

大悅城控股
GRANDJOY



中糧
COFCO
自然之源 重塑你我

JOY CITY PROPERTY LIMITED

大悅城地產有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 207



2023

Environmental, Social and
Governance Report
環境、社會及管治報告

About This Report

Report Introduction

Joy City Property Limited (“Joy City Property”, “Joy City”, “the Company” or “we”) is pleased to present our 2023 Environmental, Social and Governance Report (the “Report”). This Report aims to provide information on the Company’s performance of environmental, social and governance (hereinafter referred to as “ESG”) responsibilities in 2023 and to respond to the key ESG concerns of stakeholders.

Reporting Scope

Time frame: Unless otherwise specified, the time frame of this Report is from 1 January 2023 to 31 December 2023 (the “Year” or the “Reporting Period”). Certain disclosures may reasonably go beyond such time frame to ensure completeness of this Report.

Reporting Boundary: Unless otherwise specified, this Report covers the entire business operations of the Company for the Reporting Period.

Basis of Preparation

This Report has been prepared in accordance with the ESG Reporting Guide (“ESG Guide”) contained in Appendix C2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and with reference to the Sustainability Reporting Standards (GRI Standard) issued by the Global Sustainability Standards Board (GSSB).

Reporting Principles

This Report follows the four reporting principles set out in the ESG Guide:

- **Materiality:** In preparation of this Report, key stakeholders were identified and materiality assessment was carried out as the basis for determining material ESG issues;
- **Quantitative:** The information contained in this Report is derived from relevant statistical reports or documents, key performance indicators (“KPIs”) are measurable, and the standards and methods used in calculations of emissions/energy consumption and other data are provided;
- **Balance:** This Report provides an unbiased picture of the Company’s performance during the reporting period, avoiding selections, omissions, or presentation formats that may inappropriately influence any decision or judgment by its readers;
- **Consistency:** The methodologies and KPIs used in this Report are consistent with those used in previous reports to allow for meaningful comparisons.

Notes on Data

Certain financial data in this Report are derived from the 2023 Annual Report of Joy City Property Limited. In case of any inconsistency between the data in this Report and the 2023 Annual Report of Joy City Property Limited, the latter shall prevail. Unless otherwise specified, other data cover the Company and its subsidiaries, and all the monetary amounts in this Report are denominated in Renminbi (RMB).

Form of Publication

This Report is published in both Chinese and English languages. In case of any discrepancy between the two versions, the Chinese version shall prevail. The electronic version of this Report is available on the website of the Stock Exchange of Hong Kong (the “Stock Exchange”) (<http://www.hkexnews.hk>) and the website of the Company (<http://www.joy-cityproperty.com>).

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About Joy City Property

Joy City Property Limited (stock code: 00207.HK), the flagship of the real estate business of COFCO Corporation. COFCO Corporation is one of 16 enterprises under the direct management of the Central Government with the approval of SASAC to engage in real estate as its principal business, and its assets ranked the 87th among the Global 500 Enterprises in 2023. Joy City Property Limited is a large-scale commercial property developer and operator focusing on the development, operation, sales, leasing and management of mixed-use complexes and commercial properties.

The Company focuses on the development, operation and management of urban complexes under the “Joy City” brand. It owns a number of urban complexes of Joy City in Beijing, Shanghai and other first-tier and key second-tier cities, including premium investment properties at prime locations in first-tier cities such as Beijing COFCO Plaza and Hong Kong COFCO Tower; quality properties held for sale such as Shanghai Joy City • Joy Mansion One; and international top-class luxury hotels such as The St. Regis Sanya Yalong Bay Resort and MGM Grand Sanya. All these property projects strategically located in central districts of first-tier or key second-tier cities with superior quality as well as good investment value and appreciation potentials.

Going forward, the Company will stick to the dual-wheel dual-core development model of “dual-wheel drive of development and operation, and dual-core empowerment of products and services”, adhere to the principle of “combining asset-light and asset-heavy operations”, to continuously improve project quality and efficiency and create greater value for our customers, shareholders and business partners. Meanwhile, the Company will uphold our business philosophy of “creating a century-old brand and pursuing sustainable operation” and our brand vision of “being young, fashionable, trendy and classy”, lead new urban lifestyles, promote the coordinated development of Chinese cities, and strive to become a leader in the fields of mixed-use complexes and commercial properties in China.





Property Development:

- 1 Beijing Chenyue Intl
- 2 Beijing Huayuan Center
- 3 Shanghai Qiantan Ocean One
- 4 Shanghai Ruihong
- 5 Shanghai Jing'an Joy City (for sale)
- 6 Shanghai North Bund Project
- 7 Shenyang Joy City (for sale)
- 8 Jinan COFCO Shine City
- 9 Hangzhou Joy City (for sale)
- 10 Hangzhou OPUS Mansion
- 11 Chengdu Tianfu Joy City (for sale)
- 12 Chengdu Xiangyun Yuefu
- 13 Chengdu COFCO Joy Mansion One
- 14 Chengdu Wine Town South Project
- 15 Xi'an OPUS Yangjing
- 16 Chongqing Joy City (for sale)
- 17 Chongqing One Majesty
- 18 Qingdao Joy Bay
- 19 Qingdao Jimo Chuangzhi Splendid City
- 20 Qingdao Joy Park
- 21 Wuhan Optics Valley Joy City (for sale)
- 22 Kunming Longshengfu
- 23 Sanya Joy Center, Sanya Joy Center (Phase I)
- 24 Suzhou COFCO Joy Mansion
- 25 Suzhou Joy Shishan One
- 26 Xiamen Yunxi One
- 27 Nanchang Joy City (for sale)
- 28 Nanjing In Joy
- 29 Nanjing Joy Court
- 30 Nanjing OPUS Jiuzhang
- 31 Changzhou Flower Jiangnan



Hotel Operations:

- 1 Waldorf Astoria Beijing
- 2 Le Joy Hotel Beijing
- 3 The St. Regis Sanya Yalong Bay Resort
- 4 MGM Grand Sanya



Investment Properties:

- 1 Beijing Xidan Joy City
- 2 Beijing Chaoyang Joy City
- 3 Beijing COFCO Plaza
- 4 Shanghai Jing'an Joy City
- 5 Tianjin Joy City
- 6 Shenyang Joy City
- 7 Yantai Joy City
- 8 Jinan Joy City
- 9 Hangzhou Joy City
- 10 Chengdu Joy City
- 11 Chengdu Tianfu Joy City
- 12 Chongqing Joy City
- 13 Qingdao Jimo Joy Breeze
- 14 Wuhan Joy City
- 15 Sanya Joy City
- 16 Suzhou Joy City
- 17 Xiamen Joy City
- 18 Nanchang Joy City
- 19 Nanjing Joy City
- 20 Hong Kong COFCO Tower



Output Management and Related Services:

- 1 Joy City Commercial Management
- 2 Beijing Jingxi Joy City
- 3 Beijing Daxing Joy Breeze
- 4 Beijing LG Twin Towers
- 5 China Post Insurance Jiu'an Plaza
- 6 Shanghai Parkside Joy City
- 7 Guangzhou Huangpu Joy Life
- 8 Tianjin Heping Joy City
- 9 Tianjin Xiqing Joy Life
- 10 Shenyang Financial Center Joy City
- 11 Chengdu Jinniu Joy City
- 12 Xi'an Joy City
- 13 Kunming Joy City
- 14 Changsha North Star Delta Joy City
- 15 Wuxi Jiangnan Joy City
- 16 Shaoxing IFC Joy City
- 17 Anshan Joy City

Chairman's Statement



2023 was the opening year for the full implementation of the spirit of “20th National Congress” of the CPC, and also a key year for the strategic planning of “14th Five-Year Plan”. The government of China actively promoted carbon peaking and carbon neutrality, and firmly followed the path of ecological priority and green development. During this period, Joy City Property kept in mind the responsibility as a state-owned enterprise, made progress in a highly unified and coordinated manner, assumed its political, economic, social and environmental responsibilities, and presented an excellent “performance answer sheet”.

In 2023, Joy City Property celebrated its 10th anniversary of listing. These 10 years marked the precipitation of achievements and the beginning of a new stage. Over the past 10 years, Joy City Property has always pursued a better life, adhered to the original intention of the brand, and explored the power to go through the industry cycle. The Company is committed to creating a trendy lifestyle culture, leading hundreds of millions of people to change their lifestyles and consumption patterns with the concept of “influencing a city with a city”; at the same time, the team kept up with the market and continued to innovate and adjust product strategies to bring new trends and experiences to the cities.

Continuously optimizing operations and improving governance efficiency. Joy City Property adheres to the “dual-wheel and dual-core” development model, focuses on city operations and better life services, continuously optimizes governance, improved transparency, implements new development concepts, explores ESG systems, deepens anti-corruption work, and prevents risks. Grandjoy Holdings, the parent company of the Group, ranked the 21st in the “2023 Top 100 Real Estate Enterprises in China”, with a number of honors including “Top 10 in terms of Stability and Top 10 in terms of Financing Capability among Top 100 Real Estate Enterprises in China”, “2022-2023 China Real Estate Enterprise with Sense of Social Responsibility of the Year” and “2023 Top 10 Commercial Real Estate Enterprises in China”, etc. Joy City Property won the title of “No. 9 among the Real Estate Enterprises with H Shares and Operational Growth Potential for 2023”.

Accelerating green development and empowering green cities. In active response to the national “Dual Carbon” strategy, Joy City Property adheres to the concepts of ecological priority, green and low-carbon, and continues to explore feasible green development paths. The Company actively practices green practices, deeply expands and practices the concept of “Green Joy City”, establishes and continuously improves the systematic energy-saving management system, and fully promotes the green and low-carbon transformation of the economy and society.

Participating in public welfare undertakings to achieve win-win and sharing. Joy City Property takes the promotion of people’s well-being as its own responsibility, participates in public welfare undertakings, and shows the responsibility as a state-owned enterprise. The Company cooperates with the institutions such as the World Wide Fund for Nature (世界自然基金會) (WWF), Society of Entrepreneurs and Ecology (阿拉善SEE生態協會) and the National Library to hold a number of public welfare activities such as national reading season, targeted assistance, book donation and education revitalization, so as to give full play to its own resource advantages and promote social harmony and sustainable development.

Looking forward, Joy City Property will always adhere to the concept of “integrity, professionalism, team and innovation”, actively assume the responsibility as a state-owned enterprise, seize new development opportunities, steadily promote sustainable development, and start a new chapter of business development with partners!

CHEN Lang
Chairman of the Board

Board Statement on ESG

Joy City Property attaches great importance to ESG governance, and the board of directors takes overall responsibility for overseeing ESG sustainable development, including: formulating the Company's ESG strategy and regularly reviewing the implementation of the strategy; identifying and assessing ESG risks and formulating response plans; reviewing ESG management policy and ensuring the consistent implementation of the policy; reviewing ESG plans and objectives, and regularly reviewing the progress of ESG objectives; and reviewing ESG performance. The Board authorized the ESG management team to be responsible for the co-ordination, implementation and execution of ESG-related work.

Taking into account national planning, stakeholders' expectations and the Company's development strategy, the Board will continue to monitor the sustainability trends at home and abroad, strengthen the evaluation of material ESG issues, discuss and identify the Company's Environmental, Social and Governance risks and opportunities, and make the management and improvement of key issues a priority for sustainable development.

This Report, which has been considered and approved by the Board, discloses in detail the progress and achievement of the ESG objectives of Joy City Property Limited in 2023.

>>> ESG Governance

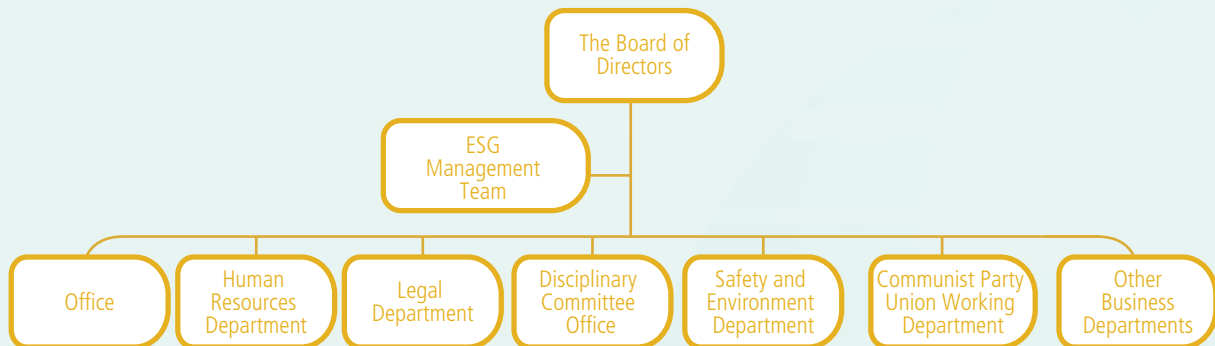


Improvement of ESG Management System

Joy City Property is well aware of the importance of ESG matters to the Company's risk management and sustainable development, has further strengthened its ESG governance system by developing an ESG governance structure compatible with its operation and management practices. Currently, the Company has integrated ESG concepts into its development strategy by defining the key ESG responsibilities and duties of officers at all levels from the decision-making level, the management level to the execution level, thus creating a standardised management system and providing effective guarantee for the smooth organization and implementation of ESG work.

The Board is the highest responsible and decision-making body for ESG matters, responsible for controlling and assessing our material ESG risks, determining and improving our ESG-related policies, determining and ensuring the effectiveness of our ESG management, and monitoring the implementation of our ESG activities. The ESG management team has been delegated by the Board to organise and implement ESG management and disclosure, and its responsibilities include, but are not limited to, submitting annual ESG reports to the Board, reporting on ESG management, and organising ESG-related training.

ESG Management System of Joy City Property



Stakeholder Engagement

Joy City Property always attaches great importance to communication with various stakeholders, continuously expands communication channels, actively delivers the latest information on our business development and operations, and effectively listens to their expectations and needs. The Company transforms these feedbacks into the goals and plans of social responsibility actions, continuously improves its own capabilities, and is committed to maximizing the interests of all parties.

From the perspective of sustainable development, the Company has prepared a stakeholder engagement matrix to provide a basis for identifying material issues.

Stakeholder Engagement Matrix

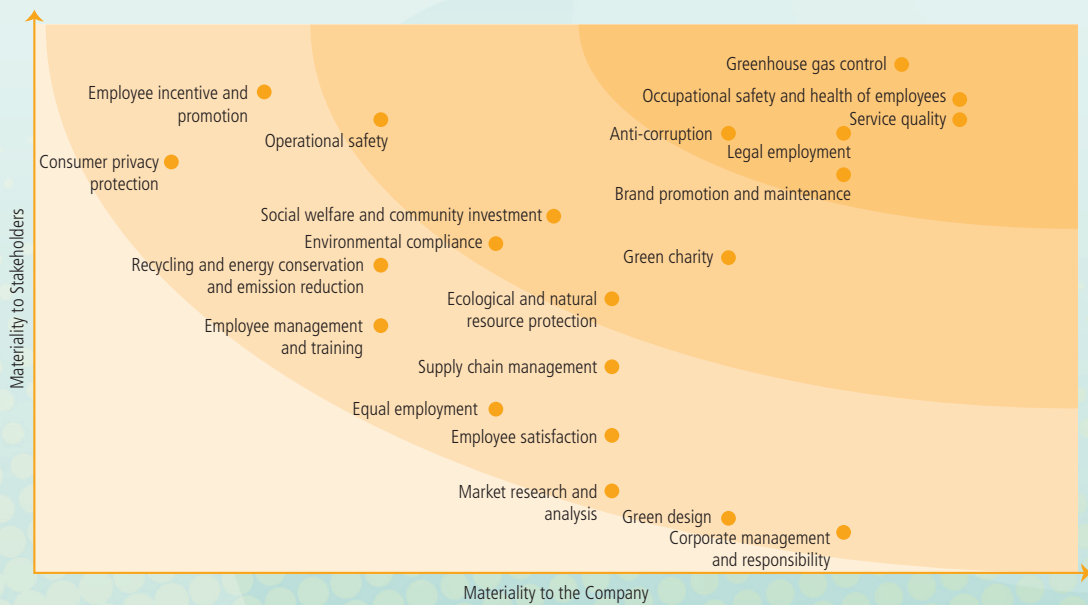
Stakeholders	Channels	Expectation and demands	Our response
Government and regulators	<ul style="list-style-type: none"> Daily communication Submission of information Workshops and surveys Governmental regulation 	<ul style="list-style-type: none"> Compliant operation Business ethics and anti-corruption Stringent internal control and risk management 	<ul style="list-style-type: none"> Enhancing compliance in operation Fulfilling tax obligations Strengthening risk management
Investors/ shareholders	<ul style="list-style-type: none"> Regular information disclosure General meetings Daily communication Official website 	<ul style="list-style-type: none"> Satisfactory operating results Sustained and steady growth Operation with integrity and transparency 	<ul style="list-style-type: none"> Constantly improving our ability to create value Robust operation Open and transparent information disclosure Enhancing investor management
Consumers	<ul style="list-style-type: none"> Customer service hotline Weibo, WeChat Satisfaction survey 	<ul style="list-style-type: none"> Quality service experience Safety and security Brand value Privacy Consumer rights protection 	<ul style="list-style-type: none"> Meeting customer demand for experience Organising various creative activities Keeping facilities safe Offering a better environment for shopping, dining and working Protecting consumer rights
Environment	<ul style="list-style-type: none"> Advocating the concept of environmental protection Adhering to the strategy of sustainable development Disclosure of Environmental information 	<ul style="list-style-type: none"> Garbage sorting and recycling Emission of greenhouse gas (GHG) Reducing waste discharge Energy consumption Resource conservation 	<ul style="list-style-type: none"> Shifting to green and energy-saving facilities Strictly managing garbage sorting Improving emission monitoring capabilities Advocating green office practices
Employees	<ul style="list-style-type: none"> Labour contract Development and training Performance management mechanism Employee safety and rights 	<ul style="list-style-type: none"> Protecting the legitimate rights and interests of employees Remuneration and benefits Providing fair and equal employment opportunities Providing diversified development and promotion opportunities Protecting employee safety 	<ul style="list-style-type: none"> Maintaining fair recruitment practice Providing diversified training and learning Providing smooth career development path Organising staff activities to promote work-life balance Caring for employee wellbeing

Stakeholders	Channels	Expectation and demands	Our response
Suppliers and business partners	<ul style="list-style-type: none"> Supplier assessment Cooperation agreements Regular visits 	<ul style="list-style-type: none"> Fair procurement policy and fulfillment of promises Ensuring product quality and safety Preventing environmental and social risks from suppliers 	<ul style="list-style-type: none"> Refining management system Enhancing procurement management Enhancing procurement from clean supply chain Strictly controlling product quality and safety Sticking to fair and open procurement Strictly screening of merchants
Community	<ul style="list-style-type: none"> Community activities Community services 	<ul style="list-style-type: none"> Promoting safe and compliant operation Organising activities on community charity to promote harmony 	<ul style="list-style-type: none"> Enhancing facility safety management Organising public welfare activities Supporting rural revitalization

Identification of Material Issues

With reference to the ESG Guide of the Stock Exchange of Hong Kong, the Company understands the feedbacks and opinions of various stakeholders on the Company’s ESG issues through questionnaires, business review and internal interviews, and identifies and determines the materiality of the issues of concern to all parties to ensure a more accurate and comprehensive disclosure of ESG information. As there was no significant change in the Company’s operations during the Reporting Period, the results of the materiality assessment for the Year were generally consistent with those of the previous year.

Materiality Matrix



>>> Environmental



Joy City Property adheres to the concept of green development, continuously exploring new paths for green and sustainable development, establishing a sound environmental management system, realizing strict management of emissions, strengthening use of energy resources, exploring green and low-carbon new technologies, actively responding to climate change, and is committed to creating a greener and sustainable future.

A1 Emissions

Emission management targets:

- Control carbon dioxide emissions, and by 2025, significantly reduce the carbon emissions per RMB10,000 revenue as compared to 2020.
- Promote separate disposal of non-hazardous waste of each class, and ensure standardized disposal of all non-hazardous waste.

Emissions Control System

Joy City Property strictly complies with the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Water Pollution, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes and other environmental laws and regulations, and continuously improves the management system. The Company has issued internal management standards on emissions such as the Review and Opening Risk Inspection, Work Safety and Environmental Management Regulations, the Ecological and Environmental Management Rules (Trial) and the Regulations on Pollutant Discharge Management, supervised the management of wastewater, exhaust, noise, solid waste and other emissions and pollution prevention and control of each projects in strict accordance with the such regulations, and jointly taken care of green home.

During the Year, the Company did not involve in any litigation under any dispute resolution mechanism regarding serious violations of international or national standards, rules and regulations or local standards, rules and regulations of the places where it operates in relation to environmental protection.

Wastewater and Exhaust Management

During the Reporting Period, Joy City Property incorporated the supervisory monitoring of pollutants, the upgrading of environmental standards and GHG emission reduction into its annual environmental protection goals through execution of the 2023 Annual Safety and Environmental Protection Responsibility Statement, and promoted the upgrading of environmental standards of its operating projects in batches and phases, reviewed the effectiveness of such upgrading according to the monitoring of pollutants to reduce the risk of exceeding emissions standards. Furthermore, the Company collects and reviews the quarterly monitoring results of pollutants such as exhaust gas, wastewater and noise from each project, thereby controlling the risk of excessive discharge of pollutants at the very source.

The Company attaches great importance to water resources management, formulates water-saving measures, implements wastewater benchmarking transformation, and sets an annual chemical oxygen demand emission indicator for production value of RMB0.1 billion for each project based on the actual situation, which is included in the annual performance assessment of each unit. The Company also conducts dynamic monitoring and tracking on the completion of project indicators, timely gives early warning to projects that exceed the safety limit, and urges the projects to strictly control wastewater discharge.

Case Study:**Wastewater management**

Wastewater includes wastewater discharged from public areas of the Company, including wastewater of greening, wastewater of air-conditioning systems, wastewater of toilets, etc., and is regularly sampled and tested by third-party testing companies.

**Waste Management**

The non-hazardous waste generated by Joy City Property in the course of its operations mainly includes construction waste and office waste, and hazardous waste mainly includes fluorescent tubes, toner cartridges, coolants used in air conditioners, lubricating oils used in air conditioners and elevator systems. The Company has formulated the Regulations on Pollutant Discharge Management to regulate the waste management of its primary-level projects and promote these projects to dispose of waste in compliance with regulations and rules, the specific requirements of which include:

- All primary-level projects of the Company should actively take measures to reduce the amount of solid waste generated, promote the comprehensive utilization of solid waste, and reduce the hazard of solid waste. Also, they should take measures to prevent the scattering, running off, leaking and seeping of solid waste, as well as other measures against environmental pollution, and should not dump, pile up, discard or scatter solid waste without authorization.

- The primary-level projects of the Company strictly comply with national and local laws and regulations, and correctly handle domestic waste:
 1. The Company fulfils the obligations of reducing, sorting and dumping of domestic waste at source in accordance with the laws, assumes the responsibility of domestic waste producers, and sorts and dumps domestic waste at designated places in accordance with the laws. It is prohibited to dump, litter, stack or incinerate domestic waste at will;
 2. Domestic waste that has been sorted and placed shall be sorted, collected, transported and disposed of separately in accordance with the regulations;
 3. Harmful waste sorted and collected centrally from domestic waste, which belongs to hazardous waste, shall be managed as hazardous waste;
 4. Kitchen waste shall be handed over to the units with corresponding qualifications for harmless treatment.
- For primary-level projects of the Company that generate general industrial solid waste, they should obtain pollutant discharge permits in accordance with the law and, in accordance with national and local requirements, provide the local ecological and environmental authorities with relevant information on the type, quantity, flow, storage, utilisation and disposal of industrial solid waste, as well as specific measures to reduce the generation and promote the comprehensive utilisation of industrial solid waste; and they should comply with relevant provisions of the discharge permit management system. Dumping industrial solid waste into domestic waste collection facilities is prohibited.
- The primary-level projects of the Company generate waste mineral oil and waste containing mineral oil, waste acid liquid, waste alkaline liquid, waste packaging, containers, filter adsorption media, waste lead batteries containing or contaminated with toxic and infectious hazardous wastes and other wastes included in the National Category of Hazardous Wastes, and hazardous wastes are stored, utilized and disposed of in accordance with relevant national regulations and environmental protection standards. A hazardous waste management ledger is established to truthfully record relevant information and hazardous wastes are not dumped or piled up without authorization. Hazardous wastes are handed over to the units with corresponding qualifications for treatment. For the hazardous waste generated during the maintenance of equipments and facilities of operating projects, the Company requires the operating projects to supervise the maintenance units to ensure the compliant disposal of hazardous wastes.

Emissions in 2023¹

Indicators	2023
Direct GHG emissions (tCO ₂ e) ²	11,876.30
Indirect GHG emissions (tCO ₂ e) ³	162,888.40
Total GHG emissions (tCO ₂ e) ⁴	174,764.70
Intensity of overall GHG emissions (tCO ₂ e/RMB million)	31.61
Discharge of domestic wastewater (10,000 tons)	274.00
Discharge volume of waste oil from kitchen wastewater after oil separation (tons)	428.16
Number of fluorescent tubes disused and recycled (pieces)	3,664
Number of toner cartridges disused (pieces)	1,024
Waste A/C coolants (tons)	0.73
Waste lubricating oils emissions (tons)	1.40
Total hazardous waste (tons)	3.50
Total emission intensity of hazardous waste (kg/RMB million)	0.63
Dry waste generated (tons)	46,658.79
Wet waste generated (tons)	19,224.19
Total non-hazardous waste (tons)	81,117.55
Total emission intensity of non-hazardous waste (tons/RMB million)	14.67

¹ The data in 2023 increased significantly as compared with 2022, mainly due to the addition of relevant data of a number of Joy City and hotel projects such as Daxing Breeze and Jingxi Joy City.

² The calculation of direct GHG emissions is mainly based on the GHG emission factors of natural gas set out in Table 2.4 under Stationary Combustion, Chapter 2 of the 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

³ The calculation of indirect GHG emissions is mainly based on the average emission factors of the national power grid for 2022 set out in the Notice on the Management of GHG Emissions Reporting by Power Generation Enterprises from the Period 2023 – 2025 issued by the General Office of the Ministry of Ecology and Environment of the PRC.

⁴ The Company's GHG emissions mainly come from the use of natural gas and electricity purchased.

A2 Use of Resources

Energy consumption targets:

- Control energy consumption, and make sure the overall energy consumption per RMB10,000 revenue by 2025 is lower than that in 2020.
- Control water consumption, and make sure the water consumption per RMB10,000 revenue by 2025 is lower than that in 2020.

Energy Consumption Management

Joy City Property's daily operations mainly involves the electricity consumption by air-conditioning systems, lighting systems, elevator systems for maintaining the daily operation of commercial projects, and some projects involve the consumption of purchased heat such as district heating. Joy City Property attaches great importance to energy consumption management, strengthens systematic management, and continuously improves energy efficiency. The Company has established an energy management platform, which has been implemented in a number of projects such as Chaoyang Joy City, Xi'an Joy City, Jing'an Joy City and Hangzhou Joy City. Through carrying out energy-saving diagnosis and strengthening data monitoring and analysis, the Company has identified the main problems in energy conservation and carbon reduction of key operating projects, and clarified the implementation path of energy conservation and consumption reduction. The Company also invited professional energy-saving consultants to analyse and evaluate the quarterly energy consumption of each project based on the platform's energy consumption data, providing support to property management offices for their energy-saving management.

**Case Study:****Energy-saving transformation of existing operating projects**

Yantai Joy City has completed the energy-saving transformation of the refrigerating machine rooms, achieving first-level energy efficiency and efficient operation, saving approximately 283,800 kWh of electricity and 77.71 Nm³ of gas, and reducing carbon dioxide emissions by 1,670 tons per year. Yantai Joy City transformed the system of two lithium bromide direct-fired cooling units with high energy consumption, high emissions and low energy efficiency into a cooling system of two electric refrigeration units, achieving zero direct carbon emissions from cooling in summer and significantly improving the comfort of the environment.

**Case Study:****Construction of efficient machine room for new projects**

The projects such as Wuhan Joy City, Chongqing Joy City, Suzhou Joy City and Jimo Joy Breeze continued to systematically adjust the efficient machine room system, continuously optimized the energy efficiency of the systems, and ensured that EER, the comprehensive energy efficiency coefficient in the cooling season, was stable at more than 5.0 in the long run. Among them, the EER of Suzhou Joy City exceeded 5.3 in 2023, saving approximately 2,100,000 kWh of electricity and reducing carbon dioxide emissions by approximately 1,198 tons per year; in 2023, the EER of Wuhan Joy City exceeded 5.4, saving approximately 1,570,000 kWh of electricity and reducing carbon dioxide emissions by approximately 894 tons per year.

**Case Study:****Digital and intelligence construction facilitates management**

Wuhan Joy City has established a smart facility operation and maintenance platform. With the electromechanical operation and maintenance scenarios as the core, it combines the operation data of electromechanical equipments with BIM model to establish a complete digital twin of Joy City, and connects 16 sub-systems such as BA system, video monitoring system, environmental monitoring system, anti-theft alarm system, lighting system and energy management system to realize the five scenario-based project operation and management of equipments, safety, operation, quality and energy, achieving the effects including energy saving of 20%, increase in emergency response efficiency of 70% and improvement in service quality of 127%.

Water Resources Management

Joy City Property's water consumption mainly involves water used for greening, air conditioning systems, and domestic use in public areas such as toilets, and for other daily maintenance (exclusive of the water consumption of tenants). The Company attaches great importance to and continuously optimizes water resources management, and adopts a number of measures: We use rainwater and water reuse technology to provide water sources for greening and garage washing. In addition, the Company has achieved ultra-high energy efficiency for our high-efficiency chiller plants through a high-precision automatic detection and control system by improving and coordinating internal chillers and external working condition in the following way: internally, inverter mainframes are selected appropriately and scientifically equipped with chillers; externally, a high-efficiency water transmission and distribution system is place, and working condition is improved through A/C pump frequency conversion and control optimisation, low resistance management design, enhancement of heat exchange capacity of cooling towers and optimisation of group control of cooling tower fan frequency conversion. Moreover, the Company realizes internal and external coordination through high-precision automatic detection control system, so as to achieve the ultra-high energy efficiency goal of high-efficiency cold stations.

Case Study:

Water conservation in daily operations

- We inspect the machine room and pipeline of each water system every day, and deal with any leakage and dripping in a timely manner;
- We formulate and update operation strategies in a timely manner to reduce water consumption in toilets;
- We replace water-saving faucets, water-saving toilets, reclaimed water reuse and other measures to improve water efficiency in the office.

Use of Clean Energy

Joy City Property increases its investment in clean energy and renewable energy, and carries out efficient energy management from the source. Nanjing Joy City, Nanchang Joy City and Sanya Joy City use solar photovoltaic power generation technology, with the capacity of solar photovoltaic design and installation exceeding 2,000 kW; Nanjing Joy City Apartments has installed a solar water heating system, and Nanchang Joy City uses air-cooled heat pumps to help accelerate the pace of "low-carbon" transformation and create more green value for economic and social development.

Resource Consumption in 2023

Indicators	2023
Total water consumption (tons)	3,220,000.00
Water consumption intensity (tons/RMB million)	528.27
Total consumption of public fuel gas (MWh)	55,948.74
Total annual diesel consumption (MWh)	33.17
Total annual petrol consumption (MWh)	2,220.98
Total public electricity consumption (MWh)	249,260.00
Purchased heat (MWh)	52,326.31
Comprehensive energy consumption (MWh)	357,789.20
Comprehensive energy consumption intensity (MWh/RMB million)	65.08

A3 Environment and Natural Resources

Continuously Contributing to Achieving the “Dual Carbon Goals”

In 2023, Joy City Property actively promoted energy conservation and emission reduction, extensively carried out industry benchmarking, fully investigated and analyzed the targets and paths of energy conservation and carbon reduction of benchmark enterprises, and carried out analysis of advantages and disadvantages. On this basis, based on the actual conditions of its own businesses, it established a multi-dimensional assessment system for energy conservation and carbon reduction of Joy City Property in an innovative manner, set two carbon reduction assessment indicators, namely carbon emission reduction on the construction surface and carbon emission reduction on revenue, set personalized carbon reduction targets by business type, incorporated them into the annual safety and environmental protection responsibility statement of each unit, and urged all units to scientifically and accurately reduce carbon. The Group has urged all units to eliminate more than 70 outdated motors this year, and further refined the subsequent elimination plan to help achieve the “Dual Carbon” goals as scheduled.

Exploring Green Technologies

Joy City Property cooperated with well-known design entities in the industry, and relied on the innovation platform “joint research center for technologies for healthy environment and efficient systems” established in cooperation with the School of Architecture, Tsinghua University, to carry out research on green and sustainable residences, and helped create a green and healthy environment for the internal space of residences. During the Reporting Period, the Company carried out a number of innovative research and development projects such as the practical research on the implementation of green and low-carbon transformation of Joy City and the research on the improvement of thermal comfort of the atrium of Joy City. The Company designed eight commercial complex projects such as Chaoyang Joy City, Xi’an Joy City and Jing’an Joy City, and actively explored and verified green and low-carbon technologies applicable to the construction field. In addition, Joy City Property continuously improved the environmental protection level requirements for decoration materials, and incorporated environmentally friendly paints, environmentally friendly flooring, environmentally friendly wardrobes and other building materials into the scope of centralized procurement to improve the safety and health of customers in the process of living.

Case Study:

Practice awards

- Wuhan Joy City evaluated the excellent energy-saving and high-efficiency air-conditioning system, and won the “2023 Blue Sky Cup 2-year Sustainable Efficient Project” award;
- The “Green Joy City Property” series of practices won the “2023 Green and Low-carbon Innovation Case” of the Green and Low-carbon Integration and Innovation Forum sponsored by XINHUANET (新華網);
- “Green Joy City” energy-saving and low-carbon practice won the “Annual Case Award” of the Corporate Social Responsibility Award of People’s Daily Online (人民網).

Environmental Protection Activities

In active response to the national call, Joy City Property adheres to ecological priority, promotes a new style of diligence and health, vigorously carries out environmental protection publicity, conveys the concept of environmental protection to employees and the society, promotes the development of global public welfare and environmental protection, facilitate green ecological development, and advocates the green and environmental protection culture of Joy City.

Various unites of the Company organized or participated in more than 40 environmental protection publicity/training/public welfare activities;

More than 1,360 people participated in environmental protection activities.

Case Study:

"Planting" green trees and forming a forest step by step



In 2023, Grandjoy Holdings, the parent company of the Group, held the "Joy City Run" activity, launching running in 12 cities across the country.

Linking online and offline channels

The accumulated number of participants exceeded 10,000

Accumulating 271,635,831 steps

Converting into public welfare fund of RMB100,000

Assisting in planting the third "Joy Forest" in Alxa region

- 2023 Joy City Run, igniting a beautiful greenery

This session of "Joy City Run" activity linked online and offline channels, starting from Shenzhen where it was launched, and creating a wave of green and healthy sports in 12 cities including Beijing, Shanghai, Hangzhou, Nanjing, Chengdu, Wuhan, Shenyang, Sanya and Xi'an.

The Company hoped to call on the public to choose a green and healthy lifestyle through the "Joy City Run" activity. At the same time, we hoped to transform the power of running into love and warmth and help public welfare undertakings with practical actions. A total of 271,635,831 steps were accumulated during this activity and converted into a public welfare fund for planting the third "Joy City Forest" in the Alxa Desert Region.



Case Study:

Itinerant exhibitions for a series of activities with the environmental protection theme of "Better Life with Joy City"

From 19 September to 13 October, the Company cooperated with the business segments of COFCO Corporation to jointly hold itinerant exhibitions for a series of activities with the environmental protection theme of "Better Life with Joy City" to guide the concept of a better life through enabling customers to experience the style and strength of pleasing themselves. Public welfare itinerant exhibitions were held in 7 venues including Beijing COFCO Plaza, attracting the attention and participation of many people from different industries with distinctive themes, meticulous displays, rich content and creative activities. The activity was widely spread through online media tools, affecting more than 100,000 people, and further promoting the concept of green and low-carbon living.



A4 Climate Change

Addressing climate change has become a global consensus. Joy City Property has formulated a number of measures to actively respond to climate change, promotes comprehensive risk management, identifies the risks that may be caused by climate change, and attaches great importance to the possible impact of extreme weather. With regard to the physical risks arising from climate change, our projects might be affected by extreme weather events such as typhoons, rainstorms, cold waves and high temperatures; projects under construction might be subject to suspension or partial suspension, which may affect the construction progress; and projects erected on low-lying areas may be exposed to the risk of backflow of rainwater or other secondary disasters and the operation and maintenance costs of the property business.

In accordance with the Emergency Response Law of the People's Republic of China and other relevant laws and regulations, the Company issued the Guidelines for Monitoring, Early Warning and Handling of Natural Disasters, carried out early warning information monitoring and prevention for extreme disaster weather, improved the early warning monitoring and scheduling mechanism, and organized all units to implement disaster prevention and risk avoidance measures, so as to gradually improve the Company's disaster prevention and relief capabilities. The Company deployed prevention in advance and took command in advance, urged all projects within the scope of early warning to strengthen the safety risk control of important parts and periods, tracked the implementation of flood prevention and disaster prevention of each unit, and guided relevant units to scientifically carry out natural disaster emergency response, so as to minimize the impact of disasters. During the Year, a total of 37 scheduling activities were carried out, and daily scheduling reports were prepared.

During the Reporting Period, the Company strengthened the weather warning and monitoring mechanism. The weather warning system covers all regional companies and their projects that might be affected by possible natural disasters, sending out 30 rainstorm and typhoon warnings and 7 earthquake warnings.

>>> Social



Joy City Property makes the best of its corporate influence and core strengths in respect of assuming corporate social responsibility. It not only enables customers and property owners to enjoy a perfect and comfortable life through high-value-added premium products and high-quality services, also fulfils its operating responsibilities as a listed company with lean team management and an open and honest corporate culture, and insists on promoting healthy and positive lifestyles, participating in charity work and giving back to the community.

B1 Employment

Protection of Employees' Rights and Interests

Joy City Property strictly abides by the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China and other employment-related laws and regulations, and has formulated the Management Measures for Recruitment, the Management Measures for Labour Contracts, Management Measures for Employee Leave, Management Measures for Employee Attendance, Implementation Measures on Hiring or Laying-off Employees Based on their Performance and other internal rules and regulations to effectively protect the legitimate rights and interests of employees.

In terms of employee remuneration, the Company adheres to the principle of "equal pay for equal work" for employees, with the goal of "high performance and strong incentives", reasonably determines the remuneration of positions based on the value of the positions, and builds and implements a scientific and transparent remuneration incentive system to ensure that the remuneration level of employees is reasonable and fair. Joy City Property adopts an advanced performance appraisal system, which directly links employees' work performance with their remuneration to stimulate their work motivation, and provides them with opportunities to achieve promotion of career and corresponding increase in salary.

In terms of employee benefits, the Company has always been committed to fully fulfilling its social responsibilities, fully implementing the "Five Insurances and One Fund"⁴, and providing employees with comprehensive commercial medical insurance, accident insurance, enterprise annuity plan and other insurances as well as comprehensive maternity and retirement benefits. At the same time, the Company pays attention to the work-life balance of employees, strictly abides by the relevant national laws and regulations, and determines the appropriate working hour system according to the conditions of the positions. Employees are encouraged to regularly arrange paid annual leave that meets statutory requirements, so as to enhance the employees' quality of life.

Diversity and Equal Employment

Equal and diversified employment has always been the employment concept that Joy City Property pays attention to and advocates. The Company is committed to creating a working environment full of inclusiveness and opportunities, strives to ensure a fair and transparent recruitment process through a comprehensive recruitment system and processes and diversified recruitment channels. It provides equal employment platforms and opportunities for candidates of different nationalities, genders and educational backgrounds, resolutely opposes discrimination against gender, ethnicity and other factors in the recruitment process, and provides a sound career development platform for employees. In addition, the Company also provides employment opportunities for the disabled, ethnic minorities and demobilized soldiers.

The Company actively expands recruitment channels, attracts and selects talents through campus recruitment, general recruitment and competitive recruitment. The Company has established close contacts with the career guidance centers of well-known domestic universities to obtain the availability of graduates in line with its needs in a timely manner. At the same time, the Company works with well-known recruitment websites such as Zhaopin.com and Liepin.com., in order to obtain a lot of information on high-quality candidates. In addition, the Company cooperates with headhunting companies to continuously explore talents for key positions and select management and professional talents with rich market experience, outstanding capabilities and professional skills.

⁴ Including pension insurance, medical insurance, maternity insurance, work injury insurance, unemployment insurance and housing provident fund.

Employment Data in 2023

Indicators		2023
Total number of employees by employment type	Full-time	3,638
	Part-time	0
Total number of employees by gender	Male	2,050
	Female	1,588
Total number of employees by age group	30 and below	1,223
	31-40	1,542
	41-50	664
	51 and above	209
Total number of employees by geographic location	Beijing	659
	Places other than Beijing	2,979
Total number of employees by academic qualifications	Master degree and above	623
	Bachelor degree	1,619
	College diploma	636
	High school diploma and below	760
Total number of employees by employee category (function)	Functional departments	644
	Development departments	489
	Operational departments	2,505
Turnover rate by gender (%)	Male	16%
	Female	20%
Turnover rate by age group (%)	30 and below	26%
	31-40	15%
	41-50	11%
	51 and above	9%
Turnover rate by geographic location (%)	Beijing	15%
	Places other than Beijing	19%

B2 Health and Safety

Employee Health Protection

On the road to well-being of employees, Joy City Property actively establishes a sound employee safety protection system, conducts in-depth investigations of major potential safety hazards, and implements health and physical examination plans of employees to ensure that every employee can enjoy comprehensive safety and health protection at work.

The Company has always attached great importance to the safety and health protection of employees. To this end, the Company has cooperated with professional medical institutions to implement the annual health examination plan for employees. Through regular physical examinations, the Company provides employees with scientific and comprehensive physical health assessments, helps employees fully understand their health status, timely discover and deal with potential health problems, and formulates more targeted health management plans to improve the health level of employees.

Safety and Environmental Protection Supervision

Joy City Property carried out special investigations and rectifications of major potential hazards in production safety. The Company focused on the implementation of the “six strict dealings”, organized all units to investigate major risks and potential hazards in construction, fire safety and electrical engineering, safety at workplace and emergency management, and promoted rectification and improvement, which effectively ensured the overall stable operation of the Company.

At the same time, the Company carried out comparisons and investigations of internal and external accidents. In order to eliminate potential safety hazards, Joy City Property has carried out a series of investigations such as the special rectification of the major fire accident at Changfeng Hospital (長峰醫院), the special investigation of the chemical accident in Luxi Chemical (魯西化工), and the special investigation of gas, which have enhanced the emergency organization and coordination ability and handling level of all parties involved in the projects.

In addition, the Company continued to carry out safety management performance evaluation, and conducted safety performance evaluation on 35 construction projects, 19 commercial operation projects and 1 industrial project that met the conditions, so as to comprehensively and accurately evaluate the current situation of project management. In 2023, the average score of the evaluation of the construction projects of Joy City Property was 84.72 points, representing a slight increase from 83.07 points in 2022, and the effectiveness of overall safety management behavior was higher than the industry average.

Project Safety Management

In 2023, Joy City Property sorted out and improved the safety management systems for construction projects. Based on the principle of “scientific and reasonable, streamlined and practical”, the Company took the lead in optimizing and improving the templates of 11 safety management systems including the responsibility system, risk control and potential hazard investigation and governance of construction projects, and further improved the standardization, normalization and systematization level of safety management of construction projects.

In 2023, the Company carried out risk investigation and clean-up and rectification of contractors and engineering projects. We prepared the Comparison and Investigation Checklist for Safety Management of Contractors and Projects of Joy City Property, and organized all units to carry out self-inspection and self-correction. At the same time, a long-term mechanism has been established to incorporate the risk investigation, clean-up and rectification of contractors and engineering projects into the scope of daily safety supervision and inspection, and related work has been continuously deepened and conducted.

Case Study:

The Sanya Joy City project successfully held the Site Observation Meeting for the Safe and Civilized Construction Standardized Sites of Construction Projects in Sanya

On 21 February, the Sanya Joy City project successfully held the 2023 Site Observation Meeting for the Safe and Civilized Construction Standardized Sites of Construction Projects in Sanya. During the observation stage, the participants visited the project safety experience area, the display area of craft sample room, the display area of standardized equipment, etc. This observation activity demonstrated standardized, normalized and refined management and excellent project quality, so that participants can feel the “craftsmanship spirit” of striving for excellence.



Application of Information Technology in Safety Management

In 2023, taking into account its own business characteristics and management practices, Joy City Property used information-based technology to promote the construction of remote safety supervision capabilities and emergency response capabilities, and strived to improve the level of intrinsic safety.

Accelerating the pace of mechanisation, informatisation, automation as well as smart technology and improving the level of intrinsic safety significantly

- We comprehensively summarized the experience in the pilot construction of the remote safety supervision system in Suzhou Joy City, and completed the system promotion and construction of the first batch of four projects (Tianjin, Wuhan, Shenyang and Hangzhou Joy City), realized the informatization of headquarters and regional supervision, and the intelligence of independent management of the projects, which further enhanced the regulatory penetration, fulfilled the front-line responsibility and improved the management efficiency.
- We made positive progress in protecting innovation achievements and successfully obtained 1 software copyright.
- Based on the role positioning of “on-site command”, we developed an emergency simulation drill system, which successfully launched the version 1.0 system and fully promoted the iterative upgrade of the version 2.0. Multi-character online collaborative drills were carried out at any time, empowering the front-line emergency response capabilities, while reducing emergency management costs and improving work efficiency.

Education and Training on Safety

Joy City Property actively promoted the life-first safety culture and improved the potential safety hazard governance mechanism. Focusing on the safety responsibility fulfillment of the “top leaders” and training and education, the Company continuously enriched the carriers of cultural construction, actively promoted the safety value culture of Joy City Property, sought to support management with culture, ensure safety with management and promote development with safety.

In 2023, the “top leaders” of each unit conducted a total of 298 safety presentations and carried out more than 1,120 safety inspections. All levels of units organized and conducted more than 1,690 training sessions on safety and environmental protection, and held more than 900 special meetings on accident warning education.

At the same time, according to its own business risks, the Company organized various units to carry out drills for different types of accidents such as fire fighting, people trapped in an elevator, gas leakage, flood and typhoon prevention, and electric shock injury, and tracked and recorded the drill process and conducted a comprehensive review, summary, reflection and improvement. All units carried out a total of 816 emergency drills throughout the Year, with more than 26,700 participants.

Case Study:

In December 2023, YAO Changlin, the general manager of Joy City Property, gave a public lecture on safety and environmental protection



Case Study:

In June 2023, we organized and conducted fire safety emergency drills



Case Study:

In March 2023, we organized a special training on the Guidance Manual for Production Safety Performance of COFCO Corporation

**Care for the Employee**

Joy City Property regards employees as one of the most valuable resources of the enterprise, continues to practice the concept of care for employees, and embodies its care for employees in a diversified and comprehensive manner. The Company integrates the well-being of employees with the Company's culture, carries out colorful employee activities that are popular among employees, creates a series of heart-warming activities, promotes the implementation of labour protection and care for employees, and enables employees to better devote themselves to work.

We made our employees happier through featured activities of Joy City Property

We held the “Loyalty and Devotion to COFCO” commendation event to motivate employees to take pride in COFCO and actively devote themselves to the reform and development of the Company.

The Company organized the Women’s Day activity with the theme of “Wandering in Light and Shadow, Enjoying Beauty with Joy City” to enrich the spare-time life of female employees, strengthen communication and exchange, and enhance team cohesion and centripetal force.

We held the 2023 “Joy City Run” brand public welfare activity, the green and healthy running activity of “Enjoying Golden Autumn with Joy City, Starting New Journey with Joy City” and the healthy walking activity of “Beautiful as Joy City, Enjoying Golden Autumn with Joy City”, vigorously supported a number of cultural and sports interest groups such as badminton, table tennis, basketball and football to carry out sports activities on a regular basis, and encouraged employees to actively participate in these activities, strengthen their bodies and keep them fit.

In combination with the “521 Employee Care Day”, the Company carried out a series of activities of care for employees of “Enjoying May with Joy City, Care like Sunshine”, innovatively created the “Joyful Enjoying” theme, and held a series of activities such as the reading activity of “Joyful Reading”, the fitness activity of “Joyful Health”, and the internal purchase meeting for employees of “Good Ingredients of Zhonglin • Joyful Enjoying and Gathering” to enrich the spiritual and cultural life of employees.

Delivering the warm care of Joy City Property and serving employees with heart and soul

The Company carried out the activity of “sending coolness”, and the Party Committee and management team of the Company visited the grass-roots front-line to understand the actual work of employees and bring the Company’s care to grass-roots employees.

The Company organized the activity of “thoughtful small medicine boxes, warm and joyful care”, and made targeted drug supplements and replacements for the Company’s first-aid boxes to give full play to the “first-aid” role of small medicine boxes.

In response to the high incidence of infectious diseases such as mycoplasma pneumonia and influenza, we continued to protect the health of employees, distributed medical protective masks to employees in a timely manner and paid attention to the safety and health of employees.

Employee Health and Safety Data for 2023

Indicators	2023
Number of production safety accidents (times)	0
Number of work days lost due to work-related injuries (days lost per 200,000 work hours)	0
Number of work-related fatalities (person)	0 (0 for the last four years)

B3 Development and Training

Talents Development

Joy City Property is committed to building an efficient team with innovation, professionalism and teamwork spirit. The Company always regards talent training as an important tool to promote the development of the Company, absorbs talents with industry expertise and proactive attitude through extensive recruitment channels to ensure the diversity of the team and the improvement of comprehensive quality. The Company has implemented a comprehensive training plan, adhered to the education and training work principles of focusing on “casting soul” with political guidance, improving “empowerment” with strategy and focusing on “practical fighting” based on combining learning with application, improved the competitiveness of employees in terms of professional skills, leadership and innovative thinking, improved the executive power and creativity of the overall team, expected to build a talent team with excellent talent and coordinative development, and provided strong support for the sustainable development of the Company.



Case Study:

Organizing the “Core Team Training Camp”

The Company attaches great importance to the optimization of the talent team, focuses on the training of top leaders, organizes and conducts the “Core Team Training Camp”, and systematically improves the ability to perform duties. Adhering to the training principles of combining point-to-surface and joint training, combining theoretical learning and work practice, and combining centralized training and independent learning, the Company adopts the “OMO” online-offline integration teaching method, combines many training means such as on-site face-to-face teaching, benchmarking learning, sand-tray exercises and online learning, breaks the limitations of time and space, and establishes a complete and continuous learning path.

In 2023, the Company organized a total of three offline centralized training sessions, with a total of 420 participants.

Case Study:

Organizing and conducting training project for young cadres

Focusing on the training of young cadres, Joy City Property organized and conducted training projects such as the "Class 3040", residential project class under the "Golden Helmsman" Plan (Phase II) and the "Golden Seed" programme (Phase VI), cultivated and reserved a number of high-potential and excellent young cadres with high matching degree, good growth and strong driving force, and built a core force for the long-term development of the Company.

Among them, the "Class 3040" organized two offline centralized training sessions, with a total of 140 trainees participating in the training. The "Golden Helmsman" Plan (Phase II) focused on the themes such as "excellent business", "good coordination" and "understanding operation", organized four offline centralized training sessions, with a total of 84 trainees participating in the training, and the graduation ceremony was held in December. A total of 42 trainees participated in the "Golden Seed" programme (Phase VI), and we organized and conducted trainings such as visits to and learning from the integrity education base, centralized teaching, action learning work, and inspection and exchange of internal and external benchmark projects, and held a graduation ceremony in December.



Case Study:**Organizing the professionalism training project of "Casting Sword Plan"**

In 2023, focusing on the professional ability improvement and core talent pool of commercial investment and commercial sales lines, the Company organized two offline centralized training sessions, with a total of 108 trainees participating in the training. We invited internal and external lecturers to give lectures and share experience; at the same time, with the opportunity of training and exercise, we carried out project inspection, competitive product research and team discussion with internal benchmark projects as the cases, and accumulated excellent experience within Joy City Property through learning and discussion, and gathered the wisdom and strength of the entire system to help business development.

**Case Study:****Organizing "Joy Seminar" training**

With the purpose of establishing a training culture, creating a learning atmosphere, sharing experience and knowledge, and strengthening communication and exchange, we conducted lectures for all employees in the form of online live streaming. A total of 6 sessions of internal excellent benchmark project sharing series training were carried out in 2023, with a total of more than 1,460 persons participating in the training; a series of four sessions of training on the "Three-transformation Construction" system were carried out, with a total of more than 890 persons participating in the training.

The Company effectively protects the rights and interests of employees, implements equal pay for equal work, and protects employee benefits in accordance with the laws. The Company adopts the same remuneration structure for male and female employees, and has established a scientific and transparent remuneration incentive system to provide employees with competitive salary levels. At the same time, the Company provides a comprehensive welfare system for all employees, including pension insurance, medical insurance, maternity insurance, work-related injury insurance, unemployment insurance, housing provident fund, commercial medical insurance, accident insurance, enterprise annuity plan, etc., in order to reduce the worries of employees and increase their motivation for work and sense of belonging.

Employee Promotion

Joy City Property always adheres to the people-oriented concept and insists on the employment orientation of “those who have the ability have the positions, those who are capable can be promoted, and those who are excellent have the priority”. At the same time, the Company attaches great importance to the cultivation of high-quality young talents, and has established an exchange and post rotation mechanism for business backbones to practice in multiple positions. Taking “horse breeding” and “horse replacement” as an important tool for the construction of young talent teams, the Company creates multi-position and multi-skill practice opportunities for young employees. In 2023, a total of 33 people participated in the “house replacement” program and 5 people participated in the “horse breeding” program, so that employees can accumulate knowledge, experience and skills in post rotation, enhance their sense of achievement and satisfaction, and consolidate the foundation for career development.

Employee Training Data for 2023

Indicators		2023
Percentage of employees trained by gender (%)	Male	56.35%
	Female	43.65%
Percentage of employees trained by employee category (function) (%)	Functional departments	20%
	Development departments	18%
	Operational departments	62%
Average training hours completed per employees by gender (hours)	Male	27.81
	Female	27.81
Average training hours by employee category (function) (hours)	Functional departments	120
	Development departments	108
	Operational departments	372
Total training sessions		22
Total participants		3,400
Total training hours		94,563
Average training hours per employee (hours)		27.81

B4 Labour Standards

Joy City Property strictly abides by the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China and other employment-related laws and regulations, and has formulated the Management Measures for Recruitment, the Management Measures for Labour Contracts, Management Measures for Employee Leave, Management Measures for Employee Attendance, Implementation Measures on Hiring or Laying-off Employees Based on their Performance and other internal rules and regulations to effectively protect the legitimate rights and interests of employees.

The Company strictly follows the internationally accepted, national and local standards, rules and regulations on the prevention of child labour or forced labour, and has formulated comprehensive management policies and established necessary personnel recruitment information collection and approval processes to ensure the implementation and execution of labour standards. The Company always complies with the Labour Law of the People's Republic of China and relevant laws and regulations, insists on regulating employment in accordance with the laws, prevents employment discrimination, eliminates the use of child labour and forced labour, provides employment opportunities for the disabled, ethnic minorities, veterans, etc. and achieves equal pay for equal work.

B5 Supply Chain Management

Joy City Property has always been committed to continuously improving the bidding and procurement system, always emphasizes the principles of responsible procurement and sunshine procurement, integrates the concept of social responsibility into all aspects of the entire supply chain, and strives to build a responsible and sustainable supply chain system.

Improving the Tender System

The Company strictly abides by the Bidding and Tendering Law of the People's Republic of China, keeps optimising its bidding and procurement system in accordance with the requirements of "strengthening management, improving efficiency and controlling compliance", holds training on a regular basis and third-party inspections of bidding and procurement to improve its bidding and procurement management standards.

During the reporting period, the Company continuously optimized the management and control level of bidding and procurement by revising 10 rules on bidding and procurement, filling system loopholes in a timely manner, strengthening the restraint mechanism of the system, and ensuring the quality and compliance of purchased goods and services; in order to ensure the effective operation of the bidding and procurement system, training was held to enhance the management standard and professional capability of bidding and procurement teams, and three training sessions on "red line management" requirements were organised for all procurement teams during the Reporting Period. In addition, the Company carried out two regular third-party inspections of bidding and procurement during the Year to promote improvement and enhance management.

The Company continued to promote electronic bidding and procurement process, and fully launched an e-bidding platform. We further improved the level of informationization and intelligence of bidding and procurement, and optimised the management and control of tendering and procurement.

During the Year, 102 sets of materials and components were spot checked, with a check pass rate of 100%.

Upgrade of Supplier Management System

Joy City Property has long been committed to building a strong and sustainable supply chain system. Relying on a supplier network with a large number of suppliers and extensive distribution, Joy City Property effectively reduces supply chain risks, ensures that the business needs of enterprises in various regions are met, and provides strong competitive advantages for the enterprise. In order to improve the efficiency of the supply chain and regulate the relationship with suppliers, Joy City Property has implemented internal policies such as the Supplier Management Measures and the Centralized Procurement System, which include a series of detailed management systems such as supplier access specifications, code of conduct and contract management. These policies aim to stabilize and optimize the supplier team to ensure smooth operation of procurement activities.



Supplier scale of Joy City Property in 2023: 11,709

As at the end of the Reporting Period, the number of our suppliers by region is as follows:

Region	Number of suppliers
Northeast China	397
South China	1,179
Northwest China	665
Zhejiang	566
Nanjing	930
Shanghai	2,070

Management process for the supplier database of our regional branches

Inclusion in the database

- Obtain basic information of a supplier and conduct preliminary inspection and verification. Then conduct initial vetting, risk warning, identification of related parties, inspection and assessment, if the supplier is assessed as qualified, then it will be included in the supplier database of our regional branches

Rating

- Classify suppliers based on their past cooperation with our regional branches

Assessment

- Evaluate the suppliers during and after performance of contracts, calculate the annual weighted average score, and invite a third party to conduct quality evaluation
- For suppliers with low performance ratings, low third-party quality ratings on projects, major quality incidents or mass complaints on delivery, regional management personnel shall hold face-to-face meetings with such suppliers, and require them to develop corrective measures for the problems and complete rectification within a time limit

Re-rating

- Re-rate the suppliers based on the annual performance evaluation results

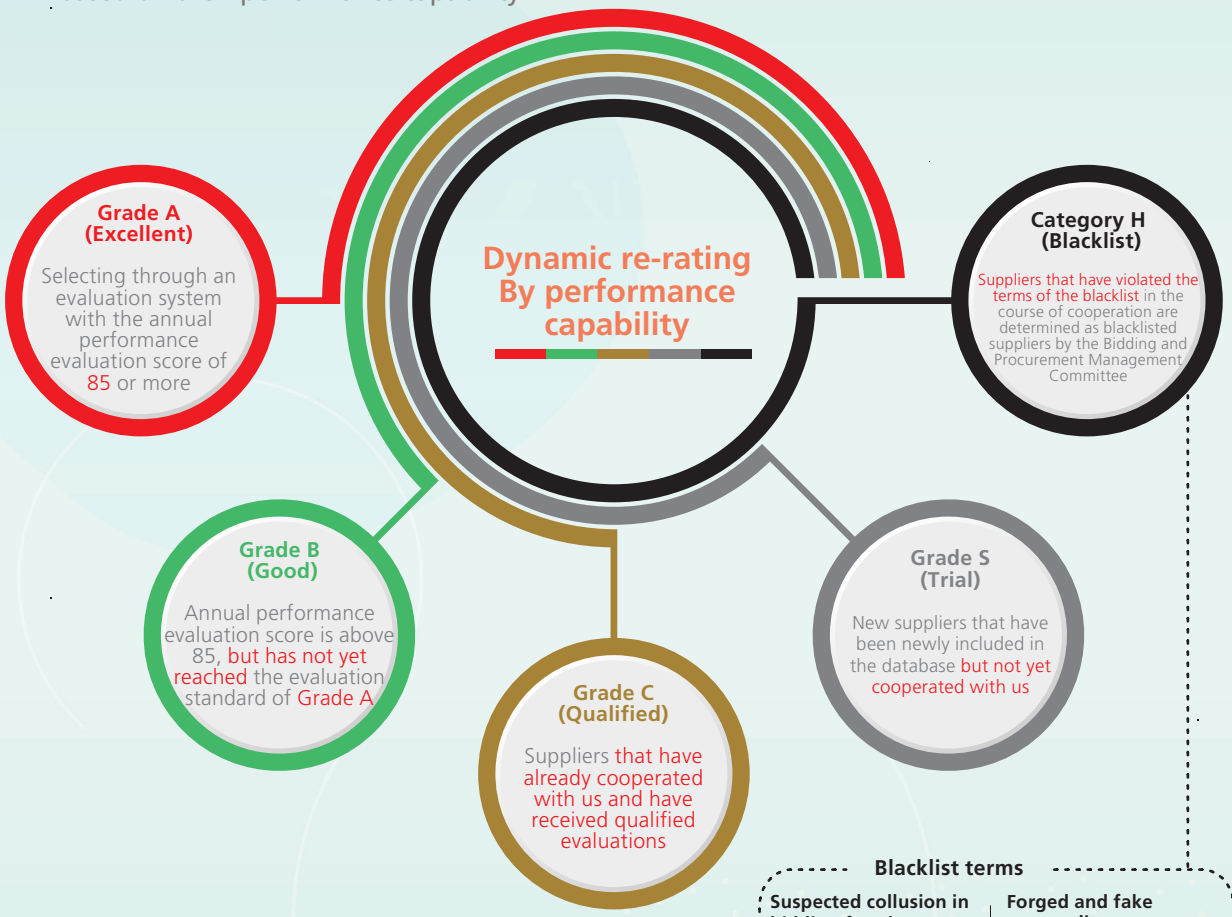
Removal from the database

- Tendering and procurement management committee of regional branches review the suppliers with low annual performance evaluation results and decide on whether to remove them from the database

In 2023, Joy City Property has upgraded its Supplier Relationship Management (SRM) and launched it online. The system categorises suppliers at a primary level by department, enabling better supplier classification management. It improves our evaluation efficiency and accuracy by automatically pushing supplier performance evaluation, tracking progress in real time and standardising evaluation process. Also, the system refines our supplier management by enabling open and fair results through processing trace records and traceable scoring records.

2.4 Revision of the Grading System for Engineering Suppliers

- Suppliers are categorized into five grades, namely, A, B, C, S and H (blacklist), based on their performance capability.



Upon approved by the Bidding and Procurement Management Committee:

- A supplier of Grade S with a score of more than 75 after performance evaluation can be **re-rated** as Grade C suppliers.
- A supplier of Grade C with an annual performance evaluation score of less than 75 can be **downgraded** to Grade S.
- If the annual performance evaluation score of a supplier of Grade C/Grade S is lower than 60, the supplier will be **removed from the database**.

Blacklist terms	
Suspected collusion in bidding fraud	Forged and fake commodity
False qualification	Malicious arrears of wages
Illegal subcontracting	Attacking the projects
Commercial bribery	Malicious litigations
Destruction of bidding	Violating safety management prohibitions
Refusing to sign a contract or unilaterally breaking a contract	Other behaviors that violate laws, rules and regulations and have adverse impacts
Not actively performing the contract	

Fair Competition

Joy City Property always adheres to the core principle of fair competition, opposes all monopoly and commercial bribery, strictly requires suppliers to abide by the relevant provisions of the Code of Business Conduct on integrity and compliance, establishes an effective self-supervision mechanism, and is committed to creating a transparent and fair market environment.

In 2023, the proportion of suppliers who signed the integrity agreement with the Company was 100%

Responsible Supply Chain

Joy City Property adheres to the concept of green procurement, fully incorporates environmental and social risks into supply chain management, regards inspection of environmental qualifications such as pollutant discharge permits, energy management system certification and green product certification as part of its supplier audit, and gives priority to environmental-friendly suppliers. In 2023, the Company participated in a number of centralized procurement projects and formed a joint force with centralized procurement partners to give full play to their respective brand advantages and effectively integrate high-quality resources.

The Company adheres to carry out work under the orientation of the dimensions of “health”, “safety”, “on-time delivery” and “customer satisfaction”. In the process of centralized procurement of materials and supplier selection, the Company prioritizes the ability of suppliers to provide green products and services. For example, “green certification” is included in the qualification review requirements, suppliers are required to provide valid China Green Product certificates, and they can obtain the qualification for bidding only after they meet the standards.

Examples of some standard requirements for green procurement of the Company

- All enterprises participating in the tendering for the centralized procurement of updated categories shall meet the green standards, that is, the pollutants discharged by the enterprises during the construction and production of the projects shall comply with the relevant national environmental protection laws and regulations and industry emission standards and be controlled by using the “Blue Map” website as a tool;
- In the centralized procurement and bidding of electrical appliances products (water heaters, kitchen appliances, etc.), low-carbon and energy-saving is one of the requirements for qualification review. Only after reaching the standards, can we obtain tendering qualifications through qualification review;
- In the bidding for the centralized procurement of wall paper products and recreation facilities, the formaldehyde emissions are taken as the key qualification review requirement, and enterprises can only enter the qualification review process after meeting the requirements of national standards; at the same time, a third-party testing agency is hired to conduct a “flight inspection” on relevant products used in the projects to ensure that the wooden products are safe and environmentally friendly;
- In the bidding for the centralized procurement of floor paint products, we promote green procurement schemes, emphasize the significance of controlling APEO, a water-based paint, and require enterprises to meet the standards of controlling APEO as soon as possible;
- In the bidding for centralized procurement of integrated panels for thermal insulation and decoration, green certification is one of the qualification review requirements, and the Green Building Materials Evaluation Labeling Certificate is required to be provided in order to obtain the tendering qualification through the qualification review.

B6 Product Responsibility

Improving the Operation Management System

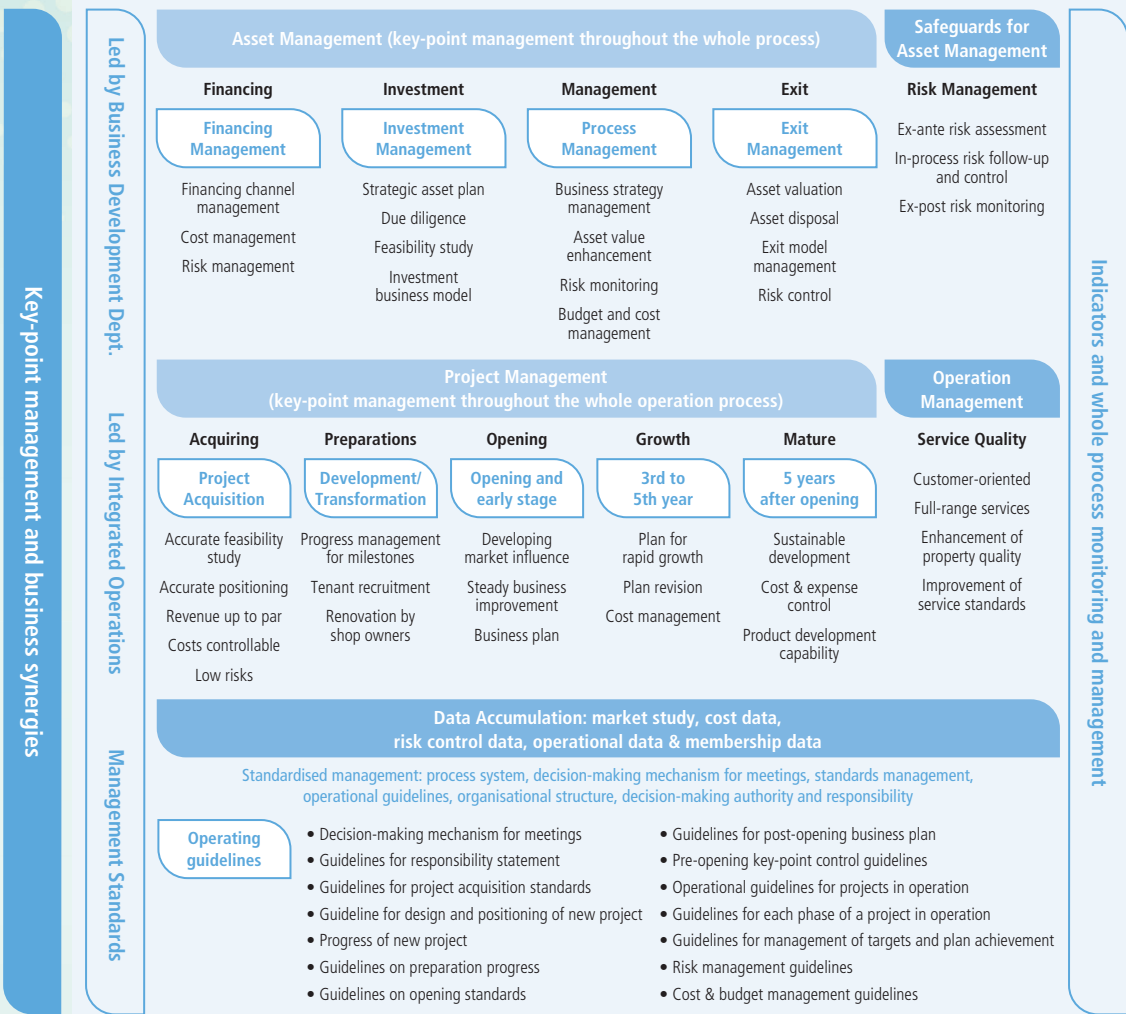
Joy City Property optimised and integrated its existing fragmented management modules into an integrated commercial operation management system, and effectuated the closed-loop whole-life cycle management focused on “financial indicators, operation indicators and satisfaction improvement” for its projects, thus completing the establishment of the integrated operation management system throughout the Year.

During the Year, based on the whole-life cycle management system for large projects, the Company added new operational indicators and the whole process monitoring of operation plans, placed focus on key-point management and business synergies, and took advantage of data accumulation and quality standardisation to provide management support, thus finally forming a closed-loop supervision and management system for the whole process of integrated commercial operations. During the Year, the Company was able to effectuate key-point management on the projects to be opened through the panoramic plan and successfully ensured the smooth opening of 4 commercial projects which were prepared to be launched.

In addition, in combination with the business management and control scope of Joy City, the Company completed a total of three major operation manual for the jointly linked projects of the headquarters throughout the Year, namely, the Asset-light Operation Manual, the Asset-heavy Operation Manual and the Project-Launching Preparation Manual; at the same time, we completed the writing of three panoramic plans, namely, the Panoramic Plan for Launching Asset-light Operations, the Panoramic Plan for Launching Asset-heavy Operation manual and the Panoramic Plan for Projects in Operation and two manuals on internal control standards, namely, the Renovation Management Manual and the Rent Receivables Management Manual, providing a full set of standardised management tools for the operation of large commercial projects during the period of issuance and trial.

In 2023, the Company continued to deepen its inspection and examination efforts, and conducted 9 project investigations on the site and compliance and a mystery guest inspection covering all projects. Throughout the Year, we focused on four major aspects including on-site management, inspection of operational problems, property quality and service quality. The headquarters conducted special notifications and problem tracking on the inspection content until the rectification was completed.

Whole-Life Cycle Management Standards for Integrated Operations



Improving Product Quality

In 2023, Joy City Property strictly complied with the laws and regulations such as the Product Quality Law of the People's Republic of China and the Law of the People's Republic of China on the Protection of Consumer Rights and Interests. It performed its duties of posts based on high standards and strict requirements, promoted various tasks, optimized products for customer needs, and continuously improved product quality.

- **Establishing a commercial quality management system**

From the perspective of customers, the Company upgraded its commercial standardization system. Through various methods such as expert discussion, third-party evaluation, review of historical projects, and business management feedback, a commercial quality management system covering four stages from drawing design, bidding and procurement, construction and opening, 15 quality management measures, 4 security systems and 3 pain point governance projects was finally formed. A total of 44 relevant systems and standard documents were collated and newly compiled in the past year.

- **Implementing residential quality management system**

The Company has established a full-process residential quality control system. Through standardized quality problem solving strategies, we have deepened the management accuracy of design suppliers, improved the construction drawing review system, and strengthened the technical standards and selection requirements of centralized procurement projects. During the Year, we implemented 7 items of residential product standardization in new projects; we prepared the Special Part on Standard Leakage Prevention Construction Drawings (including Design Description and Standard Nodes) and incorporated it into the construction drawings, and 6 projects have been implemented; overall quality planning was implemented in 15 projects; 20 projects completed mandatory drawing review; standard quality display boards have been set up in 26 residential projects.

Major awards of commercial projects in 2023:

Chaoyang Joy City: a "CCFA Golden Lily Shopping Mall" Award for Best Practice Case – renovation and upgrading of an existing project

Hangzhou Joy City: National Advanced Typical Cases for Carbon Peaking and Carbon Neutrality in Urban and Rural Development

Guangzhou Huangpu Joy Life: 2023 Influential Commercial Property Project

COFCO Plaza: 2023 Smart Operation Demonstration Case of Best Commercial Property, 2023 Value Office Building Award, 2023 Popular Office Building

Xidan Joy City Center: 2023 Comprehensive Business Award

Major awards of residential projects in 2023:

Chongqing One Majesty: Silver Award of Residential • Architectural Planning • Built Community of the 8th REARD Global Real Estate Design Awards, 2023 Top 10 Product Power in Chongqing and Top 10 Quality Properties List in Chongqing

Shanghai COFCO Ruihong Ocean One: Honorary Award of Residential Landscape Community Review Committee of the 8th REARD Global Property Design Awards

Xi'An OPUS •Yangjing: 2023 General Evaluation List of China Value Property – Value Product of the Year

Selecting Quality Brands

With a continuing focus on core commercial brands, Joy City Property has been expanding and enriching our portfolio of tenant brands, and endeavouring to build “Joy City” into a leading brand with most sustainability potential in the commercial property sector.

In 2023, the Company continuously improved our tenant recruitment system and our management efficiency. We improved the review and approval procedures of our commercial management committees for recruitment of brand tenants, termination and revision of tenancies and rent concessions. In addition, in order to enhance the refined management over strategic brands, we developed rules and standards and adopted multiple measures to manage strategic brands in an integrated manner. We effectuated the closed-loop management throughout the entire life cycle from brand selection to negotiation and cooperation, performance follow-up and subsequent expansion, and established a core brand database for selection of premium brands as our tenants. Also, we implemented a “strong headquarters” strategy for management of strategic brands, which included creating a negotiation mechanism for strategic brands, tightening control over tenant recruitment plans, and studying and promoting alternative plans.

Innovative Commercial Branding

Joy City Property always adheres to the brand-oriented approach and focuses on the improvement of brand influence. In 2023, Joy City Property celebrated the 10th anniversary of its listing. Taking this opportunity, Joy City Property carried out internal and external brand activities and communication campaigns covering the whole year, and coordinated the utilization of activities and communication resources to achieve nationwide linkage, rapid explosion and centralized promotion. Focusing on the medium and long-term action plan of the “Life You Want, Look at This Trendy One” for the brand of Joy City Property, we have created original IP node activities such as the 5th “Hi, It’s New Shopping Festival”, the 11th “Joy City Shopping Festival” and the 3rd “Joy Joy So Red Festival”, launched the special national brand planning of Joy City for 2023 “Daring Enough to Live”, strengthened the “new” youth attributes of the brands, conveyed the power of young people, and shaped the cultural division for young people.

With our excellent operation strengths and innovation capabilities, we have been able to maintain a leading edge in terms of brand influence in the market. Throughout the Year, we won more than 210 major industry awards, including the “2023 New Economy • Momentum • Brand Influence Award of the Year” granted by Shanghai United Media Group, the 6th place of “2023 Top 100 Retail Commercial Real Estate Enterprises in Terms of Comprehensive Strengths”, the “Jinding Award of China Shopping Center – Commercial Marketing IP Innovation Award” and the “2023 Benchmarking Product Line Award of ‘Young Power’ Track of China Real Estate Commercial Management”, consolidating our benchmarking position in the commercial property sector.

Case Study:

The Third “Brand Week of Joy City” was successfully held

From 15 to 23 April, the Group’s parent company, Grandjoy Holdings, successfully held the third “Brand Week of Joy City”. During the period, 200 special activities such as promotion, culture and convenience activities were held in nearly 40 cities across the country, directly reaching more than 3,000,000 people. Combined with the Company’s annual brand theme of “Beautiful like Joy City”, we achieved more good quality experiences as scheduled.

This session of Brand Week of Joy City further accumulated the activity core of “brand + business” and “affordable + public welfare”, enriched the content of various forms of activities, strengthened preferential benefits, and helped boost consumption. At the same time, we continued to strengthen the element of public welfare, sent warmth with spring breeze, and comfort people with smoky atmosphere in the “city”.



Case Study:**Carrying out the activity of "Special National Brand Planning of Joy City for 2023"**

In November 2023, the "Special National Brand Planning of Joy City for 2023" was successfully completed. We conducted publicity based on the activity theme of "The Youth League that I Dare to Be" and the theme of "Daring Enough to Live", 24 cities and 45 projects across the country have created a brand event, with over 200 million exposure volume on the internet and over 25 million interactive participation; the offline five-daring theme exhibition "Bravo! Youth Life Exhibition that I Dare to Be" was launched in 8 cities across the country, and the customer flow of the exhibition project exceeded 6 million during the activity, representing a year-on-year increase of 20%; 20 + brands launched the call for "The Youth League that I Dare to Be" across sectors, continuously strengthened the "new" youth attributes of the brands, conveyed the power of young people, shaped the trendy cultural division for young people, and drove the improvement of brand power.



Consumer Protection

Joy City Property always pursues the “customer-oriented” business philosophy, and conducts analyses and researches to better meet the needs of consumers. We strictly abide by the Civil Code of the People’s Republic of China, the Cybersecurity Law of the People’s Republic of China, the Measures for Data Security Management, the Law of the People’s Republic of China on the Protection of Consumer Rights and Interests and other relevant laws and regulations, take consumer privacy protection very serious, and strive to continuously improve our service standards and enhance consumer satisfaction.

- ### Privacy Protection

The Company attaches great importance to privacy security and data protection of the members, and strictly abides by the Data Security Law of the People’s Republic of China, the Personal Information Protection Law of the People’s Republic of China, the Personal Information Security Specifications and other relevant laws, regulations and standards to protect information security of the members.

Account access management is put in place: the Company has set up the access to key data based on the authority and responsibility and employees have no right to access higher-level data without proper authorisation; and the system has passed the test of “information system security level protection” and obtained the Level 3 certification of network security level protection approved and issued by the Ministry of Public Security, providing a higher level of protection for user data and privacy security.



Restrict visitors to the system: the Company only permits access to the Group’s business-related employees who need to know member information for performing their duties. Training on information security and confidentiality is provided for employees on a regular basis. Moreover, all employees who may have access to personal information are obliged to keep the information confidential.

Setting up privacy protection protocols: the Company has set up user privacy protection protocols for client Apps, such as membership App, online store App, corporate WeChat groups, and WeChat official accounts.

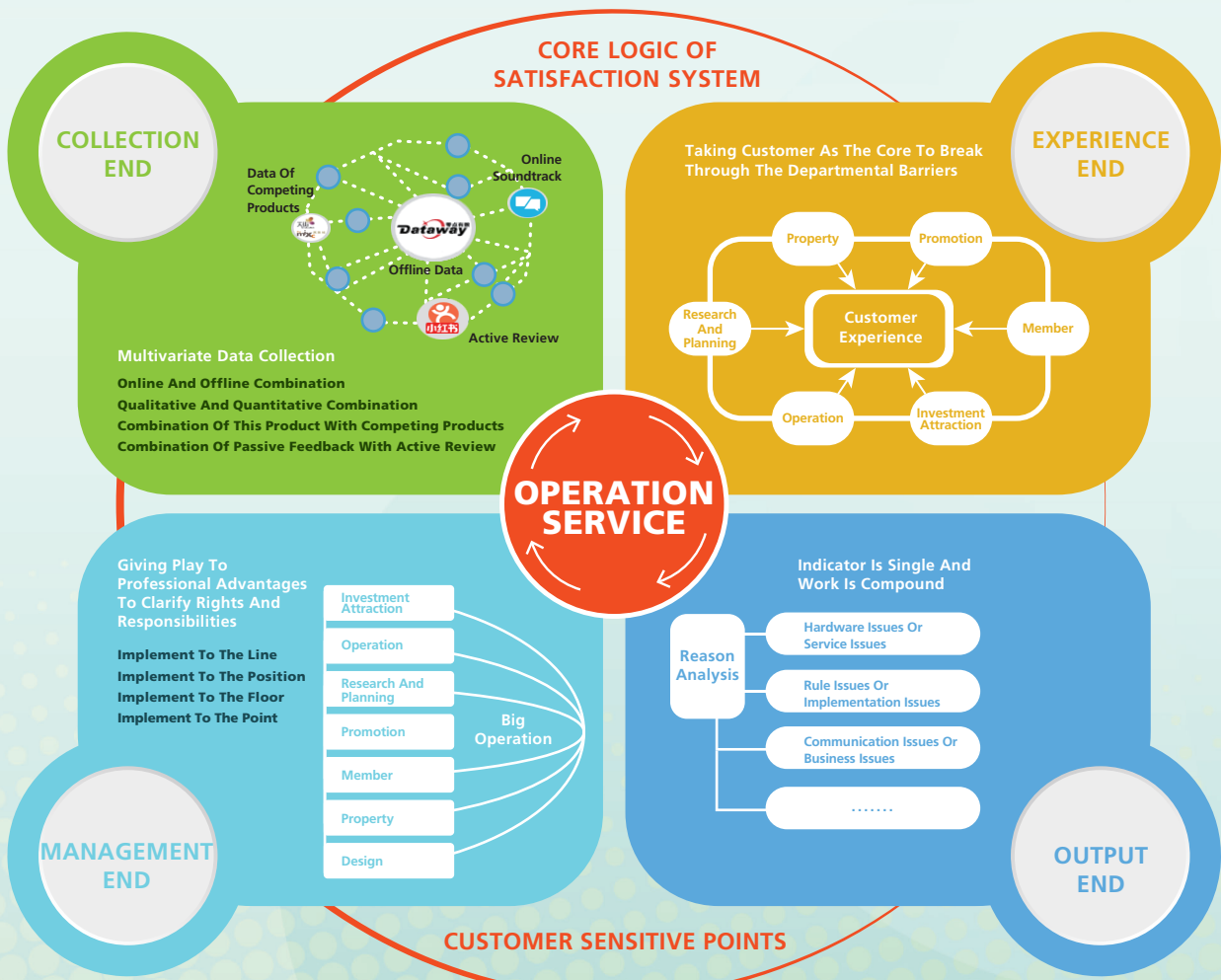
Strengthening member information management: for first-time upgrading, a VIP Membership Card Holder of the Company needs to bring his/her ID card to the membership center/service counters to complete their personal information registration, and customer service staff are required to verify personal information face to face; what’s more, customer service staff shall conduct one-to-one SMS/telephone communication for upgrading/downgrading and grade-keeping of a VIP Card.

• **Satisfaction Improvement**

During the Reporting Period, Joy City Property always adhered to the orientation of meeting customers’ needs and the goal of customer satisfaction. In 2023, Joy City Property ranked among the leading list of TOP30 for the first time, integrated satisfaction service system model and management principles into the whole process of research. Through project research and mystery visitor inspection, we effectuated the full-cycle management with “customer contact point” and “customer experience” as the core of research, and finally established practical indicators, management improvement guidelines and a cross-department comprehensive Big Service management system.

Through quality control management, the Company established a comprehensive B-B+C Big Service system based on customer/consumer satisfaction and demand for product optimisation, standard improvement and service enhancement. As at the end of December, the Company completed the annual satisfaction survey and the implementation of mystery visitors, disseminated and reported the results of last year’s satisfaction assessment for national projects. Finally, we achieved 90.6 points in consumer satisfaction and 91.2 points in tenant satisfaction for the Year, reaching a three-year high.

In 2023, we established a “Big Service” management system with a focus on consumer satisfaction, and completed the system framework and preliminary standardisation of rules and procedures so far. The headquarters continued to take over the functions of the 400+ call center and the complaint mailbox to provide feedback and follow-up on the complaints for our projects nationwide, forming a closed-loop supervision. All complaints were properly addressed as per our annual return visits.



Intellectual Property Protection

In order to strengthen intellectual property protection, Joy City Property follows relevant national laws and regulations, formulates the Measures for the Administration of Intellectual Property, conducts unified management of the intellectual property business within the Company's system, and puts forward specific requirements for trademark application, authorization and protection, etc. In terms of trademark applications, we strengthen the investigation of trademark similarity, and complete the subsequent trademark applications after confirmed the trademark application plan. In terms of trademark authorization, relevant proof of use is provided to the public based on the trademark usage needs of the business department. In terms of trademark protection, we clean up the trademarks of the non-authorized use of the Joy City system and similar trademarks registered. Through the above measures, we effectively protect the intellectual property of Joy City Property, protect the rights and interests of trademarks, and effectively prevent the risk of infringement.

B7 Anti-corruption

Joy City Property strictly abides by laws and regulations, including but not limited to the Criminal Law of the People's Republic of China, the Supervision Law of the People's Republic of China, the Criminal Procedure Law of the People's Republic of China, and has formulated the system documents such as the List of Duties on Strengthening the Prevention and Control of Overseas Integrity Risks and Corruption Governance of the Discipline Inspection Commission, the Implementation Plan for the Key Work Points of the Discipline Inspection Commission in 2023 to strengthen the integrity construction and anti-corruption work, consolidate daily supervision, carry out forward supervision, and plan, deploy and implement anti-corruption together with business operations. During the Reporting Period, the Company carried out case warning education and reflection and corruption prevention education for employees, popularized integrity knowledge to employees, promoted integrity and morality, and improved employees' integrity belief and integrity awareness.

Strengthening Supervisory Responsibility

Joy City Property strengthens fair competition management, deepens and realizes the forward supervision, and advocates transparent cooperation. During the Reporting Period, the Company strictly implemented the Measures for the Administration of Blacklist of Bribers of Joy City Property (Trial), banned the companies and personnel on the blacklist, clarified the time limit for bans, and controlled the potential corruption issues and unfair competition issues from the source; carried out in-depth and practical forward supervision, conducted spot check on the bidding and procurement matters and investment promotion matters, and made immediate rectification for any problems found; continued to promote sunshine cooperation and jointly built a "friendly" and "clean" market environment.

Fostering a culture of integrity

In order to enhance the anti-corruption awareness of employees and contractors and create a clean business atmosphere, Joy City Property carried out 237 warning education sessions throughout the year, covering the management team of Grandjoy Holdings, relevant leaders of the headquarters and regional companies, main personnel of overseas platforms, and personnel in key positions of key business lines such as business, engineering and property.

B8 Community Investment

On the path of creating economic value and promoting economic development, Joy City Property has always stayed true to its original aspiration, actively fulfills social responsibilities, responds to the national strategy of rural revitalization, and devotes itself to the cause of rural revitalization. The Company assisted in poverty alleviation through various forms. At the same time, the Company focused our charity efforts on key issues such as rural revitalization and green and low-carbon practices, and proactively strengthened cooperation with external philanthropic organisations. During the Reporting Period, the Company provided 816 hours of volunteer service, fulfilling its responsibility of repaying the society with practical actions.

Rural Revitalisation

- Promoting revitalization and continuously promoting rural revitalization in Ganzi County, Sichuan Province

Since 2016, in accordance with the national deployment of poverty alleviation collaboration and targeted assistance in eastern and western regions of China, Joy City Property has been participating in the targeted assistance work in Ganzi County, Sichuan Province under the unified guidance of COFCO Corporation. Over the past seven years, the Company has continuously carried out people's livelihood assistance, cultural assistance, talent assistance and other projects. Assistance work was carried out in an all-round way, and the paired assistance work achieved remarkable results. The Company mainly promoted rural revitalization through the following aspects:

1. Solidly promoting rural revitalization. We coordinated and promoted the implementation of responsibilities, allocated assistance funds, and assisted in people's livelihood assistance, cultural assistance, talent assistance and other projects.
2. Continuously strengthening consumption assistance. We mobilized the entire system to purchase agricultural products in Ganzi, expanded the sales volume of agricultural products through consumption assistance, and helped the development of the food processing industry in the counties.
3. Promoting the empowerment of cultural industry. We successfully held the theme activity of "Ganzi Ganzi – Entering Joy City" in Chengdu Joy City, vigorously deepened the "three integrations and three exchanges", made full use of the commercial advantages of Joy City, helped Ganzi County fully display cultural and tourism resources, promoted economic development through cultural industry, and helped people in Ganzi live a better life.
4. Mobilizing social public welfare forces. We continued to build the "Joyful Public Welfare" brand public welfare activities, assisted in organizing the book donation of "Joyful Reading Wish, Book Fragrance Circulation", integrated social forces such as tenants and merchants to participate in rural revitalization, and supported education with a high sense of responsibility and mission.
5. Doing a good job in basic livelihood work. We made full use of targeted assistance funds to built supporting facilities for the elderly care center in Ganzi County, and assisted in the rapid development of the elderly care industry in Ganzi County.
6. Vigorously supporting talent training. We carried out training for Party members and cadres, staffs, professional and technical talents, rural prosperity leaders, and "three teams" in Ganzi County.
7. Actively promoting the co-construction of Party building. We carried out activities of the co-construction of Party building with grass-roots Party organizations in Ganzi County, deepened communication with Ganzi County, and accurately met the needs of Ganzi County for assistance.

Case Study:

"Joy Public Welfare • Joy Reading Wish " activity for helping revitalize education

On the "World Book Day" on 23 April, Grandjoy Holdings, the parent company of the Group, and the Red Cross Society of Ganzi County jointly launched the " Joy Public Welfare • Joy Reading Wish " activity. By collecting the list of wishes and reading plans on reading from teenagers and children in Ganzi County, we helped teenagers and children in Ganzi County realize their reading wishes by actively donating books and initiating book fundraising activities to the society.

Since the launch of the activity, Grandjoy Holdings, the parent company of the Group, has donated RMB50,000 to the Red Cross Society of Ganzi County for targeted purchase of books and raised more than 2,000 social books.



Green and Low-Carbon Practices

Joy City Property always adheres to the concept of "green and low-carbon environmental protection", strictly abides by the Environmental Protection Law of the People's Republic of China and other environmental protection-related laws and regulations, continuously improves the environmental management system, and issues system documents such as the Review and Opening Risk Inspection, Work Safety and Environmental Management Regulations, the Ecological and Environmental Management Rules (Trial), the Regulations on Pollutant Discharge Management.

The Company actively responds to the call of the national strategic goal of "carbon peak and carbon neutrality", deeply studies the national decisions and arrangements, follows the "Action Plan for Carbon Peak by 2030", establishes a carbon peak work team, and sets up an office as the executive agency of the work team to undertake various responsibilities for implementing the daily work of the team. The Company sets carbon emission indicators for each project every year and incorporates them into the performance evaluation. By carrying out energy-saving diagnosis and strengthening data monitoring and analysis, we identify the main problems in energy conservation and carbon reduction of key operating projects, clarify the implementation path of carbon reduction, and supervise projects to achieve precise and effective carbon reduction, striving to achieve carbon peak by 2030.

During the Year, the Company strictly controls carbon dioxide emissions, and targets to achieve a significant reduction in carbon emissions per RMB10,000 revenue by 2025 as compared with 2020. During the Reporting Period, all key emission units included in the local carbon market completed the carbon quota compliance on time, and the Company had no violations of laws and regulations in the field of ecological environment.

Case Study:

Supporting the “Earth Hour” activity with practical actions

In 2023, Grandjoy Holdings, the parent company of the Group, cooperated with the World Wide Fund for Nature (WWF) for the fourth consecutive year, and jointly issued a call for people to pay attention to environmental protection and biodiversity conservation during the week from 20 to 26 March. In order to issue environmental protection initiatives to the public, the commercial projects, office buildings, hotels and other projects of the Company provided public welfare electronic screens and public welfare advertising spaces to display the “Joint Poster of World Wide Fund for Nature and Grandjoy Holdings”; unnecessary power supply was turned off from 20:30 to 21:30 on 25 March in some projects, supporting the “Earth Hour” activity with practical actions.



Case Study:

Organizing the “Volunteer Tour, Creating the Future” female employee outing activity

On 3 March, the Company organized a female employee outing activity in Shenzhen under the theme of “Volunteer Tour, Creating the Future”. In the activity, female employees wore volunteer uniforms, actively picked up garbage and cleaned up sundries. Everyone experienced the happiness of “serving the society and spreading civilization” in volunteer activities.



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