



保利置業集團有限公司

POLY PROPERTY GROUP CO., LTD.

於香港註冊成立之有限公司

Incorporated in Hong Kong with limited liability

Stock Code 股份代號: 00119

THE ESSENCE OF
TRUTH AND BEAUTY DEFINES MY HOME



2023

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

品牌定位 Brand Positioning

美好生活領創者

Leading Creator of A Brighter Future

品牌口號 Brand Slogan

追求卓越，領創美好

Strive for Excellence, Create Brighter Future

品牌核心價值 Brand Core Values

實力非凡

Powerful

開放多元

Open

卓越引領

Leading

活力進取

Youthful

外塑品牌 Corporate Brand Image

企業基因 Corporate DNA

紅色基因鑄魂，藍色基因立身

Red Genes to Forge the Soul, Blue Genes to Create Success

內塑文化 Corporate Brand Culture

企業使命
Mission

保國利民 追求卓越

Safeguarding the Country, Serving the People, Striving for Excellence

企業願景
Vision

成為受人尊敬的卓越企業

To Become An Inspiring and Excellent Enterprise

核心價值觀
Core Value

責任為本 發展至上

Responsibility First, Development Foremost

企業精神
Company Spirit

忠誠 擔當 務實 奮鬥

Loyalty, Responsibility, Pragmatism, Perseverance

Corporate Culture



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About This Report

Overview

This is the seventh Environmental, Social and Governance Report (the "Report" or the "ESG Report") published by Poly Property Group Co., Limited to disclose the management, practices and performance of the Company in the economic, environmental, social and governance aspects for all stakeholders of the Company.

Reporting Period

This report covers the period from January 1, 2023 to December 31, 2023 ("the reporting period"), with certain information pertaining to prior years.

Reporting Scope and Boundaries

The disclosure scope of this Report covers Poly Property Group Co., Limited ("the Company" or "Poly Property") and its subsidiaries ("the Group" or "We") and is consistent with the Group's annual report. Shanghai Poly Property Hotel Management Group Limited is hereinafter referred to "Poly Property Management", Poly Business and Tourism Hotel Management Co., Ltd. is hereinafter referred to "Poly Business and Tourism", Poly (Hong Kong) Property Management Company Limited is hereinafter referred to "Poly (Hong Kong) Property Management".

Basis and Reference

The Report is compiled as required by the *Environmental, Social and Governance (ESG) Reporting Guide*, Appendix C2 of Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited ("HKEX"). Meanwhile, the Report was prepared with reference to and in response to the Chinese Academy of Social Sciences' *Guidelines on Social Responsibility Reporting for Chinese Enterprises (CASS-ESG 5.0)*, and the United Nations Sustainable Development Goals (SDGs).

The reporting scope is determined, and relevant materials and data are collected in accordance with the identification and prioritization of material stakeholders and ESG-related material issues. The Report is based on this information, and the data in the Report are reviewed to ensure the completeness, materiality, truthfulness and balance of the reporting content.

Data Sources and Reliability Statement

The information and data disclosed in this Report are obtained from the Group's statistical reports and official documents that are reviewed and approved by the relevant departments. The Group guarantees that this Report is free from any false records or misleading statements, and hereby undertakes liabilities for the truthfulness, accuracy and completeness of the content.

Report Preparation

This Report is compiled following the process of working group formation, data collection, stakeholder interviews, stakeholder survey, outline determination, report writing, report design, and departmental and executive review.

Confirmation and Approval

This Report was confirmed by the management and approved by the Board of Directors on April 29, 2024.

Contact and Feedback

Poly Property values your comments and suggestions on our sustainability performance. Please send your comments and suggestions by email to: ir@polyhongkong.com.hk

You can also access more information about Poly Property's social responsibility through our official website: <https://www.polyhongkong.com>.

Message from the Chairman



Dear readers,

It is with pride that I share this year's Environmental, Social and Governance Report.

For over thirty years, the Group as a central enterprise has been keeping in mind the original mission of "Safeguarding the Country, Serving the People, Striving for Excellence", actively responding to the national development strategy, and practicing long-termism in good faith, demonstrating the great power of "Leading Creator of a Brighter Future". In 2023, we upgraded the excellent development strategy of "Two-wheel, Two-wing and Multi-driver", proposed the brand development concept of "Poly, My Hometown", and strove to create a brand ecosystem with excellent competitiveness, contributing to China's social and economic development and people's livelihood improvement.

The Group is committed to creating a beautiful life through ingenious construction. In 2023, we made efforts to establish an all-round service system based on the customer-oriented value strategy, and launched the "POLYLIGHT-Four Sensory Living System", which empowers our products from aspects of aesthetic quality, environmental friendliness, relationship inspiration, and spiritual emotions. In addition, we formed five major full-life-cycle product series (i.e., the JIADI Series, YU Series, FU Series, YIN Series, ONE Series), enabling us to provide different customers with exclusive and pleasant lifestyles and living experiences.

In response to the national strategy of "carbon peaking and carbon neutrality", we devote to building a greener industry. Having incorporated the green development concept into the Company's strategic planning and business lifecycle, we continuously make efforts around green development and green operations and are committed to making greater contributions to safeguarding lucid waters and lush mountains and supporting green development. Continuously exploring the application of green construction materials and advanced low-carbon energy-saving technologies, we build high-quality green and low-carbon buildings and actively promote green projects, including ecological restoration, to lead regional renewal and urban upgrading.



Implementing the strategy of "talent specialization" and "lean talent management", the Group has established a multi-layered and high-quality talent team while enhancing lean human resource management and talent cohesion and efficiency. Adhering to the philosophy of "people-oriented" development strategy, we protect our employees' rights and interests, pay attention to humanistic care, create a diverse, inclusive, open, and enterprising corporate culture, provide a healthy and comfortable working environment, establish a broad talent development platform, and work together with employees to create a better future at Poly Property.

As a responsible enterprise, we continuously make positive contributions to the industry and society. We actively build a responsible supply chain to promote the sustainable development of value chain. While pursuing business development, we actively engage in public welfare undertakings and give back to society by leveraging a variety of resources and strengths. We have launched the "Poly Youth Ambition" and "Poly, My Hometown" programs, hoping to spread kindness and love to more people.

Always inheriting red genes and staying true to original intention, the Group promotes high-quality and sustainable development with continuous and stable operations, pragmatism, and sincerity. With gratitude and awe in mind, we actively fulfill corporate and social responsibilities and forge ahead to make contributions to promoting urban construction and development and improving people's living standards, striving to achieve the goals of "pursuing excellence and safeguarding people's aspirations for a better life".



2023 ESG Performance Highlights

Business Review

- As of the end of 2023, our total assets amounted to RMB

205,800 million

- Our contract amount reached RMB

53,600 million

- Our net profit amounted to RMB

1,632 million

- As of the end of 2023, our land reserve reached

16.69 million square meters

- We ranked the

27th

in 2023 CRIC Real Estate Sales List



Environmental KPIs

- Set carbon emission goals: strive to reduce the scope 1 and 2 carbon emission intensity by

more than **20%** ↓

by 2030 (compared to the 2023 baseline) and strive to achieve carbon neutrality by 2060

- The proportion of prefabricated buildings in newly added buildings reached

73.5%

- Total green building certification area reached

17.2171 million square meters

- Green building certification area increased by about

580,000 square meters

- The application rate of green building standards for new projects was

100%

- Successfully obtained the first Sustainability Linked Loan of HKD

3.9 billion



Social KPIs

● Delivered high-quality products to more than **19,000** customers throughout the year

● Residential customer satisfaction increased by **12** YoY

● Average training hours completed per employee was **60** hours

● The signing rate of the *Business Integrity Agreement* and the *Transparency Declaration on Marketing, Procurement, and Tendering* among existing suppliers is **100**%

● Provided volunteer services for **194** times

● Charitable donations was **RMB 7,178,000**

Consumption for poverty alleviation was **RMB 1,327,735.5**



Governance KPIs

● Communicated with investors for **24** times

● Organized **14** times business ethics and anti-corruption training sessions

total training time is **9,144** hours



About Poly Property

Group Profile

Poly Property Group Co., Ltd. (stock code: 00119.HK), is headquartered in Hong Kong and Shanghai, and was listed on the Main Board of HKEX. Its controlling shareholder is Poly (Hong Kong) Holdings Limited. Poly Property has become an important pillar of Poly Group's real estate business, a major capital market platform and a channel for international cooperation. Keeping red genes and taking full advantage of Hong Kong's international environment and our international vision, we run business on the principle of integrity for sustainable development.

The Group mainly engages in the business of property development, investment and management, and undertakes residential and commercial projects mainly in the most economically developed regions of China, including the Yangtze River Delta, Pearl River Delta, Southwest China and other regions, as well as Hong Kong. At present, the Group has land reserves in 25 cities, including Shanghai, Hong Kong, Shenzhen, Guangzhou, Ningbo, Suzhou, Wuhan, Jinan and Nanning, and boasts iconic buildings in multiple cities, including Shanghai Poly Plaza, Shanghai Securities Exchange Building and Beijing Poly Plaza.

Positioned as a "Leading Creator of a Brighter Future", the Group has upgraded the development strategy of "Two-wheel, Two-wing and Multi-driver"¹, and proposed the quality improvement strategy of "Poly, My Hometown". We are committed to building a brand ecosystem with excellent competitiveness, and accelerating the building of a world-class enterprise.

During the reporting period

Period-end total assets:

RMB **205,800** million

Net profit:

RMB **1,632** million

Contract amount:

RMB **53,600** million

Period-end land reserve:

16.69 million square meters

Contract area:

2.25 million square meters

Industry ranking:

27th

Average contract price:

RMB **23,805** per square meter

¹Driven by "two wheels" (domestic and international high-end real estate development and urban comprehensive investment and operation) and "two wings" (urban beautiful life services and comprehensive financial services), we strive to achieve high-quality and sustainable development.

Awards and Honors

The Group has won high praise from all walks of life, as well as numerous awards and honors, relying on outstanding development capabilities, sincere services and enthusiastic participation in community development. In 2023, the Group won many awards including the "2023 China Excellent Cases of Digital Transformation" award given by the Ministry of Industry and Information Technology, and the "Excellent Cases of Digital Transformation of State-owned Enterprises" title awarded at the 2023 Forum on High-Quality Development of State-owned Enterprises thanks to the achievements in the profit planning and calculation system.

Besides, the Group took the 18th place in the 2023 Brand Communication List due to the active performance of social responsibility. The "Poly, My Hometown" program was awarded the "Outstanding CSR Case" title by *China Top Brands* magazine of Xinhua News Agency, and the public welfare micro film themed by "Poly, My Hometown" won the second prize of Poly Good News. The "Poly Youth Ambition" film was included in the Blue Book of Social Responsibility of Central Enterprises prepared by the State-owned Assets Supervision and Administration Commission, was selected as one of the Excellent Theme Microfilms of Central Enterprises Practicing Socialist Values, and won the Bronze Award for Public Welfare Marketing of the 14th Tiger Roar Awards.

Making constant innovation and progress, the Group is committed to providing customers with better services and products and setting a new benchmark in the real estate industry. During the reporting period, we won multiple awards and honors, taking the 7th place in the 2023 China Top 30 Real Estate Companies in Brand Value and the 3rd place in the 2023 China Top 10 Real Estate Companies (Central Enterprises) in Brand Value, and ranking among the 2023 China Top 30 Real Estate Enterprises in Super Product Strength.

Region	Awards	Projects
The Group	2023 China Top 30 Real Estate Companies in Brand Value awarded by EH Research	
	2023 China Excellent Product Systems awarded by EH Research for the POLYLIGHT·Four Sensory Living System	
	2023 China Top 10 Luxury Residential Product Series awarded by CRIC for the YU Series	
	2023 China Top 10 IP Product Series awarded by EH Research for the YU Series	
Shanghai	China Top 10 Affordable Luxury Works awarded by CRIC in the first half of 2023	Poly Vibe Centro
	2023 China Benchmark Projects of Real Estate awarded by China Index Academy	Poly Vibe Centro
	Silver Award of the 14 th Yuanye Cup Professional Awards in 2023	Poly Moon light
	18 th Kinpan Awards-Annual Best Sales Space Award	Sales Office of Poly Moonrise Mansion
	Silver Award of Real Estate Demonstration Area Landscape granted at the 5 th Landscape Ingenuity Award (LIA)International Competition	Poly Moonrise Mansion (Real Estate Demonstration Zone Landscape)

Region	Awards	Projects
Jiangsu	MIX Awards-Design Excellence Award	Poly Brilliant Palace
	2023 China Top 15 High-end Projects of Real Estate	Poly Shangyun Fu
Zhejiang	Pro + Award	Poly Jade
	Pro + Award	Poly Riverview Mansion
	Kinpan Awards-Best Pre-sale Residential Project Award	Poly Origin of Nebula
	MUSE Design Awards	Poly Rising
Shandong	China Top 10 High-end Residential Buildings awarded by CRIC in the first half of 2023	Poly Jade
	MUSE Design Awards-Gold Award	Poly Jade Demonstration Area Logo
	Asian Habitat Landscape Award granted at the 3 rd AHLA	Poly Mansion
	Asian Habitat Landscape Award granted at the 3 rd AHLA	Poly Grand Joy
	The 18 th Kinpan Awards-- Best Residential Buildings in Central China	C site of Poly Grand Joy
	Yuanye Cup	Poly Jade
	MUSE Design Awards	Demonstration Area of Poly Vibe Centro
	Tiantan International Award-Indoor Space of Residential Projects	Demonstration Area of Poly Park TOD
	MUSE Design Awards	Marketing Center of Poly Jade
	TITAN Property Awards-Platinum Award	Marketing Center of Poly Jade
	DNA Paris Design Awards-Gold Award	Marketing Center of Poly Jade
	The Architecture Master Prize	Marketing Center of Poly Jade
	Kinpan Awards-Annual Best Sales Space Award	Poly Jade Club
	INNODESIGN PRIZE Global Innovative Design Award	Poly Jade Club
Jintang Prize	Poly Jade Club	
Kapok Design Awards	Poly Jade Club	

Region	Awards	Projects
Shandong	Huading Awards	Poly Jade Model House
	TITAN Property Awards-Gold Award	Marketing Center of Poly Vibe Centro
	Huading Awards	Model House 188 of Poly Vibe Centro
	Huading Awards	Poly Vibe Centro Club
Guizhou	Kinpan Awards-2023 Best Improved Floor Space Award	Poly Bright Moon On Top
Shenzhen	The Fourth Pro+Award-Special Award for Fine Decoration	Sales Office of Poly Urban Cultural Bay
	Kinpan Awards-Best Sales Space in South China	Sales Office of Poly New Dream
	MUSE Design Awards-Gold Award	Sales Office of Poly New Dream
Guangxi	MUSE Design Awards-Platinum Award	Poly Guanjiang Villa Phase II (Model House 304)
	REARSDS MIX Awards-Quarterly Design Excellence Award	Poly Guanjiang Villa Phase II (Model Houses 189 and 235)
	Excellence Award for Virtual Show-Asian Habitat Landscape Award granted at the 3 rd AHLA	Poly Guanjiang Villa Phase II (Demonstration Area)
	TITAN Property Awards-Platinum Award	Poly Guanjiang Villa Phase II (Model House 304)
	Kinpan Awards-Annual Best Luxury Space Award	Poly Guanjiang Villa Phase II (Model House 304)
	Top 10 High-end Projects of Guangxi awarded by CRIC	Poly Guanjiang Villa Phase II
	Best Of Property Winner (BOP) Award-2023 Interior Design Award	Poly Guanjiang Villa Phase II (Model Houses 189 and 235)
	Kinpan Awards-Annual Best Villa Space Award	Poly Guanjiang Villa Phase II (Model House 304)

Region	Awards	Projects
Guangxi	MUSE Design Awards-Platinum Award of Creative Design	Poly Jin House (Demonstration Area)
	Kinpan Awards-Best Improved Floor Space Award	Poly Jin House (Model House 88)
	Kinpan Awards-Annual Best Sales Space Award	Poly Jin House (Sales Office)
	The 10 th INNODESIGN PRIZE Global Innovative Design Award	Poly Jin House (Demonstration Area)
	ICS Color Space Design Award -Excellent Color Space Award	Poly Jin House (Demonstration Area)
	Kinpan Awards-Annual Best Supporting Commercial Space Award	Landscape of Poly Town (Commercial Street)
	MUSE Design Awards-Gold Award	Poly Town (Commercial Street)
Heilongjiang	First Prize of the 12 th “Lung Cup” National BIM Competition	Poly Mountain Villa (Underground BIM) Equipment
	The 10 th Guangsha Prize	Poly TAN GIM
Guangdong	The 10 th Guangsha Prize	Poly Landscape Phase I
	CREDAWARD Real Estate Design Award	Poly Brocade Scroll
	The Fourth Pro+Award in 2023	Poly Brocade Scroll
	The Fourth Pro+Award in 2023	Poly Lang Yu
	IDEA-KING Award	Poly Tongji Mansion
	MUSE Design Awards	Poly Lang Yu
	Jintang Prize	Poly Brocade Scroll
	IDEA - TOPS Award	Poly Brocade Scroll
Nest Award	Poly Brocade Scroll	

Sustainable Development Governance

The Group adheres to the philosophy of sustainable development and has incorporated the ESG concept into business management. We are committed to achieving sustainable development in environmental, social, and governance aspects, enhancing our competitiveness and influence on the basis of ensuring stable operation. Besides, we hope to meet the long-term development needs of stakeholders by actively understanding, listening to and responding to the expectations of all stakeholders, and adhering to the principle of fair, just, open and transparent information disclosure.

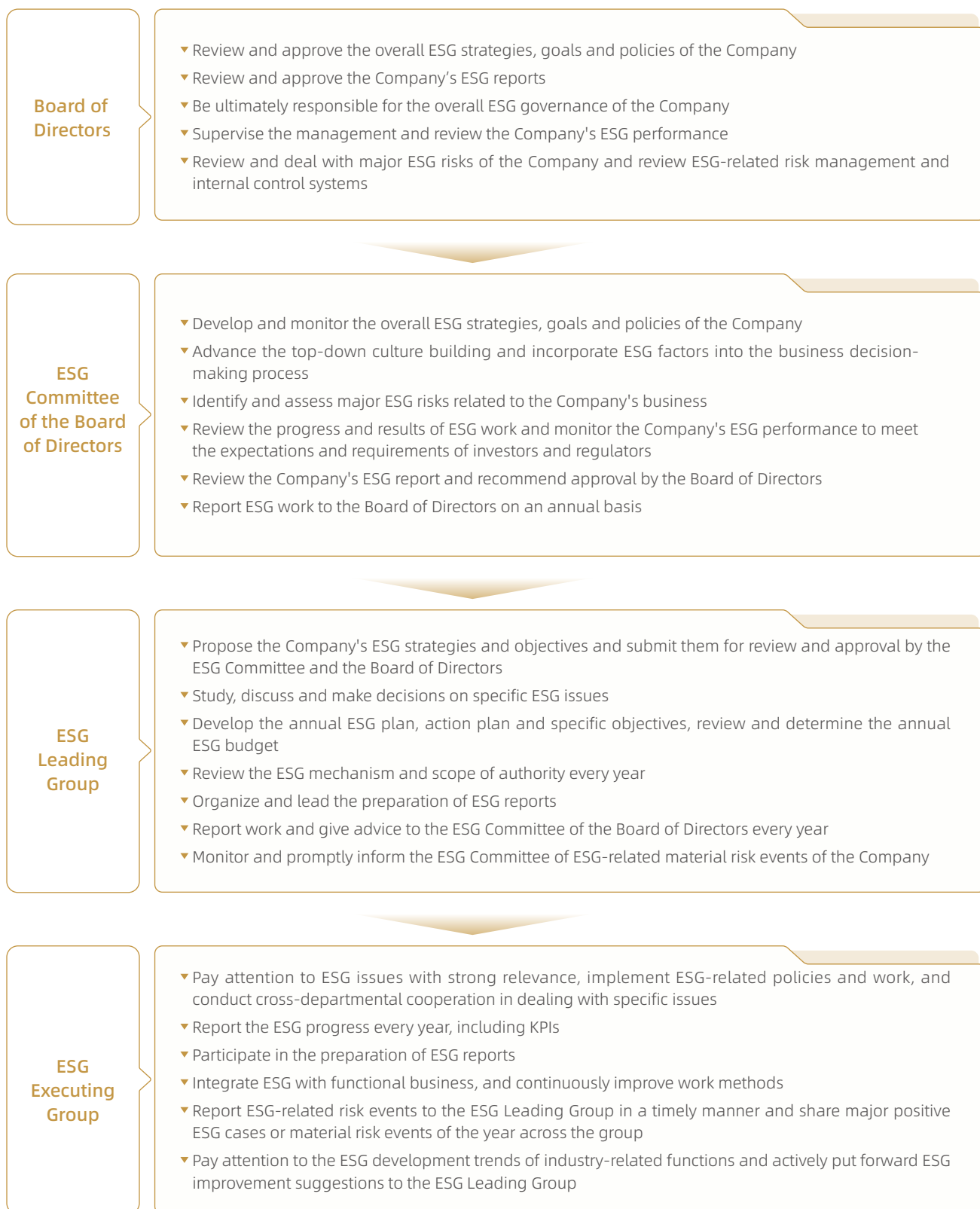
ESG Governance System

The Group devotes to improving the level of sustainable development, establishing and improving the ESG governance system and structure, clarifying the functions and responsibilities of each level, and making ESG-based strategic plans according to the operations of the Group.

ESG Governance Structure

The Group has established a top-down ESG governance structure with clear lines of authority and responsibility to implement the work of ESG management. The Board of Directors is the highest leadership and decision-making body responsible for ESG affairs and provides overall leadership in ESG decision-making. The ESG Committee of the Board of Directors, upon authorization by the Board of Directors, plays a leading and supervisory role in dealing with ESG matters. The ESG Leading Group, led by the General Manager, with the Deputy General Manager of the Capital Market Department as the deputy group leader and all senior management personnel as members, is responsible for developing ESG work plans and guiding their implementation. The ESG Executing Group is a cross departmental organization composed of leaders from all functional centers, regional property development companies and 4 professional companies, responsible for the specific execution of ESG-related work.





ESG Governance Structure

Poly Property Successfully Obtained the First Sustainability Linked Loan of HKD 3.9 Billion

During the reporting period, we successfully signed the first sustainability linked loan of HKD 3.9 billion with 9 major international and local banks. The Company has selected three ESG KPIs, namely greenhouse gas (GHG) emission intensity, water resource utilization intensity, and ESG training duration, and set corresponding goals to reduce costs through incentive methods, aiming to supervise and improve the Company's performance in sustainability.

Board Statement

The Group attaches great importance to ESG matters vital for sustainable development. We have established a sound ESG governance structure, practicing the concept of ESG in all aspects of enterprise management and operations. The Board of Directors, as the highest leadership and decision-making body for ESG affairs, assumes ultimate responsibility for developing the ESG strategy of the Group, setting relevant goals, reviewing the progress in goal attainment, and ensuring ESG performance. Besides, the Board of Directors authorizes the ESG Committee to develop and monitor the overall ESG strategies, goals and policies of the Company and review the progress and results of ESG work. The ESG Committee has at least three members and the members are appointed by the Board of Directors.

The ESG Committee holds at least two meetings every year, to discuss, reviews, and guides the ESG matters, including ESG-related goals, performance, potential risks, development trends, etc. The ESG Committee implements the meeting resolution by allocating relevant resources according to discussion results and submits a proposal to the Board of Directors for approval. During daily business operations, the ESG Leading Group and the ESG Executing Group jointly coordinate all relevant departments to implement relevant policies and achieve certain goals.

In order to effectively prevent and control potential risks that may hinder the sustainable development of the Group, the Board of Directors reviews ESG-related risk management and internal control systems during daily operations to ensure their effectiveness and completeness, so as to control ESG risks and continuously track relevant matters in a timely manner. During the reporting period, we continuously identified and assessed climate change-related risks, reviewing and optimizing climate change response measures.

The Group identifies, assesses and tracks key ESG-related appeals of stakeholders in a timely manner. According to the changes in internal and external environments, and the actual conditions of development and operation, the Board of Directors evaluates, sorts and finally confirms the material ESG issues of concern by stakeholders every year. Besides, the Board of Directors supervised and reviewed the ESG goals and performance in 2023, having proposed the future development strategy according to the situations of goal attainment and business development.



Communication with Stakeholders

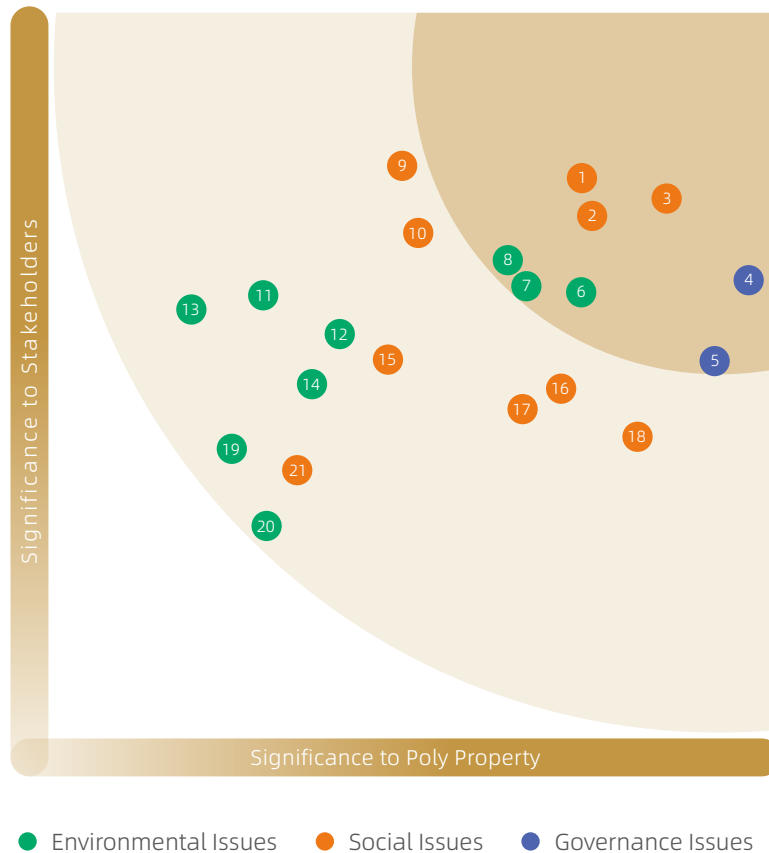
The opinions and suggestions of stakeholders are vital for the sustainable development of the Group. We have established a mechanism of transparent, convenient and normalized communication through multiple channels. While maintaining close contact with stakeholders, and deeply understanding and responding to their expectations and concerns in a timely manner, we work with various parties to achieve sustainable development in terms of economic, social and environmental values.

Types of stakeholder group	Communication channels
Investors and shareholders	Company website
	Company's announcements
	Annual general meetings
	Annual and interim reports
	Communication with analysts
Customers	Company website
	Social media
	Trainings and orientation
	Intranet
	Opinion box
Employees	Regular meetings
	Annual and quarterly performance review
	Teambuilding activities
	Whistle-blowing system
Suppliers and business partners	Supplier assessment
	Tender and procurement processes

Materiality Assessment

The Group identifies and evaluates materiality topics in accordance with the *Environmental, Social and Governance Reporting Guide* published by HKEX and other guidelines, and invites stakeholders to participate in the materiality study.

In 2023, we reviewed, identified and selected 21 material topics based on the results of the 2022 ESG materiality assessment, HKEX ESG reporting guide, topics concerned by peer companies, and the current year's business development, as well as internal opinions and results of communication with external stakeholders. From the dimensions of "significance to the Group" and "significance to external stakeholders", we further adjusted the materiality topics and priorities in ESG and finalized the materiality matrix upon review and approval by the management and the Board of Directors.



During the reporting period, the Group summarized a total of 21 materiality topics, including 8 highly material topics and 13 moderately material topics.

Highly material topics	
1 Quality inspection and assessment	5 Intellectual property management
2 Quality of customer service	6 Green building
3 Employee health and safety	7 Sewage discharge and management
4 Business ethics	8 Waste generation and management

Moderately material topics	
9 Customer privacy and information protection	16 Employee training and development
10 Customer health and safety	17 Diversity and equal opportunities
11 Energy efficiency	18 Employment policy and employee benefits
12 Use of water resources	19 Use of materials
13 Air emission and management	20 Climate change
14 GHG emission and management	21 Community contribution
15 Supply chain management	

01

Lean Governance for Robust Development

Sound corporate governance is a cornerstone of compliant operations and efficient management. The Group has established a sound governance mechanism. We continuously improve the risk management system covering all business areas to better address and reduce internal and external risks that may affect the business operation, so as to effectively ensure stable development. We adhere to the highest standards of business ethics, uphold integrity, and actively create a corporate atmosphere of advocating integrity and good governance.



Corporate Governance

Adhering to the corporate spirit of "loyalty, responsibility, pragmatism and perseverance", the Group strives to create long-term value for all stakeholders by optimizing the structure of the Board of Directors, pursuing sustainability in business operation and improving the governance system.

Improvement of the Board of Directors

The shareholders' meeting, the Board of Directors and the management of the Group exercise their powers and fulfill their obligations in strict accordance with the *Articles of Association*. The Board of Directors, specialized committees and independent directors fully leverage their roles in corporate governance, to ensure the long-term and healthy development of the Group.

We have established an organizational structure with complete functions in which various departments restrain each other in accordance with the law. The Board of Directors, as the supreme governing body, makes decisions on major issues and reports work to the shareholder meeting. The Board of Directors establishes four specialized committees: the Audit Committee, the Remuneration Committee, the Nomination Committee, the ESG Committee. Such committees supervise and review the performance of the Group in dealing with various affairs, and regularly report work to the Board of Directors to enhance the Group's governance in a more complete and transparent manner, so as to improve governance efficiency.



Organizational Structure

Diversity of the Board of Directors

As of the end of the reporting period,



Following the principle of talent first and diversity, the Group selects the members of the Board of Directors in full consideration of various factors including the perspectives, skills and experiences that the individual can bring to the Board and how the individual can promote the diversity of the Board, to make decisions made by the Board of Directors be more scientific, and to prevent and mitigate potential conflicts of interest. As of the end of the reporting period, the Board of Directors of the Group had a total of seven directors, including two executive directors, one non-executive director, and four independent non-executive directors, ensuring the independence and impartiality of the decisions of the Group.

Compensation Structure of the Board of Directors

The remuneration of each director of the Group is determined by the Remuneration Committee. In order to develop the reasonable remuneration policy and ensure that the remuneration is fair, reasonable and competitive, the Remuneration Committee comprehensively considers various factors such as the Group's business performance, personal performance of the directors, and market statistics.

Investor Relations

To ensure that investors can timely and fully understand the operation and development situations of the Group, we have established a platform of communication through multiple channels. We inform public investors of the latest information and business achievements through regular announcements and investor newsletters, performance presentations, investor exchange meetings, and other means. Meanwhile, we actively respond to investors' concerns about the Group's strategic business planning, core competitiveness and so on, to deepen their understanding of the development trends of the Group and industry, so as to better safeguard their rights and interests.

In 2023, the Group organized a total of 24 performance presentations, shareholder meetings, non-deal roadshows, and one-on-one or one-to-many meetings for investors and analysts. In particular, the Chairman personally chaired nine meetings, and introduced the business development of the Group in detail to stakeholders, which enhanced the investors' understanding of and confidence in the Group.

Informatization Construction

The Group spares no effort to promote informatization construction to enhance the digital management, product quality and service efficiency. Besides, we fully explore the potential value of data as an "enterprise asset" in improving quality and efficiency.

In 2023, we comprehensively boosted informatization construction, focusing on digital planning, development of functional departments of informatization, data quality management, and special application system Improvement. In terms of hardware network security, we continued the three-level evaluation for classified protection of the ERP application system in 2022. In 2023, we completed the two-level certification for classified protection of four financial application systems, including the NC Cloud (NCC), bill, smart payment and smart cashier systems, to ensure that the Company's business and management systems meet national classified protection requirements.

Digital Planning

To ensure the Company's digital transformation, informatization construction and business development in line with policies, we have developed a 3-5-year plan for digital informatization, including one overall plan and three thematic plans on real estate development, property management and financial affairs respectively.

Development of Functional Departments of Informatization

We continuously deepen the informatization line construction through organizational structure upgrading, management mechanism improvement, line training and communication, and achievement promotion and selection. We will actively establish a sound line management mechanism in which superiors and subordinates actively collaborate in building and learning, so as to support high-quality informatization construction at the levels of the Headquarters and regions.

Data Quality Management System

We will establish and implement a special mechanism of all-around data quality management by clarifying rights and responsibilities, setting standards, building platforms, implementing, laying down rules and enhancing assessments. Meanwhile, we will optimize the list of tour inspection indicators, build a data inspection platform, assess the informatization line according to the results of six annual centralized inspections, and formulate and issue the *Application System Data Quality Management Rules* to achieve matrix-style management of online system data quality and improve the effectiveness of the application system in serving business development and management.

Specialized System

Actively improving and comprehensively promoting the systems for "profit planning, mega-marketing platform and smart office", we have successively completed the establishment, promotion and implementation of 12 application systems. We continuously optimize existing systems to ensure stable operation.

Systems for Profit Planning, Mega-marketing Platform and Smart Office

Profit Planning

- We prepared a list of business indicators for the profit planning system, clarified management responsibilities, and standardized the definitions and calibers of nearly 900 indicators for system calculations, etc.
- To ensure the quality of front-end basic business system data, we completed special inspections including master data, cost data and sales data, and promoted 13 real estate development subsidiaries to correct over 500 pieces of problematic data.

Mega-marketing Platform

- We have upgraded the core business systems for sales management, marketing expenses and commissions, and other marketing lines.
- Relying on the new "Business Process Platform", we have unified standard roles and permission settings, and launched 47 approval processes for sales management. We will release approval processes for marketing expenses and commissions through the process platform subsequently.
- We have comprehensively upgraded the new customer service system. Since its launch in August, we have handled over 20,000 customer service orders, delivered 25 batches of finely decorated houses and rough houses, and achieved comprehensive online circulation of customer service business.

Smart Office

- The "document sharing platform" is promoted across the Group. Currently, we have improved its comprehensive utilization rate to over 95%.
- Through the Business Process Management (BPM) Platform, we have gradually realized differentiated management of management and business processes. After approval of business processes, relevant data are directly returned to the business system to facilitate later business control.
- We promoted the automatic archiving of the file system through the Robotic Process Automation (RPA).
- We have upgraded financial systems, and achieved online closed-loop process management of master business data, fund information, accounting information and statements.

We make contributions to digital transformation of the Group by actively engaging in digital communication and cooperation, enhancing information sharing and resource integration, and deepening trust and cooperation between team members.

Internal Digital Training

In order to continuously improve data quality and fully explore data value, the Company has drawn up a "Digital Empowerment Plan". We continuously organize training for employees of the Data Pipeline and the modeling platform, and enhance the awareness of "based on online data", reinforcing the analysis, application and visualization of system data. In 2023, the Company organized one online training and two offline training sessions for data management employees of key business lines of various subsidiaries, with training contents covering multiple practical scenarios.



Skills Training Under the Digital Empowerment Plan

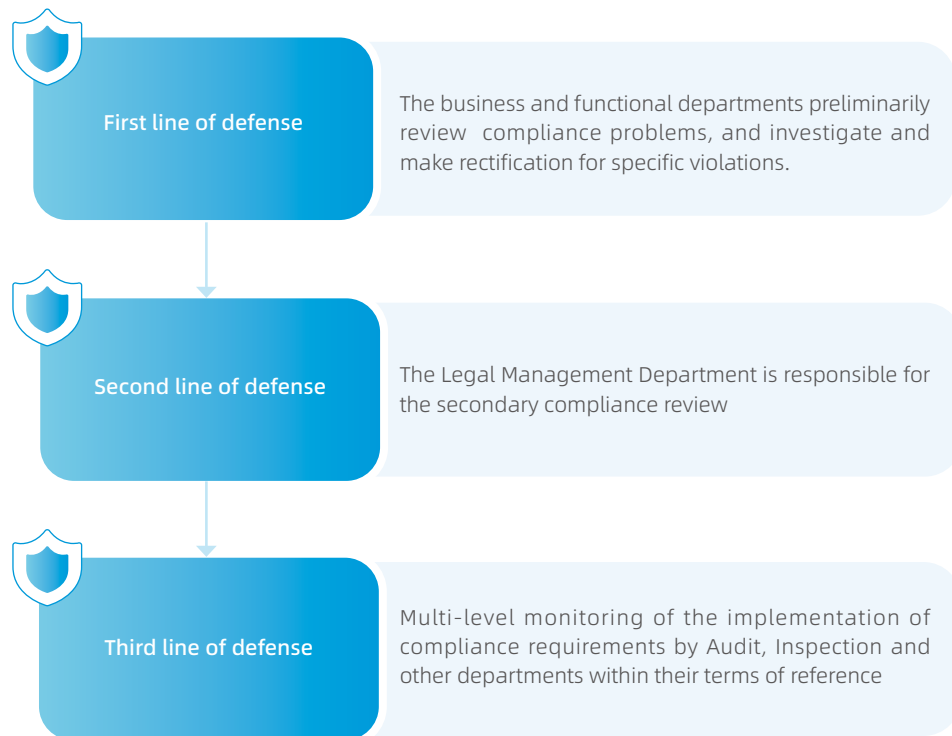
Risk Management

Stable operation is an important cornerstone for sustainable development of an enterprise. Poly Property always regards compliance with laws and regulations, honesty and integrity as the fundamental role of its establishment, growth and sustainable development. We pursue high-quality sustainable development through scientific risk management and continuous optimization of corporate governance structure.

Compliance in Operation

The Group abides by relevant laws and regulations and has formulated a series of compliance governance rules such as the *Compliance Management Rules of Poly Property* and continuously optimizes its compliance management system.

The Compliance Management Committee of the Group coordinates and guides the compliance management work. The Group's General Counsel is also the Chief Compliance Officer, and compliance administrators under the Compliance Management Committee are responsible for implementing various compliance policies and measures. We have established three lines of defense for compliance, to ensure business operations in line with relevant laws, regulations, and industry standards.

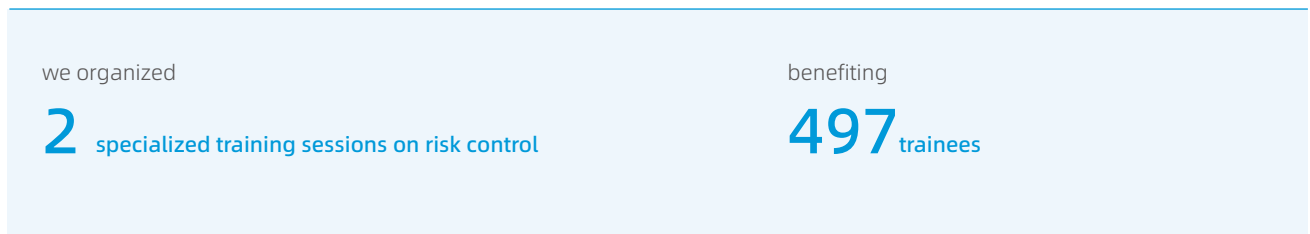


Three Lines of Defense for Compliance

During the reporting period, the Group established a major case supervision mechanism. Under the centralized deployment of the Group, we have set up the work supervision group, leadership coordination group and work promotion group. Also, we have established a three-tier linkage work mechanism for regular communication, timely reporting and forward command. During the reporting period, the Legal Management Department of the Group guided regional companies many times and jointly studied response strategies, making every effort to create a business compliance environment.

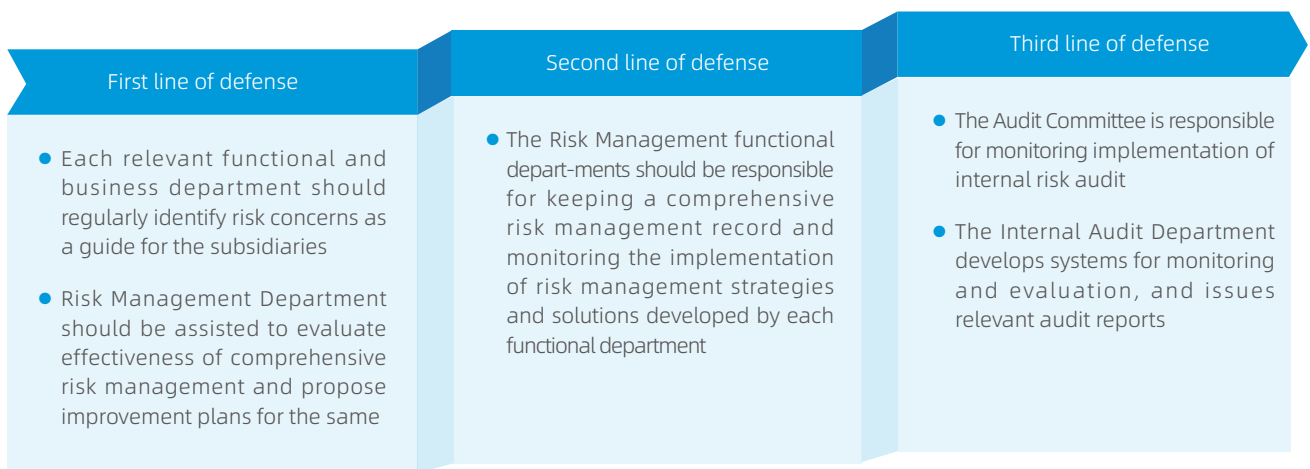
Risk Management

In 2023



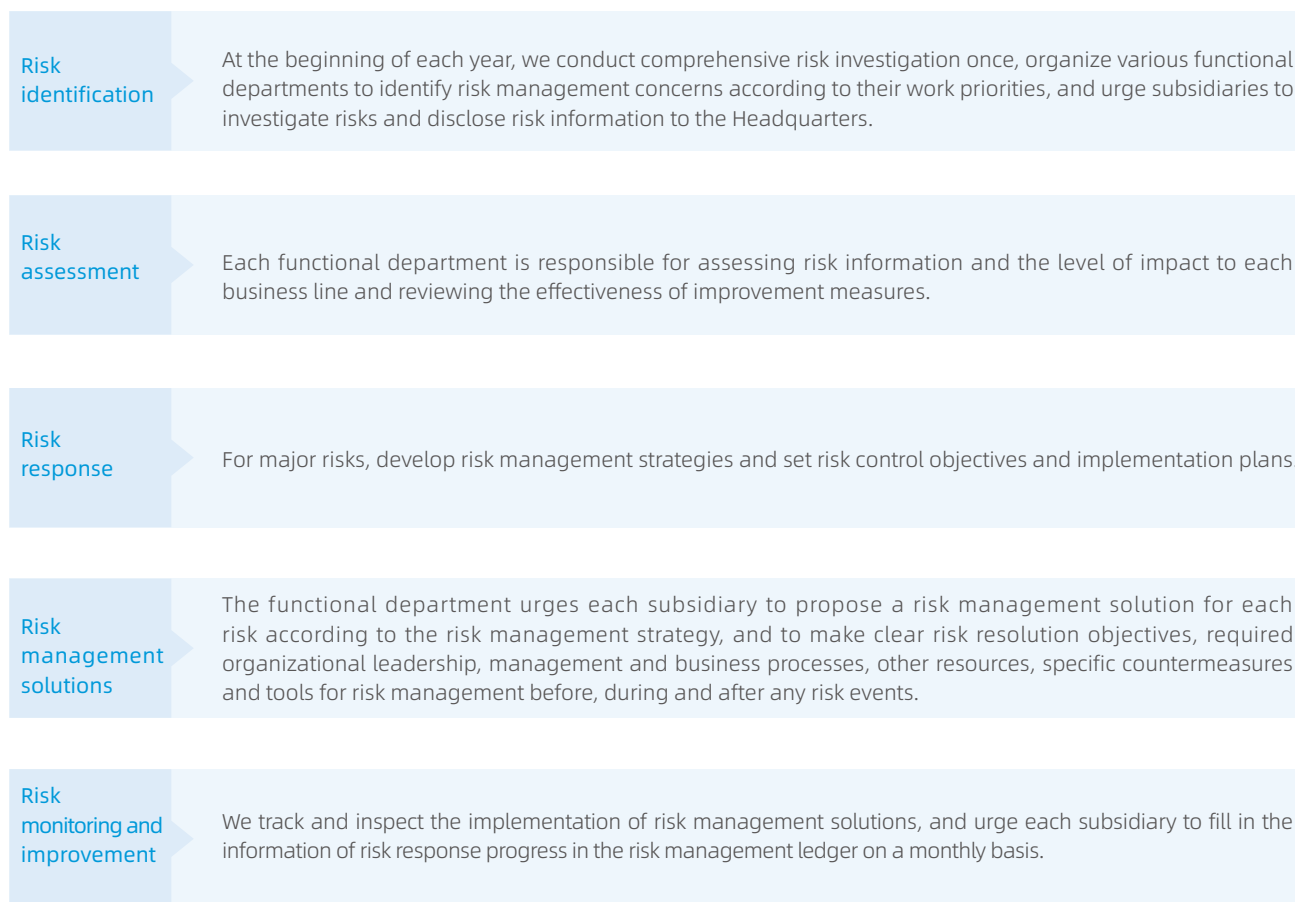
In order to further improve the Company's risk control level, Poly Property formulated the *Comprehensive Risk Management and Internal Control Measures (Trial)* during the reporting period, which further ensures the effectiveness of internal control and risk management at the Group. We have established a risk management structure with clear division of work, where the Audit and Risk Management Center serves as the leading department for risk management, and each functional center or subsidiary designates risk management specialists respectively. The Audit and Risk Management Center organizes, coordinates, and guides the work of risk management specialists to ensure the efficiency and timeliness of risk disclosure.

To ensure the effectiveness of risk management, the Group has established a risk management system based on three lines of defense and clarified basic requirements and departmental responsibilities of risk control, which strongly supports the stable operation.



Three Lines of Defense for Risk Management

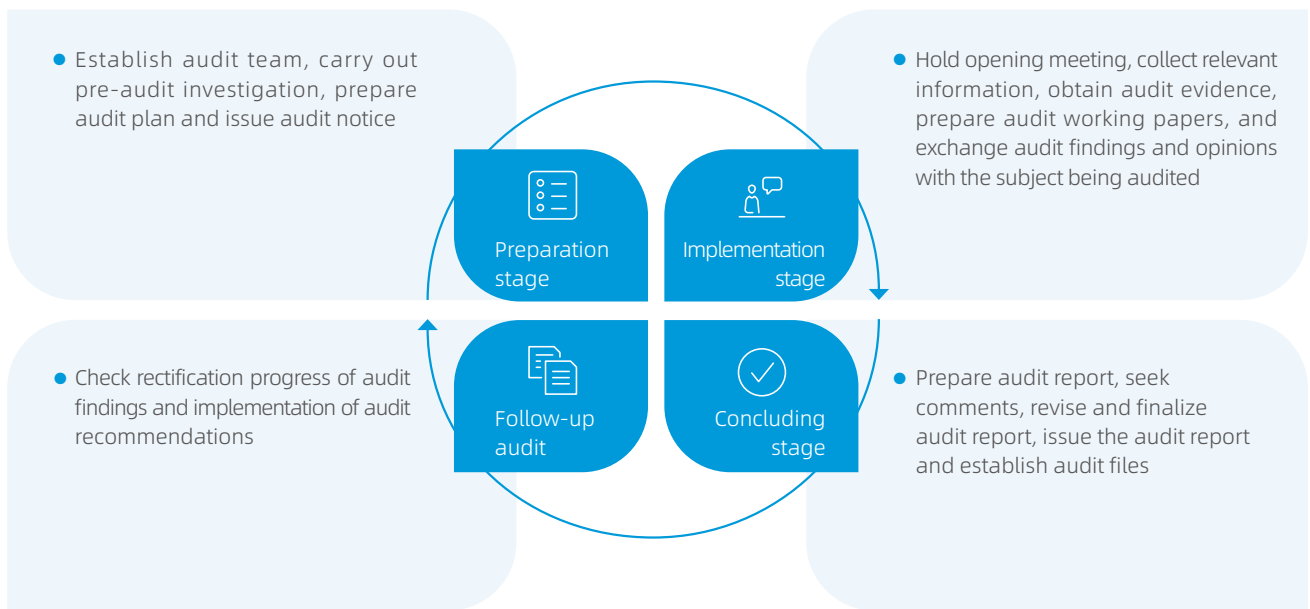
Actively identifying, monitoring, and addressing risks in various processes and links of actual operation, we have established a comprehensive risk identification and control process, and formed a closed loop of risk control.



Risk Management Process

Internal Control and Internal Audit

The Group has formulated multiple management rules and regulations including the *Internal Audit Management Measures of Poly Property Group Co., Limited*, to clarify the responsibilities, authorities and procedures of internal audit and ensure the efficient and orderly implementation of the internal control system. Besides, we have established a four-stage internal audit workflow and formed a closed-loop follow-up mechanism. We continuously optimize the management and operation of the Group by summarizing all audit results and rectification suggestions and implementing the rectification measures for each department.



Internal Audit Workflow

2023 Internal Audit

In 2023, we organized economic responsibility audits of three subsidiary key persons, special audits on four subsidiaries, and comprehensive audits on Poly Property.

Besides, the Group continuously strengthens audit rectification, and systematically sorts out the problems found through audits and inspections over the years, having established a ledger for the rectification of various problems found over years. We urge each responsible department to take rectification measures item by item, clarify time nodes and responsible persons for solving pending problems, and implement the system of ledger management and problem reconciliation and cancellation.

Business Ethics

Poly Property firmly adheres to the concept of "integrity and self-discipline for honest practice" and further improves the system in which the officials don't dare to, are unable to and have no desire to commit corruption. We have formulated some internal rules such as the *Integrity Risk Prevention and Control Manual of Poly Property Group Co., Limited* and the *Implementation Opinions of Poly Property on Deepening Integrity Education*, to clarify the bottom line of business ethics and endeavor to create a fair and clean business environment and cultural atmosphere. During the reporting period, the Group did not have any litigation or cases involving corruption.

In 2023,
 Poly Property organized
14 business ethics and anti-corruption training sessions
 with a total duration of
9,144 hours,
 benefiting
2,176 trainees
 in total.

Besides, we provided business ethics and anti-corruption training for directors
4 times,
 with a total duration of
48 hours,
 benefiting
12 trainees

Meeting on Ethic Promotion and Anti-corruption Work

In March 2023, we held the meeting on ethic promotion and anti-corruption work, with a total of 486 participants. At the meeting, we conveyed the spirit of the meeting on ethic promotion and anti-corruption work and warning education meeting held by the State-owned Assets Supervision and Administration Commission, and also the spirit of the meeting on ethic promotion and anti-corruption work and the comprehensive supervision meeting of Poly Group.



Meeting on Ethic Promotion and Anti-corruption Work

Integrity Education Activities

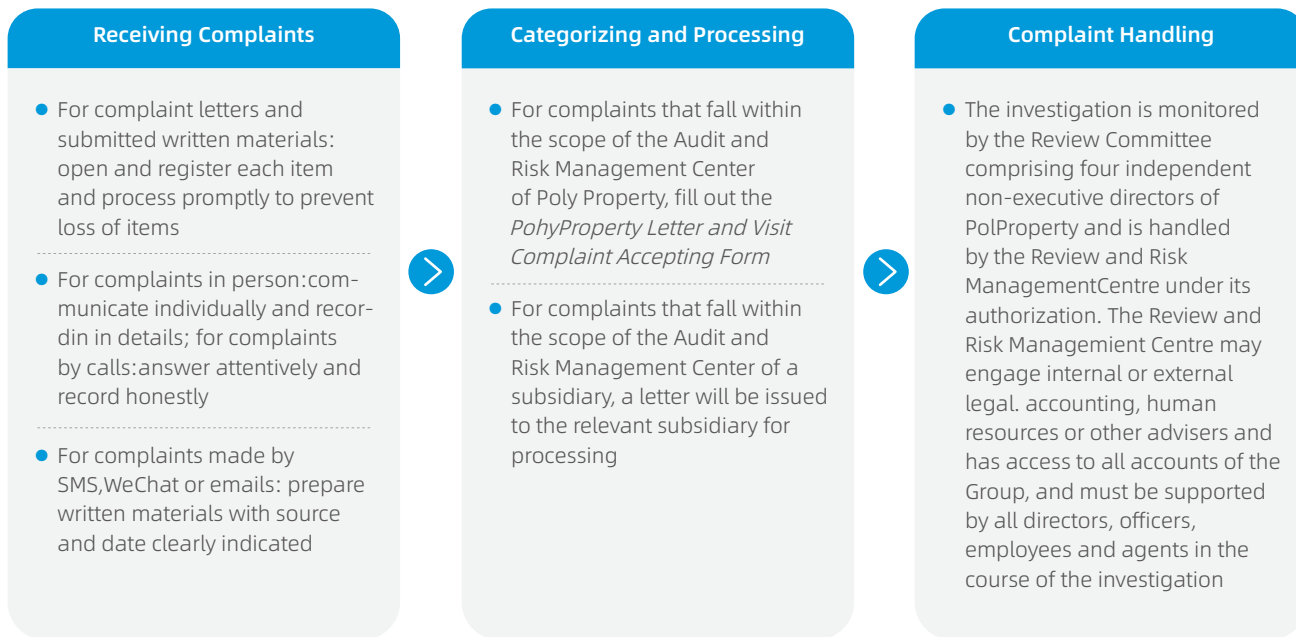
In June 2023, Poly Property organized the integrity education activities. Every participant wrote down "integrity poetry" and drew "lotus" on fans. The fan symbolizes "goodness" and the "lotus" symbolizes "integrity". In this way, we integrated the new spirit of the times into traditional Chinese culture, and vividly spread the concept of integrity, achieving a good effect of instilling pleasure into education.



Integrity Education

Whistle-blowing System

We have established a sound whistle-blowing mechanism to encourage our employees, suppliers and partners to report in real names or anonymously by paying a visit, calls or emails. We rigorously receive and handle every complaint, to safeguard the Company's culture of integrity.



Complaint Handling Process

To protect the privacy and security of whistleblowers, investigators involved in cases are required to sign a *Confidentiality Undertaking* in the investigation and handling process, to prevent the disclosure of the reporting content and personal information of the whistleblower, so as to ensure that any employees do not suffer improper harm due to non-compliance of expressing concerns or reporting, or due to any illegal actions. The Company will punish any individual or group that retaliates against the whistleblower as the case may be, and provide corresponding protective measures for employees.

Intellectual Property Rights

The Group attaches great importance to intellectual property protection and strictly follows brand use management requirements. We strictly comply with national laws and regulations such as the *Intellectual Property Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China* and the *Trademark Law of the People's Republic of China*. We continuously regulate intellectual property management to avoid any behaviors of infringement.

In 2023, all new project companies using the Poly brand will be required to sign the License Agreement for the Use of Brands and pay royalty fees in accordance with the standard. In order to effectively safeguard brand interests, we carry out work of normalized brand protection. If any company uses the word of "Poly" in its corporate name without authorization, we will actively take measures such as sending lawyer letters and filing complaints to handling offices, etc., and actively assist judicial organs to safeguard our rights and interests.

As of 2023

we cumulatively allowed

177 enterprises

to use our brand with trademark licensing

registered

8 trademarks

registered

16 patents

and

3 software copyrights

we newly registered

2 trademarks

(namely "Poly, My Hometown" and "Beautiful Lion Guard"),

9 patents

and

3 software copyrights



02

Ingenious Construction for a Brighter Future

Over 30 years, we always adhere to the original intention and mission of "Safeguarding the Country, Serving the People, Striving for Excellence", and corporate positioning as a "Pioneer of a better life", striving to establish a "five-in-one" brand strategy system and achieve a balance between inheritance and innovation while pursuing a better life amid development and market expansion. Always providing customers with "high-end, high-quality, and high-grade" products and services according to their needs, we have become a one-stop supplier of striving for a better life and pursuing excellence.



Exquisite Products

Adhering to the spirit of "striving for the ultimate quality of products and services", we are committed to helping more people achieve living ideals by optimizing the product system, improving the product quality and delivering reassuring quality products.

Product Design

Poly Property has upgraded the brand development concept of "Poly, My Hometown" into "The Essence of Truth and Beauty Defines My Home" to better shoulder the mission, increase brand value, convey product spirit downwards, and improve customer satisfaction. We endeavor to build a brand ecosystem with excellent competitiveness.

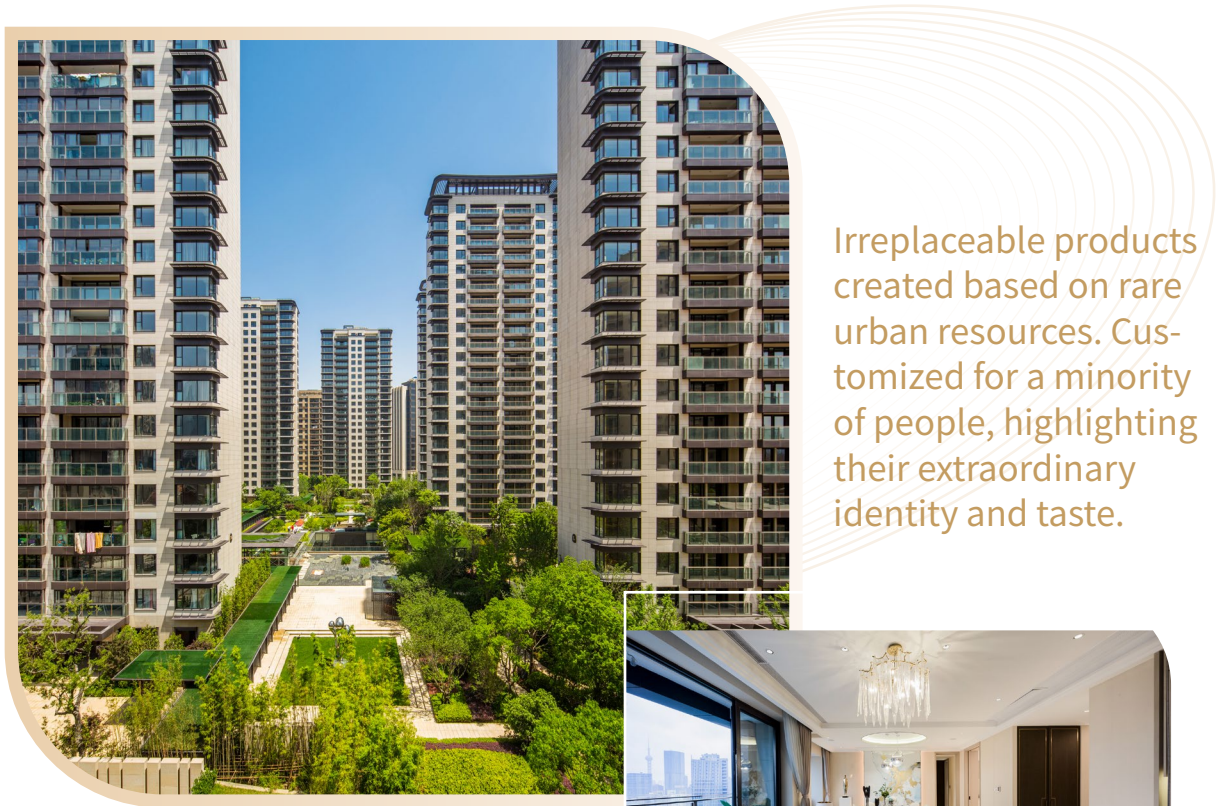
Poly Property has launched the brand new "POLYLIGHT·Four Sensory Living System", to consolidate the product value, so as to better serve customers and meet the real living needs of homeowners. Strictly controlling quality of products, we have developed technical modules and guidance standards to ensure high quality of projects.



POLYLIGHT·Four Sensory Living System

Creating a Beautiful Life

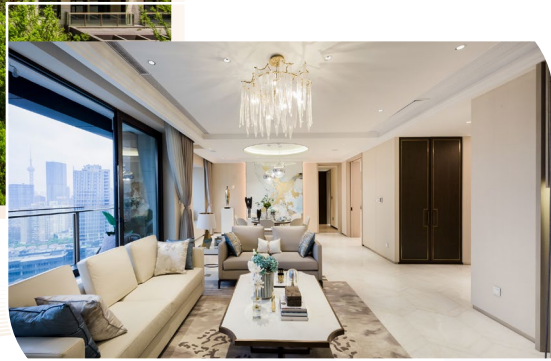
In 2023, we upgraded the product system again according to new market trends and customer demands to further improve product competitiveness, and formed five major product series, i.e., the JIADI Series, YU Series, FU Series, YIN Series, ONE Series, to provide each type of customers with an exclusive beautiful lifestyle.



Irreplaceable products created based on rare urban resources. Customized for a minority of people, highlighting their extraordinary identity and taste.

「JIADI Series」

rare, precious and glorious products collected





Perfectly customized products up to international standards, reflecting the charm of the times. Lead the high quality of urban life, showing the ultimate style.

「YU Series」

high-standard masterpieces of art



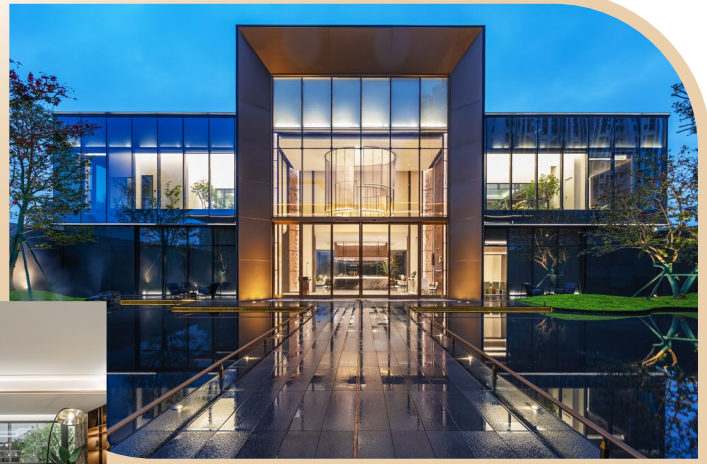
「FU Series」

masterpieces with the strong rhyme

Reflect urban spirit and culture through meticulous design. Embody the Eastern humanistic spirit and contemporary expression.



Full of strong living atmosphere, witnessing the passage of time. Warm and stylish high-quality residences with the warmth of home.



「YIN Series」

works created from inspirations

「ONE Series」

masterpieces of landscape style



Livable homes with unique natural resources. Vitality of life endowed by abundant natural resources.

FU Series Products - Kunshan Poly Shangyun Fu

Poly Property's FU Series of works, featuring "cultural inheritance, constant innovation and integration of Eastern and Western cultures", integrate the brilliant and gorgeous culture and contemporary aesthetic taste. They are hometowns rooted in an inclusive culture, and built based on inheritance and remodeling.

Poly Shangyun Fu, located in Kunshan, Suzhou, is the debut work of Poly FU Series in 2023, reflecting Poly's special feelings upon Oriental life. The project inherits the Oriental spirit and humanistic essence, drawing inspiration from Four Sensory Living of Jiangnan elegance. Through the empowerment of architecture, culture, and social circles, it aims to materialize into a low-density and purely refined community, and is hailed as a masterpiece of having "Oriental elegance and endowment".



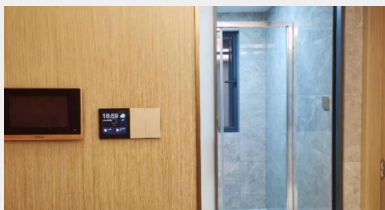
Revitalizing Smart Homes

By introducing advanced intelligent equipment and comprehensively improving the public systems, Poly Property is committed to creating smart homes and communities, and further optimizing the smart living experience with high quality, high standards, high technology and high grade.

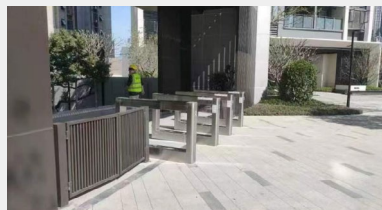
Building Smart Communities

In Poly Vibe Centro, Poly New Dream, Poly Urban Cultural Bay, Poly Jade Apartments and other projects, the Shenzhen Company has innovatively built smart communities (smart travel, intelligent security, smart facilities and smart services), shared communities, green communities, worry-free communities and indoor value-added communities. On this basis, homelike experience communities are also built.

In creative model houses, smart home improvement items are introduced, including smart central control screens, smart light control systems and electric curtain motors, presenting a good scene atmosphere. For the large region design, the intelligent systems and equipment for license plate recognition, facial recognition, high-rise littering monitoring, garage carbon monoxide concentration detection, door locking, and indoor visual conversation are equipped to achieve seamless passage of pedestrians and vehicles. This aims to create intelligent, low-consumption, energy-saving, healthy and convenient smart homes.



Indoor Visual Intercoms Configured in Batch

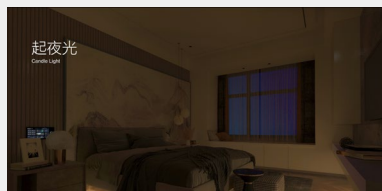
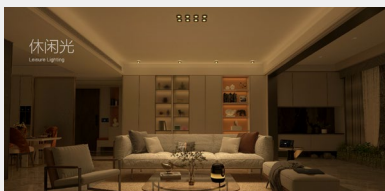


Facial Recognition Systems at Main Entrances and Exits of the Community

Smart Central Control System

Shandong Poly Property adopts the visual intercom and smart central control system for the Poly Crown project. The indoor 10.1-inch central control screen is not only an indoor visual intercom, but also a smart control terminal for the entire house, which has the voice recognition function and can achieve voice control of all smart devices in the house.

A smart lighting system is introduced for the project, which can switch on/off different lights according to the scene modes, thus being able to create different home atmospheres and meet requirements of different living scenarios. An owner can easily and remotely control all lighting fixtures in the living and dining rooms through the Smart Life App, thus facilitating intelligent management. To facilitate the use by the elderly, all lighting fixtures in the living and dining rooms are controlled through wall-mounted switches, central control screens, voice, etc.



Smart Lighting System

Enhancing the Living Experience

To optimize customer experience, Poly Property has designed more humanization factors in finely decorated houses and public spaces. We are dedicated to crafting a more comfortable, more convenient, and safer living environment, making every corner of the home full of warmth and care.

Research on Humanized Design Details of Fine Decoration in Batch

We strive to perfect the humanized design of products through in-depth analysis and research based on customer thinking. We have studied the *Indoor Storage Module* and the *Residential Fine Decoration Standards for Water and Electricity Terminals*.

We divide a house into six major spaces with different living scenes, namely the entrance hallway, living and dining rooms, kitchen, bedroom, bathroom, and balcony. We have studied the humanized design of 146 details for 10 types of cabinets in the six spaces.

We have increased the storage capacity, functionality and convenience of the entrance cabinet by designing the movable cabinet shelf, retractable clothes hanger, foldable shoe bench, pull-out dressing mirror and so on. In addition, we clean the entrance cabinet through use of the sterilization cabinet, floor cabinet vents, anti-fouling and waterproof backboard, etc.



To meet different needs of storage in the bedroom, we have developed different end cabinets for corner wardrobes (such as mini bar, future wardrobe, beauty cabinet, etc.) suitable for different scenes.



Design Highlights of Interior Storage

Meanwhile, we have formulated the *Residential Fine Decoration Standards for Water and Electricity Terminals* to standardize fine decoration of water and electricity terminals. By carefully observing mechanical and electrical terminals in living scenarios, we elaborately design and reserve 17 interfaces for more convenience, safety, intelligence, comfort and humanization of living, including but not limited to the power interface for the sideboard cabinet, the little night lamp at the bathroom entrance, the power socket in the mirror cabinet, the sterilizing lamp for the shoe cabinet, the water and electricity interfaces for the robotic vacuum cleaner in the housekeeping room, and the power interface for the projection screen, etc.

Mirror Cabinet Outlet Reservation

Heating / Bath Heater

Splash-proof Outlets

Electric Towel Rack Outlets

Smart Toilet Outlets

Design of Water and Electricity Interfaces

Upgrade of Supporting Spaces in the Park

For our *Stilt Floor Panclub*, we come up with the six themes (i.e., Funny, Lively, Comfortable, Accompanying, Livable and Humanistic) and "+" scene matrix according to the customers' needs, visual and functional studies, and excellent cases and designs. Besides, we propose six functional principles to ensure the implementation of scene themes. In addition, we have developed three spatial operation strategies for continuous operation of the overhead floor and provide customers with a wonderful, fun and user-friendly experience of the overhead floor.

Upgrading Public Space Designs

We pay more attention to and ensure the user's actual experience in the space through the following design highlights:

- Configure fitness area with an air conditioning system on the enclosed overhead floor
- Install a roller-type gate at the entrance and 360° surveillance cameras, etc.
- Install the self-service drinking water system, vending machines, shared smart cabinet and fitness equipment in the rest area
- The leisure and fitness center adopts the reservation charging system: record, control and continuously monitor the number of people present through the intelligent access controller, service APP and property backend



Scheme for Detailed Public Space Design

F + Fun
(All Age Growth)

F + Joyfulness
(Health and Vitality)

F + Entertainment
(Artistic Diversity)

F + Companionship
(Socializing)

F + Livability
(Value-added Operation)

F + Humanity
(Community customization)

Humanized Design of Commercial Area

We specially design the rest area in an open commercial block. To meet the rest needs of various groups of people, we combine the designs for single person, double persons, multiple introverted persons and multiple extroverted persons.



Humanized Design of Commercial Area

Empowering Urban Renewal

In 2023, Poly Property continued to honor the commitment as a "beautiful city operator". We have made significant contributions to improving the urban landscape and living environment and promoting high-quality development of the local economy. During the reporting period, we made a series of breakthroughs in the renovation of many projects.

Jinan Wulipaifang Project

Jinan Poly Grand Joy (Wulipaifang Project) is an old city renovation project in key areas of Shandong Province and Jinan City, and also the No. 1 old city renovation project in Huaiyin District, Jinan City. According to the work requirements of "attraction of investment and talents", we will build the Phase II project into a new highland of regional Headquarters economy, and also a regional Headquarters base for cultural enterprises in Jinan and even Shandong Province. Meanwhile, we will build a four-in-one (residence+office+cultural industry+commerce) integrated space, support industrial development and lead regional renewal and urban upgrading.



Urban Appearance Before the Renovation of Wulipaifang

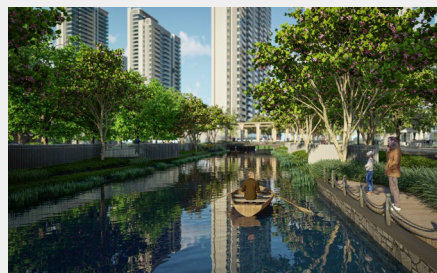


Urban Appearance After the Renovation of Wulipaifang

Upgrade of Riverbanks in Waterfront Residential Areas of Guangdong Province

Poly Property has been undertaking projects in the Huadi River area of Liwan District, Guangzhou for over 12 years, creating a new model of life on the land rich in cultural atmosphere. Based on the "2+8 ecological upgrading system", we plan to improve the surrounding environment of the project and enhance the sense of happiness of local residents.

The Poly Brocade Scroll project in Guangzhou is an old transformation project planned and constructed after demolishing of historical illegal buildings in urban villages, which greatly improves the urban appearance. Through this project, we improve the environments on both ranks of the Dongjiao River, strengthening the linkage and unity between various sites, and subtly integrating the river with independent landscapes. We hope to build a waterfront ecological residential area in the main urban areas, achieve full harmony between nature and life, and present a civic landscape where modern residential style complements the rich cultural atmosphere of the old urban area of Guangzhou.



Rendering Effect of the Poly Brocade Scroll Project in Guangzhou After Renovation

Engineering Quality

During the reporting period

<p>Poly Property conducted a total of</p> <p>48 civil engineering process assessments</p>	<p>with an average score of</p> <p>87.69</p>	<p>11 special assessments for underground works</p>	<p>with an average score of</p> <p>81.97</p>
<p>44 special assessments for fine decoration works</p>	<p>with an average score of</p> <p>87.58</p>	<p>16 delivery assessments</p>	<p>with an average score of</p> <p>78.05</p>
<p>17 special assessments for landscape</p>	<p>with an average score of</p> <p>79.16</p>	<p>helping us enhance construction quality management and standardization.</p>	

During the reporting period

<p>we organized</p> <p>5 training sessions</p>	<p>with all</p> <p>890 personnel from the engineering line participated</p>
<p>The regions organized about</p> <p>637 training examinations which approximately</p>	<p>10,650 project managers and personnel from construction and supervision organizations took part in.</p>



The Group strictly follows applicable laws, regulations and management policies, such as the *Construction Law of the People's Republic of China*, the *Regulation on the Quality Management of Construction Projects*, and the *Measures on Quality Assurance of Housing Construction Projects*. Through the sound engineering management system, we ensure the project quality throughout the entire lifecycle.

Quality Management System

Since its incorporation, Poly Property has continuously improved the quality management system. During the reporting period, we formulated new engineering quality standards and upgraded quality management tools to further improve the engineering quality.

Establishing two standards

Excellent Project Quality Standards of Poly Property

- The Excellent Project Quality Standards are the special technical manual clarifying the visual quality of residential projects, including 25 items for interior decoration, 22 items for landscaping, 13 items for public areas, and 10 items for roofs and facades.

Management Measures for Engineering Quality Suspension Points of Poly Property

- Key nodes that affect construction quality are set as quality process suspension points, to strengthen quality management during the construction process and solidify the foundation of engineering business.

Upgrading three tools

Upgrading the "Poly Hammer" evaluation mechanism

- Unannounced inspection is conducted to check the level of normalized project management. The quality problems identified through evaluation are classified and dealt with according to problem levels and major progress risks.
- The new "Poly Hammer" evaluation mechanism effectively promotes the implementation of Group standards in the project process.

Upgrading the project planning mechanism

- We have released the new version of Project Management and Planning Templates. We actively communicate with various professionals and solidify according to operation requirements, and guide the later general tendering and field management.

Upgrading the "Engineering Meeting" system

- We advance exchange between regional engineering companies of the Group through thematic meetings.

Relying on an all-round quality management system, we strictly control and ensure product quality throughout the project cycle including raw material quality acceptance, planning review, construction, and quality evaluation.

Strictly controlling the quality of raw materials from the source



To ensure that the quality of construction materials meets the requirements, we strictly control quality of all links including bidding, construction, quality inspection and material acceptance.

Project planning review



We promote realization of project management and operation objectives through project planning and review. We have completed the deduction of construction process of each stage, drawing of floor plans for each stage, calculation of key labor/equipment input, and planning for approval and construction, while communicating with various professionals and solidifying, and guiding the later general tendering and field management. In 2023, the Headquarters selected a total of five new projects for review.

Poly Hammer Evaluation



In order to further improve product quality and customer satisfaction, Poly Property launch the Poly Hammer action in 2023, organizing the assessments mainly including civil engineering process assessment, fine decoration process assessment, underground work assessment and landscape assessment.

We promote the implementation of the Group's quality standards through Poly Hammer evaluation. By evaluating the problems found through random inspection, and making rectification after front-line extended inspection, we hope to improve project management level and product quality from point to area.

Excellent Project Quality Standards and Inspection of Suspension Points



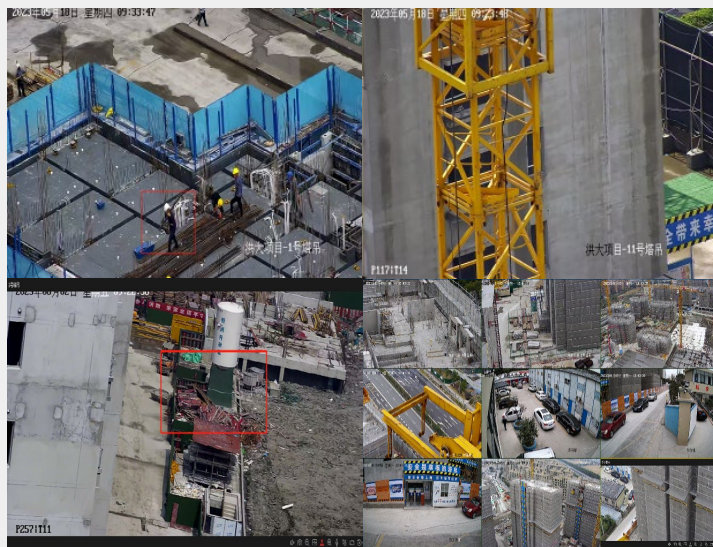
According to the Excellent Project Quality Standards V1.0 and the Management Measures for Engineering Quality Suspension Points of Poly Property, we organized a total of 49 inspection assessments throughout the year. By launching the suspension points, we strengthen quality management during the construction process and solidify the foundation of engineering business. By promoting the implementation of Excellent Project Quality Standards, we strive to improve visual quality, meet customers' sensitive needs and better create truly "good products".

Intelligent Site Construction

Poly Property continues to promote intelligent site construction to improve project construction efficiency and quality and reduce costs and safety risks. With the help of advanced technologies such as Building Information Modeling (BIM), big data, and the Internet of Things (IoT), we have achieved all-round, efficient and intelligent monitoring and management of construction sites.

Visual Control System for Ongoing Projects

Zhejiang Poly Property has implemented the visual control system "Poly Cloud View" for ongoing projects. By installing a 360° rotating ballhead camera on the tower crane and installing gun cameras at the morning meeting platform and pedestrian and vehicle entrances and exits, we can achieve synchronized monitoring in real time after logging in to the comprehensive security platform through a mobile App, and feedback the situations at various project sites to the Company's backstage in real time. In addition, using the "Poly Cloud View" system as a carrier, we help third-party evaluation organizations in online safety assessments through use of inspection recorders.



Poly Cloud View



Smart Access Control System

In view of the frequent access of personnel at the entrances and exits of construction sites, various security issues, and complex management processes, Poly Property adopts an efficient smart access control system for the ongoing projects in Jiangsu and Shandong provinces according to the needs and characteristics of construction site security management.

The greatest advantage of the smart access control system lies in that it can collect facial information and compare it with the facial database of the cloud system. After confirmation, the system automatically opens the gate and uploads attendance data to generate attendance records. This system also enhances the visual management of construction project safety information.



QR Code of Tower Crane for the Jinan Huaiyin Project



Information Disclosure of Hazard Sources at the Construction Site of the Jinan Huaiyin Project



Layout Visualization of Construction Site of the Jinan Huaiyin Project Using the BIM Technology



Smart Access Control and Monitoring System Installed at the Construction Site of Jinan Poly Mountain Villa Project



Safety Experience Hall and BIM-VR Safety Education Experience Room of Jinan Poly Grand Joy Project

Quality Culture Construction

To enhance employees' awareness of engineering quality assurance, we continued to promote quality culture publicity, and organized the training mainly on the Poly Hammer Evaluation, Excellent Project Quality Standards, Management Measures for Engineering Quality Suspension Points of Poly Property, etc.

Quality Culture Publicity

The Project Management Department, led by project leaders of Guangdong Poly Property, organized special training on the Excellent Project Quality Standards and the Management Measures for Engineering Quality Suspension Points, and then organized centralized examinations to ensure the training effect.



Site of Special Training and Briefing

Shandong Poly Property conducts lean process management according to the *Excellent Project Quality Standards V1.0*, sparing no effort to create high-quality products. Integrating the technology, cost, marketing, customer relations and other lines, we have further improved product quality by executing the excellent project quality implementation plan and inspecting the quality of project implementation.



Discussion Meeting on Excellent Project Quality Implementation Plan

Delivery Management

Shouldering the mission of "ensuring the delivery of projects and stabilizing people's livelihoods", the Group is committed to delivering high-quality projects as scheduled. In 2023, we had 157 projects in 13 major regions, striving to deliver reassuring and excellent quality products to our customers.

Having established a good customer relationship UP service system, we provide customers with all-round services of purchasing, delivery, later community operation and maintenance, and diversified operations, striving to provide excellent full-process delivery service experience for homeowners.

Sales Stage

- We continuously improve the quality of on-site services through mystery guest inspections. We continuously care for every homeowner after signing contracts with them, and alleviate their anxiety through monthly project progress reporting, pilot preceding stewardship, and homeowner meetings, etc.

Later Community Operation

- Continuing the "U+ New" Action, we, in collaboration with the property management company, implemented the "Construction in Vibrant and Beautiful May" and "Intelligent and Innovative Creation in Golden September" theme actions. Relying on professional, rich, new and high-quality services, we bring a better life experience to homeowners from multiple dimensions.

In 2023

Poly Property delivered a total of

13

residential communities for

19,247 households

Delivery Stage

- Before delivery, we strictly control the delivery quality through prototype use to guide the work, inspection per household, site opening, etc.
- We usually establish the special task force to solve difficult and prominent issues during the project construction stage.
- We implement the "many-to-one" service mechanism, with on-site quick repair services available at any time.
- We communicate and coordinate with government departments in advance to handle the affairs of various certificates and licenses on schedule.

Post-delivery Stage

- We have established the specialized Home Repair Center to meet customer needs around the clock.
- Launching the "Comfortable U+Living" mode, we provide value-added services such as worry-free relocation, household registration guidance, and entrusted property collection and handling".

Promoting High-quality Delivery

In 2023, we established a vanguard team in response to the Company's reform and development, to ensure the opening of demonstration area of Poly Brocade Scroll project according to high standards on schedule. We promoted the project through multiple channels and carriers such as early planning, on-site packaging, themed marketing and expansion of circles, striving to improve the quality of delivered services.



Poly Brocade Scroll Showroom Opens on Schedule and to a High Standard

Considerate Service

Adhering to the customer value strategy, we are committed to providing professional, warm and efficient services, and creating a better life together with our customers.

Property Management

Always putting quality first and adhering to the service philosophy of "Making Life Even Better", Poly Property Management has formed a service mode of combining "people + things + time" and having the features of "space + time". By using the intelligent technology, we strive to establish an all-round service system that is safe and reassuring. In 2023, Poly Property Management and Poly (Hong Kong) Property Management were certified by the ISO 9001 quality management system.



Quality Management System Certificates

Poly Property Management always provides high-end, high-quality customized services to customers around the clock.

High-end customized services

We deeply explore the personalized needs of homeowners and customers for quality life according to their characteristics, including basic necessities of life, and other needs of parenting, health preservation, and social interaction. On this basis, we hope to offer customized services and on-demand excellent experience.

Exclusive services

We provide special delivery services for homeowners accepting their houses. Specifically, we hold a small, concise and grand key handover ceremony for each homeowner welcoming their new abode.

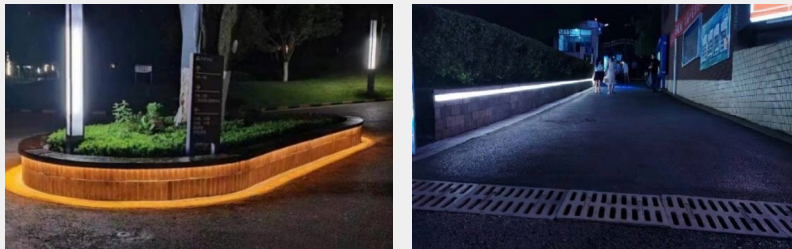
Service standards

Comprehensive service: 24-hour service in each of 365 days, quick response in 30 minutes, and always valuing customer safety. We provide the exclusive housekeeper service according to customers' needs, always paying attention to what they need and think about, to bring them a perfect experience.

To optimize the community experience for homeowners, Poly Property Management has launched multiple community environment improvement projects and community-level cultural and entertainment activities to bring warmth and love to them.

Lighting up the Road to Home

In 2023, Poly Property Management improved the illuminating brightness of projects in 11 regions according to the plans made after field study and problem identification. Relying on the surrounding environments, we lit up the road to home through lighting in the form of line or dot matrix.



Lighting up the Road to Home

Socio-cultural Activities Themed by Poly Carnival and Poly Family Festival

Poly Property Management organized more than 1,000 socio-cultural activities themed by "Poly Family Festival" and "Poly Carnival" for more than 130 residential projects in 11 regions nationwide, and cumulatively more than 200,000 people participated online and offline.

Besides, we launched the "Moment of Truth" (MOT) to create a sense of "ritual" in life. During the Mid-Autumn Festival and National Day, we hosted the first Mid-Autumn Festival lighting ceremony themed by "Lighting Up a Beautiful Life". Approximately more than 100,000 households and employees from 30 cities attended the lighting ceremony online and offline.



Socio-cultural Activities

We also focus on safety management during community operations and strive to build safe communities. In 2023, Poly Property Management revised the internal regulations on safety management, such as the *Measures for Supervision and Administration of Production Safety* and the *Safety Checklist*, and added inspection contents for regional and project segments, standardizing the safety production investment. Besides, Poly Property Management newly formulated the *Project Safety Production Cost Ledger*, to record safety production investment and achieve consistency with the safety management rules and requirements of the Group more systematically.

In addition, each regional company of Poly Property Management strictly implements the double-director system. Regional chairman/general manager or regional company leader serves as the director of the Safety Production Committee. Through the three-level inspection system (from headquarters to regions to projects), Poly Property Management regularly inspects project hazards, safety risks and violations, to ensure the safety of homeowners.

Poly Property Management's Safety Production Activities Themed by "Every Employee Possesses Safety Awareness and Emergency Skills"

In June 2023, the 22nd Safety Production Month, 11 regional companies of Poly Property Management carried out a series of safety production activities themed by "Every Employee Possesses Safety Awareness and Emergency Skills", publicizing safety production among homeowners and employees in an experiential manner.

Poly Property Management carried out safety knowledge promotion activities in the forms of safety production month knowledge competitions, hidden danger investigations, and learning and training, to enhance everyone's emergency awareness and safety quality, as well as disaster prevention, reduction and relief capabilities, to prevent major safety accidents, and to make the safety production month deeply rooted in people's minds.



Training on "Every Employee Possesses Safety Awareness and Emergency Skills"



Hotel Services

Poly Business and Tourism is a hotel management platform under the Group, which is responsible for the operation and management of self-operated hotel projects and entrusted management and development of new projects. Poly Business and Tourism is committed to perfecting the customer experience throughout the life cycle mainly through customer information management, customer relationship management and maintenance, customer satisfaction surveys, etc. Poly Business and Tourism makes action plans according to customer complaints, and continuously enhances hotel service management to provide a home-like experience to every guest.

Self-operated hotels

Wuhan Hotel: In response to customers' complaints about outdated facilities, unsatisfactory breakfast and other hardware disadvantages, Wuhan Hotel strives to optimize customer experience by improving quality of soft services. Specifically, Wuhan Hotel strictly monitors and controls sanitary conditions of rooms, performs regular maintenance of facilities and equipment, and enhances staff service skills training, etc.

Managed hotels

Hyatt Place Deqing: Hyatt Place Deqing regularly holds customer complaint discussion meetings every month, and makes action plans after analyzing customer complaint reasons, to improve customers' living experience. Besides, intelligent control system management tools for guest rooms are used for planned maintenance and inspection of guest rooms.

Shunde Hotel: Shunde Hotel strives to provide personalized services to guests by paying attention to the dining experience of guests, soliciting customer feedback, and recording customer preferences.

Customer Service Training

Poly Business and Tourism organizes the training for frontline managers and the specialized customer service training for internal trainers according to talent development needs on a monthly basis. During daily pre-shift meetings, we share service skills and hospitality tips with frontline staff.



Customer Service Training Site of Poly Business and Tourism

Measures for Improving Customer Satisfaction

In terms of operational safety, Poly Business and Tourism has formulated and released safety management guidelines of the company level such as the *Measures for Supervision and Administration of Production Safety*, the *Working System of the Safety Production Committee*, and the *Comprehensive Emergency Plan for Production Safety Accidents*, to guide hotels to revise their safety production rules according to their own situations. In 2023, Poly Business and Tourism organized our hotels to carry out a series of safety-related activities, regularly updated the "problem list", tracked the effects of inspections, and conducted internal inspections of affiliated hotels in safety production and operation, internal control inspections", urging them to make rectification.

Safety Culture Publicity of Poly Business and Tourism

In 2023, Poly Business and Tourism organized a total of 164 safety production training sessions with 3,446 participants. The trainings mainly covered safety management, accident reporting, important meeting spirits, safety production knowledge, technical standards and specifications, hazards and protection, emergency plans, etc. In addition, Poly Business and Tourism organized activities such as "Safety Production Month" and "Fire Safety Month", and conducted extensive publicity, to create a cultural atmosphere of "life first, safety development".



Training Site of Safety Production

Commercial Services

In terms of commercial operation, we have flexibly designed a series of measures and plans to enhance the customer experience according to customers' subtle needs and the characteristics of our commercial properties.

In Shanghai Stock Exchange Building, an idle janitor room has been changed into a “baby care room” to facilitate use by mothers in the lactation period. The baby care room is equipped with ventilation equipment, baby care magazines and newspapers, washbasins, baby care supplies, etc., to provide comprehensive and considerate customer services.

Poly Joy-Ful in Ningbo is equipped with barrier-free parking spaces and bathrooms. There is a gentle slope at each entrance or exit to facilitate access of people with disabilities. This is a pet-friendly shopping mall, where customers can enjoy the shopping experience while putting their pets in pet carts, leashing or carrying them. We have introduced Ningbo's first pet-friendly Starbucks store, where free special pet drink “puppuccino” is available. Outside the store is a pet-exclusive rest area. Every year, we hold multiple pet events there.

Measures for Improving Commercial Customer Service

During the operation, the commercial service sector of the Group strictly complies with equipment maintenance and repair guidelines and fire safety management rules, continuously optimizes the safety production management system, and organizes various forms of safety training on this basis. We are committed to ensuring the safe operation of the commercial sector and creating a safe and reassuring environment for customers and employees.

Jinan Poly Zhongke Innovation Plaza

- We employ qualified fire-related system maintenance organizations, make an annual fire maintenance plan, check fire safety locations on a monthly basis according to the plan, and organize periodic fire control linkage tests.
- Order maintenance personnel inspect the entire building as planned at least twice a day, and report any safety hazards to superiors. Then the property butler will contact the homeowner for rectification.
- The situation of daily inspection of rooftop terraces and key equipment rooms is disclosed in the form of photo within the group.
- We have installed the facial recognition system in the office building, and installed cameras covering the entire residential area to ensure personal safety within the building.

Shenzhen Poly Cultural Center

- Special safety production inspections of projects are conducted on each working day, with a focus on the inspection of decoration and construction sites.
- Special safety work reports are presented at weekly meetings.
- Safety production reminders are given at monthly safety production committee meetings organized by the property management company for major merchants.
- Special safety production inspections of projects are conducted at the end of each month, with a focus on inspections of fire protection systems and equipment and facilities. Fire training and drills are organized by the property management company every six months.

Customer Rights and Interests

Actively safeguarding customer rights in all aspects, we are committed to offering a safe and reliable service experience to customers through strict privacy protection, efficient complaint handling, and compliant marketing.

Customer Satisfaction

In 2023, Poly Property continued customer satisfaction surveys. Through quarterly surveys for prospective and new owners, and semi-annual and annual surveys for established and loyal owners, the Group increased the overall satisfaction by 12% compared to 2022. Each region enhances the stickiness of homeowners through community renewal and value-added maintenance, improving the overall customer satisfaction.

To comprehensively improve the on-site service quality of on-sale projects and realize standardized management, we continuously conduct mystery guest inspections of on-sale project sites to enhance customer satisfaction from the front end to the back end and cultivate homeowner stickiness, so as to increase the Company's brand value.

In 2023

Poly Property's residential customer satisfaction increased on a year-on-year (YoY) basis by

↑12%

Response to Customer Demands

Adhering to the customer-oriented concept, the Group has formulated the *Complaint Management Handbook of Poly Property Group*, the *Maintenance Service Management Handbook of Poly Property Group* and other standards for customer complaint handling and maintenance management, to respond to customer complaints in a professional and efficient manner and provide timely and high-quality services.

We have established multiple channels for customer communication and the complaint mechanism, including the 400 hotline, WeChat official account, customer service, butler service corporate WeChat account, home repair, etc. In 2023, the Group's 400 hotline team was upgraded to efficiently respond to the homeowners' requests for incident handling and repair at all stages. They provide services for 10 hours each day, hoping to offer more systematic and comprehensive services for customers.

During the reporting period

The Group's customer complaint handling rate was

98%



In 2023

a total of

53,327 maintenance orders were handled

the timely acceptance rate was

97%

the maintenance order closing rate was

99%

and the maintenance service satisfaction was higher than

96%

Major Complaints

In the event of a major complaint, the Customer Relations Department of the regional company is required to report to the Group headquarters by phone within three hours and provide written materials within 24 hours. The Customer Relations Department of the headquarters shall then submit the complaint to the group leaders and coordinate the handling and solution. To deal with the complaint, the Customer Relations Department of the regional company and all relevant departments will establish a special team.

Hotspot Complaints

For hotspot complaints, they should be reported to the region within one working day, along with a brief description of the current handling situation and matters requiring assistance. Once the complaint is resolved, a brief report should be submitted, which includes details on the occurrence of the complaint and the beginning and end of the handling situation.

Significant Complaints

Significant complaints will be reported separately in the regular meeting after they are resolved, with a brief description of the handling process included in the report.

Complaint Management Mechanism

Public Opinion Management

In addition, we have established an efficient and real-time public opinion monitoring and management mechanism. During the reporting period, we revised the public opinion disposal plan, and strengthened inspections and supervision of public opinion management from five aspects, including general rules, organizational structure and job responsibilities, public opinion early warning mechanism, public opinion classification and disposal procedures, and public opinion accountability tracking system. We have established three-level classification and control processes according to risk levels, promoted standardized, institutionalized, and scientific public opinion management, and further enhanced the closed-loop disposal of public opinions.

Responsible Marketing

The Group strictly complies with all relevant laws and regulations, including the *Advertising Law of the People's Republic of China*, and the *Measures for the Administration of Real Estate Sale*, effectively carrying out compliant marketing activities. We have established a range of marketing management policies such as the *Poly Property Limited Marketing Management System*, to ensure the reasonable and compliant marketing activities and the authenticity and reliability of promotional materials.

In 2023, as the first year of the "cost control action" and the second year of construction of the risk control mechanism, the Group strengthened the marketing integrity and enhanced the awareness of marketing risk control. During the reporting period, we conducted random inspections of 65 marketing businesses and inspected and reviewed 320 processes.

During the reporting period

we conducted random inspections of

65 marketing businesses

inspected and reviewed

320 processes

Information Security and Privacy Protection

Strictly complying with the *Personal Information Protection Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Cybersecurity Law of the People's Republic of China* and other laws and regulations, we have established a sound data security management system, to comprehensively protect customer information. By ensuring timely control of information security risks, we constantly enhance the Group's data security level and safeguard the legitimate rights and interests of customers.



Information Security Management Measures

During the reporting period, Poly Property did not leak any important information of customer privacy.

03

Protecting Ecosystem to Drive Green Development

The Group is well aware of the significance of protecting the ecological environment to sustainable development. Actively protecting the environment, we take a series of measures to tackle climate change, actively explore and promote green development and operations, and make contributions to building harmonious, green and sustainable social environments, making the future more promising and beautiful.



Green Development

In response to the national strategy of "carbon peaking and carbon neutrality", the Group actively explores the path of green and high-quality development of the real estate industry. Adhering to green investment and design concepts and complying with the requirements of *Assessment Standard for Green Building (GB/T 50378-2019)*, we promote development of green buildings, and continuously explore green building technology development, material application, and construction practices. We endeavor to create green building models and build beautiful homes.

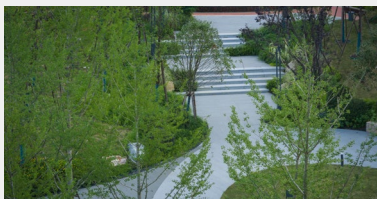
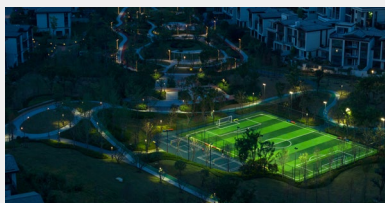
Green Investment Concept

In active response to the national "carbon peaking and carbon neutrality" strategy and ecological conservation policies, the Group adheres to the concept of sustainable development, and has incorporated the green investment concept into the Group's strategic planning and the entire life cycle of real estate projects.

Strictly complying with environmental laws and regulations such as the *Regulations on the Administration of Construction Project Environmental Protection* and the *Regulation on Environmental Impact Assessment of Planning*, we have formulated the *Investment Management Regulations (2023 Edition)* and other internal rules and regulations, to manage green practices in investment and development processes. To effectively implement the green investment concept, promote the benign development of land, prevent ecological damage, and protect biodiversity, we try to avoid the development and construction in farmland, green land, and national nature reserves. In the process of project development, we actively push forward the work of land improvement and ecological restoration to create a beautiful living environment.

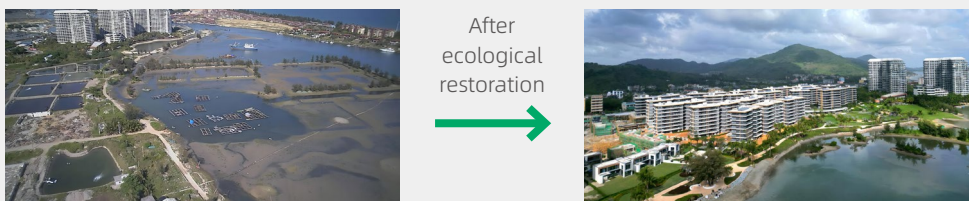
Supporting Public Green Space Lvgu Park of Guizhou Park 2010 Project - Land Improvement Outside the Building Line

The supporting public green space Lvgu Park of our Guizhou Park 2010 project, with a total area of approximately 40,000 square meters, was opened in July 2023. It was originally a derelict grassy area between Poly Property construction sites, filled with messy vegetation, and could not be used by residents in the neighborhood. Actively shouldering social responsibilities, we improved the gray space between the construction sites while ensuring the housing construction within the building line. By integrating natural elements into the site, and adding living scenes, we have created a parkland with slow rhythm of life where nearby residents can ramble, play with children, appreciate natural scenery, do fitness exercises, gather and exchange, etc.



Wanning Poly Peninsula No.1 Project - Ecological Restoration of Hainan Laoye Sea Coastline

The Ecological Restoration Project of Hainan Laoye Sea Coastline is located in the coastal area of Laoye Sea (inland sea) on the Shenzhou Peninsula in Wanning City, Hainan Province, with a coastline length of about 500 meters. While constructing the residence within our site, Poly Property actively assisted the local government in multiple beach cleaning and marine protection actions, and gradually demolished illegal buildings for fish farming in the seaward area of the project. Besides, through ecological restoration and comprehensive improvement according to local conditions, we have changed the original wasteland into a coastal park with local vacation style and living atmosphere, making contributions to the improvement of local communities and natural resources.



Green Building Materials

We preferentially select low-consumption, low-energy, non-polluting, and multifunctional building materials on the basis of ensuring high quality. In 2023, we raised higher requirements for green building materials and explored the application of green building materials:

Application of Green Building Materials

- More environmentally-friendly high molecular coiled materials, polyurethane coatings with the lower volatile substance content, and other materials are used as waterproofing materials.
- Integrated insulation boards for exterior walls are used to improve thermal insulation performance of buildings.
- We require the use of environmentally-friendly refrigerants R410A for multi-split air conditioners, and the refrigerants are non-toxic, chlorine-free, safer and healthier, without damage to the ozone layer.



Jinan Poly Vibe Centro Project

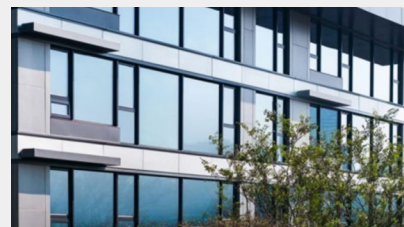
Environmentally-friendly and intelligent materials and techniques with features of thermal insulation and sound insulation are applied for Jinan Poly Vibe Centro Project as a three-star green building project.

Comprehensive Application of Green Building Materials and Decoration Materials

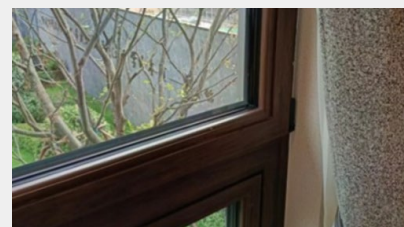
- The proportion of used building materials certified as green building products is not less than 50%. We only use the decoration materials of grade 5 or above with green building material certificates, product test reports and green product certificates. The concentrations of indoor ammonia, formaldehyde, benzene, total volatile organic compounds, radon and other pollutants are 20% lower than the limits stipulated in the current national standard *Indoor Air Quality Standard (GB/T 18883)*.
- Aluminum composite panels are used as the thermal insulation material for external facades, which meet or even exceed the requirements for the three-star green buildings in terms of durability and waterproofness, and present an excellent facade effect at a lower cost.
- In response to the national call of using low-carbon green buildings, we use energy-efficient low-carbon aluminum-wood doors and windows, and the wood-plastic surface layers formed by hot-pressing high molecular materials on the basis of broken bridge aluminum profiles, which achieve good thermal insulation effects. Besides, we adopt warm-edge, double silver low-E, argon-filled glass, further enhancing the energy efficiency.
- In addition to doors and windows with good sound insulation performance, partition walls made of concrete are used. We take many measures to reduce noise, including installation of sound absorbent pads for tile floors and slabs. The noise level of project meets the high requirements of noise limits specified in the current national standard *Code for Design of Sound Insulation of Civil Buildings (GB 50118)*.

Green Facility Construction

- First-class water-saving and energy-efficient sanitary appliances such as faucets, showers and toilets are adopted, which save about 20% more water than ordinary sanitary appliances.
- The air conditioning and fresh air systems and air quality monitoring devices are installed. For heat and humidity, more than 90% of the indoor area reaches the national level II standard, and full air circulation and zero temperature difference are achieved in the indoor area.



Real Scene of the All-aluminum Exterior Wall Windows



Details of Low-carbon Aluminum-wood



Green Building Material Certificate

Green Technology

Prefabricated Technology

In terms of construction technology, we are gradually forging a standardized design and production system of prefabricated buildings, through which we use standardized components and parts on a larger scale to improve the overall benefits of prefabricated buildings.

In the application of prefabricated building technology, we continuously adopt and practice new technological standards to improve project quality and efficiency and drive green development.

During the Reporting Period

the Group's new floor area of prefabricated buildings reached

704,200 square meters

accounting for

73.5%

of the total new construction area

Application of New Technology of Prefabricated Buildings

- Shandong Poly Property uses a new type of prefabricated superimposed shear wall assembled with a cavity for the A2 site of the Poly Jade project. Compared with ordinary prefabricated shear walls with grouted sleeve connectors, it has the advantages of fast hoisting installation, reliable connection between upper and lower layers of walls, good waterproof effect, easy construction in cold winter, good apparent quality and so on.
- For Peninsula No.1 Project Phase II, Hainan Poly Property uses prefabricated shear walls, prefabricated superimposed slabs, lightweight panels for partition walls, and other prefabricated components. Also, new assembly techniques such as decoration of prefabricated buildings are adopted, which not only meets the local policy and regulatory requirements, but also further improves the project quality.

BIM Technology

We comprehensively promote the application of BIM technology across the Group. Through digital collaboration, we can better verify design drawings, reduce design errors and omissions, improve communication efficiency, and comprehensively improve construction progress and management efficiency. In the design and planning process, we constantly strengthen environmental analysis and economical utilization of materials and resources. During the reporting period, we achieved fine management of projects through comprehensive BIM application for underground pipelines and the interior BIM application for finely decorated houses.

Comprehensive Promotion and Application of BIM Technology

- Shandong Poly Property applies the BIM technology to comprehensive design of the garage pipeline of the Poly Vibe Centro Project, and builds a 2.6-meter high home passage under the condition of maintaining the garage height at 3.6 meters, fully mining the project's value and potential.
- By checking the errors, omissions, conflicts and defects of drawings through the BIM technology, Jiangsu Poly Property has improved the drawing quality and reduced design change rates of Kunshan Poly Shangyun Fu, Kunshan Poly Brilliant Palace, and Suzhou Industrial Park Project. In the process of modeling basement pipelines and interior refined pipelines, we optimized the pipeline layout and increased the basement height.
- In Poly Villa Re Place and other projects, Zhejiang Poly Property actively applies the BIM technology in construction of prefabricated buildings. We have developed key techniques suitable for prefabricated residential buildings such as the integrated window frame node system, and effectively solved the problem of water leakage around the exterior window frames.
- The BIM technology was applied throughout the life cycle of Hong Kong Chill Residence project including design, construction and delivery. Through the BIM technology, we can do the work of coordination, drawing export, construction site planning, safety supervision, archive management, etc., in accordance with the *CIC BIM Standards - General* of Construction Industry Council (CIC) and the ISO-19650 standards.

The Hong Kong Chill Residence project has participated in multiple award applications:

★★★


Silver rating under BEAM Plus
New Building (V1.2)

★★★

Silver Award of the HKIBIM Award
2023 (Private Development
Projects) given by Hong Kong
Institute of Building Information
Modelling

★★★

Nominated for the Autodesk
2023 BIM Award



Liuzhou Poly Mountain Villa (Underground BIM) Equipment won the following awards:

★★★

First Prize of the 12th "Longtu
Cup" National BIM Competition

Digital Collaboration in Construction

In 2023, Hong Kong Poly Property signed the *Construction Digitalisation Charter* with CIC, demonstrating the active response to the government's policy on construction digitalization, and showcasing the ability to promote various digital applications throughout the project lifecycle to the industry. Besides, we maintain close contact with digitalization pioneers and the CIC, learn from each other and provide technical support, continuously increasing the benefits of digitalization.

Green Buildings

We promise, **100%** of newly acquired projects are designed in accordance with the basic requirements of green buildings in China.

As of December 31, 2023,

Total green building certification area reached

17.2171
million square meters

During the reporting period

Green building certification area of the Group increased by about

580,000
square meters

The average greening rate of new sales projects reached

38%

The application rate of green building standards for new projects was

100%

During the reporting period, we continued implementation and technical applications of green design concepts, building high-quality and sustainable green buildings.

Shanghai Poly Center Manor Project

Shanghai Poly Center Manor is a three-star green building project that actively follows the national requirements for green buildings. We adopt the ultra-low energy consumption technology for the residential part of Shanghai Poly Center Manor, and also the nearly zero energy consumption technology for the office part thereof. We devote to building this project into a benchmark project in Qingpu New City that integrates the residence, block, commerce, and office areas. We are committed to building ultra-low energy and nearly zero energy buildings, significantly improving indoor comfort and providing health guarantees for people. Besides, we actively contribute to realization of "carbon peaking and carbon neutrality" goals, and high-quality development of high-quality buildings and the construction industry.

Residence - Ultra-low energy consumption building

- We adopt the sandwich-type exterior walls with the thermal insulation layer as the exterior walls of PC, and integrated walls with removal-free silicon graphene thermal insulation boards as the cast-in-place exterior walls.
- Low-emissivity triple glazed insulated glass windows made of insulated metal profiles are used for external windows (including protruding windows) and balcony glass doors. The center-placed movable sunshade shutters are adopted for external windows (including protruding windows) on the east, south and west sides of the building, rather than the north side.
- In terms of air permeability, the building meets the requirements for ultra-low energy consumption. Besides, thermal bridge breaking design is adopted to reduce energy loss and prevent indoor moisture condensation.
- The dual supply unit with the level 1 energy efficiency is adopted for the air conditioning system.
- Gas water heaters with the level 1 energy efficiency are adopted.
- Efficient and energy-saving LED lamps are used for lighting, and the solar photovoltaic system is installed on roofs.

Office - Nearly zero energy consumption building

- The external facades are mainly made up of curtain walls (glass curtain walls, stone materials made of aluminum plates, etc.) and window walls.
- The air conditioning and fresh air systems with level 1 energy efficiency are recommended as the heating and air-conditioning systems.
- The comprehensive energy saving rate of the building is $\geq 60\%$, and the energy saving rate of the architectural noumenon is $\geq 20\%$.
- The utilization rate of renewable energy is $\geq 10\%$.
- Skylights and atriums are set up to improve natural lighting conditions inside the building.
- The window-to-wall ratio is strictly controlled according to the facade design to achieve nearly zero energy consumption and energy-saving requirements.
- Solar photovoltaic systems and roofing greening are installed on the roofs.



General Layout of the Project

Green Construction

Construction is a key stage throughout the life cycle of building and plays an important role in energy saving and emission reduction, resource conservation, environmental protection, and social responsibility fulfillment in the process of building construction. The Group supervises and manages environmental protection efforts during project construction. In the project construction period, we strictly abide by national and local environmental laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Pollution from Environmental Noise*, the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste*, and the *Code for Green Construction of Building*. We also require contractors to strictly comply with these laws and regulations. Besides, we have established and improved the *Management Regulations on Construction Safety*, specifying the main body responsible for environmental protection, putting forward explicit and strict requirements for green construction, and promoting sustainable development through green construction.

Dust and Noise Control

- Establishing a comprehensive dust monitoring system
- Water sprinkling & spraying for dust suppression
- Installing sound-proofing equipment
- Providing personal protective equipment such as earplugs and earmuffs
- Covering stockpiles with dustproofing facilities

Waste Disposal

- Collecting, storing, and disposing of the waste in a reasonable manner
- Non-hazardous waste generated by the Group is classified and stored at specific disposal sites, whereas the domestic waste is handled by qualified organization; hazardous waste generated by the Group is collected and handled by the qualified organization

Wastewater Management

- Building separated pipelines to discharge construction sewage, realizing closed-loop treatment and centralized discharge of wastewater

Water Resources Management

- Establishing reclaimed water reuse facilities to collect and treat rainwater for greening and road cleaning

To ensure the effective green construction, we have established a green construction management system. The on-site project manager, as the first person responsible for green construction, organizes green construction and goal attainment, designating green construction management personnel and supervisors. We have organized construction units to formulate the *Green Construction Plans*, the *Rules on Material Conservation and Material Resource Utilization*, the *Rules on Water Saving and Water Resource Utilization*, the *Rules on Energy Saving and Utilization*, the *Rules on Land Conservation and Construction Land Protection*, and the *Rules on Environmental Protection*. Through engineering inspections in the project construction process, we ensure the effective control in environmental protection, water conservation, energy conservation, etc. If any non-compliance issues are found, we require contractors to make rectification immediately to ensure construction in a safe, healthy, clean, environmentally friendly, and green manner.

During the reporting period, the Group was not subject to any material fines or penalties for violating local environmental laws or regulations.

Green Operation

The Group attaches great importance to green operation and management in commercial leasing, property management services, hotel management, daily office and so on. In the operation process, we constantly improve the environmental management system, and strengthen energy conservation and emission reduction, resource conservation, and waste management. We are committed to helping build a resource-saving and environmentally friendly society.

Energy Management

- Enlarge the share of renewable energy consumption
- Strengthen publicity on energy conservation awareness for employees

Water Efficiency

- Actively explore water-saving equipment and water-processing technologies to phase out current ones
- Strengthen internal and external publicity on water-saving awareness

Waste Management

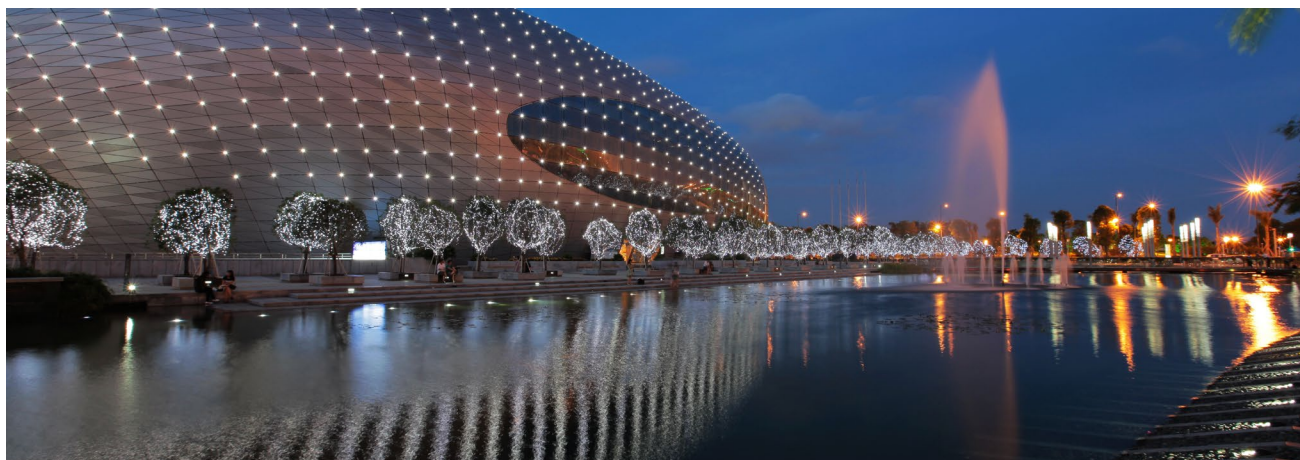
- Strengthen internal and external waste-reduction publicity
- Advocate for green office, adopt online transmission to reduce office item consumption
- Actively explore recyclable materials for iteration

Green Leasing

To vigorously promote green leasing and improve the level of sustainable business operations, the Group constantly explores the green business management model, and requires tenants to comply with environmental laws and regulations at national and industrial level. Throughout the lease period, we help tenants to deliver green and low-carbon development in daily operations, improving their environmental performance in aspects such as energy saving, water conservation and waste discharge reduction.

Decoration by Tenants

We actively communicate with tenants about green decoration. We have formulated the *Decoration Management Guide* to regulate and guide tenants' decoration behaviors. The tenants are required to strictly control energy and water consumption, waste emissions, noise, etc., so as to achieve green construction during the decoration period. Before the entry of construction site, the construction unit must sign the *Construction Instructions*, in which the construction period and time of construction with noise are indicated, to reduce and prevent the impact of construction noise on customers and residents. The waste generated at the construction site must be packaged and transported to a designated area along the specified route for stockpiling, and then transferred to the designated site for disposal in a timely manner. It is required to ensure cleanliness of public areas along the transportation routes.



Leasing Operation

Attaching great importance to resource management, the Group achieves energy conservation and emission reduction by taking measures such as reasonably arranging the time of using equipment and facilities and improves water resource utilization efficiency through methods such as using intelligent equipment, contributing to green and low-carbon operation.

Energy Conservation and Emission Reduction

- **Lighting:** Taking into consideration the actual situations such as seasonal lighting intensity difference and customer flow fluctuations, we have adjusted the lighting conditions for shopping mall, landscapes, advertising, elevators, etc.
- **Air conditioning:** According to seasonal temperature changes, we reasonably utilize the fresh air system and natural ventilation, reducing use of air conditioners.

Water Resources Management

- **Water tanks:** We close the water replenishment valves in advance before cleaning the water tanks every quarter, and make full use of the remaining water in the water tanks, to minimize waste of water resources in the water tank cleaning process.
- **Cleaning appliances:** We use the intelligent sensor flushing system and energy-saving faucets.

New Energy Business Formats

In active response to the government call, we advance the construction of new energy vehicle (NEV) charging infrastructure for commercial projects to meet the growing charging demand of NEVs and promote green commuting through NEVs.

Green Property

The Group continuously promotes the low-carbon transformation and sustainability of property management through green operation measures. We are committed to creating a green service brand. Poly Property Management and Poly (Hong Kong) Property Management shoulder the responsibility of environmental protection in the operation and management process, strictly comply with environmental laws and regulations, and engage in green operation management, having passed the ISO 14001 environmental management system certification.



Environmental Management System Certificate

Poly Property Management's Polycrystalline Silicon Photovoltaic Power Generation Project

For the Project, a total of 421 photovoltaic cell panels with a total area of 2,000 square meters are installed. Under stable sunshine conditions, the daily comprehensive power generation capacity is about 103 kilowatt-hours, and the annual comprehensive power generation capacity is about 90,000 kilowatt-hours. The photovoltaic cells convert luminous energy into electrical energy through inverters, and use of green energy is achieved through grid connection.



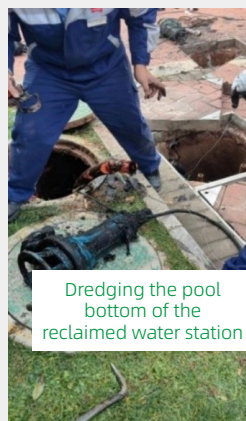
Polycrystalline Silicon Photovoltaic Cells

Poly Property Management's Technical Transformation of Reclaimed Water Station Project in 2023

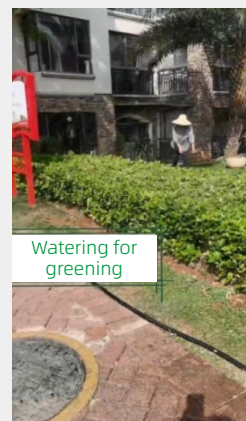
During the reporting period, Poly Property Management repaired and transformed the Reclaimed Water Station of the Anning Sunny Lake & Splendid Life, which increased the daily reclaimed water treatment capacity from 10 cubic meters to over 25 cubic meters, effectively ensuring watering for greening and enhancing water resource recycling.



excavation and laying of pipelines



Dredging the pool bottom of the reclaimed water station



Watering for greening

Technical Transformation of Reclaimed Water Station

Green Hotels

The Group is committed to establishing a sound low-carbon and resource-saving green eco-service system, and continuously improving the level of hotel green operation and management. Poly Business and Tourism has taken a series of environmental protection measures to reduce resource consumption and environmental impact in hotel operations. We try the best to build green hotels, create a green brand image of environmental protection, and spread the concept of environmental protection to every guest.

Energy-saving measures for hotel management

- We analyze energy consumption on a monthly basis, and compare and control the deviation in actual energy consumption and budget according to the hotel occupancy rate, climate conditions, energy-saving management situation and other factors.
- In terms of lean management, each hotel of ours pushes forward the work of normalized energy saving, equipment transformation, etc. For example, Guiyang Hotel has carried out the variable-frequency energy-saving transformation of the central air conditioning system, and grouped control transformation of decorative lighting fixtures installed in hotel corridors.

Water-saving measures for hotel management

- Each hotel has gradually installed water-saving devices according to room conditions and maintenance plans.
- All public areas are equipped with water-saving faucets.
- Water-saving management is strictly conducted in dining rooms and kitchen areas.

Waste management measures

- We widely publicize waste classification knowledge and place classified dustbins on each floor. We conduct monthly inspections of waste classification to identify problems in a timely manner, and urge rectification.
- We strictly control the distribution and use of detergents and enhance employees' awareness of environmental protection through conservation awareness training.
- Construction waste is packaged, transported and treated in strict accordance with requirements.

Environmental protection promotion in guest rooms

- Environmental-friendly slogans are posted in toilets of guest rooms.
- The housekeeping department provides room service according to the requirements for plastic pollution control, and does not proactively provide disposable toiletries, posting waste classification signs in a standardized manner.
- Reducing the use of plastic products, we have replaced small packages of toiletries with large ones.

Beijing Poly Plaza Hotel's Green Practices

As a four-leaf green hotel certified by of Culture and Tourism, Beijing Poly Plaza Hotel actively implements green environmental management measures and comprehensively promotes environmental practices.

Energy-saving transformation of equipment

- We have installed time controllers through technical transformation for operation of ventilation equipment in bathrooms in different time periods. We reduce the equipment running time by 3 hours per day, saving approximately 150 kilowatt-hours of electricity per day.
- We have replaced ordinary light sources with energy-saving LED lamps for exterior landscape lighting. After the technical transformation, approximately 15,184 kilowatt-hours of electricity are saved annually.
- We have gradually replaced ordinary lighting fixtures with energy-saving fixtures for lighting in halls.

Environmental protection publicity

- Water-saving slogans are posted in public toilets.
- We deliver water to customers according to their needs every day. The remaining hot water in the thermos flasks are poured into the containers for rinsing mops and rags.
- We help employees enhance water-saving awareness through training.

Improving the efficiency of water resource utilization

- We have added green isolation belts for peripheral lawns to save water and prevent polluting the surrounding ground by water overflow.
- Some green plants outside the building are watered by drip irrigation.
- Steam water recycled from the boiler rooms is used to clean the dustbins in the garbage rooms.
- We prohibit employees from cleaning mops and rags with running water for a long time, and recommend rinsing them in containers.

Digital Empowerment

- Through the App, we send various notices and slogans to office building tenants, thus saving office paper and manpower.



Beijing Poly Plaza Hotel's Environmental Practices

Green Office

The Group has incorporated green and environmental protection concepts into the business philosophy. Advocating green and low-carbon office, we encourage all employees to actively participate in the actions of smart office, energy conservation, consumption reduction, resource saving, and green commuting, etc. We are committed to creating a healthy, economical, low-carbon, environmentally friendly, and comfortable office environment, and building an environmentally friendly enterprise.



Smart Office

- We continuously optimize the integration of approval processes based on the OA office platform, and process documents with electronic signatures, improving efficiency and compliance and reducing paper consumption.
- We synchronize the display of meeting materials through the file sharing platform, which avoids printing and significantly reduces the use of meeting paper.
- We further promote paperless office, and achieve efficient and standardized management through online registration and signing



Energy conservation and consumption reduction

- We encourage employees to turn off office lights, air conditioners, computers, and other electrical equipment when leaving the office.
- After the meeting, we promptly turn off the large screen and lighting equipment in the meeting room, and clean out expired items in the refrigerator. Besides, property management personnel inspect the building every two hours to ensure the implementation of power-saving measures.
- Based on the normalized collection and analysis of energy consumption data, we promptly identify abnormal situations, analyze the causes, and put forward corrective measures.



Resource conservation

- Sensor faucets are installed in all washrooms, to achieve intelligent water saving.
- We encourage employees to bring their own cups filled with water when attending departmental meetings to reduce the use of bottled water.
- Optimizing the paper size and weight, we promote double-sided printing of documents, to reduce paper consumption. A wastebasket is placed in the printing room of each floor, to effectively use waste paper and used paper.
- We prioritize the use of idle office furniture in office areas to reduce both costs and decoration pollution and protect the ecological environment.



Green commuting

- We prioritize the purchase of NEVs as official business vehicles to reduce carbon emissions.
- We review the standards for booking business air tickets and hotels and further emphasize strict enforcement.
- We encourage employees to commute by public transportation.



Environmental Protection Publicity Slogans

Tackling Climate Change

Paying attention to the potential risks of climate change, the Group has gradually had the ability to identify, assess and analyze climate change risks and opportunities, and is committed to building a resilient enterprise.

Governance

We have established a top-down ESG governance structure with clear lines of authority, incorporated climate-related risks into the enterprise risk management mechanism, and strengthened the assessment and supervision of climate-related risks by the Board of Directors and ESG Committee. Please refer to the section "Sustainable Development Governance - ESG Governance System - ESG Governance Structure" for details.

In November 2023, the ESG Leading Group announced the establishment of a carbon verification team, clarifying the assessment path of the Group's carbon footprint and the current entity of greenhouse gas emissions, setting quantitative indicators, and discussing the possibility of visualized panel of carbon emissions.

Strategy

We identify and analyze climate change-related risks and opportunities according to external policy planning, extreme weather records and internal operational conditions. Meanwhile, we take adaptation and mitigation measures to enhance our ability to tackle climate change.

According to the suggestions of the Task Force on Climate Related Financial Disclosures (TCFD) and the key factors of climate change impacts on the real estate industry, we disclose climate-related work plans and progress from the perspectives of governance, strategy, risk management, and metrics and targets. Meanwhile, we identify climate-related risks, take countermeasures, and explore potential opportunities.

Physical risks of climate change

More frequent and intense extreme weather events caused by climate change, including typhoons, floods, extreme heat, extreme cold, and sea level rise, may affect our upstream material production and transportation, thus resulting in delayed construction progress and increased cost of maintaining and constructing assets.



Countermeasures and potential opportunities

We have developed emergency plans such as the *Comprehensive Emergency Plan for Production Safety Accidents* and the *Emergency Plan for Typhoon and Flood Prevention*. According to the characteristics of projects or property and the results of identifying local natural disaster risks, each relevant subsidiary of the Group has established an emergency management structure composed of various responsible entities and organized emergency drills.

Transition risks of climate change

Climate change may result in a series of transition risks.

- Policy and regulatory risks: increasingly higher emission standards and stricter regulatory requirements
- Technical risks: the trends and requirements for increased investment and innovation in low-carbon technologies and green building materials
- Market risks: consumer behavior changes from climate change, such as shift of focus on green building materials and energy saving and emission reduction capabilities
- Reputation risks: possible negative impacts on the reputation due to failure to achieve green transformation in a timely manner



Countermeasures and potential opportunities

Paying close attention to the policies and requirements of the government and capital markets regarding low-carbon technologies, we actively promote the exploration and application of green innovative technologies, respond to consumer demands and market trends, reduce environmental impacts, and support brand building and sustainable development.

Risk Management

We have established three lines of defense for risk management and developed the risk management process. Please refer to the section "Lean Governance for Robust Development - Risk Management" for details.

Metrics and Targets

According to the carbon verification report, the ESG Leading Group sets the preliminary GHG emission reduction goal of the Group, which are publicly disclosed upon approval by the ESG Committee and the Board of Directors.

Carbon Emission Target

strive to reduce the scope 1 and 2 carbon emission intensity by more than 20% by 2030 (compared to the 2023 baseline) and strive to achieve carbon neutrality by 2060

04

Empowering Employee Development

The Group effectively safeguards employees' rights and interests, and actively creates a diverse, inclusive, open and enterprising corporate culture, builds a platform for multidimensional career development. Besides, we provide our employees with a healthy and comfortable working environment, and work hand in hand with every employee to create a bright future.



Employee Management

Upholding the core values of "Responsibility First, Development Foremost", the Group actively safeguards employees' rights and interests, provides a sound remuneration and benefit system, and creates an equal and inclusive working environment. We have established a broad platform for talent development, regularly carry out various activities to send warmth and care to our employees, hoping to further enhance their sense of happiness and belonging.

Employee Recruitment

Employment Compliance

The Group strictly complies with various laws and regulations, and labor policies of business regions, including but not limited to the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the Republic of China*, the *Regulations for the Implementation of the Labor Contract Law of the People's Republic of China*, and the *Special Provisions on Labor Protection of Female Employees*. We have formulated and optimized several internal management rules such as the *Employee Handbook of Poly Property Group* and the *Notice on Further Regulating the Remuneration Management, Recruitment and Employment, Cadre Selection and Other Work of Real Estate Development Platform Companies* to standardize the management in employee recruitment, employment, assessment, promotion, etc.

Complying with the *Law of the People's Republic of China on the Protection of Minors* and the *Provisions on the Prohibition of Child Labor*, we require all subsidiaries not to employ child labor, and avoid the hiring of child labor through identity verification in the recruitment process and daily standardized management. Besides, we strictly prohibit forced labor. If any suspected cases are found, we will launch investigations immediately. If the suspected cases constitute the crime of forced labor, relevant responsible persons will be investigated and punished according to law. In 2023, the Group did not employ any child labor or forced labor.

Diversity and Inclusiveness

Following the principle of diversity and inclusiveness, we resolutely eliminate any discriminatory behaviors during the employee recruitment and development process due to any reasons related to age, religious beliefs, nationality, marital status, race, skin color, ethnicity, physical conditions, gender identity, etc.

As of the end of the Reporting Period

the proportion of female employees of the Group reached

45%



Talent Recruitment

As of the end of the Reporting Period

100%

of the Group's employees had signed employment contracts

100%

of the Group's employees were covered by social insurance

1,269

new employees were recruited

7,748

full-time employees in total

Implementing the strategy of "talent specialization and lean talent management", we attract talents through various channels to build a multi-layered and high-quality talent team. We continuously broaden and fully utilize employee recruitment channels such as campus recruitment and social recruitment, to ensure that the quantity, quality and composition of talents meet the Group's strategy and business needs.

Making the Company's Young Talent Team Stronger by Actively Introducing New Talents with Development Potential

To recruit more "New Generation Talents", we held eight on-campus recruitment presentations in Shandong, Jiangsu, Zhejiang, Hubei, Guangdong, Guangxi, Heilongjiang provinces and other regions, attracted nearly 900 attendees and received more than 4,500 resumes. Poly Property Management actively implemented the "New Joiner" and "Dandelion" campus recruitment projects, held offline campus recruitment presentations in Wuhan and Guangxi, and online recruitment fairs in Guizhou and Yunnan provinces. Gradually advancing university-industry cooperation, we have strengthened employer branding, while actively shouldered the social responsibility as a central enterprise, and highlighted the brand image.



Remuneration and Benefits

The Group complies with the *Regulations on Paid Annual Leave of Employees*, and other laws and regulations, and strictly implements national and local social security mechanisms. We have formulated internal systems including the *Administrative Measures on Remuneration of Poly Property Group* (Real Estate Development Company), the *Administrative Measures on Remuneration of Self-Marketing Teams of Poly Property Group*, the *Administrative Measures on Preparation and Remuneration of Real Estate Repair Teams of Poly Property Group*, etc. We provide employees with competitive remuneration and benefits, to attract and retain talents and achieve the sharing of benefits between the Group and employees. For employees with the same work, the same labor and the same performance, we promise to provide equal remuneration and benefits.

In 2023, the Group further optimized and implemented the remuneration and benefit system for the main sector of real estate development, and achieved the standardized and unified management of the salary system by comprehensively considering the factors such as urban salary level differences and job ranks, thus ensuring fairness and motivation. Besides, we urged affiliated property management and tourism companies to continuously review and comprehensively optimize and upgrade the organizational structure, personnel configuration, staffing rules, and personnel evaluation system.

In addition, we provide employees with a comprehensive benefit protection system, and continuously increase and optimize employee benefits and care measures, to enable them to work with more comfort at ease.

Statutory Benefits	Company Benefits
<ul style="list-style-type: none"> ⦿ The Company pays the endowment insurance, unemployment insurance, medical insurance, work injury insurance, maternity insurance, and housing provident fund for employees. ⦿ Our subsidiaries may allocate additional benefits such as annuities and supplementary housing fund according to their own economic conditions. 	<ul style="list-style-type: none"> ⦿ The Company provides dining services; ⦿ Provides transportation and communication allowances to employees; ⦿ Provides festival allowances for the Spring Festival, New Year's Day, Dragon Boat Festival, Mid-Autumn Festival, etc.; and ⦿ Organizes diverse and informative cultural and sports activities.



Employee Training and Development

The Group is committed to establish a comprehensive talent cultivation system, develop a tailored career development plan for each employee and clarify their career development path. By constantly optimizing the management system that covers the entire lifecycle of talent development, and building a diverse learning platform, we hope to enrich talent reserves and enhance talent specialization, so as to lay a solid talent foundation for the high-quality development of the Company.

Employee Training

In 2023

The total number of employee training hours was

464,353 hours

with an average training time of

60 hours per employee

The total investment in employee training amounted to

RMB 3,357,855

with an average investment of

RMB 433 per employee

Guided by the talent development strategy, the Group has established a talent cultivation system and intensified talent training and cultivation through the "7-2-1"² talent cultivation model. We organize various kinds of training, including the internal training, on-the-job training, online learning and external training. We encourage employees to learn through practices, and incorporate the special training and cultural learning into daily work. Through hierarchical classification, we comprehensively improve the professional qualities and spiritual accomplishments of cadres and employees, and strive to create a corporate culture Shaping the corporate culture of "Dare to Fight, Dare to Work, Positive and Upward".



²The "7-2-1" talent cultivation model: was officially proposed by Morgan, Robert and Michael in their book Career Development and Planning, where 70% refers to learning through practice, 20% refers to learning through communication, and 10% refers to learning through training.

Cultivation of business management talents

- ⊙ Designed to consolidate the talent foundation for enterprise development.
- ⊙ Including talent cultivation programs such as the "Elite Training Program" and "Wisdom Training Program", Shandong Poly Property's "Leadership Training Program", Zhejiang Poly Property's "Middle Management Learning Month" program, Guizhou Poly Property's Management Quality "Enhancement Empowerment Program", and Guangxi Poly Property's "Lean Action Learning Workshop".

Cultivation of compound professional talents

- ⊙ Designed to build a compound talent team of "one post with multiple abilities"
- ⊙ Including "Excellence Training Program" (for potential marketing professionals), "Red Collar Training Camp" (for party affairs professional talents), Zhejiang Poly Property's "Elite Training Program", Yunnan Poly Property's "Lean Management Training" program, and Heilongjiang Poly Property's "Enhancing Team Effectiveness" empowerment training program.

Cultivation of technical talents

- ⊙ Designed to improve the job competency and organizational effectiveness of specialized companies.
- ⊙ Including Poly Property Management's program of building a three-tiered talent team (Regional Leadership - Project Manager-Project Supervisor), National Employee Skills Competition, Poly Business and Tourism's training program for "frontline managers", and Poly Microchip's Industry-University-Research Graduate Cultivation Base.

New Joiner Training

- ⊙ Designed to strengthen the integration of new employees and the building of a young talent team, so as to provide talent reserves for sustainable development.
- ⊙ Including the "Bright Future" management trainee training, the "Pursuing Excellence for a Better Future" new employee training, Shanghai Poly Property's "POLY New Generation" project, and Guangdong Poly Property's new employee symposium themed by "Conversation with New Employees about Future".

Diversified Cultivation through Both Teachers and Course Developers

- ⊙ Designed to share organizational experience and improve employees' overall qualities through diverse measures.
- ⊙ Including Poly Property's internal open course "Joy Enjoyment", "Cloud Enjoyment" training course, marketing course "Elite Gathering Classroom" and "Product Study Society", etc.

Poly Property's New Employee Training Themed by "Pursuing Excellence for a Better Future" in 2023

In October 2023, Poly Property held the new employee training themed by "Pursuing Excellence for a Better Future", to help new employees deepen their understanding of the Company's strategy, management requirements and cultural concepts, integrate into the organization and team, and enhance their integrity awareness. The headquarters and subsidiaries of Poly Property organized the training both online and offline, benefiting about 200 new employees. During the training, new employees from the headquarters in Shanghai visited the Poly Property Brand Pavilion and other benchmark projects, personally feeling the dedication and pursuit of Poly people in "Creating Classic Landmarks for the City with Craftsmanship". We constantly enrich talent reserves for the Company's sustainable development.



New Employees Visiting the Benchmark Project

Zhejiang Poly Property's "Elite Training Program" for Project Managers

In March 2023, Elite Program held the first workshop of the "Elite Training Program" in 2023. To meet the strategic development needs, the Company conducted the special training on the project manager competency and quality models, improvement of their political literacy, and bottleneck problems in project implementation, to enhance the core competitiveness of project managers.



Zhejiang Poly Property's "Elite Training Program" for Project Managers in 2023

Shandong Poly Property's "Leadership Training Program" for Middle Management

In October 2023, Shandong Poly Property launched the "Leadership Training Program" for middle management, and the trainees systematically learned training courses such as Product Competitiveness Enhancement Learning and Overall Roles and Five Key Tasks of Project. Through various forms such as rapid answering in groups and case study discussions, we helped the core personnel master more scientific management logics, tools and methods and continuously improve their adaptability to industry changes.



Shandong Poly Property's Leadership Training Program for Middle Management

Training Empowerment to Improve Quality and Effectiveness - Management Quality Enhancement Empowerment Training

In June 2023, Guizhou Poly Property organized the "Management Quality Enhancement Empowerment" training for the Company's cadres and core backbone personnel. Through the combination of classroom teaching, case studies, group discussions, expert comments, and review and summary, this training deepened managers' understanding of talent management knowledge and skills and further enhanced their comprehensive qualities of management.



Guizhou Poly Property's Management Quality Enhancement Empowerment Training

Poly Business and Tourism's "GM100 Talent Echelon Plan" Launched

In 2023, the phase I training of Poly Business and Tourism's "GM100 Talent Echelon Plan" was successfully organized. Poly Business and Tourism organizes comprehensive and integrated training and cultivation of employees from five dimensions including cultural values, commercial leadership, business leadership, team leadership, and employee image, with an aim to cultivating enough reserved project managers within three years to support the realization of Poly Business and Tourism's strategic goals of the next three to five years or even longer time.



Poly Business and Tourism's "GM100 Talent Echelon Plan Training"

Meanwhile, we always encourage and support employees to receive internal and external trainings and certifications. The employees holding relevant qualifications will have more promotion and development opportunities under equal conditions. In 2023, Poly Property organized the assessment and recognition of intermediate professional titles in the engineering field, and 24 employees were rated as intermediate engineers with professional and technical qualifications. At the same time, Poly Property encourages employees to actively participate in the professional title evaluation organized by Poly Group, and a total of 17 employees received senior professional and technical qualifications after evaluation.

Employee Development

In 2023, the Group revised internal management rules and regulations such as the *Job Rank Management Measures of Poly Property Group (Real Estate Development Company)*, the *Measures of Poly Property Group for Comprehensive Assessment and Evaluation of Leadership and Leaders*, and the *Administrative Measures on Staff Annual Performance Assessment of the Functional Center of the Headquarters of Poly Property Group*. Meanwhile, we optimized the employee promotion and evaluation mechanism, improved the performance evaluation system for employees and cadres, and unblocked career development channels for employees to support their growth.

Adhering to the talent concept of "Gathering the Like-minded, Innovators and Outstanding Talents for Long-term Development" and the "1+6" leadership quality model, we openly selected the reserved talents including general managers of real estate development platform companies. Besides, through various evaluations and interpretations, we assessed relevant personnel' competence and development potential, and effectively expanded talent reserves, enhancing their abilities in a targeted manner.

In 2023, we reviewed the professional talents in the real estate development field, with a focus on investment, engineering, marketing, products, costs, and financial functions, covering more than a thousand employees from the headquarters and affiliated real estate development platform companies. We deeply analyzed organizational issues and accurately identified high-potential personnel of key posts for optimization, providing the basis for talent training and development.



Poly Property Management Attended the National Employee Skills Competition Themed by "Striving for Common Development Together with Employees Through Skills Enhancement" in 2023

In order to continuously improve the skilled talent training and management system, Poly Property Management held the National Employee Skills Competition themed by "Striving for Common Development Together with Employees Through Skills Enhancement" in September 2023, adhering to the work policy of replacing exercise with competition and promoting learning through competition. A total of 55 competitors selected from thousands of employees from 11 regional companies nationwide took part in the two-day intense competition. Finally, a number of skilled and highly talented employees with excellent skills and abilities were selected. At the competition site, we established the Poly Property Management Service Research and Development Institute, to actively absorb outstanding skilled talents standing out during the competition. We hope to continuously improve the competence of skilled talents, build a stronger skilled talent team and enhance the overall qualities of skilled talents.



Poly Property Management's National Employee Skills Competition in 2023

Occupational Health and Safety

Having established and improved the occupational health and safety management system, we strengthen the employee safety training, conduct regular inspections and maintenance, to create a safe and worry-free working environment through employee communication and diverse employee care and support activities.

Safety Management System

The Group complies with relevant laws and regulations on occupational health and safety management such as the *Production Safety Law of the People's Republic of China*, the *Fire Protection Law of the People's Republic of China*, and the *Special Equipment Safety Law of the People's Republic of China*. We have formulated various internal safety management rules such as the *Measures for Supervision and Administration of Production Safety of Poly Property Group*, the *Working System of the Safety Production Committee of Poly Property Group*, and the *Comprehensive Emergency Plan for Production Safety Accidents of Poly Property Group*. We comprehensively improve the safety production and occupational health management system, to ensure risk controllability and stable safety.

The Group has established an annual safety management standardization action checklist, and set up the Safety Management Committee. The leaders at all levels are required to take five safety management measures according to the plan, including annual training, inspections, hazard investigations, emergency drills, and accident reporting, and to supervise the rectification for major hazards. The persons in charge and the Safety Management Department are responsible for monthly inspections, meetings, emergency drills, archives management, and quarterly reporting, etc. In 2023, the Group has preliminarily established the safety production management structure, to strongly support the efficient implementation of the safety management system.

As of the end of the reporting period, Poly Property Management and Poly (Hong Kong) Property Management were certified by the ISO 45001 occupational health and safety management system.



Occupational Safety and Health Management System Certificate

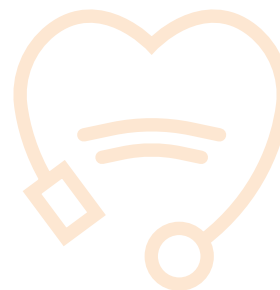
Occupational Health and Safety

Health Security

In 2023

100%

of the Group's employees were covered by medical checkups



Strictly complying with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, we strive to create a healthy working atmosphere. We organize annual physical examinations for employees to deliver a dynamic health monitoring report. Through cooperation with professional and reliable physical examination organizations, we provide comprehensive and targeted health examination services for employees to ensure their physical health fully protected. In addition, we also provide employees with commercial medical insurance benefits, covering outpatient emergency, hospitalization, critical illnesses, accidents and other aspects, to effectively solve the employee's worries.

Safety Guarantee

We enhance compliance in control through many measures on the basis of risk prevention and bottom-line management. Paying attention to prevention and control of material risks, including online approval management before, during and after dangerous operations, we continuously optimize the safety hazard inspection process, and develop risk control emergency plans. Besides, we constantly strengthen the safety culture building, striving to achieve the full coverage of the dual prevention mechanism. During the reporting period, the Group did not experience any major safety incidents.



In 2023

We organized over

400

special inspections of material accident hazards

Meanwhile, we conducted

72

special fire inspections on outsourcing and leasing projects

Safety Hazard Investigation	Rectification of Risk Items	Emergency Management
<ul style="list-style-type: none"> ⊙ In 2023, we conducted the "Special Inspection and Rectification of Material Accident Hazards". ⊙ We conducted special fire inspections on outsourcing and leasing projects. ⊙ The main responsible persons of each platform company personally supervise front-line inspections. ⊙ We discover hazards in a timely manner through regular all-round self-inspections. 	<ul style="list-style-type: none"> ⊙ We track the rectification of material risks, and update the ledger in time for material risks of ongoing projects, fire hazards in properties, and operational risks of special equipment. Besides, we supervise the front-line closed-loop management in accordance with the "Five Implementation" principle, to ensure the orderly rectification. 	<ul style="list-style-type: none"> ⊙ We strengthen emergency management, pay close attention to disaster warning information, and effectively deal with rainstorms, typhoons and other disasters.

Cultivation of Safety Awareness

In 2023

The Group organized a total of

1,372 emergency drills

involving

16,182 participants

The Group organized a total of

6,348 safety training sessions

involving

83,978 participants



We organize various safety-related trainings, including safety emergency drills, Safety Production Month, and Fire Safety Month, to comprehensively improve employees' professional competence in occupational health and safety, to lay a solid foundation for the effective health and safety work, and to further consolidate the bottom line of safety.

Emergency Drills in 2023

In 2023, Poly Property organized various emergency drills on accidents or injuries including collapse of foundation pits, formwork and scaffolds, falling from high places, mechanical injury, fires, electric shocks, heatstroke etc. Through participation in the drills, our employees thoroughly learned about safety production knowledge and enhanced their safety awareness and skills of emergency response to accidents.



Flood Prevention Drill in Residential Areas

National Security Education Day (April 15) Activities

In April 2023, Poly Property carried out a series of National Security Education Day (April 15) activities. We enhanced employees' safety awareness by designing online learning columns, posting national security publicity boards in office areas, watching national security publicity videos, visiting confidentiality education and training bases, organizing network security knowledge tests and special network security inspections, and other integrated interactive measures.



Watching National Security Publicity Videos

Poly Business and Tourism's "Safety Production Month" and "Fire Safety Month" Activities

In 2023, Poly Business and Tourism organized the "Safety Production Month" and "Fire Safety Month" activities, to create a cultural atmosphere of safety. The training contents covered rules, regulations, operating procedures, technical standards, and specifications. Throughout the year, Poly Business and Tourism organized 164 safety production training sessions, enhancing the safety awareness of 3,446 participants.



Poly Business and Tourism's "Safety Production Month" and "Fire Safety Month" Activities

Employee Communication and Care

The Group attaches great importance to the physical and mental health of employees, regarding it as one of our priorities. We effectively help employees relieve psychological stress by opening employee communication channels and organizing diverse employee care activities.

Communication with Employees

The Group strictly adheres to the requirements of the *Trade Union Law of the People's Republic of China*, the *Constitution of the All-China Federation of Trade Unions*, the *Work Regulations on Enterprise Trade Unions*, and the *Regulations on Democratic Management of Enterprises*. We have formulated management rules such as the *Implementation Measures for the Congress of Workers and Staff of Poly Property Group*, the *Implementation Measures of Poly Property Group for Strengthening Trade Union Management*, and the *Implementation Measures of Poly Property Group for Making Public Factory Affairs*. We have improved the system of congress of workers and staff, actively exploring effective ways for staff participation in management.

We effectively safeguard the employees' rights to know, participate and express, improving the quality and effect of democratic management. Having opened channels for equal consultation and communication, we listen to the voices of employees through heart-to-heart talks, visits and surveys, symposiums, online opinion collection, and complaint boxes. Besides, we have set up a chairman's mailbox at the headquarters to further facilitate communication with staff.

Series Activities of Communication with Employees

In 2023, we understood the needs of employees through symposiums and face-to-face communication with leaders, and actively solved their problems, inspiring more employees to take the initiative to participate in the development and construction of the Group as the masters.



Shanghai Poly Property's "General Manager Lunch Meeting"



Zhejiang Poly Property's General Manager Open Day



Yunnan Poly Property's "Face-to-Face with the General Manager" Employee Symposiums



Jiangsu Poly Property's Symposium with Youth League Members and United Front Personnel

Care for Employees

The Group attaches importance to balancing employees' work and life, and have established and improved an employee service and care system. We organize diverse employee assistance and cultural and sports activities, to enhance employees' sense of belonging to the Company, and to create a harmonious, warm and happy working environment. In 2023, we helped nine employees in need through the Poly Love Fund, and distributed the subsidies of RMB58,450. Besides, we helped employees' children enroll in nearby schools in Golden Autumn Student Aid program.

Celebrating International Women's Day with Various Activities in Fragrant and Beautiful March

During the reporting period, the Group organized the female employee care publicity activities themed by "female strength", and trade unions at all levels organized various themed activities to enrich the cultural life of female employees and demonstrated their enthusiasm for life, upward spirit, and outstanding style. This series of activities demonstrated the spirit of "self-respect, self-confidence, self-reliance and self-improvement" of women in the new era, aiming to enhance the cohesion and centripetal force of the Group.



Hand-painted DIY - Most Beautiful You with Skillful Hands



Spring Tea Picking and Tasting - Most Beautiful You with Grace



Spring Outing and Flower Appreciation - Most Beautiful You with Smiles



Yoga - Most Beautiful You with Health

Maintaining Love and Sparring No Effort - 2023 Yangtze River Delta Fun Sports Meeting

In July 2023, we held the 2023 Yangtze River Delta Fun Sports Meeting. As an important part of corporate culture improvement themed by "Poly, My Hometown", this sports meeting not only strengthened communication between cadres and employees, but also enhanced the cohesion, elevated spirits, and deepened friendships, demonstrating the spirit and style of Poly Property people striving for progress.



2023 Yangtze River Delta Fun Sports Meeting

Science Popularization Lecture on Women's Health

In May 2023, Guizhou Poly Property's trade union held a knowledge lecture on women's health to better care for women's health and enhance their awareness of self-care and disease prevention and treatment.



Science Popularization Lecture on Women's Health

Trade Union Interest Groups

The trade union of the Group has established multiple interest groups of yoga, badminton, basketball, football and so on to create a healthy, civilized, and positive employee culture atmosphere. Each region also has established cultural and sports groups and organized various cultural and sports activities such as running, friendly basketball matches, badminton competitions, etc., to create a warm "Poly Hometown".



Football Interest Group

05

Shared Success for a Beautiful Chapter

Actively empowering partners and communities, the Group is committed to achieving win-win cooperation with partners. Valuing the supply chain management, we are devoted to building a responsible supply chain and continuously improving the quality of suppliers' products and services. We join hands with upstream and downstream partners to give back to society and contribute to building a harmonious society.



Responsible Supply Chain

The Group has established a supply chain management process throughout the life cycle, and incorporated ESG factors into supplier access and management. By strengthening responsible supply chain management and sustainable procurement management, we hope to maintain the sustainability of the value chain.

Supplier Management System

The Group strictly abides by the Tendering and Bidding Law of the People's Republic of China, the Regulations for the Implementation of the *Tendering and Bidding Law of the People's Republic of China*, the *Regulation on the Implementation of the Tendering and Bidding Law of the People's Republic of China*, the *Government Procurement Law of the People's Republic of China*, and other laws and regulations. We have formulated a series of internal management rules and measures such as the *Tender Management System of Poly Property Group*, the *Supplier Management System of Poly Property Group*, and the *Supplier Management System for Centralized Procurement of Poly Property Group*. Through relevant rules and regulations, we clarify the management behaviors and processes of the supplier selection, evaluation, and graded management throughout the life cycle, striving to establish a dynamic supply chain management mechanism of selection, cooperation, cultivation, and evaluation.

As of December 31, 2023

the Group had qualified suppliers

3,197

the economic contract fulfillment rate of suppliers reached

100%

Supplier Selection

For different types of suppliers, we have established special supplier access inspection standards to select qualified suppliers according to multiple factors such as qualifications, products, quality, and benchmark performance, so as to reserve enough outstanding suppliers.



Supplier Evaluation

We comprehensively evaluate the suppliers' performance in preliminary design coordination, contract signing, construction (or scheduling and supply), acceptance and after-sales service, to improve their fulfillment capability and service quality and optimize supplier management.



Graded Management of Suppliers

According to annual comprehensive supplier evaluation results, we classify suppliers as excellent, good, qualified, or unqualified suppliers, and provide different project selection methods and contract quotas for different levels of suppliers.

Incentive Mechanism

We commend and reward excellent suppliers to stimulate and maintain their enthusiasm.

Exit Mechanism

We eliminate unqualified suppliers and continuously optimize the supplier resource pool and ensure the overall quality of the supply chain.

Sustainable Procurement

We have incorporated labor rules, occupational health and safety, product quality, environmental protection, anti-corruption, business ethics, and other ESG performance into the selection and evaluation of suppliers to ensure the compliance of procurement, reduce supply chain risks, and actively promote sustainable procurement.

During the reporting period

The signing rate of the *Business Integrity Commitment*, the *Business Integrity Agreement*, and the *Transparency Declaration on Marketing, Procurement, and Tendering* among existing suppliers is

100%

Number of potential suppliers rejected due to non-compliance in shouldering social responsibilities is

0

Number of suppliers suspended from cooperation due to non-compliance in shouldering social responsibilities is

0

All suppliers had passed at least one quality/environment/occupational health and safety management system certification

1



ESG Management of Suppliers

The Group has formulated and publicized the *Supplier Code of Conduct of Poly Property Group*, requiring the suppliers to sign the *Commitment to Comply with the Supplier Code of Conduct of Poly Property Group*. We have extended the ESG concept to all upstream and downstream links of the supply chain to improve the suppliers' sustainability performance.

We select suppliers according to their ESG performance, requiring them to provide ESG management system certificates, including but not limited to the certificates of credit rating, quality management, environmental management, occupational health and safety management, etc.

Through interviews, investigations, inspections and other manners, we understand the suppliers' status quo, management systems, operating procedures, rewards and punishments, etc. Meanwhile, we strengthen the evaluation and analysis of the suppliers' performance in management and social responsibility fulfillment, endeavoring to improve their sustainability.

Integrity Management

Taking the management of employee conflict of interest as the basis of supply chain integrity management, we have clarified the relevant content of supply chain anti-corruption in the *Employee Code of Conduct*, requiring them to carry out their work in an objective, fair, and independent manner, and prevent corruption and bribery.

We attach importance to the commitment and review of fairness and integrity in the business transactions, continuously advancing transparent procurement. The suppliers must provide the *Business Integrity Commitment* for access approval. During the contract signing stage, both parties must sign the *Business Integrity Agreement* and the *Transparency Declaration on Marketing, Procurement, and Tendering* as necessary attachments to the contract.

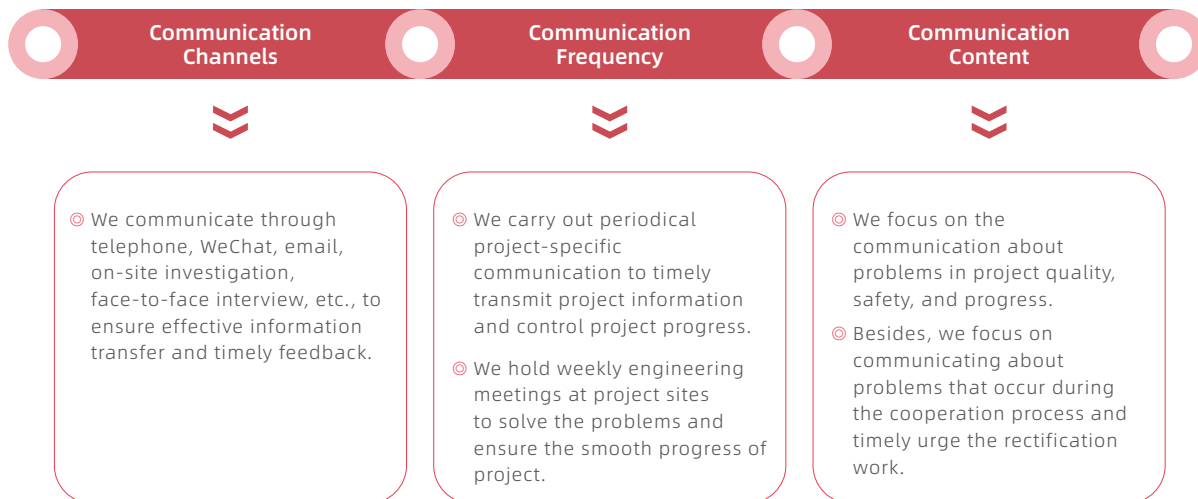
Adhering to the principle of "compliance and integrity, prevention first, fairness and impartiality, openness and transparency", we have established a blacklist of suppliers in terms of integrity management according to the *Supplier Integrity Blacklist Management Measures of China Poly Group*. We strictly implement the joint punishment mechanism of "Multiple restrictions for one violation" for suppliers in the blacklist, and improve the supplier integrity management and supervision system to standardize their integrity practices.

Green Procurement

We practice the concept of green procurement and prioritize the purchase of green products with sustainable certification, low consumption, low energy consumption, pollution-free, and multi-functionality. We guide our suppliers to actively improve product quality and environmental performance, continuously reduce potential environmental risks, and promote the green development of the entire industry chain.

Supplier Communication and Training

Valuing communication and exchange with the suppliers, the Group maintains good cooperative relationships with them by actively providing support and assistance. Through various channels, we communicate with the suppliers in a timely manner, focusing on quality, health and safety, sustainable development, etc. We actively organize supplier training and rectification, and help them strengthen capacity building, to achieve win-win cooperation.



Supplier Conference Themed by "Jointly Building for a Better Future While Upholding Integrity"

In order to strengthen communication and mutual trust with suppliers and deepen quality awareness and fulfillment spirit, Shanghai Poly Property held the 2023 Supplier Conference themed by "Jointly Building for a Better Future While Upholding Integrity" in January 2024. We made clear the control requirements for engineering, cost, and design, and commended outstanding suppliers. We have achieved in-depth communication, joint progress, and win-win cooperation with suppliers.




Supplier Conference Themed by "Jointly Building for a Better Future While Upholding Integrity"

Practicing Social Responsibility

Adhering to the concept of "Serving the People and Fulfilling Social Responsibilities", the Group advocates actively giving back to society during business development. We actively participate in social welfare and charity activities, exert our own social influence, promote local economic development, rural revitalization, community feedback, volunteer actions, etc., strengthening the positive interaction with society.

Abiding by the *Charity Law of the People's Republic of China* and other laws and regulations, we have formulated internal management measures such as the *Management Measures of Poly Property Group Co., Limited for External Donations* and the *Implementation Measures of Poly Property Group for Strengthening Trade Union Work*, to regulate charitable donations and public welfare activities of the Group.

As of the end of the reporting period, the Group

Had	Provided volunteer services	with a total duration	
601 employee volunteers	194 times	1,078.5 hours	
The amount of charitable donations was	The total amount of consumption for poverty alleviation was		
RMB 7,178,000	RMB 1,327,735.5		

Rural Revitalization

The Group bears in mind and takes initiative to fulfill corporate social responsibilities, and actively responds to the national rural revitalization strategy, carrying out public welfare activities in the areas of rural education and people's livelihood security to support regional development. Over the years, we have successively launched the branding IPs "Poly Youth Ambition" and "Poly, My Hometown" to contribute to the undertakings of rural revitalization.

"Poly Youth Ambition" Collaborated with Poly Spark Education Fund for the First Time

In 2023, relying on the "Poly Spark Project" and the "Poly Youth Ambition", we launched the "Poly Youth Ambition · Spark Education Fund" project in seven designated assistance counties, and donated RMB2.1 million, benefiting 1,289 teachers and students. We held special project exchange meetings and released a public welfare microfilm titled "Li Xiang's Dream", demonstrating our social responsibility sense as a central enterprise.



"Poly Youth Ambition · Spark Education Fund" Activity

Donations and Volunteer Services in Poly Experimental School of Shandong Normal University

In September 2023, Shandong Poly Property donated more than 1,000 pieces of stationery and sports goods to Poly Experimental School of Shandong Normal University to meet the daily learning and sports needs of students. During the event, both sides participated in the flag-raising ceremony, and the volunteer service team interacted with primary school students, telling them red stories to inspire their patriotism.



Photos of Donations and Volunteer Services

Live-streaming Event of "Assisting Farmers in Golden Autumn"

In October 2023, Poly Property helped increasing farmers' income through live-streaming sales, promoting rural revitalization. The live-streaming event attracted over 5,000 viewers, more than 54,000 likes, and nearly 3,000 interactive comments, achieving success in both live-streaming sales and brand publicity of Poly.



Live-streaming Event of "Assisting Farmers in Golden Autumn"

Community Feedback

The Group is committed to creating values for the community, and actively establishes close ties with community residents, and understands their needs and expectations, providing corresponding support and assistance. Besides, we encourage employees to actively participate in community giving back activities, hoping to cultivate their sense of social responsibility and civic consciousness.

Youth Volunteer Service Activity of Learning from Lei Feng Themed by "Learning the Spirit of the 20th National Congress of the Communist Party and Embarking on A New Journey"

In March 2023, Shanghai Poly Property organized the Youth Volunteer Service Activity of Learning from Lei Feng themed by "Learning the Spirit of the 20th National Congress of the Communist Party and Embarking on A New Journey". Youth volunteers visited welfare homes to provide condolences and gifts to the elderly, which reduced their sense of loneliness and enhanced their happiness, while further carrying forward the volunteer spirit of "dedication, friendship, mutual assistance and progress".



Youth Volunteer Service Activity of Learning from Lei Feng Themed by "Learning the Spirit of the 20th National Congress of the Communist Party and Embarking on A New Journey"

The 6th Charity Hiking for Autism

In April 2023, Jiangsu Poly Property, in collaboration with the Sunflower Children's Service Center and other organizations, organized the Large-scale Charity Hiking for Autism themed by "Lighting up the Starry Sky, and Spreading Love". This event deepened our public service branding, and increased social attention to the autism groups, helping them better integrate into society.



The 6th Charity Hiking for Autism

Youth League Day Activity and Minority Youth 'Hand in Hand' Exchange Activity Themed by "Enhancing Sense of Community of the Chinese Nation"

In 2023, league members and young minority employees of Guangxi Poly Property visited an ethnic village, where they experienced the diversity of Guangxi's culture, promoted the concept of ethnic unity to primary school students, and enhanced the cultural confidence and patriotism of young league members, guiding young people to enhance cultural recognition and ethnic unity awareness.



Youth League Day Activity Themed by "Enhancing Sense of Community of the Chinese Nation"

"National Security Education Day" Promotion Volunteer Service Activity

During the "Poly Fun Run" in Guangxi in April 2023, we organized a unique National Security Knowledge Frisbee Fun Quiz activity, spreading security knowledge to homeowners, employees and the public in a relaxed and funny way. This "National Security Education Day" event effectively enhanced everyone's awareness of national security and the consensus of the whole nation in safeguarding national security.



"National Security Education Day" Promotion Volunteer Service Activity

Public Welfare Activity of Donating and Recycling Idle Clothing Themed by "Contributing to Public Welfare Undertakings with Love"

In 2023, Jiangsu Poly Property, together with caring homeowners, launched the public welfare activity of donating and recycling idle clothing themed by "Contributing to Public Welfare Undertakings with Love", spreading warmth and love to children in impoverished mountainous areas.



Public Welfare Activity of Donating and Recycling Idle Clothing Themed by "Contributing to Public Welfare Undertakings with Love"

Volunteer Actions

We actively participate in the construction of better communities by carrying out volunteer activities. Our volunteers provide volunteer services in communities, and fulfill corporate social responsibilities through practical actions, giving care and help to more people.

Supporting the Construction of the Activity Center for the Elderly in Maimianqiao Village, Jishigang Town

In February 2023, Zhejiang Poly Property donated fitness equipment, entertainment facilities, air purifiers, and other items to the Activity Center for the Elderly in Maimianqiao Village, Jishigang Town. Through this donation, we provided material assistance to the elderly, but also made villagers feel the warmth and care from the Group.



Donation Activity at the Activity Center

Volunteer Service Activity of Tree Planting on March 12

In March 2023, we held the volunteer service activity of tree planting, further enhancing environmental protection awareness of employees, practicing the concept of green development and contributing to the ecological civilization construction with "Poly Power".



Zhejiang Poly Property



Hubei Poly Property



Hainan Poly Property

Action of "Protecting Winter Elves" Black-headed Gulls Protection in Kunming

In 2023, Yunnan Poly Property organized the Action of "Protecting Winter Elves" black-headed gulls protection in Haigeng Dam, Kunming, and representatives of young league members of various departments took part in this themed activity. The volunteers actively publicized knowledge about the protection of black-headed gulls to citizens and tourists, raising their awareness of protecting black-headed gulls.



Volunteer Action of "Protecting Winter Elves" Black-headed Gulls Protection in Kunming

Activity of Condolences to Migrant Workers Themed by "Volunteer Service at Construction Sites"

In March 2023, Guizhou Poly Property launched the activity of condolences to migrant workers themed by "Volunteer Service at Construction Sites". Our youth volunteers presented lunches to hardworking workers at the construction site, and publicizing preventive measures against H1N1 influenza during mealtime.



Activity of Condolences to Migrant Workers Themed by "Volunteer Service at Construction Sites"

Public Welfare Activity of "Reading and Sharing Books in Community"

In April 2023, Guangdong Poly Property held the public welfare activity of "Reading and Sharing Books in Community", calling for community residents to read good books with skills. During this month-long charity event, we donated more than 400 books of various types and set up a "Culture Station" at the Community Party and Mass Service Center. We regularly arrange volunteers to provide volunteer services to improve the modern public cultural service system.



Public Welfare Activity of "Reading and Sharing Books in Community"

Appendix I

List of Polices

ESG KPIs	List of Internal Policies 2023	List of Laws and Regulations Obeyed 2023
Aspect A1: Emissions	Management Regulations on Construction Safety Decoration Management Guide Construction Instructions Green Construction Plans Environmental Protection Rules	Law of the People's Republic of China on the Prevention and Control of Water Pollution Law of the People's Republic of China on the Prevention and Control of Air Pollution Law of the People's Republic of China on Prevention and Control of Soil Pollution Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste Regulations of the People's Republic of China on the Prevention and Control of Marine Environmental Damage by Land-sourced Pollutants Law of the People's Republic of China on the Prevention and Control of Noise Pollution National Catalogue of Hazardous Wastes Environmental Impact Assessment Law of the People's Republic of China Measures for Environmental Administrative Punishment Property Management Regulations
Aspect A2: Use of Resources	Regulations on Material Conservation and Material Resource Utilization Rules on Water Saving and Water Resource Utilization Rules on Energy Saving and Utilization Rules on Land Conservation and Construction Land Protection	/
Aspect A3: The Environment and Natural Resources	Investment Management Regulations (2023 Edition)	Environmental Protection Law of the People's Republic of China Regulations on the Administration of Construction Project Environmental Protection Regulation on Environmental Impact Assessment of Planning
Aspect A4: Climate Change	Comprehensive Emergency Plan for Production Safety Accidents Emergency Plan for Typhoon and Flood Prevention	Energy Conservation Law of the People's Republic of China Renewable Energy Law of the People's Republic of China (Amendment) Assessment Standard for Green Building (GB/T 50378-2019)
Aspect B1: Employment	Employee Handbook of Poly Property Group Administrative Measures on Remuneration of Poly Property Group Co., Limited (Real Estate Development Company) Administrative Measures on Remuneration of Self-Marketing Teams of Poly Property Group Co., Limited Administrative Measures on Preparation and Remuneration of Real Estate Repair Teams of Poly Property Group Co., Limited Implementation Measures for the Congress of Workers and Staff of Poly Property Group Co., Limited Implementation Measures of Poly Property Group Co., Limited for Strengthening Trade Union Management Implementation Measures of Poly Property Group Co., Limited for Making Public Factory Affairs	Labor Law of the People's Republic of China Labor Contract Law of the People's Republic of China Regulations for the Implementation of the Labor Contract Law of the People's Republic of China Special Provisions on Labor Protection of Female Employees Regulations on Paid Annual Leave of Employees Trade Union Law of the People's Republic of China Constitution of the All-China Federation of Trade Unions Work Regulations on Enterprise Trade Unions Regulations on Democratic Management of Enterprises
Aspect B2: Health and Safety	Measures for Supervision and Administration of Production Safety of Poly Property Group Co., Limited Working System of the Safety Production Committee of Poly Property Group Co., Limited Comprehensive Emergency Plan for Production Safety Accidents of Poly Property Group Co., Limited.	Production Safety Law of the People's Republic of China Fire Protection Law of the People's Republic of China Administrative Regulations on the Work Safety of Construction Projects Special Equipment Safety Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases
Aspect B3: Development and Training	Job Rank Management Measures of Poly Property Group Co., Limited (Real Estate Development Company) Measures of Poly Property Group Co., Limited for Comprehensive Assessment and Evaluation of Leadership and Leaders Measures of Poly Property Group Co., Limited on Sales Rank Management Annual Performance Assessment of the Functional Center of the Headquarters of Poly Property Group Co., Limited	/
Aspect B4: Labor Standards	Notice on Further Regulating the Compensation Management, Recruitment and Employment, Cadre Selection and Other Work of Real Estate Development Platform Companies	Law of the People's Republic of China on the Protection of Minors Provisions on the Prohibition of Child Labor

ESG KPIs	List of Internal Policies 2023	List of Laws and Regulations Obeyed 2023
Aspect B5: Supply Chain Management	<p>Tender Management System of Poly Property Group Supplier Management System of Poly Property Group Centralized Procurement Management System of Poly Property Group Supplier Management System for Centralized Procurement of Poly Property Group Administrative Measures of Poly Property Group for Project Tendering Administrative Measures of Poly Property Group for Tendering and Procurement Concerning Consulting and Service Projects Administrative Rules of the General Contracting Supplier List of Poly Property Group Management Measures for Evaluation of Qualified Construction Suppliers of Poly Property Group Supplier Integrity Blacklist Management Measures of Poly Property Group Co., Limited Supplier Code of Conduct of Poly Property Group Commitment to Comply with the Supplier Code of Conduct of Poly Property Group Business Integrity Agreement Business Integrity Commitment Transparency Declaration on Marketing, Procurement, and Tendering Employee Code of Conduct</p>	<p>Civil Code of the People's Republic of China Tendering and Bidding Law of the People's Republic of China Regulations for the Implementation of the Tendering and Bidding Law of the People's Republic of China Government Procurement Law of the People's Republic of China Regulations on Projects that Must be Tendered Regulations on the Scope of Infrastructure and Public Utility Projects that Must be Tendered Measures for Electronic Bidding and Tendering Measures for Bidding and Tendering of Construction Projects Measures for Bidding and Tendering of Goods for Construction Projects Bidding and Tendering Measures for Construction Project Survey and Design Administrative Measures for the Release of Tender Announcements and Public Information Interim Provisions on Bid Evaluation Committee and Method</p>
Aspect B6: Product Responsibility	<p>Template for Investment Review/Kick-off Meeting/Sales Sample Scheme Review Process and System of Sales Sample Research/Lean Management and Control Administrative Measures for Products and Prototypes Standardization Product System Meeting System Key Points for Review of Three-discipline Construction Drawings Poly Property Group Uniform Standard for Engineering Technology (I)-Leakage Prevention Poly Property Group Uniform Standard for Engineering Technology (II)-Hollow and Cracking Prevention Poly Property Group Specifications for Landscaping Management Measures for Engineering Quality Suspension Points of Poly Property Excellent Project Quality Standards of Poly Property Group (V1.0) Guidelines of Poly Property for Project Planning Meeting Guidelines of Poly Property for Training Disclosure Guidelines of Poly Property for Using Prototypes to Guide the Work Implementation Plan for Poly Hammer Action of Poly Property</p>	<p>Intellectual Property Law of the People's Republic of China Copyright Law of the People's Republic of China Trademark Law of the People's Republic of China Construction Law of the People's Republic of China Regulation on the Quality Management of Construction Projects Unified Standard for Constructional Quality Acceptance of Building Engineering (GB50300-2013) Standard for Acceptance of Construction Quality of Building Foundation GB50202-2018) Code for Acceptance of Construction Quality of Underground Waterproof (GB50208-2011) Code for Acceptance of Constructional Quality of Masonry Structures (GB50203-2011) Specification for Welding and Acceptance of Reinforcing Steel Bars (JGJ18-2012) Code for Acceptance of Constructional Quality of Concrete Structures (GB50204-2015) Code for Acceptance of Construction Quality of Building Ground (GB50209-2010) Standard for Construction Quality Acceptance of Building Decoration(GB 50210-2018) Code for Acceptance of Construction Quality of Roof (GB50207-2012) Code of Acceptance of Construction Quality of Electrical Installation in Building (GB50303-2015) Code for Acceptance of Installation Quality of Lifts, Escalators and Passenger Conveyors (GB50310-2002) Technical Specification for Concrete Structures of Tall Building (JGJ3-2010) General Code for Waterproofing of Building and Municipal Engineering (GB55030-2022) General Specification for Building Fire Protection (GB55037-2022) General Specifications on Fire Facilities (GB55036-2022) Standard for Acceptance of Energy Efficient Building Construction(GB 50411-2019)</p>
Aspect B7: Anti-corruption	<p>Integrity Risk Prevention and Control Manual of Poly Property Group Co., Limited Implementation Rules for Investigation of Responsibility for Non-compliant Operation and Investment of Property Development Subsidiaries of Poly Property Implementation Plan of Poly Property for Assigning Grassroots Discipline Inspection Supervisors Implementation Opinions of Poly Property on Deepening Integrity Education Interim Measures of Poly Property for Complaint Reporting Internal Audit Management Measures of Poly Property Group Co., Limited Regulations of Poly Property Group Co., Limited on Economic Responsibility Audit Management Code of Poly Property Group Co., Limited for Audit Rectification o., Limited Regulations of Poly Property Group Co., Limited on Economic Responsibility Audit Management Code of Poly Property Group Co., Limited for Audit Rectification</p>	<p>Supervision Law of the People's Republic of China Anti-Money Laundering Law of the People's Republic of China Law of the People's Republic of China Against Unfair Competition Antimonopoly Law of the People's Republic of China Prevention of Bribery Ordinance</p>
Aspect B8: Community Investment	<p>Management Measures of Poly Property Group Co., Limited for Designated Assistance Management Measures of Poly Property Group Co., Limited for External Donations Interim Measures of Poly Property Group Co., Limited for Management of External Donations Implementation Measures of Poly Property Group Co., Limited for Strengthening Trade Union Management</p>	<p>Charity Law of the People's Republic of China</p>

Appendix II

Key Performance Table

Environmental Performance Indicators ³					
Category	Unit	2023			
		Office & Development ⁴	Hotels ⁵	Commercial Projects ⁶	Property Management
Energy Indicators					
Diesel	Liters	600.00	4,882.00	3,211.00	19,585.33
Gasoline	Liters	233,893.08	20,820.00	0	19,699.88
Natural gas	Cubic meter	2,327.00	1,927,802.80	874,733.06	1,087.27
Liquefied petroleum gas	Kg	200.00	1,170.00	0	3,400.50
Coke Oven Gas	Cubic meter	0	192,631.00	0	0
Purchased electricity	MWh	17,710.69	28,216.12	31,872.73	139,628.79
Green electricity	MWh	547.42	0	0	0.01
Energy Consumption Indicators ⁷					
Total comprehensive energy consumption	MWh	20,322.23	50,253.30	41,370.90	140,054.04
Comprehensive energy consumption intensity	MWh/million square meter	593.15	1,626.46	386.15	31.00
Greenhouse Gas Emissions Indicators ⁸					
Scope 1 ⁹	Tonne CO ₂ equivalent	523.14	5,349.53	2,024.52	679.14

³ The environmental performance indicators of the Group in 2023 are divided based on business sectors. For specific data from previous years, please refer to *Poly Property Group Co., Ltd 2022 Environmental, Social and Governance Report*.

⁴ The scope of Environmental Performance Indicators of the Office & Development covers the Group's headquarter offices, property development, sales center, and Poly Star/Poly Microchip.

⁵ The data scope of Hotels covers hotel properties held and put in operation by the Group.

⁶ The data scope of Commercial Projects covers centralized commercial properties held and put into operation by the Group, with a management area over 100,000 square meters.

⁷ The calculation of the total comprehensive energy consumption is based on the *General Rules for Calculation of the Comprehensive Energy Consumption (GB/T2589-2020)*.

⁸ The Group's greenhouse gas emissions are mainly from our own vehicle fuel combustion, natural gas combustion, LPG combustion, fugitive refrigerant use, and purchased electricity.

⁹ The calculation of Scope 1 greenhouse gases emission data is based on the *Industrial Companies in Other Industries in Greenhouse Gas Emissions Accounting Methods and Reporting Guidelines* published by the National Development and Reform Commission of the People's Republic of China, the *Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Land Transport Enterprises (Trial)* published by the Ministry of Ecology and Environment of the People's Republic of China and *Greenhouse Gas Inventory Guidance - Direct Emissions from Mobile Combustion Sources* and the *2006 IPCC national greenhouse gas inventory guide* and the *Sixth Assessment Report (AR6)* released by the Intergovernmental Panel on Climate Change (IPCC).

Environmental Performance Indicators					
Category	Unit	2023			
		Office & Development	Hotels	Commercial Projects	Property Management
Scope 2 ¹⁰	Tonne CO ₂ equivalent	10,100.40	16,091.65	18,177.02	79,630.30
Scope 3 ¹¹	Tonne CO ₂ equivalent	499.83 ¹²			
Total GHG emissions (Scope 1 and Scope 2)	Tonne CO ₂ equivalent	10,623.54	21,441.18	20,201.54	80,309.44
Total GHG emissions intensity (Scope 1 and Scope 2)	Tonne CO ₂ equivalent/million square meter	310.07	693.95	188.56	17.78
Air Pollutant Emission Indicators ¹³					
Carbon Monoxide (CO)	Kg	1,160.48	160.50	0	132.53
Nitrogen Oxides (NO _x)	Kg	70.04	8.75	0	39.32
Sulphur Dioxide (SO _x)	Kg	3.46	0.31	0	0.31
Particulate Matter (PM)	Kg	13.33	1.46	0	2.29
Waste Generation Indicators					
Volume of hazardous waste generated	Kg	11,574.23	9,402.30	1,093.00	58,396.50
Waste battery	Kg	97.88	849.60	73.00	7,533.16
Waste cartridge	Kg	1,004.84	557.20	60.00	3,871.78
Waste lighting tube	Kg	156.00	1,237.00	400.00	14,935.47
Electronic waste	Kg	1,315.50	5,660.50	550.00	9,761.24
Other hazardous waste	Kg	9,000.00	1,098.00	10.00	22,294.85
Hazardous waste intensity	Tonne/million square meter	0.34	0.30	0.01	0.01
Volume of non-hazardous waste generated	Kg	106,527.05	4,849,000.00	4,857,500.00	220,281,131.00

¹⁰ The calculation of Scope 2 greenhouse gases emission data is based on the 2022 national grid average emission factors in the *Notice on Doing a Good Job in 2023-2025 Reporting and Management of Greenhouse Gas Emissions of Power Generation Enterprises*.

¹¹ Scope 3 emission represents greenhouse gases emitted via employee business trips. The calculation of Scope 3 greenhouse gases emission data is based on the *China Products Carbon Footprint Factors Database (2022)*.

¹² Scope 3 greenhouse gases emission of the Group is calculated on the Group basis.

¹³ The data of air pollutant emission of the Group was sourced from the vehicle emission data of the Hong Kong & Shanghai headquarters, and all regional companies. The calculation method of air pollutant emission data for 2023 is based on the *Technical Guidelines for the Preparation of Air Pollutant Emission from Road Motor Vehicles (Trial)* published by the Ministry of Ecology and Environment of the People's Republic of China and *How to prepare an ESG Report - Appendix 2: Reporting Guidance on Environmental KPIs* published by HKEX.

Environmental Performance Indicators					
Category	Unit	2023			
		Office & Development	Hotels	Commercial Projects	Property Management
Domestic waste	Kg	106,287.00	4,798,000.00	3,685,500.00	163,880,350.00
Other non-hazardous waste	Kg	240.05	51,000.00	1,172,000.00	56,400,781.00
Non-hazardous waste intensity	Tonne/million square meter	3.11	156.94	45.34	48.76
Water Consumption Indicators					
Total water consumption	Tonne	304,679.27	698,641.60	268,867.02	1,868,184.81
Total water consumption intensity	Tonne/million square meter	8,892.81	22,611.77	2,509.54	413.49
Packaging Material Consumption Indicators					
Packaging material consumption	Kg	N/A	5,748.00 ¹⁴	N/A	N/A
Packaging material consumption intensity	Kg/million square meter	N/A	186.04	N/A	N/A

Social performance indicator					
Category		Unit	2021	2022	2023
Personnel Employment Indicator					
Number of employees		No.	8,862	9,220	7,748
New employees		No.	/	/	1,269
New employees-fresh graduates		No.	/	/	59
Number of employees by gender	Male	No.	4,953	5,184	4,257
	Female	No.	3,909	4,036	3,491
	Male	%	56	56	55
	Female	%	44	44	45

¹⁴ The total amount of packaging boxes consumed in hotel operation.

Social performance indicator					
Category		Unit	2021	2022	2023
Number of employees by age	Under 30	No.	2,160	2,330	1,490
	30-50	No.	5,624	5,820	5,401
	Over 50	No.	1,078	1,070	857
	Under 30	%	24	25	19
	30-50	%	64	63	70
	Over 50	%	12	12	11
Number of employees by employment type	Full-time	No.	8,862	9,220	7,748
	Part-time	No.	0	0	0
	Full-time	%	100	100	100
	Part-time	%	0	0	0
Number of employees by job position	Senior management	No.	/	373	7
	Middle management	No.	/		303
	General staff	No.	/	8,847	7,438
	Senior management	%	/	4	0.1
	Middle management	%	/		3.9
	General staff	%	/	96	96.0
Number of employees by education degree	Master and above	No.	/	/	422
	Bachelor	No.	/	/	2,510
	College	No.	/	/	2,059
	High school and below	No.	/	/	2,757
	Master and above	%	/	/	5.4
	Bachelor	%	/	/	32.4
	College	%	/	/	26.6
	High school and below	%	/	/	35.6

Social performance indicator						
Category		Unit	2021	2022	2023	
Number of employees by region	Headquarters	No.	8,773	9,135	130	
	Yangtze River Delta	No.			1,630	
	Pearl River Delta	No.			1,447	
	Southwest region	No.			1,340	
	Other regions	No.			3,118	
	Hong Kong	No.	89	85	83	
	Headquarter	%	99	99	2	
	Yangtze River Delta	%			21	
	Pearl River Delta	%			19	
	Southwest region	%			17	
	Other regions	%			40	
	Hong Kong	%	1	1	1	
	Number of employees by business type	Real estate development	No.	/	1,851	1,693
		Commercial operation	No.	/	1,456	1,204
Property management		No.	/	5,789	4,720	
Others		No.	/	124	131	
Real estate development		%	/	20	22	
Commercial operation		%	/	16	16	
Property management		%	/	63	61	
Others		%	/	1	2	
Employee Equality and Diversity Indicators						
Number of female employees in management position		No.	/	/	77	
Percentage of female employees in management position		%	/	/	25	
Employment Compliance Indicators						
Employment contract signing rate		%	100	100	100	
Social insurance coverage rate		%	100	100	100	
Employee Turnover Indicators						
Total employees lost		No.	/	/	1,911	
Total employee turnover rate		%	/	28	25	
Employee turnover rate by gender	Male	%	35	28	25	
	Female	%	32	28	25	

Social performance indicator					
Category		Unit	2021	2022	2023
Employee turnover rate by age	Under 30	%	66	46	51
	30-50	%	23	23	17
	Over 50	%	26	20	26
Employee turnover rate by region	Headquarters	%	34	28	8
	Yangtze River Delta	%			18
	Pearl River Delta	%			33
	Southwest region	%			32
	Other regions	%			22
	Hong Kong	%	23	28	28
Employee turnover rate by business type	Real estate development	%	/	10	8
	Commercial operation	%	/	25	27
	Property management	%	/	35	31
	Others	%	/	6	2
Occupational Health and Safety Indicators					
Number of work-related fatalities		No.	0	0	0
Lost days due to work injury		Days	0	849	1,064
Employee health checkups coverage rate		%	/	100	100
Employee Training Indicators					
Total number of employees trained		No.	8,862	8,211	6,971
Total training hours		Hours	541,299	533,929	464,353
Average training hours completed per employee		Hours	61.08	58	60
Percentage of employees trained		%	100	89	90
Total investment in training		RMB	/	/	3,357,855
Average training investment per employee		RMB / No. of people	/	/	433
Percentage of employees trained by gender	Female	%	55.9	56	55
	Male	%	44.1	44	45
Percentage of employees trained by job position	Senior management	%	4.7	5	0.10
	Middle management	%			4.35
	General staff	%	95.3	95	95.55
Average training hours completed per employee by gender	Female	Hours	64	58	60
	Male	Hours	57	58	60
Average training hours completed per employee by job position	Senior management	Hours	69	90	304
	Middle management	Hours			103
	General staff	Hours	60	57	58

Social performance indicator				
Category	Unit	2021	2022	2023
Supplier Indicators				
Total number of suppliers	No.	3,642	3,610	3,197
Yangtze River Delta	No.	3,590	3,563	520
Pearl River Delta	No.			625
Southwest region	No.			457
Other regions	No.			1,413
Hong Kong	No.			51
Overseas regions	No.	1	0	0
Proportion of suppliers passed quality/environment/occupational health and safety management system certification	%	/	/	100
Economic contract fulfillment rate	%	/	/	100
Number of potential suppliers rejected due to non-compliance in shouldering social responsibilities	No.	/	/	0
Number of suppliers suspended from cooperation due to non-compliance in shouldering social responsibilities	No.	/	/	0
Social Investment Indicators				
Number of volunteers	No.	/	1,159	601
Number of employee volunteer services offered	Times	/	683	194
Employee volunteering hours	Hours	/	7,310	1,078.5
Charity and social welfare investment	RMB	/	7,004,000	7,178,000
Poverty alleviation through consumption	RMB		1,442,698	1,327,735.5

Governance Performance Indicators				
Category	Unit	2021	2022	2023
Business Ethics and Anti-corruption				
Number of legal cases regarding corrupt practice	Lawsuits	0	0	0
Number of business ethics and anti-corruption trainings	Times	-	14	14
Number of employees trained on business ethics and anti-corruption trainings	Person-time	-	1,542	2,164
Total training hours of business ethics and anti-corruption trainings -employees	Hours	-	8,724	9,096
Number of business ethics and anti-corruption trainings for board members	Times	-	5	4
Number of board members trained on business ethics and anti-corruption trainings	Person-time	-	15	12
Total training hours of business ethics and anti-corruption trainings -board members	Hours	-	60	48

Appendix III

Index Table of HKEX ESG Reporting Guide

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Protecting Ecosystem to Drive Green Development
KPI A1.1	The types of emissions and respective emissions data.	Key Performance Table
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Table
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Table
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Table
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Green Operation
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Green Development Green Operation
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Protecting Ecosystem to Drive Green Development
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Key Performance Table
KPI A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Key Performance Table
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Green Development Green Operation
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Green Development Green Operation
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Key Performance Table
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Protecting Ecosystem to Drive Green Development
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Development Green Operation

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Tackling Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Tackling Climate Change
B. Social		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Empowering Employee Development
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employee Management
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employee Management
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Key Performance Table
KPI B2.2	Lost days due to work injury.	Key Performance Table
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Management
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Key Performance Table
KPI B3.2	The average training hours completed per employee by gender and employee category.	Key Performance Table
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Employee Management
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employee Management

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Occupational Health and Safety Risk Management
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Responsible Supply Chain
KPI B5.1	Number of suppliers by geographical region.	Responsible Supply Chain
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Responsible Supply Chain
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Responsible Supply Chain
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Responsible Supply Chain
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Ingenious Construction for a Brighter Future
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Group's business operations were not involved in product recalls.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Rights and Interests
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Risk Management
KPI B6.4	Description of quality assurance process and recall procedures.	The Group's business operations were not involved in product recalls.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Customer Rights and Interests
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Risk Management
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Risk Management
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Risk Management

Subject Areas, Aspects, General Disclosures and KPIs		Chapter
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Risk Management
Community		
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Practicing Social Responsibility
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Practicing Social Responsibility
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Practicing Social Responsibility



保利置業集團有限公司

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