting Period, the Company provided care initiatives of RMB2.28 million, supporting our employees’ physical and mental health and overall well-being.

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## Employee Health and Safety

We always prioritize the health and safety of our employees, strictly adhering to the relevant national laws and regulations concerning occupational health, safety production, and workplace safety, such as the *Law of the People's Republic of China on Work Safety*, the *Regulations on Work-related Injury Insurance*, and the *Fire Services Law of the People's Republic of China*. We place great importance on employee health and safety, and has developed the Employee Daily Safety Management Regulations, which clearly define the safety operating procedures that employees should follow during their work. Additionally, we continuously enhance employees' safety awareness and emergency response capabilities through safety procedure briefings, emergency response drills, safety knowledge training, and other methods.

We newly obtained ISO 45001 Occupational Health and Safety Management System Certification. This certification, an international standard for occupational health and safety management systems, helps organizations build, implement, maintain, and continuously improve their occupational health and safety management systems to prevent work-related injuries and health issues.

### Safety management performance for the year 2024



## Employee Care and Engagement Activities

SF Intra-city spares no effort in providing comprehensive care and support for every employee. We remain committed to enhancing employee well-being and fostering a vibrant, and cohesive workforce.

### Employee Clubs and Supports

We encourage our employees to “enjoy their work and enjoy their life”. To support this, the Company strongly promotes employee recreation and club activities, helping staff unwind and recharge outside of work, strengthening peer interaction, and fostering greater collaboration and efficiency across the organization.

In 2024, the Company launched four new clubs – hiking, tennis, board games, and dance – bringing the total number of employee clubs to ten, including existing clubs such as basketball, swimming, and mountaineering.



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## Care and Support from the Labour Union

In the Company's sustainable development efforts, the labour union plays a vital role – not only as the protector of employees' rights and interests, but also as a core force in fulfilling the Company's social responsibilities. When an employee faces serious illnesses and other life challenges, the labour union provides comprehensive care and support to employees and their families. Through home visits, financial assistance, and other supportive measures, we strive to alleviate the financial burden on employees during difficult times and bring them warmth and strength.

In addition, we are particularly concerned about the education of the children of employees whose families are not financially abundant. Our labour union actively provides tuition support to ensure that these children are able to continue their education without worry. We go beyond financial aid by organizing home visits, dream fulfillment initiatives, and the donation of school supplies – offering encouragement and motivation to help children feeling the warmth and care from the society and the broader Company family.

## Listening to Employees' Voices

Listening to employees' voices is essential to the Company's sustainable development. During the year, SF Intra-city adopted a multi-channel approach to engage in effective communication with its employees:



Diverse communication activities

The Company organized diverse communication activities such as Culture Talk, Cultural Atmosphere Workshops, "Face-to-face with Regional General Managers", and "appreciation cards" to bridge gaps between leadership and staff while fostering connections among employees. These activities cultivate an open, equitable, and respectful cultural ecosystem that inspires continuous employee growth.

In 2024,

● **More than 100** in-depth interviews were conducted under the Culture Talk initiative.

● **Multiple** "Cultural Atmosphere Workshops" were held to empower broader employee participation.

● Online and offline "appreciation cards" were used **over 200** times.

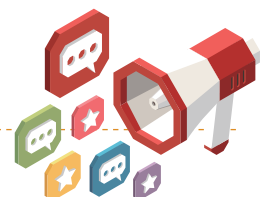


Union care activities

Initiatives, including birthday benefits, summer cooling programs, winter warmth campaigns, autumn education assistance, hospital visits, and critical illness support, are organized and address individual needs and provide communication channels to our employees. These activities significantly enhance staff well-being and positively contribute to the Company's sustainable development.

In 2024,

● **15,000 employee attendances** in the union-led employee care activities



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Figure: Face-to-face Activity with Regional General Managers

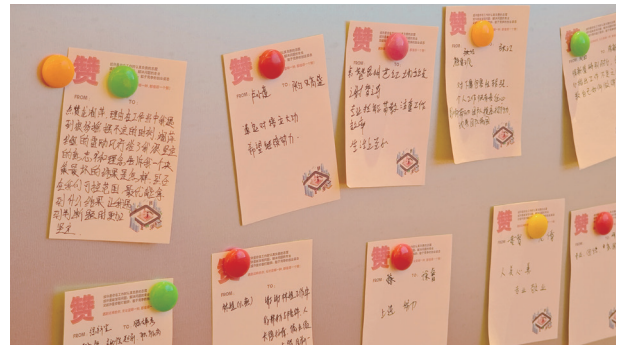
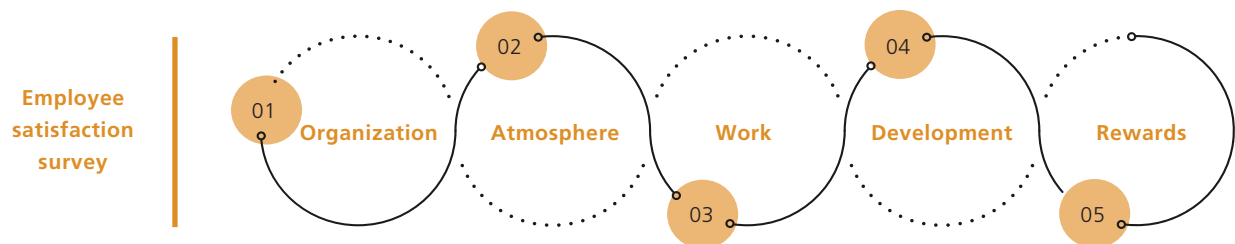


Figure: Appreciation Cards and Improvement Suggestion Cards

In addition, the Company conducts an annual employee satisfaction survey covering all SF Intra-city employees. The survey focuses on two primary dimensions: engagement and satisfaction. Satisfaction is further broken down into five sub-dimensions – organization, atmosphere, work, development, and rewards – ensuring a comprehensive and in-depth understanding of employees' perspectives on the Company.



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## Riders and the Sharing Economy

Amid the rapid development of the digital economy, the sharing economy has become a vital driver of social innovation and sustainable development. As a leading enterprise in the intra-city delivery industry, SF Intra-city has deeply integrated into the sharing economy model. By optimizing resource allocation and enhancing service efficiency, the Company is committed to creating significant value for society.

SF Intra-city regards riders as its number one great partner and is committed to building a rider-friendly platform in the industry. We attach importance to the safety of riders, improve the “whole process” safety management system, place emphasis on the career development of riders, optimize the riders’ rights and interests system, and endeavour to build a rider culture and deepen the care and concern for riders. We are committed to building a sustainable and healthy development of the rider ecosystem, gathering strength, growing together, caring for each other, and creating a better future.

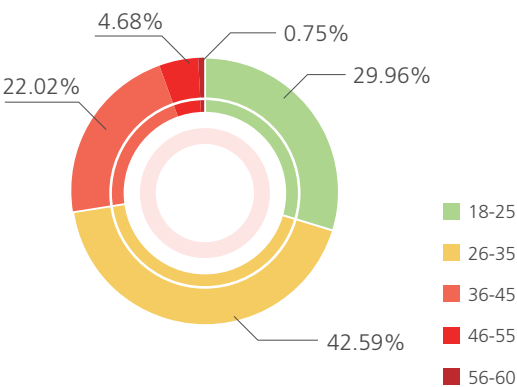
### Rider Team Operation

#### Rider Team Composition

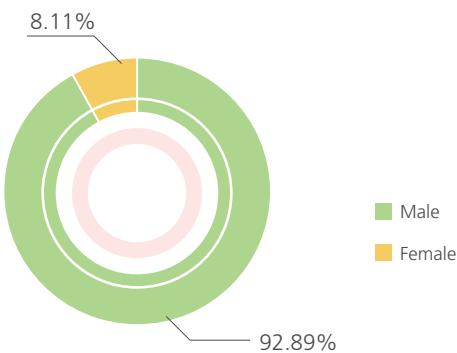
In 2024, the Chinese government introduced a series of policies to support the employment and development of riders. To strengthen the protection of their rights and interests, the government issued the *Guidelines on Safeguarding the Rights to Rest and Labour Compensation of Workers in New Forms of Employment* and the *Guidelines on Publicizing Labour Rules for Workers in New Forms of Employment*, which provide further clarification and protection in areas such as remuneration, rest time, and order allocation. During the year, the number of annual active riders on the platform further expanded to approximately 1 million.

SF Intra-city’s rider team is highly diverse in terms of age, gender, occupational background, and geographic distribution. This diversity forms a solid foundation for the efficient and high-quality provision of intra-city delivery services, allowing the Company to precisely meet the needs of different customer groups and maintain strong competitiveness in the on-demand delivery market. Our rider team is predominantly composed of post-90s and post-00s generations, while our female riders particularly excel in delivering delicate items like flowers and cakes – their attentiveness and patience consistently elevate the customer experience.

#### Age Distribution of Riders



#### Gender Distribution of Riders





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One of the key strengths of the rider team lies in its diverse professional backgrounds. Workers transitioning from traditional manufacturing bring a strong work ethic and a meticulous approach to delivery tasks. Service industry personnel leverage their communication skills and customer service awareness to build positive relationships with customers. Freelancers are drawn to the flexibility of delivery work, enabling them to balance income generation with personal interests and lifestyle. Recent graduates view the rider role as a valuable opportunity to gain social experience and build practical skills, laying the foundation for future career development.

During the year, the Company actively expanded its business footprint by launching intra-city delivery services in Hong Kong Special Administrative Region under the “SoFast” brand. In building its local rider team, SF Intra-city adopted a location-specific recruitment strategy, leveraging multiple platforms to recruit on-foot riders, bicycle riders, motorcycle riders, private car drivers, and van riders.



Figure: Recruitment Poster for On-foot Riders under the “SoFast” Brand in Hong Kong Special Administrative Region

## Safety and Protection of Riders

### “Whole Process” Safety Management System

SF Intra-city places rider safety as its top priority. In order to enhance the safety, protection and physical and mental health of riders, and to reduce the likelihood of accidents, the Company has developed safety guidelines for riders’ workplaces and delivery processes, and has built up a “whole process” safety management system that covers three phases: precautions, in-process supervision and post-mortem.



#### Precautions

- Pre-job training: newly registered riders are provided pre-employment training for newcomers, and only after passing the examination can they work
- Equipment protection: protective helmets are provided to riders
- System alerts: functions such as extreme weather alerts are added into the system
- Insurance coverage: 100% insurance coverage has been achieved for riders, and exclusive channels for purchasing health insurance are provided



#### In-process supervision

- Safety reminder: strictly control the working hours of riders to avoid fatigue and overwhelming pressure in their work, issue fatigue alerts
- Protection awareness: push notifications about safety knowledge and warning cases in the rider system
- Safety training: the training combines online and offline forms, pushes columns of safety knowledge, jointly launches training with the traffic police, and actively carries out AED emergency response trainings, etc.



#### Post-mortem

- Online claim: set up a mechanism to deal with riders’ accidents, providing guidance to riders on how to deal with accidents, subsequent treatment and claims
- Post-mortem: rider should be subject to a restriction on taking orders and retraining, and pass a test before resumption



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## Safety Awareness and Training System

SF Intra-city is highly concerned with safety training for riders, to constantly improve the safety awareness of riders. New riders must take safety knowledge courses. Only after course completion and passing the examination, they are authorised to take orders online.

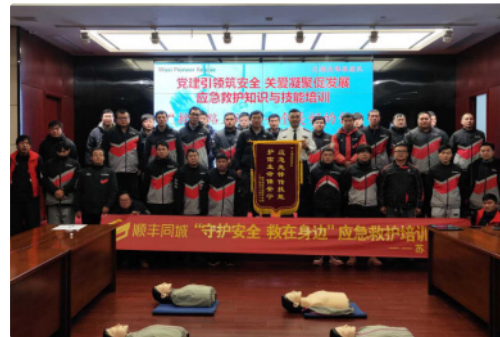
In terms of daily management of riders, the SF Intra-city Rider App serves as a key information dissemination platform. Riders receive weekly safety learning tasks, delivered in various engaging formats such as images and text, posters, comics, and videos. Targeted training modules are designed for different delivery scenarios to meet riders' actual learning needs. For riders already active on the platform, weekly safety knowledge columns are pushed through the app, followed by quizzes to assess learning outcomes. During the year, the number of monthly training participants exceeded 200,000, with a cumulative total of over 2.4 million training attendances.

In addition, we actively organized offline training sessions and examinations covering a wide range of topics, including in-depth analysis of traffic regulations, hands-on safe driving skills, fire safety awareness, and emergency drills. We also held regular safety-themed events and specialized safety programs, significantly improving riders' safety awareness and emergency response capabilities. These efforts help riders respond quickly and accurately in emergency situations, thereby reducing the risk of accidents. In 2024, we conducted over 2,000 online and offline safety trainings with more than 1.2 million riders participating in the trainings.

Throughout the year, we collaborated with local public security and fire departments to host 136 offline safety seminars in numerous cities across the country. By fostering joint efforts between the police and the Company, we continuously enhanced riders' safety awareness.

### Case: Carry out First Aid Training Activities in Partnership with the Red Cross Society to Enhance Emergency Response Capabilities

In 2024, we partnered with local Red Cross in 13 cities across the country to provide first aid training for riders. The training covered fundamental first aid knowledge, the use of AEDs, and cardiopulmonary resuscitation (CPR). Through this training, riders acquired practical emergency response skills. They learned key techniques such as identifying proper compression position and depth for CPR, correct methods for bandaging various wounds, and effective procedures for dealing with airway obstructions. Hands-on exercises enabled riders to integrate theory into practice, and accurately master emergency measures such as prevention, first aid, self-rescue, and rescue, thus greatly reducing accidental injury, and jointly building a safety fortress for the industry.



## Improving Riders' Driving Safety

In terms of safeguarding rider road safety, the Company strictly adheres to the *Occupational Safety and Health Regulations* and proactively implements comprehensive and multi-faceted measures covering key areas such as rider protective equipment, system-based safety reminders, and post-accident response mechanisms.

Regarding protective equipment, the Company has made proactive advancements in smart helmet deployment, uniform insignia optimization, anti-slip wheel upgrades, and reflective vehicle markings, implementing these multi-dimensional safeguards can ensure rider safety. The Company has actively promoted pilot programs for the use of smart helmets, and deployed a cumulative of nearly 30,000 units. The use of smart helmets can effectively reduce the mobile phone use during deliveries. This enables riders to fully concentrate on road conditions, thereby mitigating potential safety risks and significantly improving delivery safety.

The rider system is also embedded with intelligent safety reminders. Building on the existing alert for four consecutive hours of order-taking, we introduced new safety prompts in the Rider App for 7 and 25 consecutive days of online activity. These multi-tiered reminders help reinforce riders' awareness of rest and safety, aiming to prevent accidents caused by fatigue. We also take into account rider safety and zero accident rate in our Safe Rider Awards (安全骑手奖励) and conduct monthly evaluations to provide positive guidance.

Accident Handling and Review

In terms of emergency handling when an accident happened, the system has a traffic accident reporting function and a complete handling process for one-click reporting at riders’ convenience. When a rider is involved in a traffic accident, the order can be delivered by another rider to ensure the safety of the rider and the delivery of the order at the same time.

In addition, the Company also works to reduce traffic accidents in its daily management by monitoring accident rates and other data, analysing accident causes through our model, establishing safety records, exploring efficient management models and other fundamental management methods.

Rider Career Development

SF Intra-city has always placed a strong emphasis on the personal development and skill improvement of its riders as a key strategic priority. The Company continuously invests resources to carefully build and optimize the rider training system, promoting long-term career development for riders and fulfilling its social responsibility for societal development.



Rider Growth System

The Company has established a comprehensive professional development ecosystem featuring diversified growth pathways – each with clearly defined progression milestones and expansive opportunities. Riders may select trajectories aligning with their interests and capabilities.

It includes Promotion Track (management pathway), Specialist Track (domain expertise certification), Instructor Track (rider instructor), and Influencer Track (brand ambassador program). The Promotion Track enables talented riders to ascend from frontline delivery roles to supervisory and managerial positions, systematically cultivating leadership pipelines.



Rider Instructor Team

In 2024, focus was placed on building the rider instructor team, establishing a dedicated development system that covers recruitment, training, management, and evaluation, with a strong emphasis on enhancing instructors’ allowances, benefits, and exclusive privileges. The number of our rider instructors has reached 1,000. A star-level certification system was implemented to motivate rider instructors to enhance teaching quality.



Rider Dream-come-true Project (圓夢計劃)

The Company provides comprehensive support for personal enrichment through its Dream-come-true Project in partnership with Shenzhen Open University, offering scholarships and grants that have empowered 400 riders to achieve academic qualification enhancement this year. The program has expanded its coverage and subsidy criteria to further assist riders in acquiring knowledge, and broadening career prospects during the year.



Rider Vocational Skills Certification

We actively facilitate participation in professional certifications such as the National On-demand Delivery Specialist Accreditation and regional delivery skills competitions to enhance technical expertise. A diverse curriculum, including non-vocational courses on holistic development, further elevates riders’ overall competencies.

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In 2024, SF Intra-city achieved significant progress in rider training and development. Over 7.4 million riders participation took place across more than 300 free courses in 10 categories, with 70 new courses added in 2024. These courses effectively expanded riders' skills and solidified their capabilities. The number of mid-to-high income riders increased by 29% year-over-year, while those achieving a monthly income exceeding RMB10,000 grew by 40%, creating a virtuous cycle of "order fulfillment – skill enhancement – income growth".



Cover **more than 300 free courses** in **10** categories throughout the whole cycle, with **more than 7.4 million** riders participation in the courses during the year

### Case: Rider Zhang Peitao Honored with the 2024 May 1 Labour Medal in Qingdao's Licang District

The May 1 Labour Medal selection and commendation process in Licang District honors exemplary workers from various industries who demonstrate excellent business skills and professional expertise, promoting the spirit of model workers and craftsmanship. At the 2024 May 1 Labour Medal award ceremony in Qingdao's Licang District, SF Intra-city's rider, Mr. Zhang Peitao, was recognized for his outstanding contributions.

Mr. Zhang took the initiative to rescue orders and continuously delivered orders when delivery faced difficulties during a heavy rainstorm in Qingdao City. He overcame challenges such as flooding and poor visibility, and completed delivery tasks timely and efficiently, demonstrating exceptional work ethic. During the 2024 Spring Festival, Zhang sacrificed time with his family to remain on duty, assisting the platform in adjusting delivery capacity to ensure timely order delivery. Mr. Zhang Peitao's recognition is a testament to his dedication and commitment, and it serves as an inspiration to other city riders, motivating them to contribute to the city from their everyday roles.



### Case: Rider Qi Yalei Won the 2024 Hebei Provincial Vocational Skills Competition – On-demand Delivery Personnel Category

In the 2024 Hebei Provincial Vocational Skills Competition for on-demand delivery personnel, SF Intra-city's Shijiazhuang rider, Mr. Qi Yalei, claimed the championship with his outstanding skills.

Mr. Qi Yalei received five-star reviews for three years, with daily average delivery distance of about 200 kilometers. Qi Yalei has written an extraordinary story in an ordinary position, setting an example for on-demand delivery personnel and inspiring others to strive for excellence.



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## Rider Rights and Interests System

SF Intra-city has established a systematic rights management model, continuously building and optimizing a comprehensive, multi-level rider rights and interests system. The Company is dedicated to creating a fair, safe, and supportive working environment for riders, fostering mutual growth between the Company and its riders.

Additionally, SF Intra-city launched the industry's first "Grievance Care Allowance", and set up the Grievance care Foundation. Also, it established the "Public Charity Fund" program, which includes programs such as the Dream-come-true Project, Child Illness Assistance Program, Hardship Relief Program, Intra-city Scholarship Program, and Summer Education Assistance Program. Through activities like Riders' Day, intra-city education assistance, health management, hardship relief, and the discount welfare marketplace, the Company helps riders realize dreams that were temporarily set aside due to life pressures, alleviates their living difficulties, and supports their pursuit of better development opportunities.



Figure: Official Launch of the "Public Charity Fund"

## Establishing the Rider Governance Committee

In 2024, to continuously enhance riders' professional capabilities, we established the Rider Governance Committee. This committee is dedicated to fostering a healthy rider ecosystem and safeguarding riders' rights and interests through in-depth two-way communication. It also promotes more compliant and refined platform governance, continuously improving riders' happiness and satisfaction, and thereby enabling better customer service.

The Rider Governance Committee's routine responsibilities include deliberating on recent rider community management matters, convening monthly meetings to track, decide upon, and implement relevant action items. To demonstrate our strong commitment to rider-related affairs, the Rider Governance Committee is structured into two bodies: the Decision-making Committee and the Executive Committee. The management team oversees strategic decision-making, while the business management team is responsible for execution, ensuring that all initiatives are advanced efficiently and enforced rigorously through a clear mechanism and division of responsibilities.

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## Rider Incentive and Protection Mechanism

SF Intra-city highly recognises and respects the hard work and contribution of the riders. SF Intra-city works together with the riders to grow up together, and provides them with incentives from the material and the spiritual level to help them realise their dreams.



- **Competitive Income:** We focus on the healthy growth of riders' income by offering more order-taking opportunities and flexible order options. At the same time, we provide diversified incentives and subsidies to ensure that SF Intra-city provides riders with competitive income.



- **Exclusive Incentives for Special Periods:** We provide rider-specific incentive programs and protection policies, as well as special categories of equipment and deployment during special periods such as festivals and holidays, bad weather (extremely heat, extremely cold, and typhoon, etc.).



- **Improved Rider Points System:** We expand the use of SF Intra-city "coins" (同城币), which can be used by our riders to exchange for benefits vouchers, such as penalty-free vouchers for losses or penalties due to emergencies, double vouchers to double their income, and other types of credit vouchers, to effectively help riders to reduce their losses and increase their incomes.



- **Penalty Waivers for Special Scenarios:** We promote human-based management, and will exempt the quality penalty in special circumstances (such as bad weather). Even if a penalty is issued, rider can also file an appeal through online or offline channels, which will be reviewed by the platform's professional team, and the penalty will not be imposed if the appeal is approved. In addition, the platform launches a penalty-free task where riders can be immune from the penalty after learning and completing the task, giving riders a diversified, fair and sound channel to appeal against penalties.



- **New Rider Protection Policy:** We have a protection period policy for new riders. For example, when a new rider is not familiar with the business or in case of emergencies, we can give penalty-free coupons or provide complaint channels to reduce or avoid losses for riders as much as possible. Meanwhile, if a new rider quickly integrate into the delivery role, he/she can also exchange for the double vouchers and bonus vouchers by completing the order delivery to increase his/her own income, thereby further motivating them.

## Society: People-Oriented, United with Care to Create the Future Together

This year, we upgraded our rider recognition system by introducing the “Pyramid” Honor Model. This model is designed to foster an environment where riders are encouraged to “advance step by step and continually strive for progress”. The gradual advancement of the honor hierarchy motivates riders to pursue excellence continuously. Riders who achieve different levels of recognition not only receive honor certificates but also enjoy rights and interests such as priority order allocation, dedicated training opportunities, and fast-track promotion channels, thereby enhancing their sense of professional pride and belonging.

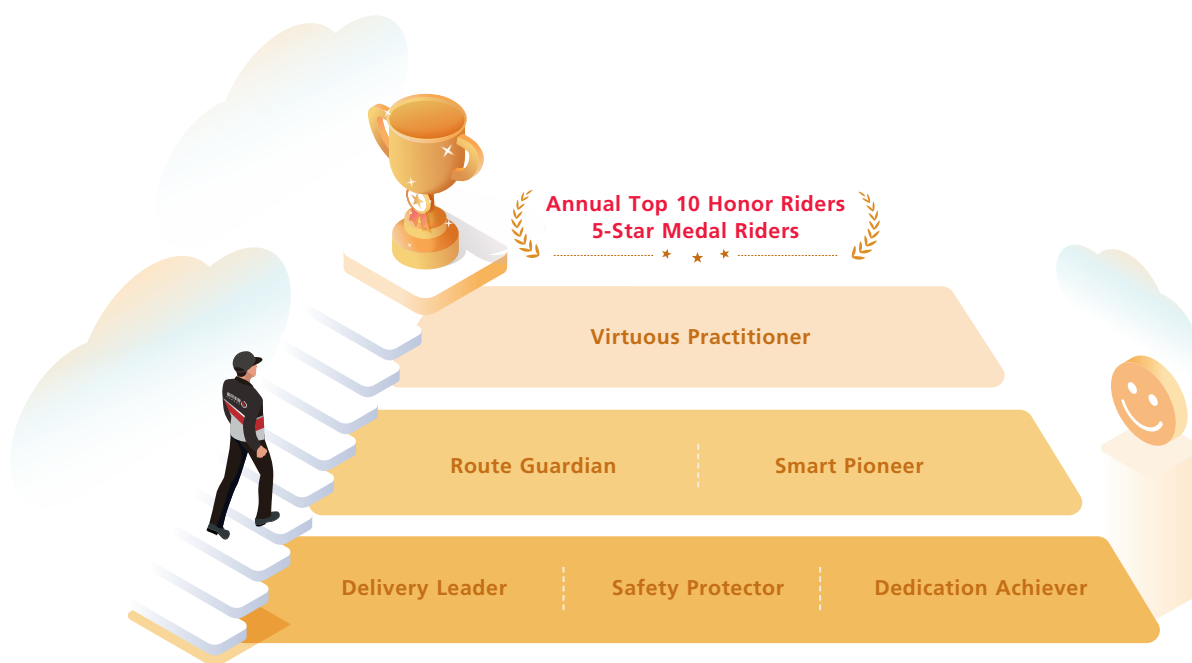


Figure: “Pyramid” Honor Model Diagram

### Guidelines for Insurance Coverage and Accident Claims

SF Intra-city actively provides a diverse range of insurance services for its riders, covering major risks that may arise during delivery, including accidents, disability, medical expenses, and third-party personal injury and property damage. Based on different potential risk scenarios, the Company upgrades its insurance plans by enhancing the rider insurance coverage on top of the basic insurance to RMB 1 million at maximum to ensure 100% coverage for riders, offering them more comprehensive protection. At the same time, recognizing the critical importance of efficient claims services for riders, we have established a robust claims handling mechanism to ensure the prompt resolution of claims. In the event of an accident requiring a claim, riders can report the insurance claim with One-click via the Rider App. The claims team responds promptly, providing guidance on treatment and claims procedures, significantly enhancing the rider’s claims experience.

# Society: People-Oriented, United with Care to Create the Future Together

## Rider Welfare Protection

SF Intra-city treats every rider with care and respect, striving to build a rider-centric culture of compassion. The Company continues to enhance its rider care initiatives, prioritizing the physical and mental well-being of riders and striving to create a supportive delivery environment with comprehensive benefits.

### Basic benefits:

- More than 3,000 rider rest stations have been built across the country, with 100% coverage in major cities, providing riders with energy supply stations where they can rest when tired, cool off when hot, stay warm when cold, drink water when thirsty, eat hot meal when hungry, and take medication when injured;
- We equip with first-aid kit including thermometer, disinfectant and bandage medical supplies, etc., achieving 100% coverage of the main cities;
- We carry out seasonal care initiatives – providing cold beverages in summer, dumplings and ginger soup in winter, and cold-proof and sunstroke prevention equipment;
- We organize offline care activities, holding over 10,000 events annually;
- We have recruited 164 city care ambassadors, who voice riders' recommendations;
- We provide psychological support services for riders;
- We introduce free online medical consultation for riders;
- We set up psychological counselling hotline to help riders relieve stress and solve problems;
- We issue health check-up cards regularly, update health and safety knowledge, and provide riders with disease prevention information and advice on treating work-related illnesses.

### Special Care:

- For female riders: providing free screening for breast and cervical cancers; exclusive uniforms for female riders; joint public welfare activities dedicated to the well-being of female riders; exclusive benefits for female riders;
- For veterans: providing veterans with flexible offers and broadening employment channels;
- For the disabled: we have upgraded and improved the online functions of the App, applets and other interfaces, such as providing intelligent voice tools support;
- For rider's family: providing care for rider's family members in the event of serious illness and educational care for the children of riders in need;
- Rider medical examination: providing customized health check-up packages for riders to address occupational diseases, aiming to improve their delivery experience.

### Case: SF Intra-city's "Most Beautiful Female Riders" Selection Event



Figure: "Most Beautiful Female Riders" Selection Event

On International Women's Day, March 8, the Company held a selection event to select SF Intra-city's "Most Beautiful Female Riders". Female riders shared stories highlighting their courage, strength, and independence. In the end, ten brave and confident female riders obtained the reward, recognizing and celebrating the value of female riders.



# Society: People-Oriented, United with Care to Create the Future Together

## Listening to the Voice of Riders

SF Intra-city is committed to creating a warm and inclusive delivery environment for its rider community, helping foster a positive societal atmosphere, and actively supporting broader societal goals such as employment and consumption promotion.

In 2024, we continued to establish good communication with riders through communication channels, including the riders' WeChat official account, riders' WeChat video account, and riders' Douyin account (collectively referred to as the **"Three Accounts"**), and further enhanced the interactive features of the official account to deliver monthly safety alerts and fatigue reminders for riders. Through content operations across the three accounts, we integrated rider safety, rider training, rider care and other content related to the interests of riders, while diversifying content formats and enriching interactions. These efforts have helped resolve rider concerns, enhanced their delivery experience, and fostered a positive and supportive rider culture, thereby strengthening riders' sense of belonging to the platform.

In addition, we integrated resources across rights and interests, rider care, and corporate culture to launch a series of online and offline activities, including "Weekend Carnival", "Summer Cooling Campaign", and "Reward Feedback", all of which have effectively enhanced rider satisfaction.

## Communication and Special Recognition

We actively hold riders' heart-to-heart sharing meetings to provide riders with a platform for open communication and emotional expression, where they can voice their grievances and suggestions, share their day-to-day work experiences, and relieve stress. On September 17, 2024, SF Intra-city held the annual Riders' Day. On Riders' Day, we offer the Grievance Care Allowance to riders selected by voting for the year, and provide the family travel fund for top 3 riders as a special form of recognition for riders who have silently endured challenges while remaining committed to their duties. In addition, we organize both online and offline year-end activities under the grievance support theme, including the selection of annual grievance resonance awards, further strengthening riders' sense of being cared for by the platform.

## Care Ambassadors and Feedback Collection

Care ambassadors have been selected nationwide to drive the implementation of care activities while actively gathering feedback from riders. The care ambassadors serve as a bridge between the Company and riders, ensuring that the Company is able to promptly understand riders' needs and suggestions, providing strong support for further optimizing welfare and benefits measures.



Figure: Title Selection of "SF Intra-city Thoughtful Advisor"



Figure: Selection of Grievance Award on the "SF Intra-city Riders' Day on September 17"



# Society: People-Oriented, United with Care to Create the Future Together

## Recognition of Riders' Honors

Elevating riders' social image and status helps the public better understand the hard work of riders, creating a positive public opinion environment, and instilling a greater sense of honor in riders during their work. It is what we have always been striving for.

### Case: Annual Rider Honor at the Riders' Day



Figure: Scene Picture of the "SF Intra-city Riders' Day on September 17"

In 2024, the "Riders' Day" honored outstanding riders from across the nation. Additionally, the event invited honorary riders, recipients of the grievance support award, couples working as riders, parent-child rider teams, riders and their children who received scholarships, as well as young riders who were awarded summer education assistance grants, to attend the Riders' Day carnival. This year's Riders' Day provided an immersive cultural experience for the rider community, successfully strengthening riders' professional identity and sense of belonging to the platform.

## Community Collaboration for Mutual Success

In 2024, SF Intra-city upheld the philosophy of "Symbiosis and Win-Win" and deeply integrated into the community ecosystem, actively promoting collaborative community development. We fully leveraged our strengths to closely connect the efforts of our employees and riders with the needs of the community, focusing on areas such as public welfare activities, sharing economy, and senior services. These efforts not only brought tangible changes to the community but also injected strong momentum into the Company's sustainable development.

### Employee Good Deeds Reflecting in the Community

#### Volunteer Service

SF Intra-city has joined the Shenzhen City Volunteer Federation and the Nanshan District Volunteer Federation of Shenzhen City, becoming a member of the enterprise volunteer team. We have been actively implementing the program and spirit of the Volunteer Federation, contributing our strength to community development and urban construction.

# Society: People-Oriented, United with Care to Create the Future Together

During the year, the Company also took the initiative to launch a series of activities such as hiking for environmental protection and blood donation for public welfare. In the future, we will continue to carry out green environmental protection, elderly care and other related activities, so that employees can relax physically and mentally and at the same time, contribute to the public, participate in social construction, and fulfil their corporate responsibility.

## Case: Party Building Volunteer Activity in Support of the Elderly during the Double Ninth Festival

In October 2024, SF Intra-city organized volunteer activities across the country in celebration of the Double Ninth Festival, promoting respect and care for the elderly. Employees were encouraged to work as volunteers to enter communities to deliver festive greetings and care packages to elderly residents and the families of riders, further enhancing the Company's social image.



Figure: The Elderly Assistance Activity of SF Intra-city Volunteer Service Team

## Case: Voluntary Delivery of Charity Care Packages



Figure: "Guarding Hope in Wuxi, Fulfilling Dreams Together" Public Welfare Activity

In the second half of 2024, Wuxi City launched a public welfare campaign titled "Guarding Hope in Wuxi, Fulfilling Dreams Together", aimed at supporting low-income groups, elderly, disadvantaged children, and persons with disabilities. In response, SF Intra-city's local delivery team actively participated and committed to the full voluntary delivery of all care packages.

SF Intra-city provided over 1,000 free packing cartons and allocated space for free, organized a team to work overtime, completing the sorting and packing of materials from various donors, and personally delivered each package to more than 1,000 beneficiary households, fulfilling its social responsibility through actions.

# Society: People-Oriented, United with Care to Create the Future Together

## Case: Public Welfare Activities Conducted by the Volunteer Team of SF Intra-city

During the Reporting Period, the Volunteer Team of SF Intra-city actively carried out public service events, covering initiatives such as first aid training, care for children with autism, and elderly support programs. Among these, the “Warm City Silver Age Protection Initiative” won the “Innovation Award in Key Sector Special Competition” from the Nanshan District Volunteer Federation of Shenzhen City.



Figure: The Volunteer Team’s “Warm City Silver Age Protection Initiative” receiving an award

## Riders’ Compassion on the Journey

### “Guardians” in Times of Crisis

- In the Jiangsu-Anhui region, Rider, Mr. Luo Jiabao, encountered a woman attempting to jump from a bridge during an early-morning delivery. He worked with passersby and special police to save her life.

### “Co-Builders” of the Public Welfare Ecosystem

- In the Zhejiang region, Rider, Mr. Zhang Yan, participated in the annual blood donation campaign organized by the Yunhe Subdistrict, during which she selflessly donated hematopoietic stem cells.

### “Role Models of Integrity” Who Return Lost Property

- In the Central region, Rider, Mr. Zeng Chao, found an old bag containing RMB4,000 in cash while delivering at a hospital. He turned it into the hospital’s reception desk.



# Society: People-Oriented, United with Care to Create the Future Together

## Injecting Vitality into the New Cultural and Tourism Consumption Economy

In 2024, SF Intra-city played a key role in fostering new cultural and tourism consumption scenarios such as “Buy Local and Travel Leisurely”. SF Intra-city optimized the deployment of delivery resources in response to the characteristics of nighttime tourism consumption. In popular tourist cities and regions, it ramped up nighttime delivery capacity through a flexible combination of “two-wheeled and four-wheeled” delivery modes, ensuring fast and efficient response to various nighttime delivery demands.

### Case: Lighting Up Cultural and Tourism Vitality in Altay under the Starry Sky

SF Intra-city’s delivery network extends across the Altay region in Xinjiang City, providing strong support for local businesses and visitors alike. Through the “Buy for Me” service, tourists can conveniently purchase local snacks and souvenirs. The “Pick-up and Delivery” service allows them to send their luggage or other items to designated locations. In addition, at several cultural and creative markets in Altay, SF Intra-city assists vendors in delivering cultural and creative products, allowing tourists to send purchases directly home. This not only reduces the need to carry extra belongings but also supports the growth of the local cultural and creative industries, injecting fresh momentum into Altay’s cultural and tourism economy.

## Elderly Care Services

### Elderly Meal Delivery Program

In 2024, SF Intra-city officially launched a standardized last-100-meter community meal delivery program in partnership with the Huangpu District Civil Affairs Bureau of Shanghai. The program was expanded to cover the entire district within the year.

Focusing on addressing the challenges faced by elderly individuals in accessing meals, SF Intra-city has actively engaged in elderly meal delivery services, contributing to the enhancement of community-based elderly care. All riders of SF Intra-city held valid health certificates and had substantial delivery experience. They delivered by the planned routes to ensure that meals could be delivered hot and promptly to elderly recipients. Going forward, SF Intra-city plans to optimize delivery routes through its system, continue to expand the delivery team, and refine each step of the delivery process, so as to be able to deliver promptly and efficiently under extreme weather conditions, creating warm and caring meal delivery services for elderly community members.

# Society: People-Oriented, United with Care to Create the Future Together

## Elderly Care Visit Services

SF Intra-city encouraged its riders to provide daily care visits to elderly meal recipients during delivery. These visits included assisting seniors with daily tasks such as purchasing medicine, and paying bills. SF Intra-city will continue to leverage its strengths as local living infrastructure to support the enhancement of community-based elderly care systems across regions and to optimize the “30-minute home-based elderly care service circle”.

## Campus Meal Protection Initiative

In response to the specific needs of primary and secondary schools in Tiexi District, Anshan City, for school meal services, SF Intra-city worked in collaboration with local authorities and schools to establish a standardized meal delivery system tailored to the education sector. In the delivery operations, SF Intra-city employs an order dispatch, meal delivery and return process to ensure efficiency and accuracy.

SF Intra-city’s actions have addressed the challenges of school lunch delivery, ensured the safety of students’ meals, and supported the healthy growth and educational development of young people. At the same time, the initiative has created more job opportunities for local riders, fully demonstrating the Company’s sense of social responsibility and commitment.

## Urban-Rural Coordinated Development

A series of policy documents, including the *Opinions of the CPC Central Committee and the State Council on Comprehensively Promoting Rural Revitalization and Accelerating Agricultural and Rural Modernization*, have emphasized the importance of improving the county-town-village three-tier logistics network, providing clear guidance for the development of rural logistics. SF Intra-city have actively responded to the *Opinions on Accelerating the Construction of Rural Postal and Delivery Logistics Systems*, by integrating “on-demand delivery + last-mile services” into the rural revitalization strategy. By leveraging big data and artificial intelligence, SF Intra-city optimizes delivery routes and logistics capacity, effectively extending logistics services to the “nerve endings” of rural areas.

In 2024, with its robust logistics network and highly efficient delivery services, SF Intra-city has expanded its business reach across both urban and rural regions, facilitating the circulation of resources and the coordinated development between cities and the countryside. With service available in over 1,300 counties, the Company has deepened its penetration into township-level markets, enriching consumer choices in lower-tier regions and narrowing the urban-rural gap in consumption experience.

SF Intra-city places strong emphasis on empowering its franchise partners. It has established a satisfaction and feedback mechanism to monitor partner needs and frequently conducted research to resolve practical issues. The Company also launched an online training platform - “The City Agency Academy” - to increase training frequency and offer specialized programs, thereby enhancing the professionalism of its partners and their management teams.



Promoting integrated urban-rural development, covering **over 1,300** counties

## Promoting the Industry Development

As the largest third-party on-demand delivery service platform in China, SF Intra-city takes neutrality, openness, inclusiveness, mutual benefit, fairness and trustworthiness as the principles of industry cooperation and exchange, which are interrelated and together constitute SF Intra-city’s code of conduct and development path in the market.

# Society: People-Oriented, United with Care to Create the Future Together

## Joining in Industry Association Exchanges and Participating in Standards Development and Research

In order to promote the standardization and normalization of the community group purchase and on-demand retail industries, and to enhance the overall quality and efficiency of the industry, SF Intra-city actively fulfills its role as a leading enterprise in the sector. During the year, SF Intra-city collaborated with relevant departments and research institutes on the development of the group standard *On-demand Commerce Fulfillment Performance Metrics* (《即時零售履約能力評價指標》), and *Management Regulation of Live-Streaming E-commerce Supply Chain Cooperation* (《直播電子商務供應鏈協同管理規範》). Additionally, the Company participated in the revision of the *Guiding Opinions on Strengthening Party Building Work among On-demand Delivery Personnel (Draft for Comment)* (《關於加強網約配送員羣體黨建工作的指導意見(意見徵求稿)》) issued by the State Administration for Market Regulation.

We also actively participated in industry cooperation and exchanges to facilitate industry exchange and experience sharing, and established ties with industry associations including China Federation of Logistics and Purchasing, China Chain Store and Franchise Association, China Hotel Association, Guangzhou Association of Highway Transportation Industry, Beijing Express Association, etc., to continuously enhance communication and exchanges between enterprises and partners in the industry.

As of the publication date of this ESG report, all industry associations in which SF Intra-city participates adhere to the framework of the Paris Agreement and are committed to advancing ESG development.

## Integration of Public and Private Resources to Enhance Service Capacity

In 2024, we actively integrated government and corporate resources to enhance our service capabilities across multiple dimensions, achieving remarkable results.

In terms of policy implementation and cooperation, we worked closely with the Department of Labour Relations under the Ministry of Human Resources and Social Security (MOHRSS) to carry out a special survey on the remuneration of workers in new forms of employment in four provinces and cities including Beijing City, Shenzhen City, Guangzhou City, and Hainan City in 2024. In response to the MOHRSS pilot policy on occupational injury protection for workers in new forms of employment, we acted swiftly to participate in the pilot program, expanded the pilot's coverage as requested, and promptly completed the necessary preparatory work.

### Friendly Community Access Convenience

In response to the “last mile” delivery challenge faced by riders, SF Intra-city has actively collaborated with government agencies and enterprises, including the Shandong Provincial Government, Hangzhou Municipal Government, and Vanke Property, to successfully implement rider-friendly community access solutions this year. The implementation of solutions such as the “Hangzhou Rider Code (小哥碼)”, “Shandong Xinxin Xiangdang-Qilu Tong (新新向黨一騎魯通)”, and Vanke Property's rider-friendly community access programs has significantly facilitated riders' entry into communities during their work processes. These innovative rider-friendly community initiatives have greatly improved the delivery efficiency for riders.



In addition, SF Intra-city closely monitors policy developments and actively applies for recognition at various levels. In 2024, the Company received **1** national-level honor, **2** provincial-level awards, and **3** municipal-level accolades. Notably, Hangzhou SF Intra-city was recognized as one of the 2024 Top 100 Enterprises in Zhejiang Province and one of the 2024 Top 100 Enterprises in Hangzhou City.

# 4 **Service:** Commitment to Quality, Upholding Excellence Service with Sincerity and Precision



**75** Product Innovation and  
Responsibility

**77** Responsible Procurement

**80** High-Quality Service and  
Experience

**81** Responsible Marketing

# Service: Commitment to Quality, Upholding Excellence Service with Sincerity and Precision

## Product Innovation and Responsibility

### Product Innovation and R&D

As the largest third-party on-demand delivery service platform in China, the SF Intra-city focuses on providing customers with high-quality, high-efficiency, and multi-scenario on-demand delivery services. The Company consistently adheres to the “user-centric, demand-oriented and experience-based” service concept, the Company continues to optimise the quality of service and effectively meets the changing needs of merchants and consumers with a multi-channel and multi-scenario business model.

User-centric  
Demand-oriented  
Experience-based

Driven by technological innovation, SF Intra-city constantly upgrades products and services based on actual customer application scenarios and experiences. The Company optimizes delivery processes through intelligent systems to enhance fulfillment efficiency. At the same time, it has developed a user rights protection mechanism to ensure every customer enjoys a safe, convenient, and efficient service experience.

Technological capabilities and infrastructure are critical to our business operations. Our customers come from a wide range of industries and their delivery needs vary significantly in terms of items, timeliness, distance, etc. Our self-developed CLS effectively supports large volume and highly differentiated orders through three core functions, completes the most efficient matching and distribution within a short time to meet various fulfillment needs, which continuously enhanced delivery efficiency and customer experience.

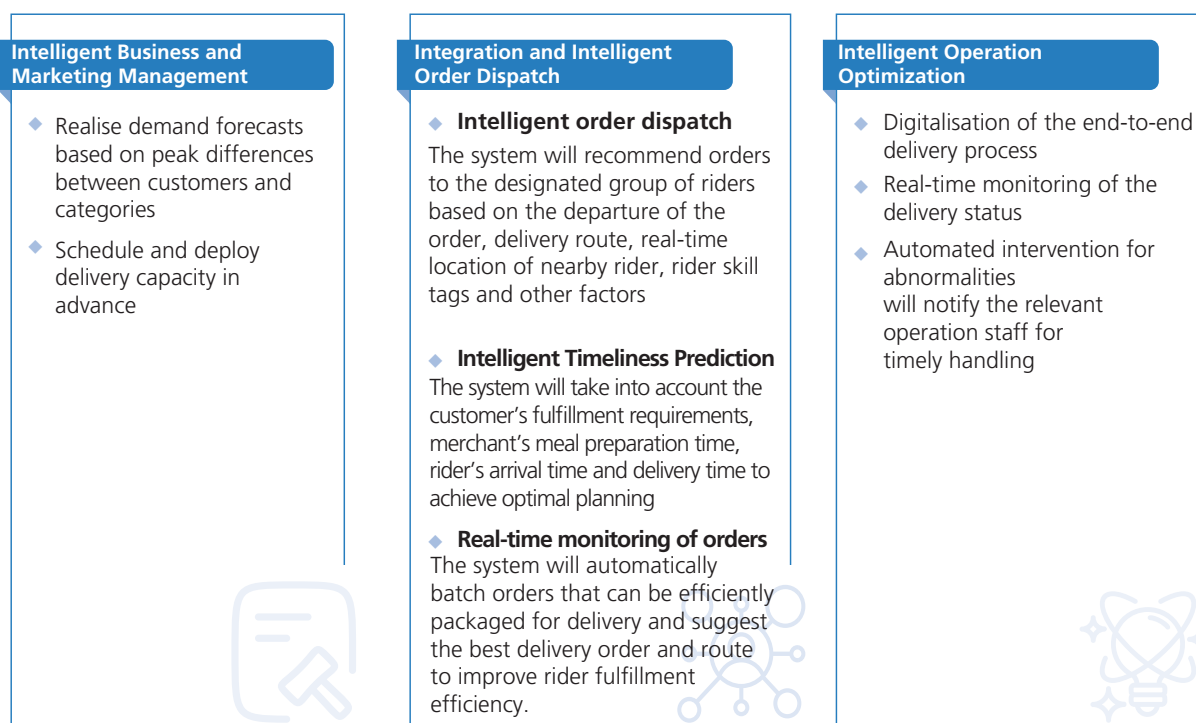


Figure: Three Core Functions of CLS

As of the end of the Reporting Period, the delivery services provided by the Company cover more than 2,300 cities and counties nationwide. Our fulfillment-in-time rate reached 95%, and fluctuations of the fulfillment-in-time rate did not exceed 1% and 3% even during holidays and bad weather respectively.

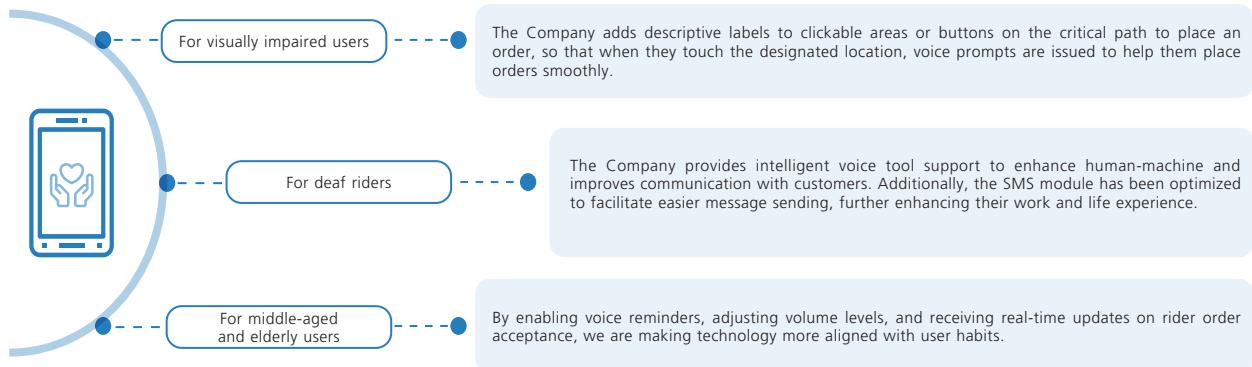


Fulfillment-in-time rate  
**95%**



## Service: Commitment to Quality, Upholding Excellence Service with Sincerity and Precision

SF Intra-city actively responds to national initiatives and upholds the principle of using technology for good, upgrading and optimizing our online functions of Apps, applets, etc. to provide the convenient user experience for special groups.



In addition, to stimulate internal innovation and drive breakthroughs in technological research and development, the Company organizes a semi-annual selection of outstanding employees and projects. This initiative focuses on recognizing teams and individuals who have demonstrated exceptional performance in areas such as technological R&D, product optimization, and operational efficiency improvement, awarding them with medals and bonuses.

## Guarantee of Delivery Safety

The Company attaches great importance to delivery safety, which is the foundation of our operation, and it is our long-term commitment to ensuring that goods are delivered safely to our customers. On one hand, the Company continues to advance digital operations. All the order information is processed online. The order status can be inquired in real-time, and the platform will track the order status in backstage and provide real-time warnings for abnormal orders. On the other hand, the Company provides guidance and safety training on pick-up and delivery instructions for each registered rider (for details, please refer to the section “Safety and Security of Riders” in the Social section of this ESG Report) to ensure that each rider understands and can ensure maximum delivery safety.

In addition, SF Intra-city further enhanced its prohibited items management system in 2024 to strengthen control over prohibited items. A detailed list of prohibited items was clearly established, covering not only commonly known hazardous items such as flammable materials, explosives, weapons, petrol and narcotics, but also continuously updated and refined in line with practical circumstances and changes in applicable laws and regulations. Customers are required to accurately disclose the nature of the items to be delivered prior to placing an order. Meanwhile, riders must conduct strict inspections of each package in accordance with established procedures. This dual safeguard mechanism effectively upholds public safety and fully protects the legitimate rights and interests of customers.

### Information Security and Privacy Protection

In order to provide safe and reliable platform services, the Company has formulated the *SF Intra-city Privacy Policy*, applicable to users and riders respectively and internal policies such as the *SF Intra-city Information Security and Privacy Management Strategy Manual*, and the *SF Intra-city System Privacy Data Security Management Specification*, in accordance with relevant laws and regulations, including the Cybersecurity Law of the People's Republic of China, the *Information Security Technology – Personal Information Security Specification*, *Personal Information Protection Law of the People's Republic of China* and *Data Security Law of the People's Republic of China*. The Company has also obtained ISO 27701 certification for its Privacy Information Management System, establishing a robust management framework to comprehensively strengthen the foundation of its information governance. Through multiple channels such as official website and APP, users and riders are clearly informed of the principles of personal information protection, which include the scope of collection, processing methods, the protection measures and mechanism of personal information. In this way, users and riders can clearly understand how their personal information is collected, used and protected by the Company, thus enhancing their senses of trust and security in the Company's services. For customers, a variety of safety features are available when placing an order, such as privacy protection options, pickup and delivery verification codes. These features offer comprehensive protection of both personal privacy and parcel security, further improving customer satisfaction and confidence in the safety of the Company's delivery services. For more information, please refer to the "Information Security Management" section of the governance chapter in this ESG Report.

### Responsible Procurement

We recognize that procurement serves as a critical link connecting internal and external resources of an enterprise. The decisions and execution directly affect the efficiency of resource allocation, the effectiveness of environmental protection, and the coordinated development across the industry value chain. Accordingly, SF Intra-city adopts a professional and rigorous approach to building a comprehensive and refined responsible procurement system. From supplier selection and evaluation, to the standardization and oversight of procurement procedures, and to the maintenance and deepening of cooperative relationships, every stage strictly adheres to the principles of sustainable development. While ensuring that delivery services remain efficient, high-quality, and secure, we are committed to maximizing economic, social, and environmental value, setting a new benchmark for responsible procurement practices in the industry.

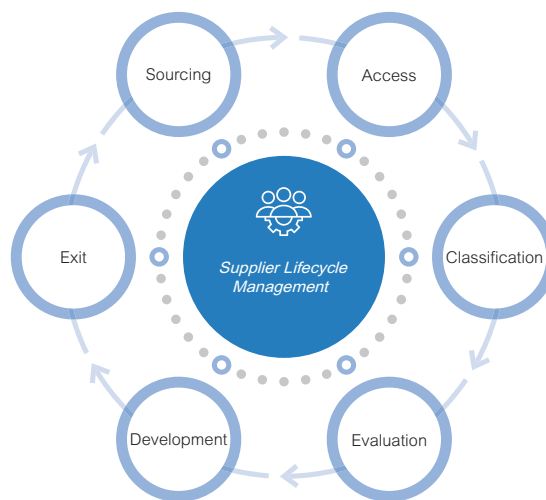


Figure: Supplier Lifecycle Management

### Systematic Management of Suppliers

The Company constantly improves the full-process supplier management system. To be specific, the Company has set up a special procurement department and formulated a series of internal management policies, including *Administrative Measures for Suppliers Introduction*, *Administrative Measures for Suppliers Certification for Centralised Procurement*, *Operational Guidelines for On-site Audit of Suppliers*, *Procurement Management Policy*, and *Supplier Management Policy*. These policies clarify the standards and requirements for suppliers, and provide full process management of suppliers from registration, daily management to fulfillment evaluation, in order to maximize the control of supply chain risks and provide effective protection for the establishment of a regulated and sustainable supply chain system.

## Service: Commitment to Quality, Upholding Excellence Service with Sincerity and Precision

### Building a Transparent Procurement Platform

Since the launch of the “Enterprise Purchase Mall” (企業購商城) in 2023, SF Intra-city has provided employees with an intelligent, efficient, and transparent integrated procurement management platform. This system enables the consolidation of supplier resources and enhances the Company’s overall supplier management efficiency.

The Mall covers budget management, demand application, procurement payment and other links, and realizes a closed loop of procurement management with functions such as supplier self-registration, certification management, classification management, order management, contract management and performance management, etc. By publishing and managing procurement information online, it realises the online procurement process and achieves efficient internal and external collaboration, which not only ensures the transparency of the procurement process but also enhances the procurement efficiency.

### Supplier Access and Evaluation

In the process of supplier selection, we strictly follow the *Administrative Measures for Suppliers Introduction* to conduct due diligence on suppliers. Based on procurement needs, the procurement team reviews suppliers’ qualifications, business credentials, technical capabilities, and financial performance. A technical evaluation is then carried out by the responsible business unit. Only suppliers who pass the review and are approved by the Procurement Committee may be admitted to the list of qualified suppliers.

#### Case: Excellent Supplier Evaluation and Recognition

In addition to the regular Outstanding Supplier Awards, this year we introduced the Win-Win Cooperation Award and the Excellence in Service Award, further enriching the evaluation dimensions for our suppliers.

These accolades not only reflect our deep recognition and sincere appreciation for suppliers’ exceptional performance in areas such as product quality, delivery efficiency, service standards, and collaborative innovation during past cooperation, but also aim to set industry benchmarks. Through these recognitions, we encourage all suppliers to continuously strive for excellence, enhance service quality and cooperation effectiveness, and work with us to achieve even greater business success.



Figure: Supplier Trophy Display

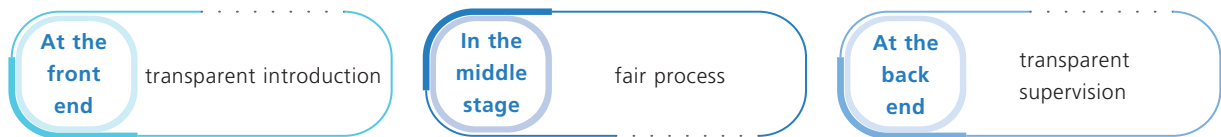
In addition, for some types of procurement, such as ongoing procurement, the procurement team will combine on-site evaluation and inspection, and qualified suppliers will be introduced after certification. In addition to the standard qualification requirements, we also set additional criteria, including but not limited to compliance with ISO/ROHS standards, as prerequisites for supplier introduction and cooperation. These criteria are incorporated into the regular audit questionnaires and evaluation reports during on-site inspections.

In order to ensure that the service or product quality of the introduced suppliers meets the standards and expectations of our Company, we initiate annual performance evaluation of our suppliers in accordance with the *Supplier Management Policy*. The performance of suppliers is assessed in terms of product quality, service capability, co-operation and responsiveness. Based on the performance evaluation results, the *Qualified Supplier List* is updated. We award “Excellent Supplier” to suppliers with outstanding performance, and suspend cooperation with those suppliers whose performance is not up to standard, and withdraw them from the management if they are still not up to standard after rectification. The supplier performance evaluation mechanism establishes a clear process for merit-based selection and elimination, which continuously drives the overall improvement of supplier standards and contributes positively to the enhancement of the Company’s service and product quality.

## Service: Commitment to Quality, Upholding Excellence Service with Sincerity and Precision

### Supplier Compliance Management and Empowerment

The Company follows the basic principles of fair, just, honest and transparent procurement to ensure that the whole procurement process to realise “transparent introduction” at the front end, “fair process” in the middle stage and “transparent supervision” at the back end, thus ensuring an honest and clean procurement environment.



The Company formulates and encourages suppliers to sign the “SF Intra-city Integrity Agreement” when signing contracts and provides “Sunshine Procurement Notice” to ensure that they comply with our Company’s business ethics and procurement rules, and prohibits any form of soliciting, bribing or accepting bribes. At the same time, the Company will specify the reporting channels for suppliers in the tender documents, so that if suppliers find any behaviour that affects fair trade or other irregularities, they can report and complain.

In the event of a breach of business ethics, the Company adopts the “zero tolerance” principle and will terminate cooperation with the relevant supplier in a timely manner and remove it from the list of qualified suppliers. If the Company receives a report involving a supplier or discovers on its own initiative that a supplier has engaged in malpractice, the Company will assess whether to accept or investigate the report in accordance with the Rules Governing the Management of Reports, and will issue a written report on the investigation of the report, so that the Demand Department and the Procurement Department can handle the supplier and impose penalties. If a crime is involved, the Company will report the case to the public security authorities and pursue the criminal and civil liabilities of the relevant personnel.



Signing rate of the Supplier Integrity Agreement **100%**

Training coverage rate for suppliers in key categories **100%**

The number of reports or complaints of fraud received was **0**

### Supplier Environment and Social Responsibility Management

In order to better manage supplier-related environmental and social risks, suppliers are encouraged to incorporate environmental, social and governance considerations into their own risk management, and keep consistent with the Company’s relevant Responsibility Policy and Code of Conduct.

The Company’s commitment to the environment and society extends throughout the supply chain. During on-site review of our manufacturing suppliers, we include environmental requirements such as ISO 9000 certification and *Restriction of Hazardous Substances* (ROHS) into our assessment of suppliers’ environmental and social risks. For suppliers with whom we have established a cooperative relationship, we sign a *Cooperation Contract* with them, which includes clauses on environmental protection and social responsibility, specifying that the supplier has to fulfil the corresponding responsibilities and implement the concept of green procurement.

In the event that the current supplier ceases operation due to environmental and social risks and issues, we will request our suppliers to rectify and turn to a standby supplier to ensure stable procurement and timely delivery of products or services.

## Service: Commitment to Quality, Upholding Excellence Service with Sincerity and Precision

### Promoting Green Procurement Concepts


Committed to taking on more corporate responsibilities, and as an advocate and practitioner of green environmental protection, the Company actively responds to national policies, and takes the lead to drive partners to accelerate the sustainable development of the on-demand delivery industry through various R&D and cooperation activities.

We have fully launched an electronic bidding system, which not only ensures transparency and efficiency throughout the tendering process, but also enables paperless operations. We have effectively avoided the significant costs and resource waste associated with the production and delivery of printed tender documents, shifting to a paperless model.

### High-Quality Service and Experience

#### Providing High Quality Service

Facing the diverse demands of intra-city delivery scenarios, SF Intra-city continues to innovate by enriching its product portfolio, identifying pain points across various industries, and refining its solutions. We have expanded our services from traditional delivery to include personal fulfillment services, covering a wide range of new consumption scenarios such as fresh produce delivery, document delivery, and local life style services.



Meeting customers' on-demand and efficient delivery needs

In terms of process optimization, leveraging our independently developed CLS, we have conducted a comprehensive review and digital and intelligent upgrade of our service processes. The order processing stage enables rapid response and accurate order entry; smart dispatching allocates orders based on real-time traffic conditions and rider locations; and route planning, powered by algorithms, provides riders with the most efficient routes, significantly shortening delivery times.

To ensure service quality, SF Intra-city has established a comprehensive monitoring system powered by big data and artificial intelligence to track the service process in real time. In the event of any anomalies, the system automatically triggers early warnings, and the customer service team responds swiftly to coordinate and resolve issues – continually improving customer satisfaction and making high-quality service a defining hallmark of our brand.

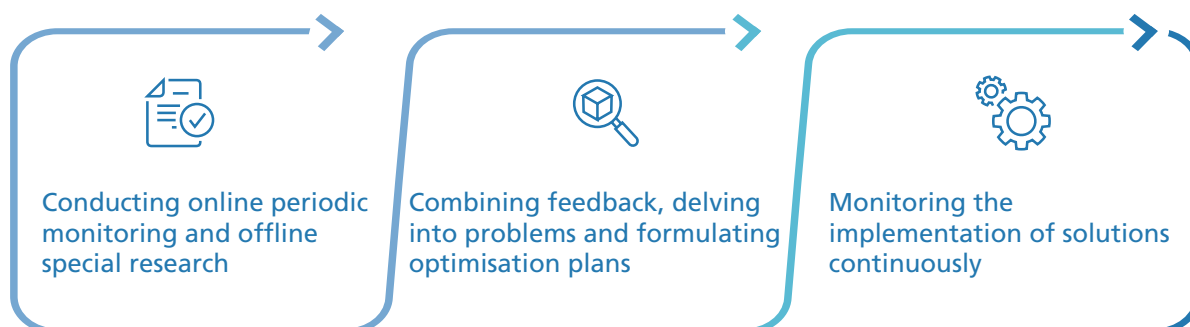
#### Customer Experience and Customer Complaint Management

For users, we insist on experience-oriented optimisation. So far, the Company has established an internal “end-to-end experience monitoring and management” system for the full process, paying continuous attention to internal and external users, including merchants, riders and consumers to form a comprehensive monitoring and managing from awareness to experience, including but not limited to platform brand awareness, satisfaction NPS, potential demands, customer complaints and handling, etc.

To learn more about user experience and demands, the Company conducts periodic monitoring and special research through a combination of online and offline methods. Based on various situations and feedback, the Company delves into specific categories, targeted groups, processed and products to understand various pain points and needs. We perform both qualitative and quantitative analysis to identify issues and propose optimization solutions, while continuously monitoring the implementation of solutions to create a closed-loop for customer experience management. Through a combination of internal and external experience, qualitative and quantitative analysis, periodic and special research, the system keeps offering solutions for improving products and services, and new market opportunities, which will continuously and effectively improve customer experience.

## Service: Commitment to Quality, Upholding Excellence Service with Sincerity and Precision

During the Reporting Period, we identified issues through feedback from customers and riders and promptly drove solutions. Upon analysis, corresponding enhancement plans were immediately formulated. As a result, the average response time for complaint handling improved, significantly enhancing the experience for both consumers and riders.



For complaints and problem resolution, customers may easily and quickly contact the platform for enquiries and complaints via multiple channels, including hotlines, APP complaint section and online customer service. Our 24/7 online customer service ensures round-the-clock support for all client needs. Additionally, we have implemented an intelligent order management system to reduce tedious manual operations in customer service, significantly improving order management efficiency. With an aim to standardize the processes of customer complaint acceptance and claim settlement, the Company has improved the *SF Intra-city On-demand Delivery Operational Guidelines for Handling Customer Complaints*, *Individual Customer Claim Settlement Clauses* and other systems. In the process of handling customer complaints, customer service personnel will identify and classify the problems, screen out major exceptional problems with high risks in terms of safety, brand and non-compliance reporting, and adopt corresponding escalation mechanisms to rapidly handle and properly solve the problems.



Customer satisfaction rate rose by **2 percentage points** year-on-year

**100%** of consumer complaints were addressed properly

## Responsible Marketing

We are aware of the risks and legal responsibilities involved in marketing and therefore give top priority to fairness in marketing and the protection of consumer rights. The Company strictly complies with the *Advertising Law of the People's Republic of China*, *Regulations on Internet Advertising*, and other relevant laws and regulations, and scrupulously implements the requirements of the *SF Intra-city Social Media Management System*. By establishing a strict brand marketing management mechanism, we regulate the management, operation and content review of our brand to avoid any false, misleading, fraudulent, unfair or ambiguous marketing situation.

On top of that, we attach great importance to the integration of environmental protection concepts with our business, and incorporate the concept of green environmental protection into our marketing initiatives. We actively promote green delivery services and raise environmental awareness through various campaigns. By organizing eco-themed events and launching environmental advocacy initiatives, we encourage customers to choose green delivery options and work together to contribute to environmental sustainability.

# Appendix

## ESG Key Performance Overview

KPIs	Unit	2024	2023
A: Environmental <sup>1</sup>			
A1: Emissions			
A1.1		The Company's own operation does not involve gas fuel consumption and use of motor vehicles, so there is no available emission data on air pollutants SO <sub>2</sub> , NO <sub>x</sub> , and PM.	The Company's own operation does not involve gas fuel consumption and use of motor vehicles, so there is no available emission data on air pollutants SO <sub>2</sub> , NO <sub>x</sub> , and PM.
A1.2			
Direct GHG emissions (Scope 1) <sup>2</sup>	tCO <sub>2</sub> e	0	0
Indirect GHG emissions (Scope 2) <sup>3</sup>	tCO <sub>2</sub> e	329.50	350.35
Other indirect GHG emissions (Scope 3)	tCO <sub>2</sub> e	89,939.09	93,783.94
Category 1: Goods and services purchased <sup>4</sup>	tCO <sub>2</sub> e	6,643.04	10,055.44
Category 5: Wastes generated during operation <sup>5</sup>	tCO <sub>2</sub> e	6.36	Added in 2024
Category 6: Business travel <sup>6</sup>	tCO <sub>2</sub> e	417.18	455.58
Category 9: Downstream transportation and distribution <sup>7</sup>	tCO <sub>2</sub> e	82,872.50	83,272.92
Total GHG emissions	tCO <sub>2</sub> e	90,268.59	94,134.29
GHG emissions intensity	tCO <sub>2</sub> e/RMB million revenue	5.73	7.60
A1.3			
Total hazardous waste produced	tonnes	The Company's own operation does not involve the generation of a large amount of hazardous waste, and the generation of hazardous waste in the office process has not been counted this year.	The Company's own operation does not involve the generation of a large amount of hazardous waste, and the generation of hazardous waste in the office process has not been counted this year.
Total hazardous waste intensity	t/employee		
A1.4			
Total non-hazardous waste produced <sup>8</sup>	tonnes	1.33	2.02
Total non-hazardous waste intensity	t/employee	0.0006	0.0010

<sup>1</sup> The environmental data covers the offices of SF Intra-city and its subsidiaries.

<sup>2</sup> The Company's own operation does not involve the GHG emissions from direct energy consumption.

<sup>3</sup> The source of grid electricity GHG emission factor is Notice on the Release of Electricity Carbon Dioxide Emission Factor for 2022 by the Ministry of Ecology and Environment.

<sup>4</sup> Refers to carbon emissions from supplier activities. The suppliers selected for inclusion in the calculation accounted for about 60% of the total procurement value.

<sup>5</sup> Refers to carbon emissions from the landfill disposal of waste paper.

<sup>6</sup> Business travel data includes air travel data. Greenhouse gas emission factors are from the International Civil Aviation Organization (ICAO).

<sup>7</sup> Refers to carbon emissions from the delivery chain.

<sup>8</sup> The total amount of non-hazardous waste only includes waste paper generated from office paper, and the scrap electronic equipment is not counted by weight.

KPIs	Unit	2024	2023
<b>A2: Use of Resources</b>			
<b>A2.1</b>			
Electricity consumption	kWh	614,056.32	614,334.27
Comprehensive energy consumption (excluding delivery session)	MWh	614.06	614.33
Comprehensive energy (excluding delivery session) intensity	MWh/RMB million revenue	0.04	0.05
Resources used in delivery session			
Electricity consumption of delivery <sup>9</sup>	kWh	154,440,000.00	146,016,000.00
Comprehensive energy consumption (including delivery session)	MWh	155,054.06	146,630.33
Comprehensive energy (including delivery session) intensity	MWh/RMB million revenue	9.85	11.84
<b>A2.2</b>			
Total water consumption	m <sup>3</sup>	7,229.06	6,923.00
Total water consumption intensity	m <sup>3</sup> /RMB million revenue	0.46	0.56
<b>A2.5</b>			
Packaging material	tonnes	3.24	10.36
Packaging intensity	t/RMB million revenue	0.0002	0.0008
<b>B: Social</b>			
<b>B1: Employment</b>			
<b>B1.1<sup>10</sup></b>			
Total number of employees	Person	2,048	2,041
<b>Total workforce by gender</b>			
Male	Person	1,471	1,485
Female	Person	577	556
<b>Total workforce by employment type</b>			
Management	Person	38	40
Non-management	Person	2,010	2,001
<b>Total workforce by age group</b>			
29 and below	Person	679	737
30-49	Person	1,355	1,290
50 and above	Person	14	14
<b>Total workforce by geographical regions</b>			
China Mainland	Person	2,046	2,039
Hong Kong, Macau, Taiwan and overseas	Person	2	2

<sup>9</sup> Resource used in delivery session refers to the electricity consumption by the electric vehicles of riders in the Company. Such consumption is not included in our business operation. Yet, relevant data will be adopted in the Company's Scope 3 calculation.

<sup>10</sup> Total number of employees includes the number of full-time employees that signed formal labor contracts with SF Intra-city.



# Appendix

KPIs	Unit	2024	2023
<b>B1.2<sup>11</sup></b>			
Overall employee turnover rate	%	19.29%	28.47%
Voluntary resignation rate of employees	%	15.50%	23.99%
<b>Employee turnover rate by gender</b>			
Male	%	19.24%	28.48%
Female	%	19.41%	28.42%
<b>Employee turnover rate by age group</b>			
29 and below	%	23.56%	34.19%
30-49	%	17.12%	25.27%
50 and above	%	21.43%	21.43%
<b>Employee turnover rate by geographical regions</b>			
China Mainland	%	19.21%	28.40%
Hong Kong, Macau, Taiwan and overseas	%	100.00%	100.00%
<b>B2: Health and safety</b>			
<b>B2.1</b>			
Number of work-related fatalities of employees	Person	0	0
Rate of work-related fatalities of employees	%	0%	0%
<b>B2.2</b>			
Lost days due to work injury of employees	Days	0	0

<sup>11</sup> The formula for calculating the employee turnover ratio is: the number of each category employees left in the current year/the number of each category employees at the end of the current year \* 100%.

KPIs	Unit	2024	2023
<b>B3: Development and training</b>			
<b>B3.1</b>			
The percentage of employees trained	%	100.00%	99.80%
<b>The percentage of employees trained by gender</b>			
Male	%	100.00%	99.87%
Female	%	100.00%	99.64%
<b>The percentage of employees trained by employee category</b>			
Management	%	100.00%	100.00%
Non-management	%	100.00%	99.80%
<b>B3.2</b>			
The average training hours completed per employee	Hours	42.95	42.53
<b>The average training hours completed per employee by gender</b>			
Male	Hours	43.02	42.64
Female	Hours	42.75	42.22
<b>The average training hours completed per employee by employee category</b>			
Management <sup>12</sup>	Hours	25.42	80.60
Non-management	Hours	43.28	41.77
<b>B5: Supply chain management</b>			
<b>B5.1</b>			
Number of suppliers in China Mainland	Units	479	335
Number of suppliers in Hong Kong, Macau, Taiwan and overseas	Units	18	5

<sup>12</sup> The average training hours completed per person for the management level decreased in this year because the relevant courses in cooperation with universities had been completed within the Reporting Period.

# Appendix

KPIs	Unit	2024	2023
<b>B6: Product responsibility</b>			
<b>B6.1</b>			
Percentage of total products sold or shipped subject to recalls for safety and health reasons	%	The Company only provides distribution services, and does not assume corresponding responsibility for the goods delivered (except for claims caused by our Company's responsibility, such as loss or damage during the delivery process), and does not involve product recalling.	The Company only provides distribution services, and does not assume corresponding responsibility for the goods delivered (except for claims caused by our Company's responsibility, such as loss or damage during the delivery process), and does not involve product recalling.
<b>B6.2</b>			
Percentage of products – and service-related complaints received	Times/million order	199	192
<b>B7: Anti-corruption</b>			
<b>B7.1</b>			
Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period	Cases	0	0
<b>B7.3</b>			
The number of employees participating in anti-corruption training	Attendances	7,032	9,023
The number of board members and senior management participating in anti-corruption training	Attendances	234	170
<b>Community</b>			
<b>B8: Community Investment</b>			
<b>B8.2</b>			
The number of people participating in voluntary activities	Attendances	116	60
Time invested in voluntary activities	Hours	407	360

## ESG Index

Aspects	Index number	Index content	Disclosure paragraph
A. Environmental			
A1: Emissions	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Low-Carbon Operation of the Value Chain
	A1.1	The types of emissions and respective emissions data.	ESG Key Performance Overview
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Key Performance Overview
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Key Performance Overview
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Key Performance Overview
	A1.5	Description of emissions target(s) set and steps taken to achieve them.	Indicators and Goals
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Low-Carbon Operation of the Value Chain
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Low-Carbon Operation of the Value Chain
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh '000s) and intensity (e.g. per unit of production volume, per facility).	ESG Key Performance Overview
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	ESG Key Performance Overview
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Indicators and Goals
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Indicators and Goals
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	ESG Key Performance Overview

# Appendix

Aspects	Index number	Index content	Disclosure paragraph
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Low-Carbon Operation of the Value Chain
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Low-Carbon Operation of the Value Chain
A4: Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Tackling Climate Change
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Tackling Climate Change
<b>B. Social</b>			
B1: Employment	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Empowering Corporate Culture Talent Development
	B1.1	Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.	ESG Key Performance Overview
	B1.2	Employee turnover rate by gender, age group and geographical region.	ESG Key Performance Overview
B2: Health and Safety	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Employee Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	ESG Key Performance Overview
	B2.2	Lost days due to work injury.	ESG Key Performance Overview
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Employee Health and Safety

Aspects	Index number	Index content	Disclosure paragraph
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Training and Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	ESG Key Performance Overview
	B3.2	The average training hours completed per employee by gender and employee category.	ESG Key Performance Overview
B4: Labour Standards	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employee Rights Protection Employee Rights and Care
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employee Rights Protection
	B4.2	Description of steps taken to eliminate such practices when discovered.	Employee Rights Protection
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Responsible Procurement
	B5.1	Number of suppliers by geographical region.	ESG Key Performance Overview
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Responsible Procurement
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Responsible Procurement
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Responsible Procurement

# Appendix

Aspects	Index number	Index content	Disclosure paragraph
B6: Product Responsibility	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Responsible Marketing
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	ESG Key Performance Overview
	B6.2	Number of products and services related complaints received and how they are dealt with.	Customer Experience and Customer Complaint Management
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Protection of Intellectual Property Rights
	B6.4	Description of quality assurance process and recall procedures.	The Company's business doesn't involve the production and manufacturing of the products
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Information Security Management
B7: Anti-corruption	General Disclosure	Information on: a. the policies; and b. compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Business Ethics
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	ESG Key Performance Overview
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Business Ethics
	B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics
Community			
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Collaboration for Mutual Success
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Collaboration for Mutual Success
	B8.2	Resources contributed (e.g. money or time) to the focus area.	ESG Key Performance Overview

## Feedback Form

Dear readers,

Thank you for reading the 2024 Environmental, Social and Governance Report of SF Intra-city. In order to continuously improve the ESG work performance of SF Intra-city, we hope that we can receive your feedback. You can send us your opinions and suggestions by post or e-mail. We sincerely appreciate your attention to SF Intra-city.

1. Which of the following stakeholders of SF Intra-city do you belong to?

- ☐ Shareholders and investors   ☐ Employees   ☐ Customers   ☐ Riders   ☐ Suppliers and business partners  
☐ Governments and regulatory authorities   ☐ Industry associations   ☐ Media and the public   ☐ Others  
(please specify) \_\_\_\_\_

2. What do you think of the report?

- ☐ Good   ☐ Quite Good   ☐ Fair   ☐ Poor

3. What do you think of the information disclosed in the report?

- ☐ Abundant   ☐ Quite abundant   ☐ Fair   ☐ Little   ☐ Very little

4. What do you think of the quality of the information disclosed in the report?

- ☐ Good   ☐ Quite Good   ☐ Fair   ☐ Poor

5. Which of the following topics in the report do you think needs to be improved?

- ☐ Governance   ☐ Environment   ☐ Social

6. What's the specific content the needs to be improved in your opinion?

\_\_\_\_\_

7. Are there any information you would like to have but the report has not disclosed?

\_\_\_\_\_

8. What do you think of the presentation of the report?

- ☐ Good   ☐ Quite Good   ☐ Fair   ☐ Poor

9. Do you have any comments and suggestions to the Company's ESG work and the preparation of the report?

\_\_\_\_\_

Contact method

E-mail: TCIR@sf-express.com

Tel: +86 0755-36390016

Website: sf-cityrush.com



# Third-party Assurance Report



## Independent Assurance Statement

### 2024 ESG Report Assurance

No.: CCXC\_SDV\_202504009

## Hangzhou SF Intra-city Industrial Co., Ltd.

China Chengxin Certification (Shenzhen) Co., Ltd. ("CCXC") was engaged by Hangzhou SF Intra-city Industrial Co., Ltd. ("SF Intra-city" or "Reporting organization") to provide Type II Moderate Assurance of SF Intra-city's 2024 ESG report to the reporting period of 1 January 2024 to 31 December 2024 in accordance with AA 1000 Assurance Standard (v3).

The assurance was conducted in accordance with AA 1000 AS.

2024 ESG report has been prepared by SF Intra-city in accordance with the HKEX Appendix C2: Environmental, Social and Governance (ESG) Reporting Guidelines.

#### Our Conclusion & Opinion

On the basis of the work undertaken, nothing came to our attention to suggest that the selected information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria. This conclusion relates only the selected information, and is to be read in the context of this Independent assurance report, in particular the inherent limitations explained below. We performed a "Type II Moderate" assurance engagement of specified data and information using GRI & GHG protocol. A statement with a "limited assurance level" was issued for use by SF Intra-city and its stakeholders.

#### Selected information

- |   |  |
|---|--|
| - Electricity consumption                                       | - Total number of employees                      |
| - Comprehensive energy consumption (excluding delivery session) | - Total workforce by male                        |
| - Electricity consumption of delivery                           | - Total workforce by female                      |
| - Comprehensive energy consumption (including delivery session) | - The percentage of employees trained            |
| - Total water consumption                                       | - The percentage of male employees trained       |
| - Total GHG emissions   | - The percentage of female employees trained     |
| - Direct GHG emissions (Scope 1)                                | - Number of work-related fatalities of employees |
| - Indirect GHG emissions (Scope 2)                              | - Lost days due to work injury of employees      |
| - Other indirect GHG emissions (Scope 3 – Category 1, 5, 6, 9)  | - Overall employee turnover rate                 |
| - Total non-hazardous waste produced                            | - Voluntary resignation rate of employees        |
| - Packaging used  |  |

#### China Chengxin Certification (Shenzhen) Co., Ltd.

Unified Social Credit Identifier: 91110101MA01GU3E06

37th Floor, Shenzhen Bay Venture Capital Building, No. 25, Haitian 2nd Road, Binhai Community, Yuehai Street, Nanshan District, Shenzhen, P.R. China



中诚信认证  
CCXC

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Independence Objectivity Professionalism

This verification statement is based on the information provided by the organization to CCXC and the aforementioned agreed conditions. CCXC shall not be liable to any party that relies on or uses this verification statement.



# Third-party Assurance Report



## Independent Assurance Statement

### 2024 ESG Report Assurance

No.: CCXC\_SDV\_202504009

#### Hangzhou SF Intra-city Industrial Co., Ltd.

- Number of suppliers in China Mainland
- Number of suppliers in Hong Kong, Macau, Taiwan and overseas
- Percentage of products and service-related complaints received
- The number of employees participating in anti-corruption training
- The number of board members and senior management participating in anti-corruption training
- Zero customer complaints related to privacy issues this year
- The signing rate of the Letter of Anti-Corruption Commitment by employees reached for 5 consecutive years
- The signing rates of supplier integrity agreement and supplier social responsibility clauses both reached

During the verification process of the above performance data, no systematic or material errors were found.

#### Limitations

Due to the absence of internationally recognized and universal standards for the assessment and measurement of non-financial information, different but acceptable assessment methods and measurement techniques may have a certain impact on the comparability of data among different institutions;

CCXC did not conduct verification on other key performance indicators beyond those indicated in the verification statement;

This verification only involved interviews with management team members of SF Intra-city and desk review, and did not extend to external stakeholders.

#### Independence and Competence

CCXC established policies and procedures are designed to ensure that CCXC, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of CCXC) and maintain independence required by relevant ethical requirement. This engagement work was carried out by an independent team of sustainability assurance professionals. Our multi-disciplinary team consisted of professionals with a combination of ESG and sustainability assurance experience.

Effective Date: 2025/04/24

Approved by

**China Chengxin Certification (Shenzhen) Co., Ltd.**

Unified Social Credit Identifier: 91110101MA01GU3E06

37th Floor, Shenzhen Bay Venture Capital Building, No. 25, Haitian 2nd Road, Binhai Community, Yuehai Street, Nanshan District, Shenzhen, P.R. China



**独立 · 客观 · 专业**

Independence Objectivity Professionalism

This verification statement is based on the information provided by the organization to CCXC and the aforementioned agreed conditions. CCXC shall not be liable to any party that relies on or uses this verification statement.

杭州順豐同城實業股份有限公司  
HANGZHOU SF INTRA-CITY INDUSTRIAL CO., LTD.

[www.sf-cityrush.com](http://www.sf-cityrush.com)

