

金融街物業股份有限公司

FINANCIAL STREET PROPERTY CO., LIMITED

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

Stock Code : 1502

2022

Environmental, Social and
Governance Report



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About the Report

REPORT OVERVIEW

This report is the third Environmental, Social and Governance Report (“**ESG Report**”) published by Financial Street Property Co., Limited (“**Financial Street Property**”, the “**Company**” or “**we**”), and aims to disclose the sustainable development performance of the Company over the past year in a transparent and open manner, in response to the concerns and expectations of various stakeholders regarding the Company’s sustainable development. This report should be read in conjunction with the Corporate Governance Report in the 2022 Annual Report of the Company to help readers gain a more comprehensive understanding of the ESG performance of the Company.

REPORTING SCOPE

This report covers the reporting period from 1 January 2022 to 31 December 2022 (the “**Year**”), with appropriate extensions forward or backward in certain parts to enhance comparability and completeness of the report. Unless otherwise stated, the scope of this report is consistent with the 2022 Annual Report of the Company.

REPORTING STANDARDS

This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) of Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”), strictly fulfils the disclosure obligations of the “comply or explain” provisions, and discloses key performance indicators (KPIs) based on the business nature of the Company. The content index of the ESG Reporting Guide is presented in the appendix to this report to provide readers with an overview of the Company’s ESG performance.

REPORTING PRINCIPLES

Reporting Principles	Definition	Company’s Response
Materiality	When the board of directors determines that ESG issues have a significant impact on investors and other stakeholders, the issuer should report on these matters.	This report identifies material sustainability issues through continuous communication with stakeholders and combining with its own business nature and operation methods and prioritizes material issues.

About the Report (Continued)

Reporting Principles	Definition	Company's Response
Quantitative	Key performance indicators relating to historical data are measurable and the issuer should set targets (which can be actual figures or directional, forward-looking statements) to reduce individual impact. In this way, the effectiveness of ESG policies and management systems can be assessed and validated. Quantitative information should be accompanied by a narrative, explaining its purpose and impacts, and providing comparative data where appropriate.	This report discloses environmental and social key performance indicators quantitatively where practicable and includes relevant notes to facilitate readers' better understanding of our achievements.
Balance	The ESG Report should provide an unbiased picture of the issuer's performance, and should avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.	Based on objective facts, this report elaborates the sustainability issues that have significant impacts on the business and discloses relevant performance.
Consistency	The issuer should use consistent methodologies to allow for meaningful comparisons of ESG data over time.	The scope of disclosure of this report is broadly aligned with the disclosure methodology every year for readers to compare relevant performance data.

SOURCE OF INFORMATION

The information disclosed in this report has been derived from official documents of Financial Street Property, statistical data or public information, and has been reviewed in accordance with internal control mechanism and review procedures. The Board is responsible for the adequacy and appropriateness of the contents of this report and warrants that there are no false records or misleading statements contained in, or material omissions from this report.

RELEASE METHOD

This report is prepared in both Chinese and English, and published in electronic format, and has been uploaded to the official website of Financial Street Property at www.jrjlife.com and the website of the Hong Kong Stock Exchange at www.hkexnews.hk. In case of inconsistencies or discrepancies between the Chinese and English versions of this report, the Chinese version shall prevail.

CONFIRMATION AND APPROVAL

This report was confirmed and approved by the Board on 23 March 2023.

About Financial Street Property

COMPANY PROFILE

Founded in May 1994, Financial Street Property Co., Limited (stock code: 1502.HK), being one of the leading comprehensive property management service providers for commercial and business properties in China, focuses on mid-to high-end property management services. The Company has been providing property management services for over 28 years, and has expanded its management project presence across six regions (namely Northern China, Southwestern China, Eastern China, Southern China, Northeastern China and Central China), covering a wide range of properties and providing property owners and residents with tailored quality services through a one-stop service platform to improve the quality and satisfaction of their living and working space.

BUSINESS MODEL

The Company focuses its strategic positioning on the operations of high-end commercial properties, adheres to the corporate mission of “serving elites and benefiting the public (服務精英·福澤大眾)” to provide customers with high-quality and professional property services. With our extensive experience in providing property management and related services, we have replicated and promoted the property management model in the Beijing Financial Street area to other financial business districts in key regions across the country. Our business areas cover 16 provinces and cities in six regions, namely Northern China, Eastern China, Southern China, Southwestern China, Northeastern China and Central China. The types of business include property management, hotel operation, community elderly care, real estate brokerage, catering services, etc. The Company has developed into a property service enterprise with first-class management concepts, professional information management platform, green energy management and mid-to high-end commercial property services as its core competitiveness.

BUSINESS RISKS

The Company is principally engaged in property management services business in mainland China. The property management industry is closely related to China's macroeconomic development and real estate industry. The Company may also be affected by the uncertainty of the aforementioned external factors in the future. In 2022, there were no major risk events affecting the Company.

About Financial Street Property (Continued)

CORPORATE HONOURS

Since its establishment, the Company has combined its own property management experience and in-depth analysis of the internal needs of property owners to provide tailored full life cycle products and services and a more convenient lifestyle for our customers. In 2022, the Company was awarded a number of honours and awards from government agencies and industry associations.

Award	Awarding institution
2022 Top 100 Property Management Companies in China	Beijing China Index Academy
2022 China Office Property Management Outstanding Companies	Beijing China Index Academy
2022 China Top 100 Leading Property Management Companies in terms of Service Quality	Beijing China Index Academy
2022 China Leading Property Management Companies in terms of Characteristic Service — Commercial Properties Services	Beijing China Index Academy
2022 China Property Service Industry Demonstration Base — The Golden Valley	Beijing China Index Academy
2022 China Property Service Industry Demonstration Base — Ronghu Jingyuan	Beijing China Index Academy
2022 China Property Management Professional Operation Leading Brand Companies	Beijing China Index Academy
2022 China Property Management Companies in terms of Characteristic Service — Commercial Properties Management	Beijing China Index Academy
2022 China Excellent Brand of Office Building Property Services	Beijing China Index Academy
2022 TOP 5 Leading Listed Property Companies with Development Potentials	CRIC Property Management, Shanghai E-house Real Estate Research Institute
2021 Institutions Participating in the Campaign for Green Development (3-Star) — Financial Street Property Co., Limited	Beijing Social Enterprise Quality Association, Beijing Society for Environmental Science
2021 Institutions Participating in the Campaign for Green Development (3-Star) — Tongtai Building	Beijing Social Enterprise Quality Association, Beijing Society for Environmental Science
2021 Institutions Participating in the Campaign for Green Development (3-Star) — Jinjia Building	Beijing Social Enterprise Quality Association, Beijing Society for Environmental Science
The first prize of the 36th Beijing Enterprise Management Modernization Innovation Achievement	Beijing Enterprise Management Modernization Innovation Achievement Examination Committee

About Financial Street Property (Continued)

Award	Awarding institution
The second prize of the Outstanding Achievements in Corporate Culture of Beijing for 2022	Beijing Enterprise Management Modernization Innovation Achievement Examination Committee
2022 Shanghai Property Management Excellent Model Project — Hailun Centre	Shanghai Property Management Association

Board Statement

The Board is honoured to present the 2022 ESG Report of the Company, which reports on the Company's concepts and practices related to ESG issues from 1 January 2022 to 31 December 2022. This report is prepared based on the reporting principles of materiality, quantitative, balance and consistency.

It was stated in the report to the 20th National Congress of the CPC that “the new development concept must be implemented completely, accurately and comprehensively” and “China will accelerate creating a new development pattern and pursue high-quality development”, which indicated the direction and provided basic guidance for us to face the challenges brought about by the major changes unseen in a century and to eliminate obstacles to development in a highly uncertain environment, to enhance the momentum of development, and to strengthen our advantages in development. In terms of specific measures to achieve high-quality development, it was stated in the report to the 20th National Congress of the CPC that “promoting green and low-carbon economic and social development is the key to achieving high-quality development”, which was a major judgment based on the strategic deployment of accelerating the green transformation of the development pattern as well as promoting the harmonious coexistence of man and nature for Chinese modernization. ESG will receive greater attention in China and gradually become an important reference standard for measuring the high-quality and sustainable development of modern enterprises.

In this context, Financial Street Property further recognizes the importance of ESG, and continues to take a number of specific measures to further promote sustainable development:

In terms of sustainable development governance, the Board members continued to communicate with stakeholders, kept abreast of the trend of important ESG issues, made every effort to meet stakeholders' expectations, with emphasis on such important issues as employees' physical and mental health, employees' rights and interests and information security protection; formulated ESG strategic objectives, and participated in the discussion, assessment and analysis of material issues, and coordinated resource allocation, so as to truly implement ESG work; identified and analysed the overall risks on an annual basis to formulate corresponding measures.

In terms of improvement of service quality, the Company has strengthened standardisation, professionalization and intellectualisation; optimised brand promotion concept while building a brand management system; placed emphasis on handling customer complaints, and improved owner satisfaction, with the overall satisfaction increased to 91.6% in 2022, reaching the industry benchmark level, and won the award of “China Top 100 Leading Property Management Companies in terms of Service Quality” for six consecutive years. The Company was brave and determined to assume responsibility in epidemic prevention and control, and pragmatic in conducting safety inspection to protect owners' health and safety with best efforts.

In terms of integrity construction, the Company strictly abides by relevant laws and regulations to keep reporting channels unimpeded, and has actively carried out integrity education and publicity, organized anti-corruption training, and strengthened the education and supervision of all employees to effectively prevent management risks. In terms of compliance, the Company has enhanced special audit and emphasized the protection of intellectual property rights; further optimized the supply chain management system and the management of integrity of suppliers. In 2022, there was no litigation against the Company and the employees due to corruption.

Board Statement (Continued)

In terms of protecting the rights and interests of employees, the Company strictly abides by laws and regulations relating to employees' rights and interests to protect the basic rights and interests of employees. We have provided equal employment, care for employees, and provided employees with competitive remuneration and benefits, and a good learning platform and development promotion mechanism to help them better enhance their own capability and realize their own value through diversified and customized training programs.

In terms of green energy conservation, we pay attention to the harmonious development of humans and nature and we are committed to the provision of high-quality services. The Company actively participated in the campaign of "National Energy Efficiency Promotion Week" launched by Xicheng District Commission of Development and Reform of Beijing Municipality, provided support on carbon peak and carbon neutrality, set targets for energy conservation and consumption reduction based on relevant industry regulations and the actual situation of the enterprise, actively took various energy conservation measures, and passed the annual energy-saving assessment and energy-saving supervision and inspection of Xicheng District Commission of Development and Reform of Beijing Municipality. At the same time, the Company continuously optimized the energy management mechanism and passed the energy management system certification; vigorously promoted energy conservation and emission reduction, and further optimized a number of emission indicators compared with 2021; in respect of the risks brought by climate change, compiled a risk identification and assessment table and took proactive precautions and countermeasures.

In terms of assuming social responsibilities, the Company actively responded to the Party and the State's call and participated in the prevention and control of the epidemic. We established a special steering group on epidemic prevention and control to timely adjust the prevention and control mechanism in line with the actual situation from the Board to the management, to functional departments and project juniors, to maintain the safety and order of the projects served. The Company offered practical services and brought tangible benefits to the people, cared for the disadvantages and spread positive energy. In addition, the Company organized and participated in social welfare activities, purchased poverty-relief products, and employees actively participated in blood donation and caring activities.

Given the severe challenge of global crisis, consensus has been formed on the ESG concept among the international and domestic communities, and the ESG ecology and the overall environment have been improved. Looking ahead, Financial Street Property will stay true to its original intention, forge ahead, continue to carry forward the spirit of pioneering, innovation and aggressiveness, actively explore and take the initiative to promote sustainable development in the new era, and provide customers with a happy and beautiful living space.

Sustainable Development Governance and Identification of Key Issues

Financial Street Property adhered to the corporate mission of “serving elites and benefiting the public”, and provided customers with high-quality and professional property services. We also actively aligned with the sustainable development goals of the United Nations, responded to policies of the Party and the state, adhered to and implemented the concept of “promoting green development and ensuring harmony between humanity and nature” of the 20th National Congress, took the path of energy conservation and emission reduction, environmental protection and sustainable development, explored green and low-carbon production and lifestyle, followed the development trend of the times to maintain and foster the sustainable and stable development of human and natural resources and deeply integrate such concept into our business philosophy, with a view to better achieve the goal of a better life, while creating long-term value for shareholders.

In order to fully implement ESG-related work, we have established an ESG management system, which is led by the Board, under the responsibility of the management with coordinated cooperation across departments and linkage up and down, to ensure that environmental and social-related risks involved in various businesses are actively identified and properly managed, and that ESG concepts and related strategies are fully implemented. The Board is responsible for the formulation of the Company’s ESG strategies and objectives; the management serves as the ESG leading group for the implementation of the ESG strategies and objectives; various departments of the headquarters form an ESG working group, and are responsible for the implementation of specific ESG work in their respective fields of work; all subsidiaries and branches carry out local ESG-related work under the guidance of the ESG working group.



Figure: ESG Governance Structure of Financial Street Property

Sustainable Development Governance and Identification of Key Issues (Continued)

STAKEHOLDERS AND COMMUNICATION METHODS

Based on the characteristics of the Company's actual business and operation management, we have identified environmental, social and governance stakeholders in a more detailed manner compared with the ESG report for 2021, mainly including government and regulatory authorities, shareholders and investors, customers and property owners, employees (including junior and mid-level employees and senior management), suppliers and partners, media and non-governmental organizations, communities, etc. We believe that strengthening communication with stakeholders and understanding their expectations and demands can lay a foundation for ESG governance and long-term development of the Company. We have established targeted and diversified communication channels for different stakeholders. The following table shows the key issues of concern of each stakeholder and the main communication methods:

Table: Issues of concerns of stakeholders and main communication methods

Key Stakeholders	Key ESG Issues	Main communication methods and channels
Government and regulatory authorities	Emissions, employment, employees' rights and interests, supply chain management, product responsibility, anti-corruption and community investment	Policy consultation, work reporting, information disclosure, regular inspections and regulatory meetings
Shareholders and investors	Employment, product responsibility, and anti-corruption	Daily reception, shareholder meeting, information disclosure, investor hotline and mailbox, and company website
Customers/property owners	Information security protection, product responsibility, and health and safety	Service hotline, official website, satisfaction survey, information disclosure, and community activities
Employees (junior and middle-level employees)	Employment, employees' rights and interests, health and safety, development and training and labour standards	Employee congress, labour union, petition and direct communication
Employees (senior management)	Employees' rights and interests, supply chain management, product responsibility, business compliance and anti-corruption	Interviews, questionnaires and direct communication
Suppliers/Partners	Use of resources, supply chain management, information security protection and anti-corruption	Public tendering procedures, contract negotiations, daily business exchanges, etc.
Media and NGOs	Emissions, use of resources, the environment and natural resources, climate change, employment, supply chain management and product responsibility	Social media, company website, press conferences, and communication meetings

Sustainable Development Governance and Identification of Key Issues (Continued)

Key Stakeholders	Key ESG Issues	Main communication methods and channels
Community	Emissions, use of resources, the environment and natural resources, and community investment	Community education and publicity, seminars and exchanges, public welfare activities, and community activities
Industry associations	Employment, product responsibility, Anti-corruption, supply chain management, and climate change	Regular communication meetings, information disclosure and social media

IDENTIFICATION AND ANALYSIS OF MATERIAL ESG ISSUES

In order to further assess the level of concerns and expectations of stakeholders on the Company's ESG-related issues and clarify the key areas of ESG practices, we identified, analysed and evaluated the material ESG issues in 2022 through ESG issues identification, stakeholder research, issued materiality analysis, and management feedback confirmation. The content of issues were further refined based on the issues identified in 2021 and 4 new issues were added compared with the report for 2021.

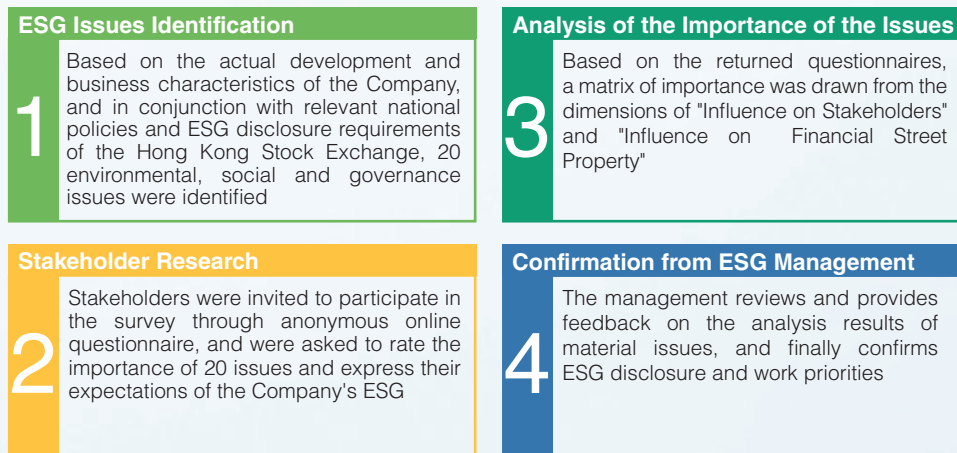


Figure: Materiality Assessment Process of ESG Issues

Sustainable Development Governance and Identification of Key Issues (Continued)

We carried out materiality assessment in accordance with the above procedures. By analysing the survey results of stakeholders, we developed a materiality matrix of 20 ESG issues.



Figure: Analysis Matrix of ESG Materiality Issues of Financial Street Property in 2022

Note:

In above table Q1: Emissions; Q2: Use of resources; Q3: Environment and natural resources; Q4: Climate change; Q5: Employment; Q6: Employee career development; Q7: Physical and mental health of employees; Q8: Employees’ rights and interests; Q9: Supply chain management; Q10: Community activities and community culture; Q11: Health and safety of customers/owners; Q12: Product and service quality; Q13: Intellectual property protection; Q14: Information security protection; Q15: Community investment; Q16: Business compliance and standardization; Q17: Anti-corruption and anti-money laundering; Q18: Board supervision; Q19: Risk identification; Q20: Regular communication.

In the matrix of the influence on Financial Street Property expressed on the horizontal axis and the influence on stakeholders expressed on the longitudinal axis, we classified the material issues into three levels, the area at the upper right corner indicates the importance as “very important”, the area at the lower left corner indicates the importance as “less important”, and the intermediate area indicates the importance as “important”. The results showed that the physical and mental health of employees, employees’ rights and interests, information security protection, anti-corruption and anti-money laundering, employment, product and service quality, employee career development and supply chain management were of the highest importance. Based on the results of the above ESG materiality assessment, we disclosed the key issues in detail in the corresponding sections to better respond to the concerns and expectations of various stakeholders.

Sustainable Development Governance and Identification of Key Issues (Continued)

RISK MANAGEMENT AND INTERNAL CONTROL

In accordance with the requirements of the Guidelines for Comprehensive Risk Management of State-owned Enterprises and based on the GB/T 24353–2009 Risk Management — Principles and Implementation Guidelines, the Company has formulated the Comprehensive Risk Management Manual, which clarifies the risk management organization system and the division of responsibilities, and builds the “three lines of defence” for risk management. In 2022, Financial Street Property revised the Comprehensive Risk Management Manual, highlighting the evaluation of corporate internal control that need to be covered by comprehensive risk management and the regulatory policy changes in the rules governing listed companies on the Hong Kong Stock Exchange. At the same time, according to its actual situation, the Company rationalized and updated the risk management organizational system and division of responsibilities, and built the “three lines of defence” with practical significance in risk management.

The revised Comprehensive Risk Management Manual provides comprehensive coverage of enterprise risks in the areas of risk identification, assessment, response and improvement, emphasized the integration and coordination of risk management and business operations based on available information. It is aimed at minimizing risks as far as practicable through a series of control regime.



Figure: Risk Management Process

According to the Comprehensive Risk Management Manual, the risk categories include five categories: strategic risk, financial risk, market risk, operational risk and legal risk. Risk identification and assessment of daily operation and management of the above risk categories are carried out to form a risk database. For major risks, the Company conducts major risk identification and assessment in two dimensions: the likelihood of occurrence and the degree of impact, on a regular basis each year. For ordinary risks, on a monthly basis, the Company carries out identification and evaluation, gives reminders or warning, collects, analyses and reports daily business and management information in a timely manner, and provides suggestions on tackling, and confirms in the second round of identification whether rectification and elimination have been made. For factors that still have an impact on the indicators, risk warning will be sent and subject to supervision and annual assessment.

Uphold the Service-oriented Principle and Reinforce Service Quality

PROMOTE STANDARD MANAGEMENT

In 2022, Financial Street Property continued to promote standardization and, on the basis of the standardized model of “one platform + three systems” and the three-tier system, proceeded with the planning, implementation and continuous improvement of six new standardized management certification, including “energy management system, information security management system, property service star rating, corporate integrity management system, product after-sales service evaluation system, social responsibility management system”, which further strengthened and enhanced the project management level and market competitiveness of the Company.

Financial Street Property has been deeply engaged in the field of commercial and office property services for nearly 30 years, and has built a three-in-one management model of “implementation of standards, creating excellence and informatization”. In accordance with the Regulations on Property Management and other regulations, the Company has established a three-level documents system. The Level I documents are the “Quality, Environment and Occupational Health and Safety Management Manual”, “Energy Management Manual” and “Information Security Management System Manual”, which are programmatic document to ensure the general appropriateness and consistency of the Company’s service standards; the Level II documents are mainly procedural documents, which stipulate the operational elements and logic process that shall be followed in the Company’s standardized management system according to the main principles of the Company, such as the “Quality, Environment and Occupational Health and Safety Management Manual”; the Level III documents are the Company-level institutional document “Property Service Operation Guide”, which are the operational document of property service of service centres of the Company, elaborating and stipulating the standards and methods followed by each professional practice.

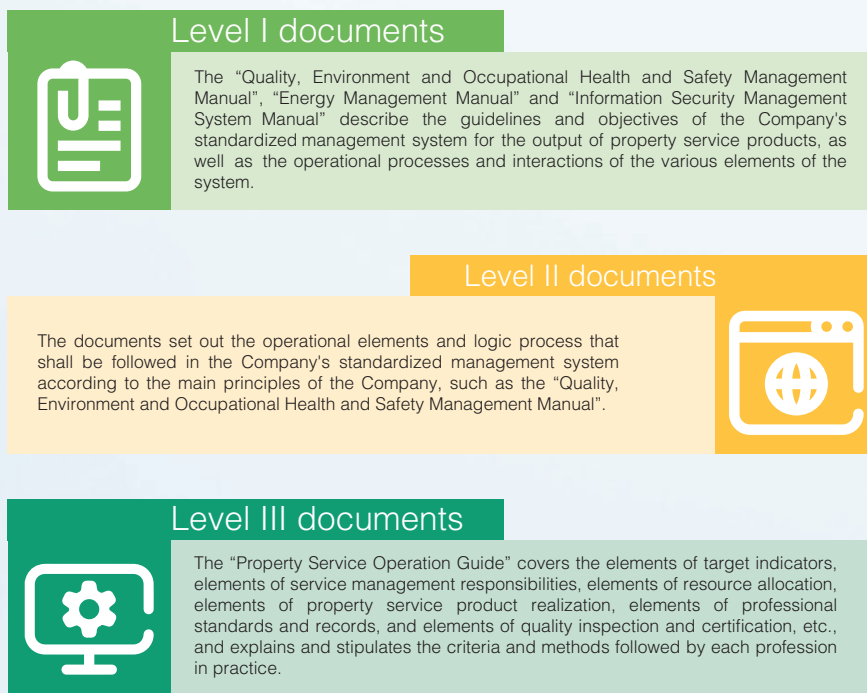


Figure: Standardized systems of the Company

Uphold the Service-oriented Principle and Reinforce Service Quality (Continued)

In order to ensure standardized, normalized, professional and systematic operation of the projects under management, the Company has established a standardized operation guidance system. Taking the identification of elements in the property management service process as the entry point and focusing on fulfilling property service standards and fulfilling social responsibilities, the Company has established a standardized model of “one platform + three systems” to form a management and service system for application of controlled documents in projects. At present, the Company has obtained a number of standardized system certifications including ISO9001, ISO14001 and ISO45001.

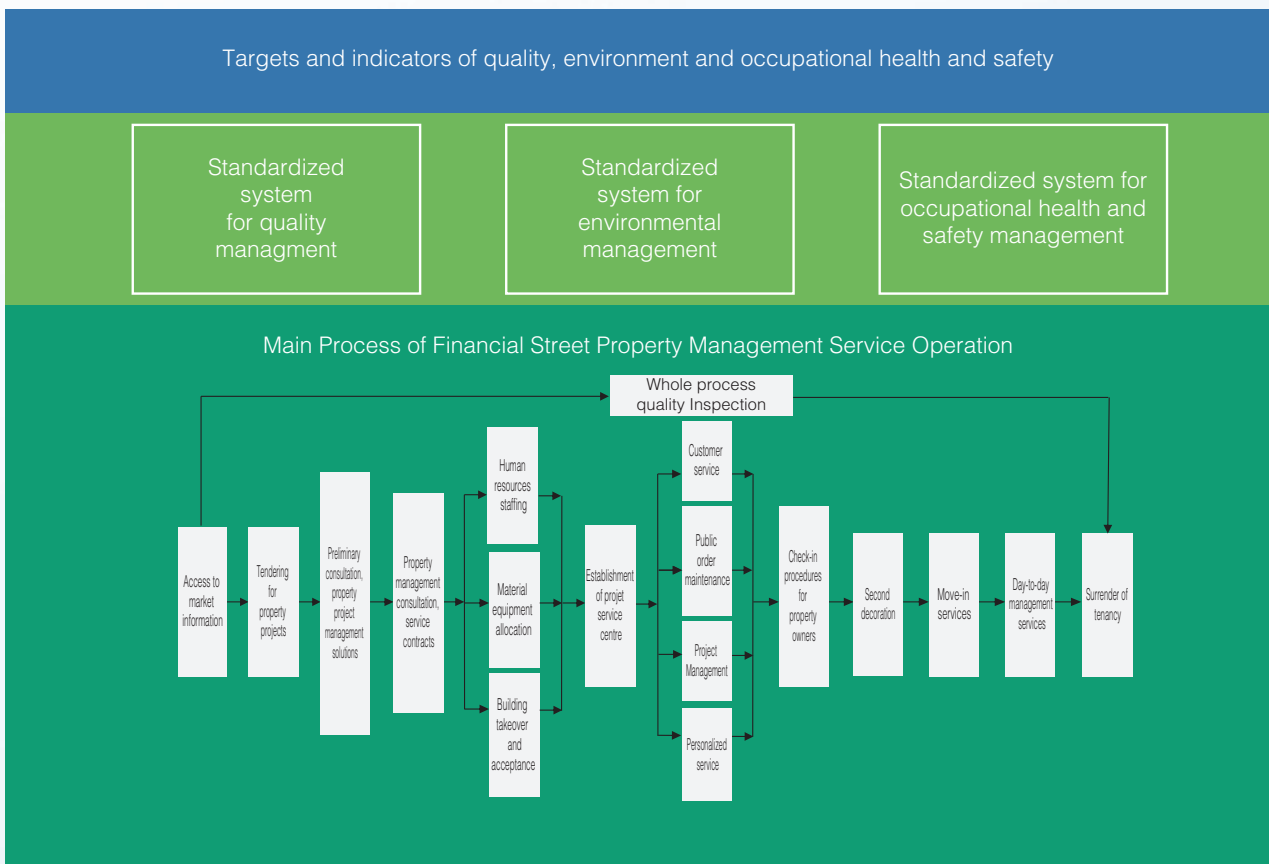


Figure: “One platform + three systems” standardized model

Uphold the Service-oriented Principle and Reinforce Service Quality (Continued)

➤ Building a management system for catering sector

For specific areas of the catering business, the Company has formulated five management systems for catering business management by streamlining the standardized process of catering business, focusing on three dimensions of social, environmental and corporate management and continuing the overall management direction and focus. By strengthening quality management, the Company improved corporate efficiency, enhanced customer confidence and further expanded market share.



Figure: Management Systems for Catering Services

STRENGTHEN BRAND IMAGE

The Company improved the corporate image recognition system, established a professional corporate image, updated the corporate logo in practical applications, highlighted the brand image of “Financial Street”, and formed a basic system for corporate image visual recognition. Through the standardized establishment of the corporate identification system, customers will be deeply impressed with a uniform, organizational and systematic image, which convey the corporate philosophy and establish the corporate brand image.

In terms of brand promotion, the Company has built and operated a website and WeChat service platform, promoted and publicized the Company’s brand through online channels, regularly pushed and released information, catering to the communication habits of customers in the mobile Internet era and broadening brand communication channels with the help of new media, so as to improve brand awareness in a comprehensive manner. Meanwhile, the Company upgraded and renovated its official website, which combined the corporate VI image, integrated international business design style and optimized the structure, showing the new features of commercial property services.

Uphold the Service-oriented Principle and Reinforce Service Quality (Continued)

The Company developed the Administrative Measures for External Publicity of Financial Street Property Co., Limited, established an external brand publicity management system, updated and synchronized systems, provided detailed and accurate information and standard and professional pictures to fully demonstrate the Company's image and corporate culture.

UNDERSTAND CUSTOMER NEEDS

Financial Street Property has always adhered to the “customer-oriented” service concept, and attached great importance to customers' evaluation and perception of the Company's services. In 2022, Financial Street Property continued to conduct third-party customer satisfaction surveys based on the customer satisfaction survey and feedback management system, to learn about the true wish of customers and service evaluation results.

According to the evaluation results, in 2022, the overall satisfaction score for the Company increased to 91.6, reaching the benchmark level in the industry, in particular, the customer satisfaction score of the commercial office segment was 99.3, remaining at the leading level in the industry. Financial Street Property also won awards such as “China Top 100 Leading Property Management Companies in terms of Service Quality” for six consecutive years.

In handling complaints, the Company understands the real demands of customers through various channels and dimensions, including the 4000496018 national service hotline, the online WeChat official account of Financial Street Property Life, the project leader and contact phone manager in the unit information column, etc. The content of complaints at the 4000496018 national service hotline established in 2014 is reported directly to the general manager of the Company to enable the management to be aware of customers' demands and feedback on service in a timely manner and listen to the owners' real voices. The Company strictly handles customer complaints according to the Customer Complaint Management System and implements “Accountability System (首問責任制)” and “Project Manager Accountability System (項目經理負責制)”. In 2022, the Company's complaint handling rate reached 100%, the resolution rate reached 97% and the satisfaction rate reached 93%.

At the same time, the Company has established the Database of Immediate Handling of Complaints and the Database of Complaints to share experience, effectively improve service standards, and reduce customer complaint rates. Since 2019, Beijing has focused on solving and promoting the 12345 Citizen Hotline to handle complaints immediately. The Company adheres to the work requirements of serving the people, and study and identify the demands of customers to solve the problem from the customer's perspective.

Table: KPIs related to customer complaints

Indicators	2022 Data
Number of complaints received	217
Complaint rate (%)	<0.45
Complaint handling rate (%)	100
Complaint resolution rate (%)	97
Complaint satisfaction rate (%)	93

Note: Complaint rate = Number of complaints/Total number of customers

Uphold the Service-oriented Principle and Reinforce Service Quality (Continued)

ENSURE WORK SAFETY

Financial Street Property strictly implements national and local safety management requirements, abides by laws and regulations such as the Work Safety Law of the People's Republic of China and the Provisions of Beijing Municipality on the Main Responsibility of Production and Business Entities, and has established a complete work safety system structure and set up a work safety committee to carry out work safety management in a systemic manner. The Company has formulated the Safety Management Manual, which covers all aspects of work safety to fully guarantee the safety of production and operation.

➤ Winning awards in the safety aspect

Financial Street Property attaches great importance to the health and safety of owners and customers, and actively participated in the review of “Standardization of Level 2 Work Safety of Property Management Projects of Composite Buildings in Beijing” organized by the housing and urban-rural development department. As a result of the unremitting efforts of owners and all project staff, in 2022, three projects including “Yuetan Financial Street Centre”, “Tongtai Building” and “Fukai Building” once again passed the review “Standardization of Level 2 Work Safety of Property Management Projects of Composite Buildings in Beijing”, ensuring the safety of owners and customers. In addition, Guangzhou Huadu Beiyou Garden, a project served by the Company, was rated as a five-star property community in terms of safety management of community in 2021.



Picture: Guangzhou Huadu Beiyou Garden was rated as a five-star property community in terms of safety management of community in 2021

Uphold the Service-oriented Principle and Reinforce Service Quality (Continued)

➤ Strengthening safety promotion and inspection

In 2022, in terms of work safety, the Company focused on epidemic prevention and control, daily safety inspections, and the protection of social units for major national events such as the Winter Olympics and the Two Sessions. The Company worked in close coordination and performed daily inspections and special inspections with high efficiency and high quality.

Even in the fight against the epidemic, the bottom line of safety was strictly held and precautionary measures were taken. The Company organized capable and professional forces, managed the number of inspectors, and conducted continuous safety inspections on various projects of the Company to achieve “full coverage, from A to Z”. A total of 10 rounds of routine inspection were completed during the year, including 3 rounds of special inspection, 3 rounds of pre-festival inspection, 2 rounds of inspection during major national conferences and events, and 2 rounds of epidemic prevention inspection. In respect of safety hazards identified in inspection, feedback was given in a practical manner and rectification had been made, providing strong protection for the overall safe operation of the Company. In addition, all business regions of the Company actively cooperated with local public security departments and fire departments in safety inspection, training and other management, to ensure compliance with law and safe production.



Picture: Financial Street Property cooperated with local authorities in conducting fire safety training and inspection for projects

Uphold the Service-oriented Principle and Reinforce Service Quality (Continued)

➤ Organizing safety emergency drills

In 2022, according to the annual work plan, the Work Safety Committee of the Company implemented the requirements of work safety, and adhered to the philosophy of working on both “safety and epidemic prevention”. A total of 5 linkage tests and several emergency drills were carried out during the year, including 5 fire drills, 3 elevator entrapment drills, 3 drowning rescue drills, etc. Employees were required to have knowledge of the operating procedures of various emergency plans. Also, trainings on security team, typhoon and flood prevention and the use of fire-fighting equipment were held.



Picture: Inspection of fire equipment and facilities, fire emergency drill, elevator entrapment drills and guidance on fighting skills for minimum emergency units

Uphold the Service-oriented Principle and Reinforce Service Quality (Continued)

On 7 June and 9 November, the Company carried out theme activity of the annual work safety month and fire safety month respectively. All business regions, branch companies and subsidiaries of the Company participated in “four ones” in the work safety month: “one safety training”, “one self-inspection for safety”, “one pull drill” and “one safety summary”, as well as “119” firefighting skills practice in the fire safety month: “fighting real fire with real water”. The activity was held on a project-by-project basis which each project voluntarily organized its own staff to participate. The established learning process and offline practical operation helped frontline project staff to familiarize themselves with the operation of common facilities, improved their operational process and skills, unified key points, and fixed established actions, enabling each project staff to be well-prepared when dealing with emergencies.



Picture: Safety Promotion Sign-in Activity and Special Display Board Activity at the building owners' centre



Picture: “Pay attention to fire safety and ensure high quality development” theme activity of fire prevention week

Uphold the Service-oriented Principle and Reinforce Service Quality (Continued)

OPTIMIZE CUSTOMER EXPERIENCE

The Company attaches great importance to optimizing customer experience. On special occasions such as festivals and holidays, the Company sent warmth to customers through its WeChat official account. In addition to beautifully designed posters for the 24 solar terms, dynamic or static posters were designed for major festivals such as Labour Day, Youth Day, Mother's Day, Teachers' Day, and National Day, as well as traditional Chinese festivals such as Dragon Boat Festival, Mid-Autumn Festival, Double Ninth Festival, and Laba Festival, and sent to customers. In addition, the Company designed a series of posters for 12 months of the year.

Moreover, the Company also held hundreds of activities for owners, including flea markets where idle items were sold and exchanged, movie festival, craft workshop, flower arrangements for the Double Ninth Festival, fun sports games, etc. Through various activities, the interaction between the Company and the owners was effectively deepened, owners' spare time were enriched, and harmonious customer relationship was built.



Picture: Flea market, craft workshop, flower arrangement for the Double Ninth Festival and fun sports games

Maintain Governance Compliance and Build a Solid Foundation for Development

The Company strictly complies with the “Company Law of the People’s Republic of China”, the “Anti-Unfair Competition Law of the People’s Republic of China”, the “Anti-Money Laundering Law of the People’s Republic of China”, the “Interim Provisions on Banning Commercial Bribery”, the “Provisions on the Probity Practice of Leaders of State-owned Enterprises”, the “Administrative Punishment Law of the People’s Republic of China on Public Officials” and other laws and regulations relating to bribery, extortion and anti-money laundering.

In terms of internal system of the Company, in order to thoroughly implement the Eight-point Regulations of the Central Government and strengthen the construction of a clean and honest Party, the Company formulated the “Rules on Implementation of the Eight Requirements of the Central Committee of the CPC by the Party Committee and Discipline Inspection Committee of Financial Street Property Co., Ltd.”, which further clarified the red line and bottom line of integrity of management cadres at all levels. In addition, the Company has formulated the Internal Audit Management Measures, Economic Responsibility Audit Management Measures and Compliance Management Measures, which further clarified the requirements for compliant development.

During 2022, in accordance with the Measures for the Compliance Management of Central Enterprises issued by the SASAC of the State Council, Financial Street Property updated the Company’s Compliance Management Measures, incorporating risk management and corporate compliance management into the scope of unified management, emphasizing the synergy of compliance management objectives and full coverage of risk management, highlighting the Party’s leading role and the system protection of compliant management, identifying its own compliance priorities, including them in risk management indicators and assessments, and consolidating and establishing its value orientation and social image of compliant and responsible operation.

EMPHASIZE INTEGRITY SUPERVISION

Financial Street Property has zero tolerance for corruption, being determined to combat all forms of corruption and bribery, integrates integrity education into the whole process of corporate operation and management, strictly complies with relevant laws and regulations, formulates and implements relevant regulations of the Company, and defines the bottom line of integrity for employees. The Company requires all employees to sign the “Probity Practice Undertaking Letter” (《廉潔從業承諾書》) upon induction, purchasing staff to sign the “Probity Undertaking Letter for Purchasing Staff” (《採購人員廉潔協議書》), and suppliers to sign the “Statement on Product and Service Procurement Compliance” (《產品及服務採購合規聲明書》) to define the bottom line of integrity.

Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

The Company has established the discipline inspection office and audit department to supervise the business ethics of employees and work on anti-corruption. Self-review was conducted through routine audits, special audits, resignation audits, special supervision and inspections, case investigations and other means to discover and strengthen the weak links of internal control in a timely manner, reduce the possibility of corruption through position, and build a clean and fair business environment.



Figure: Means of self-review of business ethics and anti-corruption of Financial Street Property

During peak periods of corruption, such as the Spring Festival, Dragon Boat Festival and Mid-Autumn Festival, in order to create a clean and positive festive atmosphere, the Company has established an integrity reminder mechanism to provide early warning and early education. Integrity risk warnings and warning education are sent to employees before festivals through online and offline methods, such as Party committee, manager office meeting, Party branch meeting, regular project meeting, WeChat working group, etc., to ensure the spending of holiday in a safety, civilization and integrity way.

➤ Carrying out regular and all-around integrity promotion to stay alert

Financial Street Property paid attention to all kinds of typical cases reported by the Central Discipline Inspection Commission, the Discipline Inspection Commission of Beijing Municipality, the Discipline Inspection Commission of Xicheng District and the Discipline Inspection Commission of Financial Street Group, and timely circulated to the Party organizations at all levels to urge Party members and cadres to learn lessons from typical cases, strictly abide by discipline and rules at all times, hold in awe and respect, not to cross the line, and head in the right direction. In 2022, a total of more than 60 warning education cases were issued and the Company organized its Party members and cadres to watch “Zero Tolerance” TV feature film. In 2022, there was no litigation against the Company and the employees due to corruption.

Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

Financial Street Property attaches great importance to anti-corruption education. Beginning with new employees and new managers, Rongze Training Centre included the chapter of “Love Yourself” in the training of corporate culture in the induction training of new employees, which specifically elaborated on the characteristics of corruption behaviours such as the establishment of private “small treasury” and “unauthorized use of power”, the amount involved in investigation of criminal liability, the type of criminal offense involved, and the consequences to oneself and one’s family, etc., and warned employees from different levels to stay vigilant as “all dirty hands will be caught”, and strictly uphold the bottom line.



Picture: Moral education training series for management personnel

The Company’s discipline inspection office and Rongze Training Centre jointly conduct routine anti-corruption awareness education and training for project management personnel at all levels every year. The 20th National Congress of the CPC was held in 2022. In order to enhance the awareness of the red line, the Company organized an anti-corruption awareness education and training on the eve of the 20th National Congress. The training focused on issues such as compliant use of power, prohibition of private use of public funds, illegal use of power of supervision team, and the private establishment of small treasury, and related educational videos were broadcast. The participants took the training seriously, and conducted in-depth discussions on relevant cases, thorough review on the projects under management and departments as well as in-depth self-review according to the training content to put an end to corruption.

Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

In order to further enhance the awareness of integrity, self-discipline and due diligence of management cadres, the Company organized pre-appointment training on integrity for newly-appointed management cadres in 2022. Through watching awareness education films such as “Hiding from Place to Place after Embezzlement of 130,000 yuan of Public Funds”, “Stay Cautious and Alert and Keep to the Paths of the Righteous”, “Video about Upholding the Red Line and Bottom Line” and “Be Promising, Not Presumptuous” and studying on rules such as the “Provisions on the Probity Practice of Leaders of State-owned Enterprises”, “Implementation Rules Regarding Reminders, Inquiries by Letter and Admonishing of the Party Committee and Discipline Inspection Committee of Financial Street Property”, circulating the “Integrity Culture Learning Handbook” and “The Party’s Six Disciplines Study Series” and taking part in a test on discipline and laws of the Party, the participants gained better understanding of the standards of integrity and self-discipline and the norms of professional conduct of state-owned enterprise management personnel, and were reminded to stay alert and remember the lessons learned from the past and to be a good cadre “who is willing to and capable of delivering good results in a righteous way”.



Picture: Educational session held at the headquarter of the Company

Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

The Company strengthened education and supervision of Party members and cadres and, regarding politics and compliance as the untouchable bottom line, required all Party members and cadres to adhere to ideals and beliefs and firmly hold the ideological barrier of “refusing to corrupt”, refrain not only themselves but also their family and relatives and people around them from corruption, supervise work in their charge, take the lead in creating a clean and upright political environment, establishing clean comradeship and proper superior-subordinate relationship, keep in mind the Party, the responsibility and the vigilance, and have a clear conscience. A total of more than 150 people received the training.



Picture: Participants attending in the educational session

Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

➤ Keeping reporting channels unimpeded and protecting the information of whistleblowers

In order to further improve the whistleblowing system, in accordance with the requirements of Code Provision D.2.6 of D.2 Risk Management and Internal Control of the Corporate Governance Code set out in Appendix 14 of the Hong Kong Stock Exchange Listing Rules, and the Corporate Governance Guide for Boards and Directors, the Company has formulated the Reporting Management Measures to advocate “speaking out”, develop an open and honest corporate culture, encourage employees and third parties to report suspicious misconduct as soon as possible, provide reporting channels for employees and third parties, and clarify reporting process to ensure that the management of the Group will be notified of misconduct as soon as possible, so as to maintain sound corporate governance and promote the healthy development and compliant operation of the Company.

➤ Strengthening special audits and sealing corruption loopholes

In 2022, the Company conducted regular and special sampling internal audits on various aspects of outsourcing service management, cost management, vacant room management, and revenue and expenditure management for each business region and subsidiaries across the country. The special audits mainly focused on information related to monetary funds, inventories, costs, expenses, procurement, contracts, and performance of audited personnel. Through regular special audit, the Company urged its subsidiaries and projects to continuously adjust and optimize their management process and followed up on the results of adjustment and improvement, forming a PDCA cycle management.

IMPROVE SUPPLY SYSTEM

The Company has formulated the “Management Measures for Tendering and Procurement” (《招標採購管理辦法》), the “Supplier Management System” (《供應商管理制度》), the “Material and Maintenance Procurement Management Regulations” (《物資及維修採購管理規定》) and the “Emergency Procurement Management Regulations” (《應急採購管理規定》), etc. Through the procurement system platform, the Company implemented dynamic closed-loop management and control on different parts of the procurement process, such as the selection of suppliers in the market, preliminary inspection and assessment, shortlisting and approval, process management and control, and annual overall review of suppliers, which effectively improved the transparency of the entire procurement process.

At the preliminary stage of supplier selection, the Company conducts a comprehensive inspection of suppliers and completes the “Preliminary Inspection and Evaluation Record Form” (《前期考察評價記錄表》), and shortlist suitable suppliers upon review by professional departments and approval by the headquarters of the Company. In terms of routine management of suppliers, business units are required to supervise the entire process of the services provided by suppliers and keep daily records. In the payment settlement process, business units are required to elaborate on the service quality and contract performance of the supplier, which will serve as an important basis for settlement. At the end of each year, the headquarters of the Company organize various business units and professional departments to conduct a year-end overall review of the services provided by suppliers during the year, so as to implement closed-loop management.

Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

➤ Including environmental factors in supplier assessment criteria

The Company has clearly incorporated environmental, social and other factors into the relevant assessment criteria in the selection criteria of suppliers, and continued to improve the supplier selection and assessment standard system in accordance with the changes in external environment and policy orientation. When selecting suppliers, the Company first selects brand suppliers with a larger market share based on the consideration of safety, quality assurance and brand effect. At the same time, suppliers are required to provide materials including but not limited to the inspection report of various supplies and chemicals, the company's environmental quality system certification and other materials.



Picture: Example of certificate of supplier

Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

➤ Strictly enforcing integrity requirements on suppliers and governing the conduct of purchasing staff

In terms of integrity and self-discipline, the Company effectively implements various bidding and procurement systems and various integrity and compliance requirements to strictly govern purchasing staff. At the beginning of each year, purchasing staff are required to sign the “Probity Undertaking Letter for Purchasing Staff” (《採購人員廉潔協議書》). Suppliers who cooperate with the Company are also required to sign a letter of commitment of integrity and self-discipline for purchasing staff and the “Statement on Product and Service Procurement Compliance of Financial Street Property Co., Limited” (《金融街物業股份有限公司產品及服務採購合規聲明書》) to ensure procurement is carried out in a proper way.

➤ Certification and KPIs of suppliers

Table: Proportion of suppliers obtaining relevant social and environmental certifications

Proportion of suppliers obtaining relevant social and environmental certifications	25.63%
ISO90001 certification	395
OHSAS certification	332
ISO14001 certification	361

Note: Percentage of suppliers obtaining relevant social and environmental certifications = Number of suppliers obtaining relevant certifications/Total number of suppliers* 100%

Table: Supplier-related KPIs

Number of suppliers by geographical region	2022 Data
Eastern China	379
Central China	3
Northern China	850
Southern China	129
Northeastern China	76
Southwestern China	98

Note: Eastern China includes Shanghai, Jiangsu, Zhejiang, Anhui and Shandong;

Central China includes Henan and Hubei;

Northern China includes Beijing, Tianjin, Hebei and Inner Mongolia;

Southern China includes Guangdong;

Northeastern China includes Heilongjiang;

Southwestern China includes Chongqing, Sichuan and Guizhou.

Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

SAFEGUARD INFORMATION SECURITY

The Company attaches great importance to information safety protection, strictly complies with the “Administrative Measures for Internet Information Services” (《互聯網信息服務管理辦法》), the “Information Security-related Laws and Regulations and Industry Regulations” (《信息安全相關法律法規及行業規定》), the “Management Provisions on Electronic Bulletin Services in Internet” (《互聯網電子公告服務管理規定》), the “Interim Provisions on the Administration of Engagement by Internet Sites in News Publication” (《互聯網站從事登載新聞業務管理暫行規定》), the “Administrative Measures on Safety Protection of International Connection of Computer Information Networks” (《計算機信息網絡國際聯網安全保護管理辦法》), the “Classification Criteria for Security Protection of Computer Information System” (《計算信息系統安全保護等級劃分準則》), the “Classification Principles for Products Dedicated to the Security of Computing Information Systems” (《計算信息系統安全專用產品分類原則》) and other laws and regulations related to the Company’s operations and information security protection, to build a reliable information security barrier for customers.

➤ Strictly protecting customer privacy

The Company also places great emphasis on the protection of customer data and information, and have established a robust dual protection mechanism to protect customer privacy. At the technical level, customer data are mainly applied in the Company’s CRM system and ERP system and mainly stored on cloud platforms, the front-end of which enables the daily retrieval and use of data through permissions settings, mobile phone number binding, keeping passwords and accounts confidential and other means, while back-end guarantees the security and confidentiality of data through firewall, regular backup and other means. At the system level, the Company has established a customer confidentiality management system. Employees are required to protect the privacy of customer data in accordance with the requirements of the system and continuously strengthen their awareness of confidentiality through special training. In addition, for the Company’s suppliers involved in accessing the Company’s customer data (e.g. customer satisfaction surveys), corresponding confidentiality clauses are set out in their contract or a separate confidentiality agreement to be signed to ensure data security.

➤ Emphasizing software information security protection

Data is an important market element in the digital age. In recent years, data leakage happen occasionally with serious consequences. Therefore, having effective data protection measures in place is crucial to customer safety and business development. The Company supervises the operation of the ERP system in accordance with the requirements of relevant laws and regulations, mainly including formulating a data access authority system, clarifying the authority management requirements of different departments and personnel, establishing and regularly updating the data processing platform system authority allocation table, setting account password complexity requirements, and limiting the number of attempts to input, strictly managing the password reset process, and keeping operation logs of interfaces such as data export and checking the backup logs regularly.

Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

➤ Improving the information security management system

The Company has continuously improved the corporate information security management system, which consists of seven components — identity authentication, firewall, router, security management centre, intrusion detection, security database and data disaster recovery equipment — and effectively prevents external intrusion and internal leaks of confidential data as well as information loss due to disasters or other accidents, thereby protecting customer information security in a more adequate manner.

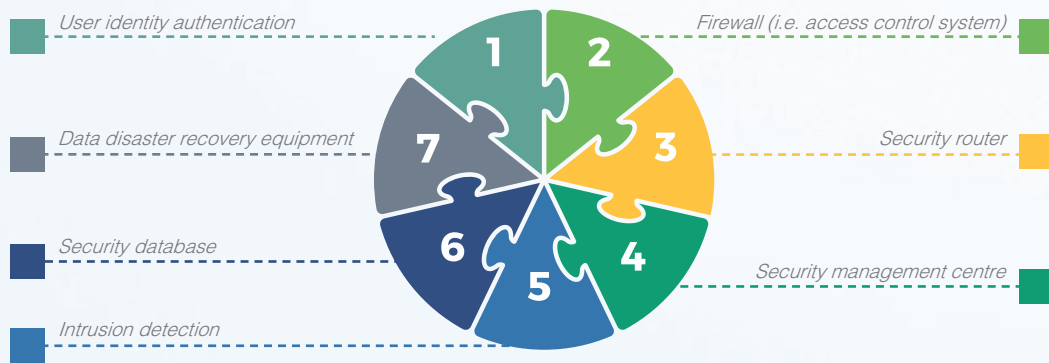


Figure: Structure of information security management system of Financial Street Property

Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

Table: Main functions of each component of the information security management system of Financial Street Property

No.	Component	Main functions
1	User identity authentication	gesture password, dynamic password (short message password, dynamic slogan, mobile phone token, digital certificate), etc.
2	Firewall (i.e. access control system)	set up barriers between internal networks and unsafe external networks to prevent illegal access to internal resources and prevent unsafe internal and external access
3	Security router	control network transmission through routers and control online information flow with the use of access control list technology
4	Security management centre	distribute keys to network security equipment, monitor the operation status of network security equipment, and collect audit information of network security equipment
5	Intrusion detection	as an effective supplement to traditional protection mechanisms (such as access control, identity recognition, etc.), form an indispensable feedback chain in the information system
6	Security database	ensure the completeness, reliability, effectiveness, confidentiality, auditing and access control and user identification of the database
7	Data disaster recovery equipment	including data recovery equipment and data replication equipment

Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

➤ Passing the certification of information security system

In March 2022, the Company passed the certification of information security system and obtained the certificate of information security management system.



Maintain Governance Compliance and Build a Solid Foundation for Development (Continued)

In September 2022, Beijing Financial Street Savills Property Management Co., Ltd., a subsidiary of Financial Street Property, passed the review of SGS information security management system.



PROTECT INTELLECTUAL PROPERTY

The Company complies with the “Copyright Law of the People’s Republic of China”, the “Trademark Law of the People’s Republic of China”, the “Patent Law of the People’s Republic of China”, the “Anti-Unfair Competition Law of the People’s Republic of China”, the “Data Security Law of the People’s Republic of China”, the “Civil Code” (General Principles) and the “Civil Code” (Personality Rights), the Contract Compilation (Property Service Contract) and the Tort Compilation.

In terms of promotion, the Company emphasizes originality, including text content, logo, font, picture and format, and does not use other business logos; uses fonts written by employees for advertisements and registered the copyright and digital rights of company song. In terms of internal information management, genuine computer operating system and application software are used. The Company adheres to information security and household information isolation and authorization. In contracts, protection clauses on trade secrets, copyrights, naming rights, trademark rights, citizens’ personal information and data security are included, rights and obligations are clarified, and no unfair competitive advantage clauses will be included, so as to avoid forming unfair competition directly or indirectly.

In 2022, the Company published a number of policy interpretations and case studies related to intellectual property rights and privacy protection, such as “Business Tips on the Application of the Warning Letter on Regulating Commercial Advertisement” and “Financial Street Property’s Performance of Service Obligations and Protection of Individual Privacy and Personal Information”.

Care for Employees and Establish Harmonious Relationships

In terms of employees' rights and interests, the Company strictly complies with the "Labour Law of the People's Republic of China", the "Labour Contract Law of the People's Republic of China", the "Social Insurance Law of the People's Republic of China", the "Regulations on the Implementation Measures of Paid Annual Leave for Enterprise Employees", the "Law of the People's Republic of China on the Protection of Women's Rights and Interests", the "Special Rules on Labour Protection for Female Employees", the "Administrative Measures for Occupational Health Surveillance" and other relevant national laws and regulations. The Company protects the rights and interests of employees in accordance with legal requirements, including but not limited to strictly prohibiting the employment of child labour, paying employees' monthly wages in full on time, and not forcing employees to work or work overtime. The relevant laws and regulations and the Company's application are detailed below.

Table: National legal provisions related to employees' rights and interests complied with by the Company

No.	Laws and regulations	Applicable product quality, environmental factors, occupational health hazards	Application by the Company
1	Labour Contract Law of the PRC	Signing of labour contract/ labour agreement	Signing of labour contracts
2	Labour Law of the PRC	Establishing harmonious labour relations	Provisions on the employment of employees (including equal employment and promotion rights, anti-discrimination, etc.); Employment contract, working hours and rest periods; remuneration system; Technical regulations on labour hygiene and safety, etc.
3	Beijing Population and Family Planning Regulations	Female worker giving birth	Protection of female workers
4	Regulations on Work-Related Injury Insurance	Work injury	Occupational diseases, daily safety accidents
5	Implementation Measures for Paid Annual Leave for Employees	Annual leave	Annual leave management
6	Social Insurance Law of the PRC	Employee social insurance participation rate	Employees contribute to social security
7	Regulations on Salary Payment in Beijing	Staff payroll	Staff payroll
8	Measures for investigation and handling of occupational hazards	Occupational disease	Treatment of occupational disease accidents

Care for Employees and Establish Harmonious Relationships (Continued)

No.	Laws and regulations	Applicable product quality, environmental factors, occupational health hazards	Application by the Company
9	Regulations on the Administration of Labour Protection Articles	Labour supplies	Configuration of labour protection supplies
10	Regulations of the State Council on Working Hours of Employees	Working hours	Labour Attendance System
11	Law of the PRC on the Protection of Women's Rights and Interests	Female employee rights	Women's labour and social security rights
12	Protection of Disabled Persons	Employee rights and interests	Equal employee policy
13	Administrative Measures for Occupational Health Surveillance	Staff physical examination	Occupational health examination
14	Special Rules on the Labour Protection of Female Employees	Protect the health of female employees	Three-stage protection and labour protection of female employees

Care for Employees and Establish Harmonious Relationships (Continued)

In addition, the Company has also formulated internal documents such as the “Handbook on Remuneration and Welfare”, the “Administrative Measures on Personnel Recruitment and Internal Deployment”, the “Administrative Measures on Employment”, the “Administrative System on Performance Appraisal”, the “Administrative Measures on the Labour Protection of Female Employees” and the “Administrative Measures on Employee Medical Examination”, which mainly cover recruitment, training, labour relations, remuneration, performance, employment and resignation, labour protection of female employees and other relevant contents. The following are the relevant internal system documents.

Table: Financial Street Property Personnel System

No.	Name of personnel system	No.	Name of personnel system
1	Handbook on Remuneration and Welfare	10	Labour Attendance Management Measures
2	Performance Appraisal Management System	11	Administrative Measures for Employee Physical Examination
3	Training Management System	12	Administrative Measures for Labour Protection of Female Employees
4	Administrative Measures for on Employment	13	Social Insurance Management Measures
5	Administrative Measures on Assessment of Employees during Probation Period	14	Administrative Measures for Personnel Files
6	Management Measures on Recruitment and Internal Deployment	15	Internal Trainer Management System
7	Employee Resignation Management Measures	16	Recruitment and training system for interns and fresh graduates
8	Management Measures for Induction Training	17	Incentivize Measures for Incentive Mechanism
9	Management Measures for Special Operations		

Care for Employees and Establish Harmonious Relationships (Continued)

ENHANCE TALENT MANAGEMENT

The Company is committed to establishing a multi-level professional talent team that recognizes the corporate vision of being a leader in commercial property services and possesses market expansion capability and modern management level. A sound human resource management system has been established on three main levels, namely institution system, culture system and team system, to meet both the employment needs of the Company and the individual development needs of employees to build a win-win relationship between the enterprise and its employees.

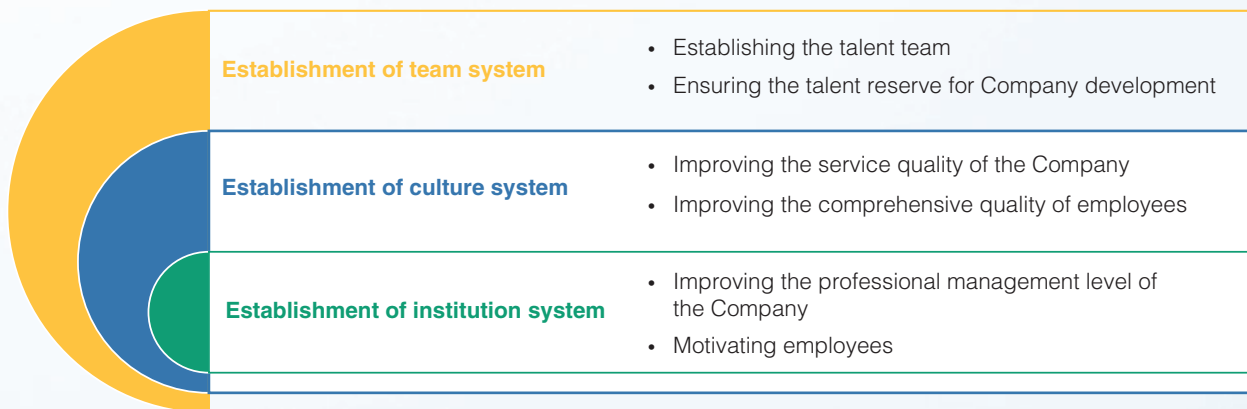


Figure: Establishment of the Company's human resources system

➤ “Dual-track” recruitment mechanism for external and internal recruitment

The Company adopts a “dual-track” recruitment mechanism for external and internal recruitment and adheres to the principles of strict screening and merit-based hiring in sourcing talents internally and externally.

In terms of external recruitment, by segmenting the recruitment needs, the Company adopts diversified talent acquisition approaches, such as headhunting, website recruitment, government public welfare employment network, daily job fairs, targeted training on campus and recommendation from training institutions, which expand the talent pool of the Company and protect the interests of applicants. In terms of internal recruitment, through the open internal selection mechanism, the Company has built an internal competition platform and established a promotion channel that matches the development direction of the Company with the career development path of the staff.

Care for Employees and Establish Harmonious Relationships (Continued)

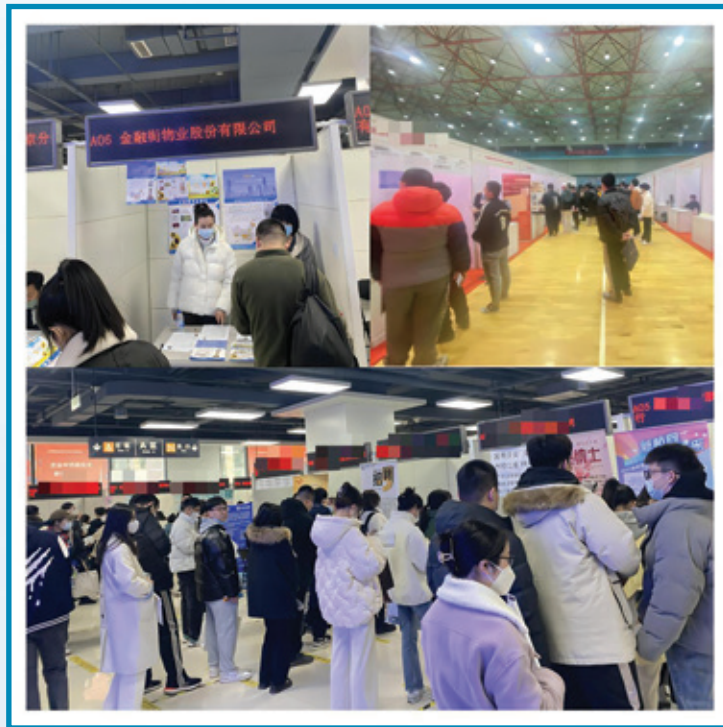
➤ Improving school-enterprise cooperation

The Company reached a school-enterprise cooperation agreement with Beijing Light Industry Polytechnic College after preliminary negotiations to expand the channels for recruitment of interns, achieving a “win-win” cooperation of sharing resources and information between the school and the enterprise, facilitating the complementarity of equipment and technology between the school and the enterprise. It has not only provided students with diversified internship opportunities, but also provided the enterprise with a two-way selection channel for talent attraction and merit-based admission.

➤ On-campus job fairs

Mutual selection fairs are one of the major ways for university students to seek jobs. With the increasingly fierce market competition, enterprises are demanding more talents. To a certain extent, the mutual selection fairs help enterprises understand the characteristics of university graduates nowadays, provide a broad platform for enterprises to recruit talents, and facilitate enterprises in internal adjustment and decision-making, being better oriented to the market.

In 2022, the Company participated in the autumn special mutual selection fair for 2023 graduates of Beijing Polytechnic College; and the special mutual selection fair for 2023 graduates of Beijing University of Technology. The Company provided a total of 6 positions for property management trainees and recruited more than 30 graduates majoring in management, E&M, financial management, finance and administration with a merit-based approach.



Picture: the Company participated in the mutual selection fair

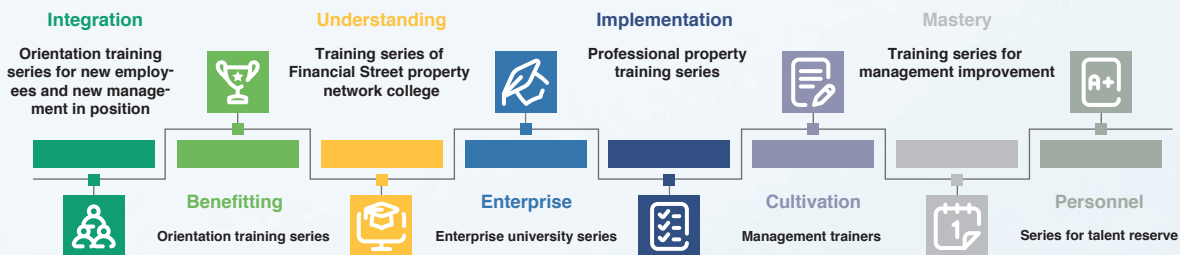
Care for Employees and Establish Harmonious Relationships (Continued)

➤ Improving talent incentive mechanism

In order to motivate employees more effectively, based on business characteristics the Company implemented the “Interim Measures for Incentive Mechanism”, namely market expansion incentive mechanism, main business incentive mechanism and value-added service incentive mechanism. On the basis of basic salary, employees can obtain additional benefits brought by innovative business through their own active efforts, which effectively improves the enthusiasm of employees. The Company continues to increase incentives. With a focus on corporate development results, the Company gives full play to the subjective initiative of employees, so that the interests of employees and the Company are closely integrated, and that employees can participate more in the operation of the Company, and work together and make contribution for the development of the Company.

BOLSTER INTEGRATED CAPABILITIES

Rongze Training Centre of the Company divided the training courses into eight categories: “integration, understanding, implementation, mastery, benefit, enterprise, cultivation and personnel”. In 2022, against the background of its market-oriented approach, urgent demand for talents, and diversified and complex requirements for talent quality, the Company anchored its development strategy and adhered to the annual training principle of “exploring the region, empowering projects, fostering management, and connecting to the market” to provide various practical courses on business management, professional skills, and communication skills to employees at all levels of the Company.




Graph: Training program series of Rongze Training Centre

Care for Employees and Establish Harmonious Relationships (Continued)


1. The “integration” series of new employee orientation training: The iteration of the Company’s new employee training courses was completed in line with the trend of market orientation of the Company to enhance the onboarding efficiency of new employees and management staff. In 2022, the Company held 11 online and offline induction training sessions for new employees, with a total of 119 new employees and new management personnel trained, and 100% of new employees passed the training assessment.

INTEGRATION

1



Iteration of On-boarding “Learning Map” Model

With the “Learning Map” function of the online academy, the efficiency of induction training and interestingness of online training were enhanced to improve the learning effectiveness of new employees;

2



Course Iteration according to the Company’s Development

Based on the Company’s latest development and changes in its strategic focus, annual iteration of induction courses was carried out;

3


Iteration of Moral education, Anti-corruption and Anti-epidemic Training

Moral education, anti-corruption and anti-epidemic management were incorporated in the induction training of management personnel according to the Company’s needs for development and epidemic prevention;

4


Subdivision of Induction Training of Regional Personnel at Different Levels

Regarding trainers from regional human resources departments as backbones, the induction training of regional personnel at different levels were subdivided to empower the management with induction training skills.

Care for Employees and Establish Harmonious Relationships (Continued)

2. The “understanding” series of development of online training programs: The Company continued to devote itself to “converting offline courses to online courses”, and improved the development of the online training course system in an orderly manner on an annual basis. In 2022, the Company added 10 new courses in the residential professional series, 5 safety management micro-courses for limited space operations, and 5 courses under the “Personnel” series of reserve talent training programs such as “equipment and facilities management of intelligent buildings”, “intelligent buildings management empowered by technology” and “diversified operations and quality control for property management enterprises in the new era”. As of the end of 2022, a total of 250 courses were launched under the “understanding” series.

UNDERSTANDING



Further Development and Launch of Curriculum for Residential Properties

Based on the needs for training in relation to residential properties, 10 micro-courses for professional training on residential properties and case studies were further developed and recorded;



Iteration and Launch of the “Implementation” Series

The “butlers” courses were iterated and the “golden crafters” series and the “golden guards” series courses were recorded and launched;



Recording and Launch of the “Mastery” Series

In cooperation with the Party Committee, the “virtue” and “talent” series courses for project management personnel were developed and launched; the recording and launch of regional professional courses were promoted;



Online Iteration of the “Personnel” Series

10+ reserve talent cultivation courses were launched on schedule, which enriched the resources of reserve talent cultivation courses.

Care for Employees and Establish Harmonious Relationships (Continued)

3. The “implementation” series of professional property training programs: following the training and certification of 121 “golden butlers (金管家)” and the “harmony butlers (融管家)” in 2019, 2020, and 2021 in achieving the training goal of “customer service team as butlers”, the Company began to recruit 2022 butler trainees from all regions across the country, and finally selected 59 trainees for the six-month butler empowerment training consisting of 15 courses.

In line with the goal of “craftsmanship” of the Company’s engineering team, the special training project “golden crafters (金匠人)” for engineering professionals was officially launched in the third quarter of 2022. “Golden crafters (金匠人)” is a multi-year training project, and the first batch of trainees is expected to complete the training in the third quarter of 2023. Trainees who pass the examination will be awarded the “Intelligent Building Manager” certificate and the “Golden crafters” badge, which they will wear on duty.

IMPLEMENTATION

- 

Annual Training Program based on the “Learning Map”

With the “Learning Map” tool provided by Times Bright CreSuccess, an annual training program were designed and implemented for employees at all levels, which adopted the academic credit-based system and was linked to their quarter and annual performance;
- 

2023 “Golden Crafters (金匠人)” Cultivation Program

The 2023 “Golden crafters (金匠人)” Cultivation Program was activated, which planned to cultivate 93 “golden crafters” and strengthen the knowledge and skills and standard of certification of the engineering team;
- 

2023 “Golden Guards (金卫士)” Cultivation Program

Addressing internal needs and benchmarking against the market, the program leveraged resources of professional institutions to cultivate 60+ compound talents for security;
- 

2023 Butlers Cultivation and Continuing Education for Previously-trained Butlers

Trainees for 2023 butlers were selected and cultivated and phase iteration of the program was completed; and continuing education was provided for previously-trained butlers;
- 

Promoting Customized Trainings and Making the Courses Available to Every front-line Worker

Based on the findings on training needs collected semi-annually, target-oriented and urgently-needed training courses were customized and made available to every front-line worker to facilitate operation and management.

Care for Employees and Establish Harmonious Relationships (Continued)

4. The “mastery” series of general management training programs: in order to carry out the education and training policy of practical training and with the purpose of training to solve practical problems for front-line management, based on the findings on training needs at the beginning of the year, Rongze Training Centre carefully prepared relevant courses and held more than ten training sessions such as “corporate culture promotion”, “service skills training”, “communication skills training” and “stress management training” for each project, which strongly supported the front-line team management and was well received by the employees trained, and affirmed by the projects.

MASTERY



Special management training for residential project managers

Special management training were developed based on the characteristics, difficulties, design and implementation of residential property management, with an aim to improve the management of residential projects;



“Details” management training for directly managed projects

Lessons were built on tackling the blind spots of managers of directly managed project, and influence skills were implemented training with a focus on “details”;



Micro-course on property related laws and regulations

Based on the Regulations and Rules of Beijing (北京物業管理法律法規彙編), 20+ micro-courses on property related laws and regulations were launched to enhance the understanding of property related laws of the management team;



“Virtue” and “talent” training series for project management staff

Cooperation with the Party Committee in the development and presentation of the “virtue” series of courses were maintained to strengthen the moral education of project management staff and to nurture “talent” at the same time;

Care for Employees and Establish Harmonious Relationships (Continued)

5. The “benefitting” series of training programs for internal trainers: the Company conducted the “Training on Classroom Presentation Skills of Internal Trainers” for internal trainers in large regions through the combination of regional recommendation and personal enrolment, and with the purpose of “tolerant-in, strict-out (寬進嚴出)”. Through the trainees’ trial lectures and assessment reviews, 10 people were finally certified as the sixth batch of regional primary trainers. At the same time, in order to give full play to the consolidation function of internal trainers of “organizing knowledge”, the Company organized regional trainers to carry out professional class preparation and exhibition activities, which maximized the professional advantages of the regions and the capability of internal trainers to transform knowledge and skills, and accumulated the organizational intelligence and shared professional skills.

BENEFITTING

- 

1 Selection and training of 2022 internal trainers and continuing education of previously-trained internal trainers

Selection and training of 2022 internal trainers in functional departments and business regions;
Continuing education and practical training for 2018–2021 internal trainers;
- 

2 Development and recording of professional courses in business regions

Regarding internal trainers from business regions as backbones, professional curriculum were developed, recorded and launched (two courses per region);
- 

3 Phased review of training materials for projects in Beijing

Assistance was provided for professional iteration of the skills training materials of the projects in Beijing, in view of the its outdated-ness, lack of systematization and professionalism, and failure to meet the needs of the Company’s development;
- 

4 Market-oriented expansion of the “benefitting” series

Market-oriented iteration was executed in internal trainer courses, and market-oriented expansion of the “benefitting” series was facilitated, starting with Shougang Park Service.

Care for Employees and Establish Harmonious Relationships (Continued)

6. The “enterprise” series of cooperative cultivation: In 2022, the Company entered into new cooperation with the Human Resources Committee of China Property Management Institute and the Human Resources Committee of Beijing Property Management Association. Through cooperation with universities and property management associations, the Company benchmark against the market and improved the quality of personnel.

ENTERPRISE

- 

1 Through school-enterprise cooperation, support the middle and senior management and reserve talents in pursuing higher academic qualification

Actively promote the implementation of academic upgrading programs of “top-up degree” at national universities;
- 

2 Host digital “book clubs” and hold sharing sessions to foster learning

On a quarterly basis, hold digital “book clubs” to foster learning;
- 

3 Strengthen the cooperation with China Property Management Association and Beijing Property Management Association to increase the market presence and visibility of Rongze Training Centre

Actively participate in the associations’ activities, major competitions and title-sponsored display of training centres’ products (such as cases of property and encyclopaedia of property);
- 

4 Strengthen school-enterprise cooperation in development of courses and opportunities of training programs, benchmark against the market and leverage external resources

Reach out to property-related institutions and peer companies and benchmark against the market to enrich course contents and improve the curriculum.

Care for Employees and Establish Harmonious Relationships (Continued)

- The “personnel” series of reserve talent training programs: since the first quarter of 2022, the Company had organized intensive training of reserve talents and elaborately arranged a series of management training, including “corporate culture re-empowerment”, “key to communication”, “business model innovation and control” (3 sessions) and “crisis management and media response” (4 sessions), “career advancement” series (25 sessions), “equipment and facilities management of intelligent buildings”, “intelligent buildings management empowered by technology” and “diversified operations and quality control for property management enterprises in the new era”, with a total of 10,304 trainees and 98% passing rate in the evaluation after training, which orderly improved the knowledge, skill reserve and management quality of the reserve talent team.

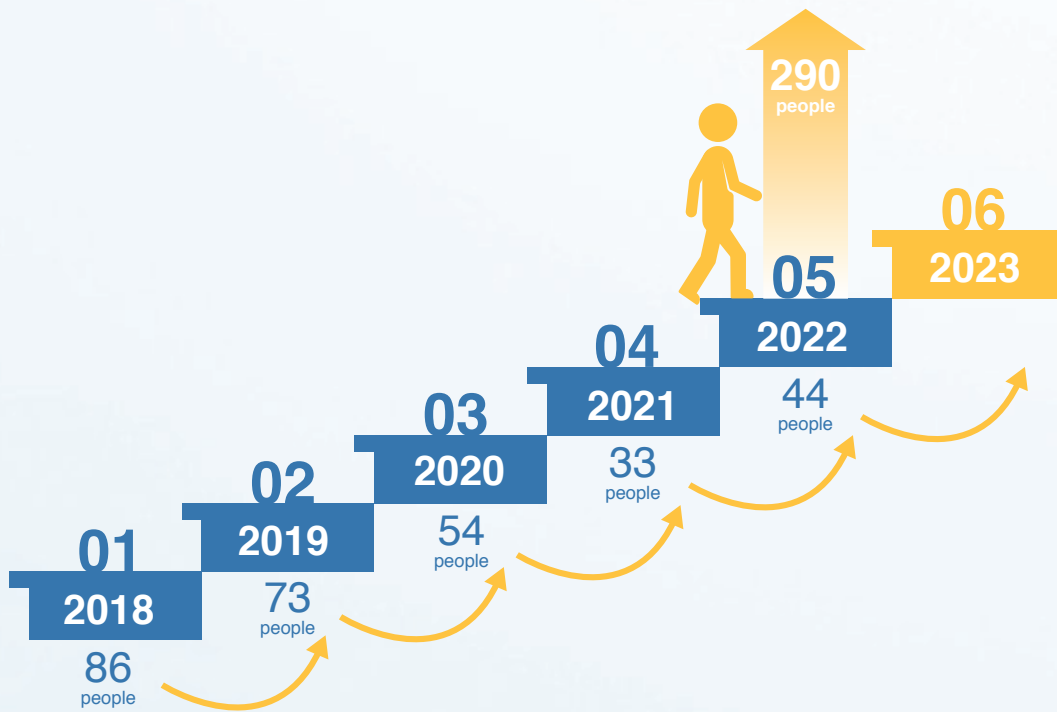


Figure: “Personnel” series of reserve talent training ladder

Care for Employees and Establish Harmonious Relationships (Continued)

Table: 2022 Training Data Summary of Rongze Training Centre (by training projects)

Training programs	Training batch	Number of trainees	Pass rate
New employee training	10	119	100%
Training for reserve talents	46	10,304	98%
Customized training series for projects in Beijing	10	112	100%
2022 “golden butlers, harmony butlers” training	15	885	98%
Continuing education and training of previously-trained “golden butlers, harmony butlers”	5	605	100%
2022 “golden crafters” training	15	1,320	100%
Exhibition of regional professional courses	14	3,640	100%
Internal trainer certification training	1	10	100%
Continuing education and training of previously-trained internal trainer	2	114	100%

Table: 2022 Training Data Summary of Rongze Training Centre (by employee level/gender)

Staff training hours at all levels of the Company	Unit	2022 Data	2021 Data
Average training hours of senior management	hours/person	57	58
Average training hours of middle management	hours/person	62	61
Average training hours of general employees	hours/person	71	61
Average training hours of employees	hours/person	63	61
Average training hours of male employees	hours/person	64	62
Average training hours of female employees	hours/person	62	59
Percentage of senior management trained	%	100	100
Percentage of middle management trained	%	100	100
Percentage of general employees trained	%	100	100
Percentage of female employees trained	%	100	100
Percentage of male employees trained	%	100	100

In order to reinforce the purpose of combining online and offline training and ensure practicality of training, the Company had successively launched project-specific training since July 2022. The training was fully oriented to the front line of the project to promote corporate culture, implement corporate rules and regulations and solve problems that could be tackled starting from training.

Care for Employees and Establish Harmonious Relationships (Continued)

1. Training on Employees' Service Quality

The Company organized training on employees' service quality for project staff. Understanding the actual training needs of new projects, Rongze Training Centre conducted on-site training, though which the employees fully understood the concept of customer experience and management of customer experience and designed service content accordingly in a more scientific manner; understood the essence of "service is to manage customer experience", learnt to build a scientific internal execution mechanism on customer experience to ensure proper management of customer experience.



Picture: Training scene

2. Training on Corporate Culture

Through the training on corporate culture, employees understood the close correlation between corporate culture and business production, operation and efficiency, enhanced their awareness of participating in corporate culture cultivation, strengthened the cohesiveness and centripetal force towards the enterprise, united closely, worked together and made concerted efforts to achieve corporate goals.



Picture: Training scene

Care for Employees and Establish Harmonious Relationships (Continued)

3. Training activities for reserve talents

In 2022, a total of 187 reserve talents of Financial Street Property participated in the scenario-based simulation courses for building high-performance teams and completed the stage of challenge through efficient communication and cooperation with each other. In the courses, the instructor inspired the participants based on the theory of Tuckman's Five Stages of Team Development to think about their actual work, which enhanced the reserve talents' awareness of their own leadership style, deepened their understanding of cross-departmental collaboration, improved the managers' awareness of their own blind spots, and accelerated the transformation of reserve talents from individual self-leadership to team leadership that energizes the team as a whole.



Picture: Training scene

Care for Employees and Establish Harmonious Relationships (Continued)

4. Image and etiquette training

In response to the actual work needs of projects, the Company invited renowned image and etiquette experts to conduct a series of training on image and etiquette, makeup skills, conference services, and practical training for certain projects. During the training process, the instructor provided training on work etiquette and professional image building necessary in daily work through live demonstrations, participant presentations, and instructor-led training with rich contents and in varied forms, which received positive feedbacks from participants. The training not only strengthened the management of inner quality and appearance of employees, but also further enhanced their etiquette and image management capabilities for the provision of better services to owners with a positive and professional image.



Picture: Training scene

Care for Employees and Establish Harmonious Relationships (Continued)

PROTECT EMPLOYEES' RIGHTS AND INTERESTS

➤ Providing high-quality welfare benefits and showing care for employees

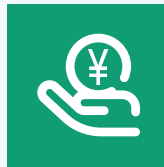
In terms of welfare system, based on the needs of employees, Financial Street Property showed its care through holiday greetings, birthday wishes, summer refreshments and visits to retired employees, employees suffering from illness, and family members of dispatched employees, etc., in accordance with the "Employee Sympathy System of Financial Street Property". In 2022, the Company conveyed particular condolences regarding epidemic prevention and control on 6 occasions, covering 1,300 employees on the front line of epidemic prevention and control, 260 migrant workers during the Chinese New Year, 98 anti-epidemic volunteers; and special condolences on 14 occasions, covering 2,520 employees during the New Year's Day and the Spring Festival, 34 employees on their passing due to illness and passing of their family members, 65 demobilized soldiers and their family members, 1,279 employees in need of summer refreshments, 5 employees in difficulties, 4 newly-married employees, 10 employees having new-born babies, 27 retired employees, 9 employees suffering from illness and 13 dispatched employees.

Composition of benefits other than staff wages



Statutory benefits

The benefits that companies are required by law to provide. The Company provides employees with "five-insurance and one-fund" in accordance with national regulations, namely social pension insurance, social unemployment insurance, social medical insurance, work injury insurance, maternity insurance and employee housing provident fund. The Company will withhold and pay contributions towards "five-insurance and one-fund" from the basic salary of employees on a monthly basis.



Guidance benefits

The Company has adopted its own welfare measures for its employees in order to attract and retain talents, which include holiday allowance, annual leave subsidy, single child subsidy, heating subsidy, etc.



Supplementary benefits

The welfare measures provided to employees according to their job requirements and to encourage long-term employment of outstanding employees, which include corporate pension, supplementary medical insurance, personal accident insurance, etc.

Care for Employees and Establish Harmonious Relationships (Continued)

➤ **Protecting the rights and interests of female employees**

In accordance with the Special Provisions on the Labour Protection of Female Employees, Financial Street Property implements the protection of female employees in “three phases”. It signs the Special Collective Contract for the Protection of Rights and Interests of Female Employees on time, stipulates equal opportunities for male and female employees and equal pay for equal work, and incorporates the labour safety and health protection of female employees into the occupational safety and health management system.

Protection measures for female workers during three phases

<p>1</p> <p>In accordance with national regulations, female workers are entitled to take leave during the “three phases”, and the length of leave for each type of leave is enforced in accordance with the requirements, mainly including: parental care check-up, maternity leave, miscarriage leave and breastfeeding leave.</p>	<p>2</p> <p>The Company not to reduce the basic wages of a female worker during pregnancy, maternity or breastfeeding, or to terminate her labour contract.</p>	<p>3</p> <p>If an employee takes leave for parental care check-up in accordance with the laws, it shall be considered as normal labour and wages shall be paid. Check-ups and treatment fees can be paid or reimbursed by maternity insurance.</p>
<p>4</p> <p>The maternity subsidy for female employees during child birth or miscarriage calculated in accordance with the average monthly wages of the employees of the enterprise in the previous year and paid by the maternity insurance fund.</p>	<p>5</p> <p>Female employees are entitled to one hour of breastfeeding time per day during the breastfeeding period. For multiple births, half an hour of breastfeeding time will be added for each additional baby. Wages will be paid in strict accordance with the salary level agreed in the labour contract, without any reduction or decrease.</p>	<p>6</p> <p>During pregnancy and breastfeeding, female workers shall not be assigned to work at the third level of physical strength as stipulated by the State or to work that is prohibited during breastfeeding, and for female workers who are more than seven months pregnant and breastfeeding, their working hours shall not be extended and they shall not be assigned to work at night.</p>

Care for Employees and Establish Harmonious Relationships (Continued)

The Company makes use of the trade union mutual assistance guarantee platform to further improve the employee protection system. Every year, the Company supplements and joins the “Mutual Assistance Guarantee Scheme for Special Diseases of Working Female Employees” for female employees of appropriate age to relieve their financial difficulties caused by special diseases; organizes activities on Women’s Day every year, provides holiday condolence money, distribute female workers’ supplies regularly, and cares for female employees.



Picture: Movie Viewing Activity on Women’s Day on 8 March organized by the Labour Union of Financial Street Property

Care for Employees and Establish Harmonious Relationships (Continued)

➤ Strengthening the monitoring of working environment and paying attention to the safety and health of employees

The working environment of practitioners in property service industry is characterized by diversity and complexity. In particular, outdoor workers may be affected by external climate factors such as rain, snow, freezing temperature, fog, and high temperature, as well as aging equipment, personnel disputes, and many other factors. The Company formulates and improves the “three-standard system”, identifies the environmental and occupational health hazards in the property office area, evaluates the impact of occupational hazards that may be foreseen in the office environment and various business processes, carries out evaluation and classification of major environmental factors and hazards, and further identifies and eliminates potential hazards in the environment where employees work.

At the same time, in accordance with the requirements of the occupational health and safety system to reflect the “people-oriented” business philosophy, the Company organizes regular employee health examinations, and reminds employees of their health issues and call them to pay more attention on its prevention and control. In case of serious illness that affects work and personal health and safety, it shall be dealt with in strict accordance with relevant national regulations and the actual situation of the Company and the position. The Company organizes physical examination for employees every year, and has customized physical examination packages according to the age group and gender of employees. For employees over 40 years old, the Company has also added inspection items such as carotid artery, Doppler and thyroid function. According to the analysis report provided by the medical examination centre, the employees of the Company were in good health condition in general in 2022.

The Company strictly manages employees’ accommodation environment and food safety. Canteen kitchenware, tableware and dormitory common area are disinfected every day, and special inspections of dormitory hygiene and safety are conducted from time to time. In 2022, there were no safety incidents related to food and dormitory hygiene.

Table: Statistics of work-related injuries and work-related fatalities

Indicators	2022 Data	2021 Data	2020 Data
Lost days due to work-related injuries (day)	445	720	475.5
Number of work-related fatalities occurred in each of the past three years	0	0	0
Proportion of work-related fatalities occurred in each of the past three years	0	0	0

Care for Employees and Establish Harmonious Relationships (Continued)

Table: Employee employment-related KPIs

Indicators	Number of employees in 2022	Number of employees in 2021	Employee Turnover Rate in 2022	Employee Turnover Rate in 2021
Employees	4,584	4,382	21.31%	29.23%
By gender				
Male	2,972	2,862	18.58%	24.88%
Female	1,612	1,520	25.84%	37.43%
By age group				
Aged 30 or below	700	827	34.08%	61.55%
Aged 31–50	2,724	2,620	17.48%	23.36%
Aged 50 or above	1,160	935	19.43%	17.11%
Total workforce by employment type				
Full-time	4,572	4,188	21.38%	28.46%
Part-time	12	194	3.85%	45.88%
By geographical region				
Employees in Eastern China	726	265	17.23%	51.32%
Employees in Central China	34	59	52.70%	50.85%
Employees in Northern China	2,728	3,041	20.13%	21.90%
Employees in Southern China	396	387	35.00%	48.06%
Employees in Northeastern China	24	27	7.69%	3.70%
Employees in Southwestern China	676	603	20.99%	43.45%

Note: Eastern China includes Shanghai, Jiangsu, Zhejiang, Anhui and Shandong;

Central China includes Henan and Hubei;

Northern China includes Beijing, Tianjin, Hebei and Inner Mongolia;

Southern China includes Guangdong;

Northeastern China includes Heilongjiang;

Southwestern China includes Chongqing, Sichuan and Guizhou.

Care for Employees and Establish Harmonious Relationships (Continued)

➤ Listening to employees and opening up democratic channels

The Company has set up a labour union staff hotline, the service scope of which includes keeping informed of severe illness, accidents, fires and other unexpected circumstances of employees and their family and conveying condolences and providing assistance in a timely manner; assisting employees in making appointments at hospitals near their workplaces so as to eliminate their difficulty in registration; providing consultation on secondary medical reimbursement for in-service employees; providing consultation and other services on mutual insurance; and collecting opinions and suggestions from employees, to build a communication bridge between employees and the Company. In addition, the Company actively opens up channels for democratic participation, on a team-by-team basis, keep abreast of the ideological trends and needs of grassroots employees in real time. The Party Committee holds forum at the grassroots to listen to the frontline workers. A suggestion box is set up at the Company's headquarters and employees are encouraged to report problems and make suggestions verbally or by telephone or letters or other means. For the purpose of stimulating the enthusiasm of employees to participate in corporate management, the Company actively collects rational suggestions and carries out evaluation, thereby fostering harmony between the Company and its employees. In 2022, Huizhou Branch was named the first Model Enterprise of Harmonious Labour Relations in Huizhou.

Go Green and Achieve Green Development

The Company pays attention to the harmonious development of human and nature and is committed to providing high-quality services, conducts in-depth study of the “double carbon” policy and strictly implemented the national green development concept. The Company abides by the Environmental Protection Law of the People’s Republic of China, the Energy Conservation Law of the People’s Republic of China, the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, the Measures for Environmental Administrative Penalties, the Implementation Plan for the Domestic Waste Classification System, the Regulations on the Administration of Domestic Waste in Beijing, the Regulation of Beijing Municipality on City Appearance and Environmental Sanitation, the Regulations of Beijing Municipality on Smoking Control and other laws and regulations. At the same time, the Company has formulated the Energy Management Manual of Financial Street Property to take measures that are technically feasible, economically reasonable and in line with environmental protection requirements, which effectively promotes the Company’s energy management, rational use of energy, improves energy efficiency, and reduces the Company’s operating costs, so that the Company can reduce the loss and waste of energy in all aspects and promote energy saving and emission reduction.

FOCUS ON CLIMATE CHANGE

In terms of climate change, the Company attaches great importance to the risks brought by climate change and has adopted a series of measures. At present, climate change factors that pose risks to operations mainly include snowstorms, heavy rains, floods, droughts, lightning, typhoons, etc.

In response to extreme weather disasters, the Company has established a complete emergency management system based on years of management experience and formulated the Safety Production Management Manual as well as the Extreme Weather Risk Identification and Assessment Table. At the implementation level, property projects in various regions may, according to their own disaster risks (e.g. emergency prevention and control of heavy rains and typhoons for the southern region, and emergency response and preventive measures on droughts, snowstorms and cold flows for the northern region), cooperated with customers to carry out local emergency plan drills on a regular basis according to local conditions to improve the effective response to emergency disaster weather and comprehensively protect the personal and property safety of customers.

In 2022, the Company organized the supplemental identification and update of environmental factors at functional management centres and service centres. After identification and evaluation, the Company identified and evaluated 196 environmental factors in 27 regions in six categories (energy consumption, resource consumption, air pollution, water pollution, land pollution and noise pollution) for 2022, including 79 important environmental factors, and corresponding target indicator plans were formulated. Amidst rapid expansion of the Company’s business, there may be changes in environmental factors during the year and, as such, dynamic management and control were performed in daily project operation based on the actual situation.

Go Green and Achieve Green Development (Continued)

Table: Extreme Weather Risk Identification and Assessment Table

Source of risks	Level of risks	Impact of risks	Countermeasures
Thunderstorm and heavy rain			
Façade hanger/tall trees	Middle	Falling objects from height and personal injury	Strengthen daily patrol and inspection, and increase the frequency of patrol in extreme weather to pay attention to personal safety
Movable items on windowsill	Low	Damage caused by falling object	Communicate with and remind the property owner in time
Drainage facilities	Low	Waterlogging and personal injury	Inspect emergency equipment and facilities before, during and after the flood season, and formulate emergency plans and conduct drills
Lightning protection facilities	Low	Lightning strike and fire	Engage a third party to conduct lightning protection inspection on a regular basis every year, and inspect equipment on a daily basis
Power supply system	Middle	Electric shock, power failure	Complete the switching operation once a year, and complete the maintenance according to the maintenance plan
Underground parking lot	Low	Waterlogging and property loss	Before, during and after the flood season, inspect emergency equipment and facilities and materials, empty rainwater gutters in a timely manner and formulate emergency plans and conduct drills

Go Green and Achieve Green Development (Continued)

Source of risks	Level of risks	Impact of risks	Countermeasures
Garbage generated by weather factors	Middle	Scratch, waterlogging, epidemic	Timely clean and disinfection
Offenders	Low	Personal injury and property loss	Strengthen control of entrance and exit
Strong wind and dust			
Façade hanger/tall trees	Middle	Falling objects from height and personal injury	Strengthen daily patrol and inspection, and increase the frequency of patrol in extreme weather to pay attention to personal safety
Movable items on windowsill	Low	Damage caused by falling object	Communicate with and remind the property owner in time
Public facilities and equipment	Middle	Equipment damage	Strengthen daily inspections, and reinforce and timely repair outdoor equipment
Heavy fog			
Public lighting equipment	Low	Personal injury	Check weather forecast, reasonably arrange work schedule of outdoor operators, and check emergency supplies reserve in time
Vehicles	Middle	Traffic accident and property loss	Strengthen guidance and remind people to go slow
High temperature/dry weather			
Glass façade and ceramic tile	Middle	Burst and fall off and personal injury	Conduct daily inspection, and increase the frequency of patrol in extreme weather to pay attention to personal safety
Power supply system	Middle	Electric shock and fire	Conduct regular inspection

Go Green and Achieve Green Development (Continued)

Source of risks	Level of risks	Impact of risks	Countermeasures
People with poor immunity	Low	Heat stroke	Check weather forecast, reasonably arrange work schedule of outdoor operators, and check emergency supplies reserve in time
Greening plants	Low	Withering	Pay attention to irrigation
Bacteria and mosquitoes	Middle	Disease and epidemic	Strengthen disinfection and pest control and conduct regular inspection
Freezing rain and snow			
Public facilities and equipment	Low	Equipment damage	Closely monitor and timely repair
Traffic line	Low	Traffic accidents, personal injuries	Check weather forecast, activate emergency plan in time, and conduct daily inspections of emergency supplies
Greening plants	Low	Frostbite and withering	Pay attention to ice and snow removal

Note:

Low-level risks refers to risks of minor personal injury to property owners and relatively controllable property damage. Middle-level risks refers to risks of moderate personal injury to property owners or substantial property damage. High-level risk refers to risks of severe personal injury to property owners or severe property damage.

Go Green and Achieve Green Development (Continued)

SAVE ENERGY AND REDUCE EMISSIONS

The purpose of the Company's energy-saving management is to effectively reduce the energy consumption of various properties through scientific management, technological transformation and standard operation, save resources and protect the environment to the maximum extent, and strive to build property management activities for energy-saving and low-carbon living communities under the premise of ensuring property service quality. The measures taken by the Company have achieved certain results and have been recognized by professional certification bodies and relevant government departments.

In terms of emission indicators, the Company has seen further improvements in a number of emission indicators compared to 2021. In particular, sulphur oxide emissions decreased by 22.03% compared to 2021 and Scope 1 GHG emissions decreased by 21.77% compared to 2021 and Scope 2 GHG emissions decreased by 9.84% compared to 2021.

➤ Setting energy saving and emission reduction target, and paying attention to the performance of indicators

Adhering to the strategy of green sustainable development, the Company has set a target of 3% reduction of electricity consumption in the public area on the same basis each year and, through the internal energy management system, conducts analysis on the month-on-month and year-on-year data of the energy report on a monthly basis, exert stringent control over the use of energy. The competent functional department holds an energy analysis meeting every quarter with the participation of all project managers and supervisors to ensure the energy saving and consumption reduction target is achieved on schedule.

In 2023, the Company will continue to promote energy saving and emission reduction activities, and strengthen publicity and training for owners, partners and employees on low-carbon, waste reduction, energy conservation, and water conservation. In terms of emission targets, the Company will build a carbon emission management system, improve the environmental management and collection process for property projects under management, and at the same time fully explore opportunities for renewable energy and carbon reduction technologies, striving to reduce carbon emissions year by year. In terms of waste reduction targets, the Company will further strengthen waste management, increase the proportion of waste recycling, and reduce the discharge of hazardous waste. In terms of energy use and water conservation, the Company will also phase out high-energy-consuming obsolete equipment, actively explore water-saving facilities and water circulation and water treatment technologies to further reduce energy consumption and water consumption per unit area under management.



Picture: Agenda contents of quarterly energy analysis meeting

Go Green and Achieve Green Development (Continued)

➤ Promoting energy saving measures and achieving energy conservation

In the course of operation, in order to save energy and reduce emissions thoroughly, the Company has put forward specific measures in terms of power saving, fuel saving and paper saving to reduce carbon emissions and improve energy efficiency with practical actions.

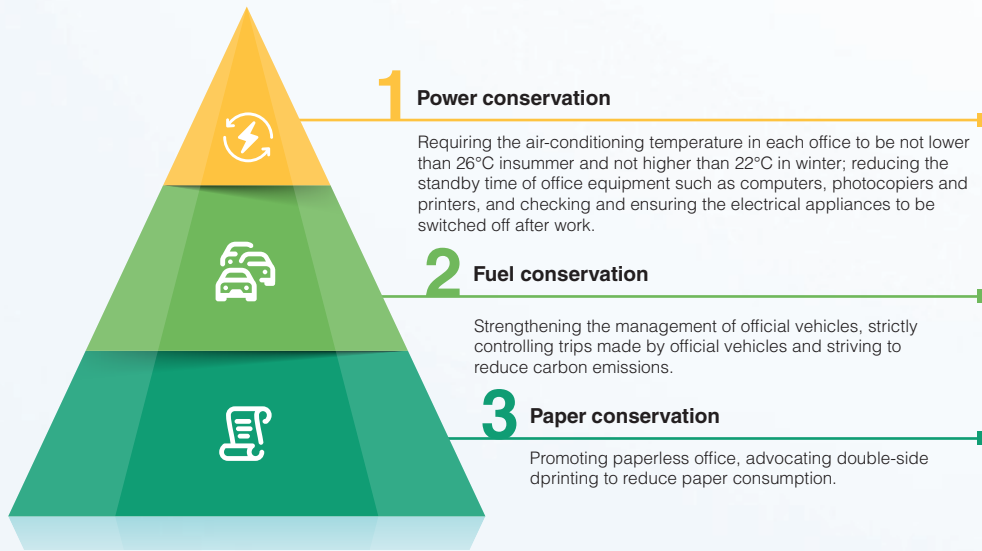


Figure: Some of the energy-saving measures of the Financial Street Property

In terms of water conservation, the Company has formulated a number of water-saving measures, including preventing water leakage or dripping, regulating water flow of faucets, analysing fluctuations in water consumption, and promoting water conservation, to continuously improve water efficiency. In 2022, the Company achieved an annual rate of less than 3% of water leaking and dripping. In 2023, the Company will pursue greater progress compared with the current level.

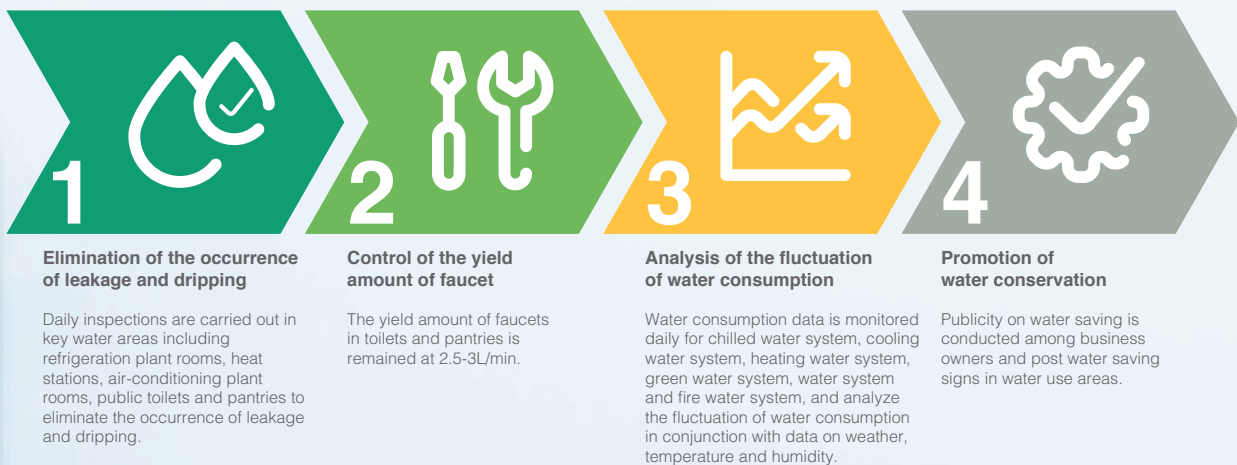


Figure: Water-saving measures of Financial Street Properties

Go Green and Achieve Green Development (Continued)

➤ Achieving the target of carbon emission reduction

According to the “Decision of Beijing Municipal People’s Congress on Carrying out the Pilot Work of Carbon Emissions Trading under the Premise of Strictly Controlling the Total Amount of Carbon Emissions” issued by the Standing Committee of the NPC, the “Notice of Beijing Municipal People’s Congress on Issuing the Administrative Measures of Beijing Municipality for Carbon Emissions Trading (Trial) (Jing Zheng Fa [2014] No. 14)” and the “Notice on Adjusting the Scope of Control of Key Emission Units under the Administrative Measures of Beijing Municipality for Carbon Emissions Trading (Trial) (Jing Zheng Fa [2015] No. 65)” issued by the government of Beijing Municipality, the Company submitted its annual carbon emission report for 2021 to the Municipal Ecology and Environment Bureau in 2022 as required and achieved the target of carbon emission reduction on schedule.

序号	单位年度	主要产品名称	上报数量 (吨)	责任人	报告年度
1	2020	BLA	13228	金融街物业股份有限公司	2022-05-18 18:24:13
2	2020	BLA	19637	北京市	2021-09-03 16:04:26
3	2019	BLA	10687	北京市	2020-11-11 11:52:13
4	2018	BLA	11386	北京市	2019-08-08 09:53:17
5	2017	BLA	11000	北京市	2018-07-27 15:13:46
6	2016	BLA	8273	北京市	2017-05-25 14:57:29
7	2015	BLA	8974	北京市	2016-06-03 08:47:08

Picture: 2021 Carbon Emission Report

Go Green and Achieve Green Development (Continued)

➤ Enhancing promotion of environmental protection and implementing energy-saving transformation

Earth Hour: On 26 March, Financial Street Property participated in “Earth Hour”, and launched the “green” initiative, advocating “green, low-carbon, sustainable production and lifestyle”, in the hope of making some changes for the environment through small actions, to let the Earth take a break for an hour, and speak up for the earth.

Earth Day: 22 April 2022 was the 53rd Earth Day. Financial Street Property advocated energy conservation and environmental protection, called for harmonious coexistence between man and nature, raised public awareness of existing environmental issues, conveyed the concept of “green, low-carbon, and environmental protection”, carried out public welfare and environmental protection activities on the theme of “We Green Future (綠見.We來)” across the country to promote green communities and buildings construction and protect our beautiful homeland.

Energy efficiency transformation: Financial Street Property actively responded to the government’s call, insisted on comprehensive and continuous energy saving and consumption reduction, regarded resource management and environmental protection as the sustainable development goals of the enterprise, integrated green concepts into daily services at all times, and adopted refined management, technology empowerment, grid management and other means to save energy, reduce emission and consumption, and build green communities and green buildings.

Energy Efficiency Promotion Week: Financial Street Property actively participated in the campaign of “National Energy Efficiency Promotion Week” launched by Xicheng District Commission of Development and Reform of Beijing Municipality to support on carbon peak and carbon neutrality, conveyed a vibe encouraging energy efficiency and low carbon through the WeChat account, elevator advertising, and leaflet distribution in order to promote the green transformation of property development.



Picture: Financial Street Property’s energy efficiency transformation measures

Go Green and Achieve Green Development (Continued)

➤ Delivering remarkable results in energy conservation and emission reduction

In March 2022, Financial Street Property Co., Limited passed the energy management system certification and obtained the energy management system certificate.



In September 2022, according to the relevant requirements of the “Notice on Conducting Supervision of Energy Conservation in 2022” issued by the Xicheng District Commission of Development and Reform of Beijing Municipality, the Company prepared the report of energy conservation, demonstrated relevant energy-saving measures under the Energy Management Manual of Financial Street Property which have continuously improved by the Company in recent years, and passed the inspection by the Xicheng District Commission of Development and Reform.



Go Green and Achieve Green Development (Continued)

Table: KPIs related to emissions

Indicators	2022 Data	2021 Data
Types of emissions and emissions		
Nitrogen oxides emissions (kg)	375.15	320.35
Sulphur oxides emissions (kg)	0.46	0.59
Particulate matter emissions (kg)	30.05	30.47
Greenhouse gas emissions and intensity		
Total GHG emissions (tonnes)	61,446.60	68,164.06
Greenhouse gas emissions per unit area under management (tonnes/10,000 sq.m.)	17.58	20.35
Scope of direct emissions (Scope 1) (tonnes)	67.52	86.31
Gasoline (ton)	66.99	85.47
Diesel (tonnes)	0.52	0.84
Indirect emissions (Scope 2) (tonnes)	61,379.08	68,077.75
Purchased electricity (tonnes)	61,379.08	68,077.75
Total hazardous waste and intensity		
Total amount of hazardous waste disposal (tonnes)	2.90	5.93
Waste ink cartridges (tonnes)	0.13	0.20
Waste toner cartridges (tonnes)	0.99	1.69
Waste fluorescent lamp tubes (tonnes)	1.22	3.12
Waste batteries (tonnes)	0.56	0.92
Total hazardous waste disposal per GFA under management (tonnes/10,000 sq.m.)	0.0008	0.0018
Total non-hazardous waste produced and intensity		
Total amount of non-hazardous waste disposal (tonnes)	440.27	423.49
Domestic waste (tonnes)	395.26	377.84
Office paper (tonnes)	45.01	45.65
Total non-hazardous waste disposal per GFA under management (tonnes/10,000 sq.m.)	0.13	0.13

Go Green and Achieve Green Development (Continued)

Note:

1. The scope of disclosure of emission-related performance indicators in 2022 includes the office areas of the Company's business segments, as well as the property management public areas of projects under management (excluding commission-based projects).
2. Based on the operational characteristics, the emissions of nitrogen oxides, sulphur oxides and particulate matters mainly come from gasoline and diesel consumed by the Company's vehicles. The emissions are calculated in accordance with the "How to Prepare an ESG Report Appendix II: Reporting Guidance on Environmental Key Performance Indicators".
3. Based on its operational characteristics, the Company's greenhouse gas emissions mainly come from purchased electricity and vehicle fuels, including carbon dioxide, methane and nitrous oxide. Greenhouse gas emissions are presented in carbon dioxide equivalent and calculated based on the 2019 Baseline Emission Factors for Regional Power Grids in China issued by the Ministry of Ecology and Environment of the People's Republic of China and the 2019 Amendment to the 2006 IPCC Guidelines for Greenhouse Gas Inventories issued by the Intergovernmental Panel on Climate Change (IPCC).
4. The hazardous wastes involved in the operation of the Company mainly include waste ink cartridges, toner cartridges, fluorescent tubes and batteries.
5. The non-hazardous waste involved in the Company's operation mainly includes office domestic waste and waste office paper, of which domestic waste is estimated based on the number of people and the average daily production coefficient of domestic waste.

Table: Energy and Resources Consumption Related KPIs

Indicators	2022 Data	2021 Data
Total energy consumption (MWh)	91,458.51	101,921.13
Direct energy consumption (MWh)	293.65	375.21
Gasoline (MWh)	291.89	372.41
Diesel (MWh)	1.75	2.80
Indirect energy consumption (MWh)	91,164.86	101,545.92
Purchased electricity (MWh)	91,164.86	101,545.92
Energy consumption per GFA under management (MWh/10,000 sq.m.)	26.14	30.43
Water consumption (tonnes)	1,212,619.70	1,344,166.08
Water consumption per GFA under management (tonnes/10,000 sq.m.)	346.61	401.28

Go Green and Achieve Green Development (Continued)

Note:

1. The scope of disclosure of key performance indicators related to energy and resources consumption in 2022 includes the office areas of the Company's business segments and the property management public areas of the projects under management (excluding commission-based projects).
2. The energy consumption data is calculated based on the consumption of purchased electricity and vehicle fuel and the relevant conversion factors provided in the General Principles for Calculation of Comprehensive Energy Consumption (GB/T 2589-2008).
3. Water consumption of the Company comes from municipal water supply, and there is no issue in sourcing water that is fit for purpose.
4. Packaging materials data is not applicable to the Company's business.

IMPLEMENT WASTE CLASSIFICATION

In the normal operation and management, hazardous waste generated by the Company includes ink cartridges, toner cartridges and batteries, while non-hazardous waste mainly refers to domestic waste. In order to better fulfil the responsibility of environmental protection, the Company has formulated different treatment measures for different waste management to reduce the harm caused by waste to the environment. We aim to establish waste recycling and treatment plans in accordance with national requirements, implement waste classification management in each project under our management, and continuously improve the living environment of property owners, so as to improve the living environment of property owners.

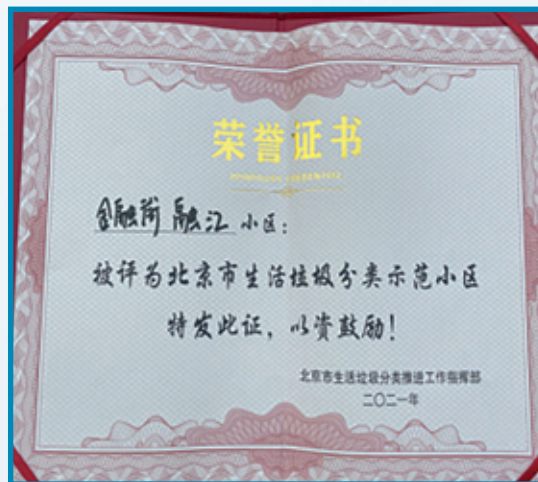
- Management of hazardous waste: equipped with waste battery collection buckets; set up collection bins for medical waste and epidemic prevention supplies; collected toner cartridges and ink cartridges by special personnel and arranged qualified third parties for recycling.

Go Green and Achieve Green Development (Continued)

- Management of domestic waste: set up waste sorting bins in office buildings to collect and transport each type of waste; post posters and notices on the project bulletin board to promote the correct waste classification methods to the owners; strengthen the promotion and education and related training of waste sorting to promote the habit of waste sorting; through intelligent means, the efficiency of waste sorting, transportation and treatment can be improved.



Picture: Financial Street Property assisting the public in waste sorting



Picture: Ronghui District of Financial Street was rated as a role-model community in Beijing in terms of waste classification

Connect with Society and Fulfil Corporate Responsibility

IMPLEMENT EPIDEMIC PREVENTION AND CONTROL

In 2022, the COVID-19 epidemic spread across the country, and the outbreaks continued in Beijing, Shanghai, Chengdu, Shenzhen, Guangzhou, etc. In view of the severe and complicated situation, the epidemic prevention and control team of the Company held regular meetings on the epidemic, formulated and issued more than 120 instructions and notices on epidemic prevention and control, and comprehensively coordinated, managed and guided the epidemic prevention and control work of the Company. Also, in response to the government requirements and epidemic prevention guidelines such as the Novel Coronavirus Pneumonia Prevention and Control Plan (Ninth Edition) and “Five Haves and One Grid” Anti-epidemic Measures, the Company formulated and issued institutional documents such as the Pocket Book of Epidemic Prevention and Control, Emergency Response Plan for Epidemic Prevention and Control in Static Period, and Reward and Punishment System for Epidemic Prevention and Control “Checkpoints” to build an institutionalized and standardized epidemic prevention and control system of the Company and provide comprehensive guidance to the pandemic prevention of projects. In addition, for cleaners and security guards, the Company strictly implemented special epidemic prevention and control measures of the competent industry authorities, increased the frequency of environmental inspection, and strengthened the management of dormitory personnel through information management means to effectively control the risk of personnel mobility. Through special training on epidemic prevention and control and epidemic knowledge assessment, the anti-epidemic knowledge and skills of management personnel and grassroots anti-epidemic personnel were enhanced, and the four-party responsibilities were fulfilled. In addition, in view of the fast-spreading Omicron variant of COVID-19, Financial Street Property formulated a specific epidemic response plan, including sorting out emergency response procedures, setting up isolation channels and isolation rooms, and stockpiling emergency anti-epidemic materials, and carried out emergency drills for epidemic prevention to ensure that the risk of the spread of the epidemic would be blocked promptly, strictly and carefully in the event of an outbreak.

In accordance with the requirements of the national and government policies on the control of the COVID-19 pandemic, the Company implemented normalized management of epidemic prevention and control, coordinated the pandemic prevention in a proper manner with stable scheduling and orderly organization, provided strong protection for customers from different sectors, such as government agencies, offices and communities, and assumed and demonstrated its social responsibility as a state-owned enterprise.



Picture: Epidemic prevention and control work of Financial Street Property were fully affirmed by various sectors of society

Connect with Society and Fulfil Corporate Responsibility (Continued)

➤ Anti-epidemic Case 1: Intelligent gates to facilitate the anti-epidemic work of office buildings

Through installation of intelligent gates, refined management of individuals entering the office building was enabled with the use of big data, ensuring the order and safety of project personnel. During the period of epidemic prevention and control, the intelligent gates enabled real-time search of data of health codes and nucleic acid testing. With the integrated operation of face recognition + health code scanning + intelligent temperature measurement + door opening, epidemic prevention and control was facilitated.



Picture: Intelligent gates for office buildings

➤ Anti-epidemic Case 2: “Three Colour Disinfectant” to protect the projects under management

Yongtaiheng Health Service Co., Ltd. under Financial Street Property serves various medical and health institutions, administrative office buildings and residential buildings of the Xicheng District Health Commission, and has always stood at the front line of medical and administrative office logistics services, fought shoulder-to-shoulder with medical practitioners and discharged its responsibility and commitment during the epidemic. In the health service station project in Xicheng District, in order to ensure the accurate ratio of disinfectant, the service station suggested the red, yellow and blue barrel proportioning (500mg/L from blue barrel; 1,000mg/L from red barrel; 2,000mg/L from yellow barrel), and posted the ratio and cautionary label on the barrel surface. It solved the problem of inaccurate disinfectant proportioning and received unanimous praise from the medical practitioners of the health service centre.



Picture: The cleaners of the Financial Street Property promoting the method of washing hands and proportioning of disinfectant

Connect with Society and Fulfil Corporate Responsibility (Continued)

➤ Anti-epidemic Case 3: Transformation into “Big White” to protect the safety of community

Before and after the Labour Day holiday, the epidemic situation in Beijing remained severe and complication, and prevention and control work was at a critical juncture. In order to protect the safety of property owners, all the branch companies, subsidiaries and joint venture companies of Financial Street Property in Northern China actively responded to the government’s call and strictly complied with epidemic prevention and control regulations, and the Party members of property service centres promptly set up anti-epidemic teams, assigned duties to team members for implementation, and closely cooperated with the local government to facilitate epidemic prevention and control.

Employees of Financial Street Property transformed into “Big White” fighting “non-stop” against the epidemic, and cooperated with the community to complete 7 rounds of nucleic acid testing. Under the overload operation, they took up the responsibility to fight against the epidemic without complaining, and stayed with community workers in the most dangerous place where they were most needed, and they were obliged to be the “gatekeepers” of community safety and built a strong barrier with their perseverance.



Picture: Financial Street Property keeping on anti-epidemic work before and after the Labour Day

Connect with Society and Fulfil Corporate Responsibility (Continued)

STAY ENTHUSIASTIC IN SOCIAL WELFARE

The Party Committee of Financial Street Property has always be committed to “doing practical things for the public” and, based on the leadership of the Party, through provision of community service, led the Party members and cadres to devote themselves to the practice of serving the people, such as providing free repair services and air-conditioning cleaning services for the disadvantaged groups; assisting community streets in managing shared bicycle parking and maintaining traffic order, so as to solve problems and do practical things for the public with real actions.

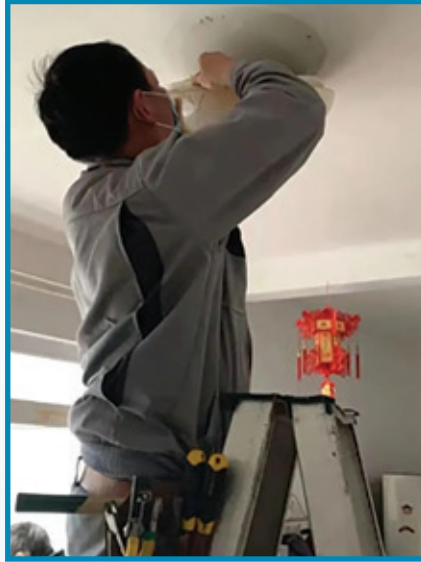
➤ Caring for the elderly and the disadvantaged

Young members of Financial Street Property visited households and organized volunteer service activities with the theme of “inheriting Lei Feng’s spirit and striving to be the pioneer of the times”. The volunteers visited the elderly living alone and disabled elderly, publicized the knowledge of epidemic prevention and control, checked potential hazards of the safety of fire and electricity in their homes, and warmed hearts with actions.



Picture: Financial Street Property caring for the elderly

Connect with Society and Fulfil Corporate Responsibility (Continued)



Picture: Financial Street Property providing free repair service for the disadvantaged

➤ **Conveying and bringing positive energy to the society**

Through new media platforms such as Weibo and WeChat, the business regions and branch companies of the Company widely promoted the typical deeds of people learning from Lei Feng's spirit, vigorously promote the "live Lei Feng" around us, and actively spread positive energy in society.

In October 2022, a woman fell into the river by accident. Li Yunfei, a security officer of Desheng International Centre of Financial Street Property, happened to pass by there. At the critical moment, without any hesitation, he jumped into the water and tried his best to save the woman, and brought the woman safely ashore.

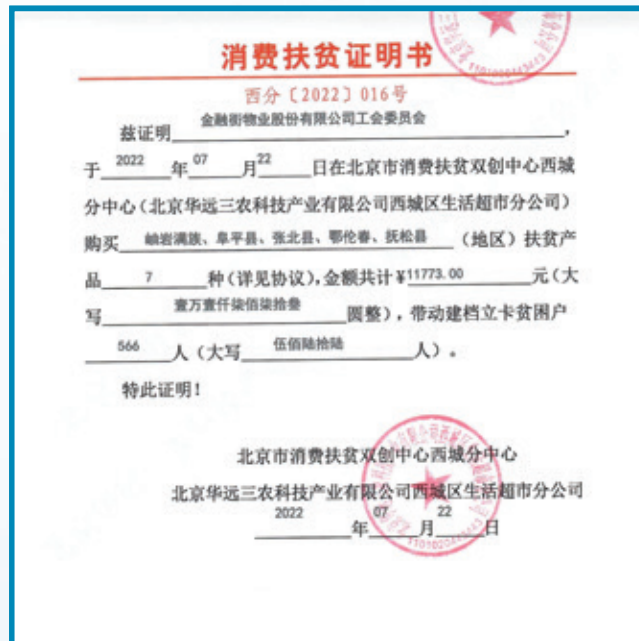


Picture: A security officer valiantly rescuing someone who fell into the water

Connect with Society and Fulfil Corporate Responsibility (Continued)

➤ Purchasing poverty-relief products

The labour union of Financial Street Property actively responded to the government's consumption-led poverty relief activities. In 2022, it purchased a total of more than 10,000 yuan of poverty-relief products to distribute to the employees who participated in voluntary activities for epidemic prevention and control.



Picture: Certificate of consumption-led poverty relief

➤ Activity of "Patriotic Public Health Month"

Based on the themes of 70th anniversary of Patriotic Health Movement and the Healthy Beijing Initiative, the Company promoted the proud tradition of patriotic health and carried out practical activities related to ecological civilization, sanitation, urban environment and health promotion. In April 2022, the Company launched the activity of "Patriotic Public Health Month", together with the activity of "Double Registrations of Party Members", the new era civilization practice activity and the city civilization, carried out indoor and outdoor environmental cleaning activities every Friday, and participated in the health day activities of the community every Saturday.



Picture: Activity of "Patriotic Public Health Month"

Connect with Society and Fulfil Corporate Responsibility (Continued)

➤ Voluntary service of “civilized junction construction”

In August 2022, the Company, as a civilized unit in the capital, actively carried out the voluntary service of “civilized junction construction” and organized volunteers to maintain traffic order, aiming to enhance citizens’ awareness of civilized travel and create a harmonious, safe and smooth road traffic environment. A total of 120 people participated in the voluntary activity.



Picture: Voluntary service of “civilized junction construction”

➤ Charitable donation

In May 2022, the Party Committee of Financial Street Property organized Party members to actively participate in the first “May 8th Humanitarian Public Welfare Day” public fundraising activity and voluntarily participated in donations. From 30 June to 15 July, the activity of “Communist Party Members Give Love” was carried out and donation in the amount of RMB13,679.29 was made to the Beijing Xicheng Charity Association for medical aid, student assistance, support for the elderly, assistance for Party members in difficulty, and temporary assistance for families or individuals in special hardship due to unexpected events in Xicheng District.



Picture: Invoice for the Communist Party members’ donation

Connect with Society and Fulfil Corporate Responsibility (Continued)

➤ Voluntary blood donation activity

In December 2022, 22 employees of Financial Street Property participated in voluntary blood donation activity, actively fulfilled their social responsibilities, conveyed the positive social energy of “dedication, mutual help, and responsibility” with practical actions, and created a good social atmosphere of dedication, fraternity, and solidarity.



Picture: Voluntary blood donation activity

➤ Passing the certification of Corporate Social Responsibility Management System

In August 2022, Beijing Financial Street Savills Property Management Co., Ltd., a subsidiary of the Company, passed the corporate social responsibility management system certification and obtained a certificate in this regard.



Picture: Corporate Social Responsibility Management System Certificate

Connect with Society and Fulfil Corporate Responsibility (Continued)

➤ Other social activities and awards

Financial Street Property and its subsidiaries always adhere to the customer-centric approach in fulfilling corporate responsibilities. The Company took practical actions such as working on epidemic prevention and control and caring for customers, which were widely appreciated by the society and customers, and received various honours and awards in recognition of its efforts.



Picture: The Company is committed to customer care



Picture: Letters of thanks and pennants received from customers

Connect with Society and Fulfil Corporate Responsibility (Continued)



Figure: Certificate & qualification obtained by the Company

Appendix: Environmental, Social and Governance Reporting Guide Content Index

Areas	Aspects	Performance Indicators	Chapter
Environment	A1 Emissions	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the listed company relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Go Green and Achieve Green Development
		A1.1: The types of emissions and respective emissions data.	Go Green and Achieve Green Development
		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 Green and Achieve Green Development
		A1.3: Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Go Green and Achieve Green Development
		A1.4: Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Go Green and Achieve Green Development
		A1.5: Description of emission target(s) set and steps taken to achieve them.	Go Green and Achieve Green Development
		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 Green and Achieve Green Development

Appendix: Environmental, Social and Governance Reporting Guide Content Index (Continued)

Areas	Aspects	Performance Indicators	Chapter
	A2 Use of Resources	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials.	Go Green and Achieve Green Development
	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 Green and Achieve Green Development
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Go Green and Achieve Green Development
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Go Green and Achieve Green Development
	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 Green and Achieve Green Development
	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 businesses
	A3 The Environment and Natural Resources	General Disclosure: Policies on minimising the issuer's significant impacts on the environment and natural resources.	Go Green and Achieve Green Development
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Go Green and Achieve Green Development

Appendix: Environmental, Social and Governance Reporting Guide Content Index (Continued)

Areas	Aspects	Performance Indicators	Chapter
	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 Green and Achieve Green Development
		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 Green and Achieve Green Development
Social	B1 Employment	General Disclosure: Information on: <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 	Care for Employees and Establish Harmonious Relationships
		B1.1 Total workforce by gender, employment type (i.e. full- or part-time), age group and geographical region.	Care for Employees and Establish Harmonious Relationships
		B1.2 Employee turnover rate by gender, age group and geographical region.	Care for Employees and Establish Harmonious Relationships
	B2 Health and Safety	General Disclosure: Information on: <ul style="list-style-type: none"> (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. 	Care for Employees and Establish Harmonious Relationships

Appendix: Environmental, Social and Governance Reporting Guide Content Index (Continued)

Areas	Aspects	Performance Indicators	Chapter
		B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Care for Employees and Establish Harmonious Relationships
		B2.2 Lost days due to work injury.	Care for Employees and Establish Harmonious Relationships
		B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Care for Employees and Establish Harmonious Relationships
	B3 Development and Training	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Care for Employees and Establish Harmonious Relationships
		B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Care for Employees and Establish Harmonious Relationships
		B3.2 The average training hours completed per employee by gender and employee category.	Care for Employees and Establish Harmonious Relationships
	B4 Labour Standards	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Care for Employees and Establish Harmonious Relationships
		B4.1 Description of measures to review employment practices to avoid child and forced labour.	Care for Employees and Establish Harmonious Relationships
		B4.2 Description of steps taken to eliminate such practices when discovered.	Care for Employees and Establish Harmonious Relationships

Appendix: Environmental, Social and Governance Reporting Guide Content Index (Continued)

Areas	Aspects	Performance Indicators	Chapter
	B5 Supply Chain Management	General Disclosure: Policies on managing environmental and social risks of the supply chain.	Maintain Governance Compliance and Build a Solid Foundation for Development
		B5.1 Number of suppliers by geographical region.	Maintain Governance Compliance and Build a Solid Foundation for Development
		B5.2 Description of practices relating to engaging suppliers, number of suppliers where practices are being implemented, and how they are implemented and monitored.	Maintain Governance Compliance and Build a Solid Foundation for Development
		B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Maintain Governance Compliance and Build a Solid Foundation for Development
		B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Maintain Governance Compliance and Build a Solid Foundation for Development
B6 Product Responsibility		General Disclosure: Information on:	Uphold the Service-oriented Principle and Reinforce Service Quality
		(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.	Maintain Governance Compliance and Build a Solid Foundation for Development
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Company's businesses

Appendix: Environmental, Social and Governance Reporting Guide Content Index (Continued)

Areas	Aspects	Performance Indicators	Chapter
		B6.2 Number of products and service related complaints received and how they are dealt with.	Uphold the Service-oriented Principle and Reinforce Service Quality
		B6.3 Description of practices relating to observing and protecting intellectual property rights.	Maintain Governance Compliance and Build a Solid Foundation for Development
		B6.4 Description of quality assurance process and recall procedures.	Not applicable to the Company's businesses
		B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	Maintain Governance Compliance and Build a Solid Foundation for Development
	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.	Maintain Governance Compliance and Build a Solid Foundation for Development
		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.	Maintain Governance Compliance and Build a Solid Foundation for Development
		B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Maintain Governance Compliance and Build a Solid Foundation for Development
		B7.3 Description of anti-corruption training provided to directors and staff.	Maintain Governance Compliance and Build a Solid Foundation for Development

Appendix: Environmental, Social and Governance Reporting Guide Content Index (Continued)

Areas	Aspects	Performance Indicators	Chapter
	B8 Community Investment	General Disclosure: Policies on community engagement to understand the needs of the communities where the listed company operates and to ensure its activities take into consideration the communities' interests.	Connect with the Society and Fulfil Corporate Responsibility
		B8.1 Focus areas of contribution (e.g. education, environmental matters, labour needs, health, culture and sport).	Connect with the Society and Fulfil Corporate Responsibility
		B8.2 Resources contributed (e.g. money or time) to the focus areas.	Connect with the Society and Fulfil Corporate Responsibility