景業名邦
JY GRANDMARK

JY GRANDMARK HOLDINGS LIMITED

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





2025
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT











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1. ABOUT JY GRANDMARK

JY Grandmark Holdings Limited (stock code: 2231.HK) listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 5 December 2019.

As a property developer, operator and property management service provider based in the PRC, JY Grandmark has established business bases in Guangdong, Hainan, Yunnan, Jiangsu and Hunan provinces and runs four principal businesses, including (i) property development and sales, (ii) hotel operations, (iii) property management and (iv) commercial property investment.

JY Grandmark positions itself as an "Eco-friendly and People-oriented Property Developer", relying on the natural resources, unique landscape features, and profound cultural heritage of the project locations selected by the Group, we strive to develop homes and communities that the Group considers to be truly livable for buyers. As at 31 December 2025, the gross floor area of JY Grandmark's land bank amounted to approximately 3.50 million sq.m.



Corporate Philosophy

Ethics

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

Thoughtfulness

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

Integrity

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



2. ABOUT THIS REPORT

JY Grandmark Holdings Limited (the "Company" or "JY Grandmark") together with its subsidiaries (the "Group" or "we") are pleased to present its seventh Environmental, Social and Governance Report (this "Report"). This Report provides a true and detailed description of the Group's management guidelines, policies, practices and key performance in environmental, social and governance ("ESG") for 2025 in response to the concerns and expectations of various stakeholders on the sustainability management of the Group.

2.1 Reporting Scope

The reporting period of this Report is from 1 January 2025 to 31 December 2025 (the "Year"). This Report mainly focuses on the ESG issues and overall performance related to the businesses of the JY Grandmark. Unless otherwise stated, the environmental and social key performance disclosures in this Report cover the actual business scope of JY Grandmark.

2.2 Reporting Guideline

This Report is prepared by the Group in accordance with Environmental, Social and Governance Reporting Code (the "ESG Reporting Code") set out in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") issued by the Stock Exchange, and has strictly complied with the "mandatory disclosure requirements" and "comply or explain" provisions of the ESG Reporting Code. This Report has been reviewed by the board of directors of the Group (the "Board") to ensure that it comprehensively covers the ESG issues that stakeholders focus on, and presents the relevant content in an accurate, complete, quantifiable and comparable manner for publication.

JY Grandmark confirms that there are no false records, misleading statements or material omissions in the contents of this Report, and that it strictly adheres to the four reporting principles of materiality, quantitative, balance and consistency mentioned in the ESG Reporting Code.

Reporting Principles		Response in the ESG Report of the Year on the Four Reporting Principles
Materiality	This Report should disclose the process of identifying material ESG factors and the criteria for selection, as well as the process and results of stakeholder engagement.	We identify and assess the materiality of various ESG issues to the Group and make detailed disclosure on material ESG issues after communicating continuously with stakeholders, and considering its development strategy as well as industry and business conditions. For more details, please refer to the sub-sections headed "Stakeholder Involvement" and "Materiality Assessment" under the section headed "Practice Sustainable Development".

2.2 Reporting Guideline (Continued)

Reporting Principles		Response in the ESG Report of the Year on the Four Reporting Principles
Quantitative	This Report discloses data on the standards, methodologies, assumptions and/or calculation tools used for reporting emissions/energy consumption and the sources of the conversion factors used.	This Report makes quantitative disclosure about the information of key performance indicators and presents it on an annual comparative basis. The calculation standards and methodologies referenced in the key data are disclosed under the section headed "ESG Key Performance Data Tables".
Balance	This Report should provide an unbiased picture of the performance of the Group, avoiding choices, omissions or presentation formats that might unduly influence the decision or judgment of the reader of this Report.	Based on objective information and facts, this Report provides a true and accurate disclosure of the ESG performance of the Group, covering relevant policies, objectives and specific practices to facilitate the reasonable analysis and comparison.
Consistency	The Group should ensure the consistent disclosure principle is adopted for this Report, to help stakeholders make analysis and assessment of the performance at different time points. The Group should explain about any change of disclosure methods.	Unless otherwise stated, the scope of disclosure and reporting methodology in this Report remain consistent with that of previous years, and any changes in statistical methodology or key performance indicators or any other relevant factors affecting meaningful comparisons will be explained in writing.

2.3 Feedback

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

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

E-mail address: ir@jygrandmark.com.hk

Mailing address: Unit No. 1101, 11th Floor, The Bay Hub, 17 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong

3. PRACTICE SUSTAINABLE DEVELOPMENT

3.1 Sustainable Development Strategy

JY Grandmark recognizes that practicing sustainable development concept can not only generate positive impacts on the environment and society, but also promote the long-term stable development of the Group, improve operational efficiency and avoid potential risks, effectively satisfy the expectations and requirements of various stakeholders, and secure sustained trust and widespread recognition for the Group. Therefore, the Group adheres to the implementation of sustainable development approach, which is summarized as follows:

1. Adherence to Compliance Operation



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

2. Focus on Quality Control



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

3. Green Operation and Responding to Climate Change



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

4. Fulfilling Social Responsibilities



JY Grandmark has always been enthusiastic about public welfare and actively fulfills social responsibility. We make long-term involvement in poverty alleviation and public welfare donations, and actively fulfill our corporate social responsibility, deepen our efforts in rural revitalization, public education and other social welfare undertakings, and play our own strength back to society.

3.2 Board Statement

JY Grandmark has always placed sustainable development at the core of its strategy. Through the establishment and improvement of the ESG governance structure, the Group is committed to continuously optimising the ESG management system, clearly defining the division of responsibilities and authorities for ESG and enhancing the Board's involvement in and oversight over ESG matters. The Board is responsible for coordinating and supervising the formulation of the overall ESG strategy and identification of major ESG-related issues of the Group. In addition, the Board regularly receives reports on work progress and management effectiveness from the ESG working group, reviews the achievement of annual ESG key performance indicator(s) ("KPI(s)") and targets, and reviews the results of materiality assessment and the annual ESG report.

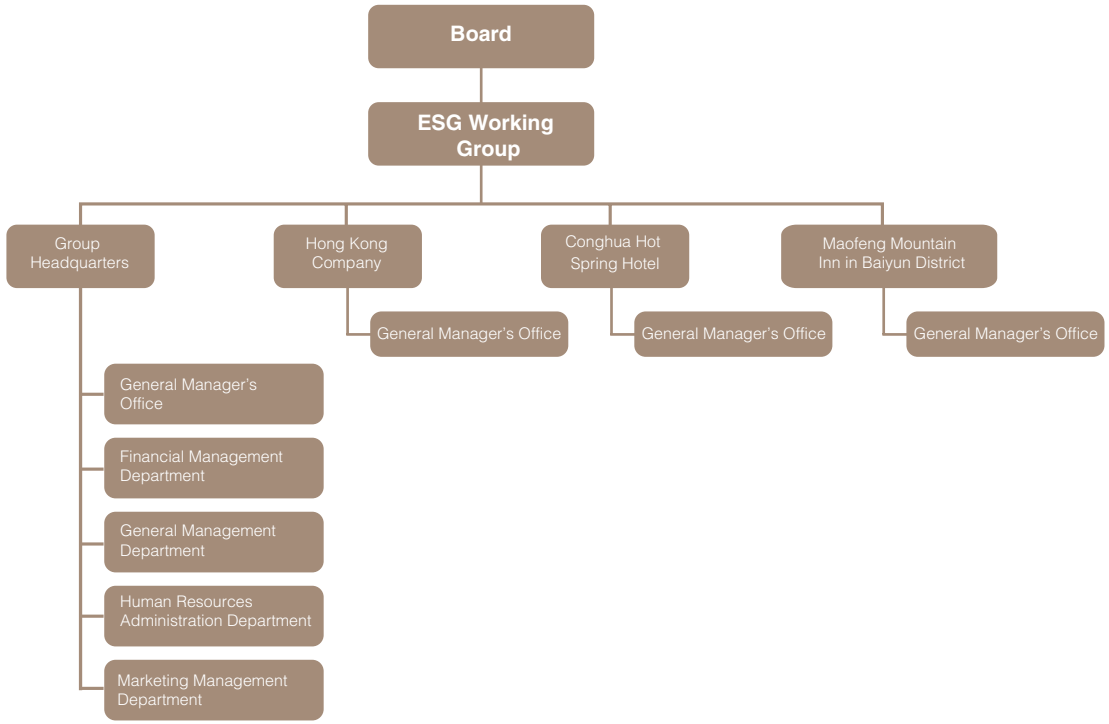
By systematically identifying and managing ESG and climate-related risks and opportunities, we ensure that the sustainable development approach and management methodology are integrated into its major decision-making and actual situation, and strive to balance environmental, social and economic considerations in its day-to-day construction and operations, thereby building a more robust and sustainable future.

3.3 ESG Management Structure

The Group has established an ESG management structure centred on the Board. As the ultimate decision-making body for ESG matters, the Board exercises full oversight over the formulation of the Group's ESG and climate-related strategies, management measures and implementation progress. The Board has set up an ESG working group comprising the heads of various business divisions. At the organizational level, the ESG working group is responsible for identifying environmental and social risks in relation to business operations, communicating with stakeholders on ESG issues on a regular basis, and mobilising with various business lines and functional departments to promote the implementation of key ESG issues to ensure that appropriate and effective ESG risk management and internal control systems are in place. The ESG working group shall regularly report to the Board on the progress and performance of ESG management, constantly review the effectiveness of its own work, and make timely adjustments to the direction of ESG management, to ensure the achievement of the Group's sustainable development goals. During the Year, to strengthen the oversight and management of climate-related matters, the Group further optimised the allocation of responsibility within its ESG management structure, and specifically incorporated the duties of identifying, assessing and managing climate-related risks and opportunities into the responsibilities of both the Board and the ESG working group. The Board also discussed and approved ESG-related matters during its meetings, including the optimisation of responsibilities for the ESG management structure and the results of the ESG materiality assessment.

3.3 ESG Management Structure (continued)

The optimised organizational structure of the Group is set out in the chart below:



The Board's ESG Responsibilities:

- Developing the Group's management approaches, strategies and objectives on ESG and climate-related risks and opportunities
- Identifying and making decisions on the Group's ESG and climate-related issues, risks and opportunities
- Holding regular Board meetings to discuss ESG-related matters
- Overseeing the progress of ESG work by receiving reports from the ESG working group
- Reviewing the achievement of key annual ESG targets
- Participating in trainings related to ESG and climate change on a regular basis
- Reviewing and approving the ESG Report of the Group

ESG Working Group's Responsibilities:

- Taking charge of the Group's overall material ESG matters, including the supervision and implementation of material climate-related matters
- Identifying, assessing, reviewing and managing material ESG and climate-related risks and opportunities
- Continuously tracking and reviewing ESG and climate-related performance as well as progress against targets to ensure all ESG matters are properly managed and implemented
- Coordinating and promoting the implementation of various ESG and climate-related policies across all departments, and monitoring the ESG-related work of each functional department
- Communicating with stakeholders of the Group on material ESG issues
- Ensuring that appropriate and effective environmental, social and governance risk management and internal control processes and systems are in place
- Providing reports to the Board on the progress of ESG work on a regular basis and making appropriate recommendations

3.4 Stakeholder Involvement

The Group attaches great importance to ongoing communication and interaction with various stakeholders, and actively maintains close contact with a wide range of groups including government and regulatory authorities, investors and shareholders, customers, employees, suppliers and partners, industry associations, media and the communities. We proactively understand the key concerns and feedback from various stakeholders on the ESG work through multiple channels, listen carefully and respond positively to their needs and expectations, ensuring that our ESG management is more transparent and targeted. The following table lists the Group's major stakeholder categories, expectations and corresponding communication methods and contents.

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

3.4 Stakeholder Involvement (continued)

Category of Stakeholders	Concerns and Expectations	Communication and Response	Means of Communication
Employees	• Protection of employees' legitimate rights and interests • Fair remuneration and benefits • Staff training and development • Healthy and safe working environment • Listening to the voice of employees	• Complying with relevant regulations, protecting employees' rights and interests • Improving the employees' remuneration system and the welfare mechanism • Protecting the safety and health of employees • Conducting employees' training activities, improving career promotion mechanism • Creating comfortable and harmonious corporate culture and environment • Establishing and optimising a multichannel employees' communication mechanism	• Performance appraisal • Performance management • Staff training • Team building and welfare activities • Complaints and feedback
Suppliers and partners	• Just and fair negotiation • Establishing long-term cooperative relationships • Ensuring quality of projects and services	• Improving supplier review and evaluation mechanism • Expansion and continuous collaboration in business area • Creating green supply chain development together	• Project cooperation and negotiation • Assessment and investigation • Daily business communication and meetings • Site inspection

3.4 Stakeholder Involvement (continued)

Category of Stakeholders	Concerns and Expectations	Communication and Response	Means of Communication
Industrial associations and media	• Industry exchange and discussion • Transparent and open information sharing • Joint efforts towards industry advancement	• Actively participating in industry seminars • Optimising disclosure and publicity mechanism • Promoting industry standardisation	• Media releases and interviews • Regular meetings and field trips
Community	• Social charity activities • Rural poverty alleviation	• Actively conducting social charity activities • Supporting poverty alleviation efforts and helping those in difficulties	• Charity events • Community bulletin board

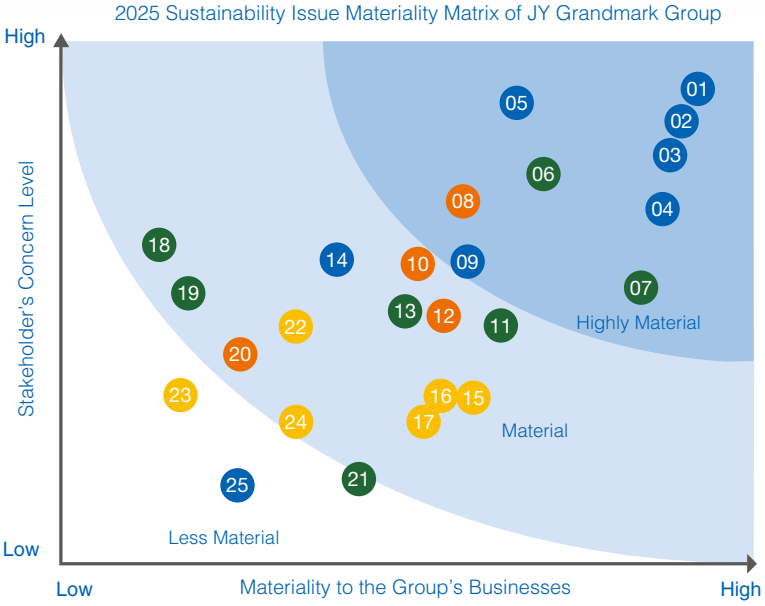
3.5 Materiality Assessment

In order to ensure that our business decisions and operations are consistent with our sustainable development approach and to meet the expectations and requirements of our stakeholders regarding our ESG efforts, we regularly identify and assess material ESG issues.

The Group reviewed the material ESG issues of the previous year during the Year. As there were no significant changes in the business scope and operation environment, and the assessment results of the previous year could still effectively respond to the concerns of our stakeholders, the Board, upon review, has confirmed that the assessment results of the previous year are still applicable to the Year, and disclosed corresponding issues prominently in this Report.

The following shows the materiality assessment matrix and the issue distribution of the Group. Of the 25 material issues identified, there are 9 highly material issues, 13 material issues and 3 less material issues. In the future, we will continue to focus on the feedback of our stakeholders about the material issues, and further integrate ESG management into multiple aspects of our business operation, so as to lay a solid foundation for the long-term and sound development of the Group, and jointly promote the balanced development of ESG.

3.5 Materiality Assessment (continued)



Environmental protection

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

Compliance operation

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

Employment management

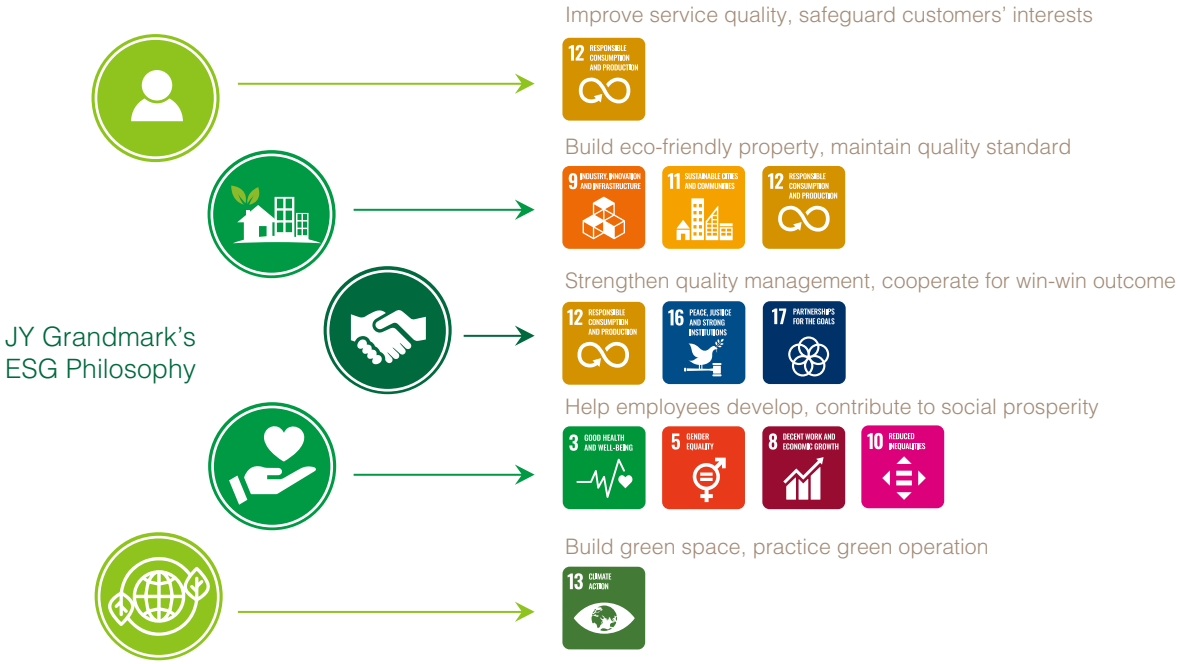
15 Child labour and forced labour are prohibited
16 Employees' interests protection
17 Employees' training and development opportunity
22 Occupational health and safety
23 Talent recruitment and team building
24 Employees' remuneration and benefits

Social contribution

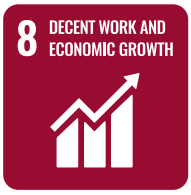
08 Protecting the rights of local residents
10 Promoting local economic development
12 Public charity and social services
20 Powering urban renewal

3.6 In Response to the United Nations Sustainable Development Goals

JY Grandmark is committed to integrating sustainable development philosophy into every aspect of our business. Guided by the United Nations' 17 Sustainable Development Goals (SDGs), we have identified ten of the SDGs that are closely relevant to the Group by reviewing our business and strategic planning. We will present our response measures and implementation results for these ten goals in various chapters, fully demonstrating our attitude and determination to fulfill corporate social responsibility and implement sustainable development, striving to build the premium brand of an "Eco-friendly and People-oriented Property Developer".



3.6 In Response to the United Nations Sustainable Development Goals (continued)

UN SDGs	Key ESG Aspects and Issues	Response of JY Grandmark
	Employment management – Occupational health and safety	The Group attaches great importance to the health and safety of its employees, implements a health and safety management system, strengthens occupational health training and takes care of the physical and mental health of its employees.
	Employment management – Employees' interests protection	The Group insists on gender equality, creates a diversified and inclusive working atmosphere, and establishes a sound mechanism for equal communication and appeal.
	Employment management – Employees' remuneration and benefits Employment management – Employees' training and development opportunity Employment management – Talent recruitment and team building	The Group is committed to providing competitive salaries and benefits to its employees, continuing to improve the employee benefits system and enriching the types of benefits, and actively improving the employee communication mechanism to ensure the stable retention and sustainable development of outstanding talents.
	Environmental protection – Green building	The Group actively responds to the call of the state, continues to pay attention to green building-related policies and technical specifications, promotes the research and practice of green building, and promotes the high-quality development of green building.
	Social contribution – Public charity and social services	The Group actively fulfills its social responsibilities and strives to devotes itself to public welfare and charitable undertakings such as rural revitalization and environmental protection, contributing to the realisation of common prosperity.
	Environmental protection – Reasonable development and ecological protection Social contribution – Promoting local economic development	As a practitioner of "Eco-friendly and People-oriented Property Developer", the Group attaches importance to the protection of the ecological environment and cultural relics during the construction process, and maximises the construction of high-quality buildings in which people and nature coexist harmoniously.

3.6 In Response to the United Nations Sustainable Development Goals (continued)

UN SDGs	Key ESG Aspects and Issues	Response of JY Grandmark
	Compliance operation – Product quality and safety Compliance operation – Responsible marketing Environmental protection – Construction waste management Compliance operation – Intellectual property protection	The Group is firmly committed to high-quality products and services, and adopts an operational method and management approach characterised by high-quality, safety, health, and responsible operation, thoroughly implementing a sustainable operation model.
	Environmental protection – Water resources management Environmental protection – Energy efficiency and carbon emission reduction Environmental protection – Green operation Environmental protection – Responding to climate change	The Group has continued to improve the management measures for environmental factors throughout the lifecycle of various construction projects to minimise the generation and emission of pollutants and to implement the concept of green and low-carbon operations. At the same time, the Group has incorporated the response to climate change into its business development planning and has taken corresponding control measures to mitigate the impact of climate change on its business.
	Compliance operation – Compliance and sound operation Compliance operation – Anti-corruption and integrity training	The Group adheres to the bottom line of compliance, holds multiple internal compliance interpretation and learning training to firmly resist corruption, and establishes an ethos of integrity and justice.
	Compliance operation – Supply chain environmental and social risk management	The Group continuously optimises and implements the screening and access process and system for suppliers, strictly controls product quality, and practices responsible and green purchasing behaviour.

4. HIGH-QUALITY AND EXCELLENT SERVICES

JY Grandmark has always regarded "Eco-friendliness and People Orientation" as the core guideline for brand development, and put the philosophy of "customer satisfaction at the core" throughout every stage of our service. Against the backdrop of the real estate industry's vigorous transition towards low-carbon and green development, the Group is well aware of the significance of product quality and safety as well as technological innovation, which are not only the foundation for the Group's sound development but also the key to meeting customer demands. Leveraging a well-established quality and safety management system, we have not only achieved enhancement in both efficiency of business operations and customer satisfaction, but also delivered healthy and safe residential products to customers while promoting the high-quality development of the industry, effectively extending the well-being of residents to each stage throughout the entire life cycle of buildings.

ESG issues included in this section

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

SDGs goals addressed in this section



4.1 Optimization and Enhancement of Product Design

JY Grandmark takes the "Green Ecology, Environment-friendly Technology, Aesthetic Life, and Intelligent Craftsmanship (綠色生態、環保科技、美學生活、智能匠心)" as the core product design concept, which is of great significance for the construction field to strive towards the "carbon peaking and carbon neutrality" goal. In order to effectively implement green development, the Group strictly follows national standards related to green, low-carbon and sustainable buildings, including the Assessment Standard for Green Building (GB50378-2019) (《綠色建築評價標準GB50378-2019》), the General Specifications for Energy Conservation and Renewable Energy Utilisation in Buildings (GB55015-2021) (《建築節能與可再生能源利用通用規範GB55015-2021》) and the General Specifications for Water Supply, Drainage and Conservation in Buildings (GB55020-2021) (《建築給水排水與節水通用規範GB55020-2021》), striving to pursue the highest quality in green buildings. At the same time, the Group strictly adheres to the Outline for Nature Conservation of the People's Republic of China (《中華人民共和國自然保護綱要》), the Regulations on Environmental Protection Management of Construction Projects (《建設項目環境保護管理條例》), the Cultural Relics Protection Law of the People's Republic of China (《中華人民共和國文物保護法》), the Regulations for the Implementation of the Cultural Relics Protection Law of the People's Republic of China (《中華人民共和國文物保護法實施條例》) and other laws and regulations. During the project development, the Group focuses on protecting the local ecological environment, natural resources and cultural relics, meets the needs of different regional markets and a diverse population, actively promotes the research, development and application of green building technologies, skillfully integrates cultural heritage with natural ecosystems, and steadfastly upholds development concept of "Eco-friendliness and People Orientation".



Product Design Concept of JY Grandmark

4.1 Optimization and Enhancement of Product Design (continued)

Focusing on dual quality assurance for the project design and construction quality, JY Grandmark has integrated the technical specifications of the construction industry and established a standardised product design management system, prioritising standardisation in both design and process. Meanwhile, the Group has established rigorous internal process management systems, and always adheres to its original philosophy of "Improving Quality and Enhancing Brand (創質量，鑄品牌)". Through scientific and standardised management practices, we continuously refine the details of deliverables, and strengthen core product competitiveness, thereby enhancing the customer recognition and satisfaction.

Design Standardisation
• **Product design management:** strictly implement the "Guidelines on Standard Practice of Architectural Design of JY Grandmark" and other systems • **Update the design error collection:** sort out the common problems and difficulties in the design process to prevent the recurrence of the same problems • **Design effect control:** optimise interior decoration standards, landscape seedling varieties and other related elements based on market research findings

Process Standardisation
• **Design change process:** strictly implement the "Administrative Measures for Design Change" • **Design review process:** send the design drawings to the institutions with audit qualifications for review, and complete the closed internal audit among design professionals to improve the quality of drawings • **Drawings delivery process:** develop standard process guidance to ensure standardised design information matching between the Group and the project • **On-site design inspection:** timely issue design inspection reports and urge on-site rectifications of the project, ensuring that the design effects are perfectly presented

Product Design Management System

4.1 Optimization and Enhancement of Product Design (continued)

Case:

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

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



JY Gaoligong Town in Tengchong

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



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

4.1 Optimization and Enhancement of Product Design (continued)

Case:

Building a sustainable development town through ecological protection and cultural inheritance

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



JY Gaoligong Town in Tengchong

4.1 Optimization and Enhancement of Product Design (continued)

In the context of economic globalisation, intelligence and informatisation, JY Grandmark has actively embraced the wave of digital transformation, and applied smart solutions in three key scenarios: smart community development, smart property services and construction of smart construction sites.

Given that the modernization and digitalization of community governance is an important direction for future urban development and plays a pivotal role in improving residents' quality of life, the Group has established a set of smart community system standards. In the field of smart property service, the Group widely applies the Enterprise Resource Planning (ERP) system, and implements digitalized construction site management at the project construction site.

Smart Community Construction

- In accordance with the smart community system standards, we have fully configured visitor intercom system, access control system, parking lot management system, video surveillance system, public address system, electronic inspection system, perimeter intrusion alarm system and elevator intercom system, establishing a comprehensive and well-structured smart system framework.

Smart Property Service

- We apply the Enterprise Resource Planning (ERP) system. This system is capable of monitoring the frequency and content of project inspections to prevent fraud in quality inspection work, provides inspection data in a clear and intuitive manner, enabling property service personnel to understand the on-site conditions and the performance of frontline staff in their daily inspections. The inspection rate of key points has reached 100%, and the number of spot checks on managed floors has increased by 30%, making the inspection data displayed by the system be presented more clearly. The efficiency of data statistics in inspection reports has improved by 60%, with an accuracy rate of 100%.

Digitalized Construction Site Management

- We implement the Real-name System at the Access to the Sites to assist the real-name registration of personnel entering the sites, including key information such as identity information and times of entry and exit, which helps preventing unauthorised individuals from entering the construction sites and reducing safety hazards.

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

4.2 Product Quality and Safety Assurance

Focusing on compliance and quality control in engineering construction, JY Grandmark strictly complies with the Construction Law of the People's Republic of China (《中華人民共和國建築法》), the Quality Law of the People's Republic of China (《中華人民共和國質量法》), the Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》) and other relevant laws and regulations. Simultaneously, the Group deeply implements industry standards including the Quality Management Ordinance for Construction Projects (《建設工程質量管理條例》), the Administrative Regulations on the Work Safety of Construction Projects (《建設工程安全生產管理條例》) and the Standard for Safety Inspection of Building Construction (《建築施工安全檢查標準》). The Group consistently upholds the principle of "Quality First" throughout the entire engineering construction process. Guided by the core objective of "ensuring people's livelihood, delivery and quality (保民生、保交付、保質量)", we have formulated and strictly enforced internal policies such as the Quality Management System, the Construction Technology Management System, the Management Methods for Safe and Environmentally Friendly Construction and the Project Management Manual. These measures provide a solid institutional foundation for engineering quality, construction safety, and delivery assurance, ensuring that all stages of engineering construction proceed in a compliant and orderly manner.

To strengthen safety and quality control in engineering projects, JY Grandmark has proactively implemented multiple safety measures and established a comprehensive engineering safety management system. This system clearly defines the specific responsibilities, key control priorities, and standardized management processes for each functional department and relevant representatives across all project stages. By standardizing the management of safe production and construction quality, we ensure the orderly progress of construction works while continuously optimizing customer delivery processes and enhancing the delivery experience. During the Year, we adhered to the core safety production principle of "Safety First, Prevention Foremost, and Comprehensive Management". As a result, no major construction safety liability accidents occurred in our engineering construction sector. Furthermore, there were no violations of laws or regulations regarding construction safety compliance or product quality control. Our robust management practices have ensured the safe and high-quality advancement of all engineering projects.

JY Grandmark consistently integrates safe production into the core scope of its operational management, regarding it as a vital guarantee for the enterprise's sustainable development. The Group implements safety management requirements by establishing a comprehensive quality control system. Centered on the Project Management Manual, we have concurrently issued a series of internal guidelines to standardize processes and operational details for construction projects, spanning from planning to acceptance. Furthermore, we have established an irregular quality inspection mechanism to enforce rigorous control over the entire construction process of each project. By proactively identifying hazard sources, preventing risks in advance, and promptly controlling hidden dangers, we effectively eliminate potential safety and quality issues in our products, thereby safeguarding the safety and quality of all engineering constructions.

Regarding the selection and management of construction contractors, JY Grandmark has established strict access and assessment standards. In the initial phase of cooperation, priority is given to contractors who possess professional qualification certifications and maintain strong records in social reputation and environmental management. During the cooperation process, we collaborate with relevant departments to conduct comprehensive performance evaluations of construction units and project departments across all regions. These evaluation results are directly linked to performance bonuses, creating an effective mechanism of incentives and constraints. By building a multi-dimensional supervision and assessment process, the Group ensures that quality and safety remain controllable throughout the entire project lifecycle. Furthermore, by empowering our partners, we help construction units enhance their sustainable development capabilities, ultimately fostering a stable, resilient, and long-term cooperative ecosystem.

4.2 Product Quality and Safety Assurance (continued)

System Construction	• Establish a quality management system with the Project Management Manual as the core; • Formulate and implement internal systems, including the "Administrative Measures for Technical Solutions", "Technical Inspection Guidelines", "Quality Management System", "Construction Technology Management System" and "General Standard Atlas" to regulate and control its engineering management behaviours in all aspects.
Quality Accountability	• Implement the quality accountability system for its construction projects and upkeep the principle of "separating inspection and evaluation, strengthening acceptance, optimising means and process control" for the quality acceptance of construction projects, and strictly implement the lifelong accountability system for construction quality.
Sample First	• Implement the sample-oriented system: conduct sample acceptance firstly to ensure quality and efficient implementation before starting a large-scale construction; • Execute physical measurement for projects, and make the measurement data covering dozens of engineering items such as civil engineering, landscaping, plumbing and electricity, fully decorated properties and aluminium windows, to control the project quality through data.
Quality Inspection	• Strictly manage the whole process from project quality to safe and eco-friendly construction through such as special inspection, project self-inspection, supervisors inspection and construction units self-inspection; • The findings during the inspection are subject to rectification within a certain period; follow-up and oversight to ensure the effective implementation of the rectification plan, so as to achieve a closed-loop management of problems and eliminate the hidden dangers in project quality.

4.2 Product Quality and Safety Assurance (continued)

Qualification Review	• Construction units are required to provide solutions for on-site safety, civilization and environmental management, as well as product certifications and inspection reports, with priority given to construction units certified to ISO9001 quality management system, ISO14001 environmental management system, and GB/T28001 occupational health and safety management system. Currently, there are 13 units within the Group's database that have certified to the above "three-systems".
Assessment Mechanism	• Implement the assessment of new units, initial order assessment and performance evaluation, in conjunction with a multi-dimensional objective assessment and annual grading by relevant departments on the construction units; • The performance of construction units and project departments in various regions is included in the evaluation and assessment, and the results are linked to employees' performance bonuses, effectively ensuring the quality baseline standards.
Optimal Management	• Strengthen the management of construction units in terms of social responsibility and implement the pre-construction organisational design solution approval system; • Supervise and inspect the legality of labour employment by construction units, requiring them to implement real-name management to ensure the authenticity and legality of workers' identities; monitor the distribution of workers' wages through dedicated accounts; • Strictly require construction units to purchase relevant liability insurance; • For the use of construction materials, through the system on brand products that are designated by party A and supplied by party B, constraints are placed on construction units to use high-quality brand products recognised by the Group that meet national and industry standards, ensuring the construction quality.

4.2 Product Quality and Safety Assurance (continued)



On-site Quality Inspections



Sample-oriented Quality Control Displays

In the process of implementing strict quality control procedures, JY Grandmark explicitly identifies employee quality awareness as a key driver for enhancing product quality. We recognize that only when employees cognitively accept and prioritize the importance of engineering quality will they consciously adopt a mindset of striving for perfection in practical operations, ensuring that every construction phase complies with regulatory standards. Based on this understanding, the Group has launched comprehensive quality training programs covering all employees. These programs specifically include modules for learning from excellent industry practices, guiding employees to deeply explore advanced quality management systems within the sector and analyze the methodologies behind successful cases. Through such training, employees' sense of product responsibility has been significantly strengthened, effectively preventing and reducing construction safety accidents, thereby safeguarding both personal safety and the high-quality delivery of engineering projects.

4.2 Product Quality and Safety Assurance (continued)

Case:

The Property centers have established a normalized safety inspection mechanism

On a monthly basis and prior to major holidays, the property centers initiate comprehensive pre-holiday inspections across all projects. Special inspection teams, composed of department heads and key personnel, conduct detailed checks focusing on public order maintenance, environmental hygiene, and the operational status of facilities and equipment within the community. Simultaneously, the property centers increase the frequency of inspections and strengthen control measures for outsourced service providers, such as those responsible for landscaping maintenance and elevator operations. Through on-site verification and process tracing, the property centers drive the continuous improvement of public environmental quality, effectively enhancing the service awareness and on-duty responsibility of outsourced staff.



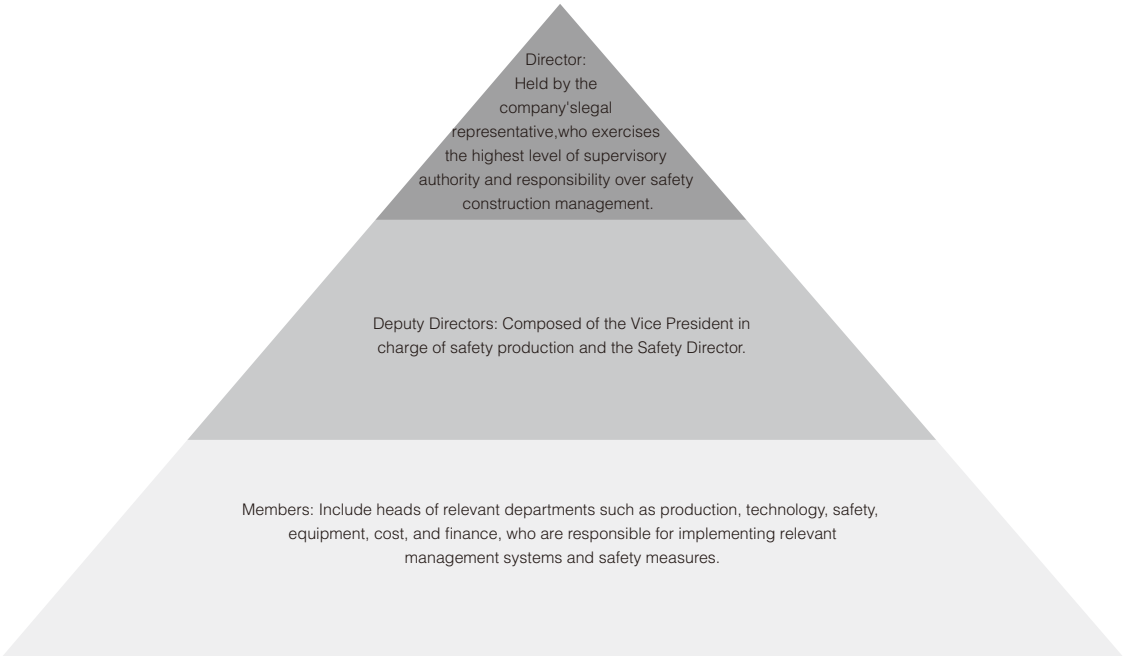
Outsourced Units Inspections

Safe and Civilized Construction

To deepen the management of safe and civilized construction, and to ensure that safety production technical disclosures are effectively implemented and preventive measures are strictly executed, JY Grandmark has established a dedicated Safety Production Committee and constructed a clear three-tier organizational structure for this committee. These efforts aim to facilitate efficient cross-departmental collaboration. By clarifying hierarchical responsibilities and establishing collaborative mechanisms, it systematically enhances the overall safe and civilized construction management standards for all ongoing engineering projects across the Group, providing a solid foundation for safe and compliant project execution

4.2 Product Quality and Safety Assurance (continued)

Safe and Civilized Construction (continued)



Organizational structure of the Safety Production Committee

Defining safety responsibilities

- **Implementing construction management systems:** The Group formulated and implemented its "Management Procedure of Project Supervisors", to clarify the obligations of constructors, supervisors and project owners in project management, strengthen the management of supervisors and give full play to their supervisory and management roles in construction project;

- **Construction briefing meetings:** In accordance with the project engineering management requirements, the project engineering department organises and presides over the first construction briefing meeting before the commencement of the projects, uniformly conducting safety supervision and construction briefings for supervisors and constructors, and clarifying the safe and eco-friendly construction objectives and requirements of the projects.

Strictly controlling construction safety

- **Enclosed site and real-name management:** The construction sites are enclosed and under strict real-name management measures. All the staff must enter the site via the access control systems, and entry of unauthorized outsiders is strictly prohibited.

4.2 Product Quality and Safety Assurance (continued)

Safe and Civilized Construction (continued)



Real-name System Control at the Access to the Site

Routine construction safety measures

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



Construction Safe Passage

4.2 Product Quality and Safety Assurance (continued)

Safe and Civilized Construction (continued)

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



Production Safety Experience Zone



Showcase of Guidelines for Safe and Civilized Construction

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



Fire Equipment Concentration Point



Storage Area for Flammable and Combustible Materials

4.2 Product Quality and Safety Assurance (continued)

Safe and Civilized Construction (continued)

Improving safety inspection

- **Hidden safety danger investigations:** Establishing the multi-level inspection mechanism, the Group conducts routine safety inspections and hidden danger investigations on the construction site of projects through such as inspection, special inspection, project self-inspection, supervisors inspection and construction units self-inspection, and strictly controls the project quality and safe and eco-friendly construction;

- **Rectifications and follow-ups of issues:** Issues identified during the inspection are subject to rectification within a certain period, and follow-ups and oversights to ensure the effective implementation of the rectification plan and to timely identify and eliminate safety hazards, ensuring construction safety.

Conducting safety publicity and implementation

- **Simulating construction scenario:** We have set up safety education and training areas and experience zone on the construction site, such as a safety protection equipment display area, a construction environment experience zone, a safety operation demonstration area, a safety knowledge publicity area, a simulated rescue exercise area, etc. By simulating a real construction scenario, workers can learn safety knowledge and enhance their safety awareness through practical operations;

- **Safety knowledge publicity and education:** We organize training and drills on safety management systems and standards to ensure that the employees are familiar with safety management standards and to improve the safety literacy of the unit's main person in charge, production safety management personnel, other employees and employees of the supplier units (constructors and supervisors), so as to enhance their ability to deal with public emergencies.





Various Safety Trainings and Drill Activities Conducted

4.3 High-Quality Service Making Guests Feel at Home

We adhere to a customer-centric philosophy, placing customer needs and experiences at the core of our service optimization strategies. Focusing on our two main sectors of hotels and property management, we are committed to continuously elevating service quality. To deliver superior experiences, the Group has launched a range of diversified and personalized attentive services, covering various scenarios from accommodation to community living. We are constantly refining our service management systems to ensure that we precisely match the diverse needs of our customers. While enhancing our own service capabilities, the Group also leverages these high-standard service practices to contribute to and drive the high-quality development of the entire industry.

High-Quality Hotel Services

To continuously upgrade the guest accommodation experience, hotels under JY Grandmark always place guest interaction and communication at the core of their service. By proactively engaging with guests, the hotels promptly capture guests' individual needs during their stay. Through sincere and heartwarming customized services, every guest is made to feel the warmth of being "at home", which fully demonstrates a high standard of service quality. At the Conghua Hot Spring Hotel, for guests staying during their birthdays, the hotel meticulously decorates the rooms in advance and prepares exclusive birthday gifts. This meticulous care puts the service philosophy into practice. We also focus on detailed services. For instance, if a guest is found to have a cold or is ill, the hotel restaurant will serve them ginger tea to ward off the chill. During special festivals, the hotel restaurant creates rice art on the lazy Susan to provide guests with a surprise. Furthermore, to ensure service quality, the hotel arranges for a manager to be on duty during non-working hours every day and mandates random room inspections to maintain high service standards. Additionally, we regularly maintain all hardware facilities in the hotel, striving to provide guests with a comfortable and convenient accommodation environment.

The hotel sector has launched a series of initiatives focused on optimizing service quality. By implementing the following targeted measures, we have further narrowed the distance with our clients, built stable and long-lasting customer relationships, and effectively consolidated the Group's strong reputation and brand image within the industry.

4.3 High-Quality Service Making Guests Feel at Home (continued)

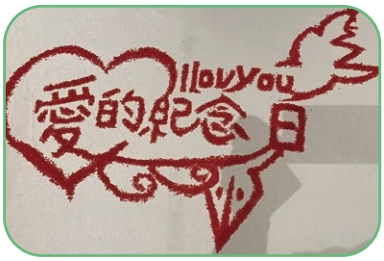
High-Quality Hotel Services (continued)

	Hotel Service Quality Improvement Measures
Villa Guest Service	• After obtaining consent from villa guests, a WeChat service group will be created, and the guests and the operation department staff will be invited to join the group. Guests can directly raise any needs in the group, and the corresponding staff will respond and follow up immediately, forming a "many-to-one" service effect to enhance the guest's experience during their stay.
Customized Services	• We provide customized services for guests with special needs, such as preparing welcome cards for VIPs, arranging rooms according to the requirements of group guests, and preparing meals separately for guests with special dietary requirements due to religious beliefs or other reasons, thereby striving to fully meet individual needs; • We proactively cater to guests with special needs, such as designing exclusive welcome cards for VIP clients and arranging simple yet warm room decorations for guests celebrating anniversaries, thereby enhancing the check-in experience through attention to detail.
Proactive and Considerate Service	• During check-in, we proactively inquire about guests' room preferences. Combining room availability, occupancy rates, and guest requirements for floor levels and lighting, we arrange the best possible room within the same category. When room status permits, we also proactively ask if a late check-out is needed, providing thoughtful and considerate service.
Guest History Profiles	• We have established guest history profiles to record the room preferences and historical feedback of returning guests. This enables our service staff to deliver precise, personalized service, thereby enhancing overall customer satisfaction.
Regular Employee Professional Training	• We conduct professional skills training and cross-training for our staff 2 to 3 times per month to enhance their service awareness and proficiency. During the Year, we have cumulatively held 144 training sessions.

4.3 High-Quality Service Making Guests Feel at Home (continued)

High-Quality Hotel Services (continued)



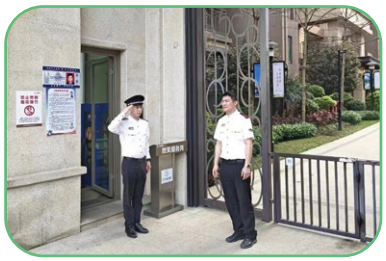


Gifting snacks, pre-arranging rooms, and gifting birthday rice paintings for hotel guests

High-Quality Property Services

In the property service sector, JY Grandmark adheres to the core service principles of care, consideration, respect, and proactivity, embedding them into every detail of our service. To further elevate service quality, the Group is focusing on four key areas: conducting standardized service training to strengthen professional expertise, optimizing community environmental quality to enhance living textures, expanding diverse convenience services to cover various life scenarios, and organizing community cultural activities to enrich spiritual life. We are committed to continuously creating a more comfortable and pleasant living experience for owners and residents, striving to align with their daily needs and expectations.

Property Service Quality Improvement Measures	
Improving the Service Management System	• Service standards, specifications, and standards for polite language, etc. were established and trainings were provided to property service staff in the form of morning meetings and regular meetings. Property personnel are required to perform strictly in accordance with the standards, so as to provide property owners with standardized, regulated, and professional services.



Post Etiquette Training



Environmental Department Training

4.3 High-Quality Service Making Guests Feel at Home (continued)

High-Quality Property Services (continued)

Property Service Quality Improvement Measures	
Community Environmental Quality Improvement	• Special environmental rectification actions were organised in the communities to clean up fallen leaves, weeds, and other waste from the green strips along the main and secondary pathways within the communities, and to carry out disinfection for eliminating the four pests to ensure a clean and tidy environment in the communities; • Renovation on the buildings, greening and roads in the communities was conducted; the management of bicycle parking was strengthened, implementing weekly and monthly on-site quality inspections, with an aim to enhance the overall image and charm of the communities.  Zhuzhou Carpet Shampooing Activity
Providing Diverse Convenience Services	• We provided attentive people-oriented services, and regularly pushed out warm tips on severe and extreme weather conditions in the WeChat group of property owners, advising on precautions for typhoons, torrential rains, thunderstorms and heatwaves; • We responded promptly to the property owners' repair requests and assisted them in resolving daily maintenance problems; • We counted the elderly living in the community and visited them to deliver care regularly.

4.3 High-Quality Service Making Guests Feel at Home (continued)

High-Quality Property Services (continued)

Property Service Quality Improvement Measures	
Enriching Community Cultural Activities	• We enriched the lives of property owners with warm-hearted services, carried out various forms of community cultural activities and provided diverse services and entertainment options for property owners of different ages and needs, enhancing the emotional connection with property owners, and creating harmonious neighbourhood relationships.



New Year's Celebration Events



Mugwort Rice Cake Making Activity



Parent-Child Tree Planting Activity



Free Clinic

4.3 High-Quality Service Making Guests Feel at Home (continued)

Hotel Satisfaction Enhancement

Customer satisfaction has always been the core driver for service optimization at JY Grandmark's hotels. To enhance satisfaction levels, the Group has established a multi-channel feedback system integrating both online and offline platforms. To further improve the channels for customer expression and the handling processes, we have optimized the hotel's customer feedback collection mechanisms and processing workflows as follows during the Year.

1 In the lobby, we have installed guest suggestion boxes and signage displaying complaint hotlines (including tourism, Guangzhou municipal, and corporate hotlines as well as a dedicated complaint email address). The Front Office Manager checks the suggestion boxes and email inbox daily to ensure all feedback is followed up and resolved in a timely manner.

2 Guests may submit suggestions directly to front desk staff on-site; upon receiving feedback, the Front Office Manager will immediately arrive to follow up and resolve the issue;

For guests with high-quality service expectations, we collect their contact information to provide one-on-one personalized service. Simultaneously, this information is shared with our three core operational departments – Housekeeping, Food & Beverage, and Hot Springs – to ensure they pay special attention to these guests' needs.

3 Guest feedback forms are placed in guest rooms for visitors to fill out. Additionally, the Front Office Department conducts satisfaction surveys during the daily check-out period by asking guests about their stay experience, ensuring that any issues are resolved before guests depart;

We simultaneously compile and summarize this feedback daily, forwarding it to our three core operational departments – Housekeeping, Food & Beverage, and Hot Springs – to implement necessary improvements.

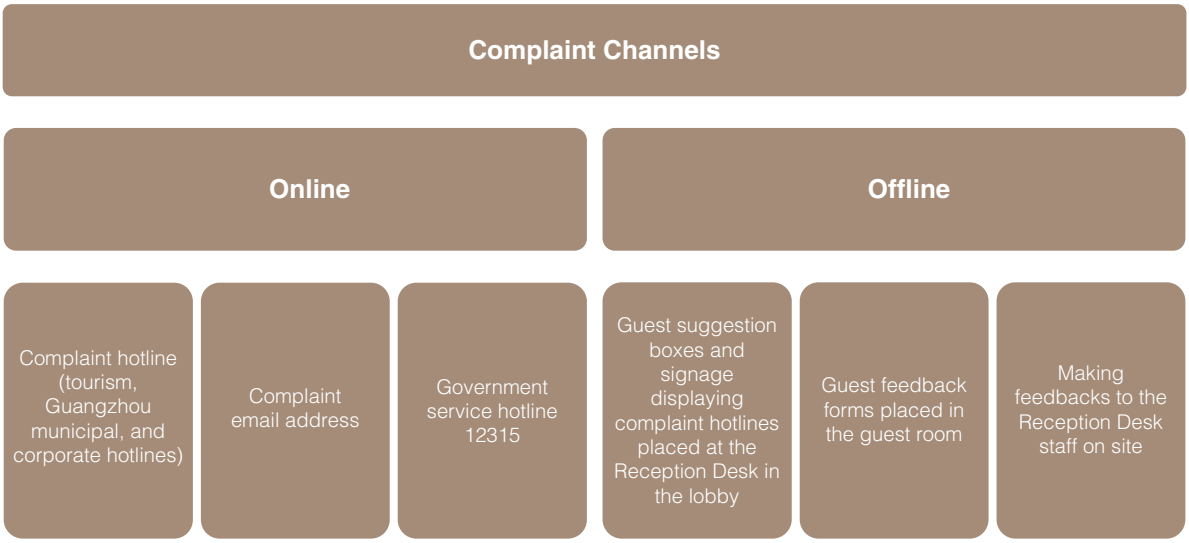
4 Upon receiving complaints via the 12315 channel, the relevant departments immediately contact the guest by phone to understand the details of the incident and proceed with follow-up handling.

The hotels place high importance on guest feedback, actively collecting suggestions through close communication and implementing improvement measures. The Front Office Manager and relevant departments are required to handle guest complaints promptly on a daily basis and follow up on progress to ensure every issue is fully resolved. Beyond immediate resolution, the hotel conducts a monthly review of complaint cases by holding analysis meetings. During these sessions, situations are reported to responsible leadership, and improvement plans are formulated to prevent similar issues at their root, thereby continuously enhancing service quality.

4.3 High-Quality Service Making Guests Feel at Home (continued)

Hotel Satisfaction Enhancement (continued)

During the Year, the Group's hotels received a total of 25 complaints from customers, all of which were properly addressed, with 100% completion rate.



JY Grandmark's hotels integrate online and offline satisfaction surveys to evaluate overall customer satisfaction from multiple perspectives. On the one hand, we establish real-time communication bridges via WeChat service groups for guests; on the other hand, we leverage a systematic guest feedback form mechanism to collect valuable insights regarding hotel services and management, ensuring immediate handling and response. Based on the analysis of survey results, the hotel formulates and implements targeted improvement plans. These measures include strengthening complaint prevention mechanisms to minimize issues, launching employee education initiatives to align service expectations, and optimizing operational processes to enhance efficiency. Covering key links such as promotion, service delivery, and daily operations, these actions have achieved a comprehensive elevation of service quality. The insights derived from customer satisfaction surveys not only incentivize us to continuously iterate our service experience but also help us deeply understand genuine customer needs, providing guests with a more comfortable and pleasant stay.

Online Satisfaction Survey	Offline Satisfaction Survey
• Scope of the survey: Ctrip check-in customers • Method of survey: Call-back • Result of survey: A total of 381 guest feedbacks were collected, of which 302 were five-point positive reviews	• Scope of the survey: Hotel guests • Methods of survey: Guest feedback forms placed in guest rooms; on-site surveys • Result of survey: A total of 713 guest feedbacks were collected, of which 428 were positive reviews

4.3 High-Quality Service Making Guests Feel at Home (continued)

Property Satisfaction Enhancement

JY Grandmark is committed to a philosophy of meticulous attention to detail, regarding thorough and thoughtful service as a vital pillar for earning long-term customer trust. Centering on the diverse needs of different property owners, the Group has not only advanced quality upgrades of community public facilities – such as lighting improvements in sports courts – to address practical daily requirements, but also continuously curated a variety of cultural and recreational activities to break the monotony of daily life. These initiatives enrich leisure time and significantly enhance the sense of happiness and well-being associated with living in our communities.

To safeguard a premium living experience for property owners, we proactively attend to and address their needs and opinions. By continuously optimizing service processes, we are dedicated to creating a warm and secure home environment, thereby fostering long-term and stable relationships of trust. Regarding property owners' complaint management, we have established a robust management system featuring dual online and offline channels to provide convenient feedback paths for owners. We clearly define the responsibilities and management scope of each department in handling complaints. Furthermore, we have standardized operating procedures covering the entire lifecycle – from receipt and follow-up to resolution. This ensures that our property management teams can respond rapidly and handle feedback efficiently, guaranteeing that all owner appeals are addressed in a timely manner.

The following is the complaint handling procedure of the property service center:



4.3 High-Quality Service Making Guests Feel at Home (continued)

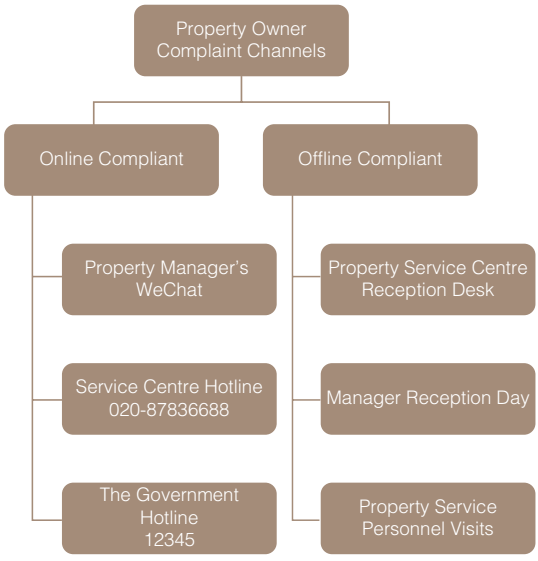
Property Satisfaction Enhancement (continued)

During the Year, the property service centre received a total of 452 complaints from property owners, all of which were properly addressed, with a completion rate of 100%, and an overall customer satisfaction rate of 100%.





Property Service Personnel Visits and Property Owner Seminar



Property Owner Complaint Channels

4.3 High-Quality Service Making Guests Feel at Home (continued)

Hotel Safety and Health Services

For hotel operations, health and safety management serves as the cornerstone of service quality, as safety directly impacts guests' physical and mental well-being, living experience, and core interests. To ensure a secure and comfortable experience throughout the entire guest journey – from check-in to check-out – JY Grandmark has deployed comprehensive security measures. These measures include enforcing real-name registration policies, regularly inspecting and maintaining surveillance systems, arranging uninterrupted patrols by security personnel, and conducting routine safety hazard screenings. We also ensure rigorous maintenance of facilities and equipment, organize fire drills to strengthen emergency response capabilities, and conduct safety culture training to enhance employee awareness. Through standardized management, we ensure that every link in the chain complies with safety regulations. Specifically, the Conghua Hot Spring Hotel places particular emphasis on daily safety control. Through a daily inspection mechanism, it conducts meticulous fire safety checks on key areas to eliminate potential fire safety hazards.



Fire Drills and Safety Training

Real Name Registration

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

4.3 High-Quality Service Making Guests Feel at Home (continued)

Hotel Safety and Health Services (continued)

Surveillance System Checks

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

Security Personnel Patrol

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

Investigation of Potential Safety Hazards

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

Maintenance of Equipment and Facilities

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

Safety Culture Publicity

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

4.3 High-Quality Service Making Guests Feel at Home (continued)

Property Safety and Health Services

In the property management sector, JY Grandmark places the health and safety of property owners at the core of its operations, deeply integrating this priority into every aspect of daily employee service. To fortify the safety defense line for residents from multiple dimensions and enhance their sense of security and well-being, the Group continuously strengthens security measures in community public areas. For instance, the property service center conducts comprehensive inspections of various facilities within the estate on a monthly basis and prior to major holidays. These measures not only ensure the safety and compliance of the public environment but also strictly control the service quality of outsourced personnel. With consistent standards, we are committed to providing owners with high-quality living environment and excellent property services.



Professional Security Services

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



Maintenance of Equipment and Facilities

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



Fire Safety Management

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



Safety Culture Publicity

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

4.4 Strictly Prevent Information Security from Risks

JY Grandmark strictly adheres to legal bottom line in information security management, and strictly complies with the requirements of relevant regulations such as the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》) and the Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》). Upon taking into account actual operations, the Group has formulated and implemented internal systems such as Management Regulations on the Protection of Customer Information (《客戶信息保護管理規範》), Information System Security and Operation Management System (《信息系統安全與運行管理制度》), Information System Account and Permission Management System (《信息系統賬號及權限管理制度》), and Document Management Measures(《檔案管理要求》), advancing the construction of a robust information security framework with institutional support. To fortify the defense of customer privacy and information security, the Group has established a comprehensive management mechanism and enforcement measures across five core dimensions, aiming to regulate the entire process covering the collection, storage, and usage of customer information in daily operations, effectively manage information security risks, strictly enforce confidentiality requirements, and practically protect the privacy and information rights of both customers and the Group.

Construction of information system security

- Configuring security certificates for the property ERP system as required to build a defense for the security of information and links on the staff side and the client side;
- The hotels have completed the upgrading of their systems as required by the data collection system, deactivated the function for familiar customer inquiries, and optimized the elevator control system by implementing a management model under which the elevators operate only with authorization of customers' cards;
- Advanced encryption technologies have been applied to upgrading the customer information protection system, ensuring the security of customer information during transmission and storage and preventing data leakage.

Authority management on access to information

- Implementing the requirements for delegating exclusive administration rights to designated persons to ensure that only authorized persons can access customer information, minimising the access of nonessential personnel through precise control, and effectively reducing the potential risks of information flow and leakage during the paper registration from a procedural perspective.

4.4 Strictly Prevent Information Security from Risks (continued)

Hierarchical management of information usage

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

Staff trainings for information security

- Strengthening staff training and improving the information security protection awareness of relevant staff, to prevent the occurrence of information security incidents from the source;
- Advocating the customer privacy protection policies and operation standards to hotel staff, with a clear prohibition of disclosing customer private information to external personnel.

Supervision and control on information security

- Strengthening supervision and management across the process by establishing a supporting penalty mechanism and regularly inspecting every aspect of the use of information files. Strict punishment will be imposed promptly according to relevant standards once any noncompliance is identified, so as to vigorously prevent information leaks.

Management on data exporting from system

- The Group strictly complies with applicable international laws and regulations on data protection, establishing and implementing robust data governance and management processes. System data is subject to tiered controls and end-to-end monitoring to prevent unauthorized export or use of customer data.

4.4 Strictly Prevent Information Security from Risks (continued)

The Group's detailed practice in customer privacy protection is as follows:

Enhance Staff Training on Guest Privacy Awareness	1. Do not disclose personal information of guests in public A. Employees shall not call guests by their full names when checking in for them, but shall address them as Mr./Ms.; B. Employees shall not call out the room number when guiding the guest to the room location, but shall introduce the room area and floor; 2. Do not disclose the personal information of the guest to third parties A. If an external call requests to be transferred to a room, the receiving staff should first verify the information. Once the information matches, they should call the guest to confirm if it is convenient to take the call. Under no circumstances should the staff disclose the guest's room number or other information to third parties. B. Do not disclose the check-in information and billing invoices and other information of the guest to third parties. 3. When guests activate the "Do Not Disturb" sign during their stay, their privacy should be respected without random disturbance, ensuring they have sufficient personal space.
Confidential Check-in and Restricted Access	We provide confidential check-in and restricted access services for guests. If a visitor inquiries about a guest and the inquirer is not on the guest's access list, the front desk staff must politely state that no such guest is registered.
Information System Management	The Group's information system is led by the government and upgraded to a government cloud platform, streamlining the check-in process while ensuring the security of guest information.

4.4 Strictly Prevent Information Security from Risks (continued)

In the event of any information leakage, JY Grandmark would immediately initiate a detailed verification procedure. Depending on the severity of the verified incident, the Group will take appropriate actions in accordance with relevant laws and regulations. Should the leakage be attributable to the negligence or misconduct of responsible personnel, the Group reserves the right to claim damages from such personnel for all direct and indirect losses arising from the incident. If the circumstances are too serious to be addressed within the scope of internal regulations, and even involve suspected legal violations, the Group will promptly refer the cases to the local law enforcement authorities for further investigation and action.



Customer Privacy Protection Training

4.5 Digital Responsible Marketing

With respect to marketing compliance and consumer rights protection, JY Grandmark strictly followed the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》), the Consumer Rights Protection Law of the People's Republic of China《中華人民共和國消費者權益保護法》, and other laws and regulations, establishing a compliance management system covering all marketing scenarios from updates on the official website and the display of materials at sales centers to public notices posted at construction sites. All announcements, advertisements and promotional content must be subject to compliance review to ensure legality and regulatory compliance. Besides, we consistently upheld the principles of truthfulness, accuracy, completeness, and legal compliance throughout all stages of campaign planning, material production, and information dissemination by formulating various internal documents including the Guidelines for Mitigating Legal Risks in Advertising (《廣告宣傳法律風險防範指引》) and the Marketing Risk Alert & Response Protocol (《營銷風險問題通報及對策》). In terms of risk prevention and control, the Group focused on the identification of improper commitments or hyperbolic claims in sales advertisements, establishing clear prohibited provisions for marketing activities. Meanwhile, through a standardized information delivery process, the Group ensured that all customers have equal access to truthful and reliable information and prevented any influence on their decisions arising from information asymmetry or differential treatment, effectively safeguarding consumer rights and consistently reinforcing the Group's strong brand reputation.

Embracing the marketing reform in the digital era, JY Grandmark proactively expanded into emerging digital marketing channels such as Douyin and WeChat Video Channels, breaking away from traditional promotional models to establish a marketing system with stronger visual effect, immersive experiences, and greater content diversity. During the year, the Group took short video dissemination and live streaming as its principal channels for customer acquisition, visually presenting project details through live-streamed property viewings and recreating realistic spatial environments with VR technologies, enabling potential customers to gain an in-depth understanding of projects without leaving their homes. At the same time, the Group embedded the community culture philosophy of "neighborhood interaction and co-creation, exploring a better life" into its marketing content, vividly conveying project value, brand stories and event updates, while allowing homeowners to keep abreast of project progress and product quality in a timely manner, thereby fostering a closer connection between the Group and its customers.

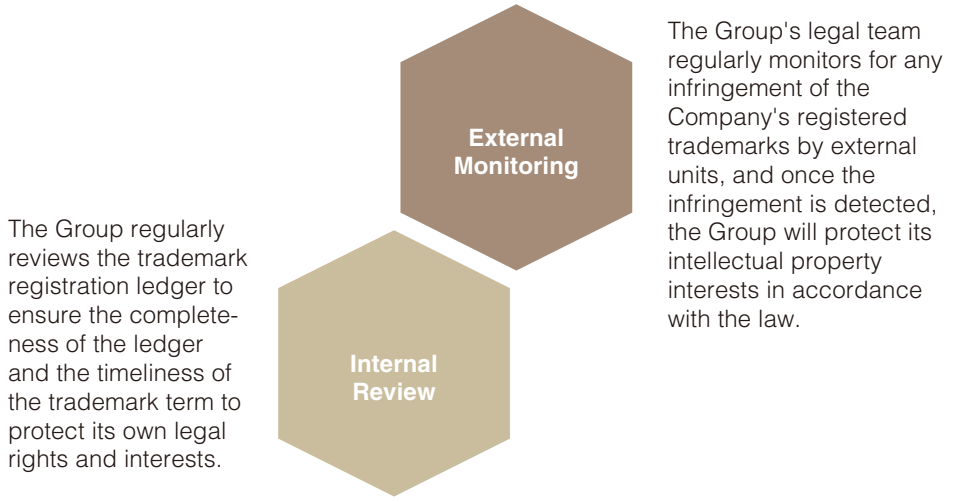
To ensure the compliance and effectiveness of digital marketing, the Group strengthened management across three dimensions, including enhancing the marketing team's digital operation capabilities through professional trainings, regulating marketing practices through end-to-end oversight, and maintaining information quality through rigorous content review, thereby ensuring that digital marketing advanced in a reasonable, accurate, and efficient manner.

4.5 Digital Responsible Marketing (continued)

Enhancing Training and Guidance	Implementing Sales Supervision	Content Review Team
• Constructing a comprehensive training system to ensure that sales personnel are kept up-to-date with the latest regulatory changes and industry standards; • Strengthening guidance on professional terminology and platform rules for sales staff to ensure compliant operations.	• Implementing an effective regulatory mechanism through on-site inspections and data analysis to ensure the compliance of sales activities.	• Responsible for conducting comprehensive reviews on digital marketing materials, regularly scrutinising marketing content to promptly identify and rectify any inappropriate information. This ensures the timeliness and accuracy of the information, and upholds the compliance of marketing materials.

4.6 Implementation of Intellectual Property Protection

JY Grandmark strictly complied with the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》), Trademark Law of the People's Republic of China (中華人民共和國商標法》), Patent Law of the People's Republic of China (《中華人民共和國專利法》), and other related laws and regulations in terms of intellectual property management, consistently embedding compliance requirements throughout the entire process of intellectual property protection. To strengthen internal management, the Group formulated and implemented special compliance measures, and established standardized management procedures for registration applications, routine licensing authorizations, and compliance monitoring regarding trademarks. In daily operations, we ensured no infringement of third-party patents, trademarks, copyrights, or other forms of intellectual property rights, thereby safeguarding the lawful order in the field of intellectual property.



Intellectual Property Protection Measures

5. BUILDING GREEN SURROUNDINGS

"Building green space, practicing green operation" remains the green and low-carbon development concept that JY Grandmark steadfastly upholds. This philosophy guides the Group in implementing comprehensive environmental management mechanisms and methods across all stages including building design, construction, project operations and office activities, and also in setting green development targets in four major areas including carbon emissions and control, energy efficiency enhancement, water efficiency improvement and waste reduction, clarifying the goals of green development. Additionally, the Group proactively identified and responded to the relevant risks and opportunities arising from climate change, with a view to implementing the national ecological philosophy of "lucid waters and lush mountains are invaluable assets". Throughout its business expansion and operations, the Group continued to explore ways to reduce carbon emissions and pollution, minimizing environmental impact. Moreover, it collaborated with partners along the industrial chain to collectively accelerate the transformation of the real estate industry towards a low-carbon economic model.

ESG issues included in this section

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

SDGs goals addressed in this section



5.1 Advancing Practice of Green Building

Relying on its industry-leading technological expertise, JY Grandmark plays an important role in promoting the widespread adoption of green construction and the low-carbon transformation of the industry. We took national green building standards as the core principles for our property development, consistently applying those standards across all phases from the conceptual design of projects and project development to daily maintenance in operations and management, thereby establishing a green development system that covers the full product lifecycle. In order to mitigate the environmental impact of buildings throughout their lifecycle, JY Grandmark actively adopted low-carbon and energy-efficient construction methods, vigorously promoted green construction technologies, and strengthened green construction management to ensure effective implementation of various initiatives. Through which, the Group has not only steadily enhanced its product competitiveness but also enabled customers to truly experience the transformative benefits that green technologies bring to their lives.

Green Construction Technology

Relying on its environmentally friendly technical attributes, prefabricated construction has become an important innovative direction that distinguishes itself from traditional construction methods. Its core advantage lies in relocating a substantial portion of on-site processes in traditional model to factories for standardized, large-scale production, which not only reduces the environmental impact of on-site construction but also enhances the consistency of building's quality. The Ministry of Housing and Urban-Rural Development of PRC has issued the "14th Five-Year Plan" for the Development of the Construction Industry (《"十四五"建築業發展規劃》), which explicitly proposes that by 2025, the proportion of assembled buildings in new construction will reach 30%. This plan not only outlines a clear path for the advancement of prefabricated construction, but also reflects the national strategic intention to promote the transformation of the construction industry, strengthening the application of prefabricated construction to prompt enterprises to transition from traditional high-consumption models to a new system of building development and production centered on energy conservation, consumption reduction, environmental sustainability, and the maximization of value throughout the entire lifecycle.

To closely follow the national development direction for green buildings, JY Grandmark proactively applied prefabricated construction technologies on a large scale across its projects under construction. During the Year, a number of our projects, such as Mountain Lake Gulf Phase II and Phase III, Jing Ye Square Phase I and Phase II, JY Uniworld in Zengcheng and JY Well-being Valley, have adopted the prefabricated construction technologies, which specifically include the prefabrication and installation of laminated floor slabs, modular construction of prefabricated stairs, assembly of prefabricated internal partition wallboards, as well as the advancement of integrated decoration, the overall assembly of integrated bathrooms and kitchens, and the standardized application of aluminum moulding technology, practicing the concept of low-carbon and environmental protection through industrialized construction approach. The value of this initiative lies not only in improved construction quality and efficiency, effectively reducing material waste, but also in ensuring safe and civilized operations through standardized construction processes, thereby lowering the risk of on-site safety incidents while simultaneously reducing pollutant and waste emissions, providing a solid foundation for maintaining the ecological balance around the project sites.



Application of Assembly Building Technology

5.1 Advancing Practice of Green Building (Continued)

Green Construction Technology (Continued)

Safeguard Construction Quality	Enhance Construction Efficiency	Ensure Safe Construction	Green and Environmentally-friendly Construction
• Correcting quality problems such as wall cracking and leakage, and improving the overall safety, fire resistance and durability of the housing.	• Transferring traditional "site operations" to "factory operations", reducing the impact of weather conditions on construction and speeding up the progress of construction.	• Reducing the construction site building materials and construction waste stacking, making the excessive construction noise controllable, as well as reducing the site safety accident rate.	• Reducing original on-site casting operations, mitigating the construction flying dust pollution, the consumption of energy such as water, electricity and fuel, and thereby reducing the generation of pollutants and waste.

Advantages of Prefabricated Building

As of the end of December 2025, the status of the Group's projects implementing prefabricated construction is as follows:

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

5.1 Advancing Practice of Green Building (Continued)

Green Construction Technology (Continued)

In addition to the application of assembled green construction technology, JY Grandmark also introduced innovative self-leveling flooring process in floor decoration. With its core advantages of environmental friendliness and high resource utilization, this process has become another important pillar supporting the Group's green construction system:

- Compared to traditional methods, this process enables automated precision leveling, ensuring a flawlessly even surface while achieving effective material savings;
- Featured with superior bonding properties and high hardening strength, this process eliminates hollowing or cracking issues, and delivers high compressive strength, abrasion resistance, moisture-proof and sound insulation capabilities;
- During the whole construction process, zero radiation emissions generated, and no hazardous substances such as formaldehyde or benzene released, safeguarding workers' occupational health and safety while reducing emissions of hazardous gases in building projects.



New Self-levelling Process Application

5.1 Advancing Practice of Green Building (Continued)

Green Construction Management

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

By considering the impact of the construction site on the surrounding environment and community residents, we have implemented the following eight types of green construction management measures, striving to ensure construction quality and safety of the building environment, while realising the conservation of materials, energy and water resources, reducing noise and dust, protecting water and soil, as well as preventing the pollution of wastes and craftsmanship, in an effort to create a safe, comfortable and clean construction environment.

To implement the concept of green construction, JY Grandmark strictly aligns with external policy requirements including the Technical Guidelines for Green Construction (Trial) (《綠色建造技術導則(試行)》). Through the formulation and implementation of internal regulations including the Management Methods for Safe and Environmentally Friendly Construction of JY Grandmark Group (《景業名邦集團安全文明施工管理辦法》), the Group established a comprehensive green construction management system that guides and regulates construction practices at the institutional level, thereby reducing environmental disruption. In practice, rather than simply advancing construction, the Group fully considered the potential impact of construction sites on the surrounding ecological environment and the daily lives of community residents, refining and implementing eight categories of green construction management measures covering key areas such as efficient material utilization, energy conservation, water resource protection, noise reduction, dust control, soil and water conservation, waste and pollution management, and process pollution prevention, comprehensively driving the green transformation of construction activities, with the aim of creating a construction scenario that is safe, comfortable, and clean.

5.1 Advancing Practice of Green Building (Continued)

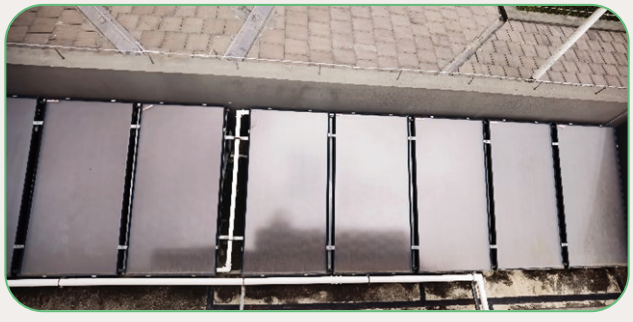
Green Construction Management (Continued)

Efficient Material Utilization

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

Energy Conservation

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



Site Solar Application

5.1 Advancing Practice of Green Building (Continued)

Green Construction Management (Continued)

Noise Control

- Construction noise is monitored in real time and controlled according to the Emission Standard of Environmental Noise for Boundary of Construction Site (《建築施工場界環境噪聲排放標準》);
- Sound insulation measures, e.g. temporary barriers for sound insulation and vibration isolation, are also taken.

Dust Control

- "Wet operation" is required for demolition, blasting, excavation and other processes;
- The use of commercial concrete is popularised;
- The gas emission standards are strictly implemented and the dust at the construction sites are monitored in real time and controlled, ensuring compliance with the secondary standards for air pollutants;
- Spraying systems are also set up around tower cranes, walls, outer shelves, etc., and the main construction areas are equipped with fog cannons or sprinklers.



Dust Monitoring Devices



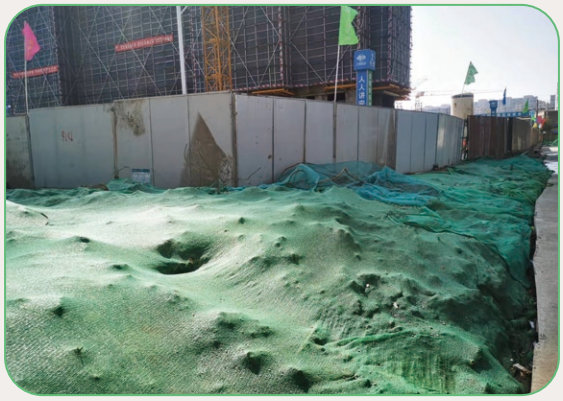
Spraying Facilities for Dust Reduction at Construction Sites

5.1 Advancing Practice of Green Building (Continued)

Green Construction Management (Continued)

Soil Protection

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



Exposed Soil Coverage on Construction Site

Sewage Treatment

- The vehicles shall be cleaned with flushing equipment at entrances and exits and covered before driving out, to strictly prevent the vehicles from carrying sediment out of the construction sites, and the wastewater generated from car washing is discharged into municipal sewage pipelines only after being processed by the three-stage sedimentation tanks;
- Drainage ditches have been dug along the on-site roads, material stacking sites and mixing stations, and sewage is discharged into municipal sewage pipelines only after being processed by sedimentation tanks.

5.1 Advancing Practice of Green Building (Continued)

Green Construction Management (Continued)

Waste Treatment

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

Prevention of Process-related Pollution

- All wood veneer products are delivered to the site for assembly after the painting process is completed in the factory;
- All veneer products for interior doors selected by the bidders are of paint-free veneer;
- Environment-friendly primers and glues are uniformly selected for indoor wallpapering, while nitro varnishes are not allowed to be used as primers;
- "Powder spraying" process are utilized for aluminium windows and railings in professional production workshops.

5.2 Establishing a Green Operations System

During its day-to-day operations, JY Grandmark strictly adheres to laws and regulations relating to environmental control and emission standards, including the Law of the People's Republic of China on Energy Conservation (《中華人民共和國節約能源法》, the Law of the People's Republic of China on Environmental Protection (《中華人民共和國環境保護法》), the Law of the People's Republic of China on the Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》), thereby laying a solid foundation for green development through compliance. Building on this, the Group has further defined its green development objectives and implemented detailed control measures across three core areas: energy efficiency, water resource management, and waste disposal. Consistently guided by the principles of energy conservation and emissions reduction, JY Grandmark strives to fulfil its corporate environmental responsibilities and uphold its ecological commitments whilst providing the market with high-quality construction products and services. During the Year, the Group did not identify any violations related to exhaust emissions, discharges into water and soil, or the generation of hazardous and non-hazardous waste.

Green Development Targets

To clearly define environmental management direction and enhance the effectiveness of control measures, JY Grandmark has consistently placed green and low-carbon principles at the core of its operations. By closely integrating business development strategies with practical operational scenarios, the Group has established three key green development objectives: carbon emissions and energy efficiency, water efficiency, and waste reduction. The Group is systematically advancing the implementation of specific action plans across multiple dimensions, including green operations, green offices, green construction and green buildings. Concurrently, the Group has established a dynamic monitoring and recording mechanism for environmental management performance. By continuously tracking data and reviewing outcomes, this mechanism provides precise support for the advancement of these objectives, ensuring the efficient implementation of all green development goals.

Green Development Targets	
Carbon emission and energy use efficiency target	The Group proactively conducts operations in an energy-saving and consumption-reducing way, increases energy use efficiency and decreases greenhouse gas emissions.
Water efficiency target	The Group reinforces the daily maintenance of water facilities and equipment, publicises the awareness of water conservation, reasonably uses water resources and optimises the utilisation efficiency of water resources.
Waste reduction target	In response to waste sorting, the Group deepens the awareness of material recycling and relentlessly presses ahead with reducing waste, recycling waste and harmlessly treating waste.

During the Year, greenhouse gas emissions, electricity consumption, total energy consumption, water consumption and the total volume of non-hazardous waste also decreased compared with the previous year, and progress against relevant targets was satisfactory.

5.2 Establishing a Green Operations System (Continued)

Energy Efficiency and Carbon Emission Reduction

In terms of energy management, JY Grandmark integrates energy-saving strategies with technical upgrades to establish a systematic approach to energy control and management. By formulating targeted energy-saving management strategies, optimising energy allocation mechanisms and strengthening energy consumption monitoring and warning systems, the Group reduces energy wastage at the management level. The Group also utilises energy-saving retrofitting technologies to upgrade construction equipment during the building phase and office and public facilities during the operational phase, thereby tangibly improving energy utilisation efficiency. This helps to achieve internal carbon emission and energy efficiency targets, actively responds to the national goals of carbon peaking and carbon neutrality, and drives the transition towards a green and low-carbon economy.

Energy saving

- The air-conditioning system of the hot spring resort in Conghua is controlled in terms of its switch-on time. The air-conditioning system of the resort lobby and the hot spring area is switched off from 11 p.m. to 7 a.m. in the following morning, so that the switch-on time of the air-conditioning system is reduced, thus achieving the purpose of energy saving and consumption reduction.
- The hot spring resort in Conghua has added solar-powered streetlights to save electricity.
- The Zhaoqing project has implemented a timed control power supply for corridor lighting to turn it on at scheduled times.
- The Lychee project has removed the light tubes from idle and unsold parking spaces in the underground garage, and reduced the number of light tubes in the residential centre's office area, decreasing lighting energy consumption by nearly 20% compared to the same period last year.
- During the cooling season from June to October designated by us, the Group implemented an air conditioning waste heat recovery system by installing heat recovery equipment. This initiative successfully generated 12,000 tonnes of reclaimed hot water throughout 2025, resulting in approximately RMB62,000 in electricity cost savings.

5.2 Establishing a Green Operations System (Continued)

Energy Efficiency and Carbon Emission Reduction (Continued)

Gas-to-electricity energy-saving project

- Since the end of 2018 and July 2020, the Just Stay Resort in Conghua District has invested a total of more than RMB3,400,000 in the gas-to-electricity energy-saving project, which has changed the original gas boiler constant temperature system into an air energy heat pump and an electromagnetic heater for constant temperature. A total of RMB7,253,700 was saved in energy consumption after the renovation compared with that before the renovation.





Enhancement of energy saving publicity

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

Eco-friendly travel

- From 1 July 2025, with the exception of the Yingde, Lingao and Tengchong projects, which will retain their official vehicles, the Group's head office and all other projects will discontinue the use of official vehicles, and employees are encouraged to prioritise the use of the underground or other public transport for their journeys.

5.2 Establishing a Green Operations System (Continued)

Water Resources Management

JY Grandmark places water resource management at the forefront of its green operations, committing to reducing water abstraction, reusing water resources and preventing water pollution, thereby promoting the rational use of water resources. In accordance with the water conservation policies of the local governments where its projects are located, the Group has formulated water management measures tailored to its specific operational context. To ensure the effective implementation of water efficiency targets, the Group advances water-saving practices across multiple dimensions. The Group conducts regular inspections and maintenance of daily water-using equipment, promptly identifying and rectifying leaks to minimise hidden wastage. During the procurement of equipment, the Group prioritises water-efficient products to reduce water consumption at source. At the same time, the Group promotes water-saving principles through internal training and promotional slogans to strengthen water-saving awareness among all staff. During the Year, the Group had no issue in sourcing water that is fit for purpose.

Enhanced Equipment Management	• Enhance the daily inspection and maintenance of water equipment, and replace ageing water equipment in a timely manner to prevent the occurrence of "running, bubbling, dripping and leaking" and other issues and reduce the waste of water resources.
Launching Water Conservation Retrofits	• Priority should be given to water-saving equipment and watersaving appliances, and water supply and water use systems are designed and installed in accordance with relevant national specifications and product standards.
Raising Awareness of Water Conservation	• Water conservation slogans are posted at water outlets, and daily publicity is conducted to raise awareness of water conservation.

Case:

Leakage Remediation for Hot Spring Pools in Villa Zone and Main Pool Area at the Hot Spring Resort in Conghua

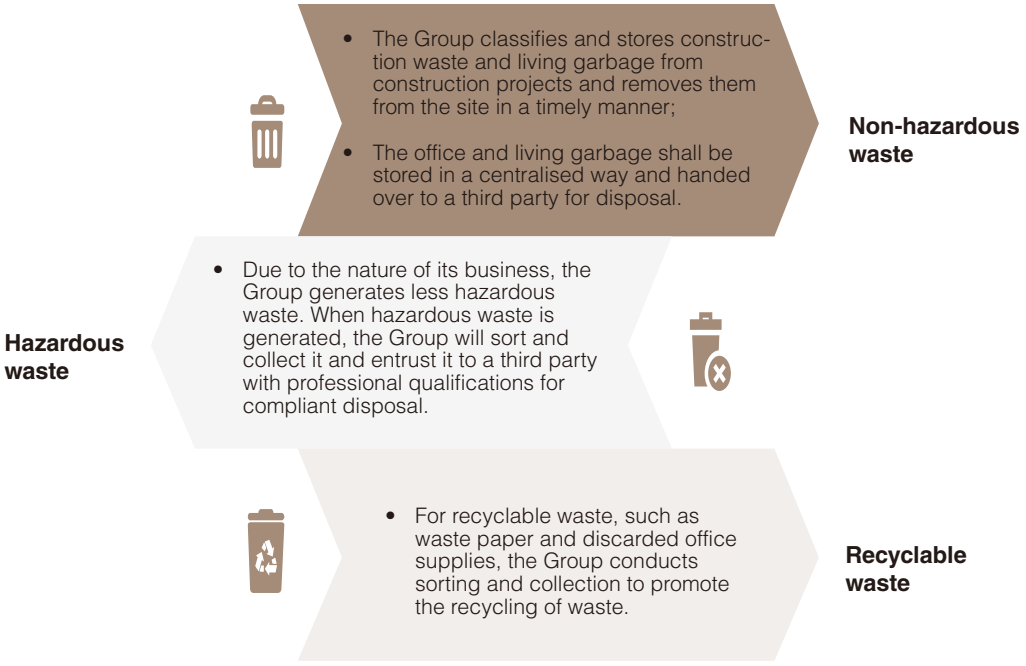
The Group implemented leakage repairs and remediation for hot spring pools in the villa zone and the main pool area at the hot spring resort in Conghua. The project involved pinpointing leak points in water supply and drainage pipelines and pool structures, regrouting tiles and applying waterproofing treatments, effectively reducing water resource wastage caused by seepage. Post-remediation efforts achieved a daily reduction of approximately 15 tonnes in water wastage.

5.2 Establishing a Green Operations System (Continued)

Waste Management

With regard to waste management, JY Grandmark strictly adheres to laws and regulations such as the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》), the Administrative Measures for Urban Living Garbage (《城市生活垃圾管理辦法》), having established a systematic waste control framework. Focusing on construction sites, the primary source of waste, the Group adopts a management approach centred on "reduction, resource recovery and harmless disposal", implementing standardised procedures for waste discharge control, sorting and classification, and compliant disposal, whilst strictly preventing any non-compliant handling practices. In project site management, we impose clear requirements on contractors: all waste must be collected centrally to prevent haphazard dumping. For specific construction waste that cannot be recycled on-site, we arrange for regular collection and transport to qualified off-site treatment facilities, where it is rendered harmless through professional methods. Furthermore, to reduce waste generation at source, we actively promote the prioritisation of green and environmentally friendly materials during construction, thereby minimising waste generated during the processing and use of traditional materials, and helping to create a green, tidy and civilised construction environment.

Apart from the construction waste, garden waste and living garbage produced during the construction and office work, none of the Group's projects have produced any other waste that could significantly affect the surrounding environment and natural resources.



5.2 Establishing a Green Operations System (Continued)

Waste Management (Continued)

In the hotel sector, the Group has optimised regulations on garbage classification and a daily management system, requiring staff to do a good job in garbage classification according to recyclable garbage, non-recyclable garbage and other garbage when cleaning the garbage in guest rooms. At the same time, the Group also appointed dedicated personnel to collect paperwork and information, regularly launched special conferences, special activities, and publicity and training on waste separation, and posted signs of anti-waste in prominent locations such as the catering department of the hotels, so as to enhance the awareness of resources conservation and garbage classification as well as the sense of responsibility among all staff members.



Poster for Household Waste Sorting; Publicity on Anti-Waste

Conghua hot spring hotel established an internal organisation of waste classification

The Group's Conghua Hot Spring Hotel established an internal organisation of waste sorting, with dedicated personnel responsible for collecting paperwork and information, regularly conducting special conferences, special activities, and publicity and training on waste classification to help employees understand the knowledge and importance of waste classification, cultivate their awareness of waste classification, thereby better popularising its comprehensive promotion and implementation. The Conghua Hot Spring Hotel also formulated management regulations and daily management systems of waste classification, and kept the proper registration of daily, monthly, and annual records.

5.2 Establishing a Green Operations System (Continued)

Waste Management (Continued)

In the property services sector, JY Grandmark is actively working to build green, zero-waste communities, focusing on optimising the community's ecological environment and guiding residents' lifestyles. For each of our property projects, we explicitly require them to work closely with local government environmental initiatives, incorporating waste sorting and community environmental maintenance into their daily services. In practice, all projects have planned and established standardised waste sorting stations, whilst organising community awareness campaigns centred on waste sorting. These initiatives aim to convey the principles of green living and low-carbon sustainability to property owners and residents, encouraging everyone to participate in safeguarding the community environment and working together to create a clean, liveable and beautiful home.



Publicity Campaign on the Theme of Waste Classification

Green Office

JY Grandmark has deeply embedded the concept of green office practices into the very fabric of its operations. Guided by the core principles of increasing revenue and reducing expenditure whilst eliminating waste, the Group has implemented a series of targeted initiatives aimed at energy conservation, reduced consumption and low-carbon working practices. The Group is committed to fostering a proactive awareness of resource conservation and environmental protection amongst all staff, ensuring the scientific planning of resource usage in day-to-day operations. This approach aims to achieve effective reductions in energy consumption, enhance efficiency and control office costs appropriately, ultimately creating a green office environment characterised by full staff participation and a commitment to low-carbon, environmentally friendly practices. During the Year, the Group has implemented a wide range of green office initiatives, including but not limited to:

Electricity conservation
• Using energy-saving light bulbs to reduce energy consumption;
• Conducting spot-check on the power-saving situation in each office area through unscheduled inspections, calling attention to the situation of failing to turn off the power when leaving the office and resulting in unnecessary energy consumption to gradually cultivate their awareness of power-saving;
• Installing intelligent power-saving switches in office spaces that automatically turn off lighting equipment one hour after the end of the workday to avoid unnecessary consumption of lighting equipment;
• Hotels require housekeeping staff to effectively implement the practices of energy-saving and environmental protection by turning off the lights, air conditioning, and television when they leave the rooms;
• Controlling the air-conditioning temperature in the office at 26°C in summer to reduce air-conditioning energy consumption.

5.2 Establishing a Green Operations System (Continued)

Green Office (Continued)

Water conservation

- Reducing water waste by installing water dispensers instead of purchasing bottled water;
- Eliminating the phenomenon of "long flow of water" in the tea rooms and the toilets;
- If there is "leakage and dripping" of water, notify the relevant department for maintenance in time.

Saving paper

- Fully popularising paperless office;
- Using double-sided printing for documents and reusing printing paper;
- Using paper of relatively light grammage;
- Encouraging employees to adjust the page layout and control the number of colour prints before printing.

Cyclic utilisation

- Recycling office supplies for the second time to share resource and reduce waste;
- Employees are recommended to bring their own water cups at the meeting to reduce the use of disposable cups;
- Food waste from the staff canteen is sorted and stored, and is collected and processed by a specialist company.

Green campaign

- Promoting a green office culture through channels such as OA and WeChat groups, encouraging low-carbon working practices and urging staff to conserve water and electricity and reduce waste of office supplies (such as paper and stationery);
- In order to remind guests to save food, the restaurant of the Conghua Hot Spring Hotel places "empty plate" and other promotional signs on each table, and staff also offer suggestions to guests when taking orders, to avoid waste.

5.3 Climate Change Risk Management

JY Grandmark is fully aware that climate change is profoundly reshaping the business environment, and its multifaceted impacts have become a critical issue that the property sector must address head-on. Climate-related risks are often characterised by their sudden nature and wide-ranging spillover effects, which may, through extreme weather, resource pressures, policy changes and other channels, cause direct or indirect impacts on a company's operational continuity, the security of its physical assets, its business footprint and its financial stability.

As an organisation committed to fulfilling its corporate responsibilities, the Group has elevated climate change to a strategic level in accordance with the climate-related disclosure requirements set out in the ESG Reporting Code of the Hong Kong Stock Exchange, and with reference to the Task Force on Climate-Related Financial Disclosures (TCFD) framework. We have systematically integrated climate change into the company's long-term development plans and risk management system. We have identified and assessed the risks and potential opportunities that climate change may present to the Group's business, and have formulated corresponding mitigation and adaptation measures to enhance the Group's resilience and capacity to respond during the low-carbon transition.



Governance

- Governance of climate-related risks and opportunities

Strategy

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

Risk Management

- Identification, assessment and management of climate-related risks

Metrics and Targets

- Metrics and targets for assessing and managing climate-related risks and opportunities

Climate Disclosure Framework of TCFD Recommendations

Governance

Having identified climate-related risks and opportunities, the Group has established and implemented a series of guidelines, standards and action plans covering day-to-day construction and operational management, in line with national policy directions and local government regulatory requirements. The Board bears ultimate responsibility for the Group's climate-related risks and opportunities. During the year, the Group has specifically refined the responsibilities within its ESG governance structure to strengthen the oversight and management of climate risks and opportunities by the Board and the ESG Working Group. The Board is responsible for the overall leadership and supervision of climate-related work, including approving the formulation of the Group's overall climate strategy and targets, monitoring progress in their implementation, and receiving at least one annual report from the ESG Working Group to review the identification and response to climate risks and opportunities. The ESG Working Group, comprising management and various functional departments, is responsible for identifying, assessing and managing material climate risks and opportunities; coordinating and driving the implementation of climate-related initiatives across departments; monitoring the climate-related work and performance of functional departments; and reporting regularly to the Board to ensure that energy-saving, emissions-reduction and environmental protection measures are effectively implemented, thereby mitigating environmental impacts and comprehensively enhancing the Group's resilience to climate change.

5.3 Climate Change Risk Management (Continued)

Strategy

The Group has conducted a systematic climate change assessment to comprehensively identify and evaluate climate-related risks and opportunities that may have material or potential adverse impacts on its business model, development strategy, and financial planning. Relevant considerations have been integrated into the Group's ESG management and decision-making framework. Risks are assessed based on their likelihood of occurrence and extent of impact, enabling the identification of the most material physical and transition risks to the Group. The table below summarises these key risk categories and the corresponding mitigation measures, providing a basis for the Group to formulate response strategies and enhance overall resilience.

Risk Category	Name of Risk	Extent of Impact	Mitigation Measures
Physical Risk	Extreme weather events (including rainstorms, earthquakes, typhoons, etc.)	• Increasing frequency and severity of extreme weather events lead to an increased demand for electricity and water, resulting in higher operating costs • Impose a burden on the health of employees and the durability of equipment, resulting in reduced productivity	• Develop extreme weather emergency plans, such as floodcontrol and typhoon-prevention emergency plans, and set up emergency response teams • Send kind reminders to residents/clients regarding typhoon and rainstorm prevention, and effectively carry out publicity on wind protection safety precautions • Intensify the all-round inspection of facilities like drainage and power supply within the project area • Conduct regular training on emergency drills • Adopt more durable and firm facilities and materials • Carry out green building project, and test the building's seismic resistance to ensure that it reaches the level of local antiseismic grades • Formulate safety risk prevention and control measures to fully ensure the health and safety of employees • Build strong relationships with suppliers to ensure the timely delivery of products

5.3 Climate Change Risk Management (Continued)

Strategy (Continued)

Risk Category	Name of Risk	Extent of Impact	Mitigation Measures
Transition Risks	Policies and regulations	• Increasingly stringent carbon emission management requirements and requirements for green building design lead to an increase in operating and project construction costs	• Pay close attention to market trends and policy trends • Promote innovative investment in projects with green and low-carbon characteristics • Enhance the research and practice on green building
	Technology	• Higher technical demand for resource use efficiency and waste discharge management leads to an increase in operating and project construction costs	• Intensive use of prefabricated buildings to achieve the effect of energy saving and consumption reduction • Continue to explore new technologies for energy-saving transformation to help energy-saving and efficiency-enhancing • Promote the use of renewable energy, for instance, deploy solar photovoltaic system on roofs and facades to increase the use of solar energy
	Market and reputation	• Less competitive advantage compared to competitors with better sustainability performance leads to an impairment of revenue and market reputation	• Prioritise sustainability in renovation design and new development projects • Keep a close eye on customer satisfaction

The risks described above are expected in nature and have not had a material impact on the Group's asset value. As key assumptions and parameters remain to be validated, the disclosure is primarily qualitative for the year. Moving forward, leveraging our accumulated expertise and resource allocation, we will gradually conduct scenario analysis and enhance the scope and quality of quantitative disclosures.

5.3 Climate Change Risk Management (Continued)

Strategy (Continued)

At the same time, drawing on its business portfolio and operational characteristics, the Group has identified a number of development opportunities arising from climate change and formulated targeted business and management initiatives accordingly. By seizing favorable opportunities amid the global acceleration toward a low-carbon economy, the Group strives to unlock new avenues for growth throughout its transformation journey.



Technological progress provides great opportunities for reducing energy costs and transitioning to a low-carbon economy. Due to the gradual adoption of sustainable materials and building technologies, our business operations are in a favourable position in terms of energy efficiency and low-carbon performance.

Consumers increasingly express their preference for more environmentally friendly products and brands committed to responsible business practices. This will bring new market opportunities.

The rapid growth of responsible investment and sustainable finance provides us with an important opportunity to release alternative financing flows. Looking ahead, we will explore business opportunities with sustainable financing and sustainable development features.

Risk Management

The Group has integrated climate change-related topics into its climate-related risk assessment framework to facilitate the identification, evaluation, response, and management of climate risks. We conduct an annual identification, review, and assessment of climate-related physical and transition risks. Through interviews, surveys, meeting discussions, and other channels, we carry out systematic environmental impact assessments for both new and operational projects, thoroughly analysing the potential adverse effects of these topics on the Group's business operations and strategic planning, thereby identifying and evaluating potential climate risks.

Once risks are identified, the Group simultaneously formulates corresponding management and mitigation measures, with relevant business departments responsible for ongoing monitoring of implementation to ensure that response initiatives are effectively executed, thereby reducing the impact of risks on the Group's operations and sustainable development.

In the future, we will further integrate climate assessment into our overall risk management framework and continuously refine our response measures through regular review and dynamic adjustments.

For details on the Group's specific practices and action plans in addressing climate-related risks, please refer to sections "5.1 Advancing Practice of Green Building" and "5.2 Establishing a Green Operations System" in this chapter.

5.3 Climate Change Risk Management (Continued)

Metrics and Targets

Building on the climate-related risks and opportunities identified above and their potential impacts, the Group has established clear environmental targets across three key areas: low-carbon energy conservation, water efficiency enhancement, and waste reduction. The Group continues to disclose its Scope 1 and Scope 2 greenhouse gas emissions performance. At the same time, the Group maintains a strong focus on Scope 3 emissions reduction. The relevant departments will commence preliminary data collection to gradually identify and quantify the Scope 3 categories that are material to the Group's business, facilitating disclosure in the future.

Greenhouse Gas Emissions[1, 2]		
Scope 1	tCO_2e	398.18
Scope 2	tCO_2e	3,831 30
Total Greenhouse Gas Emissions (Scope 1 and 2)	tCO_2e	4.229.48
Greenhouse Gas Emissions Intensity (Scope 1 and 2)	tCO_2e/HK$'000,000 revenue	7.56

Climate-Related Targets

The Group is committed to reducing the environmental impact of its operational activities. With respect to climate-related targets, we pursue energy-efficient and consumption-reducing operational practices, enhance energy efficiency, and reduce greenhouse gas emissions. For further details on climate-related targets and the measures we have taken to achieve our environmental goals, please refer to the section "5. BUILDING GREEN SURROUNDINGS" of this chapter and the green development targets outlined therein.

The Group conducts climate-related disclosures in accordance with the "comply or explain" provisions set out in Part D of Appendix C2 to the Code. As the relevant data systems and measurement foundations are still being progressively refined, during the year, we have prioritised the establishment of an overall governance framework and the key data foundation under the "reasonable data relief" principle, with qualitative information serving as the primary form of disclosure. We have mapped out a clear direction and pathway for improvement, and will continue to enhance data coverage and measurement methodologies, gradually improving the completeness and consistency of our disclosures to ensure information is traceable and comparable, while continuously elevating the overall level of disclosure. We will refine the data collection and calculation processes on an annual basis, prioritising the closure of data coverage and measurement scope gaps for key indicators, and will progressively introduce more quantitative disclosures as methodologies mature.

1 Our greenhouse gas emissions calculation methodology refers to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, published by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

2 The operational control approach is applied to define the greenhouse gas emission accounting boundaries, and the territorial-based methodology is applied for our calculations.

6. UPHOLDING INTEGRITY

The Group deeply recognises that sound business ethics are conducive to the sustainable development of the enterprise. Adhering to the business ethics spirit of "upholding integrity as the foundation and compliance as a pledge" and upholding the working principles of "having rules to follow, strictly enforcing the rules, and investigating any violations", we adopt a zero-tolerance approach towards all forms of fraud and misconduct, including commercial collusion, unauthorised power abuse, bribery, blackmail, corruption and money laundering. To systematically prevent such risks, we have established an anti-corruption supervision and management system covering all employees, and comprehensively promoted internal control mechanisms against corruption, bribery, fraud and money laundering. Through regular integrity education and training, as well as the establishment of open and transparent reporting channels, we encourage employees to speak up and report improper conduct in a timely manner. We continue to strengthen our anti-corruption safeguards from multiple dimensions, including ideological awareness, professional ethics and operational practices. We are committed to fostering an honest, clean, efficient and transparent working atmosphere and business environment, thereby not only safeguarding the Group's long-term and stable development, but also continuously preserving and enhancing our corporate reputation and public interest.

ESG issues included in this section

Compliance and Sound Operation
Anti-corruption and Integrity Training

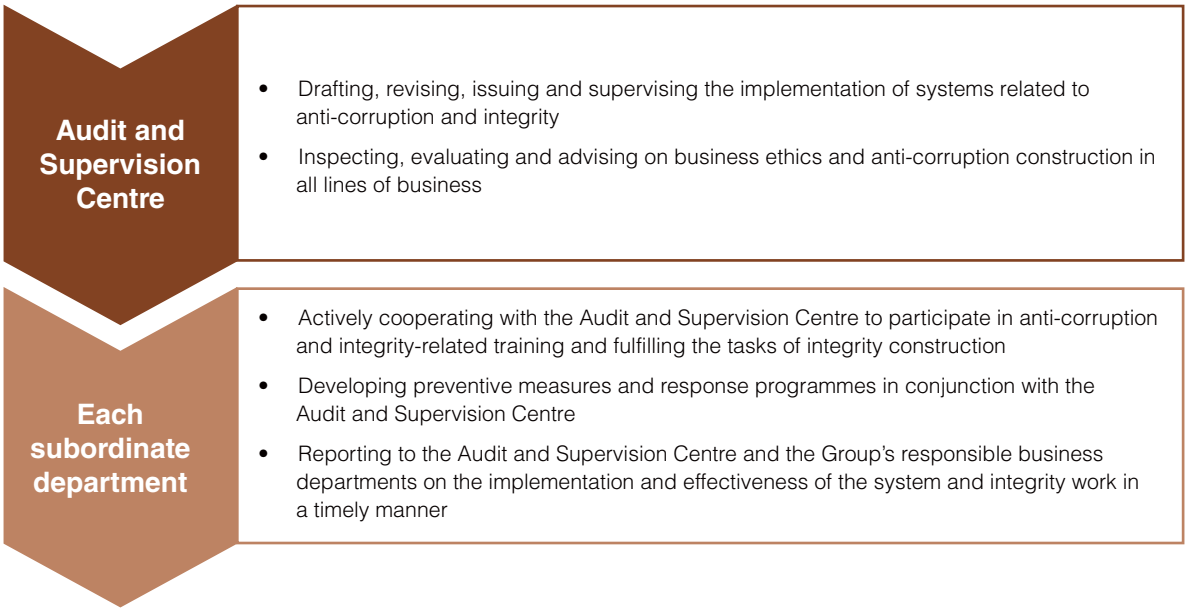
SDGs goals addressed in this section



6.1 Upholding Anti-corruption and Integrity in Operations

JY Grandmark is dedicated to upholding the highest standards of business ethics and strictly complies with the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Anti-money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》), the Anti-unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), the Interim Provisions on Prohibiting Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》) and other laws and regulations. We have formulated and implemented internal policies such as the JY Grandmark Group Probity System (《景業名邦集團廉政制度》) and the Administrative Measures for Dereliction of Duty and Accountability of JY Grandmark Group (《景業名邦集團失職問責管理辦法》), making every effort to combat illegal and non-compliant activities including money laundering, extortion, fraud and bribery, while resolutely safeguarding the red line of integrity. During the Year, the Group did not experience any violations of laws and regulations related to bribery, extortion, fraud and money laundering, and there were no identified incidents of corruption or public legal cases relating to the Group or its employees.

To continuously strengthen integrity in operations and oversight mechanisms, the Group has established a systematic integrity management organisational structure with a dedicated Audit and Supervision Centre. The Centre is responsible for formulating anti-corruption related policies, monitoring the implementation of business ethics and integrity initiatives in daily operations, and coordinating with all subordinate departments to conduct anti-corruption training, so as to ensure the full implementation of business conduct standards. Each subordinate department shall maintain close collaboration with the Audit and Supervision Centre, participate in formulating anti-corruption strategies and responsive plans, and regularly report the progress and effectiveness of integrity work.



To instil integrity awareness in every employee and enhance anti-corruption consciousness, we require all Group employees to sign the Employee Integrity Pledge (《員工廉政承諾書》), regulating their conduct in accordance with the pledge's provisions. Should any violations be substantiated, we will transfer the offending employees to judicial authorities for further processing in accordance with relevant policies. Furthermore, our integrity policies extend to all business partners of the Group. We enter into the Probity Agreement (《廉政協議書》) with them, requiring strict compliance with national anti-corruption laws and regulations as well as the Group's relevant integrity provisions, and strictly prohibiting any form of solicitation or acceptance of bribes. Meanwhile, our employees are prohibited from disclosing to suppliers any confidential information that may assist them in gaining undue advantage, for any reason whatsoever. For suppliers who fail to meet integrity requirements, the Group will terminate cooperation and pursue their liability for breach of contract.

6.2 Promoting Integrity Culture Development

The Group remains committed to enhancing the integrity awareness of all employees. We regularly organise anti-corruption and business ethics training programmes for directors and all employees, ensuring that all disciplinary violations are handled in accordance with laws and regulations. Through a systematic approach combining online and offline methods, the Group conducts educational activities focusing on the dissemination of key policy documents including the Probity System (《廉政制度》), the Administrative Measures for Dereliction of Duty and Accountability (《失職問責管理辦法》) and the Employee Integrity Pledge (《員工廉政承諾書》), enabling employees to gain a comprehensive and clear understanding of internal compliance requirements, behavioural boundaries, consequences of violations and accountability mechanisms. By integrating internal and external resources, we continuously drive the deep-rooted implementation of anti-corruption principles, further solidifying the cultural foundation of integrity and probity, thereby providing robust safeguards for the healthy development of the Group. During the Year, the Group conducted a total of 3 integrity trainings, in which a total of 7 directors and 154 employees participated.

6.3 Ensuring Accessible Anti-corruption Reporting Channels

The Group remains dedicated to maintaining a clean and transparent business environment and attaches great importance to supervision and feedback from its employees, customers and business partners regarding misconduct. To encourage stakeholders to actively report violations through safe and effective means, we have established diversified reporting channels, including dedicated hotlines, reporting email addresses and physical complaint boxes, ensuring transparency in process and confidentiality of information. In accordance with our Principles for Handling Reports on Anti-corruption (《反貪污舉報處理原則》), the Group explicitly commits to responding promptly to every report, conducting thorough investigations and taking serious action against violations of business ethics including commercial bribery, corruption and fraud. Through effective and practical oversight mechanisms, we safeguard corporate integrity and protect the Group's reputation and image.



Integrity whistle-blowing phone number

852-39189223



Integrity whistleblowing email address

lianzheng@jygrandmark.com



Letter, courier delivery address

Audit and Supervision Centre, 2/F, No.198 Guanjing Road, Nancun Town, Panyu District, Guangzhou (Postal Code: 511442)

6.3 Ensuring Accessible Anti-corruption Reporting Channels (Continued)

We have clearly stipulated the response and handling procedures after receiving reports in the Principles for Handling Reports on Anti-corruption (《反貪污舉報處理原則》). Upon receiving a report, we will promptly initiate verification procedures and verify relevant incidents based on the reported information. The Group has established and improved the Whistle Blower Protection Mechanism (《舉報人保護機制》), strictly maintaining confidentiality regarding the personal information and report content of both real-name and anonymous whistle-blowers, strictly controlling the scope of access, and implementing confidential material management throughout the entire investigation process. We firmly prevent and seriously deal with any acts of retaliation. At the same time, we have established a whistle-blower incentive mechanism. Units and individuals who promptly discover, stop, or correct disciplinary violations and make outstanding contributions will be given corresponding honors and rewards based on actual circumstances, jointly fostering a fair, just and transparent business environment.

Following our comprehensive investigation and assessment, if the misconduct is verified to be true, we will impose control measures on the relevant businesses and entities based on the severity of the case. These measures may include deducting performance bonuses in accordance with the Administrative Measures for Dereliction of Duty and Accountability (《失職問責管理辦法》), as well as disciplinary sanctions such as a demerit, demotion, reassignment, a major demerit, or termination of the labour contract. If the case is suspected to involve violations of law, we will resolutely refer it to the judicial authorities for handling to ensure fair and impartial accountability. Upon the conclusion of the case, we will conduct a systematic review, formulate rectification measures and continuously improve our internal control mechanism, so as to prevent the recurrence of similar issues.

During the Year, the Group did not have any lawsuits involving corruption or fraud.

7. MOVING FORWARD HAND-IN-HAND WITH EMPLOYEES

Talented individuals are the core competitive advantage and precious asset of an enterprise. The Group is committed to establishing a comprehensive human resources management system to provide employees with multi-faceted safeguards, such as maintaining compliant and equal employment relationships, offering market-competitive remuneration and benefits, and paying attention to occupational health and safety as well as a harmonious workplace atmosphere. Through various measures, we attract and retain talent, driving the continuous appreciation of human capital and the sustainable development of the enterprise.

ESG issues included in this section

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

SDGs goals addressed in this section



7.1 Compliant Employment and Equal Opportunity

The Group upholds the philosophy of compliant employment and strictly abides by the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Provisions on the Prohibition of Using Child Labour (《禁止使用童工規定》), the Law of the People's Republic of China on the Protection of Minors (《中華人民共和國未成年人保護法》), as well as other relevant laws and regulations in the regions where we operate. Based on the above, and in light of our business characteristics, we have formulated and implemented a series of internal policies covering employee recruitment, promotion, resignation, remuneration and benefits, equal opportunity, diversity, anti-discrimination and other aspects, to fully safeguard the legitimate rights and interests of our employees.

JY Grandmark is committed to fostering a fair, inclusive and diverse working environment, resolutely eliminating all forms of employment discrimination, and ensuring that every employee receives full respect and rights protection. We strictly implement the Recruitment Management System (《招聘管理制度》) in recruitment, focusing on evaluating candidates' comprehensive capabilities and job matching degree, without regard to factors such as gender, ethnicity, region, religion and marital status, and conduct recruitment in accordance with established standardised recruitment procedures and fair employment principles. We release recruitment information through channels including national recruitment websites, headhunters, campus recruitment and special job fairs, reaching a wide range of potential candidates and providing equal and open employment opportunities for all applicants. In addition, the Group pays attention to the employment of female employees and disabled persons, and strives to provide suitable jobs for them. In particular, to support the employment of disabled persons, for cases where the Group cannot directly provide job positions, it declares and contributes to the Employment Security Fund for Disabled Persons in accordance with national regulations and policies. As of the end of 2025, the overall proportion of female employees of the Group was 51%, and the Group's Just Stay Resort in Conghua District has provided employment opportunities for 2 disabled persons.

The Group attaches great importance to employment compliance, requiring relevant parties including our own operating units and value chain partners not to engage in any form of child labour or forced labour. Before signing labour contracts, we conduct strict background checks on prospective employees to ensure they meet the legal employment age and qualification requirements. If any child labour is inadvertently hired, we will immediately terminate the labour contract of the party concerned in accordance with the law, and take the initiative to contact their legal guardian for proper handling of follow-up matters. At the same time, we will conduct a responsibility investigation into the relevant departments and units, conduct in-depth reviews and improve processes, and resolutely prevent the recurrence of similar incidents. When an employee voluntarily resigns, the employing department and the human resources department will conduct an interview with the employee to understand the core reasons for resignation and attempt to retain the employee. If the employee decides to leave, we will initiate resignation approval in accordance with procedures, and assist in completing resignation formalities to safeguard the legitimate rights and interests of the resigning employee.

In addition, after applicants pass our review, we will sign formal labour contracts with them on the principle of voluntariness, clearly stipulating the rights and obligations of both parties in the contract, covering key terms such as position, work location, working hours and compensation, to ensure the legality, transparency and fairness of the employment relationship. We implement different working hour systems according to the nature of business and characteristics of positions, and encourage employees to work efficiently with a focus on work performance rather than working hours. Employees are required to submit timely applications for overtime work, which shall only take effect upon approval. The Group will, depending on the circumstances, arrange compensatory time off or provide overtime pay.

During the Year, the Group did not discover any illegal activities in labour practices such as recruitment, promotion, child labour or forced labour, equal opportunity, diversity and anti-discrimination.

7.1 Compliant Employment and Equal Opportunity (continued)

As of 31 December 2025, the Group had 437 employees in total, with the breakdown by gender, employment type, age group and geographical region shown below:

		Number of Employees (persons)
By Gender	Male	213
	Female	224
By Employment Type	Full time	435
	Part time	2
By Age Group	Below 30 years old	46
	31-40 years old	193
	41-50 years old	146
	Above 50 years old	52
By Geographical Region	Mainland China	435
	Overseas and Hong Kong, Macao and Taiwan	2

7.2 Employees' Training and Career Development

The Group has always placed the growth and development of employees at the core, committed to building a diversified development platform, providing transparent and smooth promotion channels as well as systematic learning and training resources, so as to comprehensively enhance employees' professional literacy and overall competitiveness, and support them in achieving sustainable career development. Through continuous optimisation of our talent cultivation system, we fully motivate our employees, unlock their individual potential, and drive mutual growth between employees and the Group, creating value together. During the Year, the training details of the Group's employees were as follow:



Number of Employees Trained
1,268



Total Training Hours
1,619 hours



Average Training Hours
1.3 hours

Adhering to the training principle of "classification at different levels, building on strengths and offsetting weaknesses", the Group has systematically designed diversified courses for different employee types based on the characteristics of job grades and positions and closely centering on actual business needs, covering general skills, professional expertise, marketing, property services and introduction training. These courses comprehensively improve employees' overall literacy and professional skills, and effectively enhance their work efficiency. For example, we have carried out digital marketing training and owner privacy training to enhance employees' marketing capabilities and awareness of information security protection. We fully integrate training content with practice for self-improvement and smoother daily operations.

7.2 Employees' Training and Career Development (continued)

The main types of training provided by the Group during the Year are as follows:

Main Training Types	Main Contents
Policies and Processes/ Standardisation	Various management systems/operational guidelines/visual standards/ administrative measures: e.g., incident reporting management system, gate vehicle control procedures, quality audit and inspections, etc.
Engineering Equipment and Mechanical & Electrical Maintenance	Mechanical & electrical/facilities operations & maintenance: elevator inspection and troubleshooting, generator inspection and power transfer operations, substation/transformer inspections, etc.
Customer Service and Communication	Complaint handling procedures and scripts, client visit requirements, fee collection with emotional intelligence and objection handling, service documentation standards, etc.
Service Etiquette and Professional Competence	Position responsibilities, etiquette and discipline, service mindset and attitude, shift handover guidelines, patrol/mobile post services, etc.
Cleaning Operations	Cleaning operations & housekeeping techniques: glass/floor/carpet cleaning, stone maintenance and polishing, waste collection and disposal, etc.
Laws and Regulations/ Compliance	Study on laws and regulations governing the property management industry.
Information Systems/Digital Tools	Systems & tools operation & maintenance: e.g., billing computer system maintenance, system operation procedures, etc.
Others	E.g., common fault repair of smart locks, response skills for unexpected issues, etc.

Employee Promotion

We provide open and transparent promotion opportunities for high-performing and outstanding employees, adhering to the promotion principle of "Capability and integrity, Openness and fairness, Talent-post matching and Selecting the best of the best". Eligible employees have access to two promotion channels: assessment-based promotion and open competition. Our assessment-based promotion evaluates dimensions including educational background, work experience, job performance, competency and personal development plans, while open competition focuses on personal track record, management capabilities and future plans. Our well-established promotion pathways and mechanisms enable us to fully motivate employees, accurately identify excellent talents, and empower sustainable corporate prosperity alongside individual growth.

Performance Appraisal

- Formulate and strictly implement internal regulations such as the Administrative Measures for Employee Performance (《員工績效管理辦法》)
- Regularly compile statistics on performance indicators for key tasks, routine tasks and key positions

Employee Promotion and Retention

- Accurately identify reserve core personnel with potential for cultivation at all levels and majors based on performance appraisal and talent review
- In the event of an internal vacancy in a core position, the Group will give priority to filling it through internal competition and job rotation, fully stimulating the motivation of employees to remain in office

7.3 Occupational Health and Management System

The Group has always placed the safety and health of employees in a prominent position, committed to fostering a safe and reliable working environment, and continuously improving its project safety management system to enhance employees' sense of security at work and ensure the steady and orderly conduct of various business operations. We strictly comply with the laws and regulations related to occupational health and work safety in the locations where we operate, such as the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》), the Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), the Measures for Classified Administration of Occupational Diseases and Hazards in Connection with Construction Projects (《建設項目職業病危害分類管理辦法》) and the Administrative Measures for Monitoring Occupational Health (《職業健康監護管理辦法》). We have also implemented internal systems such as the Management Methods for Safe and Environmentally Friendly Construction of JY Grandmark Group (《景業名邦集團安全文明施工管理辦法》), establishing a sound internal safety management system to safeguard the physical health and life safety of every employee. Guangzhou Zhuodu Property Management Co., Ltd. (廣州卓都物業管理有限公司) under the Group has obtained ISO45001 certification for occupational health and safety management system, marking the initial achievements of the Group's occupational health management. Taking this as an opportunity, we will continue to expand the certification coverage of international standards.


深圳市环通认证中心有限公司

职业健康安全管理体系认证证书

编号：024235320280321R1M

广州卓都物业管理有限公司

GB/T45001-2020/ISO45001:2018

物业管理服务及相关管理活动

发证日期：2023-04-20

证书有效期至：2026-04-19

初始获证日期：2020-04-22

MANAGEMENT SYSTEM
CNAS C024-M

Guangzhou Zhuodu Property Management Co., Ltd. obtained ISO45001 certification

The Group places high importance on cultivating employees' awareness of occupational health and safety. We regularly organise safety training covering all staff and provide systematic guidance on safety risk identification and prevention. For the daily operations of our properties and hotels, we conduct routine fire safety drills to enhance employees' fire prevention awareness and emergency response skills. Through the explanation and analysis of real cases, we help employees gain a thorough understanding of safety regulations and protective measures, significantly reducing common occupational safety hazards. Meanwhile, the Group conducts regular inspections of critical facilities such as fire control panels, fire water systems, smoke exhaust systems and alarm devices, promptly identifying and eliminating fire hazards to ensure that fire protection systems are always in good operating condition, thereby fully safeguarding the personal and property safety of employees and customers. During the Year, we organised multiple safety and fire-fighting knowledge training sessions and emergency drills for employees, covering topics such as fire safety knowledge, fire equipment operation, pre-holiday safety inspection essentials, elevator emergency rescue drills, fire drills and emergency response plans, to enhance employees' awareness and knowledge of occupational health, safety and fire protection.

7.3 Occupational Health and Management System (Continued)

During the Year, to ensure proper reception services for key events of the Imperial Springs International Forum, Conghua Hot Spring Hotel completed two fire drill training sessions. At the end of November, the hotel arranged the second-half fire drill in coordination with the hot spring fire squadron, with a total of 50 employees participating, thereby improving their practical fire-fighting capabilities.

Over the past three years (including the Year), the Group did not record any work-related injuries or deaths of employees nor did it have any serious violations of occupational health and safety laws and regulations.

7.4 Employees' Remuneration and Benefits Protection

The Group has comprehensively regulated its remuneration standards and benefit systems across all business segments by issuing a series of internal remuneration and benefit systems, including the "Welfare Management System". Based on multi-dimensional factors such as job value, regional differences, individual contribution, labour intensity, work skills and competency, and in alignment with national policies and market-based salary levels, we ensure that employee remuneration maintains both market competitiveness and internal equity. To continuously motivate employees and attract and retain excellent talents, the Group has developed a scientific performance incentive system. Through regular performance appraisals and with reference to industry standards and job requirements, we annually identify employees with exceptional performance and reward them with corresponding bonuses to drive mutual growth between the organisation and its employees.

We provide employees with a diverse range of benefits and protections, categorised into statutory benefits and corporate benefits, including social insurance, housing provident fund, high-temperature subsidies, annual physical examination as well as various subsidies and welfare leave. These offerings help employees balance work and life, continuously enhancing their work motivation and sense of belonging to the Company. Additionally, we analyse the reasons for employees' resignation through exit interviews. Any suggestions regarding the Group's remuneration standards or benefit systems will be used for our continuous optimisation in the future, with particular focus on improving working conditions, increasing welfare measures and strengthening internal communication and collaboration mechanisms.

Statutory Benefits

- Social insurance
- Housing provident fund
- High-temperature subsidies

Corporate Benefits

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

7.5 Employee Communication and Workplace Care

The Group regards employees' opinions and suggestions as an important foundation for enhancing the effectiveness of human resources management. We actively facilitate multiple internal communication channels and provide standardised grievance procedures for employees. Through regularly held routine meetings and special meetings, we incorporate employees' demands into our business operation process. We utilise WeChat platform to push real-time important reminders and temporary notices, promoting efficient internal information circulation and sharing. This ensures that matters requiring attention or cross-departmental collaboration are addressed promptly and effectively, safeguarding employees' rights to know, participate, express and supervise, thereby fostering an open and inclusive corporate atmosphere. To improve work efficiency, the Group uses the office automation (OA) system to optimise approval processes for leave applications, expense reimbursements and procurement requests, achieving electronic and transparent workflow management.

Case:

"Heartwarming Drinks" Prepared for Employees During the Group Headquarters Relocation

During the Year, the human resources and administration department specially prepared "heartwarming drinks" for employees as a gesture of care when the Group headquarters was relocated.



8. BUILDING A SUSTAINABLE SUPPLY CHAIN

The Group recognises that providing high-quality products and services relies on an excellent supply chain. We have integrated the core principle of "choosing the best with the highest quality and efficiency" into our supplier admission and evaluation mechanisms, strictly adhering to national and industry standards to establish a sustainable supply chain management system. We comprehensively advance green procurement practices, embedding ESG principles throughout the entire process of supplier selection, performance evaluation, and procurement decision-making. This strengthens the identification and management of key risk points, ensuring the quality stability and sustainability of materials and products from the source, thereby solidifying the supply chain foundation for the Group's sustainable development. Throughout the procurement and collaboration process, we adhere to the commercial principles of fairness, integrity, and transparency, resolutely resisting any malpractice such as forged qualifications or false information. We are committed to building a value community of mutual trust, symbiosis, and collaborative evolution with our suppliers and partners, working together to achieve shared success.

ESG issues included in this section

Supply chain environmental and social risk management

SDGs goals addressed in this section

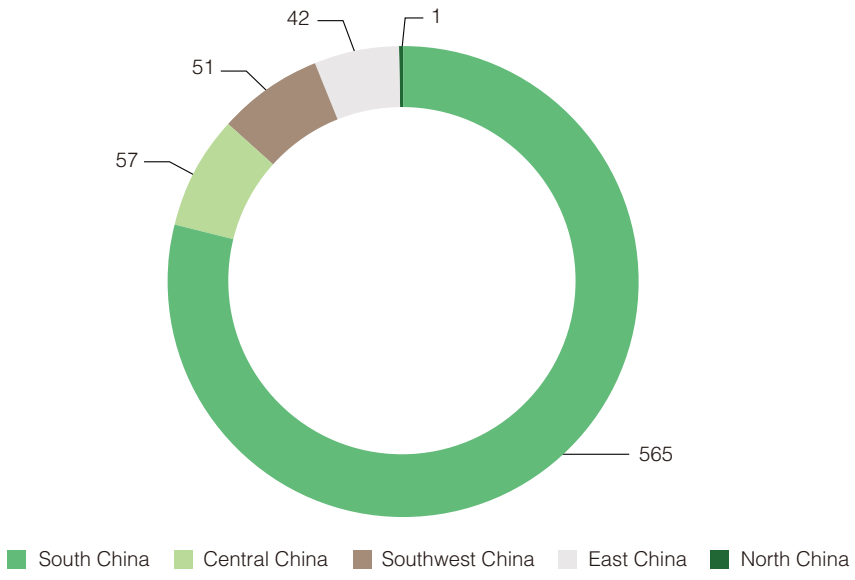


8.1 A Robust Management System

JY Grandmark strictly abides by the Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》), the Law of the People's Republic of China on Government Procurement (《中華人民共和國政府採購法》) and other laws and regulations, and adheres to internal systems such as the Management Code for Suppliers (《供應商管理規範》) and the Management System for Material Suppliers (《材料供應商管理制度》). These govern the entire process including tendering and bidding, supplier selection and evaluation, and procurement execution, ensuring comprehensive supervision and review of suppliers. While fully safeguarding the legitimate rights and interests of suppliers, we continuously optimise our supplier resource base, refine admission and evaluation criteria, and encourage suppliers to conscientiously fulfil their environmental and social responsibilities. This drives continuous improvement in product and service quality, enabling us to jointly build a stable, reliable, and sustainable supply chain system. During the Year, the Group did not record any tender and procurement malpractices.

During the Year, the Group had a total of 716 suppliers, distributed by geographical location as follows.

The number of suppliers by geographical location



8.1 A Robust Management System (continued)

The Group implements a rigorous management system for its contracted engineering suppliers. Suppliers are required to submit comprehensive supporting documentation, including company organisational structure, design qualification certifications, engineering contracting qualifications, and work safety permits, as part of the processes for entering the approved supplier list. Furthermore, an annual performance evaluation is conducted, with a key focus on areas such as project schedule adherence, construction quality, site safety and civility, and overall project coordination, culminating in a comprehensive scoring assessment. Suppliers that fail to meet the required evaluation standards are removed from the approved supplier list. This process ensures that our suppliers consistently meet our requirements. We continuously refine the assessment criteria for suppliers' environmental performance and social responsibility, regularly reviewing and updating the binding terms of supplier conduct. By comprehensively enhancing the effectiveness of full lifecycle supply chain management, we strengthen suppliers' capability for contract fulfilment and responsible action, thereby building a more resilient and sustainable supply chain value network. The main content of the supplier admission and evaluation mechanisms implemented by the Group are:



Admission mechanism

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



Assessment mechanism

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

8.2 Strict Integrity Management

The Group strictly complies with laws and regulations related to anti-corruption in the place where we operate, and resolutely prohibits all forms of corruption, bribery, malpractice, fraud, and other illegal acts in the course of cooperation with suppliers. In order to foster a collaborative, clean, and mutually beneficial partnership ecosystem, the Group requires all partners to sign an Integrity Agreement during the supplier qualification review and contract signing stages, clearly regulating tendering and procurement activities, binding both parties to maintain integrity, and reinforcing the professional ethics and codes of conduct for procurement personnel. We are committed to promoting fair, compliant, and transparent business cooperation, safeguarding the integrity and transparency of the supply chain environment. Should any irregularities be discovered during the procurement process, the Group will immediately terminate the contract, claim the liability of default, and blacklist the supplier, resulting in a permanent termination of cooperation.

We are continuously promoting integrity and clean practice throughout the value chain, encouraging business partners to comply with our business ethics policies and requirements through measures such as signing an Integrity Agreement. During the Year, the Group had signed the Integrity Agreement with 52 cooperating suppliers, achieving a coverage rate of 100%. The Group did not notice any tender and procurement malpractices in the Year.



Fair and just competition

- The Group is committed to maintaining a fair and just competitive environment. Abiding by the principle of "no less than 2N+1" in the number of bidding units, it carries out bidding activities in an orderly manner with reference to the prevailing industrial practices, ensuring sufficient competition and preventing potential conflicts of interest or monopolistic situations.



Supervision of the whole bidding process

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



Corruption report

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

8.3 High-Quality Green Procurement

To ensure the Group's ability to provide high-quality products and services consistently over the long term, we strictly control supplier access and the quality of raw materials. Through a multi-tier screening mechanism, we give priority to partners with comprehensive qualification certifications. We actively implement a localised procurement strategy, aiming to enhance supply chain efficiency, reduce air pollution associated with long-distance transportation, and contribute to regional economic development, thereby jointly fulfilling corporate environmental responsibilities. Furthermore, the Group adheres to the practice of green procurement, giving preference to environmentally-friendly materials and products. We also conduct periodic inspections of suppliers' production materials and processes, systematically strengthening quality control to ensure that all products consistently meet the Group's high standards.

Strict control the quality of the materials and products

- The Group highly focuses on the review of the suppliers' qualifications, and requires suppliers to implement green construction and ensure occupational safety, and encourage the suppliers to actively fulfil their corporate social responsibilities, and jointly explore for green development;
- As of 31 December 2025, among the suppliers database of the Group, a total of one supplier obtained the ISO certification, including ISO9001, ISO14001, ISO45001.

Local procurement strategy

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

Green procurement practice

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

Enhance inspection on supplier's materials

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

8.4 Close Supplier Relationships

The Group remains committed to establishing long-term, stable, and closely collaborative strategic partnerships with its suppliers. Through multiple channels such as telephone communications, email correspondence, on-site visits, and industry exhibitions, we continuously enhance engagement and cooperation with our suppliers. Upholding the principle of growing together with our partners, we actively foster a fair and transparent competitive environment, striving to create a new model of collaboration characterised by resource sharing across the value chain, co-creation of value, and mutual benefit.

9. COMMUNITY COMMITMENT AND SOCIAL CONTRIBUTION

JY Grandmark, upholding the corporate philosophy of "Ethics, Thoughtfulness and Integrity (卓行、善思、有道)", is dedicated to the coordinated development with neighbouring communities and proactively shoulders the responsibility of advancing community building and social progress. We consistently support and coordinate diverse public welfare initiatives, actively responding to community needs and residents' concerns. Our engagement extends to active participation in charitable causes and environmental protection campaigns, with extensive mobilisation of all staff to contribute to ecological conservation practices, striving to make a meaningful contribution to the sustainable development of society as a whole.

ESG issues included in this section

Promoting local economic development
Public charity and social services

SDGs goals addressed in this section



Case:

Environmental Conservation Public Welfare Activity

During the Year, Yunnan Zhuodu Property Management Co., Ltd., a subsidiary of the Group, organised the Environmental Conservation Public Welfare Activity. The activity mobilised property owners to participate in a clean-up initiative along the scenic boulevard surrounding the JY Gaoligong Town, helping to maintain the cleanliness of the area. Through practical action, the event aimed to enhance environmental awareness, galvanise collective efforts, and contribute to ecological protection, fostering a sustainable future for the next generation. The activity involved 40 participants and lasted for 2 hours.





APPENDIX I: ESG KEY PERFORMANCE DATA TABLES

Environmental Areas

	KPI	Unit	2023	2024	2025
Air Emissions	Sulphur oxides emissions	kg	0.22	0.33	0.19
	Nitrogen oxides emissions	kg	144.98	204.02	100.42
	Particulate matter emissions	kg	4.93	19.33	9.57
Greenhouse Gas Emissions	Greenhouse gas emissions (Scope 1)	tCO_2e	274.81	462.40	398.18
	Greenhouse gas emissions (Scope 2)	tCO_2e	6,330.20	5,219.46	3,831.30
	Greenhouse gas emissions (Scope 1 + Scope 2)	tCO_2e	6,605.01	5,681.86	4,229.48
	Greenhouse gas emission intensity	tCO_2e/million revenue	12.86	1.66	7.56
Hazardous Waste	Total hazardous waste	Tonnes	2.02	0.07	0.13
	Intensity of hazardous waste	Tonne/million revenue	0.004	0.00	0.00
Non-hazardous Waste	Total non-hazardous waste	Tonnes	560.44	496.17	451.45
	Intensity of non-hazardous waste	Tonne/million revenue	1.09	0.14	0.81
Energy Consumption	Total energy consumption	Mega KWh	12,379.76	11,376.62	8,577.21
	Direct energy consumption	Mega KWh	1,279.98	1,649.71	1,356.51
	Indirect energy consumption	Mega KWh	11,099.78	9,726.91	7,220.70
	Energy consumption intensity	Mega KWh/ million revenue	24.11	3.32	27.44
	Electricity consumption	Mega KWh	11,099.78	9,726.91	7,220.70
	Gasoline	Litre	15,711.52	22,747.98	13,309.85
	Diesel	Litre	621.00	935.00	1,150.00
	Natural gas	m^3	115,210.32	132,749.00	113,406.00
Consumption of Water Resource	Water consumption	m^3	550,061.12	609,528.04	584,837.05
	Water consumption intensity	m^3/million revenue	1,071.28	177.88	1,046.00

Description of environmental data and factors:

1. The time span of the environmental data is from 1 January 2025 to 31 December 2025; the scope of data collection is as follows: the Group's head office area; the office and sales area of branches in six cities; the office and sales area of three project companies; the office and public area of eight property companies; the office and operational area of three hotels.

2. Greenhouse gas emissions (Scope 1) mainly derived from fuel and gas consumption of official vehicles and fixed equipment; while greenhouse gas emissions (Scope 2) derived from consumption of purchased electricity. The relevant data is derived from relevant fee bills and administrative ledgers. Emission factors of greenhouse gas of purchased electricity are based on Announcement on Issuing the 2023 Electricity CO_2 Emission Factors (《關於發佈2023年電力二氧化碳排放因子的公告》) issued by the Ministry of Ecology and Environmental of PRC; and emission factors for other energy are based on the Reporting Guidance on Environmental KPIs issued by the Stock Exchange.

3. The types of energy consumed by the Group in 2025 include fuel and gas of official vehicles and fixed equipment and purchased electricity. The relevant data is derived from relevant fee bills and administrative ledgers. The energy consumption factors are subject to conversion factors provided by the International Energy Agency and the General Principles for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2008) (《GB/T 2589-2008綜合能耗計算通則》).

4. The Group mainly uses municipal tap water and hot spring water, and there is no shortage of water supply or any issue in sourcing water. The relevant data is derived from financial record and administrative ledgers.

Social Areas

KPI		2024		2025	
Total workforce by gender, employment type, age group and geographical region					
		Number of Employees (persons)	Percentage (%)	Number of Employees (persons)	Percentage (%)
By Gender	Male	265	48.01	213	51.26
	Female	287	51.99	224	48.74
By Employment Type	Full time	552	100.00	435	99.54
	Part time	0	0.00	2	0.46
By Age Group	Below 30 years old	87	15.76	46	10.53
	31–40 years old	263	47.64	193	44.16
	41–50 years old	160	28.99	146	33.41
	Above 50 years old	42	7.61	52	11.90
By Geographical Region	Mainland China	548	99.28	435	99.54
	Overseas and Hong Kong, Macao and Taiwan	4	0.72	2	0.46
	Total Number of Employees	552	/	437	/

Employee turnover rate by gender, age group and geographical region[3]					
		Number of Employee Turnover (persons)	Turnover Rate (%)	Number of Employee Turnover (persons)	Turnover Rate (%)
By Gender	Male	85	15.40	87	40.85
	Female	83	15.04	84	37.50
By Age Group	Below 30 years old	39	7.07	26	56.52
	31–40 years old	73	13.22	66	34.20
	41–50 years old	37	6.70	58	39.73
	Above 50 years old	19	3.44	21	40.38
By Geographical Region	Mainland China	168	30.43	171	39.31
	Overseas and Hong Kong, Macao and Taiwan	0	0.00	0	0.00
Health and Safety					
Number of work-related fatalities occurred in the past three years (persons)		0		0	
Lost days due to work injury (days)		289.5		156	

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

KPI		2024		2025	
The percentage of employees trained[4] and average training hours by gender and employment type					
		Percentage of Employees Trained (%)	Training Hours Per Employee (hours)	Percentage of Employees Trained (%)	Training Hours Per Employee (hours)
By Gender	Male	48.01	6.10	48.74	4.11
	Female	51.99	6.50	51.26	3.39
By Position	Senior management	1.27	3.14	2.52	2.91
	Middle management	2.54	1.21	6.41	0.43
	General employee	96.20	6.38	91.08	4.00
Supplier Management	North China (suppliers)		1		1
	East China (suppliers)		42		42
	South China (suppliers)		565		565
	Central China (suppliers)		57		57
	Southwest China (suppliers)		51		51
	Number of suppliers where relevant policies (especially environmental protection and social policies) are being implemented (suppliers)		86		86
	Number of suppliers signed the Integrity Agreement (suppliers)		68		52
Customer Service Data					
Number of complaints (times)			449		477
Number of callbacks after complaint processing (times)			449		452
Number of customer service outbound calls (times)			20,105		22,000
Anti-corruption training					
Training times (times)			1		3
Number of training participants (persons)			183		162
Total training hours for the year (hours)			366		223

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

APPENDIX II: ESG REPORTING GUIDE INDEX OF THE STOCK EXCHANGE

ESG Indicators			Disclosures	Corresponding Sections
A. Environmental Areas				
A1: Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Disclosed	5. Building Green Surroundings
	A1.1	The types of emissions and respective emissions data.	Disclosed	Appendix I: ESG Key Performance Data Tables
	A1.3	Total hazardous waste produced and intensity.	Disclosed	Appendix I: ESG Key Performance Data Tables
	A1.4	Total non-hazardous waste produced and intensity.	Disclosed	Appendix I: ESG Key Performance Data Tables
	A1.5	Description of emission target(s) set and steps taken to achieve them.	Disclosed	5. Building Green Surroundings
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Disclosed	5. Building Green Surroundings
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	5. Building Green Surroundings
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity.	Disclosed	Appendix I: ESG Key Performance Data Tables
	A2.2	Water consumption in total and intensity.	Disclosed	Appendix I: ESG Key Performance Data Tables
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	5. Building Green Surroundings
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Disclosed	5. Building Green Surroundings
	A2.5	Total packaging material used for finished products and, with reference to per unit produced.	N/A (The Group's business does not involve such issue)	/

ESG Indicators			Disclosures	Corresponding Sections
A3: The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Disclosed	5. Building Green Surroundings
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	5. Building Green Surroundings
B. Social Areas				
B1: Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Disclosed	7. Moving Forward Hand-in-Hand with Employees
	B1.1	Total workforce by gender, employment type, age group and geographical region.	Disclosed	7. Moving Forward Hand-in-Hand with Employees Appendix I: ESG Key Performance Data Tables
	B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	7. Moving Forward Hand-in-Hand with Employees Appendix I: ESG Key Performance Data Tables
B2: Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Disclosed	7. Moving Forward Hand-in-Hand with Employees
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	Appendix I: ESG Key Performance Data Tables
	B2.2	Lost days due to work injury.	Disclosed	Appendix I: ESG Key Performance Data Tables
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	7. Moving Forward Hand-in-Hand with Employees

ESG Indicators			Disclosures	Corresponding Sections
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	7. Moving Forward Hand-in-Hand with Employees
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	Appendix I: ESG Key Performance Data Tables
	B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	Appendix I: ESG Key Performance Data Tables
B4: Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Disclosed	7. Moving Forward Hand-in-Hand with Employees
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Disclosed	7. Moving Forward Hand-in-Hand with Employees
	B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	7. Moving Forward Hand-in-Hand with Employeess
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	8. Building a Sustainable Supply Chain
	B5.1	Number of suppliers by geographical region.	Disclosed	Appendix I: ESG Key Performance Data Tables
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	8. Building a Sustainable Supply Chain
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	8. Building a Sustainable Supply Chain
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	8. Building a Sustainable Supply Chain

ESG Indicators			Disclosures	Corresponding Sections
B6: Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosed (labelling of products and services is not applicable to the business of the Group)	4. High-Quality and Excellent Services
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A (The Group's business does not involve such issue)	/
	B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	4. High-Quality and Excellent Services
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	4. High-Quality and Excellent Services
	B6.4	Description of quality assurance process and recall procedures.	Disclosed (product recall is not applicable to the business of the Group)	4. High-Quality and Excellent Services
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	4. High-Quality and Excellent Services
B7: Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	6. Upholding Integrity
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Disclosed	6. Upholding Integrity
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	6. Upholding Integrity
	B7.3	Description of anti-corruption training provided to directors and staff.	Disclosed	6. Upholding Integrity
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	9. Community Commitment and Social Contribution
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	9. Community Commitment and Social Contribution
	B8.2	Resources contributed to the focus area.	Disclosed	9. Community Commitment and Social Contribution

Part D: Climate-related Disclosures			
(I) Governance	19.	An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	5.3 Climate Change Risk Management
(II) Strategy	20.	**Climate-related risks and opportunities** An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term.	5.3 Climate Change Risk Management
	21.	**Business model and value chain** An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain.	5.3 Climate Change Risk Management
	22.	**Strategy and decision-making** An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose: (a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation.	5.3 Climate Change Risk Management

Part D: Climate-related Disclosures			
	23.	An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	5.3 Climate Change Risk Management
	24.	**Financial position, financial performance and cash flows** **Current financial effect** An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	5.3 Climate Change Risk Management Financial Impact Relief – We will further assess the financial impacts of climate-related risks and opportunities in the future.
	25.	**Anticipated financial effect** The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	

Part D: Climate-related Disclosures			
	26.	**Climate resilience** An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range.	5.3 Climate Change Risk Management Reasonable Data Relief – We currently do not disclose any climate scenario analysis, but will explore its feasibility in the future.
(III) Risk Management	27.	An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks; (b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	5.3 Climate Change Risk Management

Part D: Climate-related Disclosures			
(IV) Metrics and Targets	28.	**Greenhouse gas emissions** An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	5.3 Climate Change Risk Management Appendix I: ESG Key Performance Data Tables Reasonable Data Relief – In the future, we will continue to collect more comprehensive data to gradually expand and improve the disclosure coverage of each subcategory within Scope 3 that has a significant impact on the Group's business.
	29.	An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	

Part D: Climate-related Disclosures			
	30.	**Climate-related transition risks** An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Reasonable Data Relief – We will strengthen the methodologies and processes for assessing the financial impacts of climate-related risks and opportunities in future reports.
	31.	**Climate-related physical risks** An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
	32.	**Climate-related opportunities** An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	
	33.	**Capital deployment** An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	
	34.	**Internal carbon prices** An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	Negative Declaration – The Group currently does not apply internal carbon prices in its decision-making, but will explore the feasibility of implementation in the future.

Part D: Climate-related Disclosures			
	35.	**Remuneration** An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	Negative Declaration – We currently have not yet incorporated climate-related factors into senior management compensation, but will explore the possibility of its adoption in the future.
	36.	**Industry-based metrics** An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	Reasonable Data Relief – We currently do not disclose any industry-based metrics, but will explore the feasibility in the future.
	37.	**Climate-related targets** An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	5.3 Climate Change Risk Management
	38.	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target.	5.3 Climate Change Risk Management
	39.	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	5.3 Climate Change Risk Management
	40.	For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39.	5.3 Climate Change Risk Management
	41.	**Applicability of cross-industry metrics and industry-based metrics** In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	Reasonable Data Relief – We currently do not disclose any cross-industry metrics or industry-based metrics, but will explore the feasibility in the future.

JY GRANDMARK HOLDINGS LIMITED