



景瑞控股有限公司*

JINGRUI HOLDINGS LIMITED

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

股份代號 Stock code : 01862

2021

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

* 僅供識別 For identification purpose only



CONTENTS

Concept and principle of the report	2
Reporting period	2
Reporting standards	2
Information source	3
Report access	3
Approved by the Board	3
About the Group	3
Statement of the Board	5
Chairman's statement	5
Stakeholder communication	5
Assessment of key issues	9
Performance and figures overview	10
List of major awards and achievements in 2021	12
Environment	13
Governance	20
Society	33
Outlook	35
The Stock Exchange's Environmental, Social and Governance Reporting Guide Content Index	36



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2021 is the second year when the world has entered a post-pandemic era. Jingrui has paid attention to itself and responded to market changes, focused on its own development, operated with best efforts, and continued to firmly pursue its large-scale asset management strategy. Under the epidemic, the Group has achieved steady development, which verifies the feasibility of the Group's business strategy.

During the Reporting Period, the Group successfully issued the first batch of green bonds, which marked the recognition of the Group by the capital market and professional certification institutions, allowed us to take the first step in exploring green financing, and helped us to achieve sustainable development. In the future, we will continue to do our best to follow the main policy of "housing is for accommodation, not for speculation (房住不炒)", and seeking a balance between achieving environmental protection goals and profitability, so as to create returns for shareholders, and also bring benefits for other stakeholders.

Yan Hao
Chen Xin Ge
Co-chairmen

Concept and principle of the report

This report is the sixth Environmental, Social and Governance Report (the **"Report"**) issued by Jingrui Holdings Limited (Stock Code: 01862) (the **"Company"** or **"Jingrui"**) and its subsidiaries (the **"Group"** or **"we"**). The purpose of this Report is to disclose the performances we achieved in the year in terms of environment, society and governance, respond to stakeholders' expectations of the Group's information disclosure and allow them to understand our performance and development direction on various sustainable development policies.

The Group's projects are mainly located in all municipalities of the People's Republic of China (**"China"**) and the first- and second-tier core cities in the Yangtze River Delta, with a total of 116 projects being operated in 24 cities as of the end of 2021. Our projects are in different development phases and they also cover a variety of different building models and methods. As such, it is difficult to disclose comparable environmental data for all projects at one time. Considering this, for each reporting year, we select appropriate projects for disclosure. In 2021, we will continuously select Jiaxing Jingrui Puyue Lake Project (**"Jiaxing Project"**) and our headquarter office as this year's environmental disclosure, while the remaining data of policies and measures disclosed cover the same entities as those in the annual report.

Reporting period

Unless otherwise specified, this Report covers the performance of the Group on environmental, social and governance issues from 1 January 2021 to 31 December 2021 (the **"Reporting Period"**).

Reporting standards

This Report is prepared under the Environmental, Social and Governance Reporting Guide (the **"Guide"**) stated in the Appendix 27 to the Rules Governing the Listing of Securities (the **"Listing Rules"**) on The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**). The reporting principles of "Materiality", "Quantitative", "Balance" and "Consistency" set out in the Guide of the Stock Exchange underpinned the preparation and contents of this Report, as well as the presentation of the information. The Group has added a chapter of the Statement of the Board in previous environmental, social and governance report to strive for improvement in disclosure, and showed that the board of directors of the Group attaches importance to the sustainable development.

In 2021, we further disclosed the Group's environmental, social and governance initiatives in compliance with the latest Guide of the Stock Exchange, with a view to giving a full picture of the Group's commitment to social development and corporate responsibilities beyond financial data.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Information source

Unless otherwise stated, the information disclosed in this Report comes from the Group's internal official documents, fillings, internal statistical data and relevant official public information records.

Report access

To reduce paper usage, this Report is published electronically on the Company's website (www.jingruis.com) and the website of HKEXnews (www.hkexnews.hk) and no printed copies are provided. If readers have any inquiries or comments on this Report, you can contact us at ir@jingruis.com. This Report provides two versions in Chinese and English for readers to refer to. If there are any differences in content, the Chinese version shall prevail.

Approved by the Board

This Report was approved by the board (the "**Board**") of directors (the "**Directors**") of Jingrui on 30 March 2022. The Group undertakes that the contents of this Report do not contain any false statements, misleading statements or material omissions and the Board is responsible for the truthfulness, accuracy and completeness of the contents. The contents of this Report have been duly reviewed and approved by the Board prior to publication to ensure their correctness. If you have any feedback on this Report, please contact us at the following ways:

Address: Room 09, 43/F, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong

Phone Number: 852-23276858

Email: ir@jingruis.com

Company Website: www.jingruis.com

About the Group

The Group is a Chinese residential property developer, asset management operator and professional service provider. Since its establishment in Shanghai in 1993 and listing on the Main Board of the Stock Exchange in 2013 (stock code: 01862), we have been focusing on real estate development and asset management as our core business, with a focus on professional services including residential development and asset management operations in first- and second-tier core cities and metropolitan areas. We serve mainly buyers who are improving their existing living conditions and first-time buyers, which we believe are the majority of buyers in the China property market. We value our customers and operate under the principle of "Customer First". In order to serve our customers systematically, we have created "Design to Value" ("**DTV**"). By providing one-stop product solutions, we develop quality residential properties and provide systematic professional services to meet all the needs of our clients with tailor-made solutions. We insist on our mission to be the "pioneer in asset management with the best knowledge in both architecture and lifestyle", to build a sense of quality, create quality communities, and continuously improve our management services. We value technological innovation. With the rapid development of technology, we create new business models through big data analysis and correlation rule algorithms. We effectively implement intelligent production management through data tracking and information interfacing to address the flexible service needs of small batches and multiple lots. We strive to add new value to every aspect of real estate development in order to enhance the overall competitiveness of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Through its five business platforms, the Group engages in real estate development, urban renewal, asset management, commercial operations and property management, and is committed to becoming the “pioneer in asset management with the best knowledge in both architecture and lifestyle” in China. In March 2020, the business platform was iteratively upgraded into five major segments: Yan Capital Management, Jingrui Properties, Jingrui Capital, Jingrui Service and Co-Fortune Capital. Yan Capital Management has formed a mature “fund raising, investment in projects, post-investment project management and capital withdraw” full-cycle fund management capability, with advantages being highlighted and product design capability being further enhanced. In addition to deepening regional cultivation, Jingrui Properties has

been actively expanding its layout in the midstream and downstream Yangtze River City Cluster, striving to expedite its development pace and operational turnover efficiency and pursuing both scale and efficiency growth. The operation management of Jingrui Capital has become more refined, and the digital operation management system has begun to bear fruit. Jingrui Service has successfully achieved mergers and acquisitions, and its business scale has grown rapidly. Its customer satisfaction has remained at a high level despite of the impact of the novel coronavirus epidemic (the “COVID-19”). Co-Fortune Capital has always been around the real estate ecosystem, maintaining market acumen, actively capturing industry opportunities and striving to achieve investment expectations.

Five business platforms				
Yan Capital Management	Jingrui Properties	Jingrui Capital	Jingrui Service	Co-Fortune Capital
Focuses on real estate fund raising activities and asset management and manages to finish a transition from real estate debt fund to equity fund	Focuses on property development in four urban agglomerations in China and is committed to providing customized life products and services based on the strategy of “customer insights”	Focuses on urban renewal and provides operating management services covering apartment and office building development, holding and leasing in the first-tier cities such as Shanghai, Beijing as well as core second-tier cities	With the development goal of being a “promoter of ideal life in Chinese cities”, it provides high-quality property services for various properties such as commercial plazas and high-end apartments	Focuses on investment in real estate ecological cycle, and enhancing products and serving capabilities by leveraging on its capital to stimulate its real estate development business

Operating policy:	In line with the national development strategy, the Group continues to focus on the first- and second-tier core cities and metropolitan areas, and develops and operates real estate projects with relatively high margins and stable investment returns
Ways to acquire land:	Diversified methods such as public bidding, auction and listing, equity transfer, transaction agreement
Contracted sales value:	RMB27.001 billion
Contracted sales area:	1,433,005 square meters

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Statement of the Board

Sustainable development is an integral part of our development strategy. Against the backdrop of the national commitment to carbon peaking and carbon neutrality, it is particularly important for us as a corporate citizen to put into practice sustainable development. Specifically, the Board has been collecting opinions through various communications, identifying key environmental, social and governance related issues, monitoring and managing them accordingly, and evaluating the results in a timely manner while developing our business. The Board also confirms that it has reviewed the contents hereof and will bear the ultimate responsibility for this Report. If you have any questions about the content hereof, please feel free to give us feedback. The Board will ensure that your relevant issues will be dealt with appropriately.

Chairman's statement

2021 is the second year when the world has entered a post-pandemic era. As the epidemic prevention and control has become normalized and the real estate market has been regulated by the central government, Jingrui has paid attention to itself and responded to market changes, focused on its own development, operated with best efforts, and continued to firmly pursue its large-scale asset management strategy. Under the epidemic, the Group has achieved steady development, which verifies the feasibility of the Group's business strategy. During the Reporting Period, the Group successfully issued the first batch of green bonds, which marked the recognition of the Group by the capital market and professional certification institutions, allowed us to take the first step in exploring green financing, and helped us to achieve sustainable development. We would like to take this opportunity to express our heartfelt thanks to all employees for their hard work over the past year, enabling the normal operation of the Group's business.

The successful 2022 Beijing Winter Olympics has made ordinary people see the infinite possibilities of zero-carbon buildings. This is a good start for peaking carbon emissions by 2030 and striving

to achieve carbon neutrality by 2060. It also brings more inspiration to China's construction industry and room for improvement towards carbon neutrality. As a real estate company, we know a good and livable environment is the foundation of our business. People change the environment and build buildings on it, while buildings provide people with places to live, and the environment in turn affects people and buildings. People, the environment and buildings thus become inseparable. Therefore, we will do our best to follow the main policy of "housing is for accommodation, not for speculation (房住不炒)", and seeking a balance between achieving environmental protection goals and profitability, so as to create returns for shareholders, and also bring benefits for other stakeholders.

The past is just a prelude. The future is hopeful. This is our sixth Environmental, Social and Governance Report, and we hope that it will serve as an opportunity to review our efforts over the past year and provide inspiration for Jingrui's future environmental, social and governance initiatives. Let us exercise self-examination and work hard, work with all stakeholders, harness the power of sustainable development, and move towards the future together.

Jingrui Holdings Limited

Yan Hao

Chen Xin Ge

Co-chairmen

Stakeholder communication

The promotion of sustainable development is a long-term and sustained plan. Therefore, we have been in close communication with individual stakeholders, in hope of improving the sustainable development strategy of the Group by responding to their concerns, absorbing new ideas and improvements and adapting to the constantly-changing external environment, and thus creating longer-term value for stakeholders while ensuring that the Group is on the right developmental track. During the Reporting Period, the Group communicated with stakeholders in a variety of ways to collect their opinions and questions which had been reported to the management, and adopted those feasible to improve daily operating performance.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Details of communication with stakeholders during the Reporting Period are as follows:

Stakeholders	Expectation and Demand	Communication Response Method
Employees	• Health and safety	• Talks With Employees
	• Promotion and development	• Care For Employees
		• Operators Conferences
		• Employees Questionnaire
Investors and shareholders	• Information disclosure	• Regular Reports and Investor Meetings
	• Returns and growth	• Annual Results Presentation
		• Annual General Meeting
Owners and customers (consumers)	• Product quality and safety	• Immediate Communication Platforms Including Customer Service Hotline
		• Third-party Satisfaction Survey
Suppliers and business partners	• Fair, equitable and open procurement	• Strategic Partners Forum
	• Industry experience exchange	• City-level Supplier Conference
		• Project Regular Seminars With Suppliers
Media	• Information disclosure	• Interview With Senior Management
		• Timely Response to Enquiries from Media, Distribution of News Release in Relation to Business Development to Media and etc.
Local communities	• Creating healthy habitat	• Community Events
		• Distribution of Company Publications to Promote the Company's Measures among the Communities in Forms of Words and Pictures
Government supervision agencies	• Law-abiding	• Taxation According to the Law and Provision of Advice for the Establishment of Policies from the Perspective of Industry Professional
Non-profit organizations and non-governmental organizations	• Public charity	• Social Welfare Activities
General public	• Information disclosure	• Information Disclosure
	• Support for social development	• Public Opinion Monitoring

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Details of communication with stakeholders during the Reporting Period are as follows:

Stakeholders	Relevant Events	Frequency
Investors 	Investor Meetings	Held 210 investor meetings throughout the year, of which 126 meetings were online and 84 meetings were offline
	Results presentation	Conduct online results presentation after the release of the results on 24 March 2021 to provide investors with a detailed explanation of the Company's performance, products and development direction, allowing analysts and investors to gain a clearer and more comprehensive understanding of Jingrui
	Annual general meeting	An annual general meeting was held in Shanghai on 8 June 2021
Employees 	Talks With Employees	The management communicates with employees irregularly throughout the year, listens to their opinions and needs, so as to make effective improvements and adjustments
	Employees questionnaire	Conduct questionnaires to employees twice a year to understand their opinions and improve existing measures
	Care For Employees	City companies organized various festival celebrations or caring activities for employees at various festivals or from time to time according to their actual conditions, so as to establish a good corporate culture, and enhance the morale and sense of belonging of employees
	Operators Conferences	The Company held two operators conferences on 17 January and 11 July 2021, aiming to stir up the morale of the Company's management personnel while promoting their understanding of the Company's policies and development direction

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Stakeholders	Relevant Events	Frequency
Consumers 	Third-party Satisfaction Survey	Once a month
	Complaint Hotline	Each subsidiary has set up a hotline for complaint and consultation throughout the year
Suppliers 	The Group's Suppliers Chinese New Year Feast	Held every 1-2 years
	The Group's Strategic Partners Forum	Once every half a year
	City-level Supplier Conference	Held annually according to the actual situation of the city company
	Regular Seminars With Suppliers	Once every quarter
Media 	Interview With Senior Management	Irregular interviews with various media
Government supervision agencies	Law-abiding Taxation According to the Law	Communicate with government departments from time to time to understand and learn the latest policy situation, and actively cooperate with government administration
Non-profit organizations and non-governmental organizations	Public Charity	Organized 47 social welfare activities

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Assessment of key issues

Through effective communication with stakeholders and internal discussions, the Company has sorted out a series of key issues and will follow the “materiality”

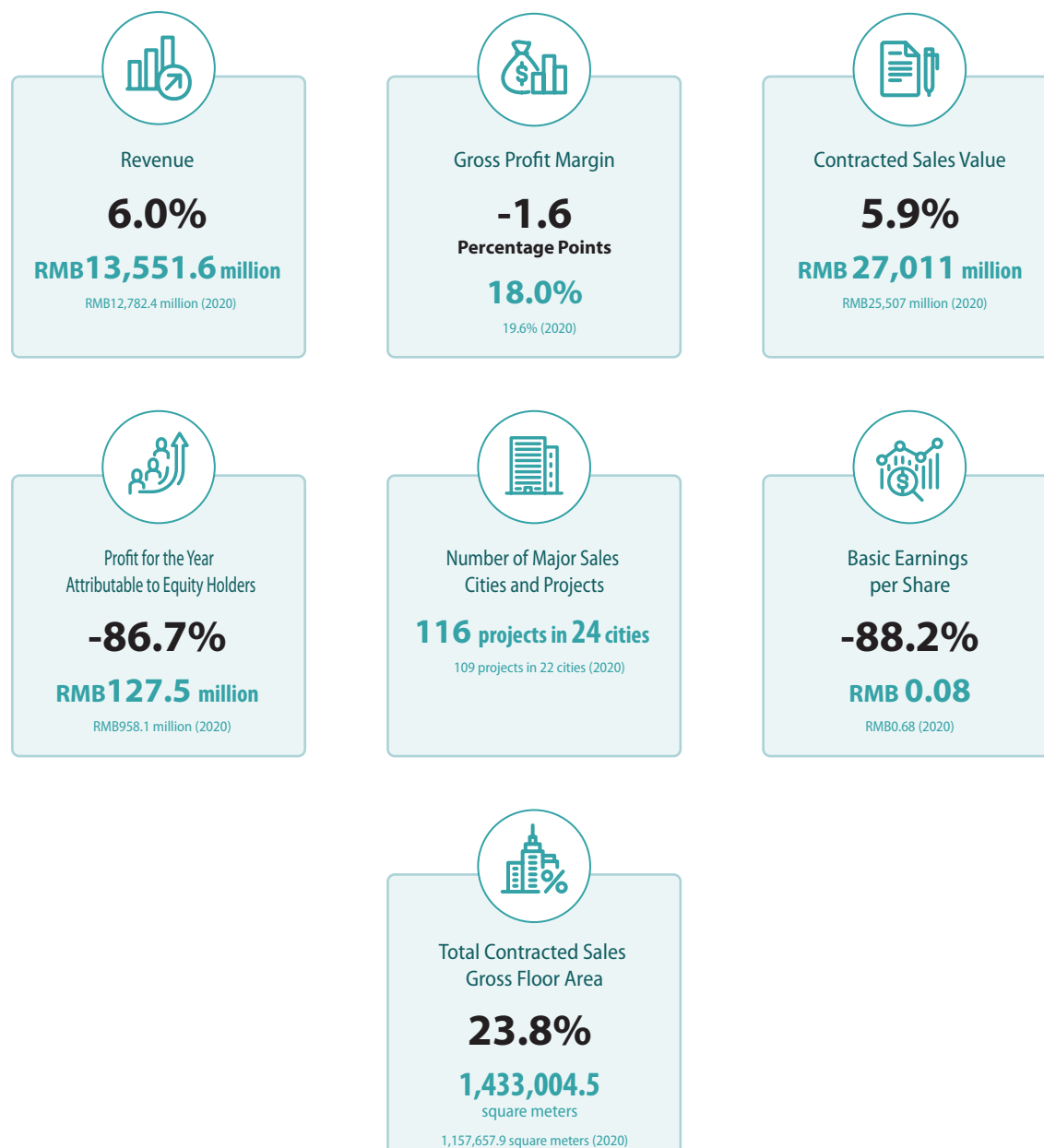
principle of the Guide. On the basis of meeting the requirements of the Guide, in-depth disclosure on the following issues is made in response to the expectations of stakeholders.

Environmental Issues	Disposal of waste
	Selection and use of building materials
	Environmental protection of the unconstructed land at the early stage of site selection and construction
Social Issues	Staff benefits and training
	Employee health and safety
	Product quality
	Guarantee customer health and safety
	Protect customer privacy
Governance Issues	Supply chain management
	Economic indicator
	Prevent corruption, bribery, extortion and fraud

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

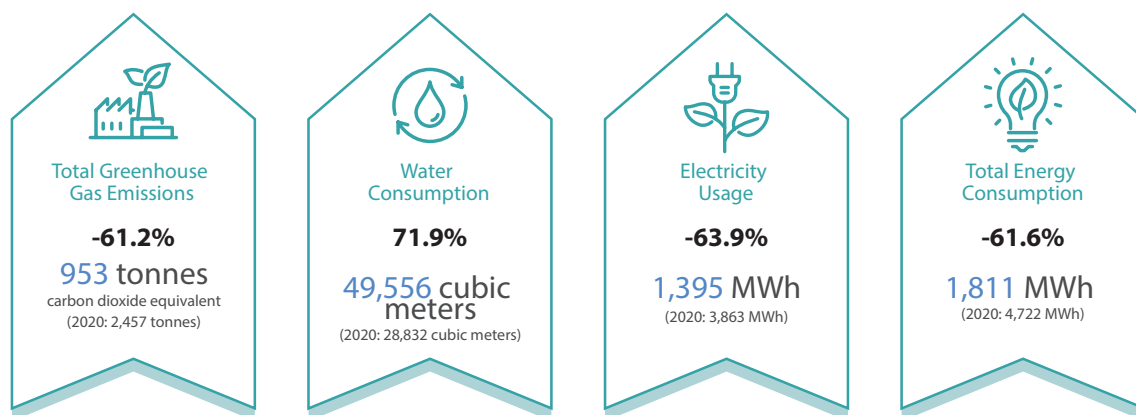
Performance and figures overview

Financial data (Financial data for the year of 2021 are unaudited)



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

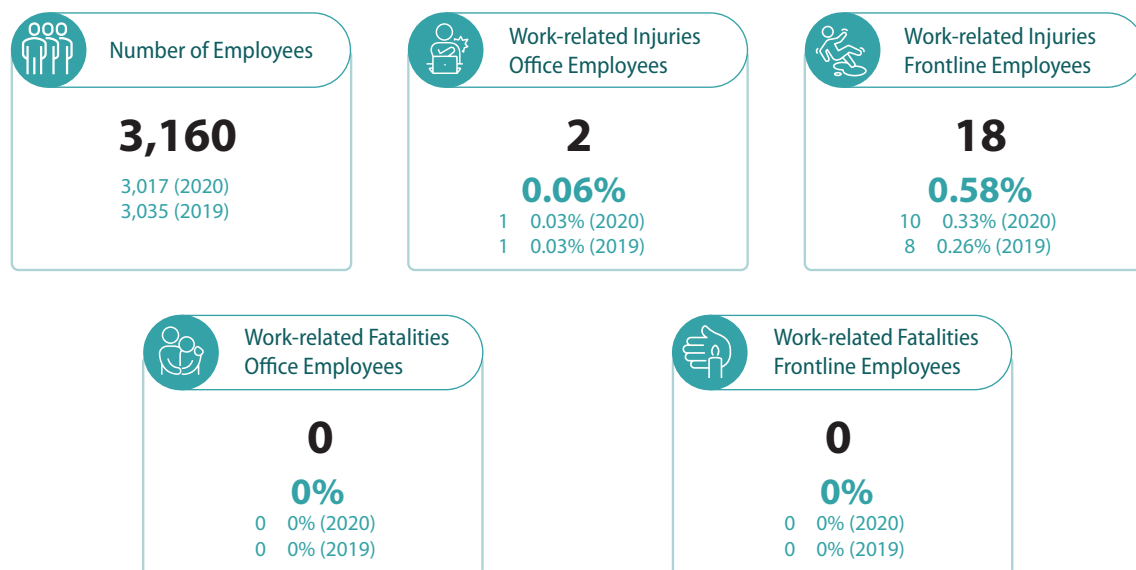
Environmental Data^{1,2}



¹ Environmental data only covers the relevant data of the Jiaxing Project and headquarter office of the Group.

² As the construction stage of the Jiaxing Project in 2021 was different from that in 2020, the environmental data such as water consumption and electricity usage fluctuated significantly compared with that in 2020, and therefore the year-on-year changes have no referential significance.

Social and Governance Data



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

List of major awards and achievements in 2021

Awarding organization	Award
China Index Academy	TOP 10 Real Estate Company Listed in Hong Kong by Investment Value
	TOP 10 Real Estate Company Listed in Hong Kong by Ability to Create Wealth
	TOP 10 Brand Value of Real Estate Companies in Yangtze River Delta Urban Agglomeration
	TOP 10 developers in terms of Operating Efficiency
	TOP 10 developers in terms of Financing Capability
	The 51st among the China Top 100 Real Estate Developers
China Real Estate Association	TOP 3 in Operating Performance of China Real Estate Listed Companies
	TOP 3 in Development Potential of China Real Estate Developers
Gelonghui	Best IR Team Award for Best Listed Company in Greater China of the Year
Shanghai E-house China R&D Institute and China Real Estate Appraisal Centre	Top 5 in Operating Performance of China Real Estate Listed Companies
	Top 50 in Comprehensive Strength of China Real Estate Listed Companies
	China's Leading Residential Property Service Enterprise
	Potential Unicorn of China Property Service Companies
	Top 100 in Comprehensive Strength of China Property Service Enterprises
China Real Estate R&D Institute and China Real Estate Appraisal Centre	Top 100 Brand Value of China Property Service Enterprises
Guandian Property & Co.	Top 30 Real Estate Enterprises with Investment Value of the Year
	Exemplary Performance of Commercial Asset Value Enhancement
Leju Finance	China Real Estate Robust Enterprise
	Growth Potential Award for China Listed Real Estate Enterprise
The Times Weekly	The Most Robust Real Estate Company in China
International Finance	Annual Environmental Responsibility Pioneer Enterprise
The Paper	Best Future Community
BRICS Forum	The Most Influential Brand Apartment of the Year

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environment

Overview and Directional Statements

From 2015 to 2021, the seven consecutive years with the highest global temperature on record, the environmental disasters caused by climate change are increasing day by day. In July and August 2021 alone, the Mediterranean heat wave, large-scale wildfires in Turkey and Greece, and floods in Western Europe killed more than 200 people. In the United States, nearly 700 people died from climate disasters, the most since 2011. While the COVID-19 has swept across countries, the environment itself has also continuously issued warnings to human beings, making them stop, think about their relationship with nature, and put their plans for environmental protection into action.

Since 2018, China has achieved positive results through a series of actions, including adjusting the industrial structure, optimizing the energy structure, improving energy utilization efficiency, and controlling greenhouse gas emissions from non-energy activities to promote the development of green industries. In addition, the Environmental Protection Tax Law, implemented since 1 January 2018, requires regulations made and new taxes levied on targeted companies and public institutions that discharge certain pollutants into the environment. According to this law, during the Reporting Period, we did not have any increase in liabilities and a decrease in profits due to the implementation of policies and the increase in tax.

From this year on, the Group will continue to increase the Group's efforts in constructing green buildings, while continuing to strengthen the construction of civilized construction sites and green business operations, and will also increase efforts to promote green lifestyles to residents through Jingrui Service. The directional goals for increasing efforts in constructing green buildings include:

1. Integrate green building concepts and designs into projects in their research and development phase
2. Use environmentally friendly and energy-saving materials
3. Upgrading and utilizing green processes
4. Saving energy and water at any stage of construction
5. Reduce direct and indirect impacts on the environment

In addition, Jingrui has developed a green financing framework to raise funds for the Group's goal of constructing and managing properties with positive environmental impacts. During the Reporting Period, we also successfully issued US\$165 million of green senior notes, which proved the recognition of us by the capital market.

As at 30 September 2021, MagLink, a green building under the Group, officially opened, marking the rapid rise of exquisite three-dimensional community service commerce. With the design concept of "sustainable development", MagLink has obtained Leadership in Energy and Environmental Design (LEED) platinum pre-certification and PARKSMART silver pre-certification.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environmental Indicators

The followings are the comparison between various environmental indicators during the Reporting Period and those in the previous period. Our projects are in different development phases and they also cover a variety of different building models and methods. As such, it is difficult to disclose comparable environmental

data for all projects at one time. In 2020 and 2021, we select Jiaxing Project and our headquarter office as this year's environmental disclosure. In the future, we will continue to improve our environmental data collection system so that we can study and disclose the relevant data in a more systematic and targeted manner.

Item	Unit	2021	2020	Change
Type of emissions and relevant emission data				
Nitrogen oxides	Kg	5.98	5.72	4.5%
Sulfur oxides	Kg	3.35	3.29	1.8%
Respirable suspended particulate	Kg	0.90	0.85	5.9%
Total greenhouse gas emissions				
Total greenhouse gas emissions	Tonne of carbon dioxide equivalent	953	2,457	-61.2%
Scope 1	Tonne of carbon dioxide equivalent	102	100	2.0%
Scope 2	Tonne of carbon dioxide equivalent	851	2,357	-63.9%
Greenhouse gas emission density	Tonne of carbon dioxide equivalent/ square meter	0.0071	0.0183	-61.2%
Hazardous waste				
Total hazardous waste	Tonne	7.00	N/A	N/A
Asbestos waste	Tonne	6.00	N/A	N/A
Dye/coating waste	Tonne	1.00	N/A	N/A
Hazardous waste density	Tonne of carbon dioxide equivalent/ thousand square meter	0.0534	N/A	N/A
Non-hazardous waste				
Total non-hazardous waste	Tonne	1,749	1,088*	60.8%
Non-hazardous waste density	Tonne/square meter	0.0130	0.0081*	60.8%
Recyclable items	Tonne	26	20	30.0%
Domestic waste*	Tonne	24*	18*	33.3%
Construction waste	Tonne	1,699	1,050	61.8%

* The calculation of domestic waste has changed. The new estimate is based on the national statistics of 131 kg of waste produced per person per year on average.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	Unit	2021	2020	Change
Total energy consumption				
Electricity usage	MWh	1,395	3,863	-63.9%
Gasoline usage	MWh	417	409	2.0%
Total energy consumption	MWh	1,811	4,272	-57.6%
Energy consumption density	MWh/square meter	0.0135	0.0318	-57.6%
Total water consumption				
Water consumption	Cubic meter	49,556	28,832	71.9%
Water consumption density	Cubic meter/square meter	0.3694	0.2149	71.9%
Packaging materials used in finished goods				
Rebar	Tonne	7,869	730	977.9%
Concrete	Square meter	85,017	11,000	672.9%

Energy saving and emission reduction measures

In order to strengthen the green management of the office, we have established an optimized inspection mechanism with the aim of controlling electricity consumption and achieving energy saving and emission reduction at the same time, ensuring that the lighting and air conditioning in all areas of the property are used properly. We also strictly enforce the shutdown of unused appliances to reduce electricity consumption. In order to enhance the overall effect of reducing emissions, the Company put forward the "five one" initiative, including saving every "one" sheet of paper,

reducing the use of "one-time" tableware, turning off the lights for "one" hour at noon, and increasing "one" centigrade when using the air conditioning and driving "one" fewer day a week. In addition, the Company published the Convention on Office Civilization to call for energy saving and emission reduction for all employees, and also launched an "energy saving and emission reduction" publicity activities, and posted energy-saving and paper-saving signs throughout the Company to remind employees to save energy. At the same time, we reduced resource consumption through modifying printer settings and air conditioning control.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Energy saving measures:

We are actively promoting the use of environmentally friendly materials and technologies in all our projects. We tried to use energy-saving materials, such as fly ash and prefabricated piles, to reduce related energy consumption and carbon emission. In addition, we also tried our best to industrialize interior decoration as much as possible and promote the application of precast concrete technology to further reduce overall carbon emissions. Of course, we also promoted the use of such materials, clean energy technologies, finished assembly components and other low-emission products or technologies in all respects, so that our construction projects could be built as environment-friendly as possible. In the construction, we used all-steel climbing frames made of aluminum mold instead of wood, therefore reducing the use of high-loss materials such as wood. Other energy-saving measures we have taken include:

1. Kept the original building materials in their original form as much as possible in the process of building and renovation to reduce the production of building wastes. If there was a need to demolish certain building parts, the integrity of the building would be taken into account as much as possible, so that the parts demolished could be reused;
2. In terms of material procurement, we have strove to accurately calculate the amount of consumption to avoid waste caused by excessive procurement;
3. Planned the material stacking reasonably to avoid second-time transportation and reduce the carbon emissions due to the use of transportation tools;
4. Machinery has been reasonably equipped according to the actual needs of the project to avoid idle machinery and achieve less waste of resources; and
5. If there is excess material purchase or dismantling materials, they would be sold or donated to the third party.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Power saving measures:

We used electrical equipment with low power as much as possible as long as the equipment can meet the needs of construction; during the construction, we tried our best to use energy-saving lamps with high brightness but low power consumption to improve energy efficiency; we ensured separate power supply for construction, office and living areas and separate measurement for these areas, so as to ensure that all electricity records were clear and accurate and to analyze their energy consumption and identify opportunities to reduce energy use and carbon footprint; and we strictly supervised the use of high-power equipment, and shut them down immediately after construction.

Water saving measures:

We set up separate water meters for measurement in construction, living and firefighting areas, and collect statistics and made analysis of water consumption data by stage to identify opportunities for reducing water usage, extensively used water-saving products, and strengthened the daily repair and maintenance of water-using equipment to prevent dripping, popping and leakage.

Waste management

The Group is committed to waste reduction and the properties and offices we own or manage have implemented various waste management practices to minimize waste generation. We actively promote

reuse and recycling to maximize the useful life of our materials. The Group also employs responsible recycling contractors to collect and process recyclable materials. In our managed properties, we encourage tenants and residents to practice source separation of waste. We also actively promote green living to our customers, such as the “Sharing Bazaar” campaign in our apartment stores, which allows tenants and employees to exchange unused items via cell phones and reuse resources. In addition, we are actively responding to the national call to integrate waste separation in all communities, stores and offices.

Green building certification

Green buildings are the most intuitive expression of the sustainable development thoughts of real estate companies and the most direct expression of social responsibility. We evaluate and select suitable properties and actively participate in the evaluation of green buildings. In addition, the Company also refers to the best management practices so as to further improve the project efficiency and create more environmentally friendly and comfortable buildings. During the Reporting Period, the Company delivered or partially delivered a total of 8 green building projects, including 7 one-star projects and 1 two-star project, with a total gross floor area of 1,001,000 sq.m.. In addition, we still have 24 projects under construction that have been evaluated as green buildings, of which 11 are two-star projects with a total gross floor area of approximately 2,998,000 sq.m., which are expected to be delivered in the next three years.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

China's Assessment Standard for Green Building defines green buildings as "buildings that conserve resources alternatively, protect the environment and reduce pollution, provide people with healthy, suitable and efficient use of space, and coexist in harmony with nature throughout the life cycle of the buildings". Other green building assessments and sustainable building certifications include: LEED and WELL. The former is issued by the United States Green Building Council and

is widely used in various buildings. LEED provides a framework for healthy, efficient and cost-saving green buildings. LEED certification is a globally recognized symbol of sustainable development achievement and leadership. WELL is managed by the International WELL Building Institute and aims to measure, certify and monitor buildings through dimensions such as air, water and light.

Case Study:



MagLink, the largest urban renewal project in Shanghai in recent years, is also the most representative green building of Jingrui in recent years. The air conditioning in the office building of MagLink adds PM2.5 filtering and purification to the new air system to ensure indoor air quality. Double-layer LOW-E curtain wall glass can effectively block heat, reduce electricity consumption for air-conditioning and avoid light pollution. The building's overall water recycling system enhances water conservation by collecting and storing rainwater and filtering and reusing miscellaneous drainage water. The use of PARKSMART's silver pre-certified intelligent parking system and efficient energy management system also greatly improves energy efficiency. During the Reporting Period, MagLink in the community was officially put into operation, which would deepen apparent understanding of the public in the community on green building.

With the design concept of "sustainable development", MagLink has formed a healthy ecological loop for business life, so that energy saving and environmental protection are intertwined with good living. Therefore, it has obtained LEED platinum pre-certification and PARKSMART silver pre-certification. Platinum is the highest level of LEED certification, and only 5% of the world's participating projects are awarded this honor. MagLink is currently the first project with PARKSMART silver pre-certification in China.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The projects delivered or partially delivered with the China's green building star certification during the Reporting Period are as follows:

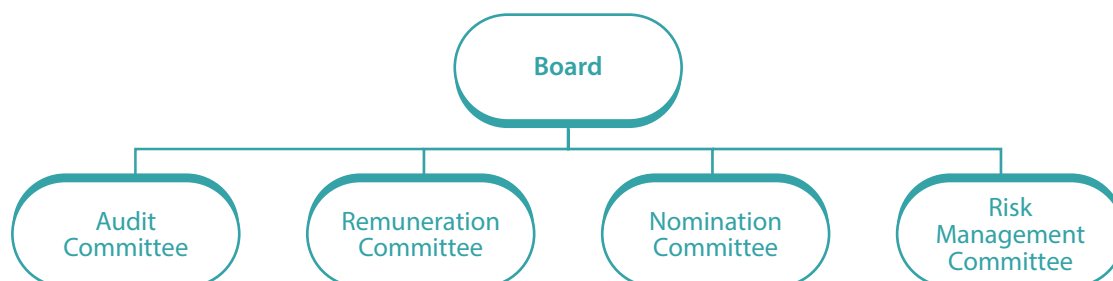
No.	Project Name	Project Type	Total Gross Floor Area (thousand sq.m.)	Assessment Results of Green Building
1	Suzhou Jingrui Taicang Yueting	Residential	74	one-star green building
2	Nanjing Jingrui Xitangfu	Composite	106	one-star green building
3	Nanjing Jingrui Hefeng Nan'an	Composite	109	one-star green building
4	Hangzhou Jingrui Vital House	Residential	95	one-star green building
5	Ningbo Jingrui Xingning Mansion	Residential & commercial	55	two-star green building
6	Tianjin No.6 Tang Gu Bay	Residential & commercial	87	one-star green building
7	Wuhan Jingrui Tianfu Peninsula	Composite	65	one-star green building
8	Wuhan Jingrui Tianfu Binjiang	Composite	410	one-star green building

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Governance

Governance Structure

The Group's corporate governance structure is as follows:



Board Governance and Supervision

The role of the Board is pivotal in leading the overall development of the Group: the Board leads the overall development of the Company over time, sets the Company's values and standards, and at the same time allocates the Group's resources and funds in a timely manner to ensure that the established strategic goals and development strategies are effectively implemented, the development momentum of the Group can be maintained and creates value for shareholders.

The Group is currently co-chaired by Mr. Yan Hao and Mr. Chen Xin Ge, while Mr. Yan Hao is also the chief executive officer. This arrangement can ensure that policies can be implemented quickly and effectively, while balancing the need for governance efficiency and rights supervision, meaning that in the case of effective operation of the Board, the checks and balances on these powers and authorizations are guaranteed. In addition, we have attached great importance to the independence of the Board by maintaining a high proportion of independent non-executive Directors, so as to guarantee the Board's credibility.

Under the supervision of the Board, the Group manages its overall operations through its audit committee, remuneration committee, nomination committee and risk management committee.

Audit Committee: responsible for handling matters relating to the external auditors, working together with the auditors to monitor the compliance and integrity of the Company's financial statements and annual reports and accounts, interim reports and (if to be published) quarterly report, and at the same time discussing the risk management and internal control systems with the management to ensure that the management has performed its duty to establish and maintain effective systems, and conducting research on major investigation findings on risk management and internal control and management's response to these findings.

Remuneration Committee: responsible for making recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing these policies to ensure that the development of all remuneration policy, compensation for resignation and other related matters within the Group are reasonable and appropriate.

Nomination Committee: responsible for reviewing the structure, size and composition of the Board on a yearly basis, making recommendations on any proposed changes to the Board, and at the same time assessing the independence of independent non-executive Directors to ensure the Board's effective operation.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Risk Management Committee: responsible for developing risk management and internal control systems, conducting regular inspections of office procedures, practices and systems, identifying and managing potential risks to ensure that assets are not improperly used, maintaining accounts properly, as well as ensuring compliance with relevant regulations.

Maintain a high-quality governance

The long-term development of the Group depends on the high-quality governance to protect the interests of various stakeholders. Therefore, the Group has, after establishing a clear structure of the Group, always followed strict governance standards, so that all

employees can clearly understand the responsibilities of each post, and at the same time the scope of each person's rights and responsibilities is clearly defined to prevent any cases of conspiracy. As for compliance, we have fully implemented the Corporate Governance Code contained in Appendix 14 to the Listing Rules (the "**Corporate Governance Code**") to maintain stringent corporate governance standards. In addition, the Directors regularly participate in various trainings in relation to director's responsibilities every year, such as laws and new regulations, code of conduct and anti-corruption.

The details of the attendance of the Board members to Board meetings in 2021 are recorded as follows:

Position	Name	Attendance/ number of meetings held	Attendance rate
Executive Director	Mr. Yan Hao	4/4	100%
Executive Director	Mr. Chen Xin Ge	4/4	100%
Executive Director	Mr. Xu Hai Feng	3/4	75%
Executive Director	Mr. Chen Chao	4/4	100%
Independent non-executive Director	Mr. Han Jiong	4/4	100%
Independent non-executive Director	Mr. Qian Shi Zheng	4/4	100%
Independent non-executive Director	Dr. Lo Wing Yan William	4/4	100%

Board Diversity

As required by Rule 13.92 of the Listing Rules, the nomination committee (or the board) shall have a policy concerning diversity of board members. The Company has adopted a board diversity policy (the "**Board Diversity Policy**") on 18 March 2014, and amended it on 19 December 2018. The existing Directors, who are different from each other in terms of cultural and educational background, professional experience, skills, knowledge, independence and diversity in length of service, can deliver corporate governance on a supplement basis and promise a relatively complete corporate governance system.

The nomination committee is mainly responsible for identifying talent with adequate qualification to serve as a board member, and will take into account the Board Diversity Policy. The Board Diversity Policy would be reviewed by the Board on a regular basis to ensure continuous efficiency. Pursuant to the Board Diversity Policy, in relation to reviewing and assessing the Board composition, the nomination committee is committed to diversity at all levels and will consider a number of aspects, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and regional and industry experience.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Integrity in governance

The Group believes that integrity in governance is key to sustainable development. Integrity in governance ensures the stability of business operations and development, while reducing operational risks. Therefore, the Group is committed to promoting the awareness of integrity in the workplace and express the spirit of honesty and impartiality, thereby building a culture of honesty and integrity in the Group. The Group has established a comprehensive management system and clear anti-corruption regulations to clearly indicate the Company's code of conduct or ethics.

The Company's internal audit department conducts regular internal regulatory inspections to ensure the effective implementation of investigation, training, supervision and review mechanisms by dedicated personnel. If the Group's employee or any person finds a corruption or suspected case within the Group, they can make a real-name or anonymous report through the reporting mailboxes, telephones, WeChat, etc.

If any employee is found to be in violation of the anti-corruption code, the Group will first suspend the work of the employee involved and conduct an internal investigation. After the risk management department finds that it is true, the relevant labour contract will be terminated. If the misconduct committed by the employee involves a violation of national laws, the Group will immediately report the case to the relevant government department and let the judicial authorities take over the employee.

To raise the awareness of integrity, the Group posted anti-corruption posters in conspicuous places in various offices, sales offices and other places, so that employees can easily access relevant knowledge and be reminded. To control the anti-corruption of suppliers, the Group will sign anti-corruption agreements with various suppliers. By signing binding documents, we can ensure that suppliers commit themselves to comply with the anti-corruption operating rules. During the Reporting Period, there were no filed or settled corruption litigation cases against the Group or its employees.

Rigorous risk management and internal control

As a well-performing corporate citizen, we have adopted and fully complied with the Corporate Governance Code and managed the operation as much as possible through a reasonable mechanism to substantially reduce the risks in achieving business objectives. In terms of risk management and internal control, the Company has formulated internal guidelines covering a full range of businesses including investment, operation, marketing, finance and human resources management, with a complete organizational structure and clear responsibilities and authorizations.

The daily operation of various departments is conducted in accordance with the abovementioned internal guidelines with cross checks and balances among different departments. In addition, the status of risk management and internal control is further supervised by the departments at a higher level through daily inspection, process assessment and special guidance, and by the independent internal audit department conducting the review of amendments to internal control procedures, special audit and risk interview, in order to find, identify, assess and manage risks on a timely basis, and to take effective measures to control and mitigate risks.

Procedures to identify, evaluate and manage significant risks

- (1) Establishment of the risk context: evaluating and reviewing the effectiveness of the risk management and internal control systems of the Group to reduce the costs of operational risk and ensure compliant operation of the Company;
- (2) Formulation of the risk management policies: ensuring that the Group carries out consistent procedures and criteria for risk identification, measurement and reporting;
- (3) Identification of the risks: identifying any potential risks of various business segments and key procedures;

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- (4) Evaluation on the risks: evaluating and rating the impact on business and its likelihood of occurrence for risks identified;
- (5) Response to the risks: evaluating the risk management solutions and the effectiveness of risk management; and
- (6) Reporting and monitoring: monitoring and reviewing the policies and evaluating procedures for risk management and the measures for managing and effectiveness of controlling significant risks, and report the findings to the Board.

During the Reporting Period, we identified the natures and changes in key risk items in accordance with the above systems, and evaluated the likelihood of such risks and their impact on business. Also, the risk management committee has conducted an annual review of the Group's risk management and internal control systems for the year ended 31 December 2021. Aside from identifying and evaluating potential risks, we reviewed the measures and actions to control and reduce key risks to ensure that current actions are effective and will achieve desired results. Overall, the Board believes that the current risk management and internal control systems are perfect and operating effectively.

The Group has only full-time employment, so all the employee figures disclosed are made in respect of full-time employees. During the Reporting Period, the Group did not employ part-time employees. The overall employee turnover rate in 2021 was 62.63%, an increase of 17.75 percentage points over 2020. In addition, the method of calculating the employee turnover rate by age group, gender and geographical region in 2021 is different from that in 2020. The year-on-year change has no reference significance, so the relevant data are not be disclosed herein.

Overall turnover rate:

+17.75

percentage points

2021

62.63%

2020

44.88%

Employee management

Employee-related data:

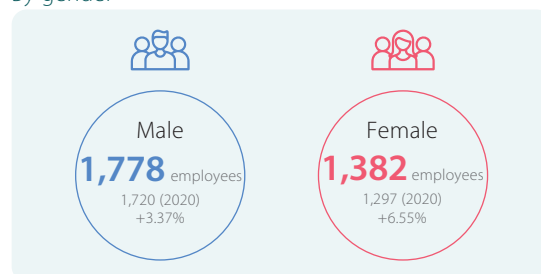


The total number of employees of the Group:

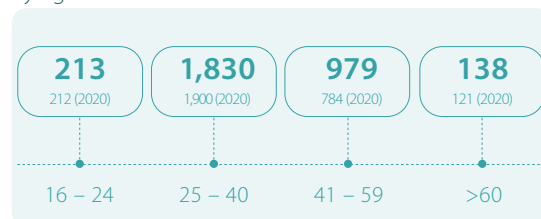
3,160 employees

3,017 (2020) +4.74%

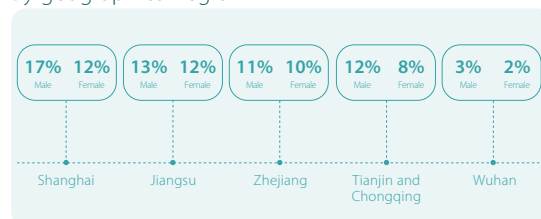
By gender



By age



By geographical region



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

As at 31 December 2021, the total number of employees of the Company was 3,160, of which 877 employees were engaged in real estate development business, 1,986 employees in property management, 297 employees in customer service and other related business. The net employee turnover rate in the past year was 62.63%, mainly due to the relatively high turnover rate in property service industry.

Employee related policies

Group Recruitment Practices and Employment System

The Group has been recruiting and promoting employees in a fair, just and open way. In addition to complying with the Labor Law and Labor Contract Law in China, we have formulated a comprehensive employee management system that clearly indicates that the Group shall not consider external factors such as age, nationality, race, belief, sexual orientation, gender, or marital status when recruiting and promoting employees, and should also ensure that no child labor or forced labor is recruited.

After passing recruitment process, the Group will sign labor contracts with all employees and specify the employees' rights and interests, such as working hours, vacation, social insurance and provident fund, to protect the rights of both parties. We will also purchase "five insurances and one fund" (pension, unemployment insurance, medical insurance, maternity insurance, injury insurance and housing provident fund) for all qualified employees as required by law. At the same time, we will endeavor to safeguard the rights of employees, including choosing occupations, obtaining labor compensation, safety and health protection, rest, social insurance benefits and receiving functional training, etc., to protect the interests of employees.

In order to avoid the employment of child labor and forced labor, we used various administrative measures, including conducting background checks on employees to ensure that the information reported by the employees is true. If there is any employee who violates the Group recruitment system, we will immediately cease his or her work according to the established mechanism and report to the relevant department for filling.

In terms of vacation arrangement, the Group has formulated a System on Vacation which clearly sets out the employees' given holidays, holiday definitions and procedures of asking for leave, etc., to unify the Group-wide arrangements and avoid confusion. At the same time, we also create various special holidays for female employees, such as maternity leave, breastfeeding leave and annual gynecological examination, etc., to encourage more women to enter the workplace. For pregnant employees, we provide 98 days of maternity leave and 30 days of childbirth leave, while providing 10 days of paternity leave to the partners of pregnant employees to encourage employees to assume family responsibilities.

If any employee resigns, we will abide by the Company's Employee Management System to promise to pay wages and resignation compensation to relevant employees on time. During the Reporting Period, the Group did not receive any reported violations cases concerning employment.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Effective salary and benefit adjustment mechanism

We believe that employees' contributions should be reasonably rewarded, so we have designed an annual evaluation system to assess their performance and determine their salary increments, bonuses and promotions based on the employees' qualifications, experience, positions and seniorities. This evaluation system will refer to the "City Wage Difference Coefficient" and the internal "Nine-box Grid Grade" assessment to ensure that employees' salaries are in line with the industry standards of the regional market in which they are located, and at the same time ensure that employees' efforts and contributions are rewarded accordingly. After determining the remuneration of employees, the Group will also refer to the relevant salary survey of the real estate industry published by well-known consulting companies to make corresponding adjustments, so as to be in line with industry standards.

Protect the health and safety of employees

The safety and health of employees have always been a part of the Group's attention. Therefore, the Group has established a complete safety control and monitoring mechanism, under which the Human Resources Administration Centre is responsible for the overall planning of compliance assessments of laws, regulations, the safety management of dangerous areas to promote the Company's work on occupational safety and health, and the guidance and supervision of such work. In terms of external consultants, the Group hired external technical consulting organizations for environment and occupational health and safety management systems to provide safety recommendations to the Group in this regard.

In order to implement the relevant recommendations, all the subsidiaries of the Group have set up safety production committees to ensure that all occupational safety and health work is carried out smoothly. At the same time, by establishing a special safety working group, we can regularly carry out special safety inspections, so as to improve the safety of the Group's construction site. To monitor the effectiveness of the implementation of the policy, each subsidiary will regularly report to the headquarters on the progresses of various occupational safety and health tasks. Upon conducting a summary analysis, the headquarters will be able to draw practical improvement suggestions.

In terms of accident prevention, the Group will conduct an investigation on each security incident. Through a summary analysis, we understand the cause of the incident, and then ensure that the loopholes are blocked to prevent similar incidents from happening again, so as to gradually reduce potential risks. In terms of safety training, the Group has been actively organizing safety management personnel to participate in training in order to improve the safety awareness and literacy of all employees. It is hoped that by enhancing the safety awareness and knowledge of employees, the number of work-related and industrial accidents can be reduced.

During the Reporting Period, the Group's work-related injuries and fatalities and respective rate are as follows. The total number of working days lost due to such injuries is 780 (2020: 132).

	Office Employees				Frontline Employees			
	Work-related Injuries	Rate of Work-related Injuries	Work-related Fatalities	Rate of Work-related Fatalities	Work-related Injuries	Rate of Work-related Injuries	Work-related Fatalities	Rate of Work-related Fatalities
2021	2	0.06%	0	0	18	0.58%	0	0
2020	1	0.03%	0	0	10	0.33%	0	0
2019	1	0.03%	0	0	8	0.26%	0	0

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Strengthen employees' abilities

During the Reporting Period, the Group continued to provide training courses for its employees. The training hours per employee for full-time male and female employees were 13.82 hours and 11.65 hours, respectively. Data in terms of percentage of employees receiving training by rank category are as follows:

2021

Training hours per employee

By gender and employment type (Unit: hour)

	Male	Female
Full-time	13.82	11.65
Part-time ¹	N/A	N/A

¹ No part-time employees were engaged by the Group in 2021.

By rank (Unit: hour)

	Male	Female
Senior management	20.57	23.67
Middle management	15.02	13.16
Junior management	13.45	10.66
Professional and other management	13.97	12.15
Frontline employee	2.60	2.01

Percentage of employees receiving training by rank (%)

	Male	Female
Senior management	88%	67%
Middle management	71%	51%
Junior management	66%	61%
Professional and other management	70%	61%
Frontline employee	10%	9%

In terms of training content, we formulated systematic training plans for employees based on their positions and professional knowledge. For example, for members of the management team, the training program would focus on improving their management and leadership skills. We also tailored training programs for marketing and sales personnel to improve their sales capabilities. In addition to internal training, we also hire external experts or fund employees for further training from time to time. As for new employees, according to the Guidelines for Mentoring Arrangements, apart from the Group's culture and job training introduction through one-on-one instructors, they will also be provided with employee rights training to reduce the risk of violations with regard to employment.

Examples of training content

By organizing "Lecture Hall", the Group invited cadres from multiple internal departments to provide employees with professional post knowledge and skills sharing, to enhance their work skills and performance. The Group's Jingrui Capital has set up the Joyride College to allow employees to bring their various talents into play.



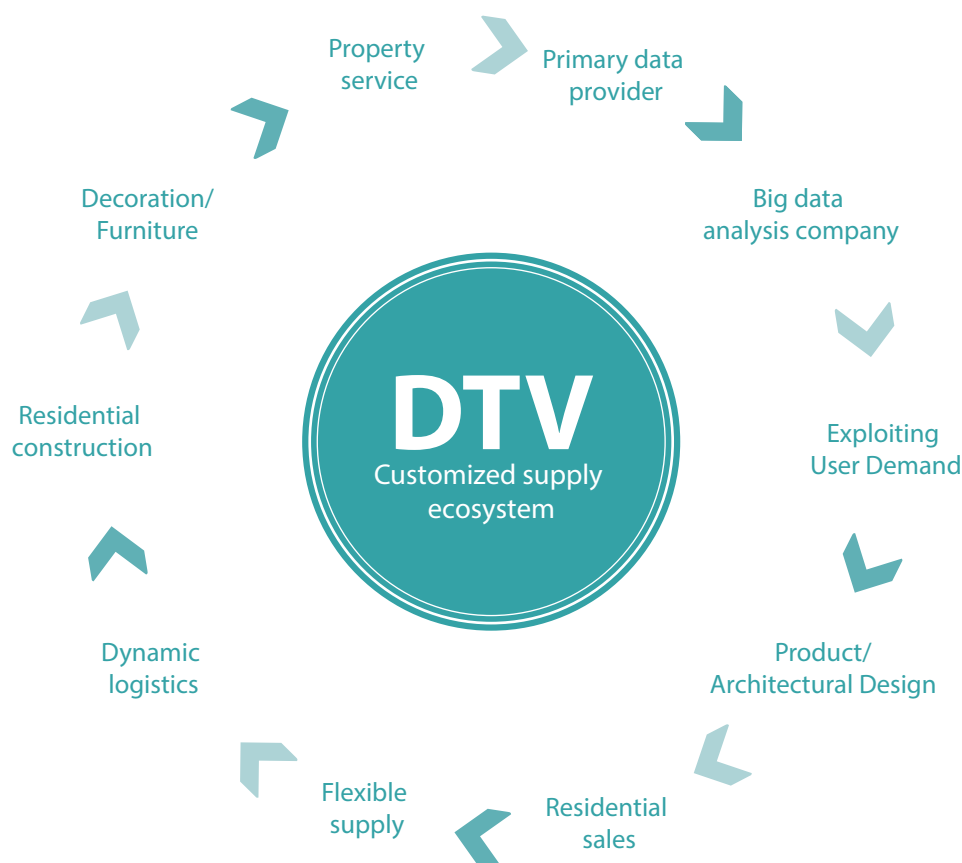
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Supply chain management

Supply chain management has a huge impact on business, and the importance of supply chain management is increasing, and some customers and investors will also pay attention to supply chain management. The Group responded to the ever-changing business environment by the transformation and upgrading of its business. Our business is diversified and covers residential property development, asset

management operations and property management services. Therefore, our supply chain also covers many aspects and is of complexity. In order to ensure the stable development of the Group's business, we have established a supply chain ecosystem that can interact with customers since the past few years. During the Reporting Period, we have continued to improve it according to the actual operating conditions, so as to endowing the Group's ability for sustainable development.

Supply ecosystem



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In 2018, we introduced the platform-style DTV, a customized supply ecosystem, for the first time in the report, hoping to convert customer-related data into design concepts of product and building to provide customers with completely customized product and service solutions. Of which, the so-called flexible supply chain refers to decomposing the complex needs of customers layer by layer, and then “flexibly” combining different standardized parts according to the needs of users to meet diverse customized needs. We hope to further optimize the operation of this supply ecosystem to improve the adaptability of the Group’s products and services to customer requirements and formulate a more stable operation process. Currently, all suppliers of the Group are from Mainland China.

Supplier management

Overall supplier selection principle:

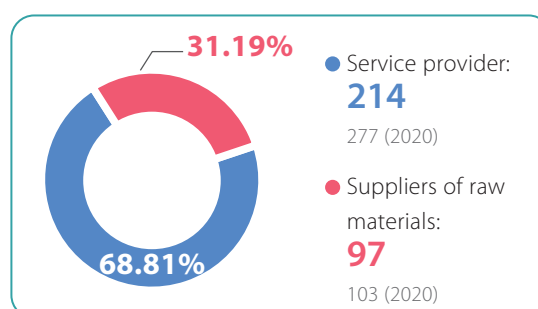
1. In principle, suppliers to be selected should have same or similar qualifications, otherwise unfair comments and opinions will be made.
2. Adopt the principle of “deciding the winning bidder only in a bid”: the bidders shall return their bids on time according to the time agreed in the bidding file, while the bidding team must open the bid on time and can cancel that on the other day out of any reason. In principle, all suppliers can only submit samples once in a bid, and can only adjust the sample once at most. The bidding team shall conduct a summary analysis of the quotations of bidders and start the interview with supplier who offers the lowest price and then the supplier who offers the second lowest price and so on. As long as the confirmation price is met, the bidder concerned can directly won the bid. Unless all bids do not meet the base price requirements, otherwise, another bidding is not allowed.



Total:
311

380 (2020)

Classified by the type of provision:



Classified by management-level:

	2021	2020
Class S (Beyond Expectation)	4	3
Class A (First Choice)	24	28
Class B (Acceptable)	264	315
Class C (Limited use)	10	20
Class D (Unacceptable)	9	14

For different levels of suppliers, the Group also set up different processing procedures to ensure that in strict supplier management codes, appropriate adjustments can be made according to actual operating conditions.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- City-level suppliers:

In order to meet the project development needs and to effectively standardize procurement transaction activities, the Company established detailed selection requirements for suppliers. City-level suppliers generally refer to suppliers that are organized and introduced by subsidiaries. In the purchase of materials, equipment, sub-projects, general contracting projects, landscape projects, decoration projects, and service consulting, etc. with an amount greater than RMB500,000, Tendering Management Process for City-level Suppliers must be complied with, which strictly forbid breaking down the project meeting unified tendering conditions into several smaller ones to circumvent the requirements of tendering management process. If the contract amount is less than RMB500,000 for material, equipment, emergency or sporadic procurement of subprojects, Direct Procurement Management Process should be followed. It is only after passing the assessment of the project management department of the Group subsidiaries and the Group operation centre, the entire bidding process can be considered completed. Only city-level suppliers who have been awarded "excellent" grades for four times in a row can be upgraded to "Group strategic suppliers" through the Group's shortlisting mechanism.

- Group strategic suppliers:

For suppliers of the Group's bulk or general materials, equipment and decoration parts and other suppliers that have set up strategic cooperation with the Group, the Group Strategy and Collection Tender Management Process must be complied with, which is detailed as below:

1. The Group's operation and procurement department can get the collected supplier information in the Group's "Mingyuan Cloud Procurement Platform" and "Supplier Information Database"
2. The members of the bidding team will conduct pre-qualification assessment and suppliers must pass the selection before being selected
3. The bidding team then discusses whether to arrange for inspection according to the list of suppliers, and records it in the minutes of the bidding preparatory meeting
4. Only after passing the inspection, the supplier can enter the bidding process

After confirming the cooperative relationship, we will arrange special personnel to conduct regular on-site inspections and assessments at various aspects to monitor the actual operation of the supplier.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Our monitoring scope covers the cooperation between party A and the general contractor, on-site management capabilities, time nodes requirements and construction quality. Supplier performance rating is classified as beyond expectation, first choice, acceptable, limited use and unacceptable.

During the year-end evaluation, if the supplier fails to meet one or more of the requirements, its annual evaluation will be graded as unqualified and need to submit a performance improvement plan. The Group will review and track the improvement of the supplier. If it still fails after the reassessment, the supplier's share in our procurement will be adjusted or even its contract with the Group will be terminated.

As for the performance of suppliers' social responsibility, we encourage them to actively participate in environmental protection, and at the same time to comply with energy conservation regulations. For example, suppliers should ensure that local management personnel of the project thoroughly implement the Environmental Protection Management Measures and Regulations on the Administrative Regulations on Prevention of Dust Pollution at the Construction Site, etc.. If suppliers have any comments, they can communicate with the Group through multiple channels at any time, which can ensure that all measures and requirements are accurate and feasible, and at the same time help us maintain good relationships with the suppliers.

Product management

We understand that only high-quality products that meet customer needs can enable companies to stand firmly in a highly competitive market environment. Therefore, the Group has stayed true to the mission of "Dedicated to Building a Wonderful Life", and hoped to satisfy the expectations of customers for "good houses in the future" by creating personalized wonderful spaces for customers.

The Group strictly complied with the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and other laws and regulations, and fully complied with the Contract Law of the People's Republic of China, Construction Law of the People's Republic of China and Regulations on the Quality Management of Construction Projects and other regulations, ensuring a good quality foundation for all our products. At the same time, on the basis of compliance, the Group has established a series of very detailed internal requirements such as implementation standards, audit mechanisms, delivery guidelines and risk inspection, so that employees can have a basis or standard to apply when reviewing product quality, and in turn comprehensively reducing risks caused by quality problems.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	System Code	Measures
1	"Customers First" Implementation Standard of Jingrui Properties	Standardize standard actions of customer contact throughout the product life cycle, reduce customer risk, and improve customer experience
2	Compulsory Joint Drawing Review Process	In the design stage, each professional department must conduct cross-departmental review of drawings to reduce product design defects
3	Guidelines for Project Opening and Risk Inspection before Opening and Special Risk Checklist for Customization and Decoration before Opening of Jingrui Properties	For the project to be opened, each professional department conducts cross-departmental comprehensive risk inspection to control the quality at its opening
4	Guidelines for Site Opening Before Delivery of Residential Projects of Jingrui Group	Before the product is officially delivered, invite customers to visit the construction site to let customers understand the construction process of the program, check and supervise product quality in advance
5	Delivery Evaluation and Brake Management System	The Group assesses whether the product meets the delivery standards, and for unqualified products, we will start the brake system, suspend delivery, until rectification is made to meet the delivery standards, in order to ensure the quality of delivered products
6	Read Estate Projects Warranty Management System and Rules of Jingrui Properties	Standardize after-sales warranty service to improve customer satisfaction

Customer Satisfaction Management

The Group respects the opinions of customers, and regards their opinions as the basis for improving the Group's policies and measures. It is expected that we can optimize our performance by listening to the customers' opinions, so that the Group can move forward and achieve long-term development.

In order to deal with customer complaints more efficiently, according to the types of customer complaints, the Group has designated different departments to be responsible for related matters and offering assistance. It is hoped that the division of the work on processing complaints can help to deal with relevant complaints in a more targeted and efficient manner:

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Complaint type	Responsible department	Department offering assistance
Engineering quality	Customer service department/house repair engineering department	Engineering management department
Rule design	Customer service department	Rule design department
Sales service	Customer service department/marketing department	
Customer service	Customer service department	
Property management	Property company	
Others	Customer service department	

Customers can express their opinions to us through the community's property customer service centre, online complaint form and customer complaint hotline. According to the Group's Complaint Handling Process, relevant complaints will be coordinated and managed by the customer service department. After receiving the complaint, the customer service department will assign the complaint form to the relevant responsible department and person according to the type and content of the complaint. But the customer service department will still follow up the complaint processing progress until the problem is resolved.

During the Reporting Period, the Group did not receive any product and service-related complaints from customers, and there were no cases of product recalls for safety and health reasons.

Respect customer privacy

The Group has attached great importance to the protection of customer privacy, and regulated the handling of employees of customer information through various administrative means and codes, in order to avoid the leakage of such information. Therefore, we have introduced the Guidelines for the Management of Customer Service File of Jingrui, which clarifies the handling of all files related to customer information, including storage, confidentiality and destruction as required. In order to ensure that the relevant measures have been fully implemented, the Group has regularly checked the work of file management of each city company, and linked the results to their performance evaluation.

Our privacy protection measures include:

1. Sign a confidentiality agreement with the customer, and never disclose customer privacy to any unauthorized third-party manufacturers without the customer's consent;
2. If there are employees who need to access customer information, they must be authorized by a colleague from the customer service department and properly registered; and
3. The audio or visual files of customer information can only be provided in copies, not the originals, and the physical files are not allowed to be borrowed in principle.

The Group did not receive any complaints caused by the leakage of customer information during the Reporting Period. In terms of the management of publicity content and text, we have been strictly abiding by the Commercial Housing Sales Management Measures, Provisional Regulations on Real Estate Advertisement Release, and Notice on Printing and Distributing the "Model Text of Commodity Housing Sales Contract" and promised to provide each respectful customers with accurate real estate information and legal sales contracts, so as to prevent illegal sales, to protect the interests of customers and try to avoid misunderstandings.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Society

Caring for society

As an enterprise shouldering the responsibility for the quality of the living environment of the general public, we make every effort to improve the quality of life

of people and give back to society through various social welfare activities. In the past years, Jingrui has “expanded its social responsibility with gratitude” and fulfilled social responsibility through three aspects such as care for employees, business operation and public charity.

Areas	Philosophy	Events
Care for Employees	Focusing on win-win: Work together to achieve greatness	Staff Training Team Development Employee Care and Help
Business Operations	Concern for development: Build a beautiful society and harmonious coexistence	Increase the number of green buildings and green stars Civilized Site Creation (dust reduction, noise reduction and other environmental protection measures and effects) Care for Migrant Workers Green Operation (water saving, energy saving, material saving and other restructuring and effects) Cooperative Supplier Certification Management
Public Charity	Care for the community: Gathering love and spreading warmth	Participate in poverty alleviation, education assistance, elderly assistance, disability assistance, etc. Participate in various green activities organized by local public organizations, industry associations and communities Charity Relief Activities Volunteer Services

Public welfare activities

Public welfare activities are the concrete manifestation of the social attributes of enterprises. This year, we continued to fulfill our social responsibility, with the philosophy of focusing on win-win, concern for development, and care for the community through

public welfare activities, to build the Jingrui brand of public welfare. During the Reporting Period, despite the new challenges brought by the COVID-19 and the industry, the Group held various social welfare activities as usual and made direct donation through Shanghai charity fund and Henan charity fund.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Social Responsibility Theme Project	Targeted object	Activity
99 Giving Day	Students in poverty	<p>"Crowdfunding for Love • Dream Hope" event</p> <p>459 books accumulated have been donated to students in poverty in remote areas</p>
Realizing Dreams for Love • Dream Hope	Children from poor families in rural or remote areas	<p>Hope Kitchen and Poverty Alleviation through Education</p> <p>Use the funds raised from public welfare activities to solve the problem of lack of kitchen appliances for poverty-stricken areas or rural schools and direct poverty alleviation through education</p>
Jingrui • Candlelight "One more appeal, one more strength"	<p>Employees</p> <p>Caring for children with autism from financially-disadvantageous families</p>	<p>Thank you for your persistence in the hot summer</p> <p>Crowdfunding for Love Series</p> <p>"Light up the Starry Sky" painting exhibition and the charity sale area</p> <p>Stars and Books</p> <p>Volunteers guide children to express their ideas freely in the way of creative doodles</p> <p>"You are so pretty when you smile, like a spring flower"</p> <p>The volunteer teams from Jingrui and Jingrui Service came to the Shanghai Clover Children's Health Park and performed the opening dance with the children in the park. The stage performance integrated the educational concepts, which helps children learn and grow together, and provides effective support for their future integration into society</p>
Jingrui • Book Village	Children and schools in poverty-stricken areas	<p>"Spreading Love • Lighting up Book Village" activity</p> <p>Cooperate with the public welfare organization "Smile Library" to do public welfare, and, through online and offline public welfare activities, to sort collected books and deliver them to schools in poverty-stricken areas</p>
Fight the epidemic and tide over the difficulties together	Employees	<p>Prepare adequate epidemic prevention equipment for employees in times of shortage of epidemic prevention supplies</p> <p>Provide tenants with epidemic prevention materials, management upgrades and engineering epidemic prevention</p> <p>Ensure that the working environment is safe for epidemic prevention and start the strong disinfection of the office building</p>

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The effectiveness of key social projects

In addition to launching projects such as “Crowdfunding for Love • Dream Hope” and “99 Giving Day Collect Little Red Flower Campaign” in previous years that raise funds for Hope Kitchen for schools in poor areas of Yunnan to solve the problems of students’ difficulties in dining and malnutrition, on 1 November 2021, in the name of “Realizing Dreams for Love • Dream Hope”, Jingrui Service also raised donations for students from the Minority Junior High School in Yunlong County, Dali Bai Autonomous Prefecture, Yunnan Province, the No. 3 Primary School in Shache County, Kashgar, Xinjiang Uygur Autonomous Region, and Qiaoye Primary School in Dongjing Town, Tianyang County, Baise City, Guangxi Zhuang Autonomous Region, to relieve the pressure of about 100 students from their life and study. We enabled children to learn without worry by providing them with precise help at the source, so that they can achieve good results in their study. The project was launched on Tencent Public Welfare. In the end, in the 9-day event, we raised a total of RMB100,154.43 of public funds, and 3,205 people donated money.

In 2021, Jingrui held the “Dawn City Public Welfare Year” charity haircut event in Changzhou, Jiangsu Province, with the theme of “Charity haircut, warmth starting from the head”. A total of 5 sessions were held, and each event was very popular, with a total of 400 participants. According to the different human environment, different activities were carried out, which received unanimous praise from property owners. In addition, Jingrui set up volunteer teams in Changzhou Jingrui England County and Suzhou Jingrui Taicang Royal Bay communities six times in 2021 to help about 50 special families in need.

During the Reporting Period, the Group carried out a series of book donation public welfare activities represented by “Jingrui • Book Village”, including the “Spreading Love • Lighting up Book Village” activity, and during the World Book Day and the 99 Public Welfare Period, the Group took the dissemination of knowledge as its own responsibility, and raised a total of 459 books for donation to Yunnan Laowan Primary School. The activities cover Shanghai, Jiangsu, Zhejiang and Chongqing, fully demonstrating the social responsibility of the Group of supporting public welfare education.

Award Ceremony for Senior Staff “Thanks for being with the Company all the way”. In the award ceremony for senior staff, Mr. Chen Chao, vice president and chief financial officer of Jingrui, and Mr. Geng Junfeng, assistant president of Jingrui and president of Jingrui Capital, awarded medals and flowers to senior employees working for 5, 10, 15 and 25 years respectively. The senior staff shared their growth years in Jingrui one by one. They are the witnesses of Jingrui’s growth and the inheritors of Jingrui’s culture. Mr. Yan Hao, co-chairman and chief executive officer of Jingrui, expressed his deep gratitude to the senior employees presented.

Outlook

The COVID-19 has increased people’s demand for the digital world and virtual world and the application of new-generation digital technologies such as artificial intelligence, blockchain, and virtual reality has been accelerated, creating a favorable market environment and technical foundation for the development of “Metaverse”. The goal that we have been seeking and continuously practicing is in the era of rapid technological advancement, to explore and upgrade products and services more actively, to continue to create high-quality living experience, to meet people’s growing yearning for good, and to double people’s sense of happiness and of beauty in life.

While the times are developing, people’s pursuit is also developing, and people’s exploration of ideal living space has never stopped. The real estate industry is ushering in a new opportunity for reform, and real estate technology has become a powerful engine that empowers commercial real estate to increase value. Facing the ever-changing demands, we will, on the basis of satisfying people’s demands for modern lifestyles, build residences that considers architectural aesthetics and people’s ideals for better life, which has become an important force for product and service upgrades.

In the future, Jingrui will continue to follow the development trend of the times, seek for new opportunities and take the initiative to make innovations. We will use the super IP “Space^{me}” (精彩家), and the “WAVE” (Warm, Artistic, Various, Enjoyable) product value system to drive the development of the Company and to help customers create a warm and wonderful life and make continuous efforts to build a sustainable and livable environment.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Stock Exchange's Environmental, Social and Governance Reporting Guide Content Index

ESG Index		Disclosure Status	Corresponding Page(s)
Aspect A1: Emissions			
General Disclosure	Information on the policies and 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.	Disclosed	13-17
KPI A1.1	The types of emissions and respective emissions data.	Disclosed	14
KPI A1.2	Greenhouse gas emissions in total and, where appropriate, intensity.	Disclosed	14
	– “Scope 1” emissions	Disclosed	14
	– “Scope 2” emissions	Disclosed	14
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity.	Disclosed	14
KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Disclosed	14
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Disclosed	15
KPI 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.	Disclosed	17

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Index		Disclosure Status	Corresponding Page(s)
Aspect A2: Use of Resources			
General Disclosure	<p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	Disclosed	15-17
KPI 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).	Disclosed	15
KPI A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Disclosed	15
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	15-17
KPI 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.	Disclosed	17
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Disclosed	15
Aspect A3: The Environmental and Natural Resources			
General Disclosure	Policies on minimising the significant impacts on the environment and natural resources.	Disclosed	13
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	13-19
Aspect 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.	Disclosed	5, 9, 13
KPI 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.	Disclosed	6-8, 13-19

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Index		Disclosure Status	Corresponding Page(s)
Subject Areas B. Social			
Employment and Labor Practices			
Aspect B1: Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Disclosed	24-25
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Disclosed	23
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Partially disclosed and explained	23
Aspect 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.	Disclosed	24-25
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	25
KPI B2.2	Lost days due to work injury.	Disclosed	25
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	25

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Index		Disclosure Status	Corresponding Page(s)
Aspect B3: Development and Training			
General Disclosure	<p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</p>	Disclosed	26
KPI B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	Disclosed	26
KPI B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	26
Aspect B4: Labor Standards			
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to preventing child and forced labor.</p>	Disclosed	24
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	Disclosed	24
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	24

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Index		Disclosure Status	Corresponding Page(s)
Operating practice			
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	27-30
KPI B5.1	Number of suppliers by geographical region.	Disclosed	28
KPI 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.	Disclosed	28-30
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	28-30
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	30
Aspect B6: Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Disclosed	30-32
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Disclosed	30-32
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	30-32
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	N/A	/
KPI B6.4	Description of quality assurance process and recall procedures.	Disclosed	31
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	32

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Index		Disclosure Status	Corresponding Page(s)
Aspect 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.	Disclosed	22
KPI 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.	Disclosed	22
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	22
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Disclosed	22
Community			
Aspect B8: Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	33
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	33
KPI B8.2	Resources contributed. (e.g. money or time) to the focus area.	Disclosed	34-35

