



**2021**

**ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT**

**DEDICATED TO DETAILS**

# About the Report

## ● Reporting Guideline

This report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide* set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

## ● Reporting Scope

The report is the third Environmental, Social and Governance ("ESG") report published by Poly Property Services Co., Ltd. The report primarily discloses the Company and its subsidiaries' ESG performance, along with the relevant information during the period from January 1, 2021 to December 31, 2021. Unless otherwise specified, the scope of this report is consistent with the annual report 2021 of Poly Property Services Co., Ltd. The following is the scope of the Company defined by each category of environmental, social and governance in the report:

**Governance and social:** The scope of entity covers Poly Property Services Co., Ltd. and its subsidiaries. The Company's business covers property management services, value-added services to non-property owners, and community value-added services. The business portfolio covers residential communities, commercial and office buildings as well as the public and other properties.

**Environmental:** The scope of entity covers poly Property Services Co., Ltd. and its subsidiaries. The Company's business covers property management services.

## ● Reporting Principles and Data Sources

The report is based on the reporting principles of materiality, quantitative, balance and consistency of the Environmental, Social and Governance Reporting Guide. The data and cases are all extracted from statistical reports and relevant documents of the Company. The Company assures that the report does not contain false records or misleading statements and takes responsibility for the authenticity, accuracy and completeness of the content. Unless otherwise specified, the monetary amounts in this report are in RMB.

## ● Reference Terms

Poly Property Services Co., Ltd., together with its subsidiaries, is also referred to as "Poly Property", "the Company", "we" in the report for better expression and readability.

## ● Confirmation and Approval

The report was reviewed and approved by the Board of Directors on March 15, 2022 for release.

## ● Access to the Report

The digital report can be accessed from the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) or the Company's official website ([www.polywuye.com](http://www.polywuye.com)).

## ● Feedback

If you have any questions or suggestions on this report and its content, please contact us via the following methods:  
Address: Rooms 201-208, No. 688 Yue Jiang Zhong Road, Hai Zhu District, Guangzhou, Guangdong Province, China  
Poly Property Services Co., Ltd.  
Email: [stock@polywuye.com](mailto:stock@polywuye.com)

# Message from Senior Management

Dear stakeholders,

2021 marked the beginning of the 14th Five-Year Plan period. Over the past year, we have firmly implemented the development strategy, promoted diversified business development, and witnessed steady growth in all performance indicators, laying a solid foundation for successfully achieving our goals during the 14th Five-Year Plan period. Meanwhile, we keep integrating the concept of sustainability into all aspects of corporate operation and continue to create values for the stakeholders by leveraging our resources in promoting people's livelihood, low-carbon lifestyle, development and platform.

## Securing people's livelihood through intelligent innovation.

We intensify our efforts to upgrade and promote our service brands, including "Harmony Courtyard", "Oriental Courtesy", "Nebula Ecology", and "Towns Revitalisation", exploring new scenarios and modes where residents can enjoy comprehensive and convenient services. To build intelligent communities, we have innovated in the service governance mode across the board through three integrated innovative brands for party building, naming "Spark Community", "Spark Block", "Spark Building" to deliver high-quality services and lifestyle for our customers ingenuity and sincerity. Meanwhile, we have actively responded to national policies to tighten routine COVID-19 control and build firewall for all business lines to safeguard the harmony and peace of each and every household.

## Driving green and low-carbon development.

To enable a better environmental management system, we have developed new management methods and technical means, and promoted lean energy management, in an effort to improve resource efficiency and reduce greenhouse gas (GHG) emissions during our green operations. In line with the national strategies, we have studied the "carbon peak and neutrality" decarbonization policy, rolled out targeted strategies and plans based on our business conditions, and promoted waste sorting at the communities under our jurisdiction to protect the natural environment. Together with the customers and property owners, we strive to forge a comprehensive green transformation of economic and social development.

## Building a talent pool for development with the people-oriented principle.

We earnestly build our talent teams, and the key talent supply chain. We have launched a "Recruitment Program" targeting medium and high level talents, families hit by COVID-19, veterans and continue to invest in the development of employees to help them thrive. We emphasize the protection of employee rights and equal employment, and provide competitive compensation and benefits to deepen their sense of belonging. We also nurture the corporate culture to enhance the happiness of employees through various activities.

## Leveraging the power of platforms through joint contribution and shared benefits.

We adhere to the philosophy of win-win cooperation, and share development rights and opportunities with suppliers to build a full-value service ecosystem. We devote our expertise and resources to volunteer services and charity in the hope of sharing development outcomes with all.

Facing the future, we will brave the difficulties and strive hard. We will showcase our national strength in the era of comprehensive property, and march forward with our stakeholders towards the future of sustainable development and create more social values.

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# Statement of the Board

## Management Approach

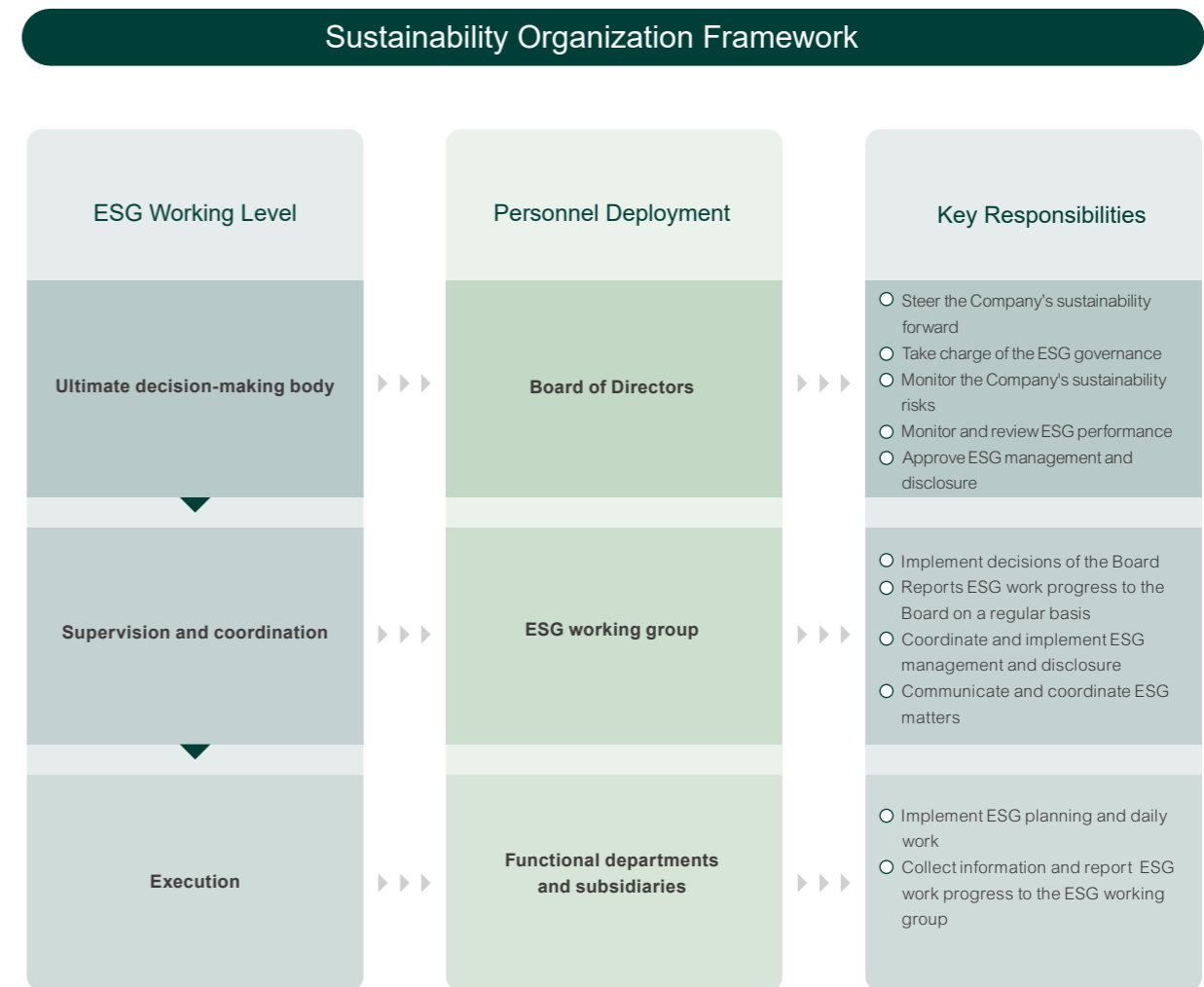
Poly Property believes that promoting sustainable development is as important as achieving long-term business growth. We have therefore made continuous efforts to maintain a high degree of sustainability during our operations. Committed to propelling a sustainability plan in areas such as corporate governance, environmental protection, labor rights and community investment, we keep good communication and relationships with stakeholder groups, such as customers, investors, governments, suppliers and non-profit organizations, etc.



## ESG Governance Structure

To ensure effective ESG management of Poly Property, the ESG governance structure, composed of the Board of Directors, ESG working group, functional departments and subsidiaries, has been established to promote ESG management and disclosure.

The Board, the ultimate decision-making body of the Company, is responsible for the Company's ESG governance. It shall lead the decision-making of ESG management, assess the potential risks of ESG matters to the Company's business model, participate in and be responsible for formulating the Company's ESG strategies and objectives, and ensure that the ESG strategies are incorporated into the business decision-making process. The Board also regularly monitors and reviews the achievement of objectives and puts forward improvement suggestions. Besides, it approves the materiality, quantitative, consistency and balance of the ESG report. The ESG working group, serving on the supervision and coordination level, is responsible for implementing Board resolutions, coordinating ESG matters, preparing ESG reports, and reporting ESG progress to the Board on a regular basis. Each functional department and subordinate company, serving on the execution level, is responsible for rolling out initiatives set up by the ESG working group, reporting ESG work progress and data and implementing ESG management.



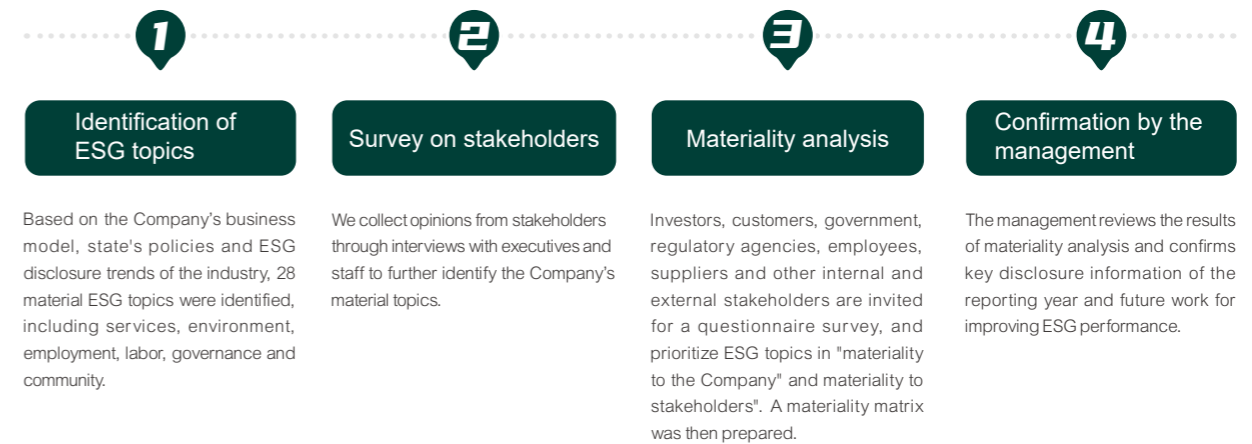
## Stakeholder Communication

Keeping close communication with stakeholders is vital to the Company's sustainable development. We are committed to establishing a multi-level, multi-channel communication mechanism to track stakeholders' opinions and suggestions regarding our sustainable development. We also review our performance on key issues to ensure that we can respond effectively to stakeholder needs while improving ESG governance capabilities and performance.

Types of Stakeholders	Major Requests	Ways of Communication
 <b>Investors / Shareholders</b>	<ul style="list-style-type: none"> <li>Sustainable profitability</li> <li>Protection of shareholders' rights and interests</li> <li>Effective risk management</li> <li>Improved information transparency</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders' general meeting</li> <li>Announcements and circulars</li> <li>Performance conference</li> <li>Investors hotline and email</li> <li>Roadshow and reverse roadshow</li> </ul>
 <b>Customers / Owners</b>	<ul style="list-style-type: none"> <li>Professional and responsible property services</li> <li>Safe and comfortable community environment</li> <li>Harmonious community culture</li> </ul>	<ul style="list-style-type: none"> <li>Surveys on customer satisfaction</li> <li>Customer service hotline</li> <li>Service APP for property owners</li> <li>Meetings with property owners</li> <li>Community cultural activities</li> </ul>
 <b>Government &amp; Regulatory Agencies</b>	<ul style="list-style-type: none"> <li>Operation in compliance with laws and regulations</li> <li>Implementation of state's policies</li> <li>Participation in social governance</li> </ul>	<ul style="list-style-type: none"> <li>Policy implementation report</li> <li>Government inspections</li> </ul>
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Protection on basic labor rights and interests</li> <li>Guarantee for occupational health and safety</li> <li>Competitive remuneration and benefits</li> <li>Equal opportunities and communication channels</li> </ul>	<ul style="list-style-type: none"> <li>Staff's democratic life meetings</li> <li>Workers representative assembly</li> <li>Complaint hotlines and emails</li> </ul>
 <b>Suppliers &amp; Partners</b>	<ul style="list-style-type: none"> <li>Promotion of industry development</li> <li>Cooperation and mutual benefit</li> </ul>	<ul style="list-style-type: none"> <li>Daily communication of bidding and procurement</li> <li>Participation in cross-sector cooperation</li> <li>Participation in industry exchange for the sustainable development of the industry</li> </ul>
 <b>Non-profit Organizations &amp; the Public</b>	<ul style="list-style-type: none"> <li>Contribution to rural vitalization</li> <li>Development of community charity</li> <li>Support for charity activities</li> <li>Protection of ecological environment</li> </ul>	<ul style="list-style-type: none"> <li>Consumption-driven assistance activities</li> <li>Charity events</li> <li>Donations and volunteer activities</li> <li>Activities on spreading the green concept</li> </ul>

## Materiality Analysis of ESG Topics

To assess stakeholders' concerns and expectations on ESG topics of the Company, we conduct materiality assessment of ESG topics with the following procedures.



Based on the assessment procedures above, we have identified 19 material topics: (the tier-1 and tier-2 in the materiality matrix), and disclose them in the report.

### Materiality Matrix

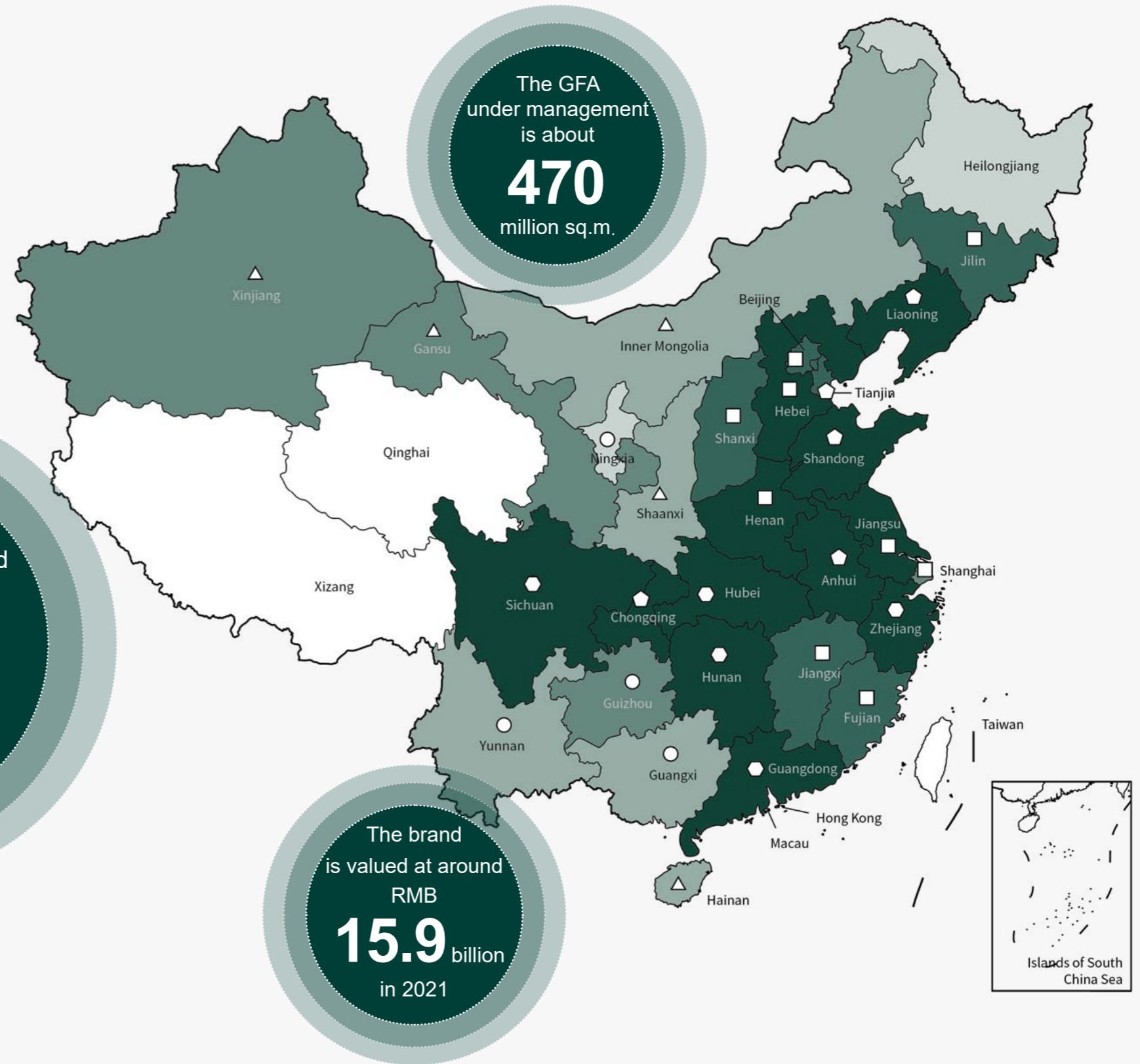
- The tier-1 topics (the topics that have the most critical and material potential impact on sustainable development)
- The tier-2 topics (material topics that have great potential impact on sustainable development)
- The tier-3 topics (material topics that have relatively low potential impact on sustainable development)



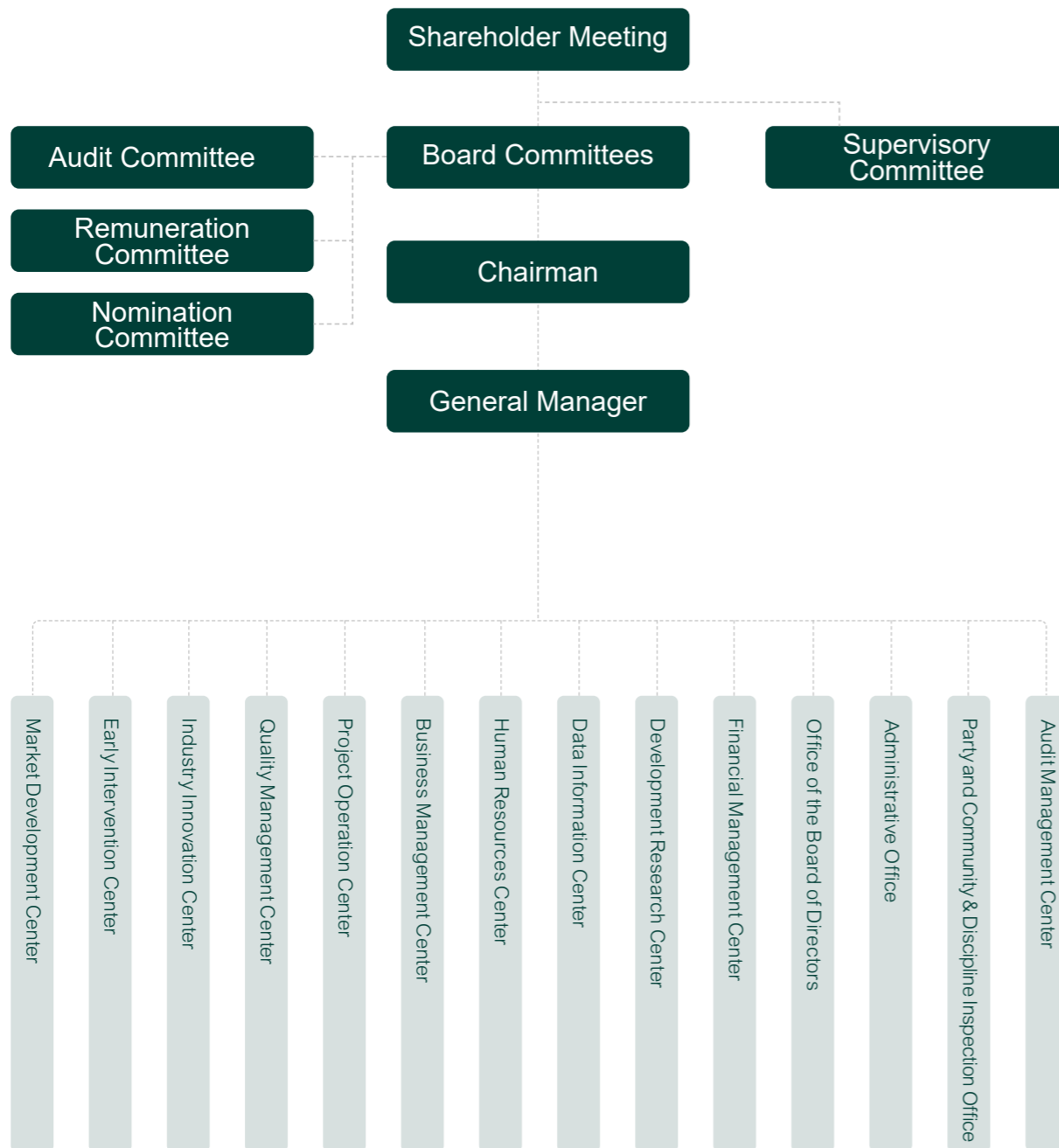
# About Us

## Company Profile

Poly Property Services Co., Ltd. (together with its subsidiaries, is referred to as "Poly Property", "the Company" or "we") is a leading comprehensive property management service provider in China with extensive property management scale and state-owned background. According to 2021 China's Top 100 Property Service Companies by China Index Academy, among which Poly Property ranks 5th, and 1st in management scale with central SOE background. With high-quality services and brand strength, we have enjoyed an industry-wide reputation. Our brand was valued at around RMB15.9 billion in 2021. The Company's three main business lines, namely, property management services, value-added services to non-property owners, and community value-added services, form a comprehensive service to our customers along the value chain of property management. As of 31 December 2021, our business has entered 196 cities in 29 provinces, autonomous regions and municipalities across the country. We have recorded a gross floor area ("GFA") under management of approximately 465.3 million sq.m. with 1,786 projects under management, and a contracted GFA of approximately 656.3 million sq.m. with 2,428 contracted projects. We continuously push forward the "Comprehensive Property" strategy and our business portfolio covers residential communities, commercial and office buildings as well as the public and other properties.



## Organizational Structure



## Key Performance in 2021

### Economic



### Social



## Company Honors

Award	Awarding Entity
<b>Industry</b>	
2021 Top 100 Property Management Companies in China (Top 5)	China Index Academy
2021 China Top 100 Leading Property Management Companies in terms of Services Quality	China Index Academy
2021 Top 10 Listed Companies of China Property Management Service	E-House Real Estate R&D Institute, China Real Estate Brand Appraise Center
2021 China TOP10 Property Management Companies in terms of Business Size	China Index Academy
2021 China Top 10 Property Management Companies in terms of Business Performance	China Index Academy
2021 China Specialized Operational Leading Brand of Property Service Companies (Brand value: RMB 15.9 billion)	Beijing China Index Academy
2021 China Leading Property Management Companies in terms of Service Quality	E-House Real Estate R&D Institute, China Real Estate Brand Appraise Center
2021 China Leading Company for City Property Services	E-House Real Estate R&D Institute, China Real Estate Brand Appraise Center
2021 Leading Company for Commercial Property Services	E-House Real Estate R&D Institute, China Real Estate Brand Appraise Center
2021 China High-end Property Service Leading Company	China Index Academy
2021 China Leading Property Management Companies in terms of Nebulas Enterprise Service-- Commercial Office Service Brand	China Index Academy
2021 Featured Brand of China Property Management Service - Oriental Courtesy	E-House Real Estate R&D Institute, China Real Estate Brand Appraise Center
2021 Benchmark Company for Refined City Governance	China Index Academy
2021 Leading Listed Company of China Property Management Service in terms of Leading Market Development Capability	E-House Real Estate R&D Institute, China Real Estate Brand Appraise Center
<b>Technology</b>	
2021 China Leading Company for Smart City Services	China Index Academy
2021 Leading Company for Smart Services	Leju Holdings Limited
<b>Safety</b>	
Chengdu Safety Culture Demonstration Unit - Chengdu Branch	Office of Work Safety Committee of The People's Government of Chengdu Municipality
<b>Environment</b>	
2021 Advanced Unit of Urban Water Conservation - Chengdu Branch	Water Conservation Center of Chengdu Municipality
The Most Beautiful Community in Xindu District, Chengdu - Poly Huxindao	Housing and Urban Rural Development Bureau and Housing Development Service Center of Xindu District of Chengdu
<b>Employment</b>	
2021 Outstanding Award for Human Resources Management	51 job
2021 Award of Excellent Employer of Veterans in Guangdong	Zhaopin
<b>Social Responsibility</b>	
2021 China Leading Property Management Companies in terms of Social Responsibility	China Index Academy

## Corporate Governance

The Board of Directors of the Company (the "Board") is committed to maintaining a high standard of corporate governance and believes that good corporate governance is critical to the Company's sustainable development and stable business growth. Sound corporate governance is put in place to safeguard the interests of shareholders and enhance corporate value.

A clear governance structure has been established by the Shareholders' General Meeting, the Supervisory Committee, the Board and its specialized committees in accordance with the relevant laws, Articles of Association of the Company (the "Articles of Association") and their respective terms of reference. Each entity of the governance structure takes on their respective duties and responsibilities and coordinates with each other with effective supervision to continuously improve the corporate governance standard of the Company, and form a sound corporate governance structure. The Company ensures its operations in strict accordance with the "Listing Rules of the SEHK. In 2021, the Company held 7 Meetings of the Board, 3 Shareholders' General Meetings, 5 Supervisory Committee meetings and 10 Meeting of the Board committees.

As the implementation body of daily operation, the management of the Company is responsible for organizing the shareholders' general meeting, implementing the resolutions of the Board and taking charge of day-to-day managerial work in accordance with the authorization of the Board.





## Risk Management

Poly Property has established comprehensive and effective internal control and supervision systems throughout its business to safeguard the achievement of its business objectives and sustainable development. The Company adopts multi-tiered management for its comprehensive risk management work. The framework includes the Board, Audit Committee, Operation Management of the Company, the management at the Headquarters of the Company and its subsidiaries, and the Auditing Management Center. The risk management process is ensured by risk identification and analysis, system rectification, ongoing monitoring and regular risk reporting.

In 2021, we optimized the comprehensive risk management system, and improved the three lines of defense of risk management according to the Company's phased key work and strategic layout. Based on the five major risk categories (strategic risk, market risk, financial risk, legal risk and operational risk) of SASAC, we further added probity risk and integrated compliance risk, and updated the process framework and risk list. In addition, we updated and issued the supporting guidelines, including *Poly Property Comprehensive Risk Management Regulation, Guidelines on Risk Information Collection, Guidelines on Risk Assessment and Guidelines on Risk Supervision and Early Warning*, to ensure that all risks of the Company are controllable.

## Anti-corruption and Probity

Poly Property strictly complies with relevant Chinese laws, such as the *Company Law, Anti-money Laundering Law, Anti-Unfair Competition Law*, and other regulations like *Interim Provisions on Banning Commercial Bribery*. The Company has established and implemented some regulations, such as *Measures of Implementing Discipline Inspection and Supervision System, Ten Prohibitions for Leading Cadres, Convention on Integrity of Cadres, Measures for Cadre Supervision and Management and Eight Prohibitions for Management Cadres*, in order to ensure the probity of the Company through

integrity education and preventive measures. As the highest supervisory body for anti-corruption and business ethics matters, the Board and the Audit Committee confirmed that the Company's risk management and internal control systems and procedures were adequate and effective during the reporting period, ensuring controls over operational activities, including corruption risks, were effectively implemented. In terms of operations, the Company has established a three-layer inspection and supervision system which covers the headquarters, regions and projects, which is implemented by the Company's discipline committee. The secretary of the discipline committee allocates supervision responsibilities to subordinate units to report timely to the Company's discipline inspection department, integrating anti-corruption work and business management.

In 2021, the Company formulated the *Measures for Response to the Opinions on Party Conduct and Clean Governance* to further standardize the work of the Discipline Inspection and Supervision Department, and tighten control over the politics, moral conduct, ability, decency and integrity during the processes of personnel selection and employment. The Company revised the *Administration Measures for Letters and Visits of Discipline Inspection and Supervision* that optimizes the responsibilities of the department receiving the letters and visits of discipline inspection and supervision as well as the procedures and methods of handling letters and visits, so as to standardize work in this regard. We formulated the *Implementation Plan for Comprehensive Supervision* which garners the supervision force within the Company to build a comprehensive supervision framework under the unified leadership of the Party committee with the discipline committee taking charge and all departments working together.

## Anti-corruption Management

The Company takes measures such as signing the *Letter of Commitment to Integrity and Self-discipline* with staff, establishing an integrity archives and conducting off-office auditing to implement anti-corruption management. The Company

offers official channels for reporting, such as reporting hotlines, emails as well as an integrity supervision function in the Company's online OA platform, encouraging staffs and other stakeholders to report existing and potential corruptions. In order to protect whistleblowers, the Company ensures that their information is kept private with effective initiatives. In case of retaliation of the informant, the Company will deal with the matters in a serious manner. In addition, the Company ensures that whistleblowers' information is adequately protected, and that all information received is kept confidential except as required by law or by law enforcement authorities. We encourage real-name reporting in order to promote the effective investigation. We also accept anonymous reports, taking into account the willingness of the whistleblowers in special cases. During the reporting period, there was no corruption lawsuit against the Company or its employees.



### Public Channels for Anti-corruption Reporting:

- Email: polyjijian@polywuye.com
- Hotline: 13544576242
- Website address: <http://x.polywuye.com/baoli/searchAnony.jsp>
- Mail Address: Discipline Inspection Office, 49th Floor, Poly Plaza, 832 Yue Jiang Zhong Road, Haizhu District, Guangzhou
- Online reporting system QR code

## Anti-corruption Training

### Collective sessions

Organizing Party members to study regulations, such as the *Special Action Plan on Preventing and Defusing Major Risks the Overall Plan for Rectifying the Problem of Power Abuse of China Poly Group Corporation the Eight Prohibitions and Thirty Bans*.

### Themed sessions

Carrying out integrity training during the monthly business analysis meeting, Party building training, and new employee training to integrate the awareness of integrity into all links of the Company's operation and management; giving the first lesson of integrity for new employees, and informing new members nationwide of the requirements for honest employment in state-owned enterprises(SOEs); holding conferences to warn Party members and cadres of Party conduct and clean governance to improve their awareness of integrity and self-discipline.

### Online sessions

Updating integrity reminders and theoretical articles via the WeChat column of "Clean Poly"; tweeting a series of articles under the theme of "Celebrating the 100th Anniversary of the Founding of the CPC and Honoring the Party History and Discipline" to make learning more convenient and regular.

### Publicity activities

#### The Month of Clean Governance

Carrying out a series of activities, including organizing all Party members and employees to study the special rectification cases of overseas corruption, tunneling and propping, rent-seeking and turning public property into private property; watching education films; visiting the clean governance education base; and inviting Party building experts to give lectures.

#### Defusing probity risks

Organizing all units to investigate and rectify the problem of power abuse, actively participating in the knowledge contest of preventing power abuse, and carrying out a series of activities of "Three Inspections" and "Three Interactions" to strictly investigate probity risks in the Company's operation and management.

#### Anti-corruption training for the Board

We have held Party Committee's Conference on Clean Governance and Anti-Corruption for Board members to study the requirements of the Fifth Plenary Session of the 19th Central Commission for Discipline Inspection, and of the higher-level conference on Party style and clean governance and anti-corruption. We have held conferences to warn Party members of clean conduct and governance. Through education videos, typical cases of discipline violation, and speeches, we aim to strengthen the Board members' awareness of corruption.

7 Board members attended the anti-bribery and anti-corruption training

28,358 employees attended the anti-corruption training

113,432 hours of anti-corruption training for Board members and employees

# Social Responsibility

## Providing Heartfelt Services through the Spark Model and Joint Party Building

In the post-COVID era, based on the urgent demand of the government for integrating property management into grass-root governance, Poly Property innovated in its service governance model by improving service quality and resource use, and put forward the "Spark Model" to empower communities, public services and commercial property through "one banner, three fronts". The Company have innovated in the service governance mode across the board through three integrated innovative brands for party building, naming Spark Community, Spark Block, Spark Building to address the needs of customers for a better life, deliver accurate and refined property services, and build a pattern of social governance that features "collaboration, participation and common interests".

### The Contents of the Spark Model

#### One banner

#### Shared governance

With Party building as the guide and national strategy as the mission, we mobilized teams to build the "multiparty governance under one principle" model which guarantees a more transparent system of collaboration, participation and common interests for harmonious communities; more stable social grass-root governance; and more cohesive corporate relation of extensive consultation, joint contribution and shared benefits.

#### Three fronts

#### Organization

##### Joint Party building

Build a bridge of "democratic consultation" among the government, owners and property.

##### Team building

Combine multiple forces to build teams performing different roles and functions. Embed the concept of self-governance in the hearts of the public and thoroughly implement it.

##### Diversified organizations

Stabilize diversified social organizations in terms of safety, culture and coordination.

#### Publicity

##### Revolutionary bases

Build revolutionary bases for Party building and cultural spaces with multiple functions for the public.

##### Diversified cultural activities

Provide heartfelt services during holidays and festivals for people, especially the elderly and children to enrich the culture of communities.

#### Services

##### Digital application

Use information-based means to accelerate the information disclosure of property services, improve public supervision, and achieve timely communication among the public, the property and the government to mediate and solve problems in real time.

##### Diversified service scenarios

Focus on guaranteeing basic services which are the top concern of the public. Carry out scenario-based development and implementation in line with the service content, and continuously improve service quality.

## Spark Community Offering Heartfelt Services

Spark Community, centering on property scenarios, builds a collaboration, participation and common interests model among the government, owners and property via the "one agreement, two platforms, three teams" system to facilitate Covid-19 prevention and control and provide services to the public.

### 1 One agreement - leading democratic consultation

The agreement signed by the property, sub-district office, and community builds the bridge of "democratic consultation" and integrates property management with community governance.



#### Case Changes made by Zilin Xiangyuan Project in Guangzhou

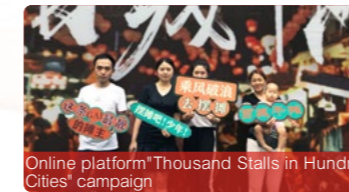
In November 2020, the Shuixiu No. 1 bus station in the north of Guangzhou Zilin Xiangyuan was put into operation, which caused inconvenience to nearby residents, such as taking detours and safety concerns. Residents voiced strong demand to open a gate in the north. After hearing their demands, Poly Property Guangzhou Zilin Xiangyuan Service Center (hereinafter referred to as "Service Center") set up a discussion group to solicit property owners' opinions. With nearly 90% of the owners voting for building the gate, the Service Center communicated with the sub-district office which then negotiated with the district Greening Science and Technology Association to finalize the site of the gate. On January 24, 2021, the north gate of Zilin was officially opened, bringing great convenience to the owners.



The north gate of Guangzhou Zilin Xiangyuan Project of Poly Property

### 2 Two platforms - gathering forces

Cooperating with the government, we built online and offline platforms. The online platform, serving as a platform for the convenience and communication of the owners, is powered by mini programs. While the offline platform, in partnership with sub-district offices, establishes Party building activity centers in communities for residents' leisure. Through holding a variety of activities, we hope to enrich residents' life and improve their sense of identity and belonging.



Online platform "Thousand Stalls in Hundred Cities" campaign

### 3 Three teams - serving the public

#### Volunteer teams

Adhering to the concept of "collaboration, participation and common interests", the owners and property staff jointly set up volunteer teams to solve the prominent problems of grass-root governance and promote the spirit of public welfare through activities such as community building and public welfare.

#### Front-line teams

Under government guidance, we established a functional Party branch to involve owners in community services through publicity and guidance. A number of front-line teams have been established to take the lead in epidemic containment, flood fighting and other activities.

#### Publicity teams

Expanding the culture and sports teams in communities. We have established the association for the elderly, choirs, and dance teams to encourage more property owners to participate in culture and sports activities and strengthen the cultural atmosphere of communities.

In 2021, we built **52** Spark Communities, **100** Spark Posts, and **38** Spark Service Stations. We established partnership with **82** organizations, launched **182** cultural activities in communities, **226** community governance activities, and **141** Party and Community activities.

## Spark Block Reshaping City Environment

Echoing the demands for public service scenarios, Spark Block, a "Party building + grid" operation system with three tiers, namely "Spark Station - Spark Unit - Spark Guard", delivers refined services to all district members and works with the government in grass-root social governance.



#### Case Turning a new page for Gushan town

In 2021, Poly Property along with Gushan township government created an overall service management system under the "Spark Model". Through refined governance and humanistic services, the Company provided support for local environmental governance, epidemic containment and economic and social development.

Through the joint Party building mechanism, we held three-party joint meetings regularly to respond to the needs of people, improve the frequency of cleaning and disinfection of public toilets in the town to ensure sanitation, and remove "small posters" from public toilets. We also tightened supervision over street vendors, building Gushan into a "national clean town".



Establishing "Gushan Party and League Commando" to fight against the epidemic. We disinfected 54 open residential areas, 128 buildings, more than 200 garbage points and 20 public toilets in Gushan town. We actively cooperated with Gushan township government to carry out national Covid-19 testing at 5 testing sites for more than 15,000 people in an orderly manner. We also launched telephone screening, covering 600 people to minimize personnel flow and block the spread of the virus.

Promoting the revitalization and development of cities and towns through diversified cultural activities. Poly Public Service Center in Gushan town contributed to the successful holding of the "Third Prune Blossom Tourism Festival". The town participated in the whole process from preparation to on-site services with professional standards, and made breakthroughs in the tourism and cultural industries in Gushan town.

Building the "Spark Service Team" to care for poor families and the elderly living alone. Building the "Spark Service Station" in Gushan town to provide timely services to people.

## Spark Building Developing the Building Economy by Government-Enterprise Integration

Focusing on demands for commercial and office buildings, "Spark Building" puts Party building, business operation and governance on parallel tracks. With the goal of driving high-quality development of the building economy, we integrate services for Party affairs, government affairs, and general affairs and break the boundaries between the government and enterprises to build a sustainable building ecology under the principle of consultation, participation and common interests.



#### Services for Party affairs

Under the guidance of Party building, we effectively organized and managed Party organizations and members in our buildings by setting up a Party management team.



#### Services for government

We set up a government-enterprise center to pool government resources into the Party and Community service platform and provided timely services through the window of inquiry and one-stop service station to improve communication efficiency.



#### Services for general affairs

By leveraging the techniques of Internet plus, we optimized online repairs reporting, rent payment, information disclosure, education and exchanges, and reservation for activities to make property and information services more accessible.

# Social Responsibility

## Sticking to the Frontline to Build a Strong Line of Defense Against COVID-19

In 2021, COVID-19 ravaged numerous regions across China. With a strong sense of responsibility and mission as a SOE, employees of Poly Property fought on the frontline to win the battle against the epidemic. We integrated epidemic containment into management and various business forms. Meanwhile, we kept track of COVID-19 outbreaks nationwide in real time to kick off emergency plans immediately in case of new outbreaks. We worked hard to form efficient prevention measures, and tightened epidemic control to safeguard the life, health and property of all citizens and residents in our communities.

### Strengthening COVID-19 Control through a Unified Defense

#### Zhengzhou Combating the flood and the epidemic

At the beginning of August 2021, when Zhengzhou just went through the flood, new COVID-19 cases shoot up. Facing severe challenges, Poly Property's employees dedicated to flood fighting threw themselves into epidemic control. According to the requirements on COVID-19 prevention issued by the government, Poly Property took immediate actions to build a "wall of protection" for community-based epidemic control, and helped with the city's two large-scale COVID-19 testings, covering 50,000 people in about 7 projects, to win the battle of epidemic containment in Zhengzhou.



Disinfection is in progress by Poly Property.

#### Chengdu "Poly Speed" in securing owners in quarantine Witnessing Poly's efficiency

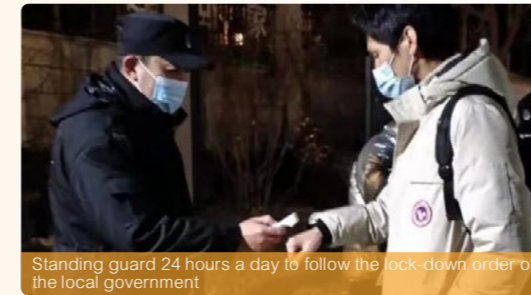
On July 27, 2021, there was a new confirmed case in Chengdu. Due to its proximity to medium risk areas, Chengdu Poly Lily Garden decided to implement lock-down procedures which implicated more than 1,000 property owners. Sichuan Poly Development and Poly Property jointly held an emergency meeting-property butlers would deliver free fresh vegetables to the doorstep of over 1,000 property owners in quarantine.



At six in the morning, the first batch of fresh vegetables had been delivered to a COVID-19 free zone near Lily Garden to be unpacked and delivered by staff.

#### Shijiazhuang All staff called back to duty

On January 6, 2021, the fight against COVID-19 began quietly in Shijiazhuang in the middle of the night. Overnight, the city was put to a stop. At the instruction of the superior departments, all employees of our Hebei Branch were called back to duty following the lead of the project manager. Hebei Branch held an emergency meeting late at night to make arrangements for COVID-19 prevention and control, and trained employees about key matters. The branch worked hard to protect the security guards of communities, disinfect the environment thoroughly, assist COVID-19 testing, and provide heartfelt services and publicity in the hope of building a strong defense against the epidemic.



Standing guard 24 hours a day to follow the lock-down order of the local government

#### Shanghai Helping one another during COVID-19

On July 29, 2021, State Grid Shanghai Municipal Electrical Power Company sent over 400 employees to Henan to restore power supply in flood hit areas. After successfully completing the task, they returned to Shanghai safe and sound. However, due to the sudden resurgence of COVID-19 in Zhengzhou, Henan, 102 of them were locked into quarantine by Shanghai Municipal Health Commission in Nanhuyuan Smart Power Company. During this period, our Shanghai Branch took care of these "power grid heroes". Facing challenges such as being unfamiliar with the environment, and heavy pressure and strong professionalism of COVID-19 control, our management team provided one-on-one contact-free delivery, door-to-door service, professional garbage classification, disinfection and sterilization services in an orderly manner after training. The team's hard work and considerate service were highly recognized by the leaders of the Health Commission and State Grid Corporation of China as well as people in quarantine.



The service team is processing the garbage to avoid potential risks of infection.

### Improving COVID-19 Control Efficiency through Smart Techniques

We relied on the smart means of triple prevention during transport, distribution and epidemic control management. We resorted to smart machinery to reduce human contact and transmission of COVID-19 and improve the efficiency of property management.

#### Smart transportation

We used smart unmanned vehicles to transport food, supplies and parcels for property owners in quarantine to reduce human contact during transportation and contain the risk of infection.

#### Smart distribution

The distribution robot took charge of the daily distribution of a large number of small and medium-sized goods. Operating according to system settings, the robot can automatically get in and out of elevators, deliver goods to the doorstep of property owners, and send message to or call the owners to pick up the goods.

#### Smart patrol

We put the COVID-19 control patrol robot into operation. The robot is equipped with functions such as 360-degree and all-weather patrol capability, 5G real-time HD video transmission, intelligent image recognition and temperature screening. It can monitor the temperature of property owners in the community in real time dynamically, and alert people without masks and report them to property staff on duty.



Patrol Robots for COVID-19 Prevention and Control in the Community

As the fight against COVID-19 continues, Poly Property will play the role of "soft infrastructure", and build a strong line of defense against the virus to overcome difficulties, and safeguard the happiness of all households.

## Securing People's Livelihood Through Intelligent Innovation

In line with the strategy of "comprehensive property, small scenario, new business, digital drive", we customize overall business format, and continuously expand the scale of comprehensive property. Bearing in mind the mission to secure people's livelihood through high-quality services, we identify customer demands, innovate in service models, improve quality, and empower a better life with intelligent technologies, high-standard and excellent service and professional attitude.

### [CSR Story]

Empowering "Small Scenarios" Through Digital Drive

Improving Customer Experience

Guaranteeing the Safety of Customers

Enriching Community Life

Responding to Customers' Demands



## Empowering "Small Scenarios" Through Digital Drive

On March 31, 2021, in Poly Property's Zishan Garden in Foshan, an elderly accidentally fell to the ground. On the monitoring screen, a warning popped up to issue an alert for the incident, and security personnel responded immediately and arrived at the scene in less than 3 minutes. After arrival, they identified the elderly through the intelligent information and data system, contacted his family, and waited with the elderly for medical rescue and his family. The whole rescue process took only about 20 minutes.

Poly Property's Zishan Garden Villa, covering an area of over 1,500 mu and a construction area of about 1.6 million square meters, is one of the many projects equipped with Poly Property's intelligent AI security system. Precise positioning and rapid rescue in such a vast territory are indeed supported by the powerful algorithm of the AI system.

In Zishan Garden's Intelligent Processing Center, the nearly 10-meter wide super-large screen boasts functions such as video analysis, equipment operation, fire alarm and service system modules, with cameras covering the whole garden. Images captured by the cameras will be analyzed and compared via the AI system which feeds the results to the super-large screen for notification and distribution, statistics and processing. The AI security system works 24 hours a day non-stop to recognize illegal occupation of passages and fire escapes, face recognition, falling down of pedestrians, garbage overflow, and environmental problems, and respond to the incidents or issue warnings after comparison with the database. By integrating intelligent technology with humanistic services, the system provides owners with a safer, cleaner and more convenient living environment, and contributes to a better life.

## CSR Story

On April 16, 2021, Poly Zishan Garden Project was awarded the "Smart Community Demonstration Project" by Guangdong Property Management Industry Institute.

Comprehensive property consists of countless "small scenarios" which are enabled by digital drive. Facing an intelligent future, Poly Property will further identify the demands of property owners, and combine technology with services to display the charm of human culture.



### Safer life

Through "Angel Eye" video monitoring system, property owners can check the surveillance cameras covering entertainment areas for children and the elderly via the mini program.

### More convenient travels

Through intelligent techniques such as face recognition, automatic license plate recognition, and automatic elevator ride, travels become more convenient.

### Cleaner environment

Through intelligent AI cameras, garbage overflow in the garden is identified and dealt with in a timely manner.

## Improving Customer Experience

Strictly abiding by laws and regulations such as the Chinese laws, such as the *Civil Code*, *Law on Urban Real Estate Administration*, and the *Property Management Regulations*, we constantly explore customer demands, upgrade the service capacity of core industrial chains, and refine management through science and technology to comprehensively optimize service quality and efficiency, to bring the optimal service experience to customers.

## Leading Standardized Services

We press ahead with providing standardized services. By constantly upgrading our service brands, including "Harmony Courtyard", "Oriental Courtesy", "Nebula Ecology", and "Towns Revitalisation", we perfect relevant standardization documents to win customers' recognition and trust.

### Property services for residential communities

Aiming at strengthening the refined management of residential projects, we identify interactive services that are frequently used by customers and compile them into the "3 + 3 + N" *Harmony Courtyard Service Scenario Manual* to display our services via scenario-based operation, and explore the tripartite management of collaboration, participation and common interests of new communities together with property owners and the government. The "Oriental Courtesy", featuring 21 exclusive scenes, is designed to deliver high-quality services, and demonstrate a brand concept of "Considerate and Courteous". By enriching the cultural contents and providing Chinese services that are discreet and exquisite with a sense of proportion, we strive to create a community atmosphere rich in the Chinese culture.

The coverage of the service brand "Harmony Courtyard" has reached

100%

among the projects provided by Poly Developments and Holdings Group

"Oriental Courtesy" has expanded

7 cities



### Case "Oriental Courtesy" thrives in Poly·Tianyue in Rongcheng, Sichuan

On March 25, 2021, "Oriental Courtesy" was applied in Poly·Tianyue in Chengdu, Sichuan. Before the project kicked off, training, from emergency rescue knowledge and skills to drawing and etiquette, for the butlers had already started. In the process, Poly·Tianyue's service team constantly explored high-quality services, designed service standards, and improved details to provide optimal service experience for the owners.

### Carefully designed service encounters

From ushering, elevator guidance to front desk reception, each service encounter has been carefully designed. Through the detailed explanation of "Oriental Courtesy" life officers, more than 20 butlers learned and practiced the etiquette required for each service encounter.

### Comprehensive services

Our comprehensive services cover parking guidance, security guard, and patrol. Along with local police station, Poly·Tianyue carried out comprehensive safety training and simulated safety patrols on site. By carefully designing patrol route and time, and conducting dozens of training for service encounters in different scenarios every day, we are dedicated to ensuring the safety of the owners.

### Professional equipment maintenance

More than ten equipment and facility maintenance staff received on-site training, practiced equipment operation on the spot, and achieved extreme proficiency.

## Property services for commercial and office buildings

We launched the state-owned service brand "Nebula Ecology" which drives the circulation of building economy, powers corporate development and industrial chain coordination, and provides "flexible" protection for forward-looking and strategic enterprises and industries through the trinity model of "property management + asset management + enterprise service". By 2021, the Company has built a number of high-quality office buildings across China to drive the rapid placement of standards and scenarios and improve the influence of "Nebula Ecology".



Awarded the **"Excellent Service Outsourcing Unit"** by the Ministry of Justice's Office Service Center of the Ministry of Justice.



The overall service satisfaction of the Ministry of Justice's office buildings reached more than **95%** for two consecutive years.



Provided conference services for Boao Forum for Asia, demonstrated high-end service level of "Nebula Ecology" in the international arena in front of delegates and media from all over the world, winning glory for China

## Public services

By deepening the practice of "grid" and "extreme refinement" of the comprehensive management model, we are devoted to the core business formats of public services and strive to expand service boundaries. We lead the innovation of basic social governance, consolidate the foundation of urban governance, and promote industrial reform and upgrading to make property services an indispensable soft infrastructure for people's life. Meanwhile, we actively expand diversified public services, and achieve all-round business layout to consolidate our leading position in the field of domestic public services, and strengthen our full participation in comprehensive social governance.



### Case Poly's property services made new history in South Lake in Jiaxing

In the South Lake public service project, relying on the grid management system, we started the "multiple responsibilities on one employee" management mechanism, and used the urban service cloud system to greatly improve the city environment and further refine Jiaxing's urban management. In April 2021, Poly Property settled in the South Lake district office. Within two months, the environment of the South Lake district was significantly improved, winning unanimous recognition from the local government and residents.



## Tightening Quality Control

We set up three-level quality control requirements for property headquarters, platform companies and projects to support the high standard of product system. By enabling quality control through product design, we promote product quality, refine characteristic services, and support the effective implementation of design and control with service tools. In 2021, the Company's headquarters designed a uniform on-site quality inspection paper which assesses products according to two factors, namely service encounters and management encounters, accurately covering every detail of services. At the same time, we improved the ERP online inspection system which achieves differentiated quality control management, real-time upload of project quality feedback, and real-time effect tracking by headquarters and platform companies to ensure service quality.



### Case Improving service quality through the Quality Alliance Seminars

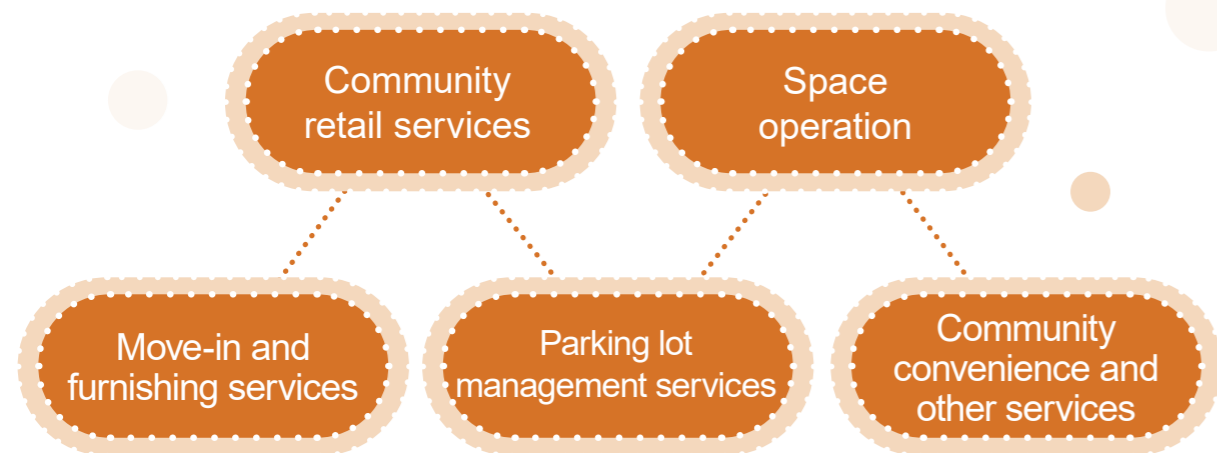
In order to make concerted efforts to continuously improve service quality, Poly Property regularly holds Quality Alliance Seminars to explore new ideas through information sharing, joint training and discussion of key and difficult problems, and bring the discussion results back to local regions to implement quality control according to the real situation of projects to provide customers with optimal service experience. On July 24, 2021, the Second Poly Property Quality Alliance Seminar was held as scheduled. Chief quality officers from platform companies across the country gathered to examine quality indicators, such as satisfaction results, mystery visitor results, work safety, third-party research, ERP operation system, and 400 customer service feedback in the first half of the year to solve problems and overcome difficulties in quality implementation, and conduct in-depth research on customer demands.



## Community Value-added Services

Focusing on industries such as "community retail, move-in and furnishing services, housekeeping, space operation", we build a professional, diversified, scientific and efficient value-added service management system with online and offline three-dimensional marketing channels to effectively align the demand for a better life with high-quality resources, and meet the diversified and multi-level living demands of residents.

In terms of retail services, Poly Property focuses on providing the most convenient retail services that cater to the most urgent demands of property owners. By combining advantages in resources and centralized procurement, Poly Property builds an exclusive anti-counterfeiting channel to strictly control quality, and provide owners with products whose quality trump price. In terms of move-in and furnishing services, the Company provides online VR model room display and professional guidance on decoration. The Company cooperates with brand suppliers to control the quality of offline model rooms, and organizes national model room live-broadcasting activities to offer owners a wider range of choices.



### Case Customizing high-quality liquor for property owners in partnership with Luzhou Laojiao

We signed a strategic partnership agreement with Luzhou Laojiao, to produce customized liquor for owners of Poly Property. We also built an exclusive anti-counterfeiting channel to ensure our property owners enjoy the high-quality customized liquor at a keen price.

## Deepening Intelligent Empowerment

Actively embracing smart technology, we have built the Internet of Things pilot projects in many cities, including Guangzhou, Hangzhou and Wuhan. Through the intelligent upgrading of equipment, we effectively facilitated travels of property owners and ensured the safety of residential areas and smooth equipment operation.

### Smart towns

By integrating the Internet of Things, cloud computing and big data through the smart urban management command center, we have realized intensive and intelligent monitoring of urban management and governance, and improved the efficiency of public security and cleaning operations by nearly 60%.

Comprehensive management and control platform of Xitang in Jiashan County, Jiaxing

### Smart communities

With the help of people-oriented smart technology, we have created a smart service of "no disturbance, no interference, no dispute and no cash" to achieve smooth travels of both people and automobiles.

- Intelligent apps

**WeChat Work butler:** We have developed online butler, customer communication, customer moments, customer chat group, and group chat helper on WeChat Work to achieve functions such as one-click send of bills and messages, and quick response to improve the transparency and convenience of services.

**Applications for property owners:** We have launched the Poly Heyuan WeChat and Heyuantong App to meet the diversified functional requirements of the owner, offering services such as door opening through mobile phone, visitor authorization, and report-repair services. The owners can check the public notice in real time, and enjoy the housekeeper service more conveniently and quickly.
- Smart access

On "Poly Academy" mini program, we have developed a green access QR code which allows visitors to fill in the information required online, and scan the access code to pass the gate, reducing the manual registration process and ensuring the authenticity and effectiveness of visitors' information.
- Smart parking

We have launched the smart parking project to achieve four goals of reducing costs and increasing profits, standardizing management, improving customer satisfaction and unmanned patrol. Throughout the year, over 500 smart parking projects were launched.
- Smart equipment

Intelligent AI security system, robot and other intelligent equipment can timely identify and report incidents such as illegal occupation of passages and fire escapes, falling down of pedestrians, and garbage overflow to create a safe and secure office and living environment for the owners.

# Enriching Community Life

Adhering to the philosophy of "collaboration, participation and common interests" of communities, we have created "Harmony Courtyard Little Bee" event and "A Myriad of Harmonious Lights" in communities, along with other colorful festival activities for a wide range of groups. We continue to innovate in and upgrade the richness of the activities to build a cultural community and harmonious neighbor relations.

## "Harmony Courtyard Little Bee" event

Up till 2021, Poly Property's "Harmony Courtyard Little Bee" event has been held for three years. Over this period, through the Little Bee spirit, Poly Property cooperated with various departments including district offices and fire agencies. Through interesting activities, we taught children professional fire fighting knowledge and self-rescue skills in crisis. We also included "Harmony Courtyard Little Bee" event in children's growth plan in the communities to deliver systematic fire fighting and safety skills to children of every age group. By 2021, there have been 528 "Harmony Courtyard" communities in China, and more than 30,000 children have learned the knowledge of fire fighting and self-rescue through this event.



## "A Myriad of Harmonious Lights" activity

Since the Mid-Autumn Festival of 2010, we have held the "A Myriad of Harmonious Lights" activity in Poly's communities every year at night, lighting up the way for people coming home. In the Mid-Autumn Festival of 2021, we ignited the night with Chinese traditional culture to celebrate the festival through activities such as writing family letters, lantern riddles and parties.



## "Courtyard Culture Season" activities

In June 2021, under the theme of "Fun and Love Together", the "Courtyard Culture Season" carried out activities such as European Cup film viewing, "Fun Growth" parent-child activities on ice, "Fun Company" dance competition, and "Fun Family Sports". From mid-summer to autumn, owners embraced their love in different kinds of fun. "Courtyard Culture Season" has become a must-have event among residents, neighbors, property and owners in Poly's communities.



## "Learn from Curiosity" - Children's Day activities

On Children's Day, we planned parent-child activities such as flower and tree planting, painting, park tours, sports competitions, and book exchange to cultivate and stimulate children's curiosity.



## Dragon Boat Festival cultural activities

Upon the arrival of the Dragon Boat Festival, all projects carried out activities in line with local characteristics, which included learning the intangible cultural heritage of oil paper umbrella, customizing gifts, making Zongzi, and handicraft DIY to create a festive atmosphere with the owners.



# Guaranteeing the Safety of Customers

We strictly abide by Chinese laws, including the *Law on Work Safety*, and the *Fire Control* and other regulations. We have formulated system and process specifications such as *Regulations on Work Safety Management* and *Manual for Emergency Response*, and established and improved a scientific, standardized, feasible and effective routine management mechanism. We have strengthened the application of information management, and protected customers' information to ensure the safety of lives, property and privacy of our customers in an all-round way.

## Protecting Customers' Health and Safety

### Safety management



**Work safety meeting:** We organize all platform companies and projects to hold monthly, quarterly and special work safety meetings to make closely follow the developments of work safety as well as the implementation of the work safety regulations.

**Information-based application:** Relying on the WeCom platform, we have developed two modules of "emergency reporting" and "work safety inspection". Among them, the "emergency reporting" module standardizes the reporting process of security incidents and improves the timeliness, accuracy and standardization of reporting. In line with the work safety regulations, safe operation procedures, work safety rules and standards, the "work safety inspection" module promotes the efficiency of safety inspection by managers at all levels through full and sampling inspection, and engages all staff in the management in on-site safety hazard information collection, real-time transmission, troubleshooting and rectification and hazard elimination in the whole process.

### Safety inspections



**Removing potential safety hazards:** According to the requirements of "full coverage and zero tolerance", we comprehensively check and correct potential safety hazards, fill management loopholes, identify the current work safety conditions and weak management links to effectively prevent work safety accidents and ensure the continuous, stable and safe operation of the Company.



Launched 16,667 safety training covering 257,155 people

Launched 4,907 emergency drills covering 84,199 people Fully inspected and rectified 72,867 potential hazards Held 9,773 work safety meetings

**Special rectification actions:** We carried out rectification actions for fire passages. Through the three-level partnership of headquarters, platform companies and projects, more than 1,700 projects under management across China uniformly launched the actions following the stages of publicity, promotion, hidden hazard identification, and fire drills at parking spots, all achieving favorable results.

### Safety education



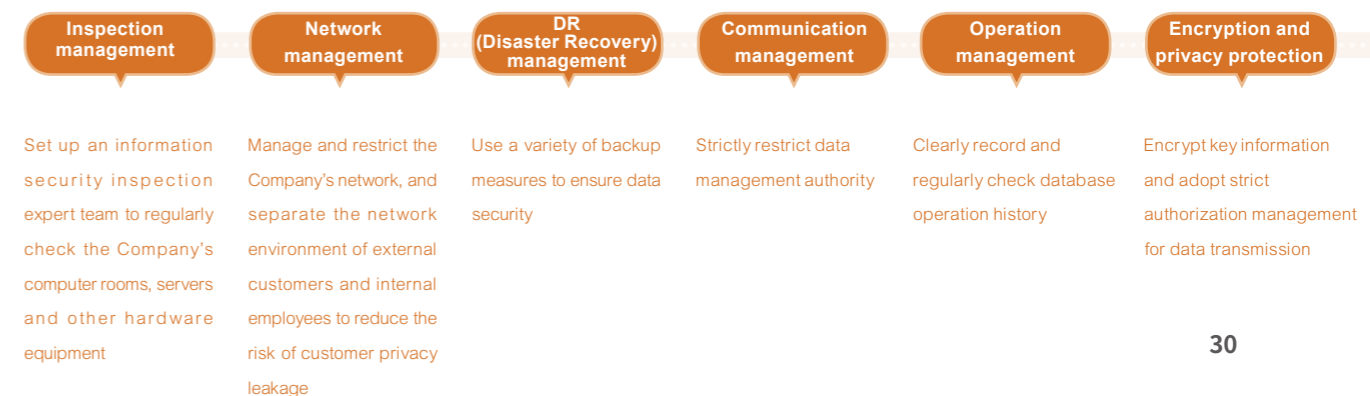
**Raising the safety awareness of owners:** We popularize fire safety knowledge to owners online and offline, and broadcast fire safety videos during the busiest hours on the display screens in the communities, elevators and hallways.

**Three-level safety education:** All new employees must receive three-level (company level, department / project level, and team level) safety education and pass the assessment before being dispatched to posts. The education plan for all employees for the next year is drafted in December every year, and the content includes but is not limited to: new knowledge and technology of work safety, laws and regulations of work safety, risks in workplaces and posts, preventive measures, emergency response measures, and case studies.

## Protecting Customers' Privacy

Poly Property prioritizes customer privacy protection and strictly complies with the *Law of the People's Republic of China on the Protection of Rights and Interests of Consumers* and other laws and regulations. We have formulated and implemented guidelines, such as the *Guidelines for the Management of Residential Property Records and Information*, and *Regulations on Service for Value-added Services*, established an information security team and built an information security management system to improve operational procedures and safeguard customers' privacy.

### Management measures of customers' privacy protection

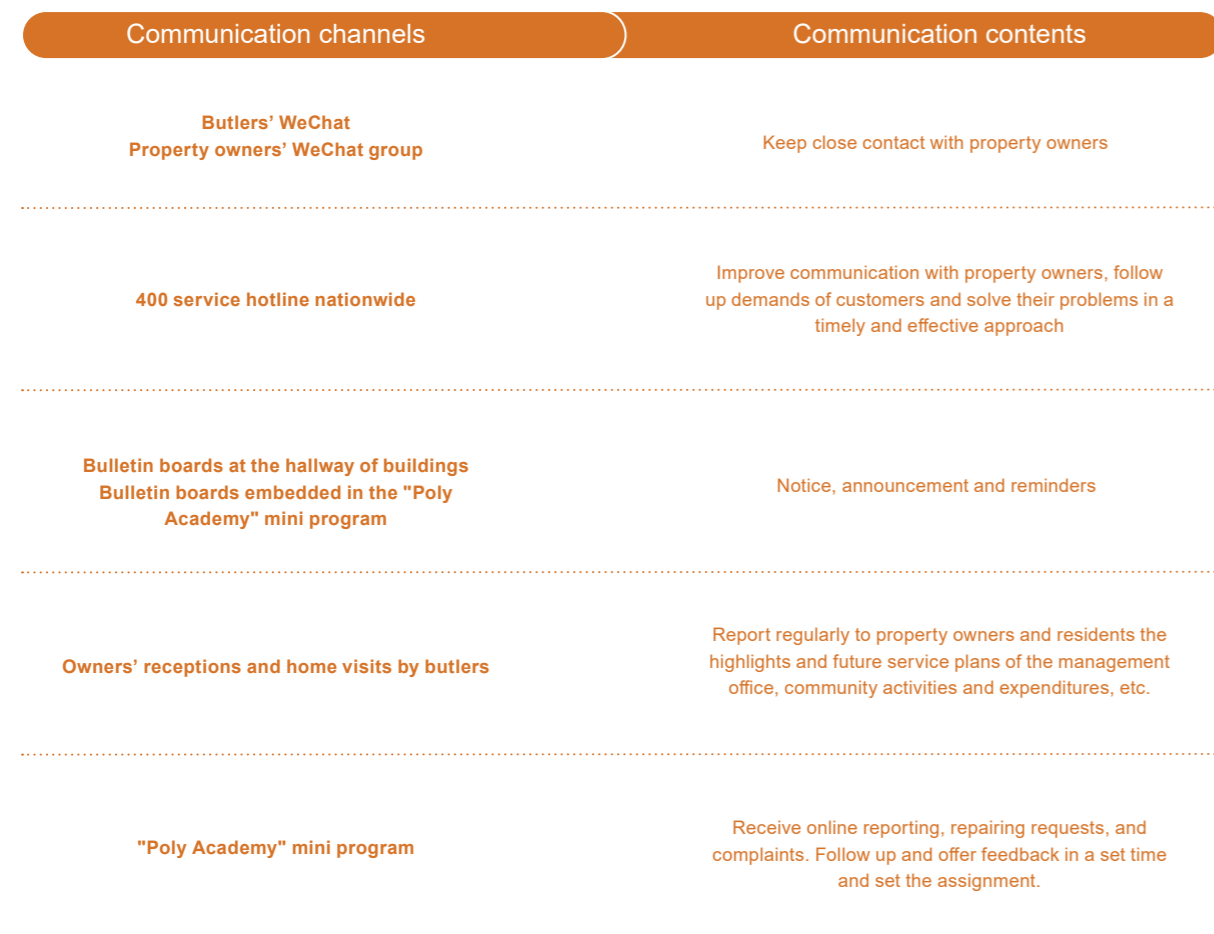


# Responding to Customers' Demands

The suggestions and opinions from customers make an important pillar for Poly Property to provide premium services. We actively maintain close communication with the owners, continuously improve the customer complaint management system, and follow up customer satisfaction survey results to better understand customer demands, and improve our service quality.

## Expanding Communication Channels

We continue to improve and expand communication with the owners by setting up online and offline communication channels, collecting owners' suggestions and feedback, and making timely adjustments in services to maintain a long-term harmonious relationship with property owners.



# Handling Customers' Complaints

In 2021, the Company received

**14,360** complaints,

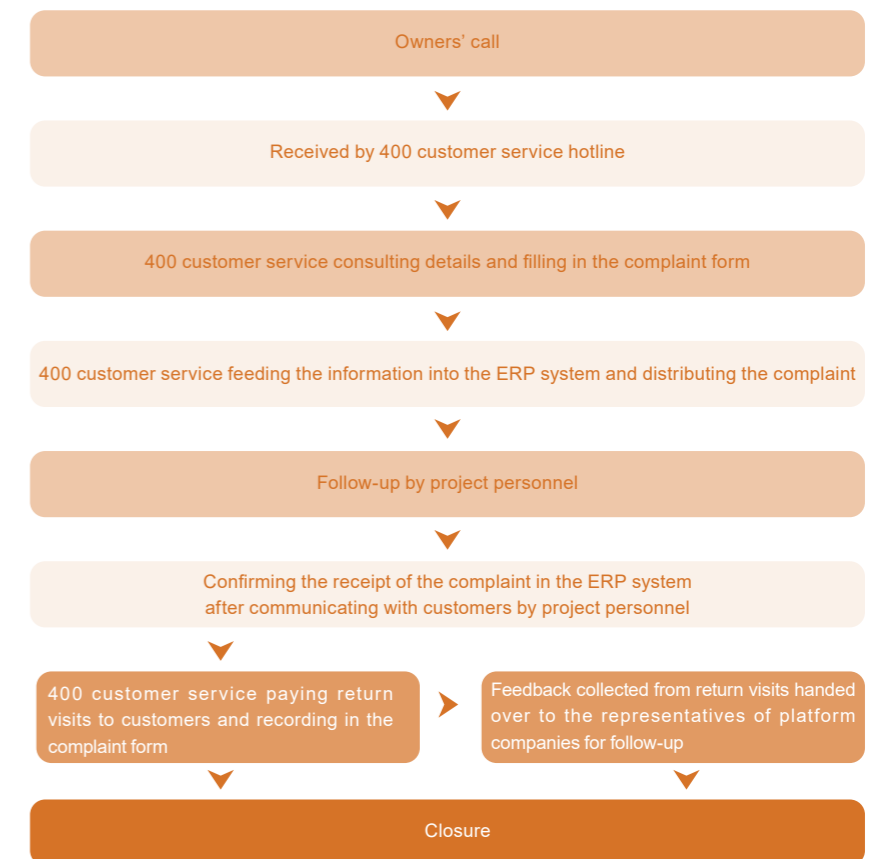
and the complaint closure

**100%** rate reached

Poly Property has established a comprehensive customer complaint management system, formulated customer complaint handling standards and assessment systems, and clarified the process of handling customer enquiries and complaints. Customer complaints and enquiries received via the service hotline are coordinated and distributed by the headquarters and followed up directly by projects. The headquarters will make follow-up visits after the completion of processing.

In 2021, in order to reduce the interval from receiving complaint to feedback, and improve the efficiency of problem handling and the satisfaction of owners with our service, we have implemented the ERP online recording mode to strictly control the time and processing efficiency, and solve customer's problems in time. The Company responded quickly to all kinds of customer enquiries and complaints. The headquarters achieved a closed-loop process of 100% return visits to elevate owners and customers satisfaction. All the 14,360 customer complaints received by the Customer Complaint Center were recorded and dispatched by the Company's headquarters within 30 minutes, and projects handled them within 24 hours.

## Customer Complaint Handling Workflow



# Driving Green and Low-carbon Development

The Company strictly implements the country's green development ideas and conducts in-depth study of China's decarbonization policies. By continuously improving environmental management regulations, the Company strives to minimize the environment impact of its businesses. The Company progressively optimizes its management strategies and disposal methods relating to energy, water resources, and waste during operation, and joins hands with a large number of customers to promote the comprehensive green transformation of economy and society, contributing to earlier realization of China's 30·60 Decarbonization Goal.

[CSR Story]  
Promoting Green Office for SOEs and Developing a Low-carbon Energy-saving System

Addressing Climate Change

Practicing Green Operation



## Promoting Green Office for SOEs and Developing a Low-carbon Energy-saving System

### CSR Story

In 2021, we assisted the Ministry of Justice in building "Model Energy-saving Public Institution" and made it certified by the National Government Offices Administration, acknowledging the contributions of Poly Property to the green building economy. The Company actively responds to the country's decarbonization policies, improves office building property services based on the green development concept, adopts a series of measures to save energy and reduce carbon emissions, and facilitates remarkable progress in the low-carbon development of building economics.

#### Energy consumption management and control

Running data analysis for energy-intensive appliances and forming energy conservation schemes; arranging the operation time of equipment reasonably, optimizing lighting management of warehouses and machine rooms, and adjusting lighting time and the number of lighting equipment in corridors and basements on seasonal basis.

#### Energy conservation

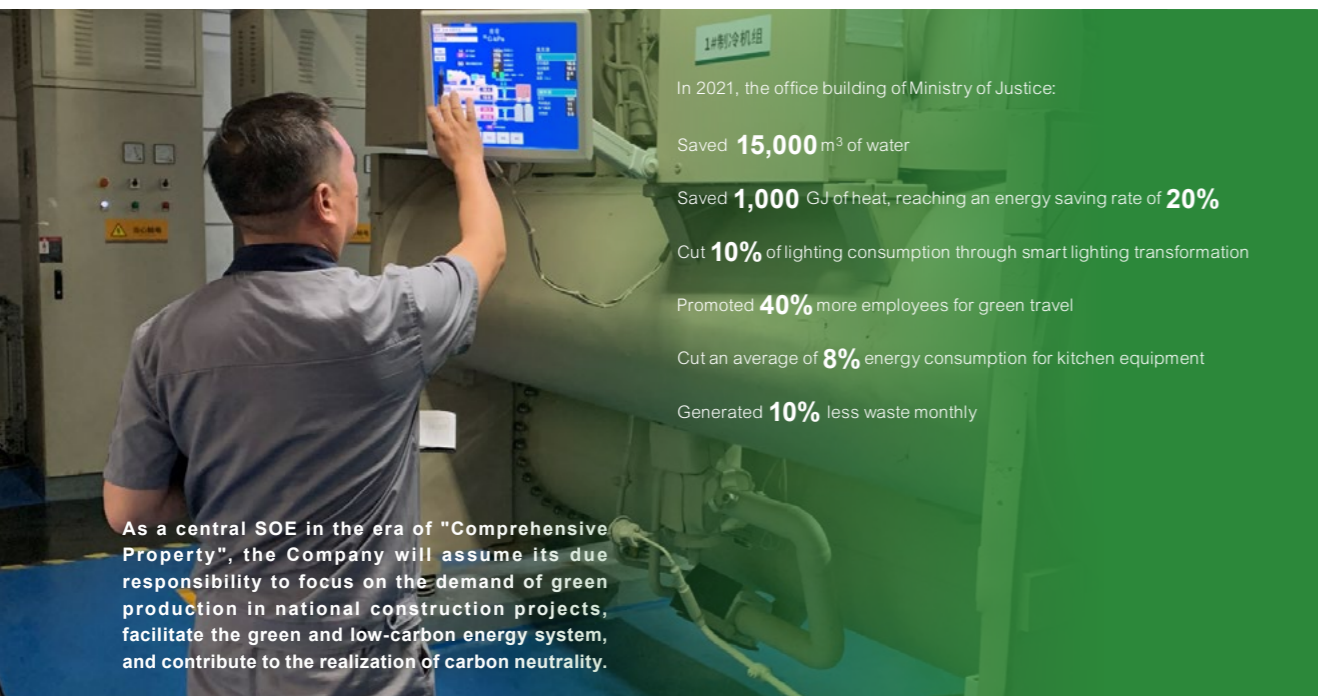
Strengthening the management of water and electricity consumption through a variety of measures including properly managing flushes, timetabling showers, installing smart water-saving equipment with IC card, and increasing the number of electric bicycle charging stations.

#### Public welfare publicity

Raising public awareness of energy conservation and emission reduction through regular poster advertising and energy saving lectures, organizing activities for National Low-carbon Day and Energy Conservation Week, and launching initiatives such as "Clean Plate" and "Green Travel".

#### Waste sorting

Encouraging people's active participation in waste sorting by distributing bins for different categories of waste around the office area, appointing full-time waste sorters, and promoting regular publicity.



In 2021, the office building of Ministry of Justice:

Saved **15,000** m<sup>3</sup> of water

Saved **1,000** GJ of heat, reaching an energy saving rate of **20%**

Cut **10%** of lighting consumption through smart lighting transformation

Promoted **40%** more employees for green travel

Cut an average of **8%** energy consumption for kitchen equipment

Generated **10%** less waste monthly

As a central SOE in the era of "Comprehensive Property", the Company will assume its due responsibility to focus on the demand of green production in national construction projects, facilitate the green and low-carbon energy system, and contribute to the realization of carbon neutrality.

## Addressing Climate Change

Poly Property regards the response to climate change as a crucial part of its responsibility as a central SOE in the era of "Comprehensive Property". The Company makes active efforts to realize China's 30·60 Decarbonization Goal (China strives to peak carbon dioxide emissions by 2030 and achieve carbon neutrality by 2060), benchmarks against pioneering industry peers in relevant practices, maps out strategies and plans to achieve the decarbonization goals based on the business layout, and keeps improving the emergency response mechanism against extreme weather to address climate change.

### Contributing to China's 30·60 Decarbonization Goal

In December 2021, the State Council published the *Guidelines for Central SOEs to Pursue High-quality Development and Promote Carbon Peak and Carbon Neutrality*, highlighting the leading and exemplary role central SOEs play in promoting countrywide decarbonization efforts. The Company responds to the country's call and has gradually explored an emission reduction pathway that meets the practical needs of customers and itself. We have rolled out carbon reduction practices in three major scenarios of the property service provider, i.e., buildings, neighborhoods, and cities, and achieved remarkable progress accordingly.

Scenario	Measures	Cases
<b>Buildings</b>	Energy management during operation, building certification and renovation	Carrying out renovation on water and energy efficiency for Ministry of Justice, saving 15,000 m <sup>3</sup> of water and 1,000 GJ of heat, and helping the Ministry win the honor of "Model Energy-saving Public Institution".
<b>Communities</b>	Overall evaluation of the energy efficiency of neighborhoods, renovation of public equipment, and green housing promotion for owners	Saving energy, boosting efficiency, and cutting carbon dioxide emissions through management and technology, and popularizing the idea of environmental protection through organizing various types of online and offline events such as waste sorting, tree planting, "Earth Hour", and clothes recycling.
<b>Cities</b>	Waste disposal, ecological governance, energy station construction, and the application of advanced carbon technologies	Promoting waste sorting in Nanxun Township and supporting Nanxun to become the Outstanding Township in Hygiene. The Nanxun project won the first place in the waste sorting evaluation in Huzhou City. Nanxun Township was the only one with full marks in the second-round evaluation of waste sorting evaluation for Model City in Zhejiang Province. More than 90% of local residents have sorted waste correctly.

To facilitate the realization of the 30-60 Decarbonization Goal, the Company starts from buildings to develop a "Carbon-friendly" appraisal model based on its own business practices, to help building and park managers design objectives and action plans concerning carbon emission management, energy management, and digital management, and promote the managed assets to be more carbon-friendly, energy-saving, and intelligent. We take the "Carbon-friendly" appraisal model as an important tool to unveil a building's ecological status, evaluate the assets' carbon emissions comprehensively, and propose solutions correspondingly. The appraisal results can visualize a building's maintenance and appreciation of assets, and measure the operational performance.

**Low-carbon buildings**

Centering around the 4T products of state-owned assets (joint operation, joint digital development, shared resources, and joint party building)

Evaluating the carbon assets of customers in the building, proposing carbon solutions, facilitating green certification of the assets, and boosting the value of the building's assets

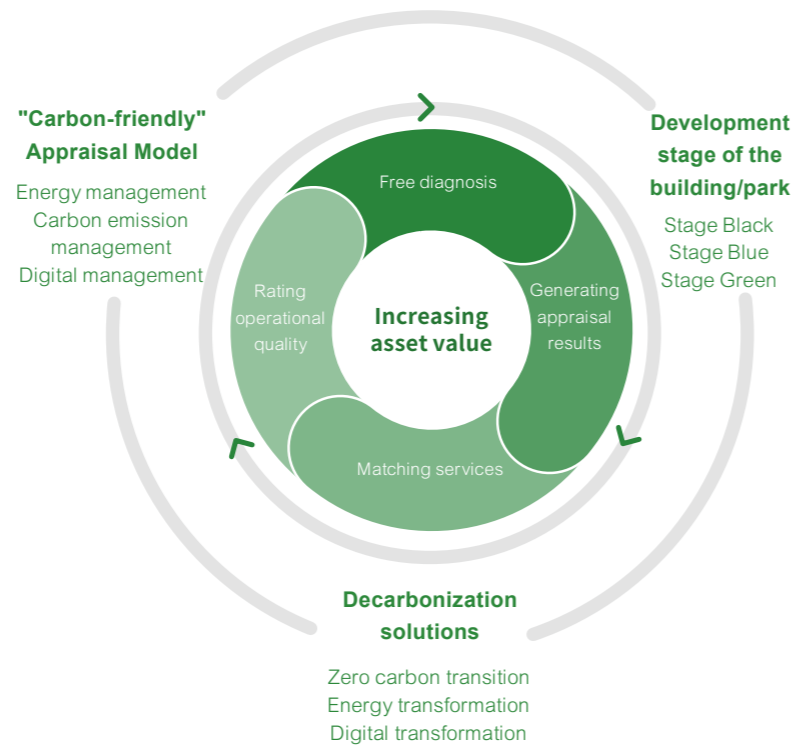
**Low-carbon communities**

Renovating the residences and public zones for energy efficiency

Promoting soft environmental improvement of low-carbon neighborhoods

**Low-carbon cities**

Emphasizing urban landscaping and environmental sanitation practices in low-carbon buildings and neighborhoods



## Dealing with Extreme Weather

Extreme weather gets a boost from climate change. We have formulated a number of internal regulations and guidelines including the *Poly Property Emergency Response Manual*, which specifies procedures for handling different emergencies. Through overseeing the strict implementation of the regulation, giving instructions to platform companies on performing emergency drills, and analyzing and summarizing identified weaknesses in drills as well as amending the contingency plans in time, the Company strives to guarantee owners' life and property security, and minimize the impact of extreme weather on owners' daily activities.

**Case** Safety guarantee throughout the "once in a thousand years" flood wins recognition from Zhengzhou authorities

In the devastating flood that hit Zhengzhou City severely, all employees at Poly Property Henan Branch stood fast at their posts and fought courageously against the disaster on the frontline to protect the safety of owners and citizens. As the Henan Branch strived to provide safety guarantee throughout the flood by sending out flood alerts in advance, organizing emergency rescue efforts and securing post-disaster life necessities, no owner was injured and no car was flooded, winning high praise from owners and getting a velvet banner, the symbol of appreciation and recognition, from the municipal CPC committee and government of Zhengzhou as well as Zhengzhou Flood Control and Drought Relief Headquarters.



**Case** Building a line of defense for the comprehensive property in the face of Typhoon In-Fa

Typhoon In-Fa made a coastal landfall over Pinghu, Jiaying on July 26, 2021. Poly Property responded to the emergency swiftly and launched the three-tier emergency response system of "headquarters, platform company, project" at once. The Company comprehensively planned and implemented disaster prevention and relief efforts in the Jiangsu-Zhejiang-Shanghai region, going all out to set up protection barriers, and providing heart-warming care to afflicted citizens, building a line of defense as a property service provider.

**Setting up protection barriers**

Staff from all business lines gave up their days off and stood fast to their posts regardless of the heatwave before the storm. They refilled sandbags for flood prevention, checked ponding and water drainage, braced trees against harsh weather, and reviewed safety hazards such as objects that could easily fall or break, as well as explosives, so as to fully guarantee the personal safety of residents and employees while minimizing customers' property losses.



**Providing heart-warming care**

The Company provides heart-warming assistance by properly relocating residents in low-lying areas, dilapidated buildings, and other unsafe areas, sending food and water to afflicted citizens, counting people at tourist attractions, relieving difficulties of the afflicted.



# Practicing Green Operation

The Company actively lives up to China's green development requirements, acts in strict accordance with the Chinese laws, including *Environmental Protection Law*, *on Prevention and Control of Water Pollution*, *Law on Prevention and Control of Pollution from Environmental Noise*, and *Law on Prevention and Control of Environmental Pollution by Solid Waste*, develops a green management system and carries out green operations, working hard to minimize its impact on the environment. In the meantime, the Company analyzes environment risk factors and has established the *Guidelines on Identification and Evaluation of Environmental Factors at Poly Property*, which identifies and evaluates environmental factors that may be controlled and impacted by the Company's activities, products or services throughout its business activities, and determines factors and risks with major environmental impact, to formulate environmental policies, objectives and control measures. The Company has passed the external audit of ISO 14001 environmental management system.

## Energy Management

Energy management is the Company's priority in green development. We strictly abide by Chinese laws and regulations including *Energy Conservation Law* and has formulated and implemented a number of regulations such as *Regulations on Cost Control Management* and *Guidelines for Energy Management*. The Company increases energy efficiency and reduces carbon emissions by standardizing energy consumption accounts and striving for progress through management and technology.

### Through management

#### Project energy saving

##### Project Introduction

Reasonably distribute the public energy consumption meters

##### Project Pre-delivery

Standardize management of energy consumption accounts and water and electricity metering system diagram

##### Project Operation

- Establish energy consumption accounts for equipment
- Strictly implement energy consumption control and estimate energy consumption targets
- Regularly track and analyze energy consumption data, collect and evaluate project actual loss, and intervene when it exceeds the target value by 5%
- Replace or carry out special maintenance on equipment with excessive energy consumption

#### Workplace energy saving

##### Equipment

- Classify office electricity use into three categories including display, rigid demand, and security, and control all electric appliances according to properly designed schedules
- Use smart mechanisms such as timers and voice-operated switches to control the on and off of electrical equipment, and keep light off during non-working hours

##### Use of paper

- Encourage paperless office, and use tablets or laptops for reporting to reduce printing
- Promote double-sided printing and reuse of printed paper to improve the utilization rate of office paper

##### Low-carbon commuting

- Encourage employees to choose public transport and advocate green travel
- Implement OA system to apply for official vehicles, standardize the application process of official vehicles, and improve the accuracy of vehicle management

### Through technology

#### Lighting system renovation

##### Energy

Part of the Company's projects adopt renewable energy generators such as those driven by wind energy to lower down carbon emissions while ensuring necessary lighting

##### Control

Time control mechanisms are installed for lighting circuits in public areas; travel switches, radar sensors, and acousto-optic modulators are put in place for on-off control and lighting duration in garages, parks and equipment rooms; grid connections are renovated for energy efficiency to reduce energy consumption and carbon emissions. Chengdu Poly Center has connected its previously separated air conditioning (AC) systems in south and north towers to the grid for higher energy efficiency, and adjusts the number of AC units in operation along with seasons and outdoor temperatures, saving nearly 5.9% of energy for cooling, nearly 16% for heating, and nearly 5.7% of gas consumption.

##### Equipment

The use of eco-friendly and energy-saving equipment is promoted, lighting facilities are renovated, and the energy efficiency of AC compressors is boosted to ensure energy is used in a highly-efficient manner. Guangzhou Poly Yuzhu Square, after renovating its lighting equipment, consumes 40% less electricity than before. Guangzhou Poly International Plaza realizes centralized air supply and AC water cooling through air processors to enhance the energy efficiency of AC compressors and improve the performance of AC units, saving about 30 tons of water and 200-300 kWh per day during the cooling season.



#### Elevator system renovation

##### Elevator machine rooms

The Company installs timers and attenuators for the air conditioners in machine rooms in projects located in southern high-temperature areas to control the operating time of air conditioners to save energy.

##### Elevators

Energy feedback devices are installed in elevators for energy recovery. The elevator control systems in commercial projects and some elite residential projects are upgraded to increase or reduce the number of elevators in operation according to the actual passenger flow and operating frequency, so as to boost the service efficiency and reduce extra energy consumption caused by idle elevators.

#### Smart office

The Company adopts an online office (OA) system to realize online full-life cycle project management, digitalize the archiving as well as review and approval processes, and contribute to paperless office. A platform integrating Electronic Human Resource (EHR) system and Enterprise WeChat is used to realize paperless management of routine human resource affairs. Projection instead of printing in meetings, real-time meeting data sharing, business travels reducing, and printing paper saving are encouraged.

## Water Resource Management

We strictly abide by *Water Pollution Prevention and Control Law of the People's Republic of China* with other laws and regulations, and dispose of wastewater generated from business operations in a compliant manner. The Company utilizes water resources with high efficiency, and reduces water use as much as possible while ensuring service quality and daily operation. We improve and refine water management rules in the *Regulations on Cost Control Management*, and effectively enhance water use efficiency in engineering and operations through establishing a rainwater recycling system, using water-saving facilities, promoting automatic sprinkling irrigation for landscaping, adopting UPVC underground sprinkler systems, putting up water-saving slogans, and establishing everyday water management regulations. In 2021, the only source of our water consumption was the municipal waterworks, and the Company did not encounter any water supply problems.

**26 projects under management are awarded "energy-saving neighborhoods", an increase of 20 projects over previous years**

## Waste Management

We continue to improve waste management, strictly comply with Chinese laws and regulations such as the *Law on the Prevention and Control of Solid Waste Pollution*, and conscientiously implement the *Notice on Comprehensive Domestic Waste Separation in Cities at the Prefectural Level and Above* issued by the Ministry of Housing and Urban-Rural Development. The Company formulates and implements relevant internal regulations such as *Guidelines for Waste Classification* and carries out solid waste disposal in an orderly manner to minimize the impact of waste generated from operations on the ecological environment.

### Hazardous waste disposal

The main hazardous wastes generated by the Company include printer cartridges, toner cartridges and discarded lamps. The Company strictly complies with the regulations on the disposal of hazardous waste in each project location and entrusts suppliers and organizations qualified for disposal to recycle and treat hazardous waste. A management and registration system dedicated to the purchase of office supplies has been put in place to enhance the recycling rate.

### Non-hazardous waste disposal

The main non-hazardous waste generated during the operation is office waste paper and kitchen waste. A paperless office policy is adopted to reduce waste paper. For kitchen waste, the Company, acting as the neighborhood manager, regularly collects at fixed area and entrusts qualified third-party agencies to clear and remove the waste. Besides, we supervise property service centers over the recycling of green waste for garden fertilization to promote the recycling of resources. We encourage using reusable glasses for meeting drinks instead of plastic bottled water and disposable paper cups.

### Waste sorting promotion

The Company actively cooperates with local governments in promoting waste sorting by raising environmental protection awareness among owners and encouraging them to develop the habit of waste sorting, to further improving the environment of neighborhoods, winning recognition and praise from owners.



### Case Multiple projects awarded Model Neighborhood in Beijing for Waste Sorting

Since Beijing embraced the new mandatory waste sorting policy in 2020, Poly Property Beijing Branch has taken active actions and fulfilled its responsibility to cooperate with the local government in developing model waste sorting projects. The Branch actively explores measures to promote waste sorting and has helped the neighborhoods of Poly Rose and Poly Jasmine win the honor of Model Neighborhood in Beijing for Waste Sorting. Poly Rose was reported by Beijing TV Station for its outstanding waste sorting practices.

#### Innovating the means of publicity

The Branch sends garbage bags with waste sorting tips door-to-door for owners, and cooperates with the neighborhood committees and street offices to introduce household waste sorting stations to chess and card clubs and playrooms, to "implant" the idea of waste sorting into residents' everyday life.

#### Conducting centralized waste management

The Branch rearranges the originally scattered garbage bins and distributes them around the parks in an orderly manner, realizing accurate waste sorting and centralized waste management. The Branch also set up a volunteer team for instructing waste sorting. The instructors, after receiving professional and standardized training, are on duty at garbage bins at regular shifts and instruct residents to sort waste correctly with enthusiasm and patience.

#### Reaching out to owners actively

The Branch collects residents' feedback and reports it to the street offices monthly, and continuously improves the publicity and instruction system on waste sorting, significantly raising the owners' awareness of waste sorting, and realizing a correct sorting rate of over 85%.



## Biodiversity Conservation

We attach importance to biodiversity conservation in our property services. Through strengthening vegetation maintenance and river regulation in project areas and paying equal attention to prevention and restoration, the Company spares no effort in protecting biodiversity and safeguarding the harmony and stability of the ecosystem.



### Vegetation maintenance

The Company performs targeted management for different types of tree species and vegetation in the neighborhoods according to specific terrains and seasons. Green fertilizers are used to preserve natural vegetation and reduce the neighborhoods' impact on surrounding environment.



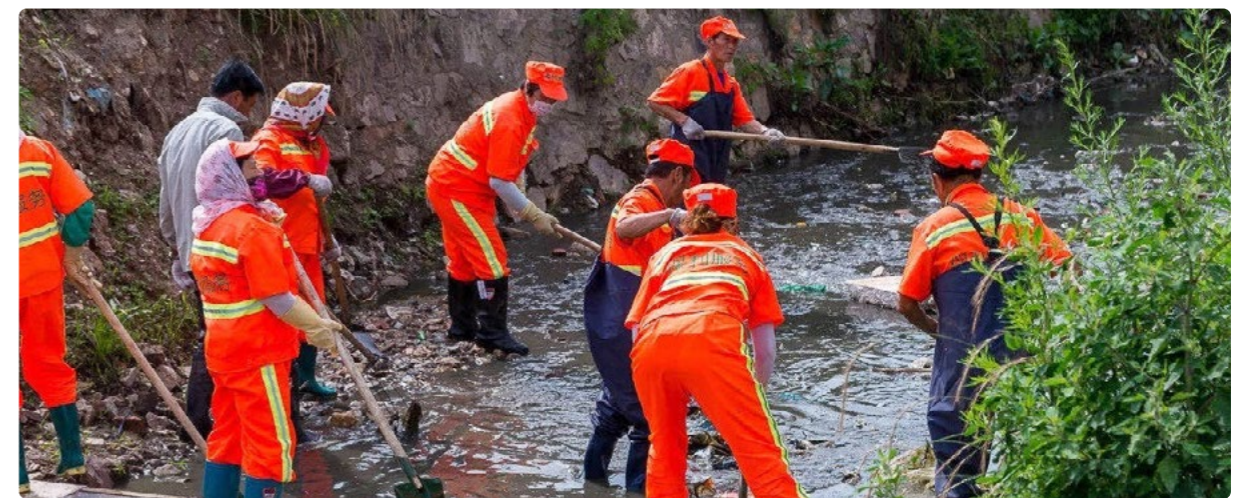
### River regulation

The Company actively carries out river regulation in the public service arena, organizes river clean-ups on a regular basis, removes in-stream trash, helps restore the ecological environment of rivers, and protects the biodiversity of the river ecosystem.



### Case Poly Property Public Service in the frontline of Gushan Town's environmental practices

Xihegou River in Gushan Town has a long history. Due to a lack of environmental awareness in earlier years, the watercourse was severely clogged with garbage, hugely ruining the water quality. To address this problem, after starting operations in the region, we set up a clean-up team of more than 30 employees to clean up 2.5 tons of white trash and construction waste in the waterway. Since then, we have cleaned up the waste and sludge in Xihegou River regularly, promoted the idea of zero pollution among residents, and pruned and watered green plants on a regular basis, greatly contributing to local harmonious ecological environment with a livable and attractive Gushan Town.



## Building a Talent Pool for Development with the People-oriented Principle

The Company strives to attract and recruit talented personnel and creates a healthy, safe, and comfortable workplace and atmosphere for employees. We continue to improve the welfare system, invest in employees' development, and carry out diversified activities to boost their sense of acquisition, happiness, and belonging.

### [CSR Story]

National Champion Fostered by a Professional Talent Development System

Protecting Employee Rights and Interests

Stimulating Growth

Attracting Talent

Caring for Employees



## CSR Story

### National Champion Fostered by a Professional Talent Development System

In March 2021, the National Occupational Skill Contest on Property Management was held in Hefei City, Anhui Province. 31 provincial teams and 15 corporate teams from 46 contest divisions across China gathered together to compete for the prize and share technical knowledge. Chen Liang from Poly Property stood out from all 131 finalists, winning Top Prize for property management in 2020. In July 2021, the Ministry of Human Resources and Social Security officially conferred the honorary title of "National Technical Expert" to Chen Liang. Chen's case not only demonstrates his own professional competence but also endorses the high-quality talent training provided by Poly Property.



Concierge Team of Poly Property provides professional service throughout the competition



#### Advancing professional skills by ingenuity

Joining Poly Property in 2017, Chen Liang began his career as a dedicated property management professional. From a front-desk receptionist, building manager, quality specialist to a neighborhood secretary, neighborhood operation specialist and eventually a supervisor, Chen shines and thrives at every post.

There are thousands other Chen Liang in Poly Property. Either in a neighborhood or in a competition, our employees always hold fast to the original aspiration of pursuing excellence. They themselves are the engine driving the powerful growth of Poly Property. The professionalism and attention to detail of every Poly Property employee is also mirrored in the competition management. The Company goes all out to secure the success of competitions by providing concierge and escort as well as security services. The concierge team of Poly Property Anhui Branch, besides the professional training given by the Company, received intensified Olympic-standard training. At high-demanding posts that require standing all the time, they impress the audience with elegant, neat, and professional services throughout the ceremonies, sharpening the brand image of Poly Property. The security team of Anhui Branch, on the other hand, is dedicated to building "safety walls" to maintain the on-site order. In terms of customer service, the team received military-standard training to ensure highly disciplined service on the spot. As for security protection, they learnt practices about epidemic prevention and control and ways to handle emergencies like stampede, and performed emergency drills, thus being professional responders to all kinds of situations.



#### Strengthening employees' training based on established modes

The Company has made systematic planning in talent fostering and set specific professional standards, training systems and curriculum for five types of personnel, i.e., senior executives, project managers, primary-level staff, fresh graduates, and specialists. In the meantime, to ensure the smooth delivery of multi-level and frequent training, an in-house training team of "Nebula coaches" was set up to support internal training programs. The team is dedicated to summarizing and disseminating the Company's valuable practices over the past two decades.

It has been clearly pointed out in China's 14th Five-Year Plan that property management is among the "modern service industries" that require special attention in future development. Thus, the workforce in modern property management industry is facing higher requirements. Poly Property will continue to strengthen the construction of talent ladder and give full play to the leading role of talents and technologies in upgrading industries, fueling technological innovation and high-quality development of the property management industry, highlighting the strategic importance of "soft infrastructure", and contributing to the era of "Comprehensive Property" as a central state-owned enterprise.



# Protecting Employee Rights and Interests

Poly Property strictly abides by the Chinese laws, such as the *Civil Code*, *Labor Law*, *Labor Contract Law*, local regulations and other relevant policies. It established labor relations based on the principles of "legal and justice, equality and voluntary, consensus and credibility". In accordance with the *Regulations on Paid Annual Leave for Employees*, *Regulation on Public Holidays for National Annual Festivals and Memorial Days*, *Provisions of the State Council on Working Hours of Employees*, and *Regulation on Work-Related Injury Insurance*, the Company guarantees employees' rights and interests concerning holidays. It also protects employees' access to equal promotion opportunities and safeguards other legitimate rights and interests of employees by implementing the *Management Measures for Enterprise Leadership*, *Regulation for Competitive Promotion*, and *Administrative Measures for Backup Officials*, etc.

## Equal employment



The Company implements the *Recruitment Management Measures* and standardizes recruitment procedures accordingly. We published the *Labor Contract Management Measures* and other regulations, which clearly define the conditions and procedures for the formation, implementation, alteration and termination of labor contracts. In addition, the Company built a strict internal hiring control mechanism. It carries out professional and rigorous background investigation to verify new employees' documents to avoid recruiting child labor. The Company also confirms candidates' work will eliminate non-compliant employment practices such as forced labor. In 2021, no case of child or forced labor was reported.

## Occupational health and safety and benefits



Poly Property strictly follows the Chinese laws, such as *Law on Prevention and Control of Occupational Diseases*, *Law on Work Safety*, and relevant regulations. The Company formulated and implements the *Work Safety Management System Compilation*, *Hazard Identification, Evaluation and Archiving*, *Safety Education and Training Management Measures*, as well as other regulations to standardize occupational health and safety education for employees, raise employees' safety awareness, and consolidate the occupational health and safety management system, thus reducing occupational hazards. In 2021, Poly Property passed the certification of GB/T45001-2020 occupational health and safety management system (OHSMS), and delegated professional agencies to give training on OHSMS.

The Company also performs emergency drills and safety inspections regularly to raise employees' safety awareness and safeguard their life and property security. In response to COVID-19, the Company set up a Leading Group, Action Group and Liaison Group on Epidemic Prevention and Control to comprehensively advance regular response efforts. The Company also urges subsidiaries to effectively promote COVID-19 vaccination among staff, clean and disinfect the workplace. Over the past three years (including Year 2021), zero job-related death (0%) occurred in Poly Property.

## Compensation and benefits



The Company pays "five insurances and one fund" to employees in accordance with the *Social Insurance Law* and the respective local implementation rule, and implements the *Measures for the Administration of Compensation*. In 2021, the Company focused on the management priorities, i.e., "standards, procedures, management and control" and improved regulations on the calculation and payment of compensation and benefits. The Company optimized compensation and benefits, calculation and payment standards, accounts, and procedures in its operations across the country, realizing standardized management and guaranteeing reasonable compensation and benefits of employees.



## Employee communication



The Company has formed and been continuously improving an employee communication mechanism to listen to employees' opinions and help them address problems in life and work. Meetings under the workers representative assembly are held on a regular basis to allow employees to play their roles in decision making and guide them to support, engage in and benefit from the Labor Union's development. Information transparency and other forms of democratic management are also promoted, and employees are encouraged to make their voice heard. The Company organizes quarterly talks with staff for every project. Communication requirements for the management at all levels are clarified to ensure effective employee communication.



## Case "Health Power" series activities on employee health management

In 2021, the Company organized "Health Power" employee health management series activities. Through health checkups, health management lectures, and insurance plan salons, employees enjoyed premier health management support.



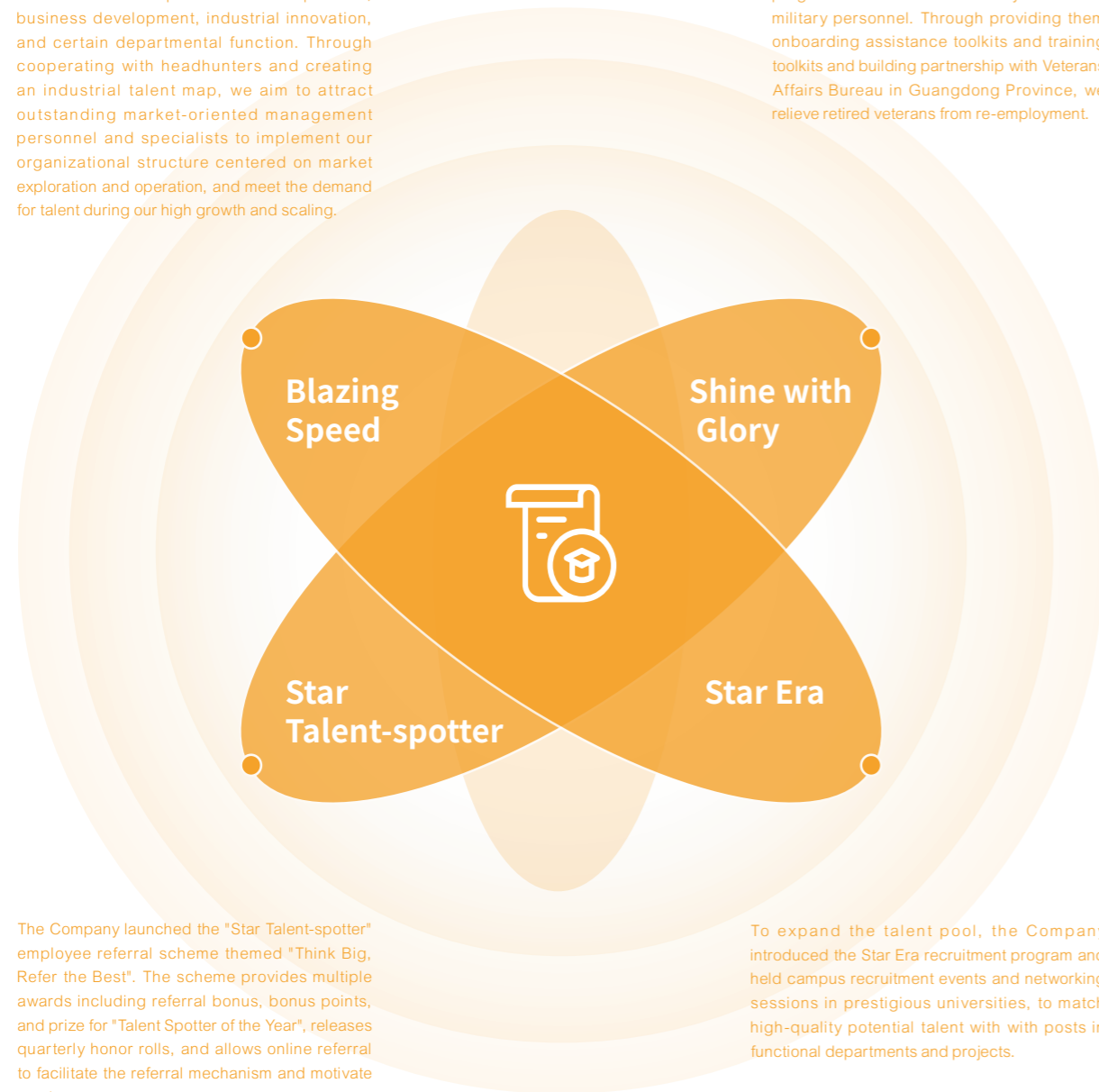
Responsible person	Communication target	Indicator
Functional department chief	Subordinates	No less than two interviews per employee per year
Project chief	Subordinate managers and supervisors	No less than two interviews per employee per year
	Primary-level employees	Interviewed employees shall not be less than 50% of the total primary-level staff in the project.
Department chief of the project	Subordinates	No less than two interviews per employee per year

# Attracting Talent

The Company has established and been continuously improving the talent recruitment system, providing more than ten thousand jobs each year for market-oriented talents, retired military personnel, and new graduates. We adopt the 4D talent selection model that evaluates experience, performance, ability and driving force, and offer equal employment opportunities to all kinds of talented people.

The Company launched a special recruitment program named "Blazing Speed" to recruit mid-level or above professionals in operation, business development, industrial innovation, and certain departmental function. Through cooperating with headhunters and creating an industrial talent map, we aim to attract outstanding market-oriented management personnel and specialists to implement our organizational structure centered on market exploration and operation, and meet the demand for talent during our high growth and scaling.

The Company has opened up a career development ladder and landed a recruitment program called "Shine with Glory" for retired military personnel. Through providing them onboarding assistance toolkits and training toolkits and building partnership with Veterans Affairs Bureau in Guangdong Province, we relieve retired veterans from re-employment.



The Company launched the "Star Talent-spotter" employee referral scheme themed "Think Big, Refer the Best". The scheme provides multiple awards including referral bonus, bonus points, and prize for "Talent Spotter of the Year", releases quarterly honor rolls, and allows online referral to facilitate the referral mechanism and motivate employees.

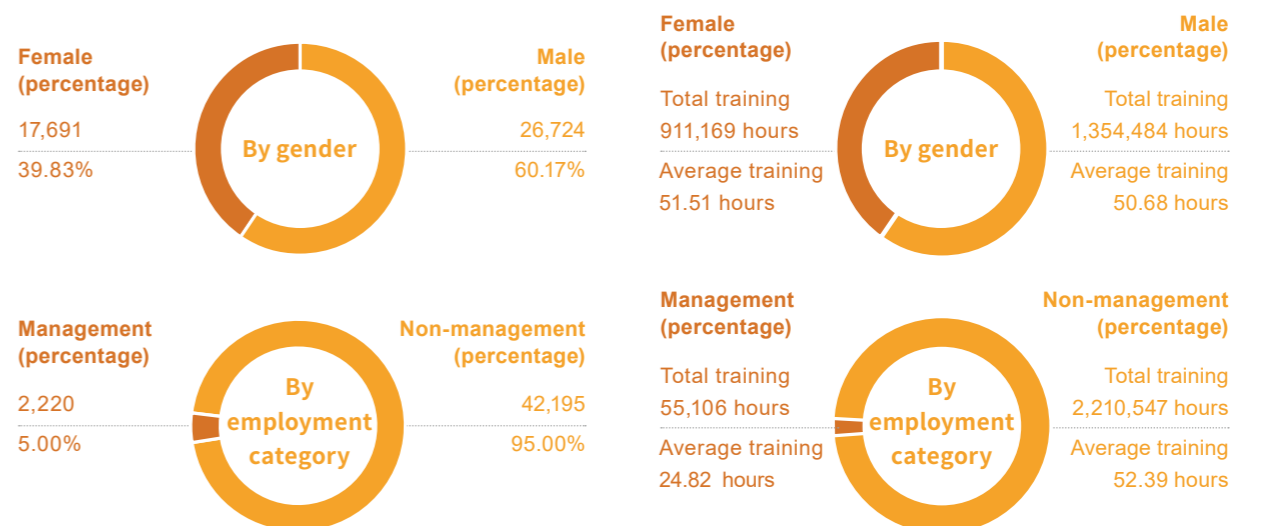
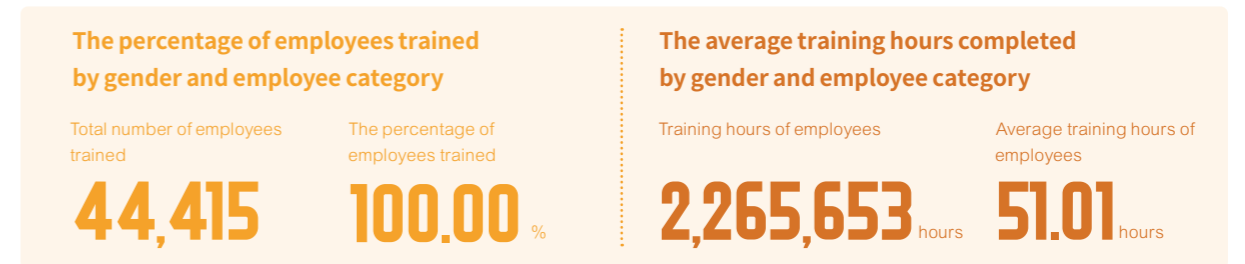
To expand the talent pool, the Company introduced the Star Era recruitment program and held campus recruitment events and networking sessions in prestigious universities, to match high-quality potential talent with posts in functional departments and projects.



Collaboration challenge at Jilin Branch

# Stimulating Growth

The Company has established a training system that covers all business lines and all employees around our development goals, business upgrading needs, and employees' growth plans. A dual-track career development mechanism has also been adopted for fostering technical and management personnel respectively. Employees will be evaluated for overall quality, job performance, work competences and performance, and be matched accordingly to technical or management roles, stimulating their specialized growth and long-term development.



## Promotion channels

We differentiate managerial and technical path based on the job value and subdivide the path according to the required management and technical skills and capabilities. We help employees set clear career development goals, and manage our talent pool in a more targeted manner.

## Talent fostering system

### Galaxy Leader Program

#### For senior executives

The Company creates a sound supply chain of potential leaders through attracting, merging, reviewing talent, providing targeted training, and conducting performance evaluation. We endeavor to improve the strategic planning and landing of the Galaxy Leader Program, strengthen objective management and execution, organizational operation and efficiency enhancement, enhance digital operation capacity, and empower Galaxy leaders through training, tools and hands-on practices.

### Galaxy Operation Officer Program

#### For super project managers

Through developing a unified selection, training, use, and evaluation mechanism for project managers, the Company bolsters and guides talent fostering for key positions. A hybrid cultivation approach has been adopted for project managers and potential supervisors in regional offices. In response to the requirement for upgrading the business mindset, the training curriculum has been upgraded and used as an effective tool. Courses like mindset transformation, professional steering, and management capacity building are now included, and the sample courses are developed by the headquarters while training sessions are carried out in regional offices in rotation.

### StarLight Professional Talents Plan

#### For core business experts

The Company accelerates the development and retention of professional talent through recruiting talented personnel from other industries. We have established a professional talent training model that combines training and practice, action learning, and learning maps to nurture technical experts.

### Stars Iron Triangle Program

#### For primary-level employees specialized in "customer service, security, and engineering"

The Company studies and analyzes practices and standards of national occupational skill level certification. We applied for and earned government authorization for certifying the occupational skill level of property managers. We have established standardized training systems for primary-level staff in different business operations and industries. For the three types of key talents at the primary level, we will reinforce their skill sharpening and business training to ensure the stable quality and standard landing.

### Star Era Program

#### For strategic talent pool

The Company combines theoretical studies with innovative practices and centered on boot camps and mentors in the program. Focusing on the training objective of "championing the corporate culture, transitioning into the new role, identifying business direction, and affirming career ambition", the Program would help fresh graduates develop a three-year plan and help them shift from college to real life, preparing them for future career growth.



### Case StarLight Professional Talents Plan

In April 2021, nearly 100 trainees and coaches from platform companies of Poly Property attended the StarLight Professional Talents Plan. This program mainly focused on business development. It made an in-depth research in business lines through comprehensive training, group discussion, and brainstorming. The plan is to help BD backbones gain a systematic understanding of the Company's businesses as well as customers' pain points and needs, refine satisfying solutions, dig deep into the region's businesses, formulate strategic operation maps with regional features, and excel in market exploration.



### Case Stars Iron Triangle Training Camp in 2021

In November 2021, Poly Property enrolled about 800 outstanding housekeepers from 28 cities in China to the Stars Iron Triangle Training Camp. Based on Foshan Branch as the main venue with 26 sub-venues, the training adopted the series of advanced courses for customer service supervisors and was delivered in an innovative model with two coaches, combining online lectures with offline instructions. It was designed to boost employee motivation, strengthen professional skills and deepen their management mindset.

## Featured training programs

### New Star Training

For new hires from social recruiting and covering more than 10 courses in corporate culture, human resource management, brand service, and market exploration.

### Nebula In-house Lecturer

The internal trainer team is in charge of internal training programs, to meet the multi-level and high-frequency training demand.

### HQ sharing platforms

Based on the learning philosophy of "sharing, co-creating, thriving", the Company has set up three major exchange platforms at the headquarters, namely "Ace vs. Ace", "Management Acceleration", and "Club of the Outstanding", and delivered learning activities to coordinate with the Company's internal practices, such as sharing strategic plans, clarifying strategic positioning, and promoting organizational reform.

### College Dream Program

The Company runs a joint educational program "College Dream Program" with the Open University of China to motivate employees to actively sign up for online higher education courses, helping employees to advance both in educational background and professional skills.

# Caring for Employees

Poly Property always puts employees' happiness in the first place. We formulated the *Measures for Employee Care Management* to help employees in need. We have organized colorful activities after work to enrich employees' life, creating a positive work-life atmosphere and enhancing employees' sense of belonging.

## Supporting employees in need

To better promote harmonious and healthy development of the Company, improve cohesion, and fulfill corporate social responsibilities, Poly Property has landed activities on "Truly Resolve Employees' Difficulties". Through the "He Ai Fund and Charity Fund", we have subsidized employees RMB 270,000 (RMB 33,200 from the Poly Group He Ai Fund) to employees in real financial need, their children who cannot afford college, and employees diagnosed with severe diseases. During the New Year's Day and Spring Festival holiday in 2021, we sent greetings to more than 200 people and subsidized them about RMB 180,000, making employees feel the Company's care through visible moves.

During the New Year's Day and Spring Festival of 2021, we visited more than

**200** people to send our sympathy,

with a total subsidy of about RMB

**180,000**

## Colorful cultural activities

In 2021, the Company organized a variety of featured activities, including special festival events in Children's Day, May 4th Youth Day and Teachers' Day, as well as cultural and sports events such as Spark Culture Salon, basketball and badminton games, brisk-walking, and "Staff Fun Games" to increase team cohesion and inherit the spark culture.



### Case Fighting together against COVID-19 on the International Children's Day

In June 2021, due to the unexpected epidemic outbreak in Guangzhou, the Company sent online greetings to employees work from home and their families. We also reminded them of "wearing masks, washing hands, avoiding gathering, and staying indoors", and sent gifts to employees and their kids when they got back to the office.



### Case Gratitude for Teachers

In September 2021, the Company rolled out the "Gratitude for Teachers" activity across the country. The activity included two parts, "Thank-you Note" and "To Respected You". Gratitude was passed to the Nebula coaches and lecturers through an online message board for employees to post wishes and exclusive gifts giving. The activity were advertised in the WeChat group, WeChat official account, and Tencent Lexiang platform.



### Case "100 Cities, 10,000 People – Retracing the Long March, Advancing Bravely in the 14th Five-Year Plan Period" Brisk-walking Activity

In May 2021, the Company launched "Retracing the Long March, Advancing Bravely in the 14th Five-Year Plan Period" Brisk-walking Activity in our offices across the country. More than 10,000 Poly Property employees toured down the route in Jiangxi, Sichuan, and Shaanxi Province. The activity paid tribute to the arduous journey, the glorious history, and the valiant Red Army, and it brought out employees' spirit of weathering hardships and advancing courageously along the New Long March journey in the 14th Five-Year Plan Period.



River-crossing competition held by the headquarters



"100 People Challenge" at Hubei Branch

## Strengthening the Power of Platforms through Joint Contribution and Shared Benefits

While actively developing our own business, we maintain mutually-beneficial relationships with stakeholders. We engage in "rural vitalization", share development rights and opportunities with suppliers to build a full-value service ecosystem, and give back to neighborhoods with public welfare practices, thus contributing to a happy and harmonious society.

### [CSR Story]

#### 13 Years of Warmth and Love from Poly Garden Volunteers

Contributing to Rural Vitalization

Engaging in Charity

Seeking Cooperation and Mutual Development



# CSR Story

## 13 Years of Warmth and Love from Poly Garden Volunteers

The first officially registered neighborhood volunteer team in Guangzhou – Guangzhou Poly Garden Volunteer Team, was set up by a group of owners and public welfare enthusiasts in the Poly Garden with the support of Poly Property. The team fully galvanizes local residents, spreads the volunteer spirit featuring dedication, friendship, mutual help, and progress, and plays a strong supporting role in COVID-19 response, waste sorting popularization, and convenience service in the neighborhood, providing a transferable and replicable solution to community management. Since July 27, 2008, the team has grown from merely 50 volunteers to 296 and attended nearly 800 volunteer activities.



### Case United as one in the fight against COVID-19

In 2021, Guangzhou suffered an unexpected outbreak of COVID-19. Poly Property Services Center, together with the volunteer team, stood fast at the front line and helped the street office, neighborhood committee, and property management service with five rounds of nucleic acid testing that covered 20,000 residents in Poly Garden, providing over 1,000 hours of volunteering service.



Volunteer team on the run at the frontline of the battle against virus



### Case Promoting waste sorting to create a livable home together

Since waste sorting was comprehensively rolled out in Guangzhou, Poly Property has been closely following the government's instructions by setting up garbage bins for different types of waste and launching publicity. Facing pain spots and problems in waste sorting, the volunteer team helped the Property Services Center carry out several publicity campaigns and guided households to sort waste correctly. The Services Center and volunteer team visited residents and warmly reminded them of some tips. They also promoted relevant knowledge through organizing a series of neighborhood activities and giving on-site quizzes, to ensure that the concept of waste sorting is properly rooted in everyday life of the households.



Volunteers introducing waste sorting methods



### Case Promoting the spirit of Lei Feng through volunteering

On March 5, 2021, the "Learn from Lei Feng" Day, Poly Garden held a volunteer activity with the assistance of Poly Property and the volunteer team. Free clinic, legal consultation, hairdressing for the elderly, and employment policy interpretation service were provided to meet the needs of different owner groups and practically carry forward the modern Lei Feng spirit.



Free hairdressing for the elderly



Free clinic services

# Contributing to Rural Vitalization

As a central SOE in the era of "Comprehensive Property", Poly Property sticks to the strategic orientation of developing "soft infrastructure" while continuously exploring ways to promote people's well-being. We go all out to live up to the country's requirements for rural vitalization, and innovatively implement the development strategy of "soft infrastructure". Based on the "Towns Revitalisation" 5G product package, we come up with a bunch of measures including optimizing the supply of public services, improving supporting services for the infrastructure, as well as pooling resources, to improve the living environment in rural areas, create a brand service model featuring "globalized township development", and contribute to the building of a modern service system for the countryside.

In 2021, we leveraged the radiation effect and influence of towns to drive the development of rural areas, thus realizing smooth landing of premium property services in towns and villages, instead of merely in cities, and empowering rural vitalization by developing local property services.

## Our journey of rural vitalization

- In 2016, starting from Xitang Tourist Attraction, we developed our way in supporting rural vitalization as a central SOE, comprehensively improved the local environment and order in Xitang, a scenic resort town and helped the Xitang Tourist Attraction, a previously 4A tourist spot, win a 5A certification.
- In 2017, we launched operations in Tianning Town and drew experience on township public services. We developed a Poly Service Model based on a 203-indicator system, being the first to provide property management as a national industry leader.
- In 2019, we entered Gushan Town to conduct centralized governance of local business operations and township landscaping in collaboration with the government, helping Gushan Town pass the national inspection for Outstanding Township in Hygiene.
- In 2020, we started operations in Yaozhuang Town and assisted the local government in township landscaping and comprehensive traffic management, effectively relieving the government's pressure of public governance.

## Urban renewal

Focusing on the needs of the government's transformation of old residential areas and the spiritual civilization, we provide "one-stop urban renewal", starting from new homes, new looks, new life enjoyment, and new humanistic atmosphere, implementing the transformation of old residential areas and later supporting services, and driving urban renewal with party building.

**Case** Developing and renovating Yaozhuang Town, a "village in the city"

For the Taoyuan Xintun Relocation Project in Yaozhuang Town, Poly Property improves public security and order, refines sanitation practices, and cleans up high-piled public storage areas through a number of specific actions, assisting the local government in promoting waste sorting and building a civilized city.



Owner gifts a velvet banner to Poly Property Services Center for appreciation

## Gridded foundational governance

As for gridded foundational governance we deepen the dimensions of comprehensive regulation, environmental regulation, traffic regulation assistance, and market surveillance, so as to comprehensively improve the environment and order of towns.

**Case** Urban environment improvement in Xitang Town

In 2021, we carried out eight special actions together with the law enforcement authority to improve the urban environment of Xitang Town. We paid special attention to carts with piled up sundries and gave more severe punishments to illegal parking in key road segments and during key hours. We tried to solve the problems of stalls illegally opened outside of stores and unauthorized peddlers through persuasion, and strengthen supervision over public security and compliant businesses in the block, laying a solid foundation for long-term management of the urban environment and order.



On patrol

**Case** Environmental sanitation improvement and market management in Tianning Town

We provide "regular and standardized" sanitation service with designated personnel in Tianning Town. By leveraging the collaboration between public security and sanitation, we identify important and challenging areas, break down sanitation tasks and hold service staff accountable, and take quantitative assessment measures. Based on that, the rural sanitation improvement campaigns are rolled out to eliminate sanitation blind spots across the town and improve the overall living environment.

In 2021, we assisted Tianning Farmers' Market in renovating itself to a more convenient, intelligent, customer-oriented, featured, and standardized market. The scientific management was adopted to bring the management of the market to a next level.



Tianning Market winning Four-Star Market for hygiene and compliance

## Industry empowerment

With the support of the "Yinghe Ecosphere", a community value-added services platform, the Company has organized several consumption-driven activities to alleviate poverty, such as "Thousand Stalls in Hundred Cities", "Spark for Farmers", "Power of Neighborhoods", which opens up channels for agricultural products to be served directly from farm to table. The Company also proactively explores the development of culture and tourism to help inherit the countryside culture.

**Case** Gushan Town Apricot and Plum Blossoms Tourism Festival

From April 14 to 18, 2021, the Third Apricot and Plum Blossoms Tourism Festival, sponsored by Dandong Cultural Tourism and Radio and Television Bureau, Donggang Municipal Committee of the Communist Party of China and People's Government of Donggang City, was organized in Gushan Town, Donggang City, Liaoning Province. As the organizer, Poly Property was in the whole process of the festival, including preparation and on-site service. Leveraging our expertise, we developed a comprehensive roadmap of the event and formulated contingency plans. Dedicated security and medical teams were set up to realize full-process management and control of the traffic and tourist flow, equipment operation, and fire safety, ensuring the safety and order on the site. Besides, we integrated the profound history and culture of Gushan Town into our considerate, people-oriented service, telling stories of Gushan to tourists, thus creating unique, humanistic experience.



Tourist service



# Seeking Cooperation and Mutual Development

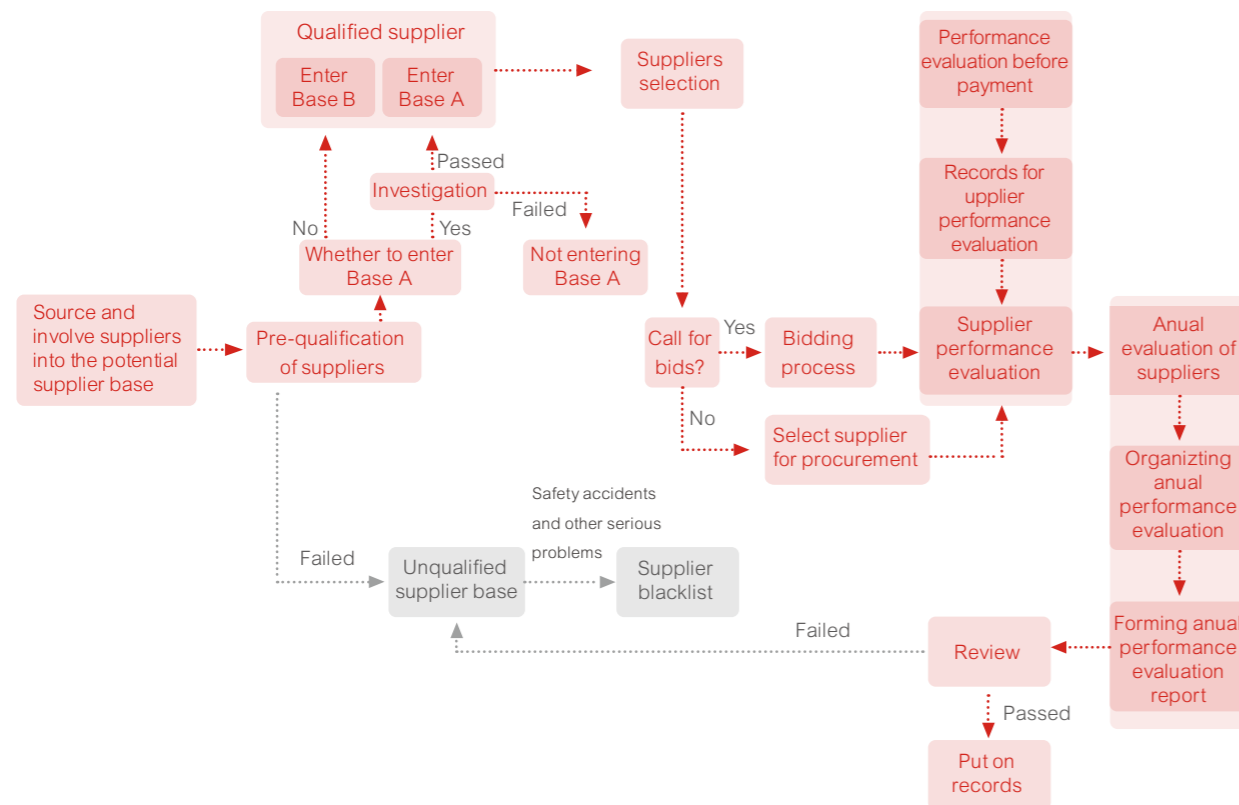
In line with the vision of win-win cooperation, we keep standardizing and improving the supply chain management process and system, and urge suppliers to fulfill their social responsibilities. As an active participant of industry forums and exhibitions, we also join industry organizations, in the hope of being an industry leader and pioneer to drive the industry's high-quality development.

## Building a Responsible Supply Chain

According to the Chinese laws, such as the *Civil Code* and *Law on Tenders and Bids*, and based on the industry's development trends and its own business lines, Poly Property amended a series of internal regulations, including *Procurement Management Regulation*, *Bidding Management Measures*, and *Supplier Management Measures*, to effectively manage and control the supply chain environment.

### Supplier selection

The Company has put in place a standardized selection process and tightened control over supplier sourcing, screening, auditing and accessing. We have incorporated ISO 9001 Quality Management Systems, ISO 14001 Environmental Management Systems, and GB/T45001-2020 Occupational Health and Safety Management Systems into the screening criteria to make sure that our partner suppliers deliver quality products and value business ethics. In 2021, 2,834 new suppliers passed our review and inspection.



### Supplier management

The headquarters, platform companies and specialized management companies of Poly Property designate personnel for supplier management on different business lines. In accordance with the guiding principle of "dividing management and operation responsibilities" and the *Supplier Management Measures*, we would launch a two-phase assessment for each supplier, i.e., compliance assessment and annual assessment. After the contract is fulfilled, the responsible department will assess the performance of the supplier according to the *Supplier Performance Evaluation Form*. At the end of each year, we will make annual assessment of suppliers according to the *Integrated Supplier Evaluation Form*.

Meanwhile, comprehensive management of suppliers is put in place through graded management, field visits, and management meetings, so that we can timely identify corruption, quality, safety, and environmental risks across the supply chain, and remove those failing to initiate cooperation within due period or failing to pass the assessment from the list of qualified suppliers.

<b>Qualified (Excellent)</b>	<b>A</b>	1) Overall rating score $\geq 60$ 2) Only not more than 10% suppliers of the same category can be rated as Excellent	All suppliers
<b>Qualified (Good)</b>	<b>B</b>	1) Overall rating score $\geq 60$ , Only top 10%-40% of suppliers of the same category can be rated as Good	All suppliers
<b>Qualified</b>	<b>C</b>	1) The rest 60% of suppliers (of the same category) with an overall rating score $\geq 60$ 2) Newly included suppliers with no cooperation yet	All suppliers
<b>Disqualified</b>	<b>D</b>	Those gaining an overall rating score of below 60 would be disqualified	All suppliers

### Transparent procurement

Poly Property has established the *Integrity Conduct Regulations* to clarify the integrity management guidelines and procedures that suppliers and employees should follow in the procurement process. The Company also requires suppliers to sign an *Integrity and Honesty Agreement* before collaboration to clarify and regulate the responsibilities of both parties. During collaboration, if a supplier is suspected of transferring benefits or performing other irregular activities, it will be immediately reported to relevant departments and considered as an unqualified supplier, and the partnership will be immediately terminated. Poly Property emphasizes on the integrity education of our employees to ensure that we implement the relevant regulations of Transparent Procurement in every aspect of supplier engagement and eliminates bribery.

To avoid fraudulent acts arising from the contact between purchasers and suppliers, Poly Property implements an online digital procurement platform to ensure open and transparent procurement information as well as fair and just procurement prices. In addition, Poly Property sets up a disciplinary supervision and reporting hotline, a reporting email address, and online letter reporting system for employees and outsiders to report and expose irregular activities. To protect the safety of whistleblowers, Poly Property continues to improve the protection mechanism for whistleblowing information to prevent the leakage of whistleblower information. As of the end of the reporting period, Poly Property did not receive any substantiated complaints about the leakage of whistleblower information.

### Green procurement

The Company has raised requirements for qualifications and project history of suppliers, and integrated environmental-related qualifications into the screening mechanism. We oversee and regulate behaviors of suppliers through assessment, and urge them to use environmental-friendly products and services.

<b>Credit and System Certification</b> <ul style="list-style-type: none"> <li>Credit rating AAA certification</li> <li>Enterprise management system certifications, including ISO 9001 quality management system, ISO 14001 environmental management system, GB/T45001-2020 occupational health and safety management system</li> </ul>	<b>National Grade Qualification</b> <ul style="list-style-type: none"> <li>Landscaping qualification</li> <li>Garbage removal and disposal qualification</li> <li>Waste sorting and disposal qualification</li> </ul>	<b>Enterprise Special Qualification</b> <ul style="list-style-type: none"> <li>Pest control qualification</li> <li>Secondary water supply facility cleaning qualification</li> <li>Waste clearing and transportation qualification</li> </ul>	<b>Personnel qualification</b> <ul style="list-style-type: none"> <li>Pest control officer</li> <li>Landscape Engineer</li> <li>Landscaping Engineer</li> </ul>
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## Driving Industrial Development

The Company closely follows national strategies and studies industrial policies thoroughly. While creating exchange and cooperation platforms together with industry peers, we actively attend industry forums and exhibitions to promote standardized and quality growth of the industry as a pioneer in the industry's modern transformation.

### Setting up exchange platforms

#### Initiating a think tank in public service

Poly Property and Shanghai University of Finance and Economics launched a public service think tank that focuses on primary-level governance, social organizations, major concerns related to people's livelihood, and public welfare. It especially promotes cooperation in urban public service practices and aims to become an efficient and practical consulting platform for decision-making. On April 17, 2021, the think tank held a themed symposium on "rural vitalization and high-quality public service". Renowned experts and scholars from politics, academia, industry, and media gathered together to discuss opportunities and challenges facing public services against the backdrop of rural vitalization, coming up with suggestions on accurate rural governance and the efficiency of social governance.



Experts and scholars visit a project of China Poly Group Corporation

#### Launching a win-win platform for property service providers

From April 23 to 24, 2021, 11 major listed companies, including Poly Property, jointly founded a win-win platform for property service providers – G11 Alliance of Listed Property Service Companies, to explore common development patterns and strategies in the new era, share advanced service models, regulate business behaviors, and enhance service quality, thus making premium property services more accessible.



Poly Property co-initiates the G11 Alliance of Listed Property Service Companies

### Joining in industry associations

In 2021, Poly Property officially joined the International Facility Management Association (IFMA) after several rounds of rigorous review. IFMA is the largest and most widely recognized facility management association in the world, and it now supports more than 24,000 members in 104 countries around the globe. Poly Property will continue to deepen exchange and cooperation with industry associations and industry peers, and welcome deeper integration and more inspiring discussions on emerging topics like intelligent parks and intelligent operations.



Poly Property officially admitted to IFMA

### Sharing development experience

The 2021 Guangzhou International Smart Property Expo was grandly opened on October 27, 2021. The Expo displayed cutting-edge high-tech products and solutions in smart property service, smart life, smart neighborhoods, and smart cities, empowering the industry for new progress. As a pacesetter that empowers property services with smart technologies, Poly Property attended the Expo with its newly released product – Research Institute of Seeds. Through the video clip *SEED Program*, Poly Property narrated the industry's history, advancements and setbacks over the past four decades. The audience got to know the bumpy development journey of smart property services and the game-changing role Poly Property played at a critical point of time.



Poly Property and its "Research Institute of Seeds" at the 2021 Guangzhou International Smart Property Exposition

### Protecting intellectual property

In strict accordance with the Chinese laws, such as the *Civil Code*, *Copyright Law*, *Trademark Law*, *Patent Law*, and *Tort Law*, and relevant regulations, Poly Property has formulated internal regulations such as the *Intangible Assets Management Measures* and *Brand Management Regulations*. We keep optimizing the intellectual property right risk prevention mechanism, provide regular training on IRP for staff, and conduct internal inspection on IP risks. As of December 31, 2021, we had obtained 26 registered trademarks, 9 patents, 26 software copyrights and 1 domain name.

## Engaging in Charity

Poly Property leverages its own expertise and edge in resources to make positive social impacts. We continuously organize "Poly Spark Class", show care for seniors living alone, and provide volunteer services to facilitate public welfare undertakings, so as to send warmth and power as much as possible to society.

RMB **33,514** Invested in public welfare

**6,491** employee participants Attracted in volunteer activities

### Promoting the spark culture and consolidating achievements of poverty alleviation

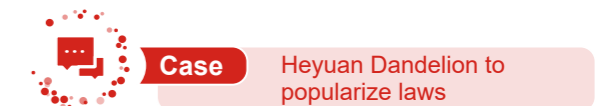
In 2021, we continued to undertake the Spark Project of China Poly Group Corporation and organized the sixth "Poly Spark Class". 88 students of the class, driven by the same dream, received three months of off-work training at Shanxi Vocational University of Engineering Science and Technology. After the training, students were assigned to platform companies for internship or official employment.



Opening Ceremony of the Sixth Poly Spark Class

### Advocating the volunteer spirit for good

The Company continuously enlarges the Heyuan volunteer team that makes an active presence in environmental protection, disaster relief, and science popularization, passing on the volunteer spirit and making contributions to social progress.



In 2021, we launched a new public welfare brand activity, Heyuan Dandelion, in Heyuan neighborhood, to promote law education and help build a law-based society. On November 12, 2021, the first themed event "Heyuan Dandelion—Law Education in Neighborhoods" was successfully held. Through a lecture on high-rise littering, online and offline legal consulting, and a quiz with awards, we concretely promoted law education. The activity involved other offices of Poly Property across the country by live streaming.

### Caring for seniors living alone to pass our love

Our platform companies send greetings to seniors living alone during holidays and festivals, and send personnel to accompany them to hospital, provide daily companion and hobby group activities. We hope to do our best to provide care for the elderly and meet their needs, passing warmth and love.



Poly Property housekeeper visits an elder in the park

Poly Property will create a template for the Heyuan Dandelion Action and develop a set of standard procedures and toolkit to make the activity transferrable and replicable in other neighborhoods.



Law popularization in Heyuan Dandelion Action

# Appendix

## List of ESG Policies, Laws and Regulations

ESG Aspects	Laws and Regulations	Internal Policies
<b>A. Environment</b>	<i>Environmental Protection Law of the People's Republic of China</i> <i>Energy Conservation Law of the People's Republic of China</i> <i>Water Pollution Prevention and Control Law of the People's Republic of China</i> <i>Atmospheric Pollution Prevention and Control Law of the People's Republic of China</i> <i>Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise</i> <i>Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste</i> <i>Regulation on the Safety Management of Hazardous Chemicals</i> <i>National Catalogue of Hazardous Wastes</i>	<i>Regulations on Cost Control Management</i> <i>Guidelines for Energy Management</i> <i>Guidelines for Waste Classification</i> <i>Poly Property Emergency Response Manual</i>
	<i>Labor Law of the People's Republic of China</i> <i>Labor Contract Law of the People's Republic of China</i> <i>Employment Promotion Law of the People's Republic of China</i> <i>Social Insurance Law of the People's Republic of China</i>	<i>Measures for the Administration of Compensation</i> <i>Labor Contract Management Measures</i> <i>Rationalized Suggested Management Method</i>
<b>B1. Employment</b>	<i>Labor Law of the People's Republic of China</i> <i>Fire Control Law of the People's Republic of China</i> <i>Construction Law of the People's Republic of China</i> <i>Law on Safety of Special Equipment of the People's Republic of China</i> <i>Work Safety Law of the People's Republic of China</i> <i>Law of the People's Republic of China on Prevention and Control of Occupational Diseases</i> <i>Emergency Response Law of the People's Republic of China</i> <i>Provisions on the Administration of Safety Technology Training and Examination for Special Operation Personnel</i> <i>Regulations on Work-related Injury Insurance</i> <i>Administrative Measures for Work Safety Training</i> <i>Guide for Emergency Drill of Work Safety Accidents</i> <i>Law of the People's Republic of China on the Protection of the Rights and Interests of Consumers</i>	<i>Work Safety Management System Compilation</i> <i>Work Safety Management System</i> <i>Emergency Response Manual</i> <i>Management System Manual</i> <i>Hazard Identification, Evaluation and Archiving</i> <i>Safety Education and Training Management Measures</i> <i>Internal Audit Management Measures</i> <i>Audit Measures for Internal Control System</i> <i>Guidelines for the Management of Residential Property Records and Information</i>
	<i>Civil Code of the People's Republic of China</i> <i>Law of the People's Republic of China on Tenders and Bids</i> <i>Property Management Regulations</i>	<i>Management Policies on Tenders and Bids</i> <i>Supplier Management Measures</i> <i>Procurement Management Regulation</i> <i>Bidding Management Measures</i> <i>Management System Manual</i> <i>Guidelines for Supplier Evaluation Management</i>
<b>B2. Health and Safety</b>		
<b>B5. Supply Chain Management</b>		
<b>B6. Product responsibility</b>	<i>Law of the People's Republic of China on Urban Real Estate Administration</i> <i>Property Management Regulations</i>	<i>Management and Control System for the Ultimate Standardized Residential Services</i> <i>Poly Property Overall Standard System for Urbanization 1.0</i> <i>Poly Property Standard System for Rail Transport Project 1.0</i> <i>Poly Property Standard System for Teaching and Research Properties 1.0</i> <i>Nebula Ecology Standard System 1.0</i> <i>Measures for the Administration of Merchants Within Community Value-added Services</i>
<b>B7. Anti-corruption</b>	<i>Company Law of the People's Republic of China</i> <i>Anti-money Laundering Law of the People's Republic of China</i> <i>Anti-monopoly Law of the People's Republic of China</i> <i>Anti-Unfair Competition Law of the People's Republic of China</i> <i>Interim Provisions on Banning Commercial Bribery</i>	<i>Letter of Commitment to Integrity and Self-discipline</i> <i>Measures of Implementing Discipline Inspection and Supervision System</i> <i>Ten Prohibitions for Leading Cadres</i> <i>Eight Prohibitions for Management Cadres</i> <i>Convention on Integrity of Cadres</i> <i>Measures for Cadre Supervision and Management</i> <i>Integrity Conduct Regulations</i> <i>Integrity and Honesty Agreement</i>
<b>B8. Community investment</b>	<i>Charity Law of the People's Republic of China</i>	<i>Guidelines for Three-Level COVID-19 Response Management</i> <i>Guidelines on COVID-19 Response</i> <i>COVID-19 Response Manual for Employees</i> <i>Guidelines for Work Resumption</i>

## ESG Index

General Disclosure and Key Performance Indicators (KPIs)	Corresponding Sections
<b>A. Environmental</b>	
<b>A1: Emissions</b>	
General Disclosure	Driving Green and Low-carbon Development
A1.1 The types of emissions and respective emissions data	Practicing Green Operation, ESG Key Performance Indicators
A1.2 GHG emissions and intensity	Practicing Green Operation, ESG Key Performance Indicators
A1.3 Total hazardous waste produced and intensity	Practicing Green Operation, ESG Key Performance Indicators
A1.4 Total non-hazardous waste produced and intensity	Practicing Green Operation, ESG Key Performance Indicators
A1.5 Description of emissions target(s) set and steps taken to achieve them	Practicing Green Operation
A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Practicing Green Operation
<b>A2: Use of Resources</b>	
General Disclosure	Driving Green and Low-carbon Development
A2.1 Direct and/or indirect energy consumption by type in total and intensity	Practicing Green Operation, ESG Key Performance Indicators
A2.2 Water consumption in total and intensity	Practicing Green Operation, ESG Key Performance Indicators
A2.3 Description of energy use efficiency initiatives and results achieved	Practicing Green Operation
A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Practicing Green Operation
A2.5 Total packaging material used for finished products and with reference to per unit produced	Not Applicable
<b>A3: Environment and natural resources</b>	
General Disclosure	Practicing Green Operation
A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Practicing Green Operation
<b>A4: Climate Change</b>	
General Disclosure	Addressing Climate Change
A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Addressing Climate Change
<b>B. Social</b>	
<b>B1: Employment</b>	
General Disclosure	Building a Talent Pool for Development with the People-oriented Principle
B1.1 Total workforce by gender, employment type, age group and geographical region	Attracting Talent, ESG Key Performance Indicators
B1.2 Employment turnover rate by gender, age group and geographical region	Attracting Talent, ESG Key Performance Indicators
<b>B2: Health and safety</b>	
General Disclosure	Protecting Employee Rights and Interests

B2.1	Number and rate of work-related fatalities	Protecting Employee Rights and Interests, ESG Key Performance Indicators
B2.2	Lost days due to work injury	Protecting Employee Rights and Interests, ESG Key Performance Indicators
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Protecting Employee Rights and Interests

**B3: Development and training**

General Disclosure Stimulating Growth

B3.1	The percentage of employees trained by gender and employee category	Stimulating Growth, ESG Key Performance Indicators
B3.2	The average training hours completed per employee by gender and employee category	Stimulating Growth, ESG Key Performance Indicators

**B4: Labor standards**

General Disclosure Attracting Talent

B4.1	Description of measures to review employment practices to avoid child and forced labor	Attracting Talent
B4.2	Description of steps taken to eliminate such practices when discovered	Attracting Talent

**B5: Supply chain management**

General Disclosure Seeking Cooperation and Mutual Development

B5.1	Number of suppliers by geographical region	Seeking Cooperation and Mutual Development, ESG Key Performance Indicators
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored	Seeking Cooperation and Mutual Development, ESG Key Performance Indicators
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Seeking Cooperation and Mutual Development
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Seeking Cooperation and Mutual Development

**B6: Product responsibility**

General Disclosure Securing People's Livelihood Through Intelligent Innovation

B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not Applicable
B6.2	Number of product and service related complaints received and how they are dealt with	Responding to Customers' Demands, ESG Key Performance Indicators
B6.3	Description of practices relating to observing and protecting intellectual property rights	Seeking Cooperation and Mutual Development
B6.4	Description of quality assurance process and recall procedures	Not Applicable
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Guaranteeing the Safety of Customers

**B7: Anti-corruption**

General Disclosure Anti-corruption and Probity

B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Anti-corruption and Probity, ESG Key Performance Indicators
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Anti-corruption and Probity
B7.3	Description of anti-corruption training provided to directors and staff	Anti-corruption and Probity, ESG Key Performance Indicators

**B8: Community investment**

General Disclosure Strengthening the Power of Platforms through Joint Contribution and Shared Benefits

B8.1	Focused areas of contribution	Strengthening the Power of Platforms through Joint Contribution and Shared Benefits
B8.2	Resources contributed to the focused areas	Strengthening the Power of Platforms through Joint Contribution and Shared Benefits, ESG Key Performance Indicators

# ESG Key Performance Indicators

ESG KPIs		Unit	2021 <sup>1</sup>	
A1.1	The types of emissions and respective emissions data	Nitrogen oxides	kg	921.85
		Sulfur oxides	kg	2.25
		Particulate matter	kg	87.67
A1.2	GHG emissions in total and intensity	GHG emissions (Scope 1 and Scope 2) <sup>3</sup>	tonnes CO <sub>2</sub> e	346,286.88
		GHG emission intensity <sup>2</sup>	tonnes CO <sub>2</sub> e/million sq.m.	744.21
		Direct GHG emissions (Scope 1) <sup>4</sup>	tonnes CO <sub>2</sub> e	3,458.05
		Indirect GHG emissions (Scope 2) <sup>5</sup>	tonnes CO <sub>2</sub> e	342,828.83
A1.3	Total hazardous waste produced and intensity	Total hazardous waste produced <sup>6</sup>	kg	28,915.03
		Hazardous waste intensity <sup>2</sup>	kg/million sq.m.	62.14
		Waste lamp	kg	22,595.04
		Waste printer cartridge	kg	4,032.41
		Waste ink cartridge	kg	2,287.59
A1.4	Total non-hazardous waste produced and intensity	Total non-hazardous waste produced <sup>7</sup>	tonnes	1,101.74
		Total non-hazardous waste intensity <sup>2</sup>	tonnes/million sq.m.	2.37
		Food waste	tonnes	1,066.92
		Office paper waste	tonnes	34.82
A2.1	Direct and/or indirect energy consumption by type in total and intensity	Total energy consumption <sup>8</sup>	MWh	591,271.63
		Total energy consumption intensity <sup>2</sup>	MWh/million sq.m.	1,270.70
		Direct energy consumption <sup>9</sup>	MWh	17,993.62
		Indirect energy consumption <sup>10</sup>	MWh	573,278.01
		Gasoline <sup>11</sup>	Litre	152,916.72
		Diesel <sup>12</sup>	Litre	172,137.84
		Natural gas <sup>13</sup>	m <sup>3</sup>	830,743.81
		Piped gas <sup>13</sup>	m <sup>3</sup>	3,278.34
		Tanked LPG <sup>13</sup>	kg	221,480.46
		Purchased electricity	MWh	544,806.63
A2.2	Water consumption in total and intensity	Electricity consumption for cooling	MWh	4,136.20
		Electricity consumption for heating	MWh	24,335.19
		Water consumption in total	m <sup>3</sup>	11,539,561.61
		Water consumption intensity <sup>2</sup>	m <sup>3</sup> /million sq.m.	24,799.73

ESG KPIs		Unit	2021	
<b>B1.1</b> Total workforce by gender, employment type, age group and geographical region	Total number of employees	Headcount	44,415	
	By gender	Male	Headcount	26,724
		Female	Headcount	17,691
	By employment type	Full-time staff	Headcount	44,415
		Part-time staff	Headcount	0
	By age group	Aged 30 and under	Headcount	17,174
		Aged 31-50	Headcount	22,463
		Aged 51 and above	Headcount	4,778
	By geographical region	Northeastern China	Headcount	1,781
		Northern China	Headcount	5,699
		Eastern China	Headcount	3,827
		Southeastern China	Headcount	4,339
		Central China	Headcount	5,610
		Northwestern China	Headcount	5,368
		Mid-south China	Headcount	4,548
		Greater Bay Area	Headcount	5,685
Southern China		Headcount	7,558	
<b>B1.2</b> Employee turnover rate by gender, age group and geographical region	Employee turnover rate	%	32.80%	
	By gender	Male	%	33.94%
		Female	%	30.20%
	By age group	Aged 30 and under	%	35.33%
		Aged 31-50	%	27.10%
		Aged 51 and above	%	26.78%
	By geographical region	Northeastern China	%	23.60%
		Northern China	%	23.56%
		Eastern China	%	37.68%
		Southeastern China	%	36.16%
Central China		%	30.88%	
Northwestern China		%	30.44%	
Mid-south China		%	35.22%	
Greater Bay Area		%	32.85%	
Southern China	%	27.74%		

ESG KPIs		Unit	2021	
<b>B2.1</b> Number of work-related fatalities	Number of work-related fatalities	Headcount	0	
	Rate of work-related fatalities	%	0%	
<b>B2.2</b> Lost days due to work injury	Lost days due to work injury	Days	176	
<b>B3.1</b> The number and percentage of employees trained by gender and employee category	Total number of employees trained	Headcount	44,415	
	By gender	Male	Headcount	26,724
		Female	Headcount	17,691
	By employment type	Managerial Staff	Headcount	2,220
		Non-managerial Staff	Headcount	42,195
		Percentage of employees trained in the total employees	%	100.00%
	By gender	Percentage of male employees in total employees	%	60.17%
		Percentage of female employees in total employees	%	39.83%
	By employment type	Percentage of managerial personnel in total employees	%	5.00%
		Percentage of non-managerial personnel in the total employees	%	95.00%
<b>B3.2</b> The average training hours completed per employee by gender and employee category	Total training hours	Hours	2,265,653	
	By gender	Male	Hours	1,354,484
		Female	Hours	911,169
	By employment type	Managerial	Hours	55,106
		Non-managerial	Hours	2,210,547
	Average training hours completed by employees	Average training hours of employees	Hours	51.01
	By gender	Male	Hours	50.68
		Female	Hours	51.51
	By employment type	Managerial	Hours	24.82
		Non-managerial	Hours	52.39
<b>B5.1</b> Number of suppliers by geographical region	Number of suppliers <sup>14</sup>	Entity	2,834	
	By geographical region	Northeastern China	Entity	232
		Northern China	Entity	564
		Eastern China	Entity	273
		Southeastern China	Entity	200
		Central China	Entity	257
		Northwestern China	Entity	261
		Mid-south China	Entity	193
		Greater Bay Area	Entity	315
		Southern China	Entity	539

ESG KPIs		Unit	2021
<b>B5.2</b>	Number of suppliers reviewed in accordance with the practices relating to engaging suppliers in 2021	Entity	2,834
<b>B6.2</b>	Number of products and service related complaints received	Service complaints received in the property category	7,315
		Engineering complaints received in the property category	3,006
		Safety complaints received in the property category	2,026
		Other complaints received in the property category	2,013
<b>B7.1</b>	Number of concluded legal cases regarding corrupt practices brought against the company or its employees	Cases	0
<b>B7.3</b>	Description of anti-corruption training provided to directors and staff.	Number of directors participating in anti-corruption training	7
		Number of employees participating in anti-corruption training	28,358
		Length of anti-corruption training provided to directors and employees	113,432
<b>B8.2</b>	Resources contributed to the focused areas	Total investment in public welfare	33,514
		Employee participants in voluntary activities	6,491

1.The disclosed environmental data in 2021 covers the headquarters of Poly Property, office areas of its subsidiaries, and office areas and non-shared public spaces of its subordinate projects.

2.The GHG emissions intensity, hazardous waste intensity, non-hazardous waste intensity, energy consumption intensity, and water consumption intensity of Poly Property in 2021 are calculated based on the total area under management of Poly Property in 2021, i.e., 465.3 million m<sup>2</sup>, as the denominator.

3.The GHG emissions are the sum of direct GHG emissions (Scope 1) and indirect GHG emissions (Scope 2).

4.Direct GHG emissions (Scope 1): Including GHG emissions generated from consuming gasoline, diesel, natural gas, piped coal gas, liquefied petroleum gas, and methanol.

Direct GHG emissions are calculated according to the *Requirements of the Greenhouse Gas Emissions Accounting and Reporting for Public Building Operating Organizations (Enterprises) (Trial)* promulgated by the General Office of the State Council of the People's Republic of China.

5.Indirect GHG emissions (Scope 2): Including indirect GHG emissions result from the purchase of electricity and heat; indirect GHG emissions from purchased electricity are calculated according to the *Requirements of the Greenhouse Gas Emissions Accounting and Reporting for Public Building Operating Organizations (Enterprises) (Trial)* promulgated by the General Office of the State Council of the People's Republic of China. Indirect GHG emissions from purchased heat are calculated based on the *GHG Protocol Tool for Energy Consumption in China (V2.1)* provided by World Resource Institute.

6.Total hazardous waste produced includes waste modulator tubes, toner cartridges, and ink cartridges.

7.Total non-hazardous waste produced includes kitchen waste and waste paper in offices.

8.Energy consumption is the sum of directly and indirectly consumed energy.

9.Direct energy consumption is the total consumption of gasoline, diesel, natural gas, piped coal gas, and liquefied petroleum gas.

10.Indirect energy consumption is the total consumption of purchased electricity, heat, and cooling.

11.Gasoline consumption covers the gasoline consumed by the Company's owned vehicles.

12.Diesel consumption covers the diesel consumed by engineering facilities and equipment of projects under management of Poly Property.

13.Piped coal gas, tanked LPG, and part of the natural gas cover consumption of the canteens operated by Poly Property. The rest of the natural gas consumption comes from heating for subordinate companies and projects.

14.In 2021, the Company has further optimized supplier management and strictly standardized statistical methods. The number of suppliers only covers qualified suppliers, so it differs greatly from that in 2020.

\* Unless otherwise specified, the conversion coefficients and calculation methods refer to *How to Prepare an ESG Report – Appendix 3: Reporting Guidance on Social KPIs* released by The Stock Exchange of Hong Kong Ltd.