

Work as One to Forge Ahead

the
mixc

萬象城

China Resources Mixc
Lifestyle Services Limited
Sustainability Report
2020





Work as One to Forge Ahead

Braving the waves to embark a new journey

Springing up from fertile soil

Growing in the bright sunshine

Sailing in the wind for the greatness

Combating the pandemic at the frontline and defending the peace

Taking multiple initiatives and getting over with businesses

Smart operation creating quality life

Premium service conveying permanent care

Strong support driving the Greater Bay development

Constant innovation for common growth with the cities

United and walking toward a splendid future

In 2021, we will continue to

Work as one toward a common goal

Forge ahead into the great era

CR MIXC LIFESTYLE

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About the Report

● Reporting Period

The report is the first sustainability report disclosed by China Resources Mixc Lifestyle Services Limited (hereinafter referred to as "CR Mixc Lifestyle"). The board of directors approved it in June 2021.

● Report Scope

The report covers the period from 1 January 2020 to 31 December 2020 in relation to China Resources Mixc Lifestyle Services Limited and its subsidiaries, including the headquarters, six business regions, eleven property centres and Shenzhen MIXC. In order to enhance the comparability and integrity of the report, some of its contents had been traced back to previous years as appropriate.

● Reporting Process

The preparation process of this report refers to the requirements of the above standards, and is carried out in accordance with the steps of peer benchmarking, questionnaire survey, stakeholder interview, social responsibility research, information collection, information review, report writing, management approval, report rating, etc., so as to ensure the completeness, materiality, authenticity and balance of the report content.

● Data Sources

Data sources of the report include public information, relevant internal statistical statements, third-party researches, statistical data like administrative documents and reports, and official documents.

● Report Access

The report is available in Simplified Chinese and English. Both are published in electronic format on the official website of the Company (www.crmixcifestyle.com.cn) and the HKEXnews website of the Stock Exchange (www.hkexnews.hk) for readers' reference.

● Reporting Principles

The preparation process of this report complies with the materiality, quantitative, balance, and consistency principles. It accurately responds to the concerns about China Resources Mixc Lifestyle Services Limited from stake-holders.

● Reference

The report was prepared with reference to the Environmental, Social and Governance Reporting Guide ("ESG Guide") issued by The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), the Guide to the Preparation of Corporate Social Responsibility Reports of China (CASS-CSR4.0) by the Chinese Academy of Social Sciences, the Guide for Business Action on Sustainable Development Goals (SDGs), the Global Reporting Initiative Sustainability Reporting Standards (the "GRI Standards"), and China Resources Social Responsibility Management Measures.

● Addressing and Representation

For ease of expression, "China Resources Mixc Lifestyle Services Limited", "CR Mixc Lifestyle", "the Company" and "We" mentioned in the report all refer to China Resources Mixc Lifestyle Services Limited, its six business regions, eleven property centres and Shenzhen MIXC.

● Commitment

We promise that the report is free of any false records, misleading representations or major omissions. And we are responsible for its reality, accuracy and integrity.

● Contact Information

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Chairman of CR Mixc Lifestyle
Li Xin

Chairman's Statement



Looking back on 2020, we delivered satisfying performance, procuring a consummation of the 13th Five-Year Plan. Looking ahead, CR Mixc Lifestyle will ride on the momentum and forge ahead, setting off for promising growth and development prospects with more remarkable results.



The year was the milestone for building a moderately prosperous society in all aspects and eradicating poverty nationwide. It is also the last year of the 13th Five-Year Plan. Despite enormous challenges imposed by the pandemic in 2020, CR Mixc Lifestyle always kept faith, stood firmly and implemented pertinent policies, procuring a consummation of the 13th Five-Year Plan with remarkable results.

Looking back on the 13th Five-Year Plan period, CR Mixc Lifestyle recorded rapid growth in business with the concerted efforts of the staff. CR Mixc Lifestyle's leading position in China's investment property market was consolidated, with customer satisfaction to our properties elevated to the first tier of the industry. We were in a financial position for sustained growth, contributing to the sustainable social and economic development. We proactively conducted transformation, integrating commercial operation with property management. In 2020, we were successfully listed on the Stock Exchange of Hong Kong Limited, and were successively selected as a constituent stock of the Hong Kong Hang Seng Composite Index and the Hang Seng Property Service and Management Index, showcasing that we were highly recognised by the capital market. We attached great importance to the communication with stakeholders, preparing social responsibility reports on commercial operation and property management for two consecutive years to disclose our responsibility performance results with high quality and constantly implement the concept of "improving management with preparation".

The year of 2021 kicks off the 14th Five-Year Plan. It will witness CR Mixc Lifestyle's riding on the momentum to make a difference. We will adhere to the 14th Five-Year Plan and the Vision 2035, striving to deliver win-win results for resources, the environment, customers and employees. We will hold fast to the strategy of "developing an urban quality lifestyle service platform", creating an integrated ecosystem featuring "multiple property types, all-customers and full spectrum of service offerings" to maintain high-quality development.

Meanwhile, we will continue to enhance our communication and cooperation with stakeholders, meeting their expectations and demands. Being a long-termist, we will integrate internal improvement with external growth to constantly optimise corporate governance and deliver positive results to investors. We will explore the application of innovative and intelligent technology in commercial operation and property management, constantly optimising product and service quality as well as elevating customer experience. We make account of protecting the rights and interests of our employees and build access for employee growth. We implement the responsibilities as a central enterprise, actively participate in community development and drive the development of welfare undertakings, thereby contributing to the building of a harmonious society.

Setting foot on a new journey, we will definitely fulfill our new mission. Looking ahead, CR Mixc Lifestyle will set off for promising growth and development prospects with more remarkable results, contributing to social and economic development.



President of CR Mixc Lifestyle
Yu Lin Kang

President's Statement



With businesses closely related to everyone's daily life, CR Mixc Lifestyle implements the responsibilities as a central enterprise and always stays true to the mission, constantly strengthening internal and external interactions while promoting corporate development for greater social and economic benefits.



2020 was an extraordinary year for CR Mixc Lifestyle, the society and the whole nation.

Despite the sudden outbreak of COVID-19, the staff of CR Mixc Lifestyle rushed to the forefront and were brave to take on heavy responsibilities. As "the last line of defense" for community pandemic prevention, the property has emerged a large number of anti-pandemic heroes and countless moving stories. We also took the initiative to reduce rents for tenants and fully implemented the policy of rent reduction to help micro, small and medium-sized enterprises fight against the pandemic, benefiting approximately 13,000 tenants as well as 840 small and micro enterprises and self-employed entrepreneurs with operational difficulties nationwide. Faced with the tough macro-economic situation, we seized the opportunities of this era, thoroughly implementing the strategy of "Integration of the Greater Bay Area" and other national strategies whilst proactively optimizing the urban layout, in an attempt to ride on the momentum and head for a common goal. We sustained a great momentum of development. On 9 December 2020, we were successfully listed on the Stock Exchange and hit multiple offering records. We were committed to developing an "urban quality lifestyle service platform" with businesses covering 69 cities. In the meantime, we always implemented the social responsibility as a central enterprise. During the year, we delivered significant results in terms of green environmental protection, talent development, public welfare, etc.

We continued to strengthen the environmental protection management system, proactively responded to China's strategies for achieving carbon neutrality by 2060 and coping with climate change. We also sustained the reduction of energy and resource consumption in operation and diminished the environmental impact of greenhouse gas emissions and pollutants. Meanwhile, we established the management model and concept of "lifetime development of green building" and facilitated environmental protection with green materials and equipment, proactively promoting design and operation of green buildings. During the year, projects such as Shenzhen China Resources Building and Shanghai Lujiacui Binjiang Center were awarded LEED Gold certification.

CR Mixc Lifestyle's businesses are closely related to everyone's life. We always stay true to the mission and contribute to society, facilitating constructive interactions among various parties throughout and beyond the Company. Internally, we constantly stay tuned on employee growth and vitalise the Company. Externally, we take the initiative to conduct in-depth cooperation with partners, integrating resources for common development and building a

harmonious business ecology. Meanwhile, in active response to the nation's call, we participate in targeted poverty alleviation and positively contribute to society by all means such as procurement from designated places, poverty alleviation through e-commerce platforms and donations for poverty alleviation, with a view to winning the battle of poverty alleviation.

The year of 2021 kicks off the 14th Five-Year Plan. It will witness the significant progress of CR Mixc Lifestyle. In such an environment with increasingly fierce market competition, we will keep up with benchmarking companies in the industry regarding the urban layout, market expansion, efficiency improvement and organisational incentives, fully studying and sizing up the market and continuously reinforcing the core competence. With sincere heart and entrepreneurial mentality, we will continue to explore and join hands with all stakeholders for a better tomorrow!

About Us

Corporate Profile

As a member of CR Land, a strategic business unit under China Resources Group, a Fortune Global 500 company, China Resources Mixc Lifestyle Services Limited (herein-after referred to as "CR Mixc Lifestyle", stock code: 1209.HK) is a leading property management and commercial operational service provider in China. By virtue of its excellent full-business operating capacity, extensive platforms and strong membership system, it is committed to developing an "urban quality lifestyle service provider trusted and loved by customers" with CR Group, CR Land and other partners, by creating an integrated ecosystem featuring multiple property types, all-customers and full spectrum of service offerings with the focus on "space, customers and services".

As of 31 December 2020, the GFA of the residential and commercial properties under the property management services of CR Mixc Lifestyle was approximately 118.6 million sq. m., and the GFA of the shopping and office buildings malls

under our commercial operational services was approximately 7.6 million sq. m.

The three commercial product brands, "MIXC", "MIXC World" and "MIXONE", and our strong commercial operation and management capability are highly recognised in China. Meanwhile, the Company cooperates with a wide range of diverse domestic and foreign brands, developing strategic cooperative partnership with nearly 5000 famous brands at home and abroad.

• Brand Culture of CR Mixc Lifestyle

Multiple property types

We provide services to multiple types of properties, such as residential properties, shopping malls and office buildings as well as public facilities.

All-customers

We believe in an "all-customers" approach because we regard all users who live, shop and work in our managed properties as our customers.

Full spectrum of service offerings

Our business has expanded beyond traditional property management services to the offering of comprehensive solutions to satisfy the needs of our customers.

Integrated ecosystem

With distinctive business model, we strive to further vitalise the residential and commercial properties under our management to create value for our customers.

Milestones

2019

2019: The GFA of the residential and commercial properties under management exceeded 100 million sq. m.

2020

2020: CR Mixc Lifestyle (1209.HK) was officially listed on the Main Board of the Hong Kong Stock Exchange

2014

2014: The 10th anniversary of Shenzhen MIXC, established the positioning to become "China's Commercial Property Leader"

2009

2009: CR Land launched the "High-quality" brand strategy, which included our property management services business

2004

2004: Shenzhen MIXC, the first shopping mall, commenced operation, and the "MIXC" brand was launched for commercial operational services

2005

2005: CR Land acquired certain properties from CR Group, including Beijing China Resources Building, Shanghai China Resources Time Square and Shenzhen China Resources Building, enabling our Group to commence our property management services for office buildings

2000

2000: The first shopping mall commenced development and construction

1994

1994: CR Group invested into the predecessor of CR Land, and started its property management business which focused on residential property management services



Commercial Operation

Focused on "shopping mall + new retail business", the commercial operational services of CR Mixc Lifestyle aim to provide consumers with new lifestyle and experience.

We have launched three product brands, MIXC, MIXC World and MIXONE, among which MIXC is positioned to be a municipal shopping mall of first- and second-tier cities and MIXONE is positioned to be a regional shopping mall of first- and second-tier cities and a municipal shopping mall of third- and fourth-tier cities.

In recent years, the comprehensive strength and operation capabilities of CR Mixc Lifestyle Commercial Real Estate Division have been widely recognised in the industry. It ranked first among China Top 100 Commercial Real Estate as granted by Guandian many times and won multiple business impact awards. Its MIXC projects have also been granted domestic and overseas awards such as "The Asia-Pacific Stevie® Awards" and "Star of Domestic Products".





Property Management

CR Mixc Lifestyle has broken a new ground for property services and provides owners and customers with professional solutions in the "technology + service" model. It has completed the construction and launch of many systems, including the OA system, ERP system, portal system, payment system, customer service system and intelligent community system, and developed and operated a new product system - "Yue+" smart living service platform, covering full-process solutions for quality property, asset management and intelligent IoT and serving life with intelligence online and offline for employees and customers. While adhering to the people-oriented principle, integrating technology with properties and improving the internal management efficiency, we also provide more targeted and professional services for owners and customers, and match high-quality services based on rich offline scenarios.



Office Building Operation

Relying on the rich resources of CR Land and the platform superiority of CR Mixc Lifestyle, the office building operational services of CR Mixc Lifestyle provide customers with opening, rental management, and operation management services, as well as business resources, commercial resources and property management services across business models. Based on customer needs, space products, intelligent platforms and diversified services, and adhering to the concept of "Enjoy Work - be happy at work and live an elegant life", CR Mixc Lifestyle's Officeeasy is committed to becoming a commercial operational service brand with deep insights into customer needs and markets and capabilities of resources integration.



2020 Highlights

02

Carried out the in-depth study of the spirit of the Fourth Plenary Session of the 19th CPC Central Committee, and deepened political guidance and ideological education

04

Made a breakthrough in the development of urban operational services



Took multiple measures to overcome the difficulties and resolutely win the fight against the pandemic

01

The core performance grew steadily with an annual consolidated turnover of RMB6.779 billion, representing a year-on-year increase of 15.5%

03

Rapidly resumed opened 5 shopping

05

06

Won multiple property service industry awards, constantly enhancing influence

08

Commercial operational services remained the industry leader in terms of comprehensive strength, with the leading position in China's commercial property market further consolidated

10

Selected as a constituent stock of the Hong Kong Hang Seng Composite Index (HSI) and the Hang Seng Stock Connect Greater Bay Area Composite Index (HSSCBBI)



Completed the construction of standard management systems for residential and office building property services

07

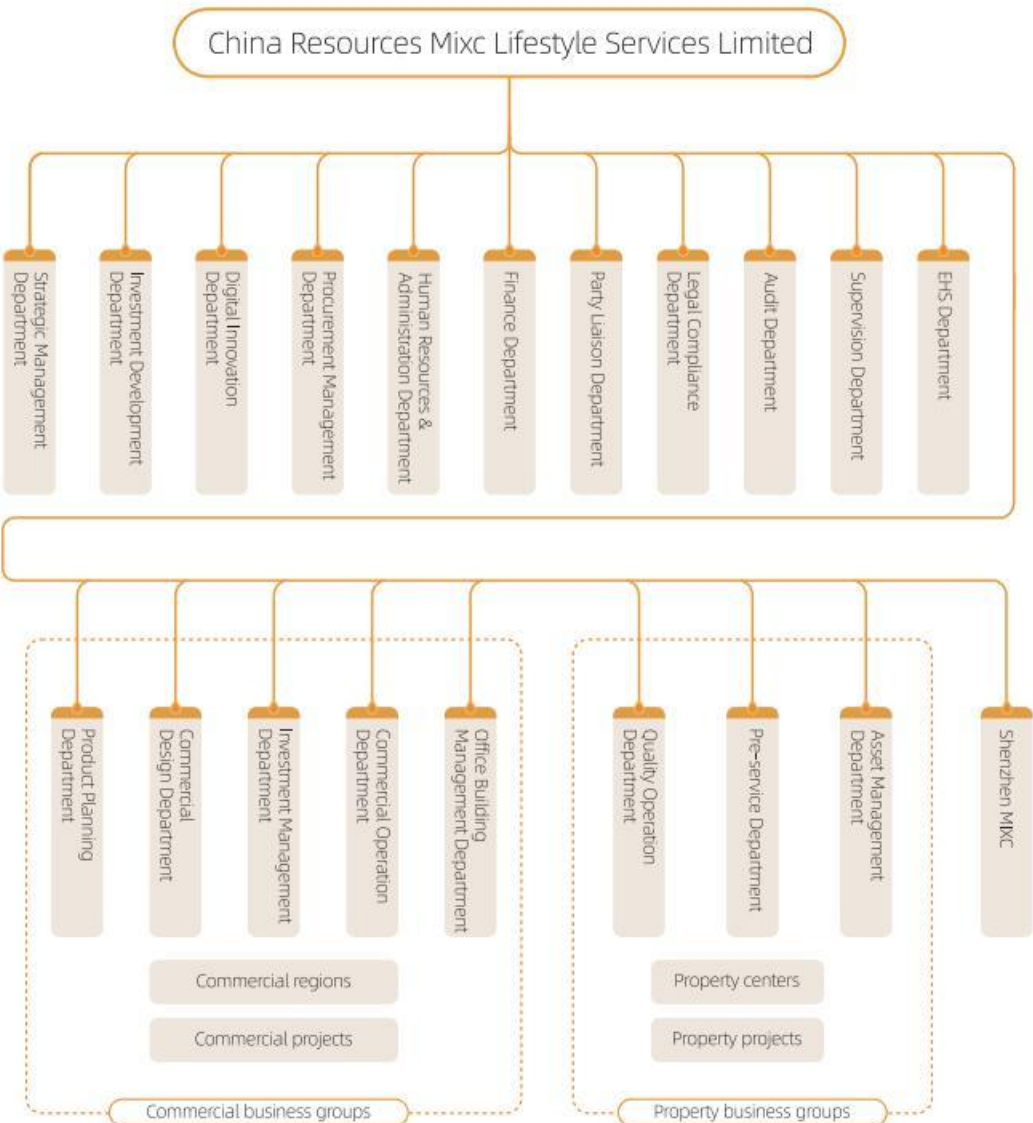
CR Mixc Lifestyle was listed on the Hong Kong Stock Exchange (stock code: 1209.HK)

09

operation and
ing malls in the whole year

Organisational structure

CR Mixc Lifestyle implements a three-tier architecture of "headquarters-regions/property centers-projects", and promotes a flat management model. The headquarters sets 11 functional departments and 1 directly managed project - Shenzhen MIXC. Commercial business groups and property business groups are set under the functional departments.



Corporate honours

Name of award or recognition	Awarding entity	Awarding time
2020 Commercial Property Social Impact Achievement in China	China Commercial Real Estate Evaluation Committee for 2020	November 2020
2020 Innovative Commercial Property Management and Operation in China	China Commercial Real Estate Evaluation Committee for 2020	November 2020
2020 China Top 100 Players of The Commercial Real Estate	Guandian Index Academy	November 2020
2020 Top 100 Property Management Companies in terms of Brand Value	China Property Management Research Institution and E-house China R&D Institute China Real Estate Appraisal Centre	September 2020
2020 Top 20 Property Management Companies in terms of Comprehensive Strength	China Property Management Research Institution and E-house China R&D Institute China Real Estate Appraisal Centre	September 2020
2020 Leading Enterprise in Office Building Property Services	China Property Management Research Institution and E-house China R&D Institute China Real Estate Appraisal Centre	September 2020
2020 Leading Enterprise in Commercial Property Services	China Property Management Research Institution and E-house China R&D Institute China Real Estate Appraisal Centre	September 2020
2020 China Top 100 Property Management Companies	China Index Academy	September 2020
2020 China TOP 100 Blue Chip Property Management Companies	The Economic Observer	August 2020
2020 Top Office Building Operational Service in Guangdong-Hong Kong-Macao Greater Bay Area Investment White Paper	CRIC China	August 2020
2020 Enterprise with Corporate Social Responsibility in the PRC Property Management Service Industry	China Index Academy	May 2020
2020 Potential Unicorn of Property Management Service	China Property Management Institute and E-house China R&D Institute China Real Estate Appraisal Centre	May 2020
2020 China Leading Property Management Companies in Terms of Characteristic Services	China Index Academy	May 2020

Working together to fight COVID-19 to secure safety and security

In 2020, in response to the adverse impact of COVID-19, CR Mixc Lifestyle conscientiously carried out the requirements for pandemic prevention and control. Our property business unit stood fast on the frontline of the fight against pandemic in communities and adopted pandemic prevention and control measures to secure people's safety and security. We also took multiple measures to take the lead in the resumption of work and production while implementing prevention and control of COVID-19 in shopping malls and office buildings, to minimise the adverse effect of the pandemic.



Implementing strict pandemic prevention and control measures

CR Mixc Lifestyle adopted emergency response measures in a timely manner, including establishing a Leading Group for Pandemic Prevention and Control and publishing the pandemic prevention and control requirements for residential buildings, office buildings and shopping malls.

For communities, all staff members wore masks and stuck to their post day and night during the pandemic. They conducted strict access control and tested the temperature of every person entering or exiting communities to prevent any vehicle or person from evading inspections by luck, recorded the project personnel who had a fever and reported timely; as well as disinfected public facilities more frequently to eliminate health hazards and safeguard the health and safety of owners. In addition, they enhanced cooperation with local governments and actively communicated with government departments to keep abreast of the latest requirements and notifications by governments and guard the final line of defence against COVID-19.



• Disinfecting parcels



• Implementing strict access control



• Shenzhen Bay Mixc was disinfecting the safety door handle.

For shopping malls, we built a strong protective wall against COVID-19 by disinfections, temperature monitoring, supplies support, publicity and inspections. We required all shopping malls in operation to have regular disinfections and increased the disinfection frequency for crowded areas and places where customers had access to, including the enclosure, door handle, button film in elevators, self-service car finding system, toilets, staff canteens, so as to ensure project operations while protecting the health and safety of customers and employees.

Innovating service models to advance resumption of work and production

We innovated service models timely by leveraging the Internet, big data and other intelligent techniques to effectively advance the resumption of work and production under the "contactless" concept, thus satisfying the diversified needs of customers in shopping and community services.

① Developing new functions of the "E-MIXC" app and launching the "omni-directional intelligent system for digital sales and distribution"

② Providing contactless community supplies distribution services theming "joyful guard - love to home"

③ Providing free video medical consultation services theming "joyful guard - send love to home"

④ Providing To B-end disinfection services theming "joyful guard - benefit enterprises"

Reducing rents of tenants to get through tough times together

We took the initiative to reduce rents of over RMB 770 million for approximately 13,000 tenants nationwide and further reduced rents of RMB 43.03 million for 840 small and micro enterprises and self-employed entrepreneurs with operational difficulties nationwide, fully implementing the policy of reducing rents to support micro, small and medium-sized enterprises during COVID-19. We also used innovative methods such as cloud shopping and live shopping to help various partners increase sales and weather the storm.



Case/Taking multiple measures to help tenants

In response to the pandemic, Nanning Mixc had in-depth cooperation with tenants, relying on its fan base on self-media to carry out live streaming to promote major property types by "store KOL sales" and "account manager KOL sales", which was well adopted and helped gradually increasing the sales.

With the "online sale service (omni-directional intelligent system for digital sales and distribution)" launched by E-MIXC for the needs of offline operations, Wuxi Mixc provided consumers with online purchase and goods delivery services while introducing third-party sales resources to diversify goods and improve project retail sales and revenues.

Stabilising and guaranteeing employment in all round way

In the face of severe and complicated employment situation, CR Mixc Lifestyle has given full play to its role as a central enterprise and constantly contributed "China Resources power" by striving to stabilise employees scale and recruitment numbers and helping key groups in key regions address employment difficulties.

Campus recruitment: We conducted recruitment drives in many schools, provided internship opportunities and enrolled 131 fresh graduates, helping them find jobs in difficult times;

Social recruitment: We continued to employ rural migrant workers, veterans, the disabled and other special populations during the pandemic, playing a supporting role as a central enterprise;

Remuneration and welfare: We strove to ensure the remuneration and welfare of front-line personnel during the pandemic and endeavoured to create a safe and healthy working environment.

01

Committing to customer satisfaction



Focusing on “spaces, customers, and services”, CR Mixc Lifestyle has built an integrated ecosystem featuring “multiple property types, all-customers and full spectrum of service offerings” to provide customers with the best services wholeheartedly. We promoted the innovation and implementation of intelligent services and always listened to customers to meet and constantly exceed customers’ expectations. Meanwhile, we accelerated the development of new areas in urban space services, aiming to provide better urban ecosystem services and create a better life for people.

Material issues and indexes

● Material issues

Customer health and safety
Customer information and privacy protection
Customer satisfaction
Full-cycle service quality management
Innovative services

● SDGs ● HKEX ESG index ● CASS-CSR4.0 index

	B6	M2.2	M2.13
	B6.2	M2.4	M2.14
	B6.4	M2.7	M2.15
	B6.5	M2.8	M2.16
		M2.9	M2.17
		M2.10	M2.18
		M2.11	E1.2

Key performance

Tenant satisfaction for shopping malls (%)	98.7
Consumer satisfaction for shopping malls (%)	97.3
Tenant satisfaction for office buildings (%)	98.85
Customer satisfaction for residential buildings (%)	88
Customer complaint handling rate for residential buildings (%)	100
Customer complaint handling satisfaction for residential buildings (%)	65.34
Consumer complaint handling satisfaction for shopping malls (%)	96.10
Amount of R&D (RMB 10,000)	2,275
Number of R&D staff (person)	111
Number of new patents	2
Number of pilot intelligent communities	43

Goal progress

Goal setting	Progress review	Plan for next step
<ul style="list-style-type: none"> To significantly increase the proportion of star customer service personnel in commercial operational services. 	<ul style="list-style-type: none"> Completed the organisation of the 2020 star customer service certification, adding 106 star customer service personnel, representing 23% of the front-line customer service staff. 	<ul style="list-style-type: none"> To change the form of star customer service certification, promote the participation in star customer service certification and expand its market impact.
<ul style="list-style-type: none"> To promote "mama care by MIXC", a service system exclusively to mother and infant customers. 	<ul style="list-style-type: none"> Completed the building of characteristic service system of "mama care by MIXC" for mothers and infants in 15 projects nationwide. 	<ul style="list-style-type: none"> To formulate specific standards for specific product categories, and properly procure the implementation of "mama care by MIXC".
<ul style="list-style-type: none"> To formulate service standards for high-end customers. 	<ul style="list-style-type: none"> Studied and released the service standards for high-end customers, and completed the promotion of the course of First Lesson for Key Account Managers under MIXC Lecture. 	<ul style="list-style-type: none"> To complete the building of the training system for key account managers, and hold the first skills competition for key account managers.
<ul style="list-style-type: none"> To continuously improve property service satisfaction to achieve customer satisfaction and the objectives of principal business. 	<ul style="list-style-type: none"> The customer service satisfaction for residential buildings in 2020 was 88%, up 2% year on year. 	<ul style="list-style-type: none"> To consolidate the standardised, efficient and satisfying basic property services, upgrade the business operation system and improve the management quality and market competitiveness.
<ul style="list-style-type: none"> To improve the regulations on customer complaint management and raise the efficiency of customer complaint handling. 	<ul style="list-style-type: none"> Completed the unified management of online and offline customer feedback, further improving handling efficiency. 	<ul style="list-style-type: none"> To focus on avoiding risks and turning crisis into opportunities, and strengthen the effectiveness and quality of customer complaint management.

mama care considerate maternal and baby care service

With the development of society, new experiences are constantly coming into our lives, making customer needs diversified. Committed to providing customers with superior services, CR Mixc Lifestyle has specifically developed the “mama care by MIXC” since 2018, representing the first service dedicated for mothers and infants, and successfully implemented 15 commercial projects in 14 cities in China.



• Dual certification and award for maternal and infantile care service



• Flagship mama care of Shijiazhuang Mixc

Shijiazhuang Mixc became the first authorised project under the mama care system

On 17 October 2020, the awarding ceremony for the “mama care” and “loving mama hut” of Shijiazhuang Mixc was launched officially. After half year’s preparation, pilot use and improvement, Shijiazhuang MIXC passed the acceptance and certification of the “mama care by MIXC” service system for its mama care service and was awarded officially, becoming the first formally authorised project of CR Mixc Lifestyle under the mama care service system in China, and was successfully certified for its loving mama hut at the provincial level, obtaining special government funds for maternal and infantile care.

More comfortable and cosy infant care room

Provide a warm, quiet and cosy space dedicated for mothers and infants, and build it into the ideal place of Mixc for breastfeeding, diapers change, baby rest and drinking.

More rapid and effective safety mechanism

Care rooms were built with soft package and children’s traction ropes were provided at the service desk. Mama care establishes a rapid safety response mechanism to safeguard mothers and infants.

More warm and considerate maternal and child service

Provide all-day hot water, drinking water, wipes heating box, bottle warmer and sterilizer for mothers, and provide services and products such as diapers, nappy liners, disinfecting wipes and set up children’s play area at the membership centre and service desk for members to exchange and use.

More comprehensive and exclusive rights and interests for mothers and infants

The underground parking garage provides parking spaces exclusive to mothers with infants and baby carriage rental services. Certified mama care stores provide exclusive shopping discounts and care services.

mama care **one-stop flagship maternal and infantile care experience**

The successful authorisation of Shijiazhuang Mixc is only part of the implementation of the "mama care by MIXC" service system in China. The "mama care by MIXC" service system of CR Mixc Lifestyle focuses on providing "one-stop services" for mothers and infants, enabling mothers with infants or children for shopping with reassurance, socializing and own fulfillment. The service system is classified into three parts: hardware facilities, soft services, and implementation. Hardware facilities include over 100 requirements for construction of facilities, such as soft-packaged infant care rooms, exclusive parking spaces for mothers, lifts for mothers and infants, exclusive lockers for mothers, waiting areas for fathers, shared child carts, rental of supplies for mothers and infants, etc. Based on high-frequency scenarios where mother and baby customers have needs such as shopping, eating, rest and parking at shopping malls, Soft services cover more considerate, safe, worry-free and warm services. For example, a wide range of service benefits and special offers are provided in shopping malls and related brand stores,

including professional baby care guidance and services, childcare services, etc.

Adhering to China Resources Group's motto of "leading business progress and creating better living together", mama care is a service system created by CR Mixc Lifestyle in a bid to give new meaning to public space and offer new experience for customers. Integrating consideration and thoughtfulness into every service detail is the pursuit of each employee of CR Mixc Lifestyle. Mama care is just a start. We will continue to expand the service network with high standards and develop exclusive customer services featuring high-standard facilities and all-round care.



• Mama care's customer service personnel warm milk for customers



• Necessities for mothers and infants provided by mama care



• Stores providing mama care services/benefits



• Mama care's internal rest area for child

Service quality assurance

Service quality standardisation system

CR Mixc Lifestyle builds an integrated service ecosystem featuring “multiple property types, all-customers and full spectrum of service offerings”, and provides customers with the most thoughtful care.

We have continued to improve the service system and formulated standardisation documents such as the CR Land Basic Customer Service Management Manual for Commercial Properties. We have identified the 9 key moments that touch customers, and put forward the basic service standards for engaging with customers. We also put forward the appearance standards to standardise the appearance of service personnel and provide customers with high-quality and high-standard services. In 2020, CR Mixc Lifestyle property management services have passed the ISO9001 quality management system certification.

In 2020, we standardised the services for office building and residential building projects and updated the Residential Property Service Classification Standard which has been incorporated into the ISO9001 quality management system for unified management, and the service content has also been integrated into the various professional guidelines for residential operations, further detailing the customer services and improving the key links of on-site services. According to the policy of “three keys and two specials”, namely key services, key touch points and key moments, and special customer groups, special types and special attention to owners including the elderly, children, pregnant women and patients, we have carried out the supervision and management of service quality in accordance with the principles of “three-level collaboration, division of labour” and “internal and external measures”, and continued to collect and share excellent service experience. With all these efforts, our customer services have won unanimous praise from the owners.

“Considerate” service standards



Customer perception and evaluation of services are mainly measured from the four dimensions below. During customer service process, keep in mind whether your service allows customers to perceive these four dimensions.



Reliability

Fulfill service commitments; explain clearly, professionally and accurately; and be credible in words and deeds.



Initiative

Respond actively; service is always before customers request.



Efficiency

Respond to customer needs in a timely manner; solve customer problems; act quickly and skillfully.



Thoughtfulness

Care for customers; consider problems from the perspective of customers.

Basic customer service standards



Comprehensive service quality monitoring

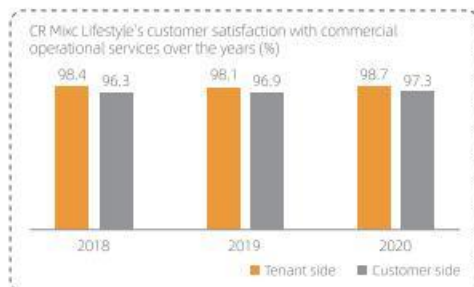
Providing customers with high-quality services has always been the pursuit of CR Mixc Lifestyle. We have customised a series of service standard systems targeting different types of business, such as the CR Land Basic Customer Service Management Manual for Commercial Properties, the Residential Property Service Classification Standard, and the Office Building Property Service Classification Standard, and standardised and refined them to meet customer needs in all aspects. In addition, we have established a customer satisfaction monitoring and analysis mechanism, carried out monthly customer satisfaction monitoring and analysis for residential properties, and promptly provided rectification assistance to under-performing commercial regions and property centres to improve their business and service level. In addition to the internal satisfaction monitoring mechanism, we made full use of third-party satisfaction surveys to further improve the service level.

• Commercial operational services

We have continued to monitor the service quality of commercial shopping centres and conducted customer satisfaction surveys among tenants and consumers. The results of customer satisfaction in 2020 maintained at a high level, and the tenant satisfaction was 98.7%, with a year-on-year increase of 0.6%, and the consumer satisfaction was 97.3%, with a year-on-year increase of 0.4%.

• Property management services

As a leader in high-quality standardised services, in the face of the impact of the pandemic, CR Mixc Lifestyle's customer satisfaction for residential properties continued to increase by 2 percentage points to 88%, in the forefront of the industry,



and the customer satisfaction for its 5 property centres was above 90%, far ahead of the industry level in their respective regions, according to authoritative third-party satisfaction surveys in 2020.

• Office building operational services

In terms of office building operation, we have gathered key members with extensive project experience to form an "Professional Office Building committee" and provide on-site assistance to key and difficult projects in three batches throughout the year, in order to promote balanced management. In 2020, we conducted surveys in relation to the customer satisfaction on services of office building properties under management, with a total score of 98.85%. Among which, the customer satisfaction for office building projects held, on sale and outsourced reached 99.61%, 98.70% and 99.35%, representing a continuous maintenance of good customer services.

Improve customer service quality

The Company's high-quality development is inseparable from good customer relationships. Based on the concept of delivering value for the entire customer group, we identified and segmented customers in a targeted manner at different stages, provided differentiated customer services, enriched customer relationship maintenance strategies, and strived to improve customer perception of service standards. According to the service classification standards, with the "three keys and two specials" as the basis for customer services, we customised the design of service scenarios to enhance and optimise contact services. We used diversified online and offline communication channels such as guidelines for mall service centres and shopping malls, the E-MIXC app, administrator visits, administrator WeChat, and customer engagement apps, to ensure that high-quality services are delivered to and perceived by customers.

In 2020, we continued to promote the full implementation of the requirements of the CR Land Basic Customer Service Management Manual for Commercial Properties through the two key tasks of "standard setting and training empowerment" and "star certification and case sharing", solidly promoting the construction of the basic service system. At the same time, we developed special customer group services and high-end customer services based on basic customer services, forming three major service segments, and formulated special service improvement plans for each segment.

• Improve customer engagement services

In 2020, we created the "Mixc Star Customer Service" certification system, formulated a service certification mechanism including 5 major assessment aspects, and held 7 special certifications in regions across the country. The special certifications covered 48 projects nationwide, and the number of star customer service personnel reached 23% of the front-line customer service personnel in the country.

• Exclusive services for mothers and infants

With the original marketing model for special customer group services, we created "mama care by MIXC", an exclusive customer group service system for mothers and infants, bringing a new consumption experience to mother and baby customers. The system clearly formulated the implementation standards and implementation guarantee mechanism for

hardware facilities and software services. As of 2020, 15 projects have completed the implementation of the system. In the future, CR Mixc Lifestyle will continue to provide safe, comfortable and convenient humanized service experiences for more mother and baby customers.

• Establishment of service standards for key account managers

In order to fully meet the needs of elite members for high-quality services and enhance the team's ability to provide high-end services, we formulated and issued the CR Land High-end Customer Service Management Manual for Commercial Properties (V1.0) in 2020, established 5 key service behaviors as the standards for high-end services, provided detailed service examples around 8 interactive scenarios, and determined the ability and quality requirements and their preparation standards for key account managers. In addition, we created the high-end service course "First Lesson for Key Account Managers" under Mixc Lecture as a compulsory course for the service team before taking up the job, continuously consolidating the high-end service management system and improving the satisfaction of high-end members.

We have established a mature satisfaction strategy system in residential property management, including the formulation of internal documents such as the CR Mixc Lifestyle Complaint Handling Guidelines for Residential Property Customers CR Mixc Lifestyle Guidelines for Customer Data Management CR Mixc Lifestyle Guidelines for Customer Property Management forming six mechanisms including satisfaction target monitoring and rewards and punishments, quality + information management measures, and ten steps approach for improving service quality.



- Satisfaction strategy system
- Satisfaction monitoring centre



- Satisfaction target monitoring and rewards and punishments
- Report handling timely
- Report coordination and handling of leftover issues
- Effective complaint handling process
- Service standard implementation evaluation system
- Quality + information management measures



- 10 tasks for strong control
- Projects of different score segments focusing on core issues separately

In addition, we focused on cultivating the business capabilities of property administrators and vigorously carried out administrator training to provide customers with higher quality services.



Case/Professional Empowerment of Administrator Academy

In order to improve the overall planning and management capabilities of project management personnel, the Property Service Beijing Centre held the second Administrator Academy training with reference to the Property Service Head Office's Administrator-centric Quick Response Mechanism and the Property Service Beijing Company's Administrator Incentive Program. Through the cultivation of the professional capability, communication capability and marketing capability for empowerment, the enthusiasm of employees was fully motivated and their dreams were combined with the corporate vision. We also dug deep into customer resources while ensuring high-quality services, hitting new highs in performance.

Response to customer demands

We actively maintained multi-channel communication with customers and owners and issued the CR Land Commercial Real Estate Operational Service Process Specification, the CR Mixc Lifestyle Complaint Handling Guidelines for Residential Property Customers and the CR Mixc Lifestyle Complaint Handling Guidelines for Office Building Customers to clarify the service links of proactive after-sales service and complaint handling for actively responding to customer complaints, and developed relevant regulations for stop-loss and compensation. We established internal collaborative management channels and formed a three-level linkage management and control for projectsc, entres and headquarters. According to the classification standards of complaints, the internal management and control clarified the reporting process, supervision mechanism and handling measures, and strengthened closed-loop management and improved the efficiency of complaint handling through information tools.

In 2020, we realized the unified management of online and offline customer complaints across the country, established a series of information sharing mechanisms such as monthly customer complaint reports, typical case libraries, etc. We regularly organised the Company's management and employees to focus on high-frequency issues, promoted the implementation of process requirements for customer complaint management, attached importance to customer complaint service quality, clarified actions for seeking feedback on customer complaint handling, and actively tracked customers' evaluation of customer complaint services.



Case/Timely responding to customer complaint and solving problems for customers

Complaint unit: Zhengzhou Mixc

Complaint time: 8 January 2020

Complaint content: The customer Mr. Bai slipped and fell after stepping onto the engine oil on the ground at the mezzanine parking lot of Zhengzhou Mixc, and his coat was covered with lots of engine oil and not wearable, so he made a complaint to the customer service centre.

Complaint handling: We contacted our property management colleagues immediately and assigned them to the site to understand the health and safety condition of the customer and appeased the customer. After confirming that no serious harm was caused to the customer through inquiry, we offered the laundry service for the customer regarding the contaminated coat and followed up on the subsequent services. In addition, we instructed our cleaners to clear the engine oil on the ground as soon as possible to prevent similar incidents from recurring.

Customer feedback: The customer said that the property management personnel provided very considerate services and the customer service personnel subsequently handled the matter in a very professional way, showing the commitment of CR Mixc Lifestyle to solving problems for customers.

The number of Customer complaints from shopping mails

14,422

The average number of customer complaints per project decreased from 2019

18.2%

Customer complaint handling satisfaction rate was

96.1%

Company received property complaints

12,648

Protection of customer rights and interests

Protection of customer information

CR Mixc Lifestyle has laid emphasis on the protection of customer information privacy, and strictly complied with the E-Commerce Law of the People's Republic of China. Based on the Technical Regulations of Property Service Head Office on Office Network Construction, the Management Regulations of Property Service Head Office on Office Network Construction and other information technology management measures, we further formulated the E-MIXC Privacy Policy and the Guidelines on Integrated Customer Service Data Processing to specify the confidentiality management of customer information, standardise full operating process in main aspects of information entry, storage, inquiry, application, update and maintenance, and clarify all job responsibilities. For business members of CR Mixc Lifestyle, the function and process of member account closing were added, and all related rectifications were publicised through online and offline member agreements. At the same time, each employee was required to sign a non-disclosure agreement, which expressly prohibited employees from stealing or disclosing unpublic information about the Company and customers, effectively avoiding the management risk of information leakage.

Responsible marketing

•Specifying publicity content

Following the internal normative documents such as the Regulations of CR Land on the Operating Process of Commercial Properties (Promotion Volume) and the Working Guide on Residence Information Release, we did not publicise any false or misleading information and released online and offline publicity information by standard. Each commercial region organised communication of legal risks related to business promotion, and regularly checked advertising language internally. Meanwhile, each property centre periodically publicised property management information to ensure owners and quasi-owners' right to be informed. In addition to routine business marketing and property information, we communicated potential risk warnings to our customers on a regular basis to respond to the needs from consumers, owners and tenants in multiple ways.



Case/Creating a trustworthy shopping mall for consumers

To safeguard the interests of shopping mall consumers, CR Mixc Lifestyle issued the Regulations of Commercial Management Service Business Division on the Administration of Tenants with Prepaid Cards for Commercial Projects to refine the management measures for tenants holding prepayment cards. MIXC in each city made active response to the Company's policy by managing tenants holding prepayment cards by category and proactively disclosing the cautions before deposit and the key information such as shop lease term to tenants to reassure customers to the most extent for the purpose of "creating a trustworthy shopping mall for consumers".



• Service knowledge popularisation and customer training



Paid service

Property service centres of the Company clearly showed their charge rates of property services and paid services by publicising parking management price lists at non-motor vehicle parking lots and user instructions, and showed the instructions and charge rates of intelligent delivery lockers and ATMs to allow owners to make well-grounded payments.



Marketing service

In daily "integrating marketing", community life malls under "Lifeeasy Service" updated cost-effective products from time to time, and showed related product and service information to customers, to ensure customers to know immediately and make full use of the services we provided.

Fair trade

We have been committed to ensuring customers' right to be informed and safeguarding the rule of fair trade, and set strict specifications on information disclosure approaches and contents released to customers to guarantee the openness, transparency and accuracy of information. For mall consumers, we regulated compliant operation and release of special offers by shops in malls, and gave timely notice to customers about points clearing matters and point-based promotions. By sending prompts via short messages and providing special customised "online malls for clearing and redemption of expired points", we made sure that every consumer's right to be informed was safeguarded while offering plenty of choices for points redemption. Moreover, for residence owners, following the Working Guide on Residence Information Release, we normalised the content and frequency of release to customers, including notification, prompt and publicity information. Each property centre made public value-added service prices and property service processes and published property service reports on the quarterly, semi-annual and annual basis.

Customer safety and health

Staffing and certificate holding rate for lift managers was:

100%

Staffing and certificate holding rate for swimming pool lifeguards was:

100%

The Company attached great importance to customer safety and health, proactively carried out risk identification, and established environmental warning and emergency mechanism. We assigned personnel to key positions in line with relevant standards. In 2020, we achieved 100% of staffing and certificate holding rate for lift managers, 100% of staffing and certificate holding rate for swimming pool lifeguards, and 100% of safety certificate holding rate for project leaders and safety managers. Furthermore, we provided a variety of safety trainings to customers, and by concluding EHS responsibility agreements with tenants, EHS Agreements with related parties, and Security/Fire Safety Responsibility Agreements with owners, we made effective division of safety responsibilities to ensure tenants, staff of related parties and owners were aware of their safety responsibilities.

Safety check: Grassroot projects self-check, comprehensive check at all commercial regions and property centres, and annual inspections at corporate level were conducted on a regular basis, especially inspections of internal equipment and facilities of grassroot projects. Meanwhile, the EHS Department organised major safety inspections before important holidays and festivals, with focus on the safe state of fire control, lifts and utilities related equipment to guarantee safe and stable operation of projects during holidays and create a safe and stable festive atmosphere for customers.

Safety guarding: For all grassroot projects, the Company developed rigorous security implementation plans and established and improved all coordination management systems. The 24-hr security system was implemented, stipulating that security staff responsible for projects shall go on patrol day and night regularly and from time to time. Besides, video surveillance covered all managed areas, and regular inspections were performed for all surveillance equipment to keep them functioning stably and reliably.

Safety training: All commercial regions and property centres organised the EHS knowledge training including fire safety, electrical safety, lift use safety, gas safety, and construction safety to related parties. They also organised all volunteer firemen to receive emergency management training and special centralised training to strengthen their emergency knowledge and coping skills, improve their abilities of self-rescue and mutual rescue, and protect customers' personal and property safety. 5,629 volunteer firemen completed and passed the training.

Safety communication and risk warning: We made full use of the online and offline platforms and organised all property centres to launch over 2,600 events of EHS culture publicity at all levels focusing on sunstroke prevention in summer, bad weather, transport safety, the World First Aid Day, pre-festival security notification, gas safety, occupational health and other themes by multiple means such as official accounts, H5 push services, poster foldouts, and posters, creating an EHS culture atmosphere involving all staff and promoting fruitfully the communication and implementation of EHS culture.

Customer health service: Commercial projects and office building projects were equipped with AED first-aid devices or medical first-aid kits. Newly commenced grass-roots projects or renovation areas were decorated with environmentally friendly materials, and passed third party's air test to ensure the health and safety of customers.



Case/ "EHS Management Approach" competence training camp

CR Mixc Lifestyle organised the annual EHS competence training camp at China Resources University at Xiaojing Bay, Huizhou. Professional trainers from EHS consulting companies were invited to the training camp to deliver courses mainly covering safety leadership enhancement, domestic and foreign advanced practices in safety management, group's accountability system for EHS accidents and incidents, issues and countermeasures in safety management assessment on property projects. We reviewed the weaknesses of the Company's EHS management from several aspects such as the management system, management behaviours and management state, sorted out key points and difficulties in EHS management, and constantly perfected the EHS management and control.



• Scene of "EHS Management Approach" competence training camp



Case/Professional first-aid knowledge training

Special first-aid knowledge training was carried through in all grass-roots projects of CR Mixc Lifestyle, including simulation training of professional first-aid knowledge such as CPR (cardiopulmonary resuscitation), artificial respiration, bandaging and stopping bleeding. We elevated our health management standards in personnel training, assessment and certification, and the use of key first-aid devices to secure the health of customers and owners.



• AED (automated external defibrillator)

• Scene of professional first-aid knowledge training

Innovative intelligent services

CR Mixc Lifestyle always advocates technological innovation as its core competence and keeps increasing investments in technological capabilities. The Company centres on the four dimensions of operational digitalisation, data as asset, technology-based production and intelligent space, and applies the power of technology to boost operating efficiency and reduce costs, create more efficient, convenient and intelligent consumer experience, and maximise data value through full data acquisition and application.

Smart community development

In 2020, based on our business characteristics and sticking to the "big property" strategy, we deployed the measures of combining technology and business, continuously optimised and enriched the framework of information platforms, and energetically drove the industrialisation of scientific and technological achievements. We employed cloud technology, IoT, etc. to enable online centralised business management, and exerted efforts to build smart communities and business areas. As of the end of 2020, we kicked off the development of 23 systems, 16 of which went on line. The information systems enabled online management of business processes, standardised operation management systems, and built sound operational foundations for the following all-round extension of smart communities and business areas.

• Smart community

We spared no effort to build new types of community, developed and used "Yue+" digital IoT cloud platform to actualise intelligent management of communities. In 2020, through the core functions of new equipment including access and management, we significantly improved the comprehensive access capability of a variety of equipment, achieved interconnectivity of business nationwide.

At the same time, we built customised community scenarios for three community groups. Our Chengdu Company achieved full coverage of smart community projects, successfully launched the online self-service face recognition function on the app JOY LIFE for owners, promoted automatic online management of face information, and maintained owners' privacy while improving user experience for owners. As of 2020, nearly 40,000 face photos were uploaded through the self-service; over 2,000 counts of face recognition and over 500 counts of door opening via mobile phone per day per project were achieved. The functions of face recognition and door opening via mobile phone were working well in projects.



• Smart business area

In 2020, the electronic parking coupon service of "E-MIXC" Smart Parking V3.0 was launched, through which customers could exchange their points for electronic parking coupons, and use them to offset parking fees when paying for parking. In this way, malls not only offered better shopping experience, but also got new members by pushing electronic parking coupons, prolonged customers' stay in malls, and promoted re-visit of customers.

As of 31 December 2020, "E-MIXC" issued 2.04 million parking coupons and redeemed over 2.6 billion points, and over 3.3 million people used them for paying parking fees.

• Immersive business area

CR Mixc Lifestyle joined hands with Huawei to build the first all-scenario smart business area in China, and launched it successfully at Shenzhen MIXC World in September 2020. We leveraged the digital technology and AR content construction ability of Huawei terminal cloud services to integrate existing mall services, activities, content and marketing of the "E-MIXC" platform, properly matched offline shopping scenarios and mall information, and produced brand new shopping experience and marketing effect. Once entering the business area, consumers could see via mobile phone an AR world fusing reality with the virtual, experience a range of AR services including campaigns on the notice board of the shop, indoor and outdoor navigation, and special atmosphere effect, and fully enjoy an immersive AR experience.



• Virtual reality experience

Innovative value-added business

We have always adhered to innovation-driven service upgrading and strived to provide comprehensive, up-to-date value-added business to customers by learning market demands and customer preferences. We not only integrate innovative ideas in business development and put forth new measures to maintain relationships with tenants and customers, but also focus on the market dynamics of residential property development, track demands from the market and customers, and strive to elevate customer experience.



Case/ "E-MIXC" launched online live streaming service and intelligent system for digital sales and distribution

To better support the shop tenants stricken by COVID-19, we promptly developed "E-MIXC" live-streaming sales and the supporting "omni-directional intelligent system for digital sales and distribution" during the pandemic at the beginning of 2020, allowing tenants to conduct online sales and distribution of goods, and helping tenants expand sales channels. By the end of 2020, "E-MIXC" studio united 46 shopping malls and linked more than 300 brands to hold 290 sessions of live streaming with sales amounting to RMB 10.55 million. At the same time, more than 200,000 members used the system to shop at MIXC on the "Cloud", contributing to a total transaction amount of nearly RMB 4 million.



Case/Launch online of "Yue+" housing agency system

In 2020, we launched the phase I "Yue+" housing agency system at all property centres, which revolved around the content of housing agency business and customer needs and allowed online management of housing and customer sources, customer entrustment and agent performance, considerably enhancing business efficiency and increasing revenue by RMB 23.38 million on a year-on-year basis.

02

Committing to value growth



CR Mixc Lifestyle upholds compliance, honesty and integrity in conduct and behaviour, positively responds to national policies, and further explores its corporate value. With strategic positioning of “urban quality life service platform”, the Company takes advantage of its leading integrated commercial operational capability in the industry and property management capability covering multiple property types to continuously promote its core business indexes, improve quality, boost efficiency, and deliver higher value for shareholders.

Material issues and indexes

Material issues

- Compliant operation
- Business performance
- Policy response
- Intellectual property protection

SDGs

- B6.3
- B7
- B7.1
- B7.2

HKEX ESG Index

CASS-CSR4.0 Index

- M1.1
- M1.2
- M1.3
- M1.4
- M3.1
- M3.4
- M3.5
- M3.6
- S1.1
- S1.2
- S1.4

Key performance

Revenue (RMB100 million)	67.79
Gross profit (RMB100 million)	11.35
Net profit (RMB100 million)	8.18
Total assets (RMB100 million)	190.76
Net assets (RMB100 million)	124.63
Return on equity (%)	6.56
Return on total assets (%)	9.22
Profits to cost ratio (%)	19.31
Total tax paid (RMB100 million)	5.03
Number of new employees (person)	8,553
Number of corruption incidents (incident)	0
Number of compliance training sessions (session)	228
Penalty on violation of laws and regulations (case)	0

Goal Progress

Goal setting	Progress review	Plan for next step
<ul style="list-style-type: none"> To determinedly resist corruption, bribery, unfair competition, and prevent other business issues. 	<ul style="list-style-type: none"> The Company was not involved in any lawsuit of corruption, bribery, blackmail, fraud or money laundering in 2020. 	<ul style="list-style-type: none"> To promote integrity culture building internally by stringent and thorough supervision and inspection means.
<ul style="list-style-type: none"> To establish and improve corporate compliance system and continuously deepen internal compliance management. 	<ul style="list-style-type: none"> In 2020, legal staff members were organised to participate in professional law training and front-line staff members to participate in law training, which totalled 200 sessions. 	<ul style="list-style-type: none"> To constantly deepen and improve internal compliance management system, continuously build employees' legal awareness, and carry out business activities in compliance with laws and regulations.
<ul style="list-style-type: none"> To commit to becoming a leading urban quality life service platform in China and provide solutions to all scenarios in life. 	<ul style="list-style-type: none"> CR Mixc Lifestyle's management covered diverse urban operational types such as residential buildings, office buildings, parks, rivers, and stadiums. 	<ul style="list-style-type: none"> To keep strengthening the competence of the integrated ecosystem featuring "multiple property types, all-customers and full spectrum of service offerings", and explore new areas of urban operational services.
<ul style="list-style-type: none"> To accelerate smart city development and drive the reform of production method, lifestyle and governance model through overall digital transformation. 	<ul style="list-style-type: none"> Technology empowered business development. 13.4 million people registered as members in the app "E-MIXC", and the amount of online transaction nationwide via the app reached RMB1.22 billion; the app "Yue+" was used by 840,000 people and the smart community was implemented in around 43 projects. 	<ul style="list-style-type: none"> To increase inputs in technological capability, and take technological innovation as the utmost core competence of the Company.

river maintenance – smart water service supports GBA development

The Guangdong-Hong Kong-Macao Greater Bay Area (GBA) is one of the most open and energetic regions in China. For the development of a beautiful GBA suitable for living, working and traveling, higher requirements have been put forward for ecological construction and environmental protection. The 14th Five-Year Plan has made important arrangements for water infrastructure construction, optimised water resources allocation, and comprehensive improvement of river and lake systems. Meanwhile, the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area and the Water Security Plan for the Guangdong-Hong Kong-Macao Greater Bay Area provide high requirements for the ecological construction and environmental protection in the GBA. "Green development and ecological conservation" has been established as one of the 6 cardinal principles for cooperation in the GBA.

CR Mixc Lifestyle drives the construction of water park cities, manages water systems in a refined and dynamic manner, promotes the transition from traditional to ecological river maintenance, and constantly procures smart urban governance. The Shenzhen River and Bay area boasts prosperous economy, high population density and critical location, and the construction of the river and bay area is inextricably linked to people's life. In July 2020, China Resource Mixc Lifestyle duly signed a contract with Shenzhen Water Bureau to provide comprehensive management services for the "Project for Operation, Maintenance and Management of Shenzhen River and Bay Tributary" in support of the GBA development.



• Shenzhen Dasha River

Smart maintenance

We refined the river management by a series of technical means and provided 24-hr security and surveillance.

Smart maintenance means	System functions
Smart security surveillance system	Analysing people's movements along the river via intelligent video analysis, tracing movements, monitoring and restraining uncivilised behaviours like littering into rivers; monitoring key sewage draining exits in real time via video surveillance and analysing illegal discharge and drainage captured; automatically identifying and timely capturing invaders and calling the police through AI deep learning ability;
Smart patrol of river water level monitoring system	Applying a full digital network platform to manage the display, collection and transmission back of real-time hydrological data, knowing changes in river water condition, realising scientific warning of flood, and improving flood control ability;
Smart patrol of well covers	Monitoring well water level at important nodes of pipe networks, discovering siltation and blockage of pipe networks in a timely manner to quickly make a response of flood control; giving immediate alerts in case of loss, displacement, etc. of well covers, providing fence immediately, and safeguarding the drainage system and pedestrians' safety;
Smart sprinkling irrigation system	Making comprehensive analysis of uploaded meteorological data, soil moisture, and other data on the basis of water needs of crops and by means of information technology, intelligently irrigating the whole controlled area manually or automatically to achieve higher accuracy of irrigation and water utilisation;
Environmental protection robot	Automatically sweeping and mopping floors, collecting and transporting garbage, etc.





• Shenzhen Dasha River and Bay Tributary



• Shenzhen Fengtang River

Ecological restoration

We set up water quality monitoring sites along rivers to timely address water quality problems by water quality testing, and solve ecological invasion based on local conditions by professional environmental workers. In 2020, in order to be updated of the water quality of each tributary, we established maintenance projects and continuously improved quick water quality testing and comprehensive laboratory testing systems to accomplish sampling and quick water quality testing. As a result, sampling and quick water quality testing of 28 river sections and 6 sewage draining exits were completed per week on average, and 2,493 water quality samples were tested in the field.

Exclusive image

Referring to the experience in urban commercial property management, and based on the public attributes of rivers in Shenzhen, we will develop a full identity system step by step including the signage system to elevate the overall image of rivers as urban public space as well as provide more facilities to civilians.

Water-surrounded community

The basin to be managed runs through Shenzhen MIXC, Shenzhen Bay MIXC, MIXC World, Xingfuli, Infinite Residence, Palace, and other CR's projects. We gradually infused the water culture into the theme activities of communities of our managed projects to promote the build-up of water culture communication platforms in waterfront communities and create agreeable water-surrounded spaces for civilians.

With operations spanning from traditional services for community space to services for urban public space, and from river ecological management to smart cities operation, CR Mixc Lifestyle continues to explore more wonderful space in cities and create beautiful urban public space mixing the natural ecosystem and artificially constructed system.

Integrity and compliance

Compliance management

CR Mixc Lifestyle has established a compliant governance structure and mechanism to ceaselessly consolidate the internal compliance management system of the Company in three areas: system formulation and amendment, risk management and control, and compliance training, communication and implementation, and to drive business activities going in a legitimate and orderly manner.

• System improvement

In 2020, we published the Contract Management Regulations of CR Mixc Lifestyle, specified the management requirements, separated the division of responsibilities between headquarters and regions, clarified the responsibilities of each unit in contract management, and raised contract management efficiency.

• Risk management and control

The Company has built a total risk management system to continuously monitor changes in risks and business environment in routine work. In 2020, we carried through legal risk inspection in commercial lease of key projects, completed the legal risk inspection of 16 key commercial projects, identified 67 points of legal risks, and pushed forward risk rectifications in accordance with rectification plans, 100% of which were completed on schedule.

• Compliance training

We have proactively run compliance training. On the one hand, we organised legal staff members to take part in professional training on law to enhance their professional skills; on the other hand, we conducted law popularisation and communication to build employees' legal awareness. In 2020, we organised over 100 sessions of legal competence training.

• Corporate governance standardisation

We have adopted the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Listing Rules of the Hong Kong Stock Exchange to standardise corporate governance, and maintain sound corporate operation,

In 2020, to further reinforce the compliance management of the Listed Company, we organised employees to sign the compliance commitment to China Resources Group Code of Business Conduct (disclosed) to fully improve employees' business ethics, build compliance culture, and fulfil the compliance commitment.

• Selection and nomination of members of the board of directors and board committees

We have established a clear and sound governance structure, under which the board of directors, and its review committee, remuneration committee and nomination committee perform their respective duties. To achieve more effective corporate governance, we have formulated and executed the Procedures for Persons Nominated by Shareholders to Run in Director Election and the Board Diversity Policy.

• Compliance information disclosure

The Company discloses business information punctually and accurately to shareholders and investors by the principles of truthfulness and reliability. In 2020, the Company disclosed the list of directors and their roles and functions, and terms of reference of the Company's special committees as required by the Hong Kong Stock Exchange, and updated related party transactions in time according to regulations. This further improved the compliant operational capability of the Company, and sustainably cleared the channels for communication with investors.

• Protection of the interests of minority shareholders

We attach importance to investor relations management and continue to enrich communication forms for investors based on enhanced information disclosure management to clear the communication channels for investors and earnestly protect the interests of minority shareholders. In March 2021, the Company held the 2020 results briefing to actively share its business news and developments and answer questions of concern to investors.

Anti-commercial bribery and anti-corruption

The Company follows close to the line of external laws and regulations on prevention of bribery, blackmail, fraud and money laundering, such as the Company Law of the People's Republic of China and the Anti-money Laundering Law of the People's Republic of China. The Company unwaveringly implements the guidelines of excising strict management with great kindness and laying equal emphasis on motivation and restriction, regularly delivers education of combating corruption and upholding integrity, continuously improves the "great supervision" system, identifies minor violations in early stages, and puts forth efforts to create an organizational atmosphere that encourages cleanness, uprightness, hardworking and entrepreneurship.

In 2020, the Company reinforced the supervision and inspection of key areas and posts such as bidding and procurement, assets operation and assets management, held over 800 events of centralised integrity warning and education for employees, covering 57,000 people. Meanwhile, we attached importance to pre-prevention and stuck to integrity, built 91 cadre integrity files, issued the Integrity Governance Work Instructions, made integrity conversations with 188 newly appointed cadres before they took office, and replied to advice on integrity from 1,397 persons.

In 2020, CR Mixc Lifestyle was not involved in any lawsuits of corruption, bribery, blackmail, fraud and money laundering.

The number of holding events of centralised integrity warning and education for employees

800

The number of making integrity conversations with newly appointed cadres before they took office

188

The times of replying to advice on integrity from persons

1,397

Anti-unfair competition

CR Mixc Lifestyle has rigorously followed the relevant provisions of the Anti-unfair Competition Law of the People's Republic of China, Anti-monopoly Law of the People's Republic of China and China Resources Group Code of Business Conduct, formulated internal rules such as the Integrity Agreement of CR Mixc Lifestyle with Partners, and earnestly fulfilled the requirements for fair trade, integrity and compliance. The Company advocated the "open, just and fair" trade principles, promoted the establishment of simple and win-win relationships with partners, and created a fair and positive competition environment with partners.

In 2020, we put into service and extensively promoted the procurement cloud system, and achieved standardised, systematic and visual online management of the whole procurement process. Business operations at all stages are traceable online and have reliable basis. This further ensured the compliance of the bidding and procurement process and the convenience of self-check and self-inspection. In addition, the Company continuously improved the procurement process and delivered compliance training on anti-unfair competition to relevant staff members.

Intellectual property protection

In 2020, to further push forward intellectual property management and protection, meet the relevant requirements of laws and regulations on intellectual property rights, we drew up and enacted the Detailed Rules of CR Mixc Lifestyle on Trademark Management to build up a professional, systematic trademark management mechanism. The Company strengthened the intellectual property protection through trademark registration, patent application, software works registration as well as other means, focused on enhancing visibility of trademarks, and took proactive measures such as trademark monitoring and right protection by lawsuit to safeguard the legal interests of the Company. As of 2020, CR Mixc Lifestyle held 412 trademarks (including the well-known trademark "MIXC"), 12 works, 17 software works and 9 patents (including 2 patents for invention).

Held trademarks

412

Software works

17

Moreover, we gave full respect to our partners' intellectual property rights, abided by the intellectual property provisions agreed with our partners, and actively got involved in the intellectual property protection.

Policy response

Smart city exploration

As China's new infrastructure construction strategy is further carried forward, technology will be integrated into property business more closely. CR Mixc Lifestyle takes the initiative to embrace digitalisation, applies deeply the cloud computing, artificial intelligence, IoT and other technology to its business, constantly explores intelligent space, drives refined operational management, transforms itself from a "community administrator" into a "city administrator", continuously probes into the smart IoT and urban operational services, and further updates its business.



Case/Smart parking system solves parking difficulties

We built the CR smart parking platform to exert centralised management of nationwide parking business. In the meantime, we used the app "E-MXC" to connect commercial parking lots and users, developed a parking operational model of "parking cloud platform + customer" and provided non-inductive payment, reverse car search, parking space appointment, membership discount, points deduction and other parking payment functions, addressing the difficulties in parking, car finding and paying, accelerating the turnover and utilisation of parking spaces, activating the parking space resources.



Support for GBA development

With the integration and development of Guangdong-Hong Kong-Macao Greater Bay Area, the exchange and blending of people, cultures, laws, and systems of the three places bring about diversified service scenarios. Needs for residence and business will go through structural upgrade, and the property service industry will enter into "the era of GBA". As a company specialised in market-based property management, CR Mixc Lifestyle is dedicated to refined, intelligent and systematic management. To better serve the national strategy of GBA development, CR Mixc Lifestyle shifts from serving communities to serving cities, keeps on seeking opportunities of cooperation in urban space operation and industry park property management based on deep development of conventional business in communities, shopping malls, and office buildings.

Some projects of CR Mixc Lifestyle at the GBA

Shenzhen Bay Sports Centre: With a gross floor area of 335,000 m², it is invested, developed and operated by China Resources Group in form of BOT.

Shenzhen Nanshan Financial Building: It is an office premises for the government of Nanshan District to house financial investment companies in order to promote the integration and intergrowth of technical and financial enterprises in the district.

Shenzhen Pingshan Culture Centre: It is a regional new culture landmark created by Pingshan District of Shenzhen with great effort, and a highland of culture in the east of Shenzhen.

Shenzhen Dasha River Ecological Corridor: It comprises three theme sections: dynamic waterfront, urban forest and university town, and enjoys the reputation of the "Seine in Shenzhen".

Operation and Maintenance of Shenzhen River and Bay Tributary: It covers nine rivers and two reservoirs in Shenzhen. The water park type management model of river ecological environment that integrates "one flag + five themes" is highly recognised by the government.

China Resources Building: Standing at the centre of Houhai Financial Headquarters Base like a 392.5m high "Spring Bamboo Shoot", it is well acclaimed at home and abroad.



Extension of red community

We vigorously explore an innovative model that deeply integrates party development and property services, continuously push forward "red administrator" services, join hands with local sub-districts (communities), owners of property managed, volunteers, social organisations and other interested parties to discuss key issues of projects and join efforts of development and management, further elevate customer satisfaction and their sense of contentment and happiness, and build solid foundation for grass-roots community management.

As of late 2020, "red administrator" service has covered 18 cities, with 23 operations officially registered. In 2020, Wuhan Oak Bay was honoured with the title of Five-Star Red Property Service Provider in Wuhan, and Hefei Lanxi Town with the title of Exceptional Contributor to Comprehensive Social Management.

Selected key achievements in building red stations and business areas in 2020

Shijiazhuang MIXC worked with local governments to improve the traffic condition around the mall;

Hefei MIXC joined hands with law firms to optimise the customer complaint process and handling methods and to eliminate risks in advance;

Liuzhou MIXC collaborated with fire departments to improve fire control and better safeguard customer safety;

Kunshan MIXONE built the first red cinema in the city as a designated film-watching venue for government authorities, public institutions and enterprises;

Chengdu China Resources Building was selected as one of the first provincial demonstrative park buildings for party development of new economic and social organisations by the Organisation Department of Sichuan Provincial CPC Committee;

Taiyuan MIXC organised the first intra-mall party and masses service centre in Shanxi Province.



Job creation

The Company sustainably creates various jobs for the society while accommodating its need for business expansion. In 2020, we employed 8,553 new recruits nationwide, of whom 131 were fresh graduates. We also took the initiative to hold special job fairs for veterans and the handicapped. In 2020, we hired 428 veterans and 24 people with disabilities.

Support for deepening the reform

Following the guidance of the State-owned Assets Supervision and Administration Commission of the State Council on deepening the reform of state-owned enterprises, the Company pushed forward the reform of state-owned enterprises steadily and implemented the innovative incentive method for employees with the amount of share option up to RMB630 million. In addition, we actively responded to the supply-side reform by constantly improving the supply of services, promoting the innovation and implementation of intelligent services, and rendering diverse value-added services such as the upgrade and optimisation of the "E-MIXC" App for a smart business area, the research and development as well as utilisation of the "Yue+" digital IoT cloud platform for the intelligent management of communities, and the launch of the "Yue+" housing agency system for the expansion of value-added services.

03

Committing to employee recognition



Since talents are the core competence for corporate development, CR Mixc Lifestyle respects and protects the rights and interests of its employees, perfects the remuneration and benefits system, and renovates the equity incentive plan according to law, with a view to the significant innovation of the incentives for employees of the central enterprise. Meanwhile, we continually promote democratic management and perfect the training system for a reciprocal, friendly and healthy working environment for our employees and the improvement of corporate value and individual value of our employees.

Material issues and indexes

Material issues

- Employee safety and health
- Employee development
- Employee rights and interests
- Employee recruitment and team building

SDGs



HKEX ESG Index

CASS-CSR4.0 Index

B1	B3.1	S1.6	S2.15
B1.1	B3.2	S2.1	S2.16
B1.2	B4	S2.2	S2.17
B2	B4.1	S2.3	S2.18
B2.1	B4.2	S2.4	S2.19
B2.2		S2.5	S2.20
B2.3		S2.6	S3.1
B3		S2.7	S3.2
		S2.8	S3.3
		S2.9	S3.4
		S2.10	S3.5
		S2.11	S3.6
		S2.12	S3.7
		S2.13	S4.2
		S2.14	S4.3

Key performance

Headcount (person)	27,077
Newly created jobs (person)	8,553
Percentage of local employees (%)	43.82
Percentage of female managers (%)	36.90
Employee turnover rate (%)	34.93
Number and rate of work-related fatalities (%)	0
Lost days due to work injury (day)	0
Average number of days of paid annual leave per employee (day)	5.52
Training hours per employee (hour)	42.14
Employee satisfaction (%)	92
Investment in supporting needy employees (RMB'0,000)	118.5

Goal progress

Goal setting	Progress review	Plan for next step
<ul style="list-style-type: none"> To optimise the manpower management system and regime, extend recruitment channel, implement equal and diversified employment policies and ensure employees' democratic rights. 	<ul style="list-style-type: none"> Carried out campus recruitment, social recruitment and recruitment of retired soldiers, provided reasonable salaries and welfares for employees, and strengthened the prevention and protection during the outbreak of COVID-19. 	<ul style="list-style-type: none"> To make specific improvements according to the opinions brought forward by our employees at the congress of staff and workers, meeting with manager, employee forums, etc.
<ul style="list-style-type: none"> To perfect work safety system according to the relevant laws, strengthen training and education for occupational health and safety protection and pass health and safety management system certification. 	<ul style="list-style-type: none"> Further teased out and optimised the documents on the EHS management system, passed the certification of ISO45001 occupational health and safety system. 	<ul style="list-style-type: none"> To keep the safety at work, safety supervision, safety training, etc., and constantly improve the effect of the emergency knowledge training and drills.
<ul style="list-style-type: none"> The business talent training system focused on the store operation talents will be further perfected to adopt the double track system covering the titles and the scale of positions. 	<ul style="list-style-type: none"> Carried out the "Leaders of Tomorrow" program and the "Mixc Elites" program for training talents, graduate training plan, demonstration lessons about general quality and professional quality, the "Mixc Lecture" program for development of internal courses and lecturer training program. 	<ul style="list-style-type: none"> To appropriately strengthen the efforts in employee training and keep perfecting the library of internal and external training resources.
<ul style="list-style-type: none"> The activities to care for our employees will be increased to improve the engagement and satisfaction of the employees. 	<ul style="list-style-type: none"> The overall employee satisfaction was 92% in 2020. 	<ul style="list-style-type: none"> To value the assistance and support to employees with difficulties, strengthen caring for female employees, and conduct more diversified team building activities for physical and mental health.

Growing up together and perfecting the training system to support our employees in achieving their value

CR Mixc Lifestyle highly values employee training and talent development and is committed to creating a comprehensive training system as well as a harmonious and active work environment and encouraging its employees to keep improving their individual value, in order to achieve employee and corporate growth.

In 2020, we further perfected the training system centred on store operation talents by carrying out the advanced talent training program "Leaders of Tomorrow" for shopping malls and the management talent training program "Mixc Elites" for shopping malls in a deep-going way, while developing innovative "Mixc Lecture" program for internal course development and lecturer training, "Mixc Stars" program for training previous future stars, "Mixc Rookies" program for training new employees, and "Mixc Business School" series professional training programs.

For the "Leaders of Tomorrow" program, we organised a centralised training for course delivery, and supplemented the online study plan phase 4 during the outbreak of COVID-19, assisting employees in the job rotation and communications; for the "Mixc Elites" program, we released the standardised scheme 2.0, iterated the library of courses and improved the selection and training tools to strengthen the quality of trainings; and for the "Mixc Lecture" program, we released the Operational Guide on the Development of Internal Courses and the Delivery of the Lecturer Training Program to enhance the organizational capacity via the standardised course development process and tools and started the development of a new batch of courses for each commercial region, covering investment, operation, investment attraction, bidding and procurement, EHS, E-MIXC, etc.

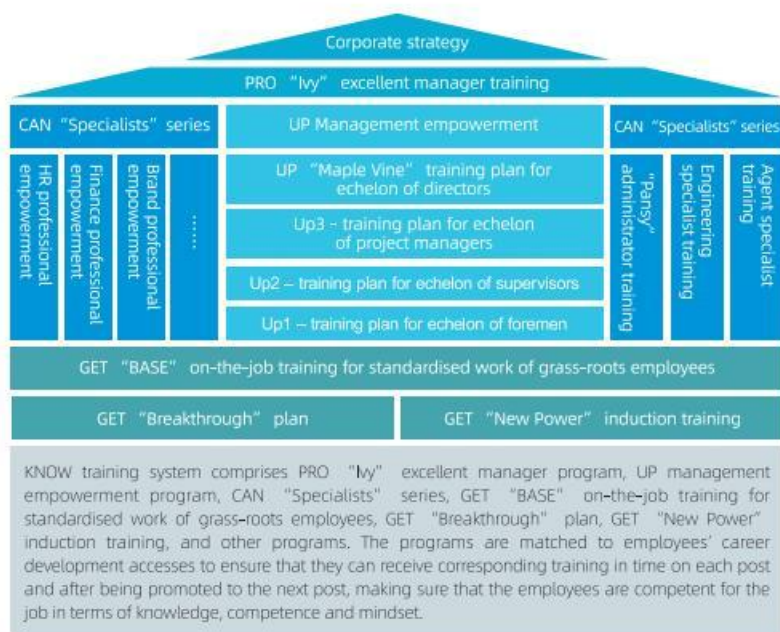
Type	Course system				Training program	
Training of key talents	Talent training for general manager of shopping mall				"Leaders of Tomorrow" program	
	Talent training for department head of shopping mall				"Mixc Elites" program	
Professional quality	Investment	Investment attraction	Promotion	Property	"Mixc Lecture" program	Course development
	Positioning	operation	membership	Ice rink	Demonstration lesson about professional quality	Lecturer training
General quality	In-service middle-level and grass-roots employees				Pre-opening Preparation	
					Special training	
General quality	In-service middle-level and grass-roots employees				Sharing by senior management	
	In-service middle-level and grass-roots employees				Demonstration lesson about general quality	
General quality	Training for new employees recruited via social recruitment		Future stars		Three-year trainings of future stars	
	Training for new employees recruited via social recruitment		Future stars		Three-year trainings of future stars	
China Resources University APP, study platform of the group						

Employee study and development

Employee study and development



• Stage III training of the Mix "Leaders of Tomorrow" program Phase II Class



• Employee Training System for the Property System •

In 2020, the property system focuses on key positions and focuses on talent echelon training. We successively carried out GET [New Power] new employee training program, UP3 project manager cultivation program, UP2 professional supervisor cultivation program, CAN [specialist] property administrator cultivation program, the headquarters course development program, internal trainer cultivation program, etc., and purchased "KNOW" learning platform to diversify the training methods, share training resources, enhance the training efficiency and reduce the training costs.

As a key program for the property system, the UP3 training program for the project manager echelon designed for the project leader, head of a special department of project, prospective candidates, etc. The job-rotation practice in combination with mentor instruction is adopted, with insertion of action learning, topic research and centralised course training, and participants are appointed to matched post on probation after the assessment is completed. CAN [specialist] property manager training program aimed at arousing the working passion and subjective initiative of customer service administrators, promoted the normalisation, standardisation and professionalization of business management of customer service administrator.



• Group photo about the team building of South China Commercial Property Training Class (Phase 2) of the "Mix Cities" program



• Opening ceremony of "CR Property Growth" school of administrators



• Group photo of UP3 project manager training

Employee rights and interests

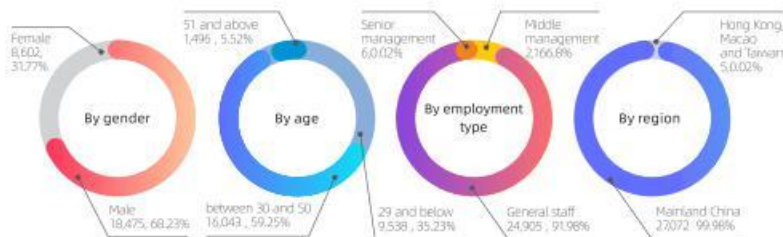
Employment in compliance

CR Mixc Lifestyle, complying with the Labour Law of the People's Republic of China, the Contract Law of the People's Republic of China and other laws and regulations, gradually improves its internal human resources management policy to ensure the compliance and fair employment. No part of our employment process is discriminatory, and we ensure that the employees and candidates of different nationalities, ethnicities, genders and beliefs are equally treated and have equal rights and interests. Meanwhile, we pay attention to protecting the privacy of our employees in each part of our recruitment and daily management process, and investigate and affix the responsibility for those who leak information, according to the laws.

CR Mixc Lifestyle observes and complies with the clauses related to forced labour and working hours in the Labour Law of People's Republic of China. We do not allow forced labour and extend working hours of workers without valid reasons. In case of any violation of forced labour, we would immediately stop its work and assume due responsibilities according to relevant laws and regulations.

CR Mixc Lifestyle also strictly implements laws and regulations like Law of the People's Republic of China on the Protection of Minors, Provisions on the Prohibition of Using Child Labour, and Special Protection of Minors Regulations, prohibits the use of child labour and strictly examines candidates' identities during recruitment. In case of any violation, the child labour would immediately be prevented from working. We would return the juvenile to his or her place of residence upon the bureau's approval. We would also request for a signature from parent or guardian and stamped confirmation from respective government agency on documents. The documents would be filed by the Company.

In 2020, CR Mixc Lifestyle had 27,077 employees in total, 31.77% of whom were female employees and 43.82% were local employees. In 2020, CR Mixc Lifestyle recruited 8,553 new employees and had an employee turnover rate of 34.93%, representing an average level in the industry. In 2020, CR Mixc Lifestyle signed 100% labour contracts and there were no events of child labourer, forced labour, harassment or abuse.



Compensation and benefit

Based on the industry features and the corporate development planning, we formulated rigorous rules on salary and benefit management to determine the employee's salary level depending on the position value, individual employee's competence, match between the employee and his or her position, etc., strengthened the incentives for high-performance employees and increase our attraction to applicants. In 2020 when we were listed, we developed innovative option incentives, successfully implemented the employee share option plan and achieved major innovation of incentive method for employees of central enterprise. Meanwhile, we customized the anti-pandemic incentive measures for frontline employees during the outbreak of COVID-19 to care for our employees who stuck to their frontline posts. In 2020, our employees' average salary was RMB 109,000/year.

Furthermore, we formulated a welfare system embodying humanistic care in multiple aspects, including the legal welfares, business security benefits, risk guarantee benefits, work fare and livelihood welfares, according to the relevant laws and regulations as well as the actual demands of our employees. In 2020, 100% of our employees were included in the social insurance scheme and the paid leave per employee was 5.52 days.

Overview of employee benefits

- **Legal welfares:** social insurance, housing provident fund, winter protection and heatstroke prevention benefits, statutory festivals and holidays, maternity leave and marriage leave
- **business security benefits:** communication allowances, transportation allowances
- **Risk guarantee benefits:** enterprise annuity, commercial insurance, physical examination
- **Work fare and livelihood welfares:** cash gifts for marriage, cash gifts for childbirth, consolation money for bereavement, meal benefits, afternoon tea benefits, annual leave, paid sick leave, labour union club, festival gifts, assignment allowance (only available to those employees moving to a different place for exchange)

Democratic communication

Valuing democratic communication, we formulated the communication mechanism featured with "online and offline channels and active and passive forms" to promote the good interactions and communication, and learn the requirements of our employees and solve difficulties for our employees in forms of labour union, congress of staff and workers, round-table conference, forum, etc.

• Implementation of system guarantee

We actively promoted the building of labour union organisation and perfection of democratic supervision system, and optimised the collective bargaining and employee grievance mechanism to strengthen the link with employees for communications, exchanges and protection of their rights and interests and create a sense of belonging in our employees. Our subordinate units prepared the Implementation Rules for the Management of Labour Union Committee and the Rules on Employ Relationship Management to gradually promote the standardised employee grievance management.

• Opening-up of communication channels

We keep perfecting the communication mechanism and extending the communication channels for our employees. We make available online communication channels including mailbox, questionnaire and hotline, as well as the offline channels including the "Congress of Staff and Workers", "Meeting of Democratic life", "Meeting/Free Talk with the General Manager", "Annual Talks with Individual Employees", "Day of Access to Managers", "Intern Induction Forum", etc., in order to promote the direct and effective communications between our management and grass-roots employees. Besides, the Buji MIXONE launched the innovative "Stress-relief Tree Hole", enabling its employees to feed back their difficulties at work or suggestions in a freer way.

Case/Shenzhen Property Centre held a congress of staff and workers

In January 2020, Shenzhen Property Centre held a congress of staff and workers, at which the management team and the chairman of the labour union communicated with 230 employee representatives face-to-face. At the meeting, those employee representatives made some suggestions on welfare and benefits, work process, work environment, etc., and the members of the management team responded to and answered the questions asked by employee representatives one by one and adopted employees' reasonable suggestions.



• Site of the Congress of Staff and Workers

Case/A "General Manager's Round-table Conference" was held for East China Commercial Region

In November 2020, a general manager's round-table conference themed by "Rethink, Work Together and Set off Again" was held by the Xiaoshan MIXONE for East China Commercial Region. The employees attending the conference asked questions such as "difficulties in carrying out the work", "bewilderment in career development", etc., and the general manager of Xiaoshan MIXONE shared his in-depth insights and answered the questions based on his own experience.



• East China General Manager's Round-table Conference

Safety and Health

According to the Labour Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Work Safety Law of the People's Republic of China and other laws and regulations, CR Mixc Lifestyle formulated the Regulations on EHS Organizational Construction and Management, the EHS Education and Training Management Regulations, the Employee Health Management Regulations and other documents on the internal EHS management system to ensure the occupational health and work safety for its employees.

Guarantee of occupational health

In order to guarantee the occupational health for our employees, we set the annual target of no occupational disease and ensured its accomplishment by a series of means. We set up the provisions on employee health and labour protection appliances, equipped the workplaces with fire extinguishers, fire hydrants and other occupational safety facilities and devices, and provided individual labour protection appliances according to the features of positions. Through all those efforts, we created a safe environment for our employees. Moreover, we formulated the health management requirements for employees at all levels, placed notice boards at the place exposed to occupational disease hazard and carried out regular training and communication to our employees on occupational disease to strengthen their awareness of self-protection.



Case/Shenzhen Mixc participated in organizing a knowledge training for prevention of occupational disease

On 17 October 2020, Shenzhen Mixc collaborated with the Safety Education Base and the Emergency Management Bureau of Shenzhen Municipality in carrying out the knowledge training for prevention of occupational disease, providing expert services for consultation about occupational disease, playing short film/micro film on a vehicle for mobile propaganda and education, display boards for communication and education on occupational disease prevention, cardio-pulmonary resuscitation teaching, AED usage teaching, safety helmet usage teaching, safety helmet experience device, electrical safety experience device and experience of labour protection appliance, etc.

Promotion of work safety

Regarding the work safety as our top priority, we strengthened our employees' awareness of safety and our ability to ensure work safety by setting up the work safety management system, carrying out various forms of safety training and emergency exercises and safety examining and supervising on a regular basis. Besides, we actively implemented the COVID-19 prevention and control according to the overall demand of the pandemic prevention in 2020.

• Perfection of work safety management system

We keep perfecting the work safety management system by establishing the Regulations on the Management of Accountability for EHS Injuries and Accidents, the EHS Evaluation and Assessment Management Regulations, the Regulations on the Management of Hazard and Environment Identification, Evaluation and Control and the EHS Emergency Management Regulations, and ensuring the work safety organization, work safety management and emergency management policies. In order to ensure the effective implementation of the systems and policies, we strictly implemented the system of work safety performance management and included each employee's EHS work in the performance assessment to restrain employee behaviours and to ensure the compliance with the requirements of systems and policies. In 2020, we invested RMB 45.17 million in the work safety, had 0 work safety accidents and lost 0 working days due to any work-related injury.

Investment in the work safety
of RMB in million

45.17

Work safety accidents

0

Lost working days due to any
work-related injury

0



Case/A series of measures taken by Nanning Property Centre for work safety management

In 2020, Nanning Property Centre mobilised EHS experts for the quarterly inspection and special safety overhauls of managed projects as planned; and actively built EHS system and made behaviour information elements according to requirements. Nanning Property Centre engaged external professional institutions for EHS training, conducted EHS cultural activities and skill contests in diversified forms, and learnt from and exchanged with excellent peer companies, in order to improve the management of safety production of the company.



• Work Safety Management training site of Nanning Property Centre

• Work Safety Training

We formulated the relevant work safety management rules, and determined the annual targets for EHS responsibility, with the EHS liability statement signed by all of our staff, in an effort to deliver the EHS management requirements to every employee and enhance our employee's awareness and level of EHS management. With a view to strengthening our employees' awareness of safety and ensuring that they acquired the safety skill required for their posts, our commercial regions and property centres organised special safety trainings for hazardous chemicals management, operations in limited space, working at heights, fire safety and skills, and roundly enhanced the ability of our employees to identify and prevent the risks of all kinds of accidents by organising the annual EHS training for grass-roots employees. During the reporting period, 182,663 employees participated in the safety trainings and 100% of our employees were covered by the safety training. This effectively enhanced all staff's safety awareness and reinforced their ability to respond to safety incidents.

The times of safety trainings

182,663

Employees were covered by the safety training

100%

The number of potential safety hazards were found during 2020

4,198

The number of safety emergency drills were organised

1,507

• Safety supervision and inspection and emergency exercise

In 2020, we made the annual inspection plan to conduct monthly safety supervision and inspection, including the inspection before festivals, special inspections, inspections for opening, cross check, etc. 4,198 potential safety hazards were found during the year, all of which have been rectified. Meanwhile, we organised the safety assessments for the first and the second halves of the year, special safety inspection of fire safety, power utilization and working at heights, the third-party safety evaluation as well as all kinds of safety inspections before festivals, eliminating various hidden dangers effectively.

In order to verify the safety management level, strengthen our employees' safety awareness and master the theoretical knowledge about the first-aid and emergency skills, we mobilised projects to conduct the safety emergency exercises and trainings for first-aid, emergencies in an elevator, antiriot, flood prevention, fire control, earthquake, fire, etc. within their respective scope of administration, 1,507 safety emergency drills were organised in 2020.



Case/Diversified safety education and training held by cs



• North East Commercial Region led a fire-fighting emergency exercise



• Shenzhen Property Centre led a fire-fighting emergency exercise

Career development

Training system

In 2020, according to our strategic goal, with internal policies as guarantee and support, we further perfected the business talents training system centered on store operation talents, carried out the "Leaders of Tomorrow" program for training senior talents in a deep-going way for shopping malls, "Mixc Elites" program for training shopping mall management talents, talents training program for professional line of shopping malls, graduate training program, a series of demonstration lessons for developing general qualities and professional qualities, development of internal courses for "Mixc Lecture" program and lecturer training programs, etc., achieved the exchange for and sharing of the training plans, training experience and training resources through the mechanism of monthly training report, and constantly built the library of internal and external resources.

Our property centres kept optimizing the talents training system for the sake of improving comprehensive abilities, successively carried out GET [New Power] training program for new employees, UP3 project manager training program, UP2 professional supervisor training program, CAN [Specialists] training program for property administrator, course development for the headquarters, training program for internal lecturers, etc., and purchased "KNOW" learning platform to diversify the training methods, share training resources, enhance the training efficiency and reduce training costs.

In 2020, the company's total investment in employee training is RMB 3.748 million. Our male employees were trained for 42.64 hours on average, while our female employees were trained for 41.10 hours. 100% of our employees were covered by trainings, and RMB 3.748 million was invested in employee trainings.

Male employees were trained for hours on average

42.64

Female employees were trained for hours

41.10

Employees were covered by trainings

100%

Company's total investment in employee training of RMB in million

3.748

Case/ "Leaders of Tomorrow" program for training senior talents for shopping malls

Our shopping malls trained senior management talents through course studies, topic research, education about party building and experience of working at posts. In 2020, we organised the delivery of centralised training courses of module 3 in phase 2 of the "Leaders of Tomorrow" class, supplementing the online learning program in phase 4 during the outbreak of COVID-19 and helping the learners be appointed for new posts or get work experience at different posts by rotation.

Case/ "Mixc Elites" program for training management talents for shopping malls

The "Mixc Elites" program for training shopping mall management talents was roundly improved, including the release of standardisation solution 2.0, update of library of courses, realisation of selection and training tools, strengthening of planning for talents exchange, expense guidance, etc. In 2020, our phase 1 Elites courses were completed for North China Commercial Region and Central China Commercial Region. The advanced Elites courses were started in North China Commercial Region, while the phase 2 Elites courses were started in South China and West China Commercial Regions, and the phase 1 Elites courses were started in Northeast China Commercial Region, for which diversified training modes combining "course training, topic research and practicing at posts" were adopted for better growth of learners.



Case/GET [New Power] training program for new employees

We organised phase 5 training for new employees in July 2020 to enable new employees to know the company as soon as possible by means of offline centralised training and site visit, so that they could understand our corporate culture, operation objectives and corporate rules and regulations, be familiar with our working environment and be engaged in work quickly.

Case/CAN training for customer service [specialists]

For purpose of strengthening the service awareness of customer service administrators, enhancing the service ability of customer service administrators and maintaining the pioneering spirit and continuous vitality of our customer service team, Wuhan Property Centre provided a training to 51 existing customer service administrators for 2 days and 1 night by means of the CAN program for customer service specialists - MOT full-scenario special training camp.

Promotion mechanism

We adopted the dual-track post and rank system including the supervisory sequence and the professional sequence. We built a fair and impartial promotion and development channel based on comprehensive assessment of our employees' performance, competence and development potential. Meanwhile, we provided diversified growth and career development opportunities for our employees through the internal competition for posts, job rotation, internal talents exchange, etc.,

In 2020, our promotion mechanism took shape with reference to the talent review results, through assessment of employees' performance, potential and competence. During the year, more than 200 project managers and administrators were promoted, arousing the enthusiasm and proactivity of excellent frontline talents adequately.



• The competitive employment of Changqing Property Centre

Care for employees

Employee satisfaction

As we paid attention to our employee's work experience, we proactively promoted survey about the satisfaction and engagement of employees of our commercial regions and property centres. Besides, our departments and management conducted research and discussions to formulate the work plan for enhancement of employee satisfaction and to promote the optimization and improvement of our human resources management. In 2020, according to the result of an employee engagement and satisfaction survey conducted by Kincentric, an authoritative third-party institution, our overall satisfaction was 92%.

Helping employees with difficulties

CR Mixc Lifestyle, proactively giving employees material support and spiritual care, encouraged our commercial regions and property centres to perfect the system and policies for helping employees with difficulties, and ensured that employees with difficulties could be helped by setting up charity funds, holding forum for consoling employees and giving consolation money and consolation supplies, etc. In 2020, by investing RMB 287,700, we helped 21 employees to successfully apply for RMB 201,000 from the charity funds of CR Land and 17 employees for RMB 84,000 subsidies for their difficulties, and 100 employees with difficulties were visited for consolation, as a result of filing their applications with our help.

During the outbreak of COVID-19, our Wuhan Property Centre and labour union distributed 652 units of goods and materials to our in-service employees in Wuhan, and helped our employees who were confirmed infected with COVID-19 and their family members to receive caring money of RMB170,000 in total and Beijing Property Centre conveyed greetings to the employees who were unable to return home due to the pandemic and offered consolation subsidies to the employees quarantined.

We equally value caring for female employees and retired employees. We formulated the care system to reduce working hours and to offer breastfeeding leaves for female employees in lactation period, organised special activities for all female employees, and issued souvenirs to retired employees who left their posts and extended our regards to them on special festivals such as Women's Day.

The number of employees with difficulties were visited for consolation

100

The amount of money invested in helping employees with difficulties

287,700



Case/ Luyang MIXONE took actions to care for employees

Luyang MIXONE hold various activities themed by healthy scented tea, sharing of books, chocolates for Double Seventh Festival, gas station at store anniversary, the Mixc shop, etc. to care for our employees. In 2020, aiming at serving employees and safeguarding grass-roots employees, we applied to communities for quota of public rental housing to practically ensure our employees' livelihood, and helped employees apply to sub-district offices for supporting funds and the subsidies for fighting against COVID-19 for employees with difficulties.



Case/Care for employees during the outbreak of COVID-19, female employees and retired employees



• Changqing Property Centre sent sincere condolence to employees with difficulties in Spring Festival



• Nanjing Property Centre expressed regards to female employees

Balance between life and work

We advocated balancing work and life, actively carried out sports activities such as sports meet of employees, and organised employee club activities such as badminton, climbing, running, yoga, etc., encouraged employees to be healthy, relieved their work stress and created an atmosphere of happy work and healthy life.

Furthermore, we valued our employees' mental health, kicked off mental health information services and stress management, and positively organised activities for caring employees, reducing stress and alleviating burden, etc., to relieve mental stress over employees in a correct way. In September 2020, our Fuzhou Property Centre invited psychology teachers to teach a lesson about Psychological Management Technique for Managers to "Help Themselves and Others" to our managers. The lesson explained how managers could know their stress and learn the thought behind employee behaviour, and taught them how to arouse employee's enthusiasm and confidence at work and to turn employees' abilities into organizational performance from the perspectives of personality psychology and managerial psychology.



Case/Fascinating and diversified cultural and sports activities for employees



• Football match held at South China Commercial Region



• The third "China Resources Property Cup (2020)" badminton match held at Beijing Property Centre



• The third "China Resources Property Cup" badminton match held at Beijing Property Centre



• Rhythmic move watching organised by Chentou Property Centre

04

Committing to
partners
development



CR Mixc Lifestyle attaches importance to a fair and just supplier management mechanism, and joins hands with partners in consultation, development and growth. In compliance with relevant laws and regulations, we intensively build a healthy, regulated and sustainable supply chain management system through enhanced internal management system. In recent years, we actively joined industrial organisations, expanded inter-industry cooperation, and grew hand in hand with our partners.

Material issues and indexes

● Material issues

Responsible supply chain

● SDGs



B5
B5.1
B5.2
B5.3
B5.4

● HKEX ESG Index

M3.2
M3.3
M3.4
M3.6
M3.7
M3.8
M3.9
M3.10

● CASS-CSR4.0指标

M3.11
M3.12
M3.13
M3.14
M3.15
M3.16
S4.4
E1.6

Key performance

Number of strategic cooperation agreements signed (agreement)	0
Number of suppliers (supplier)	10,408
Number of social responsibility training sessions held for suppliers (session)	1,430
Pass rate of suppliers for quality, environmental, and occupational health and safety systems certification (%)	52
Rate of local procurement (%)	91.32

Goal progress

Goal setting	Progress review	Plan for next step
<ul style="list-style-type: none"> To create a fair, respectful, mutually beneficial and inclusive supplier ecosystem through whole value chain management optimisation like pre-bidding management, suppliers' contract performance management, and two-way communication mechanism. 	<ul style="list-style-type: none"> In 2020, we kept up with many high-calibre enterprises in the industry in terms of business and property types, and shared resources with them. We also introduced and implemented the CR Shouzheng E-Commerce Platform for sporadic goods procurement and cooperated strategically with JD.com and other leading e-commerce companies in China. 	<ul style="list-style-type: none"> To continue to expand the benchmarking scope in the industry, deepen benchmarking, strengthen good partnership with the supplier market, and reinforce strategic cooperation with leading players.
<ul style="list-style-type: none"> To continuously make industrial exchanges. 	<ul style="list-style-type: none"> In 2020, we attended the urban property service forum and property investment and M&A closed-door discussion organised by CPPI; visited Poly Property headquarters and exchanged ideas with them. In 2020, we took part in industrial forums of mailchina.net, guandian.cn, Van Sound Club, etc.; made peer exchanges with Grand Joy, In Joy, Longfor, etc. 	<ul style="list-style-type: none"> To maintain sound relationship with industry associations and benchmarking companies, and actively take part in industry activities.

World Ice Arena: glamour of figure skating contributes to Beijing 2022 Olympic Winter Games

CR Mixc Lifestyle is committed to building good partnership. By promoting inter-industry cooperation, the Company creates new development opportunities to industries and drives mutual benefits, win-win and common development. The public class on ice held at World Ice Arena, Chengdu MIXC (Chengdu MIXC WIA) on 6 September 2020 was an epitome reflecting the willingness of CR Mixc Lifestyle to take responsibilities as a partner.

To embrace the Beijing 2022 Olympic Winter Games, the first "Take a New Journey of 500 Days to Beijing 2022 Together - The Maiden Flight of Air China's Jet 'Beijing 2022' - Public Class on Ice" sponsored by the Beijing Organising Committee for the 2022 Olympic Winter Games and organised by Air China Limited was held at Chengdu MIXC WIA. This public class was an important part of the maiden flight to Chengdu of the painted airplane "Beijing 2022" theming the 2022 Olympic and Paralympic Winter Games, for the publicity of Beijing 2022 and the promotion of winter sports. Thanks to its good reputation in winter sports promotion, training and winter activities organisation, Chengdu MIXC WIA become the co-organiser of this major event.



• Scene of the lesson given by world figure skating champions



• Employees of Chengdu Mixc at the preparatory meeting

The Public Class on Ice invited Pang Qing and Tong Jian, the world figure skating champions, to give lessons to over 50 skating learners, and to present a wonderful ice performance to the audience at the close of the class. Many people and winter sports fans were attracted there and took part in the event. Relevant heads of the Beijing Organising Committee for the 2022 Olympic Winter Games, Air China and CR Mixc Lifestyle West China Commercial Region were present at the event. Reporters from over 30 media companies across the country such as Xinhua news agency, BTV Winter Olympics Documentary Channel etc. engaged in the coverage of the high-profile first Public Class on Ice on the spot.

In order to get the job done well and boost the influence of Chengdu MIXC, the staffs of Chengdu MIXC quickly responded to the mission and developed overall planning for the event. Chengdu MIXC WIA made comprehensive arrangement and coordination, covering guest arrangement, security measures, learners screening, press reception, and pandemic control. The staff voluntarily organised three task forces to work with the EHS safeguard team, safety and order maintenance team and overall planning team and give support to the Public Class on Ice throughout the process.

The great support from Chengdu MIXC contributed to the smooth landing of Air China's jet "Beijing 2022" and the delivery of the "Public Class on Ice" given by champions in Chengdu, Sichuan. It was a brilliant scene in the dissemination of the spirit of Olympic Winter Games and promoted the winter sports and sportsmanship to more people. After the closing of the event, leaders of the Beijing 2022 Organising Committee,

Pang Qing, Tong Jian and other guests sang high praise for Chengdu MIXC's overall organisation, process design and atmosphere of the scene. "Chengdu Mixc WIA is definitely a trustworthy choice," said Mr. Tong Jian to the leaders of the Beijing 2022 Organising Committee. On 25 March 2021, Chengdu Mixc WIA received an official letter of acknowledgement from the Beijing 2022 Organising Committee.

The event set an example of inter-industry cooperation of CR Mixc Lifestyle in 2020, and marked an important move taken by CR Mixc Lifestyle to transform itself into a comprehensive urban service provider and create an integrated ecosystem featuring "multiple property types, all-customers and full spectrum of service offerings". With operations spanning from traditional services for community space to services for urban public space, CR Mixc Lifestyle enabled winter sports in urban public space through its World Ice Arena nationwide, and drove the collaboration and win-win development of related parties by running figure skating and ice hockey training and hosting various events. It assumed the responsibility to promote winter sports and cultivate winter sports professionals in various regions and contributed to the hosting of the Beijing 2022 Olympic and Paralympic Winter Games.

Take the World Ice Arena of Chengdu Mixc as an example. From 2019 to 2020, Chengdu Mixc WIA held a number of high-quality events with the theme of Beijing 2022. The hundred-people drama and doodle on ice named Bing Dwen Dwen's Dream Chasing Tour was held in December 2019; in January



• Certificate of Appreciation awarded to Chengdu Mixc WIA by Beijing 2022 Organising Committee



• Group photo of Chengdu Mixc's staff and the world champions

2020, Chengdu Mixc WIA took the initiative to explore external resources and was selected as the host of My Winter Olympic Dream, an event of bilingual young reporters for the Olympic Winter Games, which was aired on CCTV5. Chengdu Mixc WIA took the lead in teaching figure skating in Chengdu and developed many skilled figure skaters. As Pang Qing and Tong Jian said in the interview after the "Public Class on Ice", they felt that winter sports had grown fast in Chengdu when they came to Chengdu several years later, making it promising to seek and train high performance players.

The cooperative extension and talent development for winter sports embodied CR Mixc Lifestyle's commitment to partner responsibilities. While providing urban residents with public services, CR Mixc Lifestyle aims to be a comprehensive urban service provider. To this end, CR Mixc Lifestyle always adheres to the idea of collaborating with partners and driving industrial development, and endeavours to create a wonderful new life.

Responsible supply chain

CR Mixc Lifestyle followed the principles of fairness and justice for procurement, established a standardised procurement system, and conducted the supplier lifecycle management comprising supplier introduction, appraisal, and exit mechanisms to help suppliers grow and achieve win-win development with partners.

Standardised procurement

The number of supplier review

6,860

The percentage of suppliers passed the review

96.7%

We built a standardised procurement system and conducted the supplier lifecycle management comprising supplier introduction, appraisal, and exit mechanisms in accordance with the CR Land Supplier Management Regulations (2020 version), the Detailed Rules of CR Mixc Lifestyle for the Implementation of Procurement Management (2021 version), the Instructions of CR Mixc for Commercial Acceptance and Change Settlement, and other supplier management provisions, with an aim to create a fair and just supplier management and transaction environment, and establish healthy and harmonious partnerships with suppliers.

We introduced suppliers through qualification review, negotiation, investigation, and other ways. At the same time, we developed a strict review mechanism, requiring suppliers to present qualification certificates, performance evidence and other documents at the admittance stage. In 2020, we conducted supplier review for 6,860 times. 96.7% of the suppliers passed the review, 226 suppliers failed and 30 suppliers were ruled out in the end.

To safeguard fair competition, we strictly complied with the Anti-unfair Competition Law of the People's Republic of China, and eradicated any commercial bribery and other improper business practices by means of agreement signing, publicity and education, internal supervision, etc.

•Agreement signing: We attached the Honest Cooperation Standards, the Sunshine Declaration and the Proposal of CR Mixc Lifestyle on Social Responsibilities of Suppliers to each contract, and was committed to an honest and just procurement environment and urged partners to take corresponding social responsibilities.

•Publicity and education: In 2020, we organised 7 campaigns for promoting honesty and integrity to suppliers involved in sporadic procurement, and helped suppliers clarify the Company's policies.

•Internal supervision: We implemented self-check of compliance in bidding and procurement, regularly conducted integrity supervision of bidding and procurement staff, and imposed serious punishments on internal staff violating laws and disciplines to curb internal corruption.

Green supply chain

We kept perfecting the supply chain management system, formulated relevant requirements and guidelines, held social responsibility training for suppliers, and was committed to the green supply chain hand in hand with suppliers.

We laid emphasis on green procurement, and procured contractors to fulfil the EHS management responsibility by signing an Work Safety Commitment with contractors. For material suppliers, we established stringent technical requirements for energy conservation and environmental protection to support green and low-carbon industrial development. For service procurement, we standardised service conduct through routine inspection and scoring and eradicated waste of resources. Meanwhile, we practiced the local procurement policy, encouraged our affiliates to prioritise the services or goods from local suppliers to cut carbon emissions generated from non-local transportation of persons and goods. For commercial projects, we developed the Guidelines for Onsite Procurement to specify the operating process of in-situ procurement.



Promoting industrial development

CR Mixc Lifestyle actively conducted industrial exchanges to facilitate information sharing of industry trends and industry news among peers and drive advancement of the industry.

In 2020, we participated in a series of activities of the urban property service forum organised by CPMI to have in-depth communication with advanced peers. At the same time, we actively answered the calls of industry associations, got involved heavily in the research and establishment of industrial standards with industrial experts based on our extensive experience, and was committed to providing efficient and operable industrial standards as sound basis to guide practices.

Involvement of CR Mixc Lifestyle in industrial organisations in 2020

- On 1 December 2020, CR Mixc Lifestyle took part in the urban property service forum organised by CPMI in Dongguan to explore the urban service trends and industrial opportunities;
- On 11 December 2020, CR Mixc Lifestyle attended the property investment and M&A closed-door discussion organised by CPMRI at National Convention and Exhibition Centre (Shanghai) to communicate and discuss in-depth with peers on the property M&A market trends and strategies.

Moreover, we proactively initiated inter-industry cooperation, and continuously deepened partnership with higher education institutions in internship base development, talent continuing education, on-the-job training, and other fields for win-win results. In 2020, Jinan Mixc and the School of Marxism, Shandong University entered into a memorandum of cooperation for common development. A number of affiliates to the Company established long-term university-industry partnerships with local higher education institutions in Guangxi, Liaoning and Hubei to boost employment of university graduates and develop industrial professionals.

05

《Committing to
green
ecosystem》



CR Mixc Lifestyle attaches great importance to the sustainable development in its operation. We constantly improve the environmental management system and promote the development of green and low-carbon industries. We promote the development of green property through the introduction of green design, innovation and upgrading of commercial functions. We also integrate the concept of sustainable development into our daily work and create a green office culture.

Material issues and indexes

Material issues

Green property
Promoting low-carbon life
Green office
Reducing power consumption
Carbon emissions and combating climate change

SDGs



A1.1
A1.2
A1.3
A1.4
A1.5
A1.6
A2.1
A2.2
A2.3
A2.4
A2.5
A3.1

HKEX ESG Index

CASS-CSR4.0 Index

E1.1
E1.3
E1.4
E1.5
E1.7
E1.8
E1.9
E1.10
E1.11
E1.12
E2.1
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E2.24
E2.25
E3.1
E3.2
E3.3
E3.4
E3.5
E3.6

Key performance

Total environmental investment (RMB 10,000)	486.83
Investment in energy conservation technological upgrades (RMB 10,000)	467.96
Comprehensive energy consumption per RMB10,000 of operating income (10,000 tons of standard coal)	0.1132
Comprehensive energy consumption (10,000 tons of standard coal)	7.68
Amount of energy conserved (10,000 tons of standard coal)	0.04
Amount of solar energy used (kWh)	43,553
Greenhouse gas emissions (ton)	525,345.92
Annual water consumption (cubic meter)	15,687,125
Number of environmental trainings and advertising campaigns	912

Goal progress

Goal setting	Progress review	Plan for next step
<ul style="list-style-type: none"> To improve the environmental management system, and formulate preventive measures and emergency plans for environmental accidents 	<ul style="list-style-type: none"> The Emergency Plan for Gas Leakage, Emergency Response Plan for Severe Weather and other preventive measures and emergency response plans were formulated. 	<ul style="list-style-type: none"> To constantly improve the environmental management system, gradually improve the early warning mechanism and enhance our ability to respond to and deal with accidents
<ul style="list-style-type: none"> To encourage the use of green and renewable energy, identify energy-saving measures, and promote the upgrade of energy-saving technologies 	<ul style="list-style-type: none"> In 2020, the investment in energy conservation technological upgrades amounted to RMB4.6796 million. 	<ul style="list-style-type: none"> To strengthen the collection and statistical analysis of energy consumption of subsidiaries, and set energy conservation and emission reduction targets by integrating domestic and foreign standards
<ul style="list-style-type: none"> To constantly add green design to buildings, promote green building certification, and create low-carbon buildings 	<ul style="list-style-type: none"> In 2020, we completed 24 commercial projects with green building star certification, covering a total area of about 3.01 million square meters. 	<ul style="list-style-type: none"> To constantly carry out green building upgrading and certification promotion activities
<ul style="list-style-type: none"> To implement influential environmental protection training activities, spread green ideas and share green operation measures 	<ul style="list-style-type: none"> In 2020, more than 120 environmental protection training activities were held, with more than 12,000 attendees, reaching more than 40,000 audiences. 	<ul style="list-style-type: none"> To constantly promote the commercial regions and property centres to carry out green publicity and environmental protection activities

Promoting energy conservation and efficiency improvement through smart operation

CR Mixc Lifestyle constantly innovates the development model and promotes smart property services based on modern property management concepts. We vigorously promote the development of smart operation platform and integrated service of daily operation and maintenance in property management through interconnection of systems, data, scenarios, buildings and businesses.

In 2020, the number of employees working in China Resources Building increased by more than 20% compared with that in 2019, and the demand for electricity in the building increased substantially. In order to effectively reduce energy consumption and carbon emissions, we took the lead in adopting smart man-machine operation in China Resources Building, putting into service the BIM system, and constructing

online and offline intelligent management system with 3D visualization technology.

Using big data, cloud computing and Internet of Things technology, the BIM system realised the integrated services of daily operation and maintenance subsystem. Through real-time monitoring of elevator system, air conditioning system and intelligent lighting system, automatic control of equipment start and stop and other means, intelligent, refined, efficient and paperless operations were achieved in property management. In 2020, the total power consumption of China Resources Building increased by only 2% despite the significant increase of number of employees by more than 20%, demonstrating a significant energy conservation effect.



• The visualised intelligent management system - BIM system

Environmental management system

By establishing and improving the environmental management system, CR Mixc Lifestyle has balanced corporate development and environmental protection, and reduced the impact of business operations on the environment and natural resources. We strictly comply with the Environmental Protection Law of the People's Republic of China and the Energy Conservation Law of the People's Republic of China and other laws and regulations. We have developed a sound management system for energy conservation and environmental protection, and standardised the management of energy conservation, emission reduction, pollutant discharge and solid waste discharge. In addition, we have formulated the Emergency Plan for Gas Leakage, Emergency Response Plan for Severe Weather and other preventive measures and emergency response plans to gradually improve the early warning mechanism and enhance our ability to respond to and deal with accidents. In 2020, CR Mixc Lifestyle property management services and related activities have passed the ISO14001 environmental management system certification.

We explore the potential for energy conservation, and constantly reduce energy consumption, greenhouse gas emissions, pollutants and other environmental impacts in the operation process, so as to maximise energy conservation and emission reduction. In addition, we have actively promoted the application for green achievement awards in the design, development and construction of green buildings by establishing the management model and concept of "lifetime development of green buildings" and using green materials and equipment.



Promoting green operation

Green lease

We vigorously support the development of green and low-carbon industries, and implement social responsibilities while promoting economic development. We consider our customers an important part of our green operations and promote green lease by incorporating sustainability guidelines into our leases. Since the issuance of the Model Commercial Leasing Contract of China Resources Land in January 2019, the leasing contracts signed between commercial projects and tenants shall strictly follow the uniform templates issued by the Company. The attachment contains the Decoration Management Regulations, which clearly stipulates the environmental protection requirements for the decoration of tenants' shops, including no use of equipment or tools that are easy to produce noise such as chainsaws and hammering metal hammers, no use of paint that is easy to produce an unpleasant smell, and no production of dust.

Green design

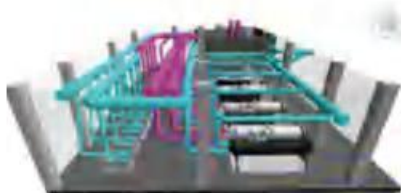
In order to cope with climate change and energy shortage, we make full use of green resources in the planning of mall buildings and functions to reduce the dependence on non-renewable resources, take the initiative to adopt energy-saving and environmental protection technologies, reduce pollutant emissions, and promote the recycling of resources.



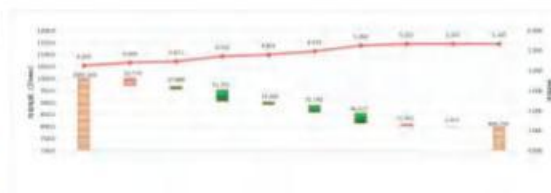
Case/Pilot design of efficient and energy-saving air conditioning cooling stations

We actively explored the energy-efficient and energy-saving design scheme of air conditioning cooling station with high energy consumption and implemented it in the commercial projects of Haikou Mixc and Sanshan Street. Through discussions with industry experts and consultants, we optimised the design scheme of the air conditioning system and system control algorithm to ensure efficient operation of the system, and explored the best breakthrough point for high efficiency and energy saving of air conditioning equipment in commercial projects.

Finally, the annual energy efficiency design goal of the air conditioning cooling station system of the pilot project improved more than 15% from that of the traditional design scheme. It received high recognition from the industry thanks to its outstanding performance. At present, we actively promote the high efficiency energy-saving design points of server rooms to other projects and strive to achieve a larger scale of energy saving and consumption reduction.



• Three-dimensional drawing of the air conditioning system design



• Energy-saving results of Haikou Mixc



Case/Green building design of Chengdu Mixc Phase 2

We actively practice the concept of green building and explored appropriate green building technology in Chengdu Mixc Phase 2, in order to make full use of the surrounding natural environment and release the urban space to the maximum extent. The building is integrated with a number of green architectural designs such as rainwater reuse system and intelligent lighting system.

Rainwater reuse system:

Rainwater on the ground is collected for greenbelt irrigating, road and square washing, garage washing, and curtain wall and glass roof washing.

Roof greening:

Reasonable roof greening was achieved, with the roof greening area accounting for more than 30% of the total roof area available for greening.

Power consumption monitoring system:

Power monitoring system was configured, which, together with the intelligent metering instrument installed for each system or functional area, realised the intelligent monitoring of the power consumption and the cooling capacity of the air conditioning system.

Intelligent lighting system:

Under the premise of meeting national standards, intelligent control methods such as EIB/KNX were adopted for the lighting of different public areas.

Efficient and energy-saving equipment and system:

The primary energy utilization rate is up to 81.6%. While ensuring air conditioning load and electrical load, it can save energy and reduce emissions. It can save about 2,700 tons of standard coal and reduce 2,900 tons of carbon dioxide every year.

The number of completing commercial projects with green building star certification:

8

The total area (million square metres) covered by green building star certification:

1.35

Green building certification

Adhering to the concept of harmonious coexistence between man and nature, CR Mixc Lifestyle focuses on energy conservation and environmental protection, integrates green environmental protection and energy-saving and water-saving technologies into building design, and actively promotes the application of green building star rating for new projects. As of December 2020, we completed 24 projects with green building star certification, covering a total area of about 3.01 million square meters. In 2020 only, we completed 8 commercial projects with green building star certification, covering a total area of about 1.35 million square meters.

Project name	Floor area	Level
Beijing Yaojiayuan Project	84,900 m ²	Two-star
Xidan Cultural Square	35,400 m ²	Two-star
Kunshan MIXONE	181,810 m ²	One-star
Wujiang MIXONE	134,700 m ²	Two-star
Shantou Mixc	303,245 m ²	One-star
Guiyang MIXONE	167,316 m ²	One-star
Chengdu Mixc Phase 2	303,180 m ²	One-star
Nanchang Qingshanhu Project	138,682 m ²	Two-star

• Projects with green building star certification in 2020

Emissions management

We strictly follow the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes, Law of the People's Republic of China on the Prevention and Control of Water Pollution, Atmospheric Pollution Prevention and Control Law of the People's Republic of China, Law of the People's Republic of China on the Prevention and Control of Pollution from Environmental Noise and other relevant laws and regulations. Based on the local regulations and requirements, we have formulated the Regulations on the Emission Control of Domestic Pollutants of China Resources Mixc Lifestyle Services, the Regulations on the Management of Domestic Solid Waste of China Resources Mixc Lifestyle Services and other relevant regulations to strictly control the emissions of air, water, noise and solid waste, with an aim to reduce pollutant emissions and protect the environment.

• Solid waste management

We attach importance to the management of construction waste, household waste and kitchen waste generated from our business operations. We actively carry out garbage classification, clear the construction waste and household waste separately for centralised treatment, and deliver the lamp tubes, batteries, toner cartridge and other hazardous waste to a professional third party for treatment or recycling, based on the principle of "collected by category, stored in separate warehouses and cleared separately". All property centres actively cooperate with local subdistricts and communities to promote garbage sorting, and guide consumers and community residents to participate in garbage sorting through extensive publicity.



• Community-based publicity of garbage sorting



• Tiexi MIXONE won the honorary certificate of "Shenyang Top 10 Shopping Malls for Household Waste Classification in 2020"

• Greenhouse gas management

We strictly control carbon emissions. We have organised greenhouse gas inspections, which showed that greenhouse gases mainly came from the indirect emission of purchased electricity, natural gas and diesel. To strengthen greenhouse gas management, we require all projects to enhance greening control, implement annual energy conservation and emission reduction plans, and promote energy conservation renovation and energy conservation technology update.

• Wastewater management

We have enhanced environmental supervision of wastewater, focusing on crossflow and breakage of municipal pipe networks and rainwater and sewage pipelines. We have also carried out supervision on the compliance management of wastewater discharge standards, and the procedural inspection on the compliance with wastewater discharge standards. We will immediately rectify any hidden dangers detected and fulfill due obligations to prevent and control water pollution and protect water ecology.

In addition to the effective prevention and control of water pollution, we have also applied wastewater recovery and treatment devices in a number of projects. We mainly treat the wastewater by means of rainwater and sewage diversion, treatment, reclaimed water reuse and other methods. The wastewater is mainly used for greening and watering of the projects, water replenishment for the water system or water for toilet flushing of the projects. In addition, we also employ professional third-party organizations with cleaning qualifications to carry out the cleaning, collection and harmless treatment of septic tanks and grease traps, thus effectively preventing pipeline blockage and reducing wastewater discharge.

• Waste gas management

In order to reduce waste gas emissions and help improve environmental air quality, we take control measures in our commercial projects and property projects, such as fume purification, air conditioning control, air supply and exhaust adjustment for catering stores, decoration projects and parking lots. In particular, for catering stores, we carry out regular inspections of fume emission pipes, and require that the mounting rate of fume purifiers by new catering tenants shall be more than 95%, in order to ensure that emissions meet the standard requirements.

• Noise management

We actively carry out noise emission control, constantly promote the maintenance and replacement of old equipment, and promote the reasonable control over household decoration of tenants. We will actively listen to the reasonable demands of tenants for noise control, and reasonably set the time period for decoration permission. Through patrol and on-site noise reduction measures, we have actively prevented excessive noise in the decoration process of tenants and reduced the impact of construction noise on the surrounding tenants. In addition, we take appropriate technical measures to prevent the spread of noise, such as installing sound insulation equipment to effectively prevent noise generation.

Energy resources management

The Company strictly complies with the relevant laws, regulations, policies and standards such as the Energy Conservation Law of the People's Republic of China. We have formulated the Regulations on the Management of Energy Conservation and Emission Reduction, Guidelines for the Monitoring of Energy Conservation and Emission Reduction, Workflow of Energy Conservation Reconstruction Projects, and Guidelines for the Management of Energy Conservation and Consumption Reduction, which provide a clear basis for the implementation of the management of energy conservation and consumption reduction. In addition, we have developed annual plans for energy conservation and emission reduction, selected demonstration projects to promote the implementation of energy conservation and emission reduction. As of the end of 2020, our investment in energy conservation technological upgrades amounted to RMB 4.6796 million.

• Energy management

In order to improve energy efficiency, actively promote energy-saving transformation and upgrade energy-saving technologies, each commercial region and property centre has deployed key projects for annual energy conservation and emission reduction, promoting the extensive application of new energy-saving technologies and achieving remarkable energy saving effects.



Case/Modification of the underground garage lighting system in Beijing Guanhua Building

Thanks to the modification of the underground garage lighting system, Beijing Guanhua Building has saved 17,976 kWh of electricity per month and reduced the cost of electricity consumption by RMB 171,800 per year on average.

Case/ Modification of the underground garage lighting system in Shenzhen Bay MIXC

Thanks to the modification and management of the underground garage lighting system, Shenzhen Bay Mixc saved 117,000kwh of electricity and saved electricity cost by RMB 93,200 in 2020.

• **Update of the lighting system of the underground garage:** we replaced the fluorescent and incandescent lighting systems of the underground parking lot with radar-sensing LED lamps to improve the efficiency of the lighting system. In addition, we optimised the number and lumen of lighting fixtures in the parking lots of the projects. For example, the lighting policy of "one on and two off" was implemented on the adjacent lamps in some parking lots. The lighting system of the areas other than the main road of the garage was changed to radar sensing under the condition of meeting customer needs, that is, "High brightness when there is people and low brightness when there is none".

• **Intelligent control of the lighting system in the projects:** time control device is installed for the lighting system in the projects, and the ON/OFF time is adjusted according to the length of sunshine in the season. We have further improved the intelligent centralised control of the lighting system by integrating all the lighting circuits in the public area and the garage into the Cbus system, setting appropriate operating parameters and modifying the operating mode. The intelligent control panels are distributed in the strong electric wells of each floor, which is convenient for daily inspection and setting. The centralised control system is installed in the monitoring room, which is convenient for timely adjustment under special circumstances.

• **Intelligent control of elevator operation system:** we carried out energy-saving renovation for the air conditioning system of the elevator rooms in the residential projects in line with the principle of "cost reduction and efficiency improvement". Thanks to the use of time control switch and power off memory module, the air conditioning system of the elevator rooms can be automatically started and stopped at different time for different elevators, thus improving the air conditioning control efficiency and saving energy consumption cost.

• **Installation of time control and temperature control devices for high energy-consuming equipment:** We installed time control and temperature control devices for high energy-consuming equipment in the project, and adjusted the ON/OFF time of high energy-consuming equipment according to the ambient temperature in winter to reduce energy consumption.

Case/Modification of high energy-consuming equipment in Shenyang Xingfuli

In 2020, we modified five hot air curtains at the entrance and exit of the underground garage in Shenyang Xingfuli Phase 4, and installed a temperature control device. The hot air curtains had to run 24 hours a day in winter before the modification, which was reduced to 7 hours a day after the modification. The annual energy consumption was saved by 114,750 kWh and the cost was saved by RMB 59,600.

Case/Modification of the underground garage lighting system in Dalian Xinghai Bay

In 2020, we carried out energy-saving modification for the underground garage lighting system in Dalian Xinghai Bay, replacing 500 36-watt fluorescent tubes in the underground garage of Phase 1 with 18-watt LED lamps. After the transformation, compared with the same period in 2019, the energy consumption was saved by 78,840 kWh, and the electricity cost was saved by RMB 39,420 per year.

• Water resources management

In order to promote the rational use of water resources and avoid the unnecessary loss of water resources caused by "running out, emitting, dropping and leaking", we have strengthened the daily inspection of water equipment in communities and office areas, upgraded and replaced water appliances, and improved the daily maintenance and management of the drainage system to eliminate the water leakage and seepage caused by old equipment. Many projects of the Company have won the titles of provincial and municipal water-saving units.



• We were granted water-saving awards by local governments

• Material resources management

We encourage the purchase and use of environment friendly raw materials. In the process of construction, decoration and renovation, tenants and owners are encouraged to use renewable materials and recycle waste materials. For example, damaged parts can be reused after repair. Woods and wooden doors can be collected in the project for the maintenance of wood art and the decoration in the public area.

Practicing green office

We actively advocate the concept of "green life and green office", organically combining green environmental protection with work and life to create the atmosphere of green office. We have actively promoted energy conservation activities with the themes of "protecting clean water and green mountains, ensuring energy conservation and efficiency" and "building a green, low-carbon and moderately prosperous society in all respects", implemented green office practices such as using recycled paper, saving water, and reducing the air conditioning time, and took reliable measures to practice the concept of green office in such fields as "green" travel, "green" water use, "green" electricity use, "green" paper use and "green" material use.





• “Green” travel

We examine and approve the use of official vehicles through the process of prior approval, in-process supervision and ex-post review to effectively avoid the use of official vehicles for private purposes. In 2020, for preventing and controlling COVID-19 and practicing the green travel concept, we continued to implement the video conference model and strictly controlled the number of offline meetings. Through this model, we can not only avoid unnecessary travel, but also realise the connection between upper and lower levels, so that the resources and data of the internal sharing platform can be fully utilised.

• “Green” water use

We have enhanced the maintenance and management of water equipment in the office area and earnestly performed the routine maintenance and water-saving modification of the drainage system to prevent water running out, emitting, dropping and leaking. In addition, we have lowered the water level of the toilet tank, reduced the water pressure of the faucet, and reduced the water output while ensuring the use of water.

• “Green” electricity use

There exists power consumption of air conditioning, lighting system, etc. in the office area. For the air conditioning system, we require that the air conditioning temperature should be set uniformly in line with the seasonal temperature changes. The administrative department should review the application for extra hours of air-conditioning use in the office area and refuse unnecessary waste of resources. For the lighting system, we set lighting switches in the office area by zone, and turn off the lighting during lunch time to save electricity from every tiny thing. In addition, we require employees to turn off the lighting, air conditioners, public electrical appliances and other equipment in a timely manner after use in the corresponding zone to avoid unnecessary energy consumption.

• “Green” paper use

For printing paper, we encourage employees to use the printing and copying paper based on the principle of “benefit first, saving oriented”. In addition, we encourage employees to make full use of office automation equipment, use electronic documents for circulation to the maximum feasible extent, reduce repeated printing, especially color printing, and advocate the double-sided use of paper and the reuse of waste paper, so as to contribute to the realization of zero net deforestation of forests.

• “Green” material use

We advocate economizing on the use of consumable office supplies. In the approval stage, we strictly approve and control the purchase, use and distribution of office supplies and make corresponding records. We encourage the recycling of materials and strive to improve the recycling rate of conference materials, table cards, business cards and other office supplies.

Environmental protection publicity and education

Environmental protection publicity and education is an important way to raise environmental awareness. We organise and carry out various forms of energy conservation and environmental protection publicity and education activities, mobilise owners, tenants and customers to participate in environmental protection public welfare activities, advocating sustainable consumption and constantly spreading the concept of green life. We actively respond to the government's call for environmental protection. As of the end of 2020, more than 120 environmental protection training activities were held with more than 12,000 attendees.

• Protecting biodiversity

We actively take effective measures to protect biodiversity, the natural ecology, and wildlife. We organise Earth Hour and launch special training on biodiversity conservation every year to promote the significance of biodiversity to tenants, customers and owners.

• Promoting green concepts

We actively advocate green and low-carbon life and the reduction of greenhouse gas emissions and carry out environmental protection publicity activities such as "World Environment Day", "Low Carbon Day" and "Energy Conservation Publicity Week". Units at all levels disseminate green and low-carbon ideas to society by means of posters, banners, brochures and other methods.

• Taking green actions

We actively promote the protection of blue sky, clear water and clean land, and carry out special supervision on environmental protection, special actions on garbage classification, and environmental protection publicity with the communities. We also actively promote the implementation of special activities on garbage classification, and improve sewage pipes, in order to ensure that all our activities are in harmony with nature and ensure green and harmonious development.



• Carrying out Low Carbon Day activity



• Carrying out World Environment Day activity

06

Committing to social harmony



While providing quality services, CR Mixc Lifestyle actively takes corporate social responsibilities, firmly establishes the awareness of corporate social responsibility and gives development achievements back to the society. We take initiative to implement the concept of public charity and carry out various charity activities for different groups, and joint hands with residents for the creation of a civilised and good community environment.

Material issues and indexes

● Material issues

Community communication and integration

Community welfare

● SDGs



● HKEX ESG Index

B8.1
B8.2

● CASS-CSR4.0 Index

S4.1 S4.10
S4.6 S4.11
S4.8 S4.12
S4.9 S4.13

Key performance

Number of volunteers (person)	2,209
Number of participants in volunteer activities (person)	4,481
Total hours of volunteer service activities (hour)	7,016
Expenditure of public charity (RMB 10,000)	30.66
Input of special fund for poverty alleviation (RMB 10,000)	31

Goal progress

Goal setting	Progress review	Plan for next step
<ul style="list-style-type: none"> To make overall planning of public service activities, and put efforts into care for vulnerable groups and rural revitalisation. 	<ul style="list-style-type: none"> In 2020, our 2,209 volunteers participated in volunteer service activities, spending 7,016 hours in volunteer service activities and RMB306,600 on public charity. 	<ul style="list-style-type: none"> To take initiative to exploit own strengths and further expand the influence in public service.

Alleviate the poverty with a bit of kindness and light the hope by charity sale

"CR Hope Town" is an important practice of China Resources Group to fulfil corporate social responsibilities. Since 2018, we have built 12 "CR Hope Towns" and input more than RMB 640 million in public service. 8 CR Hopes Towns are completed in Baise, Guangxi; Xibaipo, Hebei; Shaoshan, Hunan; Gutian, Fujian; Zunyi, Guizhou; Jinzhai, Anhui; Jinggangshan, Jiangxi; and Haiyuan, Ningxia; 4 CR Hope Towns are under planning and construction in Jianhe, Guizhou; Hong'an, Hubei; Yan'an, Shaanxi and Nanjiang, Sichuan.

The completion of each town brings about new opportunities to local residents, which not only effectively improves the local living condition, but also promotes the development of agricultural and side-line products, helping farmers get rid of poverty through industrialisation.

CR Mixc Lifestyle actively responds to the call for poverty alleviation spirit of China Resources Group. With its APP "E-MIXC" as the platform and the joint effort from CR Hope Towns, "Fight against poverty to realise the Chinese dream" - E-MIXC x CR Hope Town charity sale activity is launched to introduce agricultural products from CR Hope Towns to members of the platform. The project was officially launched in July 2020. As of 6 December, the charity sale activity has been communicated to 790,000 people, with 2,585 products sold and accumulated sales of RMB 220,000.

In order to improve the participation of consumers, CR Mixc Lifestyle cooperated with farmers to roll out multiple new and interesting products. The plan of "adopting a chicken" was creatively launched to sell chickens and eggs from the base in packs. While the interest of the products was increased, the efficiency of payment collection in the base was also improved effectively (customers made one-off payment, and the base distributed eggs and hens to customers in batches). Meanwhile, agricultural products were launched according to seasonal changes, such as watermelons from Ningxia in dog days, kiwi fruit from Jinzhai in autumn and nutritious coconut chicken set in winter, so as to precisely match the consumption demands of urban residents.

In the future, CR Mixc Lifestyle will continue to fulfil the social responsibility as a central enterprise, actively engage in public service undertakings, bring forth the new, and take practical actions to give back to the society, thereby contributing to building a better society.

The number of charity sale activities held

790,000

The total amount of products sold

2,585

Accumulated sales of RMB

220,000





Public charity concept

CR Mixc Lifestyle adheres to the concept of “harmony with the society”, actively takes social responsibilities and practices public charity. We encourage employees to take part in volunteer service activities, organise a volunteer service team and build a volunteer service platform for employees. We join hands with partners and public service organizations, actively cooperate with the government, community and sub-district to promote act in concert of multiple places and implement various public service projects, thus giving back to the society with actions and promoting the harmonious development of the society. In 2020, our 2,209 volunteers participating in volunteer service activities, spending 7,016 hours in volunteer service activities and RMB 306,600 on public charity.

The hours spending in volunteer service activities

7,016

The money (RMB) invested into public charity

306,600

Public charity practices

Care for the vulnerable groups

CR Mixc Lifestyle cares for the vulnerable groups. We visit the elderly in nursing homes and welfare homes at regular intervals, carry out various caring activities to show them care and love. We show continuous concern for children in poverty-stricken areas and take care of the growth of children by donating clothes and implementing education charity projects.



Case/Xixian Mixc carried out the activity of caring for the elderly

On 25 October 2020, Xixian Mixc joined hands with many other parties to carry out the activity of caring for the elderly with the theme of "filial piety the first good in the world; wish you health on Double Ninth Festival" on the day of the Double Ninth Festival, gave rice, flour, milk and other condolences to the elderly, and organised theatrical performances with the elderly to enrich the cultural life of the elderly.



• Xixian Mixc Party Branch participated in the activity of condoling and caring for the elderly on the Double Ninth Festival



Case/Chengdu Mixc carried out the charity activity of winter clothes donation

Having long been concerned about poor children in Liangshan, Chengdu Mixc proactively initiated donation activities to protect the growth of children. In September 2020, the winter clothes donation charity activity titled "Mixc walks with you with love and care", Chengdu Mixc's brand charity project, was officially launched. The volunteers collected a large number of idle winter clothes from residents in the surrounding communities of Mixc and sent the cleaned and disinfected clothes to the central school in Lami Township, Leibo County, Liangshan and some schools in Zhaojue County.



• Chengdu Mixc participated in the "Mixc walks with you with love and care" winter clothes donation charity activity for Liangshan



Case/Guilin Mixc carried out a public service program for students

Guilin Mixc always has a heart for public service, commits to social welfare undertakings, and actively carries out public service project for poor children. On 13 November 2020, volunteers of Guilin Mixc went to Wangli Primary School, Fenghuang Town, Quanzhou County, Guilin and brought a village book corner, warm winter clothes, dream stone painting class, pandemic prevention supplies and gifts to 58 students to create a good learning and growth environment for children in poor areas.



• Guilin Mixc Party Branch's "Caring Mixc education program" charity activity

Participate in Targeted Poverty Alleviation

CR Mixc Lifestyle actively responded to the call of the country, participated in targeted poverty alleviation, and fully assisted in winning the battle against poverty. Based on local situation, we consciously fulfilled our social responsibilities through sentinel procurement, e-commerce poverty alleviation and helpful donations, taking practical actions to helping with the poverty alleviation.

Sentinel procurement: Affected by the pandemic, agricultural products in Gulin County, Luzhou could not be transported and sold, resulting in heavy losses for farmers. Luzhou Mixc took the initiative to work with the Gulin County Agricultural Bureau to carry out activities to assist with agricultural product sales. As of 18 February 2021, orders were received from West China Region, Chengdu Mixc, Chongqing Mixc and Luzhou for 1887.5kg of oranges and 29 local chickens, valued approximately RMB14,800. The sentinel procurement of agricultural products eased the backlog of agricultural products in Gulin County and were well received by farmers and the Gulin County Agricultural Bureau.

E-commerce poverty alleviation: Hefei Mixc actively explored the work of helping farmers with love and carried out the "Shushou youth in action for poverty alleviation" e-commerce poverty alleviation activity which aimed at Shouxian County, Anhui Province. Hefei Mixc used the online platform E-MXC to sell agricultural products for poverty alleviation and farmer assistance, and at the same time used the resource advantages of property management to promote the sale of agricultural products to owners at the residential property service centre. Good results have been achieved.

Helpful donations: Shenzhen Property Centre actively participated in the "one mu of highland barley" plan and subscribed for highland barley in the highland barley planting base in Jiangdang Township, Xigaze City, Tibet Autonomous Region, and "joined hands" with local children through the subscribed highland barley to provide funding for their studies and living, forming a one-to-one support mechanism to care for the growth of children.

Carrying out Charity Disaster Relief

In the face of disasters, we respond immediately and send help within our capacity to people in trouble.



Case/Chengdu Property Centre participated in anti-flood rescue

In August 2020, Leshan City, Sichuan Province experienced a once-in-a-hundred-year flood and suffered serious waterlogging. The underground parking lots of some communities were flooded, and rescue materials were lacking, and the lives of local residents were severely affected. Chengdu Property Centre took immediate action and dispatched a vanguard team composed of an equipment support team and a rescue team to Leshan to take the initiative to take the charge of the rescue and disaster relief in the Sanjiangmingdu Community in Leshan City. After two days of unremitting efforts, the team members drained the nearly 2 meters of water in the underground garage of the community, ensuring the safety of residents' travel.



• Chengdu Property Centre participated in drainage for disaster relief.

Sustainability management



CR Mixc Lifestyle constantly assumes social responsibilities during its daily operation and management, listens to the expectations and suggestions of stakeholders, actively responds to the requirements and expectations of stakeholders, improves the ability of sustainable development, and drives harmonious and sustainable development of economy, environment and society.

Material issues and indexes

● Material issues

Sustainability management

● SDGs

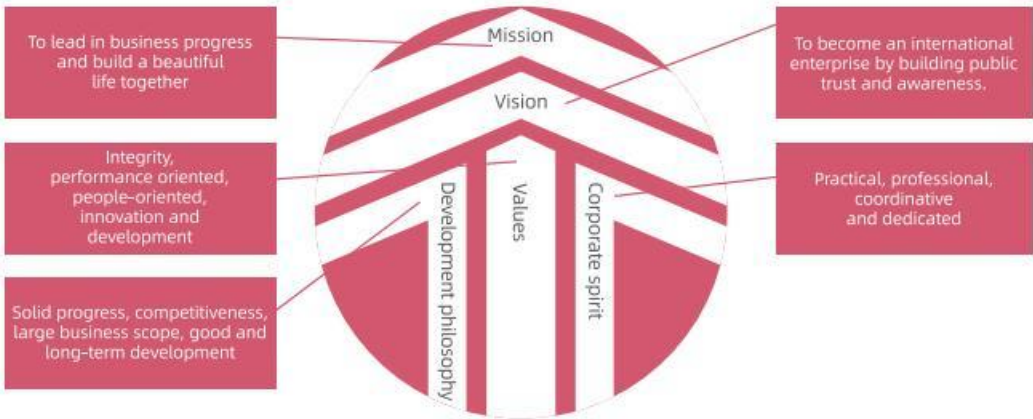


● CASS-CSR4.0 Index

G1.1	G4.1
G1.2	G4.2
G2.1	G4.3
G2.2	G5.1
G2.3	G5.2
G2.4	G6.1
G3.1	G6.2
G3.2	G6.3
G3.3	

Sustainability vision

Under the sustainability concept of CR Group and CR Land, CR Mixc Lifestyle integrates “economic responsibility, employee responsibility, customer responsibility, environmental responsibility, partner responsibility, and public responsibility” into its daily operation, and takes the fulfilment of responsibilities and promotion of sustainable development as the most solid foundation of its business development and value contribution. According to the guidelines in the Management Regulations of China Resources Group on Responsibility, we implement the following system of responsibility culture:



**Fulfil the
customer
responsibility**

Uphold high-quality and innovative services. Reinforce traditional business such as communities, shopping malls and office buildings, and extend to urban space. Actively arrange property management in industrial parks. Better serve and deliver value to customers and further improve customer satisfaction.

**Fulfil the
economic
responsibility**

Ensure compliance with laws and regulations, and operate robustly, honestly, and fairly. Create economic benefits and participate in the implementation of national policies. Further boosting technology-empowered business, continuously developing business ecosystem, and sharing corporate growth with society.

**Fulfil the
employee
responsibility**

Put employees first and pursue mutual prosperity for the Company and employees. Pay attention to the growth and development of talents by improving the employee training system. Guarantee employees' safety and health and operate in accordance with ISO45001 system to ensure zero injuries and fatalities.

**Fulfil the
partner
responsibility**

Take "mutual benefits and common development" as the basis for cooperation. Advocate fair competition, implement open, fair and responsible procurement, establish a healthy, standardised and sustainable supply chain management system, and promote sustainable development of the industry and the sector.

**Fulfil the
environmental
responsibility**

Integrate green development into every aspect of our enterprise operation. Continuously strengthen the environmental management system in accordance with ISO14001. Continue to popularise green property, promote green building rating of projects, and actively respond to the national goal of carbon neutral by 2060 and climate change strategies.

**Fulfil the
community
responsibility**

Follow the principle of "serving the community and communicating civilisation". Work with the public and the community to enlarge the investment in charity work and volunteer service, carry out diversified public service activities, and actively contribute to the harmonious development of economy and society.

Sustainability management and system

Under the guideline of the Management Regulations of China Resources Group on Social Responsibility and CR Land's management requirements for social responsibility, CR Mixc Lifestyle strengthens the construction of sustainable development organizations and systems, and constantly improves the sustainability management system.

The board of directors of CR Mixc Lifestyle is responsible for enhancing the company's medium and long-term value, guiding the company's overall operation and business development strategy, monitoring the corporate governance practices of all businesses, and establishing an internal sound control and risk management system. In order to strengthen the participation of the Board in sustainable development, members of the Board regularly receive sustainable related training to enhance their awareness of sustainable development and ESG, to establish an effective and normalized management of sustainable development.

For systematic and standardised management of sustainability, the Company set up a sustainability report management team led by the senior management, shouldering the management of sustainability report. The headquarters and subordinate units integrate sustainability into daily business activities, report relevant information on a regular basis and earnestly implement ESG information disclosure system. The human resources administration department set up a sustainability report preparation team to coordinate the joint preparation of sustainability reports with subordinate units. In order to improve the Company's awareness of social responsibility, training on the preparation of sustainability reports was organised for the headquarters and subordinate units to continuously improve the Company's sustainability management.

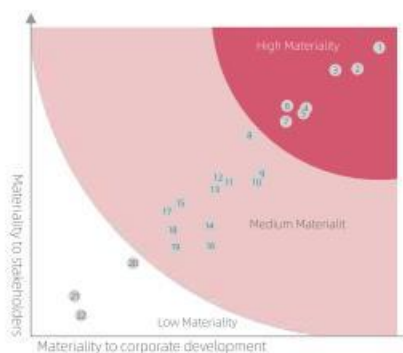
Stakeholder communication

We attach great importance to the concerns of stakeholders, and keep close engagement with the government, regulators, customers, employees, partners, investors, communities, media, etc. by various ways.

Stakeholders	Expectations and Demands	Communication and Feedback
Government/regulators	<ul style="list-style-type: none"> Compliant operation Support regional development Implement national policies 	<ul style="list-style-type: none"> Reinforce compliance management Participate in governmental meetings and cooperation Respond to national policies
Customers	<ul style="list-style-type: none"> Product and service quality Protection of legal rights and interests 	<ul style="list-style-type: none"> Conduct customer satisfaction survey Establish and improve the customer service system Improve the customer complaint mechanism
Employee	<ul style="list-style-type: none"> Protection of employee rights and interests Promote employee growth Care for employees Participate in company management 	<ul style="list-style-type: none"> Establish a competitive remuneration and welfare system Organise employee training, improve promotion channels, and build a development platform Improve working conditions and care for employees in difficulty Organise employee activities and strengthen employee communication
Suppliers/partners	<ul style="list-style-type: none"> Promote industrial development Work for mutual prosperity 	<ul style="list-style-type: none"> Further procurement integrity and build a responsible supply chain Participate in industrial organization and promote industrial sustainable development
Investors/shareholders	<ul style="list-style-type: none"> Compliant operation Strict risk control Robust value creation Transparent and open information 	<ul style="list-style-type: none"> Operate in accordance with laws and regulations Identify and timely prevent operating risks Improve information disclosure
Industry associations/ chambers of commerce	<ul style="list-style-type: none"> Comply with industrial standards Promote industrial development Promote industrial innovation 	<ul style="list-style-type: none"> Strengthen external communication and cooperation. Participate in innovative research Participate in industrial appraisal and provide suggestions on industrial codes
Communities	<ul style="list-style-type: none"> Support community public services Create jobs 	<ul style="list-style-type: none"> Make charitable donations and carry out public services Engage in campus and social recruitment
Public service organizations/ social groups (environmental protection and charity organizations)	<ul style="list-style-type: none"> Support community public services Reasonable use of resources Environmental protection 	<ul style="list-style-type: none"> Carry out green construction, create green buildings and develop the green community Improve energy and resource efficiency. Pursue energy conservation and emission reduction Reinforce environmental information disclosure and manage environmental risks
Media	<ul style="list-style-type: none"> Pursue information transparency 	<ul style="list-style-type: none"> Improve the disclosure mechanism and optimise the public opinion feedback mechanism
Other	<ul style="list-style-type: none"> Pursue information transparency 	<ul style="list-style-type: none"> Reinforce information disclosure

Materiality analysis

The support of stakeholders is the cornerstone of the steady development of CR Mixc Lifestyle. Combining various social responsibility standards and guidelines, CR Mixc Lifestyle analyses and manages substantive issues of sustainability. We conducted extensive questionnaire surveys, collected the opinions of stakeholders, especially the opinions from our significant stakeholders including property owners, consumers and tenants, and developed a materiality matrix to promote sustainability management and practice in a targeted and focused manner.



Materiality analysis in Sustainability Report of CR Mixc Lifestyle

Materiality	Ranking	Topic	Scope	Position in the Report
High Materiality	1	Employee safety and health	Social	Chapter 3 Committing to employee recognition
	2	Customer information and privacy protection	Social	Chapter 1 Committing to customer satisfaction
	3	Employee rights and interests	Social	Chapter 3 Committing to employee recognition
	4	Customer satisfaction	Social	Chapter 1 Committing to customer satisfaction
	5	Compliant operation	Governance	Chapter 2 Committing to value growth
	6	Customer safety and health	Social	Chapter 1 Committing to customer satisfaction
	7	Employee growth	Social	Chapter 3 Committing to employee recognition
Medium Materiality	8	Sustainability management	Governance	Sustainability management
	9	Business performance	Governance	Chapter 2 Committing to value growth
	10	Staff recruitment and team building	Social	Chapter 3 Committing to employee recognition
	11	Protection of intellectual property rights	Social	Chapter 2 Committing to value growth
	12	Full-cycle service quality management	Social	Chapter 1 Committing to customer satisfaction
	13	Policy response	Social	Chapter 2 Committing to value growth
	14	Green property	Environmental	Chapter 5 Committing to green ecosystem
	15	Innovative service	Social	Chapter 1 Committing to customer satisfaction
	16	Responsible supply chain	Social	Chapter 4 Committing to partners development
	17	Reduce energy consumption	Environmental	Chapter 5 Committing to green ecosystem
	18	Community communication and integration	Social	Chapter 6 Committing to social harmony
	19	Green office	Environmental	Chapter 5 Committing to green ecosystem
Low Materiality	20	Advocate low-carbon life	Environmental	Chapter 5 Committing to green ecosystem
	21	Carbon emission and fighting climate change	Environmental	Chapter 5 Committing to green ecosystem
	22	Community public services	Social	Chapter 6 Committing to social harmony

Improvement of responsibility performance

In order to standardise sustainability, CR Mixc Lifestyle actively carries out theoretical researches on social responsibilities. With reference to the Environmental, Social and Governance Reporting Guide (ESG Guide) issued by the Stock Exchange of Hong Kong Limited, the Guide to the Preparation of Corporate Social Responsibility Reports of China (CASS-CSR4.0) by the Chinese Academy of Social Sciences, the Guide for Business Action on Sustainable Development Goals (SDGs), and the Management Regulations of China Resources Group on Social Responsibility, the Company established the Social Responsibility Index System of CR Mixc Lifestyle covering business performance, social performance, and environmental performance. We pay attention to the improvement of responsibility performance, actively participate in internal and external social responsibility training, seminars and other activities, and participate in the social responsibility performance evaluation and assessments held by CR land. The Company encourages and guides subordinate unit to continuously enhance the ability and level of social responsibility and explore combining staff performance assessment with CSR index, continually improving employees' awareness of social responsibility.

Looking into 2021

2021 is the first full year upon the listing of CR Mixc Lifestyle, kicking off the 14th Five-Year Plan. CR Mixc Lifestyle will adhere to the strategy of "developing an urban quality lifestyle service platform" and seize the opportunities of this era, solidarized and heading for a common goal. While maintaining business growth, we will fulfil the social responsibilities as a central enterprise and safeguard the ability of sustainable development.



Customer responsibility

We will honour the commitment to quality, continuously improve the service level, and promote the consumer service experience, creating an urban lifestyle ecosystem featuring "multiple property types, all-customers and full spectrum of service offerings" .

Economic responsibility

Regarding the urban layout, market expansion, efficiency improvement and organizational incentives, we will make continuous progress, fully studying and sizing up the market and continuously reinforcing the core competence, in an effort to deliver greater benefits to shareholders.

Employee responsibility

We will continue to focus on talent development, exploring more scientific and systematic human resource management system, incentive system and talent development system to maximize organizational effectiveness and enhance corporate vitality.

Partner responsibility

We will continue to rigorously control the threshold for suppliers, strengthen procurement supervision and improve the procurement process, advocating integrity procurement and green procurement. We will also constantly improve the management level of supply chain, proactively participate in the industrial development and grow together with partners.

Environmental responsibility

We will integrate the concept of environmental protection and sustainable development into the whole process of operation, practicing green operation and promoting the development of energy conservation and emission reduction projects to contribute to the national strategies of peaking carbon dioxide emissions by 2030 and achieving carbon neutrality by 2060.

Public responsibility

We will continuously implement the responsibilities as a central enterprise and participate in public welfare activities such as poverty alleviation, anti-pandemic and disaster-relief activities and voluntary services, building a new community pattern featuring "joint contribution, joint governance and shared benefits" .

Appendix

Appendix 1: ESG Policies and Regulations¹

ESG Policies and Index	Laws and Regulations	Internal Policies
A1. Emissions	Environmental Protection Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes Law of the People's Republic of China on Prevention and Control of Water Pollution Atmospheric Pollution Prevention and Control Law of the People's Republic of China Regulations of Guangdong Province on the Prevention and Control of Environmental Pollution by Solid Waste Provisions on the Administration of Urban Construction Garbage Directory of National Hazardous Wastes	Emergency Plan for Gas Leakage Emergency Response Plan for Severe Weather
A2. Use of Resources	Energy Conservation Law of the People's Republic of China	Regulations on the Management of Energy Conservation and Emission Reduction Guidelines for the Monitoring of Energy Conservation and Emission Reduction
A3. Environment and Natural Resources	Environmental Protection Law of the People's Republic of China	Workflow of Energy Conservation Reconstruction Projects Guidelines for the Management of Energy Conservation and Consumption Reduction
B1. Employment	Civil Code of the People's Republic of China Labour Law of the People's Republic of China Social Security Law of the People's Republic of China Individual Income Tax Law of the People's Republic of China Contract Law of the People's Republic of China	Board Diversity Policy Employee Handbook Regulations on EHS Organizational Construction and Management EHS Education and Training Management Regulations Employee Health Management Regulations
B2. Health and Safety	Law of the People's Republic of China on the Prevention and Control of Occupational Diseases Work Safety Law of the People's Republic of China Law of the People's Republic of China on the Protection of Minors Provisions on the Prohibition of Using Child Labour	Regulations on the Management of Accountability for EHS Injuries and Accidents EHS Evaluation and Assessment Management Regulations Regulations on the Management of Hazard and Environment Identification, Evaluation and Control EHS Emergency Management Regulations
B3. Development Training	Special Protection of Minors Regulations	
B4. Labour Standards		Employee Handbook
B5. Supply Chain Management	Company Law of the People's Republic of China Contract Law of the People's Republic of China Anti-unfair Competition Law of the People's Republic of China	CR Land Supplier Management Regulations (2020 version) Detailed Rules of CR Mixc Lifestyle for the Implementation of Procurement Management (2021 version) Guidelines for Onsite Procurement Honest Cooperation Standards Sunshine Declaration

¹ The Group has complied with the relevant laws and regulations above that have a significant impact on us in the year 2020.

		<p>Proposal of CR Mixc Lifestyle on Social Responsibilities of Suppliers</p> <p>Instructions of CR Mixc for Commercial Acceptance and Change Settlement</p> <p>Work Safety Commitment</p> <p>Guidelines for Onsite Procurement</p>
B6. Product Responsibility	<p>Product Quality Law of the People's Republic of China</p> <p>Consumer Protection Law of the People's Republic of China</p> <p>Advertising Law of the People's Republic of China</p> <p>Trademark Law of the People's Republic of China</p>	<p>Regulations on the Management of Accountability for EHS Injuries and Accidents</p> <p>EHS Evaluation and Assessment Management Regulations</p> <p>Regulations on the Management of Hazard and Environment Identification, Evaluation and Control</p> <p>EHS Emergency Management Regulations</p> <p>Detailed Rules of CR Mixc Lifestyle on Trademark Management</p> <p>Service Product Standard Inspection Tool Handbook</p> <p>Grading Standards of Residential Property Service</p> <p>Office Building Property Service Classification Standard</p> <p>MIXC Benchmark Rating System</p> <p>CR Mixc Lifestyle Complaint Handling Guidelines for Residential Property Customers</p> <p>CR Mixc Lifestyle Complaint Handling Guidelines for Office Building Customers</p> <p>CR Mixc Lifestyle Guidelines for Customer Data Management</p> <p>CR Mixc Lifestyle Guidelines for Customer Property Management</p> <p>CR Land High-end Customer Service Management Manual for Commercial Properties (V1.0)</p> <p>CR Land Basic Customer Service Management Manual for Commercial Properties</p> <p>Complaint Management Regulations of Property Service Head Office</p> <p>Technical Regulations of Property Service Head Office on Office Network Construction</p> <p>Management Regulations of Property Service Head Office on Office Network Construction</p> <p>Guidelines on Integrated Customer Service Data Processing</p> <p>Regulations of Commercial Management Service Business Division on the Administration of Tenants with Prepaid Cards for Commercial Projects</p>
B7. Anti-corruption	<p>Company Law of the People's Republic of China</p> <p>Anti-money Laundering Law of the People's Republic of China</p>	<p>Integrity Governance Work Instructions</p> <p>Honest Cooperation Standards</p> <p>Sunshine Declaration</p>
B8. Community Investment	<p>Charity Law of the People's Republic of China</p> <p>Law of the People's Republic of China on Donations to Public Welfare</p>	None

Appendix 2: ESG Index Data List²

ESG Index	Unit	Data in 2020
A. Environment³		
A1. Emissions		
A1.2 Greenhouse gas emissions and intensity⁴		
Carbon dioxide emissions	Ton	525,345.92
Direct carbon dioxide emissions (Scope 1)	Ton	12,478.92
Indirect carbon dioxide emissions (Scope 2)	Ton	512,867.00
Carbon dioxide emission intensity per RMB10,000 of revenue	Ton/RMB10,000	0.7750
A1.3 Total hazardous wastes produced and density		
Waste fluorescent tubes	Piece	109,985
Waste oil residue	Ton	8.36
Used battery	Kg	184.82
Waste toner cartridge	Cartridge	1,066
Waste cartridge	Cartridge	2,119
Paint bucket	Bucket	2,056
A1.4 Non-hazardous wastes produced and density		
Total non-hazardous wastes	Ton	1,115.43
Construction waste	Ton	92.20
Gardening waste	Ton	69.15
Kitchen waste	Ton	901.94
Waste paper	Ton	52.14
A1.6 How hazardous and hazardless wastes are reduced and results achieved		
Recycled paper	Ton	13.47
Recycled battery	Kg	1714
A2 Use of Resources		
A2.1 Energy consumption and intensity⁵		
Total energy consumption	10,000 tons of standard coal	76756
Total electricity	10,000kwh	56,452.12
Gasoline	Ton	18.03
Diesel oil	Ton	59.61
Natural gas	10,000 standard cubic meters	565.93
Total energy consumption per RMB10,000 of revenue	Ton of standard coal/RMB10,000	0.1132
A2.2 Water consumption		
Total water consumption	Ton	15,687,25.00
Total water consumption per RMB10,000 of revenue	Ton/RMB10,000	23.14
Waste water discharge	Cubic meter	1,542,488.50

2. Unless otherwise specified, the data coverage of this report is consistent with the 2020 annual financial report of CR Mixc Lifestyle.

3. The statistical scope of environment index: (1) Office and public areas of shopping malls in operation nationwide; (2) Office and public areas of national residential properties nationwide; (3) Office and public areas of office buildings under management nationwide.

4. In the calculation of greenhouse gas emissions, the Baseline Emission Factors for China Regional Grid in 2017 Emission Reduction Program is adopted for the electric emission factor.

5. In the calculation of energy consumption, General rules for calculation of the comprehensive energy consumption (GB/T 2589-2008) is adopted.

B. Social**B1. Employment****B1.1 Number of employees by gender, employment type, age and region**

Headcount		person	27,077
Gender	Male	Person	18,475
	Female	Person	8,602
Employment type	Full-time	Person	27,077
	Part-time	Person	0
Post level	Senior management	Person	6
	Middle management	Person	2,166
	General staff	Person	24,905
Education background	Postgraduate and above	Person	662
	Undergraduate	Person	4,489
	Junior college graduate	Person	7,562
	High school graduate or below	Person	14,364
Age	Under 30	Person	9,538
	30-50	Person	16,043
	Above 51	Person	1,496
Region	Employees in mainland China	Person	27,072
	Employees in Hong Kong, Macao and Taiwan	Person	5
	Overseas employees	Person	0

B1.2 Employee turnover rate by gender, age group and geographical region

Total employee turnover rate		%	34.93
Gender	Male	%	34.94
	Female	%	34.91
Age	Under 30	%	45.65
	30-50	%	28.90
	Above 51	%	21.79
Region	Employees in mainland China	%	34.93
	Employees in Hong Kong, Macao and Taiwan	%	0
	Overseas employees	%	0

B2. Health and safety**B2.1 Number and rate of work-related fatalities**

Fatalities		Person	0
Fatality rate per 1,000 employees		%	0

B2.2 Lost days due to work injury

Number of work injuries		Case	0
Total lost days due to work injury		Day	0

B3. Development and training**B3.1 Percentage of employees trained by gender and type of employees**

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Gender	Male	%	100
	Female	%	100
Type of employees	Management	%	100
	Rank and file	%	100

B3.2 The average training hours completed per employee by gender and type of employees

Gender	Male	Hour	42.64
	Female	Hour	41.10
Type of employees	Management	Hour	34.24
	Rank and file	Hour	41.64

B5. Supply Chain Management**B5.1 Total suppliers by region**

Total suppliers	Supplier	10,408
Number of suppliers in mainland China	Supplier	10,200
Number of suppliers in Hong Kong, Macao and Taiwan	Supplier	136
Number of overseas suppliers	Supplier	72

B6. Product Responsibility**B6.2 Number of products and service-related complaints received**

Total complaints	Case	27,070
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B7. Anti-corruption**B7.1 Number of legal cases regarding corrupt practices**

Number of filed and concluded legal cases regarding corrupt practices	Case	0
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B7.3 Anti-corruption training provided to directors and employees

Total anti-corruption training hours of the board of directors	Hour	20
Total number of employees receiving anti-corruption training	Person	57,000
Total anti-corruption training hours of employees	Hour	114,000

B8. Community Investment**B8.2 Resources contributed to the focus area**

Total charity donations	RMB10,000	26.32
Number of volunteers	Person	4,481
Volunteering hours of employees	Hour	7,016

Appendix 3: CASS-CSR4.0 Index Data List

CASS-CSR4.0 Index	Unit	Data in 2020
Responsibilities for shareholders		
Revenue	RMB100 million	67.79
Total profit	RMB100 million	11.35
Net profit	RMB100 million	8.18
Net profit attributable to the owners of the parent company	RMB100 million	8.18
Total assets	RMB100 million	190.76

Net assets	RMB100 million	124.63
Return on net assets	%	6.56
Return on total assets	%	9.22
Preservation and appreciation ratio of state-owned assets	%	1,208.15
Ratio of profits to cost	%	19.31
Property management industry ranking	Rank	Top10
Commercial property industry ranking	Rank	1
Total investment in fixed assets	RMB100 million	2.60
Assets liabilities ratio	%	34.67
Retail sales	RMB100 million	82700
Number of cities covered	City	69
Floor area of residential and commercial property under property management	Million square meters	118.60
Floor area of shopping malls and office buildings providing commercial cloud service	Million square meters	7.60
Number of residential projects under management	Project	553
Number of opened shopping malls for commercial operation and sublease	Mall	59
Number of opened office buildings providing commercial operation service	Building	23
Number of corruption incidents	Case	0
Number of publicity events of integrity culture	Case	7
Customer responsibility		
R&D investment	RMB10,000	2,275.05
Number of R&D staff	Person	111
Number of new patents	Patent	2
Pilot smart community	Community	43
Major innovation awards	Award	0
Expenditure of industry university research cooperation	RMB10,000	0
Customer satisfaction for residential buildings	%	88
Office customer satisfaction	%	98.85
Tenant satisfaction for shopping malls	%	98.7
Consumer satisfaction for shopping malls	%	97.3
Number of customer complaints	Case	27,070
Customer complaint handling rate	%	99.94
Customer complaint handling satisfaction for residential buildings	%	65.34
Consumer complaint handling satisfaction for shopping malls	%	96.10
Number of penalties for violation of laws and regulations	Case	0
Handling major negative public opinions	Case	0
Partner responsibility		
Contract performance rate	%	99.70
Number of strategic cooperation agreements signed	Agreement	0
Number of potential suppliers rejected due to non-compliant social responsibility	Supplier	30
Suppliers reviewed in the reporting period	Supplier	1,561
Number of suppliers suspended for cooperation due to non-compliant social responsibility	Supplier	30

Number of social responsibility training to suppliers	Case	1,430
Responsible procurement ratio	%	98.3
Percentage of suppliers passing quality, environment and occupational health and safety system certification	%	52
Number of international, national or industrial standards formed through participation	Case	0
Responsibilities for the government		
Number of compliance training	Case	228
Total tax paid	RMB100-million	5.03
Number of new employment	Person	8,553
Number of fresh graduates recruited	Person	131
Employee responsibility		
Total employees	Person	27,077
Labour contract signing rate	%	100
Percentage of females in management	%	36.90
Number of disabled persons employed	Person	24
Days of paid leave per year per employee	Day	5.52
Average wage level of employees	RMB10,000	10.9
Social insurance coverage rate	%	100
Physical examination coverage rate	%	100
Employee training coverage rate	%	100
Training investment per employee	RMB/person	138.42
Training hours per employee	Hour	42.14
Total employee training investment	RMB10,000/year	374.8
Supporting employees in difficulties	Person, Family, RMB10,000	965, 6, 22.10
Visiting families of employees in difficulties	Family, RMB10,000	100, 28.77
Helping the schooling of children of employees in difficulties	Person, RMB10,000	1, 0
Supporting employees with illness	Person, RMB10,000	27, 6758
Employee satisfaction	%	92
Employee turnover rate	%	34.93
Safe production		
Number of full-time safety officers	Person	229
Number of registered safety engineers	Person	90
Number of safety training	Person	182,663
Safety training coverage rate	%	100
Number of safety drills	Case	1,507
Safe production investment	RMB10,000	4,517.48
Number of general or above injuries	Case	0
Accident fatalities	Person	0
Injury rate per 1,000 employees	%	0
Fatality rate per 1,000 employees due to fire hazard	%	0
Economic loss rate per RMB1 million revenue	%	0
Fatality rate per RMB1 million revenue	%	0
Severe injuries due to stampede in commercial buildings	Case	0

Public responsibility		
Proportion of local employment	%	43.82
Localised procurement ratio	%	91.32
Charity donations	RMB10,000	30.66
Number of volunteers	Person	2,209
Total hours of volunteering service	Hour	7,016
Specific fund for poverty alleviation	RMB10,000	31
Number of persons out of poverty	Person	0
Green management		
Number of training and education for environmental protection	Case	912
Total environmental investment	RMB10,000	486.83
Carbon dioxide emission	Ton	525,345.92
Carbon intensity	Ton/RMB10,000 operating income	0.7750
Proportion of non-fossil energy	%	0.008
Green production		
Total green building certified area	10,000 square meters	134.92
Expenditure amount of green procurement	RMB10,000	128.85
Total energy consumption	10,000 tons of standard coal	7.6756
Comprehensive energy consumption/RMB10,000 operating income	Ton of standard coal	0.1132
Energy saved	10,000 tons of standard coal	0.0449
Use of solar power	kWh	43,553
Annual water consumption	Ton	15,687,125
Water consumption density	Ton/RMB10,000 operating income	23.14
Sulphur dioxide emission	Ton	0
Ammonia nitrogen emission	Ton	0
Waste water discharge	Ton	1,542,488.5
COD emission	Ton	0
Waste emission	Ton	275.35
Comprehensive energy consumption/RMB10,000 added value	10,000 tons of standard coal	0.1388
Investment in energy conservation technological upgrades	RMB10,000	467.96
Energy saved through technology	10,000 tons of standard coal	0.2465
Green operation		
Amount of recycled papers	Ton	13.47
Use of packing materials	Ton	0
Energy saved in offices	kWh	6,369
Investment in environmental protection events for public welfare	RMB10,000	42.87

Appendix 4: ESG and CASS-CSR4.0 Guide Content Index

Report Contents	CSR4.0 Index of the Chinese Academy of Social Sciences	ESG Index of the Hong Kong Stock Exchange ⁶⁻⁸
About the Report	P1.1/P1.2/P1.3	/
Chairman's Statement President's Statement	P2.1/P2.2	/
About Us		
Corporate Profile	P4.1/P4.4	/
Milestones	P4.3	/
Principal Business	P4.3	/
2020 Highlights	P3.1	/
Organisational structure	P4.2/P4.5	/
Corporate honours	A3	/
Special topic: Working together to fight COVID-19 to secure safety and security		
Chapter 1 Committing to customer satisfaction		B6
Service quality assurance	M2.2/M2.14/ M2.18	B6.4
Protection of customer rights and interests	M2.1/M2.10/M2.11/ M2.13/ M2.15/ M2.16/ M2.17	B6.2/B6.5
Customer safety and health	S3.1/ S3.2	/
Innovative intelligent services	M2.4/ M2.7/M2.8	/
Chapter 2 Committing to value growth		
Integrity and compliance	G1.1/G1.2/G5.1/G5.2/M1.1/M1.3/M1.4/M3.1/M3.5/S1.1/S1.2	B6.3/B7.1/B7.2
Policy response	S1.4/S1.5/S1.6	/
Chapter 3 Committing to employee recognition		B1/B2/B3/B4
Employee rights and interests	S1.6/S2.1/S2.2/S2.3/S2.4/S2.5/S2.6/S2.7/S2.8/S2.9/S2.10/ S2.20/S4.2	B4.1/B4.2
Safety and Health	S2.11/S2.12/S3.1/S3.2/S3.3/S3.4/S3.5/S3.7	B2.1/B2.2/B2.3
Career development	S2.14/S2.15/S2.16/S2.19	B3.1/B3.2
Care for employees	S2.13/S2.17/S2.18	/
Chapter 4 Committing to partners development		B5
Responsible supply chain	M3.2/M3.7/M3.8/M3.9/M3.10/M3.11/M3.12 /M3.13/M3.14/M3.15/M3.16/S4.4/E1.6	B5.1/B5.2

6. According to Appendix II: Reporting Guidance on Environmental KPIs of How to Prepare an ESG Report, "A1.1 Emissions and Related Emission Data" is the key performance indicator related to air pollution in the place where the issuer operates, mainly including nitrogen oxides, sulphur oxides and other pollutants regulated by national laws and regulations. As the impact of the business operation process of CR Mixc Lifestyle on air is minimal, the materiality issues were identified as "not application" indicators.

7. As the business operation of CR Mixc Lifestyle does not involve packaging materials, "A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced" was identified as "not application" indicator.

8. As the business operation of CR Mixc Lifestyle does not involve product recalling, "B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons" was identified as "not application" indicator.

Report Contents	CSR4.0 Index of the Chinese Academy of Social Sciences	ESG Index of the Hong Kong Stock Exchange
Promoting industrial development	M3.3/M3.4/M3.6	/
Chapter 5 Committing to green ecosystem		A1/A2/A3
Environmental management system	E1.1/E1.2/E1.3/ E1.8/ E2.2/E2.3/E2.5	/
Promoting green operation	M2.12/E1.7/E1.9/E1.10/E2.4/E2.6/E2.8/E2.9/E2.10/E2.11/ E2.12/E2.13/E2.14/E2.15/E2.16/E2.17/ E2.23/E2.24/ E2.25/	A1.1/A1.5/A1.6/ A2.2/A2.3/A2.4/A3.1
Practicing green office	E2.1/E2.3/E2.6/E2.11/E2.13/E2.17/E2.21/E2.22/ E2.23/E2.24/ E3.1/ E3.5	A2
Environmental protection publicity and education	E1.5/ E3.2/E3.3/E3.4/ E3.6	/
Chapter 6 Committing to social harmony		B8
Public charity concept	S4.6/S4.10/S4.11	B8.2
Public charity practices	S4.1/ S4.9/ S4.12/S4.13/S4.14	B8.1/B8.2
Sustainability management		
Sustainability vision	G1.2	
Sustainability management and system	G2.2/G2.3/G2.4/G3.1/G3.2/G3.3/G4.1/G4.2/G4.3/G5.1	/
Stakeholder communication	G6.1/G6.2/G6.3	/
Materiality analysis	G2.1	/
Looking into 2021	A1	/
Appendix		
Appendix 1: ESG Policies and Regulations		A1/A2/A3/B1/B2/B3/ B4/B5/B6/B7/B8
Appendix 2: ESG Index Data List	E1.4/A2	A1.2/A1.3/A1.4/A2.1/A2.2/ B1.1/B1.2/B2.1/B2.2/B3.1/B3.2/ B5.1/B6.2/B7.1/B7.3/B8.2
Appendix 3: CASS-CSR4.0 Index Data List	M1.6/M1.7/M1.8/S3.6/E2.10/A2	/
Appendix 4: ESG and CASS-CSR4.0 Guide Content Index	A5	/
Appendix 5: Report Rating	A4	/
Comments and Feedback	A6	/

Appendix 5: Rating Report of "Sustainability Report 2020 of China Resource Mixc Lifestyle Service Limited"

Upon the request of China Resource Mixc Lifestyle Service Limited, the Chinese Expert Committee on CSR Report Rating invited experts to form rating team to rate the "Sustainability Report 2020 of China Resource Mixc Lifestyle Service Limited" (hereinafter referred to as "the Report").

Rating Criteria

Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR 4.0)* of the Chinese Academy of Social Sciences & the "Rating Standards for Corporate Social Responsibility Report of Chinese Enterprises (2020)" of "Chinese Expert Committee on Corporate Social Responsibility Report Rating".

Rating Process

1. The rating team reviews and confirms the "Process Data Confirmation of Corporate Social Responsibility Report" submitted by the report writing group and relevant supporting materials;
2. The rating team conducts evaluation on the preparation process and the content disclosed by the "Report", and then drafts the rating report;
3. The Vice Chairman of the Rating Expert Committee, the leader of the rating team, and the experts of the rating team jointly sign the rating report.

Rating Results

Process ★★★★★☆

The human resources administration department of the company takes the lead in setting up the report writing group to coordinate and promote the report preparation. The Mixc Lifestyle President serves as the group leader, controlling the overall direction and is responsible for the final approval and issuance of report. The company positions the "Report" as an important tool for responding to the information disclosure requirement of the supervision organization, improving social responsibility management, promoting corporate culture and strengthening the communication between stakeholders, with a clear function and value positioning; the company identifies the substantive issues based on the national macro policies, international and domestic social responsibility standards, industry benchmarking analysis, major company issues, and stakeholder investigation. The company plans to publish reports on the official website and the website of the Stock Exchange of Hong Kong and presents reports in electronic and print formats, with leading procedural performance.

Materiality ★★★★★☆

The "Report" systematically discloses the industry's material issues such as providing quality services, protecting customer information, innovating products and services, responding to customer complaints, compliance disclosure of product information, protection of employee rights and interests, honest management and fair competition and green office, with a detailed and sufficient description and excellent substantive performance.

Integrity ★★★★★☆

The main contents of the "Report" systematically disclose 84.50% of the core indicators of the industry it operates within from the perspectives of "committing to customer satisfaction", "committing to value growth", "committing to employee recognition", "committing to partners development", "committing to green ecosystem", and "committing to social harmony", with leading performance of its integrity.

Balance ★★★★★☆

The "Report" discloses "loss ratio of employees", "number of customer complaints", "number of corruption incidents", "number of general or above injuries", "injury rate per 1,000 employees" and other negative data information, and briefly explains the cause and result of a customer complaint in Zhengzhou Mixc, with excellent balance performance.

Comparability ★★★★★☆

The "Report" discloses its annual data of 184 key indicators, including "revenue", "net profit", "total tax paid", "charity donations", "carbon intensity", "total green building certified area", and compares horizontally with the same industry with respect to "the first place in commercial operational services in terms of comprehensive strength" with leading comparability performance.

Readability ★★★★★

The "Report" takes "Work as One to Forge Ahead" as the theme and uses "Committing to ..." as the main line to run through the text, which systematically displays the actions performed by the enterprise for the stakeholders such as the clients, government, employees, partners, environment and communities and their effectiveness with clear framework structure and prominent key topics. The cover design uses the iconic building photos, and the chapter spreads embed narrative introduction, disclosing the goals, progress and plans of the material topics, which helps the readers to grasp key information quickly. Each chapter starts with "Responsibility Story", demonstrating the highlights of corporate responsibility practice, which has a leading readability performance.

Innovation ★★★★★

The "Report" opens with a special topic "Working together to fight COVID-19 to secure safety and security", focusing on the company's active contribution to the prevention and control of the epidemic and demonstrating the responsibility of state-owned enterprises. The "2020 Highlights" unfolds the company's key events during 2020, enhancing the sense of time of the report. As the first participation in third-party reporting, the company strengthens the standardization of information disclosure and improves the report management, which has a leading performance in innovation.

Overall Rating ★★★★★

According to the rating team's assessment, the "Sustainability Report 2020 of China Resource Mix: Lifestyle Service Limited" has reached the four-and-a-half-star level, which is a leading corporate social responsibility report.

Improvement Suggestions

Increase the disclosure of the industry's core indicators to further improve the completeness of the report.

Vice President of Chinese Expert
Committee on CSR Report Rating

Leader of the Rating Team

Expert of the Rating Team



Issuance date: June 21, 2021

Scan code to view corporate rating files

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Comments and Feedback

Dear readers,

Thank you for taking the time to read the Sustainability Report 2020-2021 of CR Mixc Lifestyle! This report is the first report released to the public upon the listing of CR Mixc Lifestyle. In order to continuously improve the level of preparing the sustainability report and increasingly enhance the company's ability to fulfil its social responsibilities, we would like very much to hear your comments and suggestions. Please assist in answering the relevant questions in the feedback form, and give us your feedback in the way below:

Company address	China Resources Mixc Lifestyle Services Limited	30/F., China Resources Land Building, Tower B No. 9668 Shennan Avenue, Nanshan District Shenzhen Tel: 0755-2868 1268-8700 Email: crld_mixcesg_zy@crland.com.cn
Your information	Name:	Tel:
	Employer:	Position:
	Fax:	Email:

Your comments on this report: (Please tick ✓ where appropriate)

	Very good	Good	General	Bad	Unknown
Please make a comment on the extent to which this report reflects the significant impact of CR Mixc Lifestyle on economy, society and environment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Please make a comment on the response and disclosure made in the report to and of the stakeholder's concerns	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Please make a comment on the clarity, accuracy and completeness of the information, indexes and data disclosed in the report	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Please make a comment on the readability of the report	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Please make a comprehensive comment on the Sustainability Report 2020-2021 of CR Mixc Lifestyle	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

What's your suggestion for the sustainable development of CR Mixc Lifestyle?

What are the shortcomings do you think in this report?

If you want to report any violation of integrity discipline by our employees of our company or our subordinate units, please contact: crld_wxshjb_zy@crland.com.cn
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For the comments on the Sustainability Report, please contact: crld_mixcesg_zy@crland.com.cn
For the electronic version of the Sustainability Report, please visit: www.crmixcifestyle.com.cn
For more information about CR Mixc Lifestyle, please visit: www.crmixcifestyle.com.cn

