

Serving you a better life

**Country Garden Services
Holdings Company Limited**

*(INCORPORATED IN THE CAYMAN ISLANDS WITH LIMITED
LIABILITY) STOCK CODE: 6098*

**Environmental, Social and
Governance Report**

2023

Table of Contents

- I. About the Report 2**
- II. Message from the Chairman 3**
- III. About the Group 5**
- IV. Annual Topics 18**
- V. Sustainability Management 23**
- VI. Stakeholder Engagement 35**
- VII. Quality · Providing Thoughtful Services 39**
- VIII. Inclusiveness · Building a Vibrant Team 68**
- IX. Cooperation · Joining Hands for Common Development 81**
- X. Low-Carbon · Adhering to Green Operation 84**
- XI. Harmony · Building a Beautiful Social Environment Under Joint Efforts
98**
- Appendix I: Index of Key Performance Indicators (KPIs) 103**
- Appendix II: List of Policies and Applicable Laws and Regulations 109**
- Appendix III: Index of the ESG Reporting Guide 116**



I. About the Report

1. Report Review

Country Garden Services Holdings Company Limited (“the Company”, “Country Garden Services” or “CG Services”) together with its subsidiaries (collectively, “the Group”, “Group”, or “We”) is pleased to publish the sixth Environmental, Social and Governance Report (“the Report”), aiming to disclose the Group’s sustainable development commitment and performance in the past year in a transparent and open manner, in response to the concerns and expectations of various stakeholders on the Group’s sustainable development management.

2. Reporting Scope

The Report covers the reporting period from January 1, 2023 to December 31, 2023 (the “Reporting Period” or “year”) and extends in part backward and forward to the Reporting Period as appropriate.

Unless otherwise stated, the Report sets out the risks, opportunities, and corresponding management approaches, practices, and performance associated with the major sustainability aspects of the overall business scope¹ of the Group. Among these, the economic and social KPIs disclosed in the Report cover the overall scope of the business, while the environmental KPIs² only cover headquarter, some office areas of subsidiaries at all levels in China, as well as projects that have been handed over and fully taken over by the Group. The Group will gradually expand the breadth and depth of its disclosures in the future with the continuous deepening of its sustainability efforts and the continuous improvement of its internal information collection procedures.

3. Reporting Standards

The Report has been compiled in accordance with the Appendix C2 *Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”)* to the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The content index of the *ESG Reporting Guide* is detailed in the Appendix to the Report, for quick reference.

Unless otherwise stipulated, the Report uses Renminbi (“RMB”) as the monetary unit.

4. Reporting Principles

The Group discloses its ESG management performance in accordance with the principles of “materiality”, “quantitative”, “balance” and “consistency” in the *ESG Reporting Guide* of the Stock Exchange. This Report responds to the principles of “materiality” and “quantitative” by assessing the material issues and quantifying data list respectively. In addition, the Report ensures that the scope of disclosure and reporting methods remain broadly consistent from year to year to meet the “consistency” principle and also reviews negative issues and poor performance to meet the “balance” principle.

5. Information Source

The information disclosed in the Report has been derived from official documents, statistical data, and public information of the Group and has been validated by internal supervisory mechanisms. The Group’s Board of Directors is responsible for the truthfulness, accuracy, and completeness of the content of the Report.

6. Release Method

The Report is prepared in both English and Chinese and has been published in electronic form and uploaded to the official website of CG Services at <https://www.bgyfw.com/cn/investor-esg.html> and the Stock Exchange news website at hkexnews.hk. In case of inconsistencies or discrepancies between the English and Chinese versions of the Report, the Chinese version shall prevail.

¹ The overall business scope of the Group refers to its six major business lines: (i) property management services, (ii) community value-added services, (iii) value-added services to non-property owners, (iv) “Three Supplies and Property Management” businesses (i.e., property management services and heat supply), (v) city services, and (vi) commercial operational services.

² The data collection scope of 2023 environmental KPIs covers the office areas of the Group headquarter, 29 regional/municipal companies, and 1,576 subordinate project companies, public areas of property management, and all non-outsourced staff canteens.

II. Message from the Chairman

I am pleased to present the sixth *Environment, Social and Governance Report* of the Group on behalf of CG Services. This report highlights our commitment and performance in sustainable development governance, operational responsibility, service quality, environmental protection, employee care, and community engagement. We have been committed to sustainable development and consistently explore a sustainability system with distinctive features of the Group. This system will inject ceaseless momentum for the high-quality development of the Group.

The year 2023 marked the 32nd anniversary of CG Services since its inception, and a crucial year for the Group to forge ahead for constant breakthroughs. This year, we stayed in line with national policies and answered to the calls of the State to undertake social responsibilities. We are bent on providing excellent services and creating new value for customers. Specifically, we upgrade our service quality, enhance customer satisfaction and promote the digital operation. We also pay attention to our business impact on the environment and take active measures to build low-carbon communities where human and nature coexist in harmony. Meanwhile, we prioritize the establishment of a talent development system to ensure a consistent influx of talents for our sustainable development.

We create a better life with premium services in our relentless pursuit of excellence. We take customer satisfaction as the driving force, gather the active improvement of service quality. We focus on service pain points, targeted to improve customer experience. We adhere to the “1+N+X” community value-added development strategy, further focus on strategic business, strengthen capacity building. We continue to invest in residential renovation, refresh customers’ living experience, and comprehensively protect the safety of owners by completing potential risk sources rectification, carrying out large-scale fire fighting and safety drills on elevators. We deepen the collaborative community governance model “Hongxin Bihai”, lead the upgrading of property management services with party building, and help create a new pattern of co-construction, co-governance and sharing of community governance.

We apply intelligent and digitalized tools to explore new patterns of property management. We optimize the intelligent operation system to facilitate the on-line transformation of our organizational and business models. We promote regional digitalization to facilitate the effective application of intelligent science and technology achievements. While tapping into intelligent property management, we provide residents with integrated on-line services such as shopping, housekeeping, cleaning and maintenance, so as to create a better life with higher quality for property owners.

We adhere to the people-oriented approach and treat every employee with adequate attention and care. With a focus on compliant employment, we take earnest measures to protect the legitimate rights and interests of employees and work to provide them with equal and broad opportunities for personal progress. We improve the talent training system and strengthen the training for front-line staff with a 100% training coverage for new joiners. Meanwhile, as employees’ physical and mental health is of our concern, we guarantee their safety by delivering publicity and training activities on work safety. As for our efforts of employee communication and care, we carry out various thematic activities to build a warm-hearted and harmonious corporate atmosphere for employees.

We build responsible supply chains with earnest efforts and make progress hand in hand with partners. We consistently intensify the full life-cycle management of suppliers. We prioritize their social and risk management and have implemented the employee share ownership plan to establish profound cooperation with suppliers for win-win results. Besides, we are actively involved in industry exchanges. By learning from and sharing excellent practices in the property industry, we strive to promote the quality development for the whole industry.

We incorporate the concept of sustainability into our property management practices and contribute to building a beautiful China. We have defined four development goals including water saving, waste reduction, energy efficiency and emission reduction. To achieve these goals, we implement measures such as water resource management, energy conservation, waste classification and resource recycling. We also advocate green property management. By launching the “Carbon Reduction” program and implementing monthly public campaigns centered on environmental protection for commercial office building projects, we further promote our green and energy-saving practices. In addition, we have initiated the “Protecting Chinese Sturgeon in the Yangtze River” Conservation Release Program to contribute to biodiversity conservation. Furthermore, we work to improve the emergency response mechanism for extreme weather conditions and constantly enhance our resistance to climate risks.

We are active in fulfilling our corporate social responsibilities with full enthusiasm for public welfare. We proactively participate in disaster relief by supporting earthquake-stricken areas, engaging in snow removal operations, and solving difficulties of the public. We also contribute to rural revitalization. For example, we help farmers to increase their income by means of live broadcasting and consumption assistance, resulting in a cumulative turnover exceeding RMB46.68 million. Furthermore, we are devoted to building harmonious communities. To this end, we explore the model of “property management and elderly care”, provide community-level charity services, and actively participate in various public welfare activities and volunteer service activities. By taking these practical actions, we actively fulfill our social responsibilities.

Moving forward, we will remain committed to the original service concept of “Property owner-oriented”. We will improve service quality, and innovate service models, all in an effort to provide property owners with premium and more efficient property-related services. We will consistently integrate the concept of sustainable development into the operation of the company, and further deepen the construction of ESG strategy, upgrade the sustainable development system, and make a more solid and close combination of ESG concept and business. CG Services focuses on the interests of all stakeholders and strives to become a sunny, transparent and responsible enterprise. Meanwhile, we will take a firmer step, bravely stand at the forefront of The Times, bravely shoulder social responsibilities, and make unremitting efforts to realize the vision of a better future.

To create a better society with our existence.

To shape a prosperous future through our conscience and social responsibility awareness.

Yang Huiyan

Chairman of the Board

7,345*We managed a total of 7,345 properties***1,633.0 million m²****956.9 million m²***Apart from the “Three Supplies and Property Management” businesses, our contracted and revenue bearing gross floor area (“GFA”) were approximately 1,633.0 million m² and 956.9 million m².***24,698.5 million***Property management services achieved a revenue of approximately 24,698.5 million***3,752.9 million***Community value-added services achieved a revenue of approximately 3,752.9 million*

III. About the Group

Founded in 1992, CG Services Holdings Company Limited (Stock Code: 6098.HK) is a leading integrated service provider in the People’s Republic of China (“PRC”) covering diversified business forms, including residential properties, commercial properties, office buildings, industrial parks, multi-purpose complexes, government buildings, hospitals, schools and other public facilities, such as airport terminals, highway service stations and cultural scenic areas. The Group adheres to a people-oriented approach, constantly improves the services and expands new frontiers. Upholding the brand mission of “Saving You A Better Life”, we advocate a corporate culture of professionalism, sincerity, innovation, integrity, and performance excellence. By pioneering new services, developing new technologies, and building new ecosystems to create diversified value, we strive to establish a trusted service brand. We are committed to providing seamless, worry-free services that elevate people’s quality of life, facilitate asset appreciation, and promote social and cultural advancement.

This year, the Group has adopted the overall policy of “Seek improvement in stability, Promote stability through progress”, and adheres to long-term perspective. The Group has formed a business strategy of “Focusing on residential property, Incubating strategic business” to promote the high-quality development of the group. In the future, the Group will continue to adhere to the principles of “prioritizing employees, customer-orientated, and back to the basics of business” to build the group’s long-term competitiveness, inspire employees’ creativity, and win the trust and support of customers, thereby achieving sustainable development of the group.

The Group’s major lines of business include: (i) property management services, (ii) community value-added services, (iii) value-added services to non-property owners, (iv) “Three Supplies and Property Management” businesses, (v) city services, (vi) commercial operational services. Together, they create comprehensive service offerings to our customers, covering the entire property management value chain.

1. Brand Culture

Corporate Vision

We are committed to becoming a leading international new property service group

Brand Vision

Offering worry-free services
Elevating life quality
Facilitating asset appreciation
Promoting social and cultural advancement

Brand Mission

Serving You A Better Life

Brand Values

Professionalism: expertise-guided practices
Sincerity: whole-hearted services
Innovation: creativity-driven progress
Integrity: honesty-built trust
Performance: achievement-proving excellence

2. Annual Major Events

The delegation of In-depth Research on High-quality Development of “Nanyue Housecraft” Initiative Research Trip of Central, Provincial and Municipal Media Groups, which was initiated jointly by the Human Resources and Social Security Department of Guangdong Province and Southern Metropolis Daily stayed in Foshan City, who visited the Group’s Phoenix Home and Fengshou Street community service stations, focusing on how Foshan City has meticulously implemented the “Nanyue Housecraft” initiative to ensure it serves the public effectively and enhances people’s well-being.



Jan.

The Group comprehensively promoted the new coaching mechanism for cultivation of Phoenix service managers.



Feb.

The Group published its 2022 annual results. During the Reporting Period, the revenue of the Group increased to approximately RMB41,370 million, representing an increase of approximately 43.4% from approximately RMB28,840 million in the corresponding period of 2021. The gross profit increased to approximately RMB10,260 million, representing an increase of approximately 15.7% from approximately RMB8,860 million in the corresponding period of 2021. The core net profit attributable to the Shareholders grew to RMB5,020 million, representing an increase of approximately 9.0% from approximately RMB4,610 million in the corresponding period of 2021. The Board recommended the payment of a final dividend of RMB14.40 cents per share and a special dividend of RMB22.81 cents per share, as a token of appreciation to all shareholders for their continuous support and trust in the Company.

Mar.

碧桂园服务
CENTRE GARDEN SERVICES HOLDINGS COMPANY LIMITED
碧桂园服务控股有限公司
0808

财务摘要	截至2022年12月31日止12个月	截至2021年12月31日止12个月	变动
营业收入	41,370	28,840	43.4%
毛利	10,260	8,860	15.7%
毛利百分比	24.8%	30.7%	(-15.9%)
核心净利润	5,020	4,610	8.9%
核心净利润百分比	12.1%	16.0%	(-24.4%)
净利润	5,020	4,610	8.9%
净利润百分比	12.1%	16.0%	(-24.4%)
经营活动产生的现金流量净额	1,800	1,610	11.8%
经营活动产生的现金流量净额百分比	4.3%	5.6%	(-23.2%)
经营活动产生的现金流量净额	1,800	1,610	11.8%
经营活动产生的现金流量净额百分比	4.3%	5.6%	(-23.2%)

碧桂园服务控股有限公司 2022年年度报告摘要

CG Services held its 2023 annual general meeting in Shunde, Foshan, at which all resolutions were approved.



In collaboration with the Institute for 21st Century Development, Tsinghua University and Tsinghua University Guoqiang Institute, the Company organized the China Urban Governance and HighQuality Development Forum (Zhengzhou), cum the 3rd CG Services City Service Developers Conference, at Huanghe State Guesthouse of Henan in Zhengzhou City. Cooperating with the Think Tank of Tsinghua University, CG Services released the first-ever standards and rankings for urban governance and public service indices, and announced the City Partner 3.0 Program.



With the theme “Chinese Sturgeon Dream, Fish Abundance in the Yangtze River”, CG Services partnered with Guangdong Guoqiang Foundation (廣東省國強公益基金會) to promote a community cultural event in approximately 3,000 communities across the country, which was known as “Love and Passion” s for You and for Diversity of the Earth, Become Ambassador of Biodiversity” .



The All-China Federation of Trade Unions organized a special event in Beijing to mark the International Labor Day of 2023, which included the presentation of the National May 1st Labor Awards and the National Workers’ Pioneer Titles. Mr. Meng Rui, serving as the senior manager of the Group, was honored with the “National May 1st Labor Medal” .

Apr.



May.

The Group organized the first training session for regional digitalization expert certification.



Jun.

The group comprehensively promoted the statement management system, and established, for the first time, a connection with the front-end business system, achieving integrated business performance and financial performance reporting and preparing consolidated statements on a T+1 basis, which delivered valuable insights to support business development of the Group.

Jul.



The Group published its 2023 interim results and held a press briefing for results presentation. For the six months ended 30 June 2023, the Group achieved revenue of RMB20,733 million and gross profit of approximately RMB5,158 million; the core net profit attributable to the Shareholders amounted to approximately RMB2,615 million.



Aug.

The training for managers empowerment to embrace further development, themed “New Look and Power to Forge Ahead”, concluded in Shunde New Energy Town, with a total of 46 trainees who were service managers and customer service specialists.



Sep.

Mr. Xu Binhuai was appointed as Executive Director, the President, the Authorised Representative, the Chairman of the Environmental, Social and Governance Committee and the Agent for the service of process in Hong Kong of CG Services. On the day of such appointment, Mr. Huang Peng was appointed as the Executive President of CG Services.



Oct.

Mr. Xu Binhuai, Executive Director and the President of the Group, was invited to the “Gathering Momentum, Foresight into the Future” themed 2023 Guangdong Property Management Summit cum 5th Release Conference for Survey on Comprehensive Strength of Guangdong Property Management Enterprises, which was guided by the Department of Housing and Urban-Rural Development of Guangdong Province and hosted by Guangdong Property Management Industry Institute, and delivered a speech titled “In Relentless Pursuit of Refreshment”. Concurrently, the event specially staged the inauguration and appointment ceremony for the new specialized committee under Guangdong Property Management Industry Institute, in which Mr. Wang Yingwu, Chief Marketing Officer of CG Life Services and president of city services Group, was appointed as the director of the city services Committee under Guangdong Property Management Industry Institute, joining forces to drive innovation in city services across Guangdong.

The press conference for the strategic cooperation between the Group and Guotai Liquor Group cum the inauguration ceremony for the “Healthy Drinking in Family” Promotion Initiative was held in Guangzhou.

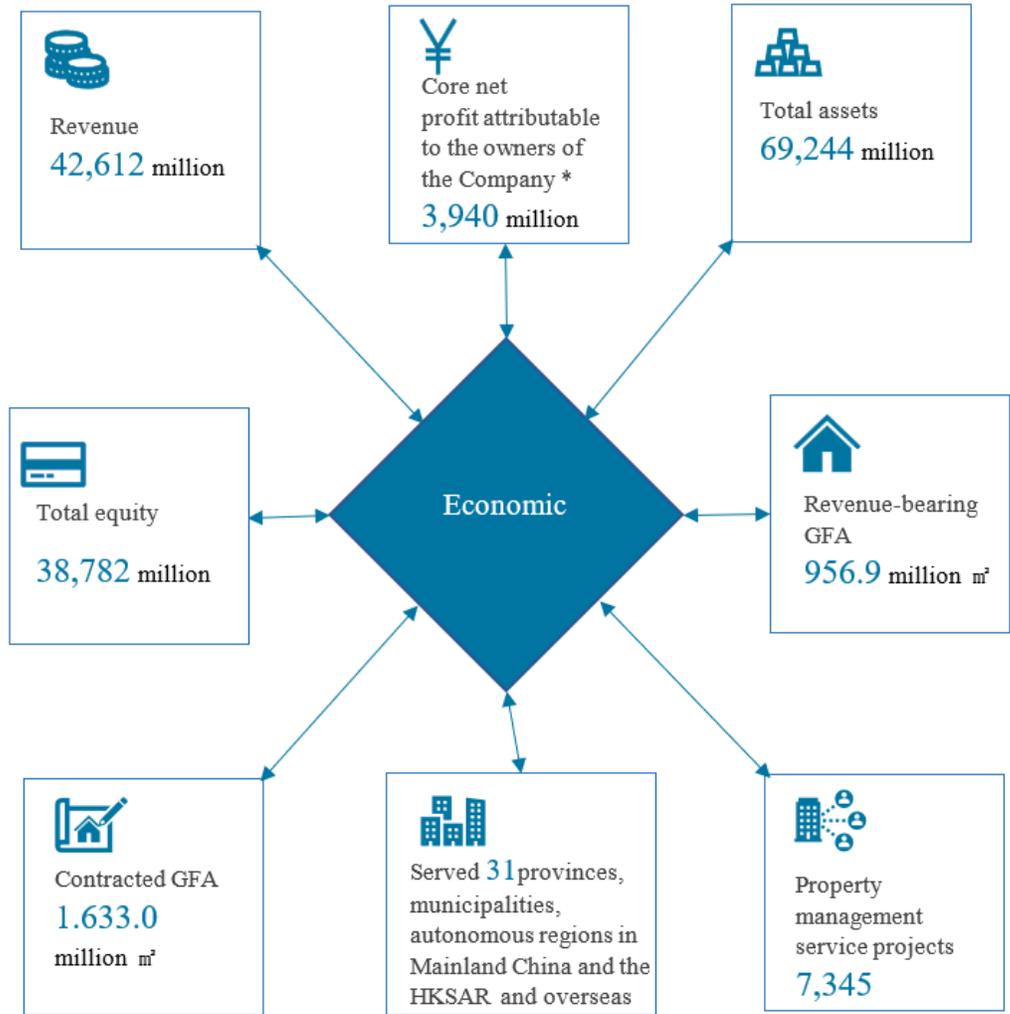


Nov.

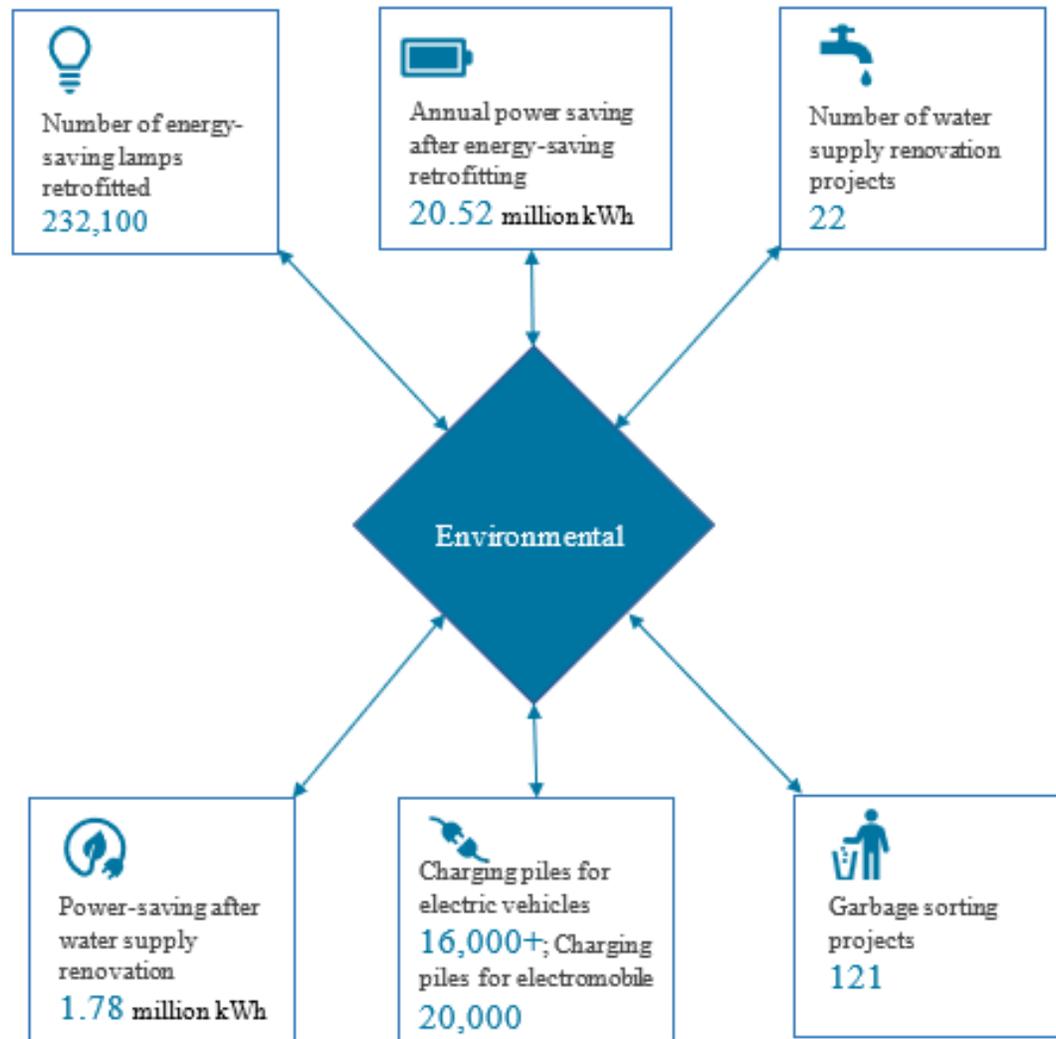
Dec.

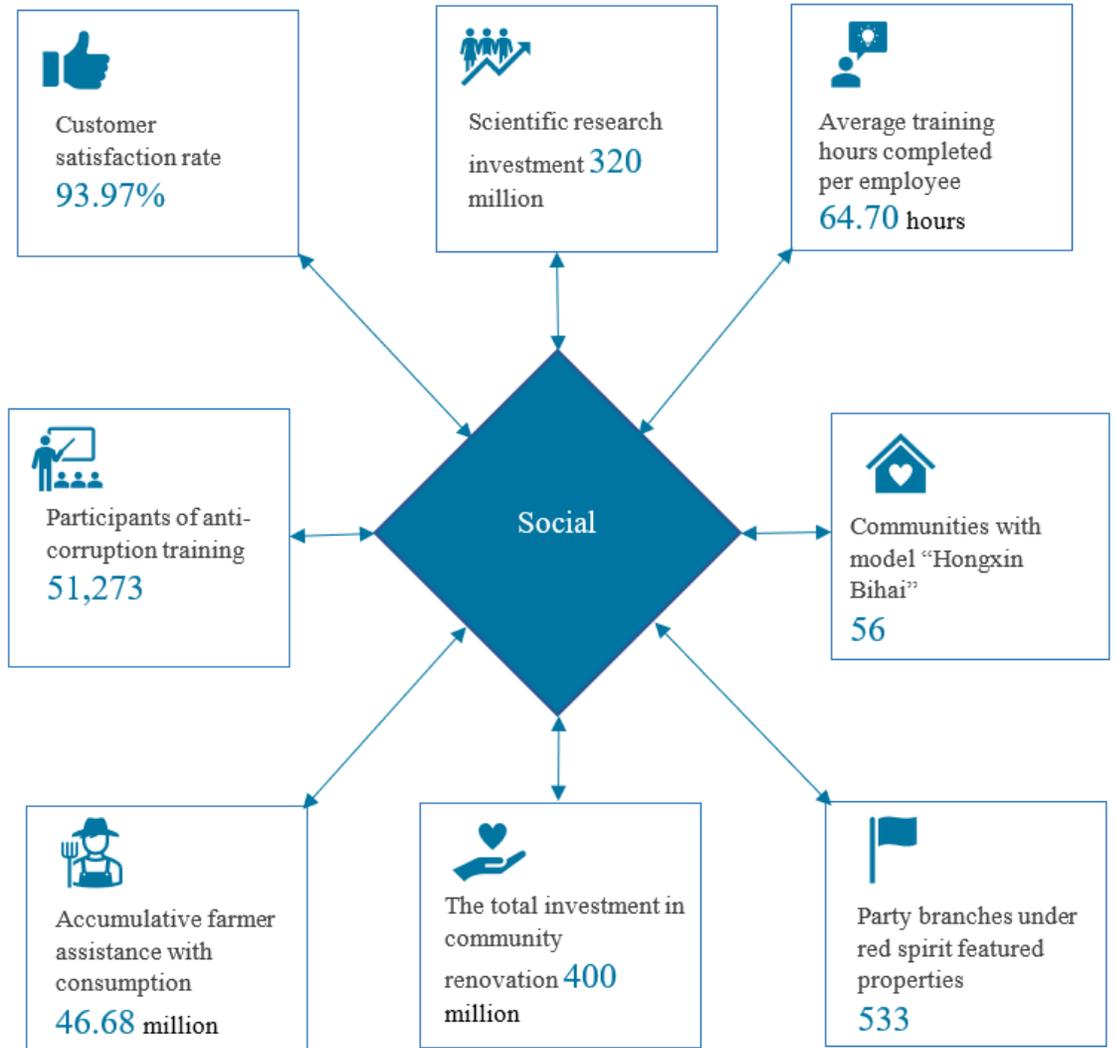


3. Annual ESG KPIs



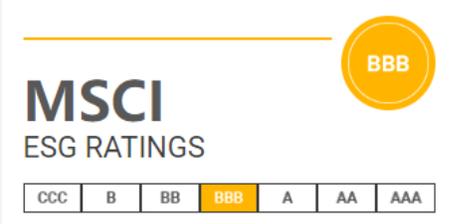
* Core net profit attributable to the owners of the Company excluding borrowing costs of convertible bonds, share-based payment expenses, unrealised gains or losses from financial assets at fair value through profit or loss, amortisation charges of intangible assets – contracts and customer relationships, insurance brokerage licenses and brands arising from mergers and acquisitions, impairment of goodwill and other intangible assets, impairment of loans to third parties pledged by equities, gains/(losses) from disposal of subsidiaries, expected losses on external guarantee and impairment of receivables from related parties.





4. Honors

1) ESG Ratings and Indexes



MSCI ESG Rating **BBB**³



“**Low risk**”⁴ in the Sustainalytics ESG risk rating
11.5/100 (the lower, the better)
Top Rated (Asia/Pacific) companies for two consecutive years (2023 and 2024)



46/100 (the higher, the better)
Constituent to S&P Global LargeMidCap ESG Index



Constituent to **FTSE4Good Index**³
The Group’s ESG management is recognized by the capital market

³ THE USE BY CG SERVICES HOLDINGS COMPANY LIMITED OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES (“MSCI”) DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION, OR PROMOTION OF CG SERVICES HOLDINGS COMPANY LIMITED BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS, AND ARE PROVIDED ‘AS-IS’ AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.

⁴ Copyrights ©2024 Sustainalytics.

⁵ FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that CG Services Holdings Company Limited has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

2) Honors and Awards

Sustainability (among others)



The Group received “EH ESG Rating AA” at the 2023 ESG Sustainable Development Summit for Listed Property Enterprises.

Social Responsibility (among others)

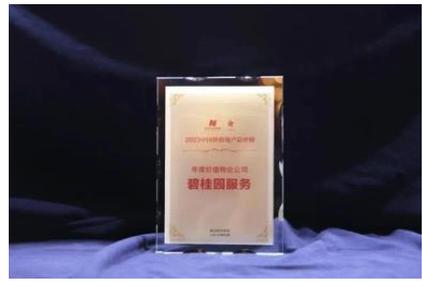


The Group was awarded the “21st Youth Model Unit Award (Two-Star level)” issued by the Central Committee of the Communist Youth League of China and the Ministry of Housing and Urban-Rural Development of P.R.C., the “Integrity Benchmarking Enterprise” issued by Guangdong Property Management Industry Institute and other honors.

Comprehensive Operation (among others)



622
A total of 622 national/industry association/institution honors as at December 31, 2023



The Group has ranked 1st in “2023 Top 100 Property Management Companies in China” and “2023 Top 20 Listed Company of Property Management Service”, and has won “2023 Top 1 of China Property Management Companies” and other honors in 2023.

791

*A total of 791
provincial honors
as at December
31, 2023*



The Group was awarded the honorary title of “2023 Guangdong Province Property Service Comprehensive Development Strength Enterprise” by Guangzhou Property Management Association.

2,514

*A total of 2,514
municipal honors
as at December
31, 2023*



The Group was awarded the honorary title of “2023 Quality Property Management Company in Guangzhou, China” by EH Consulting and EH Property Research Institute

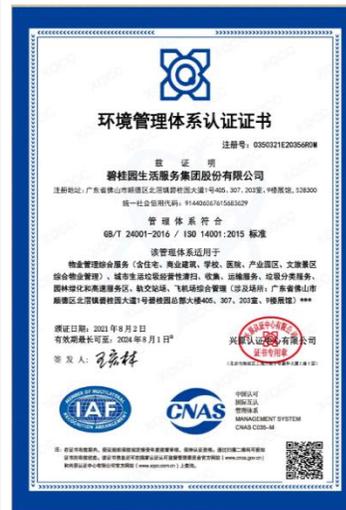
3) Certification

The Group attaches great importance to lean management and system-based development and has obtained three major certifications of quality management system, environmental management system and occupational health and safety management system.

**GB/T 19001-2016
ISO 9001:2015
Quality Management System**



**GB/T 24001-2016
ISO 14001:2015
Environment Management System**



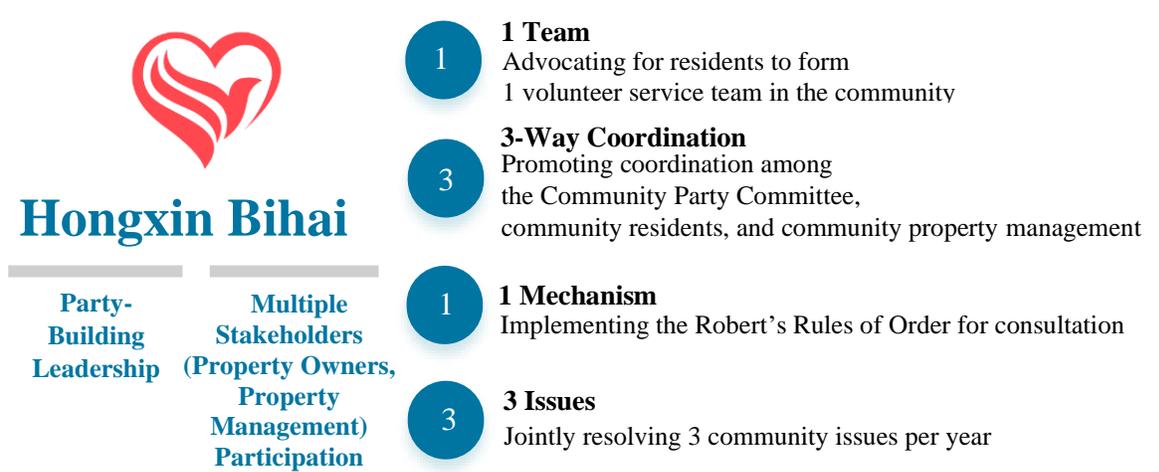
**GB/T 45001-2020
ISO 45001:2018
Occupational Health and Safety Management System**



IV. Annual Topics

1. Joining Hands to Create New Synergies in Community Governance

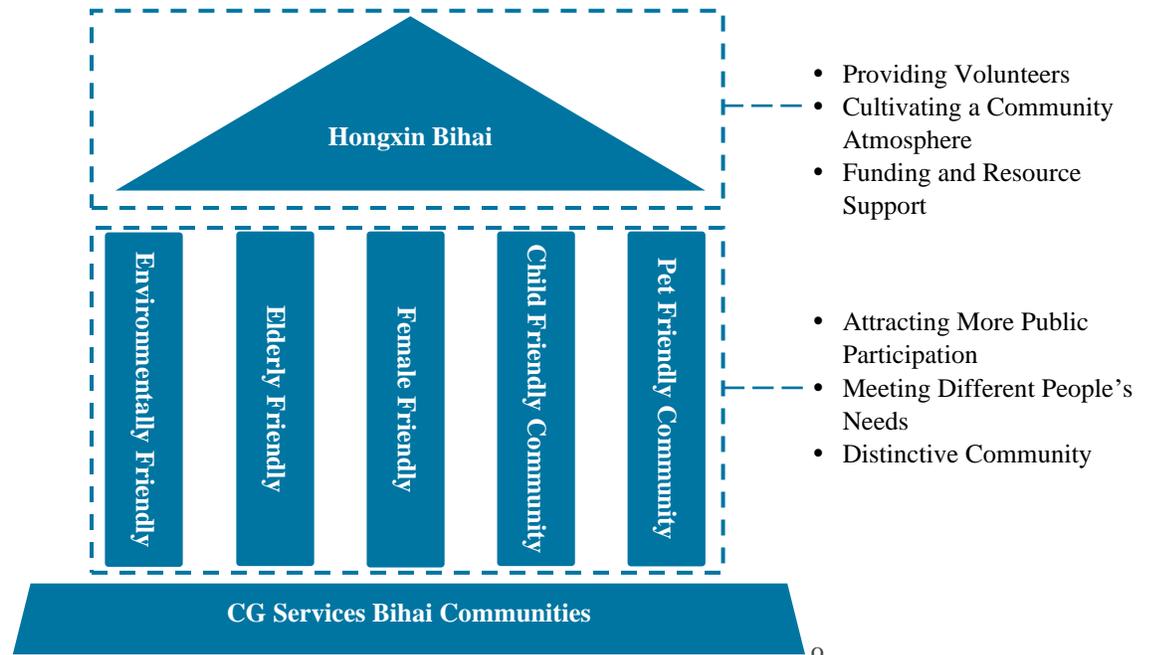
Against the backdrop of governance at the primary level shifting towards multi-stakeholder participation and diversified co-governance, the Group has launched the collaborative community governance model “Hongxin Bihai”. We have established the “1313” community co-governance model to optimize resource allocation, coordinated efforts, and service concentration at the primary level. This model breaks down communication barriers between communities, property management companies, and residents, enabling sustained and efficient resolution of public affairs in residential communities. Ultimately, it provides a robust organizational guarantee for urban governance.



Note: The Robert’s Rules of Order is a widely-used guide for ensuring efficient, fair, and orderly meetings. Its core principle is to give all participants equal rights to speak, and to shape collective will and make decisions through fair, orderly debate and voting processes.

1,000+
747

As at December 31, 2023, “Hongxin Bihai” had trained 1,000+ voluntary pioneers, including 747 Party-masses information collectors



Red Spirit Featured Property Management Brand of “Hongxin Bihai”

As at December 31, 2023, the collaborative community governance model “Hongxin Bihai” has been implemented in 56 pilot communities nationwide. A total of 1,000 active information collectors and volunteers have been recruited. 117 pilot projects have comprehensively applied Robert’s Rules of Order. 87 issue solutions have been co-created with the government and property owners. The services cover more than 63,000 property owners, continuously fostering a positive situation of multi-stakeholder co-governance and coordinated development among communities, property management, and residents. This helps to steadily enhance residents’ sense of fulfilment, happiness, and security.

 **Multi-Stakeholder Consultation Addresses Persistent Malaise: Parking Management of Non-Motorized Vehicles**

In June 2023, the Group’s R&F Modern City Plaza project held a “Hongxin Bihai” meeting where property information collectors, the community, and property management jointly discussed the issue of disorganized parking of non-motorized vehicles. They ultimately formed a co-governance solution combining publicity, inspections and rectification. On one hand, the information collectors conducted volunteer service activities to promote relevant laws, regulations, and general knowledge about e-bikes, raising residents’ fire safety awareness and capabilities. On the other hand, a joint patrol team of property information collectors, the community, and property management was established to conduct regular security patrols. They reminded owners to control charging duration and focus on self-inspections, as well as rectified improperly parked e-bikes, achieving orderly parking of e-bikes in the community.

 **Stakeholders’ comment**

Walking around the neighborhood now, the ground’s all clean and tidy. The e-bikes are parked nice and orderly along the fire safety line, and there are even fire extinguishers in the bike shed. It just looks reassuring.

- Residents from R&F Modern City Plaza



Meeting Scene



Current Orderly Parking After Non-motorized Vehicle Management

Harnessing Property Owners' Potential: Community Lighting System Renovation

In March 2023, a “Hongxin Bihai” meeting was held at the Country Garden EcoCity project of the Group in Wuhan to discuss the lighting optimization proposal raised by Mr. Zheng, a property owner of the project. The aged manual switch combined with voice-activated lighting system tended to cause noises at night. Drawing from his years of experience, Mr. Zheng suggested renovating the lighting system to a motion sensor one, not only achieving efficient and precise lighting but also saving energy. After a local pilot, the proposal gained unanimous endorsement from the property information collectors and widespread praise from property residents. It was eventually promoted across the community, bringing convenience to all residents.

Stakeholders' comment

Didn't expect my expertise would actually come in handy in the community! I was worried people might see us as being a busybody, but after this little renovation got praised, it really motivates us to keep this momentum and participate in community co-governance.

- Mr. Zheng
Resident of
Country Garden EcoCity, Wuhan



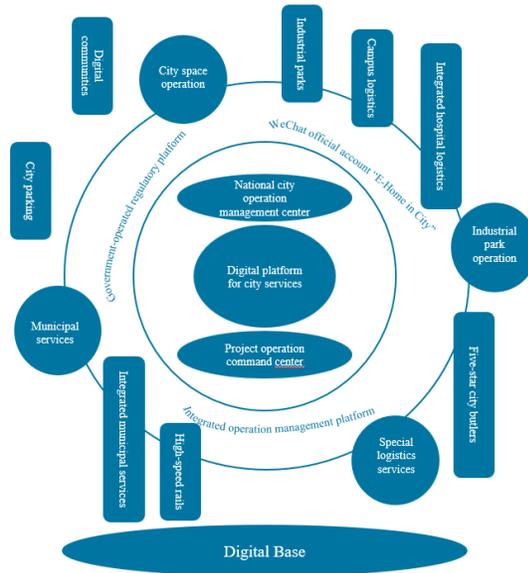
Meeting Scene



Before and After the Lighting Renovation

2. Digital Empowerment for Exploring Integrated Urban Governance

The 14th Five-Year Plan clearly puts forward the need to build smarter cities and practice the “one map” digital management of urban buildings, public space, and underground pipe network as well as the unified network management of urban operations. In line with the new vision and trend of urban development, the Group extends the community property service model to the city level, taking the entire city as a “large property project.” By leveraging our multi-dimensional city service system professional services and intelligent platforms, we achieve an integration of government supervision, scientific decision-making, professional services, intelligent management, citizen participation, and multi-stakeholder co-governance. This facilitates the city’s transformation of development modes and high-quality development.



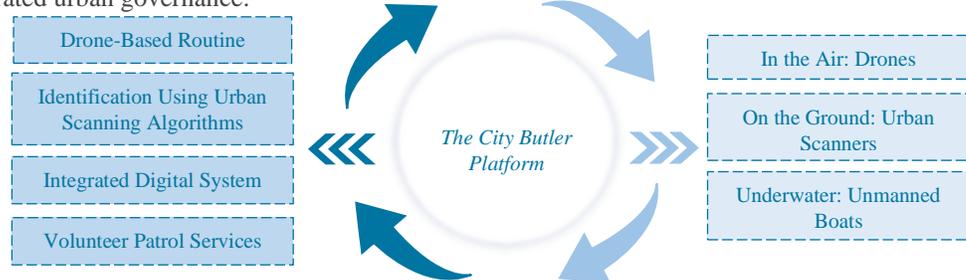
- Multi-Dimensional City Service System**
- Two Centers**
Group-level national city operation management center
City-level project operation management command center
 - Three Applications**
City-level government-operated regulatory platform/Enterprise-level integrated operation platform
Citizen-level WeChat official account "E-Home in City"
 - Four Businesses**
Municipal services/City space operation
Industrial park operation/Special logistics services
 - Eight Specialized Systems**
Digital communities/Integrated municipal services/Five-star city butlers
City parking operation/Campus logistics services/Integrated hospital logistic services
Industrial park operation/High-speed rail services

The Multi-Dimensional City Service System

Meanwhile, to improve the efficiency of city services, the Group has established digital operations command centers for cities. By integrating standardized services with smart operations through the City Butler Platform, we are dedicated to providing high-level, high-quality intelligent city services that empower urban governance.

The City Butler Platform

The City Butler Platform is an operations and control system developed to support municipal services like road cleaning, landscaping maintenance, removal of floating debris from waterways, urban waste collection, and public restroom management. This system optimizes the utilization of various urban resources through technological solutions, enabling automatic and comprehensive monitoring in real time of the city's management and operational status. This significantly elevates the level of integrated urban governance.



Drone-Based Routine Monitoring: Drones are characterized by their good mobility, flexible operation, wide viewing angle, etc. These attributes make them ideal for city and river surveillance tasks, such as monitoring illegal urban buildings, detecting floating objects in rivers, uncovering unauthorized pollutant discharge and waste discharge. Combined with fixed cameras on the ground and AI algorithms, drones provide a new urban governance model of “air and ground integration” for residential construction, environmental protection, and urban management.

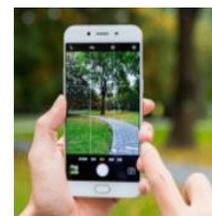
Identification Using Urban Scanning Algorithms: Utilizing advanced embedded neural network processors combined with deep learning, GIS, big data analysis and other technologies, an “intelligent micro-brain” system is installed in vehicle DVRs. This automatically identifies and provides early warning for incidents in public urban spaces through AI recognition, such as overflowing roadside garbage, floating river debris, or missing manhole covers. It transforms ordinary vehicles on the streets into cost-effective urban scanners with unparalleled advantages.

Integrated Digital System: Leveraging IoT, GIS and mobile Internet technologies, and based on the requirement for full-process management of personnel, vehicles, objects and operations involved in municipal sanitation and gardening services, this system achieves informatization of sanitation and gardening management. This is accomplished by online grid management, automated work scheduling, intelligent route planning, standardized operations, IoT-enabled facility monitoring, and modeled data analysis. It thereby improves the operational efficiency of the personnel and vehicles, enhancing the city's service support capabilities.

Volunteer Patrol Services: Volunteer teams and related digital systems have been established. . Volunteers can report the cases via the “City e-Home” WeChat Official Account when they conduct street patrols and discover cases related to cleaning, sanitation or greening/landscaping. The backend system then assigns the cases to relevant responsible personnel for further handling, fully mobilizing the enthusiasm and participation of Party members and the public.



Urban Scanning Scooters Conducting Patrol Operations

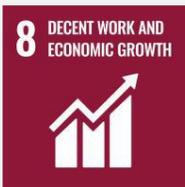


Volunteers Reporting Cases via Smartphones

**ESG Issues
Responded to in this
Chapter**

*Integrity culture and
business ethics
development*

**SDGs Responded to
in This Chapter**



V. Sustainability Management

A company’s sustainable development is not only crucial for its own long-term survival and prosperity, but also has a profound impact on the sustainability of the environment and society. The Group is infused with the philosophy of sustainable development as its driving force, underpinned by clear and efficient corporate governance as its foundation, and guided by integrity and transparency in business ethics as its moral compass. Thus, we are able to continuously enhance internal governance standards and duty performance capabilities, and to seek coordinated growth in corporate profitability while contributing to making society a better place.

1. Statement of the Board of Directors

The Group’s Board of Directors places great importance on environmental, social and governance (ESG) work, and centers on the mission of “Service you a Better Life” for the transformation of the economy and society towards a sustainable future. The Board incorporates sustainable development into the Group’s development strategy. It develops and practices a scientific and professional governance structure that supports sustainability. It refines and implements the responsibilities and authorities at each level of the sustainable governance structure to strengthen the Board’s supervision and participation in the Group’s ESG affairs. Based on the external macro-environment in terms of society and economy and the development strategy, the Group dynamically assesses the importance of ESG issues, discusses and identifies its risks and opportunities in environmental, social and governance facets, prioritizing the management and improvement of key issues as an annual focus of the sustainability work.

The Board takes full responsibility for establishing and reviewing the Group’s ESG management policies, strategies, priorities and objectives. It periodically reviews the progress in ESG goal achievement, evaluates their relevance to the Group’s businesses, so as to achieve long-term, balanced and high-quality sustainable development.

2. Sustainable Development Concept

Adhering to the core mission of being “Property owner-oriented,” the Group persists in the service concepts of “Catering for property owners’ urgent needs; address property owners’ concerns.” While emphasizing business development, the Group consistently upholds the concept of sustainable development, excels in services, cares for employees, protects the nature, and collaborates with partners. The Group is steadily progressing towards high-quality development, aiming to create more positive value for society.

The Group actively responds to the United Nations Sustainable Development Goals (SDGs), and helps to achieve balanced economic, environmental and social development in the form of business operation and value creation. During the Reporting Period, the Group’s key actions and performance in terms of sustainable development were as follows:

Chapter	SDGs	Key Actions and Performance in 2023
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Sustainability Management



- We attached importance to and made more efforts in the enhancement of sustainable development governance by improving internal controls and strengthening risk management and control.
- Anti-corruption training covered 100% of directors.

- We conducted a total of 10 internal audit projects.
- We required all employees to sign the *Letter of Commitment Relating to Integrity and Self-discipline* and the *Letter of Commitment Relating to Conflict of Interest*, and all suppliers to sign the *Operation Management Rules of Bicai Mall (Suppliers)* and the *CG Services Group Integrity Cooperation Acknowledgement for Suppliers* to jointly build an anti-corruption defense line and create a clean and upright working environment. The newly introduced *Administrative Measures for Whistle-blower Protection Management of CG Services Group* strictly enforces the rules of “confidentiality and avoidance” for case-handling personnel, emphasizing privacy protection for whistle-blowers and preventing retaliation against whistleblowers.

Stakeholder Engagement



- We created multi-tiered and highly flexible communication channels for listening to stakeholders’ voices.
- We participated in nearly 50 major investor summits and conferences domestically and overseas, attended approximately 200 domestic and overseas roadshows, and communicated with nearly 500 institutional investors and analysts.

Quality · Providing Thoughtful Services



- We enriched the “Intelligent Downstairs” brand offerings by introducing the new “Downstairs Charging” service for new-energy vehicle charging piles.
- We held the third CG Services City Service Developers Conference, and launched the “City Service Partner Program 3.0”
- Customer Satisfaction reached 93.97%, and customer coverage reached 97.05%
- We obtained the ISO9001: 2015 quality management system certification

Inclusiveness · Building a Vibrant Team



- We attached importance to staff communication and conducted a survey on employees’ sense of happiness. This year witnessed a year-on-year increase of 3.99 percentage points in employees’ sense of happiness.
- We held over 26 thousand seasonal activities themed on happiness and health.
- We offered healthcare seminars, psychological counselling sessions, and team building events for employees’ physical and mental well-being.
- We offers a series of special training programs, including “Leadership Successor Program, Commercial Operational Service Building Talent Program, “Landscaping Elite” Training Program, etc. These training programs are designed to accurately improve the professional quality and practical skills of employees.

Cooperation · Joining Hands for Common Development



- We adopted the ISO System certification as a criterion for supplier admission.
- Mr. Xu Binhuai, Executive Director and the President of the Group, was invited to the “Gathering Momentum, Foresight into the Future” themed 2023 Guangdong Property Management Summit and the 5th Release Conference for Survey on Comprehensive Strength of Guangdong Property Management Enterprises
- We participated in the ESG Sustainable Development Summit for Listed Property Management Companies
- We entered into a strategic cooperation agreement with Guotai Liquor Group
- We collaborated with well-known enterprises such as Bright Dairy, Luzhou Laojiao, Sleemon, Yanjing Beer, and Tencent Public Welfare

Low-Carbon · Adhering to Green Operation



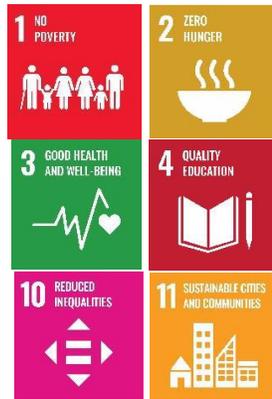
- We promoted energy-saving renovations for parking garage lighting and air conditioning systems, implemented a contracted energy management model, conducted carbon emissions trading pilots, launched the “Carbon Reduction” program to drive energy conservation and emission reduction.
- We adopted water-saving measures such as integrating rainwater recycling technology, retrofitting the water supply system and controlling water supply using frequency conversion to improve water efficiency.
- We implemented community garbage sorting to protect environmental resources.

● We initiated the “Protecting Chinese Sturgeon in the Yangtze River” Conservation Release Program to preserve aquatic biodiversity in the Yangtze River.

● We established an emergency mechanism against extreme weather in response to climate change.

● The cumulative turnover of the consumption activity of “Power of Community” for supporting farmers exceeded RMB46.68 million

Harmony · Building a Beautiful Social Environment under Joint Effort



● We supported disaster relief and secured social stability.

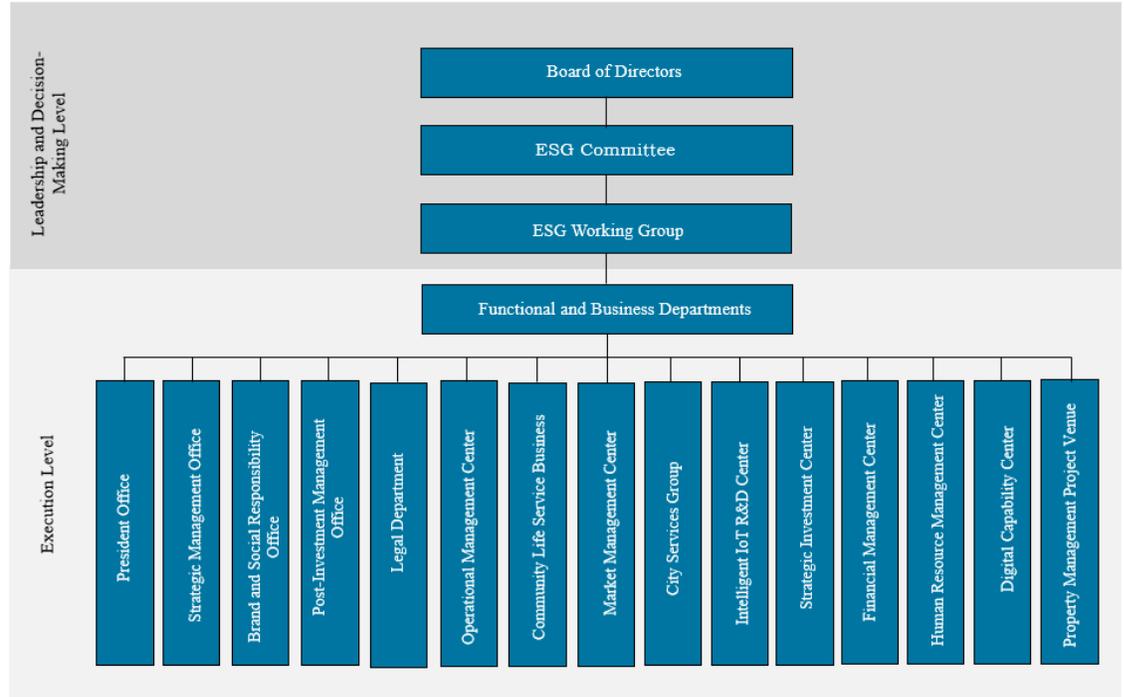
● We supported rural industry development to facilitate rural revitalization.

● We organized a variety of community activities for harmonious neighborhoods. The investment in these activities exceeded 100 million.

● We cared for the elderly and participated in blood donation, delivering a positive and harmonious concept in society.

3. Sustainable Development Governance Structure

The Group takes corporate sustainability management as a priority, and pays active attention to domestic and international initiatives and standards on ESG. Therefore, we have established a sustainable development governance structure with the Board of Directors as the core to ensure that the Group has sufficient and effective management capability in sustainable development matters.



Sustainable Development Governance Structure Organizational Chart

1) The Board of Directors

The Board of Directors is composed of two Executive Directors, one Non-executive Director and four Independent Non-executive Directors. The Board of Directors is the supreme governing body of the Group and assumes ultimate responsibility for both the business operation and sustainability efforts. The Board of Directors has authorized the Environmental, Social and Governance Committee (the “ESG Committee”), to assist in fulfilling its responsibilities and overseeing the positions and practices of the Group in specific areas of business operation and sustainable development, specifically: assessing and determining ESG-related risks and opportunities; formulating the Group’s ESG management policies, strategies, priorities and objectives, and reviewing the Group’s performance on ESG-related objectives by developing indicators. The ESG Committee reports regularly to the Board of Directors about the progress and recommendations on the above ESG matters. The Board of Directors is also responsible for ensuring the adequacy and effectiveness of the risk management and internal control system of the Group and overseeing the implementation of risk management policies and measures, to identify, assess, and manage risks arising from our business operations, including sustainable development matters.

2) The ESG Committee

The ESG Committee is composed of two Executive Directors, one Non-executive Director and two Independent Non-executive Directors. The ESG Committee is responsible for formulating and reviewing the ESG goals, responsibilities, visions, strategies, frameworks, principles, and policies of the Group, monitoring the communication channels and approaches between the Group and its stakeholders, reviewing major ESG trends and related risks and opportunities, reporting regularly to the Board of Directors on the progress of the sustainable development management of the Group and proposing improvements thereof, and ensuring the effective implementation of the ESG policies approved by the Board of Directors.

3) The ESG Working Group

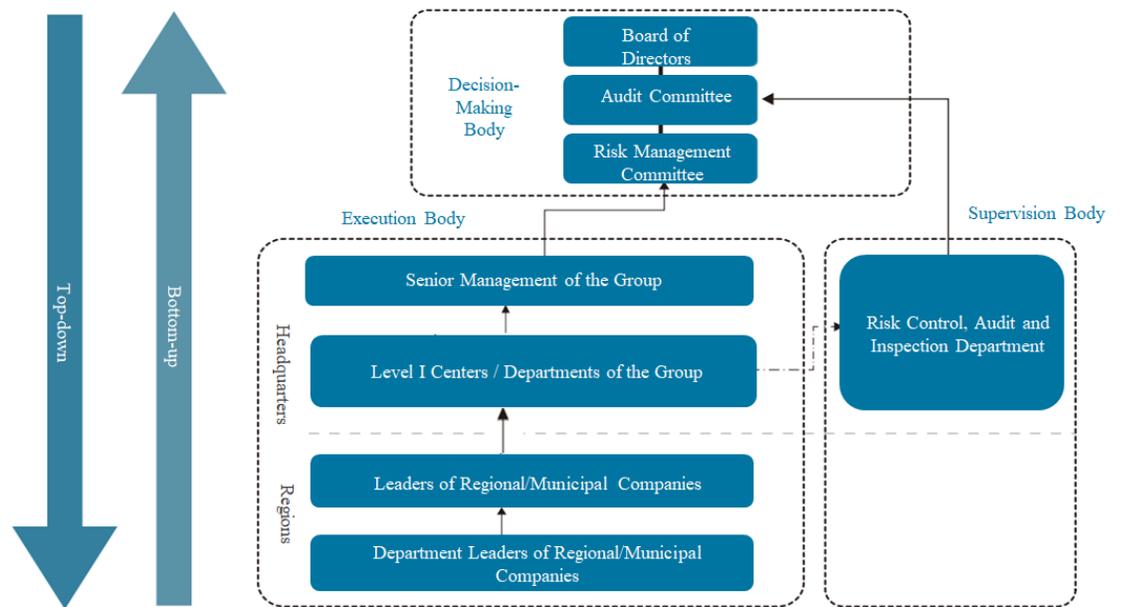
The ESG Working Group is made up of members from the President Office, Brand and Social Responsibility Office, Investor Relations Department, etc. at the Group Headquarter. The Working Group

is responsible for coordinating and preparing the report, coordinating internal and external resources, as well as maintaining close communication with the ESG Committee and the Board of Directors, to ensure a comprehensive review of the sustainable development performance of the Group in our reporting.

With the continuous expansion of the Group’s business scope and scale, well-established corporate governance has become the bedrock and guarantee for our sustainable and healthy development. The Group will continue to improve the internal communication mechanism of ESG, listen to the voices of various parties, and establish a more standardized and strict operational system and rules of procedure to ensure the orderly progress of sustainable development.

3. Internal Control and Risk Management

The Group keeps improving internal control and risk management, and the Board of Directors takes full responsibility on protecting assets and shareholders’ rights and interests. Meanwhile, the Group has established a comprehensive risk management organizational structure spanning the decision-making, supervisory and execution levels, with clearly defined responsibilities and reporting requirements at each level. The Group also adopts proactive and structured approaches to promote an enhanced internal risk management culture. The Group continues to refine internal policies and has established a risk management and internal control system comprising 4 levels (risk identification, risk analysis and response, risk evaluation, and risk tracking) and 4 steps (risk assessment, risk review, risk reporting, and risk maintenance), based on the *Risk Management Committee Implementation Rules* and other systems.



Risk Management Organizational Chart

The Group has formulated and implemented the *Standard of Risk Management System of CG Services Group*, which clearly requires that risk assessments and reporting, including ESG risks, to be conducted at least once a year. This includes systematically identifying, evaluating, and prioritizing risks that are most likely to impact the achievement of corporate objectives. This approach ensures continuous improvement of the risk management information database, thereby enhancing accuracy and applicability of risk identification and evaluating the effectiveness of risk control measures.

With reference to the COSO (Committee of Sponsoring Organizations of the Treadway Commission) Internal Control Management Framework, the Group has established an applicable internal monitoring system. In addition, we periodically carry out monitoring, evaluation, auditing and inspection. Each business line cooperates with the Risk Control, Audit and Inspection Department to carry out internal review and make sure audit inspection covers all level of the Group across all regions and departments. We organize each unit to rectify the problems found and write off the items after completion to reduce the occurrence of fraud, thereby reinforcing risk resistance of the Group. We also focus on guiding each region to raise awareness of the importance of internal control and risk management. The Risk Control, Audit and Inspection Department counsels each unit to carry out annual internal control self-assessment. We establish evaluation systems and post-assessment procedures to assist subsidiaries to enhance risk awareness.

The Risk Control, Audit and Inspection Department conducted economic responsibility audits, routine audits, and special audits of the Group's centers, departments and units, and determines the projects and organizations to be audited based on the results of risk assessment. During the year, the Group conducted a total of 10 internal audit projects, helping to reduce the possibilities of corruption facilitated by one's position, and ensuring Group operations in a compliant and sustainable manner.

4. Integrity and Business Ethics

1) Integrity and Business Ethics Systems

The Group has always adhered to the "highest ethical standards" and firmly upholds the principles of operating with integrity and compliance. The Group strictly abides by laws and regulations such as the *Company Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, and the *Interim Provisions on the Prohibition of Commercial Bribery*. To create an atmosphere of integrity and promote compliant and orderly development, the Group has zero tolerance for corruption. Any form of corruption, bribery, extortion, fraud, and money laundering is resolutely cracked down upon by the Group.

At the policy level, we have formulated and implemented the *Regulations on the Management of Professional Conduct of Employees of CG Services Group (2022 Version)*, the *Guidelines for Self-Inspection of Supervision Cases*, *Code of Conduct for Employee Integrity*, the *Regulations on the Management of Conflict of Interest of Employees of CG Services Group (2022 Version)*, the *Measures for Investigating the Responsibility for Violations and Discipline of Employees of CG Services Group (2022 Version)* and other internal management systems. In these policies, we provide clear definitions for employees' basic code of conduct, anti-corruption procedures, anti-corruption management requirements, and standardize the investigation and handling procedures in line with fair and just principles.

In terms of management measures, the Group requires all employees to sign the *Letter of Commitment Relating to Integrity and Self-discipline (v2.0)* and *Letter of Commitment Relating to Conflict of Interest of Employees* and other integrity-related documents. This ensures employees are aware of the Group's requirements on integrity, self-discipline and conflict of interest management. The Group also requires employees to adhere to integrity standards and strictly prohibits fraud, bribery and corruption in all business activities. This enhances employees' awareness of integrity and self-discipline, cultivates the pursuit of integrity and self-discipline, and prevents violations, misconduct and corruption from the very beginning.

During the Reporting Period, no corruption incident reports were filed or concluded against the Group or its employees.

2) Implementing Anti-Corruption Measures

Reporting Channels

The Group guarantees the accessibility of reporting channels and upholds the principle of “All Reported Incidents Must be Investigated and All Violations Must be Prosecuted” in handling reported incidents. The Group’s Risk Control, Audit and Inspection Department is responsible for the overall coordination and anti-corruption system development and management. It is responsible for investigating reported incidents, guiding the publicity and promotion of integrity at the Group headquarter and subsidiary units, and ensuring the improvement of operational efficiency and effectiveness. Additionally, the Group has established multiple complaint and reporting channels, including a Supervision and Reporting Email, President’s Complaint Hotline, 400 Customer Service Hotline, and BIP Online Reporting. All business units and projects must display the Group’s reporting channels prominently in public areas to ensure effective communication and delivery of all complaints.

Additionally, the Group has implemented a supervisory duty mode to receive all kinds of complaints and reporting clues, and according to the analysis and judgment of clues, makes handling measures such as accepting investigation and cooperating investigation., Through the establishment and operation of this internal supervisory mechanism, the Group ensures compliant, efficient, and secure business operations while reducing potential risks of violations and misconduct.



Supervision and
Reporting Email

wycj@bgyfw.com



400 Customer Service
Hotline

400-968-8888



BIP Internal
Reporting



Reporting through
Strategic Alliance
Unit

Protection for Whistle-blowers

The Group has formulated and implemented the *Administrative Measures for Handling Complaints and Reporting of Employee Disciplinary Violations*. This year, we also introduced new internal policies including the *Administrative Measures for Whistle-blower Protection Management of CG Services Group*. These clearly stipulate the “confidentiality and avoidance” provisions for case-handling personnel, focusing on privacy protection management for whistle-blowers and emphasizing the confidentiality restriction mechanism.

Confidentiality Requirements

- Regarding whistle-blower protection, the Group has strict confidentiality requirements. The name, workplace, home address and other relevant information about the whistle-blower, as well as the content of the report, must be kept in top confidentiality. Reporting materials must be classified as confidential documents, with strict control over the scope of those made aware of the reported matter. Unauthorized personnel are strictly prohibited from copying, quoting, withholding or destroying reporting materials.
- The case-handling personnel for the report shall keep strictly confidential the information in hand and shall not reveal or disseminate information that should be kept confidential;
- If the reported matter requires an explanation from the reported person or their business unit, only an extract of the reported clues should be forwarded without exposing the whistle-blower, and direct provision of the original is prohibited.

Situations in which Avoidance Applies

- Case-handling personnel must avoid themselves if they are close relatives to the whistle-blower or reported person.
- Case-handling personnel have a direct interest in the reported matter.
- Case-handling personnel have other relationships that may affect fair and impartial handling.

The Rules of “Confidentiality and Avoidance”

Additionally, the Group takes multiple measures to prevent retaliation against whistle-blowers and effectively protect their rights and interests. If retaliation against a whistle-blower is verified, the Risk Control, Audit and Supervision Department shall report to the Group’s senior management for approval of penalties on the perpetrator, including criticism, demerit, salary reduction, demotion or termination of employment based on case severity. If a crime is constituted, it shall be transferred to judicial authorities. If a whistle-blower suffers physical injuries or reputational/economic loss due to retaliation, the Risk Control, Audit and Supervision Department shall report to the Group’s senior management for handling in accordance with relevant internal regulations. And whistle-blowers may reserve the right to file lawsuits at People’s Courts by law to claim compensation for damages.

3) Carrying out Ethical Education on Integrity

To implement the concept of integrity and compliance, the Group provided anti-corruption training for all employees(including part-time employees), including new members and management, as well as our partners(including contractors). The training sessions included diversified on-site training and online self-study to explain the latest anti-corruption laws, regulations and internal practice standards, covering finance, information confidentiality, operation compliance, business integrity, etc. This clarified the Group’s red lines and strengthened the awareness of integrity and ethics, hence fostering a fair and square workplace. The Group also conducts anti-corruption training for its directors to enhance their ethical awareness and professionalism.

51,273

participants

During the year, the Risk Control, Audit and Inspection Department continuously carried out training on ethnic integrity, covering 51,273 participants in total.

50,703hours

This year, the total duration of anti-corruption training for employees is 50,703 hours.

For new members

- The Group incorporated ethical and integrity-related thematic lectures into the orientation training for all members. By explaining the red lines and the sunshine culture and presenting relevant cases, the Group ensured that each intern, regular employee, supplier and other members were aware of and familiar with the Group's anti-corruption system and ethical code, helping new members quickly integrate and strengthen their self-management awareness. It also guides employees to build a correct outlook on life, power and values to ensure employee integrity, which is essential to business integrity, so that employees can better understand and uphold integrity.

For management

- The Group organized courses for regional managers, business backbones and Group directors on performing their duties with integrity, emphasizing the Group's ethical requirements for integrity and strengthening anti-corruption management.
- At monthly, quarterly, semi-annual and annual meetings of the Group, various issues are occasionally reported to the management along with causal analysis to clarify the significance and priorities of integrity initiatives.

For partners

- The Group carried out a series of thematic training sessions on risk control for subsidiaries, suppliers, outsourcing parties and other partners to strengthen their management system and deepen their understanding of the Group's requirements.

Multi-Tiered Ethical Education on Integrity

Anti-Corruption Training for Directors

In order to enhance the directors' awareness of compliance and ability to perform their duties, the Group conducted Anti-Corruption training for all directors, introduced the anti-corruption guidelines for property management companies formulated by the Hong Kong Property Management Industry Authority, and enhanced the directors' awareness and knowledge of corruption risks and practices through case analysis, anti-corruption measures, corruption risks, etc., and strengthened the anti-corruption capabilities in major operations and services, so as to effectively prevent corruption and manage risks.

In addition, the Group produced and uploaded online training courses on integrity in video, audio and text formats. Employees are encouraged to participate in online course learning and discussions, and the needs of learning anytime and anywhere are satisfied through resource sharing. The online courses were regularly updated and optimized to ensure contents were effective and up-to-date. Learning outcomes were evaluated and feedback was provided to give personalized recommendations to employees.

This year, we held the annual Sunshine Cultural Festival on Integrity to promote integrity culture through training, commitment signing, knowledge contests and role model recognition. We also released posters on the “Six Red Lines” to enhance our employees’ integrity awareness and moral qualities while solidifying their commitment to business integrity.



Posters of the 2023 Sunshine Cultural Festival on Integrity

SDGs Responded to
in this Chapter

17 PARTNERSHIPS
FOR THE GOALS



VI. Stakeholder Engagement

Recognizing the importance of maintaining in-depth communication with stakeholders, the Group works to build diversified, flexible and efficient communication channels, listens to the valuable opinions of stakeholders, and actively responds to their expectations and needs. In this way, we can continuously optimize the Group's sustainable development strategy and planning, and jointly create a mutually beneficial and win-win future with stakeholders.

1. Communication with Stakeholders

The Group's existing stakeholder communication mechanism and required responses from stakeholders are as follows:

Stakeholders	Expectations and Demands	Communication and Responses
<i>Investors/Shareholders/Capital Market Analysts</i>	<ul style="list-style-type: none"> Financial performance Corporate sustainable profitability Corporate transparency Guarantee of rights and interests 	<ul style="list-style-type: none"> Improve profitability Improve corporate sustainable profitability Daily information disclosure Hold the general meeting of shareholders
<i>Customers/Property Owners</i>	<ul style="list-style-type: none"> Property management service quality Customer information protection Business integrity Compliance operation 	<ul style="list-style-type: none"> Improve product and service quality Apply information technology tools Optimize internal controls and risk management Improve customer communication mechanisms
<i>Employees</i>	<ul style="list-style-type: none"> Compensation and welfare protection Safe and healthy working environment Career development and promotion Protection of employees' legal rights and interests 	<ul style="list-style-type: none"> Competitive market salary Employee care activities Optimized employee development and promotion mechanism Establishment of barrier-free communication channels for employees
<i>Suppliers/Contractors/Partners</i>	<ul style="list-style-type: none"> Cooperation and mutual benefits Openness and fairness Shared growth 	<ul style="list-style-type: none"> Optimize project management Improve supplier management mechanisms Build supplier communication platforms
<i>Local Communities</i>	<ul style="list-style-type: none"> Protect the community environment Engage in social causes Create harmonious community environment Promote community development 	<ul style="list-style-type: none"> Comprehensively implement green operations Conduct public interest projects Actively engage in community building Provide quality cultural resources

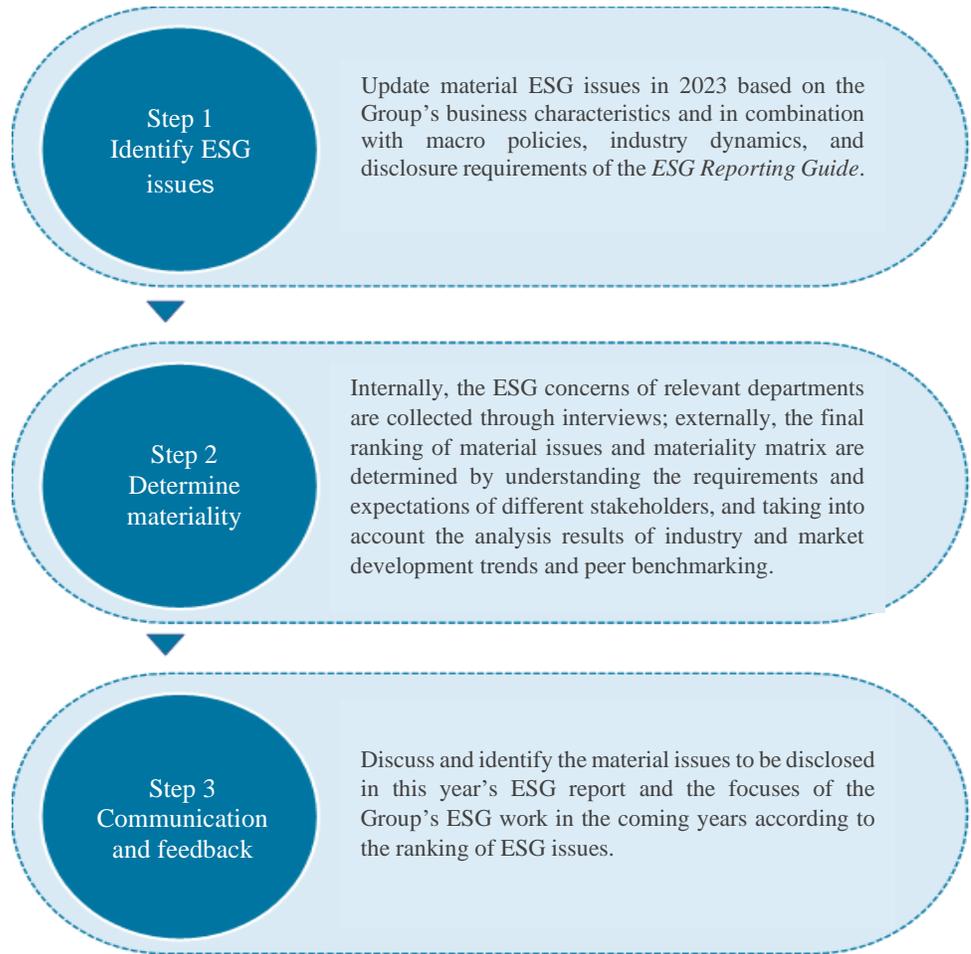
<i>Public Interest Organizations/NGOs</i>	<ul style="list-style-type: none"> ● Focus on vulnerable groups ● Public welfare and charity ● Community culture development 	<ul style="list-style-type: none"> ● Volunteer services ● Conduct public interest projects ● Publicize community culture
<i>Governments/Regulatory Bodies</i>	<ul style="list-style-type: none"> ● Compliance with the law ● Pay taxes according to the law ● Support for local development 	<ul style="list-style-type: none"> ● Law-based operations and compliance management ● Actively pay taxes ● Create employment opportunities

During the year, the Company continued to strengthen online and offline communication and exchanges with the capital market. The team participated in nearly 50 large-scale investor summits and conferences at home and abroad and nearly 200 domestic and overseas roadshows. During these activities, the team met and communicated with investors and analysts from about 500 institutions. On the other hand, the team actively responded to the requirements of investors and shareholders. To this end, investors and analysts were organized to visit property management projects on site, and discussions and Q&A activities were arranged for projects staff to familiarize them with the Company's business and development highlights. In addition, overseas investors made several personal visits for business purposes. Investor Relations teams arranged face-to-face talks between them and the management team at the headquarter to enhance investors' understanding of the Company and strengthen their trust with and recognition of the Company.

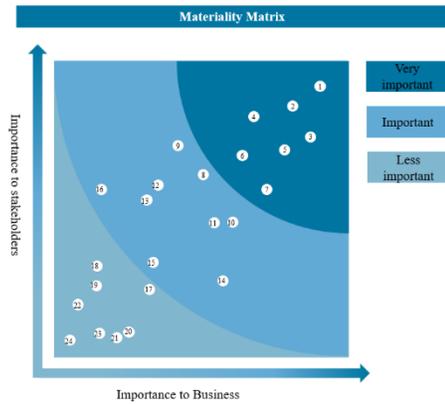
2. Materiality Assessment of ESG Issues

To timely and comprehensively understand the importance of various ESG issues to the Group's business and the concerns of stakeholders, the Group conducts materiality assessments of ESG issues and communicates effectively with stakeholders. This represents the Group's ongoing efforts to improve the disclosure of the ESG information.

The steps of the Group's materiality assessment of ESG issues in 2023 are as follows:



The results of the Group’s materiality assessment of ESG issues in 2023 are as follows:



Materiality Matrix

Importance	Ranking	Issues
Very important	1	Service quality and customer satisfaction rate
	2	Promoting the development of intelligent property services
	3	Employee health and safety
	4	Integrity culture and business ethics development
	5	Staff promotion and development
	6	Product and service health and safety
	7	Information security and privacy protection
Important	8	Green operation and environmental impact
	9	Avoiding child and forced labor
	10	Promoting community development
	11	Equal opportunities and diversification
	12	Intellectual property protection
	13	Employee remuneration and welfare
	14	Improving energy use efficiency
	15	Employee recruitment and team building
	16	Carbon emission and response to climate change
Less important	17	Supplier access and monitoring
	18	Smart city construction and ecological balance
	19	Employee benefit and care
	20	Public welfare charity and social services
	21	Responsible marketing
	22	Environmental and social risks of the supply chain
	23	Saving water usage
	24	Waste management

Ranking of ESG Issues

Based on the results of the materiality assessment, the issues with higher materiality this year still include issues such as service quality and customer satisfaction rate, promoting the development of intelligent property services, employee health and safety and integrity culture and business ethics development. We will focus on the disclosure of related issues in the subsequent sections of the Report and take them as an important basis for the Group’s ESG work planning for the next year.

VII. Quality · Providing Thoughtful Services

The Group attaches great importance to the satisfaction of property owners and always adheres to the customer-oriented service philosophy, committed to providing high-quality, diversified and personalized property services for property owners. Besides, to fully protect customers' rights and interests, we endeavor to explore digital application in property services, promote technology empowerment, and actively innovate the service model, so as to enhance customer health and safety management and improve our service quality from all sides.

1. Focusing on Service Excellence

The Group focuses on the high-quality development of service quality. By doing so, the Group has gained in-depth insights into the customers' needs for a better life and has built a sound quality control mechanism for diverse service forms. Besides, the Group has updated its high-quality residence with excellent services and is doing its utmost to provide customers with services of quality and warmth.

1) Property Management Services Refined Service Standards

The Group adheres to the service philosophy of “catering for property owners’ urgent needs; addressing property owners’ concerns” and “property owner-oriented” to constantly optimize the service standards with the needs of property owners at the core. The Group strictly abides by all laws and regulations such as the *Urban Real Estate Management Law of the People’s Republic of China* and the *Regulations on Property Management*, and has formulated and implemented the Measures for Quality Management of Country Garden Services, the *Post Operation Rules of Country Garden Services*, the *Inspection Standards for Basic Property Quality of Country Garden Services* and other internal management systems. During the Reporting Period, the Group updated the *Operation Management Measures of Country Garden Services (2023 Version)* to ensure standardized service process and controllable service quality. The Group also follows the PDCA (plan-do-check-act) cycle to build a panoramic view of quality operation management based on a scientific and reasonable service model, so as to promote the constant enhancement of services and relevant quality standards, and create a more comfortable, safe and convenient living environment for the property owners.



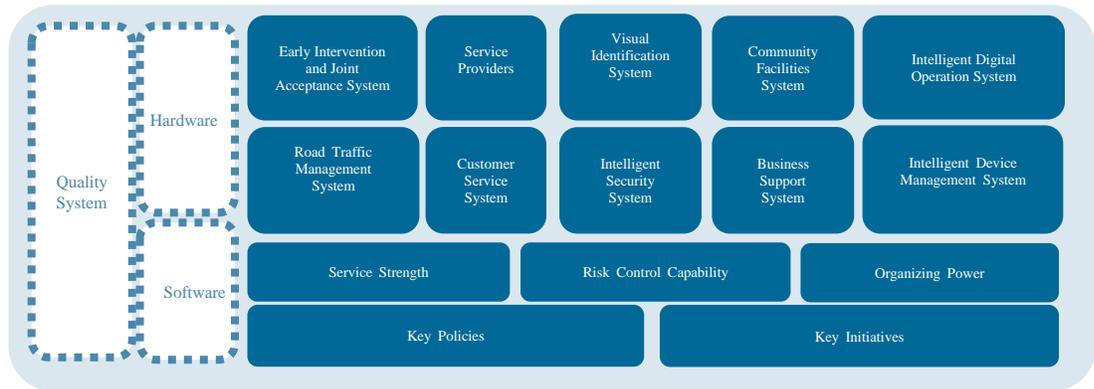
ESG Issues

Responded to in this Chapter

- Service Quality and Customer Satisfaction
- Promoting the Development of Intelligent Property Services
- Customer Health and Safety
- Information Security and Privacy Protection
- Intellectual Property Protection
- Responsible Marketing

SDGs Responded to in this Chapter





Panoramic View of Property Service Quality Operations

During the year, the Group initiated a new early warning management mechanism for project operations to carry out company-level and unit-level random early warning response inspections in the form of secret visits, special inspections, unannounced nighttime visits, property owner visits, random telephone calls and video calls. Problems identified are immediately rectified and reviewed, so as to promote the continuous improvement of service quality. Besides, the Group carries out operation management system audits and provides targeted business guidance and special issue improvement based on the on-site reviews and diagnostic reports, to further ensure service quality.

To ensure the quality and effect of commercial office building projects, the Group has formulated and implemented procedural documents such as the Good Service Standards and the Requirements for Implementation of Good Service Standards to make clear provisions on repair reception service, maintenance of power transformation and distribution system and complaint handling of commercial office building projects. On these efforts, we hope to deliver our services in a more standardized and process-based manner. Moreover, for the first time, we conducted a random customer satisfaction survey for all commercial office building projects through online questionnaires, telephone calls and on-site surveys, and output a customer satisfaction assessment report, based on which we made rectification for the unsatisfactory aspects to further improve quality.

During the year, the Group issued the Digital Operation Specification for On-site Services of Commercial Office Building Projects (Trial) and piloted a digital platform for commercial office building operation and management, which enabled us to basically achieve online management of project location and space, equipment and facilities, inventories and maintenance operation plans of commercial office building projects, as well as the online closed-loop management of incident reporting and repair application, and preventive maintenance and inspection, thereby enhancing the intelligent management and control of commercial office building projects.

Excellent Service Rules

The Group has implemented the innovative “123 Service Rules” and is committed to establishing a benchmark image in the industry. To upgrade and transform property service, we continue to update our new property management service models and create high-quality service philosophy and systems, so as to provide the best professional services.



“123” Service Rules

Standardized Butler Service

In terms of service and management mechanism, the Group “centers everything on making customers happy owners”. To this end, the Group has set up Phoenix Butler positions in all projects to provide property owners with thoughtful butler services, solve their problems, gain their trust and surprise them, so as to create a community of trust. During the year, the Group revised internal policies such as the *Measures for CG Services Phoenix Butler Operation and Management (2023 Version)* and the *Platinum Phoenix Butler Performance Assessment Management Plan (2023 Version)*. Besides, the Group fully implemented the new Phoenix Butler Coaching Mechanism to systematically upgrade the butler service standard system.

Standardized Butler Services Management Initiatives

Grid Management

Taking the grid as the smallest management unit and the Phoenix Butler as the primary responsible person, the Group divides the service area, standardizes the business scope and provides professional support. Based on the platform of the Great Butler system, the Group has assigned an online butler for every building to realize the digitalization of grid management.

Butler Coaching

It is specified that, new butlers must follow their coach to learn in post for the first three days after onboarding, and only after completing the five key coaching points, i.e., one introduction, two days of learning in post, three visits, four exchanges, and five Q&A sessions, can the new butler officially assume the position.

Multi-Dimensional Training

The Group has established a refined butler training and development system, and regularly carries out intensive training for Phoenix Butlers, such as junior training program and intermediate training program. Besides, the Group organizes occasional training activities, such as first-aid training, “lesson for the week”, and “lessons for all regions”.

Butler Profile Creation

Through key person interviews, and tests and resume analysis of more than a thousand candidates, the Group has created a butler profile with ideal experience, capability and potential, so as to match property owners with the most suitable butlers.



Thoughtful Phoenix Butler

Service Tier Strategy

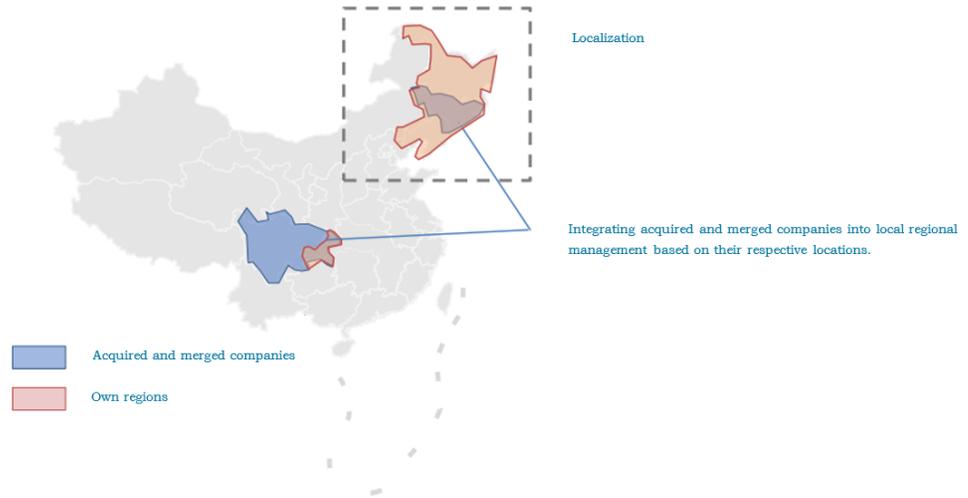
This year, the Group implemented a Service Tier Strategy, reorganized the demands of property owners in different communities, and established differentiated service classification standards. Through digital operations, the Group ensured the allocation of resources to achieve a reasonable and balanced balance between operational results and customer satisfaction. In 2024, the Group will establish a service tier strategy in four regions: Shanghai, Beijing and Tianjin, Shandong and Hubei. This strategy aims to address project pain points and improve service efficiency.



Improving the service effectiveness of projects through a Service Tier Strategy

Innovating Management Models

This year, the Group launched the “Localisation Programme (屬地計劃)” and the “Starfield Programme (星團計劃)” to improve operation efficiency. In the “Localisation Programme (屬地計劃)”, the Group integrate acquired and merged companies’ projects into integrated local management, thereby enhancing operational and service efficiency. In addition, the Group implemented the “Starfield Programme (星團計劃)” to integrate adjacent projects for intensive management. This program also involves resource integration, such as centralized maintenance of facilities and equipment, to achieve flexible allocation of service resources and reasonable allocation of management resources.



“Localisation Programme (屬地計劃)”

Community Quality Enhancement Programs

During the year, the Group invested approximately RMB400 million to improve community quality and environment renovation projects. We conducted more than 3,700 facility renovation and ecological environment improvement programs for over 1,594 projects, including the renovation and upgrading of community facilities and equipment, recreation facilities and intelligent engineering, to improve the living experience of the property owners and to give the old community a new look. In 2024, the Group plans to invest over RMB500 million for community renovation, mainly in community facility and equipment renovation, health and fitness facility upgrade and community intelligent renovation.



Community Quality Enhancement Programs (among others)

100% Thoughtful Service at the Entrance

To provide property owners with a safe and comfortable living environment, the Group insists on practicing the initiative of 100% Thoughtful Service at the Entrance, which requires that the Phoenix Butlers greet

every property owner with a smile, know every property owner, and assist every property owner to the best of their ability.

100% Thoughtful Service at the Entrance- helping property owners repair tires

In August 2023, Ms. Zhang, a property owner of the Group's Yitao Courtyard project, suffered a flat tire when she went out in a hurry. After hearing about the incident, the property management foreman acted quickly. He rushed to the scene at the first time and carefully inspected the tire. It turned out that the tire was punctured by a nail. The foreman immediately helped the car owner to repair the tire, smoothly solving Ms. Zhang's pressing problem. Ms. Zhang expressed her heartfelt gratitude and spoke highly of the professionalism and efficiency of the property management foreman.



*Slogan for the 100% Thoughtful
Service at the Entrance*



*Helping the Property Owner
to Repair the Tire*

2) Community Value-Added Services

Focusing on the philosophy of “where there is a need from residents, there are services from the community”, the Group further implements the innovative model of “property services + life services”, so as to expand the service scope, enhance the sense of happiness of property owners, and establish us into a distinctive brand of “integrated operator providing full-cycle community life services”. During the year, the Group adhered to the “1+N+X” community value-added development strategy, further focused on strategic business and strengthened capacity building; Upgrade the community media to integrated marketing, create a complete marketing link of “communication - experience - purchase – share” based on the community scene, and create differentiated products with core competitiveness.



“I+N+X” Business Matrix and Business Distribution

		
<p>The “Quarter-hour Convenient Living Circle” downstairs provides users/social organizations with high-quality products and services, with businesses covering various scenarios of community life, such as housekeeping, new retail, laundry and new energy for the community.</p>	<p>The “YOUWA” housing agency focuses on the offline community life scenarios. Based on the strong property resources of the parent company and the professional team, YOUWA provides sale and purchase of second-hand properties, leasing and sale of new homes, and housing trust services, striving to satisfy customers’ housing needs throughout their life cycle.</p>	<p>The liquor business services mainly utilize community scenarios and the consumer stickiness of property owners to realize the procurement and distribution of goods and sale of self-developed products. Besides, the liquor business services make use of the physical layout of the community to realize seamless online and offline connectivity, so as to organically combine the O2O sales experience with the delivery services.</p>
<p>Local Living Services</p>	<p>Real Estate Brokerage</p>	<p>Liquor Business</p>



In the form of home decoration and platform investment attraction, the Group provides full-chain home decoration services mainly for residential properties under its management.

Home Decoration Service



Through the construction of a three-dimensional community comprehensive media network composed of elevator posters, cultural activities and WeChat official accounts, the Group has established a deep connection between consumers and brands, enhanced the exposure, penetration and transformation of high-quality goods and services, and promoted the establishment of public welfare values in communities.

Community Media Service

2,318

As at 31 December 2023:

Downstairs Xinxuan has set up 2,318 outlets nationwide, with a hundred exemplary stores opened across the country.

Downstairs Xinxuan: Only for Families

As a community-based new retail brand, Downstairs Xinxuan covers a full range of clothing, food, housing and transportation-related products, and is committed to providing superior service experience of “Property+” and “Retail+”.



Downstairs Laundering: Convenience with High Quality

The Downstairs Laundering service allows property owners to place orders online and then have their laundry picked up and delivered free of charge. The service offers owners the convenience of doing laundry without having to leave their home and is committed to providing property owners with “full-category, super convenient and high-quality” laundry services.



**20 thousand
1,120 thousand**

As at 31 December 2023:

Downstairs Charging has installed more than 20 thousand sets of charging piles, accumulatively providing safe and secure two-wheel electromobile charging service for over 1,120 thousand users.

Downstairs Charging: Intelligence-Powered New Energy

Downstairs Charging is a charging pile operation and management platform independently developed by the Group, which supports a variety of flexible charging service packages and is committed to providing safe and convenient two-wheel electromobile charging services to property owners.



“Yuandiantong”: A Community Media Platform

Yuandiantong platform makes use of the elevator frame with high advertisement vacancy, and develops the Convenience Manual to enable property owners to discover the community at all times, thus facilitating the conversion of the advertisements.



Home Services: Star Housekeeping by Your Side

Home Services is a comprehensive home service platform for the community. The platform provides more than 100 types of full-coverage housekeeping services, including housekeeping, household appliance cleaning, indoor maintenance and green conservation.



683

Municipal sanitation service projects

53

Industrial park service projects

112

University and hospital service projects

16

Airport logistics service projects

19

High-speed rail transit service projects

3) Value-Added Services to Non-Property Owners

The value-added services to non-property owners provided by the Group are tailored professional services provided to property developers, and include cleaning services, green landscaping, repair and maintenance services to property developers at the pre-delivery stage, sales and leasing agency services of unsold parking spaces and properties and other services. We strive to provide property owners with professional Exclusive Platinum Phoenix Butler services from the moment the contract is signed, and we continue to improve our service quality by providing value-added services to non-property owners.

4) City Service Business

With “improving services and environment to benefit business and people” as core value, the Group is committed to becoming a leading urban management public service explorer and integrated public services provider in the PRC. Sticking to the strategy of new urbanization, the Group centers on the 4 major businesses i.e., municipal services, industrial park services, city space operations, and special logistics services to facilitate high-quality urban development. Leveraging our own advantages and experience, the Group has launched the City Co-existence Program, which is driven by market demand and core technologies, and based on the sharing with ecological partners through resource platforms, to develop a digital solution for full scenario city operation, so as to promote the coordinated development of urban economy and civilization.

The Group gradually optimizes its service quality control system through the formulation and improvement of service standards and monitoring and assessment mechanisms, basic service risk identification and investigation, project inspections and other initiatives, so as to continuously improve the operation and service quality of its service projects.

✧ We have released the *Work Manual on City Service Standards V1.0* and the *Operation Compliance Checklist for City Service Projects* to clarify how to carry out the projects of industrial parks, integrated municipal operations, high-speed rail transportation, schools, hospitals, airports and other business models in a standardized way. We have also established an internal third-party monitoring and assessment mechanism for the operation quality of city service projects to improve the quality of on-site business services.

✧ We have listed the risk sources according to the service contents of each business model defined under the *Work Manual on City Service Standards V1.0*, and worked out the *List of Summary of (City Services) Basic Service Safety Risk Sources V1.0*. We organize a series of safety-centric events in the form of publicity, training and drills on the “Group Safety Day” (the 9th day of each month) to enhance employees’ safety awareness. Meanwhile, we require all projects to conduct a comprehensive safety risk inspection against the *List of Summary of (City Services) Basic Service Security Risk Sources V1.0*. In doing so, we identify the issues and make rectifications in time, and establish the production safety ledger accordingly.

✧ Project inspection is carried out every quarter to oversee the quality system performance of subsidiaries and projects, and to check whether special work, visualized service standards, standardized internal controls, risk control and operation and management have been implemented. Furthermore, rectification suggestions are made for issues identified on-site, and projects under inspection are required to complete rectification within 30 days from the date of inspection. All these efforts are made to urge and help to improve the comprehensive project operation capacity.

239
104

As of December 31, 2023:
The Group signed a total of 239 city partners and landed 104 projects.

City Service Partner Program 3.0

During the year, the Group formulated the *General Partner Management Measures for City Services Group Project Management (Trial) (2023 Version)* and launched the competitive City Service Partner program 3.0, which focuses on enhancing partner capacity to further improve the systematic support services. Based on the highly integrated eco-sharing platform (ESP) and the new model of “platform + service”, the program provides one brand, two core cooperation modes, three differentiated advantages, and N function list services to help partners upgrade from the original linear business to full-scenario service, so as to build a new urban co-development pattern with a new type of strategic alliance of win-win cooperation.

“Together to the Future” City Services Developers Conference

In May 2023, the third CG Services City Services Developers Conference with the theme of “Together to the Future” was held in Zhengzhou. The conference officially released the *White Paper on Integration of Urban Governance and Public Services in China*, and exchanged views on the development of city services, the current market supply and demand and structural changes, and the potential and direction of future development of city services. The Conference also put forward the Group’s new vision, strategic planning and service role positioning for its city services business, announced the City Service Partner program 3.0, and launched the ESP platform, to promote high-quality urban development together with the industry.



City Services Developers Conference

Long-term Management of Old Communities

Faced with the constant upgrading of the housing policies, enhancing the management of old communities has become an inevitable step in the development of new urbanization. The Group has formed a set of effective management system for old communities based on its rich experience in large building complex operations, to promote community rejuvenation and long-term governance.

Renovation in the Northern Area of Daliang Street of Foshan City

The Group undertook the old projects renovation in the northern area of Daliang Street, Shunde District, Foshan City, which was the first in Guangdong Province to adopt the EPCO mode that integrates engineering, procurement, construction and operation, to provide professional property services for 38 communities in the area. On the one hand, the Group improved environmental facilities, such as road rehabilitation, sanitation and green space upgrading, and introduction of recreational facilities, to improve living experience. On the other hand, the Group built a five-party collaborative decision-making mechanism comprising functional departments, neighborhood committee, property-owners' committee, property service unit and community representatives, so as to stimulate public participation in the co-construction, and promote the long-term development of community governance.



Upgrading Community Service Infrastructure



Five Parties Decide Community Affairs Together

Hospital Logistics Intelligent Management

In alignment with the development of intelligent technology and the new requirements for logistics services brought about by the further reform of the medical and healthcare system, the Group has introduced the concept of fine and intelligent management measures into the daily service management of hospitals and innovated the working pattern and service philosophy, so as to provide efficient, precise, convenient and green services for the complicated hospital logistics.

Stationed in the Affiliated Hospital of Zunyi Medical University

In May 2023, the Group was officially stationed in the Affiliated Hospital of Zunyi Medical University to fully initiate the high-quality logistics service. After studying the characteristics of the hospital departments, we developed individualized environmental management plans to improve the compatibility with the medical environment. Besides, we utilized modern digital and intelligent technologies to reconstruct the hospital logistics service process with the help of the Group’s Intelligent Hospital Operation Platform. We also continued to build comprehensive integrated non-clinical services to create a good hospital environment and convenient service experience for medical personnel, patients and their families.



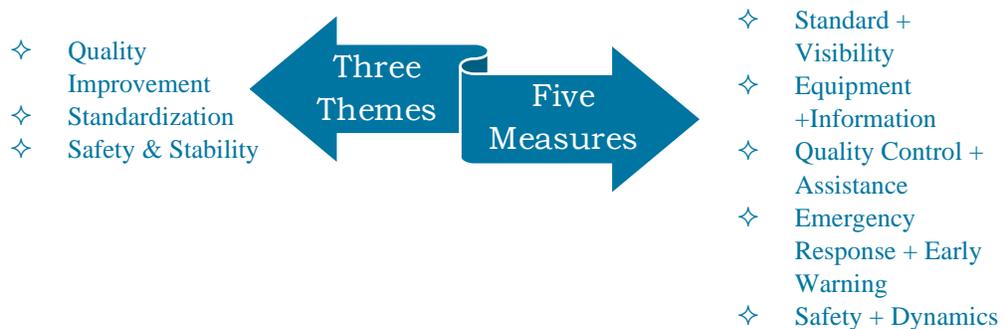
Stationed in the Affiliated Hospital of Zunyi Medical University



The Intelligent Hospital Operation Platform

5) “Three Supplies and Property Management” Businesses

The year 2023 is a crucial year for the in-depth promotion of the management enhancement. The Group continued to optimize the service quality management of the “Three Supplies and Property Management” businesses by focusing on three major themes and innovating the new quality management flow by five measures. We revised five management methods, compiled SOM manuals covering 23 segments and 80 scenarios for engineering and greening, and added the *Guidelines for Standardized Post Creation* for cleaning, order and equipment, so as to enhance our management. Besides, we adopted an equipment information management platform and promoted the comprehensive upgrading of 6 quality management improvement activities, continued to promote standardization-centered monthly activities on garbage can cleaning, drainage ditch cleaning, and elevator signs, to bring our service quality to a higher level.



Quality Improvement Themes and Measures



6 Quality Improvement Related Initiatives

6) Commercial Operational Services

For commercial operational services, the Group provides shopping malls, office buildings and other projects with full-chain services such as business planning consulting, tenant sourcing, operation and planning services, and has built a rich product portfolio, including the urban full-format shopping mall “Bele city” (碧樂城), neighborhood center “Bele fun” (碧樂坊) and commercial block “Bele time” (碧樂時光).



Bele city In Xinjin, Chengdu



Bele Time in Beijiao, Foshan

24 thousand

In 2023, the Group completed the rectification of 24,000 potential risk sources.

2.433 million

5.319 million

In 2023, the Group's patrol warranty and maintenance orders were 2.433 million orders, and the reported warranty orders were 5.319 million orders.

2. Protecting Customer Rights and Interests

Customer rights and interests are always our top priority. Strictly abiding by laws and regulations such as the *Law of the People's Republic of China on Production Safety*, the *Law of the People's Republic of China on Fire Fighting*, and the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, we continue to strengthen service risk control and community management to create a harmonious and safe community environment. Besides, the Group protects the security of customers' information and privacy. We implement a responsible marketing policy of integrity and compliance, to fully protect customers' information security, consumer rights and other rights and interests.

1) Customer Health and Safety

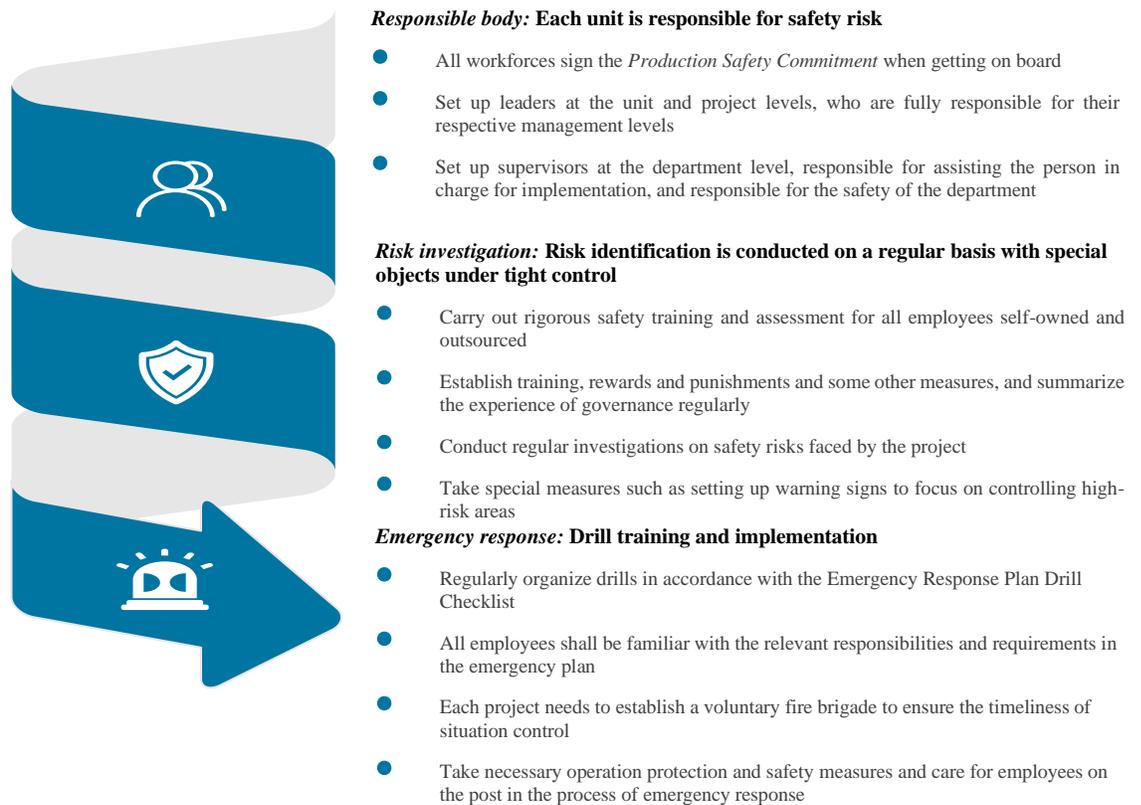
Regarding the personal and property safety of customers as our starting point and goal, we have formulated and implemented internal policies such as the *Safety Risk Management System for Basic Property Management Services (V4.0)*, the *Administrative Measures for Fire Safety Responsibilities (2022 Version)* and the *Property Defense Management System of CG Services (2022 Version)* to clarify the management and control over property service risks, and the fire fighting, security and safety management of infrastructure in the community, and we have require related parties such as contractors to comply with these standards. We treat related parties(including contractors) as our own, include their employees into the supervision scope of the Group's health and safety management system, and proactively assist related parties in improving occupational health and safety management, contributing to the construction of a safe and secure society.

The Group incorporates the review of policies on and performances of health and safety into daily risk assessment, investigates safety risk sources in basic services, and pays close attention to the risks regarding basic property services, fire safety, and production safety. Besides, the Group organizes all units to report

risk information and provides corresponding management suggestions and submits the annual risk management report to the management of the Group for centralized deliberation, so as to effectively promote the management of health and safety. The Group also conducts comprehensive audits of the health and safety related policies and their implementation every year, invites market professional institutions to conduct a comprehensive assessment of the occupational health and safety management system and obtain relevant certificates, so as to urge relevant departments to carry out special rectification of safety risks, prevent the occurrence of health and safety accidents and further ensure the safety of employees' lives and property.

Risk Management and Safety Management System

Guided by the principle of “not breaching the red line and effectively controlling general risks”, the Group implements key actions, focuses on key events and clarifies the personnel or entities bearing the responsibility, so as to achieve the goal of zero liable property management-related accident. We are firmly committed to pre-process prevention, in-process controls, and post-process accountability for safety risks. The Group adheres to the principle of “Those who in charge shall take the responsibility”, insists on local management and classification control, and improves the risk control and safety management system. In addition, the Group has set up a standardized safety risk management process for basic property services, including emergency incidents, and reporting and handling property management liability incidents, to break down safety efforts into each management scenario.



13 thousand

11 thousand

In 2023, the Group carried out 13 thousand large-scale fire drills and 11 thousand elevator safety drills.

Fire Drill on “Preventing Fire to Protect Homes”

To implement the fire safety management policy of “putting prevention first and combining prevention with fire-fighting” and to better manage community fire safety, the Group conducted a fire drill on “Preventing Fire to Protect Homes” in November 2023, covering all the projects under its management. The drill includes the introduction of fire fighting equipment, simulated fire fighting by the volunteer fire brigade, and fire fighting practices by property owners. Through the drill, we hope to strengthen the fire safety awareness of owners and employees, enhance their fire prevention and self-rescue skills, and to build a safe community.



Pre-Drill Introduction



Simulated Fire Fighting by the Volunteer Fire Brigade

Safety Management Objectives and Performance

To ensure the operational safety of relevant personnel, the Group has put equipment safety management high on the agenda, set up a system of rewards and penalties and records, regularly inspected and maintained various types of equipment and security equipment, covering multiple dimensions such as personal, equipment, traffic, fire fighting and social security, which are implemented at different levels of the Group-unit - project - department. Meanwhile, the Group links safety and production risk management to the performance assessment of related personnel in charge to ensure good conditions and effective functioning of facilities, reduce safety risks and promote efficient safety management.

To prevent accidents and minimize personal injuries and achieve the long-term goal of “zero casualties” safety production, the Group is committed to developing a full-cycle safety training for employees in an all-round way. The safety training covers all stages of each employee’s work scenario, from pre-employment safety training to daily safety reminder in morning meetings and monthly safety meetings. We also include outsourced employees in the occupational safety and health education and training, and require all employees to strictly abide by safety operation procedures and various rules and regulations, and properly use labor protection equipment. In case of work-related accidents, the Group requires that the department where the accident occurred shall strictly implement the work-related accident response process and not treat its own and outsourced employees differently, with zero tolerance for delays and concealment of work-related accidents.

The Provision Rate of Labor Protection Supplies
100%

Meanwhile, the Group strictly implements emergency response plans for various types of sudden-onset disasters such as rainstorms, earthquakes, and typhoons. Through various methods such as emergency drills, training, and knowledge competitions, we disseminate the knowledge of self-rescue from natural disasters, so as to ensure that employees respond in a timely and calm manner to protect their own safety in the event of a disaster.

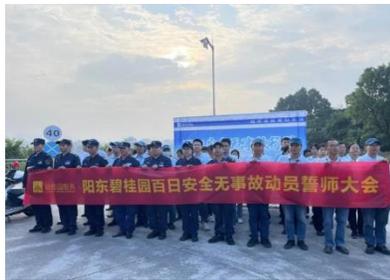
Community Safety Management

To effectively manage community safety, the Group sets the 9th day of each month as the “Group Safety Day”. Each unit organizes and implements a standardized work list of 9 key contents to enhance the safety awareness of all employees and form a regular hazard inspection mechanism with full participation. In addition, we actively carry out special safety management activities, such as Production Safety Month and the “100 Days Accident Free” campaign. By doing so, we have clarified the responsibility for production safety and improved accident prevention and emergency rescue capabilities, so as to protect the safety of property owners and their assets, and create a safe community.

The “100 Days Accident Free” Campaign

To proactively prevent and respond to security risks that may arise from poor community policing and fire prevention, the Group launched the “100 Days Accident Free” campaign in November 2023 to adequately protect the personal and property safety of our customers and employees through effective preventive measures regarding people, materials and technologies.

- **Publicity and Mobilization:** We cooperated with public security, subdistrict offices and other relevant units to carry out publicity through countdown boards, posters, text messages, and WeChat;
- **Education and Training:** We sorted out deficiencies in safety management and other aspects, and further specified task indicators to ensure that responsibilities are individual-specific. Besides, we enforced working discipline and made sure that management personnel at all levels strictly fulfilled the supervision and inspection duties;
- **Implementation:** We carried out emergency drills, security assessments, fire inspections and other actions, and set up night patrol teams to strengthen community security through patrol combining people, vehicles and technology;
- **Summary and Review:** We reviewed the highlights and drawbacks of the actions, gave rewards and punishments according to the performance of the teams and individuals, and updated the community safety management program in response to the new problems found.



Publicity and Mobilization

During the year, to build a safe and civilized community, enhance the safety awareness among all property owners, and prevent incidents related to high-rise littering, traffic-safety, anti-fraud, anti-drug, and food safety, the Group formulated targeted publicity campaigns for different property owner groups and risk points, such as fire prevention in winter, drowning prevention for teenagers and children in summer, and civilized pet-keeping for pet owners, so as to enhance safety awareness among property owners and to reduce the likelihood of safety-related incidents.

<p>Anti High-Rise Littering</p>	<p>We regularly carry out relevant safety publicity in property owners' WeChat group and on bulletin boards, and distribute relevant cases, videos and graphics to attract property owners' attention, to prevent high-rise littering and enhance their safety awareness.</p>	
<p>Traffic Safety</p>	<p>To cultivate property owners' safety awareness, we provide them with learning materials and carry out face-to-face education on drunk driving, overloading and speeding, drowsy driving and other traffic violations, so as to urge residents to consciously resist uncivilized and unsafe traffic behaviors.</p>	
<p>Fire Prevention in Winter</p>	<p>To effectively prevent and tackle fire safety-related risks and hazards, reduce the occurrence of fire accidents, and effectively protect the lives and properties of residents in the area, we carry out the winter electricity safety and fire prevention campaign and conduct door-to-door education to remind the residents of the correct use of electricity and natural gas, so as to improve their awareness of fire prevention.</p>	
<p>Civilized Pet Keeping</p>	<p>To protect the health and personal safety of property owners and reduce neighborhood conflicts caused by pet keeping, we advocate and call for civilized pet-keeping behaviors by recording videos and sharing cases of relevant social focus.</p>	

Drowning Prevention and Health and Safety Publicity for Children

To effectively enhance the safety awareness of young children, in June 2023, the Group, together with Jingmen City Blue Sky Rescue Team, carried out a publicity activity called "Always Bearing Water Safety in Mind" at Chaoqian Kindergarten to disseminate knowledge on drowning prevention and health and safety. The activity has enhanced the safety, responsibility and self-rescue awareness of the children through the popularization of self-rescue and emergency response knowledge and simulated self-rescue drill.




Drowning Prevention and Health and Safety Knowledge Popularization for Children

Safety Management for Commercial Office Building Projects

To minimize work-related injuries and implement safety responsibilities, the Group's Commercial Office Building Service Division has signed the *Environment, Health and Safety Protection (EHS) Responsibility Statement* with specific projects, which requires the projects, direct and indirect outsourcers, and external

contractors to ensure the achievement of the seven EHS goals, so as to guarantee production safety. To ensure the achievement of the EHS goals, the Group requires the projects to implement the following initiatives:

- Assign part-time EHS administrators and organize public EHS activities within the project to enhance safety awareness among employees and outsourcers;
- Organize special and team-level EHS education for new joiners, rehabilitated and transferred employees, and establish a comprehensive training archive;
- Improve the working environment of the employees, formulate appropriate allocation standard of personal protective equipment according to the dangers and hazards of the projects, distribute the equipment as needed, and teach the employees to use the equipment correctly;
- Strictly supervise dangerous operations such as hot work, work at height, lifting, and work in confined spaces within the supervision area, and conduct safety supervision before, during, and after the work;
- Formulate relevant management policies and requirements for all types of contractors, and strictly supervise the implementation of EHS management by contractors;
- Actively organize and implement the inspection, testing, maintenance and repair of firefighting equipment and facilities, special equipment and other equipment.

Our EHS Goals	Zero incidents with minor (or more serious) injuries
	Zero major explosions or fire liability incidents
	Zero special-equipment-related incidents
	Zero general environmental pollution incidents
	Zero equipment-related incidents with a loss of RMB10,000 or more
	Annual lost hours per capita due to work injury \leq 1 hour
	Strict implementation of safety management bans and life-saving rules

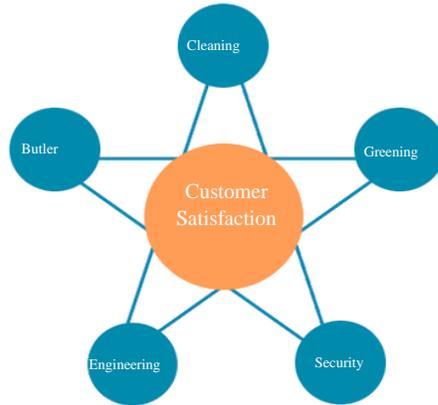
2) Improvement of Customer Experience

Adhering to the customer-oriented service philosophy, the Group continues to optimize the service experience and makes active response to customer demands, so as to turn their expectations for a beautiful life into reality. The Group strictly abides by all laws and regulations such as the *Law of the People’s Republic of China on the Protection of Consumer Rights and Interests*, and has formulated and implemented internal systems such as the *Classification Guidelines for Complaint Work Order Processing*, the *Guidelines for Complaint Work Order Processing Operations* and the *Claim Assessment Management* to constantly improve the customer satisfaction management system. Besides, to consistently improve service quality, the Group has set up a 24-hour special personnel to receive customer complaints and conducted all-round satisfaction survey to find the weak links in our services and implement corresponding solutions.

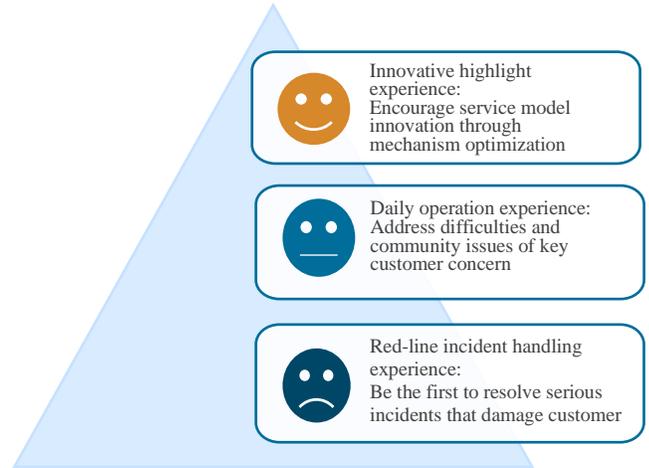
Customer Experience Optimization

To realize a more thoughtful management and achieve better customer satisfaction, the Group has formulated the Bgyfw Excellent Service Tactic (BEST). Driven by customer satisfaction, we strive to optimize customer experience in 130 specific service points across five segments. We have also established an experience classification strategy, starting from innovative highlight experience, daily operation experience and red-line incident handling experience, to upgrade from single-dimensional satisfaction

management to all-round customer experience management and empowerment, and to meet customer needs at different stages and in different scenarios. During the year, the Group was awarded the “2023 National Exemplary Case for User Experience Innovation” by the China Quality Management Association for Electronics Industry.



BEST Customer Experience



The Experience Classification Strategy



2023 National Exemplary Case for User Experience Innovation

Research on Customer Needs

Digitalization facilitates the implementation of our customer experience strategy. The Group is committed to building an intelligent customer service system that integrates online and offline services. During the year, we upgraded our digital customer experience platform “Shendeng”, which combines experience design, experience management and experience operation, and connects the data from the butler system, offline QR code, 400 hotline, Phoenix Club and other channels, so that management personnel at all levels can reach customer-related information in real time, realize the online customer evaluation, real-time management and closed-loop problem solving, and provide all-around insight and analysis of customer feedback, thus achieving more efficient customer experience management.

79.78%

89.40%

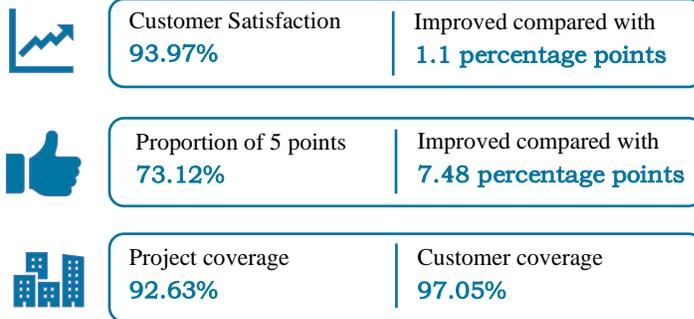
In 2023, WeChat Work homeowner certification rate reached 79.78%; Timely WeChat Work client response rate reached 89.40%

Self-service	Online Customer	Offline Customer
<p>Phoenix Club Intelligent Assistant WeCom Butler Online Community</p>	<p>400 Hotline/Online Customer Service</p>	<p>Butler/Customer Service Agent</p>
<p>Voice anytime, anywhere Self-service Channel: providing automated and efficient solutions to user claims</p>	<p>24h Service Online Customer Interaction Center: providing 24h continuous service</p>	<p>Thoughtful Services Human-Machine Interaction Channel: responding to, processing and discovering customer needs, developing customer retention and loyalty</p>
Digitalized Tools	Service Supervision Platform	Strategic Resources

Our Customer Service System

Customer Satisfaction Management

The Group adheres to the principle of customer orientation and the development direction of service-centric, which has won high recognition from customers and industry. During the year, we continued customer satisfaction surveys to fully understand the true satisfaction and needs of owners, and adjusted our service content and service methods in a timely manner based on customer feedback, so as to further improve the quality of customer services. In addition, we were honored to receive the “2023 China Property Management Customer Satisfaction Model Enterprise” by EH Property Research Institute, demonstrating our outstanding ability to provide high-quality services and products.



Customer Satisfaction Degree Adjustment situation



2023 China Property Management Customer Satisfaction Model Enterprise

Complaints and Handling

The Group has established a national 400 hotline Customer Contact Center to promptly respond to customer demands and solve property owners’ problems with dedication. Customer complaint specialists provide 24-hour complaint acceptance and handling hotline service to users and feed the processing progress back to them via multiple digital platforms (Platinum Phoenix Butler, “Phoenix Club” APP, and official WeChat account) .

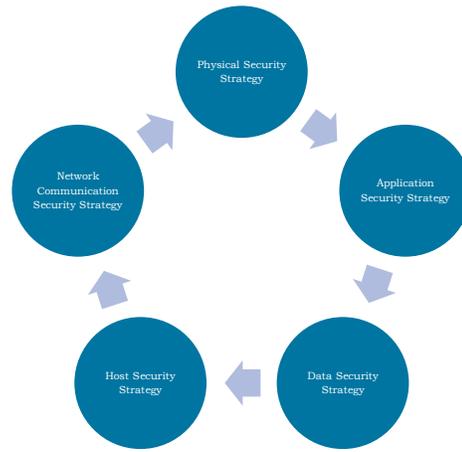
Upon receipt of a complaint, the Group’s customer complaint specialists will handle it by compliant type and urgency on the principles of “timeliness, professionalism and politeness”. They need to communicate with the property owner within 1 hour of receiving the complaint, communicate the resolution measures to the property owner within 24 hours, and complete the return visit for the complaint within 48 hours to ensure that the customers’ requests are properly addressed.



Customer Complaint Handling Principles

3) Information Security and Privacy Protection

In strict observance of the *Regulations on the Security Protection of Computer Information Systems*, the *Administrative Measures on Information Security Classified Protection* and other relevant laws and regulations, this year, the Group formulated and implemented internal management policies such as the *Provisions on the Management of Information Security of CG Services Group (2023 Version)*, the *Measures for the Management of Data Security of CG Services Group (2023 Version)* and the *Measures for Data Classified Management*, developed five major information system security strategies, and built an information security system of “digital operation, controllable risk, reliable environment, and reachable compliance”, committed to ensuring information and privacy security of the Group and customers. During the year, the Group obtained the ISO 27001 information security management system certification. In addition, our data exchange bus system obtained the Level 2 information security classified protection certificate, and a number of other systems and applications such as the BIP system, the BOSS property management system, the Great Butler system, the core human resources system and the Phoenix Club obtained the Level 3 information security classified protection certificate, demonstrating effective and reliable information security management work of the Group.

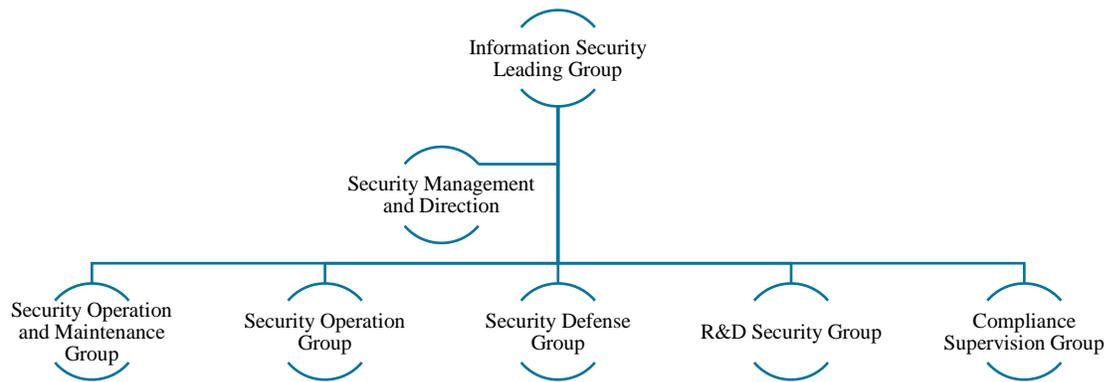


Information System Security Strategy



The ISO 27001 Information Security Management System Certification

The Group continues to improve its information security management mechanism and has established a comprehensive information security organization. The organization includes an Information Security Leading Group consisting of the CTO and general managers of each department, and six subordinate information security execution groups, which work together to ensure the effective operation of the Group’s information security work. We have also set up the Enterprise Architecture and Security Department as the Group’s functional and execution department for information security. The department is responsible for executing the tasks assigned by the Information Security Leading Group and promoting the implementation of information security work.



Our Information Security Organization

Besides, the Group attaches great importance to security emergency management. We have set up the Information Security Emergency Command Office, which is responsible for network and information security monitoring and early warning, risk assessment and control, hazard investigation and rectification, as well as organizing and coordinating emergency drills for network and information security emergencies. During the year, we successfully completed the attack & defense drill in Foshan City and won the Foshan City government awarded “Feihong Cup” award, ensuring dynamic clearing of Internet-related high-risk vulnerabilities and effective defense as always. In addition, we carry out publicity, education and training on how to respond to network and information security emergencies at least once a year, and push notifications to all staff about major risks, including remote tool vulnerabilities and ransom ware events, to enhance employees’ awareness of information security and risk prevention.

The Group also pays great attention to information security audits. We have set up security auditors to regularly audit the implementation of information security strategies, supervise the information security work and responsibility fulfilment of information system security personnel and personnel in key positions, so as to enhance management through inspection.

For customer privacy, the Group has established a strict customer confidentiality system and strategy, stores customer information in accordance with special requirements and implements a strict approval process for sending, receiving, transmitting and carrying out customer information.

4) Responsible Brand Management

The Group strictly abides by the *Advertising Law of the People's Republic of China* and other relevant laws, regulations and industry standards, and practices the principles of compliance, comprehensiveness, effectiveness and reporting for approval in marketing. We have set clear standards for the creation of promotional materials and tightened the review of promotion content. Beyond that, we have adopted a three-level “headquarter-region-project” brand communication control system, where the headquarter conducts irregular inspection on the output information of regional and project brands to ensure that the information delivered to the outside world is legal, true, and accurate, thereby protecting customers’ rights.

During the year, in line with the commitment to being responsible to customers, the Group revised the *Administrative Measures for Public Opinion of CG Services* to strengthen the management of public opinion on the Group’s brands and further enhance the public opinion awareness of all staff members, so as to better avoid public opinion risks.

Training for Responsible Brand Management

The Group’s Brand and Social Responsibility Office is responsible for developing brand management courses, cultivating instructors, and conducting case studies. To raise the consciousness of brand promotion risk control among all employees, the department organizes brand and public opinion management training each year for company executives, unit brand heads, project managers, Rocket Force, Star Youth, etc. Besides, the brand heads of each unit make overall arrangements to provide brand and public opinion management training for personnel in key positions, covering project managers, Phoenix Butlers and department heads. We organize examination after each training session to help employees retain the knowledge during the training. For those who fail the exam, the unit heads will reconsider their suitability for their positions.



For subsidiaries
In September: Brand management
training for Gem Flower Property



For operation centers
In August: Operation management
meetings and public opinion

Training on Brand and Public Opinion (among others)

To facilitate and motivate the employees to participate in the learning, the Group has recorded a video named *Micro Classroom for Brand SOP* to vividly introduce the norms for the use of VI, the guidelines for the use of social media, and the compliance for the use of branding materials, and to satisfy the needs of employees to learn anytime and anywhere through resource sharing, thus further enhancing employees’ awareness of brand and publicity compliance.

3. Empowering Services with Technologies

The Group takes technology as the core driver to enhance service effectiveness and customer experience. We uphold the principle that “serving people is the sole criterion for good technology”, and have made great efforts in driving digital transformation and intelligent research. Supported by technology empowerment, we have made continuous efforts to enhance employee’s service efficiency and customer experience.

1) R&D Enhancement

To continuously promote the digital transformation strategy, the Group has established the Digital Committee to manage R&D activities. Besides, the Group has also issued and implemented the *Uniform Standards of Guiding Principles for High-end R&D*, introduced the agile research and development system, and promote the integrated research and development platform (DevOps), to standardize the R&D process and quality management and contribute to the informatization and intelligence achievements characterized by unified management, systematic control, intelligent process, and higher efficiency.

During the year, the Group received various awards in the technology category, such as the 2023 China Property Enterprise Digital Power Top 30, the 2023 Enterprise Service Leading Project and the “AI Technology Brand Award” of the Golden Goose Award, which demonstrated the industry’s recognition of the Group’s digitalization and intelligence efforts.



2023 China Property Enterprise Digital Power Top 30



2023 Enterprise Service Leading Project

As an important guarantee for the successful implementation of intelligent technological achievements the development of regional digitalization capability is one of the Group’s focuses. To this end, during the Reporting Period, the Group constructed and implemented the “Regional Digitalization Implementation Index” system, which includes a total of 20 indexes in 4 modules to quantify the regional digitalization capability, motivate the regional digitalization team, and enhance the overall digitalization of the region.

Besides, to further explore digital talents and enhance the integration and collaboration between the research team and the business frontline, the Group carries out the certification of regional digital experts, for which, the Group has formulated the *Management Measures for the Certification of Regional Digital Experts* to standardize the certification process and requirements, and organizes irregular education at the headquarter for the regional digital experts, so as to enhance their digital R&D and application capabilities, and to help improve the digital application of the regions. The number of certified regional digital experts has reached 135.

In addition, the Group has independently developed the “Resident Zero” building cleaning robot, which will greatly support the quality and efficiency of the Group’s property management services.



"Resident Zero" Building Cleaning Robot

2) Digital Management and Services

The Group constantly optimizes the intelligent operation system to facilitate the on-line transformation of our organizational and business models. To achieve this goal, we have developed a range of digital systems based on the latest technologies, including a digital task system, intelligent security system, efficient business system, and automatic work order system. These systems enable us to expand our service scope and improve service quality.

This year, the Group increased its investment in digitalization, investing in AIoT business including cleaning robots, equipment and IoT modules, IoT platforms, charging pile platforms, and self-developed IoT solutions including man-machine collaborative operation, smart parking, etc., with digital services to help improve service quality and management efficiency.



Digital Cleaning

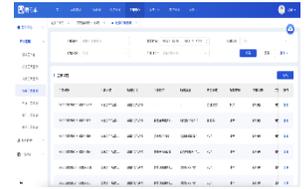
- The digital cleaning project is an application system for on-site operation management of cleaning personnel. By moving online, the cleaning personnel profile, service content and the work quality supervision results, the system realizes online management of the whole cleaning process, compliance of on-site operation with our service standards, and visualization and listing of service contents, which helps to improve the work quality of on-site cleaning.
- As at December 31, 2023, a total of 387 projects have piloted the digital cleaning project, with a 95% completion rate of intelligent processes and a significant increase in cleaning satisfaction rate.





Digital Operation - Biyoudan Work Order System

- Biyoudan work order system is a platform to assist property engineering staff in assigning and processing work orders. It integrates equipment management, periodic inspection, and other functions, and has been connected with 10 types of work orders, such as incident reporting, repair request, complaint, discharge application. The system is able to automatically identify and assign work orders, and provide quick response to customer needs, thereby improving operation efficiency.
- As at December 31, 2023, the Biyoudan system covered 4,050 projects and 55 thousand users nationwide.



Digital Finance - Property Management System

- As the Group's core toll system for main businesses, the BOSS property management system focuses on operation and efficiency improvement, and provides an integrated digital toll tool for main businesses, realizing connection and coordination of the whole business chain from project entry > resource master data management > billing and charging > accounting process > business and financial documents matching.
- As at December 31, 2023, the BOSS system managed over 7,000 property projects and served over 9 million property owners.



Digital Butler - Great Butler System

- The Great Butler system is a platform with integrated tools designed for rendering butler services. It provides butlers with all-dimensional smart tools, such as tools for main operating business (property fees), requirement management, and value-added services. It also supports the headquarter, regional and project units to manage and monitor the quality of butler services, effectively improving management efficiency and service quality.



Regional Digital Execution Ability Index System

- In March 2023, We built the Regional Digital Execution Ability Index System (20 indicators in 4 modules), and established a scientific analysis model from the group level indicators (volatility, upgradability, structure), regional level indicators (scoring grade, growth type, controllability) and other dimensions, to realize the quantification of regional digital capabilities and build the regional digital team as well as improve the overall digital level of the region. After nearly 1 year of operation, the overall index showed an upward trend.



Moreover, the Group continues to explore the construction of smart communities. We have created smart property systems such as smart entrance guard system, intelligent fire protection system, and the cloud-based monitor system. The Group also constantly enriches the features of Biletao Mall and Phoenix Home to provide residents with diversified home services such as online shopping, laundry services, house cleaning, and home maintenance, so as to create a modernized living environment that is safer, more convenient, more comfortable and equipped with more technologies.



Main Functions of the Cloud-based Monitor System (among others)

3) Intellectual Property Management

The Group strictly abides by the *Copyright Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China* and other relevant laws and regulations, and has established a comprehensive intellectual property management system for intellectual property applications, rights maintenance, infringement litigation, property rights transactions, etc. The Group has promulgated internal policies such as the *Patent Management Measures of CG Services Group*, the *Patent Management Manual* and the *Intangible Assets Management Policies* to provide policy guidance for intellectual property protection and R&D innovation. The Group has also established an intellectual property protection working group, which includes technical, legal, and financial personnel, to regularly verify if intellectual property rights have been infringed, and has set up a process for responding to intellectual property protection. During the year, the Group didn't engage in any intellectual property violations.

Employees are the core force of intellectual property innovation. Wherefore, we have formulated the *Administrative Measures for Innovation Incentives* to encourage our employees to actively innovate and develop technologies and make intellectual property rights declarations. Besides, we have assigned dedicated personnel to follow up on the declaration process to promote the application of intellectual property rights. We also require our employees to maintain the confidentiality of all patent documents in their possession during and after their employment, so as to minimize the risk of intellectual property leakage.

As at December 31, 2023, the Group had 137 patents (20 invention patents, 104 utility model patents, and 13 appearance design patents) and 108 computer software copyrights in total.



**Intellectual
Property
Management
System**

Clear division of responsibilities for patents

Personnel from the Group's internal audit, legal affairs, finance and technology departments are part of an intellectual property protection working group and are responsible for the maintenance and protection of intellectual property rights and interests. They carry out annual verification and inspection of software copyrights and patent rights and pay the maintenance fees to the Intellectual Property Offices, to ensure the continued ownership of intellectual property rights.

Smooth internal work flows

A *Patent Management Manual* has been formulated, and a smooth and fast internal process for patent application has been established to ensure the timeliness of intellectual property applications via fast application for patents during new technology development and application.

Prevention from external patent risks

External professional institutions are commissioned to conduct patent market research to avoid patent risk events, and the external technical environment is continuously updated to promote the advanced nature of patents within the Group.

ESG Issues Responded to in this Chapter

Employee Health and Safety

Staff Promotion and Development

Avoiding Child and Forced Labor

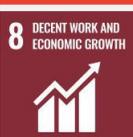
Equal Opportunity and Diversity

Employee Compensation and Welfare

Employee Recruitment and Team Building

Employee Benefit and Care

SDGs Responded to in this Chapter



VIII. Inclusiveness · Building a Vibrant Team

In order to perfect the Group's management concerning performance appraisal, salary and welfare, training and development, etc., and achieve mutual growth with employees, the Group always upholds the concept of "people first", strictly complies with laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Law of the People's Republic of China on the Promotion of Employment*. The Group has optimized and updated the *Happy Workplace Management Measures of CG Services for 2023*, the *Organizational Performance Appraisal Plan of CG Services Group for 2023*, the *Management of Incentive Policies of CG Services Group (2023 Version)*, the *Administrative Measures for Internal Referral Bonus (2023 Version)*, the *Management Measures for the Recruitment of CG Services Group (2023 Version)*, and other internal policies. We place emphasis on the physical and mental wellness of our employees, and maintain smooth communication channels to create a welcoming and inclusive workplace environment with our care for employees.

1. Staff Employment and Rights

The Group respects and abides by the *International Labor Organization Constitution*, which serves as the international norms for human rights, and actively answers the calls of international conventions such as the "United Nations Global Compact", the *Discrimination (Employment and Occupation) Convention* and the *Abolition of Forced Labor Convention*. The Group recognizes the rights of citizens' freedom of association, strictly prohibits and opposes any form of child labor and forced labor, eradicates any instances of workplace discrimination, and comprehensively safeguards the legitimate rights and interests of employees. The Group also continuously optimizes salary, benefits and promotion management, with the aim of promoting mutual growth between employees and the Group.

1) Compliant Employment

Labor Rights and Interests, Diversity and Equal Opportunities

The Group complies with laws and regulations such as the *Regulations on Prohibition of Child Labor*, the *Regulations of the People's Republic of China on Special Protection for Underage Workers*, as well as the corresponding laws and regulations of other business locations. We meticulously scrutinize the authenticity of candidates' identification at every stage of the recruitment, approval, and onboarding. Besides, we conduct second review using the human resource management system in the recruitment stage to prevent child labor.

Additionally, we unequivocally denounce the use of forced labor and espouse the principles of legality, fairness, equality, voluntarism, consensus and honesty in our employment policies. All employees of the Group are recruited on a voluntary basis with no deception or coercion. The Group respects the right of employees to terminate their employment upon reasonable notice and opens a self-service platform for human resources, and employees can independently apply for resignation. We refrain from forced extension of working hours. The Human Resources Department strengthens employment management through monthly statistical monitoring forms, to ensure legal and compliant employment. Furthermore, in case of violation of labor standards, we take corresponding resolution measures from the perspective of protecting the legitimate interests of employees. For example, if an under-age worker is found to be employed, the Group will immediately report to the related labor administration for registration, and provide health inspection, safety education, and training in accordance with related laws and regulations. During the Reporting Period, the Group did not find any illegal act of child labor or forced labor.

The Group has established a refined retention mechanism for employee dismissals. We conduct 100% exit retention interviews with employees with such intention, and sincerely inquire their reason of dismissal to maintain the retention rate of high performers within the unit. For employees choosing to quit due to sudden family accidents, difficulties in life, etc., we will try our best to help and solve the problems to strengthen employees' sense of belonging. In the process of employee dismissals, the Group also respects the right of employees to freely choose their jobs and strictly abide by the *Labor Contract Law of the People's Republic*

of China and the Measures for Investigating the Responsibility for Violations and Discipline of Employees of CG Services Group, etc. We uphold the principles of legal compliance, truthfulness, fairness and justice, and regulate the work procedures for the cancellation and termination of labor contracts to ensure the legitimate rights and interests of employees.

The Group follows the idea of diversity and equality of opportunity. We do not judge employees based on their skin color, nationality, gender, age, ethnicity, sexual orientation, marital status, religious beliefs, place of domicile, and pregnancy and maternity status, nor do we use the above as criteria for hiring, assessment, promotion and training. Any form of discrimination will be resolutely eradicated. We pro-actively provide employment opportunities for disadvantaged groups including persons with disabilities, displaced or unemployed workers, and individuals living in poverty, as well as veterans’ transferring to civilian work and personnel rehired after retirement. We also extend employment training and apprenticeship opportunities to unemployed youth, while working in tandem with the local government to establish public welfare posts. When selecting board members or making recruitment decisions, the Group not only considers candidates’ comprehensive value for the Group’s business development, but also takes the diversity of the Group into account, actively advocating for diversity in the employees’ backgrounds.

More than 20 thousand resumes received Over 200 offers issued

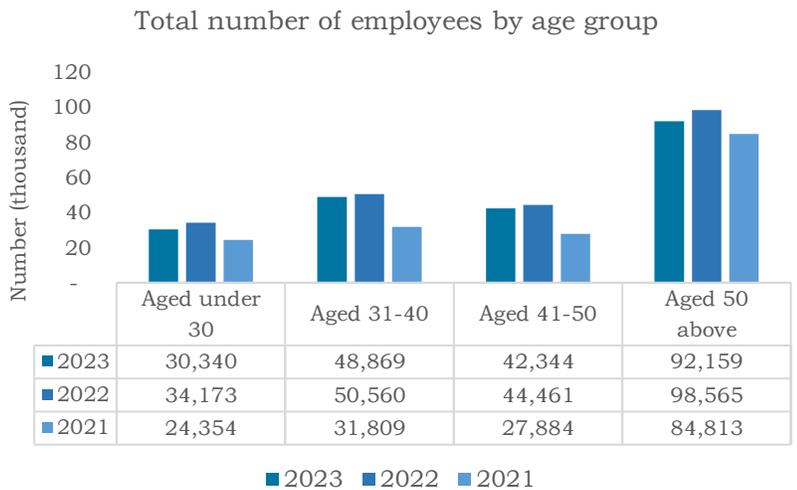
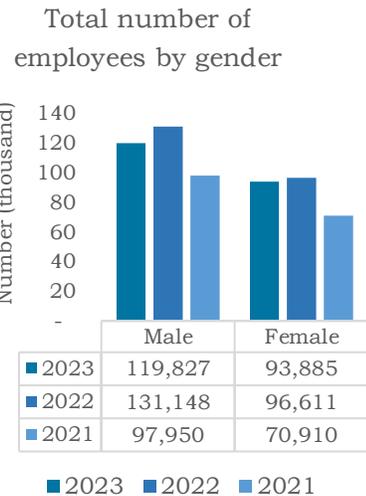
In 2023, the Group conducted campus recruitment presentations/job fairs in 79 universities, received more than 20 thousand resumes and issued over 200 offers.

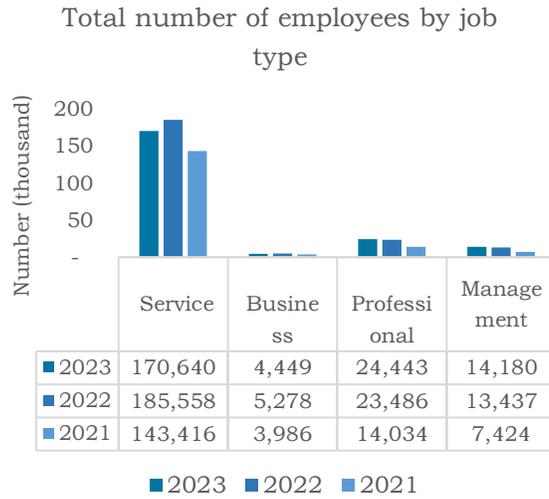
The Group is committed to creating a diverse and inclusive workplace environment and attaches importance to the representation of women in senior management. The proportion of female executives in the core executive team of the headquarter was 35%, helping to “empower her” in the workplace. Female employees are entitled to maternity leave, antenatal examination leave, breast-feeding leave and parental leave, and women’s employment rights and interests are respected and protected. The Group also, according to the actual situation, provides female employees in pregnancy, perinatal period and lactation period with personalized services, such as parking spot for pregnant woman, priority in dining, lactation room, etc. Thus, the employees in specific need can feel the care from the Group.

Recruitment Management

We put constant efforts to improve our recruitment management. As at December 31, 2023, the Group had a total of 213,712 employees, of whom 60,900 were rehired after retirement. In the past three years, the Group has had no strikes/lock-outs or major layoffs.

The employee breakdown by gender, age group, region and job type is as follows:





In terms of campus recruitment this year, the Group launched three major training plans, i.e., the Rocket Force Program, the Star Youth Program and the Emerging Talent Plan. The Group upgraded school-enterprise resource networks, selected high-potential institutions, and optimized the campus recruitment system. These endeavors aimed to ensure smooth campus recruitment and inject vitality to the development of the Group.

To enhance social recruitment efforts, we further develop the recruitment channels, improve the internal referral reward mechanism, and upgrade the Future Plan for Employer Brand. These initiatives are aimed at attracting talents to meet our business development needs.

Employer Honor

In May 2023, the Group was re-elected as the “2023 Best Employer in China Customer Service Festival” by virtue of our professional experience in employment management in the 7th China Customer Service Festival sponsored by the China Information Industry Association Customer Contact Center Branch and Customer Observation.



Upgrading the Future Plan for Employer Brand

In 2023, the Group further consolidated the employer brand image of “recruiting professional managers”. This was achieved through the overall planning of the external recruitment under the “Future Plan” and the implementation of standardized recruitment advertising. These efforts aimed to attract talents for business development and streamline the recruitment process to ensure efficient recruitment of key talents who meet our needs.



Poster of the “Future Plan”

2) Talent Echelon Building System and Promotion Channel

The Group is committed to providing a wide range of career development space and opportunities for employees growing together with the enterprise. The Group divides positions into four major categories - M (Management post), P (Professional post), B (Business/Expansion post), and S (Service post) according to the nature of the position, and divides them into grades according to the differences in competency levels. By doing so, the Group builds a horizontal multi-channel and vertical multi-grade development system that promote the diversified development of talents.

To motivate employees’ enthusiasm, the Group has formulated and implemented the *2023 Organizational Performance Assessment Scheme of CG Services Group*, the *Management Measures for Cadres of CG Services Group*, the *2022 Management Measures for Performance Assessment of Core Personnel in the Life Service Section of the Unit Community and Principals of Key Businesses and in Key Cities*, the *2022 Management Measures for Market Expansion Performance Assessment* and other internal policies and systems to improve performance assessment and promotion system. We have developed assessment indicators and standards to conduct assessments for employees at all levels and in different positions. The performance assessment is carried out on a regular basis and the results are linked to the performance pay/bonus of employees and used as a reference basis for job promotion. The Group has established a multi-channel position development system based on the internal grade system and flexible position transfer system, offering multiple opportunities and strong support for employees’ career development. The Group also provides diverse promotion channels and talent selection plans such as open competition, internal recruitment, targeted recommendation, and recommendation of candidates with better performance. We accurately select management leaders to facilitate the rapid growth of talents.

This year, the Group consistently implemented the Outstanding Talent Program. By directly utilizing or further improving the talent selection model, each unit of the Group carried out internal talent plans to build a pipeline of potential leaders. These plans aim to select outstanding talents at the supervisory level within the unit, put them on probation period, and, if qualified, assign them to the appropriate positions. As at December 2023, the Group selected a total of 1040 internal talents nationwide.

3) Remuneration and Welfare

The Group has built a salary system based on the principle of “3P (Position, Performance and Person) + M (Marketing)”. Insisting on “market-based salary, job-based salary, performance-based salary and ability-based salary” rules, we determine employees’ salaries with full consideration of their post values, performance, skills and market salary level. This approach allows us to provide employees with more competitive compensation and benefits.

A batch of comprehensive reward systems structure covering all employees have been set up based on position systems and responsibilities. The Group has also established a performance and development assessment mechanism to ensure the justice and equity of the remuneration system and the consistency of the overall assessment. The employee income includes fixed salaries, various performance bonuses, business and specific incentives, allowances/subsidies, and other benefits. The Group sets up distinct performance targets and rewards based on market and position conditions in each region, so as to achieve horizontal and vertical breakdown of the Group's strategic performance objectives and coordinated development between employees and the Group. By formulating short- and long-term equity incentive plans (such as the Share Option Scheme to be established in 2024), the Group fully mobilizes employees' enthusiasm and initiative, and attracts and retains talents with outstanding performance, capabilities, and experience.

In 2023, the Group undertook comprehensive review of our salary structure, including an evaluation of fixed salaries, incentives, and performance bonuses. Based on the review results, we developed differentiated salary adjustment plans and incentive policy management measures to allocate our remuneration resources in a fair and justified manner.

In order to enhance employees' sense of identity, belonging and loyalty to the Group, we also, except the benefits provided by the state (including basic endowment insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing provident fund), provide all employees with multiple additional welfare subsidies, such as:



Employee Benefits

- Vocation: Paid sick leave, holidays for ethnic minorities
- Subsidy: Telephone bill subsidy, meal subsidy, subsidies for employees working in remote/plateau areas, housing purchase and rent allowance, traffic allowance
- Health: Annual physical examination, employee commercial insurance, retirement re-employment insurance, international accident insurance, intern insurance
- Activity: "Full of Happiness" theme activity, family day activities, summer caring activities, winter caring activities
- Care: Welcome gifts for new employees, greeting message for onboarding anniversary, birthday blessing, holiday gifts, discount for employees' children to attend our schools

100%

This year, the Group completed four training sessions for new hires at the headquarter, and achieved training coverage of 98% within the first month of their employment and a 100% coverage within the first two months. The training effectively helped employees fit into the new team

100%

1 hour

This year, the coverage rate of intensive training for grassroots employees has reached 100%, and the average training time per person is 1 hour.

2. Employee Development and Training

The Group has developed and implemented a range of internal management systems, including the *Talent Management Responsibilities and Requirements*, the *Implementation Rules for Model Talent Base Management*, and *Measures for Internal Tutor Management*, to continuously refine our talent development strategies. In addition, we have designed training programs that are tailored to the specific needs of each position. By leveraging our internal tutor resources, we put forth effort to improve employees' professional competence. In 2023, the Group laid emphasis on building management team, business team and expert team in the talent training programs, and provided employees with systematic and targeted training programs. We also leveraged the value of each unit and the alliance to support talent training.

The Group encourages employees to improve their professional skills and knowledge base in their spare time, and supports employees to pursue further education and obtain professional certificates in management or job-related majors during their employment. Each unit can apply to set an annual training budget to support staff in their academic qualifications and skills improvement.

This year, the Group carried out new staff training, intensive training for grass-roots staff and various diversified and special training programs to optimize the cultivation system of talents and build a broad platform for employees' growth.

- New Employee Training**
 To ensure that new employees understand our corporate culture, and feel a sense of belonging and cultural identity, we have developed the “New Employee+” training program. This year, the Group completed four training sessions for new hires from the headquarter, which facilitated new employees to smoothly integrate into and adapt to the new environment from the aspects of cultural cognition, team integration, business understanding and policy interpretation. The training program implementation rate reached 100%.
- Intensive Training for Grass-root Employees**
 In addition to the commitment to providing training for all new employees, the Group has made constant efforts to implement training programs for grass-roots employees that requires each project to provide 5-minute training at morning meetings every day and 60-minute on-the-job improvement training every month. These training sessions are designed to deepen employees’ cognition of corporate culture, maintain their serving attitude towards customers and service etiquette, and promote site quality, employee satisfaction and owner satisfaction.
- Diversified and Special Training Programs**
 The Group offers a series of special training programs for various business lines or key positions, including “Leadership Successor Program, Market Expansion Enhancement and Empowerment Training, City Services Group Reserve Class, CommercialOperational Service Building Talent Program,Phoenix Butler (Senior) Training Class, Defense Officer Program, Special Recruitment Class For Fresh Retired Soldiers, “Landscaping Elite” Training Program, Human Resource Training Camp, CG Services Property Staff Training Program, and other special programs. These training programs are designed to accurately improve the professional quality and practical skills of employees.

The Group continues to optimize the “Leadership Successor” program. By designing systematic trainings, we helped our employees to achieve leadership transformation in different stage of growth.

89.17%
 In the current year, 89.17% of employees were trained

64.70hours
 In the current year, the average hours of training per employee was 64.70 hours

	Training objects	Training plans
 Reserved unit leader Program	Reserved unit leader	Cultivating managers to lead the development of the property management industry in the new era by enhancing their competence in corporate governance, business management, ongoing operations, innovation and transformation in an all-round manner.
 Field Program	Reserved regional general managers and department leaders	Establishing a comprehensive management team with a focus on managers’ overall ability in management and operation by delivering training on self-leadership cultivation, insight into corporate strategy, improvement of operational and management competence, team cooperation, etc.
 Excellence Program	Reserved project directors and project managers and line leaders	Building up their business knowledge, professional skills and management ability with an emphasis on key business interpretation and team management.

 <p>Elite Program</p>	<p>Reserved department leader</p>	<p>Improving business skills and management competence of department leaders responsible for front-line project businesses at each reserved unit.</p>
 <p>Management Trainee Program</p>	<p>Outstanding fresh postgraduate/undergraduate</p>	<p>Nurturing a pool of management personnel with potential leadership from the talent reserve of fresh graduates being uniformly recruited by the Group, and providing them with training on corporate identity, corporate culture, career planning and other aspects.</p>

Commercial Operational Service Building Talent Program

To make staff for commercial office building projects more professional in this business, the Group has launched the Commercial Operational Service Building Talent Program. With a focus on project-related hot issues including lift system, fire protection system, power supply and distribution system and HVAC system, the program takes the form of on-line live broadcasting, off-line training and practical operation to assist commercial project staff in tackling business difficulties.



Training Event of the Commercial Operational Service Building Talent

“Landscaping Elite” Training Program

To cultivate landscaping elites with both business skills and management competence, the landscaping business line of the Group’s Operations and Management Center has been carrying out “Landscaping Elite” Training Program since April 2023. Combining “theoretical lectures and practical exercises”, the special training program invites landscaping experts to deliver relevant lectures and provide hands-on guidance during on-site practical exercises. This program aims to build up the professional competence of front-line staff and to strengthen their practical skills.



Training Event of the “Landscaping Elite” Training Program

3. Employee Health and Safety

We strictly abide by the *Law of the People’s Republic of China on Prevention and Control of Occupational Diseases*, the *Law of the People’s Republic of China on Fire Fighting*, as well as other related laws and regulations. We have also developed and implemented the *Regulations on Occupational Safety and Precautions*, *Administrative Measures for Fire Safety Responsibilities (2022 Version)*, *Safety Risk Management System for Basic Property Management Services*, and other internal systems. By doing so, we continue to promote the standardization and systematization of employee health and safety management, and organize the signing of the “Appointment Letter of Safety Production Person” and the “Appointment Letter of Fire Safety Person” every year, and strive to achieve the long-term goal of “zero casualties” safety production. The Board of Directors of the Group, through the ESG Committee, directs the Group’s development strategies in relation to occupational health and safety and oversees the Group’s health and safety management performance. At the same time, senior management, including the CEO of the Group, is responsible for the Group’s health and safety strategy and performance, and strives to guide the Group to form a positive and healthy safety work atmosphere. In addition, the leader of each unit and project level of the Group are responsible for the health and safety of employees at their respective management levels, and effectively ensure the physical and mental health of employees. The Group has obtained ISO 45001:2018 Occupational Health and Safety Management System certification.

In the daily operations, the Group considers the health and safety of employees in an all-round way. We safeguard employees’ rights to physical health and life safety by strengthening safety publicity, caring for employees’ physical and mental health and reinforcing safety assessment and precautions.

Strengthening Safety Publicity

- The Group joins hands with the Safety and Health Education Center of Guangdong Province to provide 2 on-line training sessions on first aid and health knowledge for employees, thus building up their first aid ability. The training has attracted over 15 thousand participants cumulatively and enables the Group to be awarded the title of “Advanced Unit of Health Knowledge Publicity”.
- The Group has updated the courseware for 5 training sessions on employee safety with the theme of “Companionship with CG Services All the Time. With the courseware, each unit enhances employees’ safety awareness by means of morning meetings and training activities.
- Carrying out both on-line and off-line publicity activities on employee safety: The Group organizes off-line safety training activities for employees of every project on a monthly and fortnightly basis;
- The Group provides comprehensive awareness and education on employee safety through the distribution of various resources such as posters, short videos and other training materials.



Screenshots of the Safety Training Courseware

Caring for Physical and Mental Health

- The Group offers physical examinations and upgrades relevant examination plans for employees. After the health check-up, each unit provides both on-line and off-line report interpretation and free diagnostic services to promote common health knowledge and provide advice for employees.
- The Group holds on-line and off-line health lectures, physical diagnosis, psychological counselling and other activities to popularize health knowledge and general knowledge about occupational disease protection among employees.
- The Group carries out regular competitions and team-building activities such as hiking, climbing, basketball, badminton and table tennis. The aim is to promote physical exercise among employees, boost their motivation and enhance team cohesion.
- The Group delivers health knowledge including physical and mental health knowledge, general knowledge about first aid and occupational disease prevention to our employees via on-line channels such as the WeChat official account, video account, Xiaohongshu and Douyin.



Employee Hiking Competition

Reinforcing Safety Assessment and Precautions

- Each unit sets indicators such as public opinion, violation and safety accident as deductions in performance assessment. Points will be deducted for violation against national and local policies and regulations as well as rules and regulations of the Group, penalties imposed by regulatory authorities, or safety accidents caused by management loopholes of the unit (such as casualties, food safety problems, work safety accidents, cybersecurity accidents). The severity and impact of each occurrence will determine the number of points deducted (1-10 points) without any limit.
- In terms of preventing safety accidents, the Group implements several internal policies, including the *Discipline of Safety Production and Quality Red Line of CG Services* and the “Blue, Green, Orange, Yellow, and Red” *Five-color Risk Management Mechanism*. These policies provide clear guidelines on how to handle employee health and safety incidents, including reporting requirements and reward and punishment standards. Moreover, we have linked work safety risk management with the performance assessment of relevant personnel in charge. In the event of any safety accidents, we will provide timely medical rescue, work injury allowances, subsidies, and other forms of care in accordance with the *Guidelines for the Management of Occupational Injuries for Employees of CG Services Group*. Furthermore, we will issue a “Yellow Card” or “Red Card” warning to responsible unit based on the severity of the incident, and enforce severe punishment on the corresponding project leader.

4. Employee Communication and Care

The Group respects and cares for employees. We are actively engaged in employee communication and care to stimulate their motivation in the workplace and create a positive working atmosphere. We advocate employee engagement and democratic communication. To understand employee demands and make improvements accordingly, we build extensive and flexible communication channels including regular employee seminars and face-to-face meetings with the president.

Employees of the Group are entitled to the freedom of joining in the trade union and collective bargaining through labor union organizations. Meanwhile, we encourage employees to participate in the workers' congresses convened by the trade union to fully understand employees' demands and safeguard their rights and interests. In 2023, the Group delivered care to employees mainly in the following approaches:

26 thousand

In 2023, the group held 26 thousand seasonal activities themed on happiness and health.

Seasonal Activities Themed on Happiness and Health

All units across the country uniformly carried out seasonal activities themed on happiness and health (including “Season of Thanksgiving”, “Season of Culture”, “Season of Reunion” and “Season of Health”). In addition, these units organized diversified caring projects for employees and their families, including the “Old Time Store” thematic activity on the Children’s Day, the Dragon Boat Festival cultural event, gatherings on the Qixi Festival, activities on Father’s Day, Mother’s Day and Thanksgiving Day, gift packages for new semesters, activities for educational promotion, activities for preventing sunstroke in summertime and provide warmth in wintertime, refreshment stations and visits to employees. These activities enabled us to extend employee care on all fronts in an all-round manner, thus creating a warm, inclusive and harmonious workplace.

Personalized and Delicate Care

The Group pays attention to the key points along the full career path of employees and provides personalized and delicate care taking into account employees’ demands. Specifically, we send blessings to employees on exclusive days via on-line Apps, SMS and company web page. We also deliver our care and gifts to employees on important occasions such as their birthday, on-boarding day, thought-sharing event among new joiners, the issuance of anniversary badges, acknowledgement as a regular employee, career promotion, birthday and honorary retirement. As a result, we are able to enhance employees’ sense of belonging.

Distinctive Themed Activities for Employees

- The Group customized the mooncake gift box themed on “The Time with CG Services” for most of the employees nationwide and expressed appreciation to employees and their families with a thank-you letter.
- By launching family day activities themed on “Happiness for Being Together”, the Group builds a bridge for communication among the Group, employees and their families, conveys corporate values and cultures, and enhances the cohesion with employees.
- The Group carried out the activity of Corporate Culture Expert as a platform for employees to display their talents and strengths in spreading corporate culture.



“Old Time Store” Thematic Activity on the Children’s Day



Activity of Corporate Culture Expert

This year, we continued to conduct happiness surveys to listen to employees’ voices by means of quantitative online questionnaires and qualitative interviews. We included the headquarter and its subordinate units, covering 157 thousand employees to collect the opinions and suggestions from a wide range of employees. The result maintained a high level of employee happiness. In analyzing the results, we focused on the performance of employee happiness, further analyzed the correlation between employee happiness and dedication and determined core drivers of each position to improve employee experience in a more targeted and efficient way. This year witnessed a year-on-year increase of 3.99 percentage points in employees’ sense of happiness.

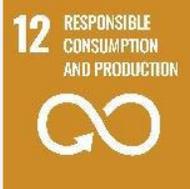
At the same time, in 2023, based on the characteristics of different types of employees, each unit of the Group will select the key issues that employees are concerned about, and complete the implementation of measures to improve employee care, employee management policies, quality of life and other aspects, and will continue to track the improved performance in the future.

ESG Issues Responded to in this Chapter

Supplier Access and Monitoring

Environmental and Social Risks of the Supply Chain

SDGs Responded to in this Chapter



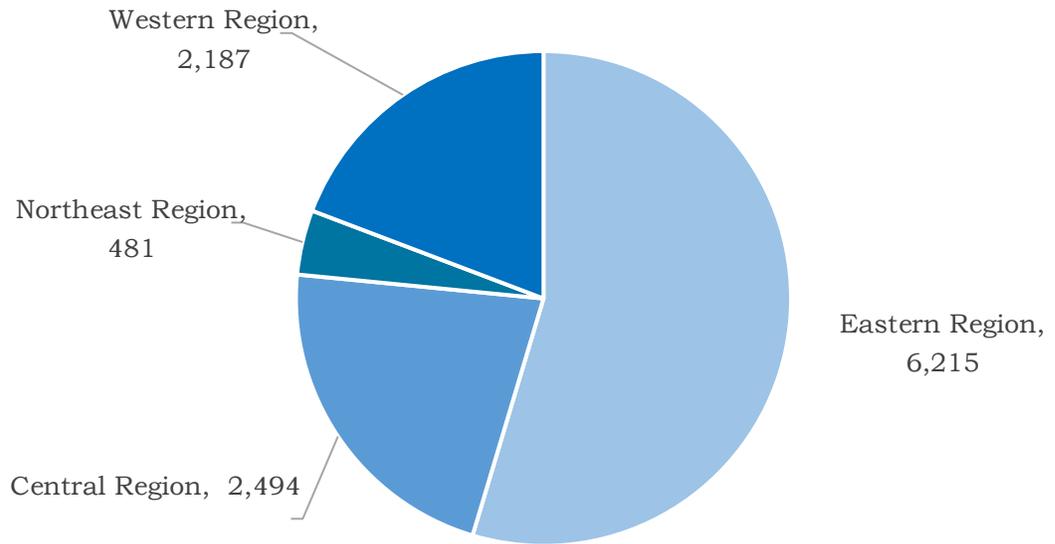
IX. Cooperation · Joining Hands for Common Development

The Group always adheres to the concept of openness and win-win cooperation and insists on growing together with our partners. We apply a life-cycle management approach to supplier access, evaluation, and exit. By strengthening supply chain risk management and adhering to clean procurement, we work with our partners to fulfil our environmental and social responsibilities. Recognizing the importance of communication and exchanges with partners, we actively establish strategic partnerships with them. By learning and sharing best practices in the property service industry, we are committed to promoting the rapid development of the industry.

1. Implementing Supply Chain Management with Responsibilities

The Group continues to improve the approach to supplier life cycle management and environmental and social risk management. We also work to create a clean business environment that encourages transparent and honest cooperation. At the same time, the Group communicates regularly with suppliers to lay a solid foundation for cooperation. By organizing supplier conferences or other means, the Group establishes mutually beneficial cooperative relationships with its suppliers to jointly promote the development of a responsible supply chain.

During the Reporting Period, the Group had a total of 11,377 suppliers, all of which were managed under the Bicai Mall and were from the Chinese mainland. The breakdown by region⁴ is as follows:



⁴Eastern China: Beijing, Tianjin, Hebei Province, Shanghai, Jiangsu Province, Zhejiang Province, Fujian Province, Shandong Province, Guangdong Province, Hainan Province
 Central China: Shanxi Province, Anhui Province, Jiangxi Province, Henan Province, Hubei Province, Hunan Province
 Northeast China: Liaoning Province, Jilin Province, Heilongjiang Province
 Western China: Inner Mongolia Autonomous Region, Guangxi Zhuang Autonomous Region, Chongqing, Sichuan Province, Guizhou Province, Yunnan Province, Tibet Autonomous Region, Shaanxi Province, Gansu Province, Qinghai Province, Ningxia Hui Autonomous Region, Xinjiang Uygur Autonomous Region

1) Full Life-Cycle Management of Suppliers

The Group is committed to building a fair, win-win and transparent supply chain. We strictly abide by the *Bidding Law of the People's Republic of China* and other relevant laws and regulations, and have formulated and implemented internal systems such as *Administrative Measures for Access of Material Suppliers in Bicai Mall*, *Administrative Measures for Evaluation of Material Suppliers in Bicai Mall* and *Administrative Measures for Exit of Material Suppliers from Bicai Mall*. These policies are designed to standardize the supplier management throughout the access, evaluation and exit processes. Through the Bicai Mall on-line procurement platform, the Group digitalizes the full life-cycle management of suppliers.

Suppliers access

- Access qualification: Verify the supplier's company qualification, product quality, qualification certificate, business site and service capability, while ensuring that the supplier agrees to the management rules and operating regulations of Bicai Mall.
- Access procedures: Notify the supplier to register after product evaluation, price evaluation, trial evaluation and supplier site visit, review and report the supplier information.
- Access process: Include evaluation, registration and review, filing, payment and assignment of access rights.
- Supplier information change procedure: The supplier must submit the information change documents or re-register with Bicai Mall as required in case of the need to change the company information.

Supplier assessment

- Evaluation method: After completing the order, the purchaser proactively evaluates the satisfaction with the supplier and the product. False or malicious reviews are not allowed.
- Evaluation rules: The satisfaction score is updated and displayed in real time according to the average score of all orders placed with the supplier over the last 12 months.
- Evaluation management: The supplier is rated every year based on the supplier satisfaction evaluation score. We have the right to terminate the cooperation with unqualified suppliers.

Supplier exit

- When to exit: Promptly remove from Bicai Mall those uncompetitive suppliers who operate in violation of laws and regulations and whose product performance and services cannot meet the procurement requirements. If suppliers wish to exit voluntarily, they should submit the *Application for Termination of Cooperation*, while the Group should report all exits for subsequent management.
- Exit process: Include exit evaluation, exit reporting, and follow-up actions.
- Follow-up actions after the end of cooperation: Proceed with orders that have been shipped. For orders that have been completed, the payment is made within the billing cycle, and the supplier's products should be removed from the Bicai Mall at the same time. In case of dispute, both parties shall settle it through friendly negotiation.

Meanwhile, the Group has formulated and implemented the *Administrative Measures for Service Procurement Suppliers of Bicai Mall* to promote a sunny, transparent and efficient service procurement process and standardize the service procurement management. We define the access, evaluation and exit mechanism of service suppliers to ensure that they are qualified in accordance with relevant laws and regulations, and that the selected suppliers meet the actual needs of the Group.

2) Management of Environmental and Social Risks of the Supply Chain

In order to promote the healthy and sustainable development of the supply chain, in addition to the above standardized management of supplier admission, evaluation and exit, the Group integrates environmental and social risk factors into the supplier evaluation and cooperation process to identify and manage the environmental and social risks of each link of the supply chain.

- We prefer to work with suppliers who are willing to buy social insurance for their employees and respect human rights;

- Include ISO14001 Environmental Management System, ISO45001 Occupational Health and Safety Management System, and ISO9001 Quality Management System and other certifications into supplier access consideration;
- Focus on water conservation throughout the supply chain and rigorously assess suppliers' performance in environmental protection and water resources management to create an environmentally friendly supply chain system.

As an active supporter of green procurement, the Group prioritizes sourcing energy-saving and environmentally friendly products. In addition, the Group has developed a standardized list for products such as garbage cans, garbage bags, lighting fixtures and coatings to ensure that the purchased products are energy-saving and environmentally friendly, meeting the requirements of various regions for the use of environmentally friendly products.

3) Transparent Procurement

The Group adheres to the principles of transparency, fairness, and honesty in collaboration, resolutely resists any form of commercial fraud, and advocates for transparent procurement practices. The Group takes the following measures to ensure a fair and transparent procurement process and works with suppliers to build a responsible and trustworthy supply chain:

- Formulate and implement the *Responsibilities and Appointment Management Policies for Positions Related to Procurement Activities of CG Services Group V2.0*. Additionally, procurement staff are required to sign the *Commitment of Staff Related to Procurement Positions* to prevent the misuse of their authority;
- Require suppliers to agree and sign the *CG Services Group Supplier Integrity Cooperation Notice Confirmation* and the *Rules for Operation and Management of Bicai Mall (for Suppliers)* and other integrity compliance documents when they join Bicai Mall 2.0; At the same time, suppliers should be actively guided to improve their own anti-corruption system compliance and should keep all policies or relevant records to demonstrate that they have complied with the Group's integrity compliance documents. The Group has the right to review the supplier's internal anti-corruption policies, etc., on its own or by a third-party organization with reasonable notice, to ensure the transparent procurement.
- A “one-vote veto” system is set up to resolutely rule out suppliers with fake operation, fraud and corruption, who will also be included in the blacklist;
- Organize and carry out special inspections on supplier compliance and cooperation risks, including integrity cooperation risks, and take strong action against those who violate regulations;
- Present a poster advocating integrity cooperation on the Bicai Mall procurement platform to strengthen the publicity and promotion of supply chain integrity.



Home Page of Bicai Mall - Screenshot of the Poster for Integrity Cooperation

4) Supplier Communication

The Group attaches importance to the communication with suppliers and keeps timely interaction and communication through daily on-line and telephone communication, supplier visits, and holiday condolence letters. At the same time, the Group has established a complaint and feedback mechanism for suppliers to establish a long-term and stable cooperative relationship with suppliers.

CG Service New Years Goods Festival - First Supplier Conference

In order to continue to explore the good products of the community retail business, the Group held the first Annual Goods Festival Suppliers Conference in November 2023, inviting community value-added service and retail business leaders of 35 regions and equity companies, representatives of leading suppliers and community end groups to gather together to promote the two-way movement of property management companies and suppliers.



CG Service New Years Goods Festival- First Supplier Conference

2. Assisting in Industry Development

1) Expansion of Diversified Cooperation Channels

In order to promote the diversified development of the industry, the Group has actively entered into good strategic partnerships with a number of enterprises. In this way, we are able to integrate superior resources and explore innovative service models, thus sharing resources and making full use of each other's advantages.

Cooperate with Guotai Liquor to build a new model of full-scale liquor service

In November 2023, the Group held a strategic cooperation signing ceremony with Guotai Liquor Group. This strategic cooperation integrates the advantages and resources of both parties, carries out a diversified layout around the detailed demand scenarios such as customer self-drinking, collection, gift-delivery, and investment, and builds a new model of full-service that covers the five dimensions of tasting, socializing, learning, managing, and sharing, and brings the concept of "healthy drinking into the family" to every household to further meet the needs of customers.



Signing Ceremony

2) Active Engagement in Industry Exchanges

The Group is keenly aware of the development trend of the industry and actively participates in various industry exchange activities, so as to inject new momentum into the overall progress of the industry with its own cutting-edge management experience. Besides, we have been exploring corporate ESG management in depth and are happy to share our ESG practices with industry peers, with a view to jointly promoting the sustainable development of the property services industry.

2023 Guangdong Property Management Summit and the 5th Release Conference for Survey on Comprehensive Strength of Guangdong Property Management Enterprises

In December 2023, Mr. Xu Binhuai, Executive Director and the President of the Group, was invited to the “Gathering Momentum, Foresight into the Future” themed 2023 Guangdong Property Management Summit and the 5th Release Conference for Survey on Comprehensive Strength of Guangdong Property Management Enterprises, which was guided by the Department of Housing and Urban-Rural Development of Guangdong Province and hosted by Guangdong Property Management Industry Institute, and delivered a speech titled “In Relentless Pursuit of Refreshment”. During the speech, Mr. Xu Binhuai shared the strategies adopted by property management enterprises in facing challenges, providing experience and reference for the development of the industry.



The Summit Onsite

2023 Summit Forum on ESG and Sustainable Development of Listed Property Enterprises

In July 2023, Mr. Huang Peng, Executive President and CFO of the Group, delivered a keynote speech entitled *Long-term Value of Sustainable Development of Property Enterprises* at the Summit Forum on ESG and Sustainable Development of Listed Property Enterprises. He elaborated on CG Services’ comprehensive efforts in ESG management, which will serve as a reference for the property services industry to define the approach to ESG and help the industry to realize long-term value.



Summit Poster

The 4th Guangzhou Smart Property Management Expo

In September 2023, at the forum themed “Guangdong-Hong Kong-Macao Greater Bay Area · Yangtze River Delta · Hainan Free Trade Port Property Industry Regional Collaborative High-quality Development Conference” of the 4th Guangzhou Smart Property Management Expo, Mr. Wang Yingwu, Chief Marketing Officer of CG Life Services and President of City Services Group, delivered a keynote speech entitled *Being a Long-Termist in the Property Service Industry in Uncertain Times*. He shared how the property industry responds to challenges in an uncertain era, among other things, to provide new ideas for the future development of the industry.



Opening Ceremony of the 4th Guangzhou Smart Property Management Expo

ESG Issues Responded to in this Chapter

- Green Operation and Environmental Impact
- Water Conservation
- Smart City Construction and Ecological Balance
- Waste Management
- Improving Energy Use Efficiency
- Carbon Emission and Response to Climate Change

SDGs Responded to in this Chapter



X. Low-Carbon · Adhering to Green Operation

The Group is committed to integrating the green and sustainability concept into the practice of property management. The Group strictly abides by the *Law of the People’s Republic of China on Environmental Protection*, the *Law of the People’s Republic of China on the Prevention and Control of Water Pollution*, and the *Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution from Fixed Waste* and other laws and regulations. We continuously improve the management of emissions and resources in our daily operations and office life and promote green development goals. Meanwhile, the Group strengthens its ability to respond to and manage climate risks, mitigates the potential impact of business operations on the ecological environment and natural resources, and enhances biodiversity conservation. We aim to be a leader in green and low-carbon development.

1. Environmental Protection System

The Group has passed the ISO 14001:2015/GB/T 24001-2016 environmental management system certification. With an established environmental management system integrating inherent business features, the Group is continuously advancing the development of environmental system in pursuit of green and sustainable development.

- Advance the Development of Environmental System

 - Strictly comply with international laws and regulations related to the environment and improve and implement internal systems such as the *Procedures for Identification and Assessment of Environmental Factors and Prevention and Control*, the *Procedures for Solid Waste Disposal*, and the *Procedures for Wastewater, Exhaust Gas and Noise Emission*, to comprehensively strengthen environmental management systems.

- Improve the Environmental Protection System

 - Improve garbage sorting facilities, and strictly implement garbage sorting.
 - Improve the mechanism for preventing pollution sources and strictly restrict the use of toxic substances, to reduce secondary pollution of the environment, and fully implement energy and resource usage plans to achieve energy conservation and emission reduction.

- Raise Environmental Protection Awareness among All Staff

 - Actively implement environmental protection education and publicity activities, popularize environmental protection concepts among employees, property owners, partners and other stakeholders, continuously improve the community’s environmental protection facilities, and promote environmental safety awareness among all staff.

Environment Management System

2. Green Development Goals

To implement more effective environmental management, the Group has set four development goals of water efficiency, energy efficiency, emission reduction and waste reduction based on the national development plan and the business situation. The Group has actively adopted a raft of measures to achieve the goals, such as strengthening water resource management, energy conservation, garbage sorting and resource recycling. The Group’s green development goals and achievements for this year were as follows.

Water Efficiency



Target Setting

- Water consumption intensity in 2024 will decrease compared to that in 2023, and the Group is setting medium- and long-term targets for water efficiency.
- Strengthen the management of water consumption module on energy consumption platform and conduct real-time monitoring of water consumption data in each area to achieve the timeliness and effectiveness of risk assessment on water resource and reduce water consumption risks such as running, spraying, dripping and leaking.
- Comprehensively promote the water pump renovation, applying water pump rooms to all projects, to reduce the water loss rate and water consumption.
- Reasonably adjust the frequency of water consumption, dedicate water for exclusive use, and investigate

▶▶ Annual Achievements

- Water consumption intensity in 2023 decreased by 35% compared to 2022.
- This year, the Group carried out secondary water supply renovation in 22 projects, and saved electricity power up to 1,780 thousand kWh.



Energy Efficiency



Target Setting

- Energy consumption intensity in 2024 will decrease compared to that in 2023, and the Group is setting medium- and long-term targets for energy efficiency.
- Strengthen the use of clean energy, encourage business and managed projects to use natural gas, and lay out charging pile construction and new energy vehicle applications.
- Promote green operation and make energy-saving improvements on most energy-consuming appliances to increase electricity efficiency
- Promote green travel and on-line meetings to reduce the frequency of business travel.

▶▶ Annual Achievements

- Energy consumption intensity in 2023 decreased by 17% compared to 2022.
- The Group has now installed more than 16 thousand charging piles for electric vehicles in various residential communities, hotels, office buildings and other projects across the country. The number of installed charging piles has increased by approximately 70% year on year.
- During the year, a total of 232.1 thousand light tubes at 321 underground garages were renovated in the efficiency improvement projects, which are expected to save 20,520 thousand kWh of energy.



Emission Reduction

Target Setting

- Total greenhouse gas emissions intensity in 2024 will decrease compared to that in 2023, and the Group is setting medium- and long-term targets for emission reduction.
- Formulate and implement such internal policies as the *Procedures for Identification and Assessment of Environmental Factors and Prevention and Control*.
- Gradually reduce the intensity of greenhouse gas emissions in total and contribute to limiting the global temperature rise to 1.5°C by the end of the century.

Note: The Paris Agreement proposes that signatories jointly respond to climate changes through their “intended determined contributions”, aiming to limit the global average temperature rise to well below 2°C above pre-industrial levels by the end of the century, and to aim for 1.5°C. During the Rome Summit, G20 leaders has reached a consensus on climate changes in the communiqué, committing to limiting the global temperature rise below 1.5°C.

▶▶ Annual Achievements

- Total greenhouse gas emissions intensity in 2023 decreased by 45% compared to 2022.
- Continuously strengthen the management of public water resources in communities, lighting in public areas, and air conditioning in offices in summer; adopt energy-efficient equipment to save water and electricity and reduce carbon dioxide emissions; regularly carry out public awareness campaigns on environmental protection to advocate green and low-carbon economy; and enhance property owners’ understandings and awareness of climate change to jointly protect the natural environment and guard human health.



Waste Reduction

Target Setting

- Waste emission intensity in 2024 will decrease compared to that in 2023, and the Group is setting medium- and long-term targets for waste reduction.
- Formulate and implement the *Procedures for Resource Management* and the *Procedures for Solid Waste Disposal* to prevent general and major environmental pollution incidents.
- Popularize paperless office, reduce office garbage, and promote waste recycling.

▶▶ Annual Achievements

- Waste emission intensity in 2023 decreased by 74% compared to 2022.
- This year, the Group helped partners recycle used clothing in communities through our new butler service model. A pilot project is underway in the Beijing and Tianjin areas, collecting an average of 500 kg of clothing per day.
- This year, a total of 121 projects of the Group participated in garbage sorting. To encourage property owners to fully implement the government’s garbage sorting policy, we introduced a point collection system for garbage sorting, intelligent voice reminders, etc.



3. Green Office Practices

Staying committed to green office, the Group encourages employees to maintain greener habits in their daily work. By conserving office water, electricity and consumables, and optimizing idle assets, we strive to create a low-carbon and environment-friendly office environment, fostering a green office ecosystem.

Measures to build green workplaces

Water and Electricity

- Only turn on the air conditioning when the temperature reaches 30°C indoors at the Group's headquarter and turn it off after work. Only use the fresh air system for daily operations. Turn off refrigerators and most elevators on weekends. Reduce corridor and bathroom lighting at night.
- Widely apply energy efficient lights, put up posters in public areas to promote energy conservation and consumption reduction, perform night-time inspection of lights off in office areas, and report any unattended areas with lights on;

Consumables Conservation

- Rent public printers, with ink cartridges/toner cartridges recycled by vendors, and print volume managed;
- Rent office plants for recycling and avoiding waste
- Consolidate efforts to promote the paperless office, encourage double-sided printing and reuse of waste paper, and avoid color printing unless absolutely necessary;
- Give priority to paper products certified by the Forest Stewardship Council (FSC) Currently, the Group adopts FSC-certified paper for annual and interim reports.

Waste Management

- Sort garbage and carry out public awareness campaigns on garbage sorting.

Idle Assets Management

- Recycle low-value durable office supplies and electronic equipment from separated employees.
 - Promote an asset-light approach to office operations, share idle assets, and use idle assets first prior to purchasing new assets.
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4. Green Property Promotion

Sustainability is fully embedded in the Group's operations. As part of its efforts to explore and practice the transition to low-carbon operations, the Group continues to optimize its resource and energy management systems for improved energy management efficiency. As an active advocate of energy conservation and emission reduction, the Group strives to optimize water resource and waste management, thus promoting the Group's green and sustainable development.

1) Energy Management

In strict compliance with the *Law of the People's Republic of China on Energy Conservation* and other laws and regulations, the Group continues to promote the energy-saving renovation of garage lighting and air conditioning systems. In addition, the Group has established an energy consumption control platform to promote energy conservation and emission reduction. To drive the Group's transition to green operations, new energy is also widely deployed through the introduction of unmanned NEVs and the installation of charging piles and solar street lights.

The Group has formulated and implemented the *Energy Consumption Management Measures for CG Services* to clarify the management of energy consumption and related expenses. The aim is to address energy loss issues for more efficient energy management, and to reduce the operating costs of property projects in terms of energy consumption while improving the operating efficiency of property facilities and equipment.

The Group actively organizes training on the *Green Energy-Saving of Commercial Office Buildings*. Moreover, the Group cooperates with contract energy companies to develop *Implementation Guidelines for Contract Energy Management* to standardize work processes, and provide technical guidance, thereby promoting energy conservation and emission reduction.

In response to China's Double-Carbon Policy, the Group has piloted carbon emission trading in Beijing, issued a "Carbon Emission Verification Report" and conducted an initial baseline calculation of carbon emissions for commercial office building project, and purchased carbon allocations for carbon offsetting. Meanwhile, according to the determination of Guangzhou Emissions Exchange, the quantity of redemption of carbon mission reduction of R&F Wintong Building is greater than the quantity of estimated carbon emission, realizing carbon neutrality in advance.

This year, the Group launched the "Carbon Reduction" program with commercial enterprise customers. Under this program, we have signed an environmental protection initiative with major business customers. Between the "Earth Hour" and the "World Earth Day", we organized a public Environment Month activity themed "Save Energy, Go Green Together" to promote low-carbon and environmental awareness.



Energy Management Measures

Program involving 7 commercial office building professionals

As at December 31, 2023, 7 commercial office building professionals of the Group have obtained the LEED AP (O+M) professional qualification certification.



Carbon Neutral Certificate
of R&F Wintong Building

20 projects

As at December 31, 2023, 20 projects of the Group, including One Bravo, R&F Yingtong Building, and R&F Yingtai Plaza in Guangzhou, have obtained the “Sustainable Building Index Verified Mark”.



Signing the Environmental Protection Initiative Under the “Carbon Reduction” Program

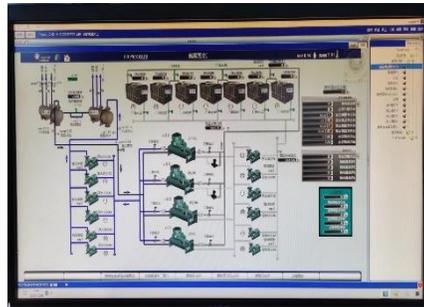


“Save Energy, Go Green Together” Activity

Contract Energy Management Project - One Bravo

In the Guangzhou One Bravo project, the Group has actively implemented an energy saving control plan, focusing on the upgrades to public lighting and air conditioning systems, to facilitate energy saving and consumption reduction.

- High-efficiency lighting fixtures equipped with automatic switches have been installed. This is expected to save 220 thousand kWh of energy per year.
- The use of group control and variable frequency technologies for the air conditioning system allows the water flow to be adjusted to actual load for automatic loading and load shedding. This is expected to save 300 thousand kWh of energy per year.
- Additional air ducting has been installed to improve cooling efficiency. This is expected to save 60 thousand kWh of energy per year.



Refrigeration Station Group Control System at One Bravo



Cooling Tower Air Ducting at One Bravo

20 thousand

16 thousand sets

As at December 31, 2023, the Group has installed over 20 thousand self-operated charging piles for electromobile and over 16 thousand charging piles for electric vehicles.

The Group continues to provide property owners with efficient, convenient and safe new energy charging services by installing charging piles for both electromobile and electric vehicles in various projects across the country. In this way, we work together with property owners to practice low-carbon and environment-friendly operations.

- Regarding the charging piles for electromobile, we offer property owners destination charging solutions with mature charging pile hardware, in-house developed systems, a full-process business system, and a more secure risk control system.
- Regarding the charging piles for electric vehicles, the Group has signed nationwide strategic cooperation agreements with vehicle charging pile dealers such as Shell, GAC., etc. This is a joint effort to promote the new energy vehicle charging pile business and improve the charging experience for over one million electric vehicle users.



Charging Piles for Electromobile



Charging Piles for Electric vehicles

2) Water Resource Management

The Group focuses on water resources management in a systematic manner. To refine the water resources management on the key aspects of water supply, drainage, and water conservation, the Group has taken such measures as rainwater recycling technology, upgrading of water supply systems and pumps, and variable frequency control of water supply. The aim is to reduce water consumption, improve the efficiency of water use, and help achieve water efficiency targets. This year, the water used by the Group was mainly supplied from municipal water and there were no difficulties in obtaining suitable water resources.

Meanwhile, the Group makes ongoing efforts to improve urban water services management, contributing to ecological conservation. The Group has taken multiple environmental protection initiatives such as river management in urban environmental governance projects. With these efforts, we have comprehensively improved the quality of river water resources and the ecological hygiene along the river, creating a liveable and beautiful urban environment.

Rainwater Harvesting Technology for Water Conservation:



The Group uses rainwater harvesting technology to divert rainwater through rainwater pipes into the rainwater collection system. After filtration and purification, the water is collected in water tanks and ultimately used to fill fire-water ponds and irrigate green spaces. On average, 300 cubic meters of rainwater per month can be stored in each project.

Urban Water Management

This year, the Group continued to advance the overall governance and improvement project in Lecong Town, Shunde District, Foshan City to promote water resource management. Through refined monitoring, scheduling, and protection of water resources, the urban water management was comprehensively improved. Relying on services such as centralized municipality and sanitation management, river and canal cleaning, green space maintenance, municipal facility management, and order maintenance, the project contributes to the construction of a waterfront ecological park city. Through this project, the Group strives to transform Lecong Town into a model city of water resource management and ecological beauty, shaping it into a “vibrant and innovative urban core”.



City water management in Lecong Town, Shunde District, Foshan City

3) Waste Management

In strict compliance with national 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*, the Group has formulated and implemented internal policies such as the *Procedures for Solid Waste Disposal* and the *Procedures for the Treatment of Wastewater, Exhaust and Noise*. These policies aim to continuously optimize the waste classification management and ensure that the waste is disposed of in compliance with regulations. In addition, the Group advocates waste reduction at the source and waste recovery to promote circular using of resources.

In response to the government's garbage sorting policy, all of the Group's properties strictly comply with the local garbage sorting regulations on the waste disposal, scientifically deploy garbage sorting bins, and strictly control waste management. The Group has also worked with local education departments to incorporate garbage sorting into the practical activities of schools. In this way, we have helped foster a strong social awareness that encourages garbage sorting, contributing to better communities.

Zhuhai Xiangyi environmental governance improvement project

This year, the Group undertook the Zhuhai Xiangyi Environmental Governance Improvement Project and actively worked with the property owners to facilitate garbage sorting. In addition to the scientific deployment of garbage sorting bins and the careful production of publicity posters, the Group implemented a two-tier management system of “garbage sorting by floor - centralized garbage sorting. The professional “garbage sorters” were assigned to provide guidance on how to implement this system. Regular garbage sorting training sessions were also conducted to ensure effective garbage sorting efforts. By doing so, we aim to create a green residential community.



Bulletin Board of Garbage Sorting



Garbage Sorting Bins

Series of Educational Activities on Garbage Sorting

This year, in order to promote students’ understanding of garbage sorting, the Group launched a series of educational activities themed “Sorting Garbage, Creating an Ecological Civilization” together with the Student Self-Management Committee of the Xianxi Campus of Foshan University. These activities aimed to guide students on how to be excellent advocates and practitioners of garbage sorting, and cultivate their green, environment-friendly, low-carbon, and civilized lifestyle and mindsets through practical actions.



Educational Activity on Campus Garbage Sorting

4) Emission Management

The Group has formulated targeted measures to control emissions generated during operations. Specifically, we have formulated and implemented strict internal polices such as the *Procedures for Identification and Assessment of Environmental Factors and Prevention and Control*. We actively identify the risk of emission pollution that may result from the Group’s operations, strengthen the management of wastewater and exhaust emissions, and ensure compliance with emission standards and legal requirements.



Sewage Discharge

The Group has formulated internal management policies such as the *Requirements for Implementation of Good Service Standards* for its commercial projects. Sewage outfalls and grease traps are inspected once a month to avoid oil spillage and accumulation and meet relevant legal requirements and standards for sewage discharge.

Exhaust Emissions

The Group strictly controls exhaust emissions of boilers at commercial projects. To meet the *Emission Standard of Air Pollutants for Boilers* and other national requirements, a third party is engaged to conduct tests and issue reports.

Promoting the Use of New Energy Vehicles

This year, the Group actively promoted the use of new energy vehicles in the Shenzhen and Nanjing airport projects. The replacement of scrapped diesel shuttle buses with new energy vehicles significantly reduced fuel consumption, thereby cutting exhaust and carbon emissions. In the coming years, the Group aims to drive the transition of our business to green operations through continuous efforts to promote the use of clean energy.



Utilization of clean energy vehicles

5) Environmental and Natural Resource Conservation

The Group is committed to minimizing the potential negative impact of our business activities on the natural ecological environment. To this end, we strictly adhere to internal management systems such as the *Procedures for Resource Management* and the *Assessment and Scoring Standards for Landscaping Management and Maintenance*. In addition, we have taken various green actions, such as preventing soil pollution, implementing biological control, protecting trees and strengthening greening, to effectively protect the environment. Meanwhile, the Group attaches great importance to biodiversity conservation. We are working to promote the public's awareness and consciousness through biodiversity publicity activities and making joint efforts with property owners to maintain ecological balance and promote the harmony between human and nature. During the year, the Group's business activities did not have a significant impact on the environment and natural resources.



Regulation of the Use of Chemicals

Regulate the use of pesticides, herbicides, fertilizers, and other chemicals, prioritize the use of environmentally friendly drugs, and avoid damage to the soil and groundwater environment.



Biological Control

Explore and implement biological control-based pest control techniques (microbial pest control, insect pest control, bird pest control, hormone pest control, etc.) and physical control (bait trapping, light trapping, clearing of disease spots, heat treatment, etc.).



Ancient Tree Conservation

Mark ancient trees in the residential areas managed by the Group with signs and carry out regular maintenance.

Species Release and Conservation Event “Save the Chinese Sturgeon in the Yangtze”

In May 2023, the Group pooled various resources to initiate the species release and conservation event “Save the Chinese Sturgeon in the Yangtze River” in over 2,400 communities nationwide. We organized over 2,700 events that attracted more than 400 thousand property owners. By popularizing the knowledge of the Chinese sturgeon and releasing the species into the river, this event aimed to raise awareness of biodiversity among property owners and encourage them to protect the ecology of the Yangtze River, thus contributing to ecological restoration. On July 20, 2023, as one of the contributors to biodiversity conservation, the Group donated RMB200 thousand through the Guangdong Guoqiang Foundation for nature education and popular science



Chinese Sturgeon Release and Conservation Event Poster



Chinese Sturgeon Release and Conservation Event

5. Responding to Climate Change

As global climate change intensifies and extreme weather events become more frequent in various regions, it is urgent to address climate change. To mitigate the impact of climate change on our business, the Group has taken a proactive stance to respond to climate change and to continuously improve its resilience to climate risks. This year, the Group continued to refine the climate-related disclosures on governance, strategy, risk management and indicators and goals as required by the Framework of Climate-related Financial Disclosures. Moreover, we persistently strengthened our resilience to the risks posed by climate change, in a bid to advance the global climate governance.

Governance: Climate-related Risks and Opportunities

- The Group's ESG Committee is responsible for formulation and review of relevant policies on climate changes, supervises climate-related risks and opportunities, and includes related physical and transition risks into the Group's process of risk assessment, while ensuring the effective management of risks on climate change in the Group's operations, so as to mitigate the effects of climate changes on business and strengthen the Group's capability for climate changes. Meanwhile, the ESG Committee reports such matters to the Board of Directors on a regular basis.

Strategy: Actual and Potential Impacts of Climate-related Risks and Opportunities on the Business, Strategy and Financial Planning of the Group

- **Physical risks**
The Group has identified physical risks that include both acute and chronic risks. Acute risks include typhoons, rainstorms, high temperatures, floods, heavy snow, and sandstorms. Chronic risks include sea level rise, rising mean temperatures, and water stress. These physical risks have the potential to disrupt the Group's operations, slow service response, increase service difficulties, damage project equipment, increase operating costs and reduce revenues.
- **Transition risks**
The Group may be exposed to tightening of national and local environmental policies, higher technical requirements for green property management, etc. Such risks may result in higher costs for both renovation of community equipment and R&D of intelligent property technologies.
- Besides, the Group believes that climate change will bring new development opportunities. For example, due to climate change risks, we need to step up efforts in building green property and developing environment-friendly services that meet customers' needs, in an effort to explore more market opportunities.
- To respond to climate change risks, the Group has taken the following actions:
 - ✓ Establish a three-level response mechanism consisting of the property headquarter, property units and property projects, prepare various plans to respond to typhoons, floods and other adverse weather conditions in advance, and strictly implement *Safety Risk Management System for Basic Property Management Services* and the emergency management system, so as to effectively prevent the risks.
 - ✓ Fully implement the *Emergency Response Plan Drill Checklist*, improve the level of property emergency management, and regularly organize emergency drills, while strengthening the reminder and publicity of natural disasters and making solid efforts to hidden danger identification, so as to effectively protect the life and property safety of property owners and employees.
 - ✓ Formulate and implement the *Emergency Management System of CG Services for Natural Disasters such as Typhoons and Flood Control* to make detailed regulations on prevention and rescue in the event of severe weather, such as inspection of emergency supplies and first-aid kits, check and reinforcement of facilities and equipment in public areas, and proactive measures for cold snap, wind and snow weather.

Risk Management: The Way to Identify, Assess and Manage Climate-related Risks

- The Group has fully identified and understood the risks associated with climate change based on an analysis of industry characteristics, market trends, regional climatic conditions and national environmental policy developments, taking into account the opinions and suggestions of domestic and international stakeholders.
 - While assessing risks and implementing projects, the Group includes climate risks in the risk management system, quantifies the influence coefficients and assessment objectives, and puts forward targeted prevention and solutions, promoting the implementation of a risk management system of “prevention before the process, control during the process, and treatment after the process”.
 - In addition, the Group will pay close attention to changes in environmental policies, actively respond to the national call, and strengthen environmental management for compliance purposes. In doing so, the Group can improve climate change risk management on a sustained basis.
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Indicators and Goals: Indicators and Goals for Assessing and Managing Climate-related Risks and Opportunities

- The Group has formulated green development goals such as water efficiency, waste reduction, energy efficiency and emission reduction, and considered how these goals can help respond to risks posed by climate change. Supporting measures have also been put in place to help achieve these goals. In addition, the Group continues to disclose Scope 1 and Scope 2 GHG emission data and improve the transparency of emissions indicators.
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Actively Responding to Typhoons

In September 2023, Guangdong Province was hit by heavy rainstorm due to the onslaught of several typhoons. In response, the Group headquarter worked with relevant property units and projects to initiate an emergency response plan for flood control prior to the rainstorm. We conducted thorough identification of potential flood hazards, urgently prepared flood control materials, and intensified flood control advocacy among property owners to minimize their property losses. No casualties were reported during this storm as a result of our timely and effective response.

Preventative Measures:

- ✓ Initiate emergency coordination in advance and establish a typhoons and rainstorm control group in accordance with the emergency plan.
- ✓ Pay close attention to typhoons and extreme weather warnings, issue special notices and guidelines, and ask our property regions and projects to conduct advance analysis, deployment, and prevention, including typhoon and flood safety precautions, publicity and customer notification, and emergency response;
- ✓ Deploy flood control materials to prevent inundation and take precautions to shore up and protect trees and facilities susceptible to collapse or damage. Focus on clearing drains and inspecting equipment and facilities to ensure normal operation.

Under Extreme Weather Conditions:

- ✓ Employee safety management: Immediately issue severe weather operating procedures to provide clear guidance to the property project's front-line staff. In addition, the property project is required to take safety precautions and show concerns for employees to ensure their personal safety.
- ✓ Active disaster response: Upon the arrival of a typhoon, the property project orderly implements a 24-hour on-call system and continuously takes flood control measures in low-lying areas and underground garages; actively coordinates with various parties to promptly report to the neighborhood committee and inform property owners of the flood situation and property management progress.

Treatment after the Disaster:

- ✓ Work with the competent departments of the city to help restore the public environment immediately following the disaster. For example, use poles to shore up trees that are tilted and fallen as a result of typhoons. Remove fallen trees to eliminate hazards, clean up flooded areas, and restore order.



Typhoons and Rainstorm Control Group



Dedicated to Their Posts, Dredging and Desilting



Timely Removal of Fallen Trees

ESG Issues
Responded to in this
Chapter

Promote Community
Development
Public Welfare Charity
and Social Services

SDGs Responded to
in this Chapter



XII. Harmony · Building a Beautiful Social Environment Under Joint Efforts

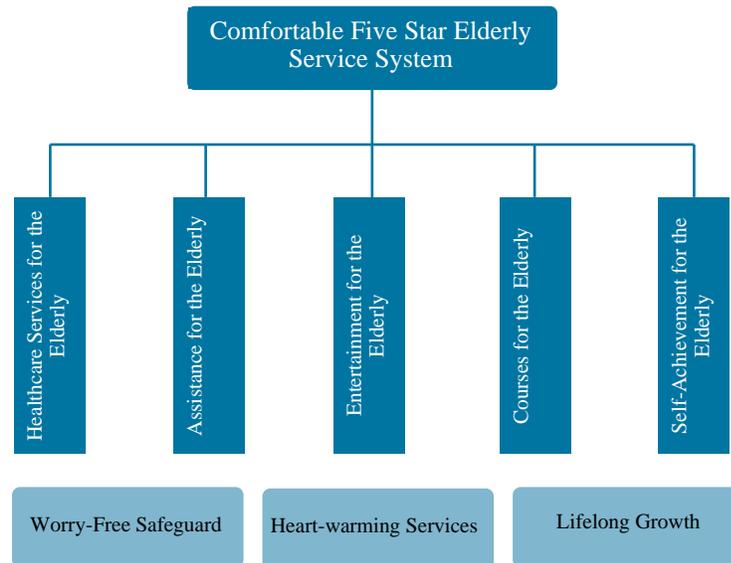
The Group is devoted to creating a harmonious and pleasant social environment. While driving our own business development, we also practice our social philosophy of public welfare. We actively fulfil our social responsibility by participating in community development, rural revitalization, disaster relief, and public welfare. Our aim is to convey warmth and goodwill to the society and promote positive interaction between enterprises and the society.

1. Building a Harmonious Community

The Group takes part in community development, and creates a harmonious and friendly community atmosphere for the residents by means of exploring the model of “property services for elderly care”, offering abundant public services, and endeavoring to build a warm community.

1) Community Service for the Elderly

The Group fulfills the social responsibilities by exploring the service model of “property services for elderly care”. We have set up a “Comfortable Five-Star Elderly Service System” from three levels and five aspects for the elderly property owners to resolve their difficulties and needs. In doing so, we aim to ensure care, medical support, self-actualization, lifelong learning and wellbeing for the elderly.



Comfortable Five Star Elderly Service System

Launching Yellow Handrail Project for the Convenience and Safety of the Elderly

In order to prevent the elderly living alone from falling in the bathroom at home, the Group has launched the “Yellow Handrail Project” in the pilot community to install barrier-free handrails for the people in need, in a bid to protect their safety at home.



The Elderly Living alone Trying the Yellow Handrail

2) Community Public Welfare Services

Community public welfare services are helpful to improve the living quality of residents, and enhance the cohesion, harmony and stability of the community. The Group is committed to innovating service models to effectively convey our belief in public welfare and social responsibility to the owners. We strive to establish enduring relationships built on trust with the owners, ensuring that they can experience a life and work environment filled with peace and contentment.

Open Day of Campus Convenience Service

This year, as part of the Foshan University Project of the Group, an open day of convenient services was held on campus. The event aimed to provide convenient services to teachers and students, including bicycle, motorcycle, umbrella repair and maintenance, clothing repair and ironing, ultrasonic cleaning of glasses, and white shoes cleaning. These activities were designed to enhance the convenience and comfort of teachers and students' lives.



Open Day of Campus Convenience Service



Group Photo of the Personnel Engaging in the Open Day

100 million

In 2023, the Group invested more than RMB100 million in community cultural activities.

3) Community Culture Development

Community culture development is the soul of a harmonious community. Since the Group attaches great importance to the community culture development, we organized the summer run for fun, traditional festival activities, pool parties and other diversified community cultural activities. By doing so, we hope to increase the communication and interaction among the residents of the community, and enhance their sense of belonging and identity, so as to create a harmonious and vibrant community environment.

Summer Run for Fun

In this summer, the Group held a summer run to enrich the summer entertainment for the owners and their children. This event aimed to nurture children with sound moral grounding, intellectual ability, physical vigor, aesthetic sensibility and work skills. During the activity, the Group set up a number of energy supply stations along the jogging trail of the community to provide mineral water, glucose, emergency medicine to the athletes, showing our care to runners while cheering for them. Such activity not only provided the owners with the opportunity to exercise and interact, but also contributed to enhancing the neighborhood connections and promoting community harmony.



Performance at the Opening Ceremony



Participants on their Run

Mid-Autumn Festival Thematic Activities: "Reunion in CG Services at the Traditional Chinese Festival"

This year, a number of projects of the Group in Guangzhou, Dongguan and Shenzhen carried out thematic activities - "Reunion in CG Services at the Traditional Chinese Festival" - during the Mid-Autumn Festival. These activities include the moonlight garden party, variety show, open-air cinema, and creative parent-child DIY. This series of activities not only created a joyful festive atmosphere for our owners, but also promoted neighborhood exchanges, enhance the cohesion of the community. Besides, these activities provided the owners with a feeling of home.



Moonlight Garden Party



Variety Show

2. Supporting Rural Revitalization

The Group actively responds to the national rural revitalization strategy. Following the overall requirement of building rural areas with “thriving businesses, pleasant living environments, social etiquette and civility, effective governance, and prosperity”, we give full play to the advantages of each business line, and develop distinctive industries in accordance with local conditions through an integration of local social resources and the innovation of production and operation. We introduce live-streaming sales, provide support for farmers by encouraging consumption of their products, and explore new sales channels of local products, all in an effort to increase the income of rural residents. Through these initiatives, we aim to promote comprehensive rural revitalization and modernization of agriculture and rural areas in a rapid manner.

Promoting Rural Products to Achieve Thriving Rural Business

In 2023, for the sixth consecutive year, the Group carried out the consumption activity of “Power of Community” for supporting farmers, together with Bixiang Agricultural Development Co., Ltd., to promote yellow peaches in Jinggangshan, Jiangxi Province, mangoes in Baise, Guangxi Province, sturgeon and passion fruit in Taijiang, Guizhou Province, goats in Gansu Province and other agricultural products. This year, the turnover of the campaign exceeded RMB 7.18 million, and the cumulative turnover of the Group in the past six years exceeded RMB46.68 million, achieving sustainable income growth for farmers and effectively promoting agricultural and rural development and rural revitalization.



Poster for Promoting Agricultural Products

Conducting Publicity of Rural Lavatory Improvement to Build a Pleasant Living Environment

This year, Country Garden Manguo Environmental Technology Group (“Manguo”), a subsidiary of the Group, designated the 6th of every month as the Rural Lavatory Improvement Day in order. This initiative aims to form a regular publicity mechanism, promote relevant knowledge, and enhance public awareness and engagement. Manguo will strengthen the publicity of rural lavatory improvement to consolidate the achievements of “re-examination” of investigation and rectification of rural household lavatory issues. This effort aims to promote the long-term management and maintenance of rural lavatory.



Employees Actively Engage in the Dissemination and Explanation of the Rural Lavatory Improvement Initiative

3. Supporting Disaster Relief

Disaster relief mirrors human solidarity and mutual assistance to tide over difficulties together. This year, the Group was actively involved in various rescue and relief initiatives. We provided support to earthquake-stricken areas and participated in snow removal. These efforts were aimed at resolving difficulties faced by the public and property owners, thereby maintaining social stability and fostering development.

Providing Aid to the Earthquake-stricken Areas in Gansu

In December 2023, Jishishan County in Gansu Province was stricken by a 6.2 magnitude earthquake. Rapidly responding to the government's call in the first instance, the Group donated quilts, cotton-padded clothes, bedding, electric blankets, electric heaters, kettles, instant noodles, cooked food, gloves, paper towels and other relief materials to the disaster-hit areas for the purpose of livelihood assistance for the affected people and support for the rescue teams. We did our utmost to bring warmth and care to the people in the afflicted areas.



Supplies from CG Services on the Way to Jishishan County



Supplies Arrival at the Designated Place

Voluntary Activity of Snow Removal

In December 2023, multiple regions in Shandong were hit by strong cold air and intense snowfall. The local branches of CG Services coordinated local property service teams to take actions in the front line of snow removal. These teams, arriving early in the morning, removed snow from roads, garages, public facilities and other public areas early in the morning, in a bid to resume the cleanness of residential compound. Efforts were also made to remove snow from owners' vehicles, thereby fully protecting owners' driving safety.



Snow Clearing of Owners' Vehicles by Property Service Teams



Snow Clearing of Residential Compound by Property Service Teams

4. Involvement in Public Welfare

The Group actively upholds the unwavering commitment to public welfare. We convey warmth through compassionate acts, and embody social responsibility with concrete actions. In 2023, the Group made contribution to building a better society by caring for elderly people living alone, organizing voluntary blood donation, participating in volunteer services and other charitable activities.

Caring for the Elderly Living Alone

In December 2023, Qinhuangdao Branch in Shanxi-Hebei region of the Group visited the elderly living alone in the Qinhuangdao Haigang District Elderly Service Center, and brought them living supplies. This event exemplified the traditional virtue of respecting the elderly with solid actions.



Group Photo

Voluntary Blood Donation

In June 2023, projects in Henan-Shaanxi region of CG Services encouraged employees and owners to participate in a voluntary blood donation. As a result, there were nearly 130 participants donating a cumulative blood volume of about 45 thousand milliliters. Such approach interpreted the kindness of “refueling life with love” and conveyed warmth and positive energy to the society.



Group Photo of Voluntary Blood Donation

Appendix I: Index of Key Performance Indicators (KPIs)

Environment

ESG indicators	Unit	2023 Data ⁽¹⁾⁽²⁾	2022 Data	2021 Data
Emissions⁽³⁾				
NOx emissions ⁽⁴⁾⁽⁵⁾	kg	1,841.14	1854.72	2,041.37
SOx emissions ⁽⁵⁾	kg	0.08	0.05	0.10
Greenhouse gases				
Total greenhouse gas emissions (Scope 1 + Scope 2, carbon dioxide equivalent emissions)	ton	486,256.86	641,586.51	574,314.08
Scope 1 (CO ₂ equivalent emissions) ⁽⁶⁾	ton	5,193.66	5,157.33	5,782.83
Scope 2 (CO ₂ equivalent emissions) ⁽⁷⁾	ton	481,063.20	636,429.18	568,531.25
Hazardous waste				
Total hazardous waste ⁽⁸⁾	ton	0.89	2.82	0.75
Weight of wasted batteries	ton	0.89	2.82	0.75
Non-hazardous waste				
Total non-hazardous waste ⁽⁹⁾	ton	752.45	2,078.04	2,712.35
Weight of office waste	ton	264.01	503.15	468.92
Weight of food waste	ton	488.44	1,574.89	2,243.43
Energy				
Total energy consumption ⁽¹⁰⁾	‘000kWh	869,333.14	774,673.79	692,665.51
Total energy intensity ⁽¹¹⁾	‘000kWh/m ²	0.0015	0.0018	0.0013
Non-renewable fuel (direct) consumption ⁽¹²⁾⁽¹³⁾	‘000kWh	25,806.57	25,681.77	28,715.91
Pipeline natural gas	‘000kWh	24,665.15	24,923.38	27,322.72
Liquefied petroleum gas (“LPG”) consumption	‘000kWh	1,141.42	758.39	1,393.18
Energy purchased (indirect) consumption ⁽¹⁴⁾	‘000kWh	843,526.57	748,992.02	663,949.60
Purchased electricity consumption	‘000kWh	843,526.57	748,992.02	663,949.60
Water				
Total water consumption	m ³	36,368,295.17	40,580,113.94	29,881,488.74
Water consumption intensity ⁽¹¹⁾	m ³ /m ²	0.063	0.097	0.058

Notes to Environmental KPIs:

- 1 The data collection scope of environmental KPIs in 2023 covers the office areas of the Group headquarter, 29 regional/municipal companies, 1,576 subordinate project companies, public areas of property management, and all non-outsourced staff canteens.
- 2 Data conversion methods and coefficients are mainly with reference to the *Appendix II: Reporting Guidance on Environmental KPIs* to the *How to Prepare an ESG Report* released by the HKEX, with several exceptions where the data conversion methods and coefficients are detailed in relevant notes.

- 3 The data collection scope of environmental KPIs in 2023 does not involve official cars, therefore, no particulate matter emission data was recorded.
- 4 NOx emissions are generated from pipeline natural gas and LPG consumption. The natural gas emission factor is selected with reference to the *Methods for Emission Factors and Material Accountancy Applicable to Industries Not Included in Emission Permit Management (Trial)* issued by the Ministry of Ecology and Environment of China in 2017.
- 5 SOx emissions are generated from LPG consumption. The LPG calorific value coefficient is selected with reference to the *Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions from Enterprises Operating Public Buildings (Trial)* issued by the National Development and Reform Commission of China in 2015.
- 6 The GHG emissions (Scope 1) arise from the combustion of fuels from stationary sources (other than electrical installations) to generate heat or steam, such as the consumption of pipeline natural gas and LPG for non-outsourced employee cafeteria gas stoves, heating boilers, etc. The natural gas calorific value coefficient and emission factor are selected with reference to the *Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions from Enterprises Operating Public Buildings (Trial)* issued by the National Development and Reform Commission of China in 2015.
- 7 The GHG emissions (Scope 2) arise from the purchased electricity consumed within the company. For the GHG emission factor of purchased electricity, refer to the Ministry of Ecology and Environment's latest Average Emission Factor of National Power Grid.
- 8 Total hazardous waste = Total weight of wasted batteries.
- 9 Total non-hazardous waste = Weight of office waste + Weight of food waste.
- 10 Total energy consumption = (Direct) energy consumption of non-renewable fuel + (Indirect) consumption of purchased energy.
- 11 Intensity values are calculated by dividing the sum of the area under management for all projects within the scope of the current year's environmental key performance indicator data disclosure.
- 12 The (direct) calorific value coefficient of the non-renewable fuel is selected with reference to the *Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions from Enterprises Operating Public Buildings (Trial)* issued by the National Development and Reform Commission of China in 2015.
- 13 (Direct) energy consumption of non-renewable fuel = Pipeline natural gas consumption + LPG consumption.
- 14 (Indirect) consumption of purchased energy = Purchased electricity consumption.

Employment⁽¹⁵⁾

	2023 Data	2022 Data	2021 Data
Total number of employees	213,712	227,759	168,860
Total number of employees by gender			
Male	119,827	131,148	97,950
Female	93,885	96,611	70,910
Total number of employees by job type			
Service	170,640	185,558	143,416
Business	4,449	5,278	3,986
Professional	24,443	23,486	14,034
Management	14,180	13,437	7,424
Total number of employees by age group			
Aged under 30	30,340	34,173	24,354
Aged 31-40	48,869	50,560	31,809
Aged 41-50	42,344	44,461	27,884
Aged 50 above	92,159	98,565	84,813
Total number of employees by employment type			
Full-time	198,173	220,171	160,133
Part-time	15,539	7,588	8,727
Total number of employees by region			
Chinese Mainland	212,543	226,757	167,806

Hong Kong SAR and Macao SAR	656	570	529
Overseas areas	513	432	525

Notes to Employment KPIs:

15 In 2023, the number of employees of 8 subsidiaries is not included.

Turnover Rate ⁽¹⁶⁾⁽¹⁷⁾

	2023 Data	2022 Data	2021 Data
Overall employee turnover rate (%)	28.51	28.09	25.87
Employee turnover rate by gender			
Male	28.85	28.58	27.02
Female	28.07	27.42	24.21
Employee turnover rate by age group			
Aged under 30	34.46	37.47	32.03
Aged 31-40	24.03	26.62	24.51
Aged 41-50	21.16	23.52	21.85
Aged 50 above	31.54	27.01	25.68
Employee turnover rate by region			
Chinese Mainland	28.45	28.05	25.83
Hong Kong SAR and Macao SAR	39.86	28.71	30.85
Overseas areas	34.71	44.33	30.19

Notes to turnover rate KPIs:

16 In 2021, the number of employees from 8 subsidiaries is not included.

17 Turnover rate = Number of employees in the specified category leaving employment in 2023 / (Number of employees in the specified category at the end of 2023 + Number of employees in the specified category leaving employment in 2023) * 100.

Health and Safety

	2023 Data	2022 Data	2021 Data
Number of work-related fatalities (person) ⁽¹⁸⁾	1	2	1
Rate of work-related fatalities (%) ⁽¹⁹⁾	0.0005	0.001	0.001
Lost days due to work injury (day) ⁽²⁰⁾	9,208	9,968	6,419

Notes to Health and Safety KPIs:

18 In 2023 and 2022, the number of work-related fatalities of Manguo and Dongfei is not included; in 2021, the number of work-related fatalities of all the subsidiaries is not included.

19 The rate of work-related fatalities = Number of work-related fatalities / Total number of employees * 100 (in 2023 and 2022, Manguo and Dongfei are not included in the number of work-related fatalities and total number of employees, in 2021, subsidiaries is not included.)

20 Lost days due to work injury = Number of days off due to work-related injuries (in 2023 and 2022, the number of Manguo and Dongfei is not included; in 2021, the number of 9 subsidiaries is not included.)

Development and Training⁽²¹⁾⁽²²⁾

	2023 Data
Percentage of total employees trained	89.17
Percentage of employees trained by gender	
Male	88.94
Female	89.45
Percentage of employees trained by category	

	2023 Data
Senior management	75.10
Middle management	92.72
Ordinary employees	88.89
Average hours of training per employee⁽²³⁾	64.70
Average hours of training per employee by gender	
Male	65.77
Female	63.33
Average hours of training per employee by category	
Senior management	52.6
Middle management	58.82
Ordinary employees	65.48

Notes to Development and Training KPIs:

- 21 Percentage of employees trained by category = Total number of trained employees in that specific category / Total number of employees in that specific category*100.
- 22 Average hours of training of employees in relevant employee categories = Total training hours of employees in that specific category / Total number of employees in that specific category.

Operation Practices

	2023 Data	2022 Data	2021 Data
Number of suppliers⁽²⁴⁾	11,377	9,081	8,786
Chinese Mainland			
Eastern China	6,215	4,737	3,989
Central China	2,494	2,384	2,785
Northeast China	481	335	429
Western China	2,187	1,624	1,582
Overseas areas	0	1	1

Notes to Operation Practices KPIs:

- 23 In 2021, the data of 6 subsidiaries is not included.

Product Responsibility

	2023 Data	2022 Data	2021 Data
Number of complaints received regarding the products and services ⁽²⁵⁾	164,779	226,062	117,647
Response rate of complaints completed (%)	99.70	99.49	100

Notes to Product Responsibility KPIs:

- 24 In 2023 and 2022, the data of Manguo and Dongfei is not included; in 2021, the data of 2 subsidiaries is not included.

Anti-Corruption

	2023 Data	2022 Data	2021 Data
Number of concluded legal cases regarding corruption (case)	0	0	0

Community⁽²⁶⁾

	2023 Data	2022 Data	2021 Data
Philanthropy			
Number of input workforce (person)	20,437	2,789	1,725
Input time (h)	26,386	7,429	1,386
Input capital (RMB)	7,146,741	234,566	150,000
Environmental protection			
Number of input workforce (person)	2,982	7,572	211
Input time (h)	3,369	8,883	1,314
Input capital (RMB)	1,025,886	492,284	72,815
Culture			
Number of input workforce (person)	159,752	50,512	33,356
Input time (h)	290,943	121,603	38,763
Input capital (RMB)	88,295,567	2,916,526	4,368,874
Sports			
Number of input workforce (person)	2,946	330	3,430
Input time (h)	3,844	2,725	313
Input capital (RMB)	934,131	531,090	975,000
Education			
Number of input workforce (person)	7,676	9,400	888
Input time (h)	10,767	3,685	430
Input capital (RMB)	3,324,849	130,570	25,186
Total			
Number of input workforce (person)	193,703	70,603	39,610
Input time (h)	335,308	144,325	42,206
Input capital (RMB)	100,727,174	4,305,036	5,591,875

Notes to Community KPIs:

25 Incomplete statistics on the resources utilized by the Group in the scope of focus.

Appendix II: List of Policies and Applicable Laws and Regulations

ESG indicators	Internal policies	Compliance with laws and regulations
Aspect A1: Emissions	<i>Procedures for Identification and Assessment of Environmental Factors and Prevention and Control</i>	<i>Law of the People's Republic of China on Environmental Protection</i>
Aspect A2: Use of Resources	<i>Procedures for Resource Management</i>	<i>Law of the People's Republic of China on Environmental Impact Appraisal</i>
Aspect A3: The Environment and Natural Resources	<i>Procedures for the Treatment of Solid Waste</i>	<i>Water Pollution Prevention and Control Law of the People's Republic of China</i>
	<i>Procedures for the Treatment of Wastewater, Exhaust and Noise</i>	<i>Water Law of the People's Republic of China</i>
	<i>Assessment and Scoring Standards for Landscaping Management and Maintenance</i>	<i>Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste</i>
	<i>Guidelines for the Implementation of Energy Management in Commercial Operational Construction Contracts (2023)</i>	<i>Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution</i>
	<i>Safety, Environmental and Health Management Requirements for Commercial Operational Contractors (2023)</i>	<i>Law of the People's Republic of China on the Prevention and Control of Air Pollution</i>
		<i>Law of the People's Republic of China on Coastal Environmental Protection</i>
		<i>Law of the People's Republic of China on Energy Conservation</i>
		<i>Regulations of the People's Republic of China on the Administration of Prevention and Control of Pollution from Land-based Sources and Damage to the Marine Environment</i>
		<i>National Catalogue of Hazardous Wastes</i>
		<i>Administrative Measures for Hazardous Waste Transfer Forms</i>
		<i>Work Program for the Control of Greenhouse Gas Emissions in the 13th Five-Year Plan</i>
		<i>Administrative Measures for Urban Living Garbage</i>
		<i>Provisions on the Administration of Urban Construction Garbage</i>
Aspect B1: Employment	<i>Regulations on the Management of Professional Conduct of Employees of Country Garden Services Group</i>	<i>Labor Law of the People's Republic of China</i>
	<i>Attendance and Leave Management System of Country Garden Services Group</i>	<i>Labor Contract Law of the People's Republic of China</i>
		<i>Law of the People's Republic of China on Promotion of Employment</i>

ESG indicators	Internal policies	Compliance with laws and regulations
Aspect B2: Health and Safety	<p><i>Regulations on the Administration of Employee Welfare Leave and Regional Allowance for Ethnic Minorities and Remote/High Plateau Areas of Country Garden Services Group</i></p> <p><i>Regulations on the Management of Pay Adjustment for MP Categories of Staff of Country Garden Services Group</i></p> <p><i>Management Measures for Happy Workplace of Country Garden Services 2023</i></p> <p><i>Salary Calculation Rules and Management System of the Country Garden Services Group</i></p> <p><i>2023 Organizational Performance Assessment Scheme of Country Garden Services Group</i></p> <p><i>Leader Management Measures of Country Garden Services Group</i></p> <p><i>Employee Handbook</i></p> <p><i>Measures for the Management of Incentive Policies of Country Garden Services Group (V3.0)</i></p>	<p><i>Social Insurance Law of the People's Republic of China</i></p> <p><i>Regulations of the People's Republic of China on Special Protection for Underage Workers</i></p> <p><i>Regulations on Minimum Wage for Enterprises</i></p> <p><i>Regulations on Prohibition of Child Labor</i></p> <p><i>International Labor Organization Constitution</i></p> <p><i>Discrimination (Employment and Occupation) Convention</i></p> <p><i>Abolition of Forced Labor Convention</i></p>
	<p><i>Guidelines for the Management of Occupational Injuries for Employees of Country Garden Services Group</i></p> <p><i>Discipline of Safety Production and Quality Red Line of Country Garden Services</i></p> <p><i>Procedures for the Management of Operation Safety</i></p> <p><i>Procedures for the Management of Labor Protection Items</i></p> <p><i>Regulations on Occupational Safety and Precautions</i></p> <p><i>Procedures for the Prevention and Control of Hazardous Sources</i></p> <p><i>Procedures for Identification and Assessment of Environmental Factors and Prevention and Control</i></p> <p><i>"Blue, Green, Orange, Yellow and Red" Five-color Risk Management Mechanism</i></p> <p><i>Emergency Response Plan Drill Checklist</i></p> <p><i>Measures for Safety Production - Environment (Version 1.0)</i></p> <p><i>Administrative Measures for Fire Safety Responsibilities (2022 Version)</i></p> <p><i>Risk Management Measures for Basic Property Management Services (V4.0)</i></p>	<p><i>Labor Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</i></p> <p><i>Law of the People's Republic of China on Production Safety</i></p> <p><i>Law of the People's Republic of China on Fire Fighting</i></p> <p><i>Emergency Response Law of the People's Republic of China</i></p> <p><i>Regulations on Safe Management of Hazardous Chemicals</i></p> <p><i>Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents</i></p> <p><i>Interim Provisions on the investigation and Treatment of Work Safety Accident Hazards</i></p> <p><i>Regulations of the People's Republic of China on Work Injury Insurance</i></p> <p><i>Regulations of the People's Republic of China on Unemployment Insurance</i></p> <p><i>Regulations on Occupational Health Supervision and Administration in the Workplace</i></p> <p><i>Classification and Catalogue of Occupational Diseases</i></p>

ESG indicators	Internal policies	Compliance with laws and regulations
	<i>Administrative Measures for Pool Safety of Country Garden Services (V1.0)</i>	<i>Trial Measures for Maternity Insurance for Enterprise Employees</i>
Aspect B3: Development and Training	<i>Administrative Measures for Training of Laboratory Operations</i> <i>Measures for Internal Tutor Management</i> <i>Implementation Rules for Model Talent Base Management</i> <i>Talent Management Responsibilities and Requirements</i> <i>Administrative Measures for Manager Referral Bonus (2022 Version)</i> <i>Leader Management Measures of Country Garden Services Group</i> <i>2023 Management Measures for Performance Assessment of Core Personnel in the Life Service Section of the Unit Community and Principals of Key Businesses and in Key Cities</i> <i>2022 Management Measures for Market Expansion Performance Assessment</i>	
Aspect B4: Labor Standards	<i>Attendance and Leave Management System of Country Garden Services Group</i> <i>Regulations on the Administration of Employee Welfare Leave and Regional Allowance for Ethnic Minorities and Remote/High Plateau Areas of Country Garden Services Group</i>	<i>Labor Law of the People's Republic of China</i> <i>Labor Contract Law of the People's Republic of China</i> <i>Regulations on Prohibition of Child Labor</i> <i>Law of the People's Republic of China on the Protection of Minors</i> <i>Law of the People's Republic of China on the Protection of the Rights and Interests of Women</i>
Aspect B5: Supply Chain Management	<i>Risk Management Committee Implementation Rules</i> <i>Measures for the Management of Self-Purchase of Food Ingredients in the Staff Canteens of Property Management Companies</i> <i>Measures for the Development and Management of Suppliers for the Procurement of Materials by Property Management Companies</i> <i>Partner Assessment Approaches</i> <i>Guidelines on Investment Promotion for Regional Strategic Cooperation</i> <i>Rules for Operation and Management of Bicai Mall (for Suppliers)</i>	<i>Law of the Republic of China on Tendering and Bidding</i> <i>Interim Measures for the Administration of Tendering and Bidding for Early Stage of Property Management</i> <i>Measures for the Administration of Tenders and Invitations to Bid in Government Procurement of Goods and Services</i> <i>Law of the People's Republic of China on Government Procurement</i> <i>Regulations of the People's Republic of China on the Implementation of the Government Procurement Law</i>

ESG indicators	Internal policies	Compliance with laws and regulations
Aspect B6: Product Responsibility	<p><i>Administrative Measures for Access, Withdrawal and Evaluation of Material Suppliers in Bicai Mall</i></p> <p><i>Management Measures for Outsourcing Business of Country Garden Services (2022)</i></p> <p><i>Administrative Measures for Materials of Country Garden Services Group (V2.0)</i></p> <p><i>Administrative Measures for Responsibilities and Appointment of Procurement-related Positions at Country Garden Services Group (V2.0)</i></p> <p><i>Administrative Measures for Procurement and Suppliers of Bicai Mall Services (V2.0)</i></p>	
	<p><i>Standard Operation Procedures (SOP)</i></p> <p><i>Measures for Quality Management of Country Garden Services Workbook of Country Garden Services</i></p> <p><i>Standardized Work Manual</i></p> <p><i>Post Operation Rules of Country Garden Services</i></p> <p><i>Basic Property Quality Inspection Standards of Country Garden Services</i></p> <p><i>Internal Audit Standard for Quality Control</i></p> <p><i>Quality Inspection Standards</i></p> <p><i>Quality Operation and Control Standards</i></p> <p><i>Sales Field Service Plan</i></p> <p><i>Ten Priorities for Butlers</i></p> <p><i>Standards for Third Party Satisfaction Survey Inspections by Surveyed City for Country Garden Group</i></p> <p><i>Scheme of Butler and Business Reception Services for Industry-City Properties</i></p> <p><i>Service Manual for Grade 1 Environmental Services for Industry-City Properties</i></p> <p><i>Guidance for Preliminary Intervention of Industry-City Property Projects</i></p> <p><i>Guidelines for Complaint Work Order Processing Operations</i></p> <p><i>Administrative Measures for Claims Assessment</i></p>	<p><i>Anti-Unfair Competition Law of the People's Republic of China</i></p> <p><i>Anti-Monopoly Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Protection of Consumer Rights and Interests</i></p> <p><i>Tort Law of the People's Republic of China</i></p> <p><i>Advertising Law of the People's Republic of China</i></p> <p><i>Trademark Law of the People's Republic of China</i></p> <p><i>Patent Law of the People's Republic of China</i></p> <p><i>Copyright Law of the People's Republic of China</i></p> <p><i>Product Quality Law of the People's Republic of China</i></p> <p><i>Regulations on Property Management Urban Real Estate Management Law of the People's Republic of China</i></p> <p><i>GB 50016-2014 Code for Fire Protection Design of Buildings</i></p> <p><i>Measures for the Management of Property Services Charges</i></p> <p><i>Property Law of the People's Republic of China</i></p> <p><i>Law of the People's Republic of China on the Safety of Special Equipment</i></p> <p><i>Regulations on the Safety Supervision of Special Equipment</i></p> <p><i>Regulations on the Reporting and Investigation of Special Equipment Accidents</i></p>

ESG indicators	Internal policies	Compliance with laws and regulations
	<i>Operating Procedures for Night Inspection by Property Project (Regular Property) Management Personnel</i>	<i>Guidelines for Emergency Response for Elevators</i>
	<i>Administrative Measures for Fire Safety Responsibilities of Property Management of Country Garden Services</i>	<i>Regulations on the Internal Security of Enterprises and Institutions</i>
	<i>Administrative Measures for the Use of Mobile Phones by Property Management Personnel at Work</i>	<i>Regulations on Security Services</i>
	<i>Administrative Measures for Innovation Incentives</i>	<i>Law of the People's Republic of China on Fire Fighting</i>
	<i>Administrative Measures for Official WeChat Account</i>	<i>Regulations on the Investigation of Fire Accidents</i>
	<i>Administrative Measures for Country Garden Property Owner Clubs and Societies</i>	<i>Measures for the Supervision and Administration of Firefighting in Construction Projects</i>
	<i>Administrative Measures for Property Information of Country Garden</i>	<i>Tort Law of the People's Republic of China</i>
	<i>Emergency Response Plan Drill Checklist</i>	<i>Administrative Measures on Information Security Classified Protection</i>
	<i>Classification Guidelines for Complaint Work Order Processing</i>	<i>Regulations on the Security Protection of Computer Information Systems</i>
	<i>Claim Assessment Management</i>	<i>Protection of Computer Information Systems</i>
	<i>Security Requirements on Classified Protection 2.0 (Level III)</i>	<i>GBT 25058-2010 Information Security Technology - Implementation</i>
	<i>Administrative Measures for Public Opinion of Country Garden Services</i>	<i>Guide for classified Protection of Information System</i>
	<i>Patent Management Manual</i>	<i>GBT 22080-2008 ISO27001-2005</i>
	<i>Management Measures for Joint Acceptance of Country Garden Services (2022)</i>	<i>Information Technology - Security Techniques - Information Security Management Systems - Requirements</i>
	<i>Management Measures for Outsourcing Business of Country Garden Services (2022)</i>	
	<i>Manual on Full-Cycle Business Operations of Country Garden Services (V1.0)</i>	
	<i>Guidelines for Acceptance and Identification (V2.0)</i>	
	<i>Safety Risk Management System for Basic Property Management Services (V4.0)</i>	
	<i>Administrative Measures for Fire Safety Responsibilities (202n)</i>	
	<i>Administrative Measures for Pool Safety of Country Garden Services (V1.0)</i>	
	<i>Administrative Measures for Claims Assessment (including Claim Assessment Management and</i>	

ESG indicators	Internal policies	Compliance with laws and regulations
	<p><i>Classification Guidelines for Complaint Work Order Processing</i></p> <p><i>Administrative Measures for Phoenix Butler WeCom (202n)</i></p> <p><i>Administrative Measures for Phoenix Butler Work Handover (2022)</i></p> <p><i>Trial City Service Group Project Management General Partner Management Measures (2023)</i></p> <p><i>Data Security Management Measures of Country Garden Life Services Group (2023)</i></p> <p><i>Data Classification and Classification Management Measures of Country Garden Life Services Group (2023)</i></p> <p><i>Information Security Management Regulations of Country Garden Life Services Group (2023)</i></p> <p><i>Implementation Guide for Updating and Reforming Commercial Operational Projects (2023)</i></p> <p><i>Criteria for Determining Major Accident Hazards in Commercial Operational Projects</i></p> <p><i>Measures for the Administration of Intellectual Property Rights of Country Garden Services</i></p> <p><i>Operation Management Measures of Country Garden Services (2023)</i></p> <p><i>Elevator Whole Life Cycle Supervision System (V2.0)</i></p> <p><i>Energy Consumption Management Measures of Country Garden Services (2023)</i></p>	
<p>Aspect B7: Anti-Corruption</p>	<p><i>Standard of Risk Management System of Country Garden Services Group</i></p> <p><i>Regulations on the Management of Professional Conduct of Employees of Country Garden Services Group</i></p> <p><i>Measures for Investigating the Responsibility for Violations and Discipline of Employees of Country Garden Services Group (202n)</i></p> <p><i>Guidelines for Self-Inspection of Supervision Cases</i></p> <p><i>Guidelines for Internal Control Self-Assessment Operations</i></p> <p><i>Code of Conduct for Employee Integrity</i></p> <p><i>Regulations on the Management of Conflict of Interest of Employees (202n)</i></p>	<p><i>Company Law of the People's Republic of China</i></p> <p><i>Anti-Money Laundering Law of the People's Republic of China</i></p> <p><i>Anti-Unfair Competition Law of the People's Republic of China</i></p> <p><i>Interim Provisions on the Prohibition of Commercial Bribery</i></p>

ESG indicators	Internal policies	Compliance with laws and regulations
	<p><i>Commitment to Integrity and Self-discipline</i></p> <p><i>Administrative Measures for Handling Complaints and Reporting of Employee Disciplinary Violations</i></p> <p><i>Management Measures for Reporting and Registration of Gifts and Gratuities</i></p> <p><i>Risk Management Committee Implementation Rules</i></p> <p><i>Integrity and Anti-Corruption Guidelines for Public Officials</i></p> <p><i>Measures for Investigating the Responsibility for Violations and Discipline of Employees of Country Garden Services Group</i></p> <p><i>Reporting and Protection Management Measures of Country Garden Services Group</i></p>	
<p>Aspect B8: Community Investment</p>		<p><i>Guiding Rules for General Assemblies and Committees of Property Owners</i></p> <p><i>Regulations on Security Administration of Large-scale Mass Activities</i></p> <p><i>Charity Law of the People's Republic of China</i></p>

Appendix III: Index of the ESG Reporting Guide

ESG indicators	Disclosure Information	Chapter
Scope: Environment		
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 Low-Carbon · Adhering to Green Operation
A1.1	The types of emissions and respective emissions data.	Disclosed Low-Carbon · Adhering to Green Operation Appendix I: Index of Key Performance Indicators (KPIs)
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Disclosed Low-Carbon · Adhering to Green Operation Appendix I: Index of Key Performance Indicators (KPIs)
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Disclosed Low-Carbon · Adhering to Green Operation Appendix I: Index of Key Performance Indicators (KPIs)
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	Disclosed Low-Carbon · Adhering to Green Operation Appendix I: Index of Key Performance Indicators (KPIs)
A1.5	Description of emission target(s) set and steps taken to achieve them.	Disclosed Low-Carbon · Adhering to Green Operation
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 Low-Carbon · Adhering to Green Operation
A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed Low-Carbon · Adhering to Green Operation
A2.1	Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g., per unit of production volume, per facility).	Disclosed Low-Carbon · Adhering to Green Operation Appendix I: Index of Key Performance Indicators (KPIs)
A2.2	Water consumption in total and intensity (e.g., per unit of production volume, per facility).	Disclosed Low-Carbon · Adhering to Green Operation Appendix I: Index of Key Performance Indicators (KPIs)
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed Low-Carbon · Adhering to Green Operation

	ESG indicators	Disclosure Information	Chapter
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	Low-Carbon · Adhering to Green Operation
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The operation of the Group does not cover the use of packaging materials, so this KPI is not applicable	
A3: The Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Disclosed	Low-Carbon · Adhering to Green Operation
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	Low-Carbon · Adhering to Green Operation
A4: Climate Change			
General Disclosure	Polices on identification and mitigation of significant climate-related issues which have impacted and those which may impact the issuer.	Disclosed	Low-Carbon · Adhering to Green Operation
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Disclosed	Low-Carbon · Adhering to Green Operation
Scope: Society			
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	Inclusiveness · Building a Vibrant Team
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Disclosed	Inclusiveness · Building a Vibrant Team Appendix I: Index of Key Performance Indicators (KPIs) Inclusiveness · Building a Vibrant Team
B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	Appendix I: Index of Key Performance Indicators (KPIs)
B2: Health and Safety			
General Disclosure	Information on: (a) the policies; and	Disclosed	Inclusiveness · Building a Vibrant Team

	ESG indicators	Disclosure Information	Chapter
B2.1	(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. Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	Inclusiveness · Building a Vibrant Team Appendix I: Index of Key Performance Indicators (KPIs)
B2.2	Lost days due to work injury	Disclosed	Inclusiveness · Building a Vibrant Team Appendix I: Index of Key Performance Indicators (KPIs)
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	Disclosed	Inclusiveness · Building a Vibrant Team
B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	Inclusiveness · Building a Vibrant Team
B3.1	The percentage of employees trained by gender and employee category (e.g., senior management, middle management).	Disclosed	Inclusiveness · Building a Vibrant Team Appendix I: Index of Key Performance Indicators (KPIs)
B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	Inclusiveness · Building a Vibrant Team Appendix I: Index of Key Performance Indicators (KPIs)
B4: Labor Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Disclosed	Inclusiveness · Building a Vibrant Team
B4.1	Description of measures to review employment practices to avoid child and forced labor.	Disclosed	Inclusiveness · Building a Vibrant Team
B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	Inclusiveness · Building a Vibrant Team
B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	Cooperation · Joining Hands for Common Development Cooperation · Joining Hands for Common Development
B5.1	Number of suppliers by geographical region.	Disclosed	Appendix I: Index of Key Performance Indicators (KPIs)
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being	Disclosed	Cooperation · Joining Hands for Common Development

	ESG indicators	Disclosure Information	Chapter
	implemented, how they are implemented and monitored.		Appendix I: Index of Key Performance Indicators (KPIs)
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	Cooperation · Joining Hands for Common Development
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	Cooperation · Joining Hands for Common Development
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	Quality · Providing Thoughtful Services
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The operation of the Group does not involve selling or shipping products, so this KPI is not applicable	
B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	Quality · Providing Thoughtful Services Appendix I: Index of Key Performance Indicators (KPIs)
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	Quality · Providing Thoughtful Services
B6.4	Description of quality assurance process and recall procedures.	The operation of the Group does not involve selling or shipping products, so this KPI is not applicable	
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	Quality · Providing Thoughtful 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	Sustainability Management
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	Sustainability Management Appendix I: Index of Key Performance Indicators (KPIs)

	ESG indicators	Disclosure Information	Chapter
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Disclosed	Sustainability Management
B7.3	Description of anti-corruption training provided to directors and staff.	Disclosed	Sustainability Management
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	Quality · Providing Thoughtful Services Harmony · Building a Beautiful Social Environment Under Joint Efforts
B8.1	Focus areas of contribution (e.g., education, environmental concerns, labor needs, health, culture, sport).	Disclosed	Quality · Providing Thoughtful Services Harmony · Building a Beautiful Social Environment Under Joint Efforts Appendix I: Index of Key Performance Indicators (KPIs) Quality · Providing Thoughtful Services
B8.2	Resources contributed (e.g., money or time) to the focus area.	Disclosed	Harmony · Building a Beautiful Social Environment Under Joint Efforts Appendix I: Index of Key Performance Indicators (KPIs)