

# 佳源服務控股有限公司

JIAYUAN SERVICES HOLDINGS LIMITED

(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)

STOCK CODE : 1153



2022

ENVIRONMENTAL, SOCIAL AND  
GOVERNANCE REPORT

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# ABOUT THIS REPORT



This is the third environmental, social and governance (“ESG”) report (the “ESG Report”) released by Jiayuan Services Holdings Limited (the “Company,” together with its subsidiaries, hereinafter referred to as the “Group” or “We”). The ESG Report is intended to update stakeholders on the Group’s ESG performance and management practices in 2022, with a view to enhancing stakeholders’ understanding of the Group’s sustainability efforts.

The Board has the overall responsibility for the Group’s ESG strategy and reporting, conducts regular assessments of the ESG risks to which the Group may be exposed and prioritizes considering and managing major matters related to ESG (including risks to issuer’s business) to ensure that appropriate and effective ESG risk management and internal control systems are in place, so as to inspect the progress of relevant objectives and to effectively implement the Group’s sustainable development strategies and initiatives. The ESG Report has been reviewed by the Board, who has confirmed the accuracy, truth and completeness of its content. The Group will assess the impact of its core business on the ESG aspects on an ongoing basis and prepare the ESG Report.

## REPORTING GUIDANCE AND PRINCIPLES

The ESG Report was prepared in accordance with the provisions of Appendix 27 “Environmental, Social and Governance Reporting Guide” (the “ESG Reporting Guide”) to the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited (the “HKEx”), with reference to the “comply or explain” provisions set out in the ESG Reporting Guide. During the process of preparation of this ESG Report, the Group disclosed its performance in environmental and social responsibilities based on the principles of “Materiality, Quantitative, Balance and Consistency” as of the Reporting Period. The information disclosed in the ESG Report is derived from the official documents, statistical data or publicly available data of the Group.

## REPORTING BOUNDARIES AND REPORTING PERIOD

The reporting boundary covers all the Group’s subsidiaries in the People’s Republic of China (the “PRC”), with the environmental KPIs covering all the Group’s subsidiaries in Jiaxing City, Zhejiang Province (including five counties and two districts). Unless otherwise stated, the ESG Report illustrates the Group’s performance and action in the environmental and social aspects during the reporting period from 1 January 2022 to 31 December 2022 (the “Reporting Period” or the “Year”).

## ACCESS TO THE ESG REPORT

The ESG Report is available in Chinese and English versions. In the case of any discrepancy between the Chinese and English versions of the ESG Report, the Chinese version shall prevail. You may visit the Group’s official website at <http://jy-fw.cn/> or the website of the HKEx at <http://www.hkex.com.hk> for an electronic copy of the ESG Report.

## FEEDBACK

As part of our ongoing efforts to improve our ESG disclosures, we welcome your suggestions and inputs on the content and development initiatives in the ESG Report. Please contact us via the Group’s website at <http://jy-fw.cn/>.





Headquartered in Jiaxing City, Zhejiang Province and with its presence across the Yangtze River Delta Region, the Group is a comprehensive property management service provider that enjoys the leadership in Zhejiang. With over 18 years of operations, we have grown from a leading regional property management service provider to an established comprehensive property management service provider with national presence. The improvement of growth quality and the acceleration of growth speed are inseparable from the Group's adherence to the origin of the property. With adherence to the policy of providing property owners with a better life, we pay close attention to the demands of property owners, continuously improve the quality of services and bring surprises to the owners. Upholding the philosophy of "serving with heart and building a better future (用心服務, 共築美好)," we introduce the principle of "operation of living (經營生活化)" to satisfy the owners' daily needs of clothing, food, housing and transportation with comprehensive services. At the same time, we continue improving and optimising our service system to create a replicable and scalable service model. Through a service model centring on the owners' senses built on the "five senses services" i.e. hearing, touching, seeing, smelling and tasting services, we integrate all aspects of property services and set relevant requirements and standards, to create a high-quality life for our customers. Our successful operations and services have been well acknowledged by the community. This year, we were nominated for nine awards from the government and other authoritative organisations, including the "28th Influential Enterprise of Property Service Brand in China for 2022" by the China Real Estate News and the "2022 China Top 100 Property Management Companies" by the Beijing China Index Academy.

## ◆ PROPERTY MANAGEMENT SERVICES

We provide property developers and property owners with a wide range of property management services, including the "six security services" of public security, cleaning, greening, warranty, elderly protection and school children protection, and the "five senses services" which are optimized in the aspects of clothing, food, housing and transportation.

## ◆ VALUE-ADDED SERVICES TO PROPERTY DEVELOPERS

Unlike traditional property services, we offer property developers comprehensive and customised value-added services which primarily comprise sales management services, preliminary planning and design consultancy services, pre-delivery cleaning and inspection services, car park sales assistance services, and other services customised to meet specific needs of our customers such as employee catering services and consignment services to cater for the needs of developers from preliminary consultancy to post-delivery management.

## ◆ COMMUNITY VALUE-ADDED SERVICES

We offer differentiated and customised community value-added services to property owners, factoring in different ages, family structures and occupations, to improve the life quality and satisfy the diversified needs of property owners. Our services primarily include, among others, home-living services, common area value-added services, car park leasing assistance services and other life-related services.



## ABOUT US



## HONOURS AND ACCREDITATIONS

During the Year, the Group received a legion of honours and awards, some of which are as follows:



SN	Honour Name	Award Time
1	“2022 Influential Enterprise of Property Service Brand in China” by the China Real Estate News	July 2022
2	“2022 Excellent Property Service Enterprise in Jiaxing” by the Beijing China Index Academy	July 2022
3	“2022 China Top 100 Property Management Companies” by the Beijing China Index Academy	April 2022
4	“2022 China Special Property Service Capability Exceptional Companies” by the Beijing China Index Academy	April 2022
5	“2022 Excellent Red Property Service Enterprise in China” by the Beijing China Index Academy	April 2022
6	“2021 Excellent Service Enterprise in Changshui Street – Excellent Financial Contribution Award” by the Changshui Street Office of the People’s Government of Nanhu District, Jiaxing City	February 2022
7	“2021 Star Enterprise of Service Industry” by the CPC South Lake District Committee and the South Lake District People’s Government	February 2022
8	“2021 Excellent Property Service Enterprise in Tongxiang City” by the Bureau of Housing and Urban-Rural Development in Tongxiang City	January 2022
9	“Special Award of Taxation Contribution” in 2021 by the CPC Working Committee of Nanhu Street, Nanhu District, Jiaxing City	January 2022



# SUSTAINABLE DEVELOPMENT GOVERNANCE



## ESG MANAGEMENT STRUCTURE

The Group is aware that the fulfilment of social responsibilities is indispensable for its sustainable development process. Therefore, we actively establish an ESG framework under which we integrate the concept of sustainable development into our daily operations, strategic planning and business decisions, with the focus on the Group's core ESG areas. Through a three-tier governance structure expanding from the decision-making level to the execution level, we refine our ESG governance initiatives to help secure the Group's stable and sustainable development and create long-term value.

The Group's ESG management structure is as follows:

### Decision-making level – the Board

The Board, being the ultimate decision-making body of the Group, is responsible for the Group's ESG management, formulating the Group's sustainability strategy, assessing the risks and continuing to supervise the operation of the Group's risk management system to ensure the effectiveness. After hearing regular reports and thematic reports from the ESG working group, the Board evaluates, prioritises and manages material ESG-related issues (including risks to the issuer's businesses); ensures that relevant resources are properly and adequately invested and to review the progress against ESG-related goals and targets; and then reviews and signs the Group's annual ESG reports.



### Supervision and guiding level – ESG working group

The ESG working group is responsible for identifying and assessing the ESG risks under the guidance of the Board, developing specific work plans based on the ESG strategies, understanding the implementation of ESG management measures at the execution level and reporting the progress to the Board regularly. In addition, the ESG working group collects the ESG-related information and data from the Group regularly and prepares the ESG report.



### Execution level – Functional departments and subsidiaries

Each functional department and subsidiary of the Group is responsible for rolling out and implementing ESG policies and measures during daily operation, reporting the progress in a timely manner and also assisting the working group in collating ESG information and calculating the ESG quantitative data.





# SUSTAINABLE DEVELOPMENT GOVERNANCE



## COMMITMENTS AND MEASURES OF SUSTAINABLE DEVELOPMENT

Adhering the concept of “serving with heart and building a better future,” the Group is committed to offering quality services that satisfy the demands of and bring surprises to property owners, to jointly build a happy community featuring “happiness and health.” In combination of the demands of stakeholders and the business characteristics of the Group, we develop green property management, enhance the sense of happiness of employees and improve our operation management. We also stay true to our original aspiration and give back to society by comprehensively improving the quality of life in urban areas, making contributions to the sustainable development of the society.

ESG Key Fields	Our Contributions and Measures
<p><b>Green and Low-Carbon Development</b> <b>Environmental Protection</b></p>	<p>The Group sets up a comprehensive environment management system, explores measures to save energy and reduce consumption and emissions, actively responds to the risks posed by climate change and supports the green development of society.</p> <ul style="list-style-type: none"> <li>• Energy conservation</li> <li>• Emission and waste management</li> <li>• Reduction in resources consumption</li> <li>• Response to climate change</li> </ul>
<p><b>People-oriented Approach</b> <b>Making Joint Progress</b></p>	<p>The Group advocates the corporate culture featuring diversity and equality, gives high priority to the occupational and personal development of employees and creates a people-oriented working environment.</p> <ul style="list-style-type: none"> <li>• Equal job opportunities</li> <li>• Strict prohibition of employment of child labour and forced labour</li> <li>• Guarantee of employees benefits</li> <li>• Occupational health and safety</li> <li>• Employee development and training</li> </ul>
<p><b>Steady Operation</b> <b>Sustainable Development</b></p>	<p>The Group sticks to the quality of services, responds to the demands of property owners with warm services, jointly builds a happy and harmonious community and redefines the value of urban life.</p> <ul style="list-style-type: none"> <li>• Service quality management</li> <li>• Customer complaint handling</li> <li>• Data security and protection of customer privacy</li> <li>• Protection of intellectual property rights</li> <li>• Access and evaluation of suppliers</li> <li>• Management of environmental and social risks of supply chain</li> <li>• Improvement of supervision system of anti-corruption</li> </ul>
<p><b>Giving Back to Society</b> <b>Building a Better Future</b></p>	<p>The Group cares about society and encourages employees to dedicate themselves into charity, as part of its contributions to the construction of a harmonious society.</p> <ul style="list-style-type: none"> <li>• Activities for caring about communities</li> <li>• Participation in social public welfare activities</li> </ul>





## COMMUNICATION WITH STAKEHOLDERS

The Group places high priority on the communication with stakeholders such as the government, shareholders and investors, employees, customers and property owners, suppliers and partners, peers and industry associations, communities, charitable organisations, etc. To that end, we establish diversified channels to maintain close communication with these stakeholders, to fully understand their demands and expectations of the Group and respond to their concerns through practical actions.

Category of stakeholders	Demands and expectations	Main communication channels	Communication and responses
<b>Government</b>	<ul style="list-style-type: none"> <li>– Complying with the laws</li> <li>– Tax payment in accordance with the law</li> <li>– Promoting regional economic development and employment</li> </ul>	<ul style="list-style-type: none"> <li>– On-site inspections and visits</li> <li>– Research and discussion through work conferences</li> </ul>	<ul style="list-style-type: none"> <li>– Operating in compliance with the law</li> <li>– Paying taxes on time and in full</li> <li>– Creating more job opportunities</li> </ul>
<b>Shareholders/ Investors</b>	<ul style="list-style-type: none"> <li>– Low-risk and reasonable return on the investment</li> <li>– Information disclosure and transparency</li> <li>– Protection of interests of shareholders</li> </ul>	<ul style="list-style-type: none"> <li>– Annual general meetings</li> <li>– Annual reports and interim reports</li> <li>– The Group's official website</li> <li>– Announcements</li> </ul>	<ul style="list-style-type: none"> <li>– Disclosing the Group's information according to laws</li> <li>– Holding general meetings</li> <li>– Organising investing activities</li> <li>– Enhancing profitability</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>– Safeguarding the rights and interests of employees</li> <li>– Employee benefits</li> <li>– Safe working environment</li> <li>– Career development opportunities</li> <li>– Achieving personal value</li> </ul>	<ul style="list-style-type: none"> <li>– Internal conferences, communication and discussion</li> <li>– Training and seminars</li> <li>– The Group's policies and announcements</li> </ul>	<ul style="list-style-type: none"> <li>– Strengthening health and safety management</li> <li>– Providing a platform for development</li> <li>– Developing a fair mechanism for promotion</li> <li>– Caring about employees</li> <li>– Organising team building activities</li> </ul>





## SUSTAINABLE DEVELOPMENT GOVERNANCE



Category of stakeholders	Demands and expectations	Main communication channels	Communication and responses
Customers/ Property owner	<ul style="list-style-type: none"> <li>– Service quality</li> <li>– Information and privacy security</li> <li>– Integrity operation</li> </ul>	<ul style="list-style-type: none"> <li>– Customer satisfaction survey</li> <li>– Regular meetings</li> <li>– 400 hotlines and emails</li> </ul>	<ul style="list-style-type: none"> <li>– Strengthening quality management</li> <li>– Improving communication channels</li> <li>– Optimising management mechanisms</li> <li>– Upgrading product system</li> </ul>
Suppliers/Partners	<ul style="list-style-type: none"> <li>– Mutual development</li> <li>– Honest cooperation</li> <li>– Business ethics</li> </ul>	<ul style="list-style-type: none"> <li>– Business meetings and exchange meetings</li> <li>– Qualification audits</li> <li>– Regular assessments</li> </ul>	<ul style="list-style-type: none"> <li>– Improving management systems</li> <li>– Establishing a communication platform</li> </ul>
Peer/Industry associations	<ul style="list-style-type: none"> <li>– Corporation and experience sharing</li> <li>– Fair competition</li> <li>– Development of the industry</li> </ul>	<ul style="list-style-type: none"> <li>– Industrial seminars</li> <li>– Site visits</li> </ul>	<ul style="list-style-type: none"> <li>– Sticking to fair play</li> <li>– Achieving win-win results</li> <li>– Sharing experience of sustainable development</li> </ul>
Communities/ Charitable organisations	<ul style="list-style-type: none"> <li>– Community engagement</li> <li>– Job opportunities</li> <li>– Environmental protection</li> <li>– Harmonious development</li> </ul>	<ul style="list-style-type: none"> <li>– Charitable donations</li> <li>– Public welfare activities</li> <li>– Community services</li> </ul>	<ul style="list-style-type: none"> <li>– Organising volunteer services</li> <li>– Promoting the development of community culture</li> <li>– Caring about underprivileged groups</li> </ul>

### IDENTIFYING MATERIALITY ISSUES

Adhering to the principle of “materiality” reporting, the Group regularly communicates with stakeholders and conducts materiality assessment of ESG issues. We get the whole picture of the materiality of each ESG issue to the Group’s business development and identify disclosure priorities through the three processes of issue identification, issue research and ranking, and issue disclosure. This will enable us to enhance the effectiveness of ESG disclosure, assist the Group in improving its ESG management and set ESG management targets for the next stage.



## SUSTAINABLE DEVELOPMENT GOVERNANCE



The results of the materiality assessment of issues of the Group are as follows:

Materiality	Issues	Subject Area
Very important	Service quality	Operation management
	Employment and employee benefits	Employment and labour practices
	Occupational health and safety	Employment and labour practices
	Employee development and training	Employment and labour practices
	Access and evaluation of suppliers	Operation management
	Customer complaint handling	Operation management
	Anti-corruption and anti-money laundering	Operation management
	Community investment	Society investment
	Protection of intellectual property rights	Operation management
Important	Equal opportunity	Employment and labour practices
	Prevention of employment of child labour and forced labour	Employment and labour practices
	Environmental and social risks of the supply chain	Operation management
	Data security and privacy protection	Operation management
	Exhaust emissions	Environment
	Greenhouse gas emissions	Environment
	Waste management	Environment
	Energy consumption	Environment
	Water consumption	Environment
	Paper consumption	Environment
Management of risks associated with environmental and natural resources	Environment	
Climate change	Environment	

According to the results of materiality assessment, the Group's stakeholders are more concerned about the issues in employment and labour practices and operation management. The Group will adjust its ESG work plan with reference to the results and highlight the core issues in each chapter.



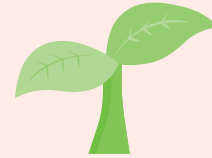
# ENVIRONMENTAL PROTECTION



## ENVIRONMENTAL MANAGEMENT

### Our Actions

- The Group has been committed to reducing carbon emissions and energy consumption in the Group's operation by formulating energy conservation and emission reduction plans and acting in active response to the national "dual carbon" goal.
- We promoted the implementation of waste sorting in the community, encouraged waste recycling and waste emissions reduction.
- We actively promoted environmental protection education and publicity activities to convey environment protection concepts to employees, property owners, suppliers and other stakeholders.
- Meanwhile, the Group proactively responded to the risks of climate change and formulated emergency plans for extreme weather such as typhoons and cold waves to safeguard the lives and property of owners.



### Goals of energy conservation and consumption reduction

- Establishing goals and tasks of internal energy conservation and consumption reduction pursuant to the local government's comprehensive work plan for energy conservation and consumption reduction under the "14th Five-Year" plan;
- Strengthening daily management, promoting the renovation of energy-intensive facilities and equipment, and selecting energy-efficient equipment;
- Properly conducting statistical analysis of energy consumption, analysing and reporting abnormal energy consumption upon identification.

With industry-leading concepts and experience in energy conservation and consumption reduction, the Group stays committed to improving the efficiency of energy and resource use and achieving energy conservation and emission reduction. The Group, in strict compliance with laws and regulations such as the Environmental Protection Law of the PRC (《中華人民共和國環境保護法》), has established a sound environmental management system and kept bettering environmental management. By implementing a wide array of measures specific to pollution prevention, energy conservation and emission reduction, the Group ensures that emissions of exhaust gas and waste water comply with regulations and standards, and mitigates the impact of its business operations on the environment and other natural resources, to blossom into a green enterprise. During the Year, the Group did not record any significant pollution and damage to the nearby air, land, water and ecological environment.





## ENERGY CONSUMPTION

In strict accordance with the Energy Conservation Law of the PRC (《中華人民共和國節約能源法》), the Prevention and Control of Atmospheric Pollution of the PRC (《中華人民共和國大氣污染防治法》) and other national and local laws and regulations, the Group has set out requirements for internal energy consumption management, and strictly implemented and improved energy conservation and consumption reduction through such measures as setting up energy conservation programs, regularly evaluating equipment efficiency, and promoting energy consumption-related statistical analysis and management evaluation.

### Energy consumption management requirements

Formulating the principles of Energy Conservation and Consumption Reduction Management (《節能降耗管理》) to clarify the management requirements of lighting, water systems, refrigeration and other equipment and facilities for different functions and areas. Each subsidiary implements energy consumption management based on the Group's management requirements and the actual demands of the property owners, and gradually optimises control measures according to the actual situation and performance.

### Energy consumption management assessment

Subsidiaries are required to strictly implement the Group's principles of Energy Conservation and Consumption Reduction Management (《節能降耗管理》), and set energy conservation and consumption reduction goals and make specific action plans for water, electricity, fuel and other energy sources based on the energy consumption of the previous year. General managers will review the plans. Each subsidiary is required to regularly report on the implementation of energy conservation and consumption reduction measures, verify the problems and summarise the causes of projects whose energy use is significantly beyond the normal range, and formulate and implement rectification measures.

### Energy consumption statistical analysis

Implementing statistical management of energy consumption departments and important energy consumption equipment in separate tables, and improving the collation, analysis and filing of energy consumption data. Through statistics and analysis of the energy consumption of departments and equipment, the efficiency of each energy-consuming facility and equipment is assessed, abnormalities are dealt with in a timely manner, and solutions are formulated and implemented.




## ENVIRONMENTAL PROTECTION



“Green revolution” of total lighting system	Inverter control system applications	Energy conservation in water supply systems	Quantitative management of water and electricity metering instruments
<p>On the premise of not compromising the lighting quality, lighting appliances featuring high luminous efficiency, safety and stability, and energy conservation and environmental protection are used, the public lighting system is transformed, and lighting systems are arranged in light of the different areas and places of property management.</p>	<p>The proper operation of equipment in constant use, such as air-conditioners, lifts and pumps, is ensured with the frequency conversion and energy conservation methods and by achieving the stepless speed regulation of motors, to satisfy the needs of the owners.</p>	<p>We use quality spare parts for the water supply system, maintain the frequency of inspections and daily maintenance, and inspect and maintain the water supply network in time, to reduce energy wastage from the operation of water supply equipment.</p>	<p>The water and electricity metering balance is improved, and data is recorded and analysed regularly. Through the quantitative management of water and electricity, problems are quickly identified and solved to ensure smooth energy conservation.</p>

## PROTECTION OF WATER RESOURCES

In strict accordance with the Law of the PRC on Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》), Regulations on Urban Drainage and Sewage Treatment (《城鎮排水與污水處理條例》) and other national and local laws and regulations, the Group has goals and assessment mechanisms for water source conservation in place, and promotes the achievement of the goals through multi-dimensional water conservation plans and measures, including but are not limited to the development of water conservation programs, the establishment of water conservation management agencies and teams, and the holding of regular water conservation meetings. The Group keeps optimizing the water conservation management system and facilitates the rational use of water resources.



**Goals of water conservation**

- Actively introducing new facilities and equipment and upgrading water conservation technologies to better save water;
- Monitoring the water system in the communities to avoid running, spilling, dripping and leaking;
- Encouraging property owners to take water conservation action to save water and raise their awareness of water conservation.





We implement the water conservation measures for communal water use in the communities by utilising water-saving appliances, and establish a system for reporting repairs and leak inspection to promptly deal with leaks or equipment failures, so as to reduce unnecessary waste of water resources. In addition, specific water conservation measures in each of the communities include but are not limited to:



### Frequency of operation

- Rationally adjusting the frequency of cleaning, landscaping operation and water consumption, and reducing flooding irrigation.



### Dedicated switches

- Setting dedicated switches, joints or locks at cleaning and landscaping water stations to avoid unauthorised use of water by non-employees.



### Sub-meters

- Installing sub-meters to accurately calculate water consumption by public facilities. Conducting year-on-year and month-on-month evaluation and troubleshooting abnormal conditions, and reducing energy consumption loss.

During the Year, the Group consumed a total of 1,184,300.43 cubic metres of water resources with a water consumption density of 0.09 cubic metres per square metre of area under control. The Group obtained all of its water from the municipal pipe network and had no problems in relation to the acquisition of suitable water sources.

## GREEN OFFICE

Adhering to the green office principle and advocating an environmental protection idea that “protecting the environment is everyone’s duty”, the Group implements the measures of water saving, electricity saving and paperless office in the office area, constantly enhances the employees’ awareness of environmental protection responsibility and encourages their participation in environmental protection.

The rational and effective use of resources marks the first step towards sustainable development, and resource consumption has a significant environmental impact on our operations. Therefore, adhering to and practising the green office principle and advocating an environmental protection idea that “protecting the environment is everyone’s duty”, the Group implements the measures of water saving, electricity saving and paperless office in the office area, continuously enhances the employees’ awareness of environmental protection and ensures their participation in environmental protection.





## ENVIRONMENTAL PROTECTION



The Group maps out targeted energy conservation plans for water and electricity resources. Based on the annual water and electricity consumption, the Group is required to set energy conservation targets and work out implementation plans for the following year in conjunction with the annual financial budget. The plans specify the control targets for water and electricity consumption, the responsible departments and the completion time, which, after being approved by the Group's management, are incorporated into the annual budget and implemented in accordance with the plan.

### Company-owned Vehicle Management

Adopting "one vehicle with one card" system so as to control the usage of fuel by company-owned vehicle and to avoid private use.



### Regular Equipment Maintenance

Performing regular maintenance of vehicles and machineries and checking their operation situation so as to improve the operational efficiency.



### Green Procurement

Purchasing office supplies by taking the environmental protection into consideration, and strictly following the procurement plan in order to avoid repeated purchase.



### Saving Electricity

Using light sources with high luminous efficiency including energy-efficient lamps, regularly checking the operation of the central air-conditioning system, and posting energy-efficient signs, to promote the concept of energy saving.



### Paperless Office

Promoting electronic contracts, reducing printing and copying of paper, and issuing daily notices and announcements with the online office system.



### Saving Water

Establishing a water use planning system, implementing systematic management over major water consuming departments, strictly controlling water consumption, and preventing over-utilisation.



### Waste Management

A specially-assigned person collects, recycles and disposes of print cartridges, toner cartridges and other hazardous waste in a centralized manner.



### Saving Paper

Encouraging the promotion of double-sided printing or secondary use of paper, and reducing the number of pages by decreasing the font size of documents where appropriate.





## WASTE MANAGEMENT

In strict accordance with national and local laws and regulations such as the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Waste 《中華人民共和國固體廢物污染環境防治法》, the Group has established waste management-relevant systems, promoted waste sorting and recycling in the community in an orderly and timely manner, and engaged professionally qualified recycling companies to properly dispose of the waste generated in the course of operation. The Group has been upholding the principles of waste reduction, reuse and recycling and has formulated standardised systems and procedures to guide the waste sorting in the community. At the same time, through publicity and education, the Group develops the awareness and habit of waste sorting and disposal among the community property owners to accelerate the achievement of waste reduction targets.



### Goals of waste reduction

- 100% centralised recycling and treatment of solid waste
- 100% treatment of hazardous solid waste in a non-hazardous manner

## Case

### Sorting of Waste

In order to effectively promote domestic waste sorting in the communities, the Group has clarified the criteria for the sorting of domestic waste, set up facilities such as collection stations and rooms for daily domestic waste in the communities according to the basic principles of reasonable layout, hygiene and effective management, and enhanced the management of domestic waste sorting facilities to improve the efficiency of waste disposal.



During the Year, the Group generated 12,855.31 tonnes of non-hazardous waste from its operations, mainly from administrative and landscaping processes, and 53.26 kg of hazardous waste<sup>1</sup>, mainly toner cartridges, batteries, light bulbs and pharmaceuticals. The emission density of non-hazardous waste was 0.001 tonnes/m<sup>2</sup> of area under management and that of hazardous waste was 0.004 g/m<sup>2</sup> of area under management.

<sup>1</sup> Most of the hazardous waste has been recycled during the government waste sorting process, and the amount of hazardous waste recycled recorded by the property has dropped significantly.



## ENVIRONMENTAL PROTECTION



### GREENHOUSE GAS EMISSIONS

The Group's direct greenhouse gas emissions are mainly from the gasoline consumption of vehicles and machinery, and indirect greenhouse gas emissions are mainly from purchased electricity. During the Year, the Group's direct greenhouse gas emissions amounted to approximately 77.76 tonnes of CO<sub>2</sub>e, and indirect greenhouse gas emissions amounted to approximately 10,326.50 tonnes of CO<sub>2</sub>e. Total greenhouse gas emissions were approximately 10,404.26 tonnes of CO<sub>2</sub>e, with an emission density of approximately 0.001 tonnes of CO<sub>2</sub>e per square metre of area under management. The Group will set its greenhouse gas emission reduction targets in accordance with the local government's comprehensive work plan for energy conservation and emission reduction during China's "14th Five-Year Plan" period.

### EXHAUST EMISSIONS

Emissions of nitrogen oxides, sulphur oxides and particulate matter from the Group's operations are mainly from the combustion of gasoline fuel of vehicles plus machinery and equipment. During the Year, the Group generated a total of 0.50 kg of sulphur oxides, 62.79 kg of nitrogen oxides and 3.22 kg of PM.<sup>2</sup> The Group will set its waste gas emission reduction targets in accordance with the local government's comprehensive work plan for energy conservation and emission reduction during China's "14th Five-Year Plan" period.

### RESPONSE TO CLIMATE CHANGE

Paying continuous attention to climate change, the Group identifies climate change risks relating to business, assesses the impact on the business and enhances the effective management of risks and impact relating to climate change. The climate change risks faced by the Group mainly consist of physical risks and transition risks. Physical risks refer to the related risks of the impact on real assets imposed by the extreme weather events, which include acute risks and chronic risks, and transition risks represent related risks in the process of low-carbon transition of enterprises.

The Group has formulated the Guidelines for Handling Property Emergencies in the Property Industry (《物業應急事件操作處理指引》) and other internal documents to cope with the physical risks (such as typhoon, rainstorm, blizzard, cold wave, high temperature and other extreme weather) which may exist in the property management. We put forward prevention and response measures in terms of personnel organisation, preliminary preparation, handling process, and post-disaster recovery so as to ensure effective prevention and timely monitoring. Meanwhile, based on the season changes, the Group requires monitoring abnormal weather warning in time, checks emergency materials and first-aid kits on a regular basis, inspects and strengthens facilities and equipment in the public area, and prepares the emergency plan in advance to avoid asset losses as much as possible.

Conforming to the low-carbon economic trend and responding to the call of the national "dual-carbon" policy, the Group optimizes the data management of carbon emissions, implements the related measures of energy conservation and consumption reduction and promotes green and low-carbon operation, to cope with transition risks. At the same time, the Group constantly enhances the information disclosure and communication relating to the environment, and works with stakeholders to protect the environment together through the education and publicity about environmental protection and other activities.

<sup>2</sup> Despite the narrowing scope of environmental data, the emission data is increased due to the inclusion of emission calculations for machinery and equipment used for greening during the Year.





## Wind and Flood Prevention

The Group has prepared emergency handling plans such as the Emergency Handling Plan for Summer Wind, Rainstorm and Flooding (《夏季防風、暴雨、水浸應急處理預案》) and the Emergency Operation Procedures for Typhoon (《颱風應急操作流程》). Before the flood season, each property service centre of the subsidiaries, strictly following the requirements of the wind and flood prevention system of the Group/enterprise, regularly organises the drills of wind and flood prevention to improve employees' emergency rescue capabilities, and eliminates related hidden hazards through self-inspections. In the face of sudden rainstorms and typhoons, the Group, based on the response policy and strategy, instructs the Security Department, the Engineering and Maintenance Department, the Security and Fire Department of the Property Services Centre, and the Cleaning and Greening Department to co-ordinate and cooperate in dealing with different accidental failures in the operation and providing disaster relief, to protect the personal safety of the employees and the Company's property. In the wake of a natural disaster, the maintenance personnel of the Engineering Department inspect and repair the equipment and facilities under their charge, calculate the scope of the disaster and the damage, report to the project manager at each level, review and summarise the experience in emergency management, and improve the existing strategies and measures to respond to climate change.

In response to the flooding caused by typhoons and storms, the employees, in accordance with the Emergency Operation Procedures for Flooding (《水浸應急操作流程》), immediately report the incident to their supervisors and the department heads concerned and promptly identify the causes of the flooding. They also take all feasible measures to clean up the scene and restore it to a tidy state as early as possible. After the flooding, the responsible persons of the Group hold a thematic meeting to analyse the causes of the incident, summarise the experience and lessons, hone the Group's waterproofing system and optimise the emergency response plan.



# EMPLOYEE PROTECTION



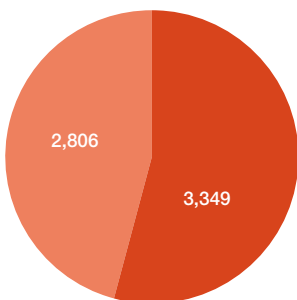
Employees are an important component of the Group’s long-term development. We strictly comply with the Labour Law of the People’s Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People’s Republic of China (《中華人民共和國勞動合同法》) and other national and local laws and regulations on employment and labour management, and formulate internal systems and policies including the Work Standards of the Group (《集團工作標準》), the Standards on Remuneration and Benefits (《薪酬福利工作標準》), the Related Standards on Remuneration Grades (《薪酬等級相關標準》), the Employee Handbook (《僱員手冊》) and the Regulations on Employee Relations Management (《員工關係管理規定》) to protect the legitimate rights and interests of employees. We are committed to create a diversified, equal and healthy working environment.

## EMPLOYEE COMPOSITION

As of 31 December 2022, the Group had 6,155 full-time employees (no part-time or temporary employees) and 1,086 outsourced employees. Among them, 6,154 full-time employees were from Mainland China and 1 from Hong Kong, China. There were 3,349 (approximately 54.4%) and 2,806 (approximately 45.6%) full-time male and female employees respectively, with 14.8% and 9.1% full-time employees aged 31-40 and under 30 respectively. Middle and senior management personnel accounted for approximately 10.0% of the total full-time workforce.

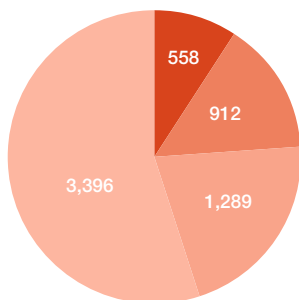
The distribution of full-time employees by category is as follows:

Distribution of full-time employees by gender



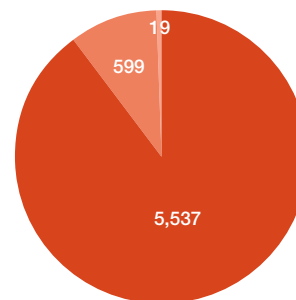
■ Male ■ Female

Distribution of full-time employees by age



■ ≤30 ■ 31-40 ■ 41-50 ■ >50

Distribution of full-time employees by position



■ General employee ■ Middle management ■ Senior management





## EMPLOYMENT POLICIES

The Group regulates the recruitment and hiring process through standardised employment management practices and strives to create a compliant and fair employment environment with diversity and inclusiveness.

### Employee Recruitment

The Group attaches importance to talent development and recruits suitable talents based on the principles of openness, equality, competition and selection, and reasonably matches the required talents according to their characteristics and job features. In accordance with the requirements of the Regulations on Employee Relations Management (《員工關係管理規定》), the Group standardises its internal staff management processes, including recruitment, hiring, conversion to a full member, and filing and dismissal of employment. We establish an internal talent pool, evaluate human resources available, improve personnel requirements and formulate the Group's Annual Staff Recruitment Plan (《年度員工招聘計劃》) in conjunction with the staffing standards of each department. We recruit potential candidates with different cultural backgrounds and different ability traits through internal and external recruitment channels, including internal recruitment/competitive recruitment, external talent agency referrals, social and campus job fairs, networks, etc.

Stages of the external recruitment process of the Group:

Issuing job posting	The human resources department publishes information of job vacancies through recruitment websites, social media, offline job fairs and other channels according to the needs for recruitment of relevant department
Screening resumes	The human resources department is responsible for reviewing the resumes and relevant information of job seekers according to the requirements of the position, and establishing an external talent pool based on the information collected from job seekers, classified by standard graduates and those with working experience
Interviews	Interviews are conducted in three rounds and are carried out jointly by the human resources department and the manager of the department to which the position belongs, and candidates are selected according to the Group's standardised evaluation criteria
Competency assessment	We abide by the principle of "pay based on the position and individual competency", examine the qualifications of the candidates, determine their positions and salaries, and conduct background checks on candidates for key positions to ensure that the information on the relevant candidates is correct
Hiring	The human resources department issues the employment documents to the candidates and makes induction arrangements for them to join the Group



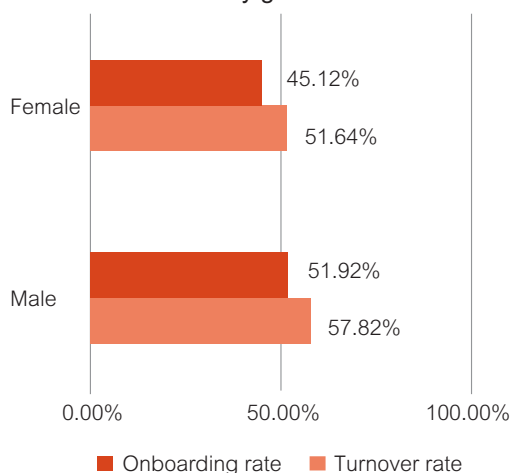


## EMPLOYEE PROTECTION

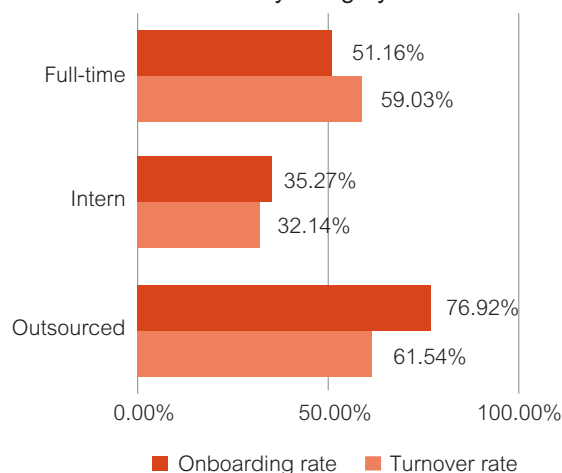


During the year, the Group had 3,542 new employees (including 3,149 full-time employees, 383 outsourced employees and 10 interns). There were 2,052 (approximately 57.9%) and 1,490 (approximately 42.1%) new male and female employees respectively. The Group's overall employee turnover rate for the year was 55.0%<sup>3</sup> and the employee onboarding rate was 48.8%<sup>4</sup>. The turnover rate and onboarding rate of each category of employees<sup>5</sup> were as follows:

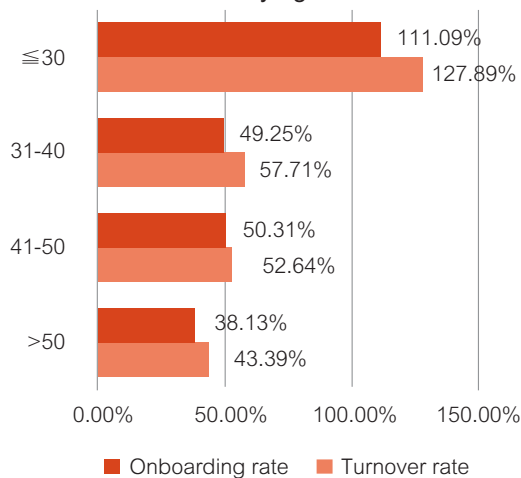
Turnover rate and onboarding rate of employees by gender



Turnover rate and onboarding rate of employees by category



Turnover rate and onboarding rate of employees by age



<sup>3</sup> The overall employee turnover rate for the year is calculated as: Total number of departed employees (including full-time, outsourced, part-time and interns) / Total number of employees (including full-time, outsourced, part-time and interns) at the end of the year

<sup>4</sup> The overall employee onboarding rate for the year is calculated as: total number of onboarded employees (including full-time, outsourced, part-time and interns) / Total number of employees (including full-time, outsourced, part-time and interns) at the end of the year

<sup>5</sup> The turnover rate and onboarding rate of each category of employees for the year are calculated as: Total number of employees (lost or onboarded) in that category / Total number of employees in that category (including full-time, outsourced, part-time and interns) at the end of the year



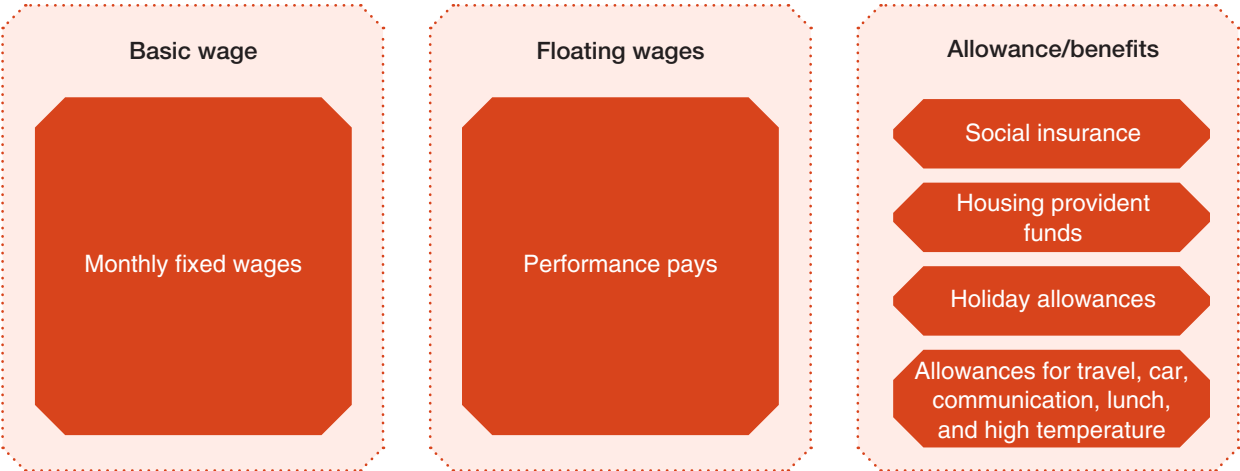


Employee’s Rights and Interests

The Group is committed to creating a fair employment platform and opposes any discrimination based on gender, age, region, academic qualification, religion, and sexual orientation, and strives to create a diverse and inclusive work environment. All employees are entitled to statutory holidays, annual leave, sick leave, marriage leave, maternity leave, etc. We prohibit forced labour and verify the age of our employees during the recruitment process by strictly complying with the Labour Law of People’s Republic of China 《中華人民共和國勞動法》 and the Labour Contract Law of the People’s Republic of China 《中華人民共和國勞動合同法》 to avoid child labour. During the Year, we did not identify any issue related to child labour or forced labour within the Group.

Remuneration and Benefits

The welfare system for employees is set out in the Work Standards of the Group 《集團工作標準》, the Standards on Remuneration and Benefits 《薪酬福利工作標準》 and the Related Standards on Remuneration Grades 《薪酬等級相關標準》. We establish a fair and transparent remuneration and benefits system, and specify the criteria for the payment of remuneration and benefits and performance appraisal requirements. We pay basic wages in full and on time, apply for social insurance accounts and housing provident fund accounts for our employees, and pay the relevant fees on a monthly basis according to the law. We provide employees with vacations including paid annual vacation, sick leave, and marriage leave. In addition, we provide employees with additional remuneration including but not limited to overtime allowance, performance allowance, bonuses, etc., and welfare subsidies such as uniforms, meal allowance, accommodation and transportation allowance to create a more comfortable living environment for employees in the four aspects of “clothing, food, housing and transportation,” so that employees can enjoy the humanistic care of the Group.



## EMPLOYEE PROTECTION



### CARING ABOUT EMPLOYEES

The Group attaches great importance to employee care and communication. Through various means, such as questionnaire surveys, written interviews and on-site communication, the Group listens to employees' voices and solves their problems to enhance their sense of identity, belonging and trust in the Group, thus strengthening their initiative and cohesion. Through communication channels such as the employee care hotline and the complaint mailbox, the Group understands their opinions and suggestions, continuously improves and tracks its internal management regulations, and follows up on the implementation of related improvement measures through return visits.

In addition, the Group has launched a wide range of employee visiting activities, to convey our care and warmth to them.

#### Case

##### The Group's Labour Union Launches "Spring Breeze Campaign" for the Front-line Staff Fighting against the Pandemic

The Group was concerned about the front-line staff and sent them living materials under the leadership of the chairman of the labour union to express our gratitude to the front-line staff. This activity conveyed the care and concern from the big family of the Group to the front-line staff, stimulated their passion for work and promoted the stable development of the Group.



#### Case

##### The Employee Activity with the Theme of "Caring about the Front-line Staff and Fighting against High Temperature Together"

The Group cared about our front-line staff and sent representatives from the labour union to deliver heatstroke-prevention materials and cooling appliances to the front-line staff to express our gratitude. During the activity, we talked with the front-line staff of various projects and told them to arrange working and resting time reasonably to prevent heatstroke. This visit under high temperature not only sent a slight coolness, but also sent the deep concern of the Group's union to the front-line staff.





HEALTH AND SAFETY

The Group adheres to the principles of “people-oriented, life first; prevention-oriented, enhancing training; full attention, and timely handling” and strictly complies with national and local laws and regulations such as the Law of the People’s Republic of China on Prevention and Control of Occupational Diseases 《中華人民共和國職業病防治法》), the Law of the People’s Republic of China on Production Safety 《中華人民共和國安全生產法》), and the Law of the People’s Republic of China on Fire Fighting 《中華人民共和國消防法》), and follows the national standards such as the Requirements and Guidelines for Occupational Health and Safety Management System (GB/T 45001-2020) 《職業健康安全管理體系要求及使用指南》(GB/T 45001-2020)) to protect the physical and mental health of employees and create a comfortable and safe working environment.



Goals of Occupational Safety and Health

- Zero work-related accidents, zero major safety accidents
- Distribution rate of labor insurance products reaching 100%
- Occupational health medical examination rate reaching 100%

The Group formulates the Employee Safety Management Standard 《員工安全管理工作標準》), which details the division of responsibilities for safety management, the classification of safety incidents and the corresponding handling methods, and specifies the corresponding objectives and management plans. Through measures such as strengthening safety education, organizing annual occupational disease medical examinations and regular inspection of equipment and facilities, the Group strives to achieve the occupational health and safety objectives of zero work-related accidents, zero major safety accidents, 100% distribution rate of labor insurance products and 100% occupational health medical examination rate.

The division of responsibilities for the Group’s safety work is as follows:

Integrated Management Centre of the Group	Responsible for developing and improving employee safety management standards;
	Responsible for the safety education of the staff of the headquarters, and supervising and checking the management of staff safety incidents
Corporate General Management Department	Implement the standards issued by the Group regarding the handling of employee safety incidents in a disciplined manner;
	Responsible for the safety of the enterprise’s employees, timely reporting of employee accidents, and participation in the investigation and handling of accidents

Performance Indicator of Occupational Safety and Health	2020	2021	2022
Number of work-related deaths (persons)	0	2	0
Work-related death rate <sup>6</sup> (%)	0	0.03	0
Number of working days lost due to work-related injuries (days)	1,469	1,514	3,142 <sup>7</sup>

<sup>6</sup> The ratio of work-related deaths is calculated as: number of work-related deaths/total number of employees

<sup>7</sup> In 2021, the scope of this indicator was within Zhejiang Province and Jiangsu Province, but it was extended to all projects in China this year, so the data increased.



## EMPLOYEE PROTECTION



The Group has adopted the following safety management and governance measures to protect the safety of its staff. In addition, the Group has obtained ISO 22000 food safety management system certification to ensure that the food provided to employees in the canteen meets the safety standards.

Safety Check	Incident Review	Publicity and Training
Conducted safety checks of offices to ensure the safety facilities like firefighting facilities function normally, which enabled us to avoid safety hazards	Reviewed the causes of safety incidents, recorded injuries and illness of staff, relocated injured staff properly, calmed their families, paid compensation and condolences; followed up the implementation of remedial work. If there is incomplete investigation of the causes of the incident and inadequate implementation of the remedial work, the responsible person will be punished seriously	Posted safety tips and safety notices in the office area; held fire drills and fire safety training for all staff, as well as fraud and pandemic prevention training to raise staff awareness of personal and property safety

## EMPLOYEE DEVELOPMENT AND TRAINING

The Group attaches great importance to the cultivation of talents and regards employee development and training as an important part of the Group's development strategy. For a long time, we have been adhering to the talent strategy of internal training as the main focus, supplemented by external recruitment, and striving to provide our employees with abundant professional skills training and career advancement opportunities.

We have developed different and personalised career development paths and training programs for fresh graduates, outstanding employees and management cadres to fully explore their potential and provide key talents for the Group's business:

- For fresh graduates, the Group equips them with professional instructors and arranges multi-departmental job rotations to guide them to a suitable training direction and development path based on a combination of factors such as their performance on the job, the opinions of their departmental leaders and the opinions of their instructors.
- The Integrated Management Center regularly conducts talent check, selects outstanding employees as key training targets, and provides them with diversified training such as theoretical knowledge training, job rotation exercise and personalised counseling by instructors to help them become business or management talents.
- For the management cadres of the Group, we pay attention to their on-the-job performance, formulate individualised training plans based on their respective performance evaluation results, and equip them with mentors to enhance their management and leadership abilities through training, with the aim of creating a management team with strong working ability and high quality.

The Group continues to optimise the training mechanism and improve the course training system. Under the influence of the pandemic, we have provided more online training contents in a timely manner to maintain the orderly progress of the training program and strive to standardise the service process through standardised training contents, improve the service level of our staff and enhance the overall service quality of the Group.







The Group’s employee training system is as follows:

Staff Training System	
“Yuan Power” training programme	We provide fresh graduates with special training covering general knowledge about the property management industry, corporate culture, customer service to help them get into work quickly with a combination of theory and practice.
Orientation training programme	We target our orientation training toward new joiners by providing a week of onboarding training, covering the history of the Group, corporate culture, organisational structure, management system, and job responsibilities to assist new employees in familiarising themselves with the working environment and integrating quickly into their new roles.
On-the-job training programme	We provide service, communication, and management training courses for staff in management positions to improve their customer communication, problem handling and team management skills.
Reserve cadres training programme	We offer courses in leadership development, management skills enhancement, team building, budget management and investment development for our reserve cadres to prepare them for subsequent promotions.
Promotion training programme	We enhance business and management skills of the management cadres through pre-promotion and post-promotion training. We provide business knowledge training to cadres before promotion to help them to adapt quickly to the position, and offer operation and management related courses to them after promotion to meet their recruitment needs for daily management work.

Case

Training Program of “Capability Training Camp”

In line with the actual development of the Group, we have studied and developed the “Capability Training Camp” training program during the year. We are committed to providing different types of training courses for our employees to help them understand the Group’s culture, enhance their business knowledge, train their practical skills and improve their business capabilities.





## EMPLOYEE PROTECTION



During the year, the Group provided a total of 62,086.20 training hours<sup>8</sup> to its employees, with 8.56 training hours per capita<sup>9</sup>, achieving a 100% training ratio for all full-time employees, outsourced employees and interns (except part-time). The specific training hours are as follows:

Overall Training Situation	
Total training hours for all employees (hours)	62,086.20
Training hours per capita (hours)	8.56
By Gender	
Male (hours)	31,340.55
Female (hours)	30,745.65
By Category	
Full-time (hours)	61,254.20
Part-time (hours)	0.00
Outsourced employee (hours)	820.00
Intern (hours)	12.00
By Job Position	
Senior (hours)	519.70
Middle (hours)	7,638.00
General employee (hours)	53,928.50

In addition to improving the vocational training system for employees, the Group has provided abundant promotion opportunities for employees. During the year, a total of 25 employees were successfully promoted through different development paths: 2 outstanding managers were promoted as general manager, 4 outstanding reserve cadres were promoted as deputy general manager, and 19 outstanding employees were promoted to project leaders.

<sup>8</sup> The data includes the training hours participated by employees who have left the Company.

<sup>9</sup> The number of training hours per capita is calculated as: Total training hours for all employees (including full-time, outsourced employee, part-time and interns)/Total number of employees (including full-time, outsourced employee, part-time and interns)



# EXCELLENT OPERATION



The Group attaches great importance to supply chain management and establishes an open, transparent and equally competitive supply chain management system in accordance with relevant laws and systems, regulates the supplier access and evaluation process, focuses on the environmental and social risks of suppliers and creates a sustainable supply chain for mutual benefit and the win-win situation.

## SUPPLY CHAIN MANAGEMENT

Our suppliers are primarily subcontractors who provide maintenance of elevators and fire extinguishing systems, gardening and waste cleaning services for the communities. The Group is responsible for coordinating, supervising and reviewing the selection, management and evaluation of subcontractors, while the subsidiaries are responsible for providing support and assistance in the process of work. The Group is committed to providing excellent quality products and services to its customers. Therefore, we work closely with suppliers who meet the Group's values as well as environmental and social requirements to ensure that the Group's supply chain has a continuous and stable quality assurance capability and meets the requirements of high quality and sustainable development.



The Group's supply chain has a continuous and stable quality assurance capability and meets the requirements of high quality and sustainable development.

### Supplier Access Process

In accordance with the basic principles of fairness and impartiality, the Group maintains and updates the list of subcontractors on the recommendations of its subsidiaries and with the approval of the Group, and reviews the quality of subcontractors based on stringent criteria to ensure the quality of services provided by subcontractors.

Before entering the supplier access process, the Group will organise the search for suppliers and issue the Supplier Information Registration Form (《供方信息登記表》) to the intended suppliers (at least 3 suppliers of each type of professional suppliers should be guaranteed to enter the intentional selection process) based on the Subcontractor Recommendation Form (《分包商推薦表》) completed by the Group's subsidiaries, and request the suppliers to fill in and provide relevant attachments as required (except for the procurement of minor supplies). After receiving the feedback from suppliers, the Group conducts the initial review of the access process. On the

premise that the Supplier Information Registration Form (《供方信息登記表》) and the attached information meet the requirements, a comprehensive inspection will be conducted on the intended suppliers that meet the requirements. The inspection covers the supplier's organisational structure, pricing standards, project operation, operational practices, service quality and other aspects to assess their environmental and social risks. Upon completion of the inspection, the Group will draft the Supplier Inspection Report (《供方考察報告》) and make preliminary recommendations. Suppliers who are approved will be included in the Corporate Qualified Supplier Database (《企業合格供方資源庫》) and their tender applications will be considered in terms of comprehensive services, industry reputation and past cooperation performance. Preference will be given to subcontractors with environmental-related certifications. All suppliers employed by the Group have implemented such practices in their employment.



During the year, all of the Group's 307 major suppliers were from Mainland China.



## EXCELLENT OPERATION



### Supplier Risk Assessment and Management

The Group pays continuous attention to the performance of suppliers in terms of production processes, occupational safety of employees, environmental protection and social responsibilities, and identifies risks associated with suppliers in a timely manner to avoid or mitigate potential negative impacts. The Group has established a comprehensive monitoring and evaluation mechanism for subcontractors and continues to conduct daily, quarterly, monthly and annual assessments and evaluations to achieve systematic management of subcontractors.

The Group's subsidiaries assign dedicated personnel to be responsible for the daily supervision of subcontractors, track their maintenance process and results, and record the impact data for inspection. The Group has the right to unilaterally terminate the contract for subcontractors who fail repeatedly in the assessment or fail to complete the rectification on time. In addition, the Group regularly updates the list of subcontractors and re-evaluates the service quality of the listed subcontractors. If a subcontractor fails to provide services to the Group for more than two years, refuses to respond to the Group's review, violates the law or business ethics, or other misconduct that damages the Group's reputation or violates the rights and interests of its employees, the Group will remove the subcontractor from the list.

At the same time, the Group strives to develop suppliers with environmental protection-related qualifications and gives priority to the procurement of products with environmental protection labels. In the supplier access process, the Group incorporates environmental and social assessment indicators. We pay more attention to subcontractors' environmental protection, occupational safety and health, and anti-corruption. We focus on monitoring the safety of subcontractors' maintenance personnel and ensuring the correct and effective wearing of safety equipment. At the same time, we strictly abide by the principle of honest procurement and strictly investigate the violation of business ethics; once a subcontractor is found to offer bribes to the Group's employees in any form, the contract will be directly terminated.

## SERVICE RESPONSIBILITY

With "innovation-driven and quality-led" as the core, the Group has practiced the service philosophy of "serving with heart and building a better future." With the goal of satisfying property owners, we have established and continuously improved our service system and insisted on high-quality services. To protect the rights and interests of property owners and to understand their aspirations, we are constantly improving our project quality management and complaint handling processes. We provide a wide range of community services and actively carry out community cultural activities in the hope of responding to the needs of property owners with the warmth of our services, building a harmonious and happy community and reconstructing the value of urban life.



### Quality Goals

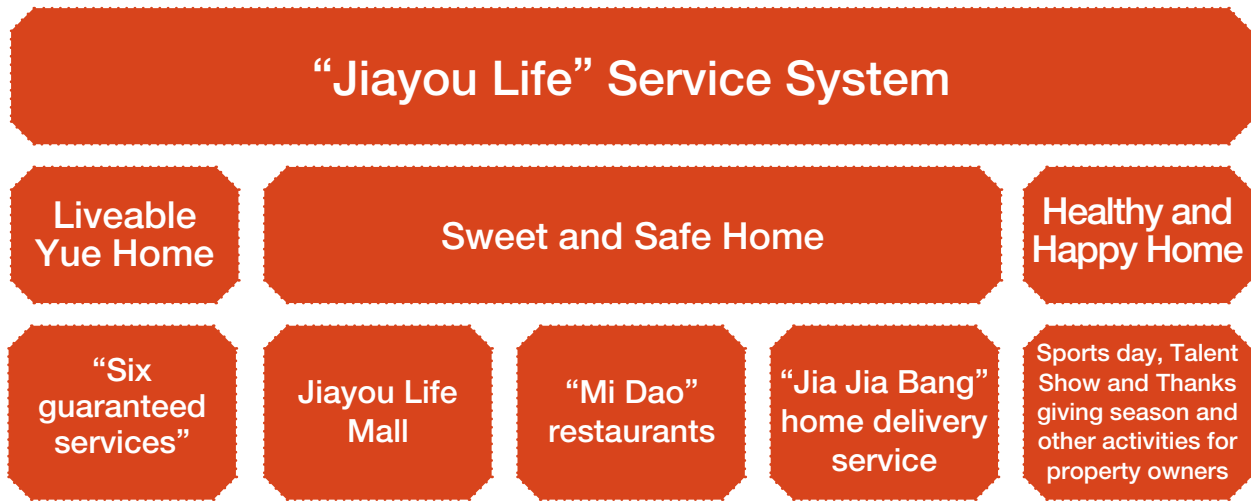
- Contract performance rate reaching 100%
- Customer satisfaction rate reaching 85%
- Property fee collection rate reaching 94%



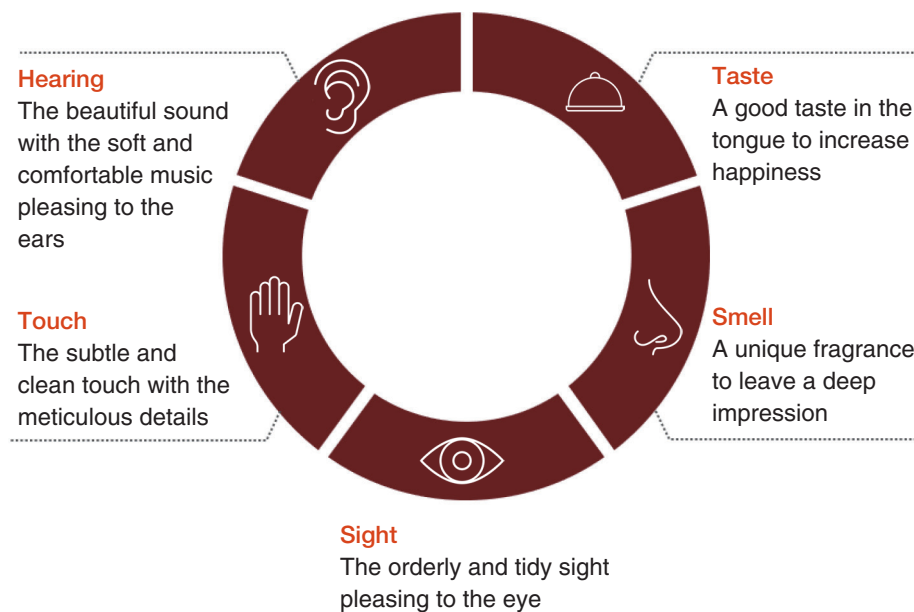


Quality Management System

With intelligent technology, the Group continues to optimise its service system and innovate its service model, transforming from traditional property infrastructure services to new and modern integrated community services. Our mission is to build liveable, healthy and happy communities. We focus on meeting the fundamental needs of property owners and creating the “Jiayou Life” service system. This system provides a comprehensive and carefully crafted service for property owners in the three dimensions of Liveable Yue Home, Sweet and Safe Home and Healthy and Happy Home. We are committed to providing convenient, reliable and high-quality services that enable our property owners to enjoy an excellent quality of life.



We create a unique service system with “Jiayuan Five Senses,” strictly control the quality of property management in all links, improve services standards and overall optimise the sensory experience for property owners in the five senses of hearing, touch, sight, smell and taste, so as to further enhance the quality of services.



Being committed to deepening services in all areas, the Group will put forward the plan of “Happy City” and “Happy Community” with continuous expansion of the boundaries of “IOT + services” and the creation of new links between property owners and the Group. Meanwhile, we make full use of the digital technology to have an accurate insight into the needs of the property owners, and provide them with customised products and services with establishing new forms of community value-added services.



## EXCELLENT OPERATION



### Quality Control

The Group upholds the core value of “quality for a better future” to establish management and control mechanism on project quality. To strengthen the supervision of on-site management for subsidiaries’ projects, the Group has formulated internal systems and regulations including the Quality Inspection Standards for Project Site Work 《項目現場工作品質檢查標準》 which clarifies the requirements for checking the quality in the projects to help continuously enhance the quality of the projects of the Group. The Group conducts regular inspections of the projects under its management and the process is as follows:



- The Quality Operation Center leads the inspection team to conduct quality inspection of the projects under management on a quarterly basis.



- The inspection team evaluates the on-site work of the delivery project from two major dimensions: internal affairs management and on-site management, and holds meetings and discussions with the project manager and key staff of each project on the problems found during the inspection, analyses the root causes of the problems, and proposes corresponding rectification and improvement measures and rectification deadlines.



- For projects with serious quality failures or many problems, the inspection team can carry out on-site systematic training or operational exercises to help improve their management quality.



- The inspection team closely follows up on the subsequent rectification of the inspected projects and urges the project staff to implement the enhancement measures as soon as possible.

In addition to regular inspections, the Group also conducts random inspections of project quality from time to time in the form of video verification, unannounced visits and cross-checking by appointed enterprises to strictly control the quality of projects. In terms of delivery of residential properties, the Group’s Site Quality Inspection Score Sheet of Residential Properties Delivery Project 《住宅交付項目現場工作品質檢查評分表》 includes 36 items covering office environment, quality inspection and security management, etc. The scores are calculated based on the established scoring criteria to identify deficiencies and make improvements to ensure the provision of high-quality residential projects to customers.

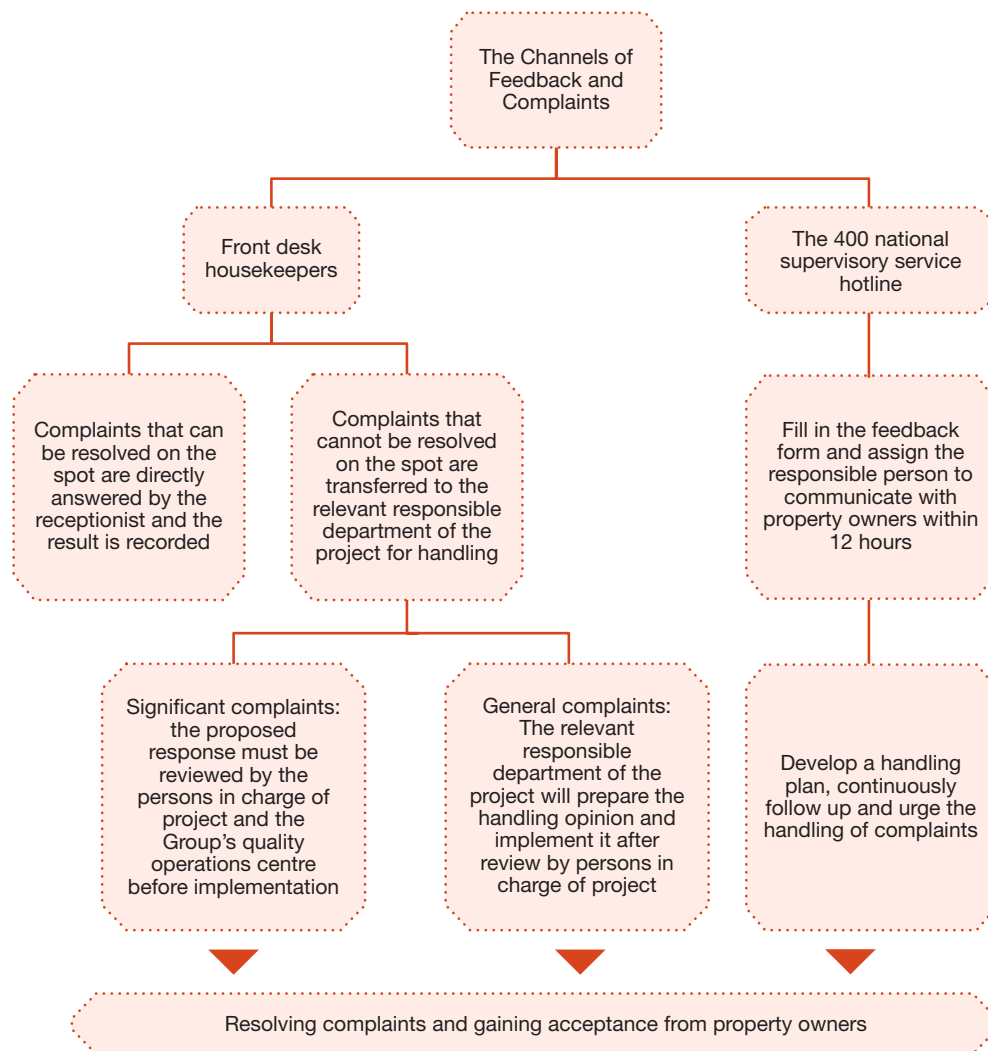
Facing property owners of all ages, the Group organises a wide range of community cultural activities to enrich property owners’ spare time. Through a variety of activities, including community classes, talent show and property owner’s carnival, we strengthen the neighbourhood interaction and enhance the sense of belonging among our property owners for the community to jointly create a community atmosphere featuring health, vitality, warmth, and harmony.





Customer Complaint Mechanism and Customer Satisfaction

The Group has been regarding property owners as significant stakeholders for the Group’s sustainable development. We continue to pay attention to property owners’ experiences and comments, and constantly improve our complaint management mechanism to meet property owners’ needs and provide quality services. Owners can give feedback and complaints by directly communicating with front desk housekeepers or calling the 400 national supervisory service hotline. The relevant responsible department will deal with the complaints in accordance with the regulations and promptly provide feedback on the progress of handling to persons in charge of projects and property owners. After the complaints are handled, we will arrange return visits to understand the level of satisfaction of the property owners with the outcome, with the aim of protecting their interests. The Group’s process for handling property owners’ feedback and complaints is as follows:



In addition, The Group regularly conducts property owners’ satisfactions survey, carries out assessment based on property owners’ feedback and complaints handling results, and summarises the problems that have arisen in various links of complaint handling, and further improves the complaint handling process. During the year, the survey covered 26 counties and cities, 181 projects and 134,070 households, with an overall average satisfaction score of 90.5.





## EXCELLENT OPERATION



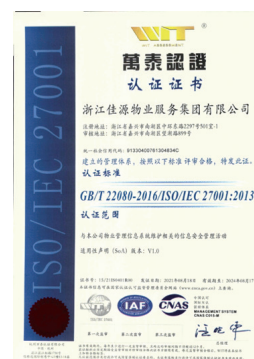
In the case of the complaints in service attitude and poor handling, the Group will impose fines on relevant responsible persons and impose administrative sanctions such as demerits or demotions on those who are involved in serious cases. For projects with a high level of concentration of complaints from property owners, the Group will urge the relevant responsible department to summarise and analyse the problems, and put forward corresponding optimisation proposals to enhance the satisfactions of property owners.

### Responsible Marketing

The Group strictly abides by the Advertising Law of the PRC 《中華人民共和國廣告法》 and other laws, regulations and industry standards, and standardises the content of the Group's online and offline publicity based on the principles of compliance, comprehensiveness, and effectiveness for business promotion, and conducts checks from time to time to ensure that the public information is legal, true and accurate. We keep an eye on the dissemination of information in the community, and promptly dispel rumours or make announcements against false information or information that may mislead property owners. We, if necessary, will follow legal procedures to punish the act which harms the interests of property owners to protect the lawful rights and interests of property owners.

### Protection of Customers' Privacy

The Group attaches great importance to information security and privacy protection of customers. To do that, the Group implements the information security and privacy protection measures and has been certified with ISO/IEC 27001:2013. This is how the Group has ensured that the collection, storage and use of customers' information comply with relevant laws and regulations and the Group's system requirements. We have issued the Information Security Management Manual 《信息安全管理手冊》 and set up an information security team to establish, implement, operate and maintain an information security management system. This is to meet the requirements of customers, relevant parties and laws and regulations and control the risks of the information security business. In addition, we regularly conduct information security risk assessments to sustain the reliable operation of our business systems. The Group identifies and controls information security risks through the Information Security Risk Management Procedure 《信息安全風險管理程序》, and the Integrated Management Center develops an Information Security Risk Handling Plan 《信息安全風險處理計劃》 based on the risk assessment results to handle and control relevant risks in a timely manner.



Information Security Management System Certification

We continue to optimise the management of customer paper records and electronic records and standardise the archival storage procedures in order to ensure that the collected data and information are used for customer service. We require that all paper files be kept in the archives and by dedicated persons, which can only be borrowed with the consent of the project leader and the customer. All electronic files containing customer's personal information such as name and address are recorded in the property management system and encrypted, and their passwords are kept by the custodian, job supervisor and project leader. The Group's Information Technology Department is responsible for periodic examinations of the property management system, and testing the implementation work of procedures such as password and login permission, login audit, data backup and recovery, etc. It also checks and upgrades anti-virus software to detect intruding viruses in a timely manner to secure system data.

In addition, the Group signs Non-Disclosure agreements 《保密協議》 with its staff to prevent employees from illegally using, leaking, and selling customer's information. We regularly launch information security education and training programs to heighten employees' awareness of information security, ensuring the implementation of information security management measures to prevent customer information leakage in any form.





## Protection of Intellectual Property Rights

The Group strictly complies with the requirements of the Copyright Law of the PRC (《中華人民共和國著作權法》), the Patent Law of the PRC (《中華人民共和國專利法》), the Trademark Law of the PRC (《中華人民共和國商標法》) and other laws and regulations on the protection of intellectual property rights. Furthermore, the Group has formulated and implemented relevant systems and clauses and has been improving the management system of intellectual property rights. This is how the Group has been protecting various intellectual property rights by avoiding the risks of patent infringement. The Group's Integrated Management Centre is responsible for coordinating the work related to intellectual property rights, including the acquisition, modification, renewal and licensing of intellectual property rights, including trademarks, domain names, copyrights and patents involved in the Group's operations, and monitoring the implementation in each department. Meanwhile, we continuously guide and supervise the subsidiaries in the maintenance of intellectual property rights and conduct intellectual property rights publicity and business training for relevant staff to heighten employees' awareness of intellectual property rights protection.

In addition, the Group also signs Non-Disclosure Agreements (《保密協議》) and Non-Competition Agreements (《競業禁止協議》) with its staff and suppliers. Employees who are suspected of violating relevant rules of the laws, regulations and agreements shall be investigated, and the Group shall take actions against such employees.

The Group's information management department and the legal risk control department strengthened their efforts in investigating the risks of intellectual property infringement and regularly inspected the legality and compliance of the Group's use of common office software and professional design software in terms of intellectual property rights, to ensure that all software was purchased through proper channels and used in compliance with relevant laws and regulations.

## BUSINESS ETHICS AND ANTI-CORRUPTION

The Group strictly complies with the Company Law of the PRC (《中華人民共和國公司法》), the Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》) and the Interim Provisions on Banning Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》) and other national relevant laws and regulations and local ones. We have formulated the Anti-Fraud System (《反舞弊制度》) and the Rules Governing the Management of Related Party Transactions (《關聯交易管理制度》) and require all departments to implement them to eliminate fraud, bribery, corruption and unfair competition and other violations from the system formulation and the system implementation. The Group's Employee Manual specifies illegal acts such as misappropriation of assets and bribery as well as corresponding punishment. We will take relevant punishing measures against those who are in violation of the Manual. The Group heightens employees' awareness of compliance and standardises their professional behaviour. This is how the Group shapes a clean working environment, consolidates stakeholders' trust in the Group, and sustains its development.

Jiayuan Services priorities the work on the anti-corruption monitoring system. To make it happen, the Group has set up a special monitoring department, which is responsible for supervising and inspecting the implementation of the Group's anti-corruption. In order to ensure the effectiveness of the monitoring department, the Group assigns special personnel to be responsible for special investigations and audits. In addition to the routine audits conducted on a quarterly basis, the Group will conduct spot checks on the project personnel of the subsidiary companies from time to time to ensure the timely detection and investigation of violations. Furthermore, the Party Committee of the Group has set up a deputy secretary and disciplinary committee in charge of discipline, who are responsible for anti-corruption within the Party organization of the Group.



## EXCELLENT OPERATION



### Reporting System

The Group is committed to a sound anti-corruption reporting system. To that end, it encourages employees to report related clues through e-mail and 400 national supervision service hotline and more. On top of that, the Group requires that its operating and procurement contracts include anti-commercial bribery clauses and whistle-blowing email addresses, and prohibits its employees from receiving bribes from suppliers in any form, and will impose severe penalties if any violation is found.

### Anti-corruption Training

Jiayuan Services also stresses the anti-corruption training of internal employees. We require employees to sign the Employee Integrity Self-discipline Convention 《員工廉潔自律公約》 when they enter the Company in order to further constrain the personal behavior of employees. The Group has conducted three integrity and self-discipline training sessions for medium and senior executives in 2022, receiving 156 attendances in order to heighten employees' awareness of integrity and self-discipline. Meanwhile, we have launched relevant anti-corruption training for ordinary employees, covering 6,435 attendances in total, so as to ensure that integrity and self-discipline education reaches all employees. We hope to further heighten the legal awareness and professional ethics of our staff to ensure that their behavior is in line with the Group's values and relevant regulations through anti-corruption training.



## COMMUNITY INVESTMENT



The Group stayed committed to the philosophy of quality. That means creating a happy community and a comfortable, satisfied and happy common home for the owners. Furthermore, we care about the community, fulfill corporate social responsibility, and take part in public charitable activities and acts with goodwill to create a better society together.

**Duration of public service in 2022**  
9,323 hours

**Public welfare expenditure in 2022**  
RMB144,991

This year, we not only provided volunteer services and management assistance during the pandemic, but also launched solar term folk activities in the community, red property convenience services, care services for the elderly and students, care for vulnerable social groups such as disabled, widows and widowers, and condolences to veterans and veteran party members. Furthermore, we worked with the competent government departments to jointly establish alliances to roll out garbage classification, anti-fraud propaganda, traffic management, urban governance, civilization creation and other public welfare activities.

As the “Red May” special plan of the Party Committee of the Group – Light up the Star Light Blue Action, Jiayuan Services started a love initiative on the project located in Jiaxing area and donated children’s picture books, toy cars, jigsaw puzzle blocks, sports equipment, paintbrush stationery and other love materials. In addition, the Group presented 80 boxes of cooking oil to these special families in need.

Going forward, we will plan to upgrade public welfare activities by continuing “Small Owners Orange Growth Action,” “Red May” Party Committee theme activities, “Two Guaranteed” care services, “Ten-minute Onsite Services” and more. This is to strive to play the role of red property for private practical matters, fully interpret the aim of “serving with heart and building a better future” (用心服務共築美好), and continue to serve owners and care for society.



# APPENDIX I OVERVIEW OF KEY PERFORMANCE INDICATORS



## ENVIRONMENTAL ASPECTS<sup>10</sup>

KPIs		Unit	2022
Emission <sup>11</sup>	Sulfur dioxide emissions	kg	0.50
	Nitrogen oxides emissions	kg	62.79
	Discharge of particulate matters	kg	3.22
Greenhouse gas emissions <sup>12</sup>	Greenhouse gas emissions (Scope 1)	Tonnes of CO <sub>2</sub> e	77.76
	Greenhouse gas emissions (Scope 2)	Tonnes of CO <sub>2</sub> e	10,326.50
	Total greenhouse gas emissions	Tonnes of CO <sub>2</sub> e	10,404.26
	Greenhouse gas emission intensity	Tonnes of CO <sub>2</sub> e/m <sup>2</sup> of area under management	0.001
Hazardous waste	Total hazardous waste	kg	53.26
	Hazardous waste intensity	G/m <sup>2</sup> of area under management	0.004
Non-hazardous waste	Total non-hazardous waste	Tonnes	12,855.31
	Non-hazardous waste intensity	Tonnes/m <sup>2</sup> of area under management	0.001
Energy consumption	Total energy consumption	MWh	18,365.95
	Direct energy consumption	MWh	258.81
	Direct energy consumption	MWh	18,107.13
	Energy consumption intensity	MWh/m <sup>2</sup> of area under management	0.0013
	Total electricity consumption	MWh	18,107.13
	Total gasoline consumption	MWh	258.81
	Total diesel consumption	MWh	0
	Liquefied natural gas consumption	MWh	0
Water consumption	Total water consumption	m <sup>3</sup>	1,184,300.43
	Water consumption intensity	m <sup>3</sup> /m <sup>2</sup> of area under management	0.09

<sup>10</sup> During the year, the scope of environmental data collection was reduced, resulting in a decrease in the value of environmental key performance indicators.

<sup>11</sup> For the emission factor of machinery and equipment, please refer to the Technical Guideline on Preparation of Emission Inventory of Air Pollutants from Non-Road Mobile Sources (《非道路移動源大氣污染物排放清單編製技術指南》) by the Ministry of Ecology and Environment of China. For other emission factors, please refer to the Environmental KPIs Reporting Guide (《環境關鍵績效指標匯報指引》) issued by the Stock Exchange.

<sup>12</sup> For the greenhouse gas emission factor of purchased power, please refer to the Notice on the Management of Greenhouse Gas Emission Reporting of Enterprises in Power Generation Industry from 2023 to 2025 (《關於做好2023-2025年發電行業企業溫室氣體排放報告管理有關工作的通知》) issued by the Ministry of Ecology and Environment in 2023. For other emission factors, please refer to the the Environmental KPIs Reporting Guide (《環境關鍵績效指標匯報指引》) issued by the Stock Exchange.





## APPENDIX I OVERVIEW OF KEY PERFORMANCE INDICATORS



### SOCIAL ASPECTS

KPIs		2022	
Employment			
Total workforce		7,254	
Employee Distribution		Number of Employees	Proportion
By gender	Male	3,952	54.48%
	Female	3,302	45.52%
By employment category	Full-time	6,155	84.85%
	Outsourced employee	1,086	14.97%
	Part-time	0	0.00%
	Intern	13	0.18%
By age group	30 and below	667	9.19%
	31-40	1,005	13.85%
	41-50	1,457	20.09%
	Above 50	4,125	56.87%
By employment position	General	6,636	91.48%
	Middle	599	8.26%
	Senior	19	0.26%
By geographical region	Mainland China	7,253	99.99%
	Overseas, Hong Kong, Taiwan and Macao	1	0.01%





## APPENDIX I OVERVIEW OF KEY PERFORMANCE INDICATORS



KPIs		2022	
<b>Turnover rate<sup>13</sup></b>			
By gender	Male	57.8%	
	Female	51.6%	
By age group	30 and below	127.89%	
	31-40	57.71%	
	41-50	52.64%	
	Above 50	43.39%	
By geographical region	Mainland China	55.01%	
	Overseas, Hong Kong, Taiwan and Macao	–	
Percentage of trained employees and average training hours		Percentage of employees trained	Average training hours per employee
By gender	Male	100%	7.93
	Female	100%	9.31
By position	Senior	100%	27.35
	Middle	100%	12.75
	General	100%	8.13
<b>Supply Chain Management</b>			
Number of suppliers	Mainland China	307 <sup>14</sup>	
<b>Product responsibility</b>			
Number of complaints received from customers (cases)		568 <sup>15</sup>	
<b>Anti-corruption</b>			
Number of concluded legal cases in relation to corruption practices (cases)		0	
<b>Community Investment</b>			
Invested Amount (RMB)		144,991	
Time Devotion (hours)		9,323	

<sup>13</sup> In 2022, due to the worsening real estate industry, sales projects were withdrawn, and the turnover rate of personnel optimisation and adjustment rose.

<sup>14</sup> In 2022, the Group has optimised the supplier base by re-selecting and managing the supplier in a unified manner based on the maximum cost performance of the supplier and the service scope of the supplier.

<sup>15</sup> In 2021, the statistical scope of this indicator was Zhejiang Province and Jiangsu Province, and this year it is extended to all projects across the country, so the data saw a greater increase.



# APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX



Requirements of the Environmental, Social and Governance Reporting Guide of the Stock Exchange		Section/Remark
<b>Governance Structure</b>	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they related to the issuer's businesses.	About This Report
<b>Reporting Principles</b>	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: (1) <b>Materiality:</b> The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. (2) <b>Quantitative:</b> Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable). (3) <b>Consistency:</b> The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	Reporting Guidance and Principles
<b>Reporting Boundary</b>	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Reporting Boundary and Reporting Period



## APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX



Requirements of the Environmental, Social and Governance Reporting Guide of the Stock Exchange		Section/Remark
<b>A. Environmental</b>		
<b>Aspect A1: Emissions</b>	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	Environmental Protection
KPI A1.1	The types of emissions and respective emissions data.	Exhaust Emission Appendix I Overview of Key Performance Indicators
KPI A1.2	Direct (Scope 1) and energy direct (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Greenhouse Gas Emissions Appendix I Overview of Key Performance Indicators
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management Appendix I Overview of Key Performance Indicators
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Waste Management Appendix I Overview of Key Performance Indicators
KPI A1.5	Description of emission target(s) set, and steps taken to achieve them.	Environmental Management
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Management



# APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

## CONTENT INDEX



Requirements of the Environmental, Social and Governance Reporting Guide of the Stock Exchange			Section/Remark
<b>A. Environmental</b>			
<b>Aspect A2: Use of Resources</b>	<b>General Disclosure</b> Policies on the efficient use of resources, including energy, water and other raw materials.		Environmental Management
	<b>KPI A2.1</b>	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Energy Consumption Appendix I Overview of Key Performance Indicators
	<b>KPI A2.2</b>	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Protection of Water Resources Appendix I Overview of Key Performance Indicators
	<b>KPI A2.3</b>	Description of energy use efficiency target(s) set, and steps taken to achieve them.	Environmental Management, Protection of Water Resources and Green Office
	<b>KPI A2.4</b>	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.	Protection of Water Resources
	<b>KPI A2.5</b>	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable. Our main business doesn't involve packaging materials.
<b>Aspect A3: The Environment and Natural Resources</b>	<b>General Disclosure</b> Policies on minimising the issuer's significant impacts on the environment and natural resources.		Environmental Management
	<b>KPI A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Management
<b>Aspect A4: Climate Change</b>	<b>General Disclosure</b> Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.		Response to Climate Change
	<b>KPI A4.1</b>	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Response to Climate Change



## APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

### CONTENT INDEX



Requirements of the Environmental, Social and Governance Reporting Guide of the Stock Exchange		Section/Remark
<b>B. Social</b>		
<b>Aspect B1: Employment</b>	<b>General Disclosure</b> 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.	Employee Protection
	<b>KPI B1.1</b> Total workforce by gender, employment type, age group and geographical region.	Employee Composition, Appendix I Overview of Key Performance Indicators
	<b>KPI B1.2</b> Employee turnover rate by gender, age group and geographical region.	Employee Composition, Appendix I Overview of Key Performance Indicators
<b>Aspect B2: Health and Safety</b>	<b>General Disclosure</b> 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.	Health and Safety
	<b>KPI B2.1</b> Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
	<b>KPI B2.2</b> Lost days due to work injury.	Health and Safety
	<b>KPI B2.3</b> Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
<b>Aspect B3: Development and Training</b>	<b>General Disclosure</b> Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Development and Training
	<b>KPI B3.1</b> The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Employee Development and Training, Appendix I Overview of Key Performance Indicators
	<b>KPI B3.2</b> The average training hours completed per employee by gender and employee category.	Appendix I Overview of Key Performance Indicators



# APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE

## CONTENT INDEX



Requirements of the Environmental, Social and Governance Reporting Guide of the Stock Exchange		Section/Remark
<b>B. Social</b>		
<b>Aspect B4: Labor Standards</b>	<b>General Disclosure</b> 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.	Employment Policy
	<b>KPI B4.1</b> Description of measures to review employment practices to avoid child and forced labour.	Employment Policy
	<b>KPI B4.2</b> Description of steps taken to eliminate such practices when discovered.	Employment Policy
<b>Aspect B5: Supply Chain Management</b>	<b>General Disclosure</b> Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
	<b>KPI B5.1</b> Number of suppliers by geographical region.	Supply Chain Management Appendix I Overview of Key Performance Indicators
	<b>KPI B5.2</b> Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
	<b>KPI B5.3</b> Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
	<b>KPI B5.4</b> Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management





## APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX



Requirements of the Environmental, Social and Governance Reporting Guide of the Stock Exchange		Section/Remark
<b>B. Social</b>		
Aspect B6: Product Responsibility	<b>General Disclosure</b> 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.	Service Responsibility
	KPI B6.1      Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable. Our core business doesn't involve safety or health risks.
	KPI B6.2      Number of products and service related complaints received and how they are dealt with.	Service Responsibility Appendix I Overview of Key Performance Indicators
	KPI B6.3      Description of practices relating to observing and protecting intellectual property rights.	Service Responsibility
	KPI B6.4      Description of quality assurance process and recall procedures.	Service Responsibility
	KPI B6.5      Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Service Responsibility
Aspect B7: Anti-corruption	<b>General Disclosure</b> 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.	Business Ethics and Anti-Corruption
	KPI B7.1      Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Business Ethics and Anti-Corruption Appendix I Overview of Key Performance Indicators
	KPI B7.2      Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Business Ethics and Anti-Corruption
	KPI B7.3      Description of anti-corruption training provided to directors and staff.	Business Ethics and Anti-Corruption



# APPENDIX II ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX



Requirements of the Environmental, Social and Governance Reporting Guide of the Stock Exchange		Section/Remark
<b>B. Social</b>		
<b>Aspect B8: Community Investment</b>	<b>General Disclosure</b> 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.	Community Investment
	<b>KPI B8.1</b> Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment Appendix I Overview of Key Performance Indicators
	<b>KPI B8.2</b> Resources contributed (e.g. money or time) to the focus area.	Community Investment Appendix I Overview of Key Performance Indicators



# 佳源服務控股有限公司

JIAYUAN SERVICES HOLDINGS LIMITED