

2025 ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT



VALUE DRIVEN, PARTNER FOCUSED



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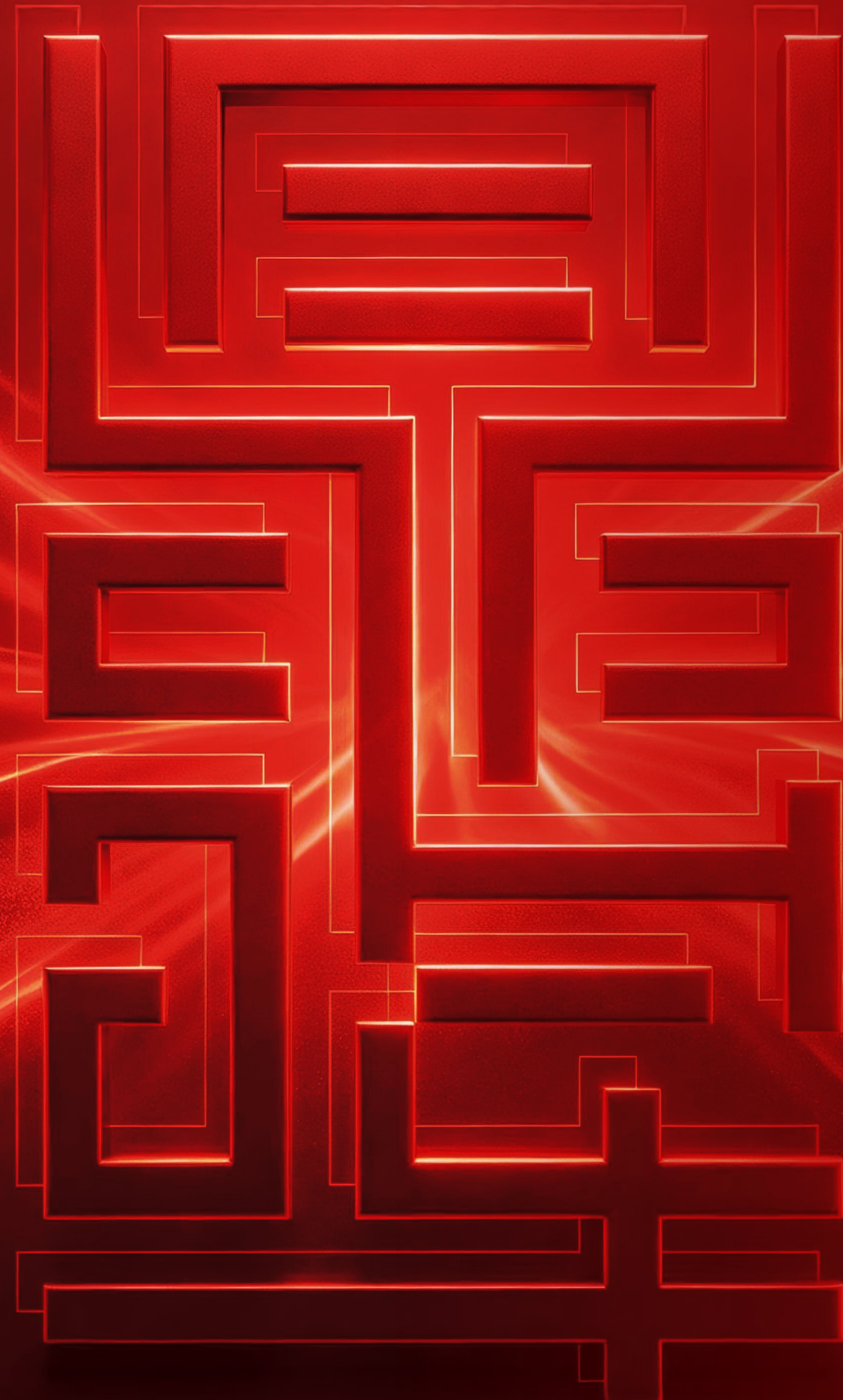
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ABOUT THIS REPORT

At CDH, we strive to achieve strong investment returns while contributing positively to environmental and social progress. Our 12th annual Environmental, Social and Governance (ESG) Report illustrates how our investment capital supports innovative solutions to global sustainability challenges. It also details our firm-wide ESG policy, transparency measures, and engagement initiatives as part of our broader commitment to responsible investing.

This report reflects our evolving perspective on sustainability – one that moves beyond compliance and moral imperatives to focus on how ESG generates tangible business value. We integrate ESG considerations into investment decisions by identifying factors that enhance financial performance, mitigate risk, and strengthen long-term competitiveness. Transparency is central to our approach, and we welcome on-going dialogue with stakeholders on how we can continue to improve.

STATEMENT FROM CDH LEADERSHIP

“At CDH, we view sustainability not merely as a matter of compliance or ethics, but as a fundamental driver of business value. By aligning ESG with our core strategy, we strengthen resilience while delivering long-term returns.”

Looking back on 2025, global ESG frameworks continued to evolve amid mounting complexity. Policy approaches grew increasingly differentiated: while the European Union recalibrated certain environmental targets in response to economic realities, the United States saw growing divergence between federal climate initiatives and state-level policies. These developments underscored the broader challenge of establishing coordinated global ESG governance standards. Market dynamics mirrored this uncertainty, with 2025 marking the first annual net outflow from sustainable funds after years of consistent growth¹.

Yet despite policy and market landscapes, the underlying sustainability imperatives remain pressing. The World Economic Forum's Global Risks Report 2025 ranks extreme weather as the second most severe global risk by potential impact², a stark reminder of the tangible consequences of environmental challenges. Progress on the United Nations Sustainable Development Goals (UN SDGs) tells similarly sobering story: with two-thirds of the 2030 timeline elapsed, only about one-third of targets are on track, while many critical indicators show stagnation or regression³. This widening disparity between commitments and delivery underscores the need for more effective implementation strategies.

This evolving landscape demands pragmatic and financially material ESG strategies. In response to these challenges, our 2025 ESG execution at CDH centered on three levers: targeting structurally resilient sectors aligned with sustainable development priorities, elevating active ownership practices, and strengthening disclosure—translating commitments into measurable impact.

¹ Morgan Stanley, 2026. Global Sustainable Fund Performance: 2H 2025. (Available at: <https://www.morganstanley.com/insights/articles/sustainable-fund-performance-second-half-2025>)

² World Economic Forum, 2025. Global Risks Report 2025. (Available at: https://reports.weforum.org/docs/WEF_Global_Risks_Report_2025.pdf)

³ United Nations, 2025. The Sustainable Development Goals Report 2025. (Available at: <https://unstats.un.org/sdgs/report/2025/The-Sustainable-Development-Goals-Report-2025.pdf>)

i New-Quality-Productivity-Aligned ESG Investments

In line with China's "New Quality Productive Forces" development strategy, we prioritized investments in three key sectors that demonstrate strong potential for both sustainable innovation and commercial viability:

• Green Tech & Low-Carbon Transition

Our targeted investments in renewable electricity generation, next-generation biofuels, energy storage technologies, and green mobility infrastructure yield scalable solutions that support the transition to a carbon-neutral future.

• Industrial Digitalization

We seek to elevate industrial productivity and service accessibility by investing in data infrastructure, network services, robotics, and AI-powered applications designed for inclusive adoption.

• Inclusive Healthcare Innovation

We prioritize strategic investments in bio-pharmaceutical technology, AI-driven drug discovery, and therapies for rare diseases, making healthcare more affordable and accessible.

ii Active Ownership: Integrating ESG Across the Investment Lifecycle

We enhanced governance oversight and risk monitoring through the implementation of:

• Board-Level ESG Engagement

Leveraging our board positions in portfolio companies, we systematically integrate ESG considerations into governance decisions, ensuring strategic alignment with material sustainability priorities.

• End-to-End ESG Risk Management

We engaged external advisors to conduct pre-investment ESG due diligence and provide ongoing monitoring of material ESG metrics, including targeted technical support to address priority challenges.

iii Strengthening Governance & Transparency

We advanced governance and disclosure through:

• Firm-Wide ESG Policy Deployment

We formalized a firm-wide ESG policy, codifying sustainability as a strategic priority across all investment and operational processes.

• Inaugural Principles for Responsible Investment (PRI) Reporting

We launched our first PRI report, transparently disclosing fund-level ESG approach and portfolio-wide progress.

Looking ahead, we remain focused on integrating ESG into our investment strategy—delivering competitive returns alongside sustainable impact. By continuously refining our approach, we aim to create lasting value for our investors and stakeholders alike.

ESG BY THE NUMBERS IN 2025

Firm-Level Highlights

Diversity, Equity and Inclusion

Total Number of Employees:

200+



Proportion of Female Employees:

~55%



Female Leadership Representation⁴:

30%



Disclosure and Transparency

Published annual ESG reports for 12 consecutive years

12 years



Responded to 20+ LP ESG questionnaires in 2025

20+



Completed our first year of PRI reporting

First year



ESG Integration



Conducted ESG Due Diligences (ESG DD) for 100% of new investments across PE Fund V, Fund VI, and VGC Fund II.



Supported 13 portfolio companies in improving their ESG management through Corrective Action Plans (CAPs).

Portfolio ESG Highlights^{5 6}

Environment

Renewable Energy Consumption:



Increased by
~230million kwh
(up ~35% vs 2024)

Carbon Emission Reduction:



50%+ of portfolio companies reduced Scope 1+2 carbon emissions

Water Saving:



~1.2million tons
(vs 2024)

Wastewater Discharge reduction:



6,700+ tons
(vs 2024)

Social and Governance

Job Creation:



~4,000 jobs created
(up ~6% vs 2024)

Inclusive Hiring:



~140 new hires from vulnerable groups⁷

Gender Equality:



~60% of portfolio companies reduced their gender pay gap⁸

Female Leadership Representation:



~80% of portfolio companies have appointed female senior managers
(up ~5% vs 2024)

⁵ This year, we collected ESG data from 59 out of 63 active portfolio companies across PE Fund V and its continuation fund, Fund VI, and VGC Fund II. Among the four companies that did not provide data, two faced internal data management challenges, one opted out due to IPO considerations, and one had yet to publish its ESG report at the time of data collection.

⁶ All comparative data in this report are based on available metrics from our portfolio companies for both 2024 and 2025.

⁷ Vulnerable groups include low-income individuals, ethnic minorities, people with disabilities, etc.

⁸ Gender pay gap refers to the difference between the average salary of female employees and that of male employees.

⁴ This refers to the percentage of females among partners and C-level executive roles.

CDH AT A GLANCE



About Us

Founded in 2002, CDH stands as one of China's most established and cycle-tested alternative asset management firms. With roots in private equity, we have evolved into a diversified investment platform offering comprehensive capabilities across private equity, venture and growth capital, private credit, real asset, wealth management, and public equity.

350+ Portfolio Companies

We have invested in more than 350 portfolio companies. Many of these companies are leaders in sectors such as consumer goods, healthcare, advanced manufacturing, and digital technology, playing essential roles in China's domestic economy.

100+ IPOs

We build enduring relationships with leading companies and deploy our extensive resources to drive transformative growth. We have supported over 100 companies in successfully listing on both international and domestic stock exchanges in China.

200+ Institutional Investors

We maintain partnerships with over 200 international and local institutional investors. Our diversified investor base encompasses sovereign wealth funds, pension funds, insurers, endowments, family offices, and fund-of-funds from around the globe.

US\$15.87 Billion AUM

From our roots in private equity, we have evolved into a diversified platform spanning private equity, venture and growth capital, private credit, real estate, wealth management, and public equity. As of December 31, 2025, our total assets under management (AUM) were US\$15.87 billion:

\$ 4,050 million



Private Equity

\$ 2,573 million



Venture and Growth

\$ 992 million



Private Credit

\$ 692 million



Real Estate

\$ 4,162 million



Wealth Management

\$ 3,405 million



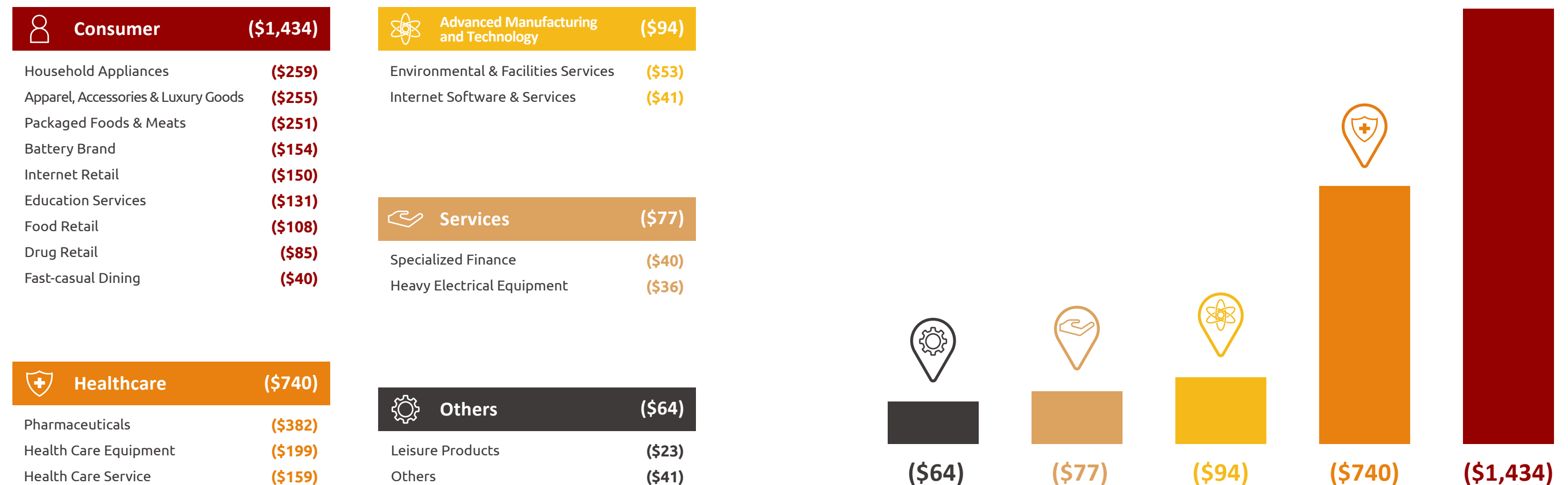
Public Equity

■ CDH Portfolio Overview

As of December 31, 2025, CDH Fund V and its continuation fund, Fund VI, and VGC Fund II have invested over US\$ 3.6 billion in 90 portfolio companies⁹. Below are charts outlining the investment composition by industry for each of our funds.

CDH Fund V Portfolio Overview

Fund V investment cost by industry (US\$ million as of December 31, 2025)

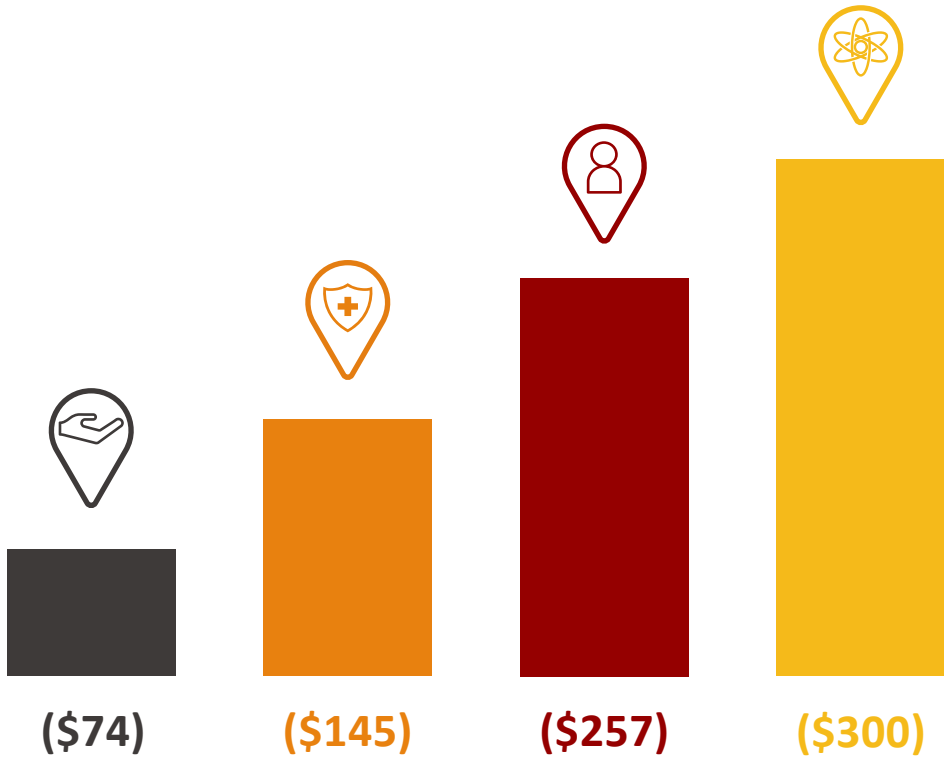


⁹ Including both existing and exited companies.

CDH Fund VI Portfolio Overview

Fund VI investment cost by industry (US\$ million as of December 31, 2025)

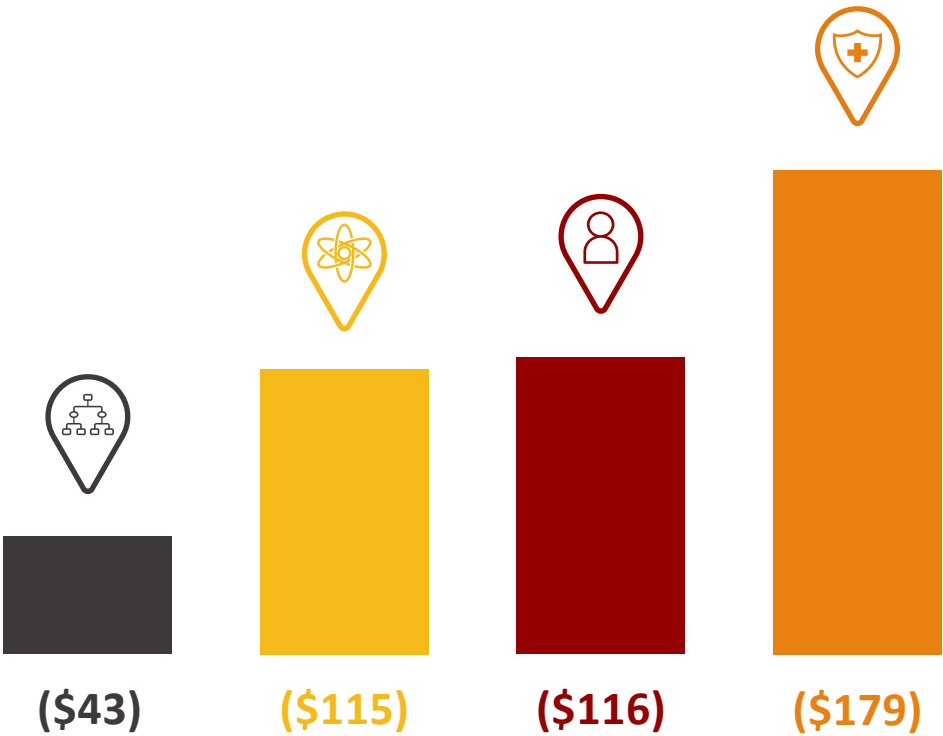
 Consumer (\$257)	 Healthcare (\$145)
Leisure Products (\$99)	Biotechnology (\$130)
Food Retail (\$59)	Health Care Services (\$15)
Household Products (\$59)	
Restaurant (\$40)	
 Advanced Manufacturing and Technology (\$300)	 Services (\$74)
Communication Equipment (\$106)	Real Estate Services (\$10)
Internet Services & Infrastructure (\$85)	Air Freight & Logistics (\$54)
Renewable Electricity (\$44)	Cargo Ground Transportation (\$7)
Commodity Chemicals (\$43)	Financial Exchanges & Data (\$3)
Electrical Components & Equipment (\$22)	



CDH VGC Fund II Portfolio Overview

VGC Fund II investment cost by industry (US\$ million as of December 31, 2025)

 Healthcare (\$179)	 Technology (\$115)
Biotechnology (\$118)	Semiconductors (\$67)
Life Sciences Tools & Services (\$52)	Data Processing & Outsourced Services (\$15)
Health Care Equipment (\$9)	Electronic Equipment & Instruments (\$9)
	Communication Equipment (\$7)
 Consumer (\$116)	Application Software (\$7)
Internet & Direct Marketing Retail (\$28)	Renewable Electricity (\$5)
Renewable Electricity (\$26)	Biotechnology (\$5)
Air Freight & Logistics (\$18)	
Restaurants (\$15)	 Enterprise Solutions (\$43)
Apparel, Accessories & Luxury Goods (\$8)	Application Software (\$21)
Automotive Retail (\$8)	Internet Services & Infrastructure (\$17)
Consumer Electronics (\$8)	Human Resources & Employment Services (\$5)
Application Software (\$5)	



Investor Engagement

Our world-class investor base provides a stable source of long-term capital, a critical foundation for the firm's ability to generate sustainable returns for all our partners. We maintain close and collaborative relationships with over 200 institutional investors across North America, Europe, the Middle East, and the Asia-Pacific region. We remain committed to deepening these long-standing partnerships while actively expanding our reach to new institutional investors globally.

Our investors play an essential role in supporting and overseeing our ESG efforts. We foster a culture of rigorous transparency and accountability through multiple communication channels, including regular meetings, email correspondence, periodic environmental and social performance reports, annual ESG disclosures, and timely responses to investors' information requests.

Through continuous engagement and structured dialogue, we strive to understand and address our investors' evolving expectations across both financial and ESG dimensions. CDH actively incorporates LP input and recommendations into our ESG management framework, ensuring alignment with global best practices. Guided by a long-term, value-oriented investment philosophy, we are dedicated to delivering superior investment returns alongside measurable sustainable outcomes.



CDH ESG JOURNEY

ESG 1.0

Operational Foundation

2002-2013

CDH established.

Launched the initial ESG policy.

Established organizational capacity for firm-level ESG management.

Integrated ESG factors into the investment process.

ESG 2.0

Integrated Framework Development

2014-2021

Engaged external consultants to enhance our ESG management expertise.

Embedded global E&S benchmarks (e.g., IFC / ADB) into the investment pipeline.

Started publishing annual ESG reports.

Launched an ESG data monitoring program.

ESG 3.0

Strategic Stewardship Integration

2022

Initiated carbon footprint accounting for the portfolio.

Officially became a signatory to the UN-supported Principles for Responsible Investment (PRI).

Systematically analyzed and responded to LP ESG expectations.

2023

Enhanced cross-border compliance risk identification for the portfolio.

Introduced Impact Metrics into the post-investment ESG monitoring framework.

2024

Established a unified firm-wide ESG policy.

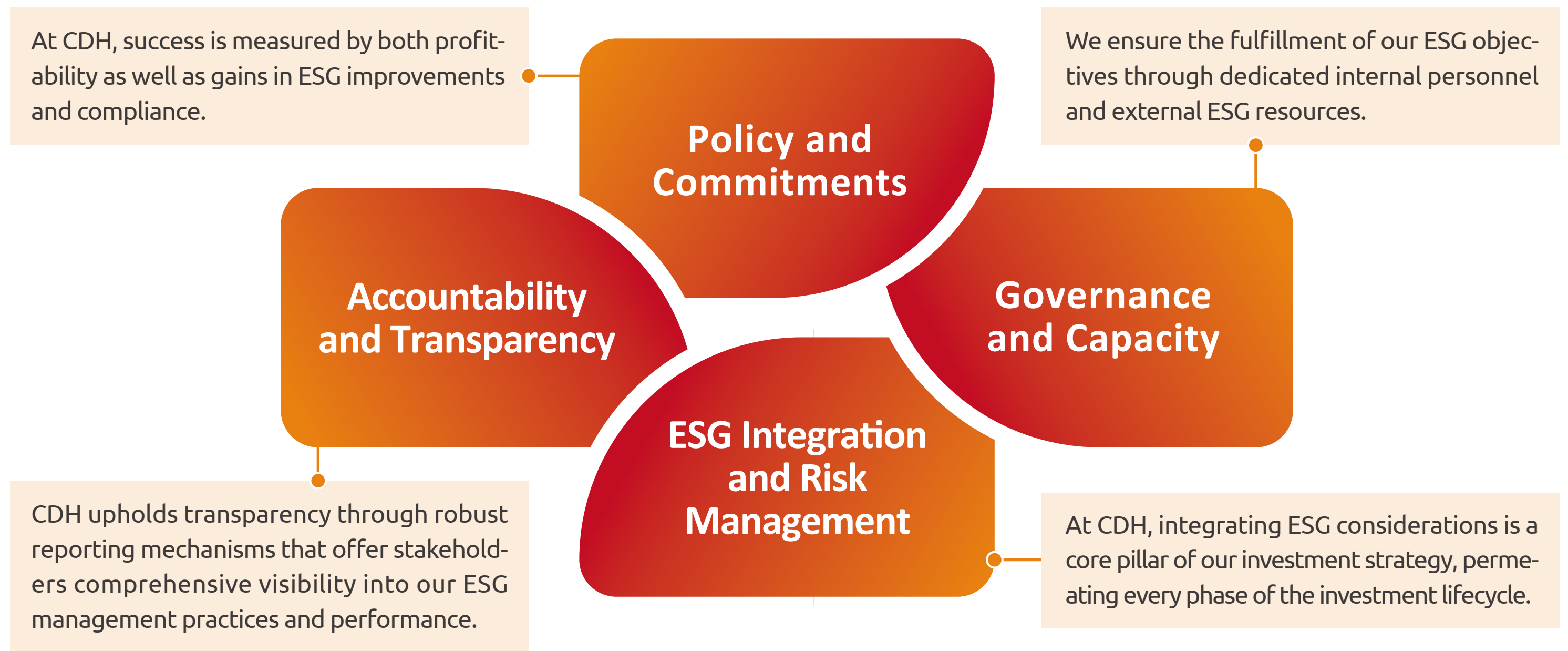
Submitted our inaugural PRI Transparency Report.

2025

Reinforced ESG stewardship, driving measurable sustainability outcomes through active ownership.

CDH ESG APPROACH

At CDH, ESG considerations are deeply integrated in our business operations and governance processes. Our approach is structured around four key components that guide our commitment to sustainable value creation: Policy and Commitments, Governance and Capacity, ESG Integration and Risk Management, and Accountability and Transparency.



■ Policy and Commitments

CDH’s ESG commitment centers on generating both financial returns and sustainable outcomes through long-term value creation. We align our practices with internationally recognized frameworks, including the Principles for Responsible Investment (PRI), which we joined in 2023. As part of this commitment, we are implementing PRI principles across our investment processes.

We commit to the six PRI principles:

01

Incorporation

We will incorporate ESG issues into investment analysis and decision-making processes.

02

Active Ownership

We will be active owners and incorporate ESG issues into our ownership policies and practices.

03

Appropriate Disclosure

We will seek appropriate disclosure on ESG issues by the entities in which we invest.

04

Responsible Investment Promotion

We will promote acceptance and implementation of the Principles within the investment industry.

05

Work Together

We will work together to enhance our effectiveness in implementing the Principles.

06

Report Activities

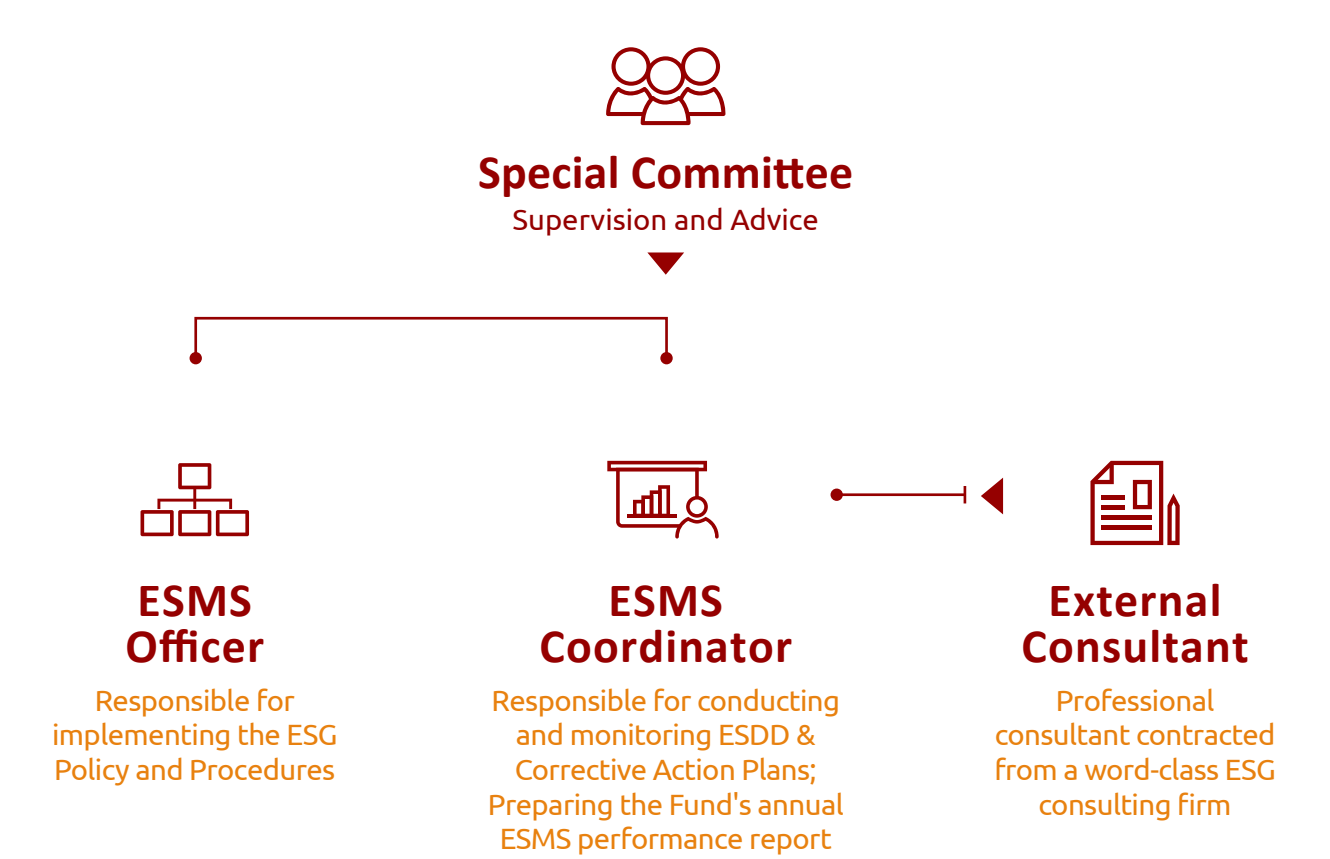
We will each report on our activities and progress towards implementing the Principles.

In 2025, CDH introduced its inaugural firm-wide ESG policy, articulating core sustainability principles grounded in the Environmental and Social Management Systems (ESMS) embedded on a firm-wide basis. In the past, each investment team had developed their own individual ESG policy. By institutionalizing this structured framework across our core investment teams, we have been able to strengthen ESG governance and further solidify CDH's commitment to integrating sustainability throughout all investment strategies.

■ Governance and Capacity

We have established a robust organizational structure to ensure the effective implementation of our ESG management framework. Oversight of the ESMS implementation is led by a designated ESMS Officer from senior management who holds full accountability for the system's operation. This includes preparation and dissemination of annual environmental and social performance reports, coordination with project teams on ESG concerns, delivery of ESG policy training, and engagement in critical discussions with business and advisory committees. The ESMS Officer is supported by a technically qualified ESMS Coordinator in the day-to-day development, implementation, and operation of ESG-related matters. The ESMS Officer, ESMS Coordinator and designated analysts/associates, collectively comprise the "ESG Team", which provides integrated sustainability expertise across the investment lifecycle.

In addition, CDH collaborates with external ESG consultants, ensuring that our “ESG Team” has direct access to expert knowledge. This enables the team to properly analyze ESG risks while simultaneously elevating our in-house expertise.



■ ESG Integration

ESG integration is a fundamental pillar of our investment strategy, permeating the entire investment lifecycle. As responsible investors, we leverage our influence to manage ESG risks and drive continuous improvement throughout every phase of our investment process, generating positive impact across our portfolio.



■ Accountability and Transparency

CDH upholds transparency as a cornerstone of our responsible investment framework, maintaining a multi-channel disclosure system that provides stakeholders with comprehensive visibility into our ESG management practices and outcomes. Our ESG disclosure efforts in 2025 include:

- Publishing our **12th annual ESG Report**, providing a comprehensive overview of our ESG progress, strategic developments, and performance metrics for 2025.
- Submitting our **first PRI Transparency Report**, enabling us to benchmark our ESG strategy, implementation and performance against global signatory peers, while simultaneously enhancing LP engagement through standardized ESG disclosures.
- Sustaining **proactive dialogue with LPs** through regularly scheduled ESG-focused conference calls and email communications.
- Responding to **more than 20 LP ESG questionnaires**, using ESG Data Convergence Initiative (EDCI)-aligned metrics (where applicable) to ensure standardized and comparable data while fulfilling LP-specific requests.

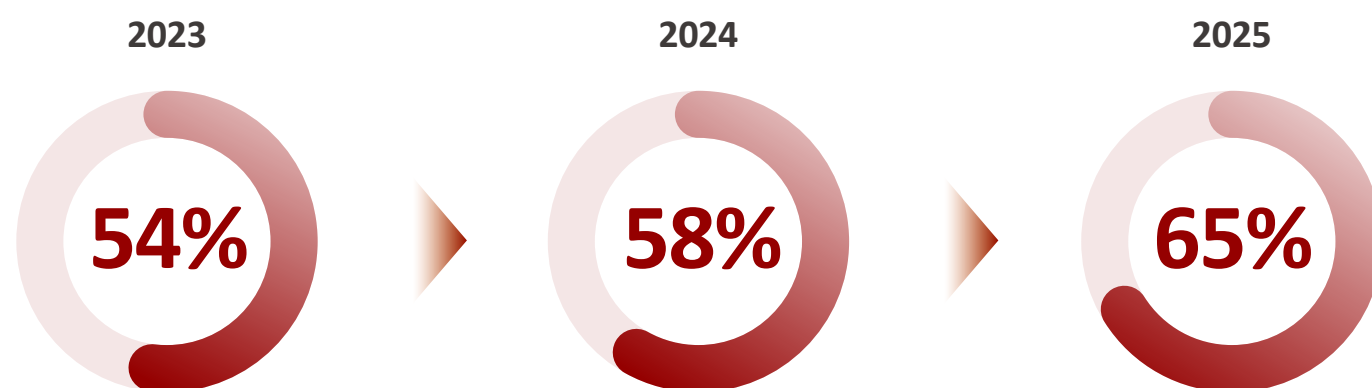
OUR PORTFOLIO ESG ACHIEVEMENTS

In 2025, we collected annual ESG performance data from 59 of our 63 active portfolio companies¹⁰ across PE Fund V and its continuation fund, Fund VI, and VGC Fund II. The data revealed impressive progress across key areas, including carbon management, resource efficiency, inclusiveness and equality, and the adoption of impact-driven AI solutions.

Inspiring Carbon Emission Reductions

2025 marks the fourth consecutive year of CDH's carbon accounting programs for our portfolio companies¹¹. This year, we obtained or estimated carbon emissions data from 48 portfolio companies, and **approximately 65%** achieved a reduction in carbon emission intensity¹². Notably, the proportion of companies delivering year-on-year carbon intensity reductions has increased steadily – a clear indication of consistent and measurable progress in carbon management across the portfolio.

Share of companies with reduced carbon emission intensity



¹⁰ Among the four companies that did not provide data, two faced internal data management issues, one opted out due to IPO considerations, and one had yet to publish its ESG report at the time of data collection.

¹¹ Among the 59 portfolio companies with ESG data, 11 did not track carbon emissions or energy consumption data.

¹² The carbon emission intensity data in this section is calculated based on portfolio companies' revenue.

Portfolio Company A

High-End Optical Module Manufacturer – Decarbonization Roadmap in Action

The company has set an ambitious goal to source 100% renewable energy by 2040. As a concrete step toward this goal, its major production facility in Thailand procured **20 million kWh** of green electricity in 2025, certified under the International Renewable Energy Certificate (I-REC) standard. This contributed to a more than 40% reduction in carbon emission intensity compared to the previous year.

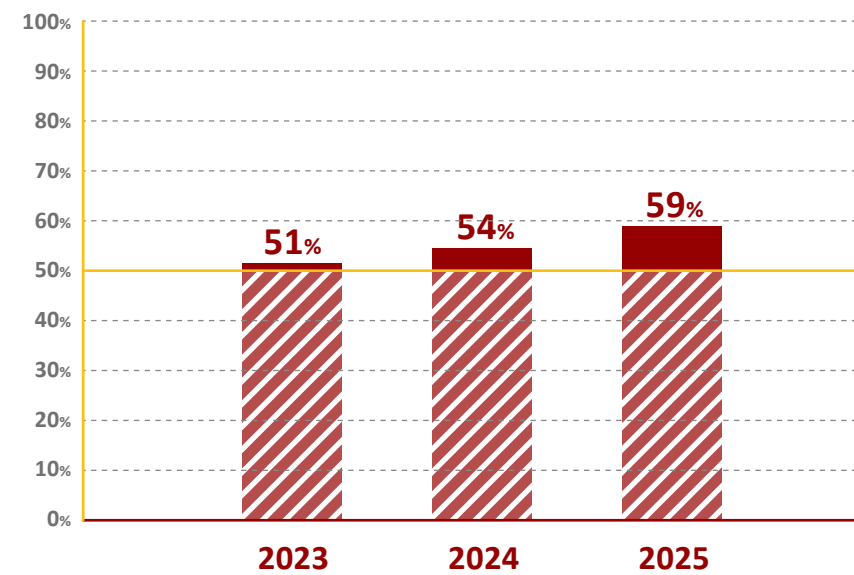


The company's major production site in Thailand has purchased 20 million kWh of International Renewable Energy Certificates(I-RECs) to advance its ambitious 100% green energy roadmap.

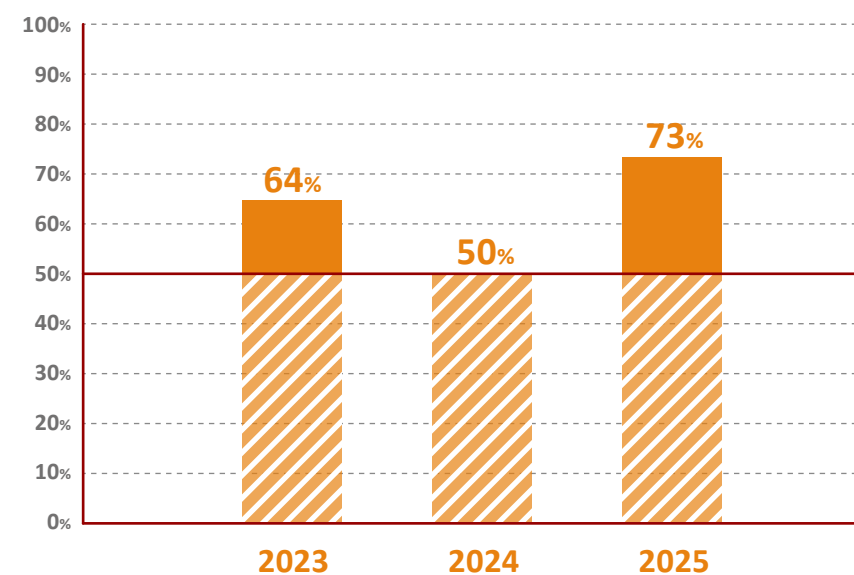
Elevated Resource Efficiency

Our portfolio companies continue to enhance resource efficiency in their operations. Over the past three years (2023~2025), **the majority** have reduced their environmental footprint in both electricity and water consumption¹³:

Share of companies with reduced electricity consumption intensity



Share of companies with reduced water consumption intensity



¹³ The electricity and water consumption intensity data is calculated based on portfolio companies' revenue.

Portfolio Company B

Pharmaceutical Company – Operational Energy Consumption Optimization

In 2025, the company implemented **22 strategic energy optimization projects** covering steam system upgrades, electrical efficiency retrofits, industrial process enhancements, clean energy adoption, and energy management refinements. These initiatives delivered substantial efficiency gains and are projected to generate approximately **RMB 35 million** in annual cost savings.



The company's energy improvement efforts not only enhanced energy efficiency but also yielded considerable reductions in energy expenditures.

Workplace Inclusiveness and Equality

An inclusive and equitable workplace is fundamental to cultivating a motivated and high-performing workforce. In 2025, our portfolio companies advanced inclusiveness and equity through targeted initiatives across three strategic areas: inclusive recruitment, pay equity optimization, and talent retention programs.



New hires from vulnerable groups¹⁴ ~140



Approximately 60% of portfolio companies reduced their gender pay gap (vs 2024)



The portfolio’s average employee turnover rate was ~35% (a 6% decrease vs 2024)

Portfolio Company C

Beverage Retailer Company: Employment Initiative for the Disabled Community

To promote inclusive employment, the company launched the “Silent Tea Shop” initiative, which exclusively hires individuals who are deaf or have speech disabilities. These outlets are thoughtfully designed with writing boards, sign-language menus, and signboards to facilitate smooth communication between customers and staff. By the end of 2025, **more than 10** such tea shops had opened across various cities in China.



The design of the “Silent Tea Shop” incorporates sign-language features and heartwarming messages, bringing customers and staff closer together.

¹⁴ Vulnerable groups include low-income groups, ethnic minorities, people with disabilities, etc.

Impact-Driven AI Adoption

Our portfolio companies are embedding AI technology into business operations to enhance internal performance and product excellence, while proactively exploring its applied potential for generating social and environmental value.



- Approximately 50% of portfolio companies have integrated AI into internal business processes to improve efficiency.



- More than 50% of portfolio companies have integrated AI to enhance service or product quality for clients.

Portfolio Company D

Pharmaceutical R&D Company – Accelerating Drug Discovery through AI

The company has developed an AI-powered platform dedicated to drug discovery. Leveraging a molecular database containing more than 10 billion entries, the platform generates and optimizes structurally viable drug molecules for a wide range of targets with exceptional speed and precision. This technological edge has yielded an **80% reduction in early-stage synthesis and laboratory costs**, while also shortening R&D timelines. With partnerships established with more than 100 pharmaceutical companies worldwide, the company is now contributing to lower drug costs and accelerate patient access to innovative therapies.



Leveraging the company’s AI platform, drug R&D teams can generate novel molecules and evaluate their structural validity, reducing early-development expenses by 80%.

PORTFOLIO COMPANY ESG PRACTICE EXAMPLES

CASE 1

A Global Leader in Photovoltaic and Energy Storage Solutions



In 2020, CDH Fund VI invested in a leading provider of integrated photovoltaic (PV) and energy storage solutions ("Solar"). As Solar's sole external board member, CDH played an active role beyond traditional investment – helping shape the company's long-term strategy, operational and value chain decarbonization, and social value initiatives. Over the five-year holding period (2020-2025), this partnership demonstrated how financial success and sustainability leadership can be mutually reinforcing.

Strategic Investment and Value Creation

Beyond capital provision, CDH's five-year board stewardship guided Solar's transformation into an integrated solutions provider, driving systematic improvements in both market positioning and financial resilience through three key initiatives:

Strategic Business Transformation



Through proactive governance engagement, CDH steered Solar's evolution from a PV manufacturer to a leader in integrated "PV + storage" solutions, successfully positioning energy storage as a second growth engine.

International Diversification



CDH supported Solar's expansion into high-growth international markets, effectively hedging against cyclical headwinds in China's domestic solar industry.

Full-Cycle Value Creation



CDH successfully supported Solar's 2023 IPO on the Shanghai STAR Market (Sci-Tech Innovation Board) and executed a full exit in 2025, delivering end-to-end value creation across the investment lifecycle.

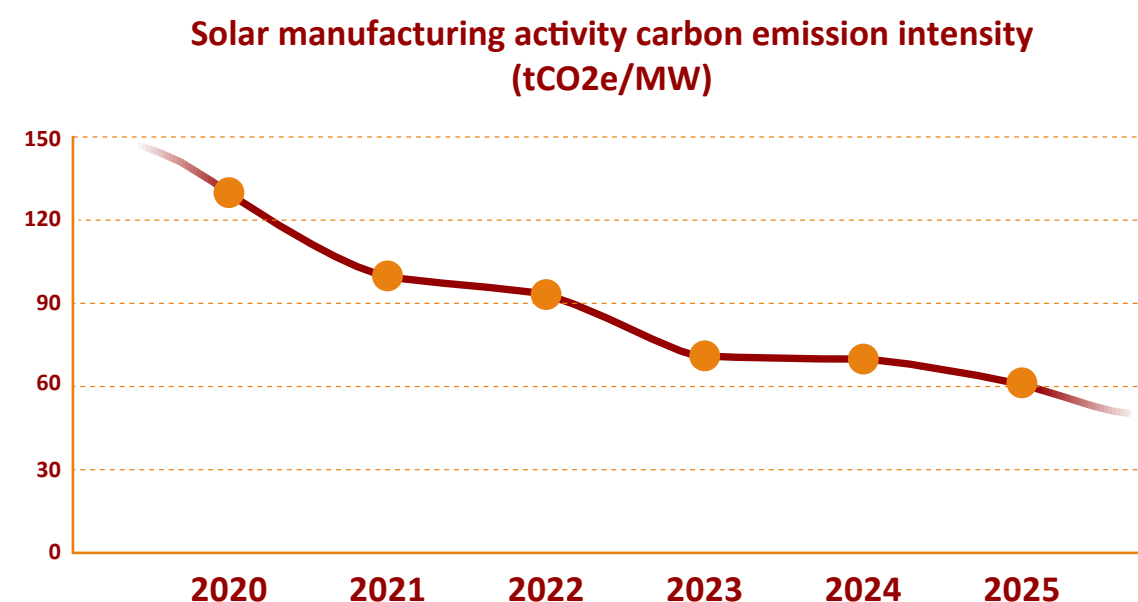


Energy storage is now Solar's second growth engine.

Decarbonization at Scale

CDH actively supported Solar's various decarbonization efforts, driving emissions reductions across its own operations and the broader value chain.

Within Solar's own operations, CDH supported the company's deployment of energy-efficient equipment and its transition to renewable energy sources for manufacturing processes. By the end of the five-year holding period, these measures had reduced the carbon emission intensity¹⁵ of Solar's PV production by **nearly 50%** compared to the 2020 baseline.



Beyond its factory gates, CDH supported Solar's commitment to value chain decarbonization. In 2023, Solar submitted its commitment letter to the Science Based Targets initiative (SBTi)¹⁶, outlining a rigorous roadmap to achieve net-zero carbon emissions across its entire value chain by 2050.

Enduring Social Value Creation

CDH believes that responsible businesses should contribute to community development, which is why we support Solar's mission to create enduring social value. Rather than relying solely on philanthropic donations, Solar integrates social impact directly into its business model by improving energy infrastructure in underserved regions. This approach creates meaningful impact on three levels:

¹⁵ In this context, carbon emission intensity is defined as the carbon emissions resulting from the production of solar panels, expressed per megawatt (MW) of panels produced.

¹⁶ SBTi is a globally recognized initiative that provides science-based target-setting frameworks and independent validation to help companies align their climate actions with the goal of achieving net-zero by 2050.

Expanding Access to Clean Energy



By installing distributed PV systems for remote and underserved households, Solar delivers affordable electricity to these communities while reducing reliance on fossil fuels.

Cutting Energy Costs and Creating Additional Income



Distributed PV systems lower household electricity bills and enable surplus power to be sold back to the grid, generating a steady stream of income from green energy.

Creating New Employment Opportunities



The installation, regular maintenance, and operation of PV systems require additional personnel, generating stable employment in economically disadvantaged areas.

Solar has already scaled this approach extensively in rural China and delivered impressive results. By installing and connecting rooftop PV systems for **nearly 10,000 households** to the grid, Solar helped generate over **RMB 110 million in income** for rural households while also creating **more than 1,000 local employment opportunities**. Beyond rural China, Solar has also extended the same model to other developing regions driving enduring social impact worldwide.



Going beyond traditional philanthropic models, Solar seeks to create enduring social impact through its core operations.

Summary

The partnership between CDH and Solar exemplifies how active ownership—when aligned with a shared ESG commitment—can empower enterprises to strengthen their market position and generate enduring value. By integrating disciplined capital strategies with measurable sustainability outcomes, CDH has enabled Solar to emerge as a global leader in energy transition, advancing both environmental progress and community impact in parallel.

CASE 2

A Pharmaceutical Innovator Advancing mRNA Medicines



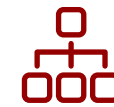
In 2022, CDH VGC Fund II invested in a clinical-stage biopharmaceutical company ("MRA") pioneering mRNA therapeutics through its proprietary Lipid Nanoparticle (LNP) delivery platform. Combining cutting-edge science with a commitment to global health, MRA is advancing breakthrough treatments for unmet medical needs.

CDH's strategic investment supported MRA's transformation from an R&D-focused startup into an integrated biotech enterprise with global discovery, development, and cGMP manufacturing capabilities. Recognizing the heightened environmental, health, and safety (EHS) and social risks inherent in rapid pharmaceutical scaling, CDH facilitated the development of MRA's ESG management systems, strengthening operational resilience.

Strengthening EHS Risk Management

CDH supported MRA in progressively building EHS capabilities to identify and manage risks during operational scale-up. These strengthened processes also incorporated risks identified through ESG due diligence into protocol redesigns to control expansion-related hazards.

Organizational Capacity Reinforcement



MRA enhanced its EHS management capacity through a two-phase rollout. In 2022, the company established a dedicated EHS department, followed in 2023 by the deployment of safety officers to implement corporate requirements across all local sites.

Operational Risk Management



Through the ESG due diligence process, CDH assisted MRA in identifying operational risks related to hazardous chemical and biosafety management, and subsequently provided recommendations for redesigning its high-risk operational protocols. These enhancements effectively mitigated critical operational vulnerabilities, thereby safeguarding business continuity during MRA's transition to large-scale production.



Before investing, CDH conducted an on-site ESG due diligence assessment to identify safety issues at MRA (photos were taken during the site visit) and issued a corrective action plan (CAP) to guide the company's mitigation efforts.

Fostering an Inclusive and Innovative Workforce

As an R&D-driven company, human capital is MRA's core asset. With CDH's support, MRA strengthened talent retention and innovation through:

Diversity, Equity, and Inclusion



MRA maintains a highly inclusive workforce. As of 2025, women comprised **more than 50%** of total employees and **nearly 70%** of senior management positions.

Employee Rights and Voice



Based on CDH's recommendation, MRA established anonymous reporting channels to promote workplace safety and transparency, enabling employees to securely report concerns or misconduct.

Innovation Incentivization



Robust intellectual property (IP) management systems were established to foster innovation, featuring structured employee invention rewards, workforce training programs, and enhanced IP protection awareness.



Viewing talent as its core asset, MRA places great emphasis on protecting employee rights and fostering innovation.

Enhancing Environmental Stewardship

Rapid operational expansion intensified MRA's environmental footprint, particularly in energy and water usage. Under CDH's guidance, MRA established a data tracking system to support future carbon reduction planning and promote water conservation, achieving 10% annual savings through efficiency upgrades.

Carbon Footprint Tracking



MRA implemented a structured monthly tracking system for energy and resource consumption, enabling carbon emissions calculations. This data-driven approach also provides a reliable foundation for long-term decarbonization planning.

Improving Water Efficiency



MRA installed water-saving equipment that helps conserve water resources during production stages such as bottle washing and water purification. As a result, MRA achieved a **10% annual reduction in water consumption**.

Summary

Through targeted investment and capacity building, CDH empowered MRA to significantly strengthen its EHS risk identification and control capabilities. This enhanced oversight framework provides critical safeguards as MRA scales up – building greater operational resilience, developing human capital, and delivering measurable environmental gains.

CASE 3

A Biofuel Pioneer Dedicated to Sustainable Agriculture



In 2024, CDH VGC Fund II participated in the A+ round of investment in a biotech company ("BioSynthesis"), which was founded in 2021 that specializes in manufacturing renewable biofuels and biobased materials from agricultural byproducts. BioSynthesis's synthetic biology platform addresses three critical global challenges—food security, agricultural waste, and industrial decarbonization—while simultaneously driving economic value in rural communities. This investment reflects CDH's strategic conviction: to identify earlystage innovators with strong technological potential to address systemic sustainability challenges, and to accelerate their commercial growth through capital deployment and governance support.

Non-Food Biofuel: Clean Energy without Compromising Food Security

Biofuel offers an effective pathway for reducing carbon emissions in the transportation sector. However, firstgeneration biofuel – typically produced from corn, sugarcane, or wheat – has long been criticized for diverting food crops to fuel production, thereby exacerbating food availability concerns.



Sustainable Aviation Fuel (SAF) is a major application of biofuel that plays a critical role in the low-carbon transition of the aviation sector

BioSynthesis leverages synthetic biology to overcome this challenge by focusing exclusively on non-food cellulosic feedstocks such as straws and corn cobs, and converting them into highpurity biofuel through optimized microbial fermentation. This biomanufacturing approach ensures that renewable biofuel production does not compromise food supplies, enabling energy security without depleting essential grain reserves.

From Waste to Wealth: A New Solution for Circular Agriculture

BioSynthesis not only safeguards food supplies but also offers an industrially scalable solution to the growing challenge of agricultural waste management. In China alone, agricultural activities produce approximately 900 million tons of straw annually¹⁷, much of which is burned or landfilled—practices that release significant carbon emissions and worsen local pollution.

BioSynthesis's biorefineries transform these underutilized residues into high-value products: biofuel for transportation, and bio-based chemicals such as D-lactic acid, a renewable feedstock for biodegradable plastics, cosmetics, and pharmaceuticals. This demonstrates how waste reduction and economic growth can be sustainably aligned.



BioSynthesis provides an innovative and scalable solution to China's agricultural residue challenge.

¹⁷ According to a published interview with the founder of BioSynthesis (Available at: <https://www.synbio-he.com/sys-nd/385.html>)

Bridging Industry and Academia: Talent-Driven Innovation Excellence

Originating from Hubei University research, BioSynthesis maintains a strong scientific foundation, reflected in its specialized workforce in which **more than 80%** of employees hold postgraduate or doctoral degrees. Through partnerships such as graduate workstations and internship programs, the company fosters talent exchange that equips students with practical skills in agricultural biotechnology. At the same time, it integrates academic R&D insights to advance bioenergy and waste valorization initiatives, enhancing their real-world applicability.

Collectively, these efforts drive progress in non-food biofuels and food security solutions, accelerating the transition toward circular agriculture while generating skilled employment opportunities. This model demonstrates how academic innovation can be translated into scaled sustainability impact.



The industry-academia collaboration reinforces BioSynthesis's R&D capacity while enabling broader, more impactful innovation and applied solutions.

Summary

CDH's investment in BioSynthesis illustrates how specialized venture capital can accelerate the scaling of scientific breakthroughs. By converting agricultural waste into sustainable value, the company resolves the critical food-fuel conflict—demonstrating that environmental solutions can also drive profitability. This example underscores CDH's commitment to backing technologies with proven environmental, social, and economic returns.

INTERNATIONAL RECOGNITION

Since its establishment in 2002, CDH has been committed to providing partners with innovative solutions that generate real, measurable value. Our disciplined pursuit of a transparent, compliance-focused investment platform has earned global recognition.



- Private Equity Investment Institution Most Popular with LPs 2025
- Top 3 Best Foreign Private Equity Investment Institutions 2025
- Top 10 Best M&A Funds 2025
- Top 10 Best Real Estate Investment Institutions 2025
- Top 15 Best Private Equity Investment Institutions 2025
- Top 20 Best Digitalization & IT Investment Institutions 2025
- Top 20 Best Private Equity Investors 2025 (Hu Xiaoling)
- Top 30 Best AI & Big Data Industry Investment Institutions 2025
- Top 30 Best New Consumer Industry Investment Institutions 2025
- Top 30 Best Investment Institutions in the Biopharmaceutical Sector for China's Healthcare Industry 2025
- Top 50 Best Private Equity Investors 2025 (Wang Lin)
- Top 5 Best Foreign Private Equity Investment Institutions 2024
- Top 10 Private Equity Investment Institutions Most Popular with LPs 2024
- Top 10 Best Real Estate Investment Institutions 2024
- Top 20 Best New Consumer Industry Investors 2024 (Hu Xiaoling)
- Top 20 Best Private Equity Investors 2024 (Hu Xiaoling)
- Top 20 Best Private Equity Investment Institutions 2024
- Top 30 Best Private Equity Investors 2024 (Wang Lin)



- Top 10 M&A Investment Institutions in China 2025
- Top 20 Private Equity Investment Institutions in China 2025
- Top 10 M&A Investment Institutions in China 2024
- Top 10 Private Equity Investment Institutions in China 2024
- Top 10 Private Equity Investors in China 2024 (Hu Xiaoling)
- Top 30 Investment Institutions in the Healthcare Field 2024
- Top 100 Investors in the Investment Industry 2024 (Wang Lin)
- Top 100 Investors in the Investment Industry 2024 (Hu Xiaoling)
- Top 10 ESG Outstanding Institutions 2023
- Top 11 Private Equity Investment Institutions in China 2023
- Top 30 Investment Institutions in the Healthcare Field 2023
- Top 30 Investment Institutions in the New Energy/New Materials Field 2023
- Top 100 Investors in the Investment Industry 2023 (Hu Xiaoling)
- Top 100 Investors in the Investment Industry 2023 (Ying Wei)
- F40 Young Chinese Investors 2023 (Yang Fan)



- Most Influential Chinese Private Equity Investment Institution 2025
- Best Chinese ESG Investment Practice Investment Institution 2025
- Most Popular Chinese Investor for Entrepreneurs 2025 (Hu Xiaoling, Wang Lin)
- Top 20 Chinese Life Science Industry Investment Institutions 2025
- Top 30 Chinese Advanced Manufacturing Industry Investment Institutions 2025
- Best Chinese ESG Investment Practice Investment Institution 2024
- Most Influential Chinese Industry Investment Fund 2024
- Most Popular Chinese Investor for Entrepreneurs 2024 (Hu Xiaoling, Wang Lin)
- Top 5 Chinese Private Equity Investment Firms in the Equity Investment Industry 2024

- Best Chinese M&A Investment Institution 2025
- Top 10 Private Equity Investment Institutions 2025
- Outstanding Chinese Real Estate Fund Management Institution 2025
- Best Chinese M&A Investor 2025 (Hu Xiaoling)
- Top 50 Outstanding Chinese Investors 2025
- Best Healthcare Industry Investor 2024-2025 (Gao Jieliang)
- Best Chinese New Consumer Industry Investment Institution 2024-2025
- Best Chinese M&A Investment Institution 2024
- Best Chinese Total Asset Management Institution 2024
- Best Return Chinese Private Equity Investment Institution 2024
- Best Chinese M&A Investor 2024 (Hu Xiaoling)
- Top 10 Private Equity Investment Institutions 2024
- Top 50 Outstanding Chinese Investors 2024 (Wang Mei)
- Outstanding Chinese Real Estate Fund Management Institution 2024

- Exit of the Year - IPO 2023: CSI Solar, Nominated
- Exit of the Year - Mid Cap 2023: SciClone Pharmaceuticals, Nominated
- Deal of the Year – Small Cap 2022: Well-Link
- Deal of the Year 2017 (Early Stage): AI Company
- Deal of the Year 2014 (Large Cap): Nanfu Battery
- AVCJ Special Achievement Award of 2013 (Wu Shangzhi)
- Best Financing Institution of the Year 2010

- Firm of the Year in China- 3rd Place, Asia-Pacific Awards 2023
- Deal of the Year 2013 in Asia: Shuanghui International
- China's Best Private Equity Fund of 2012 – 2nd Place
- China's Best Private Equity Fund of 2010

- China's Most Influential Investor in 2023 (Ying Wei)
- The 30 most influential investors in China 2020 (Jiao Zhen)
- The 30 most influential investors in China 2018 (Jiao Zhen)
- The 30 most influential investors in China 2017 (Jiao Zhen)
- The 30 most influential investors in China 2016 (Jiao Zhen, first place)

- China's Top Private Equity Firm 2018
- China's Top Private Equity Firm 2017
- China's Top Private Equity Firm 2015
- China's Top Private Equity Firm 2014
- China's Top Private Equity Firm 2013
- China's Top Private Equity Firm 2012

- Impact M&A Investment Institution 2024-2025
- Impact IDC Investment Fund 2024-2025 (CDH Mezzanine Investment)
- AI Investment Competitiveness Venture Capital and Private Equity Investment Institution 2024-2025
- Top 30 Competitive Venture Capital and Private Equity Investment Institution 2024-2025
- Impact M&A Investment Institution 2023-2024
- Impact Venture Capital and Private Equity Institution 2023-2024
- Impact Healthcare Investment Competitiveness Venture Capital and Private Equity Investment Institution 2023-2024

- Golden Bull Outstanding Investment Institution in the M&A Field 2024
- Five-year Golden Bull Private Equity Investment Continuous Outstanding Institution 2024
- Three-year Golden Bull Private Equity Investment Outstanding Institution 2023
- Five-year Golden Bull Private Equity Investment Outstanding Institution 2023
- Golden Bull Best IPO Case 2023 (CSI solar)



- Top 10 Industrial Capital Management Institutions of the Year in Industrial Investment List 2023
- Top 10 Biopharmaceutical Industry Investment Institutions of the Year in Industrial Investment List 2023
- Top 50 Best Investment Institutions of the Year in Equity Investment Value List 2023



- Top 30 Best Technology Private Equity Investment Institutions in China 2025
- Top 30 Best Hard Technology Private Equity Investment Institutions in China 2023
- Top 30 Best Technology Investors 2023 (Wang Lin)



- Top 5 M&A Investment Institutions in China 2024-2025
- Top 20 Private Equity Investment Institutions in China 2024-2025
- Top 20 Active Investment Institutions in the Healthcare Field in China 2024-2025
- Top 20 Active Investment Institutions in the AI Field in China 2024-2025



- Healthcare Innovative Investor 2025
- Healthcare Leading Investor 2025
- Top 100 Healthcare Leading Investment Institutions – Future Healthcare 2025



- Best ESG Investment Institutions 2025
- Best Healthcare Investment Institution 2025
- Top 100 Best IPO Investment Institutions 2025
- Top 100 Best IPO Investment Institutions 2023



- Top 30 Best Private Equity Investors 2025
- Top 50 Best Private Equity Funds

Others

- Top 50 Demonstration Institutions in Comprehensive Strength (First China Private Equity and Venture Capital Excellence Showcase Awards) 2024, China Fund News
- The First Pilot Manager License for Real Estate Private Equity Funds in China 2023 (CDH Mezzanine Investment), Asset Management Association of China
- Top 10 Best Real Estate Funds 2023, Shanghai Private Equity Association
- Top 3 Best Special Opportunity Investment Management Institutions 2023 (CDH Mezzanine Investment), Shanghai Private Equity Association
- Best Private Equity Firm 2022, NewFortune
- Best Healthcare Investment Return Fund of the Year 2022, Haoyue Capital
- Best Biopharmaceutical Investment Institution of the Year 2022, Haoyue Capital
- Best Exit PE Firm 2022, Beijing Private Equity Association
- Top 20 Popular Investment Institutions Voted by LPs 2022, FOFWEEKLY
- Top 20 Unicorn Investment Institutions 2022, FOFWEEKLY
- Best-Performing VC/PE Firms in Biomedicine 2022, VBDATA.CN
- Top 10 best private equity investment institutions 2020, LIEYUNPRO.COM
- Financial Financing · Excellent Investment Institution 2019, Shanghai Securities News
- Best Investment Institution in Logistics Industry 2019, CCTAW
- Belle Case - HKVCA ESG Award of Excellence 2019, HKVCA
- Most Consistent Performing Buyout Fund Managers 2017, Preqin
- Top 10 USD PE Fund Management Institutions in Greater China, Top 10 PE Fund Management Institutions in Greater China 2014, CVCA
- Top 10 Most Innovative Comprehensive Fund Management Institutions in China 2013, CVAwards
- Top 5 Best Industrial Investment Institutions in China – Healthcare 2013, CVAwards
- Best Private Equity Institution in China 2010, Private Equity International
- Top 100 Global Venture Capital Institutions 2009, Red Herring
- Best Private Equity Institution in China 2009, Private Equity International

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