



BUCG

北京京城佳業物業股份有限公司

BEIJING CAPITAL JIAYE PROPERTY SERVICES CO., LIMITED

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code : 2210

CAPITAL

JIA YE

2022

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT



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ABOUT THIS REPORT

This report is the environmental, social and governance (hereinafter referred to as “ESG”) report (hereinafter referred to as “Report”) issued by Beijing Capital Jiaye Property Services Co., Limited (the “Company”). This Report is a true reflection of Capital Jiaye’s performance of its economic, environmental and social responsibilities for sustainable development and its responses to important issues that concern stakeholders. It is hoped that the release of this Report will strengthen communication and contact with various stakeholders.

Reporting Subject

Unless otherwise specified, the qualitative and quantitative information disclosed in this Report covers the Company and its subsidiaries and branches (“Capital Jiaye”, “Group” or “We”).

Reporting Period

The Group’s ESG Report is an annual report with a reporting period from January 1, 2022 to December 31, 2022.

Basis of Preparation

This Report is prepared with reference to the requirements of the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) in Appendix 27 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Reporting Principles

This Report has been prepared in accordance with the following principles:

Materiality: We identified major ESG issues through a materiality assessment, and disclose relevant processes and results in this Report;

Quantification: The Group has made quantitative disclosures of key performance indicators with historical data in the categories of “Environment” and “Society” in accordance with the requirements of “Key Performance Indicators” in the ESG Reporting Guide;

Balance: This Report objectively, impartially and truthfully reflects the Group’s achievements and practices on environmental and social affairs in 2022, and truthfully discloses the problems we have encountered and improvement measures we have taken;

Consistency: We follow a consistent approach to disclosure statistics and will use such an approach for ESG information disclosure in subsequent years to facilitate subsequent comparisons.

Access and Response to this Report

Both English and Chinese versions of this Report can be downloaded from the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.bcjps.com). This Report is released in both Chinese and English. In case of any discrepancy between the two versions, the Chinese version shall prevail.

STATEMENT OF THE BOARD

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is delighted to present the Company’s 2022 Environmental, Social and Governance Report, which reports on the Company’s concepts and practices related to ESG matters from January 1, 2022 to December 31, 2022. The Board and all Directors affirm that this Report contains no false record or misleading statements or material omissions and that they are jointly and severally responsible for the truthfulness, accuracy, and completeness of its content.

Ever since its inception, Capital Jiaye has been devoting heart and soul to delivering best-in-class urban and lifestyle services by implementing unyielding commitment to national interests and social responsibilities. We base our accelerating sustainable development on the steady growth in scale and efficiency, while seeking mutual benefits between our stakeholders and us.

In recent years, public companies have become increasingly aware of the significance of ESG matters and have acted on environmental, social, and corporate governance issues, hence certain tangible achievements. Against this backdrop, we furthered our understanding of the importance of ESG governance, as well as enhanced the ESG governance structure and deepened the management systems to ensure the rigorous implementation of sustainable development practices.

In 2022, we adopted measures to shore up our sustainable development in many dimensions:

With respect to ESG governance, the Group constantly optimized its ESG management matters to accelerate the pace of sustainable development; the Board members exerted themselves to effectively engage with stakeholders, and endeavored to meet various stakeholders’ expectations as to key ESG issues; by identifying risks and formulating risk response strategies, the Group safeguarded its stable operation; the Group strictly observed the business ethics, continued the building of a clean and honest organization, and stressed the supervision over each key operating nodes.

In terms of high-quality service construction, the Group proceeded to intensify the standardization construction and enrich the services when securing safety, so as to enhance customer experience and brand awareness through excellent services and diversifying community activities.

In terms of employee welfare and supplier management, oriented to employees’ rights and interests and benefits, the Group built a reasonable talent training system, cared for employees’ work and life, and strived to grow together with its employees; and the Group attached importance to the sustainability of its supply chains and deepened the supplier management, so that it can create a bright future hand in hand with its partners.

As regards green development, upholding the concept of long-term development featuring “low-carbon, energy-saving and green operations”, the Group did its utmost to save water and energy, reduce emissions and consumption when providing property management and services, and promote green property management bit by bit, in an effort to coexist with the environment.

Concerning corporate social responsibility performance, the Group was proactive in assuming its responsibilities as a state-owned enterprise by propelling rural revitalization and redevelopment of old buildings as well as reinforcing its remedies against the COVID-19 pandemic, and through actions, the Group assisted in the development of the communities and joined the efforts to create harmonious communities.

STATEMENT OF THE BOARD

ESG Governance

Capital Jiaye is fully aware that the environment, society and corporate governance are inseparable from the sustainable development of the Company. In order to ensure long-term development, the Company establishes a comprehensive sustainable development structure, proactively identifies risks and opportunities that may be encountered during the development and operation process, and actively explores the path of sustainable development by adhering to the core value concept of “innovation, passion, integrity, responsibility, and gratitude”.

The Board is the decision-making body of the Group, and the members of the Board are mainly composed of in accordance with the Board Diversity Policy, which helps review and provide independent opinions in reviewing this Report. The responsibilities of the Strategies and Investment and ESG Committee under the Board include guiding the Group’s sustainable development and undertaking the overall implementation of the Group’s ESG issues. The ESG working group is mainly responsible for ESG supervision and coordination, implementing decision-making decisions, communicating and coordinating ESG-related affairs, organizing and preparing this Report, and reporting to the Board on the implementation of relevant work on an annual basis. In addition, the functional departments and subsidiaries of the Group are the specific work execution agencies to implement the ESG plan formulated by the working group, effectively record and report ESG-related data, and fully implement ESG-related management work.

Communication with Stakeholders

Capital Jiaye is committed to enhancing its long-term value, and maintaining and protecting the interests of stakeholders to the greatest extent while achieving growth in performance and scale. The Group identifies key stakeholders in combination with its business and operational characteristics, including the Company’s employees, investors/shareholders, government departments/regulatory authorities, industry associations, customers/owners, partners (suppliers/underwriters/contractors, media, research institutes) and other third-party organizations and non-profit organizations. During the reporting period, the Company organized special business training sessions for Hong Kong listed companies and successfully held the Company’s first annual results announcement and investor communication meeting. During the ESG development process, the Company attached great importance to regular and effective communication with stakeholders to understand the expectations and concerns of different stakeholders, thus achieving mutual benefits and win-win results and laying a solid foundation for achieving its long-term value.

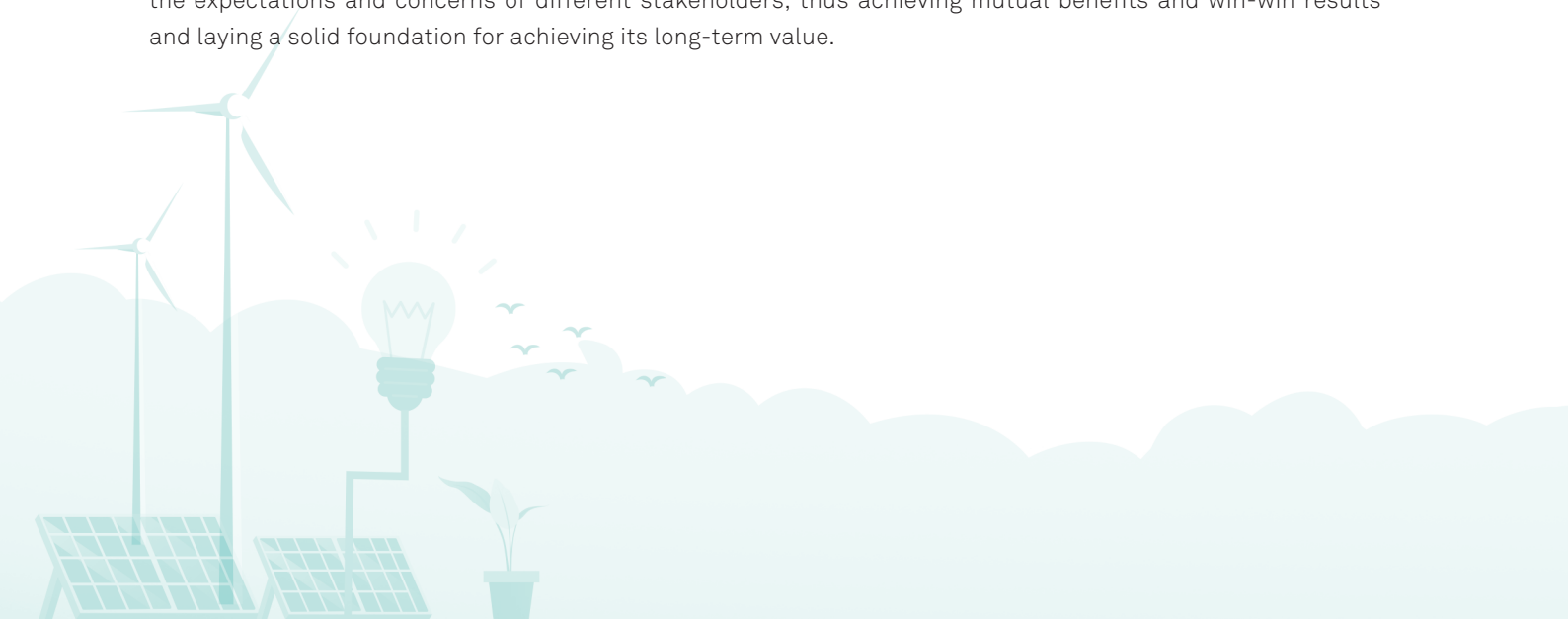


Table: Stakeholder expectations and communication

Stakeholders	Expectations and demands	Ways for communication
Government and regulatory authority	Emissions, supply chain management, product responsibility, anti-corruption and community investment, legal and compliance operations, employment	Policy consultation, work reporting, information disclosure, routine inspections, regulatory authority meetings
Shareholders and investors	Corporate performance, protection of rights and interests, anti-corruption, information transparency	Daily reception, Board meetings, shareholder meetings, investor meetings, information disclosure, investor hotline, official website
Customers/owners	Information security protection, product responsibility, health and safety	Communication during the services and activities, service hotline, official website, satisfaction surveys, information disclosure, community activities
Employees	Employment, health and safety, development and training and labor standards, employees' rights and interests, career development	Employee representative meetings, trade union, correspondence, direct communication, information disclosure
Suppliers/partners	Supply chain management, anti-corruption	Transparent supplier management regulations, contract negotiations, daily business communication, training sessions, information disclosure
Media and NGOs	Emissions, utilization of resources, environment and natural gas resources, climate change, employment, supply chain management and product responsibility	Social media, official website, press conferences, communication meetings, exclusive interviews
Communities	Emissions, utilization of resources, environment and natural resources, community investment, public welfare	Community education and publicity, forums and exchanges, public welfare activities, community activities
Industry associations	Product responsibility, anti-corruption, supply chain management, climate change	Regular communication meetings, information disclosure, professional consultation

STATEMENT OF THE BOARD

Materiality Assessment

In terms of issues of concern, business compliance and standardization, ESG governance, product and service quality, and employees' rights and interests are of higher importance. In order to further clarify the issues of concern and interest demands of various parties in the ESG area, in preparing this Report, Capital Jiaye analyzed and evaluated the key issues through online questionnaires mainly based on the ESG Reporting Guide in light of the Company's business development model, industry trends, national policies and issues of concern to stakeholders.

Capital Jiaye has formed the following substantive analysis matrix of social responsibility issues based on the analysis and summary of the materiality assessment results of various stakeholders, with the key areas of concern focused on business compliance and standardization, ESG governance, product and service quality, and employees' rights and interests, etc. Based on the feedback, Capital Jiaye analyzed the materiality issues, and the Company improved its ESG management system by focusing on the key issues to meet the expectations of various stakeholders on Capital Jiaye.

Chart: Substantive analysis matrix of social responsibility issues



In the matrix chart with the horizontal axis representing the impact on Capital Jiaye and the vertical axis representing the impact on stakeholders, we classified the importance of issues into three levels, with the upper right area indicating highly important issues, the middle area representing moderately important issues, and the lower left area representing low important issues.

Table: Ranking of Material Issues

Level of materiality	Serial number	Issues	Category
Highly material issues	8	Business compliance and standardization	Corporate governance
	5	ESG governance	Corporate governance
	17	Product and service quality	Society
	11	Employees' rights and interests	Society
Moderately material issues	2	Use of resources	Environment
	6	Employee career development	Society
	7	Employees' physical and mental health	Society
	9	Anti-corruption and anti-money laundering	Society
	10	Supply chain management	Corporate governance
	12	Corporate governance	Corporate governance
	13	Protection of intellectual property rights	Society
	14	Customer/owner health and safety	Society
	16	Risk and crisis management	Corporate governance
	18	Board supervision	Corporate governance
Low material issues	19	Risk identification	Corporate governance
	20	Regular communication	Society
	1	Emissions	Environment
	3	Environment and natural resources	Environment
	4	Climate change	Environment
	15	Community investment	Society

The results showed that business compliance and standardization, ESG governance, employees' rights and interests, and product and service quality were the key issues of high concern to all stakeholders. As a listed company with state-owned assets, Capital Jiaye sticks to integrity and keeps enhancing its anti-corruption publicity efforts and relevant systems while focusing on corporate governance and protection of employees' rights and interests. Based on the above results, we will disclose the key issues in detail in the corresponding chapters in response to the concerns and expectations of various stakeholders.

ABOUT US

Company Profile

The Company was co-founded by Beijing Urban Construction Group Co., Ltd. (“**BUCG**”) and Beijing Tianjie Group Co., Ltd. (“**Tianjie Group**”), a state-owned enterprise in Dongcheng District, Beijing, on December 22, 2020. Capital Jiaye was listed on the Main Board of Hong Kong Stock Exchange on November 10, 2021 (stock code: 2210.HK) and is held as to 26.44%, 33.47%, 14.24%, 0.85% and 25% by BUCG and its affiliated Beijing Urban Construction Investment & Development Co., Ltd. (“**BUCID**”), Beijing Uni.-Construction Group Co., Ltd. (“**BUCC**”), Tianjie Group and other holders of H shares, respectively.

The Group is engaged in three major business segments, namely, property management services, non-owner value-added services and community value-added services. As of December 31, 2022, the Group has developed businesses in 13 provinces, centrally-administered municipalities and autonomous regions across the country and has expanded its business into three new cities Sanya, Changsha and Xiamen. The Group has rich experience in asset management and property services, and it has formed a sound scientific management mechanism in commercial real estate assets management and property services. As of December 31, 2022, the Group had a GFA of property under management of more than 36.9 million sq.m., and diversified business types, including office buildings, public constructions, scientific research institutions, military camps, medical and nursing apartments, theatre venues, subway stations, residential buildings, and office buildings of Party and government organs, etc. The representative projects include the National Stadium (Bird’s Nest), National Peking Opera Company, Beijing Sub-center office buildings, headquarters of large central enterprises, and Hutongs in east and west of Beijing. In addition to basic businesses, its value-added services cover housing brokerage service, site service, construction site property management, catering service, heating operation service, decoration service and community old-age security service.

As a professional company engaged in real property service earlier among large state-owned enterprises, the Group has rich experience in asset management and property service, and it has formed a sound scientific management mechanism in commercial real estate assets management and property services. The Group is a member unit of China Property Management Association, a vice president unit of Beijing Property Management Association, a member unit of the Listed Companies Association of Beijing, and its affiliated enterprises are member units of the Union International Concierge Organization. The Group was successively awarded the titles of “leading enterprise in social responsibility, featured service, satisfaction and service” issued by China Index Academy, CRIC and China Property Management Research Institution. The Group won the honorary titles of “2022 TOP 50 Enterprises by Property Management Service Capabilities in North China”, “2022 TOP 50 Enterprises by Property Management Service Capabilities in Beijing Municipality”, “2022 TOP 5 Enterprises by Urban Services in North China”, “2022 China’s Socially Responsible Property Management Services Enterprise of the Year”, “2022 China Specialized Operational Leading Brand of Property Service Companies”. It has been listed as “China Top 100 Property Service Enterprises” and “China Leading Enterprises in Characteristic Property Services” for several consecutive years, and ranked 21st among China Top 100 Property Services Enterprises in 2022. Mr. Zhang Weize, chairman of Capital Jiaye, was awarded the honorary title of “2022 Leader of State-owned Property Enterprise in North China Region”.

Known as the “red steward” of Beijing with strong support, accurate operation and maintenance, as well as pursuit of excellence, the Group actively integrates itself into the national development strategies, and keeps a foothold in Beijing and provides services for the whole country. By seeking in-depth regional business development and characteristic services, the Group aims to build itself into “a nationally renowned provider of city service and better life service”, contributing to the country’s construction of a better life in the new era!

Key Performance for 2022

Category	Indicator	2022	Unit
Financial performance	Total revenue	1,567.2	In millions of RMB
	Profit attributable to owners of the Company	114.2	In millions of RMB
	Total assets	2,179.5	In millions of RMB
	Total equity	783.7	In millions of RMB
Business performance	Contract area	39.2	Million sq.m.
	Area under management	36.9	Million sq.m.
	Number of contract projects	238.0	Unit
	Number of projects under management	226.0	Unit
Environmental performance	Integrated energy consumption	447,705.6	MWh
	Total greenhouse gas emissions	152,579.3	Ton
	Total water consumption	2,494,030.3	m ³
Staff development	Total number of trainees	2,065.0	person
	Training rate	99.04	%
	Average time length of training	18.8	Hour

Awards

Name of Award	Awarding Institution
2022 China's Top 100 Leading Property Management Companies in Satisfaction	China Index Academy
2022 China's Excellent State-owned Property Management Companies	China Index Academy
2022 China's Leading Property Management Company for Featured Service – Property Services for Construction Sites (2022中國特色物業服務領先企業 – 施工現場物業化)	China Index Academy
2022 China Top 100 Property Service Enterprises	China Index Academy
2022 China's Socially Responsible Property Management Services Enterprise of the Year	China Index Academy
2022 China Property Service Characteristic Brand Companies – Property Management Services for Construction Sites (2022中國物業服務特色品牌企業 – 施工現場物業化)	China Index Academy
2022 China Specialized Operational Leading Brand of Property Service Companies (2022中國物業服務專業化運營領先品牌企業)	China Index Academy
2022 China Property Service Characteristic Brand Companies – Distinctive Sales Office Services (2022年中國物業服務特色品牌企業 – 特色案場服務)	China Index Academy
2022 Leading Figure of State-owned Property Management Services Enterprise in North China – Zhang Weize (2022華北區域國有物業企業領軍人物 – 張偉澤)	Cric Property Management, China Property Management Research Institution
2022 TOP 5 Enterprises by Urban Services in North China (2022華北區域城市服務TOP5企業)	Cric Property Management, China Property Management Research Institution
2022 TOP 50 Enterprises by Property Management Service Capabilities in Beijing Municipality (2022北京市物業服務力TOP50企業)	Cric Property Management, China Property Management Research Institution
2021-2022 Model Company of China Service (2021-2022年度中國服務示範企業)	Golden Keys China





Presentation of Excellent Projects

Over the years, leveraging on its professional services and scientific management philosophy, Capital Jiaye has consecutively enriched its service scenes and expanded its property management portfolio to include scientific research institutes and colleges, industrial parks, theaters, functional areas of subway stations, and military facilities. With unremitting efforts to enhance its market expansion capabilities, Capital Jiaye has entered cities such as Sanya, Changsha, and Xiamen, while seeking upgradation and transformation in the process of development.

ABOUT US



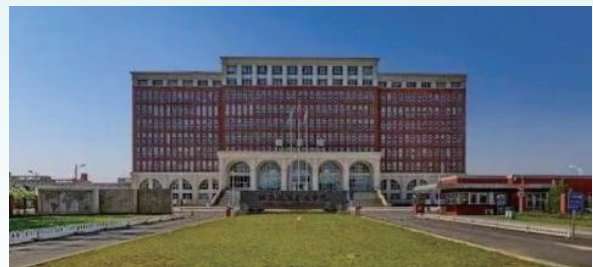
Beijing Municipal Administrative Center A5



Beijing Municipal Administrative Center C6



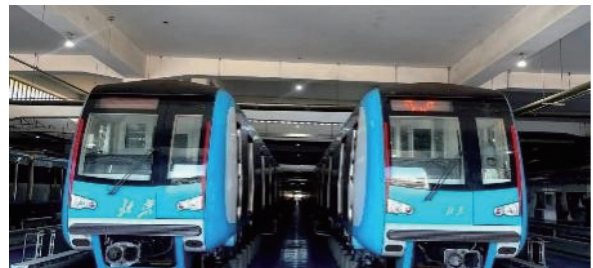
Beijing Institute of Fashion Technology



Beijing College of Politics and Law



People's Theatre



Field of Beijing Subway Line 10



New Airport in Xiamen City



Huairou Science City



Beichen Delta in Changsha, Hunan Province



Chunhe Dong'an in Sanya City

ESG Risk Management

The sustainable development of enterprises is closely related to the environment, society and global climate change. In order to solve the problems in economic, social and environmental development, the United Nations has clearly set out 17 sustainable development goals and called on all countries to take actions to realize poverty eradication and equality, and respond to climate change among other goals by 2030, protect the planet while promoting economic prosperity.

Always adhering to the concept of sustainable development, the Group puts great emphasis on the potential impact from the ESG risks during its operation and development. To cope with potential risks, the Group, based on industry ESG risk management system, regulatory requirements and national macro policies, etc., updates its ESG issue database on a regular basis, and carries out materiality assessment of ESG issues through communications with stakeholders, seeking for comments of experts and regularly convening Board meetings. In addition, the Group formulates relevant risk management and response plans when necessary, and proactively responds to and seeks opportunities for sustainable development by making arrangements in advance. As the top body responsible for the ESG governance of the Company, the Strategies and Investment and ESG Committee under the Board regularly reviews and guides the environmental, social and corporate governance the Company.

The Group attaches great importance on the analyzing and optimization of procedures. It continuously identifies and assesses the strategic, market, financial, operational, legal and compliance risks to consistently improve risk control. In 2022, for the key areas, positions and links, we carried out risk identification and assessment in the Group for the purpose of early detection, early warning and early disposal of potential risks. We issued the Significant Risk List in February 2022 for the first time to indicate the priorities for risk control of the Group in the future. In November, risk investigation, identification and assessment were conducted systematically again. 1 significant risk and 11 general risks were identified, among which there are 1 strategic risk, 1 market risk, 3 financial risks and 6 operational risks. In addition, we continuously improve our compliance and internal control system. While formulating the normative documents, various risks were investigated from the Group to subsidiaries step by step to further improve the Group's the risk identification capabilities.

The Group also pays attention to internal control management. On one hand, we improve the corporate governance structure, make sure the Board perform its functions and powers, adjust the organizational structure, clearly define duties and authorities of the positions in each department and establish the corresponding check-balance and supervision system. On the other hand, during the daily business management, we strengthen strategy and budget management, risk control, operational management and safety management, improve performance appraisal and evaluation and strengthen audit supervision to continuously supervise and manage the Group's internal operation as a whole. At the same time, we regulate and control the Group as a whole and prevent and control risks practically by establishing corresponding management systems in respect of separating non-compatible posts, authorization of approval, financial management, decision-making process management, investment management, market development and payment collection management, bidding, procurement and payment management, connected transaction control, budget management, contract management, economic activity analysis, performance evaluation, etc.

ABOUT US

Integrity Building

In 2022, Capital Jiaye continued to pay attention to anti-corruption issues, stuck to the warning line of integrity, and actively implemented sunshine services and sunshine decisions. The Company not only actively complied with the relevant laws such as the Supervision Law of the People's Republic of China, the Company Law of the People's Republic of China, but also formulated the Administrative Measures on Anti-Money Laundering and carried out a number of special actions to actually implement the anti-corruption work and strengthen the supervision of all aspects in operation. In 2022, Capital Jiaye was not involved in any corruption-related litigation cases.

Practice of integrity building

- **Actively carrying out supervision work:** To strengthen precise supervision, the major leaders conducted special supervisions for more than 50 persons and held integrity-related talks with 35 persons in 2022, with two substantive talks.
- **Publicizing the anti-corruption spirit:** The Company strengthened regular education on integrity reminders, focused on important steps, and continued to carry out warning education on typical cases through WeChat workgroup and WeChat official account.
- **Complying with relevant laws and regulations:** The Company actively complied with and strictly implemented the Code of Integrity and Self-discipline of the Communist Party of China and stuck to the bottom line without crossing the red line.
- **Establishing an anti-corruption reporting mechanism:** The Company conducted investigations in written form and by email. Once any bribery, corruption and other misconducts are found after investigation, the Company will impose disciplinary sanctions, criticism in a circulated notice and other punishment, to effectively protect the legitimate interests of all stakeholders.

In addition, to strengthen the ability of Directors and supervisors to perform their duties, Capital Jiaye conducted training on duty performance ability of Directors, supervisors, senior management and related personnel from time to time, with a focus on training themed on corporate governance, legal risks and precautions for Directors and supervisors, etc. In 2022, the Board of Directors took an active part in the study and research of central theoretical team of the Party Committee for 24 times in total. They earnestly learned various Party rules and disciplines, laws and regulations and the principles of meetings, and participated in the warning education meeting of "Learning Lessons from Cases and Promoting the Reform Based on Cases" to continuously enhance the integrity learning and warning education. In 2022, there were a total of 26 trainees, with more than 35 hours of training for all Directors and supervisors.

Case: Preventing corruption during the festivals and building an anti-corruption red line

On the eve of the Dragon Boat Festival, Mid-Autumn Festival and National Day in 2022, the Discipline Inspection Committee of Capital Jiaye reminded Party members and cadres and all staff to strictly implement the Standards on Integrity and Self-discipline of the Communist Party of China 《中國共產黨廉潔自律準則》 during the festivals, to consciously guard the “bottom line” without crossing the “red line” and touching the “high voltage line”, and to resolutely prevent “corruption during the festivals”, so as to jointly create an upright and clean festival atmosphere.

In terms of specific measures, firstly, we kept a close watch on the implementation of the important requirements of “preventing the COVID-19 outbreak, stabilizing the economy, and realizing development security” and made every effort to maintain the safe and stable development of the Company; secondly, we paid close attention to the issue of “formalism, bureaucratism, hedonism, and extravagance” during the “two festivals” and strictly specified the disciplinary requirements to achieve the “ten prohibitions”, including the prohibition of extravagance, waste, hedonism and indulgence, and prohibition of receiving gifts and cash in violation of regulations.



Carrying out business training in the discipline inspection system



Special discipline supervision and inspection on epidemic prevention and control

UPGRADE SERVICE OFFERINGS AND RENEW CUSTOMER EXPERIENCE

Offering owners the best quality services is an important way for property enterprises to win customers' trust. To consistently protect customer security and provide quality customer services, Capital Jiaye made active efforts to further standardize property services, establish a safety management system, and improve service management level. All these efforts also contributed to building up its own brand image.

Advance Standardization Construction and Explore Innovative Property Models

In 2022, Capital Jiaye made continuous innovations and breakthroughs in the field of standardization construction. Taking quality as the foundation, Capital Jiaye continuously optimized the layout to serve the new track, and further enhanced its brand influence. To ensure normalized, standardized, professional and systematic operation of the managed projects, the Company has established a standardized operation guidance system that focuses on fulfilling the property service standards and social responsibilities by identifying the elements in the property management service process, and 20 service standards have been set for 14 business types. At the same time, the group standard of Comprehensive Buildings and Equipment & Facilities, of which the Company is an editor-in-chief, has been officially released on the national group standard information platform. In addition, as entrusted by the Project Quality and Safety Supervision Department of the Ministry of Housing and Urban-Rural Development, the Company completed the research relating to the Study on the Whole Life Cycle Management of Urban Housing and successfully concluded the project.

In terms of service model, leveraging existing customer resources, the Company extended its service chain and continued to build a value-added service product system. A service platform called "Jia Xiang Hui (佳享荟)" has been established to facilitate online shopping mall, housing decoration service and ticket agency services; moreover, the Company actively explored a new service model of "Property + Elderly".



The screenshot shows the website interface for the National Group Standard Information Platform. The main title is "全国团体标准信息平台" (National Group Standard Information Platform). Below the title is a navigation menu with items: 首页 (Home), 标准化活动 (Standardization Activities), 社会团体 (Social Organizations), 团体标准 (Group Standards), 监督抽查 (Supervision and Sampling), 良好行为评价 (Evaluation of Good Behavior), 教育与培训 (Education and Training), 出版物 (Publications), and 常见问题 (Common Questions). A search bar is located on the right side of the header.

Below the navigation menu, there is a section titled "热点关注: 四项企业标准“领跑者”评价标准顺利通过审查" (Hot Focus: Four Enterprise Standards "Leader" Evaluation Standards Successfully Passed Review). Below this, there is a table with the following information:

国民经济分类	E4790 其他房屋建筑业
发布日期	2022年10月16日
实施日期	2022年11月01日
起草人	刘国柱、张奎波、刘珠峰、李沛、姜婉婷、申玮
起草单位	北京市建筑业联合会、 北京京城佳业物业股份有限公司 、北京市物业管理行业协会
范围	
主要技术内容	本标准的主要内容包括：总则；术语；基本规定；综合建筑编码规则；综合建筑设备设施分类与编码规则；附录等。

The Coding Standards for Comprehensive Buildings and Equipment & Facilities, of which Capital Jiaye is an editor-in-chief, was officially released



20 service standards for 14 business types



“Jia Xiang Hui” service platform

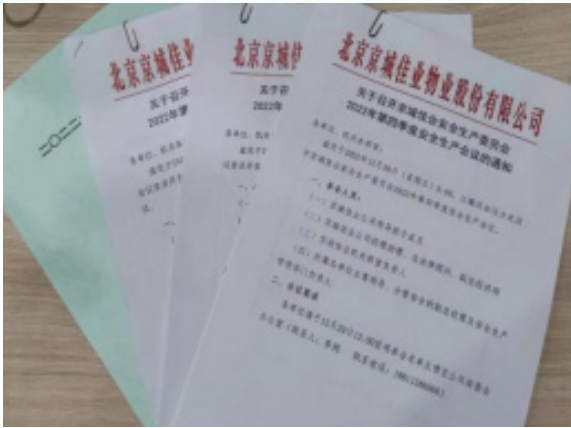
Build a Safety Management System and Adhere to the Bottom Line of Safety Risks

- Life safety management**

In 2022, hewing to the bottom-line thinking and systematic thinking, Capital Jiaye firmly established the concept of safety and performed the main responsibilities regarding safety production at every level to guard the bottom line of safety risks while ensuring development and safety. These efforts have contributed to ensuring the security of Capital Jiaye’s system as well as its brand “Urban Construction Services”.

UPGRADE SERVICE OFFERINGS AND RENEW CUSTOMER EXPERIENCE

To establish a safety management system and implement the safety production responsibility, the leadership team continued to carry out several normalized inspections on the front line in respect of “Four Don’ts and Two Directs” (“四不兩直”), which firmed the bottom line for safe operation management. At the same time, the Company strictly implemented the work requirements of “ensuring safety while managing production and business”, continuously improved the organizational structure of safety production management, and actively fulfilled the main responsibility of safety production. The Company prepared and issued the institutional documents such as the Safety Production Responsibility System for All Employees, and comprehensively sorted out information relating to the construction of the Company’s safety management system and safety-related rules and regulations based on safety management statistics of the whole industrial chain from the BUCG. The compilation of the directory of the Company’s safety system personnel information helped further strengthen the management of the safety system personnel. Apart from signing the Production Safety Responsibility Letter for 2022 with the main leaders of the affiliated units, the Company further clarified and implemented safety responsibilities at all levels by urging the affiliated units to sign the safety responsibility letter level by level.



Documents relating to safety regulations and safety inspection



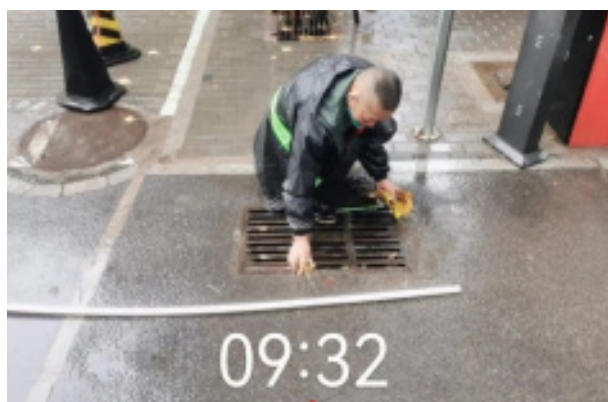
UPGRADE SERVICE OFFERINGS AND RENEW CUSTOMER EXPERIENCE

Case 1: Mitigating risks of flooding

In high summer 2022, our urban service front-line staff stuck to their posts despite the high temperature to prevent flood and ensure safety while implementing regular epidemic prevention and control measures. Throughout the summer, Capital Jiaye paid close attention to the early warning information from the meteorological department every day, strictly implemented the 24-hour duty system and stepped up inspection efforts. Our staff spared no effort to complete relevant work, such as patrolling, inspecting, dredging, cleaning, drainage, flood blocking with sandbags, and water pumping, building an “iron barrier” for flood.

In July, after the Beijing Meteorological Bureau issued a rainstorm warning, Capital Jiaye actively carried out the special rectification of “I am a Safety Whistler” and invited the representatives of the residents to participate in the activity of “Full Screen Broadcast for Safety Publicity” to be fully ready for the possible flood and raise relevant awareness of all staff to deal with any emergencies in the flood season.

In addition, in respect of service details, Capital Jiaye also strives to be as warm and attentive as possible. During the rush hour with gusty winds and heavy rain, Zhongguancun Capital Building Project Department of Capital Jiaye promptly takes actions to cover customers’ wet umbrellas with water-proof umbrella cases and brings raincoats for the customers without rain gear, so as to practice the commitment of “continuously providing innovative and warm services and solving problems for customers”.



Implementing safety measures for flood control

UPGRADE SERVICE OFFERINGS AND RENEW CUSTOMER EXPERIENCE

Case 2: Promoting Fire Safety Publicity

In November, Capital Jiaye and Fatou Sub-District in Chaoyang District, Beijing jointly held the 119 Fire Safety Publicity Campaign for 2022 at the square of Block E in Cuichengxinyuan under the theme of “Strengthening Fire Safety for High Quality Development”.

Through the “119 Campaign”, the Company popularized fire safety knowledge for all the residents and raised their awareness of fire safety from such aspects as fire prevention, firefighting and escape. It further effectively implemented the Company’s fire safety work and guided the residents to establish a general safety concept so as to jointly build a safe firewall in the property area.



Fire safety publicity campaign



- Information security management

Access to the personal information of customers and owners is needed in many links of the property service industry, so the issue of information security is an important part that cannot be ignored. Capital Jiaye attaches great importance to information security protection and builds a robust and reliable information security barrier for customers in accordance with the Administrative Rules on Internet Information Services 《互联网信息服务管理办法》, Provisions on the Administration of Electronic Bulletin Board Services on the Internet 《互联网电子公告服务管理规定》, the Provisional Measures for Adminstrating Internet Websites Carrying on the News Displaying Business 《互联网站从事登載新聞業務管理暫行規定》, the Administrative Measures for the Security Protection of the International Network of Computer Information Networks 《計算機信息網絡國際聯網安全保護管理辦法》, Classified Criteria for Security Protection of Computer Information System 《計算機信息系統安全保護等級劃分準則》, Classification Principles for Security Products for Computer Information Systems 《計算機信息系統安全專用產品分類原則》 and other laws and regulations related to the Company’s operation and information security protection.



Beijing Uni.-Construction Beiyu Property Service Co., Ltd. (referred to as “Beiyu Property”)
 “Certificate of Information Security Management System Certification”

UPGRADE SERVICE OFFERINGS AND RENEW CUSTOMER EXPERIENCE

- Information security protection



Kick-off Meeting for Informatization Work

In the field of information security, the Company has formulated the Information Security User Manual, User Account Management Regulations and other systems, providing explicit requirements for enhancing the awareness of information security among the employees of Capital Jiaye, regulating the use of network and computers by employees, and using the network information resources safely and effectively. In terms of password rules, the Company's information systems (including computers, servers and other access terminals and storage devices) are protected by access passwords, and passwords should be set according to the password rules. As for network configuration and utilization, it is specified that state secrets should not be stored, processed and transmitted in the enterprise's computer system; responsibility for information containing important internal matters or commercial secrets of the enterprise should be determined according to the principle of "he who is online should be responsible", and efforts should be made to implement the system and strengthen the confidentiality review before access to the Internet to prevent leakage of commercial secrets of the enterprise. Regarding data security protection, the business systems are required to pass the grading and evaluation of network security level protection in accordance with the laws and regulations, make a filing with the local police station for certification, and obtain an approval report for passing the evaluation.

Provide Quality Services and Build a Positive Service Image

With extensive experience in asset management and property services, Capital Jiaye has formed a sound scientific management mechanism in asset management and property services for commercial real estate, which has been widely praised by owners and customers. Over a long period of time, Capital Jiaye has been committed to providing the best quality services to customers and owners, so as to satisfy the needs of customers and owners with high-quality customer service management and help enhance the city's image.

Capital Jiaye has also improved its communication mechanism and made further efforts in "Immediate Response Service". The Company independently researched and developed the "serve the public: immediate response management system" and leveraged technology to realize "7 days × 24 hours order tracking, immediate processing, order supervision, and reply record", in order to further improve the satisfaction of residents. In 2022, no material complaint about products and services was received by Capital Jiaye.

Case 1: Improving the cleanliness of the communities under property management to assist in building culturally advanced cities

To further deepen the building of national culturally advanced cities, better the surroundings of the cities, and improve the life quality and happiness index of the owners in the communities under management, all units under Capital Jiaye, whether located in Beijing municipality or not, have actively answered the call of building a culturally advanced city with actions and initiated the mode of "proactive governance". Continuously improving the level of property services, they provide customers with sensible, fine services, and contribute to the building of culturally advanced cities, so as to meet the people's growing needs for a better living.

Focusing on areas such as streets, alleys and Hutongs, old communities, one-storey houses, and tube-shaped apartment buildings with shared kitchens and washrooms, Beijing Xinjiekou Project Department of Capital Jiaye improved the hygiene in the communities under property management, together with the Party members and residents living in such communities. They removed 306 piles of stuff impeding the shared or public space and 87 trucks of discarded articles while clearing 1,426 ignored scruffy spots, and also eliminated the graffiti and fly posting in 135 places, which effectively promoted the comprehensive environmental governance of the communities under property management and restored a clean and livable living environment for the residents there. The Chunshu Project Department handled 230 pieces of oversized waste and eliminated the fly posting in more than 200 places, straightened out 1,100 bicycles and disposed of 160 abandoned vehicles per day to ensure orderly streets and alleys as well as clean environment.



Comprehensive governance of the communities

UPGRADE SERVICE OFFERINGS AND RENEW CUSTOMER EXPERIENCE

Case 2: Building red harmonious communities and establishing a good service image

In the building of “red harmonious” communities, Shihuabojun Project under Capital Jiaye actively established monthly meetings and bi-monthly joint meetings with local Party organizations to coordinate and solve the owners’ demands. In addition, Party and Mass Meeting Houses were also set up in the customer service center, with duty areas and demonstration posts for Party members. The Party members “showed their identity, image and slogan” in implementing the “two important minor details” and epidemic prevention, took the lead in being “waste sorting guide” and “community guard”, and actively publicized knowledge of epidemic prevention and garbage classification.



A Party member is actively publicizing knowledge of epidemic prevention and garbage classification



Carry out Cultural Activities in Community to Improve Customer Service Experience

Culture is rooted in communities and culture plays a crucial role in the formation of community structure. Culture emerges and transmits amid community life and is an inseparable part of communities. Cultural service is also an important link to improve the quality of community services. Capital Jiaye attaches great importance to cultural services in communities. In response to the inner voices of owners, Capital Jiaye provides a variety of social and cultural activities for the owners, thus further improving the service experience of customers and owners.

Case: Owners celebrated the festival with Capital Jiaye

Diversified cultural activities in community are a distinctive feature of Shihuabojun Project under Capital Jiaye. Activities such as “Guessing lantern riddles on the Lantern Festival”, “Lei Feng Day”, “Flower delivery activity during Women’s Day”, “Flea market”, “Equipment room open day”, “Parent-child DIY”, “Making mooncakes on Mid-Autumn Festival” and “Carnation delivery during the Double Ninth Festival” attracted a large number of owners. Whenever a grand festival arrives, the communities were bustling and full of lanterns and decorations, where owners could feel a strong festival atmosphere at their doorstep.



“Family Carnival” hosted by Shihuabojun Project

ACHIEVE COMMON DEVELOPMENT AND CO-BUILD A HARMONIOUS ENTERPRISE

We adhere to the people-oriented principle as employees serve as the internal impetus for the sustainable development of the Company and the key to the continuous quality services of property companies. Following the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other relevant applicable regulations, Capital Jiaye has established the Group's human resources management system, optimized the system for management of remuneration, welfare, employee performance assessment, etc., created a healthy and safe working environment for its employees, and set up a sound employee training and promotion system to protect the legitimate rights and interests of employees.

Protect Legitimate Rights and Interests and Recruit Quality Employees

Recruiting outstanding talents

The Company has developed and improved its recruitment management system to further standardize the recruitment work and sort out the personnel recruitment process. Adhering to fair and diverse employment criteria in our recruitment process, we strictly prevent discrimination on the basis of gender, ethnicity, nationality, region, etc. Meanwhile, in order to prevent the employment of child labor and forced labor, the Company strictly follows Article 15 of the Labor Law of the People's Republic of China, which prohibits employers from recruiting minors under the age of sixteen, and strictly examines whether the actual age of candidates meets the hiring criteria by checking identity documents, or otherwise. In 2022, the Group was not involved in any violations such as the employment of child labor or forced labor.

Internal Recruitment



Internal promotion

Open competition

External Recruitment



Campus recruitment

Online recruitment

On-site recruitment

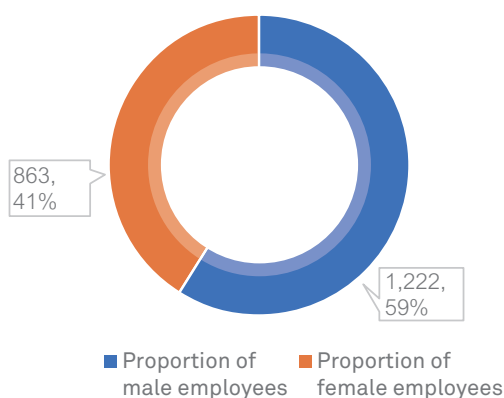
ACHIEVE COMMON DEVELOPMENT AND CO-BUILD A HARMONIOUS ENTERPRISE

The Company recruits outstanding talents with diversified recruitment methods through “internal cultivation and external introduction”. In terms of internal promotion, given its actual development needs, Capital Jiaye actively promotes the management of internal promotion, strictly controls the selection and promotion of talents in key positions with reference to the market-oriented recruitment standards and taking into overall account the ability, quality and business capacity, and further smoothes the internal promotion channels by adopting such mechanisms as internal selection, open competition and expert panel interviews.

In terms of external recruitment, Capital Jiaye actively accepts fresh graduates and socially mature personnel. For fresh graduates, the Group has established good partnerships with universities including University of International Business and Economics, University of Science and Technology Beijing, and Beijing Information Science & Technology University, and taken an active part in online job fairs for universities, adding up to 18 job fairs including the online job fair for graduates in the capital, Beijing-Tianjin-Hebei 2022 general university graduates’ double selection service season series activities. In addition, the Group has conducted school-enterprise cooperation with vocational colleges such as Beijing Electronic Information Technical College, Heilongjiang Institute of Construction Technology, and Harbin Northern Vocational Institute of Aviation to specially train the talents needed by it. For social personnel, the Group has provided more than 70 positions for open recruitment through recruitment platforms such as zhaopin.com (智联), 51job.com (前程无忧), and 58.com (58同城), while releasing open recruitment information through the online recruitment platform of Urban Construction Group, to attract outstanding talents who meet the Company’s needs through various channels.

By the end of 2022, the Group had a total of 2,085 employees, all of whom are full-time employees, and among them, there are 863 female employees, accounting for 41%, and 1,222 male employees, accounting for 59%. In 2022, the employee turnover rate was 19%, representing a decrease of 2 percentage points from the previous year, demonstrating further improved retention of our employees.

Chart: Proportion of male and female employees (by the end of 2022)



ACHIEVE COMMON DEVELOPMENT AND CO-BUILD A HARMONIOUS ENTERPRISE

Table: Indicators related to the employees of Capital Jiaye for 2021-2022

Employees	Number of employees at the end of 2022	Number of employees at the end of 2021	Employee turnover rate in 2022	Employee turnover rate in 2021
Employees	2,085	2,051	19%	21%
By gender				
Male	1,222	1,172	15%	17%
Female	863	879	24%	26%
By age group				
Aged 30 or below	415	376	35%	45%
Aged 31-50	1,257	1,261	14%	14%
Aged 51 or above	413	414	20%	16%
Employee types by regional distribution				
Employees inside Beijing	1,765	1,804	17%	18%
Employees outside Beijing	320	247	31%	43%

Note: Distribution of employees outside Beijing in 2022: 26 in Tianjin, 40 in Sanya, 6 in Xiong'an New Area, 2 in Jurong, 1 in Wuhan, 4 in Baoding, 109 in Chengdu, 35 in Qingdao, and 97 in Chongqing.

Remuneration and benefits

The Group has established a comprehensive system in terms of remuneration protection, and continued to pay attention to the rationality of employee remuneration. The Group has formulated management measures for remuneration and benefits, and continued to optimize and revise them. The Group has clarified and improved the salary structure, standards of various subsidies and allowances, salary payment and holiday treatment. In 2022, there was no delay in salary payment, or failure to pay 5 mandatory insurances and one housing fund.



Composition of remuneration and benefits

The Company ensures that the employees' legal holidays are not encroached upon, and the holiday standards are implemented in accordance with the relevant national policies and regulations. On the basis of compliance with the laws, we provide employees with more holidays in addition to statutory rest days and statutory holidays.

Highlight Capacity Development and Build an Empowerment System

Capital Jiaye considers talents as an important cornerstone of corporate development. It continuously improves the training system and corporate culture construction in the process of consolidating its economic foundation and expanding its business presence. While seeking sustainable growth of enterprise value, Capital Jiaye provides a good development environment for employees, continuously improves their comprehensive quality, and fully integrates their own value into corporate development, making the enterprise and employees promote each other and grow together.

In 2022, the Group conducted training with a focus on strategic objectives and business work, created high-quality training programs, and strived to have all employees participate in the training; the Group engaged industry experts to conduct a series of training for project managers, with the courses including the Advanced Practical Class for Property Project Managers, Customer Service Supervisor Training, Order Supervisor Training, Engineering Supervisor Training, Market Format Training Session, etc., to effectively reinforce the comprehensive quality of personnel in key positions; apart from boosting the comprehensive service capability of the employees, the Group placed emphasis on enhancing the professional skills of the grassroots staff, and held training activities including Property Service Quality Control and System Optimization Training, Customer Satisfaction Enhancement Training and Quality Enhancement Training Session through online and offline classes; the Group strengthened the management of its internal trainers, established a course-oriented internal trainer team, and promoted the extraction, summarization and transformation of knowledge and experience of property enterprises.

In 2022, a total of 2,065 employees of the Group participated in various types of training, including 1,210 male employees and 855 female employees or 295 management employees and 1,770 non-management employees, with a total of 38,826.25 hours of training.

Chart: Average time length of training by gender

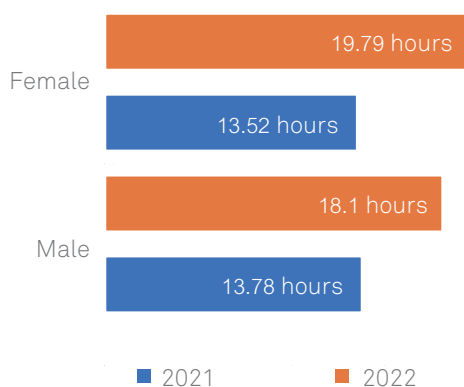
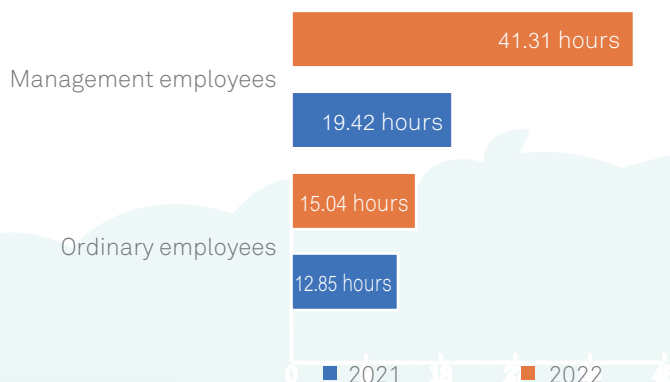


Chart: Average time length of training by level



ACHIEVE COMMON DEVELOPMENT AND CO-BUILD A HARMONIOUS ENTERPRISE

In terms of employee training rate, in 2022, the overall training rate of the Group reached 99.04%, an increase of 1.09 percentage points from last year; particularly, the training rate for the management was 98.33% while that for the ordinary employees was 99.16%, both of which were higher than last year.

Table: Employee Training Rate

Name of Indicator	Percentage of Employees Trained in 2022	Percentage of Employees Trained in 2021
Male employees	99.02%	97.95%
Female employees	99.07%	97.95%
Ordinary employees	99.16%	98.16%
Management employees	98.33%	96.53%

Case: Field training program for project managers

To further enhance its project management capabilities, the Group officially launched the “Capital Jiaye’s Advanced-Level Field Training Program for Property Management Project Managers” (Class I) in April 2022, with 72 department managers, project managers and project manager candidates from various units enrolled. The training courses dealt with 12 topics such as cost control, customer relationship, and risk control; the lecturer team was composed of renowned experts in the property management industry. These courses did improve such middle management personnel’s business capabilities, tap their potential, meet their needs, strengthen the backbone of the Company, and level up the Company’s management on all fronts.



Advanced Training for Project Managers

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Case: BUCG Properties provided various training sessions based on its actual development needs

In 2022, to further build up the talent team, accelerate the promotion of talent training, develop a diversified talent pattern, and reach the goal of growing into a talent-driven company, BUCG Properties successively organized special training sessions, including the “training for management system”, “special training for property industry”, “training for property management on construction sites”, and “service etiquette training”, which increased the capabilities of employees and thus supporting the company’s business expansion.



Fire training



Conference services training

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Case: Beiyu Property conducted training based on actual situation

In 2022, in order to strengthen systematic professional learning, improve professional business ability and steadily promote annual training plan, Beiyu Property organized and conducted professional training such as Financial Literacy Improvement Training for Managers and Celebrating the 20th NCPC, Bringing Laws to Enterprises, so as to improve the professionalism and comprehensive management capabilities of employees.

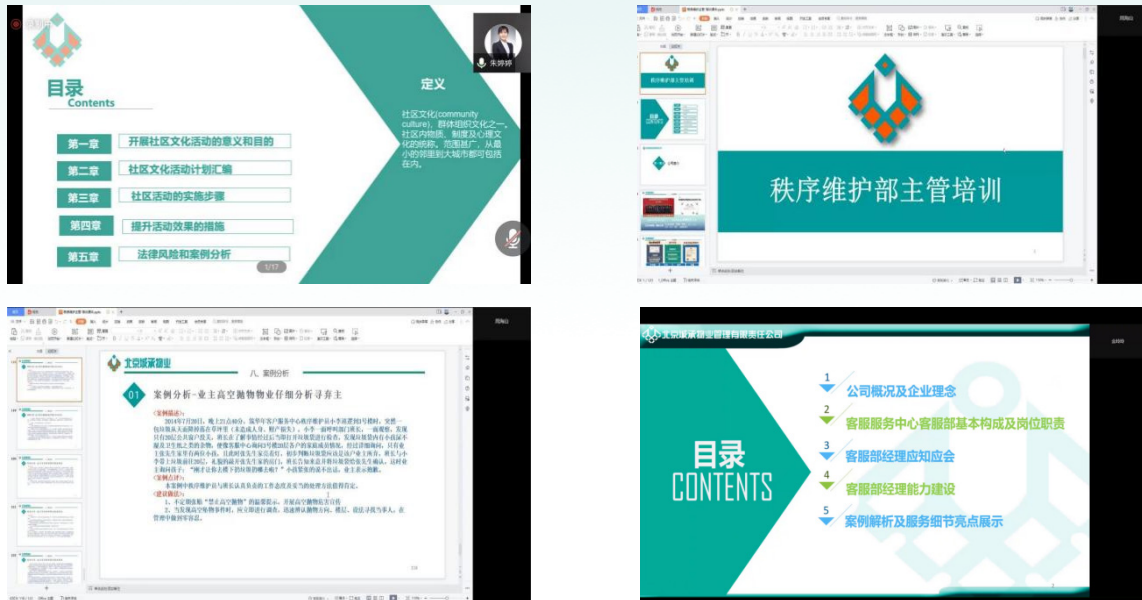


Business Training



Case: Professional Qualification Enhancement Training for Project Supervisors of Chengcheng Property

To further enhance the professional capabilities of its project backbone staff, address their weaknesses, and improve their skills level, Beijing Chengcheng Property Management Co., Ltd. (“**Chengcheng Property**”) has organized the “Professional Qualification Enhancement Training for Project Supervisors”. This training covers five areas, including community culture, order maintenance, engineering, customer service, environment, etc. Through this training, participants can gain a comprehensive understanding of the property service process and details, enrich their knowledge reserve, improve their professional level, and provide backup support for the Company’s continuous business development.



Professional Qualification Enhancement Training

ACHIEVE COMMON DEVELOPMENT AND CO-BUILD A HARMONIOUS ENTERPRISE

Case: Zhuolian Property launched internal training according to the actual situation

In 2022, Beijing Zhuolian Property Management Co., Ltd. (“**Zhuolian Property**”) carried out a number of informative and professional training sessions. These sessions were designed based on the actual needs of the Company, and featured hand-holding instruction that helped to further enhance the quality of all staff members.



ACHIEVE COMMON DEVELOPMENT AND CO-BUILD A HARMONIOUS ENTERPRISE

Employee health and safety

The Company prioritized the health and safety of its employees by improving its internal occupational health standard system, strictly enforcing the relevant provisions of the Labor Law, preventing employees from being overworked, and paying overtime wages in full and on time. In addition, we actively organized various activities to care for employee health, such as annual health checkups, and customized packages based on age groups, genders and other factors to address employees' health concerns. During the epidemic outbreak, Capital Jiaye provided employees with epidemic prevention materials to ensure that they were equipped to weather the difficult times of the epidemic.

To implement production safety, the Company established a Safety Production Committee, which is composed of company leaders, safety production supervisors, and safety production supervisors of each second-tier company. The Committee convenes a Safety Production Committee Meeting every quarter to assess safety production and disseminate safety production instructions and meeting spirit. The Company formulated the "Reporting, Investigation and Handling System for Incidents in Production Safety" and adopted the "Four Don'ts and Two Directs" approach to conduct safety inspections for all projects under management. Throughout the year, the Company conducted more than 80 random inspections for all projects under management, investigated over 3,800 safety risks, and achieved a 98.7% safety risk rectification rate. All units and projects under our management organized more than 300 safety education and training sessions throughout the year, conducted more than 400 special drills in view of the characteristics of property management, such as comprehensive emergency drills, limited space operations, and fire evacuation drills, effectively preventing and reducing various accidents. In 2020, 2021 and 2022, the Group recorded no work-related fatalities and 331 working days were lost due to work injuries in 2022. The Group will continue to carry out safety education and publicity to raise employees' awareness of safety.



2022 First Quarter Safety Production Committee Meeting



"Four Don'ts and Two Directs" Inspection

ACHIEVE COMMON DEVELOPMENT AND CO-BUILD A HARMONIOUS ENTERPRISE

Open up Communication Channels and Demonstrate Employee Care

The Company has established diversified communication channels to collect information from various sources. Along with regular staff seminars and meetings, employees are encouraged to use WeCom, the office system, SMS and telephone to report any issues they may encounter. The Company ensures prompt responses to employees' demands, listens to their suggestions and solves their problems. We initiated a large-scale discussion on the theme of "I'm one of Capital Jiaye", encouraging employees to make suggestions for the high-quality development of the enterprise. We also expanded the coverage of mutual protection, improved the insurance coverage rate of the grassroots trade unions for the employees on hospitalization, major diseases, special diseases of female workers, and other medical mutual insurance, and ensured timely insurance claims for sick employees to relieve the medical burden of those suffering from serious illnesses.



Theme forum of "I'm one of Capital Jiaye"

In 2022, the Company built an effective labor union and vigorously promoted the spirit of craftsmanship. Among them, two employees won the gold and silver awards in the "the 8th National Hotel Industry Vocational Skills Competition Final" (第八届全国饭店业职业技能竞赛全国决赛) and were awarded the title of "Urban Construction Craftsmen" (城建工匠) by BUCG in 2022, and 11 employees entered the semifinal of the "Hulk Cup" Property Management Skills Competition of the 2022 Beijing Vocational Skills Competition (2022年北京市职工技能大赛“绿巨人杯”物业管理技能竞赛) with high scores.

ACHIEVE COMMON DEVELOPMENT AND CO-BUILD A HARMONIOUS ENTERPRISE

A variety of activities

To care for female employees, enhance their health, enrich their corporate cultural life, and create a harmonious working atmosphere, the labor union engaged yoga teachers to carry out yoga activities beneficial to physical and mental health, providing a platform for female employees to improve their character, enhance their ability and sublimate their own quality. The on-site professional teaching and training won high recognition from female employees.

The Company has formulated the Special Collective Contract for the Protection of the Rights and Interests of Female Employees to protect female employees' holidays and other basic rights and interests during the pregnancy, perinatal period and lactation period. The Company irregularly conducts at least two publicity and education training in various forms for female employees on health care, labor protection, etc.

With heavy responsibilities on their shoulders, the women show their charm. On the occasion of the 112th "March 8th" International Working Women's Day, Capital Jiaye held the "March 8th" commendation symposium to recognize the advanced groups and individuals with outstanding work performance in 2022, giving full play to the role of the Female Employees Committee of Capital Jiaye Labor Union as a bridge in guiding, serving and contacting female employees, caring about the working and living conditions of female employees, effectively safeguarding the rights and interests of female employees, and creating a good and warm working environment for female employees.



March 8th Red Flag Commendation



March 8th Red Flag Commendation

ACHIEVE COMMON DEVELOPMENT AND CO-BUILD A HARMONIOUS ENTERPRISE

In the Mid-Autumn Festival of 2022, the Company's labor union launched a theme activity of "Making Mooncakes during the Mid-Autumn Festival" (濃濃中秋情, 巧手做月餅) to promote Chinese traditional culture and let employees enjoy a meaningful Mid-Autumn Festival. In addition, the Company also held activities such as brisk walking, badminton game, labor competition to further enhance the interaction and communication between employees through labor union activities, strengthen their physique, sharpen their will and enhance their cohesion, thus contributing to the job in a better state of employees.

In 2022, the Company carried out a number of employee consolation activities to let employees feel the warmth of the enterprise. As of the end of 2022, a total of more than 80 consolation activities were conducted, focusing on caring and condolences for sick, childbearing, newly married and retired employees, so as to enhance their happiness in the enterprise.



Mid-Autumn Festival activity



Badminton game



Brisk walking



Consolation activities

Be Committed to Responsible Operation and Optimize Supplier and Software Legalization Management

- Supply chain management

In order to identify the risks of key nodes in the supply chain, Capital Jiaye continuously improved and optimized the systems such as the Measures for the Administration of Suppliers 《供應商管理辦法》, the Rules for the Hierarchical Management of Suppliers 《供應商分級管理細則》, and the Measures for Administration of Bidding and Procurement 《招標採購管理辦法》, established a list of qualified suppliers, conducted the inspection and qualification review of suppliers, and supervised and managed suppliers in accordance with the provisions of the supplier system, including normal supervision, irregular spot checks and periodic evaluation management, etc. At the same time, suppliers who have established and passed the environmental management system certification are given priority, and are required to provide necessary inspection reports, so as to strengthen supplier management and reduce potential risks in the supply chain.

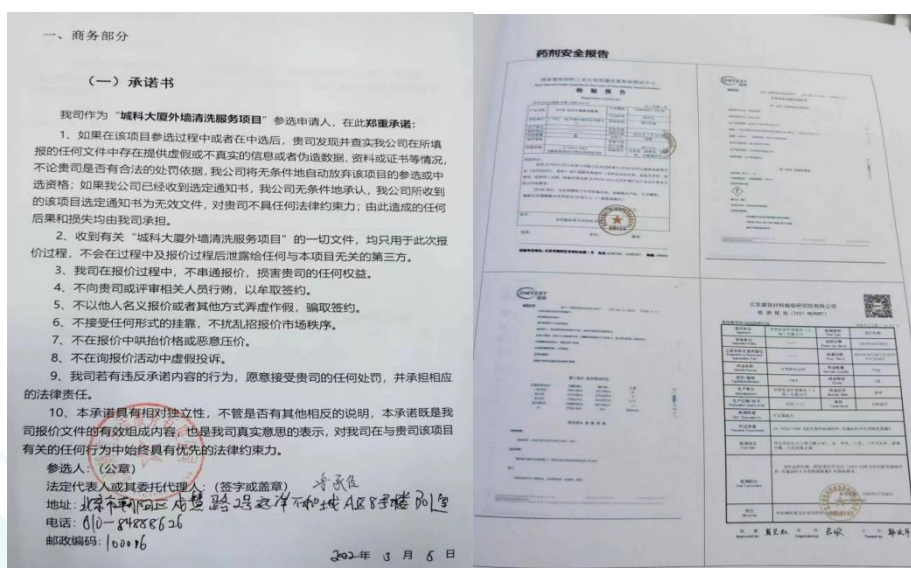
Capital Jiaye conducted bidding and procurement procedures based on the principles of fairness, openness and justice, and has formulated the Management Measures for Bidding and Procurement of Beijing Capital Jiaye Property Services Co., Limited (Trial) 《北京京城佳業物業股份有限公司招標採購管理辦法(試行)》 and the Management Measures for Service Procurement 《服務採購管理辦法》 to regulate the Company's bidding and procurement behavior and prevent risks of bidding and procurement. After a year of trial and adjustment, the Company has continuously improved its procurement management measures and sorted out the overall process. In the bidding and procurement process, the Company strictly followed the procedures in the system for implementation and approval, clearly stipulated the purchase scope and amount in the procurement method, and performed the approval procedures step by step.

Table: Geographical distribution of suppliers of Capital Jiaye (as of December 31, 2022)

Geographical distribution of suppliers	Number
North China (Beijing, Tianjin, Shanxi Province, Hebei Province, Inner Mongolia Autonomous Region)	1,327
Northeast China (Heilongjiang Province, Jilin Province, Liaoning Province)	5
East China (Shanghai, Jiangsu Province, Zhejiang Province, Anhui Province, Fujian Province, Jiangxi Province, Shandong Province)	54
Central China (Henan Province, Hubei Province, Hunan Province)	2
South China (Guangdong Province, Guangxi Zhuang Autonomous Region, Hainan Province)	2
Southwest China (Sichuan Province, Guizhou Province, Yunnan Province, Chongqing Municipality, Tibet Autonomous Region)	75
Total	1,465

Capital Jiaye evaluates suppliers by category. When evaluating the 608 suppliers of materials and equipment, the principle of sustainable development is the main basis, and environmental and social factors are taken into consideration, and suppliers are required to provide environmental or safety-related reports on cleaning products and medicines.

The 857 service suppliers were assessed with a main focus on social responsibility. By the end of 2022, none of the 1,465 suppliers of the Group had any non-compliance incident. In 2022, Capital Jiaye continued to optimize the bidding and procurement procedures, selected suppliers in a scientific and reasonable manner, hired higher quality suppliers and deepened partnership with them to achieve a win-win situation in the long run.



Supplier's letter of undertaking and test report

- **Optimizing the bidding and procurement procedures**

Capital Jiaye has optimized and improved the bidding and procurement procedures by distinguishing in detail the specific matters in the construction services and adjusting the maximum amounts for some procurement methods. These steps are intended to improve the bidding and procurement procedures and guarantee the choice of reputable suppliers.

Types of bidding and procurement



- Procurement of materials
- Procurement of property services
- Procurement of construction services

Methods of bidding and procurement



- Selection: Choose the best from a minimum of three eligible suppliers (in principle).
- Bidding: invited bidding & open bidding
- Direct procurement

The bidding and procurement methods of Capital Jiaye

In the selection of suppliers, the Company mainly selects those who have a solid reputation and credibility in the market. The Company screens potential suppliers using the National Enterprise Credit Information Publicity System or third-party independent data platforms, comprehensively taking into account the information provided by these suppliers and their pertinent qualifications. On this basis, the Company continuously improves the cooperation shortlist and establishes relationships with more high-quality suppliers and works to build its reputation.

- **Communication with suppliers and training on bidding process**

In addition to optimizing the bidding and procurement procedures, the Company also offers specialized training to relevant staff members who participate in bidding on a regular basis, with the goal of strengthening their professionalism, sensibly avoiding potential risks, and selecting high-quality suppliers.

Affected by the pandemic in 2022, Capital Jiaye arranged online training for and communication with suppliers on a regular basis, during which they shared work progress and received work directives. The Company also evaluated the suppliers.

ACHIEVE COMMON DEVELOPMENT AND CO-BUILD A HARMONIOUS ENTERPRISE



Tendering and bidding training

- **Supplier evaluation**
 - During the term of cooperation, suppliers are evaluated on a regular basis;
 - Suppliers that do not pass the evaluation will be disqualified for subsequent supply;
 - Companies that have been repeatedly evaluated as excellent suppliers are preferred in subsequent evaluation.



- **Deepening awareness of legalization**

In respect of software legalization, Capital Jiaye starts with the establishment of sound rules and regulations, and specifies the use of legalized software as an important and regular job of all units. It has successively formulated the Plan for Promotion of Software Legalization Work 《軟件正版化工作推進方案》, Management Regulations for Daily Use of Software 《軟件日常使用管理規定》, Software Configuration Management Regulations, Software Ledger Management Regulations 《軟件台賬管理規定》 and Management Regulations for Software Installation and Maintenance 《軟件安裝維護管理規定》 and other systems, covering the work responsibilities for software legalization, software procurement, software installation and use management, software asset management, software legalization assessment and evaluation, etc.

In terms of specific implementation, in May 2022, the Company held a meeting on mobilization and deployment for software legalization and formulated a promotion plan for software legalization in 2022. In June, all the units entered the stage of inventory, rectification and promotion. In strict accordance with the standards and requirements for software legalization, all the units made a comprehensive and detailed inventory of software assets, organized and carried out software procurement in a timely manner according to the statistical summary, and completed the inventory and rectification for software legalization from July to August. From September to December, all the units entered the stage of supervision, inspection and assessment. According to the arrangements of the Information Office of the Group, all the units received the assessment and acceptance organized by the Office of Joint Conference, and made preparations for the inspection of the National Copyright Administration.

In order to strengthen the protection of intellectual property rights, Capital Jiaye has established an intellectual property rights leading group to unify and coordinate the management of intellectual property rights and avoid infringement disputes; monitored the use of the Group's trademarks in real time, searched whether any third parties have infringed on the trademarks of Capital Jiaye, and actively safeguarded the trademark-related rights and interests of the Group. For the Group's commercial secrets, we signed relevant confidentiality agreements, forbade the personnel bearing the obligation of confidentiality to disclose them privately and required them to strictly enforce the Group's rules and regulations. As of the end of 2022, Capital Jiaye had a total of 14 patent rights and copyrights, 9 domain names and 14 authorized trademarks.

GO LOW CARBON AND MAKE DEVELOPMENT GREEN

In strict compliance with the Environmental Protection Law of the PRC 《中華人民共和國環境保護法》, the Law on the Prevention and Control of Water Pollution of the PRC 《中華人民共和國水污染防治法》, the Law on the Prevention and Control of Environmental Pollution by Solid Wastes of the PRC 《中華人民共和國固定廢棄物污染環境防治法》, the Law on the Prevention and Control of Atmospheric Pollution of the PRC 《中華人民共和國大氣污染防治法》, Household Waste Management Regulations of Beijing 《北京市生活垃圾管理條例》, Environmental Management System Requirements and Usage Guide 《環境管理體系要求及使用指南》, Energy Management System Requirements and Use Guide 《能源管理體系要求及使用指南》, Emission Standard of Air Pollutants for Boilers 《鍋爐大氣污染物排放標準》 and other provisions, Capital Jiaye took the initiative to identify emissions generated during operation and disposed of them in a compliant manner, promoted green operation, improved the internal environmental management system, advocated green office and low-carbon community, and paid attention to energy saving and emission reduction, so as to help the country achieve the carbon peaking and carbon neutrality goals as soon as possible.

Table: Environmental management objectives of Capital Jiaye

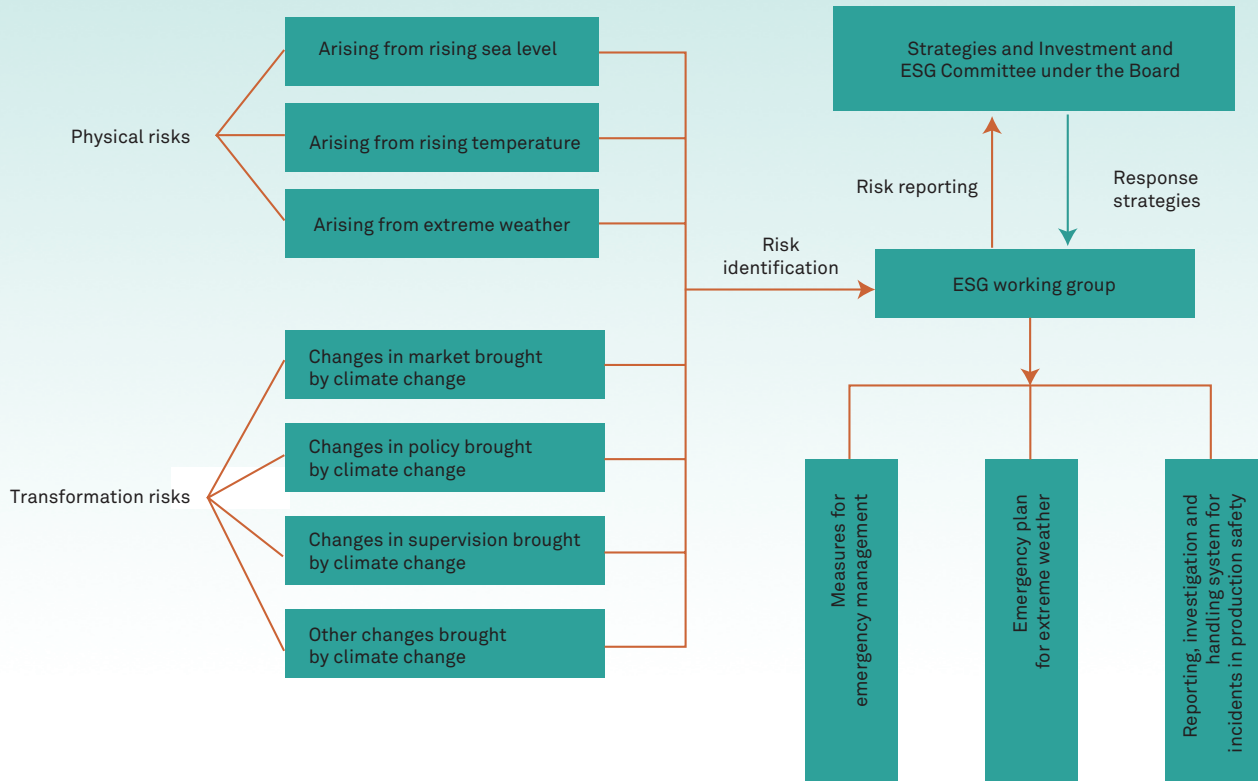
Environmental management objectives	Objective description
Greenhouse gas emission reduction	Gradually reduce the density of greenhouse gas emissions
Exhaust gas emission reduction	Gradually reduce the density of exhaust gas emissions
Energy conservation	Improve energy use efficiency and reduce energy consumption density
Water resources conservation	Reduce water consumption and water use density in business operations

Identify Climate Change to Prevent Risk Events

The risks associated with climate change mainly include physical risks and transition risks. Physical risks refer to those caused by rising temperatures, rising sea levels or extreme weather, while transition risks stem from changes in markets, policies and other factors due to climate change.

The Group actively promotes green property management operations, proactively identifies potential factors affecting climate change, reports information of important environmental factors to the management for approval, and makes changes to reduce the adverse impact on climate change, thereby contributing to the coordinated and sustainable development of society and environment.

- Identifying climate change risks: The Group should identify potential risks in current natural disaster response policies and mitigate corresponding compliance risks according to relevant national policies and trends. In response to natural disasters, the Group should anticipate potential security risks brought by disasters in time to reduce the impact and risks of climate change on owners, employees, enterprises, and project operation and management.
- Addressing climate change risks: The Group should continue to strengthen its commitment to green operation by minimizing potential environmental factors, establishing an emergency management system, conducting regular rescue drills, and analyzing and enhancing its emergency response plans.



Addressing extreme climate

The Company has placed climate change response in an important position of sustainable development, and actively controlled relevant risks, especially in addressing extreme weather. The Company has formulated the response strategies to avoid losses to the Company’s development caused by extreme weather. In the face of extreme weather such as rainstorm, cold surge, gale, hail and heavy fog, the Company has formulated the Measures for Emergency Management (Trial) 《突發事故應急管理辦法(試行)》 and the Emergency Plan for Extreme Weather 《極端天氣應急預案》 to put preventing various natural disasters caused by extreme weather first, ensuring the normal operation of production and living, resolutely preventing casualties caused by extreme weather, which is in line with the principle of people-oriented and safety first. On the basis of efforts such as anti-freezing and flood-control measures in 2022, the Company has upgraded the work system and regime, established a leading work group on extreme weather and an emergency team, carried out training and drills for emergency plans regularly, achieving zero record for the incidents caused by extreme weather throughout the year.

Intelligence-empowered Green Operation

Strictly abiding by the Energy Conservation Law of the People's Republic of China and other laws and regulations, Capital Jiaye has formulated and implemented the Energy Management Measures. The Company advocates low-carbon office and actively promotes the building of smart communities across the headquarters, the subsidiaries, the offices, and the communities under property management. In view of the nature of our businesses, we have not yet set quantitative management targets, and we manage the emissions mainly by gradually reducing the major emissions and emissions intensity. In pursuit of effective management, we regularly collect emission data and conduct statistical analysis, while adopting energy-saving measures and energy-saving retrofits based on the work needs, such as using low-energy-consumption devices, turning off air conditioners and office facilities in time, promoting paperless office, and switching off part of the lighting in public areas when it is not operationally required. Besides, we offer training and launch publicity campaigns on energy saving, consumption reduction, environmental protection, and emission reduction from time to time to raise all employees' awareness in these regards. In 2022, we took the following measures to decrease energy and resources consumption and reduce emissions of greenhouse gas, exhaust gas, and waste:

➤ Paperless office

The Company developed the Implementation Measures for Office Supplies Management of Beijing Capital Jiaye Property Services Co., Limited (Trial) to campaign for paperless office. Employees were urged to use electronic documents as much as possible, not to print if unnecessary. The Company also reasonably standardized the processes of using printers, commended double-sided printing, and encouraged employees to properly recycle paper. Having established its own electronic labor contract platform through "i BUCG" ("i 城建"), the Company phased the electronic means in for signing, renewing, amending, cancelling, and terminating labor contracts, and thus launching functions such as signing labor contracts by mobile terminal and forming a management mode characterized with online signing, blockchain-based management, and big data application. In this way, the Company was able to reduce the cost of operations and employee management and make paperless labor contract management a reality. In 2022, our total paper consumption was 19,196 kg.

➤ Green travel

The Company had the Administrative Measures for Use of Business Vehicles in place. Employees were encouraged to use public transportation as far as possible when travelling and share a ride if their destinations were along the same road; the Company implemented the approval system for use of business vehicles as well. Some offline meetings were switched to teleconference or video conference; other transportation including high-speed rail was recommended.

➤ **Water saving actions**

Placards were posted on the walls of main office areas to remind employees of saving water and thus enhancing their awareness. On a regular basis, we carried out water-saving activities by conducting thorough inspection on water leaks for projects under management and in office areas. The wastewater generated during our operations was treated with corresponding methods. Through these actions, we could use water resources efficiently.

➤ **Energy saving actions in offices**

From time to time, the Company would check if all computers, projectors in conference rooms, all-in-one printers, water dispensers, and other office facilities were turned off in the offices during off-duty hours and gradually helped employees develop good habits for building energy-saving offices; central turning air-conditioning on or off hinged on weather conditions, and the air conditioner temperature was set at 26 degrees centigrade, thereby saving energy and reducing consumption to the utmost.

➤ **Smart Communities**

The Company built a centralized control information center platform. On the one hand, centering around owners, the Company, and property developers, the platform has enriched the owners' life experience and quality through intelligent technology in an all-round manner and is dedicated to providing the communities with safe, comfortable, convenient, caring, and happy experiences; on the other hand, it delivers all-weather monitoring over electricity consumption by the communities to shift peak power consumption, supervises the operation of high-power-consuming equipment for reasonable use purposes, and improves the efficiency of property management while greatly increasing the efficiency of energy consumption management and control, which helps to add value to the Company's property operations.



“Jia Xiang Hui (佳享荟)” was launched

GO LOW CARBON AND MAKE DEVELOPMENT GREEN

➤ Energy saving retrofits

Energy-saving retrofitting can fully improve the working efficiency of water pumps and is of great significance to the enhancement of the Company's economic and social benefits. In 2022, in addition to its increased retrofitting efforts to boost the efficiency of water pumps, the Company also made endeavors in various aspects to effectively save energy and water, including regularly testing and repairing related equipment, building rainwater recovery systems, using water-saving facilities and equipment, and implementing management measures such as automatic sprinkler irrigation for landscaping.

Case: Energy-saving retrofit of the heat exchange station for Project Wangchunyuan

In August 2022, Capital Jiaye carried out an energy-saving retrofit for Project Wangchunyuan. Without affecting the heating effect, it replaced low-lift and large-discharge circulating pumps in the station to save electricity. Three low-zone circulating pumps and two high-zone ones have been replaced currently. After the replacement, the equipment in Wangchunyuan operated stably with a better heating effect, thus achieving effective energy saving.

➤ Energy-saving retrofit for parking lots

The Company completed the upgrading of lighting systems in many office buildings and underground garages through using the latest LED lights and installing intelligent monitoring systems, so as to save electricity to the greatest extent, reduce energy consumption, as well as decrease costs while increasing efficiency.

Case: Lighting retrofit of the garage for Project Longyue Bay in Qingdao city

There had been seriously damaged tube lights with relatively high power in the underground garage of Project Longyue Bay in Qingdao city under management of Capital Jiaye. In line with the principle of reducing consumption and increasing efficiency, Capital Jiaye replaced all the tube lights with energy-saving ones with aluminum housing, which can greatly cut down electricity consumption after the retrofit.

➤ Two key minor matters

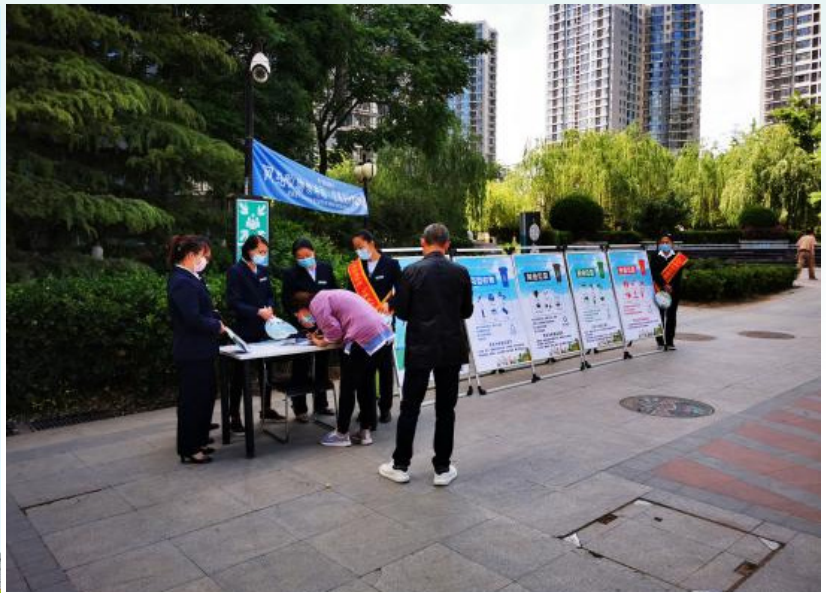
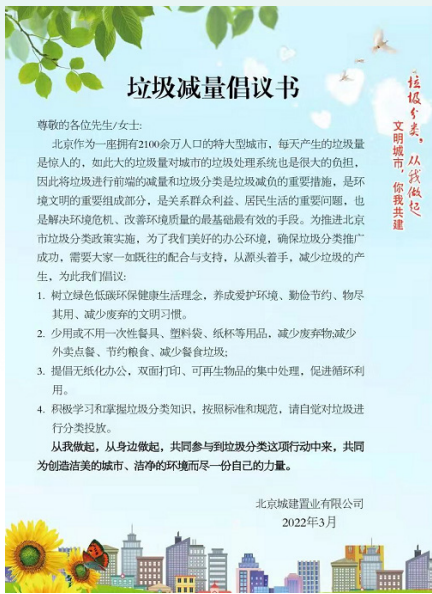
To do a good job in the two key minor matters, the Company launched various forms of publicity campaigns together with local subsidiaries. All of the employees signed a "Letter of Commitment to Domestic Garbage Sorting" and volunteered to join the waste sorting patrol working in the vicinity of the assorted dustbins. In 2022, a total of 25 projects of the Company were recognized as "Domestic Waste Sorting Demonstration Communities" by the authorities of Beijing municipality. The coverage rates of owners' committee (property management committee), Party organization work, and consultation and co-construction mechanism all reached 100%. A total of 1,015 assorted dustbin booths were installed across the board, of which 689 booths leveraged technology, accounting for 67.88%; a total of 1,914 employees took part in the waste sorting patrol. Voluntary guide teams were organized to help with garbage sorting after professional training; periodically, they knocked at the doors to offer an explanation of waste sorting to the residents with a warm, friendly, and patient attitude; 150,597 households were visited with the coverage rate reaching 100%.



In 2022, a total of

25 projects were recognized as “Domestic Waste Sorting Demonstration Communities” by the authorities of Beijing municipality

8 projects increase from the previous year



Publicity Campaigns of Waste Sorting

GO LOW CARBON AND MAKE DEVELOPMENT GREEN

➤ Effectiveness of “Green” Work

Capital Jiaye adhered to the Energy Management Measures when it came to the use of energy and resources. It implemented strict control over energy such as gasoline, electricity, natural gas and water resources, and carried out refined management through data collection, statistical analysis, software and hardware upgrade and other methods. It also extensively promoted the work of energy saving and consumption reduction, implemented the concept of green operation and green office, and raised overall employee awareness of low carbon and environmental protection, in order to work together to create a green workplace. The water sources of Capital Jiaye mainly came from the municipal water supply, and the Company had no problem in obtaining suitable water sources. In addition, Capital Jiaye is a service-oriented company that primarily offers property services to property owners and tenants and does not involve in the finished products and the use of related packaging materials.

Table: Energy consumption and intensity of Capital Jiaye (2021-2022)

Indicator	Unit	2022	2021
Gasoline	Liter	13,751	12,467
Gasoline intensity	Liter/100km	13.66	9.53
Diesel	Liter	1,980	/
Diesel intensity	Liter/100km	18.15	/
Electricity	MWh	135,338	121,071
Electricity intensity	MWh/million sq.m. of area under management	3,669.69	3,539.32
Natural gas	m ³	34,866,051	31,618,424
Natural gas intensity	m ³ /million sq.m. of area under management	945,391.84	999,318.08
Integrated energy consumption¹	MWh	447,705.57	433,888.00
Integrated energy consumption intensity	MWh/million sq.m. of area under management	12,139.52	13,426.07
Total water consumption	m ³	2,494,030.3	3,548,475.4
Total water consumption intensity	m ³ /million sq.m.	67,625.55	112,151.56

Given the diversity of the Group’s own business and the differentiation of its own projects, quantifying the energy and resource management targets is quite challenging. The Group’s management objective remains to improve the utilization of energy and water resources while reducing losses and consumption, so it continues to implement energy saving and consumption reduction in the course of daily operation. In the future, we will fully integrate technology and management to achieve data-based monitoring of energy and resources in energy-saving management, form precise and quantified management targets, and continuously enhance the awareness of environmental protection and energy-saving among employees to accelerate the implementation of sustainable work.

1 The calculation of integrated energy consumption is based on the General Principles of Comprehensive Energy Consumption Calculation GB/T 2589-2020.

Capital Jiaye also complies with a series of relevant regulations such as Environmental Factors Identification and Evaluation Management Regulations, Energy Management System and Environmental Management System, clarifies the detailed rules of emission management and adopts different treatment methods for different emissions to ensure operational compliance and reasonableness and minimize the negative impact of its business on the environment.

The main sources of greenhouse gases and exhaust gases produced by the Group are automobile exhaust emissions, emissions from burning of fossil fuel such as natural gas (heating boilers, restaurants), and greenhouse gas emissions from purchased electricity and heat consumption. Projects under management and areas under management in 2022 increased as compared to 2021, with a corresponding increase in greenhouse gas emissions. In 2022, the direct greenhouse gas emissions of Capital Jiaye amounted to 75,395.90 tons of carbon dioxide equivalent, and the indirect greenhouse gas emissions amounted to 77,183.37 tons of carbon dioxide equivalent, totaling 152,579.27 tons of carbon dioxide equivalent. The greenhouse gas emission intensity was 4,137.18 tons of carbon dioxide equivalent per million square meters. The exhaust gas emission of the Group includes nitrogen oxide, sulfur oxide and particulate matter, which are mainly generated by the heating of boilers of the subordinate units. Capital Jiaye has installed automatic monitoring facilities at some of the discharge outlets to monitor the exhaust gas emission dynamically, while the emissions from the rest discharge outlets are regularly inspected by third-party professional institutions. As a result, all exhaust gas emissions are put under effective monitoring. In the future, we will continue to empower property management by energy-saving technologies, optimize outdated, energy-intensive facilities and equipment, and choose devices equipped with intelligent software and hardware, in order to control greenhouse gas and exhaust gas emissions in an all-round manner.

Table: Greenhouse gas² emissions of Capital Jiaye (2021-2022)

Indicator	Unit	2022	2021
Direct greenhouse gas emissions	ton of carbon dioxide	75,395.90	69,961.54
Indirect greenhouse gas emissions	ton of carbon dioxide	77,183.37	60,300.55
Total:	ton of carbon dioxide	152,579.27	130,262.09
Greenhouse gas emission intensity	ton of carbon dioxide/million square meters of area under management	4,137.18	4,117.01

Table: Exhaust gas emission of Capital Jiaye (2021-2022)

Indicator	Unit	2022	2021
NOx	kg	15,645	11,307
Sulphur oxides	kg	805	530
Particulate matter	kg	346	240

2 The greenhouse gas emitted by the Company is mainly carbon dioxide, and other greenhouse gas emissions are not applicable; the total greenhouse gas emissions are equal to the sum of direct greenhouse gas emissions and indirect greenhouse gas emissions; direct greenhouse gas emissions of the Company include greenhouse gas emissions generated from gasoline, diesel, and natural gas consumption, and indirect greenhouse gas emissions include indirect greenhouse gas emissions generated from purchased electricity and purchased heat. The direct greenhouse gas emissions and indirect greenhouse gas emissions are calculated with reference to the Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Public Buildings Operating Enterprises (Trial) 《公共建築運營企業溫室氣體排放核算方法和報告指南(試行)》.

GO LOW CARBON AND MAKE DEVELOPMENT GREEN

The Group's waste mainly consists of hazardous waste (such as waste batteries, cartridges and toner drum) and non-hazardous waste (such as harmless decoration waste and paper). In order to better perform the environmental management work, Capital Jiaye keeps upholding the management strategy of "ensuring 100% timely removal of household and green waste, 100% sorted collection and recovery of solid waste, and zero occurrence of annual environmental pollution accidents (incidents)". The Company effectively disposes of various types of waste to reduce the adverse impact of waste on the environment based on the type of waste, with reference to national and local policies and regulations and under the assistance of professional and compliant third-party institutions. In 2022, Capital Jiaye produced 3.76 tons hazardous waste from the operation, with a discharge density of 0.10 tons per million square meters, and 422.3 tons of non-hazardous waste, with a discharge density of 11.45 tons per million square meters. Specific to garbage removal, Capital Jiaye set up different types of garbage bins in the projects to collect garbage, reasonably disposed of garbage according to the requirements of garbage classification, recorded the production volume of various types of garbage, made data analysis, and engaged qualified garbage removal units that meet the national requirements to carry out garbage removal according to the requirements of the Household Waste Management Regulations of Beijing. Meanwhile, it promoted the garbage classification and advocated all staff to reduce the amount of waste.

Capital Jiaye has not yet quantified an enforceable emission reduction target according to the actual conditions of the Group's business, but we will continue to accumulate management and control experience and precipitate relevant data, with a view to setting reasonable and effective management targets, so as to efficiently conduct management and control work. In the future, the Group will keep complying with relevant laws and regulations, continue to optimize waste management methods, strictly manage waste at each process, practice top-down environmental protection awareness, call on all staff to reduce waste emissions and do a good job in reducing emissions, in a bid to contribute to environmental protection.

Table: Waste discharges of Capital Jiaye (2021-2022)

Indicator	Unit	2022	2021
Non-hazardous waste	tons	422.3	2,004.55
Hazardous waste	tons	3.76	3.23
Non-hazardous waste density	tons/million square meters	11.45	63.35
Hazardous waste density	tons/million square meters	0.10	0.10

Notes:

1. The scope of environmental data collection in 2022 included the corporate headquarters and office areas of subordinate companies;
2. The total amount of non-hazardous waste included domestic waste, kitchen waste, recyclable waste, decoration waste, etc.;
3. The total amount of hazardous waste included toner drum, cartridges, expired drugs, batteries, masks, hazardous paints, etc.;
4. Total water consumption decreased significantly compared to last year, due to the non-deduction of some agency collection and payment items in 2021;
5. The intensity of greenhouse gas emissions and the density of non-hazardous and hazardous waste were calculated by using 36.9 million square meters, the area under management of Capital Jiaye in 2022, as the denominator.

FULFILL SOCIAL RESPONSIBILITY AND WIN THE ANTI-EPIDEMIC BATTLE

It is the duty of property companies to fulfill their social responsibility. As a state-owned enterprise, Capital Jiaye always bears its mission in mind and has made its contribution to the fight against the epidemic, the Winter Olympics and the building of civilized cities and red communities. Taking the demands of the country and the society as its own responsibilities, Capital Jiaye has done its best to be the “red steward” of the cities where it is located.

Face up to the Challenges of Epidemic Prevention and Control as a Responsible State-Owned Enterprise

In 2022, in the face of a complicated situation where strict epidemic prevention and control measures were in force, Capital Jiaye strictly implemented various epidemic prevention and control measures in a timely and effective manner. With a strong sense of responsibility, Capital Jiaye resolved to win the anti-epidemic battle and to save every life by forming a solid defense against virus transmission. In 2022, there are five emergency security projects under the management of Capital Jiaye, namely Xiji Health Station, Taihu Direct Entry Emergency Security Project, Xinghang Apartment Security Project, Linhe Security Project and Guozhan Mobile Cabin Hospital. In order to ensure the normal operation of the projects and complete the tasks of emergency service protection with a high standard, Capital Jiaye assigned a large number of management personnel to these tasks.

The era of epidemic lockdown and control has gone, but Capital Jiaye will not stop its pace of high-quality development. In the future, Capital Jiaye will actively summarize the experience gained from various emergency protection operations and services and the striving spirit displayed in these efforts, and apply such experience and spirit of commitment to the production and operation of the Company, so as to fulfill Capital Jiaye’s original mission of being the “red steward” of Beijing, and it will work tirelessly to make the Company a nationally renowned provider of city service and better life service.

FULFILL SOCIAL RESPONSIBILITY AND WIN THE ANTI-EPIDEMIC BATTLE

Case 1: Ensuring the construction of mobile cabin hospital

On the eve of the May Day of 2022, Capital Jiaye undertook the construction service guarantee task for renovation of the large-scale mobile cabin hospital in Shunyi with a high sense of political responsibility, and provided the participated building units with assembly and maintenance of container houses, catering delivery, security & cleaning, equipment operation and maintenance and other services. In November, faced with the new challenge of opening the mobile cabin hospital in the New China International Exhibition Center, under the leadership of the party committee of the Group, Capital Jiaye organized a large number of cadres and employees to rush to the front line to fight the epidemic and devote themselves to various tasks relating to the operation and maintenance service guarantee of the mobile cabin hospital in the New China International Exhibition Center.



Operation and maintenance services for mobile cabin hospital

FULFILL SOCIAL RESPONSIBILITY AND WIN THE ANTI-EPIDEMIC BATTLE

It is an arduous task and heavy duty to provide service guarantee for the mobile cabin hospital in the New China International Exhibition Center, the first and largest mobile cabin in Beijing. Under the unified deployment of the Party Committee of BUCG, the Company established a joint party branch and a youth commando. By adhering to the iron army spirit of “being especially able to endure hardship, especially able to fight, and especially able to contribute”, the cadres and employees who were fighting at the front line of emergency security projects for the mobile cabin hospital in the New China International Exhibition Center cumulatively completed more than 6,000 urgent missions in the cabin, cleaned up more than 120,000 kilograms of medical waste, delivered more than 15,000 orders to patients with special needs, and provided 446,000 meals, making contributions to the overall epidemic prevention and control in Beijing as a state-owned enterprise. During the anti-epidemic period, Capital Jiaye and its subordinate units won the title of “Advanced Unit of the Mobile Cabin Hospital in the New China International Exhibition Center”. 26 employees including Zhang Weize, secretary of the party committee and chairman of the Company, won the honorary title of “Advanced Individual of the Mobile Cabin Hospital in the New China International Exhibition Center”.



Rising to combat the pandemic and fulfill our mission

FULFILL SOCIAL RESPONSIBILITY AND WIN THE ANTI-EPIDEMIC BATTLE

Case 2: Protecting owners' health and safety

During the epidemic control period in Beijing in November 2022, the Company's subsidiary, BUCG Properties, quickly took actions, shouldered the responsibility for epidemic prevention and control, firmly insisted on guard and defense with joint efforts, and gave top priority to the health and safety of customers and owners, so as to win the battle of epidemic prevention and control steadfastly. In the face of the complicated epidemic situation, BUCG Properties implemented seven full-coverage measures for commercial buildings under management in an all-round way, including "full coverage of entry and exit registration, full coverage of body temperature monitoring, full coverage of mask distribution and wearing, full coverage of disinfection in office areas, full coverage of health information registration, full coverage of restaurant hygiene management, and full coverage of health code verification", and did not miss any details, so as to build a "safety net" for epidemic prevention and control across the region.



Capital Jiaye's service personnel carried out disinfection in commercial buildings and communities



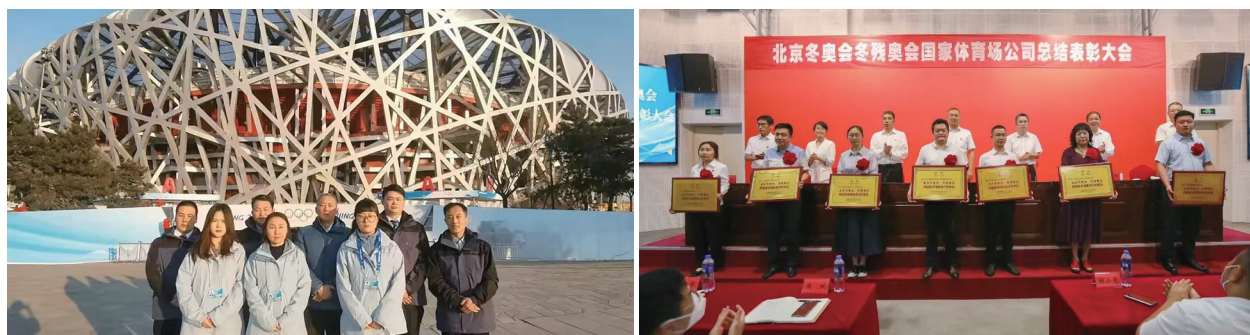
Actively Undertake Social Responsibility and Fully Respond to National Strategies

As a state-owned holding company, Capital Jiaye undertakes important social responsibilities and social obligations. Capital Jiaye, as the “red steward” of Beijing, actively integrates itself into the major national development strategies under the new development opportunity of the second centenary goal of building a modern socialist country in an all-round way. The Company keeps a foothold in Beijing and provides services for the whole country, and contributes to the country’s construction of a better life in the new era!

Case 1: Providing service guarantee for the Winter Olympics

In the face of the ongoing COVID-19 pandemic, the project team of Capital Jiaye strictly controlled the number of employees to more than 40 in accordance with the instructions of the Winter Olympics Organizing Committee and the stadium, with nearly one-third of the personnel put under closed-loop management. The project team had all holiday breaks cancelled since November 2021 and was kept on 24-hour call to the preparatory and guarantee work relating to the Winter Olympics. One month before the opening and closing ceremonies of the Winter Olympics, Capital Jiaye, on a crash basis, installed more than 60 plasma sterilizers, blocked the traffic flow from areas put under closed-loop management because of the pandemic, laid cover on all toilet sanitary ware as well as signs on indoor and outdoor machine at the venue, and removed 10 glass curtain wall doors used to fix the four-story box.

All kinds of emergencies posed a huge challenge to the project team’s ability to coordinate operations, professional and technical capabilities, psychological endurance and emergency reserves in the face of emergencies. With the support of the Company, the project team overcame difficulties with a strong sense of responsibility and dedication, and successfully completed various urgent, difficult, dangerous and arduous guarantee tasks.



Capital Jiaye’s service personnel completed the guarantee work relating to the Winter Olympics

FULFILL SOCIAL RESPONSIBILITY AND WIN THE ANTI-EPIDEMIC BATTLE

Case 2: Rent reduction or exemption for small and micro enterprises

In 2022, in order to alleviate the operating difficulties brought by the epidemic to small and micro enterprises, Capital Jiaye completed the 2022 house rent reduction or exemption work for 29 small and micro enterprises, resulting in a total reduction or exemption amount of RMB4.4088 million.

Case 3: Successful achievement of various poverty alleviation indicators

In 2022, Capital Jiaye actively implemented the work of rural revitalization, and made steady progress in poverty alleviation through consumption and employment. It purchased RMB530,000 worth of poverty alleviation products and donated three public welfare posts to Purchaqchi Town, Moyu County, Xinjiang, successfully achieving the year's poverty alleviation tasks and indicators.

Case 4: Cooperating with Beijing Dongcheng District to promote the renovation of old residential communities

Capital Jiaye further strengthened its cooperation with the government and actively participated in urban construction through joint construction and joint ventures, consolidating its position as a leading enterprise in red properties. In 2022, Capital Jiaye partnered with the Dongcheng District Government of Beijing to carry out the comprehensive renovation project for old Buildings 2-9 of Fahua Nanli. It made every effort to meet public expectations, and worked closely with all parties to enhance the overall function and quality of the Fahua Nanli community.



Capital Jiaye initiated comprehensive renovation project for old buildings of Fahua Nanli

APPENDIX: CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

Areas	Aspects	Performance indicators	Adoption
Environmental	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.	Go low carbon and make development green
		A1.1: The types of emissions and respective emissions data.	Go low carbon and make development green
		A1.2: Direct (scope 1) and energy indirect (scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Go low carbon and make development green
		A1.3: Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Go low carbon and make development green
		A1.4: Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Go low carbon and make development green
		A1.5: Description of emissions target(s) set and steps taken to achieve them.	Go low carbon and make development green
		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.	Go low carbon and make development green

**APPENDIX: CONTENT INDEX OF THE ENVIRONMENTAL,
SOCIAL AND GOVERNANCE REPORTING GUIDE**

Areas	Aspects	Performance indicators	Adoption
	A2 Use of Resources	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials.	Go low carbon and make development green
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).		Go low carbon and make development green	
A2.2: Water consumption in total and intensity (e.g. per unit of production volume, per facility).		Go low carbon and make development green	
A2.3: Description of energy use efficiency target(s) set and steps taken to achieve them.		Go low carbon and make development green	
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.		Go low carbon and make development green	
A2.5: Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.		Not applicable to the Company's business	



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Areas	Aspects	Performance indicators	Adoption
	A3 Environment and Natural Resources	General Disclosure: Policies on minimising the issuer’s significant impacts on the environment and natural resources.	Go low carbon and make development green
		A3.1: Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Go low carbon and make development green
	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.	Go low carbon and make development green
		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.	Go low carbon and make development green
Social	B1 Employment	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuers relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Achieve common development and co-build a harmonious enterprise
		B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Achieve common development and co-build a harmonious enterprise
		B1.2 Employee turnover rate by gender, age group and geographical region.	Achieve common development and co-build a harmonious enterprise

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Areas	Aspects	Performance indicators	Adoption
	B2 Employee 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.	Achieve common development and co-build a harmonious enterprise
		B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Achieve common development and co-build a harmonious enterprise
		B2.2 Lost days due to work injury.	Achieve common development and co-build a harmonious enterprise
		B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Achieve common development and co-build a harmonious enterprise
	B3 Development and Training	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Achieve common development and co-build a harmonious enterprise
		B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Achieve common development and co-build a harmonious enterprise
		B3.2 The average training hours completed per employee by gender and employee category.	Achieve common development and co-build a harmonious enterprise

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Areas	Aspects	Performance indicators	Adoption
	B4 Labor Standards	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Achieve common development and co-build a harmonious enterprise
		B4.1 Description of measures to review employment practices to avoid child and forced labor.	Achieve common development and co-build a harmonious enterprise
		B4.2 Description of steps taken to eliminate such practices when discovered.	Not applicable to the Company's business
	B5 Supply Chain Management	General Disclosure: Policies on managing environmental and social risks of the supply chain.	Achieve common development and co-build a harmonious enterprise
		B5.1 Number of suppliers by geographical region.	Achieve common development and co-build a harmonious enterprise
		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.	Achieve common development and co-build a harmonious enterprise
		B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Achieve common development and co-build a harmonious enterprise
		B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Achieve common development and co-build a harmonious enterprise

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Areas	Aspects	Performance indicators	Adoption
	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, labelling and privacy matters relating to products and services provided and methods of redress.	Upgrade service offerings and renew customer experience
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Company's business
		B6.2 Number of products and service related complaints received and how they are dealt with.	Upgrade service offerings and renew customer experience
		B6.3 Description of practices relating to observing and protecting intellectual property rights.	Achieve common development and co-build a harmonious enterprise
		B6.4 Description of quality assurance process and recall procedures.	Not applicable to the Company's business
		B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Upgrade service offerings and renew customer experience



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Areas	Aspects	Performance indicators	Adoption
	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.	Integrity building
		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.	Integrity building
		B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Integrity building
		B7.3 Description of anti-corruption training provided to directors and staff.	Integrity building
	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.	Fulfill social responsibility and win the anti-epidemic battle.
		B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Fulfill social responsibility and win the anti-epidemic battle.
		B8.2 Resources contributed (e.g. money or time) to the focus area.	Fulfill social responsibility and win the anti-epidemic battle.

