

NEW HOPE
新 希 望 服 务 SERVICE

新希望服務控股有限公司
NEW HOPE SERVICE HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 3658

**ENVIRONMENTAL,
SOCIAL AND GOVERNANCE REPORT**

2022





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About this Report

New Hope Service Holdings Limited (hereinafter referred to as the “**Company**” or “**New Hope Service**”) and its subsidiaries (hereinafter referred to as the “**Group**” or “**We**”) publishes an Environmental, Social and Governance report (hereinafter referred to as the “**Report**”), demonstrating and summarizing our work, practices and performance in Environmental, Social and Governance (hereinafter referred to as “**ESG**”), so as to respond to stakeholders’ expectations on the Group’s sustainability and information disclosure and to enhance stakeholders’ understanding and confidence in the Group.

Reporting Framework

This Report has been prepared in accordance with the “Environmental, Social and Governance Reporting Guide” (hereinafter referred to as the “**Reporting Guide**”) under Appendix 27 of the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Stock Exchange**”). The content also complies with the disclosure principles required by the Reporting Guide and the disclosure obligations of “comply or explain” set out in the Reporting Guide. This Report is in accordance with the “comply or explain” requirement in the Reporting Guide, and the content follows the four reporting principles of “Materiality”, “Quantitative”, “Balance” and “Consistency”.

Materiality	This Report has identified the current ESG materiality issues by conducting a materiality assessment and the results will be submitted to the Board of Directors for approval to ultimately identify the materiality issues as the basis for preparing this Report and responding to them through the Report.
Quantitative	The statistical standards, methodologies, assumptions and/or calculation tools as well as the sources of conversion factors used in reporting emissions in this Report, provide stakeholders with an understanding of how ESG performance is quantified.
Balance	This Report presents the Group’s performance during the reporting period in an impartial manner, avoiding omissions or choices that may unduly influence stakeholders’ decisions or judgments.
Consistency	The statistical methods used for the data disclosed in this Report are consistent with those of last year. Any changes will be clearly stated in the Report for the reference of stakeholders.

Reporting Period and Scope

This Report covers the reporting period from January 1, 2022 to December 31, 2022 (hereinafter referred to as the “**Year**” or the “**Reporting Period**”). Unless otherwise specified, the content coverage of this Report is the same as that of the Group’s Annual Report for this year. The data scope of environmental key performance indicators (“**KPIs**”) is the same as that of last year, and covers the Group’s headquarters, Southern China, Chengdu-Chongqing, Kunming and Wenzhou. It is hoped that the coverage and depth will be expanded in the future to continuously monitor sustainable development performance.

Reporting Language

This Report is published in both Chinese and English versions. If there is any inconsistency between the two versions, the Chinese version shall prevail. Electronic version of this Report is published on the websites of the Group and the Stock Exchange, readers could view or download the Report on the Group’s website (<https://www.newhopeservice.com.cn>) by clicking “Financial and ESG Reports” under “Investor Relations” section or the Stock Exchange’s website (<https://www.hkexnews.hk/>).

Report Approval

This Report has been approved and confirmed that the contents of this Report do not contain any false records, misleading statements and material omissions by the Board of Directors of the Group (the “**Board**”), and the Board assumes full responsibility for the contents reported in this Report.

Contact Information

We highly value stakeholders’ and the public’s opinions on the Report. If you have any enquiries or suggestions, please contact us through the following ways:

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Sustainable Development Strategy

The Group always upholds the concept of sustainable development and continues to improve its sustainable development management mechanism and enhance its management performance. We actively integrate the concept of sustainable development into our daily business and decision-making with the positioning of “people’s livelihood service operator”, maintain close contact with stakeholders, always meet the needs of people’s livelihood in our specific governance actions, continuously improve corporate culture, and jointly promote the stable and sustainable development of the Company.

The Group’s Sustainability Performance in 2022

During the Year, the Group has gained widespread recognition in the society in terms of sustainable development, and was granted several awards and honors by various organizations. The following table shows the awards and honors received by or related to the Group in 2022:

Award Regions	Award Name	Award Presenting Organization
National honors	2022 TOP 25 Property Management Companies in China in terms of Overall Strength	EH Consulting
	2022 TOP 20 Property Management Companies for Superior Service Capabilities in China	EH Consulting
	2022 TOP 100 Listed Companies with Potential	Xueqiu
	TOP 100 Group Catering Companies in China	China Cuisine Association
	Green Catering Companies in China	China Cuisine Association
	2022 Leading Brand of Diversified Property Services in China	China Index Academy
	2022 Golden Kylin Best Small and Mid-Cap Listed Company of Hong Kong/US Stock	Sina Finance
	2022 Customer Satisfaction Model Enterprises for Property Service in China	EH Consulting
	Most Valuable Social Service Company	www.zhitongcaijing.com (智通財經) · www.10jqka.com.cn (同花順財經)
Kunming	2022 TOP 30 Property Service Companies in Yunnan Province in terms of Overall Strength	China Index Academy
East China	2022 Leading Property Service Companies in China in terms of East China Regional Competitiveness	EH Consulting
	2022 Leader Property in Sichuan	Cover News, Huaxi News
Chengdu-Chongqing	2022 Leading Property Service Companies in Western Region in terms of Market Position	China Index Academy
	2022 Smart Property Demonstration Project	Chongqing Real Property Management Association
South China	Property Service Companies in terms of Satisfaction in Nanning, TOP 10 Property Companies in Guangxi	Leju Finance, China Real Estate Association
	2022 “Pioneer Companies Fighting against Epidemic” of Guangdong Property Management Industry Institute	Guangdong Property Management Industry Institute
	“Award for Actively Assuming Social Responsibility and Contributing to the Employment of the Whole Society” of Guangdong Property Management Industry Institute	Guangdong Property Management Industry Institute
Jiangsu-Shanghai	Jinlin Jiuli (錦麟九里) being the first to win the “2022 Suzhou Municipal Demonstration Property Management Project” in the region	Suzhou Bureau of Housing and Urban-Rural Development
Wenzhou	Lanjiangge (攬江閣) - 2022 Provincial “Red Property” project	Zhejiang Provincial Department of Housing and Urban-Rural Development
	Fujiang Garden (富江庭), Yuejiangtai (悅江台), Haoting Garden of Kaiyuan Villa (開元山莊豪庭苑) - 2022 Garden-style Residential Area (Unit) in Zhejiang Province	Zhejiang Provincial Department of Housing and Urban-Rural Development

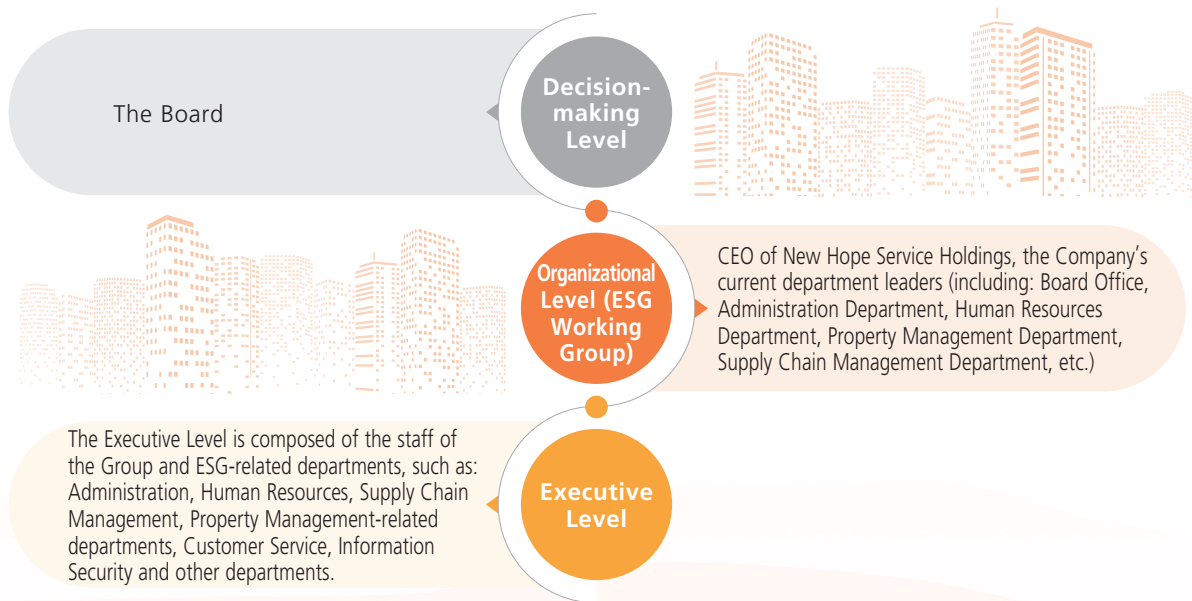
Board Statement

A sound ESG governance is critical to the Group's success and enhancing the value of its stakeholders. Therefore, we have established an ESG governance framework to fulfil our commitment to sustainable development. The Board is fully responsible for overseeing the Group's sustainable development work through regular review, discussion and approval of the Group's ESG governance policies, strategies and risk management. The Board has approved the Group to establish an ESG Working Group, whose main responsibility is to implement and supervise various ESG works, with the hope that the effectiveness of sustainable development governance can be more effectively exerted. The responsibility of the Board is to approve and confirm the sustainable development policies and measures formulated by the ESG Working Group. The responsibility for all ESG strategies and reporting is also undertaken by the Board. The Board also liaises closely with internal and external stakeholders to identify and assess material ESG issues in order to develop ESG strategies.

As a company engaged in integrated property services and management, the Group's daily operations have little impact on the environment. Nevertheless, we have also set directional goals related to the environment last year, hoping to contribute to the environment and extend the concept of sustainable development to all levels of the Group and other stakeholders. During the Year, we have reviewed the implementation and progress of the environment-related directional targets set last year. Besides, we promise to continuously reviewing the progress of our ESG goals in the future, with a view to monitoring and improving sustainable development more effectively.

Structure for Sustainable Development

In order to effectively implement the Group's ESG governance, we have established a governance structure for sustainable development comprising the Board, ESG Working Group, various functional departments and subsidiaries, so as to facilitate our work in respect of ESG management and information disclosure. As our highest decision-making body, the Board determines and oversees the Group's ESG management policy, strategy, goals and overall work; while approves the materiality, quantitative, consistency and balance of the ESG report. As the organizational level, the ESG Working Group is led by senior management, and is authorized by the Board to formulate and promote the ESG management policies, strategies, goals and work, communicate and coordinate the ESG-related affairs, organize the preparation of ESG report, as well as report the progress of ESG work to the Board on a regular basis. As the executive level, various functional departments comply with various ESG-related policies and systems, and implement ESG-related management and the work assigned by the ESG Working Group. The following is the Group's ESG governance structure and the roles and responsibilities of each level within the governance structure:



Roles	Responsibilities
The Board	<ul style="list-style-type: none"> Establish and supervise ESG risk management and internal supervision system Regularly review and monitor ESG performance and progress towards target achievement Resolve and approve the Group's ESG management policies, strategies, plans, goals and annual work Approve the content of the annual ESG report
ESG Working Group	<ul style="list-style-type: none"> Formulate ESG management policies, strategies, plans, annual work and goals Coordinate and promote the implementation of various ESG policies by various departments, monitor the ESG-related work of various functional departments, etc. Responsible for reviewing and monitoring the Group's ESG policies and practices to ensure that the Group complies with relevant legal and regulatory requirements
Representatives of various functional departments	<ul style="list-style-type: none"> Comply with various ESG-related policies and systems Regularly report to the ESG Working Group Organize, promote and execute various ESG-related work in accordance with the Group's ESG management policies, strategies, planning, annual work and target deployment, requirements and division of labour

Communication with Stakeholders

Keeping close communication with stakeholders is vital to our sustainable development. We are committed to establishing a multi-level, multi-channel communication mechanism to track stakeholders' opinions and suggestions regarding our sustainable development, in order to more effectively manage the risks and opportunities of related issues and ensure that we can respond effectively to stakeholder needs while improving ESG governance capabilities and performance. We have identified 11 categories of internal and external stakeholders. The following are the main communication channels between New Hope Service and stakeholders:

Main Stakeholders	Communication Channels
Shareholders and Investors	<ul style="list-style-type: none"> Annual general meeting and other shareholders meetings Interim and annual reports Results announcement Investors' meetings Corporate communications such as letters/circulars to shareholders and notices of meetings Shareholder/investor visits/reverse roadshow
Customers	<ul style="list-style-type: none"> Customer satisfaction survey and feedback form Customer service center Customer relationship manager visits Online service platform Daily operation, interaction and telephone, and mail box



Corporate Governance

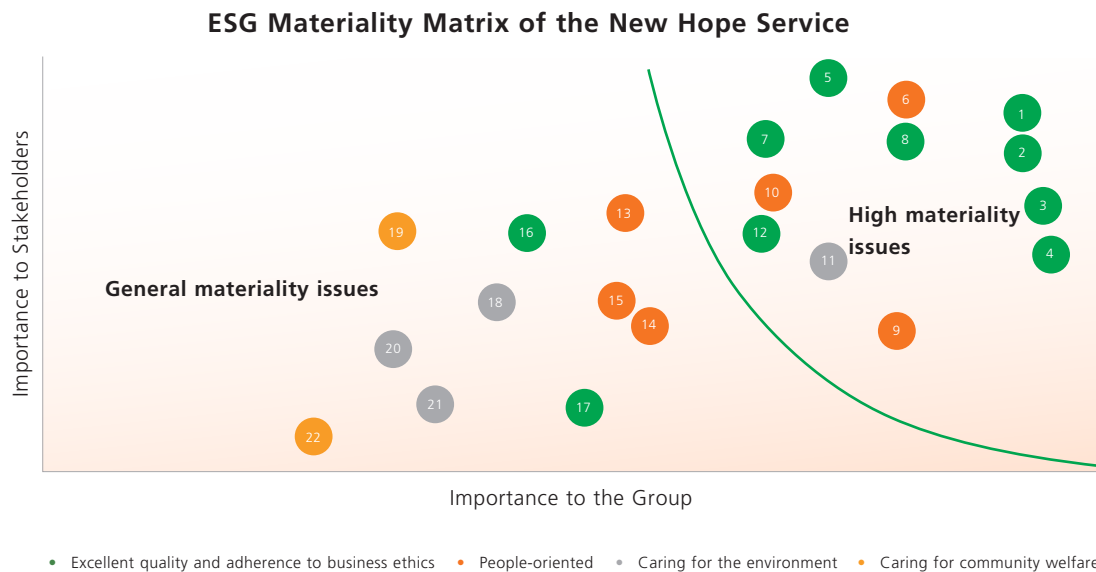
Main Stakeholders	Communication Channels
Employees	<ul style="list-style-type: none"> • Employee survey • Performance assessment • Special advisory committee/panel • Seminar/workshop/talk • Employee communication meetings • Business briefings
Peers	<ul style="list-style-type: none"> • Strategic cooperation projects • Field visits • Communication meetings
Suppliers	<ul style="list-style-type: none"> • Supplier management systems, meetings • Supplier/contractor evaluation system and site visits • Contract negotiation • Daily business communication
Business Partners	<ul style="list-style-type: none"> • Strategic cooperation projects • Exchanges activities • Meetings and visits • Talk
Government/Industry Associations	<ul style="list-style-type: none"> • Organize industry events, seminars and inspections • Dialogue with the local government • Regular information delivery • Examination and inspection
Regulators	<ul style="list-style-type: none"> • Meetings • Responses to public consultations • Compliance reports • Examination and inspection

Main Stakeholders	Communication Channels
Community/Non-governmental Organizations	<ul style="list-style-type: none"> • Meetings • Community involvement • Company website/announcements/social media platforms • Community programmes and seminars/workshop/talk
Media	<ul style="list-style-type: none"> • News release • Media interview • Results announcement
The public	<ul style="list-style-type: none"> • Information for the media • The Group's website • Responding to public consultations

Materiality Assessment

The support of stakeholders is the cornerstone of our sound development. Therefore, we always bear in mind the expectations and views of key internal and external stakeholders. We identify material ESG issues with reference to the Reporting Guide of the Stock Exchange and the Sustainability Accounting Standards Board (SASB) materiality matrix, and taking into account the expectations and views of key internal and external stakeholders. In the previous year, we identify material ESG issues with reference to the Reporting Guide and the Sustainability Accounting Standards Board (SASB) materiality matrix, and taking into account the expectations and views of key internal and external stakeholders. Through online questionnaire with each stakeholder, materiality assessment and analysis were conducted to prioritize ESG issues and obtain the materiality matrix.

During the Year, there has been no significant change in our stakeholder group, business and operating environment. Hence, the Board, ESG Working Group and management confirmed that the results of last year's materiality matrix are still applicable to this Year and responsive to the expectations of stakeholders and will continue to be used in the current year.



ESG issues of materiality	Material Issues
High materiality issues	1 Customer satisfaction
	2 Operational legal compliance
	3 Preventing from corruption and violation risk
	4 Compliance with business ethics standards
	5 Supply Chain Management
	6 Labour relations and employee communication
	7 Response to policies and participate in industry exchanges
	8 Customer privacy protection
	9 Occupational health and safety protection
	10 Compliance employment and protection of employee rights
	11 Health and safety of products and services
	12 Quality of product and service

ESG issues of materiality	Material Issues
General materiality issues	13 The provision of competitive employee remuneration and welfare
	14 Prohibition of child labour and forced labour
	15 Comprehensive training and development system
	16 Exhaust and greenhouse gas emissions managements
	17 Environmental and risk managements for suppliers
	18 Energy and water management
	19 Participation in charities
	20 Other resource management (including paper usage)
	21 Building green communities
	22 Participation in volunteer activities

Creating Excellent Quality

Since New Hope Service establishment, it has been adhering to the concept of “Everyday, Let Happiness Happen” and the values of “Service, Achievement of Value”, with a sincere service attitude to continuously improve service quality. We always attach importance to the relationship with customers, take into account customer health and safety, implement responsible procurement policies to extend corporate citizenship responsibility to supply chain, and practice social responsibility with long-term practical actions.



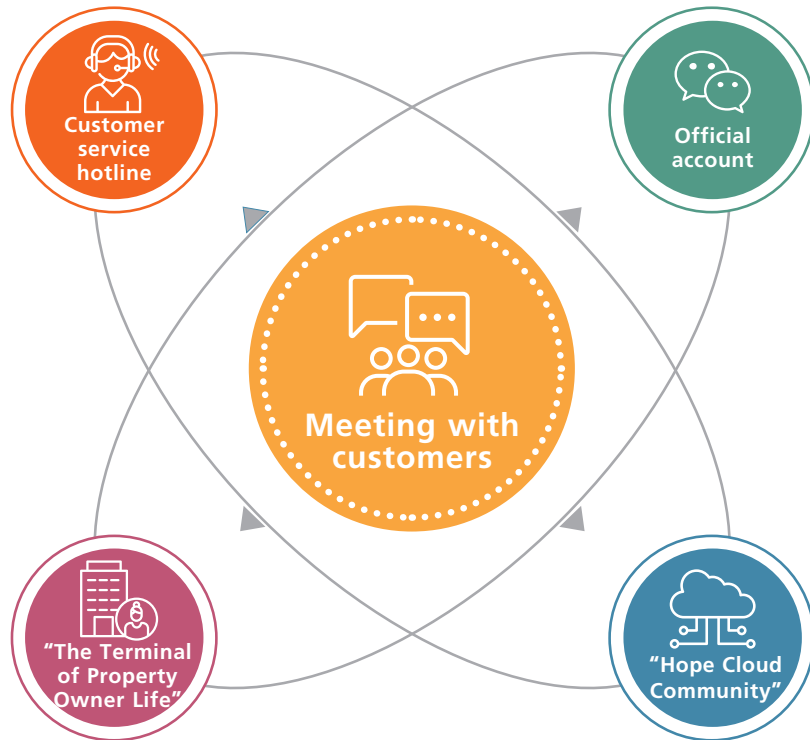
Provide high-quality services and care to owners throughout the entire cycle

Maintaining Customer Relationships

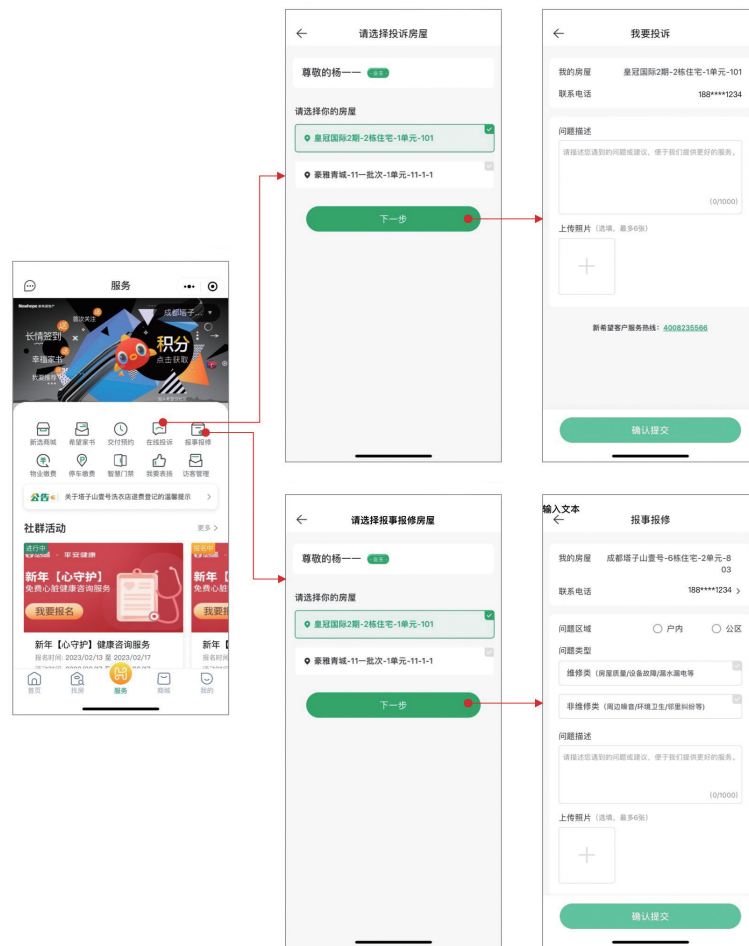
The suggestions and opinions from customers make an important pillar for us to provide premium services. We strictly abide by the Law of the People’s Republic of China on the Protection of Consumer Rights and Interests, Regulation on Realty Management of the People’s Republic of China and other laws and regulations. We also formulate internal system such as Report Management System, Complaint Management System, etc. to improve customer complaint management system. Besides, we take various means to listen to owners’ voices, timely improved every step in service process, respond to the demands of the property owners and customers, and maintained good communication with property owners, thereby steadily enhancing the satisfaction rate of property owners and customers towards our property management services. With the goal of reducing, avoiding complaints and increasing level of customer satisfaction, we achieve early warning and guidance of service quality through scientific and systematic analysis of complaints statistics. Moreover, the property management service center organizes meeting with customers on a regular basis to understand customers’ needs in a timely manner, solve problems and also establish a good relationship with them.

Social Aspect

In case property owners have any complaints, they can complain through different channels such as customer service hotline, official account and "Hope Cloud Community". We require relevant departments to record complaints through the New Hope Service Complaint Handling Form and handle them in a timely manner according to standard procedures after receiving relevant reports. We will also provide feedback to the owners through the Monthly Report Feedback Form after the complaints are handled. During the complaints return, we will escalate the handling process according to the complaint escalation process with regards to unsatisfactory opinions from property owners. Meanwhile, we will regularly conduct an inductive analysis of systematic problems with regards to more frequent property owners complaints, and submit them to the relevant departments together with suggestions for optimisation, so that the relevant departments can formulate and issue optimisation plans, guidelines and standards.



In addition, New Hope Services systematically improves the satisfaction of clients through routine services such as care for the elderly living alone, childcare for school-age children (during the epidemic) and management of young and middle-aged people, as well as a series of activities targeting different groups of people, taking into account individual needs.



“Hope Cloud Community” communication channels

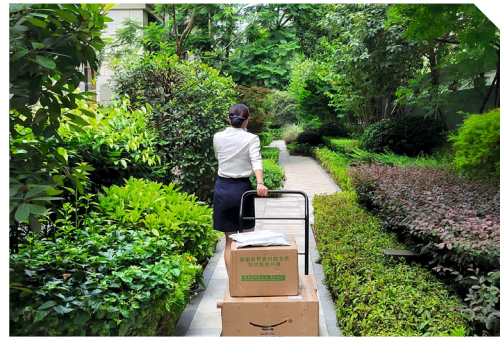
The Group conducts questionnaire surveys on clients’ demand and satisfaction with its services to keep abreast of their current satisfaction status and collect their feedback so that we can improve our service quality. The survey content includes customers’ overall satisfaction with property services, their recognition of property employees and their perception of the focus of services at each stage. To ensure the fairness and impartiality of the survey, the Group strictly requires each project to maintain customer information in a timely and accurate manner to ensure the security of customer information. The Group’s customer service rating was 86%, with a handling rate of complaints received of 100%.

Enhancing Customer Experience

Adhering to the Group's original intention of quality service, we continue to provide standardised and professional services, and enhance the professionalism of our service manpower to satisfy the individual needs of owners and customers. At the same time, we continue to extend our service boundaries to meet the diversified needs of our business.



Service Routine



Running Service



Housing Inspection



Housing Inspection

The Group strives to provide owners with high-quality housing quality management throughout the entire cycle from house delivery to occupancy, in order to effectively maintain the rights and interests of owners. We continue to promote the standardised services for the maintenance and repair staff, consolidate the daily grooming, strengthen maintenance service etiquette, maintenance operation procedures, and maintenance communication skills, etc., so that we can continuously obtain owners' recognition and trust in us with high-level maintenance quality, response speed and service experience.

During the acceptance process of owners, we reasonably arrange acceptance personnel and formulate an acceptance plan to avoid omission of acceptance problems according to the acceptance scale and on-site conditions. For the problems existing in the acceptance, we will deal with them in accordance with standards, give timely feedback to relevant departments for rectification in order to ensure the quality of acceptance, strictly control the risk of handover, and prevent fraud and other problems. We clarify the responsibilities, methods and requirements of the decoration management of the property customer service center to ensure that the building itself and the property service order are not affected during the maintenance process. We strictly standardize the maintenance and repair work process, report problems to the owners and hence determine the maintenance plan, and carry out home-based services to confirm the maintenance effects. Detailed specifications and requirements are listed out for the whole process of maintenance, so as to quickly respond to repair requests and handle problems efficiently.

During the management of tenants, we also regulate the management services for the tenant of regional property companies, the property customer service center and residential properties to create a sound business environment together. The business management center communicates with the person in charge of the store at least once every six months and listens to their opinions and suggestions, and has conversations on the law-abiding operation of the stores, fire safety and other issues. The property customer service center also designates a staff dedicated to conduct daily supervision of environmental hygiene, safety, environmental pollution, and compliance operations around the tenants, and promptly corrects and rectifies the practices that violate the management regulations of the tenants within a time limit.

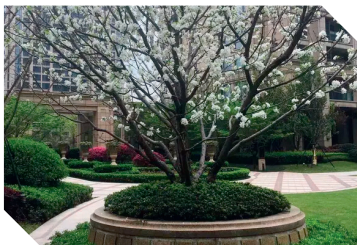
We have several programs in place to enhance the quality of our services from different aspects. Specifically, we faced the challenge of optimizing cost management and refining quality requirement for our basic infrastructure maintenance during the Year. Therefore, further strengthening our infrastructure maintenance is a key focus. We have been successful in improving our quality through basic maintenance, and hence developed the “Landscape Greening Project”(風物疊翠計劃). Some highlights of our “Landscape Greening Project” are set out below:



Inorganic tree ponds: isolators filled with stones and ceramicsites are used as a landscape for shady areas in tree ponds where plants cannot be planted or are dead-looking



Organic tree ponds: tree pools are constructed with bark or other plant derivatives such as plant debris

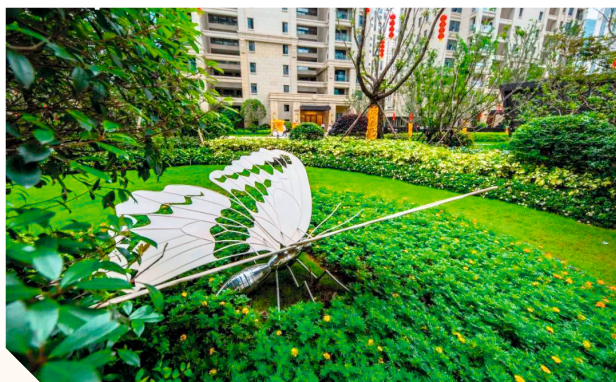


Shady tolerant plants landscaping: Shady tolerant plants such as codiaeum variegatum pictum, reineckea carnea, pilea mongolica are planted in isolate layers formed by maintenance ditches under tree shade, so as to cover empty soil



Flowers plants landscaping: Flowers plants such as rhododendron and zephyranthes candida are planted under flowering trees or small trees for landscaping

During the Year, we also prepared the “Flight Inspection Report for the First and Second Half Year” to analyse typical problems or loopholes encountered in our daily operations, and formulated corresponding corrective recommendations and plan, in a bid to continuously improve the quality of our services. On the other hand, the inspection report will also show annual highlights for other departments and colleagues to follow, so that we can analyse our service quality in a more comprehensive and objective manner. Some highlights of our service quality are set out below:



Self-financed semi-surface green drainage in Wenzhou Shengjing Garden (溫州盛景園), which has a significant effect on landscaping in the rain



Standardisation of domestic waste sorting in Ningbo Jinlin Mansion (寧波董麟上府), with a fully enclosed garbage chamber to give owners a good sense of quality

Customer Safety and Security

Owners Safety

The Group regards community safety and order as its lifeline. With a complete and effective emergency management system for emergencies, comprehensively improved community safety and order, safety seminars, fire safety training and drills, the Group protects the safety and health of owners and staff to provides owners with a safe and comfortable living space. We have established several internal measures relating to customer safety and security, including the “Engineering Center Emergency Accident Management System”, “Fire Emergency Plan”, “Elevator Trapped Emergency Plan”, “Elevator Water Intrusion Emergency Plan” and “Elevator Shearing Emergency Plan”. In addition, we introduced real-time monitoring and analysis system – Real-time monitoring and analysis system (RMA) to ensure all equipment and machine rooms on normal working condition.

In addition, we provided standardized risk screening, risk early warning, risk rectification and risk management and control processes; dynamically updated security risk accident event ledger to understand staged risks and hidden dangers in real-time manner for conducting self-examination and self-correction; carried out risk governance on a regular basis through normalized risk management and control actions, so as to provide basic guarantees for safe production for projects under management



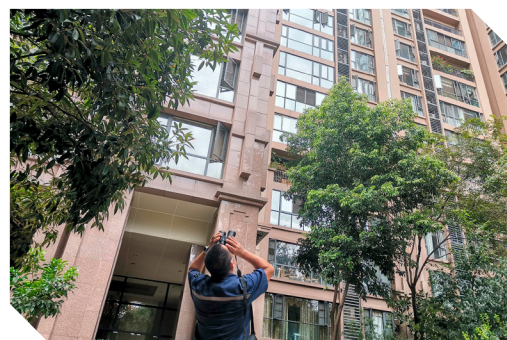
Fire safety drills



Publicity of elevator safety



Flood prevention drills



Post-earthquake safety inspection

Epidemic Management

The Group attaches great importance to epidemic prevention and control. “Six Epidemic Prevention Measures” have been implemented to effectively stop the hidden danger of the epidemic and effectively protect the health and safety of the owners. Such measures include the three-level epidemic prevention and control operation, the commitment to fight against the epidemic, the guarantee of people’s livelihood, the voluntary epidemic prevention system and the mutual assistance of the remaining medicines after the prevention policy being lifted:



Pay high attention to the situation of the epidemic, continuously start the publicity of epidemic policies through the channels such as the owner group and the Hope Cloud platform, and notify the owners of the epidemic prevention information and official notifications at first, and indirectly enhance the self-protection of the owners consciousness.



For places where people gather, increase the frequency of disinfection, increase physical protection measures (such as protective films), to reduce the risk of contact between owners and public objects.



Actively cooperate with the sub-district office and the community to arrange for the owners to carry out vaccination, nucleic acid testing and do better in on-site maintenance and organization.



Strictly and meticulously control the movement of personnel, conduct health code verification and temperature monitoring for incoming and outgoing personnel, verify the identities of external people and vehicles, and conduct registration.



Carry out 6 standardized processes, including lobby elevator disinfection service process, children’s area disinfection service process, recreation facility disinfection service process, toilet disinfection service process, trash can, garbage room disinfection service process, reception area disinfection service process.



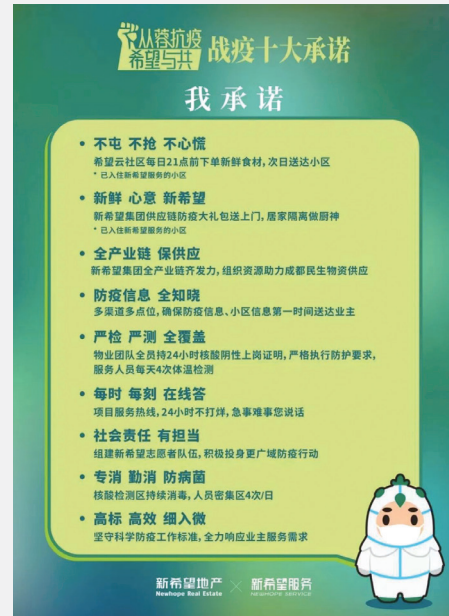
During the period of epidemic lockdown, in order to avoid the risk of spreading out and solve the purchase problems of the owners, we integrated the New Hope Group’s civilian production chain and built a whole-process service for fresh food purchase. The contact allows owners to obtain safe, healthy and affordable food supplies. In addition, according to customer needs, we provide services such as pet care and walking, homework printing, and courier door-to-door delivery, even in quarantine.



Staff are performing nucleic acid testing and surrounding disinfection

 **Epidemic Prevention Case 1**

At noon on September 1, 2022, Chengdu announced the news that the whole city would be under lockdown. The uncertainty of the lockdown posted concern about living supply to citizens in Chengdu. In order to make the owners feel at ease at home, New Hope Property and New Hope Service jointly issued the Chengdu anti-epidemic "Ten Promises" in the night of lockdown, promising that to provide 24-hour service; to deliver fresh ingredients on time; to strictly implement epidemic prevention measures and so on. Solutions were raised to address the needs of owners and citizens, so that every demand has been responded, which provided every anxious heart with full guarantee and provided a better life for owners and citizens.



Epidemic Guarantee Letter

 **Epidemic Prevention Case 2**

In September 2022, with its mature group meal capacity and retail capacity, New Foodism, a subsidiary of New Hope Service, was admitted to Jinjiang District's guaranteed supply list immediately after the outbreak began. In addition to the guaranteed supply of the canteen of the cancer hospital, faced with a number of new takeout orders, New Foodism immediately launched a level 1 emergency plan to allocate manpower and expand logistics channels. All ingredients were purchased on the spot and every process complied with standards, ensuring fresh and safe food, sterile packaging and safe delivery.



New foodism meals packed during the epidemic

Epidemic Prevention Case 3

Since August 25 to September 8, 2022, all the projects under management of New Hope Service in Chengdu have met the requirements of “high standard, high efficiency and meticulousness”, without any ineffective epidemic prevention incident. New Hope Service has carried out a total of 26 universal nucleic acid testing projects, and completed customer testing for nearly 180,000 people in cooperation with communities.

On August 29, after receiving the request from Chengdu Civil Affairs Bureau and the Party Committee of Chengdu Government to provide assistance to Jinjiang District, New Hope Service quickly responded and set up a volunteer team with 31 members for epidemic prevention; on August 31, New Hope Service delegated personnel to Shahe Street, Jinjiang District, to sort materials and delivered daily supplies for residents in lockdown areas, and assisted the anti-epidemic headquarters in inputting and screening relevant information; on September 1, New Hope Service delegated personnel to 7 communities on Eastern Lake Street in Jinjiang District for assisting in nucleic acid testing.



Worker sorting and packing to ensure supply during the epidemic

Epidemic Prevention Case 4

During the resurgence of epidemic, there were urgent needs for some of the owners in the communities under lockdown to purchase the fresh foods. On September 3, we cooperated with New Hope Property to prepare more than 15,000 New Hope fresh fruit and vegetable packages urgently. With 60 transport vehicles by 1,200 km total mileage, such fresh fruit and vegetable packages gathered, transported, sorted and cleaned up by more than 1,000 people overnight, together with fresh milk processed and produced overnight, were delivered to the owners on time.



Epidemic Prevention Case 5

In July, the epidemic hit Chengdu again, and the fear of the epidemic gripped the whole city. We immediately launched anti-epidemic measures, called in professional teams to disinfect all major contact points in communities, and provided round-the-clock express delivery service. During the 25 days of the epidemic in Chengdu, the property management team of Jinlin Mansion not only disinfected and delivered 412 parcels to the owners, but also specially prepared "Warmth Epidemic Prevention Kits", which have been received by more than 100 owners in need.



Adhering to Compliance in Operations

In addition to providing high-quality services, successful companies build mutual trust with their stakeholders, which is an important connection for New Hope service to gain the trust of customers. The Group highly values the promotion of integrity in daily operations and cooperation with suppliers, and takes the protection of customers' rights and interests as the premise of service, and strives to maintain operations in line with corporate ethics.

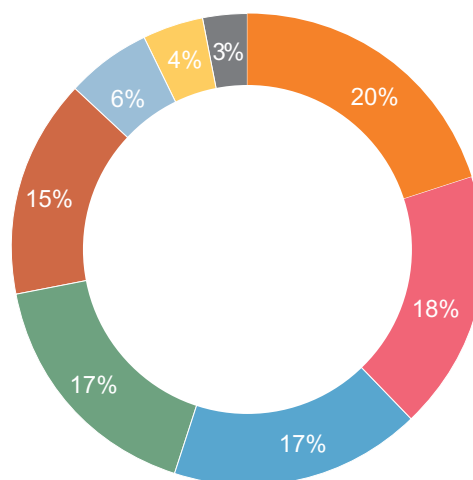
Responsible Procurement

Procurement compliance

Comprehensive supply chain management can help improve the quality of products and services. In addition to complying with laws and regulations such as the Bidding Law of the People’s Republic of China, Government Procurement Law of the People’s Republic of China and Anti-Unfair Competition Law of the People’s Republic of China, the Group has also established the Supplier Management System, the Procurement Management System and other policies to strictly regulate the process of supplier collection, registration, evaluation, shortlisting and final selection, so as to form a stable supplier team to achieve the purpose of optimizing and integrating supplier resources, controlling procurement costs and improving procurement efficiency. We hope to grow together with our suppliers, build a quality supply chain and achieve a win-win cooperation. This Year, the total number of New Hope Service suppliers reached 682. The regional distribution of our suppliers¹ can be found in the table below:

REGIONAL DISTRIBUTION OF SUPPLIERS

■ Wenzhou
 ■ South China
 ■ Chengdu-Chongqing
 ■ Kunming
 ■ East China
■ Suzhou-Shanghai
■ Northern Region
■ Others (integrated procurement platform)*



* The suppliers on the integrated procurement platform are shared by the entire New Hope Service, and are unified under the management of the headquarters.

Screening process

The Group standardizes supplier management process, including supplier resource collection, pre-qualification, supplier inspection, qualification review, cooperation evaluation, withdrawal and penalties. For qualified suppliers who have already cooperated with the Group, we regularly organize cooperation performance evaluation every year, and the evaluation results will be used as the basis for supplier grading, which directly affect future cooperation opportunities with the Group.

For new cooperated suppliers, we establish a supplier inventory management system which allows us to understand the comprehensive strength and contract performance ability of suppliers so that we can select high-quality suppliers for strategic cooperation. The introduction management of new suppliers includes, but is not limited to, supplier resource collection (recommendation), pre-qualification, site inspection, and inventory. During the introduction evaluation process, suppliers who fail the pre-qualification are not allowed to enter the supplier inspection session.

¹ The Group has classified this geographical classification for the convenience of business development.

The Group has always been deeply concerned about the sustainability performance of its supply chain. We keep abreast of our suppliers' compliance with environmental protection and social responsibility, such as the requirement for employees to have legal work qualifications. The Group expects all partners to become socially responsible enterprises with us and achieve a win-win situation of sustainable development. We support and encourage green and sustainable procurement, such as purchasing more ceramic cups and reusable tableware in the office to reduce waste.



Transparent procurement

The Group adheres to the basic principles of fairness, impartiality and compliance with laws and regulations in handling all commercial trading. Non-corrupting and standardized cooperation based on this principle is a guarantee for our long-term cooperation with all suppliers. The Group regulates procurement management, specifying the quality, price, standard and specification requirements for purchases to ensure the quality of services on site. As a responsible enterprise, we require all suppliers to uphold the high-standard social responsibility principle. We select suppliers for integrity interviews, publicize our integrity management requirements through telephone calls, interviews and supplier meetings, supervise suppliers' compliance with integrity, and report and deal with non-compliance practice, so as to avoid the occurrence of unclean practice. Supplier inspectors and supplier evaluation personnel should follow the principles of openness, fairness and transparency in the performance of their duties, and be honest and incorrupt.

We require suppliers to sign a Sunshine Cooperation Agreement prior to contract performance to clarify and regulate the responsibilities of both parties in performing the contract. In the course of contract performance, if a supplier is suspected of transfer of benefits or other irregularities, it will be immediately reported to the relevant authorities and classified as an unqualified supplier, and the cooperation relationship will be terminated immediately. The Group complies with the relevant laws and regulations on tender procurement and has formulated the Guidelines for Tender Procurement Procedures policy to strictly regulate the tender procurement work of its employees and ensure openness, fairness and impartiality in bidding decisions. If there are any irregularities in the bidding process, we will punish the employees concerned in accordance with the relevant internal regulations after verification.

Service Providers Conference of Sichuan New Hope

The General Manager of Supply Chain of New Hope Service, the Chief Development Officer of New Hope Service, heads of units in Sichuan region and representatives from nearly 20 core strategic suppliers attended the conference. While deepening cooperation and exchange, conveying on the excellent cooperation culture of New Hope Service, and discussing cooperation and development under the new situation, New Hope Service always adheres to the cooperation concept of openness, win-win, co-creation and sharing, and the basic principles of sunshine and positivity, integrity and transparency. At the conference, all participants also signed the Sunshine Cooperation Agreement. Sticking to the bottom line and principles, New Hope Sichuan will continue to deepen cooperation with outstanding partners and continuously improve the satisfaction of cooperation.



Business Ethics

We do not tolerate any form of corruption, including bribery, extortion, fraud and money laundering, etc. The Group complies with laws and regulations such as the Company Law of the People's Republic of China, Provisions on Anti-money Laundering through Financial Institutions, Anti-Money Laundering Law of the People's Republic of China, the Administrative Rules for the Reporting of Large-Value and Suspicious Transactions of Financial Structures and Interim Provisions on Prohibition of Commercial Bribery, and has formulated and strictly implemented a series of internal policies, including Anti-Fraud Management System and Anti-Money Laundering Internal Control Management System, to further standardize integrity and create a good atmosphere of fair competition and integrity in the industry. In addition, to avoid direct or indirect involvement in corrupt practices, we have established policies covering customer due diligence and suspicious transaction reporting procedures to prevent and detect any money laundering and terrorist financing activities. During the Year, the Group had one concluded case relating to corruption litigation brought by the Group or its employees, which had been properly handled and we will keep fighting against all corrupt practices in the future.

The Group has set several channels for reporting integrity and discipline violations, and encourages employees to report anonymously or in their real names to make "honest reporting" through "Transparent Enterprises Complaint and Reporting Channel", including reporting telephones, e-mails, and whistle-blowing boxes. In order to protect the rights and interests of the whistleblower, we promise to keep the whistleblower's personal information and report content strictly confidential, and promise to give timely feedback on the investigation results. At the same time, we require any unit or person under investigation not to retaliate against whistleblowers. In case of any retaliation being identified, the relevant personnel shall be punished accordingly as appropriate.

The Group actively creates an atmosphere of an internal integrity working culture, and new employees are offered training on integrity before working, including the prohibition of corruption and fraud, keeping business information confidential, declaring conflicts of interest, eliminating unfair transactions etc., so that they fully understand the scope of integrity and corresponding accountability measures as well as the disciplinary conduct of integrity through such training. In general, the Group adopts various ways to promote anti-fraud policies and related measures, conducts trainings relating to anti-corruption, laws and regulations and moral education for directors and all employees, and advocates a corporate culture of integrity and law-abiding. During the Year, the Group provided anti-corruption training to directors and employees in various manners, including holding special meetings, online anti-corruption training, and sending anti-corruption-related materials to employees.



Anti-corruption special training



Oath-taking Ceremony for Integrity

Information and Privacy Protection

The Group attaches great importance to the protection of customer privacy and information security, and strictly abides by the Cybersecurity Law of the People's Republic of China, Provisions on Protecting the Personal Information of Telecommunications and Internet Users, Regulations on the Protection of Computer Software, Measures for the Registration of Computer Software Copyright, Mobile Internet Privacy Policy and other relevant laws and regulations. The Group has also formulated and implemented a series of internal policies for information confidentiality and security management such as Administrative Guidelines for Employee Office Network Management, Confidentiality Management System, Archive Management System etc., and continues to promote the establishment of an information security management system which provides clear guidelines for the implementation of system authority management, system problem handling and emergency handling, network security, server storage facility management, data backup and recovery, etc. During the Year, the Group received no complaints regarding leakage of customer information or breach of customer privacy.

The Group highly values data security and properly handles all data provided by customers, employees and business partners, and developed following measures relating to information security:

- 1 requiring relevant departments to regularly repair and maintain the infrastructure required for providing services, such as software and hardware equipment, communication equipment, information systems, etc.;
- 2 strengthening website security capacity facilities through regular information security inspections and penetration tests;
- 3 adopting a strict confidentiality system in which only the system administrators can access the data;
- 4 strengthening the education of Internet access personnel in various departments, and encourage employees to establish confidentiality awareness, legal awareness, responsibility awareness, self-discipline awareness, and civilized Internet access;
- 5 Establishing the system log tracking, recording and review system to technically discover and solve security loopholes.

The Group conducts investigations on the information security situation, and will give corresponding sanctions based on the seriousness of the circumstances for violations of information security. If a crime is constituted, it will be transferred to the judicial body to investigate relevant responsibilities according to laws. We also open a multi reporting channel for owners to report complaints or provide comments and suggestions, and we promise to review the issues involved and reply as soon as possible.

Marketing Compliance

The Group is in strict accordance with the Advertising Law of the People's Republic of China and other laws and regulations and industry norms, and strictly follows the principles of comprehensiveness, compliance and effectiveness in business development. In order to further strengthen the content release and management of the Group's use of new media platforms, we promote the standardization of information collection, review, and release work in various subordinate units, ensure the authority, timeliness and accuracy of released content, and optimize the operation and maintenance of each unit's new media platform and management efficiency. To this end, the Group has formulated the Informatization Project Management System, VI Standardized Management System, Self-media Management System, Brand Unannounced Inspection Standards and other policies to ensure the standardization and accuracy of dissemination of information. We strictly review all publicly released marketing information, including product brochures, promotional foldouts, social media posts and marketing materials etc., based on the principles of being correct, truthful, and not exaggerating. The Group ensures that the published information is legal, compliant, authentic and reliable, accurately describes the Group, products or services, prevents inaccurate or exaggerated publicity content, and prevents owners from being misled, so as to effectively protect the legitimate rights and interests of owners.

The Group also supervises the implementation of media management of units at all levels, and strives to ensure that the Group's trademarks are properly protected and not abused while promoting business and brand value. In addition, we will also refute or announce false information or information that may mislead the owners, take legal measures to solve the violations with regard to the owners and the Group, and effectively safeguard the legitimate rights and interests of the owners and the Group.

Safeguarding Intellectual Property Rights

The Group encourages its employees to protect and respects the value of intellectual property rights while to be actively involved innovation. We strictly complies with the Copyright Law of the People's Republic of China, the Trademark Law of the People's Republic of China, Rules for Implementation of the Patent Law of the People's Republic of China, the Tort Law of the People's Republic of China, and formulates and implements the Confidentiality Management System, Trademark Management System and other internal management rules and policies to protect all technologies developed and regulates the application, registration, utilization and file management process of intellectual property rights, thereby providing protection for the Company's business development and daily operations. In order to avoid infringement of other people's existing intellectual property rights, we require employees to sign the Use of Genuine Software Commitment Letter. The Group investigates the status of intellectual property rights. For employees who violate intellectual property rights, they will be punished according to the seriousness of the circumstances. The Group has strengthened its monitoring and investigation of infringements of the Group's intellectual property rights to ensure timely detection and handling, and effectively maintained the Group's various software copyrights, patents and trademarks.

Promoting Talent Development

The Group safeguards the legitimate rights and interests of employees and to create a healthy, safe and promising working environment. The Group commits to relevant labour and social security regulations such as Labour Law of the People's Republic of China, Labour Contract Law of the People's Republic of China and Social Insurance Law of the People's Republic of China, Special Regulations for Protection of Juvenile Workers of the People's Republic of China, Provisions on the Prohibition of Using Child Labour and Law of the People's Republic of China on the Protection of Minors etc. We also provide a series of clear management systems in terms of employment, welfare, promotion, talent development and occupational health and safety, so that employees and New Hope Service can develop harmoniously. The Group advocates a diverse and inclusive working atmosphere, and provides a working environment of mutual respect, understanding and integration for employees of different cultural backgrounds. Our employees cover all age groups, etc., and we will continue to optimize the structure of employees to promote a reasonable distribution of employees in terms of age, gender, and region so that the Group can have sufficient human resources for the development.

As of December 31, 2022, the Group employed a total of 4,031 employees at the operating points within the reporting scope. Our detailed employee distribution data can be found in the section headed Appendix I: Summary of Sustainability Information of this Report.

Employees' Care

The Group has always advocated harmony in interpersonal relationship, and believes that employees will build sincere friendships by working together. Efficient communication is the foundation of the Group's employment system. The Group attaches great importance to listening to the opinions of employees, enhances humanistic care and psychological counselling for employees, and hence enhances employees' cohesion and sense of belonging. We have a human resources department as the main responsible agency for employee relations and communication, which will provide employees with assistance in improving job satisfaction, labour security, occupational psychological counselling and grievance handling. At the same time, we also take great importance to employees' opinions on the Company's business and management, and will ask them through regular and irregular interviews or surveys. Employees can give feedback based on their own real thoughts without any concerns. In addition, employees can actively express their ideas through other effective channels, and these opinions and suggestions will be considered by the Group in the decision-making process of operation and management. In order to achieve the purpose of full communication, we regularly inform employees of the Company's recent operation and management information through specific channels. This information not only helps employees to further understand the Group, but also helps employees with their personal growth by analysing and judging this information. Following are examples of the chief executive meetings held during the Year:



Executives talk about the moderate Wenzhou



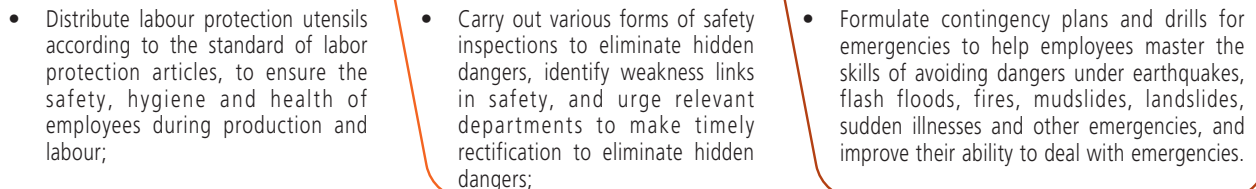
Wenzhou Executive Conversations

Employees' Occupational Safety

The Group pays great attention to the occupational health and safety of employees. We strictly implement the national laws and regulations such as the Work Safety Law of the People's Republic of China, the Fire Protection Law of the People's Republic of China and the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, formulate and regularly promote the compliance of the Company's Work Injury Response Measures, Work Manual and other systems and standards, and operate in strict accordance with the law and regulations. In the past three years (including this Year), the Group had no work-related fatalities. During the Year, the Group lost 402 working days due to work-related injuries.

In order to ensure the health and safety of employees, the Group organizes medical examination and daily health care activities for employees to take care of their own health conditions. We urge employees to pay attention to their own health, and actively adopt various initiatives such as safe and civilized construction inspections, safety education and training, and fire drills to ensure employee safety. When an occupational accident occurs, the Company is specially responsible for caring and express solicitude, follow-up medical treatment, identification, disability discovery, payment of benefits etc. At the same time, we will analyse and recognise the reasons for the occurrence of the accidents. In addition, if employees are injured on the job and are identified as a work-related injury, they will receive work-related injury leave during the period of receiving necessary medical treatment. For those with a longer medical treatment period for work-related injuries, in order to grasp the employee's work-related injury situation, the employee is required to submit the medical diagnosis data of the designated hospital to the Company before the end of each month. We also purchase group accident insurance for employees in engineering, customer service, discipline and other departments.

The Group has developed the following measures to enhance the occupational health and safety of its employees by strengthening labor protection and enhancing the self-protection ability and safety awareness of employees:

- 
- Distribute labour protection utensils according to the standard of labor protection articles, to ensure the safety, hygiene and health of employees during production and labour;
 - Carry out various forms of safety inspections to eliminate hidden dangers, identify weakness links in safety, and urge relevant departments to make timely rectification to eliminate hidden dangers;
 - Formulate contingency plans and drills for emergencies to help employees master the skills of avoiding dangers under earthquakes, flash floods, fires, mudslides, landslides, sudden illnesses and other emergencies, and improve their ability to deal with emergencies.

During the outbreak of the epidemic, we carried out regular cleaning and disinfection of all office spaces and provided employees with masks and other anti-epidemic materials, arrangements for working at home during the epidemic and environmental disinfection for epidemic prevention and control, and strictly abided by the government's various epidemic prevention and control measures. We have also formulated the Epidemic Prevention Guidance Manual, through which we expect to disseminate scientific prevention and control knowledge by integrating the epidemic prevention issues of concern to our employees.

During the high temperature period in summer, southern China and some other regions are affected by the subtropical high and remain in high temperature, and some areas even suffer extremely hot weather. For example, Guangxi Province has issued its first high temperature red warning signal for the Year. We protect the health of our employees by providing them with considerate care in many ways, such as offering cooling packages, heat-relieving beverages, refreshing products and fruits, to add a cool feeling to the employees working under the high temperature.

Rights Protection

The Group is committed to creating an "equal and inclusive" working atmosphere. We oppose workplace discrimination and strictly abide by the relevant laws and regulations of the regions where we operate, including the corresponding laws and regulations for business operations in the mainland, implement and apply corresponding internal systems. Religion, gender, nationality, race, marital status and other social identities are not discriminated in employment, remuneration, promotion to ensure that the entire process of talent management is open and transparent, and employees are guaranteed to have equal opportunities. During the Year, the Group employed no child labour or forced labour.







The Group is actively involved in the protection of labour rights and the eradication of child labour. We have zero tolerance for the employment of child labour and any form of forced labour, and are committed to corresponding laws and regulations. In addition, if any violation of labour standards is found such as the employment of underage workers, we will take relevant measures from the perspective of protecting the legitimate interests of workers, and will immediately report and register with the relevant labour administrative department. The Group establishes labour relations based on the principles of fairness, lawfulness, equality, voluntariness, honesty and trustworthiness, and signs an internship agreement, labour contract or employment contract with each employee according to the job nature of employees. Employees with expired contracts should conduct relevant renewal in a timely manner. We require new employees to provide personal identity and information proof documents before on-boarding, and review the valid identity certificate of the applicant in all aspects of employee recruitment, on-boarding approval, and on-boarding registration. Information on resignation, termination of employment and dismissal procedures is mentioned in the Work Manual of the Group. When an employee submits a resignation, the relevant personnel will meet with the employee, understanding the reasons of resignation.

In addition, the Group does not advocate forced labour acts such as overtime, nor does it advocate overtime due to inefficiency or rectifying mistake. We eradicate the phenomenon of forced labour. All employees of the Group are employed on a voluntary basis, without deception or coercion. We have clearly stated the working hours for each working hour system in the Work Manual. Most of our employees also work according to the standard working hour system, the working hours of which are Monday to Friday, with an average of 40 hours per week, and Saturday and Sunday as rest days.

Remuneration Benefits

The Group implements a comprehensive remuneration management system that pays for performance and contribution under the premise of legality in which the Company encourages high performance, high contribution and high income. The Group has formulated a comprehensive remuneration and welfare system and implemented internal systems such as the Employee Handbook and the Employee Performance Management System to ensure employee welfare. In order to establish a stimulating and restraining system suitable for operation and management which fully mobilizes the enthusiasm, initiative and creativity of employees, promotes the realization of the Company's strategic goals, establishes a comprehensive evaluation system, and continuously improves the performance level, we provide competitive remuneration, giving employees the opportunity to receive rewards that are higher than the market level for their outstanding performance or contributions. We make annual adjustments to our remuneration package in reference to the internal remuneration system and comparative analysis of industry benchmarks for remuneration to enhance the competitiveness of our remuneration. The Group adopts the method of performance incentives to provide employees with market-competitive salary returns. This allows us to maintain competitiveness in the market while also recognizing the efforts and contributions of our employees.

Based on relevant laws and regulations, the Group keeps abreast of the dynamics and needs of employees, and provides many corporate benefits for employees on the basis of guaranteeing statutory benefits, as follows:

-  provide all employees with various social insurance benefits, including pension insurance, unemployment insurance, maternity insurance, work-related injury insurance, medical insurance, personal accident group insurance and other insurance benefits and housing provident funds
-  provide various holiday benefits, such as national statutory holidays, sabbatical leave, personal leave, sick leave, work injury leave, marriage leave, maternity leave, annual leave, etc.
-  provide various benefits such as holiday benefits, employee condolences, birthday benefits, etc.
-  provide annual employee physical examination, heatstroke prevention and cooling and other labor benefits
-  provide further education, training and education opportunities and benefits
-  hold various activities for our employees, such as corporate culture festival, festival activities and employee in-house purchase festival

During the Year, New Hope Service carried out more than 120 activities such as caring activities for Women's Day, Dragon Boat Festival, Mid-Autumn Festival, summer season, and 818 Happiness Day, with a total of over 5,000 participants. The following is a highlight of some employee activities held by the Group during the Year:



Photo of 818 Happiness Day



Employee Caring Activity for Women's Day



Team Building Activity on the Winter Solstice Day



Start-up Employee Care

Talent Development

New Hope Service highly values the selection and breeding of talents and advocates the talent development concept of “green growth without boundaries”, and regards “joining hands to share corporate value” as one of the core values of New Hope Service. To this end, the Company has formulated a scientific and complete talent development system such as the Training Management System to provide employees with a broad space for improvement and a fair development platform. The Company pays attention to the development of each employee. We encourage employees to improve their professional or management capabilities through their own efforts, and evaluate the suitability of employees towards the positions based on the vacancies. After the appointment and dismissal procedures, employees are adjusted to suitable positions. Therefore, New Hope Service attaches great importance to the cultivation of talents in which we provide guidance in various regions to strengthen the ability of talent development and employee training, and cultivates external and internal lecturer resources to better deliver key talents for the business. The Group’s staff training can be divided into three categories such as onboarding training for new employees, internal training and external training.

Types of training

Introduction






Onboarding training for new employees

The Company will give a detailed introduction to new employees on job responsibilities, work procedures and work standards, so as to facilitate the development of the work.



Internal training

We have three main categories of internal training as follows:

-  Company system and operation skills training: systematic training for various management systems, operation skills and processes.
-  Cohesion training for the Company’s employees: according to the Company’s corporate culture and the status of the employees, various forms of training activities such as employee seminars, reading and sharing clubs are carried out.
-  Management experience sharing and case analysis: the experience sharing and case studies from each business unit are organized.



External training

In order to meet the needs of business development or the improvement of employees’ abilities, the Company dispatches or agrees to employees to participate in training activities organized by external training institutions.

New Hope Service Academy

New Hope Service relies on the internal learning management organization-New Hope Service Academy, takes the digital learning platform as the medium, and is supported by a complete talent development system, comprehensive curriculum and teaching system to create a talent training system with New Hope Service's characteristics. New Hope Service Academy is positioned as strategic advancement, cultural implementation, talent output, and high level professional, with "sharing, growth, and service" as the concept. Each branch undertakes talent training in headquarters and regions and the digital learning platform comprises of online and offline learning. During the Year, New Hope Service organized 6,400 training sessions, in which a total of 78,000 trainees received 12,000 hours of trainings carried out by 693 lecturers. A total of 8,621 training sessions were conducted nationwide involved with 90,238 trainees and 10,386 teaching hours. In addition, New Hope Service was the only enterprise that received the "Gold Award for Excellent Digital Learning Project" of the 4th Yuntu Awards in 2022 in the southwest region.



- 6,400** training sessions
- 78,000** trainees
- 693** lecturers
- 12,000** hours of trainings
- 8,621** training sessions conducted nationwide
- 90,238** trainees
- 10,386** hours of trainings



Gold Award for Excellent Digital Learning Project



Employees' Training Case I

A training event on "Fighting Fearlessly, Hope Persists" (奮鬥無畏，希望常新), which provided a new interpretation of the Company's culture and introduced the Strivers Model 2.0, was organized by New Hope Service on June 21, 2022. We have adopted a new code of conduct to clarify specific behavioral requirements on top of our customer culture. Using cultural genes as the foundation, we define core competencies for different positions, enabling the organization to "know, use, and select" when selecting, training, evaluating, and utilizing talent.



Employees' Training Case II

During the Year, we established 18 talent development bases to expand our talent development channels and provide in-house talent with more and faster promotion opportunities. We have continuously developed our core training programs, which include Talent cultivation program, Talent conservation program, Supervisor cultivation program, and Xincheng program, to foster and produce project management talents.

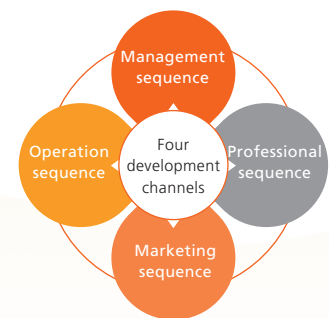


Based on the career development path and competency model of employees, New Hope Service Academy has created the following systematic talent training programs:

- > **Xincheng program** / Management trainee training program
- > **New employees accommodation program** / New employees training program
- > **Talent conservation program** / Executive general management skills enhancement Program
- > **Talent cultivation program** / Project manager comprehensive management ability enhancement program
- > **Talent cultivation program PRO** / Regional director comprehensive management skills enhancement program
- > **Supervisor cultivation program** / Supervisor general management skills enhancement Program
- > **Leadership training program** / Management associate director training program

Development Channel

With a view to motivating our staff and enriching our talent pool for strategic development, the Group provides broad career development space for talents, including vertical and horizontal development. In terms of vertical development, we provide four development channels of management sequence, professional sequence, marketing sequence and operation sequence and assign employees to the appropriate sequence according to their ability, quality, development potential and development willingness. Taking into account the different developmental wishes of our employees, we not only promote employees within a position sequence according to the requirements of the position level, but also provide horizontal development, so that employees can access platforms and opportunities for cross-sequence development between different sequences. For promotion, employees can progress along one pathway or adjust it as the direction of development changes. We have also established a comprehensive approval process whereby employees are required to complete a Probationary Period/Pay Increase/Position Adjustment Assessment Form for application and initiate online approval.





Environmental Aspect

Green Environment Protection

The Group closely response to the country’s green development strategy. We are very determined to choose the low-carbon development path, and pay close attention to the negative impact it may have on the natural environment during its operation, insist on coexisting and co-maintaining with the environment. We strictly comply with the Environmental Protection Law of the People’s Republic of China, the Water Pollution Prevention and Control Law of the People’s Republic of China, the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, and other laws and regulations. By continuously improving the environmental management measures, optimizing environmental management system, we strive to create a sustainable society in which humans and nature coexist in harmony. We have implemented relevant internal systems to reduce energy and resource consumption and waste discharge during the operation of the Group, so as to contribute to the green development of society.

As a property management company, the Group has no significant negative impact on the environment and natural resources. We take our own actions to mitigate climate change, protect biodiversity, prevent soil and water pollution and maintain a healthy and sustainable ecology. At the same time, we actively promote awareness of environmental protection among our property owners, staff and other stakeholders. The Group spreads a regional environmental culture of caring for green plants, recycling resources, and separating waste through nationwide green promotion activities, with the goal of creating a green eco-home. During the Year, the Group had no violations of relevant laws and regulations regarding environmental protection.

Emissions Reduction

Energy consumption from property management is the main source of greenhouse gas emissions of the Group’s operation. In order to minimize the adverse impact on the business and the environment, the Group is committed to reducing greenhouse gas emissions during its operations. The Group has incorporated policies and procedures to encourage energy conservation throughout its operation, and relevant measures to reduce carbon emissions will be further elaborated in the section of “Use of Resources” in this Report. Total greenhouse gas emissions from the business operation in Mainland in 2022 were 55,563.67 metric tons of carbon dioxide equivalent. Among them, the greenhouse gas emissions mainly come from the purchased electricity, the scope 2 (energy indirect greenhouse gas emissions). The remainder comes from the fossil fuel combustion for power generators and automotive factories, the Scope 1 (direct greenhouse gas emissions). The Board and management of the Group have reviewed the environmental targets set last year. Greenhouse gas (scope 1 and scope 2) emissions has increased. We must actively review and implement the Group’s emission reduction measures in the future to get closer to the target. The Group will actively implement our energy saving and greenhouse gas emission reduction measures, aiming to maintain or gradually reduce greenhouse gas (Scope 1 and Scope 2) emissions on the basis of 2021.

The following table shows the air pollutants and greenhouse gas emissions during the Year:

Air Pollutant Emissions	Unit	2022
Nitrogen Oxide (NO _x)	kg	50.72
Sulphur Oxide (SO _x)	kg	0.14
Particulate Matter (PM)	kg	4.77






Greenhouse Gas Emissions	Unit	2022
Direct greenhouse gas emissions (Scope 1)	tCO ₂ e	346.87
Greenhouse Gas Removed from Newly Planted Trees (Scope 1)	tCO ₂ e	807.05
Indirect greenhouse gas emissions (Scope 2)	tCO ₂ e	55,996.84
Total greenhouse gas emission (Scope 1 and 2)	tCO ₂ e	55,563.67
Greenhouse gas emission intensity per employee (Scope 1 and 2)	tCO ₂ e/employee	22.44
Greenhouse gas emission intensity per square meter (Scope 1 and 2)	tCO ₂ e/square meter	<0.01

Waste Reduction






We are committed to reducing, recycling and properly handling waste to reduce the environmental impacts due to our operation. Our goal is to ensure the waste is properly disposed in accordance with the local waste disposal regulations by working with various stakeholders. The Group's waste is mainly office and domestic waste, construction waste, food waste, medical waste and hazardous waste generated during the management service, which are managed by a series of documents of procedures. Hazardous waste consists of used toner cartridge and used batteries which are handled by qualified contractors. While non-hazardous waste consists of general office and household waste. Our daily waste is mainly generated in the properties by our tenants, residents, customers, etc. The Group appoints a third-party qualified waste treatment contractor to collect general waste from properties in the Mainland and directly send to landfills for proper disposal of different types of domestic waste. In terms of the construction waste, the Group strictly abides by the local urban management regulations to properly handle the construction waste left by the property owner of some projects under management, to ensure a comfortable living environment for the property owner. The Board and the management of the Group have reviewed the targets related to environmental aspects set last year. The intensity of waste generation has decreased, reflecting the achievement of the goal. We will implement the Group's measures regarding material conservation and waste classification, aiming to maintain or gradually reduce waste generation on the basis of 2021.

The Group has implemented numerous waste reduction measures during its operations, including in the parks and offices, as follows:

Regarding the park,

-  place banners, posters and notices in prominent positions to promote the correct way of sorting household waste to the residents;
-  set up waste classification stations, and arranges personnel to guide the correct waste classification;
-  plan a disposal area for large-scale waste, decoration waste and construction waste in the garden;
-  conduct daily inspections, including the sanitation and classification of waste collection points;
-  help the owners to gradually establish the awareness of waste recycling, and develop the habit of distinguishing different types of waste.

Regarding the office,

-  encourage employees to use both sides of the paper, make whole use of paper and reduce waste paper;
-  send out documents electronically as much as possible;
-  except for the paper with confidential information, all waste paper is sent to waste paper recycling companies for recycling;
-  replace all disposable drinking cups, wooden chopsticks, etc. with non-disposable items such as ceramic drinking mugs and reusable tableware to reduce waste;
-  put water-saving and electricity-saving posters in the office area to raise employees' awareness of environmental protection responsibility and to ensure efficient use of energy.



Environmental Aspect

The following table shows the amount of hazardous waste and non-hazardous waste generated during the Year:

Waste Generation	Unit	2022
Total generated hazardous waste	kg	0.10
Hazardous waste intensity (per employee)	kg/employee	<0.01
Total generated non-hazardous waste	tonne	1,019.12
Non-hazardous waste intensity (per employee)	tonne/employee	0.41

Use of Resources

There are two major uses of resources of the Group – energy and water. Energy management is our priority in practicing green development. The Group continuously strives for increasing its energy efficiency. In addition, the Group continues to utilize water resources with high efficiency in daily operations, and reduces water use as much as possible while ensuring service quality and daily operation. During the Year, we did not encounter any water supply problems. Moreover, the Board and the management of the Group have reviewed the targets related to environmental aspects set last year. The electricity and water consumption intensity have increased. We must actively review and implement the Group’s electricity and water conservation measures in the future to get closer to the goal. We will continue to actively implement our electricity and water conservation measures, aiming to maintain or gradually reduce electricity and water consumption intensity on the basis of 2021.

The table below shows the amount of each resource and energy used during the Year:

Use of resources	Unit	2022
Paper consumption	kg	15,033.51
Paper consumption intensity (per employee)	kg/employee	5.35
Total water consumption	Thousand cubic meter	2,209.01
Total water consumption intensity (per employee)	Thousand cubic meter/ employee	0.89
Total water consumption intensity (per square meter)	Thousand cubic meter/ square meter	<0.01

Energy consumption	Unit	2022
Total electricity consumption	MWh	96,380.11
Natural gas consumption	Cubic meter	45,218.00
LPG consumption	kg	1,740.00
Petrol consumption	Litre	9,204.40
Diesel consumption	Litre	5,947.00
Total energy consumption	MWh	97,034.99
Total energy consumption intensity (per employee)	MWh/employee	39.21
Total energy consumption intensity (per square meter)	MWh/square meter	0.01

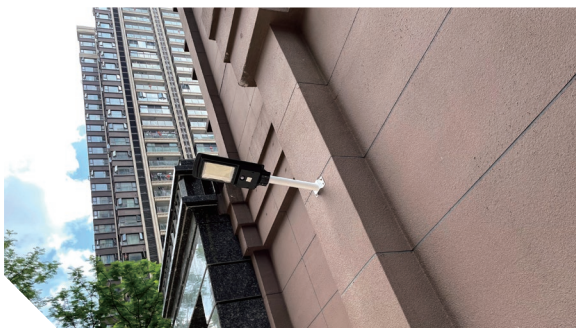
Energy Conservation Measures

The main energy consumption involved in the operation of the Group is electricity. In order to achieve the goals of energy conservation and emission reduction, and reasonably utilize resources and energy, the Group's commercial properties implement various measures during the operation, for example, install sealing strips on doors and windows to avoid the leakage of temperature-regulated air; requirements for temperature control in office areas: the minimum temperature is 26 degrees Celsius in summer, and the maximum temperature is 20 degrees Celsius in winter; keep lights clean to maximize their energy efficiency; install motion sensors in places that are not frequently used; use high energy-efficient lights (such as T5 fluorescent lamps and light-emitting diodes); and publish notices of energy saving and emission reduction measures, and put up posters to enhance the awareness of it.

We also improve energy use efficiency by the purchasing and replacing more energy efficient equipment:



Photovoltaic power generation introduced in Nanning Dashanghui(南寧大商匯) project



Promote 400 solar street light retrofit with 200W projects nationwide



Energy-saving renovation of basement garage

Water Conservation Measures

The water resources required for the Group’s daily operation come from the government’s water supply, which are mainly for daily services, properties, offices and plantation. We have taken various measures during our operations to reduce water consumption. To reduce water wastage, we have installed pressure conversion heads for faucets in the washroom sink to avoid wasting water due to splashing, and regularly check water meter readings to see if there is any hidden water leakage. In terms of improving water efficiency, we use faucets with water-saving labels; reduce water pressure to the lowest possible level; implement innovative technologies such as energy-saving introduction of air-conditioned water; and reuse of water resources. We will also publish notices of water conservation measures, and put up relevant posters to promote water conservation with a view to raising employees’ awareness to save water.

Reducing Resource Consumption and Eliminating Wastage: “Lu Juren 2.0” Towel Wringing Initiative

During the Year, New Hope Service continued its green action based on the “Lu Juren 1.0”. Focusing on topics such as energy consumption reduction and energy saving, all units selected the “most practical tips” based on the classification, verification and judgment of the lean management team and the relevant business units as well as the voting results of all employees in the company, and delivered these tips to the headquarters of New Hope Service and all divisions for implementation.

In addition, New Hope Service subsequently published five issues of “Elimination of Wastage”, covering engineering and technology, supply chain management, administration, service industry and others (property management, finance, human resources, intellectual science), and collected opinions for each award with over 300 proposals on wasteful behaviours and improvement initiatives, which were included in the special improvement plan.

The following is a selection of tips to eliminate waste:

1. Install sensor lights in part of the office area
2. Promote the electronic seal for the projects across the region
3. Set up “recyclable paper” and “recycled paper” sites
4. Set up office supplies collection stations in office areas



Dealing with Climate Change

With the launch of “carbon peak” and “carbon neutrality” targets, we proactively responded to the national call to study these targets, align ourselves with the industry’s best practices and combine them with our own business practices to gradually improve the emergency response mechanism in response to extreme weather, so as to make a contribution towards addressing climate change. In line with the nationwide trend of green and low-carbon and zero carbon transformation, the Group intensified its efforts in the assessment and discussion of climate change and reduced potential negative impacts associated with climate change risks while seizing the opportunity to achieve green development.

The Group has made good use of resources and energy through measures such as taking more care for vegetation, watering green spaces, energy conservation and emission reduction, with a view to reduce the impact of climate change during operation. In terms of measures to deal with physical risks, we regularly organize emergency drills for employees such as flood control and typhoon prevention to ensure that they can protect the safety of owners and the normal operation of the Group with a quick emergency response and handling capabilities in the event of unexpected disasters. In terms of measures to deal with physical risks, we keep track of the latest laws and regulations, with reference to international standards and industry characteristics and development trends. The Group reviews the business operations on a regular basis, and based on the existing risk management system, identifies the physical risks and transition risks associated with climate change that may have a significant impact on the Group with corresponding countermeasures in place.

Risk Description	Countermeasures
Emergency risks (e.g. flooding, super typhoon, storm surge, extreme rainfall)	<ul style="list-style-type: none"> Review the impacts of extreme weather to the business and develop emergency plans for it; Conduct disaster escape drills for employees and proprietors; Improve adaptability of employees during disaster via training
Chronic risks (such as extreme hot weather, rising sea levels)	<ul style="list-style-type: none"> Adopt renewable energy plan
Technical risks	<ul style="list-style-type: none"> Regularly review existing property management strategies
Market risks	<ul style="list-style-type: none"> Shift to a sustainable product and service regime and consider the climate-related risks and opportunities
Policy and regulatory risks (stricter building energy codes, green building goals and standards, report disclosure compliance risks, carbon trading and emission standards)	<ul style="list-style-type: none"> Monitor the latest news on climate change-related environmental policies to avoid unnecessary increases in costs and expenses due to violations of climate-related environmental policies

Commitment to Giving Back to Society

The Group always insists on placing equal emphasis on development and responsibility. While pursuing excellence, it also actively practices corporate social responsibility. While developing and expanding our business, we are committed to listening to the voices of the people and passing on our care to our operating gardens. The domestic operating branches of the Group continue to understand people’s livelihood needs through customer questionnaires, daily customer communication, and cooperation with government departments and local organizations, and actively carry out publicity and education, public welfare, voluntary services, community care, etc., participate in the activities about disaster relief, environmental protection, teaching and learning, community welfare, fighting the epidemic, and caring for the disadvantaged groups in the society, using the advantages of property management to create a better life for people and build an inclusive community.

Community Activities

The following table lists the key reviews of various types of public welfare activities in the Year:

Themes	Activities	Relevant Photos
Environmental Charity Work in the Year		
 <p>Nanning Dashanghui, A “Green Mall” Powered by Rooftop Photovoltaics</p>	<p>In 2022, in response to the national “Double Carbon” policy, Nanning Dashanghui took the initiative to develop green energy resources. It successfully built a 4.5MW decentralised rooftop photovoltaic project of 22,000 square meters and completed the grid connection ceremony, becoming the first “green mall” in the industry to “generate electricity on the roof and make available in the building”. Upon full operation, the project is expected to generate approximately 4.95 million kWh of electricity annually, saving 1,836 tonnes of coal and reducing carbon dioxide emissions by 5,400 tonnes per year.</p>	
 <p>Waste Classification Promotion and Practice</p>	<p>New Hope Service actively carried out waste classification in its projects under management to create a beautiful, sustainable and harmonious community through systematic initiatives.</p> <p>We have improved four sorting points, where waste is transported and disposed of separately, to help property owners sort their waste efficiently. We have also set up a voluntary waste classification team to encourage waste classification habits among property owners.</p> <p>We have introduced smart waste classification cabinets in some communities and a bonus point redemption activity to make owners feel more engaged in waste classification.</p> <p>In order to promote waste classification, we have posted waste classification advertisements and videos in communities, and conducted knowledge presentations and activities on waste classification such as Environmental Protection Guards and Waste Classification Public Welfare Run, which are fun and educational.</p>	 

Themes	Activities	Relevant Photos
<p>Community Programmes in the Year</p>  <p>Let's have Fun in Hope Town</p>	<p>In 2022, Hope Town has joined up with Wild Child IP to kick off a full series of activities in various cities.</p> <p>Among the activities, there were Bubble Carnival, Catching Fish Competition and Summer Garden Party in Kunming; Bubble Adventure including Douyin Challenge, Finding Bubbles, Bubble Journey and Day Trip to Hangzhou Food and Education Park in Wenzhou; Shuangxi Dairy Factory Tour in Suzhou; and Starlight Night Market, Hi-Fun Bubble Party and Star Ocean Party in Hangzhou and Ningbo, etc.</p> <p>The activities included 33 projects covering 9 cities, with 3,169 families and over 85% of the property owners' children involved.</p>	
 <p>Jiujiu Festival, Neighborhood Staying Together</p>	<p>In 2022, New Hope Service launched the 5th Jiujiu Festival targeting property owners of all ages, attracting 64 projects in 11 cities with over 48,000 visits from property owners (covering over 90% projects under management). In cities such as Chengdu, Hangzhou, Suzhou, Wenzhou, Nanning and Kunming, we have designed a variety of interesting activities based on local characteristics and the needs of the property owners, integrating various innovative activities such as convenient services, care for growth, neighbourhood gatherings, health and sports, and care for the elderly, so that the whole family and people of all ages can take part in, creating a warm community cultural atmosphere and achieving high customer satisfaction.</p> <p>Different activities are held in different seasons and festivals. We enjoy flowers and gardens during the Spring, deliver coolness to homes during the Summer and take care of property owners during the Winter. New Hope Service's nationwide projects ran a total of 829 activities, attracting 225,000 visits from property owners.</p>	

Weiguang Action

In December 2021, we officially released a public welfare brand – “Weiguang Action”. In 2022, New Hope Service continued to strengthen crossover campaigns with brands and implement a wide range of public welfare activities. Through this brand, we actively participate in urban grassroots governance, hoping to solve some problems of target groups and society. With plan, goal, implementation, feedback and continuous action, we serve different individuals in the society and establish a bond of communication and trust, mutual assistance and co-construction. The following table lists the key reviews of various types of Weiguang Action in the Year:

Themes	Activities	Relevant Photos
 <p>Occupational Experience, Perceiving the Power of Weiguang</p>	<p>On June 11, 2022, with the support of Xiangyangqiao Primary School, Weijiajie Community, Environmental Sanitation Bureau, Wudongfeng and other relevant units, New Hope Service organised five primary school students to experience the roles of sanitation worker, deliveryman, community worker, security and customer service steward, respectively, which helped the primary school students to better understand the work and social values of such roles. The publicity and education of this activity has not only been well received by the school and the sub-district, but has also been forwarded and liked by China Charity Alliance, a national charity organisation, and reported in the People’s Daily.</p>	 <p>Occupational Experience of Primary School Students</p>
 <p>A Warm Stop, Caring Service at Your Side</p>	<p>In view of the hot and changeable summer weather, New Hope Service offered caring services such as rest area, summer herbal tea and emergency aid at all warm stops across the country from June 20, 2022 until the end of the summer, so that more deliverymen, couriers, decoration workers and sanitation workers can get help nearby. For example, Suzhou Jin Lin Jiu Li, Chengdu Tazishan Yi Hao and Kunming Xiwanghui served a total of over 1,480 people.</p>	 <p>Warm Stops for Rest</p>

Party Building of “Red Hope” Driven Society

In 2022, under the strong leadership of the New Hope Group Party Committee, the New Hope Service conscientiously implemented the main responsibility of the Party’s management and self-governance, and earnestly carried out the four actions of “system standardization, brand promotion, youth’s respect for the Party and empowerment for enterprises”. Under the leadership of the “Red Hope” Party building brand, it actively explores community-level governance, promotes the improvement of service quality, and realizes pluralistic co-governance. We won the Sichuan Province “Outstanding Red Industry”, Chengdu City “Rongcheng Pioneer, Heart-warming Property Management” Demonstration Enterprise and Demonstration Project, Chengdu City “Wuhou District Grassroots Governance Advanced Collective”, Wenzhou City “Advanced Grassroots Party Organization”, Kunming City “Xishan District Advanced Party Organization”, Kunming City “Chuncheng Hongqi Party Branch” and many other honors.

In order to effectively fulfill the main responsibility of Party building, we formulated a work plan of Party building and implemented the main responsibility of Party building. For example, we released the “2022 Party Building Work List”, which includes 35 key tasks such as political construction, organizational construction, and cultural construction to be carried out in specific time and by responsible personal. We also adjusted and optimized the structure of the Party organization, such as the Party branches under the guidance of the headquarters, the 10 alternate members under the Party branch of the Chengdu and Wenzhou companies, the newly established Party branch in Jiaxing company under our guidance, and 7 Party branches under our guidance to complete the process of election in accordance with the rules, so as to continually cultivate Party members for new development in the future, and build a team of Party members with high-quality talents.

First of all, we set up demonstration posts for Party members, including demonstration posts for convenience services, demonstration posts for assured service, and demonstration posts for expanded services, and implemented the shifting system of Party members to improve the timeliness of handling the owners’ demands, enhanced the sense of responsibility of Party members in the property Party branch, and the owners’ trust towards the property. Secondly, we have divided the responsibility area of Party members, including the area of responsibility for the entrance of the park, the area of responsibility for online services, and the area of responsibility for public areas, from the concept of “the owners use what we provide” to “We serve whatever the owners need”, using heart services to enhance the well-being of the residents of the community. In addition, we build a Party building alliance, including discussing and co-governing problems, publicizing and strengthening supervision, and providing excellent services to talents. We built a dialogue platform through an online App to create a “handheld Chamber” (掌上議事廳) to listen to owners’ “voice”, let the owners “discuss”, help the owners “manage”, “post things” to the owners, and invite the owners to “comment” to form a multi-participation community governance pattern, realize the benign interaction between the property and the owners, and enhance the sense of gain of a better life.

In terms of public welfare, the Party Branch of Wenzhou company and the Party Branch of Wuxiantou Village, Damen Town signed a cooperation agreement on “Party Building with Joint Efforts to Helping Farmers” in July to expand the sales channels of agricultural products and bring high-quality lotus seeds to thousands of families. In addition, we carried out more than 120 voluntary services, including public welfare calligraphy event, free cold drinks for caring, free medical consultations and free haircuts, etc., with 100,000 participants.

In terms of Party building education, more than 400 Party members from various subsidiaries of New Hope Service listened the Report on the work of the 20th National Congress of the Communist Party of China at the branch venue on 16 October, 2022, and all Party members participated in a total of 685 quizzes on the spirit of the Congress through online platform. We also held a number of activities such as “Secretary’s Lecture on the Party”, “Retrace the Red Army Road”, “Visit the Revolutionary Martyrs’ Memorial”, school-enterprise cooperation and Party building, and “Red” speech contests. Party members received a total of 232 learning and education activities.



Xishan District Committee Organization Department Activities



Listening to the 6th Plenary Session of the 19th Central Committee



Spreading Hope with Love



Tazishan Yi Hao Party Building



Visiting the Red Base



Signing Ceremony of Mutual Party Building



Agricultural Products Sales Promotion

共青团新希望集团有限公司委员会

新希望团委〔2022〕13号

共青团新希望集团有限公司委员会
关于“献礼四十庆·青春建新功”主题诗文征集
活动的通报

Outstanding Poetry Collection for the “40th Anniversary - Youth Building New Achievements”



In terms of community grassroots governance, we have been integrating elements of Party governance into community governance, with an aim to promote the construction of grassroots service. The cases of community governance led by us were as follows:

Party Building Work Cases – Party Building in Business Districts

We continued to provide precise enterprise services and optimized the business environment. Taking the general Party branch of Kunming Dashanghui as an example, we, through establishing the Party building service centre, carried out over 220 events and services such as business negotiations with merchants, “Finance Direct Express”, special meetings for industrial and commercial tenants, and business start-ups in business districts.



Kunming – Finance Direct Express

Party Building Work Cases – Party Building in Supply Chain + Smart Party Building

Relying on the Group’s industrial chain, New Hope Service provides service such as “property + group dinner, property + retail, property + centralized purchasing”. At the same time, it integrates surrounding shops and spatial resources to develop a visual service map. In addition, New Hope Service creates a new pilot of smart Party building, with 20+ projects newly covered by intelligent access control and 30+ projects newly covered by car management cloud in 2022, realising comprehensive online self-service for visitors, effectively controlling the entry and exit of outsiders to and from the community, and improving the efficiency and safety of gate management. Taking the newly expanded Ouwang Mansion (甌望府錦園) in Wenzhou as an example, property Party members, after fully understanding the needs of customers, installed systems such as cameras for monitoring things thrown off the buildings and elevator control and management system, significantly reducing the risk of things thrown off the buildings.



Ouwang Mansion – cameras for monitoring things thrown off the buildings

Appendix I: Sustainability Information Summary

The following is the summary of the sustainable development information of the Year in the environmental aspect:

Environmental Aspect	Unit	2022
Air Emissions²		
Nitrogen oxides (NO _x)	kg	50.72
Sulphur oxides (SO _x)	kg	0.14
Particulate matter (PM)	kg	4.77
Greenhouse Gas Emissions³		
Direct greenhouse gas emissions (Scope 1)	tonne of CO ₂ e	346.87
Greenhouse Gas Removed from Newly Planted Trees (Scope 1)	tonne of CO ₂ e	807.05
Indirect greenhouse gas emissions (Scope 2)	tonne of CO ₂ e	55,996.84
Total greenhouse gas emission (Scope 1 and 2)	tonne of CO ₂ e	55,536.67
Greenhouse gas emission intensity per employee (Scope 1 and 2)	tCO ₂ e/employee	22.44
Greenhouse gas emission intensity per square meter (Scope 1 and 2)	tCO ₂ e/square meter	<0.01
Waste		
Hazardous waste	kg	0.10
Hazardous waste generated (per employee)	kg/employee	<0.01
Total generated non-hazardous waste	tonne	1,019.11
Non-hazardous waste intensity (per employee)	tonne/employee	0.41
Paper consumption		
Paper consumption	kg	15,033.51
Paper consumption intensity (per employee)	kg/employee	6.07
Energy consumption		
Total electricity consumption	MWh	96,380.11
Natural gas consumption	Cubic meter	45,218.00
LPG consumption	kg	1,740.00
Petrol consumption	Litre	9,204.40
Diesel consumption	Litre	5,947.00

² Air pollutant emissions are mainly from vehicles under the Group's name. In addition, this is calculated in accordance with Appendix 2 "Guidelines for Reporting Environmental Key Performance Indicators" published by the Hong Kong Stock Exchange.

³ The Greenhouse Gas Protocol is made by reference to the Greenhouse Gas Protocol published by the World Resources Institute and the World Business Council for Sustainable Development, and the ISO 14064-1 of Greenhouse Gas Emissions Standard by the International Organization for Standardization.

Environmental Aspect	Unit	2022
Total energy consumption	MWh	97,034.99
Total energy consumption intensity (per employee)	MWh/employee	39.21
Total energy consumption intensity (per square meter)	MWh/square meter	0.01

Water Consumption

Total water consumption	Thousand cubic meter	2,209.01
Total water consumption intensity (per employee)	Thousand cubic meter/employee	0.89
Total water consumption intensity (per square meter)	Thousand cubic meter/square meter	<0.01

The following is the summary of the sustainable development information of the Year in the social aspect:

Social Aspect	Unit	2022
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Number of Employees

Total number of employees	person	4,031
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Total Number of Employees (by Gender)

Female	person	1,848
Male	person	2,183

Total Number of Employees (by Employee Category)

Full-time entry-level staff	person	3,574
Full-time middle management	person	433
Full-time senior management	person	24

Total Number of Employees (by Age Group)

Aged below 30	person	1,330
Aged 30-50	person	2,163
Aged over 50	person	538



Appendix

Social Aspect	Unit	2022
Total Number of Employees (by Geographical Region)⁴		
Headquarters of New Hope Service	person	182
Cheng Yu Region	person	1,319
Minyoun Commercial	person	750
Wenzhou Region	person	389
Kunming Region	person	273
Southern China Region	person	345
Eastern China Region	person	282
Suhu Region	person	265
Northern Region	person	150
New Foodism	person	69
Fuzhou Region	person	6
Beijing Shouwang	person	1
Employee Turnover Rate		
Employee turnover rate	%	29.63
Employee Turnover Rate (by Gender)		
Female	%	28.68
Male	%	32.59
Employee Turnover Rate (by Age Group)		
Aged below 30	%	31.08
Aged 30-50	%	29.27
Aged over 50	%	25.99
Employee Turnover Rate (by Geographical Region)⁴		
Headquarters of New Hope Service	%	26.53
Northern Region	%	29.57
Cheng Yu Region	%	30.83
Eastern China Region	%	30.41
Southern China Region	%	27.73
Kunming Region	%	26.14

⁴ Regions are mainly classified based on factors such as different types of businesses of the Group, different stages, and the volume of business in cities.

Social Aspect	Unit	2022
Suhu Region	%	26.30
Wenzhou Region	%	31.48
Fuzhou Region	%	14.29
New Foodism	%	22.47
Minyoun Commercial	%	14.75
Beijing Shouwang	%	50.00
Occupational Health and Safety		
Work-related fatalities in the last 3 years (including the reporting year)	person	0
Rate of work-related fatalities	%	0
Lost days due to work-related injuries	day	402
Development and Training		
Percentage of Employees Trained by Gender ⁵		
Female	%	45.69
Male	%	54.31
Percentage of Employees Trained by Employee Category ⁵		
Full-time entry-level staff	%	88.89
Full-time middle management	%	10.52
Full-time senior management	%	0.58
Average Training Hours of Employees by Gender ⁶		
Female	hour	43
Male	hour	40
Average Training Hours of Employees by Employee Category ⁶		
Full-time entry-level staff	hour	43
Full-time middle management	hour	46
Full-time senior management	hour	44

⁵ The percentage of employees trained for the Year is calculated as the number of employees trained by each category ÷ the total number of employees trained.

⁶ The average training hours of employees for the Year is calculated as the number of employees trained by each category ÷ the number of employees by each category.

Appendix 2: Index of the Hong Kong Stock Exchange's Environmental, Social and Governance Reporting Guidelines

A. Environmental Aspect		Related Section(s)	
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	6 Green Environment Protection 6.1 Emissions Reduction
	A1.1	The types of emissions and respective emissions data.	6.1 Emissions Reduction Appendix I: Sustainability Information Summary
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) total greenhouse gas emissions and intensity.	6.1 Emissions Reduction Appendix I: Sustainability Information Summary
	A1.3	Total hazardous waste produced and intensity.	6.2 Waste Reduction Appendix I: Sustainability Information Summary
	A1.4	Total non-hazardous waste produced and intensity.	6.2 Waste Reduction Appendix I: Sustainability Information Summary
	A1.5	Description of emission target(s) set and steps taken to achieve them.	6.1 Emissions Reduction
	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.	6.2 Waste Reduction
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	6.3 Use of Resources
	A2.1	Direct and/or indirect energy consumption by type in total and intensity.	6.3 Use of Resources Appendix I: Sustainability Information Summary
	A2.2	Water consumption in total and intensity.	6.3 Use of Resources Appendix I: Sustainability Information Summary
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	6.3 Use of Resources
	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.	6.3 Use of Resources
	A2.5	Total packaging material used for finished products and with reference to per unit produced.	Not applicable, the Group's business does not involve packaging materials
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	6. Green Environment Protection
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	6. Green Environment Protection

A. Environmental Aspect		Related Section(s)	
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.	6.4 Dealing with Climate Change
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	6.4 Dealing with Climate Change
B. Social Aspect		Related Section(s)	
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	5. Promoting Talent Construction 5.1 Employees' Care 5.4 Remuneration Benefits 5.3 Rights Protection
	B1.1	Total workforce by gender, employment type, age group and geographical region.	Appendix I: Sustainability Information Summary
	B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I: Sustainability Information Summary
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	5.2 Employees' Occupational Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	5.2 Employees' Occupational Safety Appendix I: Sustainability Information Summary
	B2.2	Lost days due to work injury.	5.2 Employees' Occupational Safety Appendix I: Sustainability Information Summary
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	5.2 Employees' Occupational Safety
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	5.5 Talent Development
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix I: Sustainability Information Summary
	B3.2	The average training hours completed per employee by gender and employee category.	Appendix I: Sustainability Information Summary
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.	5.3 Rights Protection
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	5.3 Rights Protection
	B4.2	Description of steps taken to eliminate such practices when discovered.	5.3 Rights Protection



Appendix

B. Social Aspect		Related Section(s)	
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	4.1 Responsible Procurement
	B5.1	Number of suppliers by geographical region.	4.1 Responsible Procurement
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	4.1 Responsible Procurement
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	4.1 Responsible Procurement
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	4.1 Responsible Procurement
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	3. Excellent Quality Creating 3.1 Relationship with Customers 3.2 Enhancing Customer Experience 3.3 Maintaining customer relationships 4.3 Information and Privacy Protection 4.4 Operational compliance
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable, the Group's business does not involve the sale or delivery of products
	B6.2	Number of products and service related complaints received and how they are dealt with.	3.1 Maintaining customer relationships
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	4.5 Safeguarding Intellectual Property Rights
	B6.4	Description of quality assurance process and recall procedures.	3.2 Enhancing Customer Experience
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	4.3 Information and Privacy Protection
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.	4. Adhering to Compliance in Operations 4.2 Business Ethics
	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.	4.2 Business Ethics
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	4.2 Business Ethics
	B7.3	Description of anti-corruption training provided to directors and staff.	4.2 Business Ethics
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	7. Commitment to Giving Back to Society
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	7. Commitment to Giving Back to Society
	B8.2	Resources contributed to the focus area.	7. Commitment to Giving Back to Society