

2024

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

融創服務控股有限公司
SUNAC SERVICES HOLDINGS LIMITED

(於開曼群島註冊成立的有限責任公司)
(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED LIABILITY)

STOCK CODE 股份代號：01516.HK

SUNAC
services

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ABOUT THE REPORT

Sunac Services Holdings Limited (the "Company" or "Sunac Services", together with its subsidiaries, the "Group" or "we"), based on the identification of key stakeholders and the relevant environmental, social and governance ("ESG") issues they concern, has prepared and published this ESG report for 2024, for the purpose of disclosing the management status and performance of the Group in the ESG aspects during 2024.

REPORTING STANDARDS

This report has been prepared in accordance with the "Environmental, Social and Governance Reporting Code" (the "ESG Code") set out in Appendix C2 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), by reference to the Sustainability Reporting Standards ("GRI Standards") issued by the Global Reporting Initiatives and the United Nations Sustainable Development Goals (the "UN SDGs").

REPORTING PRINCIPLES

This report followed the principles of materiality, quantitative, consistency and balance.

- 1 "Materiality":

We prioritised the ESG issues of concern to our stakeholders and responded to them in this report according to their level of importance, as described in the section headed "STAKEHOLDER COMMUNICATION" and "MATERIALITY ISSUE ASSESSMENT" of this report.
- 2 "Quantitative":

The Group's environmental and social KPIs are presented in quantitative terms to facilitate the assessment and validation of the KPIs in this report. In addition, the quantitative criteria, methods, assumptions and/or calculation tools for the KPIs, and the sources of conversion coefficients used, are described in the appropriate places.
- 3 "Consistency":

We have adopted a consistent approach to statistical disclosure as in previous years, and where there are changes, these have been noted where appropriate so that the information in this report can be meaningfully compared in the future.
- 4 "Balance":

This report provides an objective, fair and balanced view of the Group's ESG performance.

SCOPE OF THE REPORT

The scope of this report covers the year 2024 (from 1 January 2024 to 31 December 2024) (the "Reporting Period"). Except where there are specific explanations for individual data, the disclosure scope of this report covers the overall business scope of the Group.

HOW TO OBTAIN THIS REPORT AND FEEDBACK

The electronic version of this report can be browsed and downloaded from the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.sunacservice.com). If you have any comments or suggestions on the Company's ESG report, please feel free to send an email to ir@sunacwy.com.cn.



ABOUT THE COMPANY

COMPANY PROFILE

The Group was established in 2004 and was listed on the Main Board of the Stock Exchange in November 2020 (Stock Code: 1516.HK). The Group serves as an executive director of the China Property Management Institute and has received numerous accolades, including being ranked as Top 1 of 2024 China Leading Enterprises in terms of High-end Property Management Services, Top 3 Leading Property Service Companies in China, Top 5 of Top 100 China's Companies in terms of Property Management Service Capabilities, as well as Top 3 of Chinese Leading Smart Property Service Enterprises.

Since its establishment, the Group has concentrated on mid-to-high-end properties in core cities, under the strategy of high-quality development. The Company has strategically expanded into two primary business segments: property management and comprehensive commercial operation services. Our service offerings encompass residential and commercial properties, hospitals, schools, and industrial parks, progressively establishing a leading position in the industry.

The Group has embraced the philosophy of "commitment to excellence and beauty", and offers clients comprehensive, top-tier services. Within the realm of residential services, Sunac Services introduces the "Heartfelt Everyday Life Service System", an evolution from the Heartfelt Service. By catering to the holistic service needs of high net worth individuals, the Group has revolutionised the existing property service paradigm and has introduced bespoke high-end services that amalgamate excellent fundamental services, personalised private services, and premium spiritual development. Over the years, Group has consistently stuck to a service philosophy that prioritises putting people first and beginning with the end in mind. This dedication ensures the delivery of services that surpass expectations, fostering connections among users, communities, and cities through superior service quality, as the Company resolutely advances toward its objective of becoming the "Best Quality Service Provider in China".

Commitment to
Excellence and
Beauty

The "Best Quality
Service Provider in
China"

HISTORY OF DEVELOPMENT

2004

Establish Sunac
Services

2004-2014

Gradually penetrate into
the first-and second-tier
core cities

2015

Centralised independent
management

2015-2018

Consolidate foundation
Improve service capabilities
Develop an image of high quality
service provider

2019

Step into a new market-
oriented development stage

2020

Listed on the Stock
Exchange
Diversified business
operation

2022

Become one of the
official suppliers for the
19th Asian Games in
Hangzhou



ESG RATING



HONORS AWARDED

The Group continues to innovate service content and models and expand the scope of service under a service-oriented approach. The high quality service enables it to be highly recognised by the market and customers with a numbers of honors awarded.

In 2024, the Group received a total of around 400 awards from industry organizations, local governments, housing and construction authorities at various levels, housing and property associations at various levels and mainstream media, etc.. Some of the awards are listed below:

Awards	Issued by
Environmental, Social and Governance	
• A from EH ESG Rating	EH Property Management Service Research Institute
• Top 2 of 2024 Property Management Companies with Outstanding ESG Development	China Index Academy
• Top 3 of 2024 Chinese Property Management Companies with Leading Social Responsibility Contributions	CRIC Property Management
• 2024 Exemplary Chinese Listed Property Service Companies in ESG Practices	China Index Academy
• 2024 Exemplary Chinese Listed Property Service Companies in Social Responsibility (S)	China Index Academy
• 2024 Exemplary Chinese Listed Property Service Companies in Corporate Governance (G)	China Index Academy
• 2024 Leading Chinese Listed Property Management Companies in High - quality Development	CRIC Property Management
• 2024 China Listed Property Management Company with ESG Sustainability	CRIC Property Management
• 2024 Best ESG Practices for Listed Property Enterprises in China	China Property Management Think Tank
• Top 5 of 2024 Outstanding Property Management Companies in terms of Management Capabilities	Guandian Index Academy

Comprehensive	
• Top 5 of 2024 China Property Management Companies interms of Comprehensive Strength	EH Property Management Service Research Institute
• Top 7 of 2024 Top 100 China Property Management Companies	China Index Academy
• Top 7 of 2024 Top 100 Chinese Property Service Enterprises with Comprehensive Strength	China Property Management Think Tank
• Top 1 of 2024 China Leading Enterprises in terms of High-end Property Management Services	China Index Academy
• Top 3 of 2024 Chinese Property Service Enterprises with High Customer Satisfaction	CRIC Property Management
• Top 3 of 2024 Chinese Property Service Enterprises with Leading Service Quality	China Index Academy
• Top 3 of 2024 China Leading Property Management Companies with Market-oriented Operations	China Index Academy


Awards	Issued by
Services	
• Top 3 of 2024 Property Service Enterprises with Excellent Service Capability	Guandian Index Academy
• Top 5 of 2024 Top 100 Chinese Property Service Enterprises with Service Capability	CRIC Property Management
• Top 4 of 2024 Top 100 China Quality Property Service Enterprises	China Property Management Think Tank
• Top 3 of 2024 Chinese Residential Property Service Capability Enterprises	CRIC Property Management
• Top 1 of 2024 Chinese Venue-related Property Service Enterprises	China Property Management Think Tank
• Top 2 of 2024 Outstanding Chinese Hospital Property Management Service Enterprises	China Index Academy
• Top 3 of 2024 Chinese Leading Office Building Property Service Enterprises	CRIC Property Management
• 2024 China's Model and Benchmarking Enterprise for Industrial Park Property Service	EH Property Management Service Research Institute
• Top 2 of 2024 Chinese Commercial Property Service - Capacity Enterprises	CRIC Property Management

Brand	
• Top 5 of 2024 Property Service Enterprises with Excellent Performance in Brand Value	Guandian Index Academy
• 2024 China Property Service Enterprises with Featured Brand: Preferred Brands for Quality Service in China	China Index Academy
• 2024 China's Leading Brand in Property Service Quality	China Index Academy
• 2024 China's Top 100 Property Enterprises with Influential Brand	China Property Management Think Tank
• 2024 China's Characteristic Service Brand Enterprise in the Property Industry (Characteristic Brand - The Preferred Employer Brand)	China Property Management Think Tank
• 2024 China's Preferred Employer Brand for College Students among Property Enterprises	EH Property Management Service Research Institute


Technology	
• Top 3 of 2024 Chinese Leading Smart Property Service Enterprises	CRIC Property Management
• Top 2 of 2024 Chinese Leading Smart Community Service Enterprises	CRIC Property Management
• Top 2 of 2024 Chinese Leading Enterprises in Smart Property Service within the Property Industry	China Property Management Think Tank
• Top 3 of 2024 Chinese Leading Smart City Service Enterprises	China Index Academy
• 2024 Chinese Pioneer Enterprises in FM (Facility Management)	China Property Management Think Tank

Benchmark project	
• 2024 Annual Service - Oriented Residential Benchmark Project: ONE SINO PARK (Shanghai)	CRIC Property Management
• 2024 Annual Service - Oriented Residential Benchmark Project: Tianjin Sunac 181 Central Park	CRIC Property Management
• 2024 Chinese Benchmark Property Service Project: Chongqing Royal Terrace	China Property Management Think Tank
• 2024 Chinese Outstanding Benchmark Project in Property Management: Hangzhou Times Olympic City	CRIC Property Management
• 2024 Top Ten High - end Value - Preserving Projects: ONE HILL (Beijing)	CRIC Property Management
• 2024 Chinese Benchmark Property Service Project: SUNAC WISDOM VALLEY of Wuhan	China Property Management Think Tank
• 2024 Annual Service - Oriented Hospital Benchmark Project: Children's Hospital of Chongqing Medical University	CRIC Property Management
• 2024 Annual Service - Oriented Venue Benchmark Project: The Three Venues of Hangzhou Asian Games	CRIC Property Management
• 2024 Annual Service - Oriented Office Building Benchmark Project: Wuhan Ronghui Plaza	CRIC Property Management
• 2024 Chinese Urban Service Benchmark Project: Shaoxing Didang Lake Park	EH Property Management Service Research Institute


CERTIFICATES OBTAINED




SA 8000: 2014
Certification on Social Accountability Management System




ISO 14001: 2015
Certification on Environmental Management System




ISO 9001: 2015
Certification on Quality Management System




ISO 50001: 2018
Certification on Energy Management System




ISO 41001: 2018
Certification on Facility Management System Certification




ISO 45001: 2018
Certification on Occupational Health and Safety Management System




ISO 37001: 2016
Certification on International Anti-Bribery Management System




ISO/IEC 20000-1: 2018
Certification on Information Technology Service Management System




ISO/IEC 27001: 2013
Information Security Management System Certification




GB/T 20647.9-2006
"Five-star" Property Services




GB/T 27922-2011
"Five-star" After-Sales Service for Commodities




GB/T 27925-2011
"Five-star Brand" for Commercial Enterprises



GB/T 19095-2019
"Eight-star" for Service Capability of Domestic Waste Sorting



GB/T 31950-2015
Enterprise Integrity Management System



GB/T 23794-2015
"AAA" in Enterprise Rating



ESG MANAGEMENT

THE BOARD'S STATEMENT

The Company places significant importance on ESG management and development. The Company establishes a top-down governance system and are continually enhancing ESG management efforts in alignment with societal and industry sustainability requirements, as well as relevant regulations set forth by regulators.

The Board

Board of Directors is responsible for the Group's overall ESG governance and holds full accountability for ESG strategy and reporting. Board of Directors delegates authority to the Environmental, Social, and Governance Committee (the "ESG Committee") who assists the board of directors of the Company (the "Board") in meeting its responsibilities and supervising the progress of specific areas within the Group's business operations and sustainability efforts. Specifically, the Board authorizes the ESG Committee to formulate ESG and climate-related management goals, strategies, policies, and guidelines for the Group, as well as monitors and reviews the Group's ESG performance and progress toward these goals. Furthermore, the Board reviews the ESG governance structure and strategy of the Group, and ensures the establishment of effective ESG risk management and internal monitoring systems. The Board also identifies and evaluates ESG-related risks and opportunities that could impact the Company's operations, and reviews and approves ESG reports.

ESG Committee

The ESG Committee formulates the Group's ESG-related goals, strategies, policies, and implementation paths; reviews and supervises the goals and implementation of the Group's ESG-related work, and evaluates the work performance; identifies and assesses ESG-related risks and opportunities that have an impact on the Group's operations; reviews the Group's external disclosures of ESG-related information, including the annual ESG report and externally disclosed ESG-related policies; reports to the Board on the above matters in a timely manner and put forward suggestions to enhance the Group's ESG performance.

ESG Working Group

The ESG working group executes the relevant resolutions of the Board and the ESG committee; which is responsible for discussing and formulating the ESG targets and working plans for relevant departments on ESG based on the ESG strategies and policies; carrying out key work based on the ESG targets and working plans and supervising the achievement of targets; carrying out ESG report data collection and preparation; publicizing and implementing the Company's ESG Concepts, strategies and measures in daily operation management.



The Group conducts the assessment, prioritization and management of material ESG issues each year based on the results of stakeholder communication, etc. to continuously improve the Group's material ESG issues and clarify the focus of ESG management. The Board has participated in the assessment process of ESG issues. For details on the material ESG issues management process, please refer to the sections headed "Stakeholder Communication" and "Materiality Issue Assessment" in this report.

The Group attaches importance to the significant impact that ESG risks and opportunities may have on the Group and incorporates them into its risk management system. The process of identifying, assessing and responding to ESG-related risks and opportunities led by the Board.

The Group has established environmental targets associated with its business operations. The Board regularly reviews the achievement and progress of the environmental targets. Further information on the ESG environmental targets is set out in the section headed "Environmental Protection and Green Operation" in this report.

ESG PHILOSOPHY

Section hereof	Key actions and performance in 2024	The United Nations Sustainable Development Goals
STANDARD GOVERNANCE AND COMPLIANT OPERATIONS	<ul style="list-style-type: none">The Group improved corporate governance, corporate management, and risk management. The Group continually maintained the Board independence and diversity , with female directors comprising 38% of the Board, to ensure a balanced mix of experience and skills among board members.The Group upheld standardized information disclosure and maintained effective communication with investors. Considering the necessity for reasonable shareholder returns, the Group recommended that a final dividend of about RMB 437 million should be distributed in 2024.The Group strengthened integrity building and raised integrity compliance awareness. The integrity training involved all employees, Directors, and suppliers, with a cumulative training duration of nearly 87,000 hours. 100% of employees and suppliers signed integrity agreements.	 
COMMITMENT TO EXCELLENCE AND BEAUTY AND QUALITY SERVICES	<ul style="list-style-type: none">Remained customer-centric, the Group took multiple measures to optimize service standards, improved employees' professional qualities, and maintained and enhanced the high quality of services.The Group prioritized customer demands and established diverse communication channels that ensured a 100% response rate to customer complaints.The Group consistently upgraded security management measures and emphasized the protection of customer information and privacy.The Group ensured the systematicity, standardization, and effectiveness of the supplier management system, paying particular attention to their environmental and social performance.	    
HARMONIOUS COMMUNITY AND WARM SOCIETY	<ul style="list-style-type: none">The Group established multi-party joint governance mechanisms to encourage community residents' participation in grassroots governance. The Group created five pilot community councils.The Group upgraded community building initiatives to stimulate vitality and create shared value. In 2024, more than 400 community cultural activities were organized, providing enriching experiences for 151,371 homeowners.The Group fulfilled corporate social responsibility through diverse initiatives such as volunteer services, fun classes, clothing recycling, and special donations, encouraging wider homeowner participation in community welfare efforts.	   
PUTTING PEOPLE FIRST, CO-COMMITMENT AND CO-ACHIEVEMENT	<ul style="list-style-type: none">In 2024, the Group introduced its employer brand value proposition: "Moving On with Goodness, and Allowing Hard Work Pays Off". The Group embodied the people-oriented philosophy, took actions on talent-driven growth strategy.The Group cultivated a diverse talent pool, created an environment that is anti-discriminatory, diversified and inclusive, female employees constituted nearly 41% of the workforce.In 2024, the Group organized over 20,000 employee activities to enhance employee happiness and satisfaction; the Group conducted over 1,700 training sessions and assisted 2,290 employees in obtaining relevant vocational skill certificates, thus paving the way for employee growth.	     
ENVIRONMENTAL PROTECTION AND GREEN OPERATION	<ul style="list-style-type: none">The Group actively practiced the concept of sustainability through concrete actions, and addressed all aspects of greenness, covering climate change governance, resource management, emissions management, and biodiversity conservation.In 2024, the intensity of greenhouse gas emissions, the total amount of hazardous waste, the total amount of non-hazardous waste, and energy consumption will all decrease year-on-year.	   

STAKEHOLDER COMMUNICATION

IDENTIFYING AND COMMUNICATIONS WITH STAKEHOLDERS

The Group attaches importance to communications with stakeholders. The Group has established normalized and multi-channel communication mechanisms to identify their ESG concerns and actively respond to them. The major stakeholders identified and the major communication channels of the Group are as follows:

Category of stakeholders	Expectations and demands	Major communication channels
 Shareholders and investors	<ul style="list-style-type: none">Financial results and profitabilityInvestor returnInterest protectionInformation transparencyCompliance operations and integrity developmentRisk managementPay attention to climate change risk	<ul style="list-style-type: none">Results releaseInformation disclosureGeneral meetingsInvestor forumsInvestor hotline & email
 Customers / property owners	<ul style="list-style-type: none">High-quality products and servicesCustomer satisfactionCustomer information security and privacy protectionEstablish a co-governance mechanism	<ul style="list-style-type: none">Customer service centerWeChat official accountSunac Livable Community App/mini programCustomer satisfaction surveyService request hotline and complaint hotlineCommunity
 Employees	<ul style="list-style-type: none">Employees interest protectionsOccupational health and safetyRemuneration and benefitsEmployees development and trainingStaff caring	<ul style="list-style-type: none">Working Conference, internal communication and exchange of opinionsInternal and external training activitiesEmployees care activitiesEmployees satisfaction surveyCorporate Culture Promotion
 Suppliers and partners	<ul style="list-style-type: none">Cooperate for win-win achievementFair competitionPromote business developmentSupply Chain Risk Management	<ul style="list-style-type: none">Daily tenderingProcurement communicationCooperation negotiationsSupplier Audit and EvaluationSupplier Enablement and CollaborationCommunication and interactionOn-site investigation and inspection
 Government and regulators	<ul style="list-style-type: none">Legal and compliant operationTax payment by lawsResponse to and implementation of policies	<ul style="list-style-type: none">Policy implementationDaily communicationWorking ConferenceInformation disclosureAccept supervision
 Public welfare organisations and the public	<ul style="list-style-type: none">Rural RevitalizationCarry out community public welfare and charitable activitiesConserve resources and protect the environmentAddress climate change	<ul style="list-style-type: none">Community welfare and volunteering serviceProjects such as Rongyou Future ProjectDissemination of the concept of sustainable developmentEnergy-saving renovation and optimization of management measures

MATERIALITY ISSUE ASSESSMENT

The Group is well aware that feedback and suggestions from various stakeholders have a significant impact on its development. In 2024, the Group continued to analyse and adjust major issues in accordance with the three steps of "identification assessment confirmation", and draw a materiality matrix 2024. The materiality assessment steps are as follows:

Identifi-
cation

Based on the specific requirements and recommendations of the ESG Codes, GRI standards, and United Nations SDGs, as well as national policies and industry-related ESG trends, combined with its own reality, the Group comprehensively reviewed and sorted out the material ESG issues and the concerns of various stakeholders, benchmarked against domestic and foreign peers, and monitored relevant media coverage, identifying 17 ESG important issues.

Assess-
ment

Based on previous stakeholder survey results and in accordance with ESG rating requirements in the capital market, the Group evaluated material issues.

Confirm-
ation

The Group analysed and ranked issues from the two dimensions of "importance to the Group's sustainability" and "importance to stakeholders", prepared the 2024 ESG materiality matrix, and disclosed material issues in the report.

Importance	Issue	Rank
Highly important	Product and Service Quality	1
	Customer Satisfaction	2
	Joint Community Governance and Development	3
	Compliant Operation	4
	Risk Management	5
	Employee Development and Training	6
	Employee Health and Safety	7
	Business Ethics	8
	Supplier Management	9
	Information Security and Privacy Protection	10
	Employee Rights and Welfare	11
Moderately Important	Public Welfare and Charity	12
	Responding to Climate Change	13
	Diversity, Equality, and Inclusiveness	14
	Resource and Energy Management	15
	Green Property Management and Operation	16
Generally important	Waste Management	17

The results of the materiality assessment are as follows:





01

STANDARD GOVERNANCE AND COMPLIANT OPERATIONS

- CORPORATE GOVERNANCE
- RISK MANAGEMENT
- BUSINESS ETHICS AND ANTI - CORRUPTION, ANTI - BRIBERY
- INTELLECTUAL PROPERTY PROTECTION
- PUBLICITY AND ADVERTISING MANAGEMENT





CORPORATE GOVERNANCE

CORPORATE GOVERNANCE SYSTEM

The Company attaches importance to the importance of good corporate governance and the benefits it brings. The Company strictly complies with relevant regulations such as laws, regulations and the relevant provisions of the Listing Rules and actively enhances its corporate governance and corporate management to facilitate its compliance, sound and quality development.

The Company establishes a corporate governance structure consisting of shareholders' meeting and the Board. The shareholders' meeting is the highest authority of the Company, and all shareholders exercise their powers lawfully. The board of directors is the permanent body for the Company's business decision-making, which is responsible for fulfilling its corporate governance responsibilities and assumes the responsibility for leading and monitoring the Company, overseeing and approving the Company's strategic development objectives, major decisions in its operations and financial performance. The Board has also established a number of Board Committees, including the Audit Committee, the Remuneration Committee, the Nomination Committee and the ESG Committee, all of which perform their specific duties in accordance with their respective terms of reference, continuously improve the level of corporate governance.

The Company values its development of diversity within the Board and takes a diverse perspective when nominating and appointing the Directors, including but not limited to the candidates' skills, knowledge, professional experience and qualifications, cultural and educational background, age, gender and the potential contribution they are expected to bring to the Board, in order to better suit the needs and development of the Company. Currently, the Board comprises eight Directors, including two executive Directors, three non-executive Directors and three independent non-executive Directors, and including three female Directors. Each of the Directors possesses a wide range of skills, knowledge, professional experience and qualifications and has sufficient diversity to meet the Company's corporate governance and business development needs.

This year

6sessions

Board meetings

8sessions

Board Committees meetings

38%

The percentage of female Directors

The Board has established mechanisms, ensuring that the independent perspectives and opinions of each Director are relayed to the Board to bolster the objectivity and effectiveness of decision-making processes, mainly including:

- All Directors are encouraged to freely express their independent views and offer constructive inquiries at the Board/Committee meetings;
- External independent professional advice is available to individual Directors upon request;
- The Chairman of the Board meets with the independent non-executive Directors annually in the absence of the executive Directors and non-executive Directors.

INFORMATION DISCLOSURE AND INVESTOR RELATIONS

The Company attaches importance to regulated information disclosure and good communication with investors, and facilitates shareholders, investors, and other stakeholders to receive timely, accurate, and comprehensive information that may have substantial impacts on their decisions.

The Company discloses information in a timely, accurate, truthful, complete and fair manner in accordance with the Listing Rules and other applicable laws and regulations, publishes information on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.sunacservice.com), and sends relevant documents to shareholders based on their selected method and language version for receiving the Company's corporate communications to enable shareholders of the Company, investors and the public to be fully updated with the material matters relating to the Company's operation and development and thus to make informed decisions and fully safeguard the legitimate rights and interests of the shareholders of the Company.

The Company has established various communication channels to ensure good interactive communication with investors through various means such as telephone calls, emails, results presentations, securities company exchange summits and non-transactional roadshow to convey the information relating to its operation and to enhance investors' understanding of the Company and industry.

This year

250+

Investor institutions

100+

Investor meetings

1

General meeting

SHAREHOLDER RETURN

The Company prioritises reasonable investment returns for investors and has established a dividend policy aimed at providing stable and sustainable dividends to shareholders, which is supported by the Group's profits, while ensuring that sufficient financial resources are retained to facilitate the business growth. The Group has already disbursed approximately RMB437 million in the final dividend for the year 2023 and proposes to declare a final dividend of RMB 14.3 cents per share for the year 2024, totaling approximately RMB 437 million. This amount accounts for around 55% of the core net profit attributable¹ to the owners of the Company for the year 2024, with a dividend yield of approximately 9.5%².



¹ This refers to the core net profit attributable to the owners of the Company after excluding impairment provisions for accounts receivable, expenses associated with share incentive plans, unrealised gains or losses from changes in the fair value of financial assets measured at fair value through profit or loss, amortization costs of intangible assets (including brands, contracts, and customer relationships) arising from mergers and acquisitions, gains or losses from changes in the fair value of investment properties, and impairment of goodwill and other intangible assets. Based on this benchmark, the core net profit attributable to the owners of the Company for the year 2024 is estimated to be approximately RMB796 million.

² Calculated based on the closing price on the trading day prior to the release of the annual performance announcement of the Company for the year ended 31 December, 2024 (i.e. 21 March, 2025)



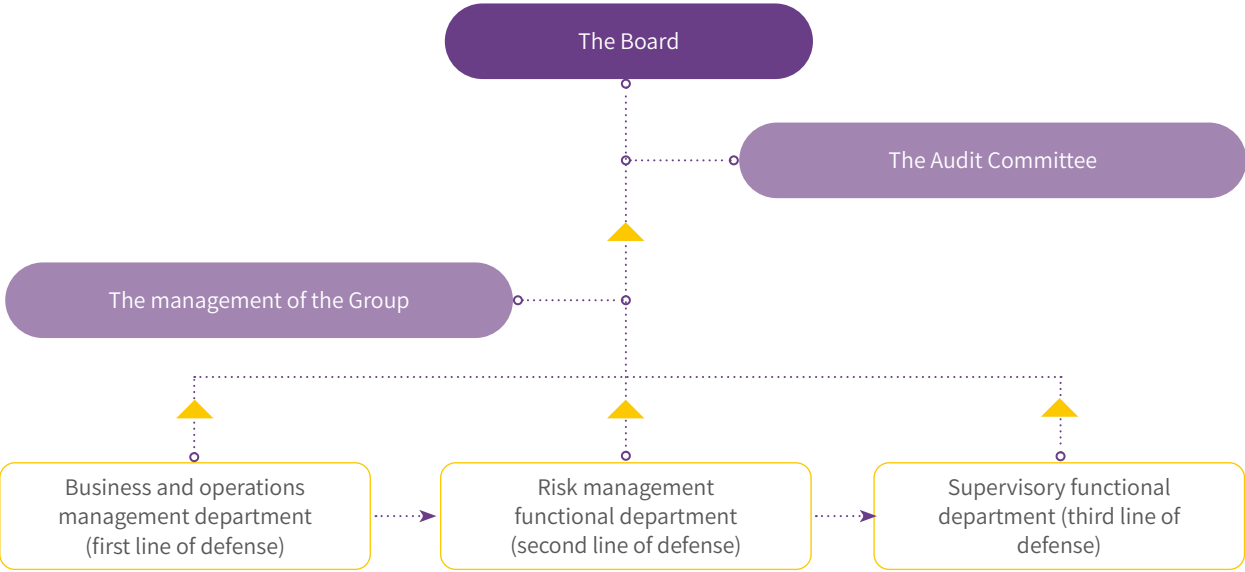
RISK MANAGEMENT

The Group has combined the industry standards with the company’s practices, and established a risk management system with clear authority and responsibilities and well-developed functions. It continuously enhances the risk management capabilities and independent internal controls on an ongoing basis to optimise the governance environment and improve management standards.

RISK MANAGEMENT ARCHITECTURE

The Group has established a risk management framework led by the Board, in which the management assists the board in identifying and assessing risk elements of various business systems while business departments, operations management departments, risk management functional departments, and supervisory functional departments implement risk management policies and procedures to provide reasonable guarantees for the Company's business development.

The risk management architecture of the Group is as follows:



Business and operations management department (first line of defense): Strictly comply with process specifications during business operations and daily operations to reduce operational risks. Execute specific risk management tasks, identify, manage, and report risks, and take measures to predict and respond to risks faced during business operations.

Risk management functional department (second line of defense): Establish and improve internal risk management system, and provide professional knowledge and tools for identifying and addressing risks.

Supervisory functional department (third line of defense): Evaluate, supervise, and review the implementation of risk management tasks, independently and objectively confirm and assess risk issues.

Management: Coordinate risk management efforts, and develop and implement strategies, policies, and measures for risk assessment, risk identification, and risk response.

Board: Fully lead the risk management efforts, authorise the Audit Committee to review and supervise the appropriateness and effectiveness of the Group's risk management, internal control, and internal audit system, and evaluate the implementation of external audit.

RISK MANAGEMENT PROCEDURE

The Group has established an effective risk management program, which clarifies the responsibilities and processes for risk identification, risk analysis, risk response, and risk monitoring. The Group has developed the *Management Rules on Risk Event Notification and Disposal of Sunac Service Group*, which clarifies the risks, classifications, and ratings of each professional line, as well as the risk event reporting and emergency response mechanisms, management standards, and processing procedures. In 2024, the Group further standardised the methods of risk reporting, disposal, follow-up, and early warning, and strengthened the proactive control of various risk hazards.

The Group has established an online risk control management system, which includes the collection, identification, reporting, assessment, disposal, and review of risk hazards and risk events in online management. Management at each level can track the progress of processing and verify the effectiveness through online means, reduce the probability of risk events in advance, and promote closed-loop risk event elimination.

IDENTIFICATION AND ASSESSMENT OF RISKS

The risk management departments of the Group regularly collect internal and external risk event information and combine it with internal business inspection and correction. For example, the internal control department, finance department, human resources department, legal department, operational department, information security department, and brand management department work together to identify and analyse major risks such as operational risk, financial risk, talent attraction and retention risk, policy and compliance risk, cyber-security risk, and reputation risk, and propose response plans.

The Group also identifies and analyses various risks faced through quality inspection, internal control inspection, and internal audit, determines risk ratings, designs control measures, and establishes special measures to promote the implementation of risk control measures.

According to the arrangements of the Group and the project reality, each regional branch of the Group conducts risk analysis and assessment by professional service line, determines specific control measures, and integrates them into the daily management of projects, covering 39 risk scenarios such as safety management, equipment and facilities, environmental management, customer service, occupational safety, natural disasters, brand risk, administration and management, and team management, including the entire process of personnel, operation, equipment, emergency, natural disasters, emergency response, brand influence, customer assets and service evaluation, comprehensive management standards and disposal processes.

INTERNAL CONTROL

The Group has established an internal control system that adheres to the COSO³ Internal Control Integrated Framework (2013) while considering the unique circumstances of the Group. The primary objective of this internal control framework is to provide reasonable assurance regarding the achievement of operational, reporting, and compliance goals. The internal control department routinely conducts multi-tiered inspections, including regular audits, special assessments, and cross-checks, ensuring comprehensive internal control supervision across all levels of the Group's regions and departments. Upon detection of any problems, the Group facilitates corrective actions by coordinating efforts across units to resolve problems and mitigate the risk of fraudulent activities. Additionally, The Group enhances employees' awareness of risk and compliance and strengthens the Group's ability to prevent risks through ongoing internal control training.

The audit and supervision department of the Group is appointed by the board of directors and the audit committee to engage in various planned audits, and provide improvement suggestions for the effectiveness of risk management and internal control systems. The department provides special reports to the board of directors and the audit committee every six months.

³ COSO, Committee of Sponsoring Organisation of the Treadway Commission.



BUSINESS ETHICS AND ANTI - CORRUPTION, ANTI - BRIBERY

The Group is committed to the development of an integrity culture, and strictly abides by national and local policies, laws and regulations on anti-corruption, integrity and business ethics, including the *Anti-Unfair Competition Law of the People's Republic of China* and the *Interim Provisions on Banning Commercial Bribery*, striving to create clean and honest atmosphere with employees and suppliers. During the Reporting Period, the Group achieved certification on the ISO 37001:2016 Anti-Bribery Management System. The Board and the Audit Committee is responsible for overseeing the development of business ethics and compliance. The Audit and Supervision Department of the Group is responsible for supervising and handling anti-corruption and anti-bribery matters to ensure that the risks of corruption, bribery and fraud are effectively controlled.

STAFF'S INTEGRITY BUILDING

The Group establishes and carries out the *Code of Conduct for the Commercial Activities of Employees*, which standardizes the anti-corruption and anti-bribery behaviors of its employees. The code applies to employees who have joined and are currently working for the Group, as well as all employees who have established labor dispatch relationships with the Group. All employees are required to abide by business ethics, and situations where employees offer or solicit improper business benefits, use the Group's property inappropriately, or misappropriate the Group's property must be eliminated. During the Reporting Period, all employees of the Group are required to sign the *Employee Integrity Agreements*. Through regular audits, special audits, off-office audits and investigations of matters reported, the Group conducts audits and inspections of employees' compliance with business ethics norms through various audit work, whistleblower investigations and other means to effectively monitor and restrict operation and management activities and ensure the healthy development of the Company. In 2024, the Group received the outcome of two corruption litigation cases that was legally referred by us to the public security authorities, and two staffs were sentenced to fixed-term imprisonment for the offence of occupational trespass. The employee involved in the case has been dismissed and the embezzled funds have been recovered without any significant impact on the Company's business operation.

SUPPLIERS' INTEGRITY BUILDING

The Group has prepared the *Supplier Integrity Agreement*, which all suppliers have signed, and formulated the *Regulations on the Management of Red, Yellow and Black Lists of Suppliers* to restrict the conduct of all suppliers in the contract period, and stipulated the punishment and treatment basis of integrity related violations. The Group continuously strengthens the construction of its integrity control system and is committed to creating an integrity and fair value chain.

This year

100%

Employees sign the
Employee Integrity Agreements

100%

Suppliers sign the
the *Supplier Integrity Agreement*



The Group has specified requirements on the internal and external management relationship of suppliers:

- Suppliers shall fill in the related parties of the Group, including their working areas, departments and positions, in the bidding and procurement system;
- Relevant professional departments review the related-party relationship with the suppliers during the bidding process to prevent risks on the related-party relationship;
- Meanwhile, the Group provides integrity trainings to suppliers to enhance integrity awareness, which is arranged in meetings with suppliers and delivered in the letter of anti-corruption sent in festivals.

INTEGRITY TRAININGS AND PROMOTION

The Group conducts anti-corruption training for the Board of Directors and employees every year to continuously enhance the compliance awareness of directors and employees. The Group organised 149 integrity training throughout 2024 with around 87,000 hours of training in total. The Group has organised all employees to take the integrity compliance examination to achieve full participation and coverage. In the meantime, the Group offered compliance trainings for different business lines, which were tailored according to the practical operation of each business scenario and the management requirement, and set special examinations. Only employees passing the examinations can continue to work on their posts. In addition, the Group conducted integrity training for suppliers to deepen the suppliers' awareness of integrity.

This year

Integrity training

149 sessions



The total cumulative training hours of the participants were nearly

87,000 hours



WHISTLE-BLOWING OF CORRUPTION PRACTICES

The Group has established a variety of channels for reporting corrupt practices, including telephone, emails and QR codes, to receive reports from employees and other stakeholders. The Group establishes a strict supervision mechanism for reporting information, fully protects the legitimate rights and interests of the whistle-blower and regards the work of keeping information of the whistle-blower confidential as the key of daily management requirements. The Group implements real-name management for audit system accounts to ensure that only dedicated personnel from the Audit and Supervision Department have the authority to access the system, thus safeguarding the confidentiality and independence of the work.

The audit and supervision department of the Group is appointed by the Board and the Audit Committee to complete various audits and investigation work. Through means such as routine audits, special audits, and audit investigations into reports, it conducts audit supervision over the main business links in the operation and management. It urges business units to rectify various risk issues discovered during the audit, and tracks the rectification situations and measures, so as to ensure the effectiveness of the Group's risk management and internal control work.

This year

Audit work covered business modules and regions
100%

Whistle-blowing investigations and specialised audits
243case



INTELLECTUAL PROPERTY PROTECTION

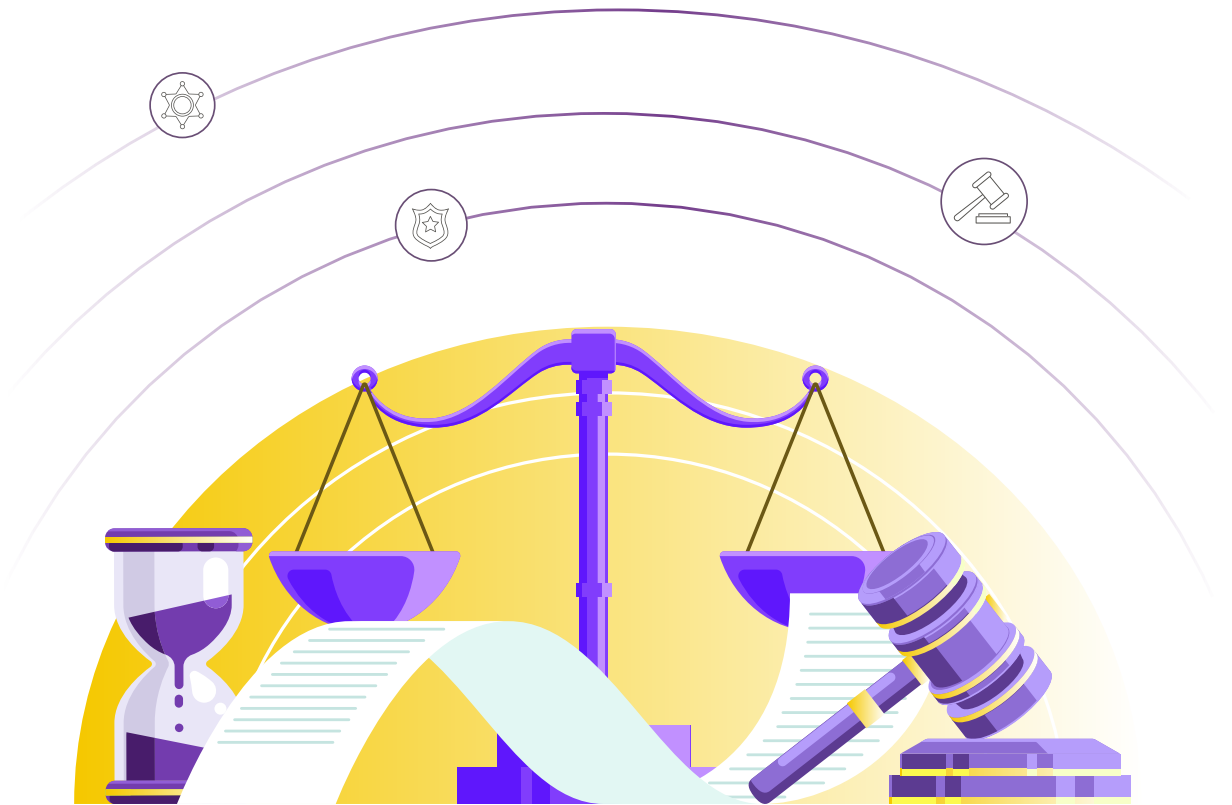
The Group complies with the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China* and other relevant laws and regulations. While protecting its own intellectual property rights, the Group advocates that the intellectual property rights of others should be fully respected and protected and the infringement of the intellectual property rights of others should be prevented. The Group has included the clauses for protection of its own intellectual property rights in its standard contracts, which are reviewed by the legal department. Meanwhile, the legal department reminds employees to avoid infringement of the intellectual property rights of others in the course of business. The Group applies for trademark registration for the logos and figures commonly used in daily management and applies for software copyrights or patent rights registration for self-developed APPs and platform systems.

The legal department of the Group will deal with the infringements of the Group's intellectual property rights. According to the infringements monitored, it will protect the legitimate rights and interests of the Group by issuing written notice, legal action and other ways.



PUBLICITY AND ADVERTISING MANAGEMENT

The Group strictly complies with the *Advertising Law of the People's Republic of China* and local policies and regulations, carefully reviews the content of advertisements and ensures that the advertisements are true, legal, scientific and accurate to avoid advertisements with seriously distorted statements.





02

COMMITMENT TO EXCELLENCE AND BEAUTY AND QUALITY SERVICES

- PRODUCT QUALITY
- CUSTOMER COMMUNICATION
- SAFETY MANAGEMENT
- CUSTOMER PRIVACY PROTECTION
- SUPPLIER MANAGEMENT





PRODUCT QUALITY

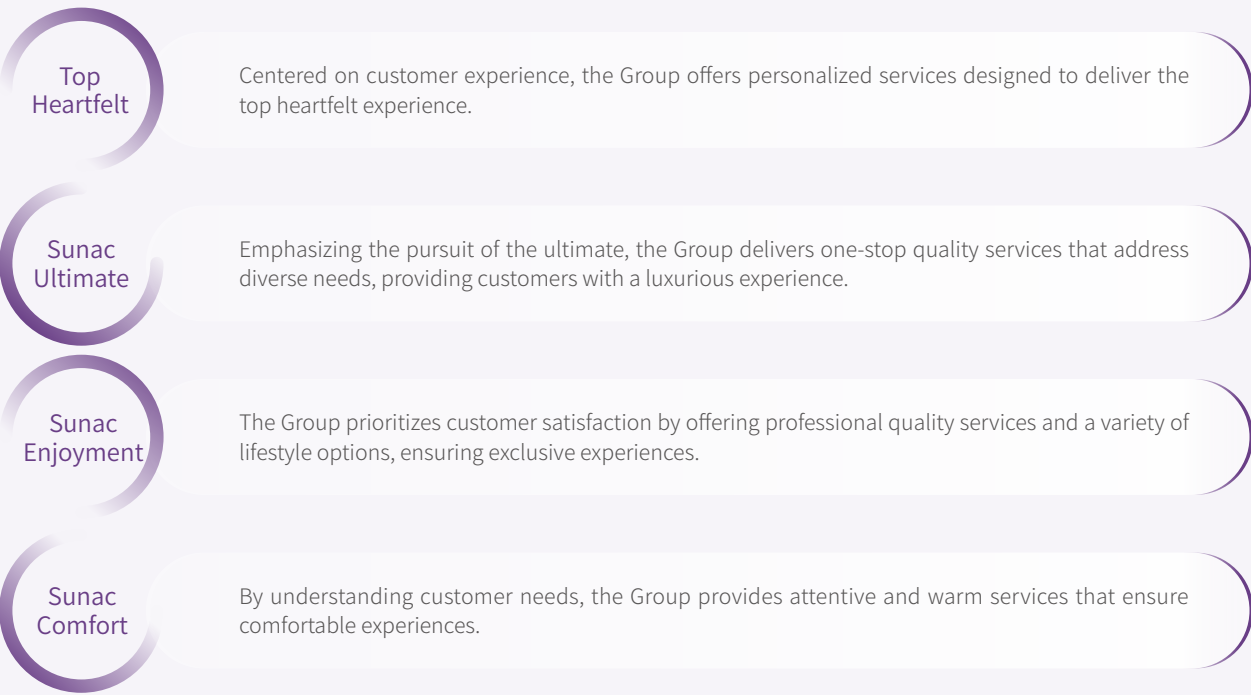
The Group consistently centers operations around customers, guided by the service philosophy of "commitment to excellence and beauty", and offers clients comprehensive and top-tier services. The Group is committed to becoming the "Best Quality Service Provider in China". The Company has concentrated on mid-to-high-end properties in core cities, under the strategy of high-quality development. The Company has strategically expanded into two primary business segments: property management and comprehensive commercial operation services. The service offerings encompass multiple fields such as residential and commercial properties, hospitals, schools, and industrial parks.

COMPREHENSIVE SERVICES WITH VARIOUS BUSINESS FORMATS

RESIDENTIAL SERVICE

The Group has mainly created a residential service system known as "Heartfelt Everyday Life Service", which focuses on improving our customers' experience through optimizing service details, implementing service scenarios and improving service quality from five perspectives, i.e. "Comfortable Home", "Delightful Enjoyment", "Friendly Neighborhood ", "Physical Health" and "Peaceful Mind ", aiming to create an enjoyable community experience of "Pleasant Home, Enjoyable Life and Companionship" for our customers.

Under the basis of "Heartfelt Everyday Life Service" model, the Group utilize the "Three Standards in One" supervision mechanism and a dynamic quality management system, the Group introduces four tiers of service products: Top Heartfelt, Sunac Ultimate, Sunac Enjoyment, and Sunac Comfort.



In 2024, multiple measures were implemented to optimize service standards and improve service quality

Continuously invest funds to enhance the quality of the park

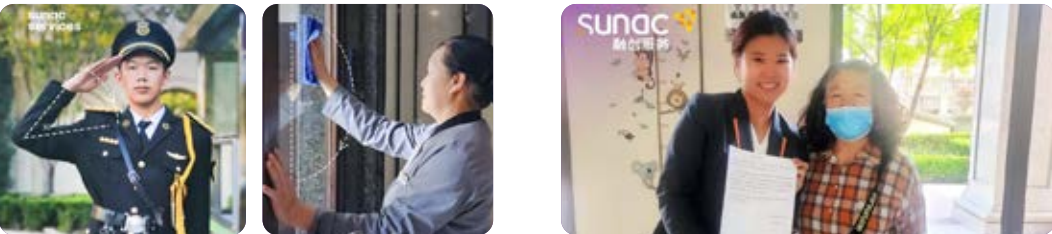
Throughout the year , the Group has invested over RMB 60 million from its own funds to enhance the quality of 541 projects.



Multidimensional improvement in service standards to enhance employees' professional competence

The Company provides new uniforms for frontline employees in various positions, and releases the "Employee Dress Code Standards". The Company further refines the image, attire, and behavior standards for residential segment customer service staff, and comprehensively enhances the overall appearance and demeanor of customer service.

The Company carries out the initiative "Micro Light Collection" to document and promote the achievements of frontline employees, and enhances their service awareness and proactive service initiative. Frontline employees from various professional lines in residential segments submitted 17,985 excellent service examples that were recognized by customers.



The Company upgrades the service standards for vacant residential properties by standardizing services across three key areas: property management, customer relationship maintenance, and property value-added services. In response to the diverse needs of clientele, The Company offers 22 mandatory services and 8 optional services, which have garnered positive recognition from vacant property customers.

COMMERCIAL AND BUSINESS SERVICE

OFFICE AND COMMERCIAL SERVICES

The Group delivers ultimate high-quality services for business office buildings, corporate headquarters, government offices, and industrial office parks. The Group offers customized, high-end business services tailored to meet customers' specific needs. Sunac Services utilizes industry-best management practices and implements a digital operations management system to ensure scientific oversight throughout the entire construction lifecycle.



Full cycle service

Planning, design and construction consultant, inspection, marketing services, and post operation management services.



Comprehensive services

Environmental services: cleaning services, environmental greening and maintenance, pest control, and epidemic control and management.

Security services: human defense, joint defense, emergency support, etc..

Customer service: conference services, VIP reception, catering services, rental area services, and housing moving services.

Asset services: vacant property management, leasing agency, sales agency, and site management.



Full system support

Basic support: visitor system, gate system, surveillance system, elevator control system, access control system, energy management system, EBA system.

Smart support: intelligent security, intelligent fire protection, intelligent parking, service robots.

Top end Business Services/Heartfelt Services

Heartfelt Services prioritizes customer needs as the foundation for creating tailored, high-end services specifically designed for exclusive clients. These services emphasize high quality, comprehensive scenarios, and full-format offerings, thereby helping to showcase and enhance the corporate image.



Exclusive Concierge Reception Services

This includes presentation by concierges, guided tours, visitor reception, VIP reception services, and explanation services.



Private Business Featured Services

This includes conference services, banquet services, administrative floor services, asset management services, and space operation services.



Top-Standard Fundamental Services

This includes maintaining order and safety, environmental cleaning services, landscaping and plant maintenance, as well as management of equipment and facilities.

HOSPITAL SERVICES

The Group has offered services to hospitals, encompassing a wide range of areas, including order management, environmental sanitation, mechanical and electrical engineering, hospitalization guidance, central transportation, patient care, and catering management. Sunac Services is dedicated to facilitating the efficient operation of hospital service systems by providing attentive, caring, and thoughtful intelligent management experiences for both doctors and patients.

Intelligent Service Platform

Establish a work loop encompassing four dimensions: "real-time reception, reasonable scheduling, instant feedback, and statistical analysis", all aimed at achieving efficient hospital service operations.

Standardized Operation Management

Enhance system management standards and regulations, refine management requirements, and elevate both management levels and service quality.

Evolutionary Tool and Equipment

Invest in high-quality, environmentally friendly equipment and chemicals, prioritize scientific cost management, and successfully transform hospital environmental cleaning operations from traditional methods to intelligent cleaning systems.



Service Platform Display

CITY SERVICES

COMPREHENSIVE CITY SERVICES

The Group is committed to building an integrated platform for city services, covering venues, schools, parks and scenic spots, transportation hubs, municipal services and other areas closely related to city management, civilization and livelihood services. Our focus is on urban public buildings, where we advocate for the integration of environmental sanitation. We prioritise the development of a five-in-one cityscape model characterised by being green, beautiful, bright, clean and orderly. Additionally, we strengthen urban operation measures, enhance overall urban service capabilities, and contribute to sustainable urban development.

Grand venues: conference centers, exhibition halls, sports venues



Hangzhou Olympic Sports Centre Gymnasium & Aquatic Sports Arena and Training Hall



Hangzhou International Expo Center

Comfortable transportation: airports, high-speed railway stations, subway stations, and long-distance bus stations



Nanchangxi Railway Station

Safe campus: kindergartens, primary/secondary/universities, educational and training institutions



Jinnan Campus of Nankai University in Tianjin

In 2024, the Group enhanced the refined management of various business formats in alignment with international standards

The Group obtains facility management system certification (ISO 41001:2018) and implements international standard management systems in projects including the Shanghai/Wuhan United Imaging Medical Industry Park, Wenzhou Zhenan Technology City, and the Xi'an UXIN Used Car Industry Park.

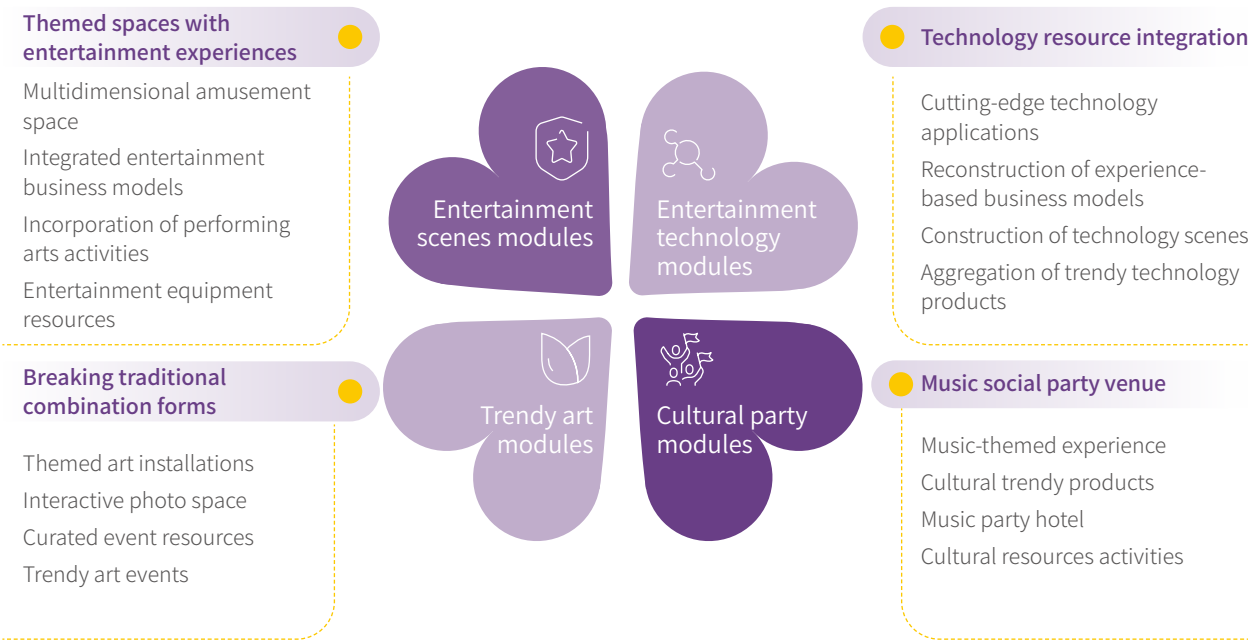


The Group continues to develop benchmark projects and acquire replicable professional capabilities. In this year, the Group has certified 16 benchmark projects this year, spanning various formats such as office buildings, commercial complexes, industrial parks, hospitals, schools, and urban services.




COMMERCIAL OPERATIONAL MANAGEMENT

The Group leverages seven core capabilities—early planning, investment estimation, planning and design, vendor attraction and execution, preparation for opening, vendor operation management, and property management—to deliver comprehensive, end-to-end services for commercial entities. By integrating entertainment culture into the entire consumer experience process, the Company enhances the vitality of the commercial experience and establish a new entertainment-oriented commercial operation platform. Guided by the development concept of "one city, one strategy", the Group launches a modular product customization strategy. This strategy modularizes and combines theme spaces, entertainment formats, experience scenarios, and activity resources, and produces entertainment-oriented commercial products with distinct characteristics. These offerings align with the diverse experiential needs under the new consumer era and provide comprehensive one-stop consumer experience solutions.




In 2024, the Group introduced commercial cultural and tourism labels, and built new commercial landmarks through distinctive positioning

Sunac Mall at Qingdao Oriental Movie Metropolis




Positioning: Film-Induced Cultural Tourism Complex




Features: Movie Star Economics

Guangzhou Sunac Mall




Positioning: Ice and Snow & Parent-Child activity




Features: Ice and Snow Scene for Family Experience

Kunming Dianchi Lake Houhai Project



Positioning: Urban Cultural and Tourist Reception Area

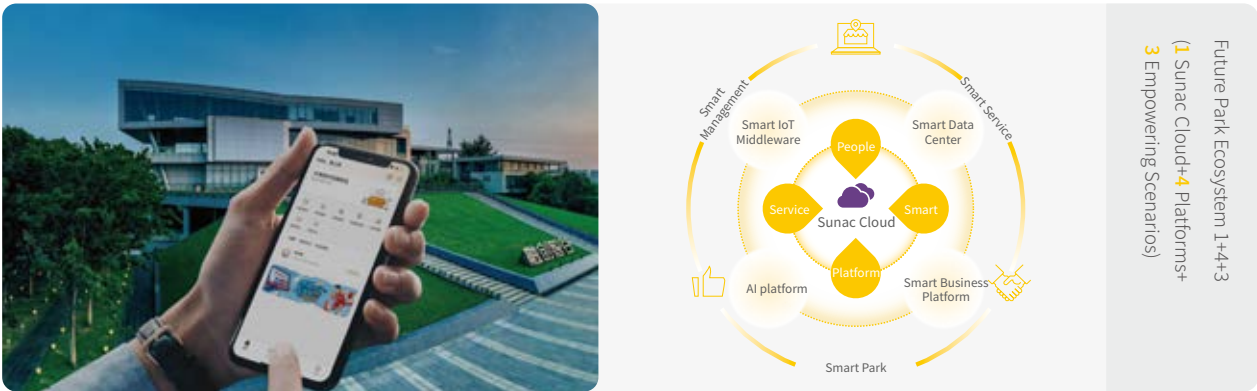


Features: Integrating Local Culture

LEADING DIGITAL DRIVING FORCE BEHIND DIGITAL TRANSFORMATION

SUNAC CLOUD AND DIGITAL PRODUCT COLLECTION

Embracing a user-centered, technology-driven approach to business transformation and a value-driven strategy for digital transformation, the Group leverages advanced digital technology to continuously iterate on digital products and services. This process enhances service capabilities and customer experience, empowers employees, reduces costs, increases efficiency, and facilitates timely and accurate business decisions. Sunac Services has formed partnerships with several leading technology companies and leverages its robust software and hardware research and development capabilities to launch the Sunac cloud and digital product collection. Built upon an smart IoT platform, a data platform, a business platform, and an AI platform, this collection has created three empowering scenarios: smart parks, smart services, and smart management, achieving intelligent interconnection, data unification, and business linkage across these scenarios.



Smart Park

The Group creates different types and levels of smart park products for various scenes, such as pedestrian and vehicular traffic, security, building automation, fire control, energy management, etc., to suit different needs of intelligent operation.

Scenarios for People and Vehicles Entering and Exiting

- Automatic recognition of faces and license plates
- Self-service visitor invitations by owners
- Access via Bluetooth, QR codes, or card swiping

Basic Scenarios of Property Management Services

- Work Order Management: Comprehensive online scheduling with "four guarantees and one service"
- Customer Service: Targeted management of customer satisfaction
- Data Analysis: Enterprise visualization process management dashboard

Data Visualization Operation

- Smart service visualization providing a "one map" and "panoramic" overview, dynamic analysis of big data guides management decisions and optimizes operations

Scenarios for Fee Payment

- Self-payment of property and parking fees through the Sunac Livable Community APP, with real-time processing of payment information

Scenarios for Quality Inspection

- Utilize high-definition monitors and AI algorithms to facilitate remote diagnosis of on-site quality, and effectively enhance management efficiency
- Complement manual on-site inspection mechanisms and provide substantial support for a multidimensional quality control system

Scenarios for Equipment Maintenance

- Equipment available for 24/7 online monitoring and real-time alerting
- One-click remote inspection to identify anomalies

Scenarios for Public Security

- Alarms for the encroachment of fire exits and key intersections, monitored 24/7
- Detect garbage bin overflow, and ensure timely intervention by cleaning personnel
- Detect perimeter intrusion and enhance community security
- Alerts for electric scooters entering elevators, and mitigate safety hazards associated with elevator use



Smart Services

The Group engages customers through various online touchpoints, including Sunac Livable Community APP and Sunac Livable Community Mini Program. The Group provides comprehensive and precise basic services as well as value-added services tailored for residential owners, commercial enterprises, hospitals, and other clientele.



Smart Management

By integrating online and digital operations across various core businesses, the Group facilitates the intensification and automation of management tasks, enhances overall management efficiency, and optimizes business processes through the application of AI algorithms by leveraging accumulated business data.



CUSTOMER COMMUNICATION

The Group prioritizes customer demands and emphasises effective communication with clients. The Group have prepared the *Management Rules on Reporting and Complaints by Customers of Sunac Services Group* to standardize the handling of complaints, define responsibilities, and establish management requirements for customer reports and grievances. This document ensures that employees at all levels can respond promptly to customer demands and solve difficult problems in a timely manner. Additionally, based on the characteristics of non-residential projects, the Group have established a Key Account Management Department and developed the *Management Rules on Communication with Customers with Sole Ownership of Sunac Services Group*. This framework ensures clarifies the frequency of communication and reporting for customers, as well as the process for handling their demands, to ensure smooth communication channels, provide timely and effective services to customers, and continuously improve customer satisfaction.

This year

Complaint response rate
100 %

In order to better serve customers, the Group has established diversified complaint channels to allow customers to provide feedback to the Group through such methods as visits, calls, customer interviews, satisfaction surveys, steward interaction, and Sunac Livable Community APP/mini program. The Group has dedicated staff to receive, respond to, follow up and handle customer complaints in a timely manner. After the complaints are resolved, they will invite customers to confirm and evaluate the handling results from customers. For customers who don't provide comments, the Group will arrange the 400-service command center for actively return visits to ensure that customer satisfaction is effectively tracked.

In 2024, each project of the Group conducted quarterly customer interviews, monthly residential project manager meetings, and posted complaint hotlines at the major moving points of customers to achieve zero distance communication between property owners and property management in a timely manner. The number of customer telephone complaints received by the Group during the year was 51,698 and the complaint response rate was 100%. In 2024, customers expressed their appreciation by sending 78,469 red flowers through the Sunac Livable Community APP, indicating their support for the butler staff.

The Group values customer feedback on our products and services and actively conducts customer satisfaction surveys. In 2024, the Group continued to optimise the *Rules Governing Satisfaction Touch Point Surveys*, further clarifying the rules, interfaces of responsibilities and management requirements for customer satisfaction touch point surveys. The Group conducts owner satisfaction surveys through regular satisfaction surveys. The Group distributes the SMS/WeChat/satisfaction survey tools questionnaires to customers randomly and conducts follow-up phone calls by dedicated staff, and the Group researches and analyses the needs of owners to develop effective service improvement measures, with a view to continuously improving customer satisfaction. The Group's customer satisfaction score and satisfaction pass rate in 2024 maintained a leading level in the industry.



SAFETY MANAGEMENT

The Group strictly adheres to related national laws and regulations and industry standards. The Group attaches remarkable importance to the management of safety production and fully integrates "human defense, technical defense, and institutional defense" to ensure community safety through standardized and systematic management, emphasizing prevention and rapid response. By developing a comprehensive safety management system along with corresponding regulations, the Group underscores safety requirements in daily operations and emphasize safety requirements in daily operation to effectively implement safety management responsibilities and set up emergency plans. At the same time, Safety production committees have been established by the Group in major regions and cities, which exercise their functions to research and develop measures for significant safety production issues. In the meantime, the Group also achieve closed-loop control through daily safety hazard investigation and inspection, and actively carried out safety education and training sessions to enhance the safety awareness of all our people, aiming to create a safe atmosphere and continuously improve the safety management expertise of the Group.

This year

The percentage of Sunac "Style" gatehouses is

91 %

Sunac "Heart" guards **3,600 +**

The percentage of "Six Defenses" is

93 %



In 2024, the Group continued to improve the quality of customer service, upgrade safety management measures, protect the property of owners, and eliminate fire hazards:

▮ Sunac "Style" gatehouses

We prioritize the customer's homeward bound route as the basis. Enhancing service perception is emphasised through various initiatives such as gatehouse logo marking for customer delivery management and service, standardised visual presentation of materials and equipment, staff etiquette, and communication tactics. As of the end of 2024, approximately 91% of projects have completed the implementation of the Sunac "Style" gatehouses. Over 3,600 Sunac "Heart" guards have officially assumed their positions after training and assessment.

▮ "Six Defenses"

Focusing on the key and important points with CCTV cameras and the key and hidden points without CCTV cameras in the area we manage, we optimise and adjust our business through the combination of online monitoring and offline inspection to effectively enhance the security perception of our customers. As of the end of 2024, approximately 93% of projects had fully implemented the "Six Defenses".

► Sunac Home Guard Action

Through three hierarchical levels across regions, cities, and projects, we ensure the application of theoretical and practical customer service standards, as well as the reinforcement of operational norms, consolidating and enhancing the quality of customer service. In 2024, two training sessions were conducted for grassroots managers, targeting over 1,100 project team leaders and upper-level management personnel.

► Safety Production Month and Fire Safety Promotion Week

The Group has widely launched activities such as safety production month and fire safety promotion week to create a safe atmosphere and ensure the safety of customers while providing high-quality living experiences.



Flood Control and Prevention



Intelligent Monitoring



Fire Drill



Project Inspection



CUSTOMER PRIVACY PROTECTION

The Group attaches great importance to the protection of customer privacy and strictly adheres to the requirements of relevant laws and regulations such as the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*. Through establishing a sound privacy protection system, standardizing information collection processes, and strengthening data security management, the Group effectively safeguards the personal information security of owners and customers. Our group follows the principle of "hierarchical management and authorized use", clarifying the minimum necessary principle for information collection and informed consent rules; Adopting strict permission control strategies and setting up data classification and grading mechanisms; Regularly conduct employee confidentiality training and sign confidentiality agreements with third-party service providers; Build a comprehensive customer privacy protection system and continuously improve the security and credibility of property services.



The Group has established mechanisms for operation and maintenance, security operations, and emergency response to ensure the orderly implementation of operational and security tasks. We conduct operations and maintenance activities in accordance with internal processes to comprehensively defend against external virus threats. Additionally, we actively respond to security incidents and perform regular self-inspections. During the Reporting Period, the Group was not impacted by multiple variants of ransomware and vulnerability attacks. The Group vigorously promotes information security awareness, cultivates and enhances the security prevention mindset of employees, and effectively controlled and reduced the occurrence of human-caused safety accidents.



Security mechanisms for responding to malicious cyberattacks and unexpected data breaches:

Prevention in advanced

Deploy a unified monitoring platform to monitor data traffic in real time and report alarms from each level; identify network attacks and deploy network edge security protection tools in private data centers and public cloud to realise a closed-loop security processing mechanism that detects and discovers attack surfaces, analyses and researches, and provides intelligence alerts and response handling; perfect data backup mechanism and contingency plans.

Handling during occurrence

In accordance with the Group's information system SLA commitment, an information security response and handling mechanism for incident assessment, cause analysis, remediation and business resumption has been established for information systems at different business levels and incident levels to minimise the impact of the information security incident and its impact on the business.

Post-event traceability

The Group's data assets are classified and graded, and each system has standardised operation logs, administrator logs, and audit logs; so that the value of the leaked data can be determined after the event, and the leak can be quickly located and stopped in a timely manner.

Emergency drills and business continuity testing

Regularly conduct centralized customer data distribution systems, as well as emergency drills and business continuity testing based on data leakage scenarios.

Guarantee System for Responding to Major Information Security and Network Security Incidents:

Risk Assessment

The Group meticulously plans risk identification in compliance with ISO 20000 and ISO 27001 standards. The Group establishes a risk identification system that is based on business scenarios and conducts annual risk assessments of data assets, business availability, system stability, and information security risks. Following these assessments, the Group performs risk analyses based on the identification results and formulates improvement and prevention measures aligned with the risk acceptance criteria and preferences of the entire group. The Group also employs change management to ensure that information system risks remain controllable, thereby minimizing risks and ensuring uninterrupted system operation.

Data-Based Emergency Drills

To mitigate the impact of IT system failures and information security incidents—such as data corruption, data loss, and ransomware attacks—on data assets, we have developed emergency response plans tailored to systems and products with concentrated data asset distributions. The Group conducts annual emergency drills to evaluate data backup and system vulnerability prevention capabilities. The outcomes of these drills lead to a thorough review process, identifying problems, updating emergency response plans, and ensuring the integrity of the system's data assets.

SUPPLIER MANAGEMENT

The Group has formulated the *Supplier Management Regulation of Sunac Services Group* that covers all suppliers, and established the supplier management mechanism to ensure that the supplier management system is systematic, standard and effective. The Group specifies the principles and requirements on key links, sets standard management procedures for all links, and promotes supplier management in an effective, comprehensive, systematic, open and fair manner, enhancing the cooperation with suppliers.

The Group implements a comprehensive procurement management process that covers all suppliers and clearly defines the management requirements for supplier access, evaluation, punishment, and elimination. The Group conducts monthly performance evaluations for outsourcing suppliers and semi-annual evaluations for other service and material suppliers. The Group places great importance on communication and management with its suppliers. The Group communicates with suppliers on the monthly performance results on a regular basis and talks with suppliers with unsatisfactory performance in the semi-annual evaluations, urging suppliers to make rectifications and improvements. For suppliers that have serious violations during the contract period, the Group adopts compulsory exit measures on them.

The Group incorporates the consideration of environmental and social performance of suppliers into the supplier management:

Regarding environmental performance management, the Group gives priority to the purchase of products that meet higher environmental standards when suppliers' conditions are equal. Additionally, suppliers are urged to provide environmental impact testing reports and environmental product certificates issued by recognized authoritative institutions.

Regarding social performance management, the procurement department, along with the relevant business units, conducts on-site inspections of suppliers as necessary, which include assessments of employee workplaces and labor rights.





03

HARMONIOUS COMMUNITY AND WARM SOCIETY

- PARTY BUILDING
- JOINT GOVERNANCE AND DEVELOPMENT IN COMMUNITY BUILDING
- PUBLIC WELFARE SERVICES





PARTY BUILDING

The report from the 20th National Congress of the Communist Party of China emphasises the importance of strengthening party-building efforts in urban communities, promoting grassroots governance underpinned by such initiatives, and transforming grassroots party organizations into robust fortresses that effectively embody the Party's leadership. Communities serve as the "Last Mile" of grassroots governance, acting as a vital link between the Party, the government, and the masses. Party building guides property management by directing efforts through party organizations, fostering consensus, and integrating resources, thereby establishing a collaborative governance system that addresses community governance challenges.

The Group is committed to enhancing the leading role of party building in grassroots governance by focusing on community development related to human settlement safety, cultural enrichment, spatial improvement, and mutually beneficial development. This approach comprehensively enhances the quality and level of property services.

INHERITING THE TORCH OF PARTY FOUNDING ON JULY 1ST AND CONTINUING TO WRITE A RED CHAPTER

To commemorate the 103rd anniversary of the founding of the Communist Party of China, the Group's Party Branch organised a visit for its members to the Museum of the Communist Party of China. Featuring over 2,600 photographs and more than 3,500 cultural relics, the exhibition allowed Party members to listen to the tour guide's vivid narration of the heroic deeds performed by revolutionary martyrs. This experience deepened their understanding of the hard-won nature of New China and the significance of socialism with Chinese characteristics. As the word says, every generation has its own "Long March," and every generation must walk their own "Long March" well.



COLLABORATE WITH PROPERTY OWNERS IN PARTY BUILDING TO FOSTER A SAFE COMMUNITY

To create a safe community and establish a safety lifeline for homeowners, Zhengzhou Gucheng Longfu Project of the group collaborated with the community to conduct a themed Party Day entitled "Leadership for Party Building: Together for Fire Safety." actively carried out Party building and safety activities, completed the training and drills on fire safety knowledge, and enhanced the safety awareness and skills of the owners, jointly building a peaceful community.



RED HEART ILLUMINATES LIVELIHOOD SERVICES: EFFECTIVELY IMPLEMENTING RED PROPERTY MANAGEMENT

Little Sunac, the Red Volunteer Service Team of the Group's Harbin Company has taken proactive measures to implement red property management by addressing the practical needs of residents and property owners and leading various livelihood services. These services include door-to-door express delivery, convenient haircut services, cleaning of floor mats, and self-service car wash stations for those in need. These initiatives bring convenient solutions to the "Last Mile", enabling residents to meet their daily needs without leaving their homes, thereby significantly enhancing their sense of well-being.



PRACTICING THE SPIRIT OF LEI FENG: SERVING THE COMMUNITY WHOLEHEARTEDLY

In March, known as the Month of Lei Feng, the famous volunteer, Guangxi Company of the group organised a series of activities aimed at promoting the spirit of Lei Feng under the guidance of the Party branch. These initiatives focused on understanding and addressing the needs of homeowners, enhancing their quality of life, and fostering a positive living environment. The company collaborated with student representatives from Beiji Road Primary School and local residents in Nanning City to host an Arbor Day-themed event, during which participants worked together to cultivate a new green park. Additionally, health consultation activities were organised, inviting community hospitals and medical units to provide free medical services, thereby safeguarding the health of residents. In response to the daily needs of the community, free services such as knife sharpening, fan cleaning, floor mat washing, and hairdressing were offered, garnering significant praise from homeowners.





JOINT GOVERNANCE AND DEVELOPMENT IN COMMUNITY BUILDING

The Group provides high-quality services to property owners and offers new ways for families to enjoy a better life. It builds a "returning home community" that is characterized by co-construction, sharing and common prosperity. It has conducted a series of explorations and attempts in the field of "community building". In 2024, the community "i Sunny" was officially upgraded to "i Sunny 2.0" community building. Five pilot community councils were sequentially established, fostering close connections among the community, residents, and property management through regular meetings. The initiative focused efforts on six key areas: safety and health, community culture, spatial environment, learning for all ages, mutual benefit, and community building, thereby transforming the community into a safe and comfortable home for residents. Simultaneously, the Group continues to develop engaging activities such as SUN-DAY Super Experience Day, Homeowner Talent Show, Interest Group, and National Basketball Competition. These initiatives break down social barriers and enable homeowners to become active participants in community building, share benefits, and collaborate, fostering strong neighborhood relationships, stimulating community vitality, and realizing shared value. In 2024, the Group organized over 400 community cultural activities, bringing wonderful experiences to 151,371 property owners.

COMMUNITY COUNCIL

As of the end of 2024

Piloted the establishment of
5
community



The Group actively explores innovative approaches to grassroots governance, with focus on five key dimensions: joint awareness development, joint cultural building, joint resource utilization, joint environmental protection, and joint charity contribution to promote the in-depth development of community development from multiple facets and levels. Collaborating with government entities and property owners, the Group facilitates the establishment of a community council. Communal street entities act as guides for joint community building, and aid property managers in building structures and mobilizing governmental resources to support council development. Property owners engage in joint community building and grassroots autonomy by discussing and proposing community

improvement initiatives, and fostering the orderly development of the community. Property management companies assume the role of community co-governance and collaborative service providers, responsible for planning activities that address homeowners' needs, identifying and nurturing local talent, and managing space operations. By integrating resources, they create bridges and platforms for community building. Additionally, local merchants contribute resources or professional sponsorship to advance community development as co-benefit participants.

The government plays a role in coordinating resources within the council, and community building strengthens the relationship between property management and the government



The streets, government departments and property owners and merchants provide resources to carry out the "Rongle Classroom" activities



Government funding supports Hangzhou SUN-DAY activity



Hefei Sunac Resort has been featured on Anhui TV. The government has taken the initiative to make public statements to promote the content of the joint construction



The community office space of Jinan Fortune Peak Garden project actively supports the property management as the venue for activities

The owner actively became the leader of Sunshine and launched a public classroom for communication skills training





Case

Transitioning from Unilateral Activity Planning by Property Management Companies to Joint Participation and Resource Sharing Among Residents

The "Hundred Family Banquet" event organised by the Group for the Chongqing Aoyuan Project involved 500 people. Through sharing delicious food, it aimed to enhance neighborly harmony and friendship, and received high praise from the property owners. This event also significantly deepened the communication and interaction among neighbours.



Case

Incorporating "Linked by Value" Alongside "Linked by Interest" to Foster a Sense of Responsibility Among Community Residents



In the quest to create a child-friendly community, the Group's Era Olympic City project has innovatively established a science popularization experience area, "Happy Farm". Community residents engage in various activities, including the land and plant claiming, sowing, maintaining, fertilizing, and managing pest control. They collaboratively participate in the design, construction, maintenance, and administration of the "Farm". This initiative not only enables residents to gain a deeper understanding of sustainable lifestyles and environmental protection but also serves as an outdoor classroom for children to foster knowledge about ecology and plants. As a result, community residents develop a stronger sense of responsibility and belonging to their community.

Adhering to the principles of "transforming old objects, promoting the circulation of all things, and advocating for low-carbon environmental protection," the Children's Council of Jinan Fortune Peak Garden project collaboratively plans to renovates the nucleic acid testing booth into a "Toy Exchange House/Shared Library". This initiative seeks to create a space for sharing books, toys, hopes, and emotions within the community. The director, on-duty director, and administrator are all young members of the Children's Council, who adhere to the shared library convention and actively participate in the regular maintenance of the library, contributing to community cultural development.



SUN-DAY SUPER EXPERIENCE DAY & HOMEOWNERS' TALENT SHOW

The SUN-DAY Super Experience Day, a distinctive community event created by the Group, has been held continuously for four years. In 2024, the SUN-DAY Super Experience Day merged with the Homeowners' Talent Show and experienced a comprehensive upgrade of the event's content. This year, six core sections were introduced: "Talent Show Together", "Strolling Together in the Market", "Engaging in Public Welfare Together", "Family Photo Together", "Replenishing Energy Together", and "Drawing Prize Together" to further elevate the event's appeal and impact.

In 2024, the SUN-DAY Super Experience Day extended to 33 cities nationwide, attracting participation from 234 community homeowners and demonstrating a strong influence and sense of community cohesion. The integration of the event with the Homeowners' Talent Show garnered 41.2 thousand votes during the online show, highlighting its significant popularity. Initially promoted through Red Note, the event achieved nearly 150,000 exposures, successfully capturing the attention of young audiences and external users. The event received high praise and commendation letters from various stakeholders, underscoring the recognition of the owners and reinforcing the Group's brand image within the community services sector.



Talent Show Together



Strolling Together in the Market



Engaging in Public Welfare Together



Family Photo Together



Replenishing Energy Together



Drawing Prize Together

"I SUNNY" BASKETBALL COMPETITION

In 2024, with the passion ignited by the Paris Olympics, the "In the Name of Dreams, For Passions" Sunac Service National Basketball Competition 2024 kicked off. A total of 1,807 teams participated in this competition whose overall participation increased by 35% compared to 2023, covering nearly 10,000 people. The number of basketball communities in China has reached 47 (38 for adults and 9 for children), a 5.2-fold increase from last year. Since the first national basketball Competition "Passion Never Dies, Youth Ignites" was held by Sunac Services in 2022, over 20,000 children and adults have participated in this event over the past three years.





PUBLIC WELFARE SERVICES

The Group is dedicated to fulfilling its corporate social responsibility across various public welfare domains, including education for intelligence, rural revitalization, joint urban development and governance, community safety education, and support for disabled groups. Adhering to the principle of long-termism, the Group strives to actualise public welfare initiatives, create a harmonious community characterised by goodwill, continuously innovate the form of public welfare, expand engagement in diverse welfare fields, deepen the significance and scope of activities, and illuminate the lives of more individuals through efforts.

By 2024, the Group has established four public welfare IP activities: "Rongyou Future", "Rongle Classroom", "Rongxin Clothes Recycling", and "Sunac Spring Buds". We have created a model of "two major public welfare services + two major public welfare collaborations", exerting the social responsibility of property services, and at the same time calling on property owners to participate in public welfare projects. Through the establishment of systematic and standardized systems, we have formed a public welfare brand that enjoys a high reputation among both property owners and the industry.



RONGYOU FUTURE

In 2024, the public welfare project "Rongyou Future" initiated by the Group successfully conducted 65 activities, engaging over 2,500 participants and benefiting over 14,000 individuals across over 36,500 households. The project was recognised with the Excellent Case on the List of World CSR Innovation 2024, generating more than 220 media and industry reports.

This year, the Group established "Rongyou Stations" in 22 communities and to train 28 frontline employees and homeowners in obtaining the national-level professional qualification certification of Emergency Rescuer, which contributes to the formation of a professional community safety team and promote collaborative efforts to enhance community safety. By the end of 2024, 587 homeowners have joined the "Rongguang Volunteer Service Team", which comprises 142 adult homeowners. This initiative creates an all-aged, multi-level volunteer service network that integrates public welfare activities into daily life and lays a solid foundation for joint development in community public welfare.

Community Safety-themed Activities and Sunac Volunteer Team Activities



Exploring the Extension of Community Safety Education through Large-Scale Study and Practice

Over 40 families participated in activities at the Beijing Yanshan Safety Training Base and the Shanghai Public Safety Education Training Base to engage in safety education and practical exercises, which received 100% positive feedback.

Build Community Safety Professional Support

The Group have improved the community safety emergency material supply system by establishing 28 Rongyouyi Stations across 22 Top Heartfelt communities. The Group actively promotes safety awareness in additional 300 projects to ensure comprehensive coverage of the Rongyou Future community safety knowledge and community safety single-page materials.



SUNAC SPRING BUDS

The Group initiates the "Sunac Spring Buds" public welfare project, which aims to improve the education of girls from disadvantaged families and help more girls receive a good education and achieve academic dreams. Since its launch in 2023, the project has been carried out by the owners to disseminate the public welfare concept and raise funds. A total of RMB97,459 has been collected, and 52 disadvantaged girls have been successfully established with one-on-one assistance relationships. The initiative has garnered over 170 media and industry reports and has been recognised as an exemplary business case by the China Children and Teenagers' Foundation. It has also been included in the annual handbook.



RONGLE CLASSROOM

To enrich the cultural life of community residents and promote the healthy growth of young people, the Group offers free community classrooms that provide legal knowledge dissemination, fraud prevention for the elderly, mental health support for youth, and skills classes. In 2024, Rongle Classroom evolved into a comprehensive platform that integrates knowledge, interests, and aspirations. With an open approach, it connects a wide array of social resources and tailors a series of engaging themed classrooms for homeowners of various age groups and interests. This initiative enables homeowners to experience the joy of skill enhancement, multidimensional growth, and the endless possibilities of intertwining life and passions while exploring their own potential boundaries, thereby contributing to a new chapter in the community's spiritual and cultural development through high-quality activities.

In 2024, Rongle Classroom was launched nationwide, featuring flexible promotion through regional self-organization and a total of 96 sessions. These included 76 classes for children and 20 classes for adults and the elderly, engaging over 2,700 homeowners.



Classes for the Elderly



Classes for Adults



Classes for Children

In 2024, a range of themed classrooms were instituted in the community, offering growth-oriented courses such as ancient architecture studies, mock court simulations, and red education specifically for younger homeowners. Additionally, elderly homeowners also had the opportunity to attend beauty classes, learn about health science, and engage in calligraphy practice during their leisure time.



RONGXIN CLOTHES RECYCLING

Focusing on the principle of balancing environmental protection with the well-being of homeowners, the Group has successfully normalised the practice of old clothing recycling within communities. Through the frequent engagement of the public welfare project Rongxin Clothes Recycling, more homeowners can actively participate in environmental protection and low-carbon initiatives, experiencing the warmth and strength that welfare provides. In 2024, 277 sessions of Rongxin Clothes Recycling were implemented nationwide, with 8,445 homeowners donating 7,903.82 kg of old clothes, leading to a reduction of 41,890.246 kg in carbon emissions.



In October 2024, the Group's volunteering homeowners and employees built a 666-square-meter charity forest of Haloxylon ammodendron in Minqin, Gansu. We invited Ma Junhe, a national model worker in desertification control and the General Secretary of the Minqin Volunteer Association, to provide whole-journey explanations and guidance on-site. The homeowner satisfaction rate was 100%, reflecting their enhanced understanding and engagement in desertification control initiatives.





04

PUTTING PEOPLE FIRST, CO-COMMITMENT AND CO-ACHIEVEMENT

- EMPLOYER BRAND VALUE PROPOSITION
- EMPLOYMENT AND PROMOTION
- REMUNERATION AND BENEFITS
- EMPLOYEES HEALTH AND SAFETY
- COMMUNICATION AND EXCHANGE
- TRAINING AND DEVELOPMENT



EMPLOYER BRAND VALUE PROPOSITION

Talent is the fundamental driving force behind business development, and a strong and appealing employer brand serves as a crucial magnet for attracting and retaining talent. On 1 November 2024, the Group officially launched its employer brand value proposition: "Moving On with Goodness, and Allowing Hard Work Pays Off."

The Group upholds a "people-oriented" philosophy, grounded in practical experience and focusing on four dimensions: corporate honor, emotional belonging, empowering growth, and salary return. The Group thoroughly explores major employer branding directions and implements initiatives to enhance talent strategy. The Group prioritises value-based resonance in corporate culture, and fosters an environment that promotes stronger identification for more happiness among employees. By providing comprehensive support, the Group instills a sense of belonging, facilitating a two-way collaboration between the Company and employees. The Group empowers career development by offering abundant training resources and diverse training formats, paving the way for employee growth. Furthermore, the Group provides competitive salaries and benefits alongside targeted incentive policies, ensuring that every employee maintains a positive outlook, sets firm goals, and works diligently towards achieving them.

Corporate Honors: Through high-quality service and strong brand reputations, the Group receives numerous awards and accolades, which enhance employee pride.

Emotional Belonging: The Group demonstrates humanistic care through party-building initiatives and cultural development, conveying warmth and fostering value-based resonance among employees.

Empowering Growth: The Group cultivates an equitable and harmoniously competitive environment that encourages employees to innovate boldly, allowing for trial and error to facilitate their development.

Salary Return: Guided by employee value, the flexible and competitive salary system effectively stimulates enthusiasm and creativity in the workplace.

EMPLOYMENT AND PROMOTION

Employees are key drivers to the sustainable development of an enterprise. The Group upholds the principle of fairness and justice, fully respects and protects the rights and interests of every job seeker/employee, continuously strengthens the construction of talent team, and strives to create conditions for the personal growth of employees and provide a broad space for advancement and development platform.

EQUAL EMPLOYMENT

The Group adheres to the principle of fair and just recruitment and does not treat applicants differently regarding their races, ages, genders, marital status, social classes and religions during the recruitment, and attaches great importance to and promotes the diversity of its employees and builds a diverse and inclusive workforce. The Group has formulated the *Recruitment Management Regulation of Sunac Services Group*, the *Management Regulation on Internal Recommendation of Sunac Services Group* and other management regulations and standards in accordance with the development needs of the Group to promote the standardised and normalised recruitment process and improve the recruitment efficiency while ensuring the fairness and impartiality in recruitment.

CHILD LABOR AND FORCED LABOR ARE PROHIBITED

The Group strictly prohibits child labor and forced labor. The Group will verify the identity information of its employees when they join the Group to avoid the employment of child labour. The Group employs employees in accordance with the law and does not have any cases of forced labour. If suspicious situations are identified, the Group will promptly stop improper employment and labour practices, take corrective measures, provide employees with labour protection and labour conditions as required by law, compensate employees for losses caused in accordance with the law and take punitive measures against those responsible. In 2024, there were no incidents of employment of child labour or forced labour of the Group.

PROTECTING EMPLOYEE RIGHTS AND INTERESTS

The Group complies with the laws and regulations, including the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*. The Group has developed several key documents: the *Management Rules of Sunac Service Group for Labor Contract*, the *Recruitment Management Regulations of Sunac Service Group*, and the *Management Regulations of Sunac Service Group for Employee Onboarding*. These documents standardise the Group's contract management processes, clarify the rights and obligations of both parties under the labor contract, and outline essential agreements regarding working hours, employee vacations, job responsibilities, salary and benefits, and labor conditions. This framework protects the basic legitimate rights and interests of employees and fosters harmonious and stable labor relationships. For employees during the probationary period, the Group has implemented the *Management Rules of Sunac Service Group on Employees During and After Probationary Period*, which optimise the process of assessment and confirmation to be permanent employees during the probation period. This policy refines the management criteria for early confirmation to be permanent employees, promotes employee growth, facilitates quick integration into corporate culture, and helps them adapt to job requirements, ultimately establishing long-term, stable labor relationships. Additionally, for newly hired employees, the Group offers one-on-one coaching and communication with designated Sunshine Partners to expedite their familiarization with and integration into the team.

The Group complies with the Law on the *Protection of Women's Rights and Interests* and conscientiously implements the *Notice of the Ministry of Human Resources and Social Security on Further Standardizing Recruitment to Promote Women Employment* issued by the Ministry of Human Resources and Social Security and the Special Provisions on the *Labor Protection of Female Employees* issued by the State Council. Provisions regarding maternity leave, breast-feeding leave and other leaves for female employees are implemented strictly and the Group ensures that female employees have equal remuneration and benefits and promotion opportunities according to law.

The Group has also established a system for the termination of employment of employees and has formulated corresponding operational procedures for different reasons and types of employees to protect the legitimate interests of employees and the Company during the termination process.

EMPLOYEE PROMOTION

The Group continues to pay attention to staff appraisal and incentives as well as training and promotion by conducting annual and process performance appraisals, special awards and punishments, etc. The Group conducts annual performance appraisals on staff using methods such as 360 performance appraisal to provide promotion and development opportunities for staff with outstanding overall performance. At the same time, the Group actively taps into the internal talents of the Company and gives priority to internal staff for more promotion opportunities.

DIVERSIFIED DEVELOPMENT

The Group actively builds a diversified talent pool to achieve balance in different genders, age groups, geography, and different professional experiences, and to create a diverse, and inclusive anti-discrimination work environment. As of the end of the Reporting Period, female employees accounted for approximately 41%.



SCHOOL-ENTERPRISE
COOPERATION

Grassroots school-enterprise cooperation is an important tool to improve the talent structure of front-line teams. The Group has established a long-term and stable supply of high-quality grass-roots staff through cooperation with universities and colleges across the country, and on the other hand, the Group has also established a nationwide grass-roots staff training base with the help of school training resources to gradually achieve full coverage of grass-roots training and full staff certification to enhance the quality of grass-roots staff.

As of the end of 2024



REMUNERATION AND BENEFITS

REMUNERATION AND BENEFITS OF EMPLOYEES

The Group has developed remuneration policy in accordance with factors including industry-wide and local market salary standards, operational efficiency, employee performance, and inflation rates. To attract, retain, and motivate talent, the Group has implemented a comprehensive remuneration plan that includes base salary, discretionary bonuses, and share incentive programs.

The Group has formulated the *Rules Governing the Remuneration of Sunac Services Group* and the *Rules Governing the Benefits of Sunac Services Group* to regulate the management of the Group's remuneration and benefits and provide a fair and reasonable remuneration and benefits system for its employees. The Group conducts regular evaluations of the remuneration of its employees and provides them with remuneration levels that are competitive in the industry.

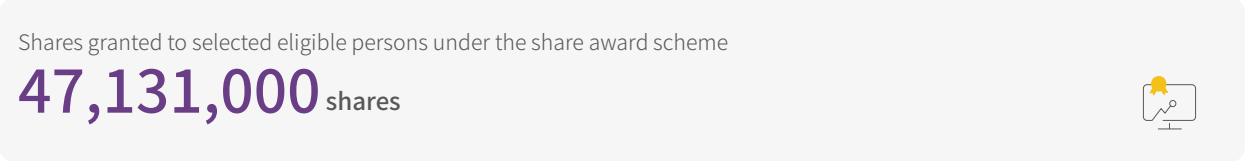
The Group provides a wide range of employee benefits to its employees, including housing subsidies, transportation subsidies, meal subsidies, festive gifts and free medical examinations for employees. Every year, we invite professional staff to explain the medical examination reports to remind our employees to be aware of their health conditions; and in line with its management status, the Group has supplemented the "Employee Employer's Liability Insurance" in addition to full social security coverage.

SHARE INCENTIVE PROGRAM

The Group offers employees the opportunity to acquire shares in the Company to foster a community of shared interests, enhance their enthusiasm for work, and promote mutual development between employees and the Company. In accordance with the share incentive program adopted by Sunac Private Trust Co., Ltd. in June 2021, the Group grants its own shares to eligible employees and establishes annual performance evaluations and other indicators as criteria for share attribution. If an employee does not meet these criteria, the corresponding shares will be reclaimed.

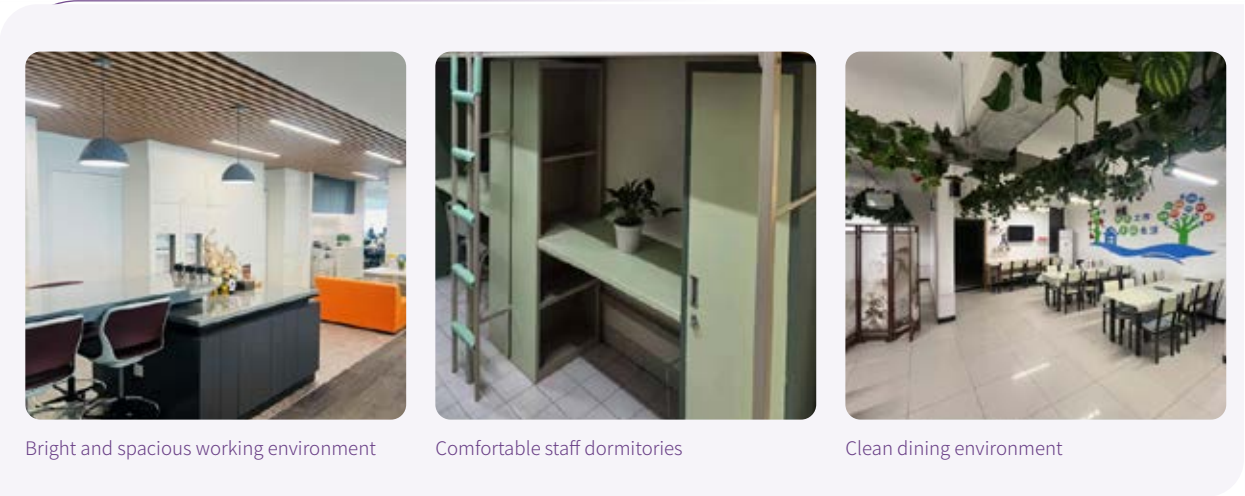
As of the end of 2024, a total of 47,131,000 shares have been granted to selected eligible individuals under the share incentive plan, including 11,137,000 shares allocated to the directors of our company.

As of the end of 2024

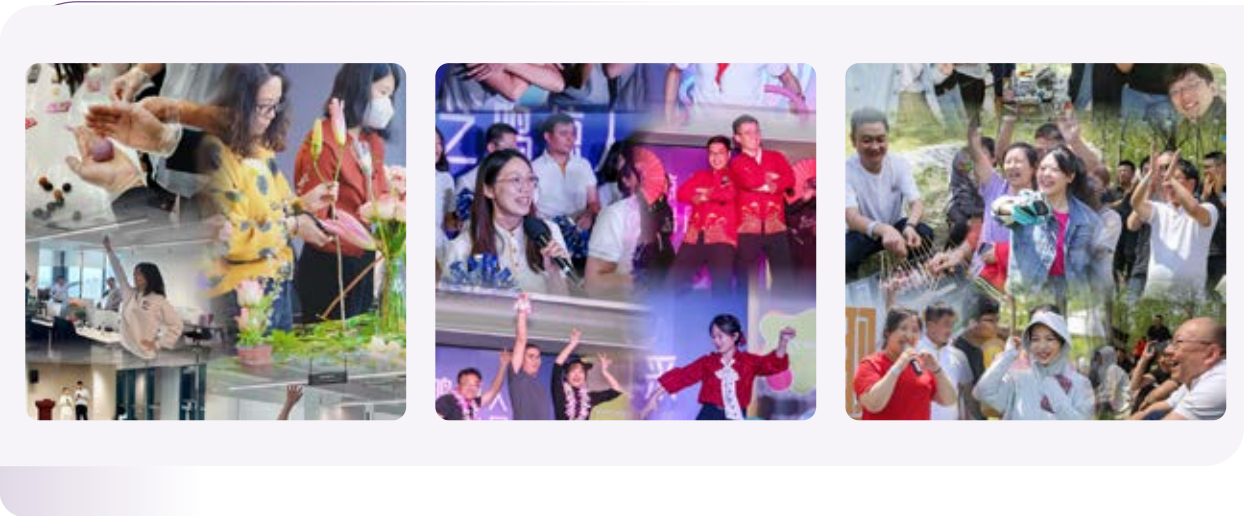


STAFF CARE AND STAFF ACTIVITIES

The Group focuses on building a comfortable, safe, and healthy working environment for employees. Spacious and well-lit offices not only enhance work efficiency but also foster communication and collaboration among employees. By offering employee dormitories, the Group not only attracts more talented individuals but also strengthens their sense of belonging and loyalty. Furthermore, providing various nutritious meals contributes to employees' happiness and overall satisfaction.



To enrich employees' lives and support their physical and mental well-being, the Group offers a variety of activities, including interest clubs, holiday events, and team-building initiatives. These activities not only improve team cooperation and cohesion but also enhance employees' teamwork spirit, communication skills, and collaborative abilities. In 2024, the Group organised over 20,000 employee activities.



EMPLOYEES HEALTH AND SAFETY

The Group places high emphasis on the health and safety of both employees and on-site suppliers. In 2024, the Group continued the annual tracking audit of the occupational health and safety management system certification (ISO 45001:2018), encompassing the operational scope of property management services. This process involved identifying and evaluating the occupational health and safety risks associated with the Group's activities. The Group has established the *Risk Event Notification and Disposal Management Rules of Sunac Service Group*, which delineates the risks, and their classifications, and ratings for each professional line, as well as the reporting and emergency response mechanisms, management standards, and procedures for risk event processing. Additionally, the Group regularly conducts hazard investigations and analyses, assessing various business formats and operational sites to identify and manage potential risks. The Group has integrated the collection, identification, reporting, evaluation, disposal, and review of risk hazards and events into an online management system for risk control while monitoring the progress and verifying the effectiveness of responses.

Regarding on-site operation safety management, the Group considers safe operation to be the foremost criterion. The Group continually improves the *Management Specification on the Safe Operation of Engineering Maintenance* and ensures compliance with workplace safety requirements and the effective implementation of on-site safety protocols. Engineering operators are required to hold relevant certifications and follow safety operation standards while working. The Group provides regular training for specialised operators and ensures adequate protection measures for employees, particularly during extreme weather conditions. Additionally, the Group actively organises occupational safety education, including training on the use of personal protective equipment. The project's lead professional is responsible for supervising training sessions and maintaining training records. The Group collaborates with various regional projects to inspect the implementation of management standards across projects and to evaluate occupational safety and health conditions. The Group mandates the comprehensive coverage of employer liability insurance and annual health check-ups for employees to safeguard their well-being.

The Group also emphasises the occupational health and safety of third-party outsourcing personnel. Contractual agreements with third-party labor service companies require them to procure personal insurance and third-party liability insurance for their employees, as well as conduct specialised physical examinations and competency assessments for over-aged employees. The Group also provides labor protection equipment for outsourced personnel and regularly evaluates their service quality and compliance with health and safety requirements.



COMMUNICATION AND EXCHANGE

The Group is committed to protecting the legitimate rights of its employees and their freedom of expression, providing them with smooth communication channels. We strictly implement the *Diversity and Inclusion Policy of Sunac* and respect their rights, including the freedom to associate, participate in trade unions and attend staff meetings, in accordance with the law. The Group opens up various communication channels for its employees, listens to employees in a variety of ways and creates a simple, direct and transparent communication atmosphere, and protect employees' right to communicate with the management regarding the working environment, operational or management issues, suggestions and opinions, etc. in the exercise of their legitimate rights.

This year

Employee satisfaction
survey coverage rate

100%



In order to motivate employees to take the initiative to communicate, dig deeper into their suggestions and aspirations and solve their problems in a timely manner, the Group aims to "listen to the voices of the grassroots, stay close to the front-line and care for the employees". We have created a smooth communication channel between employees, the Company and management. The Group continues to maintain close communication with employees at all levels through daily activities such as organizing management's visits to the front line and face-to-face interviews.

In 2024, the Group organised a series of multi-dimensional employee satisfaction surveys on frontline projects to understand employees' perceived satisfaction in terms of accommodation, food, activities and welfare, and to solve problems based on the survey results, in order to enhance the employees' working experience.

For the management trainees of Sunac, the Group matches each fresh graduate with three mentors to support their growth in terms of corporate culture, basic business and growth planning. Regular communication and exchange activities, such as discussion meetings and quarterly training sessions, are held to help the fresh graduates understand the corporate culture and clear up any confusion in their career development. Through the survey, we understand the real demands of the Group and use 1 to 1 communication and job rotation to allocate resources to solve fresh graduates' problems. At the same time, the Group regularly conducts quarterly surveys on the satisfaction level of fresh graduate on a quarterly.

The Group follows the requirements of the International Labour Organization's core conventions on labour rights protection and has established trade unions to better protect the legitimate rights and interests of employees. We seek to establish a harmonious and stable employment relationship and promote the common development of employees and the Group.



TRAINING AND DEVELOPMENT

The Group attaches great importance to the growth and development of employees and has established a diversified talent training system. Based on the needs of our employees at different levels and in different positions, we prepare training courses in a targeted manner and carry out training in various forms such as online learning platforms, offline training courses, training camps and skill competitions, aiming to guide our employees to excite their potential through training, improve their working skills and comprehensive capability, and promote their personal career development. In 2024, the Group conducted more than 1,700 employee training sessions and all the employees of the Group have received proper training, details of which are set out in "Appendix: Key Performance Indicators" in this report.

SUNAC ACADEMY

The Group established the "Sunac Academy" in 2018 with the aim of empowering talent, promoting culture and guiding innovation, and a view to establishing a mechanism for supplying and nurturing talents, promoting organizational reforms, establishing industry standards and building partnerships, thus achieving a win-win situation and mutual growth for both the Company and our employees. Sunac Academy has several branches underneath to meet the needs for the development of our employees at different levels and stages and to achieve the goal of nurturing talents in a comprehensive and multi-dimensional manner.

Among those branches, the Leadership Branch focuses on leadership empowerment of management and core succession echelons, and incorporates project manager training into the full cycle of training to enhance the multi-dimensional management capabilities of junior management staff; the Professional Power Branch focus on comprehensively enhancing the professional skills of staff and the work skills of junior staff, and developing the Group's professional talents in the areas of residential, non-residential, investment expansion, life services and grassroots security, customer services and environmental engineering; the Sunac Management Trainee Branch focuses on the cultivation of comprehensive abilities of fresh graduates and the preparation of future management talents for the Group; the Digital Teaching Branch focuses on the establishment of OMO-style teaching model and coordinating the construction and operation of the Group's online learning platform; the Culture Branch focuses on helping new employees blend into and the promotion of our corporate culture; and the Operation Center focuses on vocational skills certification and grass-roots staff training and the construction and development of internal trainer team.

This year

Employee training

1,700+ sessions


Employee training coverage

100%


RONG XUE YUN (融學雲)

In 2022, the Group established an independent online learning platform known as "Rong Xue Yun (融學雲)", aiming to accelerate the construction of the Group's talent development system by technological means. On the one hand, the Platform has optimised the online functions such as "test, learning, practice, examination, and evaluation" to consolidate the knowledge, the courses and ex-aminations at each stage and facilitate the accomplishment of the whole training process; on the other hand, it distilled the knowledge of each professional segment and linked it to the external industry resources to create a comprehensive knowledge sharing center where our employees can find with ease what they want to learn according to their own needs.

OCCUPATIONAL SKILL SCERTIFICATION

In order to improve the quality of our services, enhance the comprehensive service ability of front-line guest personnel, meet the increasing service needs of owners, thoroughly implement the spirit of the *14th Five-Year Plan for Vocational Skills Training* and improve the enter-prise vocational skills training system, the Group carried out vocational skill level identification work throughout the Group in 2024.

This year

Online training programs

310 sessions


Number of participants

16,681 participants

2,290 persons

obtaining related vocational
certificates


In 2024, some of the Group's key training projects are as follows:



Mountain&Sea Program

The Mountain&Sea Program comprises a series of training programs aimed at facilitating managers' boot camp of the Group. In November 2024, the Group conducted centralised training for 89 managers, emphasizing strategy selection and the execution of strategic objectives by each center. The training effectively communicated the strategic direction, goals, and key tasks, resulting in the successful breakdown and implementation of the Group's strategy.



Xinghuo Program

"Xinghuo Program" comprises a series of training sessions designed for the Group's residential project managers. The Group prioritises empowering and upskilling these managers, and conducted 14 training sessions for newly hired/promoted project managers in 2024, involving a total of 130 participants. The training camp focuses on strengthening business acumen, improving operational efficiency, and enhancing management skills. Utilizing various methods such as internal lectures by industry experts, group seminars, sharing of wisdom, and direct communication with executives, the camp aims to help participants internalise key concepts, draw insights from best practices, and reinforce their confidence in overcoming challenges. These efforts lay the ground work for the structured growth of the consolidated residential business.



Excellent Instructor and Excellent Course Program

The "Excellent Instructor and Excellent Course Program" is a training initiative aimed at enhancing the capabilities of the internal trainer team. In June 2024, we conducted a two-day training session for our trainers, with a total of 70 participants engaged. The program emphasises the instructors' ability to develop courses and effectively communicate and present their teaching skills. Through lectures, group discussions, evening self-study sessions, and trial presentations, participants are encouraged to internalise key concepts and master course development skills, establishing a strong foundation for the development of the Group's instructor training system.



The Group has also formulated a training program for fresh graduates:

Sunac Management Trainee Program

The Group launched the "Sunac Management Trainee Program" since 2015, with the purpose of selecting outstanding fresh graduates. Through "theory courses", "task exercises", "position practice", and "intensive training and improvement", it develops high caliber management talents with outstanding capabilities and a high sense of recognition to meet the future development demands of the Group. Sunac management trainee cultivation is crucial for establishing an endogenous organizational framework within enterprises, systematically developing and nurturing future management talents, promoting cultural inheritance and innovation, and enhancing organizational vitality and competitiveness.

In July 2024, the Group initiated the "Leading Sunac Management Trainee Training Camp" for that year. The centralised training program lasted three days and included 34 Sunac management trainees. The curriculum featured expert lectures, practical tasks, peer exchanges, and team-building activities. To facilitate teacher courses, we invited business leaders from various departments to deliver lectures on business acumen and self-management, assisting students in their career transitions. The combination of practical tasks with real-world scenarios built up Sunac management trainees' decision-making and teamwork skills and increased their understanding of job roles. The peer exchanges were led by the CEO, the executive team, and distinguished Sunac Management Trainee Training alumni from previous years, who addressed questions, shared growth experiences, and reinforced cultural integration. Team-building activities, which included frisbee and basketball games, were designed to engage modern youth, fostering a spirit of efficient collaboration, sharing, and mutual success.





05

ENVIRONMENTAL PROTECTION AND GREEN OPERATION

- ENVIRONMENTAL GOALS AND ENVIRONMENTAL PERFORMANCE IN 2024
- CLIMATE CHANGE
- RESOURCES MANAGEMENT
- EMISSIONS MANAGEMENT
- BIODIVERSITY PROTECTION





ENVIRONMENTAL GOALS AND ENVIRONMENTAL PERFORMANCE IN 2024

The Group attaches great importance to environmental protection, strictly abides by laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, actively responds to the opportunities and challenges of climate change, and focuses on achieving green environmental protection in operations and service provision, practicing the concept of sustainable development with practical actions. The Group has obtained ISO 14001:2015 environmental management system certification.

ENVIRONMENTAL GOALS

Based on past environmental performance and our own operational characteristics, the Group has set environmental goals for 2021. The environmental goals of our group include:

Emission reduction goals

Actively respond to the national goals of carbon peaking and carbon neutrality, strictly implement green operations and keep greenhouse gas emission intensity a decreasing trend.

Waste reduction goals

Minimize waste discharge and have 100% of hazardous waste treated harmlessly by qualified suppliers and actively promote waste sorting and management in accordance with policy requirements.

Energy conservation goals

Continuously establish an energy management system, promote energy saving equipment and enhance the efficiency in the use of energy.

Water conservation goals

Continuously establish a water resource management system, promote water saving equipment and enhance the efficiency in the use of water resources.

ENVIRONMENTAL PERFORMANCE IN 2024

The scope of environmental performance data in this report covers the headquarters of the Group, regional and urban platform companies, as well as the property management projects and commercial operation management projects* under their management.

The resources used by the Group's operations mainly include gasoline, diesel, purchased electricity, liquefied petroleum gas, natural gas, and water.

The main emissions generated by the operation of the Group are greenhouse gases and waste generated from energy use. The Group then classifies and collects the non-hazardous waste in accordance with the available supporting facilities and transfers the non-hazardous waste generated by operations to the municipal department or qualified transportation providers for disposal. The small amount of hazardous waste generated by the operation of the Group is handed over to qualified professional companies for recycling or harmless treatment, without causing significant environmental impact. The packaging materials generated in the operation of The Group are extremely rare, therefore the key performance indicator A2.5- the total amount of packaging materials used in finished products has not been disclosed.

In 2024, the intensity of the Group's greenhouse gas emissions, and energy consumption have decreased within acceptable limits compared to previous years, while the water consumption increased. Moving forward, we pay continuous attention to our environmental targets by conducting regular reviews and audits, and enhancing the management of environmental data related to greenhouse gas emissions, energy consumption, and water consumption intensity, with a view to promoting the achievement of the targets in the following year. For detailed data on the environmental key performance indicators of the Group, please refer to Appendix: Key Performance Indicators.



Case Sunac Commercial: 7 Projects Acquired National "Green" Shopping Certificate

Green shopping malls practice the concepts of environmental protection, health and safety, adapt to the needs of green consumption, and take environmental factors into account in operation and management system to realize energy saving and emission reduction, green sales and waste recycling, protect the ecosystem and rationally use resources. Seven of the Group's commercial operation and management projects in Harbin, Nanchang, Xishuangbanna, Wuxi, Chongqing, Chengdu and Jinan have passed the national "green" shopping mall title.

* Excluding property management projects that adopt a commission system and commercial operation management projects that adopt an entrusted management model.

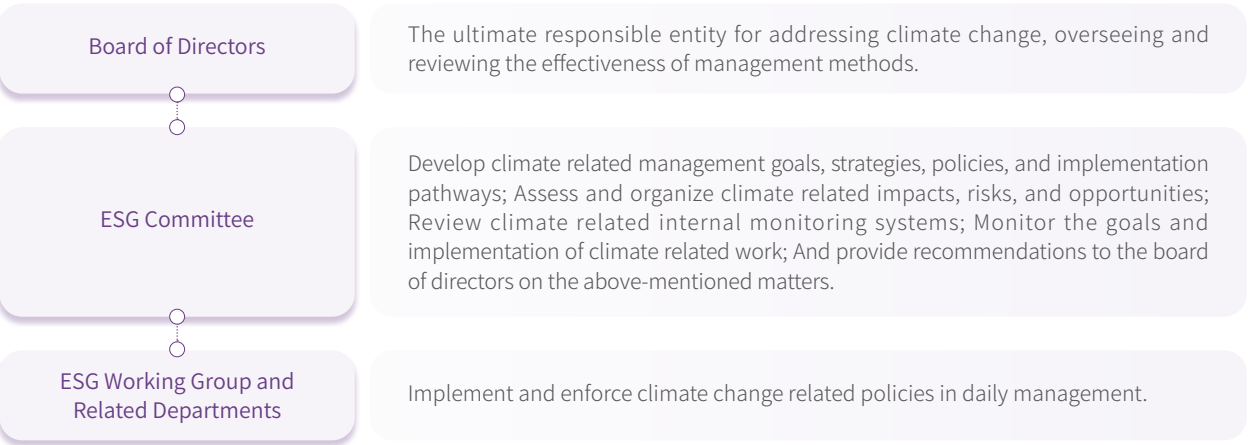


CLIMATE CHANGE

The impact of climate change on human society is increasing day by day. The Group actively identifies potential risks brought about by climate change, closely monitors the issuance and dynamic development trends of national policies related to climate change, takes necessary measures to address climate related risks and opportunities, and contributes to the collective response of the whole society to the challenges of climate change.

CLIMATE CHANGE GOVERNANCE SYSTEM

The Group actively improves its internal management mechanisms and methods, continuously enhancing the effectiveness of climate change governance. We have established a climate change governance framework consisting of the Board, ESG committee, ESG working group, and relevant departments.



CLIMATE CHANGE MANAGEMENT STRATEGY

Based on business characteristics and actual operating experience, the Group evaluates and analyzes the physical risks, transformation risks, and opportunities that extreme events caused by climate change may pose to the Company.



The risk identification results of climate change and countermeasures of the Group

Major risk		Potential impact	Countermeasures
Physical risks	Acute risks	<ul style="list-style-type: none">Acute risks caused by climate change, such as floods, snowstorms and typhoons, may affect the continuity of the Group's businesses and become great challenges to the health and safety of customers and employees.	<ul style="list-style-type: none">For projects in different climatic environments, the Group conducts pre-analysis of the impact of extreme weather on its business and staff, and carries out special plans according to the high frequency cycle of extreme weather, with clear protection mechanisms and contingency plans.The Group formulates emergency plans to cope with climate-related natural disasters, including the <i>Snowstorm Emergency Plan of Sunac Property Group</i>, the <i>Typhoon Emergency Plan of Sunac Property Group</i> and the <i>Flood Emergency Plan of Sunac Property Group</i>, which clarify the cycles of extreme weather and the responsibilities of leaders and employees of functional departments. Take flood control works as an example. The Group estimates that the high frequency cycle of floods in China's southern regions is from May to September. If acute climate events, such as rainstorms and typhoons, occur during the cycle, project managers, as the chiefs of emergency response groups, are responsible for making overall emergency response plans; persons in charge of engineering and persons in charge of the order, as the deputy chiefs, are responsible for protecting the equipment rooms, ensuring the drainage works in parks and safeguarding the provision and transportation safety of supplies, with the aim of protecting the safety of employees and property owners, ensuring the continuity of businesses and minimising possible losses.
	Chronic risk	<ul style="list-style-type: none">Chronic risks such as extreme temperatures and droughts may increase energy consumption in office and public areas and increase operating costs.	<ul style="list-style-type: none">The Group will consider the impact of rising temperature in the planning of new operation sites and select heat-resistant materials and equipment for the operation and maintenance of park facilities.
Transformation Risk	Policy risk	<ul style="list-style-type: none">China will introduce laws and regulations related to climate change, which may increase compliance costs to meet regulatory requirements, or expose the Company to litigation and penalties if it fails to meet regulatory requirements in terms of environmental management.	<ul style="list-style-type: none">In view of the long-term low-carbon transformation and development trend in China, the Group is committed to continuously reducing its carbon emissions by complying with and responding to our nation's current requirements related to carbon emission reduction and implementing energy saving and emission reduction measures. At the same time, the Group keeps a close eye on the regulations and policies related to climate change and carbon emission reduction that may have a significant impact, and the Group will study the policy trends and initiate preparatory work in advance.
	Market risk	<ul style="list-style-type: none">Customers and consumers are more aware of environmental protection, and the low-carbon and environmental attributes of the residential parks may become a more important basis for consumption judgment, which will put higher requirements on the management capability and supporting technology and equipment of the green and low-carbon parks of the Company.	<ul style="list-style-type: none">The Group considers incorporating additional environmental, low-carbon, and green management strategies to comprehensively enhance the park's low-carbon management. The Group also strengthens communication with consumers and promotes the park's low-carbon and environmental attributes.
	Technology risk	<ul style="list-style-type: none">With the transition to a low carbon and energy-efficient economy, the Company may face challenges of technological improvement or innovation, and the replacement of equipment with lower environmental impact and lower emissions may cause more costs.	<ul style="list-style-type: none">The Group proactively identifies, sorts out and considers the use of emerging technologies, such as those with higher levels of energy efficiency and renewable energy.

Major risk		Potential impact	Countermeasures
Transformation Risk	Reputation risk	<ul style="list-style-type: none">Including but not limited to the increasing concerns of regulators, shareholders, partners, customers, the public and other stakeholders on climate issues. The Company's reputation may be affected if the Company fails to develop appropriate responses to climate change.	<ul style="list-style-type: none">The Group evaluates the impact of appropriate climate change response on its overall strategy, implements climate change response measures based on its current status, plans future response strategies, and strengthens communication with investors, consumers and other stakeholders in respect of climate change response.
Opportunities	Products and services	<ul style="list-style-type: none">Developing and managing innovative communities with environmental attributes may enhance a company's competitive advantage while adapting to future changes in consumer preferences.	<ul style="list-style-type: none">The Group started to evaluate and consider incorporating environmental attributes into its service and product strategy, and plan for the launch of communities with environmental attributes.
	Resource efficiency	<ul style="list-style-type: none">The Company's operating costs can be reduced by implementing various green operation measures related to energy saving and emission reduction, water resources management and waste management when the technology is mature.	<ul style="list-style-type: none">The Group commissions and upgrades its current operating facilities, and builds and uses a digital energy monitoring and management platform.



Case

Venture into energy transformation and actively apply clean energy

In 2024, Sunac Commercial continued to respond to the national goals for "Carbon Peaking and Carbon Neutrality" by continuously integrating photovoltaic technology into the roofs of commercial buildings nationwide, harnessing solar energy and converting it into clean electricity. As of the end of 2024, the cumulative installed capacity of photovoltaic systems was 44.2 MWp, with an annual power generation of approximately 43 million kWh, supported by 947 intelligent charging stations and approximately 4.5 MWp of energy storage power capacity. The green power generation and utilization rates are among the highest in the country's commercial sector. The action helped realize sustainable renewable energy supply and enhance energy efficiency in buildings.

In addition to installing photovoltaic power generation facilities, Sunac Commercial also facilitates energy transformation by procuring green electricity. As of the end of 2024, the Kunming Dianchi Lake Houhai project and the Xishuangbanna Commercial Mall project have obtained the Green Electricity Traceability Certificate. The two projects purchased green electricity by participating in electricity market transactions in Yunnan during their electricity consumption periods, with a green electricity proportion exceeding 85%.

RESOURCES MANAGEMENT

The Group attaches great importance to resource conservation and efficient utilization, effectively reducing waste and pollution, lowering operating costs, and promoting sustainable economic and environmental development. Based on the operation model, the Group has established the environmental management system and obtained the certification of ISO 14001: 2015 Environmental Management System. The Group established the energy management system in line with the use of resources in the course of business operation and obtained the certification of ISO 50001: 2018 Energy Management System, covering the management of energy procurement, receipt/storage, transmission and distribution to use that are related to public facilities employed in the office work of the Group's headquarters and in the course of provision of property services, and the application of energy conservation technologies.

The Group guides and standardises the environmental protection management under the closed-loop management model covering planning, implementation, examination and handling, sets out detailed management systems and measures for reducing energy consumption and emissions and promotes and implements such systems and measures within the Group.

WORKPLACE ENERGY CONSERVATION AND CONSUMPTION REDUCTION MANAGEMENT

The management measures implemented to reduce energy consumption in the Group's workplace are as follows:

Energy saving management of office equipment and facilities

Air conditioner:

Strictly control the indoor air conditioning temperature and prohibit opening windows during air conditioning operation;

Lighting facilities:

Precisely control lighting on and off according to the corresponding times for morning cleaning, lunch break and evening closing of the work area; After the conference room is vacated, the lights should be turned off when individuals exit;

Office computer:

Set to sleep mode when temporarily suspended, and promptly cut off power when unused devices are used up;

Heating and cooling equipment:

Ensure that power is cut off when people leave; Turn off and cut off the power supply of office equipment after work to reduce standby energy consumption and ensure electrical safety;

Refrigerator:

Set the temperature appropriately and regularly clean the stored items.

GREEN OFFICE

Facilitate the construction of online information systems

Build the "Sunac Smart" quality inspection system, enabling the use of cameras to monitor key areas and routes in the community, achieving online inspections and reducing the number of trips/car trips.

Promote the paperless office

Continuously promote the use of electronic signatures in contracts to reduce paper-based contracts.

Advocate online meetings

Advocate online meetings to reduce carbon emissions generated by business trips.

Encourage paper recycling

Encourage two-sided, multi-page and black-and-white printing and reuse of paper.

Office supplies management and control

Control the procurement of office supplies and efficiently manage supplies in the warehouse; encourage the prioritization of refills over brand new pens to reduce the consumption of office pens.

ENERGY CONSERVATION MANAGEMENT OF PROJECTS

Through management systems such as the Measures for *Management of Energy Consumption of Sunac Services Group*, the Group establishes a four-level energy consumption management system, comprising the Group, regions, cities and projects, and integrates energy consumption management into the entire project cycle, including the planning and design stage, the construction undertaking and inspection stage and the service operation stage. On the premise of ensuring service quality, the management and control of energy use is well implemented to improve energy efficiency and reduce energy consumption. Meanwhile, the Group regularly collects and reviews the energy consumption data of all projects, assesses the effectiveness of energy management, grants rewards and imposes punishments based on the assessment.

Management

Institutional construction: The Measures for Energy Consumption Management of Sunac Service Group;

Management measures: From the date of project delivery, implement energy-saving and consumption reduction management, such as adjusting the on/off time of lighting and air conditioning in a timely manner according to changes in lighting and temperature;

Monitoring and supervision: Establish an energy consumption management ledger, accurately record individual energy consumption, and conduct monthly analysis and review.

Promotion and education

Set up energy-saving reminders;

Carry out green environmental protection activities;

Technical energy conservation

Equipment iteration: Eliminate outdated high energy consuming electrical equipment and introduce high-efficiency energy-saving equipment, such as high-efficiency lighting fixtures, elevator energy feeding devices, solar photovoltaic equipment, etc;

Equipment optimization: Based on the actual operation of the project, timely load optimization, line optimization, and operation time optimization of energy consuming equipment are carried out.

Implement energy-saving renovation to effectively reduce energy consumption

In 2024, the Group implemented a three-dimensional transformation policy of "technology+policy+management", which aims to achieve technological energy conservation by replacing energy-saving equipment, optimizing line design and other engineering professional capabilities; the Group realizes policy energy conservation by the methods of changing the nature of electricity consumption and other application policy requirements; By implementing management optimization measures such as merging the central control room, energy-saving management has been achieved, and based on the actual situation of the project, the Group carried out energy-saving renovations in more than 200 projects, effectively reducing project energy consumption. Taking the renovation of energy-saving lamps as an example, the renovation of energy-saving is expected to save 9,500,000kWh of electricity annually.

72

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WATER RESOURCE MANAGEMENT

In terms of project operations, the Group applied the energy management system to monitor water consumption data, formulated the water resource management strategy of the Group, and reduced the overall water consumption of projects while using water resources in a scientific and reasonable manner. In respect of office premises, the Group actively promoted water conservation by posting water saving notices in the public water service areas of office areas and property management parks and improved the water saving awareness of employees and property owners, to avoid "water running, flowing, dripping and leakage" and other circumstances of wasting water resources.

Water saving technologies

The Group employed the reclaimed water system to source natural water resources for irrigating plants and cleaning, and adopted the EBA remote automatic control system to control the water level and replenishment of fire-fighting water and water landscape, thereby preventing human-caused waste.

Water saving management

The Group has established water conservation management organizations at all levels, equipped with dedicated management personnel, and established the water conservation management network of units. Through mapping the water consumption network, improving water meter measurement, The Group develops a diagram of the water supply network and a diagram of the metering network and establishes a metering database. Additionally, the Group compares the first- and second-level measuring instruments, calculates the discrepancies between the second-level measuring instruments (or completes the water balance test), identifies any issues, and implements corrections as needed. Through the development of management systems for water use, water conservation, measurement, inspection, reporting and repair, the Group implemented effective management and improved relevant records.



Case

Smart Irrigation Effectively Saves Water

The Group develops differentiated irrigation plans for project greening and maintenance based on lawn growth and soil characteristics; The Group utilizes an intelligent monitoring system to track soil moisture content and weather changes in real-time. Combined with staggered water-saving irrigation technology, the Group effectively saves water while maintaining project quality.

For example, the Beijing Xifu Hui project of the Group has transformed from the traditional handheld water pipe watering method to a timed watering micro spray system. The automatic irrigation system can intelligently adjust the irrigation time and amount based on soil moisture, plant water demand, and weather conditions, and avoid the possibility of excessive or insufficient irrigation during manual irrigation. This precise control reduces the waste of water resources and optimizes the operation time of irrigation equipment such as pumps and motors, reducing energy consumption.

EMISSIONS MANAGEMENT

The Group has formulated the *Control Procedures on Environment, Occupational Health and Safety Operation* and other policies, to regulate the management of emissions from office areas and property management parks and provide detailed requirements on the treatment of possible dust, sewage and wastes.

DUST AND WASTE GAS CONTROL

The Group has promoted the use of enclosed three-in-one sweepers and enclosed three-in-one floor scrubbers for sweeping and dust removal in the property management parks, and has basically implemented mechanized operations during the renovation period and the disposal of dust from excavation, thus reducing the occurrence of dust pollution and maintaining the overall coverage of the cleaning equipment at over 163%, with the machinery have an operating rate of 93.87%. We achieved 99% online operation monitoring rate of cleaning machines through online management, which greatly improved management efficiency and reduced emission pollution. The Group requires that staff canteens and merchants engaged in catering in parks install purification equipment for exhaust emission and their cooking stoves should adopt clean fuels to prevent polluting surrounding areas.

Overall coverage of the cleaning equipment is

163%

Online operation monitoring rate of cleaning machines through online management is

99%

The operating rate of cleaning machinery is

93.87%



SEWAGE MANAGEMENT

The Group strictly implements the Tier III Standard provided in the *Integrated Wastewater Discharge Standard*. Sewage from cleaning in the property management parks shall be discharged into the municipal sewage pipeline network after sedimentation. Staff canteens shall have oil separation pools, and sewage is discharged into the sewage pipeline network after sedimentation in oil separation pools. Designated personnel are arranged to clean the oil separation pools and septic tanks on a regular basis. To ensure that the discharge of wastewater meets the standards, the Group sets rigorous work procedures and standards to strengthen the treatment and monitoring of production and domestic sewage, thus reducing the impact on the environment. At the same time, the Group has also commissioned a professional third party with national certification to provide assistance.



Case

Life in the Park: Systematized Garbage Management Made Easy

In the Fengdan No. 1 Community in Beijing, the Group develops a comprehensive waste sorting management system for daily waste management in the park. This system not only outlines detailed regulations for the steps involved in waste sorting but also designates responsible personnel and establishes stringent standards for each stage of the process. Furthermore, regular supervision and inspection ensure strict compliance with these regulations. This action facilitates the smooth implementation of waste sorting within the park and alleviates the challenges associated with community waste management. To accommodate the living conditions in the park, the Group sets up classified waste collection stations that provide readily accessible containers for four waste categories: kitchen waste, recyclable waste, hazardous waste, and other waste. Additionally, the household waste sorting bulletin boards are meticulously designed to include comprehensive guidelines for waste sorting, ownership of management responsibilities, and information on urban management oversight, ensuring that homeowners can easily grasp the necessary information at a glance.



BIODIVERSITY PROTECTION

Replanted green plants more than
558,000 plants

Cutting ground of more than
53,000 square meters

Modified the soil by more than
90,000 square meters

Replanted the lawn more than
127,000 square meters



In 2024, the Group continued to actively practice green concepts. The Group replanted over 558,000 green plants throughout the year, covered an area of over 53,000 square meters of cuttings, improved over 90,000 square meters of soil, and replanted over 127,000 square meters of lawns. The Group focuses on environmental protection and the use and promotion of environmentally friendly products, striving to maintain and enhance the level of biodiversity in the region. Specific measures include:

- We develop corresponding maintenance plans according to the different seasons in different areas to improve the microclimate ecological environment and the oxygen content of the air in the parks, increase the retention rate of plants and reduce the destruction of natural vegetation through scientific and professional maintenance. We will improve the coverage and beautification of cost-free greenery through asexual propagation (cuttings and sub-planting), and continuously improve the integrity and richness of the vegetation in the parks.
- For the flat grassland, the "system of ground mobile micro-spray, micro-spray belt and underground automatic irrigation" has been improved to reduce the surface water pollution and water wastage caused by the traditional flood irrigation and surface water run-off from direct water pipes.
- We strictly implement the national standards on the use of pesticides, using "low toxic, residue-free, bio-extracted, environmentally friendly pesticides" and eliminating the use of "highly toxic, high residue organophosphorus pesticides". The management of the Company's pesticides is strictly implemented through the independent lock-up management mechanism of "dedicated personnel, separate lock-up and independent management".
- In winter, we strictly implement the *Snow Removal Operation Regulations* for "snow removal and plowing", and we do not use snow-melting agents for snow removal in the green areas of the parks. We sweep the clean snow without using snow-melting agents into the green areas to increase the use of snow water and reduce the discharge of polluted water and pollution.
- Through the regular activities in the parks of property owners, such as the talks and competitions on rubbish classification, Tree Planting Festival, plant adoption, promotion of civilised dog keeping, and donation of clothing, we actively promote and raise the knowledge and awareness of environmental protection through positive guidance and the participation of the street offices and property owners.



Grass seed replanting, greenery renewed:
The quality of green landscapes in older residential areas has been enhanced through the planting and replanting of grass seeds, involving low-cost inputs and high-output effectiveness, so that the old districts green and new face



Effective management of bare soil in industrial parks can be achieved through the propagation of perennial flowers using cuttings at minimal or no associated costs



Micro-spray system for lawn maintenance



Case

Green Life in Warm Spring in March the Activity on Arbor Day themed "Planting for an Endless Spring"

On March 12th, the Group engaged in a collaborative governance initiative, and launched the Green Life in Warm Spring in March: the Activity on Arbor Day themed "Planting for an Endless Spring" in partnership with local community street agencies and property owners in the Aduo Town project in Tianjin. Taking advantage of the optimal sowing season, the Group participated in a ceremonial planting with community members to enhance the greenery of the surroundings and promote a better quality of life. Each act of kindness under the sun contributes significantly to improving environment. As land desertification and climate change emerge as critical environmental issues, urban ecological development is increasingly vital. The Group collaborates with the Aduo Cloud Island community to foster environmental awareness and encourage broader participation in environmental protection initiatives, collectively striving for a sustainable green future.



APPENDIX

KEY PERFORMANCE INDICATORS

KEY PERFORMANCE INDICATORS ON EMPLOYMENT

Indicator		Data
Total workforce		27,384
Workforce by employment type	Employee under labour contract	27,051
	Employee not under labour contract	333
Workforce by gender ¹	Male	15,932
	Female	11,119
Workforce by age group ¹	30 and below	9,131
	31 to 50	15,504
	50 and above	2,416
Workforce by geographical region ¹	Mainland China	27,051
	Hong Kong, Macau and Taiwan	0
	Other countries and regions	0
Employee turnover rate ¹		32.17%
Employee turnover rate by gender	Male	32.63%
	Female	31.50%
Employee turnover rate by age group	30 and below	44.38%
	31 to 50	24.86%
	50 and above	14.57%
Employee turnover rate by geographical region	Mainland China	32.17%
	Hong Kong, Macau and Taiwan	0.00%
	Other countries and regions	0.00%

KEY PERFORMANCE INDICATORS ON HEALTH AND SAFETY

Indicator	Data (2024)	Data (2023)	Data (2022)
Number of work - related fatalities ²	2	0	0
Rate of work - related fatalities (%)	0.007%	0.000%	0.000%

Lost workdays due to work - related injuries in 2024 were 40 days.

¹ Categorised on the basis of employees under labour contract

² In 2024, two employees died respectively due to a traffic accident and a sudden illness

KEY PERFORMANCE INDICATORS ON EMPLOYEE TRAINING

Indicator		Data
Percentage of employees trained by gender	Male	100%
	Female	100%
Percentage of employees trained by management level	Senior management	100%
	Middle management	100%
	General staff	100%
Average training hours completed per employee by gender	Male	76.80
	Female	60.41
Average training hours completed per employee by management level	Senior management	45.08
	Middle management	84.87
	General staff	59.76

KEY PERFORMANCE INDICATORS ON EMISSIONS³

Indicator	Unit	Performance
Total Greenhouse Gas (GHG) emissions (Scope 1 and Scope 2) ^{4,5}	Tonnes	421,556.46
GHG emissions (Scope 1)	Tonnes	2,058.28
GHG emissions (Scope 2)	Tonnes	419,498.18
Intensity of GHG emissions (Scope 1 and Scope 2)	Tonnes/sq.m. ⁶	0.001
Hazardous waste ⁷	Tonnes	2.01
Intensity of hazardous wastes	Kg/sq.m. ⁶	0.000
Non - hazardous waste ⁸	Tonnes	774.75
Intensity of non - hazardous wastes	Kg/sq.m. ⁶	0.003

³ Based on the nature of the Group's business, gas emissions are mainly GHG emissions generated from the use of fossil fuel-converted electricity and fuels

⁴ The Group's greenhouse gas accounting scope mainly covers carbon dioxide, methane, and nitrous oxide. Greenhouse gas emission data are presented in carbon dioxide equivalent terms and are calculated in accordance with the *Announcement on the Release of 2022 Power Sector Carbon Dioxide Emission Factors*, the *Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Other Industrial Enterprises*, and the *Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Power Generation Facilities (2022 Revised Edition)*

⁵ GHG Scope 1: covering the GHG emissions directly generated from the Group's operation; GHG Scope 2: GHG emissions (indirect energy) from the Group's consumption of electricity

⁶ Areas under management of the Group as at 31 December 2024

⁷ Hazardous wastes mainly include waste ink cartridges, carbon powder, toner cartridges, electronic waste and waste batteries produced in office activities and project operation and maintenance

⁸ Non-hazardous wastes mainly include office wastes, household wastes, kitchen wastes and construction wastes produced in office activities and project operation and maintenance

KEY PERFORMANCE INDICATORS ON USE OF RESOURCES

Indicator	Unit	Performance
Total comprehensive energy consumption ⁹	MWh	791,337.75
Intensity of comprehensive energy consumption	MWh/sq.m. ⁶	0.003
Direct energy consumption ⁹	MWh	9,567.00
Gasoline	MWh	1,465.88
Diesel	MWh	750.20
LPG	MWh	235.26
Natural gas	MWh	7,115.67
Indirect energy consumption ⁹	MWh	781,770.74
Purchased electricity	MWh	781,770.74
Water consumption	Tonnes	21,506,591.44
Intensity of water consumption	Tonnes/sq.m. ⁶	0.074

NUMBER OF SUPPLIERS BY GEOGRAPHICAL REGION¹⁰

Geographical Region	Number of Suppliers
Mainland China	6,647
Hong Kong, Macau and Taiwan	9
Other countries and regions	1

⁹ Total comprehensive energy consumption is derived from direct and indirect energy consumption based on the conversion factors as set out in the General Rules for Calculation of the Comprehensive Energy Consumption (GB/T2589 - 2020)

¹⁰ The number of suppliers represents the number of suppliers that have signed cooperation contracts with the Group in the past two year

INDEX OF THE ESG REPORTING CODE OF THE STOCK EXCHANGE

Subject Area	Aspect	Disclosure Requirements	Chapter
Environmental	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 emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	EMISSIONS MANAGEMENT
		A1.1 The types of emissions and respective emissions data.	APPENDIX: KEY PERFORMANCE INDICATORS
		A1.3 Total hazardous waste (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	APPENDIX: KEY PERFORMANCE INDICATORS
		A1.3 Total non - hazardous waste (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	APPENDIX: KEY PERFORMANCE INDICATORS
		A1.4 Total non - hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	ENVIRONMENTAL GOALS AND ENVIRONMENTAL PERFORMANCE IN 2024 EMISSIONS MANAGEMENT
		A1.6 Description of emissions target(s) set and steps taken to achieve them.	ENVIRONMENTAL GOALS AND ENVIRONMENTAL PERFORMANCE IN 2024 EMISSIONS MANAGEMENT
	A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	RESOURCES MANAGEMENT
		A2.1 Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) (in kWh) and intensity (e.g., per unit of production volume, per facility).	APPENDIX: KEY PERFORMANCE INDICATORS
		A2.2 Water consumption in total and intensity (e.g., per unit of production volume, per facility).	APPENDIX: KEY PERFORMANCE INDICATORS
		A2.3 Description of energy - use efficiency target(s) set and steps taken to achieve them.	RESOURCES MANAGEMENT
		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.	RESOURCES MANAGEMENT
		A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit product.	Our Group provides customer services instead of manufacturing physical products, so there is no concept of packaging materials.
	A3 Environmental and Natural Resource	General Disclosure Policies on minimizing the issuer’s significant impacts on the environment and natural resources.	RESOURCES MANAGEMENT BIODIVERSITY PROTECTION
		A3.1 Description of the significant impact of business activities on the environment and natural resources and the actions taken to manage them.	RESOURCES MANAGEMENT BIODIVERSITY PROTECTION

Subject Area	Aspect	Disclosure Requirements	Chapter
Social	B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	EMPLOYMENT AND PROMOTION
		B1.1 Total workforce by gender, employment type (for example, full - or part - time), age group and geographical region.	APPENDIX: KEY PERFORMANCE INDICATORS
		B1.2 Employee turnover rate by gender, age group and geographical region.	APPENDIX: KEY PERFORMANCE INDICATORS
	B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	EMPLOYEES HEALTH AND SAFETY
		B2.1 Number and rate of work - related fatalities occurred in each of the past three years including the reporting year.	APPENDIX: KEY PERFORMANCE INDICATORS
		B2.2 Lost days due to work injury.	APPENDIX: KEY PERFORMANCE INDICATORS
		B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	EMPLOYEES HEALTH AND SAFETY
	B3 Employee Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	TRAINING AND DEVELOPMENT
		B3.1 The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	APPENDIX: KEY PERFORMANCE INDICATORS
		B3.2 The average training hours completed per employee by gender and employee category.	APPENDIX: KEY PERFORMANCE INDICATORS
	B4 Labor 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 labor.	EMPLOYMENT AND PROMOTION
		B4.1 Description of measures to review employment practices to avoid child and forced labour.	EMPLOYMENT AND PROMOTION
		B4.2 Description of steps taken to eliminate such practices when discovered.	EMPLOYMENT AND PROMOTION

Subject Area	Aspect	Disclosure Requirements	Chapter
Social	B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	SUPPLIER MANAGEMENT
		B5.1 Number of suppliers by geographical region.	APPENDIX: KEY PERFORMANCE INDICATORS
		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.	SUPPLIER MANAGEMENT
		B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	SUPPLIER MANAGEMENT
		B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	SUPPLIER MANAGEMENT
	B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	PRODUCT QUALITY CUSTOMER COMMUNICATION SAFETY MANAGEMENT CUSTOMER PRIVACY PROTECTION
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Our Group provides customer services instead of manufacturing physical products, so there is no concept of product recall.
		B6.2 Number of products and service - related complaints received and how they are dealt with.	CUSTOMER PRIVACY PROTECTION
		B6.3 Description of practices relating to observing and protecting intellectual property rights.	INTELLECTUAL PROPERTY PROTECTION
		B6.4 Description of quality assurance process and recall procedures.	Our Group provides customer services instead of manufacturing physical products, so there is no concept of product recall.
		B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	CUSTOMER PRIVACY PROTECTION
		General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	BUSINESS ETHICS AND ANTI - CORRUPTION, ANTI - BRIBERY
		B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer and employees during the Reporting Period and the outcomes of the cases.	BUSINESS ETHICS AND ANTI - CORRUPTION, ANTI - BRIBERY
		B7.2 Description of preventive measures and whistle - blowing procedures, and how they are implemented and monitored.	BUSINESS ETHICS AND ANTI - CORRUPTION, ANTI - BRIBERY
		B7.3 Description of anti - corruption training provided to directors and staff.	BUSINESS ETHICS AND ANTI - CORRUPTION, ANTI - BRIBERY
	B7 Anti - corruption		

Subject Area	Aspect	Disclosure Requirements	Chapter
Social	B8 Community	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.	HARMONIOUS COMMUNITY AND WARM SOCIETY
		B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sports).	HARMONIOUS COMMUNITY AND WARM SOCIETY
		B8.2 Resources contributed (e.g. money or time) to the focus area.	HARMONIOUS COMMUNITY AND WARM SOCIETY
Climate - related Disclosures	Governance	Governance	CLIMATE CHANGE
	Strategy and decision - making	Climate - related risks and opportunities	CLIMATE CHANGE
		Business model and value chain	CLIMATE CHANGE
		Strategy	CLIMATE CHANGE
	Risk Management	Risk management	CLIMATE CHANGE
	Indicators and Goals	Greenhouse gas emissions	APPENDIX: KEY PERFORMANCE INDICATORS
		Climate - related transition risks	CLIMATE CHANGE
		Climate - related physical risks	CLIMATE CHANGE

GRI CONTENT INDEX

Instructions Sunac Services Holdings Limited prepared its reports with reference to GRI standards for the period from 1th January 2024 to 31th December 2024

GRI Standards		Disclosure Issues		Chapter
GRI 1: Foundation				
GRI 2: General Disclosures				
1. The Organisation and its Reporting Practices	2-1	Entities details	ABOUT THE COMPANY	
	2-2	Criteria included in the organisation's sustainability reporting	ABOUT THE COMPANY	
	2-3	Reporting Period, frequency and contact Point	ABOUT THE REPORT	
2. Activities and Workers	2-6	Activities, value chain and other business relationships	ABOUT THE COMPANY	
	2-7	Employees	PUTTING PEOPLE FIRST, CO - COMMITMENT AND CO - ACHIEVEMENT	
3. Governance	2-9	Governance structure and composition	CORPORATE GOVERNANCE	
	2-10	Nomination and selection of the highest governance body	CORPORATE GOVERNANCE	
	2-11	Chair of the highest governance body	CORPORATE GOVERNANCE	
	2-12	Role of the highest governance body in overseeing management of impacts	CORPORATE GOVERNANCE, RISK MANAGEMENT	
	2-13	Delegation of responsibility for managing impacts	THE BOARD'S STATEMENT, CORPORATE GOVERNANCE	
	2-14	Role of the highest governance body in sustainability reporting	THE BOARD'S STATEMENT	
	2-16	Communication of critical concerns	STAKEHOLDER COMMUNICATION, MATERIALITY ISSUE ASSESSMENT	
	2-17	Communication of critical concerns	THE BOARD'S STATEMENT, CORPORATE GOVERNANCE	
4. Strategy, Policies and Practices	2-22	Statement on sustainable development strategy	ABOUT THE REPORT, THE BOARD'S STATEMENT	
	2-23	Policy commitments	COMMUNICATION AND EXCHANGE	
	2-25	Processes to remediate negative impacts	EMPLOYMENT AND PROMOTION	
	2-27	Compliance with laws and regulations	STANDARD GOVERNANCE AND COMPLIANT OPERATIONS	
5. Stakeholder Engagement	2-29	Approach to stakeholder engagement	STAKEHOLDER COMMUNICATION	
	2-30	Collective bargaining agreements	COMMUNICATION AND EXCHANGE	

GRI Standards		Disclosure Issues		Chapter
GRI 3: Material Topics				
Topic-specific disclosure	3-1	Process to determine material topics		STAKEHOLDER COMMUNICATION
	3-2	List of material topics		MATERIALITY ISSUE ASSESSMENT
	3-3	Management of material topics		MATERIALITY ISSUE ASSESSMENT
GRI 201: Economic Performance				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Economic performance management methods			ABOUT THE COMPANY
Topic - specific disclosure	201-1	Direct economic value generated and distributed		ABOUT THE COMPANY
	201-2	Financial impacts and other risks and opportunities of climate change		CLIMATE CHANGE
GRI 203: Indirect Economic Impact				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for indirect economic impact			HARMONIOUS COMMUNITY AND WARM SOCIETY
Topic - specific disclosure	203 - 1	Infrastructure investment and supporting services		HARMONIOUS COMMUNITY AND WARM SOCIETY
GRI 204: Procurement Practices				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for procurement practices			SUPPLIER MANAGEMENT
GRI 205: Anti - corruption				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for anti - corruption			BUSINESS ETHICS AND ANTI - CORRUPTION, ANTI - BRIBERY
Topic - specific disclosure	205 - 2	Communication and training on anti - corruption policies and procedures		BUSINESS ETHICS AND ANTI - CORRUPTION, ANTI - BRIBERY
	205 - 3	Confirmed incidents of corruption and actions taken		BUSINESS ETHICS AND ANTI - CORRUPTION, ANTI - BRIBERY
GRI 302: Energy				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for energy			RESOURCES MANAGEMENT
Topic - specific disclosure	302-1	Energy consumption within the organization		APPENDIX: KEY PERFORMANCE INDICATORS
	302-3	Energy intensity		APPENDIX: KEY PERFORMANCE INDICATORS
	302-4	Reduce energy consumption		RESOURCES MANAGEMENT
GRI 303: Water and Effluents				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	303-1	Interactions with water as a shared resource		RESOURCES MANAGEMENT
	303-2	Management of water - discharge - related impacts		RESOURCES MANAGEMENT
Topic - specific disclosure	303-5	Water consumption		APPENDIX: KEY PERFORMANCE INDICATORS
GRI304: Biodiversity				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for biodiversity			BIODIVERSITY PROTECTION
Topic - specific disclosure	304-2	Significant impacts of activities, products and services on biodiversity		BIODIVERSITY PROTECTION

GRI Standards		Disclosure Issues	Chapter
GRI 305: Emissions			
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for emissions		EMISSIONS MANAGEMENT
Topic - specific disclosure	305-1	Direct (Scope 1) GHG emissions	APPENDIX: KEY PERFORMANCE INDICATORS
	305-2	Energy indirect (Scope 2) GHG emissions	APPENDIX: KEY PERFORMANCE INDICATORS
	305-4	GHG emissions intensity	APPENDIX: KEY PERFORMANCE INDICATORS
GRI 306: Waste			
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	306-1	Waste generation and significant waste - related impacts	EMISSIONS MANAGEMENT
	306-2	Management of significant waste - related impacts	EMISSIONS MANAGEMENT
Topic - specific disclosure	306-3	Waste generated	APPENDIX: KEY PERFORMANCE INDICATORS
GRI307: Environmental Compliance			
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for environmental compliance		ENVIRONMENTAL PROTECTION AND GREEN OPERATION
GRI308: Supplier Environmental Assessment			
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for supplier environmental assessment		SUPPLIER MANAGEMENT
Topic - specific disclosure	308-1	New suppliers that were screened using environmental criteria	SUPPLIER MANAGEMENT
	308-2	Negative impacts of the supply chain on the environment and actions taken	SUPPLIER MANAGEMENT
GRI 401: Employment			
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for employment		PUTTING PEOPLE FIRST, CO - COMMITMENT AND CO - ACHIEVEMENT
Topic - specific disclosure	401-1	New employee hires and employment turnover	APPENDIX: KEY PERFORMANCE INDICATORS
	401-2	Benefits provided to full - time employees (excluding health and temporary or part - time employees)	REMNERATION AND BENEFITS
GRI 403: Occupational Health and Safety			
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	403-1	Occupational health and safety management system	EMPLOYEES HEALTH AND SAFETY
	403-2	Hazard identification, risk assessment and incident investigation	EMPLOYEES HEALTH AND SAFETY
	403-5	Worker training on occupational health and safety	EMPLOYEES HEALTH AND SAFETY
	403-6	Promotion of worker health	EMPLOYEES HEALTH AND SAFETY
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	EMPLOYEES HEALTH AND SAFETY
Topic-specific disclosure	403-8	Workers covered by an occupational health and safety management system	EMPLOYEES HEALTH AND SAFETY
	403-9	Work - related injuries	APPENDIX: KEY PERFORMANCE INDICATORS
GRI 404: Training and Education			
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for training and education		TRAINING AND DEVELOPMENT
Topic - specific disclosure	404 - 1	Average hours of training per year per employee	APPENDIX: KEY PERFORMANCE INDICATORS
	404 - 2	Employee upskilling programs and overskilling programs	TRAINING AND DEVELOPMENT

GRI Standards		Disclosure Issues		Chapter
GRI 405: Diversity and Equal Opportunities				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for Diversity and Equal Opportunities			EMPLOYMENT AND PROMOTION
Topic - specific disclosure	405-1	Diversity of governance bodies and employees		CORPORATE GOVERNANCE, EMPLOYMENT AND PROMOTION
GRI 406: Non - discrimination				
GRI 3: MATERIAL TOPIC	Management methods for non - discrimination			EMPLOYMENT AND PROMOTION
Topic - specific disclosure	406-1	Incidents of discrimination and corrective actions taken		EMPLOYMENT AND PROMOTION
GRI 407: Freedom of Association and Collective Bargaining				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for freedom of association and collective bargaining			COMMUNICATION AND EXCHANGE
GRI 408: Child Labor				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for child labor			EMPLOYMENT AND PROMOTION
GRI 409: Forced or Compulsory Labour				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for forced or compulsory labour			EMPLOYMENT AND PROMOTION
GRI 412: Human Rights Assessment				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for human rights assessment			COMMUNICATION AND EXCHANGE
Topic - specific disclosure	412-2	Employee training on human rights policies or procedures		COMMUNICATION AND EXCHANGE
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		EMPLOYMENT AND PROMOTION, COMMUNICATION AND EXCHANGE
GRI 413: Local Communities				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for local communities			HARMONIOUS COMMUNITY AND WARM SOCIETY
Topic - specific disclosure	413-1	Operations with local community engagement, impact assessment and development plans		HARMONIOUS COMMUNITY AND WARM SOCIETY
GRI 414: Supplier Social Assessment				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for supplier social assessment			SUPPLIER MANAGEMENT
Topic - specific disclosure	414-1	New suppliers that were screened using social criteria		SUPPLIER MANAGEMENT
GRI 416: Customer Health and Safety				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for customer health and safety			SAFETY MANAGEMENT
Topic - specific disclosure	416-1	Assessment of health and safety impacts on product and service categories		SAFETY MANAGEMENT

GRI Standards		Disclosure Issues		Chapter
GRI 417: Marketing and Identity				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for marketing and identity			PUBLICITY AND ADVERTISING MANAGEMENT
Topic - specific disclosure	417-1	Requirements for product and service information and labelling		PUBLICITY AND ADVERTISING MANAGEMENT
GRI 418: Customer Privacy				
GRI 3: DISCLOSURE OF MANAGEMENT METHODS	Management methods for customer privacy			CUSTOMER PRIVACY PROTECTION



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