

2024  
ESG  
REPORT

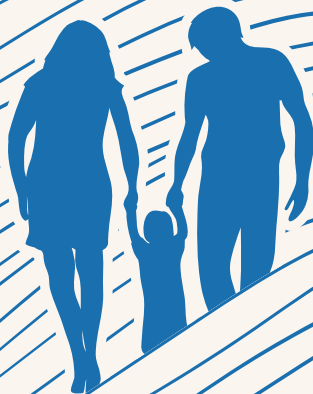
# 佳源服務控股有限公司

JIAYUAN SERVICES HOLDINGS LIMITED

(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)

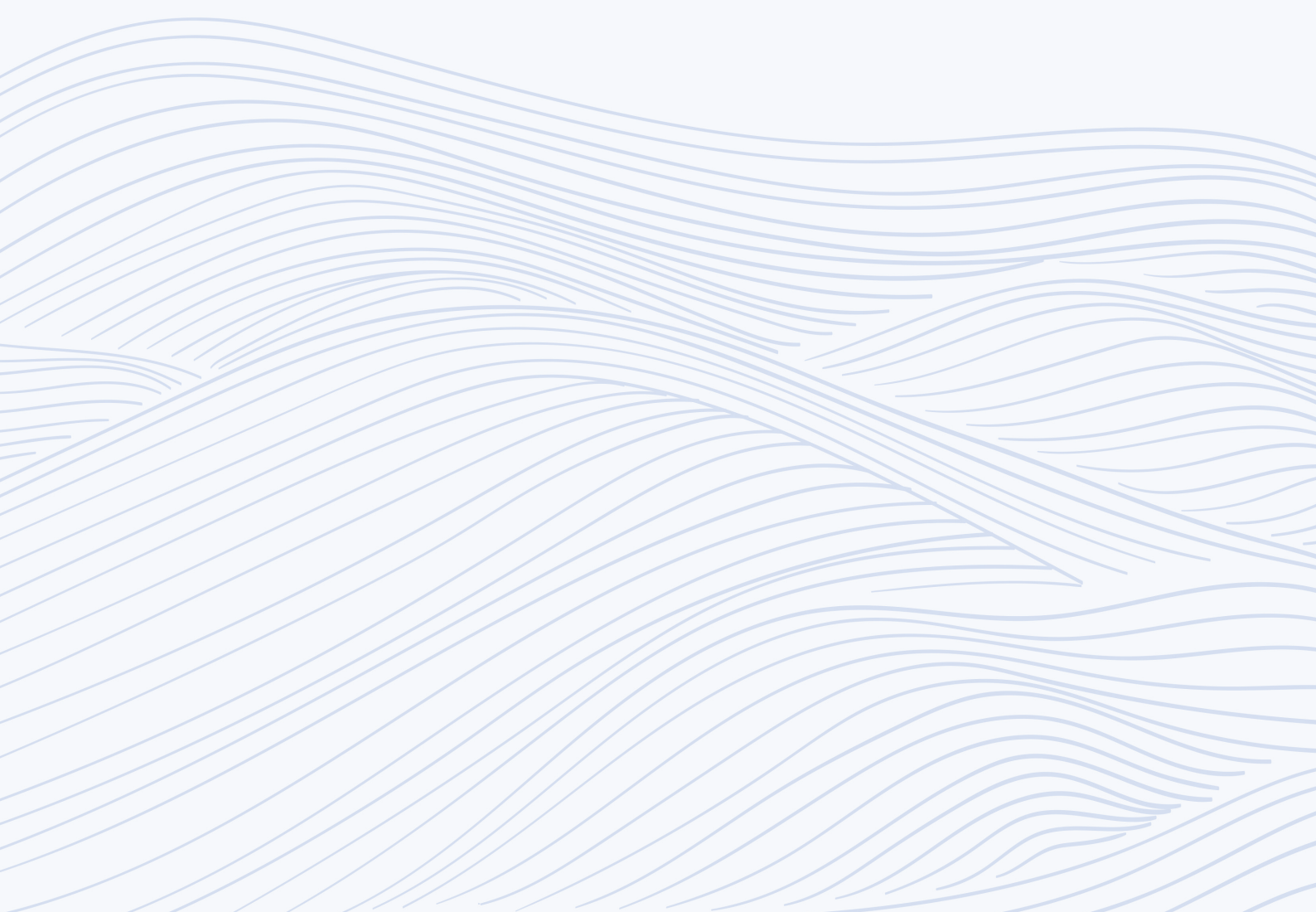
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# JIAYUAN SERVICES



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# ABOUT THE REPORT



This is the fifth Environmental, Social, and Governance (ESG) Report (the “Report”) issued by Jiayuan Services Holdings Limited (the “Company”), together with its subsidiaries (collectively referred to as the “Group”, “we”, or “us”). This report aims to inform stakeholders about the Group’s environmental, social, and governance performance and management approaches for the year 2024 and enhance stakeholders’ understanding of the Group’s sustainable development efforts.

The Board of Directors holds full responsibility for the Group’s environmental, social, and governance strategies and the Report. The Board regularly assesses potential risks of the Group in these areas to ensure the establishment of appropriate risk management and internal control systems. This ensures effective implementation of the Group’s sustainable development strategies and initiatives. The Board of Directors of the Group has reviewed this Report and confirmed the accuracy, truthfulness and completeness of its contents. The Group will continue to evaluate the impact of its core business on environmental, social, and governance aspects and prepare the Report accordingly. The Group has set up a working team that meets regularly to review and evaluate its performance in respect of relevant ESG issues (the “ESG Working Team”).

## REPORTING PRINCIPLE

This Report is centred on four principles:

**Materiality:** Stakeholder engagement and materiality assessment are conducted regularly to identify material ESG issues, and to ensure that these issues are addressed in this Report.

**Quantitative:** Data presented in this Report has been collected prudently. Please refer to the environmental and social performance data for standards and methodologies used for calculation of key performance indicators.

**Balance:** Both positive and negative impacts of the business have been presented in a transparent manner.

**Consistency:** Unless otherwise stated, the disclosures, data collection and calculation methods have remained consistent throughout the years to facilitate comparability over time.

## PREPARATION BASIS AND REPORTING STANDARD

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) under the Appendix C2 to the Rules Governing the Listing of Securities on HKEX and presented in details with tables for the four environmental aspects and eight social aspects. The Board of Directors are responsible for conducting the oversight of ESG-related risks and formulating management direction and strategy to ensure effective risk control measures are adopted by the Group during the process. An internal ESG Working Team has been set up across the Group to collect ESG data and compile the ESG Report.

## REPORTING BOUNDARY AND PERIOD

This Report covers all subsidiaries of the Group in the People’s Republic of China (“China”). Key environmental performance indicators cover all subsidiaries of the Group in Jiaxing City, Zhejiang Province (encompassing five counties and two districts). Unless otherwise specified, this Report covers the Group’s environmental and social performance and related actions for the period from 1 January 2024 to 31 December 2024 (the “Reporting Period” or “the Year”).





### ACCESS TO THE ESG REPORT

The Group's Environmental, Social and Governance Report is available in both Chinese and English. In the event of any discrepancies between the Chinese and English versions, the Chinese version shall prevail. The electronic version of the Report can be accessed on the Group's official website at <http://jy-fw.cn/> or on the HKEXnews website at <http://www.hkex.com.hk>.

### FEEDBACK

The Group is committed to continuously improving its disclosure of information in environmental, social, and governance aspects. Any suggestions and feedback on the content and governance measures in the Report are welcome. If you wish to make any suggestions or offer comments, please reach out to us through the Group's website at <http://jy-fw.cn/>.



# ABOUT JIAYUAN SERVICES



Headquartered in Jiaxing City, Zhejiang Province, Jiayuan Services is a leading provider of comprehensive property management services in the Yangtze River Delta region. With more than 20 years of operations, we have evolved from a leading regional property management service provider to a well-established and integrated property management service provider with a national presence. We have consistently enhanced the quality of our services and have focused on creating a better living environment for property owners. We pay close attention to the needs of our property owners, continuously improving service quality to exceed their expectations.

We uphold and adhere to the service philosophy of “Build A Beautiful Life With Heartfelt Service” (用心服務，共築美好), and have introduced the concept of “Business Close to Life” (經營生活化), so we can comprehensively meet the daily living needs of property owners. At the same time, we consistently improve and optimise our service systems, creating a replicable and scalable service model. Through our “Five Senses Service” approach – hear, touch, sight, smell and taste – we have established a service model centred on the sensory experience of property owners. This model effectively integrates various aspects of property services, setting relevant requirements and standards to create a high-quality living environment for customers. Our outstanding performance in operations and services has been widely recognised and affirmed by all sectors of society.

## ◆ PROPERTY MANAGEMENT SERVICES

We provide a wide range of property management services for property developers and owners, including security, cleaning, landscaping, maintenance, elderly care and childcare, collectively referred to as the “Six Protection Services”. Additionally, we enhance the details of daily living through our “Five Senses Service”.

## ◆ VALUE-ADDED SERVICES TO PROPERTY DEVELOPERS

Unlike traditional property services, we provide comprehensive value-added services to property developers, which include sales management, early stage planning and design consulting, pre-delivery cleaning and inspection, car park sales assistance and other customised services tailored to client needs, such as employee catering services and consignment services, meeting the needs of developers at every stage, from early-stage consulting to post-delivery management.

## ◆ COMMUNITY VALUE-ADDED SERVICES

To enhance the quality of life of customers and meet the diverse needs of property owners, we offer differentiated and customised community value-added services for different age groups, family structures and professions. Our services include home services, public area value-added services, car park rental assistance services and other life-support services.







## HONOURS AND ACCREDITATIONS



No.	Honours Title	Award Date
1	Liu Yunfei was awarded the "Outstanding Enterprise Star" by the Yunling Road Community in Qingdao	December 2024
2	Jinhua Heyue Garden was awarded the "Demonstration Property of the Year 2024" by the Huhaitang Community Party Committee and the Huhaitang Community Residents' Committee	December 2024
3	Siyang Paris City was awarded the "Third Prize of Excellent Member Unit for the Year 2024" by the Siyang County Property Management Association	December 2024
4	Hunan Chamber of Commerce Building was awarded the "Standard 4-Star" rating by the Changsha Business Building Service Rating Committee	December 2024
5	Lujiang Dongfang City was awarded the "Outstanding Property Company of Lujiang County" by the Lujiang County Housing and Urban-Rural Development Bureau	December 2024
6	Qi Guanglian was honoured with the "Best Dedicated Service Award in Property Management for 2023" by the Funan CPC Community Committee of Changshui Street, Nanhu District, Jiaxing City	November 2024
7	Jiaxing Lilac Garden was awarded the "2024 Municipal-Level 'Beautiful Home' Community" by the Jiaxing Municipal Bureau of Housing and Urban-Rural Development	November 2024
8	The Tongxiang branch of Zhejiang Zhixiang Dacheng Property Service Group Co., Ltd. was awarded the "Third Prize in the Tongxiang Property Management Industry Firefighting Skills Contest (Team)" by the Tongxiang Fire Rescue Bureau	November 2024
9	The Tongxiang branch of Zhejiang Zhixiang Dacheng Property Service Group Co., Ltd. was awarded the "Third Prize in the Tongxiang Property Management Industry Firefighting Skills Contest (Fixed Fire Hydrant Water Target Shooting)" by the Tongxiang Fire Rescue Bureau	November 2024
10	Wudi Shangri-La was awarded the "Excellence Award in the Property Service Industry Skills Competition" by the Binzhou Municipal Organization Department	November 2024
11	Lujiang Dongfang City was awarded the "2023 Hemei Community" by the Hefei Municipal Housing Security and Real Estate Administration	November 2024
12	Hangzhou Urban Scenic Garden was awarded the "Good Neighbor, Beneficial to the Community" honour by the Huilongshan Community Residents' Committee	September 2024
13	Kaiyang Panshan Huating was awarded the "Garden-style Residential Area (Unit) in Gui'an of Guiyang for 2024" by the Guiyang Municipal Forestry and Parks Bureau	August 2024
14	Yanhe Binjiang Tianchen was awarded the "Garden-style Residential Area (Unit) in Gui'an of Guiyang for 2024" by the Guiyang Municipal Forestry and Parks Bureau	August 2024





No.	Honours Title	Award Date
15	Yangzhong Wutong Villa was awarded the “Municipal-Level Demonstration Community of 2023” by the Zhenjiang Municipal Housing and Urban-Rural Development Bureau	July 2024
16	Changsha Wangcheng Xinglan was awarded the “Property Service Standard Project” by the Property Management Work Leading Group Office of Wangcheng District, Changsha City	July 2024
17	Suqian Dongya Jiayuan was awarded the “Advanced Grassroots Party Organization in the Entire District” by the CPC Work Committee of the Suqian Economic and Technological Development Zone	June 2024
18	Fengtai Jiayuan City was awarded the “Demonstration Community for Anhui Beautiful Red Property” by the Organization Department of the Fengtai County Committee of the CPC	May 2024
19	Jiaxing Jiayuan Xingzhou Property Service Co., Ltd. was awarded the “Three-Star Property Service Company of 2023 in Pinghu” by the Pinghu Municipal Housing and Urban-Rural Development Bureau	March 2024
20	The Tongxiang branch of Zhejiang Zhixiang Dacheng Property Service Group Co., Ltd. was awarded the “Tongxiang Outstanding Property Service Enterprise of the Year 2023” by Tongxiang Municipal Housing and Urban-Rural Development Bureau	February 2024
21	Jiaxing Jiayuan City was recognised as the “Advanced Collective in Major Event Risk Prevention and Security Work of 2023” by the CPC Party Work Committee of the Streets of Nanhu District, Jiaxing City	February 2024
22	Taixing Youyou Huafu was awarded the “Auspicious and Peaceful Community” by the Xiangtai Community Creation Activity Leadership Team in Taizhou City	February 2024
23	The Property Department of Jiaxing Hongtai Huayuan was awarded the “Advanced Enterprise in Safety Production of 2023” by the Zhou Wangmiao Community	January 2024
24	The Pinghu branch of Zhejiang Zhixiang Dacheng Property Service Group Co., Ltd. was awarded the “Outstanding Member Unit of the Property Service Industry of 2024 in Pinghu” by the Pinghu Property Service Industry Association	January 2024
25	Pan Yajuan was honoured as the “Outstanding Property Service Project Manager of the Year 2024 in Pinghu Property Industry” by the Pinghu Property Service Industry Association	January 2024
26	The Nanchang branch of Shanghai Jiayuan Baoji Property Service Co., Ltd. was awarded the “Three-Star Enterprise of 2023” by the Nanchang Property Management Association	January 2024
27	Jinhua Heyue Garden was awarded the “Model Community of the Year 2024” by the Huhaitang Community Party Committee and the Huhaitang Community Residents’ Committee	January 2024
28	Changsha Yanchuanshan Ecological Park was awarded the “Outstanding Property Management Unit of 2024 for Community Governance” by the CPC General Party Branch Committee of the Xinhua Community, Gaoqiao Street, Yuhua District, Changsha	January 2024





## ESG GOVERNANCE STRUCTURE

To ensure sustainable development, the Group has proactively established an Environmental, Social, and Governance (ESG) framework, concentrating on core ESG areas and integrating the concept of sustainable development into its daily operations, strategic planning and business decision-making. Specifically, the Group has implemented a three-tier governance structure, from the decision-making level to the execution level, so as to effectively and systematically drive ESG practices and nurture long-term values.

### Decision-making Level – the Board of Directors

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



### Supervision and Guidance Level – ESG Working Group

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



### Execution Level – Functional Departments and Subsidiaries

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







## COMMITMENTS AND INITIATIVES FOR SUSTAINABILITY

The Group adheres to the service philosophy of “Build A Beautiful Life With Heartfelt Service”, focusing on providing quality services that meet the needs of property owners and creating delightful surprises for them. Together, we aim to build happy communities characterised by “Healthy Living and Joyful Residences”. We maintain close contact with our stakeholders to understand their concerns and continuously improve the relevant governance practices. We actively promote green property management, constantly optimising and innovating our operational strategies, and investing resources across multiple levels to contribute to sustainable development of society.

ESG Key Fields	Our Contribution and Measures
Quality Service Experience First	<p>The Group places high emphasis on service quality. We have established and continuously improved the service system. By constantly enhancing service quality and optimising customer experience, we provide high-quality services that meet customer expectations.</p> <ul style="list-style-type: none"> <li>• Service quality management</li> <li>• Customer complaint handling</li> <li>• Customer information security and privacy protection</li> </ul>
Valuing Talent Building Future Together	<p>The Group actively promotes a corporate culture of diversity and equality, valuing every employee’s contribution and worth. We strive to create a diverse, equal, and healthy working environment.</p> <ul style="list-style-type: none"> <li>• Equal employment opportunities</li> <li>• Strict prohibition of child labour and forced labour</li> <li>• Employee welfare protection</li> <li>• Occupational health and safety</li> <li>• Employee development and training</li> </ul>
Stable Operations Sustainable Development	<p>The Group is dedicated to building a favourable business environment, continuously improving management methods and governance practices to achieve long-term development.</p> <ul style="list-style-type: none"> <li>• Intellectual property protection</li> <li>• Supplier access and evaluation</li> <li>• Supply chain environmental and social risk management</li> <li>• Improve anti-corruption monitoring systems</li> </ul>
Going Green and Low Carbon Protecting the Environment	<p>The Group has established a comprehensive environmental management system for exploring energy-saving and emission reduction measures, actively responding to climate change risks, and contributing to green social development.</p> <ul style="list-style-type: none"> <li>• Energy conservation</li> <li>• Emissions and waste management</li> <li>• Reduce resource consumption</li> <li>• Address climate change</li> </ul>
Giving Back to Society Passionate for Charity	<p>The Group cares about the society and takes proactive actions, encouraging employees to participate in public welfare and charity, contributing to the construction of a harmonious society.</p> <ul style="list-style-type: none"> <li>• Organise community care activities</li> <li>• Participate in social charity</li> </ul>





## STAKEHOLDERS ENGAGEMENT

The Group's major stakeholders include regulatory authority and government, shareholders and investors, employees, customers and property owners, suppliers and partners, peers and industry organisations, communities, and charitable organisations. We communicate with these stakeholders through various channels to fully understand their demands and expectations, responding to their concerns with practical actions and creating positive environmental and social impacts.

Stakeholders	Demands and Expectations	Main Communication Channels	Communication and Response
<b>Regulatory Authority/ Government</b>	<ul style="list-style-type: none"> <li>Comply with the law</li> <li>Pay taxes in accordance with the law</li> <li>Promote local economic development and employment</li> </ul>	<ul style="list-style-type: none"> <li>On-site inspections and visits</li> <li>Research and discussion through work conferences</li> </ul>	<ul style="list-style-type: none"> <li>Operate in compliance with the law</li> <li>Pay taxes on time and in full</li> <li>Create more job opportunities</li> </ul>
<b>Shareholders/ Investors</b>	<ul style="list-style-type: none"> <li>Low-risk and reasonable return on investments</li> <li>Information disclosure and transparency</li> <li>Protection of interests of shareholders</li> </ul>	<ul style="list-style-type: none"> <li>Annual general meetings</li> <li>Annual reports and interim reports</li> <li>The Group's official website</li> <li>Announcements</li> </ul>	<ul style="list-style-type: none"> <li>Disclose the Group's information in accordance with the law</li> <li>Hold general meetings</li> <li>Organise investing activities</li> <li>Enhance profitability</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Safeguard the rights and interests of employees</li> <li>Employee benefits</li> <li>Safe working environment</li> <li>Career development opportunities</li> <li>Achieve personal value</li> </ul>	<ul style="list-style-type: none"> <li>Internal conferences, communication and discussion</li> <li>Training and seminars</li> <li>The Group's policies and announcements</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen health and safety management</li> <li>Provide a platform for development</li> <li>Develop a fair mechanism for promotion</li> <li>Care about employees</li> <li>Organise team building activities</li> </ul>





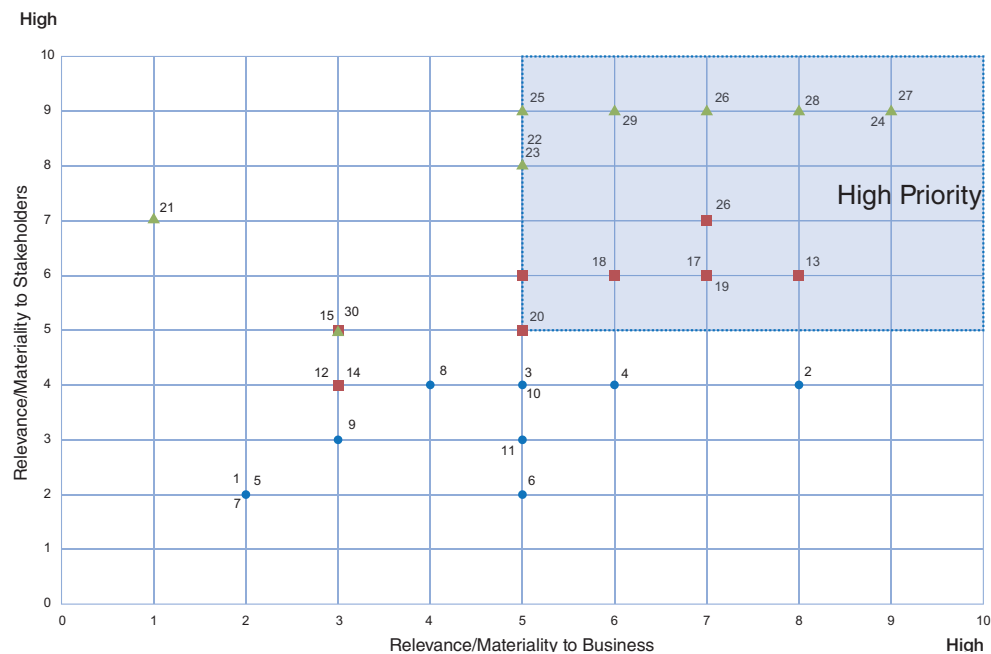
Stakeholders	Demands and Expectations	Main Communication Channels	Communication and Response
Customers/ Property Owners	<ul style="list-style-type: none"> <li>• Service quality</li> <li>• Information and privacy security</li> <li>• Integrity in operations</li> </ul>	<ul style="list-style-type: none"> <li>• Customer satisfaction survey</li> <li>• Regular meetings</li> <li>• 400 hotlines and emails</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen quality management</li> <li>• Improve communication channels</li> <li>• Optimise management mechanisms</li> <li>• Upgrade product system</li> </ul>
Suppliers/Partners	<ul style="list-style-type: none"> <li>• Mutual development</li> <li>• Honest cooperation</li> <li>• Business ethics</li> </ul>	<ul style="list-style-type: none"> <li>• Business meetings and exchange meetings</li> <li>• Qualification audits</li> <li>• Regular assessments</li> </ul>	<ul style="list-style-type: none"> <li>• Improve management policies</li> <li>• Establish a communication platform</li> </ul>
Peer/Industry Associations	<ul style="list-style-type: none"> <li>• Cooperation and experience sharing</li> <li>• Fair competition</li> <li>• Development of the industry</li> </ul>	<ul style="list-style-type: none"> <li>• Industrial seminars</li> <li>• Site visits</li> </ul>	<ul style="list-style-type: none"> <li>• Stick to fair competition</li> <li>• Achieve win-win results</li> <li>• Share experience of sustainable development</li> </ul>
Communities/Charitable Organisations	<ul style="list-style-type: none"> <li>• Community engagement</li> <li>• Job opportunities</li> <li>• Environmental protection</li> <li>• Harmonious development</li> </ul>	<ul style="list-style-type: none"> <li>• Charitable donations</li> <li>• Charitable activities</li> <li>• Community services</li> </ul>	<ul style="list-style-type: none"> <li>• Organise volunteer services</li> <li>• Promote the development of community culture</li> <li>• Care about underprivileged groups</li> </ul>





## MATERIALITY ASSESSMENT

To ensure that the ESG Report includes material topics relevant to the Group's business and operations, stakeholders have participated in survey, in which views from various stakeholders have been included and analysed. ESG issues with higher ranking were considered as material matters. The Group's assessment of the materiality of the ESG-related issues are set out below:



Environmental Aspect	Social Aspect	Operation Aspect
1. Greenhouse Gas Emissions	12. Community Contribution	21. Anti-Corruption
2. Energy Consumption and Resource Management	13. Occupational Health and Safety	22. Supply Chain Management
3. Water Resource Management	14. Child Labour	23. Supplier Evaluation and Selection
4. Waste Management	15. Forced and Compulsory Labour	24. Customer Service and Satisfaction
5. Packaging Material Usage	16. Training and Development	25. Customer Privacy
6. Environmental Impact	17. Compensation and Employee Benefits	26. Handling of Feedback and Complaints
7. Climate Change	18. Diversity and Equal Opportunities	27. Product Health and Safety
8. Supplier Environmental Risks	19. Talent Attraction and Retention	28. Product and Service Labeling
9. Environmental Protection	20. Promotion of Local Employment	29. Protection of Intellectual Property
10. Generation of Hazardous Waste		30. Marketing
11. Generation of Non-Hazardous Waste		

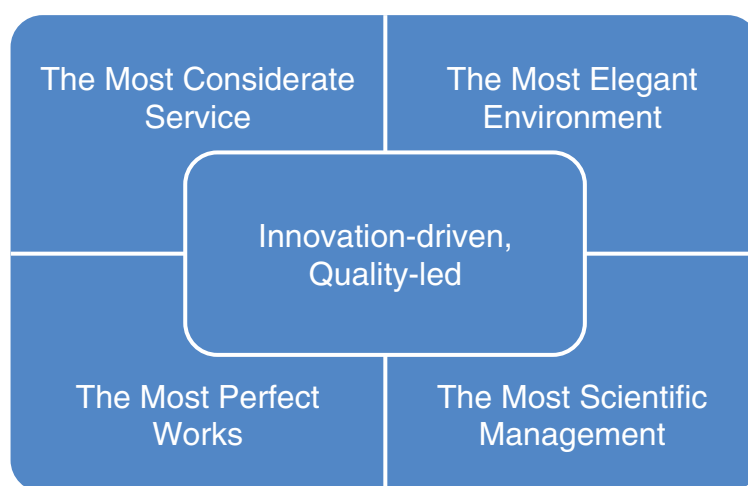




## Quality Goals

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

The Group adheres to the principle of “Innovation-driven, Quality-led”, and practices the service principle of “Providing Heartfelt Service to Co-create a Better Future”. We are committed to creating a “Most Considerate Service, Most Elegant Environment, Most Perfect Works, and Most Scientific Management” livable community. Our goal is to make our property owners feel satisfied. We have established and continuously optimised our service system to maintain high-quality service. We also constantly improve our project quality management and complaint handling processes to understand the needs of the property owners and protect their rights and interests. We provide an array of community services and organise community cultural activities, hoping to respond to the needs of property owners with warm service, co-build a harmonious and prosperous community, and rediscover the value of urban living.



## QUALITY MANAGEMENT SYSTEM

We are committed to providing comprehensive and meticulously crafted professional services, ensuring property owners receive a convenient, reliable and high-quality service experience. The Group’s mission is to create a livable, healthy, and happy community. By incorporating smart technology, we have innovated our service model, transforming from traditional property-based basic services to a new integrated modern community service. We have created the “Jiayou Life” service system, covering three major aspects: Liveable Yue Home, Sweet and Safe Home and Healthy and Happy Home.







## “Jiayou Life” Service System

Liveable  
Yue Home

Sweet and Safe Home

Healthy and  
Happy Home

“Six Guaranteed  
Butler Services”

“Lingxian Wuyou”  
Community  
Market

“Mi Dao”  
Restaurants

“Jia Jia Bang”  
Home Delivery  
Service

Sports day,  
Talent Show and  
Thanksgiving season  
and other activities  
for property owners

To further enhance service quality, the Group has independently developed the “528 Flow Line System”, strictly controlling the quality of each property service link and comprehensively optimising the property owners’ auditory, tactile, visual, olfactory, and gustatory sensory experiences.



This Year, the Group has focused on the “Protect Children” and “Protect the Elderly” aspects of the “Six Guarantees Butler services”. We have launched the “Hundred Group Battle” community operations implementation plan, establishing different themed interest groups to build close-knit community connections and stimulate community vitality.





### QUALITY CONTROL

Upholding the core value of “Quality Creates the Future”, the Group exercises strict quality control over projects through internal policies and regulations such as the Project Site Work Quality Inspection Standard (《項目現場工作品質檢查標準》). To ensure project quality, we have developed product system documents covering product quality standards, standard compliance inspection scorecards, and on-site quality inspections for various projects, along with inspection and evaluation practices. These policies and regulations have continuously improved the quality of our services to individual projects.

The Group’s regular project inspection process is as follows:

1. The Quality Operation Center leads the inspection team to conduct quality inspection of the projects under management on a quarterly basis.  
.....
2. The inspection team evaluates the on-site work of the delivery project on two major dimensions: internal affairs management and on-site management, and holds meetings and discussions with the project manager and key staff of each project on the problems found during the inspection, analyses the root causes of the problems, and proposes corresponding rectification and improvement measures and rectification deadlines.  
.....
3. For projects with serious quality failures or many problems, the inspection team can carry out on-site systematic training or operational exercises to help improve their management quality.  
.....
4. The inspection team closely follows up on the subsequent rectification of the inspected projects and urges the project staff to implement the enhancement measures as soon as possible.  
.....

In addition to regular inspections, the Group also conducts unscheduled quality spot checks using methods like video verification, undercover visits, and commissioned cross-inspections by other companies, in order to strictly control project quality. For residential project deliveries, our Residential Delivery Project Site Work Quality Inspection Scorecard (《住宅交付項目現場工作品質檢查評分表》) covers 36 assessment items including office environment, quality inspection, and security management. Based on the established scoring standards, we identify and improve any deficiencies to ensure we provide customers with high-quality residential services.

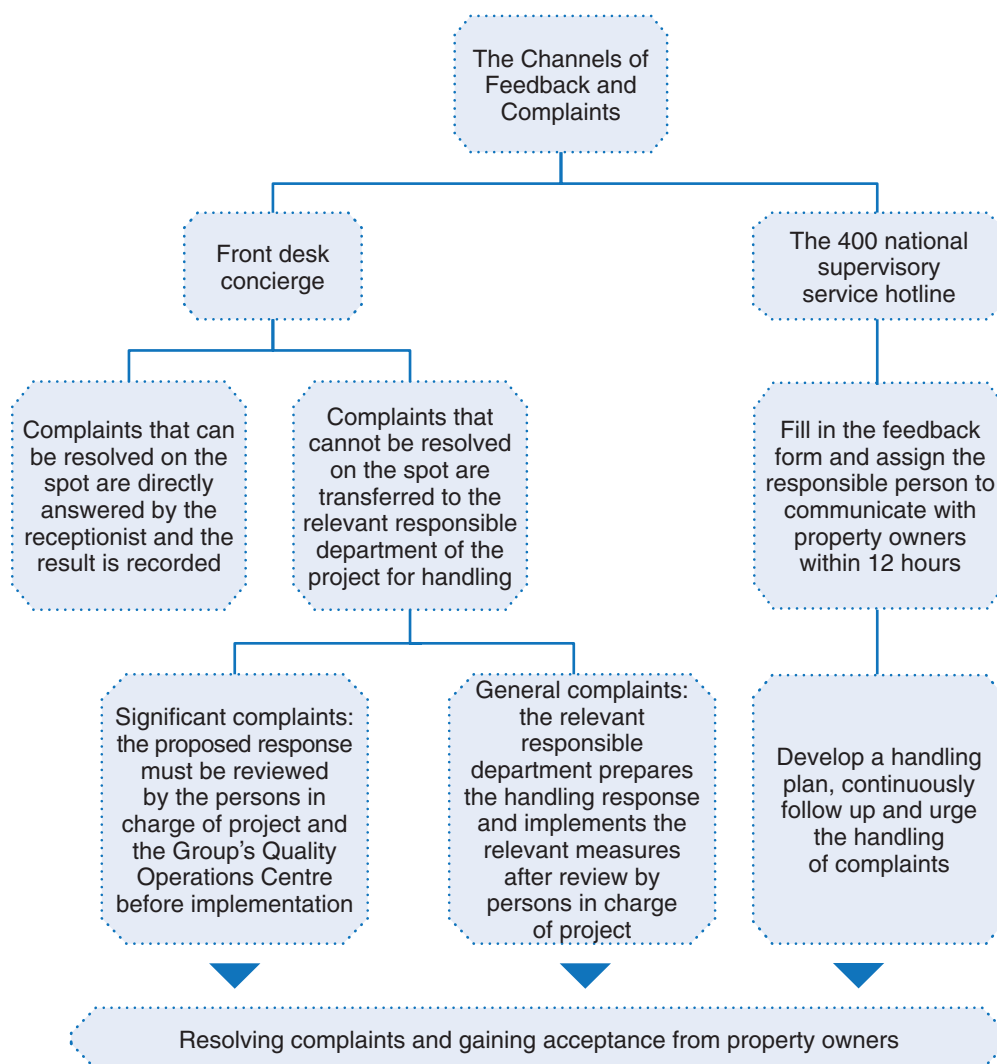
The core business of the Group does not involve safety and health risks. Therefore, this Year, the Group has not recalled any products due to quality or safety issues.





## CUSTOMER COMPLAINT MECHANISM AND CUSTOMER SATISFACTION

The Group has always regarded property owners as important stakeholders in its journey toward sustainable development. We care about their experiences and feedback and are committed to meeting their needs and providing high-quality services. We continuously optimise our property owner complaint management mechanism, property owners can provide feedback and file complaints by directly contacting the front desk concierge or calling our 400 national supervisory service hotline. The responsible departments handle the complaints according to the established process and provide timely updates to project managers and property owners. After the complaint is resolved, we arrange personnel to follow up with the property owners to confirm their satisfaction with the handling of the complaint, truly safeguarding their interests. Our property owner feedback and complaint handling process is as follows:



Additionally, the Group regularly conducts property owner satisfaction surveys and evaluates the handling of property owner feedback and complaints, summarising problems that have risen in each link of the complaint handling process for further improvement. Through special discussion meetings, we develop improvement plans based on the issues reflected in the satisfaction surveys. After the improvements are completed, dedicated personnel provide feedback to the property owners and invite them to verify the results. The Group also strictly





carries out Group-level daily/weekly/monthly inspections and “7+1” self-inspection, as per requirements stipulated. Based on product quality standards such as the 528 Flow System (《528動線體系》), 3546565 Product System (《3546565產品體系》), and 3339393 Perception System (《3339393感知體系》), we proactively identify on-site shortcomings from the property owner’s perspective and complete rectification within the Group’s required timeframe. For complaints involving service attitude issues or improper handling, the responsible parties are penalised by way of fines and serious cases even result in disciplinary actions such as demerit or demotion. For projects with a higher concentration of complaints, the Group urges the responsible departments to summarise and analyse the issues and propose optimisation solutions.

During the Year, the Group conducted property owner satisfaction surveys for 133 projects, covering 97,760 households, with an overall average satisfaction score of 85.22%.

## CUSTOMER PRIVACY PROTECTION

The Group places high priority on customer information security and privacy protection. We have strictly implemented the information security and privacy protection measures and obtained ISO/IEC 27001:2013 certification to ensure that the collection, storage, and use of customer information comply with relevant laws, regulations and the Group’s policies. We have published the Information Security Management Handbook (《信息安全管理手冊》) and established an Information Security Management Group to build, implement, operate and maintain an information security management system that meets the requirements of customers, relevant parties and laws and regulations, effectively controlling information security business risks.

We regularly conduct information security risk assessments to ensure continuous and reliable operations of our business systems. Through our Information Security Risk Management Procedure (《信息安全風險管理程序》), we identify and control information security risks, and our Human Resources and Administration Centre has developed the Information Security Risk Treatment Plan (《信息安全風險處理計劃》) based on the risk assessment to promptly address and control the relevant risks. Meanwhile, our IT department is responsible for regularly validating the property management system, testing password and login authorisation, login auditing, data backup and recovery procedures, as well as checking and upgrading antivirus software to detect intruding viruses in a timely manner to secure system data.

To ensure that the collected data are used solely for providing customer services, we continuously optimise the management of paper and electronic files, standardising the file storage procedures. We require all paper files to be stored in the file room, to be managed by designated personnel, with access only granted after approval from the project manager and the customer. Electronic files containing personal information such as names and addresses are all entered into the property management system and encrypted, while passwords are managed by the custodian, position supervisor and project manager. The Group also signs Non-Disclosure Agreements (《保密協議》) with all employees to prevent illegal use, leakage, or sale of customer information. We regularly conduct information security education and training programmes to strengthen employees’ awareness of the importance of information security, ensuring effective implementation of information security management measures and preventing any form of customer information leakage.



Information Security Management System Certification



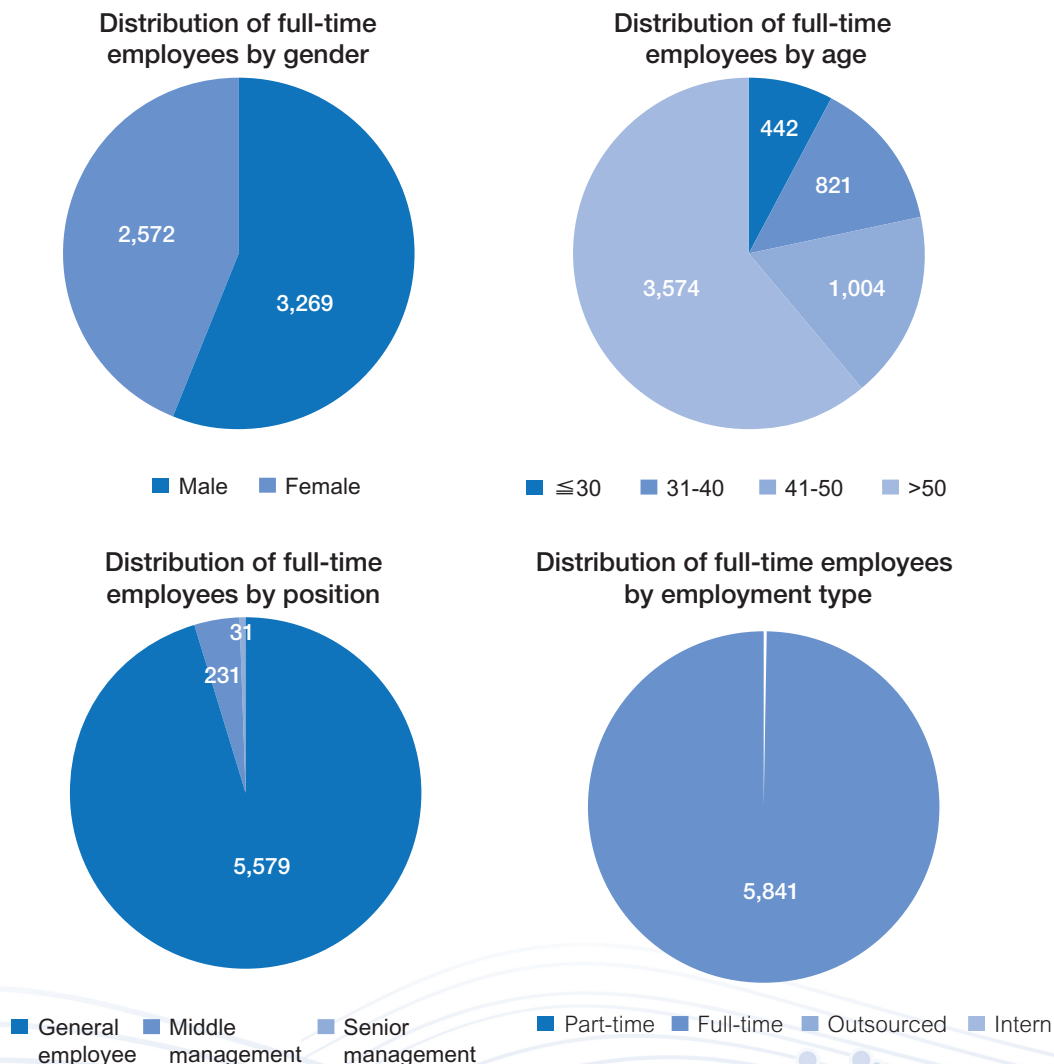


The Group understands that employees are an important driving force for the long-term development of the enterprise. We strictly comply with the Labour Law of the People's Republic of China 《中華人民共和國勞動法》, the Labour Contract Law of the People's Republic of China 《中華人民共和國勞動合同法》 and other national and local laws and regulations on employment and labour management, and regard these laws and regulations as the basic principle in our operations and management. We formulate internal systems and policies including the Work Standards of the Group 《集團工作標準》, the Standards on Remuneration and Benefits 《薪酬福利工作標準》, the Related Standards on Remuneration Grades 《薪酬等級相關標準》, the Employee Handbook 《僱員手冊》 and the Regulations on Employee Relations Management 《員工關係管理規定》 to further protect legitimate rights and interests of employees. We are continuously improving relevant governance measures and remain committed to creating a diverse, equal, and healthy work environment for our employees.

## EMPLOYEE COMPOSITION

As of 31 December 2024, the Group had 5,841 full-time employees (no part-time or temporary employees) and 820 outsourced employees. There were 3,269 (approximately 56%) full time male employees and 2,572 (approximately 44%) full-time female employees. Of all employees, 8% were under 30, 14% were aged 31-40, 17% were aged 41-50 and 61% were aged above 50. General employees accounted for approximately 95% of the total full-time workforce, middle management personnel accounted for approximately 4% of the total full-time workforce, and senior management accounted for approximately 1% of the total full-time workforce.

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







### EMPLOYEE RECRUITMENT

The Group commits to creating a compliant, fair, diverse, and inclusive work environment. We have established standardised employment management practices to regulate the recruitment and hiring processes based on the principles of openness, fairness, competition and meritocracy when recruiting talents. We match candidates reasonably based on their characteristics and job requirements. Our Regulations on Employee Relations Management (《員工關係管理規定》) specify the processes and requirements for internal recruitment, hiring, probation, record-keeping, and resignation. In addition, we have established an internal talent pool to assess available human resources, understand personnel needs and combine department-specific staffing standards to formulate the Group's Annual Staff Recruitment Plan (《年度員工招聘計劃》). We use various channels for internal and external recruitment, including internal job posting, recommendations from external talent agencies, social and campus job fairs, and online platforms, to attract potential candidates with diverse cultural backgrounds and unique abilities.

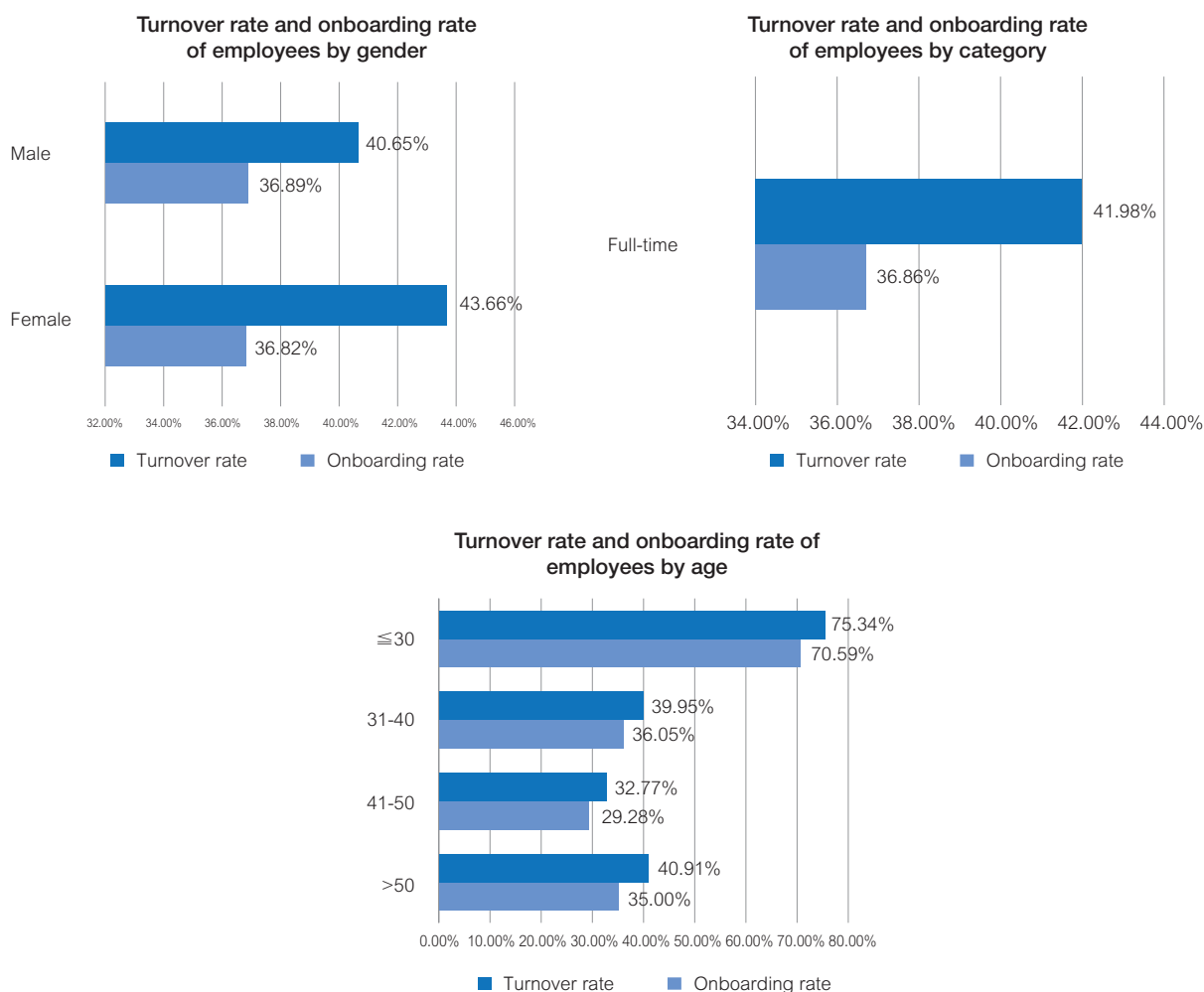
Stages of the external recruitment process of the Group:

Issuing job posting	<ul style="list-style-type: none"> <li>The human resources department publishes information of job vacancies on recruitment websites, social media, offline job fairs and other channels according to the needs of different departments.</li> </ul>
Screening resumes	<ul style="list-style-type: none"> <li>The human resources department is responsible for reviewing the resumes and relevant information of job seekers according to the requirements of the position, and establishing an external talent pool based on the information collected from job seekers, classified by standard graduates and those with work experience.</li> </ul>
Interviews	<ul style="list-style-type: none"> <li>Interviews are conducted in three rounds and are carried out jointly by the human resources department and the manager of the department to which the position belongs, and candidates are selected according to the Group's standardised evaluation criteria.</li> </ul>
Competency assessment	<ul style="list-style-type: none"> <li>We abide by the principle of "pay based on the position and individual competency", examine the qualifications of the candidates, determine their positions and salaries, and conduct background checks on candidates for key positions to ensure that the information on the relevant candidates is correct.</li> </ul>





During the Year, the Group hired 2,153 new employees. The Group's overall employee turnover rate for the year was 41.97%<sup>(Note 1)</sup> and the employee onboarding rate was 33.97%<sup>(Note 2)</sup>. The turnover rate and onboarding rate of each category of employees<sup>(Note 3)</sup> were as follows:



Note 1: The overall employee turnover rate for the Year is calculated as: Total number of departed employees (including full-time, part-time and interns)/Total number of employees (including full-time, part-time and interns) at the end of the year.

Note 2: The overall employee onboarding rate for the Year is calculated as: Total number of onboarded employees (including full-time, part-time and interns)/Total number of employees (including full-time, part-time and interns) at the end of the year.

Note 3: The turnover rate and onboarding rate of each category of employees for the Year are calculated as: Total number of employees (lost or onboarded) in that category/Total number of employees (including full-time, part-time and interns) in that category at the end of the year.





### EMPLOYEE'S RIGHTS AND INTERESTS

The Group upholds the principles of fair and just employment and opposes any discrimination based on gender, age, region, educational background, religious beliefs, or sexual orientation. We are committed to ensuring that every employee has equal opportunities and respect. All employees are entitled to statutory holidays, annual leave, sick leave, marriage leave, maternity leave, and other benefits.

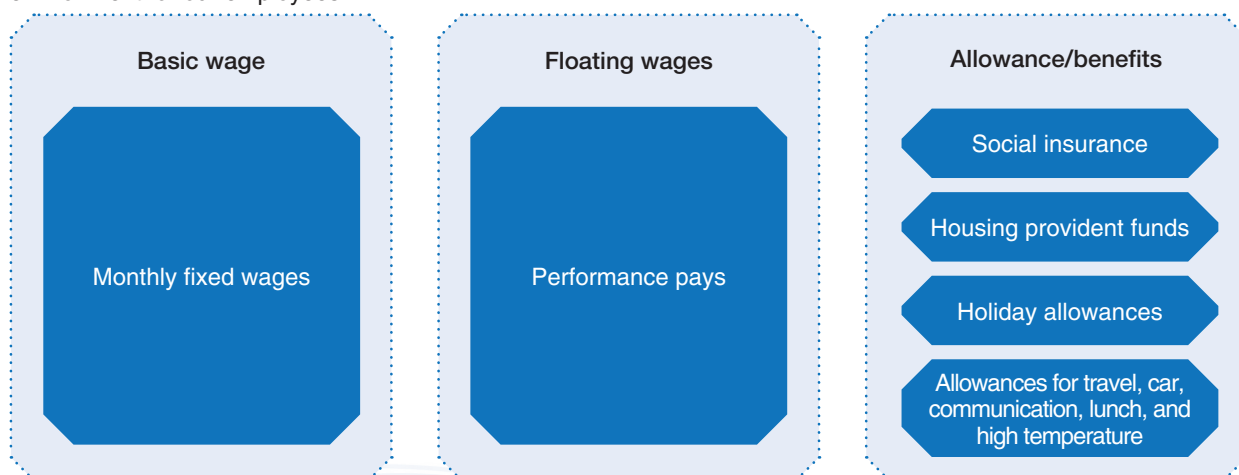
The Group strictly adheres to relevant laws and regulations such as the Labour Law of the People's Republic of China (《中華人民共和國勞動法》) and Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》). During the recruitment process, we verify and keep records of age of employees to ensure compliance with legal requirements. We also strictly prohibit any form of forced labour, uphold moral and legal standards, and prevent any incidents related to employment of child labour or forced labour. If any violations are found, the Group takes immediate remedial measures and monitors implementation of relevant solutions.

During the Year, we did not have any issues related to employment of child labour or forced labour.

### REMUNERATION AND BENEFITS

The Group values human care and employee welfare. We have established a fair and transparent compensation and benefits system, clearly defining the requirements for distribution of compensation and benefits, as well as performance evaluation criteria. Additionally, we have defined the employee welfare system in documents such as the Work Standards of the Group (《集團工作標準》), the Standards on Remuneration and Benefits (《薪酬福利工作標準》) and the Related Standards on Remuneration Grades (《薪酬等級相關標準》) to ensure fairness and reasonableness.

We timely and fully distribute the basic salary to our employees, and handle their social insurance and housing provident fund accounts, ensuring monthly payments of relevant fees in accordance with legal requirements. Additionally, we have established attractive incentive mechanisms, including overtime allowances, performance bonuses, and other rewards. We also provide substantial living assistance, such as occupational equipment, meal allowances, accommodation arrangements, and transportation subsidies, covering various aspects of employees' "clothing, food, housing, and transportation" needs. This is aimed at creating a more comfortable working environment for our employees.





## EMPLOYEE CARE

The Group listens to employees' voices through various channels to address the issues they face, enhance their sense of identity, belonging and trust in the Group, and strengthen internal cohesion. Employee communication channels include but are not limited to surveys, written interviews, and face-to-face communication. These channels aim to actively listen to employees' opinions and needs and strive to better understand their thoughts and feelings, and take timely measures accordingly.

In addition, we also provide channels such as caring hotlines and complaint emails to support employees in expressing their opinions. We highly value such feedback and actively follow up to address relevant issues. Furthermore, we continuously improve internal management regulations and ensure effective implementation of the corresponding measures through follow-up visits. Through these caring and communication measures, we are committed to creating a caring and trusting work environment where employees feel valued and supported, thus boosting their motivation and creativity. We believe that through these efforts, we can promote the growth and development of employees and drive the long-term progress of the Group.

## OCCUPATIONAL HEALTH AND SAFETY



### Goals of Occupational Safety and Health

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

We adhere to the principles of "people-oriented, life first; prevention-oriented, enhancing training; full attention, and timely handling". The Group is committed to providing a safe and healthy work environment for all its employees and strictly complies with national and local laws and regulations, such as the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》), the Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), and Fire Control Law of the People's Republic of China (《中華人民共和國消防法》). It follows national standards such as the Requirements and Guidelines for Occupational Health and Safety Management System (GB/T 45001-2020) (《職業健康安全管理体系要求及使用指南》) (GB/T 45001-2020), continuously improving relevant governance measures to effectively safeguard employee health.





The Group has formulated the Employee Safety Management Standard (《員工安全管理工作標準》), which details the division of responsibilities for safety management, classification of safety incidents and the corresponding handling methods, and specifies the corresponding objectives and management plans. Through measures such as strengthening safety education, organising annual occupational health check-ups and regular inspection of equipment and facilities, the Group strives to enhance employees' occupational health and safety awareness and reduce the likelihood of accidents. In addition, the Group has obtained ISO 22000 food safety management system certification to ensure that the food provided to employees in the canteen meets the safety standards.

Safety Check	Incident Review	Publicity and Training
<ul style="list-style-type: none"> <li>Conduct regularly safety inspections of the office premises to ensure that fire safety equipment and other safety facilities are functioning properly, thereby preventing potential safety hazards.</li> </ul>	<ul style="list-style-type: none"> <li>Review the causes of safety incidents, record injuries and illness of staff, relocate injured staff properly, calm their families, pay compensation and convey condolences; follow up the implementation of remedial work. If there is incomplete investigation of the causes of the incident and inadequate implementation of the remedial work, the responsible person is punished seriously.</li> </ul>	<ul style="list-style-type: none"> <li>Post safety tips and safety notices in the office area; hold regular fire drills and fire safety training for all staff, as well as fraud and pandemic prevention training to raise staff awareness of personal and property safety.</li> </ul>

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

Human Resources and Administration Centre of the Group	<ul style="list-style-type: none"> <li>Responsible for developing and improving employee safety management standards;</li> </ul>
	<ul style="list-style-type: none"> <li>Responsible for safety education of the staff of the headquarters, and supervising and checking the management of staff safety incident</li> </ul>
Corporate Human Resources and Administration Department	<ul style="list-style-type: none"> <li>Follow work standards issued by the Group regarding the handling of employee safety incidents in disciplined manner;</li> </ul>
	<ul style="list-style-type: none"> <li>Responsible for safety of the enterprise's employees, timely reporting of employee accidents, and participation in the investigation and handling of accidents</li> </ul>







Performance Indicator of Occupational Safety and Health	2022	2023	2024
Number of work-related deaths (persons)	0	0	0
Work-related death rate <sup>(Note 1)</sup> (%)	0	0	0
Number of working days lost due to work-related injuries <sup>(Note 2)</sup> (days)	3,142	2,867	1,718

Note 1 The ratio of work-related deaths is calculated as: Number of work-related deaths/total number of employees

Note 2 The scope of this indicator was within all projects in China.

## EMPLOYEE DEVELOPMENT AND TRAINING

The Group believes that diverse training programmes can help employees enhance their skills and knowledge levels, promoting both personal and professional development. For a long time, we have implemented a talent strategy that prioritises internal training while supplementing with external recruitment, striving to provide our employees with abundant professional skills training and career advancement opportunities.

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

### Fresh Graduates

- Train them with professional instructors and arrange multi-departmental job rotations to guide them to a suitable direction and development path based on a combination of factors such as their performance on the job, opinions of their departmental leaders and opinions of their instructors.

### Outstanding Employees

- The Human Resources and Administration Centre of the Group regularly conducts talent check, selects outstanding employees as key training targets, and provides them with diversified training such as theoretical knowledge training, job rotation exercise and personalised counseling by instructors to help them become business or management talents.

### Management Personnel

- Pay attention to their on-the-job performance, formulate individualised training plans based on performance evaluation and assign mentors to enhance their management and leadership abilities through training, with the aim of creating a management team with strong working ability and high quality.





The Group has been committed to continuously optimising its training mechanisms and improving its training curriculum. We emphasise standardised training content and invest in diverse training programmes and resources to enhance the professional quality and capabilities of all employees in the Group. In 2024, in response to the needs of product system development, we added training content related to the product system series. Throughout the Year, both the Group and its enterprises conducted product-focused training, including seven courses specifically designed for newly promoted project leaders. The Group constantly reviews and updates the curriculum for employee training, providing various training courses to help employees understand the Group's culture, enrich their business knowledge, enhance practical skills, and improve their business capabilities.

Staff Training System	
<b>"Yuan Power" training programme</b>	We provide fresh graduates with special training covering general knowledge about the property management industry, corporate culture of the Group and customer service to help them get into work quickly with a combination of theory and practice.
<b>Orientation training programme</b>	We target our orientation training for new joiners by providing a week of onboarding training, covering the history of the Group, its corporate culture, organisational structure, management system, and job responsibilities to assist new employees in familiarising themselves with the working environment and integrating quickly into their new roles.
<b>On-the-job training programme</b>	We provide service, communication, and management training courses for staff in management positions to improve their customer communication, problem handling and team management skills.
<b>Reserve personnel training programme</b>	We offer courses in leadership development, management skills enhancement, team building, budget management and investment development to reserve cadres to prepare them for subsequent promotions.
<b>Promotion training programme</b>	We enhance business and management skills of the management cadres through pre-promotion and post-promotion training. We provide business knowledge training to cadres before promotion to help them adapt quickly to the position, and offer operation and management related courses after promotion to help them handle their daily management work efficiently.
<b>Product system series training programme</b>	Through product-focused training courses, we standardise service processes, improve employee service levels, and enhance the overall service quality of the Group.





## Case

### Training Programme of “Capability Training Camp”

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



During the Year, the Group provided training for a total of 197,246.25 hours to its employees (33.77 hours per capita), covering all full-time employees.

The specific training hours are as follows:

Overall Training Hours Per Capita	
Total training hours for all employees (hours) <sup>(Note 1)</sup>	197,246.25
Training hours per capita (hours)	33.77
By Gender	
Male (hours)	34.63
Female (hours)	32.67
By Category	
Full-time (hours)	33.77
By Job Position	
Senior employee (hours)	72.00
Middle employee (hours)	96.00
General employee (hours)	27.01

Note 1 The number of training hours per capita is calculated as: Total training hours for all employees/Total number of employees.





This Year, a total of 36 excellent employees were promoted to project managers through various development paths.





While pursuing business success, the Group attaches due importance to its corporate responsibility and mission also. We adhere to principles of integrity and transparency in operations, focus on sustainability of the supply chain, and emphasise management practices in respect of anti-corruption, intellectual property rights, and marketing, to create a trustworthy and reliable business environment.

## SUPPLY CHAIN MANAGEMENT

Good supply chain management is an important part of the Group's long-term development. In accordance with relevant laws and regulations, the Group has established an open, transparent, and competitive supply chain management system, standardised the supplier access and evaluation process, and manages the environmental and social risks related to the supply chain to promote its sustainability. The Group places particular emphasis on selecting partners when developing the supply chain. Our supply chain is made up of subcontractors who provide community services such as elevator and fire system maintenance, gardening, and waste management. The Group leads and strictly enforces the selection, daily management, and performance evaluation of subcontractors. During this process, each subsidiary plays a supportive role, ensuring smooth operations and providing necessary assistance. We prioritise working with suppliers who align with our values and meet environmental and social requirements. This approach promotes long-term stability in the supply chain, continuous improvement in quality control, and adherence to the principles of sustainable development.

### Supplier Access Process

The Group adheres to the fundamental principles of fairness and impartiality and regularly reviews and updates the list of subcontractors through recommendation by subsidiaries and approval by the Group. On this basis, subcontractors' qualifications are assessed through strict evaluation criteria to ensure the quality of their work.

Before initiating the supplier access process, the Group searches for potential suppliers and distributes the Supplier Information Registration Form (《供方信息登記表》) to the selected candidates. This process ensures that at least three suppliers of each professional type are considered. This selection is based on the Subcontractor Recommendation Form (《分包商推薦表》) submitted by the Group's subsidiaries. The suppliers are required to complete the form and provide necessary attachments, with minor supplies being the only exception.







After receiving feedback from suppliers, the Group conducts an initial review of the access process. If the Supplier Information Registration Form (《供方信息登記表》) and all supporting documents meet the requirements, a thorough inspection of the interested suppliers who pass the initial review is conducted, evaluating associated environmental and social risks based on required standards. This assessment covers aspects such as the supplier's organisational structure, pricing policies, project execution, operational practices, and service quality. We also consider their performance in environmental protection, occupational health and safety, anti-corruption measures, and other management practices to evaluate potential environmental and social risks. In addition, we place emphasis on overseeing the safety of subcontractors' maintenance and repair personnel, ensuring proper and effective use of safety equipment.

Following the inspection, the Group prepares the Supplier Inspection Report (《供方考察報告》) and makes initial recommendations. Approved suppliers are then added to the Corporate Qualified Supplier Database (《企業合格供方資源庫》), and their bids are evaluated based on criteria such as comprehensive services, industry reputation, and previous collaboration performance. Subcontractors with environmental certifications are given preference. During the Year, all 404 of the Group's major suppliers were sourced from Mainland China.

### Supplier Risk Assessment and Management

The Group has a comprehensive monitoring and evaluation system for subcontractors to ensure systematic management. We consistently monitor subcontractors' performance across various areas, including production processes, occupational safety, environmental protection, and social responsibilities. Assessments and evaluations are conducted regularly, monthly, and annually to identify and manage supplier-related risks, thereby avoiding or mitigating potential negative impacts.

Each subsidiary of the Group appoints dedicated personnel to oversee the daily activities of subcontractors, monitor their maintenance processes and outcomes, and document the relevant data for review. In addition, the Group frequently updates the list of subcontractors, reassessing their service quality. Subcontractors that do not provide services for over two years, ignore the Group's review requests, breach laws or business ethics, or engage in any misconduct that harms the Group's reputation or violates employee rights are removed from the list. For subcontractors who consistently fail assessments or are unable to complete corrections on time, the Group has the right to unilaterally terminate the contract. In case of initial quality issues with supplier materials, a written report must be submitted to the Business Operations Management/Human Resources and Administration Department for feedback. Following verification by the Business Operations Management/Human Resources and Administration Department, corrective measures are determined. Should quality problems persist, the supplier's qualification may be revoked. In severe cases, procurement is halted immediately and the supplier's qualification is cancelled.

Moreover, the Group upholds rigorous standards of integrity in procurement, actively scrutinising any breaches of business ethics. Immediate measures are taken upon discovery of subcontractors engaging in bribery or any form of unethical conduct.





## PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

The Group fully adheres to the requirements of the Copyright Law of the People's Republic of China (《中華人民共和國著作權法》), the Patent Law of the People's Republic of China (《中華人民共和國專利法》), the Trademark Law of the People's Republic of China (《中華人民共和國商標法》), along with other relevant laws and regulations for the protection of intellectual property rights. We have formulated and implemented relevant policies and clauses, continuously enhancing our intellectual property management system to safeguard various intellectual properties and prevent infringement risks.

The Group's Human Resources and Administration Centre is responsible for overseeing all tasks related to intellectual property rights. This includes acquiring, modifying, renewing, and licensing trademarks, domain names, copyrights, patents, and other intellectual properties involved in the Group's operations, as well as monitoring adherence in all departments. Additionally, we provide guidance and supervision to subsidiaries in maintaining intellectual property rights. We conduct legal education and regulatory training on intellectual property rights for relevant staff, aiming to enhance their awareness of issues related to protection of intellectual property.

Our Information Management Department and Legal Risk Control Department continuously strengthen efforts to examine matters related to intellectual property infringement risks and regularly review the use of common office and professional design software to ensure all software are obtained through appropriate channels and are in compliance with relevant laws and regulations.

Furthermore, the Group enters into Non-Disclosure Agreements (《保密協議》) and Non-Competition Agreements (《競業禁止協議》) with its employees and suppliers. Any employee found violating these laws, regulations, or agreements is subject to investigation, and appropriate actions are taken when necessary.

## RESPONSIBLE MARKETING

The Group rigorously adheres to the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》) and other relevant laws, regulations and industry standards. We consistently monitor information circulating in the community, so we can promptly address and dispel any rumors or false information that could mislead property owners. The Group ensures that both online and offline publicity content aligns with principles of compliance, comprehensiveness and effectiveness for business promotion. Periodic checks are conducted to guarantee that the disseminated information is legal, accurate and truthful. If necessary, we undertake legal actions to address any infringements on the rights of property owners, thereby safeguarding their lawful rights and interests.





### BUSINESS ETHICS AND ANTI-CORRUPTION

The Group strictly complies with the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Anti-unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), Interim Provisions on Banning Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》), as well as other relevant national and local laws and regulations. To prevent and combat fraud, bribery, corruption, and unfair competition, the Group has established and implemented the Anti-fraud Policy (《反舞弊制度》), the Rules Governing the Management of Related Party Transactions (《關聯交易管理制度》), the Employee Integrity Self-discipline Convention (《員工廉潔自律公約》), and Group Management Regulations (《集團管理制度》). The Group employee handbook clearly outlines disciplinary measures for violations such as misappropriation of assets and acceptance of bribes. Any violations result in severe punishment. We continuously strengthen employee compliance awareness and standardise their occupational behaviours, fostering a clean and honest corporate environment, enhancing stakeholder trust in the Group and promoting the Group's stable and sustainable development.

In anti-corruption oversight, the Financial Audit Center is responsible for supervising implementation of anti-corruption measures in the Group, conducting regular special investigations and audits. Moreover, it performs quarterly routine audits and conducts random checks on subsidiary companies and project personnel to swiftly identify and address any misconduct. To enhance the professionalism of auditors, we regularly convene financial audit work meetings and reinforce standards for audit supervision. Concurrently, in order to strengthen the integrity building within the Party organisation, the Group's Party Committee has appointed a Deputy Secretary in charge of discipline and a member of the Discipline Committee to advance our anti-corruption and integrity efforts.

#### Whistleblowing System

The Group continuously strengthens its anti-corruption complaint and reporting mechanism. We encourage employees to actively report any suspected violations or misconduct through various channels, including but not limited to email and the 400 national supervision service hotline.

In addition, the Group upholds high ethical standards in its business activities, ensuring that all operating and procurement contracts include anti-commercial bribery clauses and address of the whistleblowing inbox. We maintain a zero-tolerance policy towards employee misconduct, strictly prohibiting employees from accepting any form of payment from suppliers. Employees who violate the regulation face decisive and strict disciplinary measures.





### Anti-corruption Training

The Group regards anti-corruption training as an important component of its anti-corruption management. To regulate employee conduct at source, all new employees are required to sign the Employee Integrity Self-discipline Convention (《員工廉潔自律公約》) ensuring that employees fully understand and commit to upholding the Group's expectations and code of conduct from the outset.

The Group continues to strengthen anti-corruption education and training for its employees, aiming to enhance their overall awareness of legal provisions and professional ethics. For senior management, we organised two special sessions of the "Integrity and Self-discipline" training, with a total attendance of 189. In addition, we conducted large-scale integrity and self-discipline educational training for general staff, with a total of 6,030 attendees, achieving full coverage of the integrity and self-discipline education programme. Through these measures, we aim to ensure that each employee's conduct aligns with the Group's high standards and values.



# ENVIRONMENTAL COMMITMENT



The Group recognises the importance of energy conservation and carbon reduction in the context of high-quality development. We actively respond to the national “14th Five-Year Plan” for comprehensive energy conservation and emission reduction, continuously promoting energy conservation and carbon emissions reduction. By striving for green property management, we hope to contribute to the national carbon peak and carbon neutrality goals.

## ENVIRONMENTAL MANAGEMENT

The Group consistently strives for enhancing energy efficiency and energy conservation and emission reduction to achieve its green objectives. We strictly adhere to the Environmental Protection Law of the People’s Republic of China (《中華人民共和國環境保護法》) and other environmental regulations, establishing a rigorous environmental management system to optimise our environmental governance framework continuously. By implementing diversified pollution control and energy conservation and emission reduction strategies, we ensure that emissions of waste gas and wastewater meet the standards, thereby reducing our operational impact on the environment, safeguarding natural capital, and forging a green corporate image.

During the Year, the Group did not experience any incidents that caused significant pollution or damage to the surrounding air, land, water sources, or ecological environment.



### Energy-saving and Emission Reduction Targets

- Formulate internal energy conservation and emission reduction targets in accordance with the local government’s “14th Five-Year Plan” for comprehensive energy conservation and emission reduction;
- Strengthen daily management, promote the transformation of high-energy-consuming facilities and equipment, and opt for energy efficient equipment;
- Conduct statistical analysis of energy consumption, promptly analyse and report any anomalies in energy consumption.

## TACKLING CLIMATE CHANGE

The Group fully comprehends the profound impact of climate change on the global economy and natural environment and therefore proactively adopts a series of measures to address and adapt to the global challenge. The Group has established an ESG Working Group to closely monitor climate-related policies, identify climate-related risks during operations, assess their impacts, and actively explore measures to address climate change. The climate change risks faced by the Group are primarily divided into physical risks and transition risks.







	Physical Risks	Transition Risks
Type of Risks	<p>Physical risks refer to the related risks associated with the impact of extreme weather events on physical assets, categorised into acute and chronic risks.</p> <p>Examples include heavy rainfall, typhoons, floods, high temperatures and extreme cold, all of which may affect the Group's normal operations and lead to a decline in revenue.</p>	<p>Transition risks refer to the risks associated with the process of its transformation into a low-carbon emissions operation.</p> <p>Examples include advancements in green property technology, stricter environmental policies, and rigorous carbon emissions controls, all of which may increase the Group's operating costs.</p>
Strategies	<p>Formulate internal documents such as the Property Emergency Event Handling Guidelines (《物業應急事件操作處理指引》), Emergency Handling Plan for Strong Wind, Rainstorm and Flooding in Summer (《夏季防風、暴雨、水浸應急處理預案》), and Typhoon Emergency Operation Procedures (《颱風應急操作流程》) to better address potential physical risks in property management, including natural disasters like typhoons, rainstorms and floods.</p> <ul style="list-style-type: none"> <li><b>Mobilise each department to respond to potential climate change emergency situations.</b> The Security Department is responsible for information transmission, resource allocation and logistics support; the Engineering Department manages the maintenance of mechanical and electrical equipment like water, electricity and air conditioning; the Property Fire Services Department ensures safety, fire emergency and disaster relief; the Greenery Department focuses on environmental protection and post-disaster recovery. In response to typhoon and flood emergencies, the Property Service Centre activates the emergency mechanism immediately on receiving an early warning, establishing a command centre for 24/7 disaster preparedness, with all personnel on standby.</li> </ul>	<p>The Group actively aligns with global moves for carbon reduction in economic contexts and national low-carbon development trends, optimises carbon emissions management strategies, and accelerates the green transformation in property management.</p> <ul style="list-style-type: none"> <li><b>Energy-saving System Establishment:</b> Implement intelligent systems that automatically control lighting, air conditioning, lifts, heating, and ventilation, etc. and adjust operations to reduce energy consumption based on actual needs.</li> </ul>





	Physical Risks	Transition Risks
Strategies	<ul style="list-style-type: none"> <li><b>Pre-disaster Warning:</b> Issue early warnings, conduct safety hazards check to ensure the stability of facilities like doors and windows, smooth drainage, and prepared emergency supplies and electrical system debugging.</li> </ul>	<ul style="list-style-type: none"> <li><b>Equipment Upgrade:</b> Prioritise the use of high-efficiency and energy-saving equipment, gradually replacing old and inefficient equipment, such as LED lighting, energy-saving lifts, and variable frequency air conditioning systems, to ensure efficient operation while reducing the carbon footprint of property facilities.</li> </ul>
	<ul style="list-style-type: none"> <li><b>Post-disaster Handling and Facility Restoration:</b> The Engineering Department organises personnel to comprehensively inspect the equipment under their jurisdiction immediately after typhoons and thunderstorms, starting repair work immediately upon discovering damage.</li> </ul>	<ul style="list-style-type: none"> <li><b>Behavioural Advocacy:</b> Educate staff and tenants on energy-saving cultures and practices, such as environmental awareness, paper-saving, waste sorting, and promoting low-carbon travel to cultivate good ecological habits.</li> </ul>
	<ul style="list-style-type: none"> <li><b>Environmental Restoration and Greening:</b> The Cleaning Department simultaneously inspects damaged greenery and actively restores it to minimise the impact of disasters.</li> </ul>	<ul style="list-style-type: none"> <li><b>Data Transparency:</b> Strengthen management, publicly disclose environmental performance, regularly report energy-saving achievements, quantify emission reduction progress, and ensure transparency to share environmental responsibilities with stakeholders and foster collective progress.</li> </ul>
	<ul style="list-style-type: none"> <li><b>Reporting and Summarising Losses:</b> Project leaders at all levels are responsible for compiling detailed reports on the disaster situation and property losses, reporting them hierarchically to ensure transparent information for subsequent decision-making and support.</li> </ul>	





## Energy Management System

### *Energy Management Policies*

The Group strictly adheres to the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》), the Atmospheric Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國大氣污染防治法》), and other national and local laws and regulations. Internally, we have established the Energy Conservation and Consumption Reduction Management (《節能降耗管理》), detailing the principles and usage norms for electricity and water in public areas. This aims to achieve efficient energy utilisation through meticulous management, promoting energy conservation and consumption reduction.

### *Setting Energy Conservation Goals and Implementation Plans*

The Group formulates comprehensive plans based on the actual energy consumption in the current year and financial budgets to establish energy targets and implementation plans. The implementation plan sets out in detail the specific standards of energy consumption control, management action strategies, responsible parties and scheduled completion dates, and is incorporated into the annual budget blueprint after approval by the General Manager.

### *Energy Consumption Statistics Evaluation and Management Principles*

In addition to maintaining comprehensive records of energy consumption, the Group regularly evaluates the performance of equipment such as air conditioning and power distribution systems. Historical data is used to assess their performance and efficiency and determine the need for necessary repairs and upgrades to continuously improve energy-saving and reduce emissions. The Group's energy-saving management adheres to the following principles:

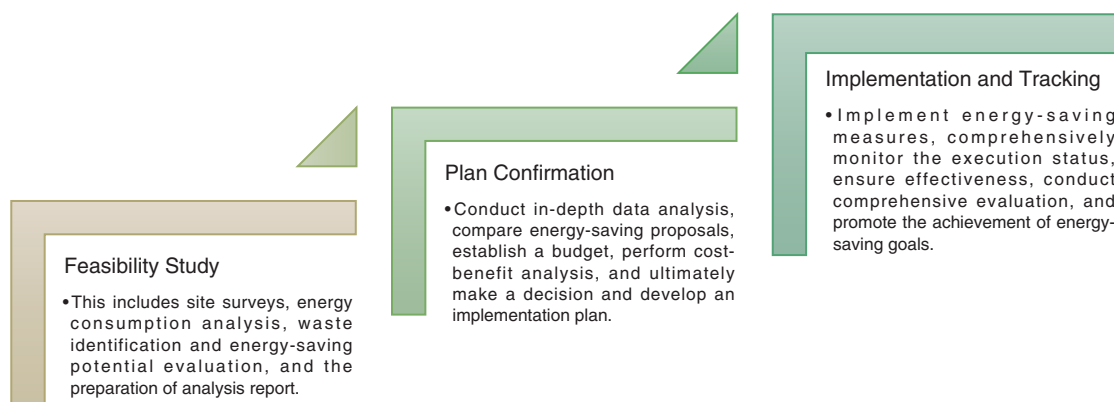
Energy-saving Management Principles	Formulate detailed energy-saving plans and regulations;
	Promote energy-saving technology innovation and practical operation;
	Accurate statistics on energy consumption, planning for metering and rapid response to anomalies;
	Implementation of a rigorous inspection, checking and monitoring mechanism;
	Organise multi-dimensional energy-saving publicity and education programmes to strengthen the energy-saving awareness among the staff.





### *Energy Usage Inspection and Tracking*

The Group has a professional energy inspection team that leverages extensive experience to execute energy management projects and conduct precise energy consumption assessments, thereby ensuring effective implementation of energy-saving plans and enhancement of energy efficiency. The process is divided into three stages:



The Group has formulated a full range of energy-saving solutions to help achieve significant improvements in energy efficiency and cost savings through a scientific and rigorous approach.

### *Innovative Energy Saving Cooperation Model*

The Group actively explores new energy-saving service mechanisms. Drawing on advanced experiences from Europe and the United States, the Group implements an energy-saving “contract management model”. By signing energy-saving service contracts with clients who are willing to reduce energy consumption and emissions, we provide a full range of services including energy efficiency audits, energy-saving project design, raw materials and equipment procurement, construction, training, operation and maintenance, and energy-saving testing. We share the benefits of energy saving and achieve mutually beneficial development.

### *Energy-saving Management Practices*

The Group has established a dynamic energy-saving management system, aiming to achieve high efficiency in the use of energy and environmentally sustainable development, by using technological optimisation and refined management.





Lighting Systems “Green Revolution”	Dynamic Control Strategy	Introduction of Frequency Control System
<ul style="list-style-type: none"> <li>The lighting system “Green Revolution” is realized in two ways. One is the choice of lighting fixtures. Priority is given to the use of energy-saving light sources with high luminous efficacy and lighting fixtures. On the other hand, it is the choice of switch control equipment. Multi-channel control and optical-acoustic control switches have been installed, combined with time and energy consumption controllers.</li> </ul>	<ul style="list-style-type: none"> <li><b>Flexible Time Management:</b> In areas such as residential complexes, model zones and other venues with specific needs for electrical equipment, the on and off times of lawn lights, street-lights, advertising lighting, fountains, background music and other equipment are meticulously planned following seasonal changes and specific needs to ensure that unnecessary energy consumption is reduced while enhancing the environmental ambience.</li> </ul>	<ul style="list-style-type: none"> <li>The Group has adopted an inverter control system to achieve energy saving through the realisation of step-less speed regulation of motors. The system will be widely used in the energy-saving retrofitting of wind turbines, pumps, air-conditioners and elevators, with particularly outstanding results in saving energy used for lifts. While meeting the needs of property owners, it optimises operational comfort, reliability and energy efficiency.</li> </ul>
<ul style="list-style-type: none"> <li>Through customised deployment, the Group flexibly configures lighting fixtures (e.g. LEDs, fluorescent lamps) and control methods (microcomputer control, touch or induction) according to the characteristics of different areas (e.g. roads, foyers, corridors, etc.) to ensure that energy-saving benefits are maximised while safeguarding the quality of lighting.</li> </ul>	<ul style="list-style-type: none"> <li><b>Dynamic Scheduling:</b> Intelligent software systems enable detailed control of the equipment, including normal working hours, special arrangements for holidays and festivals, night-time energy-saving mode, and periodic intermittent operation. The software can automatically adjust the status of the equipment according to the pre-set optimal start/stop time to optimise energy use.</li> <li><b>Load Matching Optimisation:</b> Flexibility to increase or decrease the number of equipment run during peak and trough periods ensures that the equipment load matches the actual demand, avoiding overloading and idling.</li> </ul>	







Energy Consumption Management Requirements	Energy Consumption Management Assessment	Energy Consumption Statistics and Analysis
<ul style="list-style-type: none"> <li>The Energy Conservation and Consumption Reduction Management (《節能降耗管理》) has been established, clarifying the management requirements for lighting, water systems, cooling, and other equipment and facilities across different functions and areas. Each subsidiary should integrate the Group's management requirements with the actual needs of the property owners to facilitate energy consumption management and gradually optimise control measures based on actual conditions and performance.</li> </ul>	<ul style="list-style-type: none"> <li>Subsidiaries are required to strictly implement the Group's Energy Conservation and Consumption Reduction Management (《節能降耗管理》). Based on the previous year's energy consumption, they set energy conservation and consumption reduction targets and specific action plans for water, electricity, fuel, and other resources, which are to be reviewed by their general managers. They must regularly report on the implementation of energy conservation and consumption reduction measures. For projects where energy use is significantly higher than normal range, they verify the issues, summarise the reasons, and develop and implement corrective actions.</li> </ul>	<ul style="list-style-type: none"> <li>Sub-metering statistical management by the Energy Consuming Department and major energy-consuming equipment was implemented, and the organisation, analysis, and archiving of energy consumption data were improved. By statistically analysing the energy consumption of departments or equipment, the performance of all energy-consuming facilities and equipment is evaluated to promptly address abnormal situations, and develop and promote the implementation of solutions.</li> </ul>





The energy consumption involved in daily operations of the Group includes petrol (direct energy) and externally purchased electricity (indirect energy). During the Year, the total energy consumption was 22,457.81 MWh, with intensity of 0.0021 MWh per square metre of area under control. The direct energy consumption was 0 MWh, and indirect energy consumption was 156.06 MWh.

Type	Unit	2023	2024
Total Energy Consumption	MWh	25,206.30	22,457.81
Energy Consumption Intensity	MWh/square metre of area under control	0.0022	0.0021
Direct Energy Consumption	MWh	212.66	156.06
Indirect Energy Consumption	MWh	24,993.64	22,301.75

### Greenhouse Gas Emissions

The Group's direct greenhouse gas emissions mainly result from petrol consumption of its vehicles and mechanical equipment, while indirect greenhouse gas emissions primarily come from externally purchased electricity. During the Year, the Group's direct greenhouse gas emissions were approximately 42.83 tonnes of CO<sub>2</sub> equivalent, and indirect greenhouse gas emissions were about 12,526.89 tonnes of CO<sub>2</sub> equivalent. The total greenhouse gas emissions were around 11,984.96 tonnes of CO<sub>2</sub> equivalent, with an emission intensity of approximately 0.0011 tonnes of CO<sub>2</sub> equivalent per square metre of area under control.

Type	Unit	2023 <sup>(Note 1)</sup>	2024
Total Greenhouse Gas Emissions	Tonnes of CO <sub>2</sub> equivalent	14,301.45	12,722.64
Scope 1 <sup>(Note 2)</sup>	Tonnes of CO <sub>2</sub> equivalent	63.41	42.83
Scope 2 <sup>(Note 3)</sup>	Tonnes of CO <sub>2</sub> equivalent	14,038.92	12,526.89
Scope 3 <sup>(Note 4)</sup>	Tonnes of CO <sub>2</sub> equivalent	199.12	152.92
Greenhouse Gas Emission Intensity	Tonnes of CO <sub>2</sub> equivalent/square metre of area under control	0.0012	0.0011

Note 1: Due to changes in the emission factor used to calculate CO<sub>2</sub> equivalent related to electricity purchases from East China, the relevant data has been re-stated to align with this Year's calculation method.

Note 2: The data for 2024 and 2023 primarily represents the fuel consumed by vehicles.

Note 3: The data primarily represents electricity purchased from suppliers, calculated using the 2022 emission factor for the East China regional power grid and the national standard GB/T 32151.10-2015 of the People's Republic of China as the basis.

Note 4: The data primarily represents the electricity used for water consumption and travel expenses.





## EMISSION MANAGEMENT

## Air Pollutant Emissions

In the Group's operations, emissions of nitrogen oxides (NO<sub>x</sub>), sulphur oxides (SO<sub>x</sub>), and particulate matter (PM) mainly originate from the combustion of petrol fuel by vehicles and operational equipment. During the Year, the Group produced a total of 0.24 kg of sulphur oxides, 101.87 kg of nitrogen oxides, and 9.69 kg of particulate matter.

Type	Unit	2023	2024
Total Sulphur Oxides (SO <sub>x</sub> ) Emissions	kg	0.28	0.24
Total Nitrogen Oxides (NO <sub>x</sub> ) Emissions	kg	59.15	101.87
Total Particulate Matter (PM) Emissions	kg	2.93	9.69

## Waste Management



## Waste Reduction Targets

- 100% centralised recycling and treatment of solid waste;
- 100% of hazardous solid wastes treated harmlessly.

The Group strictly complies with national and local laws and regulations relating to waste management and formulates internal waste management policies in accordance with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste 《中華人民共和國固體廢物污染防治法》 and other documents, to establish a waste governance framework. In our daily business operations, we actively promote the separation and recycling of waste in the community and cooperate with qualified recycling companies to ensure that waste is disposed of scientifically and properly.

The Group adheres to the principles of waste reduction, reuse and conserving resources, implements standardised guidelines for waste separation in the community and raises residents' awareness of waste separation through publicity and education. We have set up facilities such as daily life waste collection points and collection rooms in the community in accordance with the basic principles of rational layout, hygiene and suitability, and convenient management to enhance the efficiency of waste disposal.





During the Year, the Group generated a total of 7,118.14 tonnes of non-hazardous waste from its operations, which mainly originated from administrative offices, food waste and gardening and greening processes, as well as 184.39 kilograms of hazardous waste, which mainly consisted of batteries, light bulbs, light tubes, toner cartridges, expired medicines and paint buckets. Emission intensity of non-hazardous waste was 0.0006 tonnes per square metre of area under control and that of hazardous waste was 0.017 grams per square metre of area under control.

Type	Unit	2023	2024
Total Hazardous Waste	kg	184.42	184.39
Hazardous Waste Emission Intensity	g/square metre of area under control	0.016	0.017
Total Non-hazardous Waste	Tonnes	14,345.00	7,118.14
Non-hazardous Waste Emission Intensity	Tonnes/square metre of area under control	0.001	0.0006

## WATER CONSERVATION



### Water Conservation Targets

- Actively introducing new facilities and equipment and launching water-saving technological renovation to enhance water conservation;
- Monitor the water consumption system in the community to eliminate wasteful phenomena such as running, risking, dripping, and leaking;
- Launching water conservation campaigns to guide property owners to raise their awareness of water conservation.

The Group strictly complies with the Water Pollution Prevention and Control Law of the People's Republic of China 《中華人民共和國水污染防治法》, Regulation on Urban Drainage and Sewage Treatment (《城鎮排水與污水處理條例》) and other national and local laws and regulations and adheres to the principles of efficient utilisation of water resources and environmental protection and energy saving in water resources management and implements stringent strategies for the utilisation of water resources.





### Water Resources Audit and Management

- **Water Usage Audit:** The Group has implemented a comprehensive water usage audit system, which includes a comprehensive assessment of the implementation of water consumption plans, operational efficiency of equipment, and the rate of wastage to ensure effective implementation of various water conservation measures.
- **Emergency response time:** A quick response mechanism has been established, requiring the maintenance team to respond within 24 hours when a fault is reported and repair it as soon as possible to minimise unnecessary loss of water resources.

### Water Usage for Facilities and Equipment

- In terms of the use of water resources in dedicated facilities (e.g. swimming pools, pools, etc.), the Group controls the water level and avoids over-owing in order to ensure the efficiency and quality of use.
- For facilities and equipment (including swimming pools, fountains, pools and central air-conditioning) that require regular cleaning, the Group carries out water quality treatment and cleaning through a professional water treatment team to extend the water replacement cycle as far as possible.
- At the same time, we have established an internal recycling system for water resources to reduce water wastage. For example, when cleaning the pools, the surplus water is pumped to the areas where water is needed (e.g. swimming pools, fountain pools, etc.).

### Water Usage for Greening and Cleaning

- For greening usage, we prioritise the use of automatic sprinkler systems, which can be turned on as often as needed to suit the actual situation.
- We determine the frequency and volume of watering according to the season and the type of plants to achieve maximum efficiency in water saving.
- For cleaning water usage, it is emphasised to avoid using a large amount of water for flushing, and to adopt the form of sweeping, then wetting, then brushing to avoid wastage.

### Domestic Water Usage

- The Group has strict regulations on the use of water, ensuring that sanitary appliances are designed in accordance with the relevant regulations and are regularly inspected to ensure that there are no water leaks.
- Emphasis is placed on rational use of water, water conservation and timely shut-off of water valves, including the rational setting of washing machine patterns, the application of water-saving shower heads and the use of time-delayed self-closing water-saving valves.

### Education and Publicity on Water Conservation

- **Internal training:** The Human Resources Department and other relevant departments are responsible for organising special training on water conservation to cultivate good water consumption habits among staff and to instil a deeper sense of water conservation in people's minds.
- **Public publicity:** Water conservation slogans, logos, and patterns are displayed on bulletin boards and in public water use areas to create visual reminders and a cultural atmosphere of water conservation.
- **Establishment of incentives and penalties:** Water conservation measures are ensured to be effectively implemented through both incentives and penalties.







During the Year, the Group consumed a total of 252,481.94 cubic metres of water resources, with a water consumption intensity of 0.02 cubic metres per square metre of area under control. The Group obtained all of its water from municipal piped water supply, and there was no problem related to the sourcing of water suitable for the purpose.

Type	Unit	2023	2024
Total Waster Usage <sup>(Note 1)</sup>	cubic metre	401,338.50	252,481.94
Water Usage Density	cubic metre/square metre of area under control	0.03	0.02

Note 1 Water consumption during this Year has decreased significantly compared to last year, which is mainly attributed to reduced leakage ensured by more efficient maintenance, effective implementation of water conservation measures, ample rainfall this Year reducing the water needed for greenery, and a decrease in the total number of projects.

## GREEN OFFICE

The Group has actively incorporated green concepts such as electricity and water conservation into its corporate culture and is committed to building a low-carbon and environmentally friendly green office environment.

<b>Air-conditioning</b>	The air-conditioning temperature should not be lower than 26°C in summer and not higher than 20°C in winter, and the temperature and air volume are controlled by the fan coil, which is flexibly adjusted according to the number of people in the room.
<b>Lighting</b>	According to actual needs, lighting fixtures are switched on and off, prioritising natural light to ensure lights go out when not in use, thereby reducing unnecessary power consumption.
<b>Electronic devices</b>	Computers, printers, copiers, and other equipment should be set to power-saving mode. After use, they should be adjusted to standby mode to reduce energy consumption. At the end of the workday, ensure they are completely shut down and disconnected from power sources.
<b>Purchase of equipment</b>	Priority is given to the purchase of low energy consumption and energy-saving certified equipment.
<b>Paper</b>	Encourage digitalisation of documents to reduce printing needs; choose economical printing modes to save toner and paper.



## COMMUNITY INVESTMENT



The Group has always focused on quality, creating happy communities and striving to cultivate a harmonious and prosperous community ecosystem. We are dedicated to pro-people projects, basing our work on the actual needs of local residents and continuously innovating and improving service quality. In fulfilling corporate social responsibility, the Group actively engages in community public welfare volunteer services, demonstrating social commitment through actions. Our aim is to become a comprehensive service provider that exceeds residents' expectations, leads the direction of community development, and satisfies residents' deeper-level needs, delivering an enhanced quality of life experience for the community.

**Duration of public service in 2024:**  
12,383 hours

**Public welfare expenditure in 2024:**  
RMB369,513

Guided by a strong sense of social responsibility and an innovative spirit, the Group has established the “Five Feelings Volunteer Service Team”, this team organises annual “Red May” public welfare volunteer service aimed at providing customised community service and public welfare support throughout the year. We regularly host seasonal folk custom themed events centred on cultural heritage, enriching the cultural life of the community. Additionally, services such as “Red Property” and “Ten-Minute Onsite Services” mechanism provide residents with timely and efficient services. Moreover, the Group cares for and supports vulnerable groups within the community, including the elderly, children, disabled individuals, and widowed residents, ensuring their basic living needs are met. We also provide care for retired veterans and senior party members by regular visits.

The Group collaborates with government departments and industry associations to promote public welfare projects such as garbage classification, anti-fraud campaigns, grassroots governance, and the creation of a civilised community, demonstrating our firm commitment to social responsibility. Looking ahead, we will continue to deepen our community services and support, ensuring that our actions and commitments can consistently bring positive impacts to the community and promote comprehensive social progress and harmonious development.





## LAWS AND REGULATIONS

Issue	Applicable Laws and Regulations	Compliance Status
Environment	<ul style="list-style-type: none"> <li>• Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste</li> <li>• Environmental Protection Law of the People's Republic of China</li> <li>• Water Pollution Prevention and Control Law of the People's Republic of China</li> <li>• Regulations on Urban Drainage and Sewage Treatment</li> <li>• Atmospheric Pollution Prevention and Control Law of the People's Republic of China</li> <li>• Energy Conservation Law of the People's Republic of China</li> </ul>	During the Year, the Group was not in violation of any laws and regulations related to exhaust gas and greenhouse gas emissions, discharges into water and land, and the generation of hazardous and non-hazardous waste that had a material impact on the Group. In addition, the Group did not encounter any issues in obtaining applicable water sources.
Employment	<ul style="list-style-type: none"> <li>• Labour Law of the People's Republic of China</li> <li>• Labour Contract Law of the People's Republic of China</li> <li>• Provisions on the Prohibition of Using Child Labour</li> <li>• Law of the People's Republic of China on the Protection of Minors</li> </ul>	During the Year, the Group was not aware of any non-compliance of laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, anti-discrimination, and other benefits and welfare, as well as those relating to preventing child and forced labour, that had a material impact on the Group.





Issue	Applicable Laws and Regulations	Compliance Status
<b>Safety</b>	<ul style="list-style-type: none"> <li>• Production Safety Law of the People's Republic of China</li> <li>• Law of the People's Republic of China on Prevention and Control of Occupational Diseases</li> <li>• Fire Control Law of the People's Republic of China</li> </ul>	During the Year, the Group was not aware of any violations of laws and regulations related to providing a safe working environment and protecting employees from occupational hazards that had a material impact on the Group.
<b>Product Responsibility</b>	<ul style="list-style-type: none"> <li>• Advertising Law of the People's Republic of China</li> <li>• Copyright Law of the People's Republic of China</li> <li>• Patent Law of the People's Republic of China</li> <li>• Trademark Law of the People's Republic of China</li> </ul>	During the Year, the Group did not identify any incidents of non-compliance with laws and regulations concerning the health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress that had a material impact on the Group.
<b>Anti-corruption</b>	<ul style="list-style-type: none"> <li>• Company Law of the People's Republic of China</li> <li>• Anti-unfair Competition Law of the People's Republic of China</li> </ul>	During the Year, the Group did not identify any incidents of bribery, extortion, fraud and money laundering that had a material impact on the Group.





## KEY PERFORMANCE INDICATORS-ENVIRONMENTAL ASPECTS

KPIs		Unit	2023	2024
Emission (Note 1)	Sulfur dioxide emissions	kg	0.28	0.24
	Nitrogen oxides emissions	kg	59.15	101.87
	Discharge of particulate matters	kg	2.93	9.69
Greenhouse gas emissions (Note 2)	Greenhouse gas emission (Scope 1)	Tonnes of CO <sub>2</sub> equivalent	63.41	42.83
	Greenhouse gas emissions (Scope 2)	Tonnes of CO <sub>2</sub> equivalent	14,038.92 <sup>(Note 3)</sup>	12,526.89
	Greenhouse gas emissions (Scope 3)	Tonnes of CO <sub>2</sub> equivalent	199.12 <sup>(Note 3)</sup>	152.92
	Total greenhouse gas emissions	Tonnes of CO <sub>2</sub> equivalent	14,301.45 <sup>(Note 3)</sup>	12,722.64
	Greenhouse gas emission intensity	Tonnes of CO <sub>2</sub> equivalent/square metre of area under control	0.0012	0.0011
Hazardous waste	Total hazardous waste	kg	184.42	184.39
	Hazardous waste intensity	g/square metre of area under control	0.016	0.0017
Non-Hazardous waste	Total non-hazardous waste	Tonnes	14,345.00	7,118.14
	Non-hazardous waste intensity	Tonnes/square metre of area under control	0.001	0.0006
Energy consumption	Total energy consumption	MWh	25,206.30	22,457.81
	Direct energy consumption	MWh	212.66	156.06
	Indirect energy consumption	MWh	24,993.64	22,301.75
	Energy consumption intensity	MWh/square metre of area under control	0.0022	0.0021
	Total electricity consumption	MWh	24,993.64	22,301.75
	Total gasoline consumption	MWh	211.66	156.06
Water consumption	Total water consumption	m <sup>3</sup>	401,338.50	252,481.94
	Water consumption intensity	m <sup>3</sup> /square metre of area under control	0.03	0.02

Note 1 For the emission factor of machinery and equipment, please refer to the Technical Guideline on Preparation of Emission Inventory of Air Pollutants from Non-Road Mobile Sources (《非道路移動源大氣污染物排放清單編製技術指南》) by the Ministry of Ecology and Environment of China. For other emission factors, please refer to the Environmental KPIs Reporting Guide (《環境關鍵績效指標匯報指引》) issued by the Hong Kong Stock Exchange.

Note 2 For the greenhouse gas emission factor of purchased power, please refer to the Notice on the Management of Greenhouse Gas Emission Reporting of Enterprises in Power Generation Industry from 2023 to 2025 (《關於做好2023-2025年發電行業企業溫室氣體排放報告管理有關工作的通知》) issued by the Ministry of Ecology and Environment in 2023. For other emission factors, please refer to the Environmental KPIs Reporting Guide (《環境關鍵績效指標匯報指引》) issued by the Hong Kong Stock Exchange.

Note 3 Data has been restated for consolidated comparison.







## KEY PERFORMANCE INDICATORS -SOCIAL ASPECTS

KPIs		2023 <sup>(Note 1)</sup>	2024
Employment			
Total workforce		5,891	5,841
Employee Distribution			
By gender	Male	3,252	3,269
	Female	2,639	2,572
By employment category	Full-time	5,891	5,841
By age group	30 and below	441	442
	31-40	791	821
	41-50	1,128	1,004
	Above 50	3,531	3,574
By employment position	General	5,524	5,579
	Middle	325	231
	Senior	42	31
By geographical region	Mainland China	5,891	5,841
	Overseas, Hong Kong, Macau and Taiwan regions	—	—

Note 1: Data has been restated for consolidated comparison.





KPIs		2023 <sup>(Note 1)</sup>	2024
<b>Turnover Rate</b>			
By gender	Male	46.92% <sup>(Note 1)</sup>	40.65%
	Female	48.12% <sup>(Note 1)</sup>	43.66%
By age group	30 and below	85.03% <sup>(Note 1)</sup>	75.34%
	31-40	48.17% <sup>(Note 1)</sup>	39.95%
	41-50	35.28% <sup>(Note 1)</sup>	32.77%
	Above 50	46.50% <sup>(Note 1)</sup>	40.91%
By employment category	Full-time	47.46% <sup>(Note 1)</sup>	41.98%
By geographical region	Mainland China	47.46% <sup>(Note 1)</sup>	41.98%
	Overseas, Hong Kong, Macao and Taiwan regions	—	—
<b>Percentage of Trained Employees</b>			
By gender	Male	100%	100%
	Female	100%	100%
By position	Senior	100%	100%
	Middle	100%	100%
	General	100%	100%
<b>Supply Chain Management</b>			
Number of suppliers	Mainland China	184	404
<b>Product Responsibility</b>			
Number of complaints received from customers (cases)		49	41
<b>Anti-corruption</b>			
Number of concluded legal cases in relation to corruption practices (cases)		—	—
<b>Community Investment</b>			
Invested amount (RMB)		128,333	369,513
Time devoted (hours)		20,231	12,383

Note 1: Data has been restated for consolidated comparison.





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX

Requirements of the Environmental, Social and Governance Reporting Guide		
Aspect		Section/Remark
<b>Governance Structure</b>	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they related to the issuer's businesses.	ABOUT THE REPORT
<b>Reporting Principles</b>	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: (1) <b>Materiality:</b> The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. (2) <b>Quantitative:</b> Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable). (3) <b>Consistency:</b> The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	REPORTING PRINCIPLE
<b>Reporting Boundary</b>	The issuer should disclose in the ESG report any changes (if any) to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	REPORTING BOUNDARY AND PERIOD





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX *(Continued)*

Requirements of the Environmental, Social and Governance Reporting Guide			Section/Remark
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		ENVIRONMENTAL COMMITMENT
	KPI A1.1	The types of emissions and respective emissions data	EMISSION MANAGEMENT
	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)	TACKLING CLIMATE CHANGE
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	EMISSION MANAGEMENT
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	EMISSION MANAGEMENT
	KPI A1.5	Description of emission target(s) set, and steps taken to achieve them	EMISSION MANAGEMENT
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	EMISSION MANAGEMENT





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX (Continued)

Requirements of the Environmental, Social and Governance Reporting Guide			Section/Remark
A. Environmental			
Aspect A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials		ENVIRONMENTAL MANAGEMENT
	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)	TACKLING CLIMATE CHANGE
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	WATER CONSERVATION
	KPI A2.3	Description of energy use efficiency target(s) set, and steps taken to achieve them	ENVIRONMENTAL MANAGEMENT, TACKLING CLIMATE CHANGE, GREEN OFFICE
	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	WATER CONSERVATION
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not applicable. The Group's principal business does not involve the use of packaging materials.
Aspect A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources		ENVIRONMENTAL MANAGEMENT
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	ENVIRONMENTAL MANAGEMENT
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







## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX (Continued)

Requirements of the Environmental, Social and Governance Reporting Guide			Section/Remark
B. Social			
Aspect B1: Employment	<b>General Disclosure</b> Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare		VALUING TALENTS
	KPI B1.1	Total workforce by gender, employment type, age group and geographical region	EMPLOYEE COMPOSITION, APPENDIX
	KPI B1.2	Employee turnover rate by gender, age group and geographical region	EMPLOYEE COMPOSITION, APPENDIX
Aspect B2: Health and Safety	<b>General Disclosure</b> Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards		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	OCCUPATIONAL HEALTH AND SAFETY, APPENDIX
	KPI B2.2	Lost days due to work injury	OCCUPATIONAL HEALTH AND SAFETY, APPENDIX
	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	<b>General Disclosure</b> Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities		EMPLOYEE DEVELOPMENT AND TRAINING
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	EMPLOYEE DEVELOPMENT AND TRAINING, APPENDIX
	KPI B3.2	The average training hours completed per employee by gender and employee category	EMPLOYEE DEVELOPMENT AND TRAINING





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX (Continued)

Requirements of the Environmental, Social and Governance Reporting Guide			Section/Remark
B. Social			
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 RECRUITMENT
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	EMPLOYEE RECRUITMENT
	KPI B4.2	Description of steps taken to eliminate such practices when discovered	EMPLOYEE RECRUITMENT
Aspect B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain		SUPPLY CHAIN MANAGEMENT
	KPI B5.1	Number of suppliers by geographical region	SUPPLY CHAIN MANAGEMENT, APPENDIX
	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	SUPPLY CHAIN MANAGEMENT
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	SUPPLY CHAIN MANAGEMENT
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	SUPPLY CHAIN MANAGEMENT





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX (Continued)

Requirements of the Environmental, Social and Governance Reporting Guide			Section/Remark
B. Social			
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		QUALITY SERVICE, RESPONSIBLE BUSINESS
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable. The Group's core business does not involve product safety and health risks.
	KPI B6.2	Number of products and service related complaints received and how they are dealt with	CUSTOMER COMPLAINT MECHANISM AND CUSTOMER SATISFACTION, APPENDIX
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	PROTECTION OF INTELLECTUAL PROPERTY RIGHTS
	KPI B6.4	Description of quality assurance process and recall procedures	QUALITY SERVICE
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	CUSTOMER PRIVACY PROTECTION





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE CONTENT INDEX (Continued)

Requirements of the Environmental, Social and Governance Reporting Guide			Section/Remark
B. Social			
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 the prevention of bribery, extortion, fraud and money laundering		BUSINESS ETHICS AND ANTI-CORRUPTION
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases	BUSINESS ETHICS AND ANTI-CORRUPTION, APPENDIX
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	BUSINESS ETHICS AND ANTI-CORRUPTION
	KPI B7.3	Description of anti-corruption training provided to directors and staff	BUSINESS ETHICS AND ANTI-CORRUPTION
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		COMMUNITY INVESTMENT
	KPI B8.1	Focus areas of contribution	COMMUNITY INVESTMENT
	KPI B8.2	Resources contributed to the focus area	COMMUNITY INVESTMENT, APPENDIX



