



## JY GRANDMARK HOLDINGS LIMITED

*(Incorporated in the Cayman Islands with limited liability)*  
Stock Code: 2231

# 2023

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT







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# 1. ABOUT JY GRANDMARK

JY Grandmark Holdings Limited is a property developer, operator and property service provider based in the PRC. It runs four principal businesses, namely (i) property development and sales, (ii) hotel operations, (iii) property service and (iv) commercial property investment. JY Grandmark listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in December 2019.

JY Grandmark has land resources in Guangdong, Hainan, Yunnan, Jiangsu and Hunan provinces for its future development. As at 31 December 2023, the Group had a land bank of approximately 3.72 million sq.m. on an attributable basis. JY Grandmark positions itself as an “Eco-friendly and People-oriented Property Developer”, relying on the natural resources, unique landscape features, and profound cultural heritage of the project locations selected by the Group, we strive to develop homes and communities that the Group considers to be truly livable for buyers.



## 1. ABOUT JY GRANDMARK (CONTINUED)

### Corporate Philosophy

#### Ethics

The Group establishes its reputation by constructing properties and providing lifestyle services with business ethics and the spirit of the craftsman, thus building its trustworthiness and brand equity. It goes far with a prudent approach to business.

#### Thoughtfulness

The Group always tries to innovate and actively explore new ways to develop its business in the new era. It makes progress by developing products and services that can improve life dramatically.

#### Integrity

The Group attaches great importance to integrity and remains committed to its original aspirations, and as such, it provides lifestyle services, undertakes urban development and contributes to society's development with the spirit of the craftsman and kindness.



## 2. ABOUT THIS REPORT

This report is the fifth Environmental, Social and Governance Report (this “Report”) of JY Grandmark Holdings Limited (the “Company” or “JY Grandmark”, together with its subsidiaries, the “Group”), which is intended to give a true picture of the Group’s performance of environmental, social and governance (“ESG”) responsibilities in 2023.

### 2.1. Reporting Scope

Unless specifically stated, the policies, statements, information and others in this Report cover the actual business scope of JY Grandmark. The reporting period is from 1 January 2023 to 31 December 2023 (the “Year”). This Report mainly focuses on the ESG management issues related to the businesses of the JY Grandmark.

### 2.2. Reporting Guideline

This Report is prepared by the Group in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) set out in Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange, making sure that this Report comprehensively covers the ESG issues that stakeholders focus on, and presents the relevant content in a clear, quantifiable, and comparable manner, to enable stakeholders to fully understand and assess the Group’s performance in ESG management.

Reporting Principles		Response of the Group
<b>Materiality</b>	The issues covered in this Report should reflect the significant impact of the Group on the economy, environment and society, or scopes that substantially affect the assessment and decision of stakeholders.	The Group identifies current material sustainable development issues after communicating continuously with stakeholders, and considering its development strategy as well as industry and business conditions.
<b>Quantitative</b>	Key performance indicators disclosed in this Report need to be measurable, in this way the effectiveness of ESG policies and management systems can be evaluated and validated.	The Group has made quantitative disclosure about the information of key performance indicators of the Year, and provided explanations in writing.
<b>Balance</b>	This Report should provide an unbiased picture of the performance of the Group, for the reasonable assessment on the overall performance.	This Report elaborates on the achievements the Group has made and the challenges it has faced on the sustainable development issues that have a significant impact, and discloses the relevant quantitative information, to facilitate the reasonable analysis and comparison.
<b>Consistency</b>	The Group should ensure the consistent disclosure principle is adopted for this Report, to help stakeholders make analysis and assessment of the performance at different time points. The Group should explain about any change of disclosure methods.	The Group will ensure the scope of disclosure and reporting methodologies used in this Report are generally consistent every year.

## 2. ABOUT THIS REPORT (CONTINUED)

### 2.3. Access and Response to This Report

This Report is available in Traditional Chinese and English. In the event of any discrepancy between the Chinese version and the English version, the Chinese version shall prevail. The electronic version of this Report is available on the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) or the Group's website ([www.jygrandmark.com](http://www.jygrandmark.com)).

The Group places great importance on the opinions and suggestions of stakeholders and appreciate it if readers would contact us through the following methods. Your valuable comments will have a positive impact on our further improvement of this Report and the enhancement of the Group's overall ESG performance.

E-mail address: [ir@jygrandmark.com.hk](mailto:ir@jygrandmark.com.hk)

Mailing address: Suites 3008–10, 30/F, Tower One, Times Square, 1 Matheson Street, Causeway Bay, Hong Kong

# 3. FULFIL COMMITMENTS AND PROMOTE SUSTAINABLE DEVELOPMENT

## 3.1. ESG Management Philosophy

JY Grandmark continuously fulfils its social and environmental responsibilities during its development process, and practically promotes sustainable development. By establishing a sound sustainability governance framework, strengthening the identification and management of ESG risks, and listening to the demands and expectations of stakeholders for the Group’s sustainable development, the Group endeavours to balance the environmental, social and economic relationships in its daily operations, and move towards a more prosperous and stable future.

During the Year, JY Grandmark made every effort to stabilise its financial position, responded promptly to policy changes, gained in-depth insights into industry trends, and actively utilised innovative ideas to expand its diversified business. In terms of investment, the Group focused on the development of existing projects, strengthened sales and ensured timely delivery. In terms of business synergies, JY Grandmark insists on integrating the resources of each segment to achieve complementary advantages. In terms of product innovation, the Group focuses on the harmonisation of ecology and health, and continues to create high-quality products with unique characteristics.

Guided by the United Nations Sustainable Development Goals (SDGs), JY Grandmark has deeply integrated ESG concepts into every aspect of its business operations and pursued balanced development in environmental, social and economic benefits. The Group is committed to becoming an “Eco-friendly and People-oriented Property Developer” by providing excellent products and continuously improving the quality of its services, paying close attention to the health and safety of its employees and their career development, and practising green operations. The Group promotes the lean management of enterprise with the concept of sustainability, and works with its partners and other stakeholders to create more value and pursue high-quality green development.





### 3. FULFIL COMMITMENTS AND PROMOTE SUSTAINABLE DEVELOPMENT (CONTINUED)

#### 3.1. ESG Management Philosophy (continued)

During the Year, the Group continued to be guided by its sustainable development strategy, comprehensively reviewed and managed the social, environmental and economic impacts of its business operations, proactively responded to the opportunities and challenges of sustainable development, and integrated ESG concepts into every aspect of its operations. Our core ESG-related activities can be summarised as follows:

##### 01 Adherence to Compliance Operation



JY Grandmark has always regarded compliance as its top priority, paying close attention to the dynamic changes in external policies and market environment, and continuously strengthening its internal management system. While promoting sustainable development, the Group ensures that all business operations strictly comply with the policies and regulations of the regions in which they are conducted, laying a solid foundation for the Group's sound development.

##### 02 Focus on Quality Control



The Group upholds strict quality control standards for every aspect of its business operations. From project development to property service to hospitality services, the Group always focuses on the improvement of product and service quality, and is committed to creating a healthy and beautiful living environment for its customers and owners, and to continuously satisfying their pursuit of a high quality of life.

##### 03 Green Operation and Dealing with Climate Change



JY Grandmark actively responds to the opportunities and challenges brought about by climate change by implementing green construction and exploring environmentally friendly carbon reduction technologies, such as equipment energy-saving retrofit. Meanwhile, the Group continues to optimise its energy-saving and emission-reduction targets, promote the conservation and recycling of resources, and raise the awareness of emission reduction among all employees so as to contribute to the achievement of the sustainable development goals.

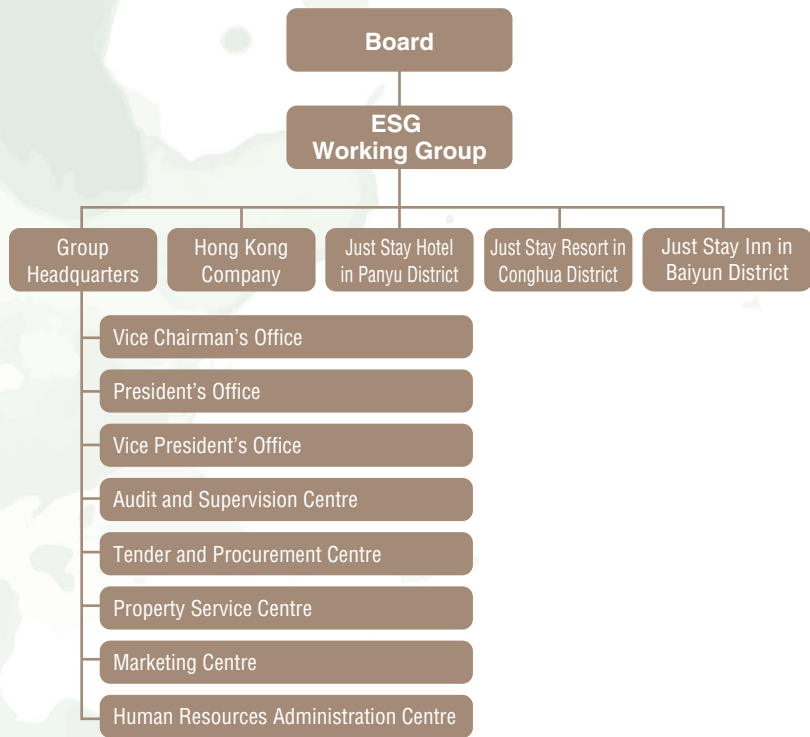
#### 3.2. ESG Management Structure and Responsibilities of the Board of Directors

JY Grandmark continues to enhance its ESG governance and improve its ESG governance structure. The Group has continued to strengthen the supervision and participation of the board of directors in ESG-related matters to ensure that ESG management philosophy are closely integrated with the Group's major decisions and actual situation, providing solid protection for the Group's stable and long-term development.

### 3. FULFIL COMMITMENTS AND PROMOTE SUSTAINABLE DEVELOPMENT (CONTINUED)

#### 3.2. ESG Management Structure and Responsibilities of the Board of Directors (continued)

The Group has adopted an ESG management structure centred on the board of directors, which is responsible for controlling and supervising the Group's overall ESG management strategy and risk identification. In addition, the board of directors has set up an ESG working group comprising the heads of various business divisions to identify business-related environmental and social risks, communicate with stakeholders on a regular basis, mobilise the Group's various business lines and functional divisions to promote the implementation of ESG work, and report to the board of directors on a regular basis on the progress and performance of ESG management to constantly review its own ESG work and make timely adjustments to the direction of ESG management, so as to ensure that the Group is always moving steadily along the path of sustainable development.



##### The Board's ESG Responsibilities

- Developing the Group's ESG management approaches, strategies and objectives
- Identifying and making decisions on the Group's ESG issues and associated risks
- Hearing reports on ESG work from the ESG Working Group
- Reviewing the achievement of key annual ESG targets
- Reviewing and approving the information disclosed in the ESG Report of the Group



##### ESG Working Group's Responsibilities

- Implementing key ESG issues of the Group
- Conducting communication with stakeholders of the Group on ESG issues
- Ensure that appropriate and effective environmental, social and governance risk management and internal control processes and systems are in place
- Providing regular reports to the Board on the progress of ESG work and make appropriate recommendations

### 3. FULFIL COMMITMENTS AND PROMOTE SUSTAINABLE DEVELOPMENT (CONTINUED)

#### 3.3. Stakeholder Engagement and Involvement

JY Grandmark is committed to establishing and maintaining a multi-channel two-way communication mechanism with its stakeholders, including regulatory authorities, investors and shareholders, customers, employees, suppliers and partners, industrial associations and media and communities. The Group actively listens to and responds to the needs and expectations of all stakeholders, and continues to integrate ESG management philosophy into every aspect of its business, so as to jointly promote the sustainable development of the environment, social and economic values, and jointly create a better future.

Category of Stakeholders	Concerns and Expectations	Communication and Response	Means of Communication
<b>Government and regulatory authorities</b>	Compliance with the laws and regulations in the course of business Implementation of national policies Project strategic cooperation	Actively responding to the national call for carbon neutrality Legitimate operation and implementing the government's management requirements Accepting investigation and supervision	Timely notification Regular inspection
<b>Investors and shareholders</b>	Continuing sound operation Protection of shareholders' rights Achieve investment return Risk prevention and control Transparent disclosure of information	Improving profitability and brand power Continuously improving the risk management capability Regular disclosure of operating results and ESG issues and performance	Convening shareholders' meetings regularly Enhance daily communication (by mail, telephone, etc.) Announcements and circulars
<b>Customers</b>	Product and service quality Customer information protection Customer interests protection Responsible marketing	Optimising customer service process Enhancing product and service quality Strengthening information security and monitoring system Standardising and strengthening marketing management	Customer satisfaction survey Customer service mobile application Property service centre and sales office in communities

### 3. FULFIL COMMITMENTS AND PROMOTE SUSTAINABLE DEVELOPMENT (CONTINUED)

#### 3.3. Stakeholder Engagement and Involvement (continued)

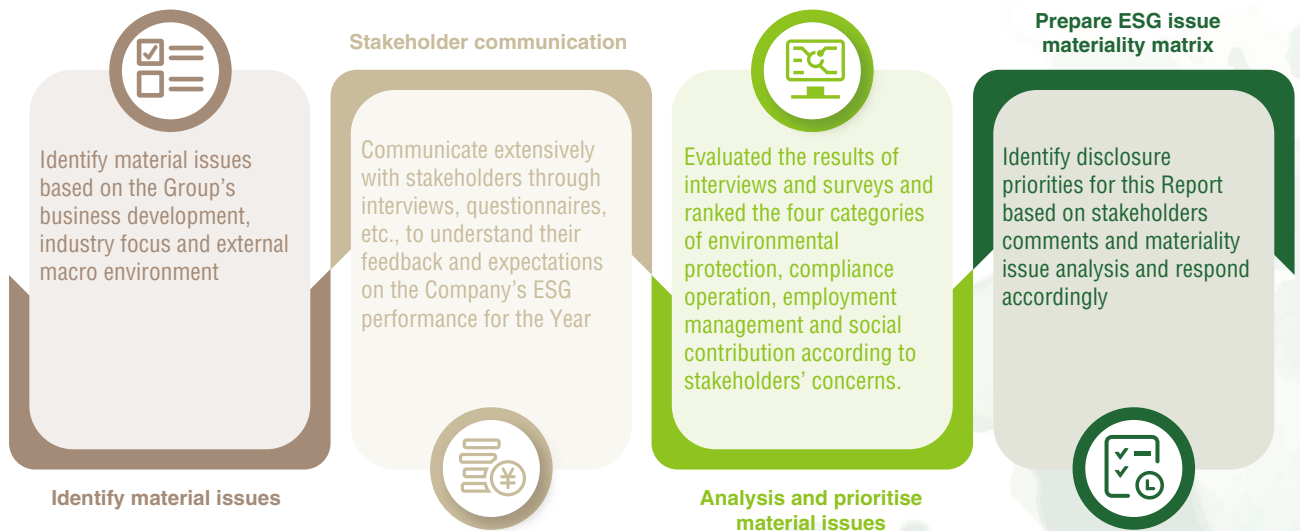
Category of Stakeholders	Concerns and Expectations	Communication and Response	Means of Communication
<b>Employees</b>	<p>Protection of employees' legitimate rights and interests</p> <p>Fair remuneration and benefits</p> <p>Staff training and development</p> <p>Healthy and safe working environment</p> <p>Listening to the voice of employees</p>	<p>Complying with relevant regulations, protecting employees' rights and interests</p> <p>Improving the employees' remuneration system and the welfare mechanism</p> <p>Protecting the safety and health of employees</p> <p>Conducting employees' training activities, improving promotion mechanism</p> <p>Creating comfortable and harmonious corporate culture and environment</p> <p>Establishing and optimising a multichannel employees' communication mechanism</p>	<p>Staff training</p> <p>Complaints and feedback</p> <p>Performance management</p> <p>Team building and welfare activities</p>
<b>Suppliers and partners</b>	<p>Just and fair negotiation</p> <p>Establishing long-term cooperative relationships</p> <p>Ensuring quality of projects and services</p>	<p>Improving supplier review and evaluation mechanism</p> <p>Expansion and continuous collaboration in business area</p> <p>Creating green supply chain development together</p>	<p>Project cooperation and negotiation</p> <p>Assessment and investigation</p> <p>Daily business communication and meetings</p>
<b>Industrial associations and media</b>	<p>Industry exchange and discussion</p> <p>Transparent and open information sharing</p> <p>Joint efforts towards industry advancement</p>	<p>Actively participating in industry seminars</p> <p>Optimising disclosure and publicity mechanism</p> <p>Promoting industry standardisation</p>	<p>Media releases and interviews</p> <p>Regular meetings and field trips</p>
<b>Community</b>	<p>Social charity activities</p> <p>Rural poverty alleviation</p>	<p>Actively conducting social charity activities</p> <p>Supporting poverty alleviation efforts and helping those in difficulties</p>	<p>Charity events</p> <p>Community bulletin board</p>

### 3. FULFIL COMMITMENTS AND PROMOTE SUSTAINABLE DEVELOPMENT (CONTINUED)

#### 3.4. Assessment of Material Issues

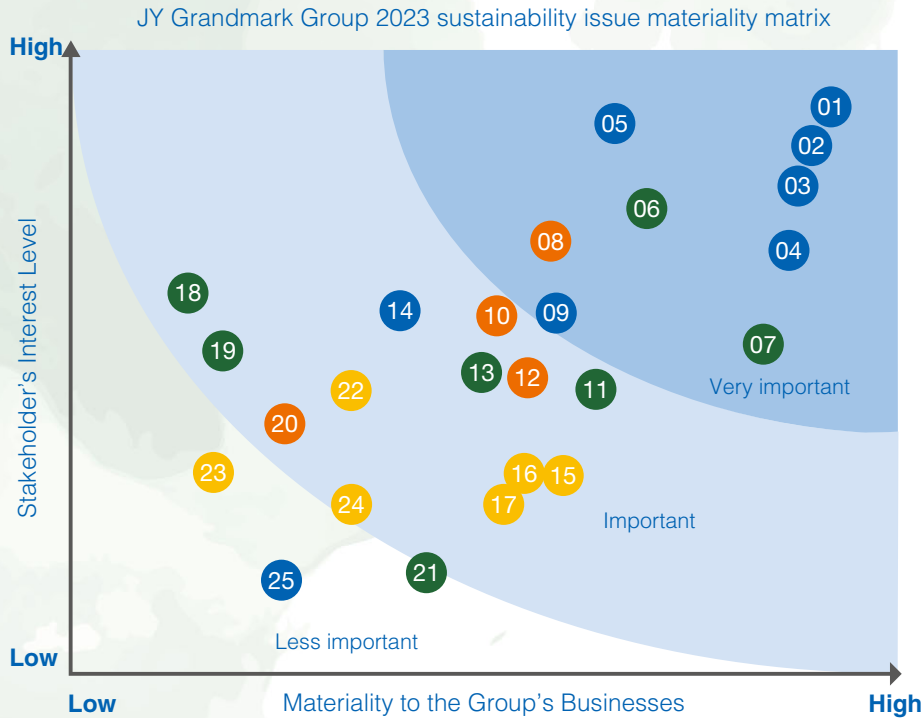
JY Grandmark takes the expectations and requirements of stakeholders as an important consideration in formulating its ESG work. In 2023, the Group reviewed the ESG-related issues of the previous year, and adjusted the ESG material issues of the Group based on the business development of JY Grandmark during the Year and benchmarking peer companies and the degree of significance to the Group's ESG work. During the Year, the Group communicated with various stakeholders through research interviews, official account and official website, etc., gained an in-depth understanding of the concerns of stakeholders on each material issues, and conducted comprehensive ranking of the materiality of ESG issues based on the Group's own development strategy to determine disclosure priorities for the ESG Report of the Year, so as to actively respond to the expectations and requirements of all stakeholders.

The process for assessing ESG material issues during the Year covered the following four main steps:



### 3. FULFIL COMMITMENTS AND PROMOTE SUSTAINABLE DEVELOPMENT (CONTINUED)

#### 3.4. Assessment of Material Issues (continued)



**Environmental protection**

- 06 Green operation
- 07 Energy efficiency and carbon emission reduction
- 11 Responding to climate change
- 13 Construction waste management
- 18 Green building
- 19 Water resources management
- 21 Reasonable development and ecosystem protection

**Compliance operation**

- 01 Product quality and safety
- 02 Compliance and sound operation
- 03 Anti-corruption and integrity training
- 04 Responsible marketing
- 05 Customer service and satisfaction
- 09 Supply chain environmental and social risk management
- 14 Customer privacy and information security
- 25 Intellectual property protection

**Employment management**

- 15 Child labour and forced labour are prohibited
- 16 Employees' interests protection
- 17 Employees' training and development opportunity
- 22 Occupational health and safety
- 23 Talent recruitment and team building
- 24 Employees' remuneration and benefits

**Social contribution**

- 08 Protecting the rights of local residents
- 10 Promoting local economic development
- 12 Public charity and social services
- 20 Powering urban renewal

During the Year, after the evaluation and analysis of the stakeholders' research results, the stakeholders of the Group are particularly concerned about ESG issues such as product quality and safety, compliance and sound operation, anti-corruption and integrity training, green operation, energy efficiency and carbon emission reduction. Accordingly, JY Grandmark will continue to optimise the ESG management plan and continuously enhance its ESG management level, and focuses on the disclosure of its management performance in this Report to effectively respond to the concerns of stakeholders.

### 3. FULFIL COMMITMENTS AND PROMOTE SUSTAINABLE DEVELOPMENT (CONTINUED)

#### 3.5. In Response to the United Nations Sustainable Development Goals (SDGs)

The Group takes the United Nations Sustainable Development Goals (SDGs) as its guide and endeavours to deeply integrate ESG concepts into the Group's mission, values and daily operations. In conjunction with its business development strategy and stakeholders' expectations, JY Grandmark adheres to its development positioning as an "Eco-friendly and People-oriented Property Developer", firmly implements its diversified and integrated development strategy, and continues to strengthen its management, reduce costs and increase efficiency, and enhance its operational capabilities in areas such as product quality and safety, business ethics, environment and social inputs, etc., in order to actively respond to the concerns and expectations of internal and external stakeholders of the Group.

UN SDGs	Key ESG Issue Concerns	Significance to JY Grandmark and Contribution of the Group
 <p>3 GOOD HEALTH AND WELL-BEING</p>	Occupational health and safety	The Group attaches great importance to the health and safety of its employees, implements a health and safety management system, strengthens occupational health training and takes good care of the physical and mental health of its employees.
 <p>5 GENDER EQUALITY</p>	Employees' interests protection	The Group insists on gender equality, creates a diversified and inclusive working atmosphere, and establishes a sound mechanism for equal communication and appeal.
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	Employees' remuneration and benefits Employees' training and development opportunity Talent recruitment and team building	The Group is committed to providing competitive salaries and benefits to its employees, continuing to improve the employee benefits system and enriching the types of benefits, and actively improving the employee communication mechanism to ensure the stable retention and sustainable development of outstanding talents.
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	Green building	The Group actively responds to the call of the state, continues to pay attention to green building-related policies and technical specifications, promotes the research and practice of green building, and promotes the high-quality development of green building.
 <p>10 REDUCED INEQUALITIES</p>	Public charity and social services	The Group proactively assumes social responsibilities and strives to devote itself to public welfare and charitable undertakings such as rural revitalization and environmental protection, contributing to the realisation of common prosperity.

### 3. FULFIL COMMITMENTS AND PROMOTE SUSTAINABLE DEVELOPMENT (CONTINUED)

#### 3.5. In Response to the United Nations Sustainable Development Goals (SDGs) (continued)

UN SDGs	Key ESG Issue Concerns	Significance to JY Grandmark and Contribution of the Group
 <p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p>	<p>Reasonable development and ecological protection Promoting local economic development</p>	<p>As a practitioner of “Eco-friendly and People-oriented Property Developer”, the Group attaches importance to the protection of the ecological environment and cultural relics during the construction process, and maximises the construction of high-quality buildings in which people and nature coexist harmoniously.</p>
 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Product quality and safety Responsible marketing Construction waste management Intellectual property protection</p>	<p>The Group is firmly committed to high quality products and services, and adopts a management approach and operational methods characterised by high-quality, safety, health, and responsible operation, thoroughly implementing a sustainable business model.</p>
 <p><b>13</b> CLIMATE ACTION</p>	<p>Water resources management Energy efficiency and carbon emission reduction Green operation Dealing with climate change</p>	<p>The Group has continued to improve the management measures for environmental factors throughout the life cycle of various projects to minimise the generation and emission of pollutants and to implement the concept of green and low-carbon operations. At the same time, the Group has incorporated the response to climate change into its business development planning and has taken corresponding control measures to mitigate the impact of climate change on its business.</p>
 <p><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Compliance and sound operation Anti-corruption and integrity training</p>	<p>The Group adheres to the bottom line of compliance, hold multiple internal compliance interpretation and learning training to firmly resist corruption establish an ethos of integrity and justice.</p>
 <p><b>17</b> PARTNERSHIPS FOR THE GOALS</p>	<p>Supply chain environmental and social risk management</p>	<p>The Group continuously optimises and implements the screening and access process and system for suppliers, strictly controls product quality, practice responsible and green purchasing behaviour.</p>



## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS

In the global pursuit of low-carbon and sustainability, JY Grandmark has always been adhering to the brand concept of “Eco-friendliness and People Orientation”. Through in-depth research on residential needs and building craftsmanship, the Group continuously develops high-quality products while establishing standardised quality management system and safety management system to ensure that product planning and engineering quality complement each other. In terms of service quality, the Group adheres to the service philosophy of “customer satisfaction at the core”, wholeheartedly providing customers with high-quality, diversified, and personalised property services. We focus on safeguarding customer rights and interests, and are committed to creating a peaceful and comfortable home for our customers.

### ESG issues included in this section

- Green building
- Reasonable development and ecological protection
- Product quality and safety
- Customer service and satisfaction
- Customer privacy and information security
- Responsible marketing
- Intellectual property protection

### SDGs goals addressed in this section



## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.1. Practise Ecological Theory with Ingenious Design

The construction field is an important part in achieving the “emission peaking and carbon neutrality” goal. The energy-saving and low-carbon development of buildings is of great significance. JY Grandmark has always adhered to the core development principle of “Eco-friendliness and People Orientation”, continuously paying attention to the relevant policies and technical specifications of green buildings, and promoting the research and practice in green buildings. At the same time, the Group focuses on the protection of the ecological environment and cultural heritage, striving to achieve harmonious coexistence between human and nature, and dedicated to creating comfortable, healthy ecological living environment for its customers.

#### Product Design Concept

JY Grandmark adheres to its product design concept of “Green Ecology, Environment-friendly Technology, Aesthetic Life, and Intelligent Craftsmanship (綠色生態、環保科技、美學生活、智慧匠心)”, and follows national standards related to green, low-carbon and sustainable buildings, including the Assessment Standard for Green Building (GB50378-2019) (《綠色建築評價標準GB50378-2019》), the General Specifications for Energy Conservation and Renewable Energy Utilisation in Buildings (GB55015-2021) (《建築節能與可再生能源利用通用規範GB55015-2021》) and the General Specifications for Water Supply, Drainage and Conservation in Buildings (GB55020-2021) (《建築給水排水與節水通用規範GB55020-2021》), striving to implement the highest standards of green building practices. Concurrently, the Group strictly adheres to the Outline for Nature Conservation of the People’s Republic of China (《中華人民共和國自然保護綱要》), the Regulations on Environmental Protection Management of Construction Projects (《建設項目環境保護管理條例》), the Cultural Relics Protection Law of the People’s Republic of China (《中華人民共和國文物保護法》), the Regulations for the Implementation of the Cultural Relics Protection Law of the People’s Republic of China (《中華人民共和國文物保護法實施條例》) and other laws and regulations. The Group respects local natural resources and cultural history, delves into different regional markets and the needs of a diverse population, and skillfully integrates natural ecological environment with humanistic elements. By focusing on the comfortable experiences that innovative product design brings to customers, the Group is committed to meeting every pursuit of a better life by its customers.



Product Design Concept of JY Grandmark

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.1. Practise Ecological Theory with Ingenious Design (continued)

#### Product Design Concept (continued)

Case

Practising the design concept of green building by effectively reducing energy consumption in buildings

In the JY Gaoligong Town in Tengchong, the Group has given full consideration to the orientation of each building to maximise the use of natural light. At the same time, taking into account Tengchong's unique climatic characteristics, which feature a comfortable temperature but a significant diurnal temperature variation, the Group has tailored a configuration plan that fits its features. By installing a hydronic underfloor heating system, there is no need for air conditioning, which not only ensures a comfortable experience for residents but also effectively saves energy.



JY Gaoligong Town in Tengchong

In the Clearwater Bay No. 3 in Hainan, the Group designed and installed flat-plate split solar energy systems on the rooftops, equipped with pressure-bearing thermal storage tanks and solar circulation pumps, aiming to maximise the utilisation of solar energy resources. To meet the needs of around-the-clock water usage, the Group has configured electric heating devices inside the water tanks to supplement the heat source. The operation status of the equipment is automatically controlled by the set water temperature, ensuring the convenience of water use while achieving energy conservation and efficient utilisation.



Solar Energy Systems Installed in the Clearwater Bay No. 3 in Hainan

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.1. Practise Ecological Theory with Ingenious Design (continued)

Product Design Concept (continued)

Case

Building a sustainable development town through ecological protection and cultural inheritance

The JY Gaoligong Town in Tengchong focuses on natural ecology protection and culture inheritance. By taking into account the surrounding ecological status through on-site inspection, the project incorporates the habitats of flora and fauna as well as ecological red lines into its considerations, which ensures the preservation of original vegetation and distinctive landforms, while also rationally avoiding environmentally sensitive areas. The entire process of project advancement adheres to the principle of sustainable development, dedicated to protecting the habitats of living organisms. The project integrates the characteristics of Hui-style architecture and Suzhou gardens in the South of the Yangtze River, delving deep into the historical culture and architectural style of Tengchong's lanes and alleys. It builds upon traditional styles with creativity and improvements, committed to the protection of China's excellent traditional crafts and culture.



JY Gaoligong Town in Tengchong

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.1. Practise Ecological Theory with Ingenious Design (continued)

#### Product Design Standardisation

The Group adheres to the philosophy of “Improving Quality and Enhancing Brand” (創質量、鑄品牌) guided by a design concept of sophistication and excellence, and continuously optimises the standardisation management of product design to ensure the design quality of its projects and enhance the competitiveness of its products. In conjunction with the technical specifications of the construction industry, the Group implements standardised design and process management and establishes rigorous internal management systems to strictly control key nodes in scheme, progress, quality and standard, etc., forming a scientific and standardised product design management system.



## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.2. Promote Prime Projects with the Quality Concept

Insisting on the principle of “quality comes first”, the Group strictly complies with the Construction Law of the People’s Republic of China (《中華人民共和國建築法》), the Quality Law of the People’s Republic of China (《中華人民共和國質量法》) and other relevant laws and regulations, and implements industry norms such as the Quality Management Ordinance for Construction Projects (《建設工程質量管理條例》) in firmly implementing the work of “ensuring people’s livelihood, delivery and quality (保民生、保交付、保質量)”. The Group has formulated and implemented internal management systems, including the “Quality Management System” and “Construction Technology Management System”, to standardise the construction quality and safety production management standards, and has realised the whole process control of product quality, constantly optimising and improving the delivery process and experience. At the same time, the Group has established a sound safety management system and adopted comprehensive engineering safety management measures to ensure construction safety in all aspects.

#### Quality Control System

The Group has established a comprehensive quality control system, standardised the standard operation of processes through system optimisation, and guided the control points of each construction phase to ensure the quality and safety of projects. Meanwhile, the Group has strictly reviewed the qualifications of construction units, strengthened quality inspections, implemented quality accountability system and evaluation mechanisms to clarify quality management responsibilities, and guarantee that projects strictly execute the quality control procedures throughout all stages.

#### System Construction

Establish a quality management system with the Project Management Manual as the core, formulate and implement internal management systems, including the “Administrative Measures for Technical Solutions”, “Technical Inspection Guidelines”, “Quality Management System”, “Construction Technology Management System” and “General Standard Atlas” to control and regulate its engineering management behaviours in all aspects.

#### Quality Accountability

Implement the quality accountability system to ensure the quality of its construction projects and upkeep the principle of “separating inspection and evaluation, strengthening acceptance, optimising means and process control” for the quality acceptance of construction projects, and strictly implement the lifelong accountability system for construction quality.

#### Sample First

Implement the sample-oriented system: conduct sample acceptance firstly to ensure quality and efficient implementation before starting a large-scale construction; execute physical measurement for projects, and make the measurement data covering dozens of engineering items such as civil engineering, landscaping, plumbing and electricity, fully decorated properties and aluminium windows, to control the project quality through data.

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

#### Quality Control System (continued)

<b>Quality Inspection</b>	Strictly manage the whole process from project quality to safe and eco-friendly construction through such as special inspection, project self-inspection, supervisors inspection and construction units self-inspection, and the findings during the inspection are subject to rectification within a certain period; follow-up and oversight to ensure the effective implementation of the rectification plan, so as to achieve a closed-loop management of problems and eliminate the hidden dangers in project quality.
<b>Qualification Review</b>	Construction units are required to provide solutions for on-site safety, civilisation and environmental management, as well as product certifications and inspection reports, with priority given to construction units certified to ISO9001 quality management system, ISO14001 environmental management system, and GB/T28001 occupational health and safety management system. Currently, there are 13 units within the Group's database that have certified to the above "three-systems".
<b>Assessment Mechanism</b>	Implement the assessment of new units, initial order assessment and performance evaluation, in conjunction with a multi-dimensional objective assessment and annual grading by relevant departments on the construction units. The performance of construction units and project departments in various regions is included in the evaluation and assessment, and the results are linked to employees' performance bonuses, effectively ensuring the quality baseline standards.
<b>Optimal Management</b>	Strengthen the management of construction units in terms of social responsibility, including the implementation of the pre-construction organisational design solution approval system; supervise and inspect the legality of labour employment by construction units, requiring them to implement real-name management to ensure the authenticity and legality of workers' identities; monitor the distribution of workers' wages through dedicated accounts; strictly require construction units to purchase relevant liability insurance. For the use of construction materials, through the system requirements on brand products that are designated by party A and supplied by party B, constraints are placed on construction units to use high-quality brand products recognised by the Group that meet national and industry standards, ensuring the construction quality.

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

Quality Control System (continued)



Sample-oriented Quality Control Displays



On-site Quality Inspections

### Quality Training for Every Employee

Quality awareness of employees is key to improving product quality. Only when employees genuinely recognise the importance of quality will they pay attention to details, strive for excellence, and ensure that every link meets the standards in their daily work. The Group continuously conducts comprehensive quality training, leading its employees to deeply learn and discuss excellent quality management models and successful cases in the industry, aiming to enhance employees' understanding of product quality, effectively prevent engineering quality risks, and ensure that its construction quality is always at the forefront of the industry.



## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

Quality Training for Every Employee (continued)

Case

A “Quality Month” on-site observation and exchange activity hosted at the Qingyuan project in 2023

September 2023 was China’s 46th National Quality Month, with the theme of “enhancing quality awareness and promoting high-quality development”, it aimed at improving the quality awareness and level among the entire population. On 25 September, the Group hosted the 2023 “Quality Month” on-site observation and exchange activity at its JY Grand Garden in Qingyuan, facilitating communication and interaction with industry experts, leaders and enterprise representatives. Through this on-site observation and exchange, project personnel gained an on-site understanding of advanced quality management practises and achievements, learned and drew on good practises from each other, which has promoted the enhancement of construction quality of the project.



“Quality Month” On-site Observation and Exchange Activity Site



Observation Site

### Safe and Eco-friendly Construction

Adhering to its production safety policy known as “safety-foremost with prevention-oriented and comprehensive treatment”, JY Grandmark strictly follows the laws and regulations such as the Production Safety Law of the People’s Republic of China (《中華人民共和國安全生產法》), the Administrative Regulations on the Work Safety of Construction Projects (《建設工程安全生產管理條例》) and the Standard for Safety Inspection of Building Construction (《建築施工安全檢查標準》), and has formulated and implemented the internal rules and regulations such as the Management Methods for Safe and Environmentally Friendly Construction and Project Management Manual to clarify the work flow of safe production and standardise and guide the safe construction. During the Year, the Group did not have any major construction safety incidents, nor did it identify any serious violations of the construction regulations or relevant laws and regulations.

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

#### Safe and Eco-friendly Construction (continued)

To strengthen its safety production management, the Group has established a Production Safety Committee to clarify the management responsibilities of the Production Safety Committee and to ensure the strict implementation of disclosure and preventive measures of project safety production technology, of which the legal representative of the Company appointed as its director, the vice president in charge of safe production and the safety director of the Company as its deputy directors, with the members of the committee consisting of persons in charge of production, technology, safety, equipment, cost, finance and other relevant departments. The Production Safety Committee closely supervises and manages safety production-related matters relying on the collaborative efforts of various departments. Meanwhile, the Production Safety Committee is committed to continuously improving the safety production management system and related measures, with a view to enhancing the overall safety capability and level of the Group.

Safety production work is an important part of the Group's operation and management. JY Grandmark actively takes engineering safety measures to enhance the safe and eco-friendly construction management level of the Group's projects under construction, standardises the safe and eco-friendly construction management during the construction process, and identifies, prevents and controls hazards and risks, so as to ensure the safety of personnel and property, prevent and reduce the occurrence of construction safety accidents, and ensure orderly progress of its construction projects.

#### Clarifying safety responsibilities

- The Group clarified the responsibilities of constructors, supervisors and project owners in project management, and formulated and implemented its "Management System of Project Supervisors" to strengthen the management thereof and give full play to their supervisory and management roles in construction project;
- In accordance with the project engineering management requirements, the project engineering department organises and presides over the first construction briefing meeting before the commencement of the project, uniformly conducting safety supervision and construction briefings for supervisors and constructors, and clarifying the safe and eco-friendly construction objectives and requirements of the project.

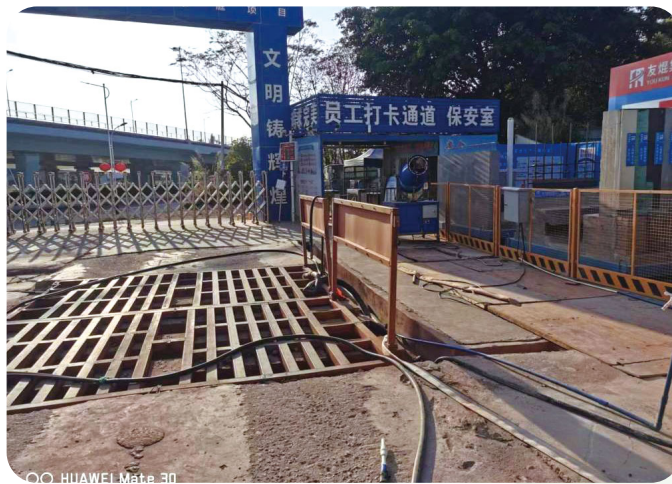
## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

Safe and Eco-friendly Construction (continued)

#### Strictly controlling construction safety

- **Enclosed and real-name site management:** The construction sites are enclosed and under strict management measures. All the staff must enter the site via the access control systems, which strictly prohibits any unintentional entry of strangers.



Real-name System Control at the Access to the Site

#### Routine construction safety measures

- **Construction safe passages:** Safe passages are installed throughout the construction site, which connects each of the building under construction, and therefore, can reduce the occurring probability of safety accidents such as injuries from falling objects.



Construction Safe Passage

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

Safe and Eco-friendly Construction (continued)

- **Guidelines for safe construction:** Before entering each of the building under construction, our workers are required to visit the production safety experience zone for operation training that showcases various guidelines and regulations for safe and eco-friendly operation during the construction process to remind our workers to maintain safety awareness and vigilance at all times.



Production Safety Experience Zone

- **Fire safety management:** Fire emergency plans are in place and a certain number of fire-fighting equipment are equipped at fixed locations, areas for the storage of flammable and combustible materials are rationally delineated with clear signs for reminders. Non-compliant operations are prohibited.



Fire Equipment Concentration Point



Storage Area for Flammable and Combustible Materials

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

#### Safe and Eco-friendly Construction (continued)

##### Improving safety inspection

- Implementing the multi-level inspection mechanism, the Group conducts routine safety inspections and hidden danger investigations on the construction site of projects through such as group inspection, special inspection, project self-inspection, supervisors inspection and construction units self-inspection, and strictly controls the whole process from project quality to safe and eco-friendly construction;
- Findings during the inspection are subject to rectification within a certain period, and follow-ups and oversights to ensure the effective implementation of the rectification plan and to timely identify and eliminate safety hazards, ensuring construction safety.

##### Conducting safety publicity and implementation

- We have set up safety education and training areas and experience zone on the construction site, such as a safety protection equipment display area, a construction environment experience zone, a safety operation demonstration area, a safety knowledge publicity area, a simulated rescue exercise area, etc. By simulating a real construction environment, workers can learn safety knowledge and enhance their safety awareness through practical operations;
- We actively carries out training and drills on safety management systems and standards to ensure that the employees understand safety management standards and to improve the safety quality and awareness of the unit's main person in charge, production safety management personnel, other employees and employees of the supplier units (constructors and supervisors), so as to enhance their ability to deal with public emergencies.



Various Safety Trainings and Drill Activities Conducted

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

#### Digital Empowerment Management

Digital transformation is adapted to the development trend of the era of globalisation, intelligence and informatisation of economic development. To implement refined management for construction safety, the Group has been promoting the construction of smart construction sites by transforming project construction management and other business scenarios into online process records, thereby achieving visual management.

#### Real-name System at the Access to the Sites

- Assistance is provided in the real-name registration of personnel entering the sites, including key information such as identity information and times of entry and exit, which helps preventing unauthorised individuals from entering the construction sites and reducing safety hazards.

#### Visual Video Surveillance System

- During the construction process, visual video surveillance is widely adopted in various projects to promptly understand the on-site construction conditions, thereby enhancing the handling level of safety and emergency incidents.

Smart communities are one of the important directions for the future development of cities and are of significant importance for promoting the modernisation of community governance and improving the quality of life for residents. In the construction of smart communities, the Group has established a set of smart community system standards by configuring various systems such as visitor intercom system, access control system, parking lot management system, video surveillance system, public address system, electronic inspection system, perimeter intrusion alarm system and elevator intercom system, allowing property owners to enjoy more convenient, efficient and personalised services.

In the field of smart property service, the Group employs the ERP (Enterprise Resource Planning) system to fully leverage its capabilities in the quality inspection module. This system efficiently monitors the frequency and content of project inspections, preventing any fraudulent practices in quality inspection. The inspection data it presents is clear and intuitive, offering convenience for the daily inspection records of property staff. It also enables property service personnel to have a clear understanding of the on-site conditions and the performance of frontline staff in their daily inspections, thereby enhancing the efficiency of property service.

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept

JY Grandmark respects customer needs and adheres to the service philosophy of “centring on customer satisfaction” to establish an improved and refined service management system and enhance customer health and safety management and privacy protection, fully safeguarding customers’ rights and interests. Meanwhile, the Group explores and contemplates the service mode that evolves with the times and pursues excellence in every detail of service, so as to contribute to a better life experience with more diversified and high-quality services.

#### Quality Warm Services

##### Hotel Service Quality Improvement

The Group always upholds a “customer-oriented” service philosophy for hotel business, attaches importance to the interaction and communication with customers, accurately grasps their emotional needs, and is committed to providing customers with considerate and sincere hotel services, so as to establish a solid and enduring cooperative relationship. During the Year, the key initiatives implemented by the Group’s hotel segment to further improve hotel service quality are as follows:

Hotel Service Quality Improvement Measures	
<b>Improving Customer Experience</b>	<ul style="list-style-type: none"> <li>• Comfortable environment inspection: conduct hygiene inspection for public areas of the hotel to ensure a clean, tidy and free from odour and dust environment;</li> <li>• Efficient customer service: arrange concierges to serve at the entrance of the lobby during the peak check-in period to provide inquiry and luggage services, and assist customers to complete check-in procedures; strengthen parking areas management near the hotel, and assign security personnel to guide vehicles and help customers find parking spots;</li> <li>• High-quality catering: enhance breakfast inspection, replenish in time and regularly update breakfast options, increasing both quantity and diversity;</li> <li>• Hotel amenities improvement: add USB charging sockets in rooms to meet customers’ charging needs, and upgrade the public area WiFi to optimise the internet experience; improve the hotel’s fitness and entertainment facilities to enhance customer experience;</li> <li>• Personalised services: provide towel service for customers who had just finished taking a hot spring bath; decorate lovely rooms for customers who celebrate anniversaries; provide butler-like services to customers, including sharing hotel information and travel suggestions.</li> </ul>
<b>Establishing a VIP System</b>	<ul style="list-style-type: none"> <li>• Establish a VIP customer profile based on customer spending behaviours in the hotel and customise personalised services to prepare the reception in advance. 24-hour caring front desk services are offered to provide customers with quick check-in, deposit-free, free room-check and other check-in procedures;</li> <li>• Where room availability is allowed, customers can enjoy preferential treatment such as free upgrade of room type and late check-out.</li> </ul>
<b>Designing Festive Activities</b>	<ul style="list-style-type: none"> <li>• Introduce complimentary dinner buffet for guests staying at the villa on holidays and Saturdays to settle the evening meal;</li> <li>• Design activities based on the festive theme to make the staying guests enjoy the festive atmosphere.</li> </ul>

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept

Quality Warm Services (continued)

Hotel Service Quality Improvement (continued)

#### Case

Just Stay Inn has been Honoured with the Red Cotton Two-Star Homestay Award

In 2023, the Guangzhou Municipal Bureau of Culture, Radio, Television and Tourism (廣州市文化廣電旅游局) initiated a star-rating programme for tourist homestays, aiming to guide the development of the homestays in Guangzhou towards standardisation, specialisation, refinement, and branding. JY Grandmark's Just Stay Inn was recognised for its quality and service and successfully awarded as a Red Cotton Two-Star Homestay.

Just Stay Inn is located at the foot of Guangzhou's Maofeng Mountain, which boasts two times the ecological volume of the Baiyun Mountain, with Grade A air quality and 67,000 negative oxygen ions per cm<sup>3</sup> in air. Surrounded by forest parks, ancient temples, reservoirs, mountains and fields and other rich natural tourism resources, Just Stay Inn brings a refreshing and pleasant natural environment to residents.

Just Stay Inn, the building design of which inherits the traditional classic space concept of Guang Fu Culture, is a modest and elegant eco-cultural and tourism compound with Lingnan and new Chinese styles. Meanwhile, it is equipped with complete guest rooms, catering, customised conference facilities, tea spring, as well as other recreational and entertainment facilities, where residents can experience picnics, the China-chic Han clothing experience, boiling tea around the stove, indoor cinema and other activities, ensuring that guests enjoy a comfortable vacation experience while feeling the refinement and convenience of high-quality living.



Just Stay Inn



## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept

Quality Warm Services (continued)

#### Property Service Quality Improvement

The Group attaches importance to the improvement of property service quality and aims to improve the satisfaction of its property owners. We listen carefully to the needs and opinions of our property owners, integrating the service standards of care, attention, respect, and proactivity into our daily work to ensure that owners enjoy a delightful, safe, and comfortable quality of life.

#### Property Service Quality Improvement Measures

##### Improving the Service Management System

- Detailed service standards, service specifications, and standards for polite language, etc. were established and trainings were provided to property service staff in the form of morning meetings and regular meetings. Property service staff shall strictly follow the standards to strengthen the construction of high-quality services and develop towards the direction of service standardisation, regulation, and professionalism.



Etiquette Training at Morning Meeting



Property Cleaning Training

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

Quality Warm Services (continued)

Property Service Quality Improvement (continued)

#### Property Service Quality Improvement Measures

##### Community Environmental Quality Improvement

- Special environmental rectification actions were organised in the communities to clean up fallen leaves, weeds, and other waste from the green strips along the main and secondary pathways within the communities, and carry out disinfection for eliminating the four pests to ensure a clean and tidy environment in the communities. At the same time, renovation on the buildings, greening and roads in the communities was conducted; the management of bicycle parking was strengthened, implementing weekly and monthly on-site quality inspection mechanisms, with an aim to enhance the overall image and charm of the communities, creating a beautiful and livable community environment for the owners.



Greenery Improvement in the Communities



Disinfection for Eliminating the Four Pests in the Communities



Image Improvement of the Communities



Bicycle parking management

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

Quality Warm Services (continued)

Property Service Quality Improvement (continued)

Property Service Quality Improvement Measures	
<p><b>Providing Diverse Convenience Services</b></p>	<ul style="list-style-type: none"> <li>The Group provided attentive and considerate people-oriented services to convey community care, such as regularly pushing warm tips on severe and extreme weather conditions in the WeChat group of the property owners, advising on precautions for events like typhoons, torrential rains, thunderstorms and heatwaves; we responded promptly to the owner's repair requests and assisted them in resolving issues; we counted the elderly living in the community and visited them to deliver care regularly.</li> </ul>
<p><b>Enriching Community Cultural Activities</b></p>	<ul style="list-style-type: none"> <li>We enriched the lives of the property owners with warm-hearted services, organised and carried out various forms of community cultural activities and provided multi-level and multi-type services and entertainment options for owners of different ages and needs, enhancing the emotional connection with the owners, creating harmonious neighbourhood relationships, and letting warmth continue to spread throughout the community.</li> </ul> <div style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="text-align: center; margin: 10px;">  <p>May Day Hiking</p> </div> <div style="text-align: center; margin: 10px;">  <p>Parent-child Activities on Children's Day</p> </div> <div style="text-align: center; margin: 10px;">  <p>National Day Autumn Harvest Experience Activity</p> </div> <div style="text-align: center; margin: 10px;">  <p>National Day Autumn Bonfire Party</p> </div> <div style="text-align: center; margin: 10px;">  <p>Cultural Activity to Celebrate the Chinese New Year</p> </div> <div style="text-align: center; margin: 10px;">  <p>Cultural and Artistic Performance Event</p> </div> </div>

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

#### Health and Safety Services

##### Hotel Health and Safety Services

Hotel safety management is a crucial aspect of hotel operations, directly affecting the personal interests and safety of guests. The hotels of the Group place a high priority on safety services, implementing various measures to comprehensively enhance safety assurance capabilities. We ensure that every step, from check-in to check-out, strictly adheres to safety standards, creating a secure and comfortable accommodation environment for our guests.

#### Real Name Registration

- The hotel front desk assists guests with registration in the hotel management system and confirms the number of guests and has them sign a "Reminder for Real Name Registration". Additionally, the front desk conducts real name registration checks on guests who are currently staying at the hotel. If any discrepancies are found during the check, the front desk foreman is responsible for following up with the concerned guests to complete the registration and consolidating the results of the check to report any findings.

#### Surveillance System Checks

- The security department personnel conduct daily inspections of the hotel's entire surveillance system records, checking the coverage area of the monitoring, the timestamps of the recordings, and the clarity of the images.

#### Security Personnel Patrol

- The security department personnel conduct routine patrols every two hours to ensure the safety of the hotel's areas and floors.

#### Investigation of Potential Safety Hazards

- The security department personnel carry out routine safety inspections of key areas daily, such as the kitchen, machinery rooms and electrical rooms. Additionally, they conduct monthly safety hazard investigation to ensure the implementation of safe production practices.

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

Health and Safety Services (continued)

**Hotel Health and Safety Services (continued)**

#### Maintenance of Equipment and Facilities

- The hotel enters into cooperative agreements with third-party professional maintenance companies to conduct 1 to 3 fire safety maintenance checks per month, ensuring the normal operation of the fire protection system.

#### Safety Culture Publicity

- The hotel organises fire safety training and evacuation drills to ensure that all hotel staff have a fundamental understanding of fire safety knowledge and possess the skills for organising evacuation and self-rescue in case of emergencies;
- The hotel organises staff participation in fire facility operator certification exams to enhance their fire safety operation skills.



Investigation of Potential Safety Hazards in the Hotel



Hotel Fire Facilities Maintenance



Fire Drill



Safety Training

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

#### Health and Safety Services (continued)

##### Property Health and Safety Services

JY Grandmark prioritises the safety of the property owners and continuously strengthens and standardises the security precautions in public areas of the communities, continuing to expand the coverage area of safety assurance and refining the response measures for safety assurance, so as to protect the property owners' safety from various approaches and make sure to create secure and harmonious communities for the owners.



##### Professional Security Services

- The Group strengthens armed night patrols by having security personnel fully equipped to conduct comprehensive patrols within the communities, thereby enhancing the sense of security among residents.



##### Maintenance of Equipment and Facilities

- The Group conducts regular inspections of machine rooms and other equipment with the aim of promptly identifying potential safety hazards, equipment malfunctions, and environmental anomalies, ensuring the stable, secure, and reliable operation of the equipment.



##### Fire Safety Management

- The Group implements staff training on monitoring fire safety systems, clearly defines the responsibilities of fire safety officers, and prepares fire emergency plans in advance to prevent and reduce the occurrence of preventable cases and public security disasters.



##### Safety Culture Publicity

- The Group carries out property safety management training for property service staff, covering theoretical knowledge of property safety management, safety management systems and operational procedures. The Group also organises fire drills and issues safety reminders to the property owners, working together with them to create safe communities.

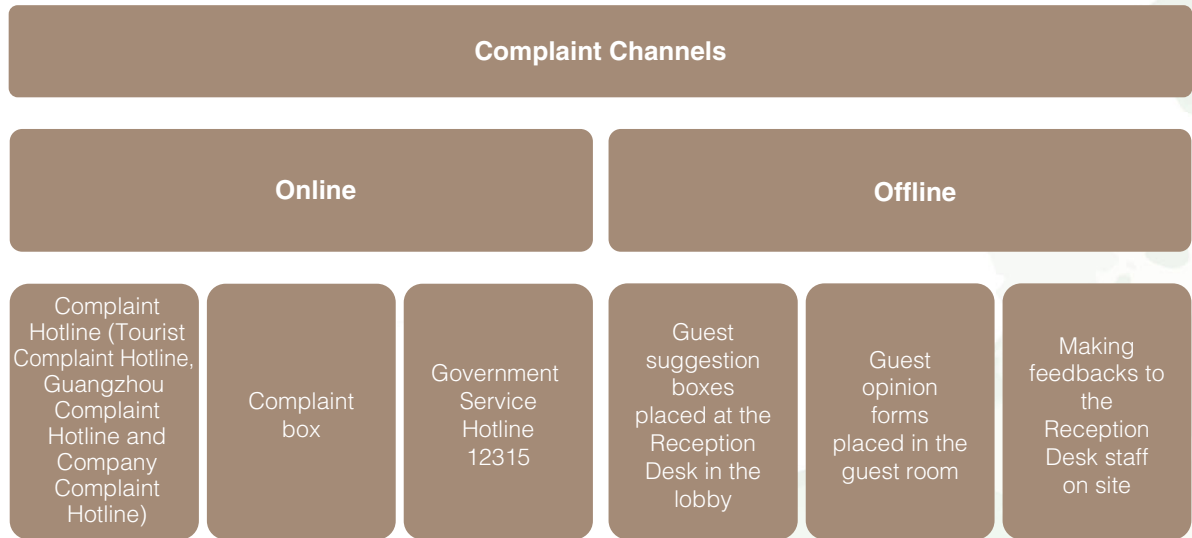
## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

#### Satisfaction Enhancement

##### Hotel Satisfaction Enhancement

The Group's hotels are oriented towards guests' experience and demands, committed to providing high-quality products and excellent services. The hotels attach great importance to the customer complaint management, maintaining communication with customers through various channels and listening to their feedback on hotel services, so as to continuously enhance hotel customer satisfaction.



## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

#### Satisfaction Enhancement (continued)

##### Hotel Satisfaction Enhancement (continued)

On a daily basis, front office manager and relevant departments promptly follow up and address complaints to ensure that customer issues are resolved in a timely manner. On a monthly basis, the hotels conduct a summary analysis of the complaints, report to the Group's leaders, and propose measures for improvement, continuously enhancing the quality of service. At the same time, the hotels adopt a combination of online and offline methods to conduct customer satisfaction surveys, so as to fully understand the real demands of customers and their valuable suggestions on hotel services and management. Based on the results of these surveys, the hotels continue to refine the quality of services, striving to provide customers with a satisfactory and comfortable accommodation experience. The customer satisfaction survey in 2023 has been successfully completed, and the results are as follows:

Online Satisfaction Survey	Offline Satisfaction Survey
<ul style="list-style-type: none"><li>• Scope of the survey: Ctrip check-in customers</li><li>• Method of survey: Call-back</li><li>• Result of survey: Online Ctrip has received a total of 479 five-point positive reviews, up by 55.02% as compared with 2022.</li></ul>	<ul style="list-style-type: none"><li>• Scope of the survey: Hotel guests</li><li>• Methods of survey: Guest feedback forms placed in guest rooms; field inquiry investigation</li><li>• Result of survey: A total of 3,865 guest feedbacks were collected, of which 3,491 were positive reviews, up by 72.91% as compared to 2022.</li></ul>



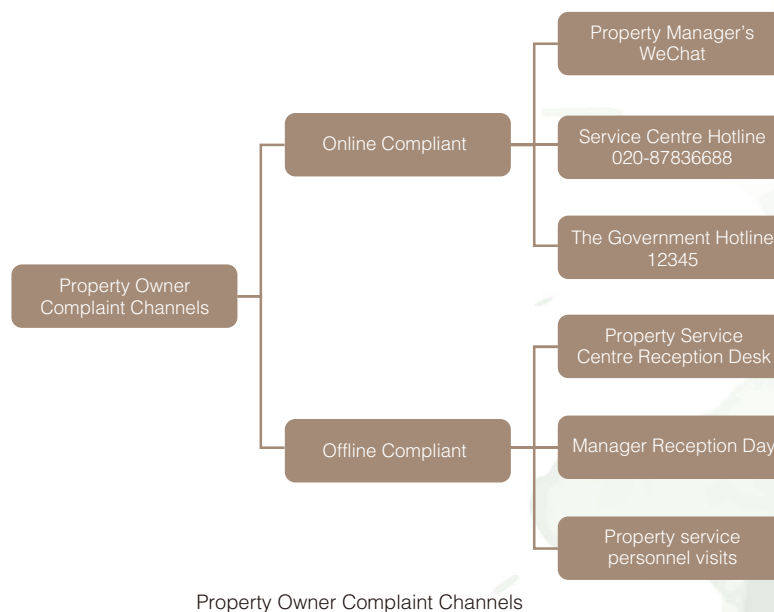
## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

Satisfaction Enhancement (continued)

#### Property Satisfaction Enhancement

The Group actively listens to the voices and demands of the property owners, places a high emphasis on their complaint management, and maintains both online and offline complaint channels. To ensure timely receipt of the property owners' feedback, the Group has standardised the complaint handling process and methods, specified the scope of management and responsibilities of each department in customer complaints handling work, thereby enhancing the efficiency of complaint handling.



When we receive property owners' complaints, our staff at the property service centre would immediately contact the property owner to confirm and record the details of the complaints, and instantaneously send the request to the responsible department, ensure that the issue is followed up and handled within the specified time frame, and the result and suggestion would be fed back to the property owner within 24 hours. For the issues that cannot be resolved, the staff will promptly report it to the director or supervisor while making explanation to the customers until they are satisfied.

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

Satisfaction Enhancement (continued)

#### Property Satisfaction Enhancement (continued)

In order to continuously improve service quality, the property service centre will conduct follow-up visits for each complaint and keep detailed records in the complaint information record book. The property service centre will issue complaint statistical analysis report every quarter based on the complaint content, and timeliness and satisfaction of complaint handling, etc., thereby strengthening the management of complaints.

In response to common, key and complex complaint issues, the property service centre will conduct in-depth retrospective analysis and investigate the root causes and formulate targeted solutions to prevent the recurrence of similar problems. For cases where the complaint handling has been ineffective, the property service centre will pay special attention and propose improvement measures to ensure that the issues are properly addressed, thereby actively enhancing the living experience of the property owners.



Property service personnel visits

During the Year, the property owner complaints received by the Property Service Centre throughout the year have been properly addressed, with 96% complaint completion rate, and 85% overall customer satisfaction rate.

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

#### Customer Privacy Protection

The Group upholds the philosophy of creating value for our customers and pays much attention to the management and control of information security risks and the safeguarding of customer privacy and data security. The Group strictly adheres to the laws and regulations such as the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》) and the Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》), and formulates and implements internal systems such as Management Regulations on the Protection of Customer Information, Information Management Guide, Document Management Measures. We standardise the management of various aspects including customer information collection, storage and usage, and prevent the misuse of personal information, thereby comprehensively protecting the customers' personal information and privacy security.

Each business segment of the Group is committed to the protection of customer information and privacy. They promote the information security construction of the Group by enhancing information system construction, optimising authority management setting, implementing hierarchical management of information, conducting information security training and information security supervision, to fully guarantee the information security and rights of customers and the Group.

#### Information system construction

- Configuring security certificates for the property ERP system as required to ensure the security of information and links on the staff side and the client side;
- The hotels have upgraded their systems as required by the data collection system, deactivating the function for familiar customer inquiries, and enhanced the elevator control system, such that customers can use their room key cards to take the elevators.

#### Authority management setting

- Implementing the requirements for delegating exclusive administration rights to designated persons, to minimise the access of non-essential personnel, and effectively reducing the information flow and the leakage risk during the paper registration.

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

#### Customer Privacy Protection (continued)

##### Hierarchical management of information

- Enhancing the mechanism for hierarchical management of information usage, where the access to information materials must be categorised and approved according to different authorization levels. For instance, sensitive owner information requires joint approval from the property service and customer service supervisors before it can be borrowed or photocopied.

##### Information security training

- Strengthening staff training and improving the information security awareness of relevant staff, to prevent the occurrence of information security incidents;
- Advocating the customer privacy protection policies and precautions to hotel staff, with an emphasis on the strict prohibition of disclosing customer private information to external personnel.

##### Information security supervision

- Strengthening supervision and management by establishing a penalty mechanism and regularly inspecting every aspect of the use of information files. Strict punishment will be imposed according to relevant standards once it identifies noncompliance, so as to prevent information leaks.



Customer privacy protection training



Training on customer file management regulations



Information security training

## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

#### Responsible Marketing

The Group strictly complies with relevant laws and regulations such as the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》) and Law of the People's Republic of China on Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法》). Defining the business red line of marketing management, we always ensure that the information conveyed is true and reliable, and never engaging in exaggerated promotion. We aim to protect the legitimate rights and interests of customers while consolidating and enhancing the reputation and brand image of the Group.

To effectively promote products, convey brand stories and communicate event information, the Group has chosen digital marketing channels such as TikTok and video official accounts, as well as formulated targeted marketing methods such as live streaming house viewings and VR house viewings. In order to comprehensively ensure the compliance and accuracy of digital marketing, the Group has implemented a series of key measures:

Providing Training and Guidance	Strengthening Sales Supervision	Establishing a Content Review Team
<ul style="list-style-type: none"><li>Constructing a comprehensive training system to ensure that sales personnel are kept up-to-date with the latest regulatory changes and industry standards; concurrently, strengthening guidance on professional terminology and platform rules for sales staff to ensure compliant operations.</li></ul>	<ul style="list-style-type: none"><li>Implementing a stringent regulatory mechanism that encompasses various aspects such as on-site inspections and data analysis to ensure the compliance of sales activities.</li></ul>	<ul style="list-style-type: none"><li>Responsible for conducting comprehensive reviews on digital marketing materials, regularly scrutinising marketing content to promptly identify and rectify any inappropriate information. This ensures the timeliness and accuracy of the information, and upholding the compliance of marketing materials.</li></ul>

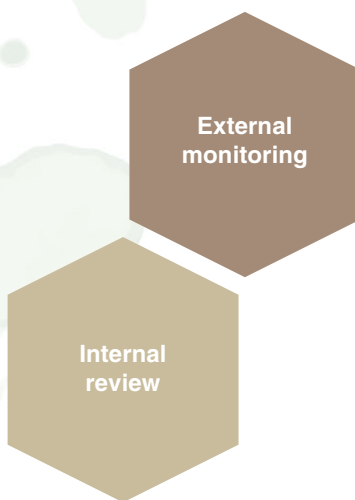
## 4. PRESENT ECO-FRIENDLY AND PEOPLE-ORIENTED PROPERTY WITH PRECISION CRAFTS (CONTINUED)

### 4.3. Offer High-quality Services with the Customer-oriented Concept (continued)

#### Intellectual Property Protection

Protecting intellectual property is protecting innovation. The Group attaches great importance to intellectual property protection and trademark management, strictly complies with the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》), the Trademark Law of the People's Republic of China (《中華人民共和國商標法》) and other relevant laws and regulations, formulates and implements intellectual property rights and trademark management systems, and standardises the management of intellectual property affairs by adopting effective measures such as external monitoring and internal review.

The Group regularly reviews the trademark registration ledger to ensure the completeness of the ledger and the timeliness of the trademark term to protect its own legal rights and interests.



The Group's legal team regularly monitors for any infringement of the Company's registered trademarks by external units, and once the infringement is detected, the Group will protect its intellectual property interests in accordance with the law.

Intellectual Property Protection Measures

# 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER

As a faithful practitioner of the concept of “Lucid waters and lush mountains are invaluable assets”, JY Grandmark adheres to the green and low-carbon development concept of “Building green space, practising green operation”, and continues to improve the environmental management mechanism of building design, construction, operation and office, etc. to minimise the environmental impact of business development. At the same time, JY Grandmark continues to enhance its ability to cope with the risk of climate change, aiming to grasp the opportunities created by climate change and help the transformation of the low-carbon economy.

### ESG issues included in this section

- Water resources management
- Energy efficiency and carbon emissions reduction
- Green operation
- Dealing with climate change

### SDGs goals addressed in this section



## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.1. Implementation of Green Construction

The Group advocates green construction, strictly abides by the Technical Guidelines for Green Construction (Trial) (《綠色建造技術導則(試行)》) and other related policies, formulates and implements Management Methods for Safe and Environmentally Friendly Construction of JY Grandmark Group (《景業名邦集團安全文明施工管理辦法》) and other internal rules and regulations, strengthens the management of green construction, and applies green construction techniques so as to minimise the adverse impacts on the environment caused by construction activities.

#### Green Construction Management

On the premise of safeguarding the quality of the construction works and the safety of the construction environment, the Group has taken into account the impact on the environment and the surrounding communities and adopted various environmental protection measures to realise the conservation of energy, water resources and raw materials during the construction process, and committed to creating a clean, comfortable and safe construction environment.

The green construction site environmental management measures adopted by the Group are set out below:

#### Material conservation

- We choose recyclable materials such as concrete iron and copper products for architectural project design;
- Projects are encouraged to adopt the aluminium formwork and climbing frame process system to reduce the use and loss of wooden squares and wooden formwork;
- The proportion of prefabricated components in building development is increased, including prefabricated shear walls, prefabricated laminated panels, prefabricated stair slabs, etc.;
- In the construction process, plastic formwork with higher turnover times is popularised to reduce the loss of turnover materials;
- All construction processes use ready-mixed concrete and commercial mortar to reduce environmental pollution and material losses at the construction sites;
- Some projects make full use of the integrated design of building, civil engineering, and decoration.



## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.1. Implementation of Green Construction (continued)

#### Green Construction Management (continued)

##### Energy conservation

- Solar street lamps are used for lighting in the construction of some projects;
- Centralised and time limit lighting devices are used for lighting in the construction of some projects.



Site Solar Application

##### Noise control

- Construction noise is monitored in real time and make sure it does not exceed the level required by the Emission Standard of Environmental Noise for Boundary of Construction Site (《建築施工場界環境噪聲排放標準》);
- Sound insulation measures, e.g. temporary barriers for sound insulation and vibration isolation, are also taken.

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.1. Implementation of Green Construction (continued)

#### Green Construction Management (continued)

##### Dust control

- “Wet operation” is required for demolition, blasting, excavation and other processes;
- The use of bulk cement is prohibited and the use of commercial concrete is popularised;
- Dust detection facilities are set up at the site to monitor and control the dust within the construction site, and the proven gas emission standards are strictly implemented to ensure compliance with the secondary standards for air pollutants;
- Spraying systems are also set up around tower cranes, walls, outer shelves, etc., and the main construction areas are equipped with fog cannons or sprinklers.



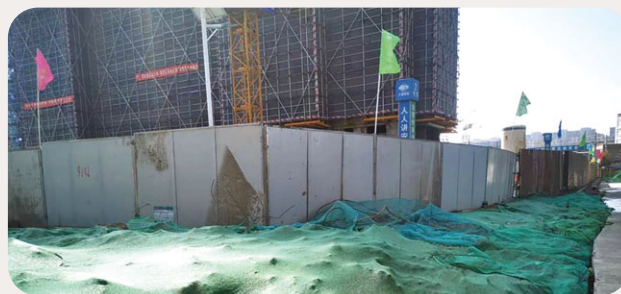
Dust Monitoring Devices



Spraying Facilities for Dust Reduction at Construction Sites

##### Soil protection

- The construction site requires that exposed soil be covered with dense mesh netting for comprehensive coverage or landscaping treatment;
- The ground surface of the main roads, operation areas and living areas at the construction site are fully hardened and compacted.



Exposed Soil Coverage on Site

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.1. Implementation of Green Construction (continued)

#### Green Construction Management (continued)

##### Sewage treatment

- The entrances and exits are equipped with flushing equipment, the vehicles go out after being cleaned and covered to strictly prevent the vehicles from carrying sediment out of the site, and the car wash wastewater is discharged into municipal sewage pipelines only after going through the three-stage sedimentation;
- Drainage ditches have been dug along the on-site roads, material stacking sites and mixing stations to control sewage flow, with sedimentation tanks set up to ensure that sewage is discharged into municipal sewage pipelines only after sedimentation.

##### Waste treatment

- Construction waste generated during the construction process are categorised and placed on-site, and dumping and indiscriminate landfilling are strictly prohibited;
- The construction waste is handed over to professional organisations for uniform recycling and compliant treatment.

##### Prevention of process-related pollution

- All wood veneer products supporting the decoration project are delivered to the site for assembly after the painting process is completed in the factory, and onsite painting is prohibited;
- All veneer products for interior doors selected by the bidders are of paint-free veneer;
- Environment-friendly primers and glues are uniformly selected for indoor wallpapering, while nitro varnishes are not allowed to be used as primers;
- Painting process of aluminium windows, railings, etc., are completed in professional production workshops utilising the “powder spraying” process, to avoid pollution caused by traditional painting processes.

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.1. Implementation of Green Construction (continued)

#### Green Construction Technology

##### Application of assembled building

Assembled construction transfers a large number of on-site operations from traditional construction methods to factories, which effectively improves construction quality and efficiency, facilitates environmental protection and resource conservation, and ensures safe and civilised construction. The Ministry of Housing and Urban-Rural Development of PRC has issued the “14th Five-Year Plan” for the Development of the Construction Industry (《“十四五”建築業發展規劃》), which explicitly proposes that by 2025, the proportion of assembled buildings in new construction will reach 30%, and accelerate the realisation of a new type of construction production method that maximises the value of building products in terms of energy-saving, environmental protection, and the whole life cycle.

Improve Construction Quality	Improve Construction Efficiency	Safe and Civilised Construction	Energy Saving and Environmental Protection Construction
<ul style="list-style-type: none"> <li>Correcting quality problems such as wall cracking and leakage, and improving the overall safety, fire resistance and durability of the housing.</li> </ul>	<ul style="list-style-type: none"> <li>Transferring traditional “site operations” to “factory operations”, reducing the impact of weather conditions on construction and speeding up the progress of construction.</li> </ul>	<ul style="list-style-type: none"> <li>Reducing the construction site building materials and construction waste stacking, making the excessive construction noise controllable, as well as reducing the site safety accident rate.</li> </ul>	<ul style="list-style-type: none"> <li>By significantly reducing original on-site casting operations, we strictly control construction flying dust pollution, reduce the consumption of energy such as water, electricity and fuel, and decrease the emission of pollutants and waste.</li> </ul>

Advantages of Assembled Building

The Group has actively responded to the call of the State and continued to promote the application of assembled construction in its products. For example, JY Uniworld in Zengcheng District adopts prefabricated construction technology, using construction methods such as the laminated floor, prefabricated stairs, prefabricated interior partition wallboards, integrated decoration, integrated bathrooms, integrated kitchens and aluminium moulding, and is committed to realising a low-carbon and environmentally-friendly industrialised construction mode.



Application of Assembly Building Technology

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.1. Implementation of Green Construction (continued)

Green Construction Technology (continued)

#### Application of assembled building (continued)

As of the end of December 2023, the status of the Group's implementation of the case for assembly construction specialisation is as follows:

Project Name	Total Capacity Area (10,000 m <sup>2</sup> )	Assembled Area (10,000 m <sup>2</sup> )	Percentage of Floor Area of Prefabricated Buildings
Zhuzhou Mountain Lake Gulf Phase II	17.23	2.86	16.60%
Zhuzhou Mountain Lake Gulf Phase III	21.30	11.96	56.15%
Zhuzhou Jing Ye Square Phase I and Phase II	9.07	4.54	50.06%
Zengcheng JY Uniworld	8.08	3.74	46.29%
Lingao Egret Bay Phase III (04# Lot)	6.18	6.16	99.68%
Lingao Egret Bay Phase II (07# Lot)	7.17	7.10	99.02%

#### New self-levelling technology

The Group has introduced an innovative self-levelling process in floor decoration, which can automatically and precisely level the floor to ensure that the floor is smooth after construction, and the construction is convenient and efficient, thus saving materials. At the same time, the process demonstrates excellent bonding performance, high hardening strength, no hollow drums and cracks, high compressive strength, wear resistance and moisture-proof and sound insulation. The whole construction process is radiation-free and does not release harmful substances such as methanol and benzene, fully demonstrating its environmental friendliness and efficient utilisation of resources.



New Self-levelling Technology Application

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.2. Adherence to Green Operation

The Group adheres to green and low-carbon operations and strictly complies with the Law of the People's Republic of China on Energy Conservation (《中華人民共和國節約能源法》), the Law of the People's Republic of China on Environmental Protection (《中華人民共和國環境保護法》), the Law of the People's Republic of China on the Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》) and other laws and regulations, strengthens the detailed management of energy, waste and water resources, integrates the concept of green development into the details of daily office work and operations, and endeavours to achieve energy conservation and emission reduction in its business operations, and promote sustainable development.

#### Green Development Targets

In order to implement the concept of green and low-carbon operations, the Group has formulated three major green development targets, namely carbon emission and energy use efficiency target, water efficiency target, waste reduction target, in close connection with its business development and daily operation, and has promoted the implementation of relevant action plans in various dimensions, including green operation and office, green construction and green building, etc., and has continued to strengthen the tracking and control on the effectiveness of its environmental management in order to promote the smooth realisation of these targets.

#### Green Development Targets



Carbon emission and energy use efficiency target

The Group proactively conducts operations in an energy-saving and consumption-reducing way, increases energy use efficiency and decreases greenhouse gas emissions.



Water efficiency target

The Group reinforces the daily maintenance of water facilities and equipment, publicises the awareness of water conservation, reasonably uses water resources and optimises the utilisation efficiency of water resources.



Waste reduction target

In response to waste sorting, the Group deepens the awareness of material recycling and relentlessly presses ahead with reducing waste, recycling waste and harmlessly treating waste.

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.2. Adherence to Green Operation (continued)

#### Low-carbon and Energy-saving Management

Energy saving and emission reduction is one of the important ways to achieve the carbon peak and carbon neutrality goals. The Group attaches great importance to energy saving and emission reduction in various operational processes, and through the implementation of energy saving management strategies and the application of energy saving technologies, it reduces energy consumption and enhances the efficiency of energy use, so as to minimise carbon emissions and contribute to the achievement of the carbon neutrality goal.

During the Year, the Group continued to take actions to achieve the carbon emission and energy use efficiency target, details of which are set out below:

#### Launching Energy Saving Retrofit

- Qingyuan JY Grand Garden transformed part of the community's communal lighting into time-controlled switches, with a saving of about RMB15,000 in electricity costs throughout the year.



Installation of Time-controlled Switch

- Replacement of water and electricity control parts in Zhuzhou JY Mountain Lake Gulf, with a saving of about RMB80,000 in water and electricity energy costs throughout the year.
- Since the end of 2018 and July 2020, the Just Stay Resort in Conghua District has invested a total of more than RMB3,400,000 in the gas-to-electricity energy-saving project, which has changed the original gas boiler constant temperature system into an air energy heat pump and an electromagnetic heater for constant temperature. After nearly four years of operation, a total of RMB7,221,700 was saved in energy consumption after the renovation compared with that before the renovation. In addition, in May 2021, Just Stay Resort in Conghua District invested over RMB60,000 in the retrofit project of air-conditioning waste heat recovery tank and piping, resulted in a total of 9,320 tonnes of recovered hot water in the three cooling seasons, with a saving of about RMB55,000 in electricity costs.



Gas-to-Electricity Energy-saving Project



Air Conditioning Heat Recovery Project

- Just Stay Hotel in Panyu District carried out maintenance on the central air-conditioning in August 2023, replacing the mainframe refrigeration oil, oil filter, pilot drying filter, external pipe seals, etc., as well as carrying out mechanical and chemical cleaning of the mainframe condenser, saving approximately 1,760 kWh of average monthly electricity consumption year-on-year after the completion of the renovation.



Central Air Conditioning Maintenance

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.2. Adherence to Green Operation (continued)

#### Low-carbon and Energy-saving Management (continued)

##### Use of Energy-saving Lamps

- In June 2023, Just Stay Hotel in Panyu District successfully completed the lighting upgrade of the passageways, warehouses and plant rooms on the negative 1 floor, replacing a total of 68 units of 16W LED fluorescent tubes and LED body-sensor tubes, saving of approximately 240 kWh of average monthly electricity consumption year-on-year after the completion of the renovation.

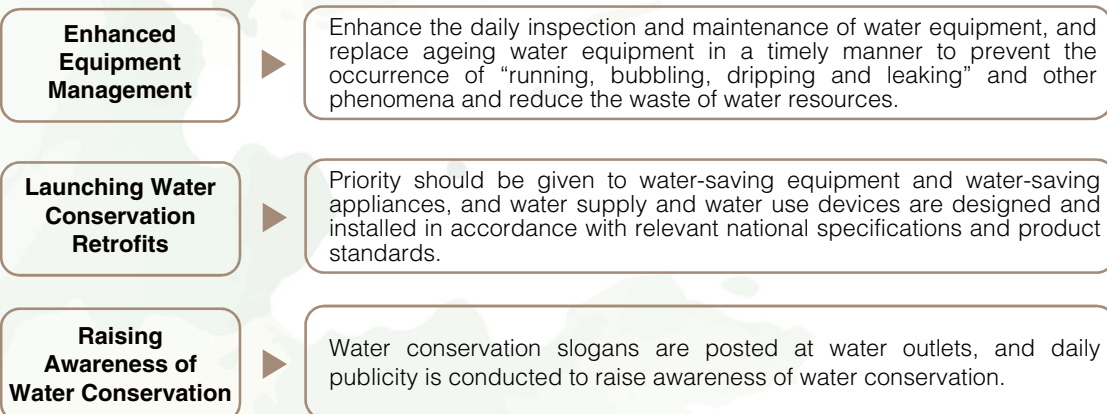
##### Enhancement of Energy Saving Publicity

- The project incorporated practical work requirements and launched thematic training on energy saving and consumption reduction for staff, so as to enhance their awareness and ability in energy saving.

#### Water Efficiency Management

Water resource is one of the precious natural resources, and the Group has always been attaching great importance to the protection and conservation of water resources. In the course of its operations, the Group has continued to strengthen its water management and formulated and implemented various water conservation measures to enhance the efficiency in the use of water resources. During the Year, the Group had no issue in sourcing water that is fit for purpose.

During the Year, the Group continued to take actions to achieve the water efficiency target, details of which are set out below:





## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.2. Adherence to Green Operation (continued)

#### Water Efficiency Management (continued)

##### Case

##### Innovative water-saving technology to realise water conservation and efficiency

In 2023, the Group's Just Stay Hotel in Panyu District, Guangzhou committed to practising the water recirculation method by installing an inverter in the hot water recirculation pump on the rooftop, which successfully reduced the frequency from 50 Hz to approximately 33 Hz. This not only reduces the speed of the water pumps, thereby extending their service life, but also effectively improves the efficiency of water resources utilisation and achieves water conservation, demonstrating the environmental concept of water conservation and efficiency.

#### Waste Reduction Management

In compliance with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》), the Administrative Measures for Urban Living Garbage (《城市生活垃圾管理辦法》) and other relevant laws and regulations, the Group adheres to the principles of reduction, recycling, and harmlessness, and actively implements relevant initiatives of waste separation in each business segment, so as to strictly control the discharge and treatment of its waste.

The non-hazardous waste generated by the Group mainly includes construction waste, garden waste and living garbage produced during the construction and office work. By sorting and disposing of waste, negative impact on the environment can be avoided. During the Year, the Group continued to take actions to achieve the waste reduction target, details of which are set out below:



## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.2. Adherence to Green Operation (continued)

#### Waste Reduction Management (continued)

In the property sector, the Group focuses on building green and waste-free communities by requiring each property project to proactively cooperate with the local government in garbage classification and environmental management, and by launching community publicity activities themed on garbage classification, advocating owners and tenants to practise the concepts of green living and low-carbon environmental protection, as well as enhancing the awareness of garbage classification among all staff.



Publicity Campaign on the Theme of Waste Classification

In the hotel sector, the Group has established regulations on garbage classification and a daily management system, requiring staff to sort garbage according to recyclable garbage and other garbage when cleaning the garbage in guest rooms, so as to do a good job in garbage classification and disposal. At the same time, the Group appointed specialists to collect paperwork and information, regularly launched special conferences, special activities, and publicity and training on waste separation, and posted signs of refusal to waste in prominent locations such as the catering department of the hotels, so as to cultivate the awareness of garbage classification among all staff members, and to ensure that garbage classification was comprehensively promoted and effectively implemented.



Publicity on Classification of Living Waste



Refuse to Waste Poster

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.2. Adherence to Green Operation (continued)

#### Waste Reduction Management (continued)

##### Case

From active learning to in-depth practice, help green environmental protection action

In November 2023, Just Stay Hotel participated in a training session organised by the Government in Nancun Town, Panyu District on garbage classification for three types of units, namely institutional organisations, hotels and restaurants, and property enterprises. Through the training, the staff of Just Stay Hotel gained a deeper understanding of the importance of garbage classification and the specific requirements of the work, and then took the initiative to practise and actively promote garbage classification in their subsequent work, promoting the hotel staff and hotel customers to contribute to environmental protection.



Garbage Classification Training Site

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.2. Adherence to Green Operation (continued)

#### Green Office

The Group continued to implement the concept of green office, and has continuously and thoroughly launched the implementation of energy saving, consumption reduction and low-carbon office projects throughout the Group. By promoting thrift and frugality, eliminating waste, and utilising resources in a scientific manner, the Group has effectively controlled its office costs, and put energy saving, consumption reduction and efficiency enhancement into practice.

During the Year, the Group's relevant green office initiatives included but were not limited to:

#### Electricity conservation

- Through unscheduled inspections to spot-check the power-saving situation in each office area, and to remind the departments and employees to gradually cultivate their awareness of power-saving by failing to turn off the power when people leave the office, resulting in equipment waste;
- Installing intelligent power-saving switches in office spaces that automatically turn off lighting equipment one hour after the end of the workday to avoid empty consumption of lighting equipment;
- Controlling the air-conditioning temperature in the office at 26°C in summer to avoid excessive air-conditioning energy consumption.

#### Water conservation

- Reducing water waste by installing water dispensers instead of purchasing bottled water;
- It is recommended to bring your own water cup at the meeting;
- Eliminating the phenomenon of "long flow of water" in the tea rooms and the toilets;
- If there is "leakage and dripping" of water, notify the maintenance in time.

#### Saving paper

- Fully popularising paperless office;
- Using double-sided printing for documents and reusing printing paper;
- Using paper of relatively light grammage;
- Encouraging employees to develop the good habit of adjusting the page layout and controlling the number of colour prints before printing to reduce resource waste.

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.2. Adherence to Green Operation (continued)

Green Office (continued)

#### Cyclic utilisation

- Recycling office supplies for the second time to share resource and reduce the waste of office consumables.

#### Green campaign

- Carrying out office culture promotion of green office from time to time, through posters, official account long article push and other forms of publicity, to strengthen the staff's awareness of green office behaviour.



Green Office Poster

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.3. Responding to Climate Change

Climate change has become a common issue for all of humanity that needs to be addressed urgently. JY Grandmark actively responded to the national target of “carbon peak and carbon neutrality”, and incorporated the response to climate change into its business development plans. It identifies and evaluated the impacts on and opportunities for its business operation arising from the climate change based on four major elements, i.e. “Governance, Strategy, Risk Management as well as Metrics and Targets” and in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), and adopted corresponding management and control measures to mitigate the impacts of climate change on the business, turning the response to climate change into a driving force to realise its quality development.



Four core elements of TCFD Recommendations

#### **Governance: Governance of climate-related risks and opportunities**

The board of directors and the ESG Working Group of the Group are responsible for formulating sustainable development strategies including addressing climate change issues and regularly reviewing the implementation, supervising the effective management of the Group on climate change risks during its operation, so as to mitigate the impacts of climate change on business, adapt itself to the changes in climate and environment, and strengthen the Group’s ability to resist the climate change.

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.3. Responding to Climate Change (continued)

**Strategy:** The real and potential impacts of climate-related risks and opportunities on business, strategy and financial planning

The Group focuses on the existing enterprise risk management framework, identifies, assesses and addresses climate-related risks and opportunities in various businesses, and incorporates climate change into the Group's strategic plans.

The Group has identified certain risks related to climate change that may cause material impacts on its operation based on physical risks and transition risks, and has actively adopted corresponding measures.

Physical Risk	Extent of Impact	Measures
Increasing frequency and severity of extreme weather events (rainstorms, earthquakes, typhoons, etc.)	<ul style="list-style-type: none"> <li>• Extreme weather leads to an increased demand for electricity and water, resulting in higher operating costs</li> <li>• Impose a burden on the health of employees and the durability of equipment, resulting in reduced productivity</li> </ul>	<ul style="list-style-type: none"> <li>• Develop extreme climate emergency plans</li> <li>• Conduct regular training on emergency drills</li> <li>• Adopt more durable and firm facilities and materials</li> <li>• Carry out green buildings project, and test the building's anti-seismic ability to ensure that it reaches the level of local anti-seismic grades</li> <li>• Formulate safety risk prevention and control measures to fully ensure the health and safety of employees</li> <li>• Build strong relationships with suppliers to ensure the timely delivery of products</li> </ul>

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.3. Responding to Climate Change (continued)

Strategy: The real and potential impacts of climate-related risks and opportunities on business, strategy and financial planning (continued)

Transition Risks	Extent of Impact	Measures
<b>Climate-related policy risks</b>	<ul style="list-style-type: none"> <li>Increasingly stringent carbon emission management requirements and requirements for green building design lead to an increase in operating and project costs</li> </ul>	<ul style="list-style-type: none"> <li>Pay close attention to market trends and policy trends</li> <li>Promote innovative investment in projects with green and low-carbon characteristics</li> <li>Enhance the research and practise on green buildings</li> </ul>
<b>Increasingly stringent environmental regulations</b>	<ul style="list-style-type: none"> <li>Higher demand for environmental management requirements such as resource use efficiency and waste discharge management leads to an increase in operating costs</li> </ul>	<ul style="list-style-type: none"> <li>Intensive use of prefabricated buildings to achieve the effect of energy saving and consumption reduction</li> <li>Continue to explore new technologies for energy-saving transformation to help energy-saving and efficiency-enhancing</li> <li>Promote the use of renewable energy, for instance, deploy solar photovoltaic system on roofs and facades to increase the use of solar energy</li> </ul>
<b>Market and reputation risk</b>	<ul style="list-style-type: none"> <li>Less competitive advantage compared to competitors with better sustainability performance leads to an impairment of revenue and market reputation</li> </ul>	<ul style="list-style-type: none"> <li>Prioritise sustainability in renovation design and new development projects</li> <li>Keep a close eye on customer satisfaction</li> </ul>

The Group has also identified opportunities related to climate change based on its own actual operating conditions and actively adopted the corresponding measures, to seize the development opportunities arising from the global energy and low-carbon transition process.

<b>Climate-related opportunities</b>	<ul style="list-style-type: none"> <li>Technological progress provides great opportunities for reducing energy costs and transitioning to a low-carbon economy. Due to the gradual adoption of sustainable materials and building technologies, our business operations are in a favourable position in terms of energy efficiency and low-carbon performance.</li> </ul>
	<ul style="list-style-type: none"> <li>Consumers increasingly express their preference for more environmentally friendly products and brands committed to responsible business practices. This will bring new market opportunities.</li> </ul>
	<ul style="list-style-type: none"> <li>The rapid growth of responsible investment and sustainable finance provides us with an important opportunity to release alternative financing flows. Looking ahead, we will explore business opportunities with sustainable financing and sustainable development features.</li> </ul>



## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.3. Responding to Climate Change (continued)

Strategy: The real and potential impacts of climate-related risks and opportunities on business, strategy and financial planning (continued)

#### Case

#### Formulating the Emergency Plan for Extreme Weather and Actively Tackling the Climate Risks

With the property projects following the “Zhuodu Property Comprehensive Emergency Management Plans”, the Group effectively tackled the extreme climate risks. The plan establishes a hierarchical response mechanism in accordance with government standards. For example, it classifies the response system into four levels (i.e. blue level, yellow level, orange level, and red level) based on the level and severity of gales, with different response measures for each level. Meanwhile, it also standardises the entire process of daily training, material preparation, real-time monitoring, and post-disaster inspection and loss assessment. In addition, an emergency response team has been established for property projects, to comprehensively control extreme weather situation and reduce the losses caused to customers and the Group by extreme weathers.

In 2023, in order to respond to typhoon No. 9 “Saola”, the Property Service Centre had activated the emergency response 3 days in advance, it alerted residents to take preventive measures through various channels, stocked up materials and daily necessities on wind and flood prevention, carried out the special inspection of key and potential risk areas in the park to ensure the safety of vacant houses with doors and windows closed, and quickly conducted the post-disaster works. Benefiting from the daily pre-emergency trainings and drills as well as the meticulous preparations prior to the occurrence of typhoon, the community had not suffered any property losses and casualties.



Typhoon Precautionary Meeting

## 5. LOW CARBON AND ENVIRONMENTAL PROTECTION, BUILDING A GREEN HOME TOGETHER (CONTINUED)

### 5.3. Responding to Climate Change (continued)

#### Risk Management: Identify, assess and manage climate-related risks

The Group considers climate-related risk in the risk management system, which includes topics related to climate change, energy conservation and emission reduction, and greenhouse gas emissions, and conducts targeted climate risk assessments on an ongoing basis. The Group assesses the potential impact of climate risks on its business through interviews and other methods, taking into account the opinions of executives, and conducts various assessments and investigation analysis of new and ongoing projects on climate-related issues such as energy and water resources supply and natural disasters. At the same time, the Group actively takes countermeasures to mitigate the climate-related risks identified, and the relevant business departments are responsible for implementing and executing feasible corresponding proposals for the purpose of ensuring the sound development of its business.

#### Metrics and Targets: Indicators and targets for assessing and managing climate-related risks and opportunities

To better understand and continuously track the effectiveness in addressing climate change, the Group has set targets for green development, including low-carbon and energy conservation management, water efficiency management and waste reduction management, and has actively taken initiatives for promoting the targets achievement. At the same time, the Group continues to disclose Scope 1 and Scope 2 greenhouse gas emission data and focuses on measures to reduce emissions in Scope 3, actively promotes low-carbon and green travel for employees, gives priority to public transportation when travelling, and reduces the carbon emissions of commuting activities and business travels.

## 6. PURSUING TRUTH AND INTEGRITY TO ESTABLISH A NEW CULTURE OF PROBITY

Upholding integrity as the foundation and compliance as a pledge, JY Grandmark has always adhered to the spirit of business ethics with zero tolerance for corruption, resolutely combating any form of potential corruption and bribery. The Group strictly abides by laws and regulations such as the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》), the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), and the Interim Provisions on Prohibiting Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》), perfecting internal management systems for anti-corruption, bribery, extortion, fraud and money laundering and promoting integrity, and actively carrying out employee integrity training. We have established multiple and smooth, channels for reporting, and have effectively fortified anti-corruption defences from aspects including ideological and moral standards, professional ethics, and business norms. During the Year, the Group did not experience any violations of laws and regulations related to bribery, extortion, fraud and money laundering, and there were no identified incidents of corruption or public legal cases relating to the Group or its employees.

### ESG issues included in this section

Compliance and Sound Operation  
Anti-corruption and Integrity Training

### SDGs goals addressed in this section

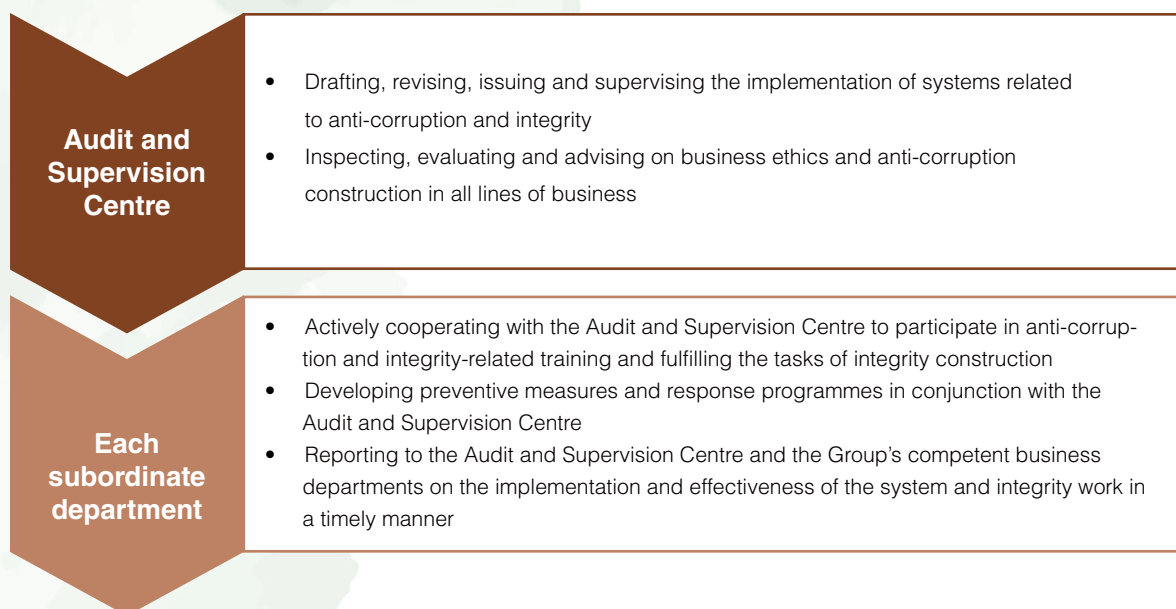


## 6. PURSUING TRUTH AND INTEGRITY TO ESTABLISH A NEW CULTURE OF PROBITY (CONTINUED)

### 6.1. Probity System Optimisation

JY Grandmark adheres to the working principles of having rules to follow, strictly enforcing these rules, and investigating any violations. We have established and refined a series of policies and systems related to business ethics, such as the JY Grandmark Group Probity System (《景業名邦集團廉政制度》) and the Administrative Measures for Dereliction of Duty and Accountability of JY Grandmark Group (《景業名邦集團失職問責管理辦法》). We are committed to implementing compliance management from end to end in our business activities and processes, and continuously improving our anti-corruption supervision and management system.

JY Grandmark places great emphasis on compliant operations. The Group has established an Audit and Supervision Centre responsible for overseeing the daily operational processes related to business ethics and the construction of integrity. All subordinate departments actively cooperate with the Audit and Supervision Centre to participate in anti-corruption and integrity-related training and fulfil the tasks of integrity construction, jointly creating a clean, efficient and transparent working environment. This lays a solid foundation for the healthy development and long-term stability of the Group.



Additionally, to further regulate integrity conduct, the Group has formulated the Employee Integrity Pledge (《員工廉政承諾書》), which requires each employee to solemnly sign and make a commitment to their own integrity behaviour. Furthermore, the Group has signed the Probity Agreement (《廉政協議書》) with partner companies, clearly requiring them to comply with national laws and regulations as well as the Group's probity management regulations. This ensures that during the performance of contracts, both parties can supervise each other and jointly strengthen integrity and self-discipline, thereby creating a fairer, more transparent and cleaner business environment.

## 6. PURSUING TRUTH AND INTEGRITY TO ESTABLISH A NEW CULTURE OF PROBITY (CONTINUED)

### 6.2. Anti-corruption and Integrity Training

JY Grandmark values the cultivation of a culture of integrity and fosters an atmosphere of clean governance. We regularly conduct anti-corruption training for directors and all employees, dedicated to creating a transparent and healthy working environment. During the Year, to implement the Company's compliance philosophy, the Group actively carried out anti-corruption training and integrity education, adopting a combination of online and offline methods to deeply promote the implementation of important documents on the Group's integrity construction, including the Probity System (《廉政制度》), the Administrative Measures for Dereliction of Duty and Accountability (《失職問責管理辦法》) and the Employee Integrity Pledge (《員工廉政承諾書》). These sessions introduced the Company's compliance systems and employee conduct guidelines, clarified the misconduct and punitive measures, and strengthened the employees' awareness of integrity in their professional conduct. During the Year, the Group conducted a total of 1 session of integrity training, covering 31 employees, with a total of 15.5 hours of training.



Scenes of Integrity Promotion and Training

## 6. PURSUING TRUTH AND INTEGRITY TO ESTABLISH A NEW CULTURE OF PROBITY (CONTINUED)

### 6.3. Anti-corruption Whistle-blowing Channel

In order to resolutely safeguard the integrity and reputation of the enterprise, the Group actively accepts supervision from all stakeholders and has established multiple open and transparent whistle-blowing channels for this purpose. These channels include hotline, email, complaint mailbox, etc., all designed to facilitate the timely reporting by all employees, suppliers, and other stakeholders of any incidents involving commercial bribery, corruption and fraudulent practices. We encourage all informed individuals to actively provide leads, working together to foster a fair, just and transparent business environment.



#### Integrity Whistle-blowing phone number

020-85827683



#### Integrity Whistle-blowing email address

lianzheng@jygrandmark.com



#### Letter, courier delivery address

Audit and Supervision Centre, 10/F, Block 5, Huangpu Innovation Centre,  
14 Hengshazhahui Street, Huangpu District, Guangzhou (Postal Code: 510705)



#### Principles for handling reports on anti-corruption

- ✓ Upon receipt of a report, the Group acts promptly to investigate and verify the information provided in detail;
- ✓ Once misconduct is detected, the Group immediately takes appropriate measures, conducts internal control assessments of the relevant businesses and units involved, and formulates improvement measures;
- ✓ For employees or units that are proven to have committed fraud, the Group will, depending on the circumstances, impose sanctions ranging from demerit, demotion and reassignment, major demerit to dismissal, and deduct their corresponding performance bonuses in accordance with the Administrative Measures for Dereliction of Duty and Accountability (《失職問責管理辦法》);
- ✓ In the event of illegal acts, the Group will resolutely transfer the relevant persons to the judicial authorities to ensure that it is handled fairly and impartially.

## 6. PURSUING TRUTH AND INTEGRITY TO ESTABLISH A NEW CULTURE OF PROBITY (CONTINUED)

### 6.3. Anti-corruption Whistle-blowing Channel (continued)

At the same time, JY Grandmark strictly protects the privacy and rights of whistle blowers, ensuring that reported information is properly handled. To protect the whistle blowers, the Group has established and improved a whistle blower protection mechanism, ensuring that the personal information and content of the reports are strictly confidential, and resolutely preventing any form of retaliation. For any verified cases of retaliation, the Group will seriously pursue the responsibility of the relevant individuals. Additionally, to recognise and reward those units and individuals who discover, prevent and correct disciplinary violations of integrity in a timely manner, the Group will offer certain forms of honour and incentives, encouraging all employees to actively participate in the construction of integrity.

In 2023, the Group received and concluded the processing of three valid reports of corruption through the anti-corruption whistle-blowing channels. The Audit and Supervision Centre responded swiftly, conducted in-depth investigations based on the clues provided in the reports, and verified the relevant disciplinary violations related to integrity. In response to these violations, the Group implemented severe punitive measures, including dismissal, demerits, and deductions in performance wages, among others. These cases were also reported across the entire group to further strengthen the ability to identify integrity risks, improve the prevention mechanisms for integrity risks, and handle integrity issues seriously.

# 7. WORK TOGETHER FOR A BETTER FUTURE

Talent is the essence of an enterprise, the creator of enterprise value and the important pillar for the enterprise's enduring prosperity. The Group constantly establishes a sound human resources management system, creates a diverse and equal workplace, provides competitive remuneration and benefits, improves the training system and is committed to creating a platform with equal development opportunities and promotion, to facilitate the continuous progress of the team. Meanwhile, the Group fully cares about the physical and mental health of employees, actively organises team-building activities, carefully listens to the voice of employees and shares the development results with them.

### ESG issues included in this section

- Occupational health and safety
- Employees' interests protection
- Employees' remuneration and benefits
- Employees' training and development opportunity
- Talent recruitment and team building

### SDGs goals addressed in this section





## 7. WORK TOGETHER FOR A BETTER FUTURE (CONTINUED)

### 7.1. Employment Management

JY Grandmark strictly follows the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Provisions on the Prohibition of Using Child Labour (《禁止使用童工規定》) and other relevant laws and regulations of the place where it operates, and proactively adopts a series of measures to fully protect the legitimate rights and interests of employees in all aspects of the workplace, including recruitment, promotion, resignation, dismissal, rest periods, working hours, remuneration and benefits, equal opportunity, diversity, anti-discrimination, welfare.

JY Grandmark actively upholds the principles of equal and fair recruitment, and has formulated internal management systems, including the Recruitment Management System, to comprehensively regulate the employment management of employees. The Group adheres to the principle of equal employment, which is clearly provided that the recruitment information must not contain the content of gender, ethnicity and physical fitness required by the positions, so as to avoid potential employment discrimination and ensure that the recruitment is compliance with laws and regulations, equal and fair. At the same time, the Group prohibits the employment of child labour and forced labour in any forms. Upon discovery, the responsible departments and units will be held accountable. JY Grandmark is committed to entering into labour contracts with its employees on voluntary basis, which accurately specify the location, working hours, compensation, regulations related to overtime and other information of employment, and does not advocate overtime or force the extension of working hours. During the Year, the Group did not have any incidents involving the employment of child labour, forced labour or workplace discrimination.

In terms of diverse employment, JY Grandmark is committed to building a diverse team of talents and continuously enhancing the diversity and inclusiveness of the workplace environment. As of the end of 2023, the overall proportion of female employees of the Group was 48.45%. In addition, the Group actively provided equal employment opportunities for the disadvantaged groups. During the Year, the Group's Just Stay Resort in Conghua District has provided employment opportunities for two disabled persons. Meanwhile, in cases where the Group cannot directly offer job positions to the disabled, it has taken practical actions to support the development of disabled person's cause by declaring and contributing to the Employment Security Fund for Disabled Persons in accordance with national regulations and policies.

As of 31 December 2023, the Group had 743 employees in total, with details shown below:

		Number of Employees (persons)
By Gender	Male	383
	Female	360
By Employment Type	Full time	743
	Part time	0
By Age Group	Below 30 years old	112
	31-40 years old	347
	41-50 years old	215
	Above 50 years old	69
By Geographical Region	Mainland China	708
	Overseas and Hong Kong, Macao and Taiwan	35

## 7. WORK TOGETHER FOR A BETTER FUTURE (CONTINUED)

### 7.2. Talent Cultivation

JY Grandmark is fully aware that employees are the cornerstone of the enterprise's sustainable development. The Group continuously optimises its training mechanisms to promote the development and management of talent. Meanwhile, JY Grandmark actively plans and organises diverse training activities, helping employees enhance their professional competitiveness and forming a virtuous cycle of mutual progress between employees and the enterprise.

In 2023, the training details of JY Grandmark's employees were as follow:



Number of Employees  
Trained  
774



Total Training Hours  
6,556 hours



Average Training Hours  
8.47 hours

JY Grandmark adheres to the training management principle of “classification at different levels, building on strengths and offsetting weaknesses”, and provides general skill training and specialised training to ensure that accurate and efficient training programmes are provided to employees at different job positions and career development stages. Among them, general skill training includes file management training, legal risk training and other aspects, effectively enhancing employees' basic work capabilities and safety awareness. In addition, based on the employees' job requirements, the Group extends its training programmes to various projects, covering marketing training, property training and introduction training, and make the projects closely align with actual business requirements, so as to help employees better complete their jobs and achieve the mutual growth between the individuals and the enterprise.

## 7.2. Talent Cultivation (continued)

Case

### General Training on File Management Training

In 2023, in order to standardise the management and use of files, the Group, focusing on three aspects: file transfer, file utilisation and data sorting, organised file management training activities to its employees, which clearly stipulated the scope of filing, time of filing, transfer process, the process and principles of file utilisation, etc., so as to ensure the completeness, accuracy and convenience of file, enhance the professionalisation and standardisation level of file management and improve the overall work efficiency of employees.



Activity site of file management training

Case

### Marketing Mobilisation Training on “Seizing the Opportunity and Soaring to Success (乘勢而起、風雲化龍)”

In 2023, with concentrated release of new national real estate policies, JY Grandmark closely followed real estate policies and market changes, hoping for a recovery in the real estate industry and a continued improvement in the economy. In order to further help employees understand the latest policies and market trends, the Group carried out marketing mobilisation training on “Seizing the Opportunity and Soaring to Success” in February 2023, actively responding to market changes, boosting the confidence of all employees and improving overall work performance.



Training activity site of “Seizing the Opportunity and Soaring to Success”

## 7. WORK TOGETHER FOR A BETTER FUTURE (CONTINUED)

### 7.2. Talent Cultivation (continued)

#### Case

#### Training on New Policies in the Real Estate Industry

In 2023, JY Grandmark carried out a training activity for the whole group focusing on the theme of “recent important real estate related policies”. This activity provided an indepth interpretation of the new policy of the China Securities Regulatory Commission on allowing nearly unrestricted financing for real estate companies, the “prioritising property ownership over existing loans (認房不認貸)” policy, the central bank’s policies of reducing down payments and interest rates and other policies, to help employees understand the latest trends in real estate policies, thereby better guiding their actual work and seizing market opportunities.



Training activity site on new policies in the real estate for the whole group

### 7.3. Career Promotion and Talent Retention

JY Grandmark adheres to the principles of “Capability and virtue, Openness and fairness, Talent-post matching and Selecting the best of the best”, strives to fully explore the potential of each talent and provides them with a broad development platform to jointly promote the Group’s sustainable prosperity and development. The Group establishes a comprehensive posting system and promotion and retention mechanism, and conducts a comprehensive performance assessments of employee, aiming to create a broad development space and diversified career development paths for employees, and fully stimulate the potential of talents.

<input type="checkbox"/> Performance Appraisal	<input type="checkbox"/> Employee Promotion and Retention
<p><input type="checkbox"/> Formulate and strictly implement internal regulations such as the Administrative Measures for Employee Performance (《員工績效管理辦法》)</p> <p><input type="checkbox"/> Regularly compile statistics on performance indicators for key tasks, routine tasks and key positions</p>	<p><input type="checkbox"/> Accurately identify reserve core personnel with potential for cultivation at all levels and majors based on performance appraisal and talent review</p> <p><input type="checkbox"/> In the event of a vacancy in a core position within the Group, the Group will give priority to filling it through internal competition and job rotation, fully stimulating the motivation of employees to remain</p>

### 7.4. Occupational Health and Safety

JY Grandmark always places highest priority on the health and safety of employees, strictly complies with laws and regulations such as the Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》) and Production Safety Law of the People’s Republic of China (《中華人民共和國安全生產法》), and continuously improves the project safety management system, through formulation and implementation of internal management systems such as the Management Methods for Safe and Environmentally Friendly Construction of JY Grandmark Group (《景業名邦集團安全文明施工管理辦法》), that fully implements the responsibility system for safe production. The establishment and implementation of the internal management systems are monitored and reviewed regularly. In addition, it also continues to strengthen safety inspection, supervision and services for the daily operation activities of its properties and hotels, ensuring the safe and orderly conduct of all business activities. In 2023, the Group did not experience any work-related injuries or deaths of employees nor did it have any serious violations of occupational health and safety laws and regulations.

## 7. WORK TOGETHER FOR A BETTER FUTURE (CONTINUED)

### 7.4. Occupational Health and Safety (continued)

The Group actively promotes the certification of various health and safety management systems and continuously improves the standardised management of internal health and safety work. During the Year, JY Grandmark Group's Guangzhou Zhuodu Property Management Co., Ltd. (廣州卓都物業管理有限公司) has obtained ISO45001 certification for occupational health and safety management system and will continue to promote the construction of the safety management system.



The Group's Guangzhou Zhuodu Property Management Co., Ltd. obtained ISO45001 certification

JY Grandmark focuses on the occupational health protection of employees, and carries out inspection of fire equipment, fire safety drills, training and other activities in various projects, including Just Stay Resort in Conghua District, JY Grand Garden in Qingyuan and JY Lychee Town in Conghua District, to comprehensively improve staff safety and health awareness, and strive to foster a healthy, safe and comfortable working environment.

#### 7.4. Occupational Health and Safety (continued)

Case

##### Fire Drill Conducted at Just Stay Resort in Conghua District

In 2023, Just Stay Resort in Conghua District actively responded to the Group's call for safe production and seriously carried out fire drill. By simulating a real fire scene, employees learned the correct evacuation routes, the use of fire extinguishing equipment and the emergency communication process in case of fire. This fire drill has provided a solid guarantee for the safe operation of the hotel in Conghua District and has also built a strong protection for the personal safety of the employees.



Fire drill site at Just Stay Resort in Conghua District

Case

##### Fire Drill Organised by Zhuzhou Property Service Company

In 2023, Zhuzhou Property Service Company also actively organised fire drill. In order to ensure the authenticity and effectiveness of the drill, Zhuzhou Property Service Company prepared sufficient firefighting equipment and materials, and required the property service staff to carry out evacuation and fire-fighting operations in a prompt and orderly manner, improving the staff's fire safety awareness and their ability to deal with emergencies, and ensuring a safer living environment for the owners and tenants.



Fire drill site at Zhuzhou Property Service Company

## 7. WORK TOGETHER FOR A BETTER FUTURE (CONTINUED)

### 7.5. Employees' Remuneration and Benefits

The Group attaches great importance to the construction of the remuneration and benefit system, formulates and implements internal remuneration and benefit management systems, including the "Welfare Management System", in various business segments, and by taking into account the value of the position, regional differences, level of contribution, labour intensity, work skills and competence, determines the salary and bonuses of employees with reference to the market salary level, which reflects both internal fairness and external competitiveness. In addition, the Group continues to improve its remuneration standards and remuneration system with reference to industry averages and position requirements as well as its performance. For outstanding talents with excellent performance, the Group provides appropriate bonus incentives according to the performance incentive system, to fully mobilise the enthusiasm of employees and promote the retention of excellent talents.

At the same time, the Group attaches great importance to the stability of the team, continuously counts and analyses the turnover of employees, and regularly tracks their actual needs and thoughts. In order to gain an in-depth understanding of the reasons for employee's resignation, the Group proactively conducts exit interviews with each resigned employee to know the core factors for resignation, such as personal development pursuits, salary satisfaction, family factors, commuting distance and other factors. The Group attaches great importance to and is willing to provide all-round support and assistance to employees who may be inclined to resign due to changes in address or family life, including but not limited to optimising the working conditions of employees, providing company bus benefits and strengthening internal communication and collaboration mechanisms, aiming to enhance the job satisfaction and sense of belonging of employees in multiple aspects and realise true emotional retention. For resigned employees, the Group will assist them to handle the resignation procedures such as data handover and household registration transfer in accordance with the regulations, and issues a certificate of dissolution (termination) of the labour contract relationship when the employees officially resign, and handles the procedures such as resignation, file transfer and social insurance relationship transfer for them under the law.

JY Grandmark establishes a perfect welfare system, provides all employees with legal rights and benefits such as statutory social insurance, rest time and public holidays in accordance with the law, as well as provides a variety of welfare subsidies, including employee company bus, social insurance and other diversified company benefits, to effectively enhance the employee's senses of well-being and belonging.

#### Statutory Benefits

- Social insurance
- Housing provident funds
- High temperature subsidies

#### Corporate Benefits

- **Job subsidies**
  - vehicle subsidies
- **Cash and non-cash benefits**
  - length of service subsidies, meal subsidies, and night shift subsidies
  - annual physical examination
  - holiday benefits, wedding red envelope and birth gift
- **Vacation**
  - statutory holiday, public holiday and annual leave
  - marriage leave, maternity leave, abortion leave and breastfeeding leave



### 7.5. Employees' Remuneration and Benefits (continued)

#### Case

#### Provision of Employee Company Bus to Create a Comfortable Commuting Experience

In 2023, with the relocation of the Group's office building, the commuting time and cost of employees have increased. In order to actively respond to the employees' needs, the Group has launched two different routes of company bus services to effectively reduce the burden of employees' commuting and help them better balance work and life, as well as enhance the work efficiency and employee satisfaction.



Company buses for employees

### 7.6. Communicating with and Caring for Employees

JY Grandmark always supports extensive employee participation and democratic communication, and is committed to understanding the needs and opinions of employees through various channels. The Group convenes regular meetings and special meetings to facilitate the exchange and sharing of internal information, uses office automation (OA) system to simplify the approval process of leave, reimbursement and procurement, thereby improving work efficiency, and communicates important matters via email to ensure that issues requiring attention or cross-departmental collaboration are properly addressed. At the same time, the Group also issues real-time reminders and temporary notices through the WeChat platform to ensure the timely transmission and effective communication of information, providing strong support for the Company's harmonious development and efficient operation.

In addition, the Group actively organises various activities such as team building, internal meal gatherings, distribution of start-up benefits and cultural and sports associations, to convey corporate warmth and humanistic care. Furthermore, the Group also actively participates in external cultural and sports activities to establish a positive corporate image and convey the connotation of the Company's corporate culture.

## 7. WORK TOGETHER FOR A BETTER FUTURE (CONTINUED)

### 7.6. Communicating with and Caring for Employees (continued)

#### Case

#### Basketball Association Activity

In 2023, JY Grandmark actively established a basketball association to carry out basketball activities, and organised a number of internal and friendly competitions against the staff to promote interaction and cooperation. In addition, the Group actively sent representatives of the basketball association to participate in the “Great Beauty Liangkou, Green Core of the Bay Area (大美良口 灣區綠核)” 2023 Liangkou Town’s First “Liangkou Cup (良口杯)” basketball game, which was co-sponsored by the People’s Government of Liangkou Town, Conghua and Liangkou Town General Trade Union, fully demonstrating the Company’s culture and corporate image through basketball.



Basketball activity site

#### Case

#### Badminton Association Activity

In 2023, the Group also actively established a badminton association and carries out badminton activities from time to time. Badminton activities not only strengthened the physical fitness of the staff, but also brought them closer to each other and enhanced the cohesion and centripetal force of the team.



Badminton activity site

7.6. Communicating with and Caring for Employees (continued)

Case

Dragon Boat Race Activity

In 2023, Just Stay Resort in Conghua District sent representatives to participate in the 2023 Conghua's First "LiuXi Hot Spring (流溪溫泉)" Cup Dragon Boat Race, which was jointly sponsored by Conghua District Water Sports Association (從化區水上運動協會) and Conghua District LiuXi Hot Spring Resort Tourism Association (從化區流溪溫泉度假區旅遊協會聯合會). The dragon boat race, a traditional water athletic activity, once again demonstrated the teamwork and cohesion as well as tenacity among the employees of JY Grandmark. As the dragon boats glided over the shimmering lake waters, the participants paddled with determination and energy, with their boats moving swiftly like arrows, which not only showed the staff's charm and vitality, but also conveyed the enterprise's positive, united and hardworking spiritual culture.



Dragon boat race activity site

## 8. WORKING TOGETHER FOR MUTUAL GROWTH AND CO-OPERATION ACHIEVEMENTS

JY Grandmark Group is dedicated to growing with suppliers and partners to achieve multi-party collaboration and harmonious win-win cooperation. On the basis of ensuring high quality of products and services, it continuously refines the supplier access and evaluation standards, constantly improves its management system of supply chain, strictly controls every link in quality control, and carefully selects high-quality partners, to jointly build a sustainable and responsible supply chain system.

JY Grandmark strictly abides by the Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》), the Law of the People's Republic of China on Government Procurement (《中華人民共和國政府採購法》) and other laws and regulations while continuously improving and implementing the relevant management measures, such as the Management Code for Suppliers and the Management System for Material Suppliers, and is committed to establishing a long-term and stable cooperative relationships with suppliers, and aiming for common benefits, mutual trust and support. Besides, it actively promotes green procurement practises and contributes to creating a sustainable supply chain environment.

### ESG issues included in this section

Supply chain environmental and social risk management

### SDGs goals addressed in this section



### 8.1. Supplier Access and Performance Evaluation

JY Grandmark thoroughly implements the internal regulations and systems related to supplier management, such as the Management Code for Suppliers and the Management System for Material Suppliers, to continuously optimise the supplier management processes, covering all aspects including bidding, supplier selection and evaluation. These regulations and systems are applied to all suppliers and are monitored and reviewed regularly. It also continuously optimises, enlarges and manages the supplier base based on the core principle of choosing the best with the highest quality and efficiency, and is committed to building a just and fair competition platform for suppliers to work together towards mutual benefit and win-win outcomes.



In 2023,  
the Group had a total of 716 suppliers

## 8. WORKING TOGETHER FOR MUTUAL GROWTH AND CO-OPERATION ACHIEVEMENTS (CONTINUED)

### 8.1. Supplier Access and Performance Evaluation (continued)

JY Grandmark implements strict measures on various aspects such as access review, evaluation and inspections, establishes the systematic bidding management processes which are consistent with the nature of the business development of the Group according to the Management Code for Suppliers, the Management System for Material Suppliers and other internal rules and regulations, consistently improves the supplier access, entry and inspection, management and all other stages, and comprehensively verifies the supplier's ability to fulfil their obligations, striving to select responsible suppliers and minimise the environmental and social risks of the supply chain, thereby comprehensively ensuring the quality of the Group's products and services and laying a solid foundation for the Group's sustainable development. The management works of the Group related to the admission and assessment of the suppliers mainly include:



#### Admission mechanism

- We establish an evaluation group for the supplier introduction, and the Tender and Procurement Centre will conduct in-depth discussions with the Engineering Centre, Design Centre and Finance Centre and other core departments, to select the potential suppliers;
- When introducing suppliers, we will conduct preliminary screening, on-site inspection and information review in terms of qualifications, performance capabilities, technical level and other aspects of suppliers;
- We give precedence to and select the candidates who obtained relevant environmental – or quality-related certifications such as ISO system certification.



#### Assessment mechanism

- For suppliers in the database, the Group conducts half-yearly and annual assessments, involving quality, delivery, economic and service capabilities and other key indicators. For the Year, in order to ensure that all construction units fully complies with the Group's quality requirements, the Group carried out annual assessment for partners under construction from multiple aspects including contract signing and performance, progress reporting, project progress and the quality of on-site construction;
- We classify the suppliers into four grades, being excellent, good, qualified and unqualified, according to the assessment results, and implements a grade-to-grade management for suppliers;
- For unqualified suppliers, the Group will terminate the cooperative relationships and will not cooperate with them within two years, and they will have to go through the introduction process as a new candidate if they request to participate in our project bidding after 2 years.

## 8. WORKING TOGETHER FOR MUTUAL GROWTH AND CO-OPERATION ACHIEVEMENTS (CONTINUED)

### 8.2. Sustainable Supply Chain

JY Grandmark continues to strengthen the requirements of social responsibility assessment for supply chain, and actively create a responsible supply chain. We advocate for our supply chain partners to maintain continuous compliant operations, sign anti-corruption agreement, improve product quality, and fulfil their social responsibilities.

#### Supply chain with integrity

JY Grandmark strictly regulates the works related to bidding and procurement, clarifying the conduct guidelines for procurement personnel, fully implementing a procurement integrity system, and resolutely eliminating any backroom dealings. The Group strictly requires all suppliers to sign an anti-corruption agreement, binding both parties to maintain integrity during the procurement process. Any procurement violations will be subject to serious punishment with the involved suppliers blacklisted and banned from admission forever. During the Year, all suppliers working with the Group have signed the Integrity Agreement, and the Group did not notice any tender and procurement malpractices.



#### Fair and just competition

- The Group is committed to maintaining a fair and just competitive environment. With the number of bidders being “not less than 2N+1” in principle, it carries out bidding activities in an orderly manner with reference to the prevailing industrial practices, ensuring sufficient competition and preventing potential conflicts of interest or monopolistic situations.



#### Supervision of the whole bidding process

- The Cost Centre is responsible for management of bidders, bidding list and base price, which will assign different teams to handle bidders and base prices, to avoid risks of corruption.
- The Group requires bidders to negotiate prices and strictly follow the bidding procedures and prohibits from careless or intentional leakages.



#### Corruption report

- The Group sets up corruption report channels, an anti-corruption agreement as well as the contact information of the Audit and Supervision Centre will be included in the bidding contract.
  - For any unfair issues that occurred during the bidding process, the bidders can directly report and disclose them to the Audit and Supervision Centre.
  - As for bidders conspiring in illegal bidding activities, the Group will deprive their bidding qualifications, and file at the Tender and Procurement Centre, such bidders will not be allowed to participate in any of the Group's project biddings and quotations for at least three years.
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## 8. WORKING TOGETHER FOR MUTUAL GROWTH AND CO-OPERATION ACHIEVEMENTS (CONTINUED)

### 8.2. Sustainable Supply Chain (continued)

#### Quality supply chain

Building a quality supply chain is one of the core elements for the sustainable development of an enterprise. JY Grandmark continues to strengthen meticulous management and strict control at every link of the supply chain, actively implements localised procurement strategies to promote quality improvement and efficiency enhancement, and to reduce environmental pollution. We continuously explore green procurement to jointly build a beautiful environment, strengthen supervision and inspection to strictly control the quality of materials and products, comprehensively identify and manage environmental and social risks of suppliers, and ensure the stability, reliability and sustainability of the quality of products in supply chain.

#### Strict control the quality of the materials and products

- The Group highly focuses on the review of the suppliers' qualifications, and requires suppliers to implement green construction and ensure occupational safety, and encourage the suppliers to actively fulfil their corporate social responsibilities, and jointly explore for green development.
- As of 31 December 2023, among the suppliers database of the Group, a total of 86 suppliers obtained the ISO certification, including ISO9001, ISO14001, ISO45001.

#### Local procurement

- On the premise of ensuring the quality of our products, the Group actively encourages internal departments to prioritise the engagement of suppliers nearby, so as to reduce unnecessary waste and emissions of materials during transportation, support to the local economy and reduce the environmental pollution.



#### Green procurement practice

The Group gives a priority to selecting green and environmentally friendly materials and products, actively practises green procurement, and devotes itself to building a beautiful environment.

#### Enhance supplier material inspection

- The Group's Tender and Procurement Centre and demanding departments will work closely to jointly conduct onsite inspections on materials;
- The inspection will cover five aspects, such as the amount, outer packaging, storage, structure and appearance, use and installation of the materials;
- The suppliers are required by the Group to rectify the issues identified during the inspection immediately, so as to ensure that the quality of the materials and products were effectively controlled and fully safeguarded.

## 8. WORKING TOGETHER FOR MUTUAL GROWTH AND CO-OPERATION ACHIEVEMENTS (CONTINUED)

### 8.2. Sustainable Supply Chain (continued)

#### Communication with suppliers

JY Grandmark Group strives to strengthen the communication with suppliers and build a close and harmonious partnership, so as to achieve a win-win cooperation. The Group continuously deepens the cooperation and exchange up-to-date trends and developments of the industry through diversifying ways such as phone calls, emails, on-site visits and industry exhibitions. During the Year, the Group actively participated in communication activities organised by suppliers, details of which are as follows:

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In March 2023, the Group appointed representatives to attend the Opening Ceremony of Guangzhou Exhibition of White Rabbit Ceramics and Zhongshan Lighting Fair:



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In April 2023, the Group appointed representatives to attend the Foshan UniCeramics Expo and Guangzhou Furniture Fair:



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In May 2023, the Group appointed representatives to attend the 14<sup>th</sup> Asia Landscape Design, Equipment & Supplies Expo (Landscape Expo Asia 2023):



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In July 2023, the Group appointed representatives to attend the Guangzhou Building Decoration Fair:





## 9. ADHERING TO KINDNESS AND ACTING WITH WARMTH AND COMPASSION

JY Grandmark upholds the corporate philosophy of “Ethics, Thoughtfulness and Integrity (卓行、善思、有道)”, integrates social responsibility into its development strategy and operation, and actively participates in social welfare undertakings. The Group is continually involved in public charity activities, boosts rural revitalisation and organised environmental protection public welfare activities to practise on the concept of environmental protection with actual actions and devoting itself for a green future. During the Year, the Group invested an amount of RMB67,000 and assigned 18 people in aggregate in public welfare activities.

### ESG issues included in this section

Promoting local economic development  
Public charity and social services

### SDGs goals addressed in this section



## 9. ADHERING TO KINDNESS AND ACTING WITH WARMTH AND COMPASSION (CONTINUED)

### 9.1 Rural Revitalisation

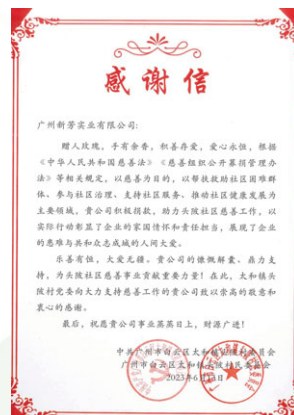
JY Grandmark has consistently been strongly supporting the collaborative growth of local communities and enterprises in the regions of which it operates. The Group contributes to rural revitalisation and is proactive in engaging in public welfare and charitable activities. By continuously generating positive value, JY Grandmark provides comprehensive support for the harmonious progression of society.

During the Year, the key public welfare activities of the Group are as follows:

In March 2023, Guangzhou Xinfang Enterprise Co., Ltd., a subsidiary of JY Grandmark, actively responded to the call from the Civil Affairs Bureau of Baiyun District in Guangzhou regarding the “Work Plans on Further Promotion of Community Fund of Baiyun District of Guangzhou City”, and donated RMB5,000 to the charitable fund of Toubei Village, Taihe Town, Baiyun District, Guangzhou, supporting rural revitalisation with practical actions.

In June 2023, Yingde Shanhuju Real Estate Development Co., Ltd., a subsidiary of JY Grandmark, participated in the 2023 poverty alleviation and relief activities in Yingde City, and donated RMB50,000 to contribute to building a harmonious society and constructing a Yingde City of beauty and happiness.

In July 2023, Guangzhou Zhuosidao Hotel Management Co., Ltd. (Conghua Branch), a subsidiary of JY Grandmark, participated in the 2023.6.30 Rural Revitalisation Support Activity of Conghua District and Deepen the “Yangcheng Charity for the People” Activity, and made a donation of RMB10,000, to promote the quality development of charitable and rural revitalisation endeavours in Conghua District.



Guangzhou Xinfang Enterprise Co., Ltd., a subsidiary of JY Grandmark, received a letter of appreciation

## 9. ADHERING TO KINDNESS AND ACTING WITH WARMTH AND COMPASSION (CONTINUED)

### 9.2 Environmental Protection Public Welfare Activities

JY Grandmark actively advocates a green and low-carbon lifestyle by organising employees to participate in environmental protection public welfare activities, like voluntary tree-planting, aiming to establish the environmental protection concepts and appeal to all employees and the general public to jointly participate in the actions of ecological and environmental protection.

#### Case

#### Participating in Voluntary Tree-Planting to Protect our Green Home

In 2023, all party members of the JY Grandmark Party Branch carried out a Party Day activity with the theme “Following Lei Feng in the Warm Spring, Taking the Lead in Volunteer Tree-Planting in March”. They headed to the Agile Garden Community in Guangzhou to plant saplings, protected the green land and served the community with practical actions, and appealed to the public to pursue a healthy, green and low-carbon lifestyle.



Voluntary Tree-Planting Activity

#### Case

#### Initiating a Parent-Child Tree-Planting Festival Activity to Inspire And Foster a Sense of Environmental Stewardship Among Adolescents

In 2023, the JY Lychee Town Garden of Conghua District hosted a Parent-Child Tree-Planting Festival Activity under the theme “Embrace Spring, Cherish Our Trees.” This initiative garnered enthusiastic involvement and robust backing from the community’s homeowners. Throughout the festival, attendees learned and practised planting duckfoot trees and also took part in interactive quizzes and educational campaigns on waste segregation. By blending learning with enjoyment, the event successfully sparked environmental curiosity and consciousness among the youth, cultivated their sense of responsibility and action in environmental protection, leading to a successful environmental advocacy effect.



Parent-Child Tree-Planting Activity

# 10. HONOURS AND AWARDS

Honour/Award Pictures	Honour/Award	Awarding body
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Gold Customer  
(Yingde Shanhuju Real Estate Development Co., Ltd.)

Agricultural Bank of China Limited, Qingyuan Branch



High Quality Rare Hot Spring  
(Just Stay Resort in Conghua District)

National Commission of Hot Spring Quality Assessment for Tourism



Environmental Management System Certification  
(Guangzhou Zhuodu Property Management Co., Ltd.)

Shenzhen Universal Certification Service Co., Ltd.  
(深圳市環通認證中心有限公司)



Occupational Health and Safety Management System Certification  
(Guangzhou Zhuodu Property Management Co., Ltd.)

Shenzhen Universal Certification Service Co., Ltd.  
(深圳市環通認證中心有限公司)

## 10. HONOURS AND AWARDS (CONTINUED)

Honour/Award Pictures	Honour/Award	Awarding body
	<p>Quality Management System Certification (Guangzhou Zhuodu Property Management Co., Ltd.)</p>	<p>Shenzhen Universal Certification Service Co., Ltd. (深圳市環通認證中心有限公司)</p>
	<p>Advanced Unit of Fire Safety Management in 2023 (Just Stay Resort in Conghua District)</p>	<p>Fire and Rescue Brigade of Conghua District of Guangzhou</p>
	<p>Model Enterprise of Real Estate Quality of 2023 (JY Grandmark)</p>	<p>Shanghai Leju Housing Information Service Co., Ltd (上海樂居好房信息服務有限公司)</p>

## 10. HONOURS AND AWARDS (CONTINUED)

Honour/Award Pictures	Honour/Award	Awarding body
 <p>A gold-colored award plaque with a red ribbon at the top. The ribbon has a circular seal with the year '2023'. Below the ribbon is the LEJU logo and the text '2023年度匠心交付美好人居奖'. At the bottom, it says '景业壹方天地'.</p>	<p>Artisanal Delivery of Good Habitat Award of 2023 (Zengcheng JY Uniworld)</p>	<p>Shanghai Leju Housing Information Service Co., Ltd (上海樂居好房信息服務有限公司)</p>
 <p>A gold-colored award plaque with a black border. It features the text '2022年度 优秀物业服务企业' in large red characters. At the top, it says '芜湖市卓都物业管理有限公司荣获'. At the bottom, there is a small logo and the text '安徽省物业管理行业协会'.</p>	<p>Excellent Property Service Enterprise of 2022 (Yingde Zhuodu Property Management Co., Ltd.)</p>	<p>Yingde City Construction Industry Association Property Management Branch</p>

# 11. APPENDIX I: ESG KEY PERFORMANCE DATA TABLES

## Environmental Areas

	KPI	Unit	2021	2022	2023
<b>Air Emissions</b>	Sulphur dioxide emissions	kg	0.75	0.80	0.22
	Nitrogen oxides emissions	kg	449.67	155.93	144.98
	Particulate matter emissions	kg	30.54	4.38	4.93
<b>Greenhouse Gas Emissions</b>	Greenhouse gas emissions (Scope 1)	tCO <sub>2</sub> e	464.98	399.08	274.81
	Greenhouse gas emissions (Scope 2)	tCO <sub>2</sub> e	9,315.98	6,611.82	6,330.20
	Greenhouse gas emissions (Scope 1 + Scope 2)	tCO <sub>2</sub> e	9,780.96	7,010.90	6,605.01
	Greenhouse gas emission intensity	tCO <sub>2</sub> e/million revenue	4.89	13.66	12.86
<b>Hazardous Waste</b>	Total hazardous waste	Tonnes	16.61	2.40	2.02
	Intensity of hazardous waste	Tonne/ million revenue	0.008	0.005	0.004
<b>Non-hazardous Waste</b>	Total non-hazardous waste	Tonnes	559.77	717.59	560.44
	Intensity of non-hazardous waste	Tonne/ million revenue	0.27	1.40	1.09
<b>Energy Consumption</b>	Total energy consumption	kWh in '000s	13,585.34	13,094.59	12,379.76
	Direct energy consumption	kWh in '000s	2,012.29	1,714.16	1,279.98
	Indirect energy consumption	kWh in '000s	11,573.05	11,380.43	11,099.78
	Energy consumption intensity	kWh in '000s/million revenue	6.79	25.51	24.11
	Electricity consumption	kWh in '000s	11,572.96	11,380.80	11,099.78
	Gasoline	Litre	50,897.67	54,438.00	15,711.52
	Diesel	Litre	0.00	266.00	621.00
	Liquefied petroleum gas	kg	0.00	368.84	0.00
	Pipelined natural gas	m <sup>3</sup>	159,094.64	125,000.00	115,210.32
<b>Consumption of Water Resource</b>	Water consumption	m <sup>3</sup>	695,519.55	582,116.45	550,061.12
	Water consumption intensity	m <sup>3</sup> /million revenue	347.76	1,134.07	1,071.28

## 11. APPENDIX I: ESG KEY PERFORMANCE DATA TABLES (CONTINUED)

### Environmental Areas (continued)

Description of environmental data and factors:

1. The time span of the environmental data is from 1 January 2023 to 31 December 2023; the data collection scope includes the Group's head office area; the office and sales area of branches in six cities; the office and sales area of three project companies; the office and public area of eight property management companies; the office and operational area of three hotels.
2. Greenhouse gas emissions (Scope 1) mainly derived from fuel and gas consumption of official vehicles and fixed equipment; while greenhouse gas emissions (Scope 2) derived from consumption of purchased electricity. The relevant data is derived from relevant fee bills and administrative ledgers. Emission factors of greenhouse gas of purchased electricity are based on The Notice on the Reporting and Verification of Enterprise Greenhouse Gas Emission in Key Industries from 2023-2025 (《關於做好2023-2025年部分重點行業企業溫室氣體排放報告與核查工作的通知》) issued by the Ministry of Ecology and Environmental of PRC; and emission factors for other energy are based on the Reporting Guidance on Environmental KPIs issued by the Hong Kong Stock Exchange.
3. The types of energy consumed by the Group in 2023 include fuel and gas of official vehicles and fixed equipment and purchased electricity. The relevant data is derived from relevant fee bills and administrative ledgers. The energy consumption factors are subject to conversion factors provided by the International Energy Agency and the General Principles for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2008) (《GB/T 2589-2008綜合能耗計算通則》).
4. The Group mainly uses municipal tap water and hot spring water, and there is no shortage of water supply or any issue in sourcing water is fit for purpose. The relevant data is derived from financial record and administrative ledgers.



## 11. APPENDIX I: ESG KEY PERFORMANCE DATA TABLES (CONTINUED)

### Social Areas

KPI		2023	
<b>Total workforce by gender, employment type, age group and geographical region</b>			
		Number of Employees (persons)	Percentage (%)
<b>By Gender</b>	Male	383	51.55
	Female	360	48.45
<b>By Employment Type</b>	Full time	743	100.00
	Part time	0	0
<b>By Age Group</b>	Below 30 years old	112	15.07
	31–40 years old	347	46.70
	41–50 years old	215	28.94
	Above 50 years old	69	9.29
<b>By Geographical Region</b>	Mainland China	708	95.29
	Overseas and Hong Kong, Macao and Taiwan	35	4.71
	<b>Total Number of Employees</b>	<b>743</b>	
<b>Employee turnover rate by gender, age group and geographical region</b>			
		Number of Employee Turnover (persons)	Turnover Rate (%)*
<b>By Gender</b>	Male	100	13.46
	Female	118	15.88
<b>By Age Group</b>	Below 30 years old	64	8.61
	31–40 years old	100	13.46
	41–50 years old	41	5.52
	Above 50 years old	13	1.75
<b>By Geographical Region</b>	Mainland China	218	29.34
	Overseas and Hong Kong, Macao and Taiwan	0	0.00
	<b>Health and Safety</b>		
<b>Number of work-related fatalities occurred in the past three years</b>			0
<b>Lost days due to work injury</b>			0

\* Turnover rate of 2023 (per category) = Employees in the specified category leaving employment/Number of employees in the specified category\*100.

## 11. APPENDIX I: ESG KEY PERFORMANCE DATA TABLES (CONTINUED)

### Social Areas (continued)

KPI		2023	
<b>The percentage of employees trained and average training hours by gender and employment type</b>			
		Percentage of Employees Trained*	Training Hours Per Employee
<b>By Gender</b>	Male	34.37%	11.80
	Female	65.63%	6.73
<b>By Position</b>	Senior management	0.39%	8.67
	Middle management	3.88%	11.98
	General employee	95.74%	8.33
<b>Supplier Management</b>	North China		1
	East China		42
	South China		565
	Central China		57
	Southwest China		51
	Number of suppliers where relevant policies (especially environmental protection and social policies) are being implemented		86
	Number of suppliers signed the Integrity Agreement		128
<b>Customer service data</b>			
	Number of complaints (times)		543
	Number of callbacks after complaint processing (times)		670
	Number of customer service outbound calls (times)		8,928
<b>Anti-corruption training</b>			
	Training times (times)		1
	Number of training participants (persons)		31
	Total training hours for the year (hours)		15.5
<b>Community Investment</b>			
	Amount invested (RMB)		67,000

\* Due to rounding off, the direct calculation results may not be equal.

# 11. APPENDIX II: ESG GUIDE CONTENT INDEX

ESG Indicators		Disclosures	Corresponding Sections
<b>A1 General Disclosure</b>	Information on the policies and 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	Low carbon and environmental protection, building a green home together
<b>A1.1</b>	The types of emissions and respective emissions information.	Disclosed	Appendix I
<b>A1.2</b>	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	Appendix I
<b>A1.3</b>	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I
<b>A1.4</b>	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I
<b>A1.5</b>	Description of emissions target(s) set and steps taken to achieve them.	Disclosed	Low carbon and environmental protection, building a green home together
<b>A1.6</b>	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	Low carbon and environmental protection, building a green home together
<b>A2 General Disclosure</b>	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	Low carbon and environmental protection, building a green home together
<b>A2.1</b>	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I
<b>A2.2</b>	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I
<b>A2.3</b>	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	Low carbon and environmental protection, building a green home together
<b>A2.4</b>	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Disclosed	Low carbon and environmental protection, building a green home together
<b>A2.5</b>	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A (The Group's business does not involve)	

## 11. APPENDIX II: ESG GUIDE CONTENT INDEX (CONTINUED)

ESG Indicators		Disclosures	Corresponding Sections
<b>A3 General Disclosure</b>	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Disclosed	Low carbon and environmental protection, building a green home together
<b>A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	Low carbon and environmental protection, building a green home together
<b>A 4 General Disclosure</b>	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Disclosed	Low carbon and environmental protection, building a green home together
<b>A4.1</b>	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Disclosed	Low carbon and environmental protection, building a green home together
<b>B1 General Disclosure</b>	Information on the policies and 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	Work together for a better future
<b>B1.1</b>	Total workforce by gender, employment type (for example, full – or part-time), age group and geographical region.	Disclosed	Work together for a better future Appendix I
<b>B1.2</b>	Employee turnover rate by gender, age group and geographical region.	Disclosed	Work together for a better future Appendix I
<b>B2 General Disclosure</b>	Information on the policies and 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	Work together for a better future
<b>B2.1</b>	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	Appendix I
<b>B2.2</b>	Lost days due to work injury.	Disclosed	Appendix I
<b>B2.3</b>	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	Work together for a better future

## 11. APPENDIX II: ESG GUIDE CONTENT INDEX (CONTINUED)

ESG Indicators		Disclosures	Corresponding Sections
<b>B3 General Disclosure</b>	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	Work together for a better future
<b>B3.1</b>	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	Appendix I
<b>B3.2</b>	The average training hours completed per employee by gender and employee category.	Disclosed	Appendix I
<b>B4 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Disclosed	Work together for a better future
<b>B4.1</b>	Description of measures to review employment practices to avoid child and forced labour.	Disclosed	Work together for a better future
<b>B4.2</b>	Description of steps taken to eliminate such practices when discovered.	Disclosed	Work together for a better future
<b>B5 General Disclosure</b>	Policies on managing environmental and social risks of the supply chain.	Disclosed	Working together for mutual growth and co-operation achievements
<b>B5.1</b>	Number of suppliers by geographical region.	Disclosed	Appendix I
<b>B5.2</b>	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	Working together for mutual growth and co-operation achievements
<b>B5.3</b>	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	Working together for mutual growth and co-operation achievements
<b>B5.4</b>	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	Working together for mutual growth and co-operation achievements

## 11. APPENDIX II: ESG GUIDE CONTENT INDEX (CONTINUED)

ESG Indicators		Disclosures	Corresponding Sections
<b>B6 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosed (labelling of products and services is not applicable to the business of the Group)	Present eco-friendly and people-oriented property with precision crafts
<b>B6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A (The Group's business does not involve)	
<b>B6.2</b>	Number of products and service related complaints received and how they are dealt with.	Disclosed	Present eco-friendly and people-oriented property with precision crafts
<b>B6.3</b>	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	Present eco-friendly and people-oriented property with precision crafts
<b>B6.4</b>	Description of quality assurance process and recall procedures.	Disclosed (product recall is not applicable to the business of the Group)	Present eco-friendly and people-oriented property with precision crafts
<b>B6.5</b>	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	Present eco-friendly and people-oriented property with precision crafts
<b>B7 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	Pursuing truth and integrity to establish a new culture of probity
<b>B7.1</b>	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	Pursuing truth and integrity to establish a new culture of probity
<b>B7.2</b>	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	Pursuing truth and integrity to establish a new culture of probity
<b>B7.3</b>	Description of anti-corruption training provided to directors and staff.	Disclosed	Pursuing truth and integrity to establish a new culture of probity

## 11. APPENDIX II: ESG GUIDE CONTENT INDEX (CONTINUED)

ESG Indicators		Disclosures	Corresponding Sections
<b>B8 General Disclosure</b>	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	Adhering to kindness and acting with warmth and compassion
<b>B8.1</b>	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	Adhering to kindness and acting with warmth and compassion
<b>B8.2</b>	Resources contributed (e.g. money or time) to the focus area.	Disclosed	Adhering to kindness and acting with warmth and compassion

The background is a soft, watercolor-style illustration. It features various shades of light green and pale yellow, creating a textured, organic feel. Several realistic-looking green leaves are scattered around the edges, with some showing detailed vein patterns. A small, delicate butterfly is visible in the upper right quadrant, adding a touch of nature to the design.

**JY GRANDMARK HOLDINGS LIMITED**