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## PEOPLE-ORIENTED AND PLEASANT ATMOSPHERE

Yuexiu Property takes excellent talents as the foundation for its development, and is committed to building core competitiveness and promoting sustainability with abundant and high-quality human resources. Therefore, Yuexiu Property is committed to building an open, efficient and harmonious team, so that passionate and energetic employees can become an important guarantee for the sustainable development of the Group.





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### 9.1. HUMAN RESOURCES OVERVIEW

Yuexiu Property has developed a formal and personal human resource management system in a systematic manner according to the relevant laws such as the Labour Law of the People's Republic of China and the Labour Contract Law of the People's Republic of China, including staff salary and welfare management measures, staff attendance management system, staff performance management system, reserve echelon personnel training and management measures, mentorship management measures, and internal trainer team building and internal training course management measures. These policies cover pay and benefits, vocational training, codes of conduct, working hours, performance appraisal, welfare benefits, health and safety, diversity and anti-discrimination, child labour and forced labour and other aspects to guard against multiple ethical risks. At the same time, Yuexiu Property is committed to creating a fair, open and equal career development path within the Group and establishing a "management + professional skill + sales" three-channel development path. The Group provides good conditions, a clear path and a broad platform for the career development of the majority of employees. Its corporate culture is passionate, simple and inclusive, encouraging mutual help and mutual aid.

By the end of 2017, the total number of Yuexiu Property employees was 7,280, of which the per cent of female employees was approximately 34.6%, and the proportion of employees aged 29 and below was approximately 29.3%.

Category	Total number of employees, 2017	Percentage
Total number of Employees	7,280	100%
Male Employees	4,762	65.4%
Female Employees	2,518	34.6%
Senior management	116	1.6%
Middle management	491	6.7%
Grass-roots employees	6,673	91.7%
29 years old and younger	2,132	29.3%
30-49 years old	4,541	62.4%
50 years old or older	607	8.3%
Mainland China	7,253	99.6%
Overseas	27	0.4%







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### 9.2. PROTECTION OF EMPLOYEES' RIGHTS AND INTERESTS

Yuexiu Property maintains the basic interests and rights of employees. According to the Labour Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors and the Provisions of the People's Republic of China on the Prohibition of the Use of Child Labour, Yuexiu Property has formulated and issued Yuexiu Property Compensation Management Standards, Yuexiu Property Performance Management Standards, Yuexiu Property Job Position Management Standards, Yuexiu Property Rewards and Penalty Management Standards and Yuexiu Property Employee Onboarding and Offboarding Management Guidelines, and other human resources management systems. These systems cover the core HR businesses, such as talent introduction, management, training and development, assessment and exit, and protect the legitimate rights and interests of employees in terms of recruitment, salary, welfare, promotion, leave and resignation.

Yuexiu Property prohibits the use of child labour (minors under the age of 16) and forced labour. In 2017, no discrimination and use of child labour or forced labour are identified in all aspects of employment, and labour dispatch was in line with the national requirements.

#### 9.2.1. Remuneration and Benefits System

Yuexiu Property strictly implements the salary and welfare policy systems of the nation and the Group, provides competitive salaries in the market, pays attention to the incentive and fairness of its internal salary and benefits while recruiting in outstanding external talents, so as to meet the Group's demand for high-quality talents, and realizes the sustainable development of the Group.



[Case Study]

#### Long-term Incentive Scheme

In 2017, the Group further deepened the implementation of its long-term incentive scheme and promoted its share-incentive plan for key employees. The plan of co-investment by project management teams was also fully promoted within the Group with an aim to share risks and profits to effectively motivate them.







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### 9.3. TALENT TRAINING AND DEVELOPMENT

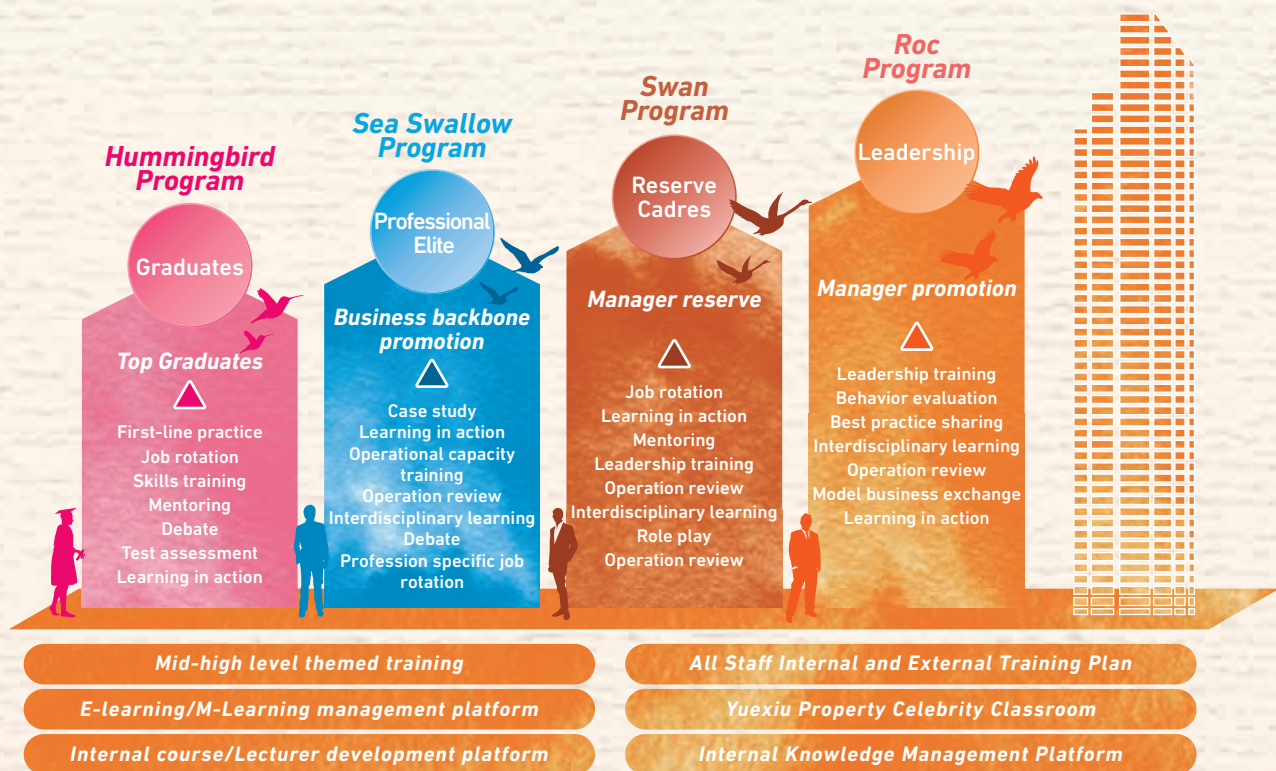
Yuexiu Property is committed to broadening the career development path for employees, helping them achieve successes for the Group and themselves. Employee training is the important way to support employees' career development, implement human resource strategy and achieve long-term development. Continuous and effective personnel training is an important means to facilitate the long-term development of employees.

To improve the management staff members' continuous contribution to the corporate performance and the input-output ratio of human capital, Yuexiu Property has established a professional manager system to help them improve their career plans, abilities and performance. Practising "talent is the core capital of an enterprise", Yuexiu Property has established a career development plan that suits individual employees. The career plan covers fresh graduates, junior employees and employees at middle and senior levels. Meanwhile, the Group has comprehensively built an employee development system through internal open competition for posts, reserve talent training projects, talent review, engagement survey, the Starry talent development platform and so on.

#### 9.3.1. Talent Training System and its Effectiveness

In order to promote the personal growth and career development of employees, Yuexiu Property and its subsidiaries established a reasonable and scientific staff development system. The Group developed targeted training strategies for employees by sorting internal and external trainings on the basis of talent review; and according to the results of talent review, the Group established personnel files and paid attention to the staff development trend; At the same time, the Group established an internal lecturer system to provide employees with a showcasing platform, and promote the personal development of employees.

Yuexiu Property talent training system consists of: "Hummingbird Program", "Sea Swallow Program", "Swan Program" and "Roc Program". This training system is designed to pool together talents of high calibre and high quality, who appreciates Yuexiu culture, into the Group, and build a talent reserve pool for Yuexiu Property.



Panoramic view of Yuexiu Property Talent Development System



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Employee Training Statistics		Total number of attendees	Percentage	Total Training hours	Percentage	Average training hours per employee
By Gender	Total number of persons attending training	68,291	100%	195,352	100%	26.8
	Male employees	42,122	61.7%	111,353	57.0%	23.4
	Female employees	26,169	38.3%	83,999	43.0%	33.4
By Employee Category	Senior management	1,580	2.3%	4,909	2.5%	42.3
	Middle management	6,977	10.2%	18,392	9.4%	37.5
	Grass-roots staff	59,734	87.5%	172,051	88.1%	25.8







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### The Swan Talent Program

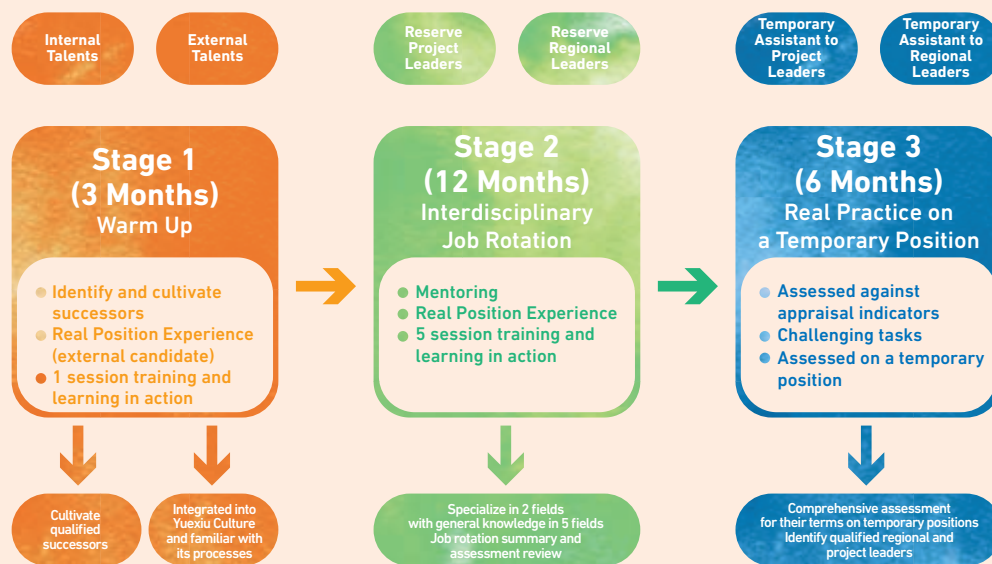
In 2017, Yueshiu Property launched the Swan Program, which aims to explore and cultivate project leaders and regional leaders. Since its launch in July, the Program has received great attention from the Group and outside. More than 500 people from both inside and outside the Group signed up to participate in the selection, and finally 70 people stood out and were shortlisted for the first phase of the training.

According to the plan, the Swan Program will cultivate 200 outstanding project leaders and regional leaders with business thinking and ability to manage the whole industry chain by 2020, effectively supporting the achievement of the strategic objectives of the Group during the 13th five-year plan.

The implementation of "Swan Program" marked the full start of Yueshiu Property's human resources development strategy for the 13th five-year plan. According to the 13th five-year plan, Yueshiu Property should not only expand continuously in scale, but also vigorously develop strategic emerging sectors, such as urban renewal, elderly-care industry and housing lease. All these need to be supported with sufficient talents, and the Swan Program is the key link in the talent strategy of Yueshiu Property during the 13th five-year plan.



[Case Study]



Swan Program - Triathlon Training Mechanism

In the training mechanism of Swan program, candidates need to go through various training stages, such as job rotation, mentoring, role-playing, and operation review, and rounds of assessment and screening. The ultimate goal is to become outstanding project leaders and regional leaders with business thinking and ability to manage the whole industry chain.



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### 9.4. ENSURE THE SAFETY AND HEALTH OF EMPLOYEES

Yuexiu Property adheres to the management approach of "Put Safety and Prevention First with Comprehensive Governance", and regards the life safety of its employees as the top priority. In strict compliance with the Production Safety Law of the People's Republic of China and other relevant national and local laws and regulations, we have formulated the Responsibility System for Safety in Production, Occupational Hygiene Management System, Occupational Health Management System, Security/Deposit System for Safe Production Responsibilities, Safe Production Assessment and Rewards and Punishment System, Input and Guarantee System for Safety in Production and other management systems, and standardized the detailed rules for the administration of production safety and improved production safety management process, and regularly organized employees to participate in safety knowledge training and fire safety drills according to the process guidelines. The Group adheres to signing Production Safety Responsibility Statement every year, to ensure the safety of life of employees and promote the sustainable development of employees and the Group in a responsible manner.

#### 9.4.1. Occupational health and safety

In order to improve the safety awareness of employees, Yuexiu Property has established a sound safety training management system, which requires every new employee joining the Group to take onboarding safety training, fire drill training and vehicle safety training among others. After new employees are trained on the basic knowledge of safety management, they need to complete the Yuexiu Property headquarter staff production safety ABC test, and cannot start their work formally until they pass the test.



#### [Case Study]

#### Security Efforts by the Staff at Yuexiu Property Guangzhou Sheraton Nansha Hotel

A safety committee has been established at Yuexiu Guangzhou Sheraton Nansha Hotel. The security department of the hotel organizes monthly safety inspection and emergency drills, and carries out at least two fire evacuation drills for all staff of the hotel every year; When joining the hotel, new employees need to participate in various training on fire control, so that they can be familiar with both practices and theories; The hotel has set up an emergency plan system and mechanism for nights, and has conducted targeted training for all departments. The emergency plan is stored in each department for easy review and consultation by all employees. The staff manual also includes safety knowledge, so as to ensure that all employees have the health and safety awareness.



Yuexiu Guangzhou Nansha Sheraton Hotel