



S-Enjoy Service Group Co., Limited
新城悅服務集團有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

Stock Code: 1755



Environmental, Social and
Governance Report **2021**



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About the Report

S-Enjoy Service Group Co., Limited (the “Company”, stock code: 1755) hereby issues the Environmental, Social and Governance Report (the “ESG Report” or the “Report”) for the year ended 31 December 2021 of the Company and its subsidiaries (collectively the “Group”, “we”, “S-Enjoy” or “S-Enjoy Service”) to demonstrate the Company’s concepts and practices regarding environmental, social and corporate governance (“ESG”) to its stakeholders.

Reporting Scope

The Report covers the Group, including Chengdu Chengyue Times Property Services Co., Ltd.¹ (“Chengyue Times”) and Dalian Hua’an Property Management Co., Ltd. (“Dalian Hua’an”) acquired by the Company in 2020. The Report covers the period from 1 January 2021 to 31 December 2021 (the “Reporting Period”).

Reporting Standards and Principles

The Report is prepared in compliance with the Appendix 27 *Environmental, Social and Governance Reporting Guide* (the “ESG Reporting Guide”) to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The content index of the ESG Reporting Guide is set out in Appendix 1 to the Report. In addition, the Report is prepared largely based on the *Global Reporting Initiative Standards* (the “GRI Standards”) issued by the Global Reporting Initiative (“GRI”). The content index of the GRI Standards is set out in Appendix 2 to the Report. Based on the ESG Reporting Guide and the GRI Standards, there are seven principles for the preparation of ESG reports.

- “Materiality”: The Company determines material ESG issues by stakeholders engagement and materiality assessment as described in the ESG Management section for details;
- “Quantitative”: Information on the standards, methodologies and source of conversion factors used for the reporting of emission and energy consumption has been disclosed;
- “Consistency”: The key performance indicators and the statistical method are consistent with those of 2020;
- “Reliability”: the information reported shall be accurate, detailed and reliable, and the sources shall be traceable;
- “Balance”: the Company’s performance shall be reviewed on an objective basis, and data disclosed shall cover both positive and negative information about the Company;
- “Clarity”: the Report shall be presented with understandable language and in accessible ways;
- “Timeliness”: the Report shall be disclosed on a regular and timely basis.

1. As Shandong Lead Property Management Co., Ltd., a subsidiary of Chengyue Times, was acquired less than one year ago, it is exempted from disclosure in accordance with relevant disclosure standards, and excluded from the statistical scope of the Report.

About the Report

Access of the Report

The Report is released in electronic form and available on the Company's official website (<https://www.xinchengyue.com>) and the HKEX website (<http://www.hkexnews.hk>).

Comments and Feedback

Readers are welcomed to scan the QR code below to fill in concerns and suggestions on the Report:



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Chairman's Statement

On behalf of S-Enjoy Service, I am pleased to present the ESG Report for the year ended 31 December 2021 of the Group.

In 2021, the COVID-19 did not stop wrecking around the world, and there was still no sign that the pandemic would come to an end. As the Mainland China applied the dynamic zero-COVID policy, the property management companies played important anti-pandemic roles. All the employees of S-Enjoy Service have stuck to the frontline, striving to secure the community. With the establishment of a sound safety management system and the formulation of the *Operational Guidelines for Management of COVID-19 Pandemic Prevention*, we completed our task of pandemic prevention in a quick, accurate and scientific manner to ensure the health and safety of our more than one million property owners. For the purpose of supporting people suffering from the pandemic or other problems, we carried out a series of public welfare actions.

We insist on standardized corporate governance. We adhere to compliant with operation and diversified governance to ensure high-standard business performance of the Company. We strictly implement the concept of anti-corruption and put in place a complete management system involving the whole process from pre-prevention to post-treatment, so as to comprehensively and effectively reduce the occurrence of fraud. We also maintain our long-term thoughts on ESG. In 2021, we formulated the three-year ESG strategy for the Group and appointed special personnel to supervise and implement the strategy.

We always provide great working environment and development path with employee oriented principle. The Group is committed to non-discriminatory employment, and continuously cares about the physical and mental health of our employees. The headquarters and the regional subsidiaries organise the “Cheer-up Station” activity at least once quarterly in the forms of face-to-face communication, questionnaire survey, anonymous letter, third-party anonymous interview, etc. In order to create a cohesive, active and progressive working environment, we carry out various employee care activities and raise benefits for frontline employees. We continue to conduct iterative upgrade to our talent cultivation system to develop a self-driven workforce, and achieve 100% training coverage and a huge growth of training hours per capita.

We always put customers first, and constantly improve our service quality. In 2021, we upgraded our systems such as the property management service system, the on-site management service system and the community activity service system, and performed supervision on the introduction and implementation of relevant standards, so as to constantly provide property owners with the experience of “enjoyment”. For the purpose of improving service capacity and developing an art of service, we have been cooperating with The International Butler Academy to help our employees obtain the certification of The International Guild of Professional Butlers through professional trainings. For quick response and convenient communication, the Group has extensively applied and promoted

Chairman's Statement

WeChat Work and achieved 97% coverage during the year. We also actively listen to the voice of our customers. In addition to opening online and offline channels for feedback, the Company's management also irregularly visits the frontline or serves as frontline employees to listen to the genuine voice of our customers.

We insist on being powered by digital intelligence and attach great importance to digital development. In this year, we completed the construction of the "1+1+3" smart backstage and continuously expanded the scope of online service to improve our service efficiency. We also enabled a number of intelligent modules in the community to achieve smarter service, more efficient response and more convenient experience. The Group has a courier locker company named Yungui* ("Nanjing Yungui Network Technology Co., Ltd.") ("Nanjing Yungui"), which provides the community with intelligent retail services and has won recognition from the People's Daily. During the Reporting Period, the Group was honoured as one of the "Top 20 Most Digitally Powerful Property Management Enterprises in China (2020-2021)".

As 2021 marked the first full year for the Group's layout of the catering service, we provided working meals, buffets, afternoon tea and other catering services for schools, corporations, government agencies, etc. during the year. As at the end of 2021, there were 92 catering projects under management. We strictly ensure food safety, and stringently implement the regulations on pesticide residue detection, melamine tableware placement, food centre temperature measurement and reservation of sample dishes for inspection. During the Reporting Period, there was no food safety incident. We also hold various food festivals on an irregular basis to enrich our customers' dining experience.

We firmly abide by the national strategies of "Peak Carbon Dioxide Emissions" and "Carbon Neutrality". The Group has formulated a three-year plan for environmental health and safety ("EHS") and established the EHS committee to focus on special fields such as energy conservation and waste treatment in the future. In our daily operations, we have developed a number of energy-saving policies for each of the three major areas: green community, green office and green dining space. In 2021, we funded the incorporation of the joint venture Wuxingyuechong (Shanghai) Technology Services Company Limited ("Wuxingyuechong") to gradually install charging piles in qualified communities, encouraging property owners to travel with low carbon.

Adhering to our original mission of "happy home, happy life", S-Enjoy Service is committed to providing customers, employees, partners, the public and other stakeholders with the experience of happiness, and making contributions to the healthy development of the society. Going forward, we will continue to embed the concept of sustainability into practice, and take the initiative to assume social responsibility. Let's work together to create a better future.

Qi Xiaoming
Chairman and Chief Executive Officer

** for identification purpose only*

About the Company

Incorporated in 1996 and listed on main board of the Stock Exchange in November 2018 (stock code: 1755.HK), S-Enjoy Service Group Co., Limited is a comprehensive property management service company with first-class qualification and nationwide presence, and boasts good reputation and high quality growth. The Company has been ranked as one of the top 100 property management service companies in China for consecutive years, and ranked 11th among the top 100 property management service companies in China in 2021.

Relying on the development model of “Grand Community + Grand Logistics”, S-Enjoy Service has become a diversified and innovative property service enterprise after years of development. The services rendered by the Company include basic property management services, community life and asset services, catering services, elevator services and smart community services, etc., targeting residential and commercial buildings, office buildings, parks, hospitals, schools, public buildings and other integrated urban complexes. As at the end of 2021, S-Enjoy Service had a gross floor area (“GFA”) of over 150 million sq.m. under management and a contracted GFA of approximately 280 million sq.m., with an established presence in 185 core cities in China. At the same time, with the values of “embrace the future, get ready to undertake responsibilities, work with integrity and earnestness and cooperate for mutual benefits”, nearly 20,000 S-Enjoy people nationwide provided happy ecological services in 1,333 projects across China as an active practice of the brand mission of “happy home, happy life”.

Property Management Service

We provide an extensive range of property management services to residents and tenants, including property and facilities maintenance, security services, cleaning services, gardening services, public areas repair and maintenance and other property management related services. We manage diverse property portfolios, including residential and non-residential properties. From past records, the majority of our revenue came from property management services.

Value-added Services

Our value-added services encompass three types of services: property developer-related value-added services, community-related value-added services and smart community services:

- Developer-related value-added services: We provide related services to property developers during the property development. S-Enjoy mainly provides three types of developer-related value-added services, namely on-site sale assistance services, consulting services and house inspection services.
- Community-related value-added services: We provide value-added services to residents and customers in the projects we manage, including public resources management services, community engineering services, extensive decoration services, asset management services, catering services, facility and equipment management and various other home living services.
- Smart community services: We provide one-stop smart solutions for communities and various business projects.

About the Company

Corporate Culture

Mission

Happy Home, Happy Life

Vision

Share Happiness and Undertake Responsibilities

Core Values

Embrace the Future, Get Ready to Undertake Responsibilities, Work with Integrity and Earnestness and Cooperate for Mutual Benefits

Corporate Gene

Camel Spirit

Corporate Spirit

Being Honest in Behavior and steadfast in work

Guidelines on Cultural Behaviors of Employees: Six Advocacies and Six Objections

Advocate integrity and pragmatism and object to cheat and deception

Advocate being simple and direct and object to flattering

Advocate playing an example role and object to being all talk and no deed

Advocate being open-minded and inclusive and object to forming factions

Advocate self-examination and object to resting on our laurels








Advocate frugality and object to extravagance

About the Company








Awards	Awarding Institution
2021 Blue Chip Top 100 Property Management Companies	Economic Observer
2021 Gold Hong Kong Stocks-Best Property Management Company	Zhitong Financial RoyalFlush Information
TOP 11 of 2021 China Top 100 Property Management Companies	China Index Academy
2021 China Top100 Growth-Leading Companies in Property Service	China Index Academy
TOP 15 of 2021 Top 100 Property Management Companies	Cric Property Management Shanghai E-House Real Estate Research Institute China Real Estate Appraisal Center
2021 China Leading Residential Property Service Companies	Shanghai E-House Real Estate Research Institute China Real Estate Appraisal Center
2021 China Leading Quality Property Service Companies	Shanghai E-House Real Estate Research Institute China Real Estate Appraisal Center
2021 China Top 20 Super Property Service Enterprises	EH Consulting · Jiahe Jiaye
2021 East China Top 30 Branded Property Management Companies	Shanghai E-House Real Estate Research Institute China Real Estate Appraisal Center
2021 Shanghai Top 10 Renowned Property Management Brands	lejucaijing.com
2021 China Top 20 Digital Property Service Companies	Cric Property Management Shanghai E-House Real Estate Research Institute China Real Estate Appraisal Center
2021 China Leading Technology-empowered Property Management Companies	China Index Academy
2020-2021 Intelligent Property Management Benchmarking Projects	Cric Property Management Shanghai E-House Real Estate Research Institute China Real Estate Appraisal Center
2021 China Best Employer in Property Management Industry	China Index Academy
2021 China Top 10 Benchmark Property Service Companies with Most Influencing Employer Brand	EH Consulting · Jiahe Jiaye
2021 Outstanding Human Resources Management Award	51job.com
2021 Top 20 Catering Service Providers in Sichuan Province	Sichuan Third Industry Association

Summary of Performance

Business Performance Summary

 Total assets RMB 5.41 billion	 Owners' equity RMB 2.52 billion	 Management projects 978 GFA under management 154 million sq.m.
 Revenue RMB 4.35 billion Three-year compound growth rate of 50%+	 Gross margin 30.8% Core net margin² 16.3%	 Contracted projects 1,333 Contracted GFA 279 million sq.m.
 Core net profit attributable to the parent company¹ RMB 676 million		

Social Performance Summary

 Total headcount 15,009	 A gender-balanced workforce Male : Female = 54% : 46%	 Average time for butlers to accept requests and feedback 4'39" Ratio of promptly feedback 94.47% Favourable rate on requests solving 99.34%
 Average learning hours of employees: 21.3 hours Increased by 67% from 2020 100% training coverage	 Replanting area for greening 390,000 sq.m.	
 2,617 community quality improvements Invested RMB 35.29 million Covering 723,000 households	 Community activities held during the year: 13,000+	

1. Core net profit attributable to the parent company excludes fair value gains or losses and impairment losses on the Company's investment in USD-denominated bonds of listed companies, and interest income from wealth management products (WMPs)

2. Core net margin = Core net profit / Revenue * 100%



1

Working Together to Advance ESG Governance

1.1 ESG Strategy

1.2 ESG Organisational Structure

1.3 Stakeholder Engagement

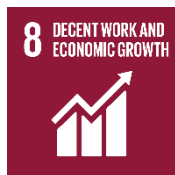
1.4 Materiality Assessment

Working Together to Advance ESG Governance

1.1 ESG Strategy

The Group supports the UN Development Goals (“SDGs”). We make plans and formulate a three-year corporate ESG strategy to identify the SDGs relevant to our business, so as to contribute to the achievement of the SDGs by 2030 from multiple dimensions and lay a solid foundation for the sustainable operation of the Company.

**In view of the nature of our industry,
we identified the following SDGs:**



**Taking into account the SDGs, the Company has
formulated a three-year ESG strategy**

2021

Identifying the
priority SDGs and
developing
sustainability strategy
8

Developing EHS
energy conservation
plan
11, 12, 13

Comprehensive
upgrading of service
quality
11, 12

2022

Enhancement of energy
consumption control
11, 13

Comprehensive updating
of management
information system
8, 12

Optimisation of risk
control
8

Developing stakeholder
engagement plan
8

2023

Achievement of expected
goals for EHS plan
11, 12, 13

Food safety and waste
reduction
3, 6, 12

Improvement of
employees' sense of
happiness
3, 5

Working Together to Advance ESG Governance

1.2 ESG Organisational Structure






The Group continues to deepen the construction of its internal ESG management system and attaches great importance to ESG risk management. The board (the “Board”) of directors (the “Directors”) of the Company is the highest decision-maker of ESG management in the Group. The Board oversees the Group’s ESG issues and takes full responsibility for the Group’s ESG strategy and reporting.

Board of Directors	<ul style="list-style-type: none">Responsible for the overall sustainability direction of the Group, and taking ultimate responsibility for the sustainability of the Company.
ESG Committee	<ul style="list-style-type: none">Formulating and reviewing the Company’s ESG responsibilities, vision, strategy, framework, principles and policies, and strengthening the materiality assessment and reporting process to ensure the continuous execution and implementation of ESG policies passed by the Board of Directors;Considering and approving the Company’s ESG goals, and regularly reviewing the achievement of ESG goals; andMonitoring main ESG trends and related risks and opportunities and evaluating whether the Group’s ESG-related structure and business model are adequate and effective in this regard, adopting and updating the Group’s ESG policies when necessary and ensuring that such policies are up-to-date and comply with applicable laws, regulations and regulatory requirements, as well as international standards.
ESG Working Group	<ul style="list-style-type: none">Coordinating the implementation of ESG-related work and ensuring that ESG strategies are implemented;Following up on and reviewing the implementation of every ESG work, and reviewing the work mechanism;Reporting to the ESG Committee on ESG-related risks and opportunities;Presenting to the ESG Committee the Group’s annual ESG performance, progress of ESG goals and annual ESG report.
Business units	<ul style="list-style-type: none">Developing and implementing specific strategies to integrate ESG concepts into daily ESG work;Completing work records on time and assisting the ESG working group to complete data collection;Making bottom-up work proposals.

Working Together to Advance ESG Governance

1.3 Stakeholder Engagement

We have identified significant internal and external stakeholders, actively adopted various communication mechanisms to communicate with all significant stakeholders to understand their expectations and requirements on our ESG work and future sustainable development, and reduce conflicts of interest.

Stakeholders	Expectations and Requirements	Communication Mechanism
 Government	<ul style="list-style-type: none"> Compliance with laws Paying taxes according to laws Support local development 	<ul style="list-style-type: none"> Operating in compliance with the laws Active tax payment Job creation Active implementation of relevant policies Active assumption of social responsibilities
 Shareholders and investors	<ul style="list-style-type: none"> Sustained development to reward investors Highly transparent rights and interests protection Investor relations Corporate governance 	<ul style="list-style-type: none"> Improving the Company's sustainable profitability The general meeting of stockholders, announcements and circulars Activities promoting investor relations Governance and risk control systems
 Customers	<ul style="list-style-type: none"> Safe and quality services Enjoyable community culture Protecting customers' rights and interests 	<ul style="list-style-type: none"> Complete service system Implementing the requirements on online requests and complaint handling process and system Divers community activities Smart community
 Suppliers and partners	<ul style="list-style-type: none"> Business ethics and reputation Equal, open and fair procurement Win-win development Resource sharing 	<ul style="list-style-type: none"> Improving supplier management mechanism Open and transparent bidding and tendering Empowering assistance Building an integrated bidding and procurement platform Participating in industry exchanges
 Employees	<ul style="list-style-type: none"> Salaries and welfare Healthy and safe working environment Fair opportunity for promotion and development Equal communication Respecting legal rights and interests 	<ul style="list-style-type: none"> Remuneration management Employee care and employee activities Employee training system Annual physical examination Listening to employees' voice
 Society and the public	<ul style="list-style-type: none"> Supporting public welfare Care for vulnerable groups Protecting natural environment Facilitating the harmonious development of the community 	<ul style="list-style-type: none"> Organising public welfare activities Energy conservation, emission reduction and green operation Promoting community culture Setting up lines of defence for pandemic prevention

Working Together to Advance ESG Governance

1.4 Materiality Assessment

By constructing an ESG materiality assessment model, we assessed the Group's ESG risks and material ESG issues, and understood and responded to the expectations of stakeholders on the Group's ESG work. The specific steps of the materiality assessment are as follows:

① Identification

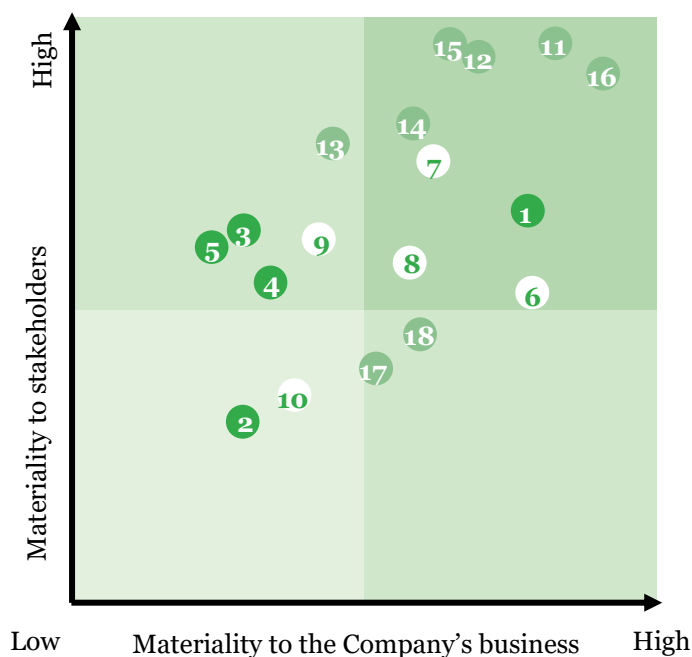
Identify 18 ESG issues in accordance with the requirements of the *ESG Reporting Guide*, combined with our business development strategies and industry trends.

② Rating

Score and prioritise the identified ESG issues and develop a materiality assessment matrix from the two dimensions of “materiality to the Company's business” and “materiality to stakeholders”, draw preliminary assessment conclusions, identify issues that are material to the Group, and give them priority for disclosure and response in the ESG Report.

③ Assessment

The Group submits the preliminary assessment results to the ESG Committee and the ESG Working Group for discussion and confirmation, and the final materiality assessment results will be reported to the Board of Directors.



Working Together to Advance ESG Governance

Materiality	No.	ESG Issues
Very important	16	Customer Satisfaction
	11	Customer Service
	1	Energy Management
	6	Employee Development
	12	Quality Control
	15	Privacy Management
	7	Health And Safety
	14	Anti-corruption
	8	Employee Rights
Important	3	Emission Management
	5	Climate Change
	17	Intellectual Property Rights
	9	Labour Standards
	13	Supply Chain Management
	4	Waste Management
	18	Public Welfare And Charities
Normal	10	Employee Activities
	2	Water Management



Stringently Promoting Compliant Operation

2.1 Regulating Corporate Governance

2.2 Intensifying Risk Management

2.3 Enhancing Integrity Building

2.4 Protecting Intellectual Property



Stringently Promoting Compliant Operation

2.1 Regulating Corporate Governance

Strictly complying with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Corporate Governance Code* and other relevant laws and regulations, the Company continuously improves its corporate governance structure to regulate its operation and develop standard and scientific operation and decision-making mechanisms for the general meeting of stockholders, the Board and the senior management. The general meeting of stockholders, the Board and the senior management respectively act as the highest authority, executor and administrator of the Company, forming an operation mechanism in which they can undertake their own tasks, cooperate with each other and, at the same time, restrain each other.

The Company convenes the general meeting of stockholders under relevant regulations. The Company has established four committees under the Board, including the Audit Committee, the Remuneration Committee, the Nomination Committee and the ESG Committee. The Board has defined the duties and responsibilities of these committees. During the Reporting Period, the Board consisted of 3 executive Directors, 3 non-executive Directors and 3 independent non-executive Directors.

As the Group believes that a diverse Board is highly beneficial to the performance of the Company, it has adopted the *Board Diversity Policy* and determined to guarantee the Board diversity from multiple aspects when setting up the composition of Board members, including but not limited to age, cultural and educational background, professional experience, skills and knowledge. All appointments to the Board are made in accordance with the principle of hiring talents based on their competence, taking business capacity as a performance indicator. The objective conditions and the benefits of Board diversity are taken as reference when selecting candidates. During the Reporting Period, the Board consisted of 9 Directors, including 2 female Directors.

Investor Events of the Company in 2021

147 exchanges

229 hours in total

2,205 participants

Stringently Promoting Compliant Operation

2.2 Intensifying Risk Management

The Group attaches great importance to risk management and always emphasises the prevention of major risks. In this regard, the Group has built three lines of defence at the regional branches and project frontline, headquarters departments and the audit and supervision centre respectively, and has developed a risk management process mainly involving risk identification, risk assessment, risk response, risk reporting, system maintenance and long-term publicity. At the same time, the Company has established sound internal control system and work mechanism, and constantly optimises the internal control system by improving internal control policies, and strengthening self-evaluation of internal controls, rectification and inspection of defects found in internal review and special audit of internal controls.

Within 2021

Added 32 new contract templates

Upgraded 33 contract templates

Provided 31 law popularity trainings

Risk Identification: We classify the risk issues that the Company may be exposed to into five major categories, and set warning lines for core indicators:



Strategic risk

Evaluate the risks of each existing business and potential business, and form a business environment analysis report;



Market risk

Export a market environment report on a monthly basis and send it to the frontline for risk prevention;



Operational risk

Perform risk point analysis on projects on a weekly basis, form a list of risk projects, and follow up on risk projects in stages;



Legal risk

Formulate the *Property Legal Risks and Solutions*, and prepare annual report on S-Enjoy's property service risks and prevention;



Financial risk

Update and strictly implement the *Internal Control Management System of S-Enjoy*, perform quarterly united cross-inspection and form written report.

Stringently Promoting Compliant Operation

Risk Management System: We gradually improve our risk management system in practice

Regional Branches and Project Frontline

- ✓ Responsible for the project risk identification and exception handling in daily business, and acting as the primary line of defence for risk control of our business;
- ✓ Responsible for the organisation of internal control management training for the functional departments of regional branches and project personnel, and the communication and implementation of the internal control system documents prepared by the financial management centre of the headquarters.

Functional Departments at the Headquarters

- ✓ Constantly improve the *Internal Control Management System of S-Enjoy* and management rules, evaluate and review the internal control exceptions reported, and carry out risk response;
- ✓ Promote and supervise the regional implementation of the risk control standards formulated by the headquarters, regularly organise monthly regional self-inspection of internal controls and quarterly united cross-inspection of internal controls, conduct unscheduled special inspection, review, rectify and follow up on the business issues identified , and maintain the internal control system;
- ✓ Analyse and anticipate the potential risks of existing and new businesses.

Audit and Supervision Centre

- ✓ the Audit and Supervision Centre continuously improves the *Code of Professional Conduct of Employees of S-Enjoy Service*, conducts post audit and investigation on the risk control and internal management at the first two lines of defence in an independent and objective manner, and investigates into real-name reporting. For confirmed internal control violations, violations of discipline and major frauds, notifications will be given in time with rewards and punishments implemented properly to create a culture of integrity for S-Enjoy.

Stringently Promoting Compliant Operation

Risk Management Process

01

Risk identification

Carry out inspections to identify all business exceptions of the project, or require the frontline to report exceptions, and update the list of high-risk projects at the same time.

02

Risk assessment

Assess the exceptions of each business, and rate the project risks according to the internal control rules.

03

Risk response

Dispatch different personnel for different risk levels, figure out and put forward specific solutions for specific issues, and rectify the internal control violations and deficiencies identified.

04

Risk reporting

Rate the regional and project performance based on the rectification progress, hold relevant personnel accountable for specific internal control violations and provide necessary announcements.

05

System maintenance

Review the management policies for internal control deficiencies related to exceptions, prepare relevant internal control inspection report and distribute it to regional finance, human resource and project frontline personnel; and issue risk prevention summary report on a regular basis.

06

Long-term publicity

Carry out scheduled and unscheduled publicity and training for regional branches and projects based on the issues identified in inspections or in businesses to create an environment of integrity.

2.3 Enhancing Integrity Building

The Group strictly complies with relevant laws and regulations, including but not limited to the *Criminal Law of the People's Republic of China*, the *Company Law of the People's Republic of China*, the *Bidding Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, etc. The Group also stringently follows the *Code of Professional Conduct of Employees*, the *Management Measures for Gifts and Cash Gift of S-Enjoy Service*, the *Management Policy for Conflict of Interest*, the *Complaint Report Management Policy of S-Enjoy Service* and other internal policies, requiring all employees to sign the *Letter of Commitment of Integrity* and the *Employee Commitment Letter*, and prohibiting employees from bribery, extortion, fraud and money laundering.

Stringently Promoting Compliant Operation

We have established multiple channels to collect complaints and reports of violation of laws and disciplines from internal and external stakeholders, and opened reporting channels at many places. We set up the Audit and Supervision Department as the only department to accept complaints and reports, and adhere to the working principle of “confidentiality, objectivity, fairness and justice” to investigate and handle the complaints and reports.

We advocate and encourage real-name reporting, and have established a strict confidentiality system for complaints and reports to protect the information security of informers and all personnel involved in anti-fraud investigations. If the reporting matter is verified to be true, those who violate the laws and disciplines will be punished accordingly, and the real-name informer will be given rewards privately. In order to create a transparent and fair working environment and ensure normal operation of the reporting mechanism, we seriously protect informer privacy and prevent retaliation. During the Reporting Period, the Group was involved in one corruption lawsuit filed against its employees, which had been concluded.



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Acceptance department for face-to-face reporting: Audit and Supervision Department

In 2021, we provided all Directors with online trainings on anti-corruption and insider trading to strengthen prevention from the origin. At the same time, we conducted publicity for all Directors and senior management of the Company via the “EXE” APP to improve their awareness of integrity building red lines, which further strengthened all Directors' awareness of integrity and anti-corruption.

August and November are months of integrity of the Company. In 2021, we continued to build positive and robust integrity culture by carrying out a series of anti-corruption activities and trainings themed “S-Enjoy Integrity with Reasonable Reward and Punishment”, involving all business formats of the Group. In these activities and trainings, the headquarters, regional platforms and projects were brought together to build a culture of integrity in all aspects. By organising activities such as Integrity Culture Publicity Month, Integrity Culture Wall, Integrity “Self-reflection Day”, Integrity Culture Works Collection and Integrity Oath, we promoted the integrity culture of S-Enjoy among our employees both visually and mentally, and gave full play to the education, demonstration and leading role of integrity culture, so as to effectively raise all employees' awareness of integrity.

Stringently Promoting Compliant Operation

Thursday · Integrity Class

In 2021, we launched four sessions of “Thursday · Integrity Class”, which were carried out via “online live streaming + EXE APP” to help employees better perceive the red lines and raise their awareness of integrity.

9,126 participants, 10,824 training hours in total



Integrity Culture Wall



In 2021, we made posters and table cards with all kinds of integrity system documents and integrity awareness publicity and education documents, and displayed them on the Company's bulletin board to strengthen employees' perception of integrity culture construction, so that the integrity culture could be truly "seen".

Covered over 1,000 offices across the country

Integrity Self-reflection Day

In 2021, the Group's Human Resource and Administration Centre organised the “Integrity Self-reflection Day” to detect potential fraud risks and enhance control over integrity risks through group discussions in each department and region, requiring each S-Enjoy person to make an integrity commitment and promise to stick to our original mission and be honest and disciplined.



2.4 Protecting Intellectual Property

S-Enjoy closely abides by the *Patent Law of the People's Republic of China*, the *Tort Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, the *Advertising Law of the People's Republic of China*, the *Cybersecurity Law of the People's Republic of China* and other laws

Stringently Promoting Compliant Operation

and regulations, and has formulated and implemented the *Intellectual Property Management Policy*. The Group clarifies that the Human Resource and Administration Centre is responsible for the management of intellectual property-related affairs. We put forward clear requirements for the use and management of patents, know-how and technical secrets, trademarks, trade secrets and copyrights, including the establishment and improvement of intellectual property compliance management system and process, development of intellectual property compliance system and implementation of intellectual property risk warning. Besides, we carry out publicity of laws and regulations on intellectual properties to raise employees' awareness on intellectual property protection and reduce the risks related to intellectual property issues.

The Company holds
26 invention patents
51 software copyrights

We monitor the risks that may arise from our daily business. For example, we intensify the inspection of intellectual properties related to trademarks, promotion program, slogans, etc. to avoid the risk of tort. At the same time, we strengthen our regular and irregular monitoring on our competitors, partners and other market players to avoid the risk of intellectual property infringement caused by others. Besides, we pay more attention to the contents of intellectual properties in our daily business, organise regular trainings on intellectual property laws and regulations, and carry out publicity of laws and regulations on intellectual properties to raise employees' awareness on intellectual property protection and reduce the risks related to intellectual property issues.

At the same time, we also encourage inventions and innovations by employees, push forward the promotion and application of scientific and technological achievements, give rewards to departments and personnel with important achievements, and hold those accountable for violating intellectual property laws and regulations. We respect the intellectual properties of our partners, and promise to use their intellectual properties only within the scope of authorisation.

We have formulated the *Administrative Policies on Brand Communication*, the *Management Measures for Brand Offline Materials* and the *Measures for Management of the WeChat Official Account of S-Enjoy* to standardise the communication and application of the visual identity system of our brand from the design, approval and production of offline materials, maintaining the image and brand of the Company.

3

Caring for Employees with People-oriented Management

3.1 Protection of Employees' Rights

3.1.1 Legal Employment

3.1.2 Equal Opportunity

3.1.3 Remuneration and Promotion

3.1.4 Listening to Employees' Voice

3.2 Facilitating Employees' Development

3.3 Protection of Employees' Health

3.4 Caring for Employees' Lives

Caring for Employees with People-oriented Management

S-Enjoy always insists on people-oriented, respects labour, respects talents, and treats our employees as important partners for promoting the sustainable development of the Group. The Group provides all employees with a fair and just employment environment, a healthy and safe working environment, a competitive remuneration system, a scientific and complete training system, multi-channel promotion opportunities, and abundant employee activities to enhance the sense of belonging and happiness of employees and achieve the common growth of employees and the Group. The Company has established an occupational health and safety management system and obtained external certification of GB/T 45001-2020/ISO 45001:2018.

In 2021, S-Enjoy was selected as “2021 Top 10 Role Model Companies of Property Service with Influential Employer Brand in China” for its excellent human resource management concept, sound internal talent cultivation mechanism and brilliant employer brand image.

3.1. Protection of Employees’ Rights

3.1.1 Legal Employment

The Group stringently complies with relevant laws and regulations in areas where it operates, including but not limited to the *Labour Law of the People’s Republic of China*, the *Labour Contract Law of the People’s Republic of China*, the *Employment Promotion Law of the Peoples Republic of China* and the *Law of the People’s Republic of China on the Protection of Minors*. In addition, the Group has also formulated the *Employee Recruitment and Employment Management Policy* and the *Talent Referral Management Measures* and other policies to comprehensively protect employees’ legal rights and interests.



Certification of Occupational Health and Safety Management System



Certificate of 2021 Top 10 Role Model Companies of Property Service with Influential Employer Brand in China

Number of Universities with which the Company has entered into strategic partnerships in 2021

5



Caring for Employees with People-oriented Management

The Group recruits talented employees based on the principle of “open recruitment, employer and employee choice, selection of candidates with better performance” through campus recruitment, internal referral, online recruitment and head-hunting. We sign Labour Contracts with employees. In the *Policy for Employees’ Award and Punishment* and the Labour Contract, we detail the awards and punishments for employees and the conditions for the termination of the Labour Contract. The Group does not terminate employment at will and clarifies the rights and obligations of both parties to the Labour Contract.

Meanwhile, the Group abides by the *Provisions on the Prohibition of Using Child Labour* and the *Provisions of the People’s Republic of China on Special Protection of Juvenile Labour* in employment, and clarifies that misconducts such as child labour and forced labour are completely intolerant in all regional branches and projects under management. We strictly abide by the statutory working hours, control the overtime work, and ensure the rest time as well as physical and mental health of employees. If it is necessary to arrange employees to work overtime due to work needs, overtime wages are paid according to laws. Forced labour is not allowed. Besides, the Group stringently verifies candidates’ identity cards and other personal information during recruitment and boarding to avoid child labour, and holds derelict internal personnel accountable for violating employment rules. During the Reporting Period, the Group had no child labour or forced labour.

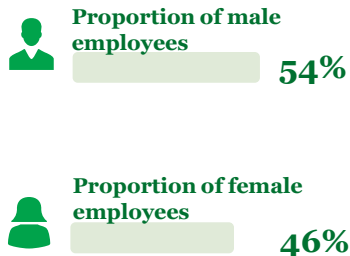
3.1.2 Equal Opportunity

The Group recruits talents according to the principles of fairness, impartiality and openness and select the outstanding ones under the same conditions. In strict compliance with national and local laws and regulations, we allow no discrimination with regard to race, gender, colour, age, family background, ethnic tradition, religion, physical condition and original nationality to ensure that all employees enjoy equal opportunities in compensation and dismissal, recruitment and promotion, working hours, holidays, and other benefits and welfare.

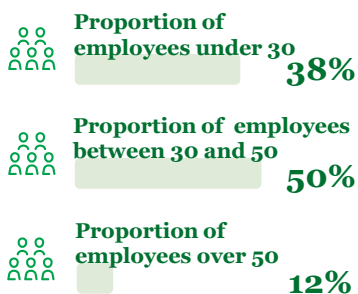
We provide the disabled with equal employment opportunities by arranging appropriate posts for them and encouraging them to work hard in their respective positions and give full play to their own values. At the same time, we strongly support veterans to transfer to civilian work. So far, 639 veterans have joined the Group as our employees.

Caring for Employees with People-oriented Management

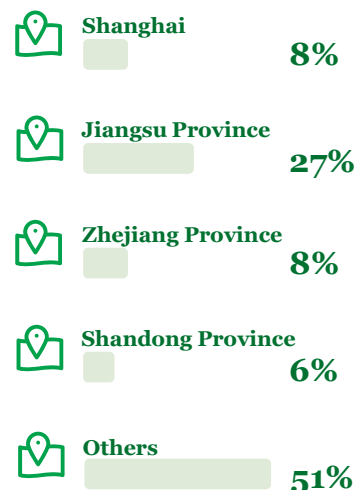
Employees by gender in 2021



Employees by age in 2021



Employees by region in 2021



3.1.3 Remuneration and Promotion

The Group has established a comprehensive remuneration system. We strictly abide by the *Social Insurance Law of the People's Republic of China* and the *Regulations on Minimum Wages of Enterprises*, and implement the *Performance Management Measures*, the *Remuneration Management Policy* and, the *Welfare Management Policy* and other management policies to provide our employees with a comprehensive and complete remuneration system. Remuneration is classified into different grades based on various positions, and each grade contains several levels. Competitive remuneration is offered according to employees' positions, performances and abilities. Employees' remuneration includes basic salary, post salary, overtime wage, performance pay, seniority pay and year-end bonus. Different remuneration structures are applicable to employees based on their job categories. We pay social insurance for employees in compliance with national and local policies and regulations, and provide benefits such as night shift allowance, meal subsidy, phone allowance, traffic allowance, holiday subsidy, high temperature subsidy and consolation fund for our employees.

We follow the regulations in the *Employee Attendance Management Policy* and the *Employees Leave Management Policy*, implement an eight-hour work system at the headquarters and regional branches. Irregular working hours and integrated working hours are implemented in special posts in accordance with local policies, taking into account the work nature of the posts. Employees are entitled to rest days, public holidays, personal leave, sick leave, work injury leave, marriage leave, maternity leave and breastfeeding leave, paternity leave, bereavement leave, annual leave as well as other statutory holidays in China.

Caring for Employees with People-oriented Management

The Group continued to follow the *Performance Management Measures*. Adhering to the performance management principles of “Strategic Focus, Consistent Responsibility and Power, Transparency and Fairness”, under which we conduct monthly, quarterly, semi-annual and annual performance assessments on a regular basis, with 100% assessment coverage. The assessments results are applied to bonus distribution, post and remuneration adjustment, excellent employee evaluation, talent development, employee recruitment and elimination etc.

3.1.4 Listening to Employees’ Voice

As we highly value our communication with employees, we distribute relevant documents to request that the headquarters and each regional branch organise offline activities related to the “Cheer-up Station” at least once quarterly. Though activities such as “General Manager’s Mailbox”, “Face-to-Face Communication with General Manager” and “Let’s Hear Your Voice”, we understand employees’ ideas and expectations on the Company in various forms such as face-to-face communication, questionnaire survey and anonymous letter. At the same time, we conduct research on in-house atmosphere among all employees. For departments or teams receiving lower rating, we engage third party to resolve employees’ concerns and learn employees’ real thoughts via focus group talks, and produce and upgrade practical action plans to direct a cheerful and positive working environment, where our S-Enjoy striver could truly work with “enjoyment”.

In addition to bottom-up employee feedback, we also encourage senior management to experience the lives of employees from the top down to understand their requirements. In August 2021, we organised the activity of “Dashing toward the Frontline”. A total of 160 senior management and personnel from the functional departments of the headquarters acted as “one-day security guard”, “one-day butler” and “one-day cleaning worker” to better understand the real situation of the frontline, drive reflection and improvement and make plans to support the frontline.

In 2021, employee communication activities were carried out at least once quarterly, and the number of activities in total:

54

Covering 100% of the employees

Caring for Employees with People-oriented Management

According to the *Trade Union Law of the People's Republic of China*, the Group has established the trade union. As at 31 December 2021, 100% of the Company's in-service employees were trade union members, which ensured practical protection of employees' rights and interests and implementation of trade union activities.



**“Face-to-face Talks with General Manager”
Communication Conference**



**Anonymous Letters in
“General Manager’s Mailbox”**



**“Let’s Hear Your Voice”
Workshop**



**Senior Management
Experience the Daily Work
of Frontline Employees**



**“Women’s Day” Caring Gifts
from Trade Union**



Employee Tea Party

Caring for Employees with People-oriented Management

3.2 Facilitating Employee Development

Committed to building a learning-oriented organisation, the Group attaches great importance to the improvement of talent supply chain and internal development capability, gradually creates a co-growth system between talents and S-Enjoy, and assists employees to constantly realise and improve their own values.

In 2021, we established the *Internal Trainer Management Policy*, the *Employee Coaching Management Policy* and the *Operating Guidelines on Competition for Management Positions of S-Enjoy Service Project* based on our *Internal Trainer Management Policy*, the *Administrative Measures for Employee Certificates* and the *Training Management Policy*, gradually improved the training system and provided guidance for all regions to strengthen talent training for better cultivation of high-quality talents. Adopting the employment principle of "preference of internal candidates over external ones", the Company creates a talent development atmosphere of "equal competition and meritocracy", completes and strictly implements the internal competition mechanism, and provides a fair and open development platform for outstanding talents within the Company. In 2021, the Company's internal talent adequacy ratio¹ reached 59%, and 96 employees were promoted to project managers through internal competition.

In 2021, with the training purpose of "building a service (management) talent supply chain and creating a highly self-driven employee team", we built a personalised talent development system of S-Enjoy, advocated and supported the comprehensive development of employees, and continued to enhance the inherent driving force of the organisation. The Group continued to promote the strategic policy of empowering employees, customised annual training programmes for employees and carried out diversified training projects, including Ivy Programme and Excellent Leadership Programme for management, Qingyue Camps for the general team and managers, Qiyue Camp for supervisors, a complete training system for employees from campus recruitment, Dengyue Programme for new

Internal talent adequacy ratio¹
59%

3,203 employee trainings were held in 2021

270,000 hours in total

Per capita learning time of
21.3 hours

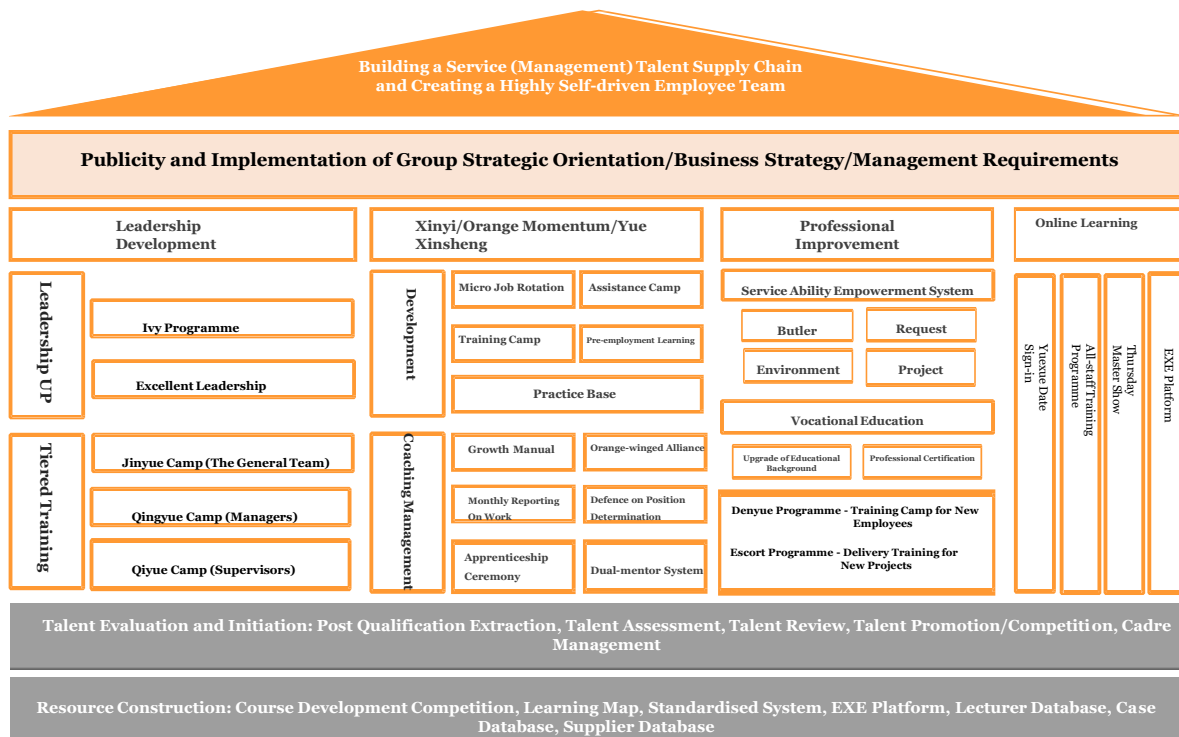
Increased by 67%
from 2020

Employee training coverage ratio of
100%

1. Internal talent adequacy ratio = Number of internal promotions or transfers in 2021/(Number of external recruitments in 2021 + Number of internal promotions or transfers in 2021);

Caring for Employees with People-oriented Management

employees from general recruitment and Weekly Master Show and online courses for all employees to create a talent development atmosphere of "equal competition and meritocracy", improved the professional competence of employees and stimulated their enthusiasm for learning, laying a solid foundation for the steady growth of the Company's business. In 2021, the Company's employee training coverage ratio was 100%, and the per capita training time increased by 67% compared with 2020.



Talent Training System Diagram

Caring for Employees with People-oriented Management

Recruitment Program of Graduates

The Company has a sound training system for campus recruited employees, including 3 channels, "Xinyi", "Orange momentum" and "Yue Xinsheng". In July 2021, employees from campus recruitment who graduated in the current year attended a seven-day Training Camp to facilitate the transition from students to employees. Three months later, employees from campus recruitment participated in Assistance Camp, and improved their professionalism through diversified training programmes such as workshop, project visits, and pre-training and post-training tasks. Six months later, they participated in the semi-annual Reevaluate Camp to summarise their work perception and share forward suggestions.



By the end of 2021, retention ratio¹ of employees from campus recruitment who graduated in 2021 reached 86.3%

100,000 Hours of Learning Challenge



In March 2021, S-Enjoy launched the "100,000 Hours of Learning Challenge", in which employees could learn independently through EXE courses, online live lessons and offline trainings, and got corresponding souvenirs according to the learning time. This activity helped promote the learning atmosphere of departments and centres and encouraged employees to learn actively and pursue lifelong learning.

More than 10,000 employees participated, and 215 model learners were selected

1. Retention ratio = Number of in-service employees in 2021/Number of boarding employees in 2021

Caring for Employees with People-oriented Management

Honour and Incentive System

Adhering to the evaluation principle of "believing in the greatness starting from small behaviours and encouraging steady progress", the Company has established and continuously improved the honour management system. Complying with the principle of "rewarding the behaviours and persons at the right time and in the right way", the Company organises and promotes the development of honour-related work and gives timely incentives to employees with outstanding performance in anti-pandemic and flood control. By doing so, the Company encourages employees' work enthusiasm and innovative spirit and improves their work efficiency.



In 2021, 1 employee was awarded the National Property Hero, and 5 employees were awarded the Top 100 Property Managers of China. 50+ employees received internal evaluation awards within the Company.

3.3 Protection of Employees' Health

The Group strictly complies with relevant laws and regulations, including but not limited to the *Work Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, the *Fire Protection Law of the People's Republic of China*, the *Regulation on Work-Related Injury Insurances*, the *Law of the People's Republic of China on the Protection of Women's Rights and Interests* and the *Special Rules on the Labour Protection of Female Employees* to formulate the *Operation Instructions on Management of Fire Water Supply Equipment*, the *Operation Instructions on Management of Automatic Fire Alarm System*, the *Operation Instructions on Management of Fire Prevention and Smoke Control System*, the *Operation Instructions on Management of Gas Fire-extinguishing System and Safety Management System*. The Group continues to improve occupational health and safety management, effectively safeguards employees' health and safety as well as related rights and interests, and provide a safety and healthy workplace for employees.

Caring for Employees with People-oriented Management

We actively take measures to improve the health and safety of employees:

- Establish occupational health and safety management system and obtained external certification;
- Conduct education and training regularly, so that employees can foster and enhance the sense of occupational safety and master the common sense of preventing safety risks;
- Provide annual physical examination for employees;
- Perform periodical self-review for accidents and injuries, and properly handle employees' work injuries;
- Carry out regular safety inspection to ensure the implementation of safety measures and regular fire drills and training.

During the Reporting Period, the number of lost days due to work injury of the Group was 3,406. Work-related fatalities in the past three years were as follows:

KPI	Number of work-related fatalities	Ratio
2021	0	0
2020	1	0.013%
2019	0	0

Caring for Employees with People-oriented Management

3.4 Caring for Employees' Lives

In 2021, we hold a series of warm themed activities and festival activities to accelerate the integration of employees into the big S-Enjoy family, promote their sense of identity of the Company's culture, and enhance their cohesion.

At the same time, we constantly improved the remuneration of front-line employees, including assistance for employees in need, increased food subsidies, new butler clothing, and sending warmth regards in festivals, etc. In 2021, the Company granted a total of RMB 201,000 of subsidies to employees with financial difficulties. The national coverage ratio of specific project, “refreshing a new look of staff dormitories”, for grass-roots employees reached 66.7%, and the employee satisfaction rate was 4.25 points (out of 5 points).

Through a series of measures, we continued to improve employees' sense of happiness and belonging, and created a good atmosphere with cohesion and hard work.

RMB 201,000 of subsidies was granted to employees with financial difficulties by the Company in 2021

Employee satisfaction for accommodation reached **4.25** points (out of 5 points) in 2021



Teacher's Day Greetings



Dragon Boat Festival Gifts



Market Activities on the Mid-Autumn Festival



Staff Birthday Party



Offering Care in Summer



Offering Care in Winter

Caring for Employees with People-oriented Management



Sending New Year Greetings



New Clothing for Front-line Employees



New Year's Eve Dinner for Employees



New Accommodation Environment for Front-line Employees

4

Serving Customers as Top Priority

4.1 Sticking to Service Quality

4.1.1 Resetting Service System

4.1.2 Quality Management

4.1.3 Intelligence Empowerment

4.2 Protecting the Community's Safety

4.3 Protecting Customers' Interests and Rights

4.3.1 Handling Complaints

4.3.2 Active Communication

4.3.3 Privacy Protection

4.4 Focusing on Food Safety

Serving Customers as Top Priority

We strictly comply with the Property Management Regulations and other relevant national and local laws and regulations, and establish a quality management system and obtain GB/T 19001-2016/ISO 9001:2015 external certification.

- Based on our Integrated Management Manual, we strive to provide high-quality services to our customers while upholding the quality policy of “adhering to the concept of ‘quality is value’, constantly encouraging ourselves to provide satisfactory property service and continuously making improvement”.
- We sort out various tasks in the service process, compile detailed operation files, and provide implementation guidelines for employees on specific issues. We also provide trainings for employees to communicate the quality control concept to them.
- At three levels of the customer service centre of the headquarters, the customer service department of the branches and the service centre, we conduct regular service quality inspections and evaluations and special night inspections from time to time. For the problems identified in the inspection, we strive to supervise and rectify them and conduct acceptance check, so as to enhance the on-site service quality of projects.



Certification of Quality Management System

4.1 Sticking to Service Quality

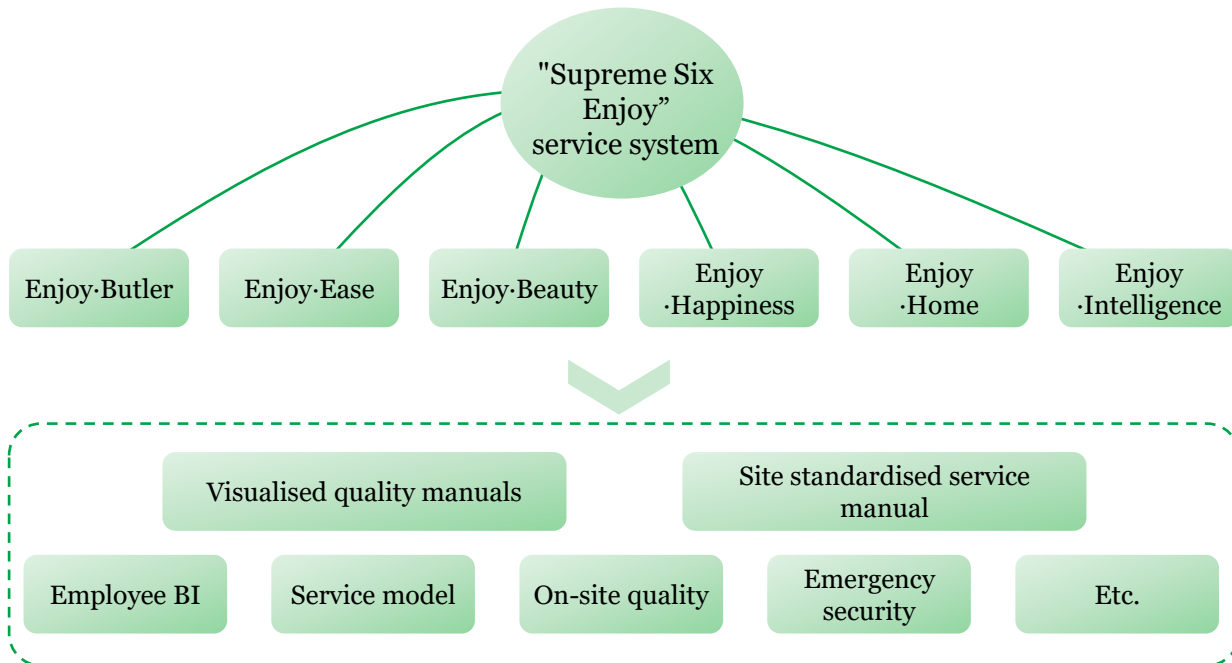
4.1.1 Resetting Service System

Property Service: "Supreme Six Enjoy" Service System

In 2021, continuously taking customer service satisfaction as the core and "happy home, happy life" as the brand mission, we clarified service ability as the core competitiveness and built a warm customer-oriented service system, while creating our own service characteristics and constantly improving customer satisfaction. To meet the needs of different owners, we launched value-added services on the basis of creating a safe, convenient and comfortable life experience, namely, paying attention to the owners' health, elderly care and education, iteratively introducing the "Supreme Six Enjoy" service system.

Serving Customers as Top Priority

We are always committed to continuously improving service quality with customer first. In 2021, we sorted out 183 standardised procedures and updated three-level operation system of 4 operational modules, 6 types and 89 businesses. In order to accurately circulate operation regulations, we formed visualised quality manuals and standardised SOP.



Care for the Elderly

As the old saying goes "a near neighbour is better than a distant relative". The relationship between the property management and owners is just like neighbours, also relatives.

Xie Qian is a butler at S-Enjoy. There is an empty-nest elderly couple in their 70s living in the community she serves, and she pays special attention to them. She helps them deal with various procedures starting from the centralised project delivery. Since the old man was unable to move freely because of an accident, Xie Qian often visited them, chatted with them, bought vegetables and carried heavy objects for them. During the period the old man was rehabilitated to walk, she often assisted him in rehabilitation training. Her actions have also received sincere thanks from the couple and their children.



Serving Customers as Top Priority

Adhering to the service concept of “customer-oriented” and corporate values of “future-orientation, responsibility, dependability, mutual achievement”, we start the "Butler Training Certification" program, covering 13 core tasks of the butler, the result of which will be strictly assessed and verified by butler supervisors. All butlers should pass the certification before taking the work. In 2021, the Company formulated management systems such as the *Management System for Butler Qualification Certification* and *Assessment Plans for Butler Performance* to continuously improve service capability of butlers, reshape the experience-focused service concept, and make efforts to build a high-quality service platform for Chinese communities.

We improved management efficiency and service quality by intelligent tools. In 2021, we launched Butler Workbench APP and Butler Enterprise Wechat to systematically manage butlers and optimise customer service experience.

In 2021, we carried out grid upgrade based on the "Butler Service 4.0". We had a systematic and objective performance assessment mechanism for butler service and regularly carried out special training courses for butlers, including courses on improving their communication skills and customer service capabilities, to strengthen their communicative competence and clarify the key points of butler service, providing more optimised butler service and improving owners' happiness and satisfaction.

Dutch Butler Academy

In 2021, S-Enjoy made a cross-border cooperation with The International Butler Academy (TIBA) to help employees obtain certificates from International League of Professional Butlers through professional trainings. Meanwhile, S-Enjoy continuously promoted capability building of talents and service quality of butlers, explored the transformation of property services to life operation services, and completed the improvement on talent empowerment and service ability and the shaping of service art.

There were 3 employees certificated as Two-Star Dutch Butler and 32 employees as One-Star Dutch Butler among all in-service customer service butlers in 2021



Serving Customers as Top Priority

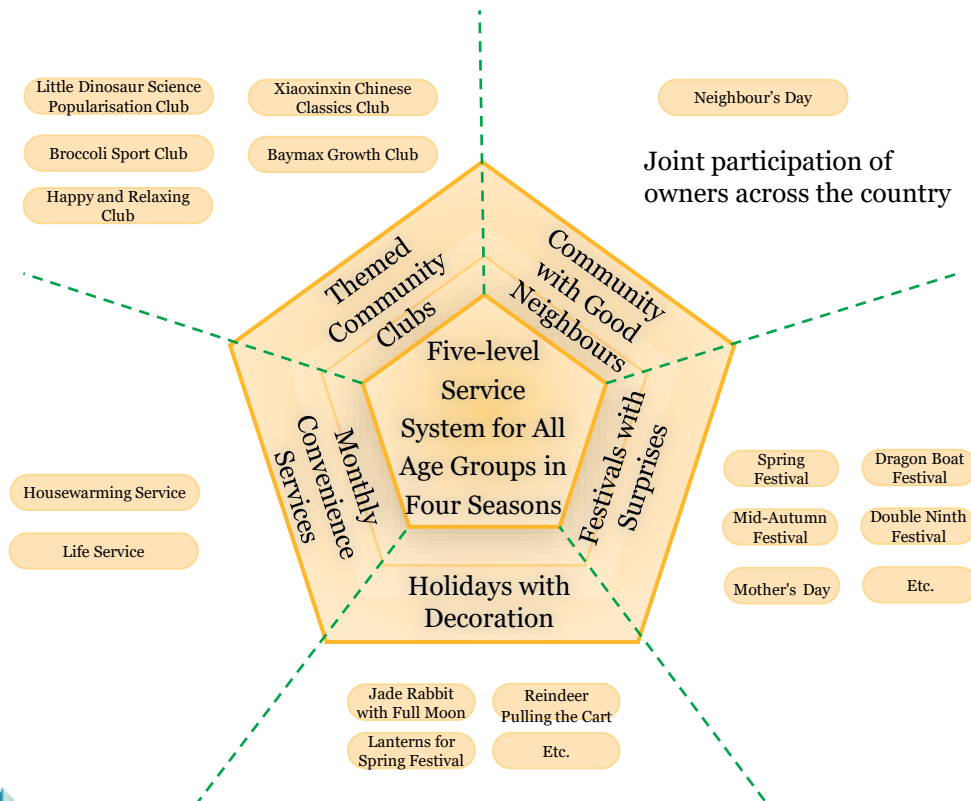
Community Activities: Five-level Service System for All Age Groups in Four Seasons

S-Enjoy is committed to providing more standardised and differentiated services to constantly meet customers' needs and carries out monthly online and offline community cultural activities with different themes and various forms to continuously improve customers' senses of trust, security, experience, satisfaction and belonging.

In 2021, the Company launched a five-level service system for all age groups in four seasons, covering five sectors: community with good neighbours, festivals with surprises, holidays with decoration, monthly convenience services, and themed community clubs. In order to organise a community club activities to bring owners with an immersive experience of happiness, the Company carried out multi-dimensional community activities themed with "co-construction, sharing and co-governance" to provide services, combine community groups and offer care in the community.

13,000+
activities were held
by the Company in
2021

100+ cities and
500+
communities were
covered



Serving Customers as Top Priority

Community with Good Neighbours

Neighbour's Day is a common holiday for owners of S-Enjoy across the country. S-Enjoy constantly stimulates the vitality of the community through garden party at the Mid-Autumn Festival, market activity at National Day, DIY mandarin fans, science popularisation exhibition on insects, floral decoration, creative hand-painting, parent-child CS, outdoor movie-watching party at starry night, Christmas carnival and handwriting party in the Spring Festival. S-Enjoy jointly explores the definition of happiness, and continues to build a happy and shared community of "co-construction, sharing and co-governance" with all life-loving owners through extensive and systematic community activities such as "Neighbour's Day".



Neighbour's Day is held *twice* a year with millions of owners participated

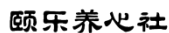
Themed Community Clubs



Community Club for Children's Growth



Sport Community Club for Young and Middle-aged People



Happy and Relaxing Community Club for the Elderly



Sharing Club for Traditional Chinese Folklore and Classics

We continue to explore and attempt to carry out community club activities in different ways to break down social barriers among neighbours. Based on in-depth insights into the needs of owners of different ages, we have launched the little dinosaur science popularisation club for small owners and established multiple connections between children and children, and parents and children through 2 courses and 6 exciting activities. Meanwhile, we have launched broccoli sport club for young and middle-aged people to promote a positive and healthy community culture and happy and relaxing club for the elderly to achieve a happy "silver age life".

2,500+ related activities were held in 2021, with more than 600,000 clicks on online topics

Serving Customers as Top Priority

Festivals with Surprises

Focusing on traditional festivals, we have held activities such as “writing Spring Festival couplets, cutting paper-cut for window decoration” at the Spring Festival, “making rice dumplings” at the Dragon Boat Festival, “DIY mooncakes & lanterns” at the Mid-Autumn Festival, “visiting the elderly door-to-door” at the Double Ninth Festival, “sending flowers” at Mother's Day, and “parent-child crafting” at Children's Day to enhance owners' sense of well-being in community and build a warm neighbourhood relationship.



4,500+ related activities in 2021

Holidays with Decoration



To increase the sense of festival atmosphere in the community, we make festival-themed decorations in the community for important festivals, such as Jade Rabbit with Full Moon at the Mid-Autumn Festival, Reindeer pulling the Cart for Christmas and Lanterns at the Spring Festival.

Not less than 4 activities are held each year with millions of owners participated

Monthly Convenience Services

S-Enjoy integrates the meticulous service into customers' daily life and creates a warm living experience for them by means of ceremonial housewarming service, happy wedding service and convenience services such as to morning and evening greetings to owners and door-to-door cleaning.



Serving Customers as Top Priority

Sales Office Service: “Supreme Six Senses” Service System

In order to improve the service satisfaction of house buyers, based on the needs of different customers and upgrade of product service from multiple dimensions, we refine and launch the "supreme six senses on site" service experience and conduct scene-based design for sales office service from “audition, smell, touch, sight, taste and delight” through formulation of service standards, determination of service contacts and update of scenarios. By doing those, we can achieve the sensory memory that everything we see is beautiful, everything we smell is fragrant, everything we hear is rhythmical, everything we touch is warm, everything we taste is toothsome, and everything we feel is pleasant, while providing customers with warm and perceptive worship service experience by integrating stories, aesthetics, fun, surprises and intelligence.

“Supreme Six Senses” Service System

Sight

Everything We See Is Beautiful



Smell

Everything We Smell Is Fragrant



Audition

Everything We Hear Is Rhythmical



Touch

Everything We Touch Is Warm



Taste

Everything We Taste Is Toothsome



Delight

Everything We Feel Is Pleasant



Service Standard



Product Innovation



Sales Office Activity

Serving Customers as Top Priority

In 2021, the Group enhanced employees' service capability and awareness, implemented their service standards, promoted the consistency of S-Enjoy's service quality, and improved customers' experience and satisfaction by carrying out activities and trainings such as serving ballet, skill competition, smile ambassador, elegant behaviour warming my heart.

Manner Training

In 2021, we held the themed activity of "elegant behaviour warming my heart" to improve the basic quality of front-line service employees through training on their appearance and manner and smile greeting to customers. According to the weak points of service quality identified in this activity, each region formulated and carried out corresponding actions to continuously improve the consistency of service quality.



Skill Competition



In 2021, we launched "skill competition" for employees at the service season. We made corresponding video micro-lectures by taking advantage of the business capabilities of frontline workers, including four effective methods for complaint handling, the use of fire extinguishers and the five-step method of replaying the monitoring, so as to spread skills and knowledge and empower more employees.

Selection of Smile Ambassadors

In 2021, we launched the "smile ambassadors" selection activity, and selected 15 smile ambassadors in total. Through the activity of selection of smile ambassadors, we could better create an atmosphere of learning from models in the Company, further expanded their influence, and guided more employees to serve attentively.



Serving Customers as Top Priority

Catering service

We provide catering service for universities, government agencies, corporate headquarters, and industrial parks, including employee meal, buffet, afternoon tea, business reception and other services. We have formed a relatively sound catering service system through continuous summary of practice and experience. We constantly strengthen the management of catering and improve the service quality by constructing management.

Employee Meal Service
Buffet Service
Corporate Tea Break Service
Formal Evening Dinner Service
One-to-one Exclusive Service
Business Reception Service

Coverage of Business Scope

Establishment of Training System
Kitchen Management System
Six-T Management System
Quality Control and Supervision System
Performance Management System
Supply Chain Management System

Establishment of Management System

We pay attention to the growth and development of employees for catering service and conduct regular special trainings for them, including dish research and development training, banquet service process and standard training, etiquette training and food safety training, to fully enhance employees' professional skills and awareness of food safety, better provide customers with rich, healthy and safe meals and high-quality catering service, and improve their dining experience.

260+ special catering trainings
were held in 2021

2,800+ employees participated

Training coverage ratio of **100%**

Multiple employees with relevant
qualifications:

20 Chinese cooks, **5** Chinese

bakers and **6** Western bakers

Serving Customers as Top Priority



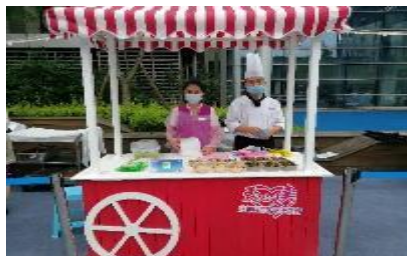
**Kitchen Operation
Standard Training**



Lobby Etiquette Training



**Rice Dumplings Made by
Employees at the Dragon
Boat Festival**



**Summer Special Food
Festival**

In 2021, Chengyue Times, a catering company of the Group, was recognised by the public for its high-quality meals and considerate services, and won several awards:

Award	Awarding Institution	Awarding Year
Chengdu Demonstration Unit for Safety Culture Construction	Safety Commission Office of Chengdu Municipal Government	2021
2021 Top 20 Catering Service Providers in Sichuan	Sichuan Third Industry Association	2021
Excellence Award of the 5th Cooking Skill Competition of Government Agencies Enterprises and Institutions (Catering)	Sichuan Province General Trade Union Sichuan Third Industry Association Sichuan Occupational Skill Identification Guidance Centre	2020
2020 Top 20 Catering Service Providers in Sichuan	Sichuan Third Industry Association	2020
Sichuan Good Canteen	Sichuan Third Industry Association	2020

Serving Customers as Top Priority

4.1.2 Quality Management

We set up a special team to tackle quality problems based on customer needs, and continue to make quality improvement and commitment around customer pain points. We establish a complete service system to operate project facilities and equipment in a safe and smooth way, make timely response and targeted optimisation, and provide considerate and comfortable services to realise a relaxing home life.

Before Quality Improvement



After Quality Improvement



In 2021, the Company's team for tackling quality problems completed the comprehensive inspection and post-evaluation inspection of

148 projects in 9 major regions

In 2021, the Company completed **2,617** quality improvements in 11 types of 4 major categories,

invested RMB **35.29** million in renovation,

and improved the living environment of

723,000 households

4.1.3 Intelligence Empowerment

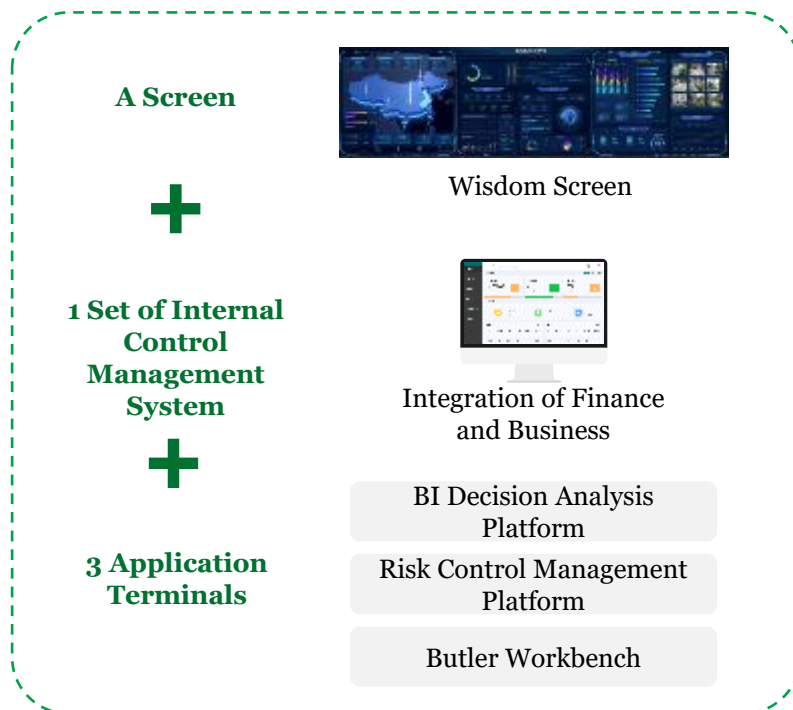
The Company has always adhered to digital development. Ruohong, a subsidiary of the Company, has high-tech enterprise qualification, with 17 invention patents, 16 software copyrights, 5 ISO system identifications, 1 national security certification and 1 first-class construction qualification, and provides intelligent experience for owners; Yungui, a subsidiary of the Company, is the first courier locker company in Jiangsu Province and the second one in China to obtain a business certificate of smart express box business, and has obtained 9 invention patents and 35 software copyrights. As at 31 December 2021, the Company had more than 10,000 courier lockers to provide convenient services for owners.

Serving Customers as Top Priority

In the field of back-stage management, we have completed the construction of the “1+1+3” smart backstage, continuously expanded the scope of online service and created a digital service platform. Meanwhile, we deploy an agile service model with independent property service centre and centralised functions support and strive to create new intelligent services through digital construction, which greatly improve service efficiency and satisfaction for customers.



S-Enjoy Service was awarded "2020-2021 TOP 20 Real Estate Enterprises for Digital Power"



Serving Customers as Top Priority

In the field of customer service, we have realised the mobilisation and data asset of online business scenarios by launching intelligent modules. Existing digital scenarios cover the basic property service, community retail service, door-to-door service and courier locker service, and we strive to create new intelligent services through digital construction to improve service efficiency and quality.

AI Request Assigning

After automatic identification of waste overflowing and other circumstances by AI technology, requests are automatically assigned to the staff

Intelligent Security

Check of the on-duty security staff in the office and abnormalities in the community is performed automatically, and reminders are sent in a timely manner

Remote Monitoring

The headquarters can understand the running status of projects in a real time manner through remote monitoring

Intelligent Parking

Automatic management at vehicle entrances and exits is realised, and all parking payment data is collected through the background system

Intelligent Cleaning

Intelligent cleaning equipment, sweeping robot with temperature measurement and other tools are used

Intelligent Convenience Service

Online payment, express receiving and delivery, repair requests and commodity purchase are all integrated in the Orange mini programme



AI Automatic Request Assigning



Intelligent Retail Services Gain the Recognition from the People's Daily

Serving Customers as Top Priority

4.2 Protecting the Community's Safety

We attach great importance to the health and life safety of owners in the community, formulate and implement safety and security systems such as the *Safety Management System*, the *Management Rules on Fire Protection System*, and the *Elevator Emergency Rescue Plan*, and regularly carry out safety inspection and education for employees as well as management on fire safety, elevator safety, dining space safety and pandemic prevention safety to protect the owners' safety and health.

11 Security Managers

465 Front-line
Safety Leaders

Safety Management System

In order to guarantee the normal order in the community, protect the owners' health and avoid safety accidents, we have established a three-level of group-region-project safety management system to standardise the safety management. Based on the actual situation and characteristics of each region and project, leaders at all levels clarify the responsibilities of safety work and make the preparation, implementation, feedback and improvement of work standards to better serve the community owners and facilitate the successful safety management.

Framework of Safety Management System

Safety and Security Unit of the Group	Establishment, review and amendment of safety management system; formulation of work standards, supervision and check of the operation of regional safety system, and collection and correction of the implementation results
Safety and Security Unit of the Regional Branch	Implementation and intensification of the safety management system, formulation of specific work standards, implementation plans and management measures based on the characteristics of the region, feedback on the amendment suggestions of the safety management system, and improvement on the establishment of the system management; supervision and management of the implementation of projects
Project Manager	Implementation of the work management plan based on the safety and security unit of the regional branch, determination of work standards for safety and quality, organisation of projects in accordance with the prescribed measures and procedures, and presentation of standardised work results

Serving Customers as Top Priority

Safety Management System and Its Operation



Fixed duty for joint management

Fixed duty for management: giving full play to the role of security system for centralised scheduling through fixed duty such as gate security, central control and monitoring controls of project entry security by effectively operating with civil, physical and technical defences to ensure the comprehensive performance of the safety management system;



Flexible patrol

Patrol inspection management: effectively linking daily patrol, decoration patrol and patrol on key places by means of looking, listening, touching and smelling, managing immoral behaviours such as “four chaos and one noise” (random placement, random drying, random construction, random parking, and noise disturbance) to ensure the orderly living space within the project and give play to the overall mobility of the safety management system;



Routine inspection

Security system inspection: inspecting security infrastructure, alternate supplies and equipment and facilities and examining the closeness of projects (walls, fire fighting access, etc.), reliability of technical defence (perimeter alarm, access control, five-party talk-back, etc.), normal operation of equipment and facilities (operation of fire main engine, linkage of fire alarm, the completeness of the fire hydrant and other facilities) from the perspective of use function to ensure the routine operation of the safety management system;



Periodical check

Safety management check: investigating safety hazards of the project periodically, regularly, quarterly and randomly, including annual, quarterly and monthly check, organising regular centralised check, work for seasonal cold prevention, sunstroke prevention, typhoon prevention, flood prevention, and sudden events such as explosion prevention, fire prevention, elevator trapping, etc., to improve the periodicity of constructing safety management system;

Serving Customers as Top Priority

Community Safety

We continue to improve community safety management, comply with the *Management Rules on Fire Protection System*, the *Emergency Plan for Fire Protection System* and other systems, and standardise the maintenance of fire protection system. We regularly inspect the fire protection equipment and fire alarm devices to ensure the good performance and normal operation of facilities and equipment. At the same time, we regularly carry out fire drills and operation training of fire-extinguishing equipment in various regional projects to enhance the awareness of fire protection, master specific operations of self-protection devices, and comprehensively improve employees' capability to deal with emergencies.

In addition, we carry out special rectification on electric bicycles in the community to strictly prevent the risk of accidental fire from electric vehicles. We require safety and security personnel to inspect multiple times a day, insist on protecting the life and property safety of owners, and contribute every effort to building a harmonious community.

1,020 fire drills
were held by the
Company in 2021

15,486 employees
participated

Helping Gas Company Conduct Safety Check

On 29 October 2021, Engineering Team of Shandong Qingdao Xiyue Property found that there was a gas smell in a lobby in the southern area during the process of inspection and suspected that there was gas leak. So they immediately contacted the gas company to carry out the inspection. After the inspection, it was confirmed that the gas in the pipeline leaked, and an accident was prevented. The gas company sent a pennant to express its gratitude to Seazen Xiyue Property.



Elevator Safety

According to the *Special Equipment Safety Law of the People's Republic of China*, we have formulated the *Safety Management System* and the *Elevator Emergency Rescue Plan*. We take a series of measures to ensure the elevators' safety and owners' safety when taking elevators in their daily life:

30 elevator trainings
were held by the
Company in 2021

600 hours in total

Serving Customers as Top Priority

- Regular maintenance of elevators, and renovation and repair of old elevators;
- Formulation of standardised rescue procedures and precautions for elevator trapping to protect the safety of owners;
- Implementation of E1~E6 rank system for maintenance staff through quarterly examination to encourage employees to continuously improve their skills and ensure service quality;
- Launch of daily publicity on elevator safety to strengthen owners' awareness of safety when taking elevators;
- When the elevator breaks down, 90% of the project maintenance personnel are required to arrive at the site within 15 minutes, and others in farther distances are required to arrive at the site within 30 minutes.
- The Company has the qualification and ability to install the blocking system for elevators. The installation of the blocking system can effectively prevent battery cars from going upstairs, thus eliminating the safety hazards.
- The quality inspection team conducts monthly maintenance and quality inspection for elevators under warranty, timely identifies problems and makes rectifications accordingly to effectively reduce the failure rate and improve the quality of maintenance;
- Paperless maintenance platform management is realised by applying the technology of Internet of Things to give early warning of elevator failures, and pursuance of paperless maintenance work requests, thus ensuring the process is recorded and the results are confirmed.

The ratio of maintenance workers arriving at the scene in elevator fault requests promptly was **94%** in 2021

Dining Space Safety

The dining space and kitchen are workplaces with fire. We strictly standardise safety management of the dining space and kitchen in our daily work, and make rectifications on the places with fire safety hazards in the dining space and kitchen to prevent the occurrence of accidents. Moreover, we also provide fire safety knowledge trainings for employees and carry out fire drills to ensure the normal operation of the dining space, and avoid or timely prevent the occurrence of various unsafe problems.

Fire drill at the dining space was held **once a month** for each project in 2021

Covering **100%** of the employees

Serving Customers as Top Priority

Pandemic Prevention in the Community

In 2021, we paid much attention to the repeated outbreaks of COVID-19. In order to ensure the normal operation of property management in regional projects and minimise the occurrence of pandemic incidents in the managed regions, the Group formulated the *Operational Guidelines for Management of COVID-19 Pandemic Prevention* to standardise the prevention and control of COVID-19 in residential property management regions.

To protect the health and safety of community owners, we took swift actions to implement pandemic prevention measures, such as sterilising and disinfecting elevator lobbies, corridors and other public areas every morning and evening, and strictly implemented the registration system for outsiders, etc. We actively carried out pandemic prevention to protect the life, health and safety of owners in all aspects during the pandemic.



Foshan Branch of the Group was granted as “Advanced Unit in Pandemic Prevention and Control”

In 2021, **13,000** employees fought on the front line of community epidemic prevention. They carried out **160,000** times daily environmental disinfections with an area of **270,000** square meters, completed **1.5 million** times nucleic acid tests, and delivered fresh vegetables to households for a total of **350,000** times

Protection of the Safety of Owners Under the Pandemic in Xi'an

In December 2021, facing the sudden outbreak of the pandemic in Xi'an, the Seazen project team took a series of pandemic prevention measures and mobilised staff from various departments to advance pandemic prevention in an orderly manner. S-Enjoy Xi'an team took the lead in the fight against the pandemic, worked day and night, and became a strong anti-pandemic defence team for residents. During the pandemic in Xi'an, none of employees and owners in the managed projects of S-Enjoy was infected.

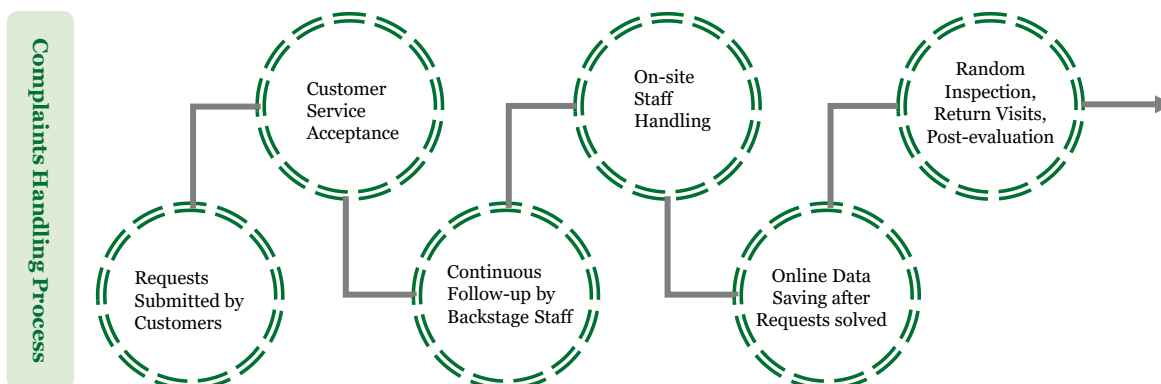


Serving Customers as Top Priority

4.3 Protecting Customers' Interests and Rights

4.3.1 Handling Complaints

We formulate the *Guidelines for Customer Reception*, *Guidelines for Handling Orange APP and Butler Service Request*, and *Management Measures for 4008 Customer Service Operation*, dealing with customers' repair requests, complaints and consultations in a timely manner through on-site reception at the property management centre, butler Work WeChat, service phone calls, Orange APP and mailbox, etc.



In 2021, Orange APP had accumulated **2,677,852** registered users

Responded to owners' **481,424** service requests

Average duration of requests acceptance by butlers: **4 minutes 39 seconds**

Ratio of accepting complaint requests promptly: **94.47%**

Favourable rate on repair requests through Orange APP: **99.34%**

4.3.2 Active Communication

In 2021, to further improve customer satisfaction, we formulated the internal *Operation Instructions on Customer Interview*, and took the initiative to organise interview activities with customers every six months to understand their evaluation and needs on our services, which showed that we constantly improved service quality, made continuous improvement, and timely solved their problems.

Serving Customers as Top Priority

We hire professional third-party companies to conduct annual customer satisfaction surveys to understand the performance of property service staff at sales sites as well as the evaluation of property service by the property owners. We deeply analyse the results of the annual customer satisfaction surveys to find shortcomings in our service and take timely improvement measures.

**WeChat Work
Coverage Ratio of**

97%

We formulate and implement the *Guidelines for Customer Relationship Maintenance*, regularly communicate with customers through door-to-door interviews, telephone interviews and other channels, actively deal with the problems and suggestions raised, and timely provide feedback to customers. Meanwhile, we regularly hold owners' talks to gain the customers' opinions in a face-to-face manner and make a timely responding. We also report periodically to the owners' committee on project management.

At the same time, we strongly promote customer service Work WeChat to customers. All customers can send requests to customer service staff on Work WeChat when they encounter problems that cannot be solved or want to make recommendations on services, while our customer service staff will also record their requests immediately and contact them to solve the problem, which greatly shortens the distance between us and customers and makes communication between two parties more convenient.



**Reception Day by
Property Manager**



**Property Owners'
Talks**

Serving Customers as Top Priority

4.3.3 Privacy Protection

We strictly abide by the relevant laws and regulations such as the *Protection Regulations on Security of Computer Information System of the People's Republic of China*. In 2021, S-Enjoy formulated the *Management Measures for Information Security of S-Enjoy* based on internal systems such as the *Guidelines for Customer Information Management* and the *Guidelines for Document Management* to standardise and strengthen the management of the Company's business, information system and security, guarantee the stable and reliable operation of the information system and ensure the security and control of all kinds of information assets.

Adhering to the general policy of "comprehensive guarantee, dynamic management, prevention-first, and continuous improvement", the Group carries out the management of information security and establishes a hierarchical responsibility system of information security management. The Group designates the information management centre as the main technical support department, and the audit and supervision centre as the main department of information security supervision and audit to carry out the management of information security one by one and reduce the risk of information leakage. At the same time, Nanjing Yungui and Jiangsu Ruohong Intelligent Technology Co., Ltd, the information technology companies of the Group, have both obtained the "Certificate of Information Security Management System" to ensure that users' privacy information is strictly protected without leakage.

In case of information security incidents, the information management centre will respond immediately, evaluate, classify and grade the incident according to the type, scope of impact, and degree of harm. For illegal or emergent security incidents, the legal affairs centre and audit and supervision centre will conduct incident analysis, supervise the submission of reports, and submit lawsuits.

In 2021, there was no leakage incident of user privacy data in the Company, and the system failure free ratio was nearly 100%.



Certificate of Information Security Management System

Serving Customers as Top Priority

Management Measures for Information Security

- Soft copy of the customer information is protected with passwords, key data interfaces use asymmetric encryption, and copying and tampering are strictly forbidden;
- DNS server starts the firewall, periodically resets the login certificate and password, and implements system vulnerability scanning and penetration testing;
- Hard copy of the customer information files is managed by the designated information manager and shall not be viewed, copied or destroyed at will;
- The customer information in the system is managed by the designated information administrator, corresponding management authority is set by level, scope, role and user according to the Manual of Rights and Liabilities, the opening and modification of permissions are subject to approval;
- The files are managed by specific personnel. Prior to viewing or borrowing the files, pre-approval by the management personnel is required. The contents of the files must be kept confidential;
- The database is periodically backed up and copies are synchronised to the off-site disaster backup centre;
- Security briefings are regularly analysed and presented, including security threat intelligence and security incident handling, to effectively form a periodic security self-inspection mechanism and prevent future incidents.

Information Security Training

In 2021, We carried out special trainings on information security and introduced the importance and protection measures of information security to all employees from "internal and external information security risks faced by the Company", "personnel information security code", "operation and maintenance management on information security" and "compliance with laws and regulations and security systems", so as to strengthen the awareness of information security and reduce the risk of information leakage.



Serving Customers as Top Priority

4.4. Focusing on Food Safety

We attach great importance to the food safety of catering, and impose rigid requirements on the standardised operation throughout the whole process of meal provision. In order to continuously improve the management of the catering business, we have formulated a number of regulatory documents such as the *Policy for the Storage*, the *Receipt and Use of Food Materials* and *Production Management System*, which strictly regulate the operational processes such as the receipt and use of food materials, the processing of various foods, retention of meal samples and food production. In this way, we strictly control the quality of meals and the management of the operations related to meals, and effectively guarantee the safety and health of customers. Chengyue Times, a catering company under the Group, has established ISO 9001:2015 quality management system, ISO 22000 food safety management system, and hazard analysis and critical control point system, and has obtained third-party certification to strictly guarantee the whole process of food preparation by means of management systems.



Certification of Quality Management system



Certification of Food Safety Management System



Certification of Hazard Analysis and Critical Control Point system



Measure the Central Temperature of Food



Meal Samples



Melamine Tableware

Serving Customers as Top Priority

Food safety management measures:

- Follow up the health status of catering staff on daily basis and ensure that the staff have obtained healthy certificates;
- Attach attention to the control of pests and rats in dining space and kitchen to ensure that food is not contaminated by pathogenic bacteria;
- Record the food temperature and ensure that meals are sold within a period when the food is still safe to eat;
- Follow up the preparation and concentration test of disinfectant to ensure that the facilities of dining space and kitchen are disinfected as required;
- Follow up the use of UV lamps to ensure the air quality in the area with high requirement for cleanness;
- Establish a meal sample management mechanism to retain the evidences for the safety of the catering products;
- Monitor the refrigerator temperature to ensure the safe storage of food materials;
- Keep the acceptance record and the traceability of food materials to ensure the safety of food materials;
- Control the use of food additives to ensure that the meals are prepared on a reasonable and safe basis;
- Monitor and control used oil and grease to ensure that only qualified oil is used in the dining space and kitchen;
- Monitor the central temperature of food to ensure that the food materials are well cooked;
- Keep carrying out trainings regarding daily food safety to enhance staff's awareness of food safety.



Sparing No Efforts in Environmental Protection



5.1 Resources Management

5.1.1 Energy Management

5.1.2 Water Resource Management

5.1.3 Waste Management

5.2 Biodiversity Conservation

5.3 Responding to Climate Change



Sparing No Efforts in Environmental Protection

S-Enjoy attaches great importance to environmental protection in the course of its operation, and actively follows the national strategies of “Peak Carbon Dioxide Emissions” and “Carbon Neutrality”. We strictly abide by relevant laws and regulations, including but not limited to the *Environmental Protection Law of the People’s Republic of China* and the *Law of the People’s Republic of China on Conserving Energy*, etc., and have formulated the *Office Management Guidelines* and the *Management Policy for Energy Consumption* to standardise the management of energy consumption, evaluate the effectiveness of energy consumption management in a reasonable manner, and achieve the management goals of conserving energy and reducing consumption. The Company has established an environmental management system and obtained external certification of GB/T 24001-2016/ISO 14001:2015.

With the goal of “advocating green office, developing green community, strictly controlling waste including kitchen waste, conserving resources and reducing greenhouse gas emissions”, we have adopted a variety of energy-saving, emission-reduction and water-saving measures to mitigate the negative impact on environment.

Based on the characteristics of our operations, our emissions mainly include greenhouse gas directly discharged from gas-consuming equipment in kitchen, greenhouse gas emissions arising from electricity consumption and heating in workplace, and non-hazardous waste generated from workplace; the resources consumed mainly include electricity, water and gas used in the office and kitchen, as well as water for gardening and cleaning.



Certification of
Environmental
Management System

Sparing No Efforts in Environmental Protection

5.1 Resource Management

5.1.1 Energy Management

Pursuant to the *Management Measures for Electricity Conservation*, the *Management Requirements for the Energy Consumption of S-Enjoy* and the *Energy Consumption Control Manual*, the Group supervises, audits and guides the energy consumption of projects in various regions to reduce the consumption of resources and energy in the course of operation and increase the efficiency of energy consumption. In 2021, following the national strategies of “Peak Carbon Dioxide Emissions” and “Carbon Neutrality”, the Group has formulated a system of environment, health and safety (EHS), established an EHS committee, and developed a three-year EHS plan to strengthen the sense of social responsibility for environmental management. We have gradually improved relevant standards for facility and equipment ledger and project equipment operation strategy, continued to lower energy consumption of operation projects, speeded up the promotion of recycling and reuse of waste liquid, waste gas and waste solid to reduce environmental pollution.



Three-year Plan
Developed by EHS
Committee

Green Community

- ❖ Take energy-saving and consumption-reducing measures for the lighting systems in outdoor public areas, including the adoption of LED lighting fixtures, time and area based control, voice control, human sensing and energy-saving reminder stickers, etc.;
- ❖ Install meters for separate measurement of the electricity consumed by communities with dedicated power supply and substation, public areas in basement garage, elevators, landscape, houses used for property management to conduct energy consumption analysis;
- ❖ Actively respond to the call of the government for garbage sorting, hold meetings of property owner representatives, and actively promote garbage sorting through door-to-door campaigns, community activities, distribution of garbage sorting pamphlets and WeChat posts, etc.;
- ❖ Formulate the *Requirements on the Management of Closed and Cleared Waste Houses and Waste Bagging Collection*, build special construction waste dump, and collect and manage the construction waste from house decoration in a collective manner;

Sparing No Efforts in Environmental Protection

- ❖ Install solar sensor lights at ramp entrances of non-motor vehicle garage in the communities, and install ceiling sensor lights in non-motor vehicle garages to reduce the use of lighting tubes, ultimately lowering energy consumption;
- ❖ Hold a “Green Day” in the communities, replacing the original fuel engines with green motors to increase energy utilisation rate;
- ❖ Strictly control the temperature of air-conditioners in indoor public areas and keep the temperature above 26℃ in summer;
- ❖ Provide online and offline trainings for all employees to increase their awareness of environmental protection, energy conservation and emission reduction.

Green Office

- ❖ Encourage all employees to save electricity, shut down office equipment as leaving the office;
- ❖ Encourage double-sided printing and the reuse of waste paper to save paper and generate less non-hazardous waste;
- ❖ Encourage the economical use of office supplies, extend the service life and reduce the consumption of consumables to the maximum extent;
- ❖ Closely monitor the temperature of the screw compressor of the central air-conditioned, and clean it if the temperature gets too high to reduce energy consumption.

Green Dining Space

- ❖ Formulate the *Energy Consumption Control Manual* to enhance the employees’ awareness of energy conservation and consumption reduction, and carry out evaluation on a regular basis;
- ❖ In the dining space, all the light switches are clearly identified with specific colours, and the power sockets are numbered, with the time of use clearly defined;
- ❖ Manage and control the lighting system in the dining area in a collective manner, and implement the system of ultimate responsibility resting with the project manager, with work and responsibilities assigned to the persons clearly;
- ❖ Check and record the energy consumption and relevant control of the cafeteria on a regular basis, and maintain sound management of daily energy consumption;
- ❖ Encourage all employees to save electricity and turn off power supply as leaving, with corresponding reward and punishment measures formulated;
- ❖ Control the temperature of the air conditioner in the cafeteria, and strictly follow the rules for the temperature and use time of air conditioners.

Sparing No Efforts in Environmental Protection

Encouraging Low-carbon Mode of Transport in Communities at Wuxingyuechong

In August 2021, the Company established Wuxingyuechong to install charging piles in qualified communities, providing infrastructure for property owners and encouraging them to choose green modes of transport.

As of 31 December 2021, Wuxingyuechong had built a total of 6,560 charging piles for electric bicycle and operated 232 charging piles for new energy vehicles in communities.



“Earth Hour, Riding Hour”



During 27 and 28 March 2021, S-Enjoy, Wuyue Plaza and Hello Inc. jointly organised a cycling event with the theme of “Earth Hour, Riding Hour”, actively responding to the green mode of transport pursued by “Earth Hour”. Property owners participated in the 10-kilometre ride, practising the concept of environmental protection together with us.

Energy Conservation and Emission Reduction of Times Plaza

Times Plaza is a project under management of Chengyue Times, a subsidiary of the Company. Chengyue Times and Times Plaza have adopted the cooperation mode based on energy management contract for cooling water pump, which has been equipped with patented technology - deviation correction pump and is able to cut energy consumption by approximately 40%. By continuously promoting green development and exploring a variety of ways of energy conservation and emission reduction for a long time, S-Enjoy has effectively reduced greenhouse gas emissions and mitigated the negative impact on the environment.



Sparing No Efforts in Environmental Protection

5.1.2 Water Resource Management

Pursuant to the *Management Policy for Energy Consumption*, the Group supervises, audits and guides the energy consumption of projects in various regions to reduce the consumption of resources and energy in the course of operation and increase the efficiency of energy consumption. In 2021, the water consumption of the Group was mainly attributable to daily use in the office, gardening and use in the cafeteria. The Group gets water from municipal water systems. The automatic sprinkler system is adopted for gardening by various projects, significantly reducing the water consumed by gardening and improving the utilisation rate of water.

As for the discharge of waste water, the Group strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Water Pollution* and the local standards of sewage discharge of the operation location to ensure 100% compliance with the sewage discharge regulations.

In 2021, the Group continued to attach attention to the proper use of water. Complying with the *Management Regulations for Urban Water Conservation*, it adopted various measures to minimise the waste of water, including but not limited to the following measures:



Water-saving Cleaning

Sparing No Efforts in Environmental Protection

- ❖ Install a main water meter on the main water inlet pipeline and sub-meters on the branch pipelines which lead to different regions for the purpose of water consumption analysis;
- ❖ Promote the use of water-saving equipment such as road sweepers to reduce water consumption;
- ❖ Use automatic sprinkler system for greenery watering to effectively reduce water consumption and improve water utilisation;
- ❖ Turn off the faucet timely after using water and perform routine maintenance on water equipment to prevent water leak;
- ❖ Develop the awareness of water conservation among all employees, and conduct comprehensive evaluation to prevent water waste;
- ❖ Post water-saving reminders near sinks, clearly define the purpose of sinks, and set the water level lines inside sinks for thawing meat and soaking vegetables and fruits.

Treatment and Recycling of Waste Water and Water Quality Improvement

Chengyue Times, a subsidiary of the Company, carried out water-saving campaigns for the projects in Tibet and Tibetan Autonomous Prefecture of Garze. We recycled the waste water after treatment for road cleaning, gardening and car washing to reduce water waste. In addition, we took a number of measures to lower the hardness of local water to improve water quality and ultimately avoid the harm to human caused by long-term consumption of hard water, such as water softening, water purification and reducing direct flow filtration. The above areas are located in the upper reaches of the Yarlung Zangbo River and the Jinsha River. In order to protect the downstream water quality, the standard for waste water discharge is relatively higher. The waste water discharged by the Company in such areas has met the national standard for discharge.



Sparing No Efforts in Environmental Protection

5.1.3 Waste Management

The hazardous wastes generated by the Group in the course of daily operation and management comprise a small amount of used toner cartridges, used waste ink cartridges, etc. We will collect these hazardous wastes in a collective manner and deliver them to qualified recyclers for collective recycling.

The non-hazardous wastes generated by the Group in the course of daily operation and management comprise office and household waste, and kitchen waste, etc. Strictly complying with the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, the *Management Measures for Urban Household Waste* and relevant local laws and regulations, the Group has established the “3R” principle of household waste treatment in each community, namely reduce, reuse and recycle. For the office area, the Group conducts collective management on the disposal and recycling of office waste and standardises the waste disposal procedures in accordance with the *Office Management Guidelines* and other internal systems.

The catering service of S-Enjoy has also taken a number of measures to generate less kitchen waste:

-
- ❖ Develop a quantitative procurement plan to minimise waste at the source;
 - ❖ Strictly control the utilisation rate of food materials and reduce the waste rate of food materials;
 - ❖ Process food by batches based on demand to reduce food waste;
 - ❖ Meals are provided in small dishes and on demand;
 - ❖ Cultivate an anti-waste culture and carry out “Clean Your Plate” campaign.
-

5.2 Biodiversity Conservation

As a service-oriented enterprise, S-Enjoy does not impose any significant negative impact on the environment and natural resources. We take actions to maintain the ecological environment, and call on people to conserve biodiversity and live in harmony with nature.

Sparing No Efforts in Environmental Protection

For gardening, the Group rigorously selects low-toxicity and environment-friendly pesticides to conserve the community's biodiversity while caring the plants in the community. In addition, the Group continues to carry out tree replanting projects in various regions, and has formulated the *Guideline for Spring Greening Management*. It held 9-day offline practical course + online webcast in Changzhou, Tianjin and Hangzhou to give systematic instruction in tree replanting and caring, and measures for the prevention and curing of over 10 kinds of diseases and 20 kinds of pests to improve the community greening, optimise the living environment of residents, and help build an environmentally-friendly community.

We continue to advocate pro-environmental behaviours all over the country through door-to-door campaigns, community activities, etc., strive to spread environmental protection knowledge such as charitable planting, garbage sorting, and resources recycling, and jointly build a green and sustainable home.

**Replanting Area
in 2021**

**390,000
sq.m.**



Replanting



**Practical Training on
Plant Care**



**Promoting Garbage
Sorting**

5.3 Responding to Climate Change

The climate change is increasingly attracting global attention. S-Enjoy attaches great importance to the significant impact of climate change on the Company's operations, property owners and employees, and strives to take various measures in the course of operations to mitigate negative impacts and potential risks.

Sparing No Efforts in Environmental Protection

S-Enjoy has formulated and implemented internal policies such as the *Operation Instruction for Typhoon and Flood Prevention*, *Instruction for Cold-proof and Frost-proof Operations* and *Emergency Plan for Typhoon and Flood* for various projects in different regions to ensure the safety of property, public facilities and people. We have established a typhoon and flood reaction team and an emergency team which will coordinate various departments to carry out reaction measures and rescue work when a typhoon or a flood strikes. In addition, the property service centre carries out drills for typhoon and flood, prepares supplies for response to typhoon and flood, and disseminates typhoon and flood reaction knowledge, so as to further reduce the risks and impacts of irresistible natural factors.

Reaction to Typhoon In-Fa

In July 2021, Typhoon In-Fa landed Jiangsu Province and Shanghai, and the service teams from the two areas took active countermeasures. The service team named “Shuiyunjian” from Shanghai immediately carried out safety assurance work such as dredging, removing obstacles, and made concerted efforts to defend against typhoon.



Flood Control Drill



In June 2021, S-Enjoy organised a flood control drill at the slope of the west gate of Qingyun Mansion residential area in Anqiu, which simulated sudden water level rise at the entrance and exit of the basement parking lot which would flood the basement any time. The drill enhanced employees' knowledge of flood and their awareness of flood control, and improved their capabilities of emergency response.

6

Jointly Building a Harmonious Society

6.1 Win-win Cooperation

6.1.1 Supplier Management

6.1.2 Industrial Empowerment

6.2 Heart-warming Charity

Jointly Building a Harmonious Society

The Group adheres to and practices the philosophy of win-win cooperation by conducting the whole process management of suppliers, controlling supply quality, standardising the bidding process, attaching great importance to communication and cooperation with suppliers, protecting the legal rights and interests of suppliers and actively maintaining sound cooperative relationship. While the Company develops vigorously, we actively repay the society and assume social responsibilities with practical actions, such as carrying out various public welfare and charity activities.

6.1 Win-win Cooperation

6.1.1 Supplier Management

S-Enjoy always puts the quality first, strictly abides by *The Bidding Law of the People's Republic of China* and *The Government Procurement Law of People's Republic of China* and has established a fair and just mechanism of suppliers management to achieve the win-win development of the Company and all partners. In 2021, we formulated the *Supplier Management Policy of S-Enjoy Service* and *Procurement Management Policy of S-Enjoy Service* based on the *Operation Guide on Service Supplier Management*, which have specified the management principles and requirements for all processes related to suppliers (including registration, certification, inspection, admission, nomination, evaluation, etc.) and defined standard management actions for each process to guarantee the effectiveness, comprehensiveness, systematicness, transparency and fairness of supplier management processes.

At the end of 2021, the Company had

2,328 qualified suppliers

We strictly implement the supplier evaluation and admission system, with supplier activity rate¹ of approximately

6.1%

Three Principles of Bidding

Customer-centred

Provide customer-centred services and evaluate products from the perspective of customers

Adhering to integrity

Adhere to legality, compliance, integrity and fairness to create a sound cooperation environment for suppliers

Improving quality constantly

Adhere to the constant improvement of quality, and continuously improve the quality of the suppliers pool by the principle of poor-out and good-in

1. Supplier activity rate = [suppliers eliminated in the current year + suppliers newly admitted in the current year]/qualified suppliers in the current year * 100%

Jointly Building a Harmonious Society

Supplier Admission and Management Process

Supplier Hunt

1

Suppliers come from a wide range of sources. In the current year, the activity of “National-wide Supplier Recommendation” was launched and suppliers’ information was registered through various channels, including but not limited to internal recommendation, market survey, peer recommendation, online or paper media, self-recommendation and exhibitions, etc.

Supplier Admission

2

Suppliers are comprehensively evaluated based on their qualifications, management capabilities and product quality, and then the *List of Qualified Suppliers* will be determined after qualification review, on-site inspection by the inspection team, etc.

Supplier Evaluation

3

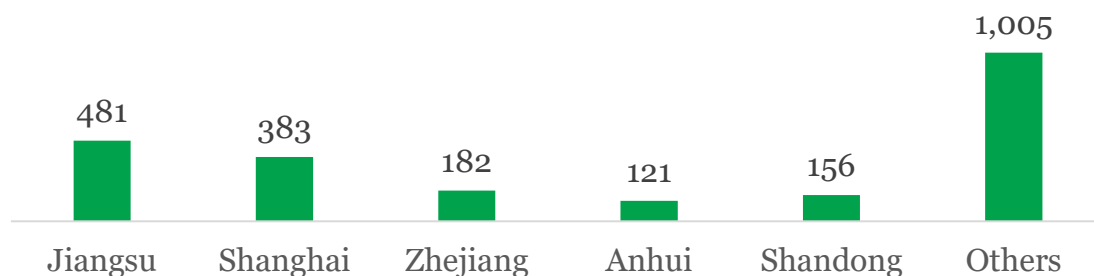
Suppliers are supervised, managed and evaluated based on the *Operation Guide on the On-site Work of Service Supplier Management*. Specific personnel are assigned to regularly record and evaluate the quality of suppliers' work, with *Monthly Evaluation Record of Supplier Services* reported on a monthly basis. Suppliers are rated based on comprehensive performance evaluation at the end of the year. Suppliers with long service periods and excellent service performance will be qualified as strategic suppliers.

Supplier Updating

4

An adjustment to all suppliers’ ratings is carried out in January and July every year, and the rating of an individual supplier is adjusted at any time based on incidents in daily work. Unqualified suppliers will be removed from the list of qualified suppliers with cooperation suspended for one year. If such suppliers intend to resume the cooperation, they are subject to re-examination for the admission to suppliers pool.

Number of suppliers by geographical region



Jointly Building a Harmonious Society

We attach attention to the ESG-related issues of our suppliers and are committed to conveying the concepts of environmental protection, safety and corporate social responsibility to relevant parties, including but not limited to:

Clean Procurement

- The procurement department is responsible for meeting and communicating with all senior leaders/personnel of the companies admitted to suppliers pool, and stressing the red and yellow cards - blacklist management through imparting the *Supplier Management Policy of S-Enjoy Service* to suppliers before signing the contract;
- The *Integrity Cooperation Agreement* shall be signed at the same time as the commercial contract is signed, and the supplier shall make a commitment to integrity and transparency, in order to avoid making profit by violation of law or discipline;
- Organise integrity training for procurement personnel and suppliers to govern their integrity behaviour;
- Open and publicise reporting channels for suppliers, and punish and publicise violations of discipline.

Green Procurement

- When doing business with suppliers, inform and encourage them to use less packaging materials as much as possible or use recyclable packaging materials;
- Take the suppliers' environmental requirements for their products into consideration for the admission to suppliers pool;
- Conduct irregular supervision and inspection of key stakeholders, including the negative public opinion related to them.

As at the end of 2021, for suppliers and procurement personnel, the Company carried out

25 trainings

for 32,450 participants

delivering 65,000 hours of training

6.1.2 Industrial Empowerment

S-Enjoy aims to create communities filled with happiness. While improving basic services, it is devoted to refining and elevating management functions while improving basic services, exploring and upgrading the leading services in the property management industry and actively promoting the healthy development of the industry. With our comprehensive capabilities and long-term accumulated experience in services, we will continue to enhance our market competitiveness and influence. We actively participate in industry exchanges and cooperation, spread our service aims and core concepts, grasp new opportunities brought by tremendous changes in the industry, and gather new momentum for the development of the property management industry.

We advocate the standardised development of the industry and actively participate in the formulation of relevant industry standards. As a company engaged in property management and real estate industry, Chengyue Times, a subsidiary of the Company, participated in the formulation of the local standard of *Property Management Service Grading for Office Buildings of Chengdu* (DB 510100/T 013-2013) and the national standard of *Commercial Office Building Grade Evaluation Standard of Chengdu*. Meanwhile, it also assisted the local government in evaluating and awarding the commercial office buildings that were certified with Grade A and Grade A Plus, contributing to the sound development of the industry.

Establishment of “G11” Cooperative Alliance of Listed Property Management Companies

In April 2021, 11 major domestic listed companies, including the Group, jointly established the “G11” Cooperative Alliance of Listed Property Management Companies (“the Alliance”), a platform for win-win cooperation between enterprises, in order to explore the corporate development models and strategies in the new era, share advanced service models, standardise corporate behaviours, improve service quality and provide high-quality property services for more people. In the future, S-Enjoy will cooperate with members of the Alliance to jointly explore the future of the industry and create greater value through multi-scenario life services.



Jointly Building a Harmonious Society

6.2 Heart-warming Charity

We make great efforts in charity and public welfare. Based on our own business composition and characteristics, the *Charity Law of the People's Republic of China* and the *Regulation for the Safety Management of Large-scale Group Activities*, we have formulated the *Methods on Management of Charity and Public Benefit Activities*. We actively carry out a number of public welfare activities with various themes, such as community public welfare, rural revitalisation, green public welfare, continue to assume corporate social responsibility and offer warmth and assistance to the people in need. In the future, we will play an exemplary role, continue to carry out various public welfare activities, and call on all walks of life to join in the charity and public welfare to build a society full of love and warmth.

Common Prosperity

We actively responded to the government's call to "promote prosperity for all" and cooperated with the China Property Management Institute for the key work of the year, achieved an effective interaction between the consolidation of poverty alleviation achievements by "Power of the Communities" and the rural revitalisation, and improved the social service of urban and rural management. In 2021, Yungui of the Group carried out strategic cooperation with Beidahuang Group to promote sales of agricultural products in remote areas; meanwhile, Chengyue Times, a subsidiary of the Company, also participated in the special public welfare activity of "Hand-in-Hand with Tibetan Youth Programme" under "Power of the Communities", and won the "Certificate of Charitable Purchase for Poverty Alleviation of Highland Barley Base" issued by the Alliance of China Community Poverty Alleviation.

Rural Revitalisation Plan of "RMB 30 Million within 3 Years"

In 2021, Yungui of the Group signed a three-year strategic cooperation plan amounting to RMB 30 million with Beidahuang Group. According to the plan, Yungui would explore sales channels based on its resources of communities by developing Orange APP + mini programme and holding offline community fairs for the agricultural bases established by Beidahuang Group in targeted counties for "Rural Revitalisation". In doing so, the sales of products have been boosted in Yanshou County, Heilongjiang Province, a targeted county for "Rural Revitalisation", and the economic development of remote areas has been supported.



Jointly Building a Harmonious Society

Public Welfare

We actively carry out various public welfare activities with stakeholders such as the government and communities and make use of our community resources to bring public welfare to the community, care for the vulnerable groups in the community and spread love to the society.

Visiting the Elderly to Show the Caring Heart

On 10 February 2021, S-Enjoy Shanghai Company carried out a public welfare activity with the theme of “Visiting the Elderly to Show the Caring Heart”, giving away rice, cooking oil, fruits and other New Year gifts to the lonely elderly and impoverished families. During the visit, the people from the company had conversed with the elderly and listened to their voices. In doing so, the company facilitated the building of a cordial and harmonious community environment and neighbourhood.



A Veteran Working at S-Enjoy Offered Aid for Henan



In July 2021, Henan was lashed by a torrential rain unprecedented in a century. Mr Zhao Guiwen, an employee of S-Enjoy, also a veteran, went to the front line for rescue as soon as he was informed. With the great efforts put in the fight against the flood, he was the epitome of S-Enjoy employees, responsible and caring for all.

Caring for the Elderly and the Children from Communities

We continue to provide public welfare services to the community. We adhere to the concept of “caring for the elderly and the children as they are our family”. For the elderly, we provide free haircut, cleaning service between seasons, anti-telecom fraud instruction, free health care, instruction in smartphone use and other related activities on an irregularly basis, and for the children, we have established 30 pilot projects of “Mini Natural Museum at Your Doorstep”.



Jointly Building a Harmonious Society

Sino-Danish Child Friendly Community

On World Children's Day in 2021, the first Sino-Danish Child Friendly Community and the Sino-Danish Child Friendly Community Demo Facility in China was inaugurated. For this project, we provide free maintenance services, customer invitation services, event holdings and other auxiliary services to make contribution to the protection of children's rights and the construction of child-friendly cities of both China and Denmark.



Green Public Welfare

While devoting ourselves to charity and public welfare, we also attach attention to the importance of environmental protection, integrate environmental protection with public welfare to create green public welfare, and continuously promote the green and sustainable development of the planet.

New Journey, Walking Together

On 17 April 2021, S-Enjoy held the 5th “New Journey · Walking Together” trekking challenge. The event was carried out based on the model of “trekking + public welfare” and with the cooperation of the public welfare brand “Seven Colours Programme”. According to the rule for public welfare trekking and tree donation, S-Enjoy would donate a sapling to the Alxa Desert for every S-Enjoy employee who has completed the trekking challenge.



“A Land of New Green” Tree Planting



Flowers are in blossom as the spring comes. On 12 March 2021, S-Enjoy carried out the Arbor Festival named “A Land of New Green”. The property owners claimed and planted the saplings to make their living environment greener and more beautiful. S-Enjoy hopes to increase owners’ awareness of environmental protection through the tree planting, and jointly protect the planet where we are living.

Appendix 1

ESG Reporting Guidance Index

Aspect	General Disclosure	Index
A1	Emissions: General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Air emissions include NO _x , SO _x , and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	5.1
	A1.1 The types of emissions and respective emissions data.	Index of Key Performance Indicators-Environmental KPIs
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Index of Key Performance Indicators-Environmental KPIs
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Index of Key Performance Indicators-Environmental KPIs
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Index of Key Performance Indicators-Environmental KPIs
	A1.5 Description of emissions target(s) set and steps taken to achieve them.	5.1
	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.	5.1
	Use of Resources: General disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	5.1
	A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Index of Key Performance Indicators-Environmental KPIs
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Index of Key Performance Indicators-Environmental KPIs
A2	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	5.1
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	5.1
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not Applicable
	The Environment and Natural Resources: General disclosure Policies on minimizing the issuers significant impact on the environment and natural resources.	5.2
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	

Appendix 1

ESG Reporting Guidance Index

Aspect	General Disclosure	Index
A4	Climate Change: General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	5-3
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.	
B1	Employment: General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issue relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Caring for Employees with People-oriented Management
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Index of Key Performance Indicators-Social KPIs
B1.2	Employee turnover rate by gender, age group and geographical region.	Index of Key Performance Indicators-Social KPIs
B2	Health and Safety: General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	3-3
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	3-3
B2.2	Lost days due to work injury.	3-3
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	3-3
B3	Development and Training: General disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	3-2
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Index of Key Performance Indicators-Social KPIs
B3.2	The average training hours completed per employee by gender and employee category.	Index of Key Performance Indicators-Social KPIs
B4	Labour Standards: General disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issue relating to preventing child and forced labour.	3-1

Appendix 1

ESG Reporting Guidance Index

Aspect	General Disclosure	Index
B4.1	Description of measures to review employment practices to avoid child and forced labour.	3.1
B4.2	Description of steps taken to eliminate such practices when discovered.	3.1
B5	Supply Chain Management: General disclosure Policies on managing environmental and social risks of the supply chains.	6.1
B5.1	Number of suppliers by geographical region.	6.1
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.	6.1
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	6.1
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	6.1
B6	Product Responsibility: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services.	Serving Customers as Top Priority
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
B6.2	Number of products and service related complaints received and how they are dealt with.	4.3
B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.4
B6.4	Description of quality assurance process and recall procedures.	Not applicable
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	4.3
B7	Anti-corruption General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	2.3
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.	2.3
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	2.3
B7.3	Description of anti-corruption training provided to directors and staff.	2.3
B8	Community Investment Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Jointly Building a harmonious Society
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	6.2
B8.2	Resources contributed (e.g. money or time) to the focus area.	6.2

Appendix 2

GRI Index

GRI Standards	General Disclosure	Index
Organizational profile	102-1 to 102-8	About the Company、 Index of Key Performance Indicators
	102-9 Supply chain	6.1
	102-10 Significant changes to the organization and its supply chain	No major changes
	102-11 Precautionary Principle or approach	2.2
	102-12 External initiatives	6.1
	102-13 Membership of associations	6.1
Strategy	102-14 Statement from senior decision-maker	Chairman's Statement
	102-15 Key impacts, risks, and opportunities	1.1、 1.4
Ethics and integrity	102-16 Values, principles, standards, and norms of behaviour	About the Company
	102-17 Mechanisms for advice and concerns about ethics	1.3
Governance	102-18 Governance structure	1.2
	102-19 Delegating authority	1.2
	102-20 Executive-level responsibility for economic, environmental, and social topics	1.2
	102-21 Consulting stakeholders on economic, environmental and social topics	1.3
	102-22 Composition of the highest governance body and its committees	2.1
	102-23 Chair of the highest governance body	2.1
	102-24 Nominating and selecting the highest governance body	2.1
	102-25 Conflicts of interest	1.3
	102-26 Role of highest governance body in setting purpose, values, and strategy	1.1
	102-27 Collective knowledge of highest governance body	1.1
	102-28 Evaluating the highest governance body's performance	2.1
	102-29 Identifying and managing economic, environmental, and social impacts	1.4
	102-30 Effectiveness of risk management processes	2.2
	102-31 Review of economic, environmental, and social topics	1.4
	102-32 Highest governance body's role in sustainability reporting	1.2
	102-33 Communicating critical concerns	1.3
	102-34 Nature and total number of critical concerns	1.4
	102-35 Remuneration policies	3.1
	102-36 Process for determining remuneration	3.1
Stakeholder engagement	102-40 List of stakeholder groups	1.3
	102-41 Collective bargaining agreements	2.1
	102-42 Identifying and selecting stakeholders	1.3
	102-43 Approach to stakeholder engagement	1.3
	102-44 Key topics and concerns raised	1.3
Reporting practice	102-45 Entities included in the consolidated financial statements	About the Report
	102-46 Defining report content and topic boundaries	About the Report
	102-47 List of material topics	1.4
	102-48 Restatements of information	No major Changes
	102-49 Changes in reporting	About the Report
	102-54 Claims of reporting in accordance with the GRI Standards	About the Report
	102-55 GRI content index	GRI Index
	102-56 External assurance	Not applicable

Appendix 2

GRI Index

GRI Standards	General Disclosure	Index
Management Approach	103-1 Explanation of the material topic and its boundary	1.4
	103-2 The management approach and its components	2.1、 2.2
	103-3 Evaluation of the management approach	2.1、 2.2
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	About the Company
	201-2 Financial implications and other risks and opportunities due to climate change	5.3
	201-3 Defined benefit plan obligations and other retirement plans	3.1
	201-4 Financial assistance received from government	Not applicable
GRI 203: Indirect Economic Impacts	203-1 Infrastructure investments and services supported	5.1
	203-2 Significant indirect economic impacts	6.2
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	2.2
	205-2 Communication and training about anti-corruption policies and procedures	2.3
	205-3 Confirmed incidents of corruption and actions taken	2.3
GRI 206: Anti-competitive Behaviour	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	2.3
	302-1 Energy consumption within the organization	Index of Key Performance Indicators
GRI 302 : Energy	302-2 Energy consumption outside of the organization	/
	302-3 Energy intensity	Index of Key Performance Indicators
	302-4 Reduction of energy consumption	5.1
	302-5 Reductions in energy requirements of products and services	5.1
GRI 303 : Water	303-1 Interactions with water as a shared resource	5.1
	303-2 Management of water discharge-related impacts	5.1
	303-3 Water withdrawal	5.1
	303-4 Water Discharge	5.1
	303-5 Water Consumption	Index of Key Performance Indicators
GRI 304: Biodiversity	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	No relevant operational sites
	304-2 Significant impacts of activities, products, and services on biodiversity	5.2
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Index of Key Performance Indicators
	305-2 Energy indirect (Scope 2) GHG emissions	Index of Key Performance Indicators
	305-3 Other indirect (Scope 3) GHG emissions	/
	305-4 GHG emissions intensity	Index of Key Performance Indicators
	305-5 Reduction of GHG emissions	Index of Key Performance Indicators
	305-6 Emissions of ozone-depleting substances (ODS)	No emissions of such substances
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	No emissions of such substances
GRI 306: Effluents and Waste	306-1 Water discharge by quality and destination	/
	306-2 Waste by type and disposal method	Index of Key Performance Indicators
	306-3 Significant spills	No significant spills
	306-4 Transport of hazardous waste	No such transport
	306-5 Water bodies affected by water discharges and/or runoff	No such affected water bodies
GRI 307: Environmental Compliance	307-1 Non-compliance with environmental laws and regulations	No relevant events

Appendix 2

GRI Index

GRI Standards	General Disclosure	Index
GRI 308 : Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	6.1
	308-2 Negative environmental impacts in the supply chain and action taken	6.1
GRI 401: Employment	401-1 New employee hires and employee turnover	Index of Key Performance Indicators-Social KPIs
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.1
	401-3 Parental leave	3.1
GRI 402: Labor/Manage ment Relations	402-1 Minimum notice periods regarding operational changes	Strictly abide by relevant laws and regulations of various countries/regions
	403-1 Occupational health and safety management system	3.3
	403-2 Hazard identification, risk assessment, and incident investigation	3.3
	403-3 Occupational health services	3.3
	403-4 Worker participation, consultation, and communication on occupational health and safety	3.3
	403-5 Worker training on occupational health and safety	3.3
	403-6 Promotion of worker health	3.3
	403-7 Prevention and mitigation of occupational health and safety	3.3
	impacts directly linked by business relationships	3.3
	403-8 Workers covered by an occupational health and safety management system	3.3
GRI 403: Occupational Health and Safety	403-9 Work-related injuries	3.3
	403-10 Work-related ill health	No relevant health issues
GRI 404: Training and Education	404-1 Average hours of training per year per employee	Index of Key Performance Indicators-Social KPIs
	404-2 Programs for upgrading employee skills and transition assistance programs	3.2
	404-3 Percentage of employees receiving regular performance and career development reviews	4.1
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	2.1、 3.1
	405-2 Ratio of basic salary and remuneration of women to men	/
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	No relevant events
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	4.2
	413-2 Operations with significant actual and potential negative Impacts on local communities	No relevant operational sites
GRI 414: Supplier Social Assessment	414-1 New suppliers that were screened using social criteria	6.1
	414-2 Negative social impacts in the supply chain and actions taken	6.1
GRI 416 : Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	4.2、 4.4
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	No relevant events
GRI 417 : Marketing and Labelling	417-1 Requirements for product and service information and labelling	2.4
	417-2 Incidents of non-compliance concerning product and service information and labelling	No relevant events
	417-3 Incidents of non-compliance concerning marketing communications	No relevant events
GRI 418 : Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No relevant events
GRI 419: Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	No violation of relevant laws and regulations

Appendix 3

Index of Key Performance Indicators

Environmental KPIs:

	2021	2020	2019
Emissions¹			
Scope 1: Direct greenhouse gas emissions (tCO ₂ e) ²	147	34	0
Scope 2: Energy indirect greenhouse gas emissions (tCO ₂ e) ²	134,374	94,204	51,865
Total greenhouse gas emissions (tCO ₂ e) ²	134,520	94,238	51,865
Intensity of greenhouse gas emission (tCO ₂ e/million RMB revenue)	30.92	34.81	25.62
Total non-hazardous waste (tonnes) ³	2,762.5	1,712.89	1,293.38
Intensity of non-hazardous wastes (tonnes/million RMB revenue)	0.64	0.63	0.64
Use of Resources⁴			
Direct energy consumption (MWh) ⁵	734	170	0
Indirect energy consumption (MWh) ⁵	198,622	136,066	76,175
Total energy consumption (MWh) ⁵	199,356	136,236	76,175
Intensity of energy consumption (in MWh/million RMB revenue)	45.83	50.33	37.64
Total Water consumption (tonnes)	4,537,672	3,015,820	2,314,594
Intensity of water consumption (tonnes/million RMB revenue)	1,043.14	1,114.07	1,143.56

Note:

1. Due to our business characteristics, the Group does not generate any waste gas emissions; the Group cannot monitor discharge amount of wastewater and pollutants due to the discharge of waste water into municipal pipes. Therefore, KPI A1.1 (The types of emissions and respective emissions data) is not disclosed in the Report. The hazardous wastes generated during the Group's operation are waste toner cartridges and waste ink boxes in a small amount, which are recycled by qualified recyclers, with less impact on the environment. Therefore, KPI A1.3 (Total hazardous waste produced) is not disclosed in the Report;

2. The Group's greenhouse gas emissions include Scope 1: direct greenhouse gas emissions (emissions from the use of natural gas) and Scope 2: energy indirect greenhouse gas emissions (emissions from purchased electricity and heat); Greenhouse gas emissions are presented as CO₂ equivalent. The calculation method and conversion factors come from the Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Public Building Operators issued by the National Development and Reform Commission;

3. Due to business characteristics, non-hazardous waste generated by the Group's operations and by customers/owners are collected and processed by the local municipal departments, and the Group is unable to separately measure the non-hazardous waste generated by the Group's operations. The non-hazardous waste disclosed in the Report are calculated through multiplying the number of people at each project by the local residents' domestic waste emission coefficients, which come from the Manual of the First National Pollution Source Census of Urban Life Sources and Pollution Emission Coefficients issued by the Leading Group Office of the State Council's First National Pollution Source Census;

4. The use of packaging materials is not related to the operation of the Group. Therefore, KPI A2.5 (Total packaging material used for finished products) is not applicable;

5. The energy consumption is presented as MWh (kWh in '000s), conversion factors come from the Accounting Methods and Reporting Guide for Greenhouse Gas Emissions from Public Building Operators issued by the National Development and Reform Commission.

6. As the scope of disclosure in the 2021 report has expanded compared to previous years, the absolute value of environmental data has also increased accordingly.

Appendix 3

Index of Key Performance Indicators

Social KPIs:

	2021
Employment	
Total workforce	15,009
By gender	
Male	8,041
Female	6,968
By age group	
<30	5,678
30-50	7,511
>50	1,820
By region	
Shanghai	1,205
Jiangsu Province	4,034
Zhejiang Province	1,221
Others	8,549
By type	
Full-time	15,009
Part-time	0
Employee turnover rate¹	40%
By gender	
Male	39%
Female	42%
By age group	
<30	49%
30-50	35%
>50	25%
By geographical region	
Shanghai	27%
Jiangsu	41%
Zhejiang	45%
Others	41%

	2021
Development and training	
Percentage of employees trained (%)	
By gender	
Male	54.3%
Female	45.7%
By employee category	
Senior management	0.2%
Junior staff	99.8%
Average training hours completed per employee	
By gender	
Male	14.4
Female	16.2
By employee category	
Senior management	10.2
Junior staff	15.2

Note:

1. Employee turnover rate=Employees in the specified category leaving employment/(number of employees in the specified category at the end of Reporting Period + employees in the specified category leaving employment) *100%

Appendix 4

List of Laws and Regulations

ESG Indicator	Internal Polices	Laws and Regulations Applicable
Aspect A1: Emissions	Office Management Guidelines Management Requirements for the Energy Consumption of S-Enjoy Energy Consumption Control Manual	Environmental Protection Law of the People's Republic of China Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution Law of the People's Republic of China on the Prevention and Control of Water Pollution Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste Regulations of the People's Republic of China on the Prevention of Pollution and Damage to the Marine Environment Caused by Pollutant from Land Directory of National Hazardous Wastes 13 th Five- Year Plan Work Scheme for Control of Greenhouse Gas Emissions Management Measures for Urban Household Waste
Aspect A2: Use of Resources	Management Requirements for the Energy Consumption of S-Enjoy Energy Consumption Control Manual	Energy Conservation Law of the People's Republic of China Management Regulations for Urban Water Conservation Management Measures for Electricity Conservation
Aspect A3: The Environment and Natural Resources	/	/
Aspect A4: Climate Change	Emergency Plan for Flood	/
Aspect B1: Employment	Welfare Management System of S-Enjoy Supplementary to Welfare Management System of S-Enjoy Supplementary II to Welfare Management System of S-Enjoy Employee Recruitment and Employment Management Policy Talent Referral Management Measures Performance Management Measures Remuneration Management Policy	Labour Law of the People's Republic of China Labour Contract Law of the People's Republic of China Employment Promotion Law of the Peoples Republic of China Social Insurance Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Occupational Diseases Provision on the Minimum Wage Provisions on the Prohibition of Using Child Labour Provisions of the People's Republic of China on Special Protection of Juvenile Labour
Aspect B2: Health and Safety	Operation Instructions on Management of Fire Water Supply Equipment Operation Instructions on Management of Automatic Fire Alarm System Operation Instructions on Management of Fire Prevention and Smoke Control System Operation Instructions on Management of Gas Fire-extinguishing System Fire System Management Rules Safety Management System	Work Safety Law of the People's Republic of China Fire Protection Law of the People's Republic of China Emergency Response Law of the People's Republic of China Regulations on Fire Safety Management of Government Bodies, Organisations, Enterprises and Public Institutions Regulations on the Control over Safety of Dangerous Chemicals

Appendix 4

List of Laws and Regulations

ESG Indicator	Internal Policies	Laws and Regulations Applicable
Aspect B3: Development and Training	<i>Lecturer Management Policy</i> <i>Employee Coaching Management Policy</i> <i>Administrative Measures for Employee Certificates</i> <i>Training Management Policy</i> <i>Operating Guidelines on Competition for Management Positions of S-Enjoy Service Project</i>	<i>Regulations on Reporting, Investigation and Handling of Work Safety Accidents</i> <i>Interim Provisions on the Troubleshooting and Governance of Work Safety Accidents</i> <i>Regulation on Work-Related Injury Insurances</i> <i>Law of the People's Republic of China on the Protection of Women's Rights and Interests</i> <i>Special Rules on the Labour Protection of Female Employees</i>
Aspect B4: Labour Standards	<i>Employee Attendance Management Policy</i> <i>Employees Leave Management Policy</i>	<i>Trade Union Law of the People's Republic of China</i> <i>Regulations on Safety Supervision of Special Equipment</i>
Aspect B5: Supply Chain Management	<i>Procurement Management Policy of S-Enjoy Service</i> <i>Supplier Management Policy of S-Enjoy Service</i>	<i>The Bidding Law of the People's Republic of China</i> <i>The Government Procurement Law of People's Republic of China</i>
Aspect B6: Product Responsibility	<i>Information Security Management Measures of S-Enjoy Service</i> <i>Privacy Policy</i>	<i>Regulations of the People's Republic of China on Property Management</i> <i>Product Quality Law of the People's Republic of China</i> <i>Law of the People's Republic of China on the Protection of Consumer Rights and Interests</i> <i>Cybersecurity Law of the People's Republic of China</i> <i>Tort Liability Law of the People's Republic of China</i> <i>Advertising Law of the People's Republic of China</i> <i>Copyright Law of the People's Republic of China</i> <i>Trademark Law of the People's Republic of China</i> <i>Patent Law of the People's Republic of China</i>
Aspect B7: Anti-corruption	<i>Code of Professional Conduct of Employees of S-Enjoy Service</i> <i>Complaint Report Management Policy of S-Enjoy Service</i> <i>Management Measures for Gifts and Cash Gift of S-Enjoy Service</i>	<i>Anti-Unfair Competition Law of the People's Republic of China</i> <i>Interim Provisions on Banning Commercial Bribery</i> <i>Anti-monopoly Law of the People's Republic of China</i>
Aspect B8: Community Investment	<i>Methods on Management of Charity and Public Benefit Activities</i>	<i>Charity Law of the People's Republic of China</i> <i>Regulation for the Safety Management of Large-scale Group Activities</i>



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