

Jinke 金科服务

美 好 你 的 生 活

JINKE SERVICES

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2020

JINKE SERVICES



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About This Report

This is the first Environmental, Social and Governance (“ESG”) Report (hereinafter referred to as “this report”) of Jinke Smart Services Group Company Limited. This report reflects how Jinke Services works to fulfill its economic, social and environmental responsibilities to achieve sustainability and responds to issues of general interest to stakeholders. The Company’s Board of Directors has reviewed this report and is responsible for the authenticity and validity of the information contained.

Reporting Period

The reporting period is from 1 January 2020 to 31 December 2020, though it may be extended for some of the contents.

Scope of This Report

This report focuses on Jinke Smart Services Group Company Limited and its subsidiaries.

Data Source

All data and information disclosed in this report come from the Company’s official documents, statistical and financial reports and ESG information collected, compiled and reviewed by the Company. This report is published in Chinese and English. If there are any discrepancies between the two versions, the Chinese one shall prevail. Unless otherwise stated, the currency unit is RMB.

Preparation Basis

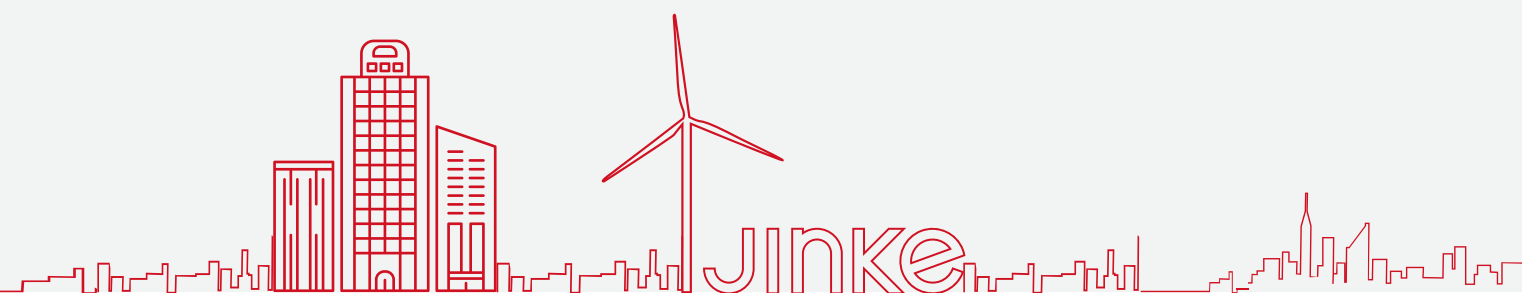
This report is formulated in accordance with *Appendix 27 Environmental, Social and Governance Reporting Guide of the Main Board Listing Rules* of the Stock Exchange of Hong Kong Limited (“HKEx”).

Reporting Specifications

For the convenience of expression and reading, Jinke Smart Services Group Company Limited is hereinafter referred to as “Jinke Services”, the “Company” or “We” in this report.

Access to This Report

This report is available for browse and download at the website of HKEx (www.hkexnews.hk) and the Company’s website (www.jinkeservice.com).



Message from the Chairman

Thanks to the effective control over COVID-19 in China, economic recovery has been able to take place, along with a series of favourable policies related to the property services industry. These policies have allowed the industry to develop rapidly while accelerating its centralisation, diversification, digitalisation, and intellectualisation reforms. Jinke Services has given full play to the advantages of the capital market and has shown determination in forging ahead while drawing on its accumulation of experience, even landing a spot on the HKEx list. In 2021, the Company becomes a constituent of the Hang Seng Composite Index and the Hong Kong Stock Connect. Since then, Jinke has been further recognised by the capital market. In the first year of listing, Jinke Services published its first Environmental, Social, and Governmental (“ESG”) report to show the efforts and achievements in the environmental, social, and governmental aspects of the Company. Meanwhile, we always serve the needs of our stakeholders and are ready to begin a new chapter of high-quality development within our industry by seizing opportunities under the “Great Service, Great Ecosystem, Great Technology” development trend.

We adhere the long-termism culture throughout all aspects of the Company’s development. In terms of enterprise development strategy, we always lay out long-term plans, clarify our strategic direction, and forge a lasting internal driving force. In customer services, we insist on putting the customers first, taking their satisfaction as the core, and constantly improving our service standards. In terms of staff growth, we adhere to the people-oriented principle of giving priority to staff, so that the staff and the Company will make progress together. In business cooperation, we unswervingly follow the win-win cooperation strategies with our partners, suppliers and fellow peers.

We always take customer satisfaction as the core of our development strategies. Aiming to realise the transformation from “customer satisfaction” to “customer recommendation”, we provide our customers with a type of “convenience+happiness” service and have developed three standardised service systems; namely, Golden Butlers System, Golden Communities System, and Golden Technologies System. All three systems are based on our diversified business lines in order to ensure the quality of our standardised services. As a result, we are always achieving high customer satisfaction rates as compared to the industry average. At the same time, we insist on introducing the “Neighborhood Culture” throughout the country and have carried out a series of neighborhood activities to promote harmonious relations. In the face of the COVID-19 epidemic, we have built the ultimate line of healthcare, and all of the communities under our management have achieved “zero cross-infection”. To fulfill our social responsibilities, we sent 13 volunteers to help Huoshenshan Hospital in Wuhan. Despite the risk of infection, all 13 volunteers had done a great job in providing property management services and have achieved the title of “National Advanced Individuals in the Fight against the COVID-19 Epidemic”.

As a pioneer in the field of smart services in China, Jinke Services has formulated a life service strategy called “Service + Technology, Service + Ecosystem”. Through the utilisation of “big data” and Internet of Things service platforms, the Company has built the smart life ecosystem and development mode, “Great Service, Great Technology, Great Ecosystem”, from the inside out. We have took the lead in developing an all-formats and full real-time data system called “TIQI system”, and have formed a perfect intelligent property product system and solution. We have completed the intelligent upgrading of hundreds of residential areas in China, fully applied smart community services to the lives of our customers, and continue to foster the three core abilities in the management of space, life, and technology based on the “people-oriented” principle.

While focusing on the development and health of our employees, we are accelerating the construction of a talented team and are providing occupational healthcare to create a broad career development platform and an inclusive and stable working environment. In addition, we are helping employees to integrate their personal dreams into the Company’s vision. We adhere to the concept of green development. On the one hand, we pay attention to energy conservation and emission reduction in our own operation. On the other hand, we provide a low-carbon, green, clean, and comfortable living and office environment for our customers.

The new development concept of “win-win cooperation and mutual development” is injecting new momentum into Jinke Services, leading the Company towards rapid development and continuously transforming it into a city service provider. In the future, Jinke Services will stay true to our original intention and ideal; create a “community of shared destiny and development” together with our customers, employees, shareholders, communities, partners and other stakeholders; and strive to become the leader of smart city services so as to realise our pursuit of a better life.

Chairman and Executive Director of Jinke Services
Xia Shaofei

About Us

Jinke Services has been expanding into cities with a focus on customer satisfaction. The Company was recognised as among the top 10 property management companies in China in terms of overall strengths for five consecutive years, and has been a top-ranked market player in Midwest China for six consecutive years. It has also ranked first among property management companies in terms of comprehensive strength in Chongqing, Wuxi, and other cities for many years. Moreover, our property owner satisfaction rate has exceeded 90% for nine consecutive years.

Jinke Services has expanded its business from communities to cities. Supported by its smart services platforms, the Company is able to provide urban space management services, high-quality living services and smart technology service systems. As it transforms itself into a smart city life services provider, Jinke Services is ready to provide smart living technology solutions for a wide range of property types, such as middle-to-high end residential buildings, industrial parks, commercial buildings, government enterprises and institutions, and urban high-tech zones.

As of December 31, 2020, Jinke Services has conducted nationwide business in 152 cities from 25 provinces, covering a total of 156 million square meters. Regarding scientific and technological innovation as the engine of development, Jinke Services is able to provide comprehensive smart services solutions for hundreds of partners around the world, including national first rank high-end residential buildings, commercial buildings, industrial parks, government-owned buildings, rail transit, educational institutions, hospitals, scenic spots, and other enterprises.x

Honor and Awards

Date	Awarding Entity	Award/ Recognition
May 2020	China Index Academy	2020 Top 10 among the Top 100 Property Management Companies in China in terms of Overall Strengths
May 2020	China Index Academy	2020 China Leading Property Management Companies in terms of Quality Service
May 2020	China Index Academy	2020 Top 10 Property Management Service Enterprises in Chongqing in terms of Overall Strengths
May 2020	China Index Academy	2020 Top 10 Property Management Service Enterprises in Wuxi in terms of Overall Strengths
May 2020	China Index Academy	2020 Top 10 Property Management Service Enterprises in Zhengzhou in terms of Overall Strengths
May 2020	China Index Academy	Top 100 Property Management Companies in China in 2020
May 2020	China Index Academy	2020 Leading Property Management Service Enterprise with Chinese Characteristics — City Service
Sep 2020	China Index Academy	2020 China Property Management Leading Brand in terms of Professional Operation
Sep 2020	China Index Academy	2020 China Property Management Leading Brand in terms of Market-oriented Operation
Sep 2020	China Index Academy	2020 China Industrial Property Service Excellent Brand
Sep 2020	China Index Academy	2020 Brand Value of RMB9,001 Million
May 2020	China Index Academy	2020 Property Management Companies Worthy of Attention of the Capital Market
Sep 2020	CPMRI, China Real Estate Appraise	2020 Leading Companies in terms of Commercial Property Service
Sep 2020	CPMRI, China Real Estate Appraise	2020 Property Management Company with Chinese Characteristics in terms of Brand Services – Public Construction Service
Sep 2020	CPMRI, China Real Estate Appraise	2020 Top 10 Property Management Company in Western China in terms of Brand Services



01.

Corporate Governance

- ESG Management
- Communication with Stakeholders
- Materiality Analysis

Jinke Services stays true to the core value of sustainability. We are continuously improving the ESG management system, integrating the ESG factors into the Company's decision-making and business operations, and promoting the sustainable development of the Company in a comprehensive manner. The Company improves corporate governance by formulating and updating relevant policies created by the Board of Directors. This is done while improving the ESG management process and improving our resistance to risk through the publication of a series of reliable risk management and control measures. In addition, the Company carries out communications with stakeholders through various channels, soliciting their suggestions and allowing the Board of Directors to participate in the discussion on major ESG issues. In this way, we promote sustainable development with win-win results.

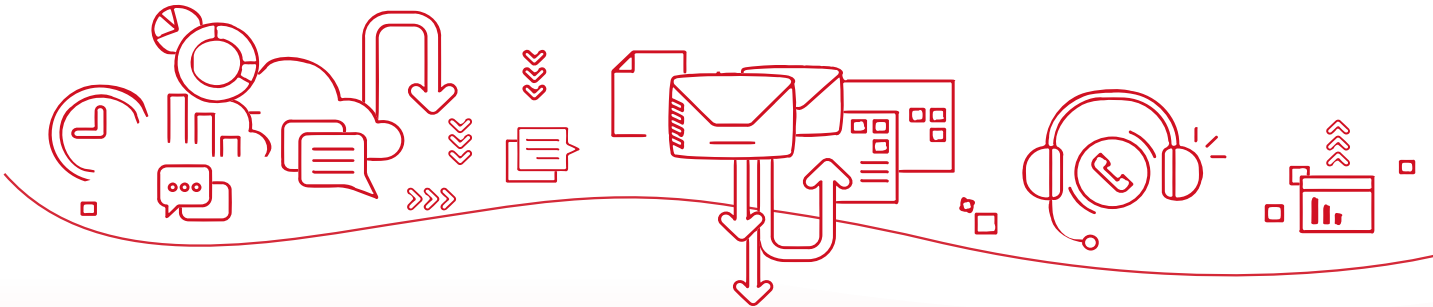
Communication with Stakeholders

Jinke Services values the expectations and demands, as well as the communication and engagement of our stakeholders in the process of continuously promoting the ESG work of the Company. We are continually improving communication mechanisms by actively listening to the opinions and suggestions of our stakeholders regarding the Company's sustainability so as to strengthen our sustainability management and achieve the goal of sustainable development.

ESG Management

Jinke Services is committed to maintaining a high degree of sustainability in business operation, promoting sustainable development in the fields of corporate governance, environmental protection, labour rights and interests, and community development. In addition, we maintain positive communications and relations with stakeholders, including customers, investors, government, suppliers, business partners, NGOs, etc.

As the highest body that oversees ESG issues, the Board of Directors of the Company is responsible for formulating the overall ESG strategies, making decisions on major ESG management, supervising and managing ESG issues, and reviewing this report. The Company has set up the ESG working group, which is composed of various functional departments and is responsible for formulating specific work plans, as well as managing ESG related matters and supervising the implementation of relevant work. In the future, the Company will further improve the ESG governance structure and continue to promote the overall management of ESG work.



Stakeholders	Expectations and Demands	Communication Channels
 Investors/ Shareholders	<ul style="list-style-type: none">• Protection for stockholders' rights and interests• Sustainable profitability• Information transparency• Effective risk management and control	<ul style="list-style-type: none">• General meetings of stockholders• Performance reports and financial reports• Regular operation and investment information disclosure• Investor relations activities
 Government and Regulatory Authorities	<ul style="list-style-type: none">• Lawful business operations• Implementation of national policies• Participation in public governance• Support for local development	<ul style="list-style-type: none">• Comply with laws and regulations• Tax returns• Accepting inspections of government authorities• Report on policy implementation
 Suppliers and Business Partners	<ul style="list-style-type: none">• Win-win and shared progress• Fair, open, and equitable procurement• Fulfilling contracts in accordance with law• Compliance with business ethics	<ul style="list-style-type: none">• Routine communications about bidding and purchasing• Participation in professional exchange• Regular appraisal and evaluation
 Customers/ Property	<ul style="list-style-type: none">• Improvement of services• Meeting the needs of customers• Protection for customer privacy• Solutions for customer suggestions and complaints	<ul style="list-style-type: none">• Customer satisfaction survey• Customer relationship management• Dealing with questions and complaints• Customer visit and communication• Meetings for property owners• Cultural activities within community• National Hotline at 400• Jinke Grande Community app
 Employees	<ul style="list-style-type: none">• Protections for the rights and interests of labourers• Care for employee health and safety• Competitive salary and welfare• Excellent career development plan• Fair channels for communication and complaints	<ul style="list-style-type: none">• Protection for employees' rights and interests• Platform for career development• Employee communication channels• Work-life balance
 Society	<ul style="list-style-type: none">• Support for charity projects• Green operation• Dedication to public welfare• Promotion of local and social economic development	<ul style="list-style-type: none">• Social activities for public good• Charitable donation and voluntary activities• Poverty alleviation and education-aid activities• Environmental protection activities

Materiality Analysis

In order to understand and respond to the concerns, expectations, and appeals of our stakeholders in a timely fashion, we used a communication and materiality analysis to identify key ESG issues that are of great importance to both stakeholders and ourselves. To this end, we have communicated with different stakeholders and responded to their expectations effectively.

Steps of Jinke Services' ESG Materiality Assessment in 2020 are as follows:



Identify relevant issues

- Draw up a list of issues according to *Appendix 27 Environmental, Social and Governance Reporting Guide of the Main Board Listing Rules* of the Stock Exchange of Hong Kong Limited ("HKEx"). Use the Company's own business model, state policies, and the trend of ESG disclosure within our industry to draw up further issues. There were 23 ESG issues identified in this step, covering the scope of environment, employment, product, governance, and community.



Collect feedback from stockholders

- Conduct a questionnaire survey on stakeholders, including investors, shareholders, customers, property owners, suppliers and partners, government and regulatory authorities, employees, communities and other key stakeholders via independent third-party consultants. Further identify the important issues of the Company by collecting the opinions and suggestions of stakeholders.



Analysis of operational impact

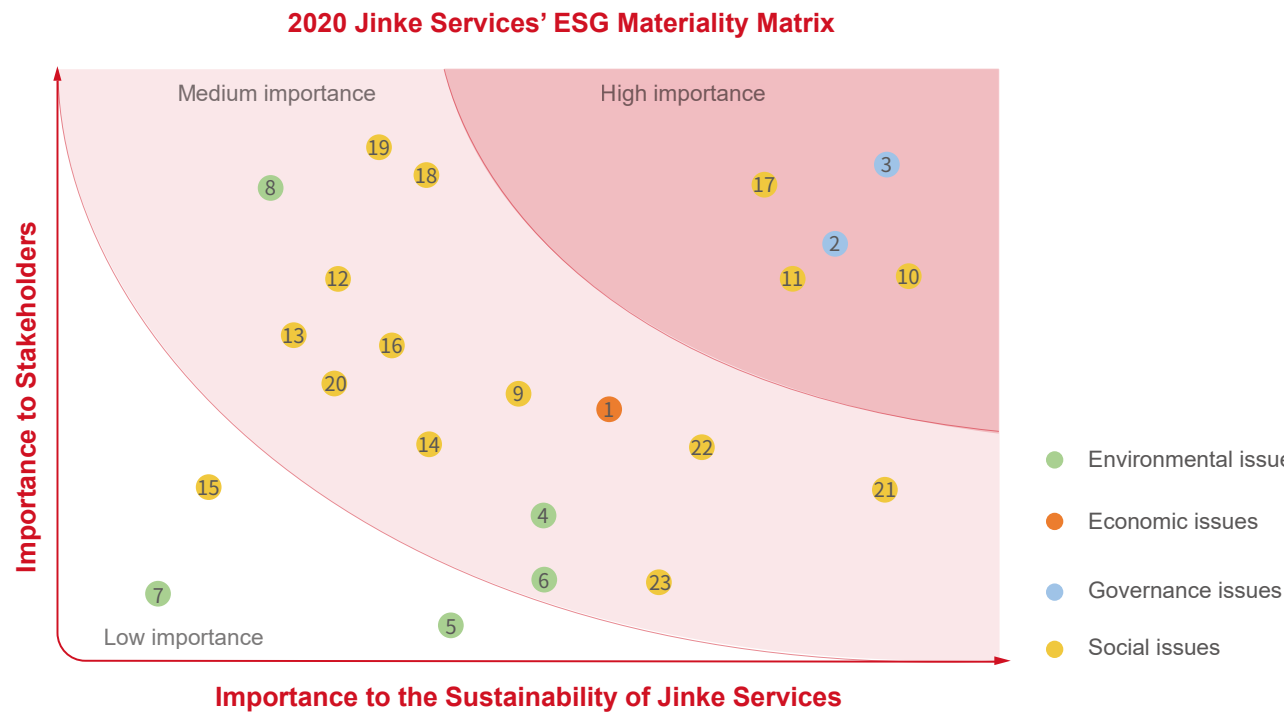
- Analysis of operational impact: Evaluate the significance of each issue to Jinke Services by analysing the Company's annual core business and collecting opinions from the management.



Verify the priority of issues

- Verify the priority of issues: Verify the materiality issues matrix in accordance with the two dimensions —"Importance to stakeholders" and "Importance to Jinke Services". The materiality matrix is an important basis for the strategic planning of the Company's ESG work in the future.

The ESG Materiality Matrix of Jinke Services in 2020 is as follows:



The matrix shows the significance of 23 issues. The most important topics are displayed at the top right-hand corner, while the least important ones are at the bottom left-hand corner, and those in the middle are of moderate importance. Among them, highly important issues include anti-corruption, legal and regulatory compliance, high-quality service, health and safety of customers, and health and safety of employees. This report will disclose these issues in detail to better respond to the concerns and demands of our stakeholders in a comprehensive and accurate manner.

Importance	Order	Topic	Scope
High importance	2	Anti-corruption	Governance issues
	3	Legal and regulatory compliance	Governance issues
	10	High-quality service	Social issues
	11	Health and Safety of customers	Social issues
	17	Health and Safety of employees	Social issues
Medium importance	1	Creating economic value	Economic issues
	4	Pollutants and emissions reduction	Environmental issues
	6	Resources conservation	Environmental issues
	8	Green property service	Environmental issues
	9	Supply chain management	Social issues
	12	Protection of customer privacy	Social issues
	13	Intellectual Property protection	Social issues
	14	Smart service	Social issues
	16	Recruiting and retaining talents	Social issues
	18	Salary and welfare	Social issues
	19	Employee training and development	Social issues
	20	Prohibition of forced labour and child labour	Social issues
	21	Employee communication	Social issues
Low importance	22	Community public service	Social issues
	23	Industry promotion	Social issues
	5	Pollutant discharge	Environmental issues
	7	Response to climate change	Environmental issues
	15	Responsible marketing	Social issues

A photograph of two women in a room with bookshelves. One woman, wearing a white shirt and a dark vest, is seen from the back, holding a bouquet of white orchids. The other woman, wearing a white V-neck shirt, is smiling and looking at the first woman. The background features a bookshelf with various books and decorative items.

02.

Setting the Industry Compliance Benchmark

- Risk Management
- Anti-corruption Construction
- Supply Chain Management
- Compliant Marketing

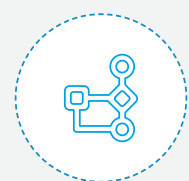
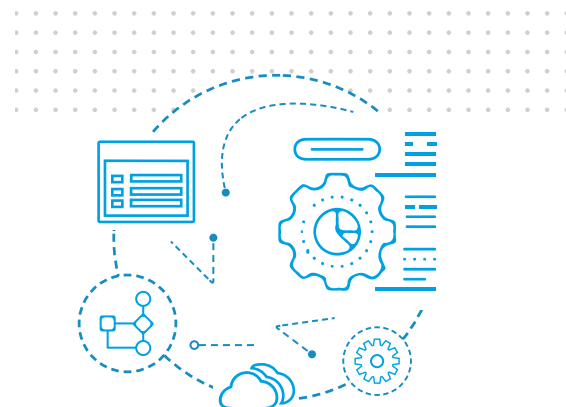
2020 is the first year for Jinke Services' listing on the HKEx; therefore, we have attached great importance to building our compliant operation system. With fairness and integrity as the cornerstones of our corporate culture, we have established effective risk management and internal control systems, carried out marketing in accordance with relevant regulations, and standardised our supply-chain management. These measures will guarantee a healthy, long-term, and steady development for the Company.



Risk Management

Jinke Services established a risk management system led by the Board of Directors. In order to prevent major operational risks and damages, the management is responsible for assisting the Board to identify and evaluate risk elements of each business sector. They are also responsible for implementing the Company's policies and procedures, participating in the design and operation of the internal monitoring system, and safeguarding the Company's business development. We also have the Department of Audit and Risk Control, which independently analyses and evaluates the adequacy and effectiveness of the Company's risk management and internal control systems, while reporting to the Board regularly.

Taking the "Three Lines of Defense Model" of IIA as the core concept, Jinke Services adopted a similar "Three Lines of Defense" management model within the Company and established internal control management systems such as *Internal Control Punishment and Compensation System*, so as to promote the construction of the Company's risk management system.



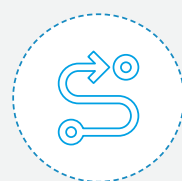
The first line of defense

- The managements of regional companies and projects are responsible for the management and control of business and operation.



The second line of defense

- All functional departments are responsible for the standardisation and compliance of projects from a professional standpoint.



The third line of defense

- The Department of Audit and Risk Control and the Department of Inspection and Supervision are responsible for conducting spot check and second check on the duty performance and compliance of regional companies and functional departments.

We organised and examined the implementation steps of key operational points of our projects according to the project lifecycle; we divided the risk degrees into three levels and identified a total of 41 risk points; we then formulated special measures to control each of them according to their business features.

Anti-corruption Construction

Besides strictly complying with all applicable laws and regulations, including the *Law of the People's Republic of China on Supervision* and the *Anti-money Laundering Law of the People's Republic of China*, Jinke Services also formulated and implemented a series of anti-corruption systems such as the *Discipline Inspection and Supervision Regulations* and the *Anti-corruption Construction Regulations*. We are committed to upholding compliant operations and have established the Department of Discipline Inspection and Supervision within the Company. This has been done to promote a culture of integrity, and to continuously improve the effectiveness of supervision, thereby ensuring the integrity and efficiency of the Company's operation.

We insist on eradicating corruption from the grass-roots level. When joining the Company, new staff members will listen to introductory speeches about integrity and anti-corruption and learn the Company's comprehensive requirements for their code of conduct. We actively carry out anti-corruption introductory activities to educate our staff about integrity. Throughout this year, we have organised 26 anti-corruption propaganda lectures covering more than 6,000 person times. In addition, the Company has set up a hotline, e-mail address, and mailing address for public report and supervision, and we have full-time personnel in each regional company to handle external reports. Once obtained, we will monitor and handle the external reports in accordance with the internal process, and strictly protect the information of the whistleblower.

While closely monitoring the risks of compliance violations, we also actively carry out inspections. Once corruption clues are found, we will report them to the relevant departments and actively cooperate with judicial authorities to carry out an investigation. Jinke Services is able to handle risks violating integrity and compliance via the internal inspection mechanism. Through in-depth analysis on the problems found, we are able to timely make up for loopholes and constantly optimize the internal control and supervision system.

26 publicity activities and lectures on anti-corruption were organized for all staff throughout the year



covering more than 6,000 person times



> Training lectures on integrity and anti-corruption

Supply Chain Management

In order to create a standardised, fair, and transparent procurement process, Jinke Services has formulated a series of internal rules and regulations such as Supplier Management Systems, and established a full life cycle management system including supplier admittance, evaluation, and elimination. In order to strictly regulate supplier access, Jinke Services conducts research and evaluation on their qualifications and capabilities and carries out in-person or telephone interviews in order to gauge the supplier's qualification, performance, quality, and reputation. The qualified suppliers will be listed in our "Qualified Supplier Base" through a bidding process. As at 31 December 2020, the Company has a total of 559 suppliers from mainland China.



During the supplier evaluation process, the Company sets up evaluation teams to formulate different evaluation mechanisms for suppliers from different sectors. These mechanisms include daily evaluation, monthly evaluation by suppliers, quality inspection, satisfaction, and mysterious visitor data monitoring. According to the annual evaluation results, the suppliers will be classified into four levels — group strategic level, regional strategic level, general qualified level, and unqualified level. Suppliers from the former two categories will be preferred as the Company's partners. If the supplier fails to pass the annual evaluation, it will be withdrawn from the annual qualified supplier base and be listed in the unqualified one. From the date of being listed in the unqualified supplier base, the supplier will be unable to participate in any bidding and new business cooperation organised by the Company for the duration of one year.

The Company attaches great importance to the moral behavior of suppliers. In order to control corruption risks in the procurement process, we will sign an Integrity Agreement with all suppliers during the contract signing process, and strengthen anti-corruption awareness in the daily communication with them. In September 2020, the Company carried out anti-corruption training for employees in the bidding and purchasing departments. We emphasised our anti-corruption system and requirements via three parts — regulations review, legal training, and case sharing. Within the process, we noted where corruption may occur, so as to warn the staff to preserve their integrity. We collect information on procurement processes that violate regulations, and use multiple channels to do so, such as the WeChat official account, Jinke Services, online staff community, and staff hotline (4008461818). We also work to put an end to all corruption in cooperation with suppliers.

At the same time, the Company has established a perfect supplier complaint management mechanism. Leaders of each project are responsible for sorting out and analysing supplier's complaints and suggestions on a monthly or quarterly basis and follow up in a timely fashion. This helps to establish an open, fair, and win-win environment for communication and improves cooperation.

Compliant Marketing

In order to ensure the compliance of the branding campaigns, Jinke Services has formulated a series of internal management systems and measures to arrange and standardise those activities effectively. The Company has formulated a Brand Management System to standardise brand communication, news media, employee advertising, and branding and community activities, so as to strictly prohibit false publicity and promises. When carrying out branding campaigns, the use of the Company's trademark and logo in business advertising, publicity data, publications, and other advertising carriers should be unified and standardised. Before any form of publicity, all business teams need to be audited by relevant departments in accordance with the laws and regulations such as *Standards of Advertisement* and *Basic Norms for Advertising Audit*.



A family of four is playing in a courtyard. A young girl in a dark blue dress is crouching in the foreground, reaching out towards a small, ornate bonsai tree in a dark brown pot. Behind her, a boy in a light blue shirt is also crouching, and a woman in a white shirt and striped skirt is standing. In the background, another woman in a white shirt and yellow skirt is standing. A man in a dark blue shirt is on the right, reaching out towards the family. The ground is wet, and there is a splash of water near the bonsai tree. The background is a modern building with large glass windows.

03.

Providing Ideal Customer Experience

- Better Living Experience
- Harmonious Neighborhood Culture
- Customer Complaints Management
- Customer Privacy Protection
- Community Security

Jinke Services is dedicated to the concept of “providing better living experiences with our services”. We have formulated a standardised customer service system to meet the needs of the customers in various aspects and provide them with diversified value-added services. At the same time, our customer complaint mechanism is able to protect privacy and personal safety of our customers and to create a more valuable community living experience for customers. The Company has obtained the GB/T19001-2016 /ISO9001-2015 international quality management system certificate.



>GB/T19001-2016/ISO9001-2015 international quality management system certificate

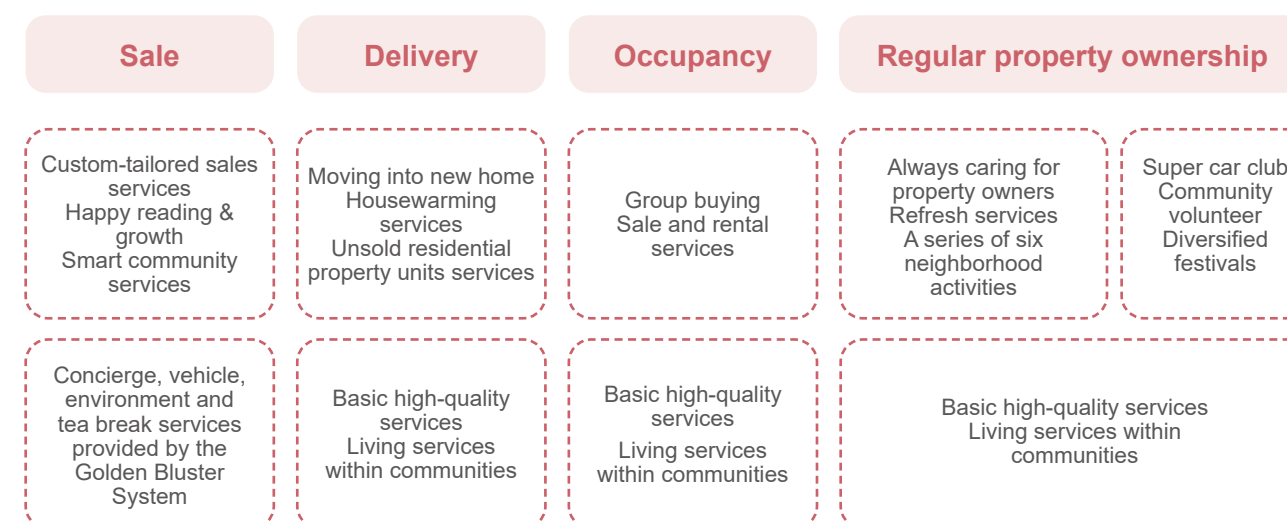
Better Living Experience

The constantly improving service quality, concept of “customers’ satisfaction plus quality and efficiency” and ingenuity of Jinke Services have enabled the Company to provide diversified and high-quality services for customers across the country and bring the concept of better living experience to more cities. Thirteen years of adherence to our neighborhood culture has deepened the trust between Jinke Services and our property owners. By 2020, Jinke Services has been awarded as “2020 Top 10 among the Top 100 Property Management Companies” in China for five consecutive years, taking the lead across the country in terms of satisfaction, service quality and technology utilisation.

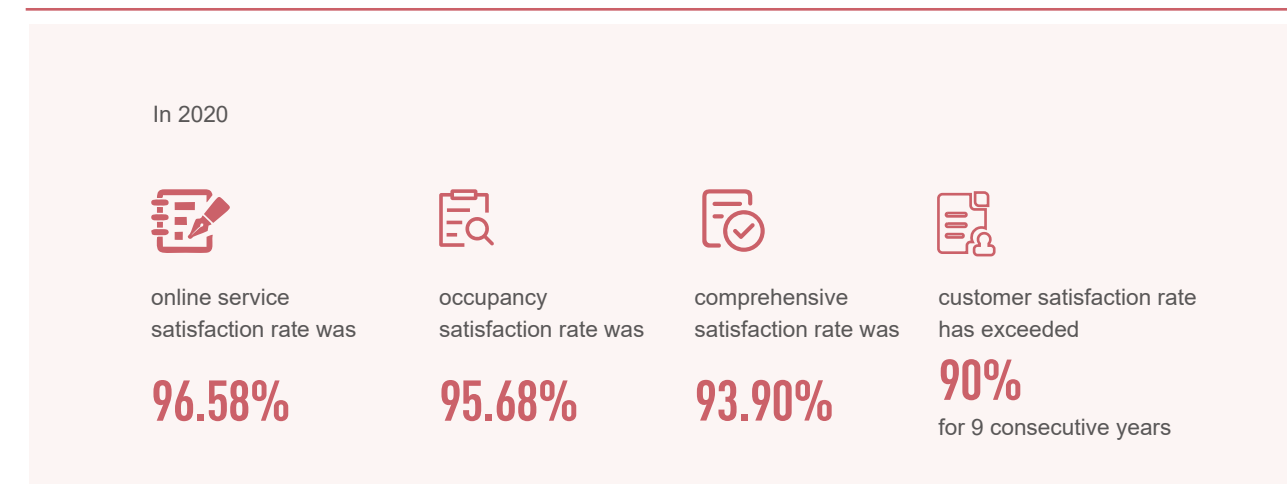
Jinke Services has launched the “four departments and one Institute” service system, namely Department of Customer Experience, Department of Key Customers, Department of Technical Support, Department of Joint Command and Institute of Service Research. The Company is building a customer-oriented flat service network and injecting energy into customer services constantly, so as to maintain a high degree of satisfaction. In addition, we have formulated three standardised service systems, namely “Golden Butlers System”, “Golden Communities System” and “Golden Technologies System” to provide customers with diversified services covering the whole property management value chain, so as to ensure that we can provide consistent high-quality services in different business lines and different projects in different regions of China and to meet customers’ needs.



Since 2015, Jinke Services has focused on the frequent living needs of our property owners and continued to build a service system covering a wide range of needs, including food, housing, transportation, travel, shopping and education. Covering all stages such as sale, delivery, occupancy and regular property ownership, our service system is able to provide “joyful services” and “free-from-worry services” for property owners. After years of exploration and accumulation, Jinke Services has formed a professional, integrated and highly value-added “365 service system”, including multi-dimensional community education services, all-round home-living services, home decoration services, comfortable and convenient traveling services, professional and efficient housing brokerage services. We are constantly upgrading the community lifestyle so as to bring better living experience to our property owners.



In order to improve the quality of our services, Jinke Services carries out an overall “secret customer satisfaction survey” every quarter. Through on-site investigations and telephone interviews with secret customers, we can explore the causes of problems via qualitative and quantitative research methods, so as to optimise our management mechanism and further improve customer satisfaction. According to the data provided by China Index Academy, in 2020, our online service satisfaction rate was 96.58%, the satisfaction rate of occupancy was 95.68% and the comprehensive satisfaction rate was 93.90%. The number has exceeded 90% for nine consecutive years and continues to maintain a leading position.



Harmonious Neighborhood Culture

Since 2008, Jinke Services has introduced “Chinese style neighborhood culture” throughout the country and successively built six neighborhood activities platforms, namely the Neighborhood Banquet, Neighborhood Trip, Neighborhood Art Festival, Neighborhood Kinship Festival, Neighborhood Sports Competition and Neighborhood Hiking Team. In 2020, we held a total of 5,318 activities covering 1.52 million person times. Our Grand Community platform has refreshed the definition of “Chinese style residence” and made neighborhood relations a cultural gene in every community served by Jinke.

Case

Millions of property owners gathered at Jinke Neighborhood Art Festival to celebrate the Mid-Autumn Festival

In September 2020, “2020 Jinke Grand Community Neighborhood Art Festival and the first Rewarding Festival” was held in more than 100 cities in China, including Chongqing, Beijing, Zhengzhou, Changsha, Wuxi, Suzhou and Zunyi. Nearly six million property owners of Jinke Services gathered in various cities to celebrate the Mid-Autumn Festival. The Neighborhood Art Festival is a festival for all of our property owners. Every property owner interested in performing, shows his or her brilliance and harvests applause here regardless of age and expertise. The 15-day long activity includes 29 large-scale Mid-Autumn Festival neighborhood parties and 132 Mid-Autumn Festival garden parties that combine with the local folk custom characteristics. Therefore, we can create a Jinke-style living experience, further enriching our neighborhood culture and building a humanistic community.



Case

Jinke Neighborhood Sports Competition — 12 years of a wonderful neighborhood

On 15 November 2020, Jinke Services and the Chongqing Marathon Organising Committee held a sports event participated in by our property owners and employees. Since our neighborhood culture was first introduced in China in 2008, we have begun to organise long-distance running activities within communities, so as to advocate a healthy and positive living style and enhance community cohesion.



>Jinke Neighborhood Sports Competition

Case

Jinke Neighborhood Trip — Sightseeing with neighbors

In October 2020, Jinke Services held the “Jinke Neighborhood Trip” in which our property owners and neighbors visited a populus euphratica forest. People from all over the country embarked on a 7-day journey together to immerse themselves in the beauty of populus euphratica in autumn and experience the customs in regions beyond the Great Wall.



>Jinke Neighborhood Trip

Customer Complaints Management

In order to understand the needs of customers, Jinke Services has established a perfect feedback and complaint management system and formulated various service quality supervision and maintenance procedures and systems for various projects to ensure that all the complaints can be solved in a timely manner.

There are multiple channels such as the national service hotline at 400 and the “Jinke Grand Community” APP for complaints and feedback. After receiving complaints, we will input the relevant information into our management system and require employees to respond to customers’ requirements and complaints in a timely manner, so as to solve the problems within the allotted time. Our management system will report the unresolved complaints to the senior management automatically for further solutions. The Company conducts sampling inspections on the feedback and complaints from customers every quarter to fully guarantee the quality of customer service. Key customers can make complaints through the national service hotline at 400 and the staff will immediately feed back to the department of key customer services. If unsettled, the complaints will be further fed back to the Department of Customer Service at the regional companies for solutions. Our regional companies will pay a return visit to key customers after the complaints are solved. During the reporting period, we received zero key customer complaints.

In addition, in order to improve the efficiency of customer service, Jinke Services has established a cloud service centre. The centre is the first information interaction centre that integrates a cloud platform, vertical monitoring, direct communication channels, whole network special line and Artificial Intelligence (“AI”). Compared with the previous 400 artificial customer service with single functions, the new centre has adopted the mode of combining staff with AI, which has greatly improved the efficiency of customer service. At the same time, in order to provide accurate services to our customers, the cloud service centre will also provide the most intuitive big data support through the collection, integration, capture and regular quantitative analysis of the big data of customer needs.

Customer Privacy Protection

Jinke Services attaches great importance to customer privacy security and adheres to the bottom line of data security. We strictly abide by relevant laws and regulations such as Information Security Technology — Personal Information Security Specification (GB/T35273-2020) and the Cybersecurity Law of the People’s Republic of China. Privacy policies in the “Jinke Grand Community” APP, “Blessed Neighborhood” mini-APP, and our other mobile applications are formulated on the basis of the “minimisation” and “necessity” principles, and these applications will collect customer information only after their authorisation and consent. Jinke Services only collects customer data that is necessary for providing services. In order to fully guarantee the security of personal information, we strictly prohibit any third party from accessing and using these data without the consent of customers.



As for the intelligent access control and channel risk control system¹ used during sales, we will set up conspicuous signboards “you have entered the intelligent monitoring area” in the video capture area to remind visitors that they have entered the automatic personal image capture area. In the process of customer registration and identity verification, we have added the option of personal information authorisation. Customers click to confirm a privacy agreement, and thus we can fully guarantee that the personal information used for risk control purposes is obtained after consent and authorisation. At the same time, we attach great importance to the protection of the rights, interests and personal information of minors. Our intelligent access control and channel risk control system will not automatically collect and process the personal information of minors under 14 years old.

Jinke Services provide customers with channels for deletion, correction of personal information and complaints in accordance with the laws. Customers can obtain access to those channels and contact details through official website, sales and other means. After receiving such requests, we will make response and verification in time, and carry out corresponding deletion and correction in accordance with relevant laws and regulations.

¹System for identifying the source of customers and solving relevant disputes, so as to provide better house purchasing services for customers.

Community Security

Jinke Services strictly abides by the relevant laws and regulations such as *Safe Production Law of the People's Republic of China* and *Fire Control Law of the People's Republic of China*, formulates the *Safe Operation Instruction*, *Emergency Preparedness Plan* as well as other systems and operation guidelines, and standardises the processes including gate guarding management, patrol management, central control room management, fire control management, etc., so as to provide safe and secure living experience for customers.

The all-around 24-7 patrol mechanism of Jinke Services includes an identity verification system for entry and exit personnel, a 24-hour duty system for coordination and management, a joint night patrol organised by emergency teams, etc. Besides, we have also established a regular control mechanism for the early security warning system that covers the operation of community access control, monitoring equipment, electronic perimeter protection, fire-fighting equipment, etc.; the safety precautions in high-risk areas such as swimming pool, escape roof, waterscape, and construction site and other 20 dimensions including community security patrol and gate passage control. Through scientific and effective analysis and evaluation, we can timely find flaws in our safety management, remind the project management office to take effective measures to eliminate the hazard, so as to improve the safety index of our property owners.

Jinke Services attaches great importance to the daily fire safety management and has clarified the person in charge and their corresponding responsibilities at all levels. We arrange professionals to carry out regular inspections and maintenance of fire-fighting facilities and equipment every month. Besides, we carry out fire safety training for our employees twice a year, including the security systems, fire escapes, use of fire-fighting equipment, and self-rescue knowledge. We also hold fire training and safety awareness publicity for shop owners within the community. Therefore, we can consolidate the safety foundation and safeguard the safety and health of customers comprehensively. In order to build a safe community in an all-around manner, Jinke Services also conduct at least one emergency drill for elevator failure every quarter, so as to constantly improve our emergency plan and try our best to deal with all kinds of emergencies with the best service.



>Jinke Services' 119 fire drill in Chengdu

In the face of the COVID-19 epidemic, Jinke Services had immediately set up special working groups, formulated detailed control plans and epidemic prevention guidelines including the *Epidemic Prevention and Control Guide for Gate Guards* and launched emergency plans in all communities across the country to protect the health and safety of property owners. The on-the-job rate of Jinke's first-line property employees has remained at 100% since the first day of epidemic prevention. We carried out comprehensive disinfection in all halls, stairs, elevators, underground garages and public facilities areas in all major communities, especially in key high-frequency places.

We have made full use of intelligent and digital technology to assist epidemic prevention in nearly 700 communities in more than 100 cities across the country, ensuring the safety and living quality of 1.6 million families and assisting local communities to fight against the pandemic. Our face recognition cameras can effectively identify the identity and match the temperature measurement with personnel information database, therefore, it can effectively organise the passage of the non-property owners and also help to grasp the identity information of property owner who has an abnormal temperature at the first time and provide information support for the follow-up works.

At the same time, Jinke Services also cooperated deeply with Ping An Good Doctor and Ali Health to create a 24-hour online medical platform for our property owners. Online video consultation and medicine delivery services enabled property owners to solve their problems without going to hospitals. In order to reduce the frequency of property owners going out and the risk of infection, we collected their demands for vegetables and meat every day during the epidemic and also provided a supermarket purchasing service. At the same time, we launched an online shopping channel in our mini-APP "Blessed Neighborhood" to provide home delivery service.

The on-the-job rate of Jinke's employees since the first day of epidemic prevention has remained at **100%**



We carried out epidemic prevention work with intelligent and digital technologies in

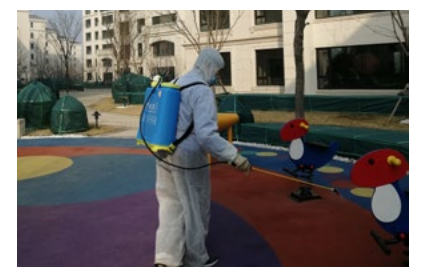
nearly **700** communities

from more than **100** cities

across the country.



ensuring the safety and living quality of **1.6** million families.



>24-hour online medical platform created by Jinke Services



04.

Empowering Smart Technology

- Products and the Core of Our Services
- Promoting the Development of Smart Property Industry
- Protection of Intellectual Property Rights



Adhering to the concept, “Intelligence shapes technology, and innovation changes life” and the development strategy, “Service plus Technology, Service plus Ecosystem”, Jinke Services empowers our property services via cloud application, big data, video sensory technology, artificial intelligence, and Internet of things. We are constantly creating highly intelligent living experiences for customers. While actively participating in the formulation of industry standards, the Company is deepening cooperation and developing smart technology products, so as to increase prosperity and spur development of smart services.



Products and the Core of Our Services

With rich experience in the field of smart property management services, Jinke Services has created the innovation mode, “Technology plus Data plus Sense plus Service” and empowered our services with technology. We are able to create an increasingly comfortable smart lifestyle for property owners and thereby set an example in the smart services industry.

Case

TIQI big data information system

In 2016, Jinke Services developed a full-format and real-time data system — the TIQI big data information system (TIQI System). Serving as the brain of in-depth decision support for smart community management, the system has integrated software data, hardware data, Internet data, and basic living services data. The TIQI System has a wide range of application scenarios. In terms of residential services, Jinke Services is able to provide relevant solutions via the TIQI System, with eight-core functional modules. Some of these include smart travel, smart transportation, smart customer service, smart healthcare, and smart homes. In terms of non-residential services, Jinke Services has also developed a series of solutions. These include smart security, smart enterprise services, smart living experience, smart operation, and other modules, all based on the TIQI System. To further upgrade our city services, we have successfully developed the 4.0 version of our smart technology service — TIQI Cloud City System. In November 2020, the 1.0 version of the system was officially introduced in Chongqing for pilot purposes and served as a digital assistant that brought convenience to citizens.

Based on the TIQI System, we have built perfect smart property management product systems and solutions, including community access management, a monitoring system, energy consumption management, fire exit management, maintenance services, and non-motor vehicle management. These ensure more efficient and convenient community management and improve the quality of communities as well as the property owners’ satisfaction. As at 31 December 2020, we have successfully completed the upgrading of hundreds of communities across the country, installed cloud monitoring devices and intelligent access controls, and built unmanned parking lots. Whether it is smart elevators with face-recognition capabilities, smart homes with click-and-leave mode, or smart communities with unmanned supermarkets and smart safety control systems that can track littering in high buildings, Jinke Services has embedded intelligent technology in every aspect of our customers’ lives. In addition, we even have a smart management platform. Applying smart technology in these ways allows us to take good care of the living experience of nearly 6 million property owners nationwide.

In order to provide customers with high-quality services, Jinke Services has developed the “Jinke Grand Community” and “Jinke Grand Butler” APPs as online services platforms. The former provides a variety of property management and community value-added services for residents and property owners. By the end of 2020, the APP had obtained about 727 thousand registered users. Residents and owners can enjoy a variety of online services through the “Jinke Grand Community” APP, including access to community information, payment of public utility fees, maintenance services, online health consultation provided by independent third parties, and more. In addition, Jinke Services has also developed a Jinke robot called “Xiaobai”, which can provide services such as cleaning, inspection, delivery, intelligent temperature measurement, etc., so as to build a smart, comprehensive community.

We are providing wonderful living experience for nearly **6** million property owners nationwide.



By the end of 2020, the Jinke Grand Community APP had obtained about

727 thousand registered users.



Promoting the Development of Smart Property Industry

Aiming to become a “better living experience provider”, Jinke Services is actively exploring the intelligent upgrading of communities. We have done forward-looking research in the fields of “cost reduction and efficiency promotion”, “big data research on community living experience” and “AI living services in the community”. We have also vigorously promoted the development of the smart property industry. As a pioneer of smart community services, the Company participated in the preparation of the Evaluation Standard for Smart Community in Chongqing, which is also the first evaluation standard for smart communities in China. The standard has comprehensively standardised the evaluation index system and star classification rules of smart communities, and also publicised the concept of smart communities. Through technology, it has brought benefits to even more property owners.

In addition, Jinke Services is continuously deepening the cooperative relationship with industrial partners. Together with leading domestic and foreign technology enterprises such as Alibaba, Tencent, Hikvision, China Telecom, and GritWorld from Germany, the Company has promoted the construction of a smart ecosystem. At the same time, we also received thousands of surveys from government officials, real estate elites, and industry colleagues from all over the country, as well as visits by media outlets from all over the world. Jinke Services is actively following a development strategy in which domestic and international development reinforce each other.



>The Company's cooperation with China Telecom to develop the first 5G demonstration base



>The Company's cooperation with Hikvision to establish Video Perception Joint Laboratory



>The Company's cooperation with Microsoft (China) to build the first community data research centre — Tianqi Big Data Information Centre

Protection of Intellectual Property Rights

Jinke Services attaches great importance to the protection of both our own intellectual property and also that of others. We have thus formulated the Measures for the Administration of Intellectual Property Rights, and established a comprehensive intellectual property protection mechanism to protect the Company's trademark, domain, copyright, patent, intellectual property rights, trade secrets, and innovative achievements. In addition, we have set up an effective complaint process as well as feedback channels. In order to avoid the risks of infringement, we will promptly take necessary measures to deal with products or content involving tort in accordance with relevant laws and regulations.

Based on the TIQI System, Jinke Services has established a one-stop community service platform and cloud service centre. As a community service provider that takes the lead in implementing the intellectual property standards for smart community services, we insist on issuing guidance information via service platforms in our daily operation to remind property owners to protect their personal data and privacy. In addition, Jinke Services adheres to the implementation of an internal information audit process, as well as to the prohibition and control of the use of pirated software, so as to fully protect our intellectual property rights. By the end of 2020, we have obtained 29 registered trademarks, 16 national intellectual property patents, and 19 national software copyrights.



05.

Boosting Employees' Individual Development

- Compliant Employment and Equal Opportunities
- Training and Personal Development
- Occupational Health and Safety
- Caring for Employees

Talents are the primary resources of Jinke Services. Seeing the employees who are able to make contributions as a valuable wealth, we insist on legal employment and constantly improving our employees training mechanism, so as to cultivate business talents and leaders, boost the development of property management industry, create a cohesive spiritual home for employees and to grow together with them.



Compliant Employment and Equal Opportunities

Jinke Services adheres to legal and compliant employment, strictly abides by the *Labour Law of the People's Republic of China*, *Labour Contract Law of the People's Republic of China*, *Employment Promotion Law of the People's Republic of China*, *Law of the People's Republic of China on the Protection of Minors* and other relevant laws and regulations, and formulates human resources management measures such as the *Regulations on Social Recruitment Management (Trial)* and *Regulations on the Protection of Employees' Rights and Interests*, so as to standardise the employee management.

Jinke Services always respects and protects the legitimate rights and interests of employees.

01

- We strictly prohibit child labour and forced labour of any form, and commit to supervising the above situation. Once found within our company, we will deal with the problem explicitly. Since the founding of Jinke Services, there has been zero cases of child labour and forced labour in the Company.

02

- We practice diversified employment and equal opportunities. In recruitment, remuneration, training, and promotion, we prohibit discrimination based on factors including gender, region, ethnicity, religion, age, pregnancy or marital status, disability, political position, etc., so as to create a diversified, harmonious and relaxing workplace in which employees can give full play to their characteristics and personal values.

03

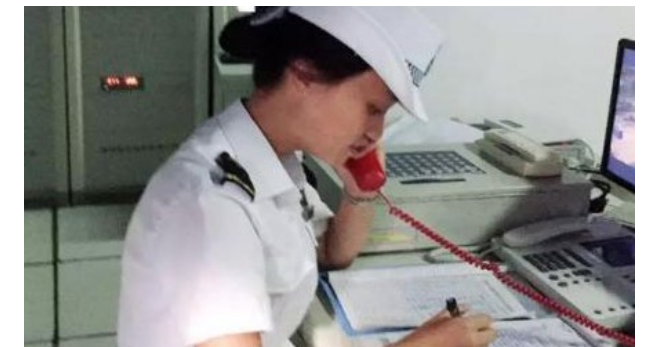
- We guarantee the welfare of employees in accordance with the laws, and have formulated the *Regulations on the Management of Employees' Salary and Welfare*. We have bought basic social insurance including but not limited to old age insurance, healthcare insurance, unemployment insurance, work-related injury insurance, maternity insurance, etc. for all employees in strict accordance with national regulations, and pay the insurance together with employees according to a certain proportion.

04

- We protect the legitimate rights and interests of female employees, strictly abide by the *Constitution of the People's Republic of China*, the *Law on the Protection of Women's Rights and Interests*, and the *Rules on the Labour Protection of Female Employees*, and implement the regulations on female employees' leave during pregnancy and lactation. We adhere to the principle of equality between men and women and ensure that female employees enjoy equal labour rights and social security rights with male employees. In promotion, rank lifting, and evaluation of professional and technical positions, we ensure equal opportunities for men and women.

05

- We take care of special employment groups, especially the employment of veterans. By the end of 2020, there were thousands of veterans working in different Jinke's communities in different cities.

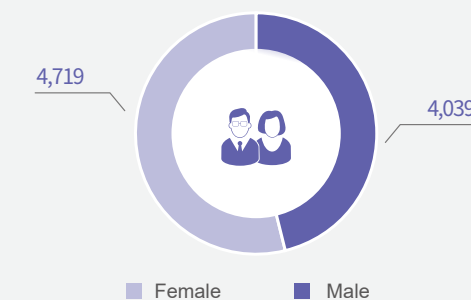


>Veterans working in Jinke communities

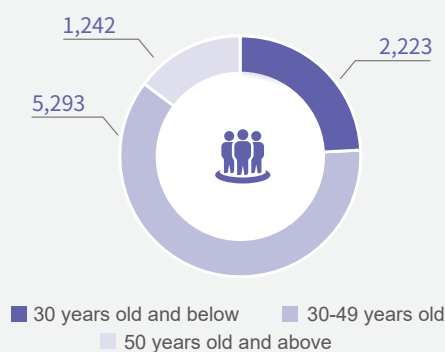
As at 31 December 2020, we have hired a total of 8,758 regular employees (all from mainland China).

Employment at Jinke Services in 2020

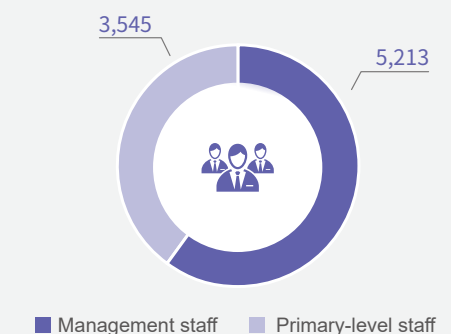
Employment of employees by gender (persons)



Employment of employees by age (persons)



Employment of employees by level (persons)



Training and Personal Development

In order to provide a clear development path for employees, Jinke Services focuses on the construction and development of talents team, established a perfect talent development system, and is constantly improving our promotion system. We are tracking the demands of market and customers closely, and constantly adopting cutting-edge business philosophy and management technology in our operation, so as to ensure the forward-looking strategic vision and executive ability of our team, and also to maintain a global vision.

Talent Cultivation

Jinke Services is committed to the concept of “Giving chances to the talent while weeding out the mediocre and the incompetent”, and improves our training system in terms of the selection, utilisation, cultivation and retention of talents. Taking the Jinke Services Institute as a platform, the Company has formulated four training systems, namely “new force training”, “management sequence training”, “occupation sequence training” and “young talent training”. The series of courses and training activities for helping employees to improve their knowledge reserves and professional skills. In 2020, these courses have covered 11,433 person times. Moreover, Jinke Services attaches great importance to the construction of internal trainer team, so as to fundamentally improve the cultivation level of talents team, provide various channels for employees’ personal development, and help them to improve professional knowledge and comprehensive ability.

Case

The first themed training for new employees

In February 2020, Jinke Services Institute held the first themed training for new employees. Through the mode of “online course + result assessments”, training covered various aspects including business ethics, integrity culture, OA, etc., so as to help new employees get familiar with the Company’s business in an all-round way. The Company organised online tests and established archives for the trainees after they had finished the courses. A total of 144 new employees completed their training via the Jinke Services Institute online platform.



>Themed training for new employees

Case

Jinke “Young Guard” project

The “Young Guard” project was first launched in 2008, recruiting 80 high potential young talents from the Company. The three-year hybrid training project covered a variety of programs such as lectures, unconventional talent promotions and learning resource pools to promote the growth of young talents. Aiming to meet the two-way needs of the Company and young talents, the project provides the young talents the vastest resources and platforms, so as to fully release and develop their own potentials, and achieve the goal of “building the backbone of the Company”.



In 2020, the “Young Guard” project organised multiple online courses and 2 centralised trainings, covering a total of 9 courses with more than 20 hours. In addition, the project organised 2 batches of talent inventory and high-potential talent recommendations, achieving a talent transfer rate of 32.9%.

In 2020

the “Young Guard”
project organised



2 centralised trainings

covering a total of 9
courses with more than

20 hours



achieving

32.9%



talent transfer rate



>On-the-spot training of the “Young Guard” project



Case

Jialing Training Camp

To provide training courses with global vision for our middle and high-level core management teams, Jinke services carried out "Jialing Training Project". In line with the concept of combining theory with practice, we organized trainees to study in Silicon Valley, Stanford University, Toyota and other global leading enterprises and universities from 2017 to 2019.



>The opening ceremony and training of Jialing Training Camp

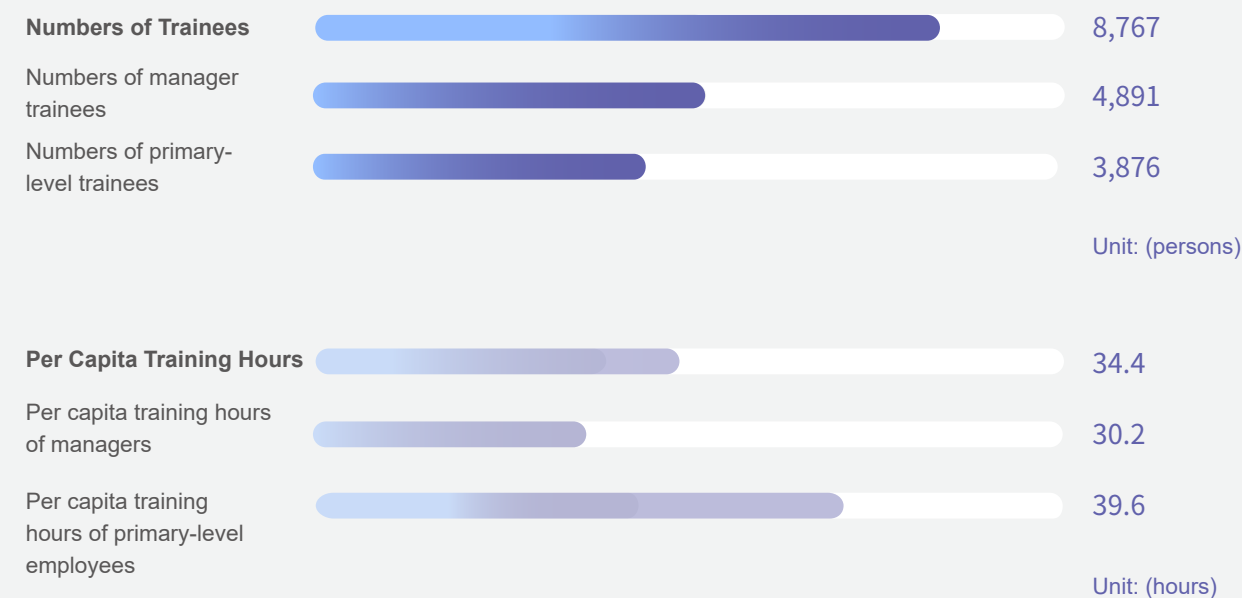
Case

Training program for internal lecturers

Following the annual internal cultivation plan, Jinke Services fosters internal lecturers in a targeted and regular manner to serve our various training programs accurately. In 2020, we have developed 97 R&D courses and fostered 204 internal lecturers, including 33 at the intermediate or above levels. We have also participated in the China Enterprise Microlecture Competition for the first time in 2020 with a total of 10 selected courses, and ranked top 100 in China.



>Training for internal lecturers

Employee training data in 2020Assessment and Promotion

In order to increase the incentives for excellent talents, Jinke Services is continuously optimising our personnel performance management mechanism, and has revised our *Performance Evaluation and Management Measures of Primary-level Employees and Staff Performance Management Measures*. We carry out performance evaluation for all employees quarterly and annually. Employees with outstanding performance or better development potentials will gain the opportunity of promotion, while those with poor performance might be transferred, demoted or reduced in salary. We stimulate the personal development of our employees through dynamic assessments, so as to promote the implementation of our development strategy and business objectives as well as our sustainability.



>Talent selection and circulation programs of Jinke Services

Jinke Services has established a qualification management system based on competency, which serves as the basis of internal promotion, training, employee development and other aspects, so as to set comprehensive requirements for the positions for all departments, and to lay a foundation for person-post matching. There are 12 grades in the qualification management system, including 35 occupational classes. On the basis of standardised management, we define the duties and business process of all executive agencies by clarifying their responsibilities, so as to provide support and basis for the career development of employees and promote the common development of employees and the Company. In 2020, a total of 860 employees attended the competency assessment, in which 782 passed and gained certification, and 72 promoted as core talents. Our annual internal talent supply rate is 48%.

In order to improve the performance of employees, Jinke Services carried out bottom-top talent selection and circulation in 2020, covering all employees from multiple business lines, and enabling everyone to show themselves. As at 31 December 2020, 183 candidates had participated in the talent selection, in which a total of 122 had been selected, and 63 promoted. Meanwhile, 152 talents have joined job circulation.



Caring for Employees

The Company attaches great importance to the physical health and spiritual development of employees. We are willing to help employees to solve difficulties, and do our best to create a warm and harmonious workplace. We encourage employees to balance their work and life, and fully ensure communications with employees to ensure their living conditions as well as physical and mental health, so as to provide timely assistance and support, and enhance their sense of belonging and happiness.

We have created our own "Three + X" employee care mode. During the Spring Festival, Dragon Boat Festival and Mid-Autumn Festival, we offer condolences to the family members of front-line project staff below the director level via our family service centre, provide gifts to them and invite them to spend the festivals with their family members at our company.



>"Three + X" employee care mode of Jinke Services

Every year, we carry out caring activities for front-line employees by sending goods and materials and making desserts and overtime meals. During the performance sprint stage, we bring support and energy to employees via various forms of activities.

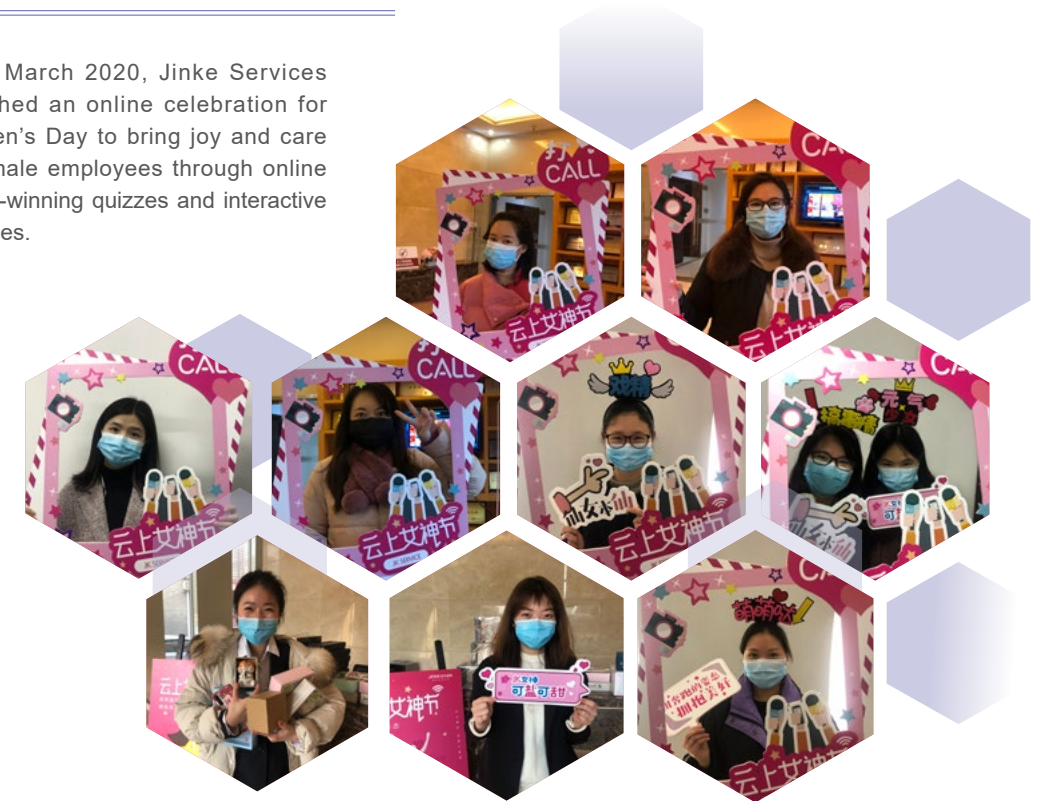


>Caring activities during summer and winter

Case

Online celebration for Women's Day

On 6 March 2020, Jinke Services launched an online celebration for Women's Day to bring joy and care to female employees through online award-winning quizzes and interactive activities.



>Online celebration for Women's Day

The background image shows a traditional Chinese garden. In the foreground, there is a red wooden pavilion with a tiled roof, situated on a small island in a pond. The pond reflects the pavilion and the surrounding greenery. In the background, there are lush green trees and a white building with traditional Chinese architecture. The sky is clear and blue.

06.

Building a Green Community

- Green Operation
- Green Community
- Green Office

Jinke Services adheres to the operation concept of “green, environment-friendly and low carbon”, and integrates it into every process of our daily operation, so as to create a green living environment for customers, promote the concept of green office, and actively build an environment-friendly benchmarking company.



Green Operation

Jinke Services strictly abides by the *Energy Conservation Law of the People's Republic of China*, *Water Law of the People's Republic of China* and other laws and regulations. We have issued the *Guidelines on Energy Conservation and Consumption Reduction* within our company, which listed corresponding measures for relevant facilities in property management. In order to further reduce the energy and resource consumption in operation process and improve energy efficiency, we are guiding relevant staff to take measures such as energy management and technological transformation. We actively explore methods of energy conservation and emission reduction, improve the efficiency of resource using, and strive to create a resource-saving green operating style.

Technological transformation measures excerpted from the *Guidelines on Energy Conservation and Consumption Reduction*



Garages

Install sensor lights, sunlight-collecting equipment, light pipes, etc.



Elevators

Install frequency conversion devices on escalators and paste reflective film on sightseeing elevators. Install intelligent temperature control initiator and ventilation equipment to extract cooler air from underground garage to reduce the temperature in elevators.



Landscape lighting in communities

Replace the lighting system with energy-saving ones.



Waterscape in communities

Reuse water from sump for water circulation via connectors and pipelines.



Water usage in offices

Use energy-saving water tank and water-saving tap in toilets and dormitories.



Case

Technological transformation in 2020 to promote energy conservation and emission reduction

In 2020, Jinke Services had carried out technological upgrading measures in garages, elevators, machine rooms and other places to promote energy conservation and consumption reduction.

• Garage lighting upgrading

On the basis of meeting the needs of customers, the Company upgraded the garage lighting system and realised the intelligent control of garage brightness through joint R&D with technological companies and equipment such as regular LED luminaire, double-brightness LED tubes, LED network, etc., and has saved more than 60% energy. By the end of 2020, the Company replaced 10,000 36-wattage bulbs with 15-wattage ones and 40,000 15-wattage bulbs with 10-wattage ones (achieving a comprehensive energy-saving rate of 58% and 33.33% respectively), saving 2.95 million yuan in total.



• Upgrading of switches in equipment rooms

In 2020, Jinke Services upgraded the lighting switches in inspection regions such as in power distribution rooms, electric generator rooms and water pumps. Based on the principle of switchable travel, the Company combined the lighting control circuit and travel switches with the doors of the equipment room to realise “door open, power on; door close, power off”, and the intelligent energy management in the inspection process of machine rooms.



• Upgrading of air conditioners in machine rooms

In order to meet the national standards for operation and temperature of air conditioners in machine rooms, Jinke Services installed intelligent temperature controllers on air conditioners after practical calculation to further improve the starting temperature and realise the personalised setting of the air conditioners starting temperature in machine rooms. In addition, we have adopted a series of cooling measures such as installing axial-flow fans to improve the energy-saving effectiveness by more than 50%.



Based on the principle of “reducing costs and expenditure while increasing efficiency and sources of income”, Jinke Services is comprehensively standardising the energy management pattern in daily operation, upgrading the energy management system, and carrying out daily statistics and analysis on energy consumption, so as to find out energy consumption abnormalities in time, and take measures to realise the scientific management of energy consumption.

Case

Energy consumption monitoring system

In order to monitor and manage real time energy consumption, the Company built a set of energy consumption monitoring systems, which can monitor relevant data by collecting them from energy consumption equipment, and warn of abnormalities. Moreover, the system is able to provide multi-dimensional data comparison such as year-on-year and quarter-on-quarter energy consumption of any categories. According to the above data, the system is able to formulate energy consumption optimisation strategies and advisories, and forecast the future trend, so as to maximise energy efficiency, and improve overall economic performance.

The energy consumption monitoring system has the following two advantages:



Reducing meter reading manpower costs: The remote meter reading system will enter relevant data into the system automatically, so as to reduce labour costs and improve efficiency and accuracy.



Reducing payment reminding manpower costs: The system will send an insufficient balance reminder to customers automatically, and provide multiple channels for payment. Payments can be through a QR code, APP or at the front desk at our service centre.

Jinke Services attaches great importance to water management in our operation, and actively takes measures such as recycling gray-water for irrigation and technological upgrading to continuously reduce water consumption and improve utilisation efficiency. We regularly carry out detection for rainwater pipe networks in our communities, detect and solve water consumption abnormalities with leakage detection equipment, and repair and replace the leakage points of pipes, so as to prevent the waste of municipal water supply.

Resources utilisation of Jinke Services in 2020²

Target	Unit	Usage
Electricity	MWH	123,007.38
Outsourcing heating power	GJ	4,159.00
Gas	ton	14.70
Natural gas	standard cubic meter	61,096.39
Comprehensive energy consumption	MWH	127,956.23
Comprehensive energy consumption density ³	MWH/ million square meter	820.23
Total water consumption	ton	4,240,619.25
Water consumption density	ton/ million square meters	27,183.46

²The collection of environmental data in 2020 covers the Company’s headquarters, offices of subordinate companies and projects, and the non-shared public areas.

³Energy consumption density is calculated based on the 156 million square meters of area under the Company’s management in accordance with the *General Principles for Calculation of Total Energy Consumption GB-T25892008*.

Greenhouse gas emissions of Jinke Services in 2020⁴

Target	Unit	Emission
Greenhouse gas emissions of scope 1 ⁵	ton of CO2 dioxide equivalent	176.83
Greenhouse gas emissions of scope 2 ⁶	ton of CO2 dioxide equivalent	75,047.26
Total greenhouse gas emissions	ton of CO2 dioxide equivalent	75,224.08
Greenhouse gas emissions density	ton of CO2 dioxide equivalent / million square meters	482.21

Green Community

Jinke Services strictly abides by relevant laws and regulations such as the *Environmental Protection Law of the People’s Republic of China*, *Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution*, *Law of the People’s Republic of China on the Prevention and Control of Water Pollution*, and *Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, actively identifies sources of the wastes generated in construction and operation stages and conducts compliance disposal. We also carry out propaganda and education of waste classification, so as to improve the environment of our communities, and strive to create clean and environment-friendly green communities for property owners.

The main wastes generated in property management process are domestic wastes, construction wastes and green garbage. For domestic wastes, we adopted a refined cleaning mode to improve the cleaning efficiency, and the wastes will be collected and sent to the municipal sanitation department for treatment by a third party on a regular basis. As for construction wastes and green garbage, we have an online resource management system to carry out data-based online management such as online checking-in and cloud spotting of cleaning staff, and set up designated areas for wastes collection, so as to regularly hand them to a qualified third party.

Jinke Services actively responded to the initiative of Chongqing to build “Zero-waste Area”, “Zero-waste City”, and demonstrate the “Zero-waste Culture” in 2020. We carried out the construction of “Zero-waste Community” and participated in relevant evaluations. In 2020, four of our projects won the title of “Zero-waste Community”. According to the evaluation standard of “Zero-waste Community”, the Company carries out all-round construction for all the participating projects, mainly including the following aspects:



Building environment management system

Set up management agencies for “zero-waste community”, formulate practice solutions, clarify responsible departments, and carry out targeted training.



Improving the supervision system

Establish complaint and suggestion channels for environmental problems in communities for timely coordination and settlement, and collect opinions from property owners via daily seminars, questionnaires, etc.

⁴Greenhouse gas emissions is calculated in accordance with the *Guidelines on Greenhouse Gas Emissions Accounting and Reporting — Other Industries* and IPCC’s conversion methods for the consumption of fresh water, gas, diesel, LPG and natural gas in 2006; power consumption is calculated in accordance with the *Guidelines on Enterprises Greenhouse Gas Emissions Accounting and Reporting — Power Generation facilities* published by the Ministry of Ecology and Environment of the PRC.

⁵Direct emissions of greenhouse gases (Category 1): mainly includes emissions from gasoline combustion of administrative vehicles and transport vehicles as well as direct emissions of carbon dioxide from the use of natural gas.

⁶Indirect emissions of greenhouse gases (Category 2): mainly includes indirect emissions of carbon dioxide caused by outsourcing electricity and heating power.



Improving infrastructure construction

Place waste-sorting bins and clean the garbage every day, set recycling bins for waste textiles, electronic wastes, furniture and other recyclable garbage, and regularly clean and transport them for compliance disposal.



Cultivating green living habits

Set up publicity boards for “Zero-waste City” concept and organise relevant education and training activities, guide residents to form green living habits, carry out environmental protection publicity and education activities under the theme of “Zero-waste City” at least twice a year, hold activities such as waste exchanging and small items repairing within communities, build environmental protection volunteer team with property owners as the main members and guide them to participate in the management and publicity process, and supervise the environmental protection work in communities.



Improving the chemical management system

Use high efficiency, low toxicity, residue and pollution pesticides to tackle diseases and insect pests of green vegetation, and recycle and dispose all hazardous wastes such as chemical fertiliser and pesticide packaging in a safe manner.



Implementing the sanitation standards and creating green living environment

Strictly implement the three-level quality supervision and inspection standards to ensure the sanitation of public places meets the requirements, and that there are no neglected corners of public hygiene, no garbage accumulation in public places for activities, and no floating dust on the road, and clean, collect and transport garbage regularly.



>Waste-sorting bins in the community



>Community publicity board for “Zero-waste City”



>Jinke Sunshine Town won the title of “Zero-waste Community” in Chongqing

Green Office

Jinke Services actively promotes the concept of green office, advocates the comprehensive construction of energy-saving company, calls on employees to consciously shoulder the social responsibility of energy conservation and environmental protection, and creates a green, low-carbon office in an all-round manner.

In order to comprehensively regulate the energy and water consumption and office resource usage in daily operations, we have formulated and implemented the *Regulations on Administrative Management*. In 2020, we have further issued *158 Guidelines for Increasing Sources of Income and Reducing Expenditure in Administrative System*, the *Notice on the Implementation of Office Energy Conservation and Consumption Reduction Measures* and other documents, established a working group and an operational cost data control mechanism, and organised various departments to carry out lectures on “reducing cost and expenditure while increasing efficiency and sources of income”, so as to promote the implementation of relevant measures and further stimulate employees’ awareness. In addition, we review the energy consumption of water and power every quarter, summarise and report the administrative revenue and expenditure, and incorporate them into the quarterly and annual performance evaluation indicators of responsible persons.

Jinke Services attaches great importance to the usage efficiency of resources and supplies in offices. We actively promote the paperless office mode, require documents to be printed on both sides, and set up a “green recycling box” next to printing machines to collect reusable papers. In addition, we strictly control the purchase standard of office supplies, formulate specific distribution standards for those resources, about 59,000 tons of office paper were used throughout the year. We set up “treasure boxes” to recycle and share office supplies, so as to cultivate good habits of a green office.



>Green office publicity pictures

Administrative wastes of Jinke Services in 2020

Target	Unit	Amount
Used toner cartridges	KG	680.68
Used ink cartridges	KG	12.15
Kitchen wastes	KG	42,187.20



07.

Creating Harmonious Community for Common Prosperity

- Volunteer Activities
- Fighting Against the COVID-19

At Jinke Services, we combine business with social responsibilities, and always take our corporate citizenship seriously. We also actively engage in public welfare projects to promote the common prosperity of both our own company and the communities we serve. Every year, we invite our community partners to participate in public welfare activities such as “Jinke Grand Community Volunteer Day” and the “Caring for the Elderly Program”, so as to bring vitality to the communities, and to practice our social responsibilities.



Volunteer Activities

Jinke Services set up a Grand Community Volunteer Team in 2017, and took the lead in carrying out neighborhood activities such as “Grand Community Volunteer Day” in the country. We also launched the activity “A New Dress, A New Book, A Promising Future” in the same year, introducing public welfare activities into the communities, and providing property owners with opportunities to help people in need.

Since then, we have assisted our property owners contribute to society during the “Grand Community Volunteer Day” every year, joining together with social welfare teams such as the Chinese Young Volunteer Association. In the spring of 2018, the two-month long volunteer activity carried out projects such as the greening homeland plan, provided support for poor students and children in remote mountainous regions, card for the elderly in nursing homes, and provided safety liaisons for the elderly living alone in big communities. In 2019, apart from activities such as donating secondhand goods, protecting the environment, and caring for the elderly, we also joined hands with Dragon TV’s We Are in Action program, as well as community volunteer teams, in order to promote the development of the local orange industry in Fengjie, Chongqing; this effort was helped by the millions of families who took part in the “Jinke Grand Community Volunteer Day”. In 2020, the “Grand Community Volunteer Day” had already become something our property owners looked forward to, with more and more property owners joining the volunteer teams to carry out public welfare activities.



>Grand Community Volunteer Day of Jinke Services



Case

Jinke Services issued a community declaration of caring for the elderly

On 25 October 2020, Jinke Services launched the first Jinke National Double Ninth Festival for the elderly in Chongqing, Zunyi, Chengdu, Xi'an, Changsha, Zhengzhou, Liuzhou, Wuxi and Ji'nan. Thousands of property owners and dozens of elderly art groups gathered together to enjoy the celebration held by Jinke Services. In addition to the shows, Jinke Services also issued China's first community declaration of caring for the elderly, taking “respecting the elderly” as an important convention of neighborhood culture in practice. In addition, we also hold the “Caring for the Elderly Program” every year, helping the old living alone in our communities by doing housework, chatting with them, and providing services such as air conditioner cleaning and safety inspection of household appliances, so as to take good care of their daily life.



>The first Jinke National Double Ninth Festival



>Caring for the Elderly Program

Fighting Against the COVID-19

At the beginning of 2020, the COVID-19 epidemic swept across the country. In the face of the epidemic, Jinke Services organised a volunteer team to assist Huoshenshan Hospital in Wuhan. At the peak of the epidemic, despite various difficulties, we bought supplies and goods such as disinfectants, masks, protective suits, hand sanitizers, and infrared thermometers. Procuring these supplies via multiple sources, we were able to ensure our residents had an adequate supply of masks, and that daily disinfection work continued in communities, thereby stabilising the supply of epidemic prevention and control materials and protecting the security of our communities.

Case

Jinke Services sent a volunteer team to assist Huoshenshan Hospital in Wuhan

During the epidemic in 2020, Jinke Services actively responded to the call of the government and selected 13 elite employees from more than 200 volunteers to build a “Huoshenshan” volunteer team to assist Huoshenshan Hospital. In the hospital, our volunteer team was mainly responsible for disinfection, cleaning and order maintenance work in non-isolated areas. The volunteers distributed works according to the risk of being infected. The CPC members were responsible for the disinfection work and garbage removing work with the largest workload and the highest risk. Other volunteers were responsible for cleaning and order maintenance in the welcome building of the hospital. In the 64 days of assisting Huoshenshan Hospital, the volunteer team overcame many difficulties, strictly carried out their tasks with their sense of responsibility, and ensured the full coverage of disinfection in their responsible areas and the safe operation of the hospital with high-quality property services.



>Our volunteer team at Huoshenshan Hospital in Wuhan

Case

Jinke Services fully ensured the safety of customers during the epidemic

During the epidemic outbreak in 2020, the Company responded rapidly and carried out works including joint prevention and control, disinfection, security patrol, management of visitors and services for customers' convenience. Our first-line property staff were always fighting for the health and safety of property owners with a 100% on-site rate.

In order to maintain community order, our conscientious staff completed tasks including vehicle and personnel check, closed management, cleaning and disinfection of public areas, water and electricity operation and maintenance, so as to build a strong barrier for epidemic prevention and control in our communities.



>Jinke Services' staff providing services for property owners during the epidemic

Case

“Vegetable Purchasing Services” provided by Jinke Services during the epidemic

During the epidemic in 2020, in order to better meet the living needs of our property owners, our property management staff served as special “purchasers” of the community they worked for. Every day, property owners sent detailed lists of goods to our staff via mobile phones. The staff then made purchases according to the lists, and sent the goods to each property owner. Becoming more familiar with the routes, market stalls and prices, the staff strived to meet property owners' needs with the most convenient, effective and safe way of procurement, and were highly praised by property owners.



>Jinke Services' staff purchasing foods for property owners during the epidemic

Outlook

In the future, the Company will continue to deepen the dual-engine development strategy, “Ecosystem + Technology”, and to improve our three business sectors — living experience services, technology services, and space services. In doing so, we aim to promote our business from community-level to the whole society, and to become a world-class smart service provider.

In terms of urban services, we will seize the market-oriented development trend of the property management industry. Taking advantage of our leading customer satisfaction, brand reputation, and ability to digitally integrate high-quality resources, we will continue to carry out market-oriented development. For smart technology services, we will continue to carry out digital transformation, promote the construction of smart city and smart community, continuously upgrade the integrated smart system, and improve the management of smart community via digital technologies such as big data, 5G networks, and AI. In addition, we will give full play to our leading scientific and technological capabilities in order to provide full lifecycle intelligent solutions to small and medium-sized property companies. This will help them to improve their level of intelligence, and will contribute to the construction of a digital society. For better living experience services, we will adhere to creating a better lifestyle for property owners, actively explore and develop various value-added services, make use of our “Online + Offline” service capabilities, and integrate the

advantages of upstream and downstream industrial chains, so as to provide personalised services for property owners. We will also continue to strive towards becoming a first-class service provider.

Holding the people-oriented concept in mind, we will pay more attention to the development and health of employees. To this end, we will accelerate the construction of our talent team and occupational healthcare system, and will continue to create a broad career development platform as well as an inclusive and stable working environment for employees, helping them to integrate their personal dreams into the Company's vision. We will always keep our social responsibility in mind, continue to advocate neighborhood culture throughout the country, strive to build a harmonious community, and actively participate in public welfare and voluntary activities. In addition, we will continue to adhere to the operational concept, “green, environmentally-friendly and low-carbon”, and we will create a low-carbon and environment-friendly living and working environment for our customers while achieving further energy conservation and emission reduction.

After 21 years of development, Jinke Services is gradually turning the beautiful imagination of community, city, and living experience into reality. We will, as always, stick to our original intention and ideals, integrate the concept of sustainable development fully into our development strategy and daily operation, and strive to become a global leader in smart city services in order to create more value for the country and society.



HKEx ESG Reporting Guide Content Index

Subject Area	Indicators	Page or explanation
A1 Emissions		
General Disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. <i>Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.</i>	P47-52
A1.1	The types of emissions and respective emissions data.	P52
A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P50
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P52
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P52
A1.5	Description of measures to mitigate emissions and results achieved.	P47-52
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	P50-52
A2 Use of Resource		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. <i>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</i>	P47-52
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	P49
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P49
A2.3	Description of energy use efficiency initiatives and results achieved.	P47-52
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	P49
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable
A3 The Environment and Natural Resources		
General Disclosure	Policies on minimising the significant impact on the environment and natural resources.	P50-52
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P50-52
B1 Employment		
General Disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P35-44
B1.1	Total workforce by gender, employment type, age group and geographical region.	P36
B1.2	Employee turnover rate by gender, age group and geographical region.	/
B2 Health and Safety		
General Disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P41-42
B2.1	Number and rate of work-related fatalities.	/

Subject Area	Indicators	Page or explanation
B2.2	B2.2 Lost days due to work injury.	P42
B2.3	B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	P42
B3 Development and Training		
General Disclosure	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. <i>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</i>	P37-41
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	P40
B3.2	The average training hours completed per employee by gender and employee category.	P40
B4 Labor Standards		
General Disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P35
B4.1	Description of measures to review employment practices to avoid child and forced labor.	P35
B4.2	Description of steps taken to eliminate such practices when discovered.	P35
B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	P15-16
B5.1	Number of suppliers according to geographical region.	P15-16
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	P15-16
B6 Product Responsibility		
General Disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P16,P25-26
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
B6.2	Number of products and service related complaints received and how they are dealt with.	P24
B6.3	Description of practices relating to observing and protecting intellectual property rights.	P32
B6.4	Description of quality assurance process and recall procedures.	Not applicable
B6.5	Description of consumer data protection and privacy policies, howthey are implemented and monitored.	P24
B7 Anti-corruption		
General Disclosure	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P14
B7.1	B7.1 Numbers and results of adjudicated corruption lawsuit against issuers or their employees during the reporting period.	P14
B7.2	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	P13-14
B8 Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P55-58
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P55-58
B8.2	Resources contributed (e.g. money or time) to the focus area.	P57-58

Reader's Feedback

Dear readers:

Thank you for reading our 2020 Environmental, Social and Governance (ESG) Report. We sincerely hope to listen to your valuable comments and suggestions on this report and our work. You can send the completed questionnaire via email after scanning. Thank you!

Email: irjks+@jinke.com

1. What kind of stakeholders do you work for:

☐ Shareholder ☐ Employee ☐ Supplier ☐ Customer ☐ Government

☐ Community ☐ Academic Institution ☐ Others (Please state)

2. Your overall comment on this report:

·Readability (Clarity, design, attractiveness, easy to find required information)

☐ 3 (Good) ☐ 2 (Average) ☐ 1(Below average)

·Credibility (Information disclosed in this report is true and credible)

☐ 3 (Good) ☐ 2 (Average) ☐ 1(Below average)

·Completeness (Both positive and negative information have been disclosed adequately)

☐ 3 (Good) ☐ 2 (Average) ☐ 1(Below average)

3. Content that you wish to know about but is not disclosed in this report:

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