



景瑞控股
JINGRUI HOLDINGS

景瑞控股有限公司*
JINGRUI HOLDINGS LIMITED

(於開曼群島註冊成立的有限公司)
(Incorporated in the Cayman Islands with limited liability)

股份代號 Stock code : 01862



2023

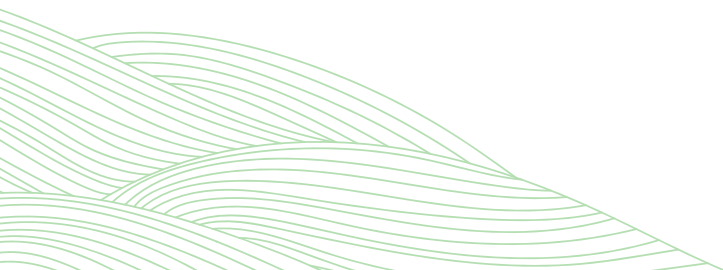
Environmental, Social and
Governance Report



* 僅供識別 For identification purpose only

CONTENTS

Concept and principle of the report	2
Reporting period	2
Reporting standards	2
Information source	3
Report access	3
Approval by the Board	3
About the Group	3
Statement of the Board	4
Chairman's statement	5
Stakeholder communication	5
Assessment of key issues	8
Performance and figures overview	9
List of major awards and achievements in 2023	11
Environment	13
Governance	19
Society	37
Outlook	41
The Stock Exchange's Environmental, Social and Governance Reporting Guide Content Index	42





ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

2023 was the first year after the pandemic. China has adhered to the general tone of seeking progress while maintaining stability, and its economy has continued to recover. However, under the superimposition of domestic economic cyclical and structural contradictions, the insufficiency of aggregate demand was prominent, and some enterprises encountered difficulties in operation. Compared with the normalized and cyclical recovery in the past, the recovery process in the post-pandemic era will be volatile and prolonged.

Looking ahead in 2024, there will still be challenges of economic fluctuations and uncertainties, and the management of Jingrui will maintain a positive and optimistic attitude, rationally respond to the economic downturn, prepare for long-term responses, ensure operation, control risks and reduce liabilities. We will take "ensuring delivery" as the core of the current work, focus on building our delivery power and strive to achieve business objectives.

Yan Hao
Chairman

Concept and principle of the report

This report is the eighth Environmental, Social and Governance Report (the "**Report**") issued by Jingrui Holdings Limited (stock code: 01862) (the "**Company**" or "**Jingrui**") and its subsidiaries (the "**Group**" or "**we**"). The purpose of this Report is to disclose the performances we achieved in the year in terms of environment, society and governance ("**ESG**"), respond to stakeholders' expectations of the Group's information disclosure and allow them to understand our performance and development direction on various sustainable development policies.

The Group's projects are mainly located in all municipalities of the People's Republic of China ("**China**") and the first- and second-tier core cities in the Yangtze River Delta, with a total of 112 projects being operated in 24 cities as of the end of 2023. Our projects are in different development phases, and they also cover a variety of different building models and methods. As such, it is difficult to disclose comparable environmental data for all projects at one time. Considering this, for each reporting year, we select appropriate projects for disclosure. In 2023, we will select Wuyi Project and our head office as this year's environmental disclosure, while the remaining data of policies and measures disclosed cover the same entities as those in the annual report.

Reporting period

Unless otherwise specified, this Report covers the performance of the Group on environmental, social and governance issues from 1 January 2023 to 31 December 2023 (the "**Reporting Period**").

Reporting standards

This Report is prepared under the Environmental, Social and Governance Reporting Guide (the "**Guide**") stated in Appendix C2 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The reporting principles of "Materiality", "Quantitative", "Balance" and "Consistency" set out in the Guide of the Stock Exchange underpinned the preparation and contents of this Report, as well as the presentation of the information. The Group has included a chapter of the Statement of the Board in environmental, social and governance report and showed that the Board of the Group attaches importance to the sustainable development.

In 2023, we disclosed the Group's environmental, social and governance initiatives in compliance with the Guide of the Stock Exchange, with a view to giving a full picture of the Group's commitment to social development and corporate responsibilities beyond financial data.



Information source

Unless otherwise stated, the information disclosed in this Report comes from the Group's internal official documents, filings, internal statistical data and relevant official public information records.

Report access

To reduce paper usage, this Report is published electronically on the Company's website (www.jingruis.com) and the website of HKEXnews (www.hkexnews.hk) and no printed copies are provided. If readers have any inquiries or comments on this Report, you can contact us at ir@jingruis.com. This Report provides two versions in Chinese and English for readers to refer to. If there are any differences in content, the Chinese version shall prevail.

Approval by the Board

This Report was approved by the board (the "**Board**") of directors (the "**Directors**") of Jingrui on 28 March 2024. The Group undertakes that the contents of this Report do not contain any false statements, misleading statements or material omissions and the Board is responsible for the truthfulness, accuracy and completeness of the contents. The contents of this Report have been duly reviewed and approved by the Board prior to publication to ensure their correctness. If you have any feedback on this Report, please contact us by the following ways:

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About the Group

The Group is a residential property developer, asset management operator and professional service provider in China. Since its establishment in Shanghai in 1993 and listing on the Main Board of the Stock Exchange in 2013 (stock code: 01862), we have been focusing on real estate development and asset management as our core business, with a focus on professional services including residential development and asset management operations in first- and second-tier core cities and metropolitan areas.

We serve mainly buyers who are improving their existing living conditions and first-time buyers, which we believe are the majority of buyers in the China property market. We value our customers and operate under the principle of "Customer First". In order to serve our customers systematically, we have created "Design to Value" ("**DTV**"). By providing one-stop product solutions, we develop quality residential properties and provide systematic professional services to meet all the needs of our clients with tailor-made solutions. We insist on our mission to be the "pioneer in asset management with the best knowledge in both architecture and lifestyle", to build a sense of quality, create quality communities, and continuously improve our management services.

We value technological innovation. With the rapid development of technology, we create new business models through big data analysis and correlation rule algorithms. We effectively implement intelligent production management through data tracking and information interfacing to address the flexible service needs of small batches and multiple lots. We strive to add new value to every aspect of real estate development in order to enhance the overall competitiveness of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Through its five business platforms, the Group engages in real estate development, urban renewal, asset management, commercial operations and property management, and is committed to becoming the “pioneer in asset management with the best knowledge in both architecture and lifestyle” in China. In March 2020, the business platform was iteratively upgraded into five major segments: Yan Capital Management, Jingrui Properties, Jingrui Capital, Jingrui Service and Co-Fortune Capital. Yan Capital Management has formed a mature “fund raising, investment in projects, post-investment project management and capital withdraw” full-cycle fund management capability, with advantages being highlighted and product design capability being further enhanced. In addition to deepening

regional cultivation, Jingrui Properties has been actively expanding its layout in the midstream and downstream Yangtze River City Cluster, striving to expedite its development pace, continuously improve its operational turnover efficiency and realize both scale and efficiency growth. The operation management of Jingrui Capital has become more refined, and the digital operation management system has begun to bear fruit. Jingrui Service takes the “promoter of ideal life in Chinese cities” as its development objective to provide high-standard and customized property management services for customers. Co-Fortune Capital has always been around the real estate ecosystem, maintaining market acumen, actively capturing industry opportunities and striving to achieve investment expectations.

Five business platforms

Yan Capital Management	Jingrui Properties	Jingrui Capital	Jingrui Service	Co-Fortune Capital
Focuses on real estate fund raising activities and asset management and manages to finish a transition from real estate debt fund to equity fund	Focuses on property development in four urban agglomerations in China and is committed to providing customized life products and services based on the strategy of “customer insights”	Focuses on urban renewal and provides operating management services covering apartment and office building development, holding and leasing in the first-tier cities such as Shanghai, Beijing as well as core second-tier cities	With the development goal of being a “promoter of ideal life in Chinese cities”, it provides high-quality property services for various properties such as commercial plazas and high-end apartments	Focuses on investment in real estate ecological cycle, and enhancing products and serving capabilities by leveraging on its capital to stimulate its real estate development business

Operating policy:	In line with the national development strategy, the Group continues to focus on the first- and second-tier core cities and metropolitan areas, and develops and operates real estate projects with relatively high margins and stable investment returns
Ways of land acquisition:	Diversified methods such as public bidding, auction and listing, equity transfer, transaction agreement
Contracted sales value:	RMB3,787 million
Contracted sales area:	210,469 square meters (“sq.m.”)

Statement of the Board

Sustainable development is an integral part of our development strategy. Against the backdrop of the national commitment to carbon peaking and carbon neutrality, it is particularly important for us as a corporate citizen to put into practice sustainable development. Specifically, the Board has been collecting opinions through various communications, identifying key

ESG related issues, monitoring and managing them accordingly, and evaluating the results in a timely manner while developing our business. The Board also confirms that it has reviewed the contents hereof and will bear the ultimate responsibility for this Report. If you have any questions about the content hereof, please feel free to give us feedback. The Board will ensure that your relevant issues will be dealt with appropriately.



Chairman's statement

As a real estate company, building a good livable environment is the fundamental of our business. 2023 marked the 30th anniversary of our establishment, our real estate business has been growing steadily and our corporate governance has continued to improve. We have successfully expanded our business to 24 cities across the country and provided happy residences for more than 70,000 families. In the future, under the policy of the Chinese government for the virtuous cycle and healthy development of the real estate sector, the real estate industry will have a demand for better companies and better products. Therefore, we will continue to do our best to adhere to the philosophy of "customer-first" and follow the main policy of "housing is for accommodation, not for speculation (房住不炒)", and committed to seek a balance between achieving environmental protection goals and profitability, so as to create returns for shareholders, and also bring benefits for other stakeholders.

2023 was the first year of the post-pandemic era. The overall macro-economic development has been stabilized with the society resuming normal operation and various economic boosting measures were introduced by the central government. However, the real estate industry has continued to face challenges of slowing growth and transformation of operational strategies from 2021. Coupled with the deleveraging policy and the regulatory context of "preventing risks and stabilizing the market", Jingrui has also accelerated its efforts to cope with the changes in the market and policies, focusing on its own development and operating with best efforts which demonstrated its resilience with steady development in a sluggish market, while keeping firm faith in the long-term development of the industry. We would like to take this opportunity to express my sincere gratitude to all employees for their efforts over the past three years in light of the pandemic and for staying with us during this difficult time to maintain the normal business operation of the Group. I am confident that with our years of market experience, industry knowledge and commitment to success, we will overcome all challenges.

This is our eighth Environmental, Social and Governance Report, we hope that it will serve as an opportunity to review our progress made over the past year in promoting the environmental, social and corporate governance aspects, as well as our efforts in practicing the concepts and initiatives related to sustainable development.

In terms of environment, we have been reinforcing the concept of green construction with a view to obtaining the highest green building certification for all our new projects. As we provided inspiration for Jingrui's future environmentally friendly construction, we are also contributing to the central government's goal of achieving peak carbon emissions by 2030 and carbon neutrality by 2060.

In terms of society, Jingrui continuously optimizes product quality to ensure that the quality of projects we deliver meets standards. We have also increased the ESG requirements and assessments for our supply chain partners. In addition, we continue to implement several employee and community care programmes to foster happiness of our employees and the general public.

In terms of corporate governance, Jingrui further improves the internal control and risk control system, and strictly abides by business ethics. In addition, we continuously optimize our information disclosure efforts to ensure that timely, accurate and complete information is provided to all stakeholders of the Company.

We will continue to put ESG at the core of our strategy, actively respond to challenges from climate changes, protect the rights and interests of employees, and insist on operating with integrity. Let us keep up the spirits to move forward with all stakeholders for creating a better future with sustainable development.

Jingrui Holdings Limited

Yan Hao

Chairman and chief executive officer

Stakeholder communication

The promotion of sustainable development is a long-term and sustained plan. Therefore, we have been in close communication with various stakeholders, in hope of improving the sustainable development strategy of the Group by responding to their concerns, absorbing new ideas and improvements and adapting to the constantly changing external environment, and thus creating longer-term value for stakeholders while ensuring that the Group is on the right developmental track. During the Reporting Period, the Group communicated with stakeholders in a variety of ways to collect their opinions and questions which had been reported to the management and adopted those feasible to improve daily operating performance.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Details of communication with stakeholders during the Reporting Period are as follows:

Stakeholders	Expectation and Demand	Communication Response Method
Employees	Health and safety	Talks With Employees
	Promotion and development	Caring Activities For Employees
		Operators Conferences
		Employees Questionnaire
Investors and shareholders	Information disclosure	Regular Reports and Investor Meetings
	Returns and growth	Annual General Meeting
Owners and customers (consumers)	Product quality and safety	Immediate Communication Platforms including Customer Service Hotline
		Third-party Satisfaction Survey
Suppliers and business partners	Fair, equitable and open procurement	Strategic Partners Forum
	Industry experience exchange	City-level Supplier Conference
		Project Regular Seminars With Suppliers
Media	Information disclosure	Interview With Senior Management
		Timely Response to Enquiries from Media, Distribution of Press Release in Relation to Business Development to Media, etc.
Local communities	Creating healthy habitat	Community Events
		Distribution of Company Publications to Promote the Company's Measures among the Communities in Forms of Words and Pictures
Government supervision agencies	Law-abiding	Taxation According to the Law and Provision of Advice for the Establishment of Policies from the Perspective of Industry Professional
Non-profit organizations and non-governmental organizations	Public charity	Social Welfare Activities
General public	Information disclosure	Information Disclosure
	Support for social development	Public Opinion Monitoring



Details of communication events with stakeholders during the Reporting Period are as follows:

Stakeholders	Relevant Events	Frequency
Investors	Investor Meetings	Keep communicating with investors throughout the year and respond to investor inquiries.
	Annual general meeting	Annual general meeting was held in Shanghai on 27 June 2023
Employees	Talks With Employees	The management communicates with employees irregularly throughout the year, listens to their opinions and needs, so as to make effective improvements and adjustments
	Employees questionnaire	Conduct questionnaires to employees twice a year to understand their opinions and improve existing measures
	Caring Activities For Employees	City companies organized various festival celebrations or caring activities for employees at various festivals or from time to time according to their actual conditions, so as to establish a good corporate culture, and enhance the morale and sense of belonging of employees
	Operators Conferences	The Company held two operators' conferences on 3 February and 18 July 2023, aiming to stir up the morale of the Company's management personnel while promoting their understanding of the Company's policies and development direction
Consumers	Third-party Satisfaction Survey	Monthly
	Complaint and Consultation Hotline	Each subsidiary has set up a hotline for complaint and consultation throughout the year
Suppliers	The Group's Suppliers Chinese New Year Feast	Held every 1-2 years
	The Group's Strategic Partners Forum	Half-yearly
	City-level Supplier Conference	Held annually according to the actual situation of the city company
	Regular Seminars With Suppliers	Quarterly
Media	Interview With Senior Management	Irregular interviews with various media
Government supervision agencies	Law-abiding Taxation According to the Law	Communicate with government departments from time to time to understand and learn the latest policy situation, and actively cooperate with government administration
Non-profit organizations and non-governmental organizations	Public Charity	12 social welfare activities were organized



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Assessment of key issues

Through effective communication with stakeholders and internal discussions, the Company has sorted out a series of key issues and will follow the “materiality” principle

of the Environmental, Social and Governance Reporting Guide in Appendix C2 to the Listing Rules of the Stock Exchange. On the basis of meeting the requirements of the Guide, in-depth disclosure on the following issues is made in response to the expectations of stakeholders.

Environmental Issues	Disposal of waste
	Selection and use of building materials
	Environmental protection of the unconstructed land at the early stage of site selection and construction
Social Issues	Staff benefits and training
	Employee health and safety
	Product quality
	Guarantee customer health and safety
	Protect customer privacy
	Supply chain management
Governance Issues	Economic indicator
	Prevent corruption, bribery, extortion and fraud



Performance and figures overview

Financial data

Year	2023	2022	2021	Change 2023x2022	Change 2022x2021
Financial data (RMB million)					
Revenue	7,294.5	7,907.9	13,551.6	-7.8%	-41.6%
Gross Profit Margin	6.4%	1.5%	18.0%	4.9 Percentage Points	-16.5 Percentage Points
Contracted Sales Value	3,787.4	7,075.6	27,011.1	-46.5%	-73.8%
(Loss)/Earnings Attributable to Equity Holders of the Company	-1,721.2	-4,269.8	127.5	-59.7%	-3,448.9%
Number of Major Sales Cities and Projects	112 projects in 24 cities	112 projects in 24 cities	116 projects in 24 cities	/	/
Basic (Loss)/Earnings per Share	RMB-1.12	RMB-2.78	RMB0.08	-59.7%	-3,575.0%
Total Contracted Sales Gross Floor Area	210,469 sq.m.	427,109 sq.m.	1,433,005 sq.m.	-50.7%	-70.2%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environmental Data¹

Year	2023	2022	2021	Change 2023x2022	Change 2022x2021
Environmental data					
Total Greenhouse Gas Emissions	650.3 tonnes carbon dioxide equivalent	351.7 tonnes carbon dioxide equivalent	952.8 tonnes carbon dioxide equivalent	84.9%	-63.1%
Water Consumption	13,727.9 cubic meters	14,107.0 cubic meters	49,556.0 cubic meters	-2.7%	-71.5%
Electricity Usage	1,015.2 MWh	476.2 MWh	1,394.6 MWh	113.2%	-65.9%
Total Energy Consumption	1,306.9 MWh	782.9 MWh	1,811.5 MWh	66.9%	-56.8%

¹ Environmental data only covers the relevant data of the Wuyi Project and Shanghai head office of the Group

Social and Governance Data

Year	2023		2022		2021	
	Office Employees	Frontline Employees	Office Employees	Frontline Employees	Office Employees	Frontline Employees
Number of Employees	2,990		3,082		3,160	
Work-related Injuries	0	18	1	10	2	18
Rate of Work-related Injuries	0.00%	0.60%	0.03%	0.32%	0.06%	0.57%
Work-related Fatalities	0	0	0	0	0	0
Rate of Work-related Fatalities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



List of major awards and achievements in 2023

Awarding organization	Award
GHDA Global Habitat Design Awards	Wuyi Chunxiaohuyuan(春曉壺園) – Gold Prize*
Shanghai Property Management Association	Integrity Commitment AAA Credit Rating Enterprise
	Outstanding Member Unit
	Outstanding Co-organizer
	Outstanding Vice Chairman Unit
	Five-Star Enterprise for Property Services Comprehensive Strength
	Advanced Unit
Association of Real Estate and Urban Services Industry Expo Group	China’s Property Management Service Provider for a Better Life
Leju Finance	Excellent Property Brand Companies
	Enterprise Contributing to a Better Life
CRIC Property Management/China Property Management Research Institution	Top 50 China Property Services Companies with Comprehensive Strength
	TOP 37 in Top 100 Property Service Business Enterprises in China
	China’s Leading Quality Property Service Enterprise
	China’s Leading Residential Property Service Enterprise
	Top 100 China Property Services Companies with Quality Value
	Leading Enterprise in China’s Property Service Satisfaction
	Top 50 in China Property Service, Shanghai
	Top 100 China Property Service Enterprises in Eastern China
	Top 30 Branded Property Service Enterprises in Eastern China
Hebei Credit Management Services	AAA Grade Credit Enterprise

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

**Jingrui's project – Wuyi Wushuang (武義無雙) was awarded in the Global Habitat Design Awards (GHDA)*

On 28 June 2023, the Wushuang project of the Group stood out among the nearly 500 projects submitted and won the Gold prize in the “Real Estate Demonstration Area for Architecture Category” of the 3rd GHDA Global Habitat Design Awards (2022-2023), and its product strength was unanimously affirmed by the judging panel. The judging committee of the GHDA Global Habitat Design Awards is composed of professional design directors of the top 50 domestic real estate developers, chief designers of well-known foreign real estate groups, and internationally renowned designers. This is an award of high standing in the industry with hundreds of entries each year.



Realistic view of Wuyi Wushuang



Environment

Overview and Directional Statements

Global warming is an indisputable fact. There is abundant scientific evidence indicating the global temperatures have been rising over the past century or so, mainly due to greenhouse gases, such as carbon dioxide and methane, etc., emitted by human activities. Global warming has led to serious consequences such as rising sea levels, increased extreme weather events and damaged ecosystems. According to the World Meteorological Organization, 2023 is the warmest year on record globally. Against the backdrop of climate change, extreme weather, such as floods, heat waves, droughts, forest fires, etc., continue to affect the world and cause serious loss of life and property. Governments, businesses and the public must take greater precautions and respond in a timely and effective manner.

Since 2018, China has achieved positive results through a series of actions, including adjusting the industrial structure, optimizing the energy structure, improving energy utilization efficiency, and controlling greenhouse gas emissions from non-energy activities to promote the development of green industries. In addition, the Environmental Protection Tax Law, implemented since 1 January 2018, requires regulations made and new taxes levied on targeted companies and public institutions that discharge certain pollutants into the environment. According to this law, during the Reporting Period, we did not have any increase in liabilities and a decrease in profits due to the implementation of environmental policies and the increase in tax.

In 2023, the Group continued to increase the Group's efforts in constructing green buildings, while continuing to strengthen the construction of civilized construction sites and green business operations, and would also increase efforts to promote green lifestyles to residents through Jingrui Service. The directional goals for increasing efforts in constructing green buildings include:

1. Integrate green building concepts and designs into projects in their research and development phase
2. Use environmentally friendly and energy-saving materials
3. Upgrading and utilizing green processes
4. Saving energy and water at any stage of construction
5. Reduce direct and indirect impacts on the environment

In addition, Jingrui has developed a green financing framework to raise funds for the Group's goal of constructing and managing properties with positive environmental impacts. In 2023, the Group's Wuyi Project adopted a green and energy-efficient building design scheme, signifying the Group's commitment to the concept of environmental protection and "sustainable development" and its implementation.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environmental Indicators

The followings are the comparison between various environmental indicators during the Reporting Period and those in the previous period. Our projects are in different development phases and they also cover a variety of different building models and methods. As such, it is difficult to disclose comparable environmental data for all projects at one time. Although the Jiaxing Project has completed in September 2022, in order to keep the year-on-year comparability, we select to continue with the Jiaxing Project and our head office in

Shanghai as the environmental disclosure for 2022 and 2021. From 2023, we focused on the Wayi Project and our head office in Shanghai and continued to improve our environmental data collection system so that we can study and disclose the relevant data in a more systematic and targeted manner. As the completion of the Jiaxing Project in 2022 did not generate significant emission data, the comparability of the data covering the Wuyi Project in 2023 compared to the data thereof in 2022 is relatively insignificant.

Item	Unit	2023	2022	2021	23 vs 22 Change	22 vs 21 Change
Type of emissions and relevant emission data *						
Nitrogen oxides	Kg	2.77	3.40	5.98	-18.5%	-43.1%
Sulfur oxides	Kg	2.14	2.46	3.35	-13.0%	-26.6%
Respirable suspended particulate	Kg	0.49	0.60	0.90	-18.3%	-33.3%
Total greenhouse gas emissions**						
Total greenhouse gas emissions	Tonne of carbon dioxide equivalent	650	352	953	84.7%	-63.1%
Scope 1	Tonne of carbon dioxide equivalent	71	75	102	-5.3%	-26.5%
Scope 2	Tonne of carbon dioxide equivalent	579	277	851	109.0%	-67.5%
Greenhouse gas emission density	Tonne of carbon dioxide equivalent/sq.m.	0.0075	0.0026	0.0071	188.5%	-63.4%
Hazardous waste***						
Total hazardous waste	Tonne	12.00	13.00	7.00	-7.7%	85.7%
Asbestos waste	Tonne	0.00	9.00	6.00	-100.0%	50.0%
Dye/coating waste	Tonne	3.00	1.00	1.00	200.0%	0.0%
Hazardous waste density	Tonne of carbon dioxide equivalent/thousand sq.m.	0.3692	0.0991	0.0534	272.6%	85.6%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Item	Unit	2023	2022	2021	23 vs 22 Change	22 vs 21 Change
Non-hazardous waste**						
Total non-hazardous waste	Tonne	1,124	753	1,749	49.3%	-56.9%
Non-hazardous waste density	Tonne/sq.m.	0.0129	0.0056	0.0130	130.4%	-56.9%
Recyclable items	Tonne	11	19	26	-42.1%	-26.9%
Domestic waste	Tonne	75	41	24	82.9%	70.8%
Construction waste	Tonne	1,049	693	1,699	51.4%	-59.2%
Energy consumption**						
Electricity usage	MWh	1,015	476	1,395	113.2%	-65.9%
Gasoline usage	MWh	292	307	417	-4.9%	-26.4%
Total energy consumption	MWh	1,307	783	1,811	66.9%	-56.8%
Energy consumption density	MWh/sq.m.	0.0150	0.0058	0.0135	158.6%	-57.0%
Total water consumption**						
Water consumption	Cubic meter	13,728	14,107	49,556	-2.7%	-71.5%
Water consumption density	Cubic meter/sq.m.	0.1580	0.1051	0.3694	50.3%	-71.5%
Packaging materials used in finished goods****						
Rebar	Tonne	6,610	298	7,869	2,118.1%	-96.2%
Concrete	Tonne	103,648	5,133	85,017	1,919.2%	-94.0%

* Only covers Shanghai head office

** Only covers Shanghai head office and the Wuyi Project (2023) or Shanghai head office and Jiaying Project (2021 and 2022)

*** Only covers Shanghai head office (2023) or Jiaying Project (2021 and 2022)

**** Only covers the Wuyi Project (2023) or Jiaying Project (2021 and 2022)



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Environmental data analysis

In order to enhance the continuous comparability, the data for nitrogen oxides, sulphur oxides and respirable suspended particulate at aspect A1.1 only covered Shanghai head office and decreased by 18.5%, 13.0% and 18.3% year-on-year respectively. The main source of air pollutant emissions is the use of vehicles. As the overall frequency of business trips of Shanghai head offices in 2023 is lower as compared to the previous year, the fuel consumption and travel mileage of vehicles have reduced accordingly, resulting in lower air pollutant emissions as compared to 2022. The greenhouse gas emission density at aspect A1.2 (including Wuyi Project (2023) or Jiaxing Project (2021 and 2022)) increased by 188.5% year-on-year, due to the fact that the purchased electricity of the Jiaxing Project had only produced 138 tonnes carbon dioxide equivalent in 2022, which is significantly less than the 470 tonnes carbon dioxide equivalent produced from the Wuyi Project in 2023.

During the Reporting Period, hazardous waste data at aspect A1.3 was mainly produced from office renovation in Shanghai head office due to the reduction of leased area. As the hazardous waste in the previous year was mainly produced from the Jiaxing Project, the year-on-year comparability of its density data is low.

The non-hazardous waste density at aspect A1.4 (including Shanghai office) increased by 130.4% year-on-year, mainly due to the fact that 75 tonnes of domestic waste and 1,049 tonnes of construction waste produced from the Wuyi Project (Shanghai office is not included) in 2023 were higher than 41 tonnes of domestic waste and 693 tonnes of construction waste produced from the Jiaxing Project (Shanghai office is not included) in 2022, and that the total area of the Wuyi Project is currently smaller than that of the Jiaxing Project.

The energy consumption density at aspect A2.1 and the water consumption density at aspect A2.2 increased by 158.6% and 50.3% year-on-year respectively, mainly due to the fact that the demand of gasoline and electricity from the new Wuyi Project in 2023 was significantly higher than the consumption of electricity and water from the Jiaxing Project completed in 2022. Similarly, the raw materials consumption of rebar and concrete at aspect A2.5 has a low comparability with the consumption thereof from Jiaxing Project of its completion year in 2022, due to the high demand for rebar and concrete in the new Wuyi Project.

Overall, the years from 2022 to 2023 are the transition period of the Group's projects, thus the comparability of the environmental data of these two years is insignificant. As we have started to record the data from the Wuyi Project since 2022, the ESG report for the coming year (2024) will have sufficient data of individual project covering the period from 2022 to 2024 to generate high quality and reliable year-on-year comparisons.

Energy saving and emission reduction measures

In order to strengthen the green management of the office, we have established a complete inspection mechanism with the aim of controlling electricity consumption and achieving energy saving and emission reduction at the same time, ensuring that the lighting and air conditioning in all areas of the property are used properly. We also strictly enforce the shutdown of unused appliances to reduce electricity consumption. In order to enhance the overall effect of reducing emissions, the Company put forward the "five one" initiative, including saving every "one" sheet of paper, reducing the use of "one-time" tableware, turning off the lights for "one" hour at noon, and increasing "one" centigrade when using the air conditioning and driving "one" fewer day a week. In addition, the Company published the Convention on Office Civilization to call for energy saving and emission reduction for all employees, and also launched an "energy saving and emission reduction" publicity activities, and posted energy-saving and paper-saving signs throughout the Company to remind employees to save energy. At the same time, we reduced resource waste through modifying printer settings and air conditioning control.

Energy saving measures: We are actively promoting the use of environmentally friendly materials and technologies in all our projects. We tried to use energy-saving materials, such as fly ash and prefabricated piles, to reduce related energy consumption and carbon emission. In addition, we also tried our best to industrialize interior decoration as much as possible and promote the application of precast concrete technology to further reduce overall carbon emissions. Of course, we also promoted the use of such materials, clean energy technologies, finished assembly components and other low-emission products or technologies in all respects, so that our construction projects could be built as environment-friendly as possible. In the construction, we



used all-steel climbing frames made of aluminum mold instead of wood, therefore reducing the use of high-loss materials such as wood. Other energy-saving measures we have taken include:

1. Kept the original building materials in their original form as much as possible in the process of building and renovation to reduce the production of building wastes. If there was a need to demolish certain building parts, the integrity of the building would be taken into account as much as possible, so that the parts demolished could be reused;
2. In terms of material procurement, we have striven to accurately calculate the amount of consumption to avoid waste caused by excessive procurement;
3. Planned the material stacking reasonably to avoid second-time transportation and reduce the carbon emissions due to the use of transportation tools;
4. Machinery has been reasonably equipped according to the actual needs of the project to avoid idle machinery and achieve less waste of resources; and
5. If there is excess material purchase or dismantling materials, they would be sold or donated to third parties.

Power saving measures: We used electrical equipment with low power as much as possible as long as the equipment can meet the needs of construction; during the construction, we tried our best to use energy-saving lamps with high brightness but low power consumption to improve energy efficiency; we ensured separate power supply for construction, office and living areas and separate measurement for these areas, so as to ensure that all electricity records were clear and accurate and to analyze their energy consumption and identify opportunities to reduce energy use and carbon footprint; and we strictly supervised the use of high-power equipment, and shut them down immediately after construction.

Water saving measures: We set up separate water meters for measurement in construction, living and firefighting areas, and collect statistics and made analysis of water consumption data by stage to identify opportunities for reducing water usage, extensively used water-saving products, and strengthened the daily repair and maintenance of water-using equipment to prevent dripping, popping and leakage.

Waste management

The Group is committed to waste reduction and the properties and offices we own or manage have implemented various waste management practices to minimize waste generation. We actively promote reuse and recycling to maximize the useful life of our materials. The Group also employs responsible recycling contractors to collect and process recyclable materials. In our managed properties, we encourage tenants and residents to practice source separation of waste. We also actively promote green living to our customers, such as the "Sharing Bazaar" campaign in our apartment stores, which allows tenants and employees to exchange unused items via cell phones and reuse resources. In addition, we are actively responding to the national call to integrate waste separation in all communities, stores and offices.

Green building certification

Green buildings are the most intuitive expression of the sustainable development thoughts of real estate companies and the most direct expression of social responsibility. We evaluate and select suitable properties and actively participate in the evaluation of green buildings. In addition, the Company also refers to the best management practices so as to further improve the project efficiency and create more environmentally friendly and comfortable buildings. During the Reporting Period, the Company delivered or partially delivered a total of 7 green building projects, including 1 one-star project and 6 two-star projects, with a total gross floor area of 942,000 sq.m.. In addition, we still have 11 projects under construction that have been evaluated as green buildings, including 7 one-star projects and 4 two-star projects, with a total gross floor area of about 1.76 million sq.m., which are expected to be delivered in the next 3 years.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

China's Assessment Standard for Green Building defines green buildings as "buildings that conserve resources alternatively, protect the environment and reduce pollution, provide people with healthy, suitable and efficient use of space, and coexist in harmony with nature throughout the life cycle of the buildings". Other green building assessments and sustainable building certifications include: LEED (Leadership in Energy and Environmental Design), WELL and others. The former

is issued by the United States Green Building Council and is widely used in various buildings. LEED provides a framework for healthy, efficient and cost-saving green buildings. LEED certification is a globally recognized symbol of sustainable development achievement and leadership. WELL is managed by the International WELL Building Institute and aims to measure, certify and monitor buildings through dimensions such as air, water and light.

The projects delivered or partially delivered with the China's green building star certification during the Reporting Period are as follows:

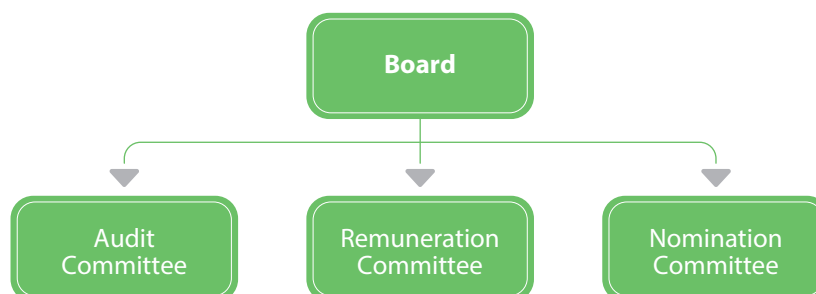
No.	Project Name	Project Type	Total Gross Floor Area (thousand sq.m.)	Assessment Results of Green Building
1	Suzhou Jingrui Changshu Jiangnan Mansion	Residential	291	Two-star Green Building
2	Wuxi Jingrui Hubin Tianyu	Residential	57	Two-star Green Building
3	Changzhou Jingrui Chenyun Tianfu	Residential	188	Two-star Green Building
4	Shanghai Jingrui Jiangshanyue	Residential	36	Two-star Green Building
5	Hangzhou Jingrui Qinghai	Residential & commercial	85	Two-star Green Building
6	Tianjin Jingrui Yujing Tiandi	Residential & commercial	199	Two-star Green Building
7	Tianjin Jingrui Yuexitai	Residential & commercial	86	One-star Green Building

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Governance

Governance Structure

As at the date of this report, the Group's corporate governance structure is as follows:



Board Governance and Supervision

The role of the Board is pivotal in leading the overall development of the Group: the Board leads the overall development of the Company over time, sets the Company's values and standards, and at the same time allocates the Group's resources and funds in a timely manner to ensure that the established strategic goals and development strategies are effectively implemented, the development momentum of the Group can be maintained and creates value for shareholders.

On 30 March 2023, Mr. Chen Xin Ge, the co-chairman and an executive Director of the Company resigned as the co-chairman and re-designated as the nonexecutive Director, while Mr. Yan Han, the co-chairman, an executive Director and chief executive officer of the Company re-designated as the chairman of the Board from the co-chairman of the Company. Upon this re-designation, Mr. Yan assumed the roles of both the chairman of the Board and chief executive officer. The Board believes that Mr. Yan, as one of the founders of the Group, is instrumental to the Group's growth and business expansion since 1999 and that vesting the roles of chairman and chief executive officer in Mr. Yan facilitates and maximizes the effectiveness of the execution of the Group's business strategies. The Board also believes that the balance of power and authority between chairman and chief executive officer would not be impaired by such arrangement, and the significant weight of the non-executive Directors (including independent non-executive Directors) enabled the Board as a whole to effectively exercise its non-bias judgement. As at the date of this report, the Board comprises three executive Directors (including Mr. Yan Hao), one nonexecutive Director and three independent non-executive Directors and therefore

has a strong independence element in its composition. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the Corporate Governance Code (the "**Corporate Governance Code**") contained in Appendix C1 to the Listing Rules.

In accordance with code provision B.2.4(b) set out in Part 2 of the Corporate Governance Code, an issuer shall appoint a new independent non-executive director at the next annual general meeting if all independent non-executive Directors on the board of the issuer have been in office for more than nine years. Mr. Han Jiong, Mr. Qian Shi Zheng and Dr. Lo Wing Yan William were all appointed as independent non-executive Directors with effect from 6 October 2013 and they have all been independent non-executive Directors for more than nine years as of 1 January 2023. Due to the inability to identify new suitable candidates for nomination and appointment as new qualified independent non-executive Directors, the Company did not appoint a new independent non-executive Director at the Annual General Meeting held on 27 June 2023, and the Company is currently identifying suitable candidates to be appointed as additional independent non-executive Directors, so as to comply with code provision B.2.4(b) of Part 2 of the Corporate Governance Code.

Under the supervision of the Board, the Group manages its overall operations through its audit committee, remuneration committee, nomination committee and risk management committee (merged into the Audit Committee on 30 August 2023).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



Audit Committee: responsible for handling matters relating to the external auditors, working together with the auditors to monitor the compliance and integrity of the Company's financial statements and annual reports and accounts, interim reports and (if to be published) quarterly report, and at the same time discussing the risk management and internal control systems with the management to ensure that the management has performed its duty to establish and maintain effective systems, and conducting research on major investigation findings on risk management and internal control and management's response to these findings.

Remuneration Committee: responsible for making recommendations to the Board on the Company's policy and structure for all Directors' and senior management's remuneration and on the establishment of a formal and transparent procedure for developing these policies to ensure that the development of all remuneration policy, compensation for resignation and other related matters within the Group are reasonable and appropriate.

Nomination Committee: responsible for reviewing the structure, size and composition of the Board on a yearly basis, making recommendations on any proposed changes to the Board, and at the same time assessing the independence of independent non-executive Directors to ensure the Board's effective operation.

Risk Management Committee: responsible for developing risk management and internal control systems, conducting regular inspections of office procedures, practices and systems, identifying and managing potential risks to ensure that assets are not improperly used, maintaining accounts properly, as well as ensuring compliance with relevant regulations. In view of the certain overlap between the objectives and functions of the risk management committee and the audit committee, in order to improve the efficiency of the Board, after being discussed and resolved by the Board on 30 August 2023, the functions of the risk management committee were merged into the audit committee, which take over full authority.

Maintain high-quality governance

The long-term development of the Group depends on high-quality governance to protect the interests of various stakeholders. Therefore, the Group has, after establishing a clear structure of the Group, always followed strict governance standards, so that all employees can clearly understand the responsibilities of each post, and at the same time the scope of each person's rights and responsibilities is clearly defined to prevent any cases of conspiracy. As for compliance, we have fully implemented the Corporate Governance Code to maintain stringent corporate governance standards. In addition, the Directors regularly participate in various trainings in relation to director's responsibilities every year, such as laws and new regulations, code of conduct and anticorruption.

The details of the attendance of the Board members to various meetings in 2023 are recorded as follows:

Position	Name	Attendance/ number of meetings held	Attendance rate
Executive Director	Mr. Yan Hao	6/6	100%
Executive Director	Mr. Xu Hai Feng	6/6	100%
Executive Director	Mr. Chen Chao	6/6	100%
Non-executive Director (<i>Re-designated as the non-executive Director on 30 March 2023</i>)	Mr. Chen Xin Ge	6/6	100%
Independent non-executive Director	Mr. Han Jiong	6/6	100%
Independent non-executive Director	Mr. Qian Shi Zheng	6/6	100%
Independent non-executive Director	Dr. Lo Wing Yan William	6/6	100%



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Board Diversity

We believe that a diverse board is beneficial to the Company. The Company has adopted a board diversity policy over the years with the aim to achieve the business objectives and sustainable development of the Group. We will consider board diversity from a number of aspects, including but not limited to gender, age, cultural and educational background, race, professional experience, required expertise, skills, knowledge and length of service. The existing Directors, who are different from each other in background, can deliver corporate governance on a supplement basis and promise a relatively complete corporate governance system. The Board's nomination policy is still being refined and we will select qualified candidates who meet those needs in line with our growing business requirements to support our Company's future development.

The Board plans to appoint at least one female Director to the Board prior to 31 December 2024 in order to increase the proportion of female members on the Board. Given that the Board is monogamous in composition at present, the Board is committed to increasing the proportion of female members, improving gender diversity, and setting an ultimate goal of achieving gender parity in the coming years. The Board will continue to search for suitable successors to members of the Board, and to achieve greater gender diversity through selecting and nominating such candidates by the Nomination Committee.

Integrity in governance and anti-corruption

The Group believes that integrity in governance is key to sustainable development. Integrity in governance ensures the stability of business operations and development, while reducing operational risks. Therefore, the Group is committed to promoting the awareness of integrity in the workplace and express the spirit of honesty and impartiality, thereby building a culture of honesty and integrity in the Group. With reference to the Criminal Law of the People's Republic

of China and other relevant laws and regulations, the Group has established a comprehensive management system and clear anti-corruption regulations to clearly indicate the Company's code of conduct or ethics in accordance with the Employee Disciplinary Violation System, the Employee Complaint and Reporting Management System and the Integrity Agreement.

The internal audit department conducts regular internal regulatory inspections to ensure the effective implementation of investigation, training, supervision and review mechanisms by dedicated personnel. If the Group's employee or any person finds a corruption or suspected case within the Group, they can make a real-name or anonymous report through the reporting mailboxes, telephones, WeChat, etc. During the Reporting Period, all directors and employees of the Group received training on anti-corruption-related policies of the Company.

If any employee is found to be in violation of the anticorruption code, the Group will first suspend the work of the employee involved and conduct an internal investigation. After the risk management department finds that it is true, the relevant labour contract will be terminated. If the misconduct committed by the employee involves a violation of national laws, the Group will immediately report the case to the relevant government department and let the judicial authorities take over the employee.

To raise the awareness of integrity, the Group posted anti-corruption posters in conspicuous places in various offices, sales offices and other places, so that employees can easily access relevant knowledge and be reminded. To control the anti-corruption of suppliers, the Group will sign anti-corruption agreements with various suppliers. By signing binding documents, we can ensure that suppliers commit themselves to comply with the anti-corruption operating rules. During the Reporting Period, there were no filed or settled corruption litigation cases against the Group or its employees.



Rigorous risk management and internal control

As a well-performing corporate citizen, we have adopted and fully complied with the Corporate Governance Code and managed the operation as much as possible through a reasonable mechanism to substantially reduce the risks in achieving business objectives. In terms of risk management and internal control, the Company has formulated internal guidelines covering a full range of businesses including investment, operation, marketing, finance and human resources management, with a complete organizational structure and clear responsibilities and authorizations.

The daily operation of various departments is conducted in accordance with the abovementioned internal guidelines with cross checks and balances among different departments. In addition, the status of risk management and internal control is further supervised by the departments at a higher level through daily inspection, process assessment and special guidance, and by the independent internal audit department conducting the review of amendments to internal control procedures, special audit and risk interview, in order to find, identify, assess and manage risks on a timely basis, and to take effective measures to control and mitigate risks.

Procedures to identify, evaluate and manage significant risks

- (1) Establishment of the risk context: evaluating and reviewing the effectiveness of the risk management and internal control systems of the Group to reduce the costs of operational risk and ensure compliant operation of the Company;
- (2) Formulation of the risk management policies: ensuring that the Group carries out consistent procedures and criteria for risk identification, measurement and reporting;

- (3) Identification of the risks: identifying any potential risks of various business segments and key procedures;
- (4) Evaluation on the risks: evaluating and rating the impact on business and its likelihood of occurrence for risks identified;
- (5) Response to the risks: evaluating the risk management solutions and the effectiveness of risk management; and
- (6) Reporting and monitoring: monitoring and reviewing the policies and evaluating procedures for risk management and the measures for managing and effectiveness of controlling significant risks, and report the findings to the Board.

During the Reporting Period, we identified the natures and changes in key risk items in accordance with the above systems, and evaluated the likelihood of such risks and their impact on business. Also, the risk management committee/audit committee has conducted an annual review of the Group's risk management and internal control systems for the year ended 31 December 2023. Aside from identifying and evaluating potential risks, we reviewed the measures and actions to control and reduce key risks to ensure that current actions are effective and will achieve desired results. Overall, the Board believes that the current risk management and internal control systems are perfect and operating effectively.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee management

Employee-related data:

The total number of employees of the Group:

2023: 2,990 employees/YoY-2.99%

2022: 3,082 employees/YoY-2.47%

2021: 3,160 employees

By gender

Male:

2023: 1,615 employees/YoY-10.03%

2022: 1,795 employees/YoY+0.96%

2021: 1,778 employees

Female:

2023: 1,375 employees/YoY+6.84%

2022: 1,287 employees/YoY-6.87%

2021: 1,382 employees

By nature and type of contract

Full-time employees:

2023: 2,086 employees/YoY-10.74%

2022: 2,337 employees/YoY-26.04%

2021: 3,160 employees

Part-time employees:

2023: 118 employees/YoY-82.09%

2022: 659 employees/YoY (N/A)

2021: 0 employee

Temporary employees:

2023: 786 employees/YoY 813.95%

2022: 86 employees/YoY (N/A)

2021: 0 employee

By age: (Unit: employees)

Age group	16 – 24	25 – 40	41 – 59	>60
2023	97	1113	1231	549
2022	157	1,318	1,386	221
2021	213	1,830	979	138

By age and gender: male (Unit: employees)

Age group	16 – 24	25 – 40	41 – 59	>60
2023	38	512	742	323
2022	71	627	980	167
2021	76	932	655	115

By age and gender: female (Unit: employees)

Age group	16 – 24	25 – 40	41 – 59	>60
2023	59	601	489	226
2022	86	691	406	54
2021	137	898	324	23



By geographical region: (Unit: employees)

Geographical region	2023	2022	2021	2023 vs 22 Change	2022 vs 21 Change
Shanghai	558	551	902	1.27%	-38.91%
Chengdu and Chongqing	422	512	404	-17.58%	26.73%
Beijing	10	15	13	-33.33%	15.38%
Jiangsu	730	703	794	3.84%	-11.46%
Zhejiang	782	859	683	-8.96%	25.77%
Tianjin	288	315	218	-8.57%	44.50%
Wuhan	197	116	136	69.83%	-14.71%
Others	3	11	10	-72.73%	10.00%
Total	2,990	3,082	3,160	-2.99%	-2.47%

Overall turnover number/Turnover rate:

2023:	YoY
1,546 employees/50.9%	-1.8 percentage points
2022:	YoY
1,613 employees/52.7%	-10.3 percentage points
2021:	YoY
1,991 employees/63.0%	-18.1 percentage points

Turnover number/Turnover rate by gender:

Male: 928 employees/54.4%
Female: 618 employees/46.4%

Turnover number/Proportion by age group:

Age group	16 – 24	25 – 40	41 – 59	>60
Number	147	704	454	241
Proportion	9.51%	45.54%	29.37%	15.59%

Turnover number/Proportion by geographical region:

Geographical region	Number	Proportion
Shanghai	289	18.69%
Chengdu and Chongqing	147	9.51%
Beijing	1	0.06%
Jiangsu	282	18.24%
Zhejiang	428	27.69%
Tianjin	200	12.94%
Wuhan	198	12.81%
Others	1	0.06%
Total	1,546	100.00%



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

As at 31 December 2023, the total number of employees of the Company was 2,990 (2022: 3,082), of which 806 (2022: 631) were office employees engaged in real estate development business, 2,184 (2022: 2,451) were frontline employees engaged in sales, property management, stores, customer service and other related business. In spite of the development of the real estate industry in 2023 was affected by macroeconomic instability and financing difficulties, the Group only recorded a net reduction of approximately 2.99% year-on-year in the total number of employees, demonstrating that we value our employees and do our best efforts to retain all positions to ride out the storm together with our employees. The ratio of male to female employees was 54%:46% and 58%:42% in 2023 and 2022, respectively, demonstrating the Group's commitment to creating a gender balanced employment environment.

In order to maintain competitiveness in the difficult operating environment while taking social and corporate responsibility, the Group adopted a part-time and temporary staff system since 2022, which significantly reduced the net employee turnover and helped to save labour costs of the Group. The number of employee turnover in 2023 was 1,546, with a net turnover rate of 50.9%, which has a significant improvement continuously as compared to the turnover rate of 52.7% and 63.0% in 2022 and 2021, respectively. The high industry turnover rate is mainly due to the high turnover of frontline employees in real estate and redeployment of staff after the completion of project. All former, part-time and temporary employees will have the priority to be recruited when business environment improves.

Employee related policies

Group Recruitment Practices and Employment System

The Group has been recruiting and promoting employees in a fair, just and open way. In addition to complying with the Labor Law and Labor Contract Law in China, we have formulated a comprehensive employee management system that clearly indicates that the Group shall not consider external factors such as age, nationality, race, belief, sexual orientation, gender, or marital status when recruiting and promoting employees, and should also ensure that no child labor or forced labor is recruited.

After passing recruitment process, the Group will sign labor contracts with all employees and specify the employees' rights and interests, such as working hours, vacation, social insurance and provident fund, to protect the rights of both parties. We will also purchase "five insurances and one fund" (pension, unemployment insurance, medical insurance, maternity insurance, injury insurance and housing provident fund) for all qualified employees as required by the Law of the PRC on the Protection of Disabled Persons, the Social Insurance Law, Regulations on Paid Annual Leave for Employees, Tentative Provisions on Payment of Wages, Notice on Issuing the Measures for the Examination and Approval of Flexible Working Hours Arrangement and Comprehensive Working Hours Scheme Adopted by Enterprises, Provisions of the State Council on the Working Hours of Employees and the Regulations on Minimum Wages and other regulatory requirements. At the same time, we will endeavor to safeguard the rights of employees, including choosing occupations, minimum wages, obtaining labor compensation, safety and health protection, rest, social insurance benefits and receiving functional training, etc., to protect the interests of employees.

In order to avoid the employment of child labor and forced labor, we used various administrative measures, including conducting background checks on employees in accordance with the Law of the People's Republic of China on the Protection of Minors and the Regulations on the Prohibition of the Use of Child Labor, to ensure that the information reported by the employees is true. If any employee violates the Group's recruitment system, we will immediately cease his or her work according to the established mechanism and report to the relevant department for filling.

In terms of vacation arrangement, the Group has formulated a System on Vacation which clearly sets out the employees' given holidays, holiday definitions and procedures of asking for leave, etc., to unify the Groupwide arrangements and avoid confusion. At the same time, we also strictly abide by the Law of the People's Republic of China on the Protection of Women's Rights and Interests and the Regulations on Protection of Women Workers. we also create various special holidays for female employees, such as maternity leave, breastfeeding leave and annual gynecological examination, etc., to encourage more women to enter the workplace and achieve a balanced gender ratio



between male and female employees. For pregnant employees, we provide 98 days of maternity leave and 30 days of childbirth leave, while providing 10 days of paternity leave to the partners of pregnant employees to encourage employees to assume family responsibilities.

Recruitment related policy

Evade from illegal recruitment to avoid child and forced labor	There are age limits in job advertisements and working hours are stipulated in labor contracts
Regulations on protection of employees' rights and interests	Pay social insurance and housing provident fund according to law, pay salaries according to the labor contract, pay high-temperature subsidies, and provide holiday benefits, and employees can voluntarily join the labor union Employee Salary Management Regulations and Attendance and Leave Management System
Measures to improve the quality of new employees	New employee induction training, on-job training, structure and system training

If any employee resigns, we will abide by the Company's Employee Management System to promise to pay wages and resignation compensation to relevant employees on time. During the Reporting Period, the Group did not receive any reported violations cases concerning employment.

Effective salary and benefit adjustment mechanism

We believe that employees' contributions should be reasonably rewarded, so we have designed an annual evaluation system to assess their performance and determine their salary increments, bonuses and promotions based on the employees' qualifications, experience, positions and seniorities. This evaluation system will refer to the "City Wage Difference Coefficient" and the internal "Nine-box Grid Grade" assessment to ensure that employees' salaries are in line with the industry standards of the regional market in which they are located, and at the same time ensure that employees' efforts and contributions are rewarded accordingly. After determining the remuneration of employees, the Group will also refer to the relevant salary survey of the real estate industry published by well-

known consulting companies to make corresponding adjustments, so as to be in line with industry standards.

Protect the health and safety of employees

The safety and health of employees have always been focus of the Group's attention. Therefore, the Group has established a complete safety control and monitoring mechanism in accordance with the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, the Law of the People's Republic of China on Production Safety, the Regulations on Work Injury Insurance and the Labour Security Monitoring Regulations, under which the Human Resources Administration Centre is responsible for the overall planning of compliance assessments of laws, regulations, the safety management of dangerous areas to promote the Company's work on occupational safety and health, and the guidance and supervision of such work. In terms of external consultants, the Group hired external technical consulting organizations for environment and occupational health and safety management systems to provide safety recommendations to the Group in this regard.

In order to implement the relevant recommendations, all the subsidiaries of the Group have set up safety production committees to ensure that all occupational safety and health work is carried out smoothly. At the same time, by establishing a special safety working group, we can regularly carry out special safety inspections, so as to improve the safety of the Group's construction site. To monitor the effectiveness of the implementation of the policy, each subsidiary will regularly report to the headquarters on the progresses of various occupational safety and health tasks. Upon conducting a summary analysis, the headquarters will be able to draw practical improvement suggestions.

In terms of accident prevention, the Group will conduct an investigation on each security incident. Through a summary analysis, we understand the cause of the incident, and then ensure that the loopholes are blocked to prevent similar incidents from happening again, so as to gradually reduce potential risks. In terms of safety training, the Group has been actively organizing safety management personnel to participate in training in order to improve the safety awareness and literacy of all employees. It is hoped that by enhancing the safety awareness and knowledge of employees, the number of work-related and industrial accidents can be reduced.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Occupational health and safety measures adopted and the relevant implementation and monitoring methods

Description of measures	Implementation	Monitoring
<ol style="list-style-type: none"> 1. Frequent checking are needed for the project for solving safety hazards, and practical training on relevant operation machines are given; 2. Make sure employees are briefed on safety issue before starting work, and put on protective clothing, especially for engineering employees; 3. Conduct orientation training for new employees and remind them to pay attention to safety on the way to and from work and daily operation; 4. Safety awareness training are often given to employees, to keep them in mind of safety; pay attention to safety measures and traffic safety during work and on the way to and from work to prevent injuring others or being injured; 5. Employees are required to strengthen training on safety and operation requirements for projects, improve their safety awareness and prevent such incidents from occurring. 	<ol style="list-style-type: none"> 1. Safety responsibility and responsibility management are in place, establish and improve the safe production organization with the project manager as the primary responsible person. To assume the responsibility of organizing and leading production safety and to establish a safe production responsibility system for personnel at all levels; 2. Safety inspection is an important way to identify sources of hazards, and an important method to eliminate hidden dangers, prevent accident injuries and improve working conditions; ; 3. Carry out cross safety training and hazard source training quarterly to help employees improve their safety awareness and adopt safety prevention measures; 4. Review and make conclusion on security emergencies incident occurred, draw lessons and propose improvement measures. 	<ol style="list-style-type: none"> 1. Safety accident education and related machine operation training are given in project undertaking to reduce the occurrence of accidents at work; 2. Conduct education and training on safety incidents for projects to reduce the occurrence of accidents at work; 3. Conduct monthly checking of sources of risk and progress of handling of projects, and examine the stage of completion; 4. Safety training of employees are assessed, and the status of employees' learning are monitored; 5. At the same time, safety protection measures of employees are checked, such as the use of safety helmets.

During the Reporting Period, the Group's work-related injuries and fatalities and respective rate are as follows:

	2023		2022		2021	
	Office Employees	Frontline Employees	Office Employees	Frontline Employees	Office Employees	Frontline Employees
Work-related Injuries	0	18	1	10	2	18
Rate of Work-related Fatalities	0.00%	0.60%	0.03%	0.32%	0.06%	0.58%
Work-related Fatalities	0	0	0	0	0	0
Rate of Work-related Fatalities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%



The total number of working days lost due to such injuries:

2023: 438 days

2022: 255 days

2021: 780 days

Due to the epidemic control in 2022, employees of the Group generally worked at home and were quarantine from the epidemic, and therefore the number of work-related injuries was low. In 2023, the first year after the pandemic, as Jingrui worked hard to promote the development and sales of various real estate projects. Therefore, the total number of working days lost recorded due to such injuries was 438 days, which is higher than the 255 days in 2022, but there is still a significant improvement compared to the 780 days lost in 2021.

Strengthen employees' abilities

Percentage of trained employees

The number and percentage of employees trained by gender and employment category: (Unit: participants)

	Male	%	Female	%	Total
Full-time	1,637	39%	1,282	30%	2,919
Part-time	135	3%	64	2%	199
Temporary employees	542	12%	586	14%	1,128
Total	2,314	54%	1,932	46%	4,246

The number and percentage of trained employees by rank: (Unit: participants)

	Male	%	Female	%	Total
Senior management	29	1%	12	0%	41
Middle management	88	2%	38	1%	126
Junior management	419	10%	405	10%	824
Professional and other management	1,778	41%	1,477	35%	3,255
Total	2,314	54%	1,932	46%	4,246

Data on the percentage of training by rank and type of employment are shown in the table below:

Total training hours

By gender and employment type: (Unit: hour)

	Male	%	Female	%	Total
Full-time	33,828	38%	26,819	30%	60,647
Part-time	2,990	3%	1,417	2%	4,407
Temporary employees	12,006	13%	12,980	14%	24,986
Total	48,824	54%	41,216	46%	90,040

By rank: (Unit: hour)

	Male	%	Female	%	Total
Senior management	605	1%	262	0%	867
Middle management	1,512	2%	781	1%	2,293
Junior management	8,611	10%	8,605	10%	17,216
Professional and other management	38,096	41%	31,568	35%	69,664
Total	48,824	54%	41,216	46%	90,040

Training hours per employee

By gender and employment type: (Unit: hour)

	Male	Female
Full-time	20.7	20.9
Part-time	22.2	22.2
Temporary employees	22.2	22.2
Total average training hours	21.1	21.3

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

By rank (Unit: hour)

	Male	Female
Senior management	20.9	21.8
Middle management	17.2	20.6
Junior management	20.6	21.2
Professional and other management	21.4	21.5
The average training hours	21.1	21.3

Training hours per employee for 2021-2023

By gender (Unit: hour)

	Male	YoY%	Female	YoY%
2023	21.1	90.1%	21.3	134.1%
2022	11.1	-19.6%	9.1	-22.2%
2021	13.8		11.7	

During the Reporting Period, the Group continued to provide training courses for its employees. The training hours per employee by gender category for male employees and female employees were 21.1 hours (2022: 11.1 hours) and 21.3 hours (2022: 9.1 hours), respectively. The significant year-on-year increase in

training hours per employee was mainly due to the complete withdrawal of epidemic prevention measures such as unscheduled lockdowns and shutdowns in response to the COVID-19 outbreak, which resulted in a significant recovery of commercial and sales activities, enabling the Group to accelerate and strengthen staff training arrangements to support the development, promotion and sales of our Wuyi and other new projects.

In terms of training content, we adhere to the internal policies of people-oriented, continuous improvement, and encourage employees to learn and grow, build a learning organization, and formulate systematic training plans for employees based on their positions and professional knowledge. For example, for members of the management team, the training program would focus on improving their management and leadership skills. We also tailored training programs for marketing and sales personnel to improve their sales capabilities.

In addition to internal training, we also hire external experts or fund employees for further training from time to time. As for new employees, according to the Guidelines for Mentoring Arrangements, apart from the Group's culture and job training introduction through one-on-one instructors, they will also be provided with employee rights training to reduce the risk of violations with regard to employment.

Description of training activities (internal and external courses paid by the Company)	1.	All staff learning New staff training, quarterly cultural meeting, knowledge campaign, on-job training, structure and system training
	2.	Talent development Face-to-face meeting with the president, Pilot Program, City General Advanced Training, Ruiyi Program (for management trainees), Ruilin Program (for youth employees), Ruitao Program (for project leaders), Alchemy Program (for director level management), Senior Management Club





Examples of training content

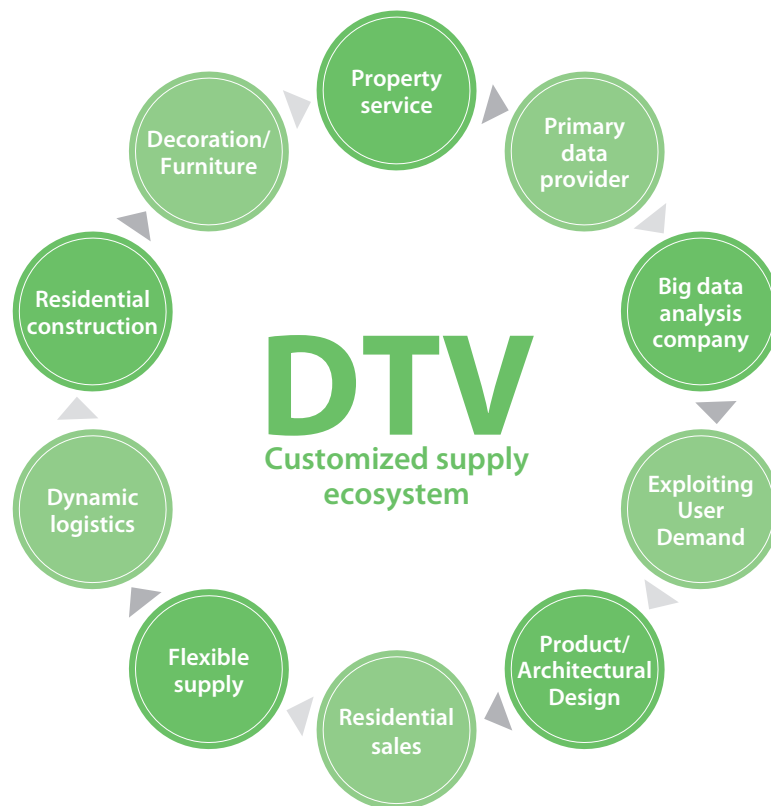
By organizing “Lecture Hall”, the Group invited cadres from multiple internal departments to provide employees with professional post knowledge and skills sharing, to enhance their work skills and performance. The Group’s Jingrui Capital has set up the Joyride College to allow employees to bring their various talents into play.

Supply chain management

Supply chain management has a huge impact on business, and the importance of supply chain management is increasing, and some customers and investors will also pay attention to supply chain management. The Group responded to the ever-changing business environment by the transformation

and upgrading of its business. Our business is diversified and covers residential property development, asset management operations and property management services. Therefore, our supply chain also covers many aspects and is of complexity. In order to ensure the stable development of the Group’s business, we have established a supply chain ecosystem that can interact with customers since the past few years. During the Reporting Period, we have continued to improve it according to the actual operating conditions, so as to endowing the Group’s ability for sustainable development.

Supply ecosystem





ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In 2018, we introduced the platform-style DTV (Design-to-Value), a customized supply ecosystem, for the first time in the report, hoping to convert customer-related data into design concepts of product and building to provide customers with completely customized product and service solutions. Of which, the so-called flexible supply chain refers to decomposing the complex needs of customers layer by layer, and then “flexibly” combining different standardized parts according to the needs of users to meet diverse customized needs. We hope to further optimize the operation of this supply ecosystem to improve the adaptability of the Group’s products and services to customer requirements and formulate a more stable operation process. Currently, all suppliers of the Group are from Mainland China.

Supplier management

Since 2006, the Group has been actively promoting strategic cooperation and centralized procurement to ensure product quality, efficient coordination and cost control, and has strengthened cooperation and competition with our suppliers, so as to continuously improve our supply chain management system and supervision mechanism.

With the accumulation of long-term operating experience, the Group has established a set of complete and reliable supply chain management system and standard workflow, such as “Tender Management Process of Jingrui Properties”, “Supplier Management and Evaluation System”, “Material and Equipment Management System”, “Procurement Work Evaluation” and other management systems, striving to ensure win-win cooperation, enhance product and corporate brand image, and reduce the risk of the supply chain to the environment and society.

Overall supplier selection principle:

1. In principle, suppliers to be selected should have same or similar qualifications, otherwise unfair comments and opinions will be made.
2. Adopt the principle of “deciding the winning bidder only in a bid”: the bidders shall return their bids on time according to the time agreed in the bidding file, while the bidding team must open the bid on time and can cancel that on the other day out of any reason. In principle, all suppliers can only submit samples once in a bid, and can only adjust the sample once at most. The bidding team shall conduct a summary analysis of the quotations of bidder and start the interview with supplier who offers the lowest price and then the supplier who offers the second lowest price and so on. As long as the confirmation price is met, the bidder concerned can directly won the bid. Unless all bids do not meet the base price requirements, otherwise, another bidding is not allowed.

• Access of supplier:

In accordance with the “Supplier Management Process of Jingrui Properties” policy, the Group has formulated supplier warehousing guidelines, selected suppliers with good environmental and social performance as partners, and conducted a comprehensive qualification audit on the suppliers: review and evaluate their business licenses, qualification certificates, quality certification, environmental certification and management system and other related information, to ensure that the shortlisted tenderers are all suitable and qualified suppliers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



- Bidding and procurement management:

The Group ensures that the bidding process adopts the principles of openness, fairness, impartiality and credibility in accordance with the "Strategic Online Bidding Management Process of Jingrui Properties "," Online Bidding Management Process of Jingrui City Company" and "Online Direct Procurement Process of Jingrui City Company ", and conducts the bidding procurement by open invitation. All bidding processes are carried out online in the Group's bidding and procurement system, with one round of bidding, and the winning unit will be re-examined in terms of the company's organization and performance engineering systems by the project engineering and related personnel to ensure that the winning unit effectively implements environmental and social risk management policies.

Number of suppliers by region:

	2023		2022		2021	
	Unit: suppliers	Percentage: %	Unit: suppliers	Percentage: %	Unit: suppliers	Percentage: %
Shanghai	32	10.7%	21	6.7%	27	8.7%
Jiangsu	69	23.0%	72	23.1%	75	24.0%
Zhejiang	74	24.7%	89	28.5%	81	26.0%
Chongqing	33	11.0%	32	10.3%	35	11.2%
Sichuan	28	9.3%	23	7.4%	25	8.0%
Tianjin	24	8.0%	27	8.7%	28	9.0%
Wuhan	40	13.3%	48	15.4%	39	12.5%
Total	300	100.0%	312	100.0%	310	100.0%

In the first year after the pandemic, the total number of suppliers of the Group during the Reporting Period was (300) which similar to that in 2022 (312) and 2021 (310), with a slight decrease of 3.8% and an increase of 0.7% year-on-year, respectively, demonstrating our commitment to the stability of our suppliers and the entire industry chain.

Breakdown of suppliers:

	2023		2022		2021	
	Unit: suppliers	Percentage: %	Unit: suppliers	Percentage: %	Unit: suppliers	Percentage: %
Materials and equipment						
Equipment	17	6%	14	4%	15	5%
Refined decoration components	85	28%	87	28%	82	26%
Sub-total	102	34%	101	32%	97	31%
Engineering services						
Main contracting	10	3%	16	5%	17	6%
Sub-contracting	135	45%	127	41%	125	40%
Consulting	14	5%	22	7%	20	6%
Supporting	39	13%	46	15%	51	17%
Sub-total	198	66%	211	68%	213	69%
Total	300	100%	312	100%	310	100%

Among the supplier category, sub-contracting in engineering services accounted for the highest proportion (45%), followed by fine finishing components in materials and equipment (28%). The proportion of all supplier categories is approximately the same as 2022 and 2021, which means that the supply chain is stable and normal.

Classification by rating type:

	2023	2022	2021
Class S (Beyond Expectation)	4	2	3
Class A (First Choice)	10	25	24
Class B (Acceptable)	272	267	264
Class C (Limited use)	11	13	10
Class D (Unacceptable)	3	5	9
Total	300	312	310

For different levels of suppliers, the Group also set up different processing procedures to ensure that in strict supplier management codes, appropriate adjustments can be made according to actual operating conditions.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- City-level suppliers:

In order to meet the project development needs and to effectively standardize procurement transaction activities, the Company established detailed selection requirements for suppliers. City-level suppliers generally refer to suppliers that are organized and introduced by subsidiaries. In the purchase of materials, equipment, sub-projects, general contracting projects, landscape projects, decoration projects and service consulting, etc. with an amount greater than RMB500,000, Tendering Management Process for City-level Suppliers must be complied with, which strictly forbid breaking down the project meeting unified tendering conditions into several smaller ones to circumvent the requirements of tendering management process. If the contract amount is less than RMB500,000 for material, equipment, emergency or sporadic procurement of subprojects, Direct Procurement Management Process should be followed. It is only after passing the assessment of the project management department of the Group subsidiaries and the Group operation centre, the entire bidding process can be considered completed. Only city-level suppliers who have been awarded "excellent" grades for four times in a row can be upgraded to "Group strategic suppliers" through the Group's shortlisting mechanism.

- Group strategic suppliers:

For suppliers of the Group's bulk or general materials, equipment and decoration parts and other suppliers that have set up strategic cooperation with the Group, the Group Strategy and Collection Tender Management Process must be complied with, which is detailed as below:

1. The Group's operation and procurement department can get the collected supplier information in the Group's "Mingyuan Cloud Procurement Platform" and "Supplier Information Database"

2. The members of the bidding team will conduct pre-qualification assessment and suppliers must pass the selection before being selected

3. The bidding team then discusses whether to arrange for inspection according to the list of suppliers, and records it in the minutes of the bidding preparatory meeting

4. Only after passing the inspection, the supplier can enter the bidding process

After confirming the cooperative relationship, we will arrange special personnel to conduct regular on-site inspections and assessments at various aspects to monitor the actual operation of the supplier

During the Reporting Period, 105 suppliers successfully adopted the above practices

- Core suppliers:

In order to ensure project quality and efficient cooperation, the Group has established a core supplier management system in 2021, whereby suppliers with whom we have cooperated for five consecutive years on more than two projects with an annual evaluation grade of B or above will be selected by city companies and submitted to the Group's business unit and customer service for review, forming a hardcore supplier team with a unified value philosophy, customer first and a high degree of consistent business awareness, ensuring the effective implementation to protect against potential risks to the supply chain environment and the society.

Our monitoring scope covers the cooperation between party A and the general contractor, on-site management capabilities, time nodes requirements and construction quality. Supplier performance rating is classified as beyond expectation, first choice, acceptable, limited use and unacceptable.



During the year-end evaluation, if the supplier fails to meet one or more of the requirements, its annual evaluation will be graded as unqualified and need to submit a performance improvement plan. The Group will review and track the improvement of the supplier. If it still fails after the reassessment, the supplier's share in our procurement will be adjusted or even its contract with the Group will be terminated.

During the Reporting Period, 29 suppliers successfully adopted the above practices.

Response to suppliers' practice of applying environmentally friendly products and services:

As for the performance of suppliers' social responsibility, we encourage them to actively participate in environmental protection, and at the same time to comply with energy conservation regulations. For example, suppliers should ensure that local management personnel of the project thoroughly implement the Environmental Protection Management Measures and Regulations on the Administrative Regulations on Prevention of Dust Pollution at the Construction Site, etc. If suppliers have any comments, they can communicate with the Group through multiple channels at any time, which can ensure that all measures and requirements are accurate and feasible, and at the same time help us maintain good relationships with the suppliers.

- Project tripartite inspection:

According to the Materials and Equipment Management Process of Jingrui Properties, all suppliers are required to provide quality, environment and relevant qualified materials to be reviewed and documented by the project supervisor, Party A and Party B before the delivery of materials. After the materials have been delivered, the supervisor shall organize the acceptance of the materials, and the construction will only be carried out after they have passed the inspection.

- Professional unit inspection:

In accordance with the Inspection and Management Measures for Construction Materials of Jingrui Properties, the Group engages a third-party consultant to conduct a comprehensive inspection on incoming materials every quarter to ensure that all incoming materials used meet the quality and environmental requirements. At the same time, the Group's risk management department will also conduct random inspections from time to time.

Product management

We understand that only high-quality products that meet customer needs can enable companies to stand firmly in a highly competitive market environment. Therefore, the Group has stayed true to the mission of "Dedicated to Building a Wonderful Life", and hoped to satisfy the expectations of customers for "good houses in the future" by creating personalized wonderful spaces for customers.

The Group strictly complied with the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste and other laws and regulations, and fully complied with the Contract Law of the People's Republic of China, Construction Law of the People's Republic of China and Regulations on the Quality Management of Construction Projects and other regulations, ensuring a good quality foundation for all our products. At the same time, on the basis of compliance, the Group has established a series of very detailed internal requirements such as implementation standards, audit mechanisms, delivery guidelines and risk inspection, so that employees can have a basis or standard to apply when reviewing product quality, and in turn comprehensively reducing risks caused by quality problems.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Item	System Code	Measures
1	"Customers First" Implementation Standard of Jingrui Properties	Standardize standard actions of customer contact throughout the product life cycle, reduce customer risk, and improve customer experience
2	Compulsory Joint Drawing Review Process	In the design stage, each professional department must conduct cross-departmental review of drawings to reduce product design defects
3	Guidelines for Project Opening and Risk Inspection before Opening and Special Risk Checklist for Customization and Decoration before Opening of Jingrui Properties	For the project to be opened, each professional department conducts cross-departmental comprehensive risk inspection to control the quality at its opening
4	Operation Guidelines for Household Inspection (Early Intervention before House Repair) of Jingrui Renovated House	After the detailed inspection of the project, the house repair engineer intervenes in advance and inspects the houses and public areas with household inspection standards to reduce the defect rate of products and make the products meet the needs of customers to the maximum extent
5	Guidelines for Site Opening Before Delivery of Residential Projects of Jingrui Group	Before the product is officially delivered, invite customers to visit the construction site to let customers understand the construction process of the program, check and supervise product quality in advance
6	Delivery Evaluation and Brake Management System	The Group assesses whether the product meets the delivery standards, and for unqualified products, we will start the brake system, suspend delivery, until rectification is made to meet the delivery standards, in order to ensure the quality of delivered products
7	Real Estate Projects Warranty Management System and Rules of Jingrui Properties and In-home Repair Standards for Better Renovated Projects of Jingrui Properties	Standardize after-sales warranty service to improve customer satisfaction
8	Collection on Conducts Examination	In order to implement the "customer-oriented" core value, better summarize customer concerns on delivered projects, enhance product competitiveness and improve customers' living experience

As the Group has been strictly adhering to and implementing the above policies, we have not recalled any project products for safety or health reasons during the Reporting Period.

Observing and Protecting Intellectual Property Rights

Jingrui has been strictly abiding by the Patent Law, the Intellectual Property Law, the Copyright Law, the Anti-Unfair Competition Law and other laws and regulations concerning intellectual property rights. In the event of any suspected infringement of intellectual property rights, the Group will immediately seek advice from our internal and external legal team and take appropriate actions, including the use of legal means to proactively respond to any infringement of its own intellectual property rights or any claim by a third party to infringe its intellectual property rights.

During the Reporting Period, Jingrui had no disputes or litigation involving intellectual property rights.



Customer Satisfaction Management

The Group respects the opinions of customers, and regards their opinions as the basis for improving the Group's policies and measures. It is expected that we can optimize our performance by listening to the customers' opinions, so that the Group can move forward and achieve long-term development.

In order to deal with customer complaints more efficiently, according to the types of customer complaints, the Group has designated different departments to be responsible for related matters and offering assistance. It is hoped that the division of the work on processing complaints can help to deal with relevant complaints in a more targeted and efficient manner:

Complaint type	Responsible department	Department offering assistance
Engineering quality	Customer service department/house repair engineering department	Engineering management department
Rule design	Customer service department	Rule design department
Sales service	Customer service department/marketing department	
Customer service	Customer service department	
Property management	Property company	
Others	Customer service department	

"People-oriented" and "customers first" are among the core philosophies of the Group and the main reason why we have been able to survive various economic cycles and the pandemic. Therefore, the Group has always dealt with all customer comments and feedback seriously, customers can express their opinions to us through the community's property customer service centre, online complaint form and customer complaint hotline. According to the Group's Complaint Handling Process, relevant complaints will be coordinated and managed by the customer service department. After receiving the complaint, the customer service department will assign the complaint form to the

relevant responsible department and person according to the type and content of the complaint. But the customer service department will still follow up the complaint processing progress until the problem is resolved.

During the Reporting Period, the Group did not receive any product and service-related complaints from customers, and there were no cases of product recalls for safety and health reasons, which demonstrated customers' recognition of the quality of Jingrui's services and products.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Respect customer privacy

The Group has attached great importance to the protection of customer privacy, and regulated the handling of employees of customer information through various administrative means and codes, in order to avoid the leakage of such information. Therefore, we have introduced the Guidelines for the Management of Customer Service File of Jingrui, which clarifies the handling of all files related to customer information, including storage, confidentiality and destruction as required. In order to ensure that the relevant measures have been fully implemented, the Group has regularly checked the work of file management of each city company, and linked the results to their performance evaluation.

Our privacy protection measures include:

1. Sign a confidentiality agreement with the customer, and never disclose customer privacy to any unauthorized third-party manufacturers without the customer's consent;
2. If there are employees who need to access customer information, they must be authorized by a colleague from the customer service department and properly registered; and
3. The audio or visual files of customer information can only be provided in copies, not the originals, and the physical files are not allowed to be borrowed in principle.

The Group did not receive any complaints caused by the leakage of customer information during the Reporting Period. In terms of the management of publicity content and text, we have been strictly abiding by the Commercial Housing Sales Management Measures, Provisional Regulations on Real Estate Advertisement Release, and Notice on Printing and Distributing the "Model Text of Commodity Housing Sales Contract" and promised to provide each respectful customers with accurate real estate information and legal sales contracts, so as to prevent illegal sales, to protect the interests of customers and try to avoid misunderstandings.

Society

Caring for society

As an enterprise shouldering the responsibility for the quality of the living environment of the general public, we make every effort to improve the quality of life of people and give back to society through various social welfare activities. In the past years, Jingrui has "expanded its social responsibility with gratitude" and fulfilled social responsibility through three aspects such as care for employees, business operation and public charity.

1. In 2023, Jingrui Holdings organized non-remunerated blood donation activities on various platforms, and employees of each platform and the headquarters actively participated in the non-remunerated blood donation in March
2. Projects teams of Jingrui Properties organized condolence activities with empathy
3. Projects teams of Jingrui Properties together with front-line builders carried out caring activities
4. The property sector organized activities to pay tribute to the pioneers of anti-epidemic and disaster relief
5. We organized charitable activities for owners and tenants in respect of property sector and real estate sector, including 99 Giving Day and "Crowdfunding for Love Dream Hope" event.



Areas	Philosophy	Events
Care for Employees	Focusing on win-win: Work together to achieve greatness	Staff Training Team Development Employee Care and Help
Business Operations	Concern for development: Build a beautiful society and harmonious coexistence	Increase the number of green buildings and green stars Civilized Site Creation (dust reduction, noise reduction and other environmental protection measures and effects) Care for Migrant Workers Green Operation (water saving, energy saving, material saving and other restructuring and effects) Cooperative Supplier Certification Management
Public Charity	Care for the community: Gathering love and spreading warmth	Participate in poverty alleviation, education assistance, elderly assistance, disability assistance, etc. Participate in various green activities organized by local public organizations, industry associations and communities Charity Relief Activities Volunteer Services





ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Public welfare activities and the effectiveness of key social projects

Public welfare activities are the concrete manifestation of the social attributes of enterprises. During the year, we continued to fulfill our social responsibility, with the philosophy of focusing on win-win, concern for development, and care for the community through public welfare activities, to build the Jingrui brand of public welfare. The Group held various social welfare activities as usual and made direct donation through Shanghai Charity Foundation. Jingrui donated RMB1,000 to the Shanghai Charity Foundation on 23 February 2023, and RMB10,000 to the Shanghai Charity Foundation Hongkou branch on 5 June 2023.

Although life returned to normal after the COVID-19 pandemic, it has not interrupted our original intention to serve the society. On the contrary, we are making greater efforts to provide warmth and assistance to families and the elderly affected by difficult living conditions.

On 9 September 2023, the eighth season of Jingrui Service's "Crowdfunding for Love · Dream Hope" event was launched as scheduled. As the second year of

precision aid for college students, more people with hearts joined the charity activities of Jingrui Service. During the year, we raised a total of RMB99,946.45 public funds from 2,993 donors.

In April 2023, due to the white lung coma caused by Influenza A virus, auntie Li, a flat owner of Nantong Jingrui Dignity Mansion, was admitted to stay in the intensive care unit for more than 40 days, and the huge treatment costs were difficult to afford. The Party, enterprises and the public worked together and gave a helping hand for the mission of "pass on love". In May 2023, all the employees of Nantong Jingrui Dignity Mansion raised donations for auntie Li, and through the arrangement of the Party branch, the "Shuidichou" donation channel was launched. In just 10 days, RMB34,093 donations were raised, which alleviated auntie Li's family urgent needs in time. As an enterprise with a strong sense of social responsibility, Jingrui Service serves the masses wholeheartedly, creates service value, and assumes the corresponding social responsibility, works for community development, and makes contribution to the "Jing" people.



During the summer vacation in August 2023, a group of special college students visited the Shanghai headquarter of Jingrui Service. In order to carry out the 2022 public welfare campaign and care for the growth of college students, Jingrui Service invited a number of college students to its Shanghai headquarter for work-study internship in the summer vacation of 2023. During the internship, college students had in-depth understanding of the operation model of Jingrui Service, which served as their “first lesson in the society”. As every dream seed deserves to be watered with love. Jingrui Service assumes social responsibility as its own responsibility to promote public welfare undertakings, so as to give more outstanding students to chase their dreams and open a new chapter of life. The series of “Crowdfunding for Love” social welfare activities of Jingrui Service will continue to help those in need with love to make their dreams come true.

In 2023, starting from the “minor things” in the lives of the underprivileged, centering on the pain points of the special groups in difficulty in travel, care and so on, we carried out psychological counseling, care for living and other services, effectively solving real life problems for them. We have helped 50 pairs of elderly and disabled in aggregate in Changzhou Jingrui England County and Taicang Jingrui Royal Bay.

On 20 October 2023, the property service center of Baodi Yuefu carried out the Chongyang Festival condolence activities to care for the elderly living alone in the community. Property staffs selected and bought sympathy gifts for the elderly, showed care for them so that they felt the warmth and love of the property company, and enhanced the elderly's sense of happiness and support.

On 24 October 2023, the property service center of Jiayang Garden carried out Chongyang Festival condolences to the old or lonely households in the community. They asked about the physical condition and living conditions of the elderly, chit-chat with them and reminded them to pay attention to their health and when going out, and contact the property service center if necessary.

On 21 October 2023, the property service center of Jinyuan Xiangti collected information about the number of elderly people living alone in the community and their living condition, and the project leaders, housekeepers and order controlling staff, etc. visited them with gifts.

On 23 October 2023, the property customer service center of Qingqing Jiayuan carried out the “Chongyang Festival of strong respect for the elderly”, offering free healthcare consultation and household care, housekeepers sent condolences gifts to the elderly, engineers helped them check the water, electricity, gas services, and were highly praised by the elderly. This activity made the elderly in the community feel respect and care from Jingrui Property, and enhanced the emotional exchange between the property company and the flat owners.

On 17 April 2023, Jinyu Branch launched a caring activity for employees with difficulties. Wang Siyun, the project manager and person in charge of the human resources administration department dealing with the cases of these difficult employees, visited five such families one by one after work to send condolence money and condolence goods to them, talked with these employees and their families, giving them both physical and spiritual support, so that the employees felt the Company's care and love.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Outlook

Although the pandemic which lasted for three years has ended, the global economic and geopolitical instability in many countries, coupled with the growth and financing difficulties faced by the real estate sector in China, still posed a lot of challenges for the industry in 2023. In the face of ever-changing market environment, policies and household demand in the future, the business operation of Jingrui will also have to change, but our corporate values and culture over the years will never change.

This is the Group's eighth ESG report. We believe that ESG information disclosure will be more standardized. Governments and organizations in various countries will formulate clearer standards for ESG disclosure, and companies will need to disclose more quality ESG data. This will improve the transparency and comparability of ESG practices for enterprises.

From the perspective of investors, ESG performance-related incentives will increase. In fact, more and more investors and asset management companies are incorporating ESG factors into their investment decisions and management processes, actively encouraging companies to improve their ESG performance. Some companies even link their senior executives' compensations to ESG targets.

In terms of corporate strategy, more ESG elements will be integrated into the business strategy of enterprises. Sustainability is no longer a peripheral issue for companies, but will be integrated into the core of their corporate strategy. More and more companies will establish ESG-related positions, develop ESG management processes, and integrate ESG goals into their daily operation.

In terms of corporate financing, more green finance and investment and financing tools will be developed. There is still plenty of room for growth in financial instruments such as green bonds, carbon-neutral bonds, and sustainability-linked lending. This can provide financial support to enterprises for low-carbon transition.

In terms of compliance regulation, ESG-related regulation will be strengthened. Regulators from different countries are likely to introduce more policies and regulations requiring enterprises to improve their ESG performance or to report carbon emissions. Some highly polluted industries may face more stringent environmental requirements or even sanctions.

Low-carbon building technology innovation will continue to thrust ahead transformation of the real estate industry. The rapid development of low-carbon technologies such as clean energy, electric vehicles and green buildings will help various industries to achieve carbon neutrality goal. Scientific and technological innovation is an indispensable driving force for ESG transformation.

Tying in with new national and governmental policies, the real estate industry also ushers in a new opportunity for reform, and real estate technology and artificial intelligence have become powerful engines that empower commercial real estate to increase value. Facing the ever-changing demands, we will, on the basis of satisfying people's demands for modern lifestyles, build residences that considers architectural aesthetics and people's ideals for better life, which has become an important force for product and service upgrades.

In the future, Jingrui will continue to develop business in core first- and second-tier cities and follow the development trend of the times, seek for new opportunities, tap customer demands and take the initiative to make innovations. We will use the super IP "Space^{me}" (精彩家), and the "WAVE" (Warm, Artistic, Various, Enjoyable) product value system to drive the development of the Company and to help customers create a warm and wonderful life and make continuous efforts to build a sustainable and livable environment.



The Stock Exchange's Environmental, Social and Governance Reporting Guide Content Index

ESG Index		Disclosure Status	Corresponding Page(s)
Subject Area A. Environmental			
Aspect A1: Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Disclosed	13-14, 16-18
KPI A1.1	The types of emissions and respective emissions data.	Disclosed	10, 14-15
KPI A1.2	Direct (scope 1) and energy indirect (scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	14
	– “Scope 1” emissions	Disclosed	14
	– “Scope 2” emissions	Disclosed	14
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	14
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	15
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Disclosed	13, 16-18
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Disclosed	13, 16-18



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Index		Disclosure Status	Corresponding Page(s)
Aspect A2: Use of Resources			
General Disclosure	<p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	Disclosed	13, 16-18
KPI A2.1	Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g., per unit of production volume, per facility).	Disclosed	15
KPI A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Disclosed	15
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	16-17
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Disclosed	16-17
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Disclosed	15
Aspect A3: The Environmental and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Disclosed	13, 16-18
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	13, 16-18
Aspect A4: Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Disclosed	13, 16-18
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Disclosed	13, 16-18



ESG Index		Disclosure Status	Corresponding Page(s)
Subject Area B. Social			
Employment and Labor Practices			
Aspect B1: Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Disclosed	25-26
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Disclosed	23-24
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	24
Aspect B2: Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Disclosed	26-27
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	27
KPI B2.2	Lost days due to work injury.	Disclosed	28
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	26-27



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Index		Disclosure Status	Corresponding Page(s)
Aspect B3: Development and training			
General Disclosure	<p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</p>	Disclosed	29-30
KPI B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	Disclosed	28
KPI B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	28-29
Aspect B4: Labor Standards			
General Disclosure	<p>Information on:</p> <ul style="list-style-type: none"> (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer <p>relating to preventing child and forced labor.</p>	Disclosed	25-26
KPI B4.1	Description of measures to review employment practices to avoid child and forced labor.	Disclosed	25-26
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	25-26



ESG Index		Disclosure Status	Corresponding Page(s)
Operating Practices			
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	30-34
KPI B5.1	Number of suppliers by geographical region.	Disclosed	32
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	30-34
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	30-34
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	30-34
Aspect B6: Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	Disclosed	34-35
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Disclosed	34-35
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	36
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	35
KPI B6.4	Description of quality assurance process and recall procedures.	Disclosed	34-35
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	37



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Index		Disclosure Status	Corresponding Page(s)
Aspect B7: Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	20-22
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Disclosed	20-22
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	20-22
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Disclosed	20-22
Community			
Aspect B8: Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	37-40
KPI B8.1	Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sport).	Disclosed	37-40
KPI B8.2	Resources contributed. (e.g., money or time) to the focus area.	Disclosed	37-40

