

Country Garden Services Holdings Company Limited

(Incorporated in the Cayman Islands with limited liability) Stock Code: 6098

Environmental, Social and Governance Report

2019

Table of Contents

About the Report 1

About Country Garden Services 3

Message from the Chairman 8

Sustainable Development Governance 11

Stakeholder Engagement 17

Supplier of Beautiful Life 22

Responder to Green and Low Carbon Initiative 45

Practitioner of Humanistic Care 55

Promoter of Community Ecology 70

Appendix I: Index of Key Performance Indicators (KPIs) 84

Appendix II: List of Policies and Applicable Laws and Regulations 88

Appendix III: Index of the ESG Reporting Guide 94

Our continuous improvement depends on your valuable opinions. Please feel free to contact us to share your suggestions or any queries you may have about our work on sustainable development and on this report:

Email
irps@bgfyfw.com

About the Report

Report Overview

Country Garden Services Holdings Company (hereinafter referred to as the “Company”) together with its subsidiaries (collectively, the “Group”, “Country Garden Services” or “We”), is a leading integrated property management service provider in the People’s Republic of China. Its primary business is residential property management. The Company is committed to practicing the concept of sustainable development in the process of providing life-cycle property management services to customers, maintaining a harmonious relationship between economic interests and the society and environment, and creating long-term value together with all stakeholders.

This report is the second Environmental, Social and Governance Report published by Country Garden Services Holdings Company. It aims to disclose the Group’s sustainable development 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.

Reporting Scope

This report covers the reporting period from January 1st, 2019 to December 31st, 2019 (hereinafter referred to as the “Reporting Period” or “Current Year”) and extends in part backward and forward to the reporting period as appropriate.

Unless otherwise stated, this report sets out the risks, opportunities, and corresponding management¹ approaches, practices and performance associated with the major sustainability aspects of the overall business scope of Country Garden Services. Among these, the economic and social KPIs disclosed in this report cover the overall scope of the business, while the environmental KPIs only cover headquarters, 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.

¹ Overall business scope of the Group refers to the Group’s four major business lines: (i) property management services, (ii) community value-added services, (iii) value-added services to non-property owners, and (iv) “Three Supplies and Property Management” services (currently includes property management services and heat supply business).

Reporting Standards

This report has been compiled in accordance with the Environmental, Social and Governance Reporting Guide (hereinafter referred to as the "ESG Reporting Guide") of The Stock Exchange of Hong Kong Limited (hereinafter referred to as "HKEx"). The content index of the ESG Reporting Guide is detailed in the Appendix to this report, for quick reference.

Country Garden Services has referred to the initiative of the International Integrated Reporting Council (IIRC) to maintain the consistency of this report with the financial reporting and to summarize financial information in this report, to present a coherent picture of financial and non-financial performance so that readers can make a more comprehensive assessment of the work done by Country Garden Services. The financial information has been audited by the independent auditor PWC. For details, please visit the official website of Country Garden Services at www.bgyfw.com or review the Country Garden Service 2019 Annual Report on the information disclosure website of the HKEx at www.hkexnews.hk.

Unless otherwise stipulated, this report uses Renminbi as the monetary unit.

Information Source

The information disclosed in this report has been derived from official documents, statistical data or public information of Country Garden Services and has been validated by the internal supervisory mechanism. The Board of Directors is responsible for the truthfulness, accuracy and completeness of the content of this report.

Release Method

This report is prepared in both Chinese and English, and published in electronic format, and has been uploaded to the official website of Country Garden Services at www.bgyfw.com and the information disclosure website of the HKEx at www.hkexnews.hk. In case of inconsistencies or discrepancies between the English and Chinese versions of this report, the Chinese version shall prevail.

684.7

Except for the "Three Supplies and Property Management" services, the contracted GFA was approximately 684.7 million square meters.

276.1

Except for the "Three Supplies and Property Management" services, the revenue-bearing GFA was approximately 276.1 million square meters.

84.9

For the "Three Supplies and Property Management" services, the contracted and revenue-bearing GFA were approximately 84.9 million square meters.

2,405

A total of 2,405 property projects are under the Company's management

About Country Garden Services

Founded in 1992, Country Garden Services Holdings Company Limited (Stock Code: 6098.HK) is a leading integrated property management service provider in China, and residential property management is its primary business. It has been listed as the "No. 1 Community Service Provider in China" by EH Consulting (亿翰智库) for two consecutive years, among the top three in the 2019 China Top 100 Property Services Enterprises Comprehensive Rating, as No. 1 in operational performance by China Index Academy, as well as Top 10 Listed Property Management Service Companies by the China Property Management Institute.

With strong and stable development over the past 28 years, the Company has consistently adhered to the service concept of "Addressing the Pressing Demands of Homeowners" and "Being Comprehensively Owner-centric", and has established a standardized and lean property service system with reliable services. Leveraging a strong offline service system, the Company has integrated community business resources and developed technology-based property products and is committed to enabling homeowners to experience the beauty of property services. The Company provides full life cycle services catering to the multiple life needs, travel, office, and asset management requirements of large and small homeowners.

Our Businesses

Country Garden Services has four major business lines—Property Management Services, Community Value-Added Services, Value-added Services to Non-property Owners, and "Three Supplies and Property Management" services, constituting an integrated service to our customers and covers the entire property management value chain:

- **Property Management Services**

We offer a range of property management services to owners, residents and property developers, including security, after-decoration cleaning, landscaping, gardening, maintenance, etc. We continue to diversify our property management portfolio to include residential, commercial, office, mixed-use, government, hospital and other public facilities, industrial parks, highway service stations, parks, scenic areas, schools, etc. In addition, we have expanded into the operation and maintenance of urban public facilities and smart city operation services and have extended our community living services to integrated urban services.

- **Community Value-added Services**

We are committed to being a "full-cycle integrated community living service provider", providing a full range of community value-added services to homeowners around the mature community cycle, homeowner family growth cycle and property value cycle. We provide a wide range of value-added

31-350-4

The scope of management covers over 350 cities in 31 provincial-level regions in China and overseas, with a focus on 4 economically developed city clusters, including the Guangdong-Hong Kong-Macao Greater Bay Area, Yangtze River Delta, Middle Yangtze River and Beijing-Tianjin-Hebei Region

3.46

Serving over 3.46 million homeowners and commercial tenants

95.2%

The collection rate of property management fee remains high at nearly 95.2%

services to the community by focusing on the life needs of owners with butler services, and have opened up integrated marketing and building channels, connecting external merchant resources with the needs of the owners, specifically: 1) housekeeping services; 2) turnkey furnishing and move-in services; 3) community media services; 4) value-added innovations services; 5) real estate brokerage services; and 6) community area services.

- **Value-added Services to Non-property Owners**

The Value-added Services to Non-property Owners provided by the Company are primarily (1) consultancy services to property developers for their pre-sale properties management, as well as consultancy services for properties managed by other property management companies; (2) cleaning, landscaping and maintenance services for property developers at the pre-delivery stage; and (3) sales and leasing agency services of unsold parking spaces and properties

- **“Three Supplies and Property Management” Services**

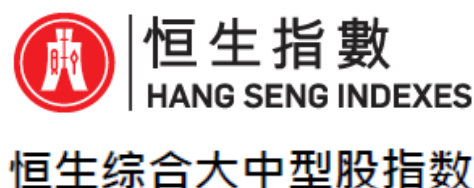
The Group established a joint venture company in 2018 and started to enter the separation and transfer of property management and heat supply on “Three Supplies and Property Management” Reform. This year, we promoted the smooth transition and takeover of property management and heat-supply businesses projects under the “Three Supplies and Property Management” Reform in an orderly manner. We will continue to leverage our successful experience of this benchmark project to deepen the “Three Supplies and Property Management” services to form one of our future growth drivers.

The collaborative effects of our business have not only resulted in greater market recognition of our brands and services, but also brought us new opportunities to diversify our revenue streams and enhance the depth and breadth of our services along the property development and management value chain.

Our Performance

- **Indices**

Country Garden Services was listed on the Hong Kong Stock Exchange on June 19th, 2018, marking its official entry into the international capital market. Since the listing, Country Garden Services has received strong market attention and recognition, and was included into the MSCI China All-Share Index on August 31st, 2018 and into the Hang Seng Composite Large and Mid-Cap Index on September 10th, 2018, and was promoted to the stock of Hong Kong Stock Connect. In addition, we were awarded an A rating from MSCI ESG in November 2019.



Hang Seng LargeCap and MidCap Index

Certification

Country Garden Services attaches importance to lean management and system-based development, and has obtained three major certifications—the British Standards Institution (BSI) quality management system ISO, environmental management system ISO, and occupational health and safety system ISO.

ISO 9001:2015
Quality Management
System

ISO 14001:2015
Environment Management
System

ISO 45001:2018
Occupational Health and Safety
Management System

Honors

Since its inception, Country Garden Services has been pragmatic and innovative, and has created value for customers and society through service, technology and business model transformation. It has won nearly a hundred honors and awards from government agencies, industry institutions, media platforms, public welfare organizations and the public. This year, we won the following honors:

87
87 national honors

17
17 provincial honors

11
11 municipal honors

Comprehensive
Operation

- **Leading Company in Residential Property Services**
China Property Management Institute
- **Top 500 Property Service Enterprises: Third place**
China Property Management Institute
- **China International Property Management Industry Expo “Outstanding Organization Award”**
China Property Management Institute
- **Top 50 Property Service Enterprises in terms of Brand Value**
China Property Management Institute, Shanghai E-house Real Estate Research Institute China Real Estate Appraisal
- **Top 10 Listed Property Service Enterprises: Second Place**
China Property Management Institute, Shanghai E-house Real Estate Research Institute China Real Estate Appraisal
- **Top 100 Property Service Enterprises of Guangdong Province: First Place**
China Property Management Industry Institute
- **Top 10 Among Top 100 Property Service Enterprises in China on Operation Performance: First Place**
China Index Academy
- **Top 10 Among Top 100 Property Service Enterprises in China on Service Scale: Second Place**
China Index Academy

- **Top 100 Property Service Enterprises in China: Third Place**
China Index Academy
- **Model Enterprise in terms of Quality among Top 100 Property Service Enterprises**
China Index Academy
- **Model Enterprise in terms of Satisfaction among Top 100 Property Service Enterprises**
China Index Academy
- **Model Enterprise in Professional Property Service Operations in China**
China Index Academy
- **No. 1 Community Service Provider of China**
EH Consulting
- **Top 10 Community Service Provider in terms of Operation Capabilities in China**
EH Consulting
- **Top 10 Community Service Provider (Listed) in China**
EH Consulting
- **Top 20 Community Service Provider in terms of Brand Value in China**
EH Consulting
- **Top 50 of Community Service Providers on Customer Satisfaction of China**
EH Consulting
- **Top 50 Listed Companies in terms of Brand Value in China**
China Business Research Center of Tsinghua SEM, National Business Daily
- **Property Services Innovation Pioneer of the Year**
E-house
- **Property Services Innovation Pioneer of Guangdong-Hong Kong-Macao Greater Bay Area**
E-house CRIC
- **Blue Chip Property Enterprise**
The Economic Observer
- **Finalist of the First Smart Property Innovation Competition**

China Property Management Periodical Office

- **5th China City (Town) Operators Conference – Top 100 Operators**
www.china.com.cn, house.china.com.cn
- **Star Smart Residential Area Model Unit**
LEJU Group, Smart Residential Area Union

**Social
Responsibility**

- **Top 10 Community Service Provider in Community Culture Construction**
EH Consulting
- **Model Poverty Alleviation Unit of the Year**
news.leju.com
- **Public Welfare Excellence Award**
Community Chest of Hong Kong
- **“Power from Communities” Consumption-based Poverty Alleviation Action Award**
China Poverty-Alleviation Promotion Volunteer Service, China Property Management Institute
- **“Power from Communities” Consumption-based Poverty Alleviation Enterprise Contribution Award**
China Poverty-Alleviation Promotion Volunteer Service, China Property Management Institute

"Aim to become a leading international technology-based integrated and extremely innovative services group and the preferred choice for customers. Ensure satisfaction of homeowners of all ages by building industry leading reputation with excellent service quality and reasonable pricing, based on asset management services and community ecosystem platforms and core resource advantages of population, assets and channels."

— Country Garden Services Vision and Mission

Message from the Chairman

On behalf of Country Garden Services, I am honored to present the second Environmental, Social and Governance Report of the Group, to report our commitment and performance in the areas of sustainable governance, operational responsibility, environmental protection, employee care and community involvement. We are reaching new heights in our journey towards sustainable development.

The year 2019 marked a year of continued growth in our contracted and revenue-bearing GFA. With the rapid expansion of scale and acceleration of brand expansion, we have consistently and steadfastly adhered to our original intentions. Our development is rooted in the community service sector for over 28 years, with over 3 million homeowners, over 50,000 employees and over 1,000 suppliers. Standing in the midst of opportunities and challenges of rapid economic development, consumer restructuring and rapid expansion of the property management and services market in China, we are increasingly aware of our corporate citizenship responsibilities as a leading property management service provider in China. All along the way, we have integrated sustainability concepts into our business and decisions to help us move towards our vision, and this will be an integral part of our continued growth in the future.

During the reporting period, we have promoted sustainable development in multiple aspects.

We have continued to promote the "Urban Co-existence Programme" to promote sustainable urban development. We launched our City Services 2.0 product, the Urban Co-existence Programme of Country Garden Services, in 2018 and have signed strategic framework agreements with clients such as Kaiyuan City, Xichang City, Liaoning Transportation and Investment, and Daxing Airport Southern Airlines Base. With over a year of being operational, the Urban Co-existence Programme has formed an initial functional, economical and practical "1+5" urban service system. By building a management platform for digital urban operations and maintenance services, we are making efforts to support the "integrated management of the urban operating environment, facilities and pipeline network". In addition, we are also making efforts to optimize the business environment through industrial synergies and integrated municipal public operation and maintenance, solve the legacy problems of old urban neighborhoods through integrated and comprehensive urban property models and build an ecological balance for urban operation by increasing digital ecological capital, to achieve the ultimate goal of making urban areas livable, productive and favorable for tourism and health. In addition, we have also innovated the concept of "Amazing Plus (美好+)" expressway service areas, with the goal of building a "Professional Expressway Service Brand in China". At the same time, we have been continuously enriching the Urban Co-existence Programme and are committed to working with city managers, city residents and public service eco-partners in urban governance, to build a new model of shared urban governance.

We are promoting the concept that intelligence is available within the community and are leading the "AI + Community" trend within the industry. We continue to provide quality services to our customers through standardization, automation, intelligent management and advanced information systems, thereby saving basic labor time and enabling more humanized and personalized quality services. We have launched the first full stack AI solution system based on "AI + IoT" in the industry, which includes all products within the cloud, edge and terminal computing structure, providing a complete set of solutions for an intelligent community and enabling the integration of cloud data and decisions withing the community scenario through the edge server. Featuring four major advantages—full scenario, full intelligence, full integration and full chain, our solutions can bring intelligence into communities in a real sense. During the fight against the COVID-19, we have also introduced a new type of community gatekeeper, which includes thermal imaging cameras, to provide highly efficient access control. In addition, drone disinfection and sensor-based ultraviolet disinfection lamps have been introduced to provide wider three-dimensional disinfection coverage, and we are utilizing technology to improve the level of community epidemic prevention and control. In future, we will continue to work on smart construction and deepen our strategic cooperation with our alliance partners such as Tencent, Alibaba Cloud, Baidu, Hikvision and Bright Dream Robotics (博智林機器人) for the implementation of more "AI + Communities" so that homeowners can enjoy a more considerate and high-quality service system.

We have continuously improved our talent cultivation system and are promoting individual organizations to work together for mutual benefit. We employ a complete set of property management competency development plans and have set up differentiated employee training, performance evaluation and incentive plans for employees ranging from junior to senior management with different skill requirements and career pursuits. Based on a summary of our experiences, we have created the first "Maps of Experience" knowledge-based copyright product, which has become an internal training benchmark. We have built a multi-channel career development system and have adopted the "Gold Mining Plan" to screen and cultivate high potential talents, so as to replenish our management positions with fresh blood and stimulate our employees' development potential. Using the "All-staff Teachers and All-staff Students" program, we are promoting the development of a learning-based organizational environment to support the sustainable development of our business by building a professional service team, while assisting our employees in developing their abilities.

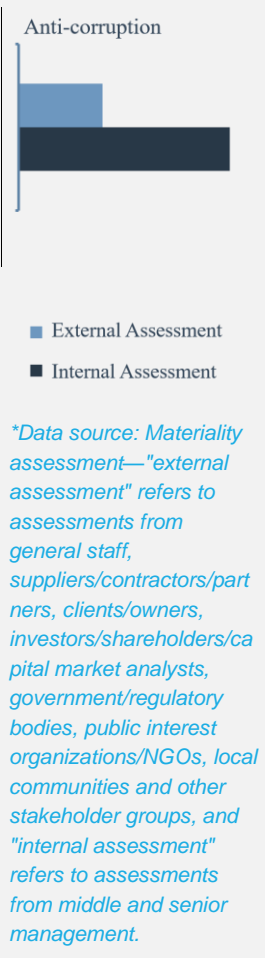
We have established a green management system to actively reduce the negative impact of our operations on the environment. We continue to attach immense importance to the risks and opportunities associated with climate changes, and have established a system, mechanism, promotion and technology-based green management structure to effectively implement energy saving and emission reduction measures, reduce resource wastage, improve operational efficiency, and actively promote the transition to a low-carbon economy.

Over the past 28 years, we have been playing an active role at all levels of our operations and are actively fulfilling our responsibilities as suppliers of beautiful living spaces, responders to green and low-carbon initiatives, practitioners of humanistic care, as well as operators of community ecologies. In future, we will continue to adhere to the concept of sustainable development and integrate the management of social and environmental risks and opportunities into our strategies, policies, targets, and objectives based on our increasingly refined services, management, and technical capabilities. At the same time, we will continue to listen to the voices of our customers and other stakeholders, and work towards providing a better life for more people!

Yang Huiyan

Chairman of the Board of Directors

ESG Issues Addressed in This Chapter*

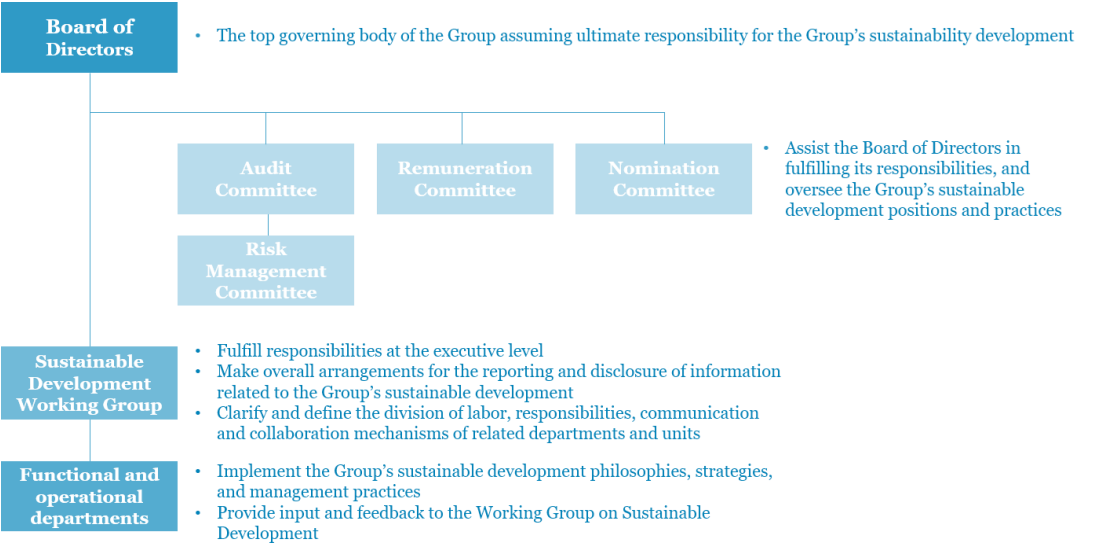


Sustainable Development Governance

Sustainable development is not only our goal, but also the vital force of our business. We do believe that we can effectively manage our business operations as well as risks and opportunities associated with social and environmental issues, and build a solid foundation for our vision, with sustainable development, clear and efficient corporate governance as our backbone and clean and transparent business ethics as our soul.

Sustainable Development Guidelines

Country Garden Services is committed to maintaining high standards of corporate governance to safeguard the interests of our shareholders and to enhance corporate value and accountability. We have adopted all applicable provisions set out in Appendix 14 of the Code on Corporate Governance Practices of the HKEx Listing Rules as our own corporate governance principles.



Board of Directors and Committees

The Board of Directors is the highest governing body of Country Garden Services responsible for the business operation of Country Garden Services and assumes full responsibility for environment, society and governance policies and reporting practices. The Board of Directors has delegated authority to the Audit Committee, Remuneration Committee and Nomination Committee to assist the Board of Directors in fulfilling its duties and overseeing the positions and practices of the Group in specific areas of business operations and sustainable development and to give instructions on related issues according to specific conditions. The Board of Directors is also responsible for ensuring the adequacy and effectiveness of the risk management and internal control systems of the Group and overseeing the implementation of risk management and the design implementation and maintenance of the internal

supervision system, so as to identify, assess and manage risks arising from our business operations, including sustainable development issues. During the reporting period, to ensure the understanding of the ESG reporting requirements of the SEHK by the Board of Directors so as to conduct a quick self-assessment for better monitoring of ESG issues, we conducted a dedicated training for all Board members to interpret and discuss the recent consultation paper issued by the SEHK on the review of the Environmental, Social and Governance Reporting Guidelines and related Listing Rule provisions in order to proactively respond to the policy changes and assist the Board in better performing its governance and role on ESG issues.

- **Sustainable Development Working Group**

Country Garden Services has established a Sustainable Development Working Group to comprehensively support the compilation of our Environmental, Social and Governance Report. The Sustainable Development Working Group consists of the Investor Relations Department, the Administration Center and the Financial Management Center at the Group Headquarters, and is responsible for coordinating and compiling reports, coordinating internal and external resources and maintaining close communication with the Board of Directors to ensure that the reporting process enables us to take a holistic view of the sustainable development performance of our services.

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. We will continue to improve the communication mechanism with all stakeholders, listen to the views of various parties, and establish a more standardized and strict operational system and rules of procedure to protect the rights and interests of all stakeholders.

Risk Management and Internal Control

Country Garden Services has established a Risk Management Committee and promulgated the *Risk Management Committee Implementation Rules* to establish applicable risk management and internal control systems. Details of the risk categories identified by our management, internal and external reporting mechanisms, remedial actions and contingent event management have been incorporated into our policies. The headquarters and the management of each of the units have also designed and implemented a series of financial, operational and compliance-related implementation processes and control measures to ensure the effectiveness of these systems.

To improve the risk management awareness and implementation level and internal control of regional companies, the Audit and Supervision Department of the Group has taken the initiative to establish an internal control self-evaluation system, and has clarified and extended the self-evaluation procedures, scoring points, and application of results to regional companies, through the *Operational Guidelines for Internal Control Self-Assessment*. Each regional company, with its own region as the basis for the assessment, shall assign an internal control coordinator to set up an internal control self-assessment

team, and shall guide the completion of the self-assessment work for the current year according to the test documents.

Under the supervision of the Review Committee, we have conducted a comprehensive review of the risk management and internal control system during the reporting period to identify the problems and potential risks in the internal business processes, and to formulate and implement internal control improvement measures for continuous improvement in terms of internal control levels of financial supervision, operation supervision and compliance supervision.

Specifically, we continuously monitored the environmental and social risks that we face in our operations through risk assessment, learning empowerment and in-depth communication.



ESG Risk Management and Internal Control Mechanism

Country Garden Services undertakes to further enhance risk control, to work on appropriate risk identification and monitoring mechanisms, and strengthen the risk management culture to effectively promote risk management. In addition, to implement the concept of sustainable development, we will further intensify monitoring and responses to energy efficiency measures and establish early warning mechanisms for policy risks.

Anti-corruption

Country Garden Services has zero tolerance for corruption and resolutely combats any form of corruption, bribery, extortion, fraud, and money laundering. We strictly observe 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 *Provisional Provisions on the Prohibition of Commercial Bribery*. In addition, we have formulated and implemented the *Rules on Conflict of Interest Management for Employees*, the *Code of Conduct for Employee Integrity*, the *Rules on the Management of Official Conduct of Employees of Country Garden Services Group*, the *Measures for Pursuing Responsibility for Violations of Discipline by*

Employees of Country Garden Services Group and the Operational Guidelines for Self-inspection of Supervision Cases. All employees are required to attend anti-corruption training upon entry into the job and sign the *Commitment of Employees on Integrity in Employment*. Such efforts aim to draw a clean "bottom line" for employees in the form of a code of conduct, clearly stipulate the definition of conflicts of interest and disciplinary violations and the declaration and handling thereof, standardize the investigation process and handling of corruption reports, construct a complete and traceable anti-corruption chain, guarantee the principle of fair and just handling, and prevent corruption.

Country Garden Services conducts self-examination through regular audits, special audits, exit audits, internal control and self-assessment, case investigation, etc., to find and strengthen internal control weaknesses, reduce the possibility of corrupt behavior in the company, and build a clean and fair business environment.



Anti-corruption Work System

Country Garden Services guarantees the accessibility of reporting channels and upholds the principle of "All Reported Incidents Must be Investigated" to deal with reported incidents. The Audit and Supervision Department of the Group 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 headquarters and subordinate units, and ensuring the improvement of operational efficiency and effectiveness.



Supervision and Reporting Email
wyjc@bgfww.com



400 Customer Service Hotline
400-968-8888



General Manager Complaints Hotline
0757-2639-0212

Reporting Channels

Publicity and Promotion of “Integrity and Self-discipline”

Country Garden Services attaches immense importance to the publicity and promotion of integrity, especially on the supervision and publicity of personnel related to key links and at important positions who are susceptible to corruption. The company actively guides the management and related interest groups to act in accordance with the law in an honest and trustworthy manner, and guides all members to comprehensively and consciously resist corrupt actions such as seeking profits instead of being righteous, undermining public interests for personal gain, failing to uphold trust, cheating and fraud.

The Group formulated and implemented the *Code of Conduct for Employee Integrity* in 2019, which clearly sets out the integrity "bottom line" for employees in their work. The Group has also developed training courses, such as "Integrity in serving the public", to promote a culture of integrity and self-discipline, which includes a total of 9 training activities on the subject of integrity and self-discipline, and has been used to train a total of 920 trainees, with the aim to regulate the integrity and self-discipline of employees and create a good atmosphere for the Group to work in a clean and fair manner.



Publicity and Promotion of Integrity in Anhui by Country Garden Services

In future, we will further improve and optimize our anti-corruption work, improve complaint channels and handling of complaints, assist employees at all levels in understanding the complaint management mechanism, and encourage employees to effectively utilize the complaint channels to report non-compliance with regulations and discipline. At the same time, we will strengthen the exchange of inspection and audit work, further improve related systems, such as revising the *Measures for Pursuing Responsibility for Violations of Discipline by Employees of Country Garden Services Group*, etc., to better guide and standardize the behavior of employees. In addition, we will improve the quality of regional self-inspection, implement follow-up management of the results of processing, strengthen the application of the investigation results and handling of cases, and enhance the enthusiasm and self-awareness of employees at all levels in fulfilling their duties and responsibilities. We will also further enhance the frequency of integrity-themed education, deepen the awareness of self-discipline among all units, and enhance overall integrity awareness among all Group employees, to ensure they abide by the laws and regulations.

Stakeholder Engagement

The expectations and demands of our stakeholders contribute to our ability to identify potential risks and opportunities, guide the orientation for sustainable business growth and assist in the Group's healthy growth. Therefore, Country Garden Services attaches immense importance to communication with our stakeholders and has created multi-layered and highly flexible communication channels to hear their views and deliver targeted responses. We would also like to present our commitment and achievements in the field of sustainability to our stakeholders over the past year in this report.

Communication with Stakeholders

Country Garden Services' existing stakeholder communication channels are as follows:

Stakeholders	Expectations and demands	Communication and responses
Employees	<ul style="list-style-type: none"> • Remuneration and welfare guarantee • Healthy working environment • Career development and promotion • Protection of legal rights and interests of employees 	<ul style="list-style-type: none"> • Competitive market wages • Employee care activities • Optimize staff development and promotion mechanisms • Establish accessible communication channels for employees
Investors/Shareholders/ Capital Market Analysts	<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 general meeting of shareholders
Customers/Homeowners	<ul style="list-style-type: none"> • Property quality • Customer information protection • Business integrity • Compliance-based 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
Suppliers/Contractors/ Partners	<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

Stakeholders	Expectations and demands	Communication and responses
Local Communities	<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 practice green operations • Conduct public interest projects • Actively engage in community building • Provide quality cultural resources
Public interest organizations/NGOs	<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 • Implement public interest projects • Publicize community culture
Governments/regulatory bodies	<ul style="list-style-type: none"> • Abide by the law • Pay taxes according to law • Promote employment 	<ul style="list-style-type: none"> • Law-based operations and compliance management • Actively pay taxes • Create employment opportunities

Investor Presentation Events in 2019

On March 19th, 2019, Country Garden Services held its first annual results investor presentation and press conference in Hong Kong after the company's listing, and exchanged views on the Group's financial performance, operational status and future strategic development in the past year with more than 230 investors and dozens of media. The Group also held its annual general meeting on May 20th, 2019 to actively establish a smooth and transparent communication channel between the Group and investors, so that investors can have a comprehensive and more direct understanding of the Group's development and planning, which was highly praised by investors.

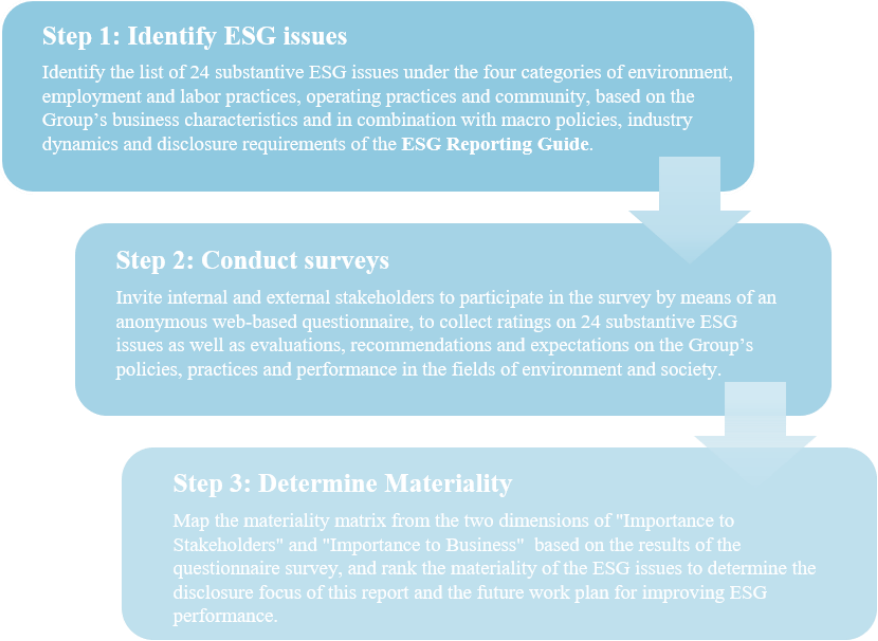


Annual Results Presentation of Country Garden Services

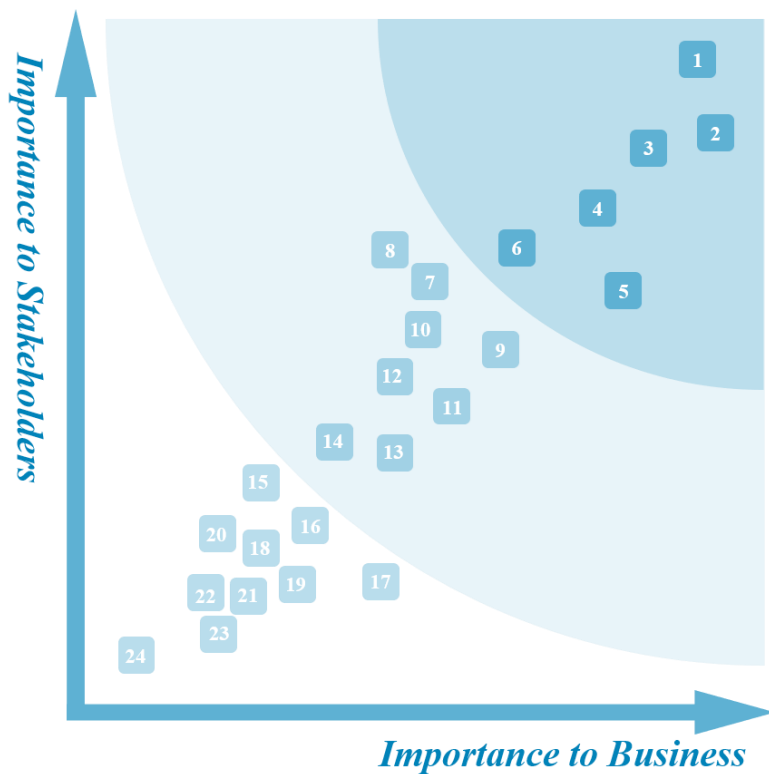
Annual General Meeting of Shareholders

Materiality Assessment

To assess the level of concerns and expectations of stakeholders on issues related to the service environment and society, we have engaged an independent professional third-party consultant to carry out a materiality assessment for the year, and to collect, collate, and analyze the feedback from stakeholders.



Based on the results of the stakeholder survey, we have developed a materiality matrix of ESG issues, to reflect the level of importance of each ESG issue to stakeholders and businesses, and have ranked the identified ESG issues:



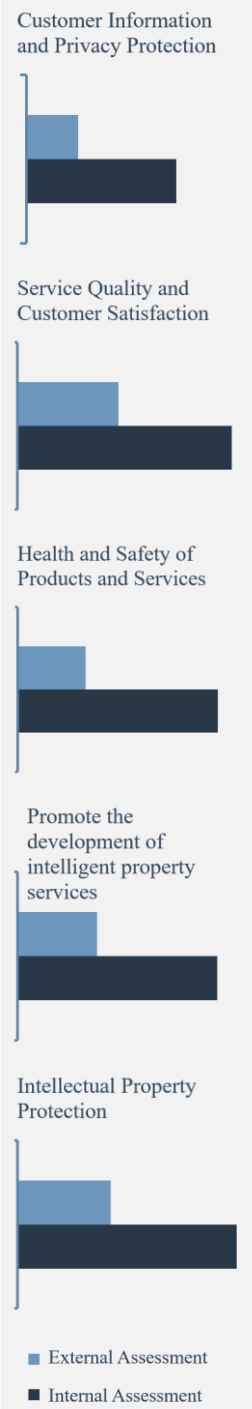
Materiality Matrix

Importance	Ranking	ESG Issues
Very important	1	Customer information and privacy protection
	2	Anti-corruption
	3	Service quality and customer satisfaction
	4	Promoting community development
	5	Public welfare charity and social services
	6	Avoiding child and forced labor
Important	7	Employee health and safety
	8	Health and safety of products and services
	9	Employee training and development
	10	Promoting the development of intelligent property services
	11	Employee remuneration and welfare
	12	Green operation and environmental impact
	13	Employee communication and care
	14	Intellectual property protection
Less important	15	Sewage discharge and disposal
	16	Environmental and social risks of supply chains
	17	Employee recruitment and promotion
	18	Supplier access and monitoring
	19	Water conservation and water use efficiency
	20	Disposal of hazardous waste
	21	Reasonable marketing and use of labels
	22	Equal opportunities and diversification
	23	Energy conservation and energy use efficiency
	24	Exhaust and greenhouse gas emissions

Ranking of ESG Issues

According to the results of the materiality assessment, the topics ranking high this year are service quality and customer satisfaction, customer information and privacy protection, anti-corruption, etc. We will focus on strengthening the disclosure of such topics in this report, and use them as an important basis for the planning of the ESG work in the coming year.

ESG Issues
Addressed in this
Chapter



Supplier of Beautiful Life

With the service concept of "Addressing the Pressing Demands of Homeowners" and "Being Comprehensively Owner-centric", Country Garden Services takes the satisfaction of millions of homeowners at all levels as the core to understand and explore the needs of homeowners and provide them with refined services and products. We have maintained our reputation based on quality, and have always adhered to refining service quality, perfecting service standards and innovating service models to create a diversified and personalized community platform for residents and to bring a better life to all of them with our professionalism and attentiveness.

Build exceptional products and deliver great value

As one of the pioneers in introducing the "5-Star Hotel Service" standards and concepts to the property management industry in China, Country Garden Services has always cared for each and every one of its residents, doing every little thing carefully and taking practical actions to create the highest quality.

Property Management Services

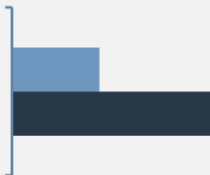
Country Garden Services complies with all laws and regulations, such as the *Urban Real Estate Management Law of the People's Republic of China*, *Property Management Regulations*, etc., and has developed and implemented the *Property Service Quality Management Measures*. We regularly carry out quality checks in all regions and projects of the Group through internal company-level quality management audits, quality audits, demonstration project appraisals, BSI certification audits, third-party professional assessments, and regular inspections at the regional level to strengthen the quality of property services. In addition, we have further strengthened the supervision of property service quality through quality control of the property service sites, thereby establishing a long-term mechanism for property quality management. Based on the experience of the service industry, we have summarized the risk events that are prone to occur in the industry into the *Safety Risk Management System for Basic Property Management Services* to regulate the safety risk management business process in basic property services, and have established a mechanism for pre-emptive control and post-action accountability. We impose penalties such as demotion, dismissal, and termination of labor contracts of personnel in the regions and projects where risk events occur.

- Residential Property Management Services

Country Garden Service attaches immense importance to the quality of property services and has developed and continues to revise 10 service quality management and inspection standards such as the *Manual of Standardized Work*. In addition, we are dedicated to improving management through internal and external inspection to implement standardized and high-quality services. The quality inspection mechanisms we have implemented are as follows:

ESG Issues
Addressed in this
Chapter

Reasonable Marketing
and Use of Labels



■ External Assessment
■ Internal Assessment



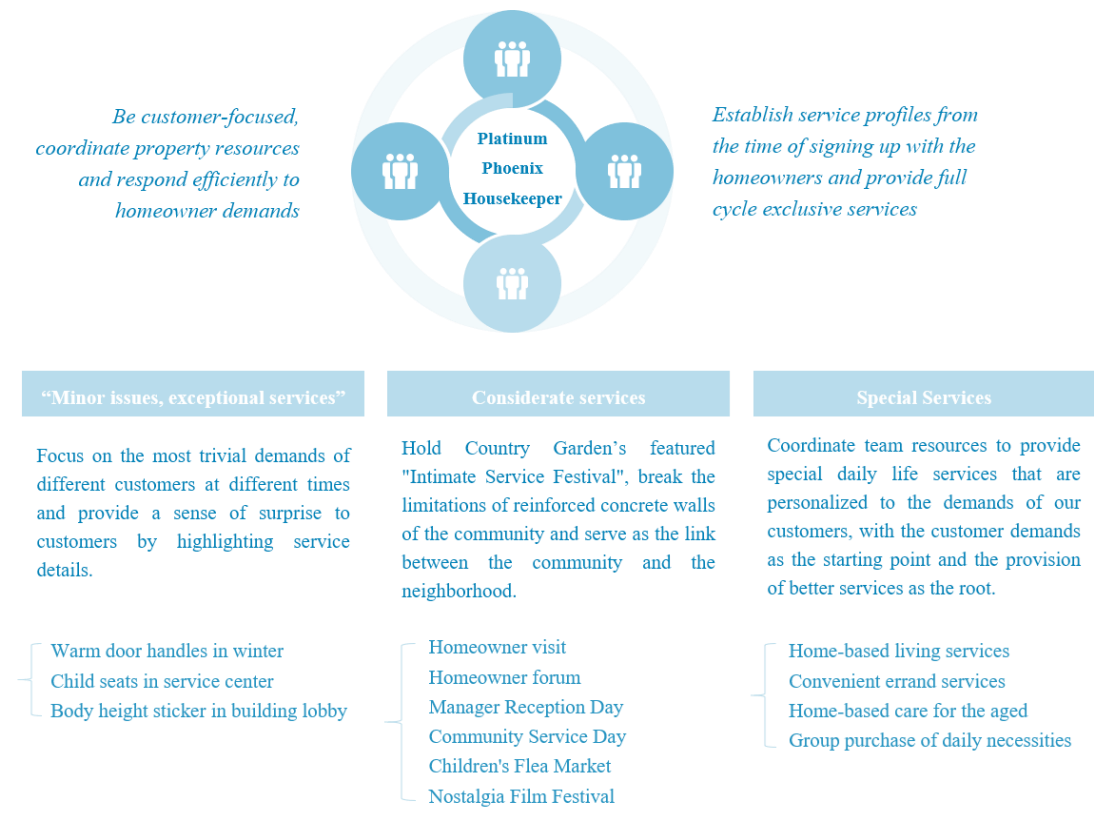
• **Platinum Phoenix Butler Services**

Since the launch of the "Phoenix Butler" services in 2013, nearly 3,900 Platinum Phoenix Butlers are presently providing high quality services to homeowners. We take the "Platinum Phoenix Butler" Program as the core service carriers in our customer-centric approach in coordinating property resources. Starting from the day the homeowners takes over their properties, efforts are made to set up a communication platform to receive queries/complaints from homeowners and to provide solutions to homeowners, to create a happy community.

Platinum Phoenix Butlers are 100% emergency response capable.

Since 2018, Country Garden Services has comprehensively upgraded the Platinum Phoenix Butler Service system, and joined hands with the Red Cross Society to launch the first standardization program of emergency rescue capabilities of County Garden Services' Phoenix Butlers. All Phoenix Butlers are 100% certified as emergency rescue workers and all staff are certified and can help protect the health of millions of homeowners.

The concept of Platinum Phoenix Butler Service is as follows:



Strawberry Sales Support, Highlighting Intensive Neighborliness

Due to COVID-19, Mr. Zhang, a Country Garden homeowner in Jiujiang, Jiangxi Province, suffered a reduction in sale of strawberries in his one-hectare strawberry farm. On learning this news, housekeeper Song Fei immediately posted the message "Help your neighbors by purchasing strawberries with love" in the homeowners' WeChat. The community property services team helped to collect the orders, pick, transport and conduct door-to-door deliveries of the strawberries, thereby ensuring sales of over a thousand jin (jin, a unit of weight equivalent to 0.5 kg).



Property Management Team Makes Door-To-Door Delivery of Strawberries to Homeowners

Homeowners present 10 silk banners to the butler

Du Xiang, a Country Garden butler at Gui'an No.1 Tianjing Garden has always endeavored to solve customers' problems by participating in self-organized small-sized activities organized by the elderly in the community during his spare time. He regularly invites homeowners to taste the food on National Day and greets them door-to-door when the weather turns cold, bringing warmth to the hearts of homeowners with his sincere and constant efforts. On November 19th, 2019, the homeowners spontaneously presented ten silk banners to the butler.



Homeowners Present Silk Banners

- **Urban Services**

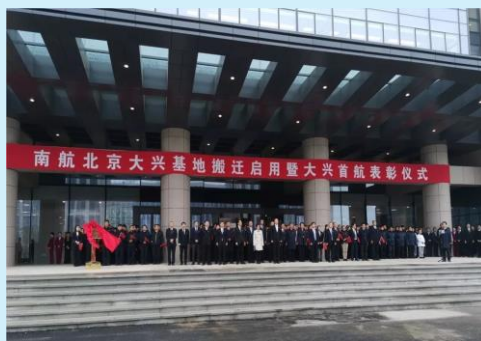
Since the beginning of 2016, Country Garden Services has been working with local governments to create a smart IoT city service framework based on smart IoT hardware and community operation data platform by innovatively practicing the two-wheeled smart driving model of "smart city infrastructure

operation + urban cultural activities support services". It has provided a development platform for more industries, so that enterprises can focus more on the market, products and core technology research and development, for sustainable enterprise growth.

At the same time, in 2018, the Group proposed the "Urban Co-existence Programme" for the first time, to contribute service value for optimizing the soft and hard environments of cities. With operations running for over a year, we have signed strategic framework agreements with customers such as Kaiyuan, Xichang, Liaoning Transportation Investment and Daxing Airport Southern Airlines Base, marking the beginning of a new model of urban governance with city managers and city residents.

Country Garden Services joins hands with Daxing Airport Southern Airlines Base

In June 2019, Country Garden Services won the bid for the South China Airlines base property management project at Beijing Daxing International Airport, and successfully joined hands with South China Airlines Beijing Branch for further cooperation. On September 25th, 2019, with the official inauguration of Beijing Daxing International Airport, the Daxing International Airport Southern Airlines base was also put into operation concurrently. The official launch of this base project, which is the largest hangar and operations control center for Southern Airlines in Asia, complements our core transportation hub business and leverages our large urban property model experience in integrated operations. We have proposed three factors—"highest asset management efficiency, fastest professional services and best space operation experience", with the aim of creating a world-class superior platform for integrated operation and maintenance services. We will ensure the provision of high-quality operation and maintenance services with high-end technology, refined management and elaborate services and create an exquisite image.



Inauguration Ceremony for the First Flight
at Daxing International Airport Southern
Airlines Base

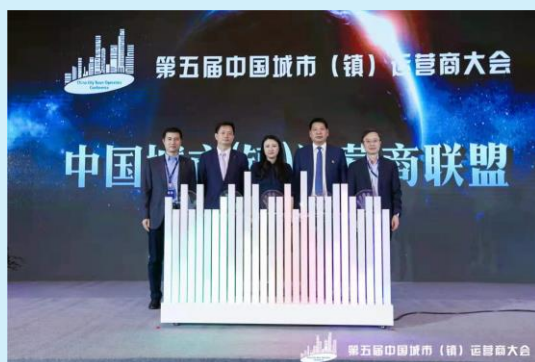


Country Garden Services officially
stationed in Daxing Airport Southern
Airlines Base

Won the Top 100 Award—Country Garden Services invited to join the "China City (Town) Operator Alliance"

On November 1st, 2019, the 5th China City (Town) Operators Conference was held in Beijing. The conference was jointly organized by China Internet News Center, www.china.com.cn, house.china.com.cn, and China Real Estate Chamber of Commerce (CRECC), where many experts and scholars such as the guest researchers from the Counsellors' Office of the State Council were invited to discuss the new model of symbiotic development of industry, cities and people in China's urbanization development process. The conference officially released the latest list of "China's Top 100 City (Town) Operators", including 16 research indicators on innovative development, economic contribution, sustainable development, landmark projects, operation model, scale of operation, etc., marking the first comprehensive research evaluation system for city operators in China.

With the innovative urban services model and industry-leading technology operation capabilities, Country Garden Services ranked in the Top 100 list, and was also invited to be one of the first batch of members of the China City (Town) Operator Alliance as the only property services enterprise. The alliance covers multiple fields such as culture and tourism, industrial cities, urban renewal, commercial operations, property services, green technology, and investment institutions, and aims to establish a communication mechanism to serve the industry chain's upstream and downstream enterprises, to achieve resource sharing and to promote high-quality development of new urbanization in China.



Group Photo at the 5th China City (Town) Operators Conference

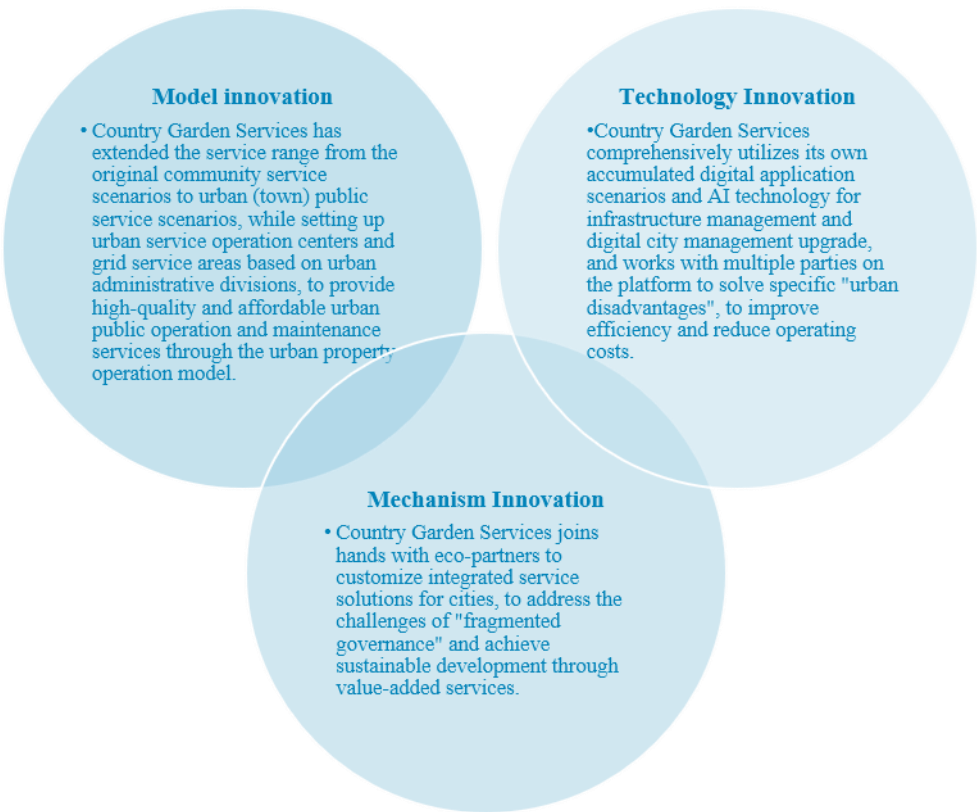


Country Garden Services won "Top 100 Operator Enterprise" award

In addition, we have released systems such as the *Manual for Environmental Services at Industry-City Integrated Property Service Level* and *Corporate Housekeeping and Business Reception Services for Urban Property*, which provide professional guidance on all aspects of engineering, environment, customer, security, investment and value-added services, promote standardization and lean management of urban public governance projects, and strive to build a team of professional corporate

butlers who create an excellent impression and have considerate customer-centric thinking, to provide continuous assistance to the development of urban enterprises.

We are primarily restructuring the urban operation service ecosystem from three aspects: model innovation, institutional innovation and technological innovation.

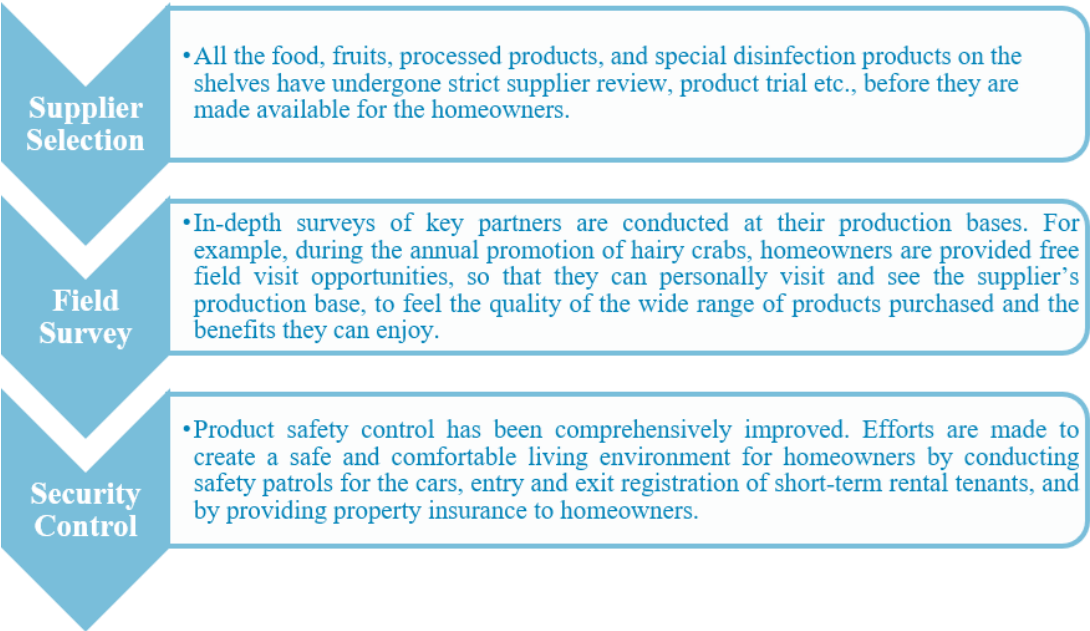


Community Value-added Services

Country Garden Services is committed to becoming an "integrated provider of full-cycle community living services", to provide a full range of community value-added services to community homeowners. It is making the property a bridge between business and homeowners, achieving mutual benefits from cooperation with suppliers, and is facilitating the life of homeowners. We have gradually developed four relatively mature business brands for our community value-added services: (1) “Phoenix Home-furnishing”, specific branded services for one-stop turnkey home furnishing services; (2) "Phoenix Housekeeping", to provide safe, convenient, professional, and considerate housekeeping services; (3) Community media services, which refer to the media matrix covering the entire community, to establish a deep connection between consumers and brands; and (4) Real estate brokerage services, which act as an exclusive real estate adviser for homeowners, to realize the appreciation and preservation of their assets.

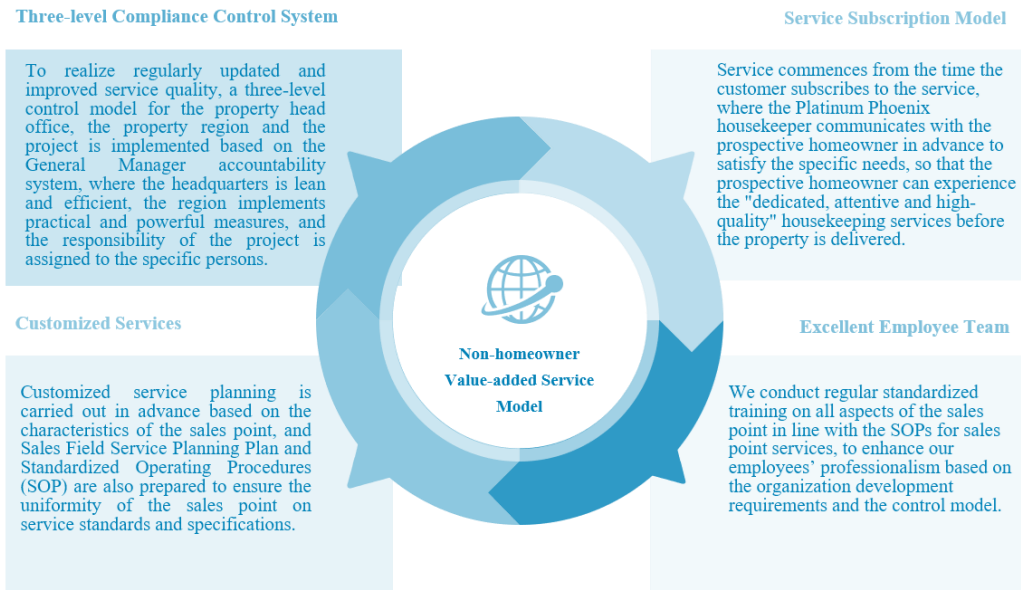
In addition, we continue to promote and deepen the use of the "Phoenix Club" APP among the homeowner community, and have developed an online portal for value-added products and services in the community. "Phoenix Club" APP is a comprehensive application with integrated functions of smart access control, property services, product sales and service offers, and socialization with friends and neighbors, providing one-stop intelligent community services for homeowners. As of December 31st, 2019, the number of registered users of the "Phoenix Club" APP had reached 4.28 million and the number of monthly active users exceeded 1.59 million, effectively improving the efficiency of the service staff and enabling community homeowners to enjoy the speed and convenience of smart communities.

Community value-added services are based on providing homeowners with a better quality of life. In 2019, we continued to make efforts in strict selection of suppliers, strengthened the product and service control processes, ensured the quality and safety of the supplied products, improved the level of services, and made homeowners feel assured and satisfied.



Value-added Services to Non-property Owners

The value-added services to non-property owners provided by Country Garden Services are tailored professional services provided to property developers, and include presales management consulting services, pre-delivery cleaning, landscaping and maintenance services, and sales and leasing agency services of unsold parking spaces and properties. We strive to provide homeowners with professional Platinum Phoenix Butler services from the moment the contract is signed, and we continue to improve our service quality through the following service models:



“Three Supplies and Property Management” Services

Country Garden Services is actively exploring more diverse and multi-layered organic growth. During the year, we have comprehensively completed the smooth handover and takeover of the property management and heating service for the “Three Supplies and Property Management” Services and have realized diversification of income sources. The collaborative effects of our business have not only resulted in greater market recognition of our brands and services, but also brought us new opportunities to enhance the breadth and depth of our services along the property development and management value chain.

Customer Satisfaction Rate

Country Garden Services 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*, respects the legitimate rights and interests of consumers, and listens to homeowners with an open mind to understand their views and demands. On this basis, we have developed the *Classification Guidelines for the Complaint Work Order Processing* and the *Guidelines for the Complaint Work Order Processing Operations* to standardize the aftersales staff complaint processing process, scientific classification and statistical analysis of homeowner complaints and better fulfill the commitment to homeowners. At the same time, we have developed the *Claim Assessment Management* system to implement claim classification control, effectively implement the project claim assessment indicators, continuously improve our lean management and services, to enhance service quality and ultimately achieve customer satisfaction rate.

To improve the property management quality, Country Garden Services has established an industry-leading satisfaction rate management system and a professional technical management team to support the satisfaction rate research and analysis of all completed projects in China:

12

12 satisfaction rate surveys conducted

129,379

129,379 participants in satisfaction rate surveys

96.8%


Overall satisfaction rate up to 96.8%

99%


Receptionist satisfaction rate up to 99%

48,214 100%
48,214 complaints
received and 100%
processed

69.5
A total of 69.5 hours of
customer service
quality training
conducted



Outbound Call Team: 9 full-time outbound satisfaction call customer service representatives are stationed in 400 customer contact centers, to conduct outbound call-based research on a daily basis.



Technical management team: Two outbound call field technicians and three technical analysis and evaluation system managers are assigned to provide technical support for the survey.

Comprehensive survey frequency	Scientific target establishment	Reasonable project sampling	Closed loop satisfaction
Nodal surveys are conducted for assessment, with emphasis on year-over-year performance, and regular surveys are conducted for daily management.	Scientific target establishment While guaranteeing industry-leading service quality, we also fully consider the specificity of individual projects and set reasonable quality targets for different projects.	The frequency of annual surveys is adjusted according to the volume of projects based on expert discussions and historical data, to ensure that the sample size is greater than 30 per month. In addition, a period of exemption is granted to projects with less than one year of building occupancy to prevent sampling volatility.	We are business oriented, and conduct in-depth analysis on service level discrepancy reasons through data and case studies, to ensure that the findings can drive business improvement and customer experience; at the same time, we publish region-wise satisfaction management tools every month and invite excellent regions to share their experiences.

Customer Satisfaction Rate Management System

Country Garden Services has established the nationwide 400 Toll-free Customer Contact Center, with 42 customer complaint commissioners to handle all kinds of complaints from homeowners 24/7. At the same time, the complaints and opinions of homeowners are also accepted and processed through other means such as the Platinum Phoenix Butler and "Phoenix Club" APP. The customer complaint receptionists prepare the complaint work orders according to the level and type of risk, and are required to communicate with the homeowner within 1 hour regarding the resolution, respond to the homeowner within 24 hours on how the complaint will be handled, and complete the return visit within 48 hours to ensure that the customer complaint has been resolved.

Timeliness	Professionalism	Politeness
<ul style="list-style-type: none">❖ Immediate acceptance and handling❖ Real-time feedback	<ul style="list-style-type: none">❖ Professional services❖ Reasonable grounds❖ Unremitting efforts	<ul style="list-style-type: none">❖ Kindness and enthusiasm❖ Courteousness

Customer Complaint Handling Principles

Country Garden Services recognizes customer satisfaction rate appraisal as an important part of management performance assessment in each region. The Group headquarters has set three levels of satisfaction rate targets for each property service area, and conducted a total of four homeowner satisfaction rate appraisals for national projects throughout 2019, to effectively supervise each property management area and identify weaknesses in customer service, continuously improve management levels and provide high-quality and considerate property services to homeowners.

Timely Feedback on Customer Complaints

The 10-year-old son of Mr. Luo, a Country Garden homeowner, was home alone on vacation one day when a salesperson who claimed she was providing free range hood cleaning service, knocked on the door. The child did not open the door and reported the incident to his parents. Mr. Luo checked the entrance surveillance based on the description provided by his son and found a middle-aged woman knocking on the door at the time who quickly bowed her head and left when she noticed a camera mounted above the door. Mr. Luo sent the surveillance video to the housekeeper and posted it on the homeowners' WeChat group, which triggered complaints from the homeowners on property security.






In response to the doubts of the homeowners, Country Garden Services immediately responded by calling Mr. Luo to find out if there was any personal or property damage, and according to the surveillance video provided by Mr. Luo, the staff at each related position worked collaboratively to be alert and investigate suspicious persons. Through continued efforts, at about 10 a.m. the next day, the suspicious person in the video was found at the gate post within the residential area. The on-duty property management staff immediately intercepted and verified the identity of the person. After comparing the video, the person was identified as the one in Mr. Luo's video. The person was immediately found out and her identity documents were verified. At the same, her accomplices were also investigated. Mr. Luo and other homeowners were satisfied with the final resolution.

Safeguarding for Happiness and Well-being

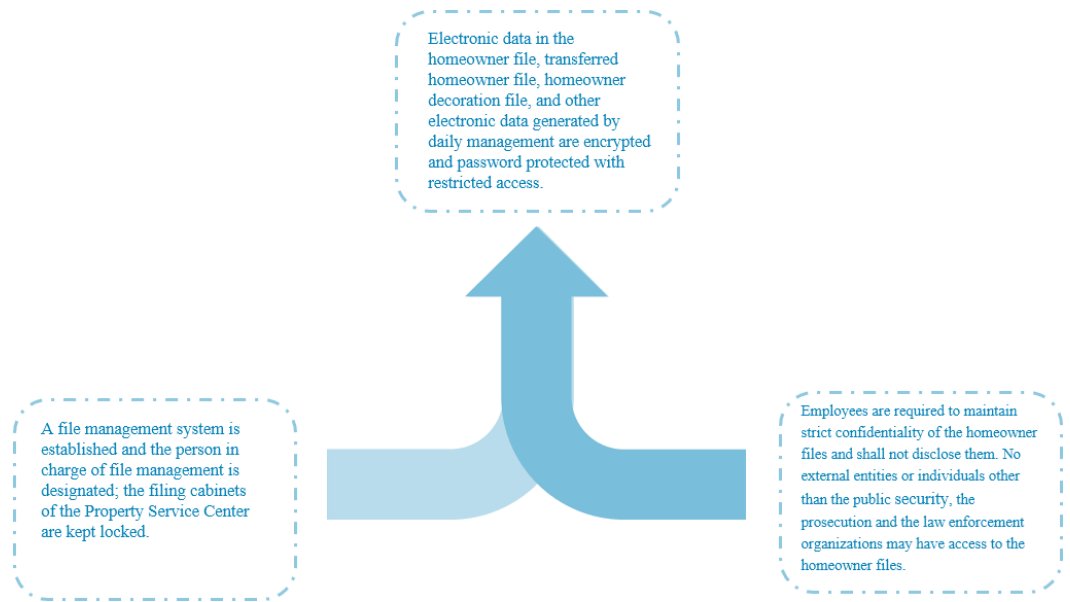
Customer Information and Privacy Protection

Country Garden Services strictly abides by related laws and regulations such as *Measures for the Management of Information Security Level Protection* and *Regulations for the Security Protection of Computer Information Systems*, and has formulated the *Information Security Management Code* applicable to the Group headquarters, subordinate regions and projects and third-party cooperation units, with the aim to effectively safeguard the security of information assets, regulate the correct use of information systems by employees and prevent employees from damaging information security.

According to the importance of information, we have classified the information of the Group, employees, customers, etc. into four levels—Top Secret, Confidential, Secret, and Public with detailed definitions and clear management requirements. In addition, detailed guidelines have been formulated on the security management of systems and application equipment involved in information and data in terms of confidentiality, protection against theft, regular maintenance, and inspection. The Information Management Center at the Group headquarters has specifically organized training on related systems to ensure the effective implementation of information security management measures. We effectively ensure the strict confidentiality of the information and privacy of our customers through the following measures:

<div>Information security protection products</div> <div>Purchase and utilize numerous information system security products to ensure proper protection of client information in information systems.</div>	<div>Full-time management positions</div> <div>Set up full-time information security management positions, assign dedicated personnel to be responsible for the information security of information systems.</div>	<div>Information security system</div> <div>Develop the information security management system to prevent information data leakage at the institutional level.</div>
<div>System penetration testing</div> <div>Each quarter or at major system version updates, a system penetration test is carried out, and comprehensive and in-depth security testing is carried out on business systems by simulated hacking with attacker thinking, to identify security flaws and vulnerabilities in business processes, discover security risks, take preventive measures and ensure that system vulnerabilities are fixed in time.</div>	<div>Database operations audit</div> <div>Database operation audits are initiated for each business system to audit database access behavior, accurately identify and record data security threats, provide comprehensive security, diagnostic and maintenance capabilities for the cloud database, and prevent unauthorized internal access, unauthorized queries and external data leakage so caused.</div>	

In 2019, Country Garden Services formulated the *Homeowner File Management System* to further regulate the management of homeowner files, to protect homeowner information and privacy from disclosure or abuse. We have imposed the following provisions on of homeowner file management:



0

major safety liability
incidents within the
community

Resident Health and Safety

Country Garden Services has developed management systems such as the *Regulations for Nighttime Inspection by Property Project Managers*, the *Management Measures for the Use of Mobile Phones at Work Positions of Property Managers* and the *Management Measures for the Responsibility of Fire Safety in Country Garden Properties*. In addition, we are implementing appropriate measures on all aspects of gatekeeping, patrolling, firefighting, security, surveillance, etc., and have established goals and targets for the health and safety of our residents, to ensure their health and property security.

- **Community Security Control**

We implement closed management in our residential areas and have setup 24/7 on-duty security personnel. Homeowners have to swipe the access card, use the "Phoenix Club" APP or use facial recognition when entering or leaving the residential areas, and all visitors are required to register and are managed in accordance with the gate management methods.

Gate Post Management	<ul style="list-style-type: none"> • Anti-trailing devices (three-roller gates, full-height cross gates) are installed at pedestrian entrances and exits; license plate recognition systems are installed at car park entrances.
Fence Management	<ul style="list-style-type: none"> • Electronic fencing, guardrails, anti-climbing spikes, fence lighting and other anti-climbing equipment are installed.
Monitoring Management	<ul style="list-style-type: none"> • 24-hour CCTV camera coverage is implemented in key parts of the residential area, and the recorded video is stored for 30 days.
Fire Control	<ul style="list-style-type: none"> • Regular monthly and quarterly inspections of firefighting facilities and equipment are conducted, fire drills are organized, and fire departments are invited from time to time to publicize firefighting knowledge.
Patrol Management	<ul style="list-style-type: none"> • 24-hour patrols in key parts of the residential area, and safety assessment of patrol routes and route adjustments are conducted on a quarterly basis.
Material Management	<ul style="list-style-type: none"> • All transport vehicles entering and exiting the residential area are checked and released only on presenting the release slip when valuable articles are taken out from the residential area.
Emergency Management	<ul style="list-style-type: none"> • Emergency management measures are strictly implemented, safety inspections and employee safety publicity are regularly organized, quarterly safety assessments and risk inspections are conducted, and drills are organized for response plans for related emergencies.

Signing of Community Safety Convention by Homeowners

Country Garden Services organizes community safety convention signing events for homeowners for fire safety drills, emergency rescue drills, general knowledge of community safety, signing of community safety conventions by homeowners, community safety promotion film festival, etc. to popularize community safety awareness and promote safety and accident prevention among residents. The Community Safety Convention Program was launched on November 9th, 2019 in over 824 projects across the country, and at present there are more than 2,000 projects that have participated in the Program. A total of 140,000 offline signatures and 43,000 on-site signatures have been collected.



Homeowner Community Safety Convention Signing Event

25-30

25 categories and 30
preventive measures
and services executed

562

562 commendations
by government
departments at all
levels during the
epidemic

1,653

1,653 silk banners
awarded by
homeowners during
the epidemic

40,000

40,000 liters of
disinfectant liquid and
other epidemic
prevention materials
donated to Wuhan
property service peers

400

Over 400 tons of
poverty-alleviating
agricultural products
procured to support
multiple prefecture-
level cities in Hubei
Province

“Preventing Risks, Guaranteeing Safety” Themed Firefighting Event

To improve the fire safety awareness of all employees and homeowners and to enhance homeowners' ability to handle personal escape in case of emergency, on November 13th, 2019, the Country Garden Services' Huanggang Project and Huanggang City Fire and Rescue Detachment Special Squadron jointly conducted the “Preventing Risks, Guaranteeing Safety” themed firefighting event. The Director-General of the fire drill arranged the event before the drill, and divided the staff into five groups: safety alert, firefighting action, medical rescue, evacuation guidance, comprehensive protection, and the processes to guide homeowners to escape, in the fire drill. Personnel participating in the drill performed onsite fire extinguishing practices to better grasp and experience how to extinguish fires in case of a real fire. Such firefighting events enabled employees and community residents to gain a deeper and more intuitive understanding of fire safety, learn basic knowledge of fire prevention and suppression, and laid a solid foundation for building a "firewall" for fire safety.



Site of “Preventing Risks, Guaranteeing Safety” Themed Firefighting Event

• Fighting Against COVID-19 Epidemic

Since the epidemic outbreak of COVID-19, each property management unit under Country Garden Services issued the emergency notice without delay during the epidemic. With the goal of "Receiving Treatment in Hospitals and Being Protected by Property Services", Country Garden Services prioritized the safety and health of homeowners, and launched a health defense battle through means such as cleaning and disinfection, community inspection and epidemic prevention publicity.

Country Garden Services promptly launched its emergency plans, issued several documents and guidelines, and initiated action against the epidemic in thousands of communities across the country. Starting from four aspects—epidemic prevention and control, disinfection of public areas, epidemic prevention and publicity and community protection, several measures against the epidemic were immediately implemented to protect the health and safety of homeowners, such as closed community management, full coverage of high-frequency disinfection, mask recovery and destruction, allocation of protective materials, and household safety inspection. The epidemic prevention measures and

considerate services provided by Country Garden Services have been highly praised by multiple mainstream media including CCTV.

Epidemic Prevention and Control

- ❖ Communities maintained strict access control over pedestrian/vehicle traffic and required temperature testing of homeowners entering and leaving the community. In addition, visitors who were outside the community were advised to return.
- ❖ We cooperated with and implemented the local public health incident response policies and the control measures of the Bureau of Health and Welfare, such as screening, isolation, medical treatment and reporting, and conducted safety screening work within the residential areas in each household, with a focus on following up on people who were returning home and reporting of suspected cases such as those with fever, in a timely manner.
- ❖ We also launched intelligent community epidemic prevention programs, including intelligent security monitoring, infrared thermography, drone disinfection, sensor-based ultraviolet disinfection lamp, and other scientific and technological products to improve the level of epidemic prevention and control in the communities.



Epidemic Monitoring Points at Entrances of Residential Areas



Property Service Personnel Check Body Temperature of Community Homeowners

Disinfection of Public Areas

- ❖ Place wet wipes, hand sanitizers, disposable gloves, etc. in the elevator cars for homeowners when they're taking the elevator, or put disposable films on the elevator buttons and replace or disinfect them once every 2 hours, to reduce the risk of virus cross-infection.
- ❖ Set epidemic prevention waste (masks, etc.) disposal and recovery points, conduct regular sterilization and cleaning, and collect and destroy waste from quarantined households for special treatment, to prevent secondary pollution.

- ❖ Conduct full coverage and high-frequency disinfection of public areas such as elevators, corridors, unit buildings, garbage cans, entrances and exits, and underground car parks daily.



Placing Wash-free Disinfectant Solution at The Community Gate



Disinfecting the Elevators on A Regular Daily Basis

Epidemic Prevention Publicity

- ❖ Publicize epidemic prevention information and disinfection information in public areas through mobile broadcasting using patrol vehicles in the community, online (homeowner WeChat groups, WeChat Moments) and offline (bulletin boards, notice boards and gate posts).
- ❖ Popularize epidemic prevention knowledge through "A letter to the homeowners", etc., and promote epidemic prevention measures to homeowner through simple banners.
- ❖ Assist local authorities in monitoring public opinions and immediately stop the dissemination of information that has not been officially confirmed by the local health authorities and which may cause panic among the residents within the community.



Community Entrance Epidemic Prevention Publicity



Door-To-Door Publicity

Community Guarantee

- ❖ Deploy epidemic prevention materials for homeowners, purchase household goods for free, and provide online medical consultation services in conjunction with medical institutions.
- ❖ Focus on home quarantined persons and elderly homeowners.
- ❖ Actively contact suppliers of foodstuffs for some communities and procure large quantities of fresh vegetables and other foodstuffs for the communities in a uniform manner.
- ❖ Establish a 15-minute response mechanism for engineering repairs to ensure the normal operation of community infrastructure such as water and electricity supplies and firefighting equipment, and carry out daily garbage removal work as usual, to ensure the normal life of the homeowners.

Country Garden Services deliver 50,000 jin of vegetables to homeowners in joint response to the epidemic with the homeowners (jin, a weight unit equivalent to 0.5 kg)

During the epidemic, the vegetable cultivation base in Tongxu County, Henan Province, encountered logistical problems, resulting in a drop in sales. On learning of this situation, the property service team members of Country Garden Services in Henan region immediately decided to purchase the vegetables. They sorted and bagged 50,000 jin of fresh vegetables overnight and delivered them from 7:30 a.m. until 4 p.m. After more than 9 hours of hard work, the vegetables were finally delivered to more than 1,500 households in Henan region under Country Garden Services.



Country Garden Services in Henan Region Purchases Vegetables For Homeowners

Considerate safeguarding by Phoenix Butlers for Zero Infection of Residential Community in Hubei

Zhang Xia, a Phoenix Butler in Ezhou, Hubei, is still busy at her job for epidemic prevention and control. Due to the closure of the main roads in Ezhou and the total closure of the Holiday Peninsula residential area in Ezhou, Zhang Xia voluntarily took up the work of providing life and safety protection for the homeowners of the residential area under her management. Every morning, Zhang Xia delivered the disinfectant solution to the doors of homeowners individually and registered the requirements of the homeowners for protective suits and masks every day. In case of shortage, she applied and received the same from the management committee and distributed to the homeowners on a weekly basis. Each week, she collected the requirements of the homeowners for daily necessities and meals and delivered the items to the homeowners after proper processing and treatment.

Thanks to Zhang Xia's attentive safeguarding efforts, the body temperatures of over 200 homeowners in the residential area were all normal with zero fever cases, zero infection cases and zero suspected cases. The Epidemic Prevention and Control Working Group of the Country Garden Services awarded Zhang Xia the "CEO Special Award" in recognition of her hard work during the epidemic period.



Homeowners Within the WeChat Group Praise The Work of Phoenix Butler Zhang Xia

Technological Innovation for Higher Quality and Efficiency

Enhance Customer Experience

With the continuous update and improvement in information technology such as IoT, sensor network and network communication technology, traditional property management models are being

transformed and upgraded. Country Garden Services continues to advance with the times. Relying on independent research and development and innovation, we have developed numerous smart products and devices to assist the community in upgrading the intelligence level and enhancing the living experience of homeowners.

In 2019, Country Garden Services made remarkable achievements in promoting the development of smart communities. "Shunde Country Garden - ChunTianLi", "Guangxi Liuzhou Country Garden - ShiLiJiangWan" and "Henan Zhengzhou Country Garden - FeiCuiWan" were jointly awarded the honorary title of "Star-level Model Unit for Smart Residential Areas" by the Alliance for Intelligent Residential Areas and news.leju.com.

- **"Phoenix Smart" Property Information Collaborative Mobile Platform**

As a collaborative property information mobile platform, "Phoenix Smart" enables efficient online property life cycle management. By linking to various equipment systems, "Phoenix Smart" provides timely feedback of equipment maintenance data to the "main system" in the form of work orders, forming a closed loop and enabling the realization of various functions such as internal repair, project repair, inspection, maintenance, quality inspection, and community announcement. It has effectively improved the efficiency of property service personnel. In addition, "Phoenix Smart" has highly open third-party access through robust APIs. It is highly flexible and has powerful internal and external system integration capabilities, which have laid a solid foundation for future smart community service extension.



"Phoenix Smart" System Interface

- **Application of Smart Community Products**

The smart products widely applied in projects nationwide include smart access control, intelligent security monitoring cloud platform, remote monitoring of equipment and facilities, smart elevator, smart firefighting, etc., realizing the full smart coverage of the five major property management

application scenarios—access management, security management, equipment management, homeowner service, and project management.

Access Control Intercom System	900 Projects Launched
<ul style="list-style-type: none">• With facilities and equipment such as cloud telephone intercom, facial recognition, QR code and Bluetooth reader, the smart access control system can effectively enable management of homeowners, visitors, couriers, food delivery personnel, and other strangers. The smart access control system enables full coverage of all scenarios and automation of the service process, significantly improving the management level and service efficiency of the integrated gate posts of the properties under Country Garden Services.	
Smart Elevator	215 Projects Launched
<ul style="list-style-type: none">• The smart elevator system independently developed by Country Garden Services uses sensors and cameras for real-time monitoring of the elevator equipment operation and status warning, to prevent the elevator from trapping passengers or other major accidents.• Online management is conducted for elevator maintenance and repair contracts and elevator maintenance processes for the elevators of the property projects. The engineering and maintenance staff can perform the maintenance and routine repair of the equipment remotely and efficiently through the APP, significantly improving work efficiency and service effectiveness.	
Smart Security Monitoring Cloud Platform	207 Projects Launched
<ul style="list-style-type: none">• The smart security and surveillance cloud platform, jointly developed by Country Garden Services and Tencent, can be adapted to a variety of community scenarios, including violation monitoring of security guards, brand identification of vehicles, real-time tracking of suspicious persons in the community and lock-down during unexpected events.• The system optimizes the security business process by utilizing artificial intelligence equipment monitoring technology, and effectively improves the reliability, timeliness, and scenario coverage of security services through automated and manual inspection reports, while optimizing staffing and reducing unnecessary resource wastage.	
Remote Monitoring of Equipment and Facilities	72 Projects Launched
<ul style="list-style-type: none">• The smart IoT remote device monitoring system (IRBA), independently developed by Country Garden Services can ensure real-time monitoring of the operation status and energy consumption of various types of equipment in the community, and identify equipment problems with real-time alarm and push technology, in a timely manner, to quickly locate faults, analyze data and propose optimized energy-saving solutions. Frontline engineers can complete equipment inspection and daily routine work remotely and efficiently through the APP, thereby not only improving work efficiency and service effect, but also saving energy and reducing carbon emissions.	
Smart Firefighting	13 Projects Launched
<ul style="list-style-type: none">• The smart fire monitoring system, independently developed by Country Garden Services, realizes whole process of cloud digital control of fire facilities and equipment through network transmission, sensor technology and IoT technology, and realizes 24*7 real-time online monitoring of fire alarm, fault warning, and work order push system, which helps reduce the probability of major failure of fire equipment and extends the service life of equipment.	

Note: The data for the above launched projects are as of December 31st, 2019

Enhance Service Efficiency

To continuously ensure the high standard and quality of property services in a continuous manner, Country Garden Services has invested heavily in the development of information technology projects for full coverage of information technology systems in the business chain, including the development of enterprise resource planning (ERP) and customer relationship management (CRM) systems.

Country Garden Services has optimized the customer payment process and has realized overall process management of both online and offline payments through a variety of payment methods and channels such as APP, WeChat service number, mini program and mobile POS. Efforts have also been made to optimize offline business processes such as customer requirements, repair requests, information registration, key management, decoration and other offline business processes, to enhance the Group's overall operating efficiency. Through the application of big data, a large amount of business and contact data has been accumulated to provide business departments with big data application analysis reports, thereby serving customers more accurately and efficiently.

- **"Phoenix Core" Office APP**

Phoenix Core independently developed by Country Garden Services is an intelligent assistant application for regional/project-based property management teams. It is designed with powerful information dissemination and data analysis functions, and its application scenarios include work orders, contract licenses, intelligent warning of regional targets, operational data analysis, property cost, satisfaction rate and other data ranking, teamwork, schedule management, etc. It can assist management teams in decision-making, assist in reducing communication costs, improve office efficiency and enhance business control.

- **"Grand Butler" Service APP**

The "Grand Butler" is an intelligent assistant application for Platinum Phoenix Butler. It includes multiple functions such as user image and scenario algorithm analysis technology, intelligent reminder (request meeting with homeowners, birthday reminder of homeowners, knowledge push), administration area management (building management, room charge inquiry, property tag management), core butler functions (complaint, visit, report, repair, reminder, payment, questionnaire, deposit, walking management, reminder), mall service, etc. It can assist butlers to improve efficiency and service quality and assist them in providing more considerate services.

Intellectual Property Protection

Country Garden Services strictly abides by applicable requirements stipulated in related intellectual property protection laws and regulations, such as the *Copyright Law of the People's Republic of China*, *Trademark Law of the People's Republic of China* and *Patent Law of the People's Republic of China*, and has gradually established a comprehensive intellectual property management system for intellectual property applications, rights maintenance, infringement litigation, property rights transactions, etc. The

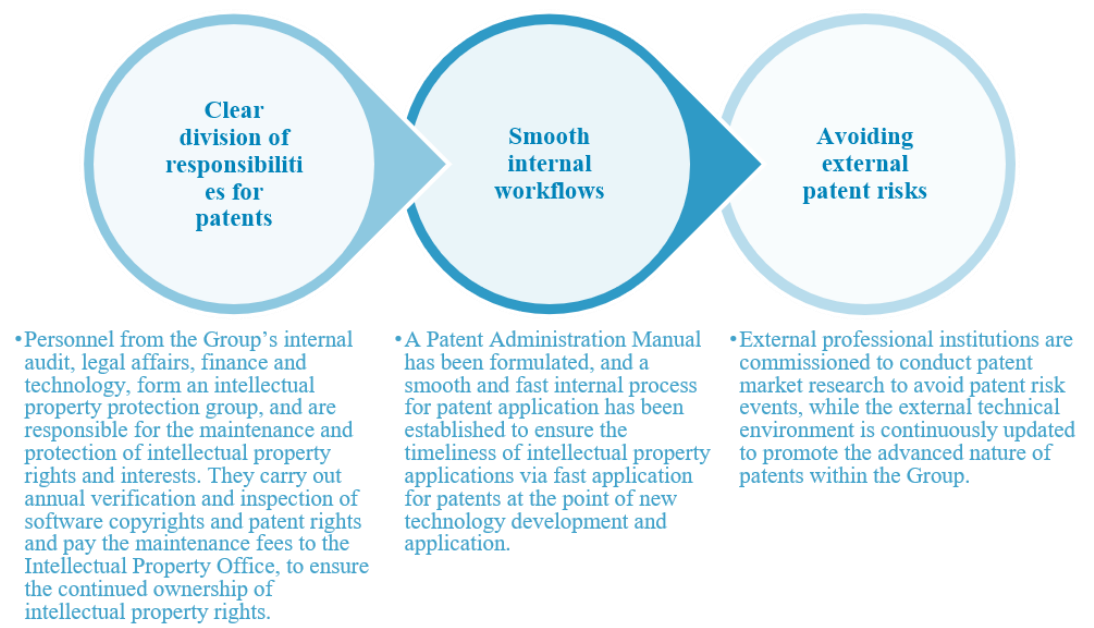
21

21 new intellectual property rights acquired during the reporting period

63

A total of 63 intellectual property rights held as on December 31st, 2019

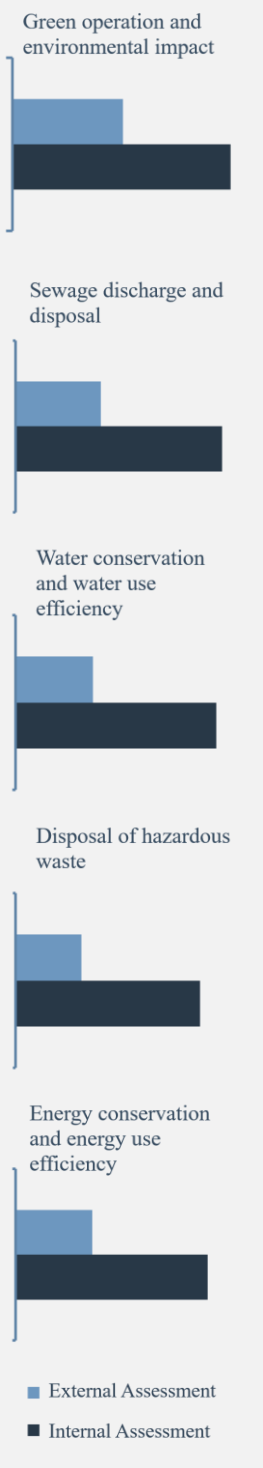
Group has promulgated the *Administrative Measures for Innovation Incentives* and the *Administrative Measures for Patents* to encourage scientific and technical personnel to carry out research and development of intellectual property rights and to provide dedicated personnel to follow up the intellectual property application processes. The Group has also organized its scientific and technical staff to study the *Patent Law* and other intellectual property-related laws and regulations, established an intellectual property protection working group which includes technical, legal and financial personnel, and regularly verifies if intellectual property rights have been infringed and has established a process for responding to intellectual property protection. We have established an intellectual property management system as follows:



Compliance-based Promotion, Moderate Marketing

Country Garden Services strictly abides by related laws and regulations and industry norms, such as the *Advertising Law of the People's Republic of China*, and strictly adheres to the principles of compliance, comprehensiveness, effectiveness, reporting and approval at the level of business promotion. We adopt a three-tier external communication and control system of "Headquarters-Region-Project"; the headquarters irregularly checks the regions and project brand output data to ensure that the external output of brand information is legal, true and accurate, and effectively protects the legitimate rights and interests of homeowners; and the dissemination of business data is subject to two-way audit by the Brand Management Department and the Capital Market Center before the external output. We also dynamically monitor the media in the market and provide timely information or announcements about inaccurate information or information that may be misleading, to the homeowners. We also seek legal solutions to acts against the homeowners and the Group, to effectively protect the legal rights and interests of the homeowners and the Group.

ESG Issues
Addressed in this
Chapter



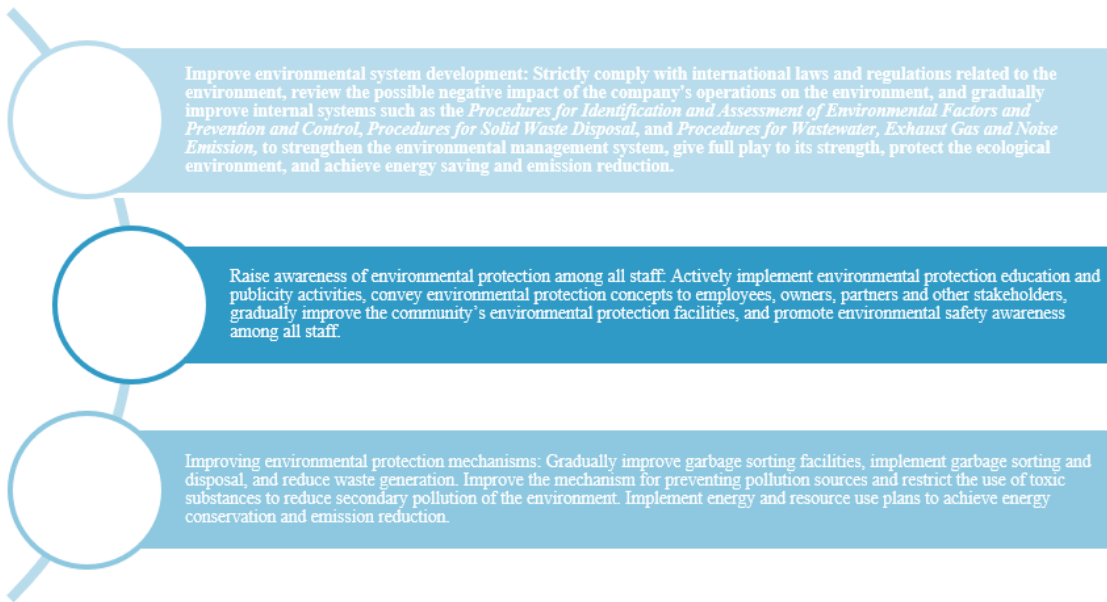
Responder to Green and Low Carbon Initiative

Country Garden Services has positively responded to the call for ecological and environmental protection of the country, attaches importance to the negative impact of its operations on the natural environment, strictly abides by related laws and regulations, such as the *Environment Protection Law of the People's Republic of China*, *Water Pollution Prevention Law of the People's Republic of China*, and *Fixed Waste Pollution Prevention Law of the People's Republic of China*, in response to the concept of "Lucid waters and lush mountains are invaluable assets" proposed at the 19th National Congress of the Communist Party of China. In addition, we have been continuously exploring the practice of green management system and green environmental management, to promote harmonious coexistence between humans and nature.

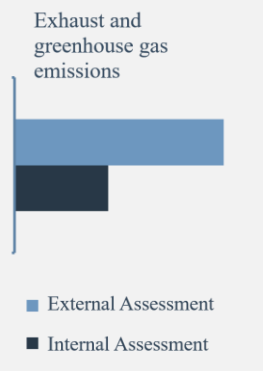
Green Management System

Country Garden Services has passed the ISO 14001:2015/GT/T 24001-2016 environmental management system certification, and has established a green management system according to its own business form, to strengthen the Group's internal and external attention to the environment through system development, and continuously reduce the negative impact of the business operations on the environment.

Country Garden Services' environmental management system includes three aspects, namely, improving the environmental system development, raising the environmental awareness of all staff and improving the environmental protection mechanism. Specifically, they are as follows:



ESG Issues
Addressed in this
Chapter



604.05
NOx emission of
604.05 kg during the
reporting period

0.15
SOx emission of 0.15
kg during the
reporting period

383,203.75
Greenhouse gas
emission of
383,203.75 tons
during the reporting
period

3.79
Hazardous waste of
3.79 tons during the
reporting period

2,219.37
Non-hazardous waste
of 2,219.37 tons
during the reporting
period

Green Environment Management

Emission Management

Country Garden Services has developed and implemented the *Procedures for Environmental Factor Identification Assessment and Prevention and Control* system to identify potential water pollution, air pollution, fixed waste, domestic waste, energy consumption, and natural resource consumption in its business operations involving the community environment, operating environment, infrastructure, working environment, engineering and maintenance materials, cleaning supplies, greening waste and pharmaceuticals.

The Group has implemented the *Procedures for Resource Management* in accordance with identified environmental factors, effectively controls the use of resources in daily services, promotes the rational use and reduction of resources, and improves the efficiency of resource use. It has also implemented the *Procedures for the Disposal of Fixed Waste*, separates and disposes of waste generated in daily services to reduce environmental pollution, has implemented the *Procedures for the Disposal of Wastewater Exhaust Gas and Noise*, to effectively control the generation of waste water, exhaust gas and noise and continuously improve the surrounding environment.

In addition, the Group’s Quality Management Center is making comprehensive efforts to implement environmental management indicators, oversee the implementation of environmental prevention and improvement measures in the Group’s subsidiaries and divisions, and assist each functional department in identifying, assessing and improving environmental factors.

438,170.30

0.0016

During the reporting period, the total energy consumption was 439,170.30 ‘000 kWh or an average of 0.0016 ‘000 kWh per square meter

28,144,265.96

0.1019

During the reporting period, the water consumption was 28,144,265.96 cubic meters or an average of 0.1019 cubic meters per square meter

Upgrading and Reconstruction of Sewage Treatment System

In accordance with related requirements of the *Notice of Guangzhou Panyu District Environmental Protection Bureau on the Installation of Online Monitoring Equipment for Self-built Sewage Treatment Plants in Residential Communities*, Country Garden Services began to actively cooperate with government departments to upgrade the sewage treatment equipment in the ZhiLanWan Residential Area in Guangzhou, in February 2019. The project was completed and passed the government acceptance inspection in July 2019. Among the 22 residential communities in Panyu District, Guangzhou, ZhiLanWan Residential Area was awarded the "2019 Advanced Unit for the Shared Governance and Resources for Homes with Clear Waters" in the upgraded standard renovation work of self-built sewage treatment facilities.



2019 Advanced Unit for the Shared Governance and Resources for Homes with Clear Waters
Plaque

Resource Utilization

Country Garden Services has developed and implemented the *Procedures for Resource Management* for rational resource allocation and reduction in consumption of resources during operations in order to improve the resource utilization efficiency. During the year, we have had no problems in obtaining applicable water sources.

- **Energy Conservation Measures**
 - ❖ Natural wind is fully utilized in the office area for temperature adjustment. The AC temperature setting indoors is no lower than 26℃ in summer and no higher than 20℃ in winter. In spring and autumn, the fresh air system can be activated without operating the refrigeration unit, to ensure air circulation.
 - ❖ The requirement of "powering off when leaving the office" is implemented in the office area. If lighting is necessary, the number of lights are reasonably controlled and it is prohibited to keep office equipment powered on for a long time.

- ❖ For projects where two elevators are installed in one unit, depending on the occupancy status of the residential area, one elevator is stopped during the night or during low peak hours, for the use of the residents.
- ❖ Temperature control switch or time control switch is installed in the elevator room to adjust the switching on/off of the air conditioning equipment; when the elevator is out of operation, the air conditioning equipment is switched off automatically.
- ❖ Plans have been developed to gradually replace non-LED light sources with LED light sources, and microwave-sensing LED light sources have been employed in garages.
- ❖ Energy-saving control methods such as time-controlled switching and automatic sensor control are adopted for public lighting, and the monthly Schedule of Public Lighting Operation has been developed in conjunction with the local sunshine conditions of the project, to reduce energy waste.
- ❖ Advanced energy-saving water pumps are adopted to upgrade the domestic water supply system in the community.
- ❖ Metering submeters are set up for public electricity consumption (elevators, garage lighting, secondary water supply, streetlights, offices, etc.), and abnormalities are identified through year-on-year and month-on-month comparisons, to minimize energy losses.

Earth Hour “FUN Fluorescence Running”

In 2019, Country Garden Services took the opportunity of the "Earth Hour" event to launch the "FUN Fluorescent Run" event across the country, to encourage homeowners in all communities across the country to go out of their homes and join the cool fluorescent night run, to practice energy savings and environmental protection through their own actions. The event integrated environmental protection and public welfare with neighborhood communication and covered 129 projects of Country Garden Services in 29 regions nationwide, with 17,982 offline participants, and 1 million participants totally. It effectively conveyed the concept of energy conservation and environmental protection to the public.



Photos from the Earth Hour “FUN Fluorescence Running”

• Water Conservation Measures

Water supply for Country Garden Services is primarily from the tap water of the municipal pipeline network and mainly includes daily usage water, office water and greening water. We have taken a series of measures to minimize our water consumption.

- ❖ The frequency and consumption of water for cleaning and greening operations are appropriately adjusted to reduce flooding and promote permeable pavement.
- ❖ Special switches, connectors or locks are set up for cleaning and greening water points to prevent non-staff members from using water without authorization.
- ❖ Metering submeters are set up to calculate the water consumption of public areas, and abnormalities are identified through year-over-year and month-over-month comparisons, to minimize water losses.
- ❖ Leak detection and remedial measures are organized for projects with high water loss rates, to reduce the cost for such losses.

Waterscape Renovation for Water Conservation

In 2019, the Golden Beach Project of Country Garden Services Hainan upgraded the waterscape by planting aquatic plants to purify the water quality, thereby reducing the frequency of waterscape cleaning and avoiding water wastage. According to preliminary statistics, the renovation project can reduce three times of cleaning per year and save about 3,000 cubic meters of water resources.



Waterscape Renovation for Water Conservation

Protection of the Environment and Natural Resources

As a service business, Country Garden Services does not have any significant negative impact on the environment and natural resources. We have taken initiatives to mitigate climate change, conserve biodiversity, prevent soil and water pollution and maintain a healthy and sustainable ecological environment through our own actions. The specific measures are as follows:

- ❖ Standardize the use of chemicals such as insecticides, herbicides, chemical fertilizers, and pesticides, and prioritize the use of environmentally friendly chemicals to avoid damage to the soil and groundwater environment.
- ❖ Explore and implement pest and disease control technologies based on biological control (microbial control, insect control, bird control, hormone control, etc.) and physical control (bait trapping, light trapping, disease spot removal, heat treatment, etc.).
- ❖ Mark old and valuable trees in residential areas and carry out regular maintenance.

At the same time, we have been actively conveying environmental protection awareness among homeowners, the staff and other stakeholders, and have been working together to build a green eco-home by carrying out green promotion activities nationwide and striving to convey the environmental protection culture in the community, such as caring for green plants and reusing recyclable resources.

Initiative for “Shared Landscape Governance” in Communities

In response to the call of "Lucid waters and lush mountains are invaluable assets, and enhance the awareness of caring for green plants and protecting the green of the whole country", Country Garden Services has launched the "Shared Landscape Governance" event for beautifying and sharing beautiful homes, in communities across the country. "Shared Landscape Governance" is an innovative service initiative that we have pioneered. By inviting community homeowners to participate in community beautification activities such as graffiti on floors, walls, tires, and planting, the homeowners can enjoy a relaxing time with their families and neighbors and experience the joy of building an environment together and maintaining a beautiful home together. The event covered over 60 projects nationwide, with over 10,000 homeowners participating.



Photos of the “Shared Landscape Governance” Event Site

Smart Recycling Bins in the Communities

Country Garden Services Heshan Project has reached a cooperation agreement with the waste recycling company to place Small Yellow Dog smart recycling bins in the residential areas. Homeowners and residents can put recyclable items such as drinking bottles, cardboard, scrap iron and other recyclables, and collect the corresponding cash incentive. This program has effectively promoted the recycling and reuse of valuable resources.



Small Yellow Dog Smart Recycling Bins

In addition, we have responded positively to the national policies on waste sorting at source and are promoting waste sorting knowledge among homeowners through a variety of online and offline publicity channels. In addition, we have improved the facilities such as garbage bins in the residential areas, to influence and motivate more residents to participate in the waste sorting activities.

Promotion and Implementation of Waste Sorting

Country Garden Services has formulated and implemented the *Guidelines on the Workflow of Community Waste Sorting*, and has promoted waste sorting in 317 projects nationwide, of which 35 projects have formally implemented waste sorting through a total of 1,642 public awareness events. In communities where waste sorting is implemented, we carry out waste separation publicity activities at least once a month, and set up a waste sorting publicity board to publicize waste collection points, collection times and contact information of managers so that homeowners can understand waste sorting methods and management processes and enhance their environmental awareness and skills.



Photos of Waste Sorting Awareness Publicity Event Sites in Communities

Smart Waste Bins Installed in Communities

Country Garden Services promotes and employs smart bins in the communities. The bins are designed with automatic compression function that can compress the volume to 1/5th of the original volume and can be networked with mobile phones or computers, to send notifications when the bins are about to be full. In addition, the bins are designed with solar power generation function to help businesses save electricity consumption in daily operations.



Smart Waste Bins Within Communities

Statistics and Disclosure of Key Environmental Performance Indicators

As required by the ESG reporting guide, Country Garden Services has conducted data collection and statistical analysis of environmental KPIs for the year. To ensure the accuracy and consistency of related indicators, the Sustainable Development Working Group of Country Garden Services, in conjunction with the independent third-party consulting agency, has set up a data collection template to clarify the three levels of data collection and reporting channels of "Headquarters-Region-Project", and assigned data collection responsibilities at all levels.

The scope of environmental KPIs disclosed for the year includes: the office areas of the headquarters, 32 regional companies and 7 city-based companies; the office areas and public property management areas of 1,160 project companies; as well as all non-contracted employee canteens.

For specific classifications and data on environmental KPIs for the year, please refer to *Appendix I: Index of KPIs* in the present report.



Practitioner of Humanistic Care

Adhering to the enterprise spirit of "Benefiting the People, Benefiting the Society" and talent values of "Virtue-based with Balanced Ability; Talent-oriented Without Doctrinairism", Country Garden Services is committed to providing a harmonious, fair, just, satisfying and rewarding working environment for employees. It aims at encouraging employee cooperation and at the same time, provides opportunities for learning, growth and success in work and life so as to achieve the collective growth of employees and the Group.

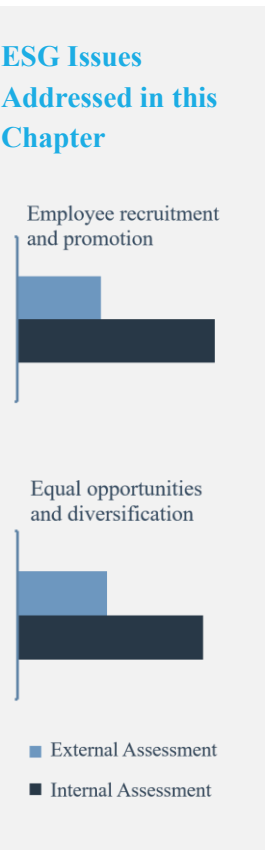
The Group has always been people-oriented, and strictly abides by laws and regulations such as the *Labor Law of the People's Republic of China*, and has taken the initiative to promulgate policies and systems such as *Management System for Attendance and Leaves of Country Garden Services Group*, *Management Measures for Employee Incentives of Country Garden Services Group* as well as *Management Regulations on Employee Welfare Holidays and Regional Subsidies of Country Garden Services Group for Ethnic Minorities and Remote/Highland Areas*, to effectively safeguard the basic rights of employees, and to continuously improve the system of employee rights and interests protection and talent training mechanism.

Safeguarding the Right to Work and Highlighting Equal Employment

Country Garden Services respects and abides by the core labor standards of the internationally recognized human rights norm of the *Constitution of the International Labour Organization*, adheres to the principles of equal and fair employment, ensures that employees are not treated differently on the basis of gender, age, nationality, race, religious belief, family and health status, and ensures that no discrimination in any form is allowed. Employees encountering unfair treatment can file an appeal through channels such as the General Manager's Complaint Hotline, Group Administration and Risk Control Audit Center and Group Human Resource Management Center. Upon receiving the information regarding the demands of employees, related department(s) follow up and handle such information to ensure that the demands of employees can be reasonably addressed.

Remuneration and Welfare

We have constructed a compensation system based on the principle of "3P+M", insist on the remuneration concept of "Remuneration Based on Position, Performance and Ability", and are committed to providing employees with relatively more competitive salary and benefit levels as compared to the market average.



Position Management	Phoenix Housekeeper	Frontline Position	Sales Position
•National unification to facilitate national mobility of managers and pay administration	•Strategic orientation based on housekeeping services, with separate pay scale design	•Declared by each region independently, depending on market conditions	•Mainly on commission income

In addition to the benefits stipulated by the state, we also provide other benefits to our employees, to fully reflect the enterprise spirit of "Benefiting the People, Benefiting the Society".

Medical allowance	High-temperature allowance	Holiday gifts and greetings	Meal and accommodation allowance
Phone calls and transport allowance	Computer purchase allowance	Welfare leave and regional allowance for ethnic minorities and remote/high plateau areas	Various employee activities
Lectures on health and wellness	Full pay sick leave	"The Happiness Program"	Property purchase allowance
	Discount for children to attend Country Garden Schools	Commercial insurance for managers	

Labor Rights and Interests

Country Garden Services has made extensive efforts to avoid child labor and protect labor rights. We have zero tolerance for the employment of child labor, and review the valid identity documents of the applicants during the recruitment, approval and joining of employees in accordance with the *Regulations on the Prohibition of Child Labor*, the *Regulations of the People's Republic of China on the Special Protection of Underage Workers* and the corresponding laws and regulations in foreign countries. We refuse to use forced labor and all employees of the Group are employed on a voluntary basis without deception or coercion.

At the same, the Group enters into internship agreements, labor contracts or employment contracts with each employee based on employee type, and promptly renews contracts with employees whose contracts are expiring. We do not impose extended working hours, and the Human Resources Department is strengthening labor management through monthly statistical monitoring tables to ensure legal compliance. Even in the process of employee dismissal, we respect the right of employees to freely

select their jobs in accordance with the *Labor Contract Law of the People's Republic of China* and the corresponding laws and regulations in overseas countries. In addition, we have established a work exit mechanism for employees, standardized the work procedures for the cancellation and termination of labor contracts, and effectively safeguarded the legitimate rights and interests of dismissed employees.

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 a child labor is found to have been recruited by mistake or for other reasons, we immediately provide the necessary assistance and resolve the same while ensuring the child laborer is not harmed or loses any benefit; if a minor worker is found to be employed, we immediately report the same to the related labor administration for registration, and provide health inspection, safety education and training in accordance with related laws and regulations.

During the year, we have not found any cases of child labor or forced labor in violation of applicable laws and regulations.

Equal Opportunities

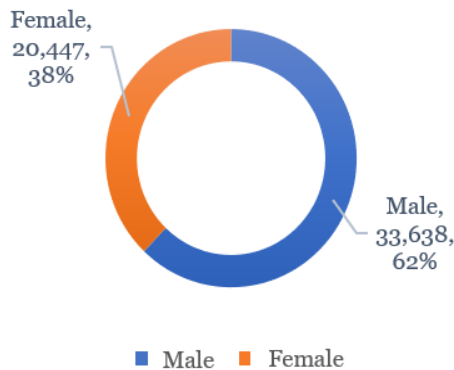
We are committed to ensuring diversity and equality of opportunity in our work. We oppose discrimination in the workplace and do not judge employees on the basis of their skin color, nationality, sex, age, ethnicity, sexual orientation, marital status, religious beliefs, place of domicile, pregnancy and maternity, or use the above as criteria for hiring, assessment, promotion, training, etc. For example, equal pay and benefits for female and male employees are guaranteed, and equal opportunities for career development are provided; employees from various ethnic groups, such as Han, Tujia, Bai, Buyi, Mongolian and Uyghur are provided with a working environment of mutual respect, understanding and integration for employees from different cultural backgrounds, and our employees cover all age groups. In the future, we will continue to explore and improve our democratic management system to effectively guarantee the rights of employees to information, participation, and supervision.

As of December 31st, 2019, there were a total of 54,085 employees working at Country Garden Services; the breakdown by gender, business type, age group and geographical location are as follows

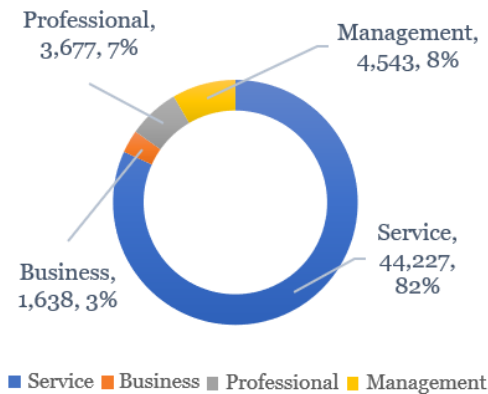
54,085

54,085 employees as of December 31st, 2019

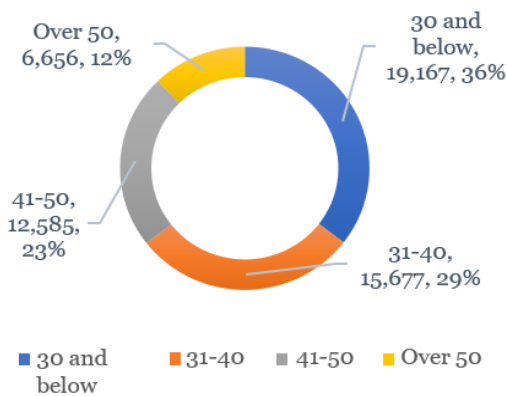
Number of Employees by Gender



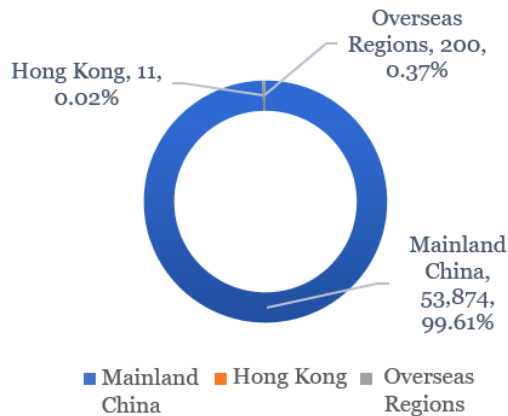
Number of Employees by Business Type



Number of Employees by Age Group



Number of Employees by Geographic Location



4,565

4,565 working days lost due to work injuries

66,000

Approximately 66,000 hours of health and safety trainings

1,348

1,348 fire drills conducted

Caring for Employees and Creating a Harmonious Workplace

Employees are valuable resources for the sustainable development of a business. We attach immense importance to the occupational health and safety of our employees, strictly abide by related laws and regulations such as the *Occupational Disease Prevention and Control Law of the People's Republic of China* and the *Fire Protection Law of the People's Republic of China*, and have formulated policies and systems such as the *Occupational Safety Precautionary Provisions* and the *Procedures for the Identification and Prevention and Control of Hazardous Sources*, to actively safeguard the legitimate rights and interests of our employees and create a safe, healthy and comfortable working environment for our employees, while ensuring their physical and mental health. At the same time, the Group actively explores the needs of employees, has improved the development of the employee care system and built an employee communication and feedback platform, and listens carefully to employees to enhance their satisfaction and happiness.

Health and Safety

Country Garden Services has established the five-color risk management mechanism—"Blue, Green, Orange, Yellow, Red", to link the effect of safe production risk management to the performance assessment of the corresponding person in charge, and practically protect the health and life safety rights and interests of employees by improving the working conditions of employees, strengthening labor protection measures, raising the awareness of employee safety, etc. The health and safety measures implemented by the Group are as follows:

Comfortable work	Hygienic diet	Security training	Seasonal greetings	Physical and mental health
<ul style="list-style-type: none">•Ensure cleanliness of the living and working environment of employees.•Regularly exterminate rodents, mosquitoes, and other pests, and ensure that there are no harmful gases or excessive dust.•Place greenery in office areas.•Equip individualized recreational facilities such as cinemas, libraries, gyms, stress relief rooms, etc. in each project.	<ul style="list-style-type: none">•Set up canteens at headquarters and in most projects.•Provide employees with a healthy and hygienic diet.•Ensure clean and hygienic drinking water sources for employees.•Periodically inspect canteen hygiene.	<ul style="list-style-type: none">•Provide pre-service training for all positions, including work safety, traffic safety training, etc.•Create posters to raise awareness of health and safety among employees.•Issue personal protective equipment in a timely manner and monitor the proper use thereof.	<ul style="list-style-type: none">•Provide cooling measures in summer such as the distribution of green bean soup and refreshing tea, and equip the job posts with heat protective gear and sweat towels.•Conduct warming activities in winter such as issue hot drinks, windproof gloves and ginger soup, provide coats, gloves, scarves, etc. for employees to keep warm.	<ul style="list-style-type: none">•Arrange annual medical examination of employees.•Organize occasional seminars on mental health for employees to maintain their physical and mental health.•Organize the employees to conduct exercises during breaks, to relieve the fatigue of the office staff.

“Country Garden Services with You All the Way” Health and Safety Training

Country Garden Services has implemented the following health and safety measures: Since 2018, Country Garden Services has been implementing an employee health and safety training series with the theme “Country Garden Services with You All the Way”, and has been promoting the occupational health and safety training for employees in the form of themed activities. Interesting cases are used to enhance the acceptance of training and effectively raise the awareness of health and safety among employees. In 2019, the Group launched posters and training courses on six major themes, including traffic safety, safe operations and engineering safety, targeting various target groups.



Safety Training Poster on "Traffic Safety"



“Bringing Coolness in Summer” by Country Garden Services Hainan Region

Communication and Caring

Country Garden Services also attaches importance to staff communication and care, and continuously enhances the sense of belonging and satisfaction of employees by establishing a variety of staff communication channels, listening to the valuable views of employees and making improvements based on their detailed comments. The Group provides a range of considerate and caring benefits to its employees:

Cultural Activities	Cultural Activities	Benefits and discounts	Feedback collection
<ul style="list-style-type: none">• Organize several cultural activities in 2019 on the theme of "Absolute Happiness".• Organize various interest associations, such as the Badminton Association, Basketball Association, etc.	<ul style="list-style-type: none">• Create a rich variety of staff activities, such as staff birthday parties, fun games, tea parties, parent-child activities, outreach activities.• Pleasant activities during holidays (moon cakes during the Mid-Autumn Festival and dumplings during the Dragon Boat Festival).• Remain knowledgeable about the employee's daily life and conduct regular home visits.• Support and aid sick and pregnant employees, set up a priority canteen for pregnant women and set up nursing rooms.	<ul style="list-style-type: none">• Employee Well-being Program - Employees and their families can enjoy special offers on hotel stays at Country Garden hotels.• Provide incentives for staff to purchase properties.• Provide preferential access to Country Garden Schools for children of employees.	<ul style="list-style-type: none">• Establish various employee communication and feedback channels, such as WeChat public account, complaint hotline and complaint mailbox to learn about the employees' needs.

“Absolute Happiness” Cultural Activity

In 2019, Country Garden Services carried out several cultural activities for employees with the theme "Absolute Happiness", including the "Absolute Happiness" special train, "Absolute Happiness" Records of Personages, family visit day, etc., which were conducive to creating a harmonious, cohesive, warm and happy cultural atmosphere of the company and in enhancing a sense of identity and belonging of employees.



“Family Open Day” in the Anhui Region

“Family Open Day” in the East Guangzhou/Dongguan and Shenzhen Region



Establishing Employee Communication and Feedback Mechanism

Highlighting Virtue and Cultivating People for the Future

Country Garden Services attaches immense importance to developing outstanding talent and has established a sound recruitment, promotion, training, and development system.

Recruitment and Promotion

Country Garden Services has set up a variety of recruitment channels based on job characteristics and requirements to introduce outstanding talent in an efficient and systematic manner. The current talent introduction mechanism is directed by the head office and implemented in all regions to create a three-tier talent plan to satisfy the Group’s talent requirements and cultivate talent reserves, realize the effective supply of talent and optimize the talent structure.

Future Plan

- The social recruitment program for mid to high-end talent launched at the end of 2017 will continue to promote the introduction of external talent, so that it can spread among peers and gradually form a social recruitment brand in the workplace.

Rocket Force Program & Phoenix Feather Program 2.0

- Targeted campus recruitment and talent training programs for middle management talents are organized and implemented in spring and autumn each year. These have gradually matured and will strengthen employer brand building and attract more outstanding college students to join the property service industry.

Emerging Talent Program

- Long-term incubation of the basic level backbone of the school-enterprise cooperation and campus recruitment brand; the goal is to cultivate candidates into department heads or professional and technical backbones in three years, which not only satisfies the needs of the first-line positions, but also gradually optimizes the talent structure of the basic management team.

Promotion of University-Enterprise Cooperation Brand

In 2019, Country Garden Services actively built and promoted the university-enterprise cooperation brand, greatly expanded the scale and scope of university-enterprise cooperation and achieved full coverage of the target institutions based on the principle of "Flexible Matching, Diverse Measures". Such efforts have not only enhanced the visibility and influence of the company itself, but also promoted the upgrade of enterprise talents, and are conducive to improving the retention rate and success rate of quality employees.

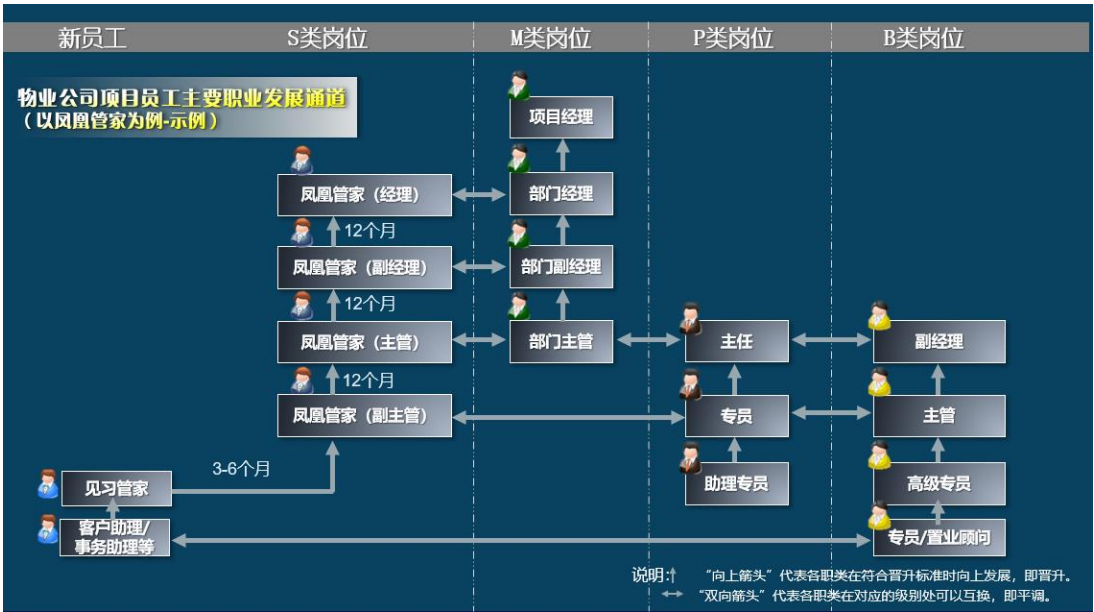


University-Enterprise Cooperation Brand Promotion Poster

Country Garden Services is committed to the introduction of excellent talent. In addition, we provide a wide range of career development space for talents to grow together with the enterprise. The Group has divided positions into four major categories—M, P, B, and S according to the nature of the position, and divided them into grades according to the differences in competency levels, to construct a horizontally multi-channel and vertically multi-grade development system.

M type post	P type post	B type post	S type post
<ul style="list-style-type: none">• Managerial post• Post leading a team in a certain field.• 9 levels based on differences in management capacities.	<ul style="list-style-type: none">• Professional post• Post where the person is working independently in a professional field.• 7 levels based on differences in professional capacities.	<ul style="list-style-type: none">• Business/expansion post• Post whose primary function is to increase non-principal business operating income or to expand non-owned management area.• 7 levels based on differences in business capacities.	<ul style="list-style-type: none">• Service post• Post directly in contact with or serving customers.• 7 levels based on differences in service capacities.

Country Garden Services has established a multi-channel position development system that has changed the previous single staff career development channel, allowing employees to select either single channel or multiple channels for horizontal development. The promotion path of Phoenix Butler is used as an example as follows:



Career Development Channel of Phoenix Butlers

288,473

288,473 person-times
of employees trained

1,254,551

1,254,551 total
training hours

4.35

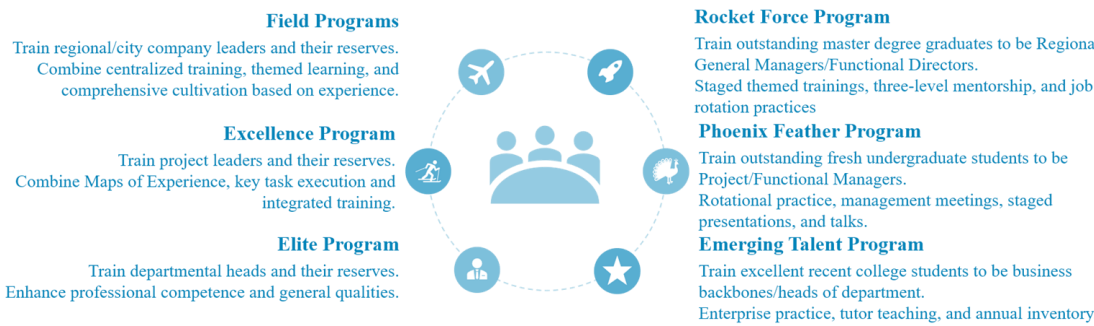
An average of 4.35
training hours was
taken per person-time

Training and Development

Country Garden Services attaches immense importance to the cultivation of talents, and has promulgated policies and systems such as *Implementation Rules for Model Talent Base Management*, *Measures for Internal Tutor Management* and *Youth 100 Plan*, to guide related regions to strengthen talent incubation and staff training capacity, and cultivate internal tutor resources to better deliver key talents for business.

We have formulated the "611 Talent Management Plan" for the key talents developed by the Group. It specifically includes creating a training system of "6 key talent reserve teams", strengthening the "1st line" management team building for current executives, and providing "1 talent subsidy policy" to promote the self-improvement and reshaping of key talents.

- ❖ "6 key talent reserve teams": including 2 management executive teams (Field Program, Excellence Program), 1 expert team (Elite Program) and 3 management trainee teams (Rocket Force Program, Phoenix Feather Program, Emerging Talent Program). The training system aims to realize the separation of the paths for talent training based on specific business and to train composite multi-channel talents by focusing on three major business lines—property management, community life and market cooperation.
- ❖ "1st line" management team building for current executives: Based on "Highlighting Standards, Shaping Benchmarks and Standardizing Recruitment", unify standards for management, take the lead role of outstanding executives and boldly appoint young executives, to strengthen management of current executives.
- ❖ "1 Talent Subsidy Policy": Establish an incentive mechanism for the circulation of key talents within the Group, with the aim of revitalizing the Group’s talent pool and achieving an effective supply of internal talent circulation.



“6 Key Talent Reserve Teams” Training System

In addition to the above-mentioned training programs for key personnel, we also provide SOP (standard operating procedures) and training laboratories as well as other related process systems for front-line employees. Furthermore, we take training as a medium to provide training on applied skills to basic

3,300

3,300 tutors for the Level 1 Standard Operating Procedure (SOP) Training Certification

531-1,192

531 professional and general skills training certification courses with 1,192 certified tutors

level employees through uniform standards and training procedures in simulated work practice scenarios anytime and anywhere, to improve their work skills and work quality.

In addition, for each of our other business positions, we have in place training programs designed to enhance the professionalism, versatility and management skills of our employees, to support the Group’s business development, as follows:

Professionalism Training Program

Training Laboratory

- Training targets: Frontline employees .
- Overview: Through unified standards and training procedures, base-level employees can master work skills and service standards in simulated work practice scenarios, to achieve national replication of high-quality services.

Professional competence training for business posts

- Training targets: Key management/secretary staff of functional lines (finance, human resources, etc.) .
- Overview: Focused training as the main mode, business sector needs-oriented, carried out in professional lines, to enhance professional skills.

General Ability Training Program

Training of Tutors

- Training target: Frontline tutors (skilled basic level managers).
- Overview: Standardization of actions to ensure the effectiveness of the basic practical training, aimed at building the company's basic tutor team.

Tutor Certification Training Program

- Training target: Supervisors, certified lecturers, and middle management of management trainees.
- Overview: The program is divided into two stages—"professional empowerment" and "practical training", to help instructors and lecturers improve their teaching and lecturing skills and help the company cultivate talents.

New Employee Training Program

"+" Program" for New Employees

- Training target: New frontline employees, new basic level backbones, new managers.
- Overview: The learning content includes corporate culture, interpretation of key systems, and communication of observations, to accelerate the role transformation of new employees.

Induction training for the Phoenix Feather, Rocket Force, Emerging Talent Programs

- Training target: New recruits (mainly outstanding graduates).
- Overview: An important part of the "Property Management Capability Development Program", which aims to enhance the overall quality of outstanding graduates.

Based on the above, Country Garden Services has consolidated its employee training experience and delivered training products such as "Maps of Experience" and " Country Garden Services School", which have become important drivers for the Group’s training work. In 2019, we fully opened up product lines such as open class micro consulting, organized and implemented 15 industry trainings, empowered over 1,000 industry partners, and actively shared knowledge achievements within the industry.

Maps of Experience

On July 18th, 2019, "Maps of Experience", the first knowledge-based product of Country Garden Services, successfully obtained the copyright qualification (Copyright No.: State Copyright Work Registration No. 2019-L-00794720). "Maps of Experience" covers training tools such as images, paths and mechanisms, and aims to assist enterprises in training executives, to achieve the training effect of "Growth with References, Training with Paths, and Management with Mechanisms" so that employees can adapt to their duties as soon as possible.

We have trained the participants of the 2019 Future Project Manager Special Training Camp in accordance with the Maps of Experience training method, and improved the competencies required for project leaders in terms of team building, quality management, value-added income generation, etc., by executing 7 mandatory tasks and 3 optional tasks. In all, 286 participants completed the 3-month assignment, which greatly enhanced the practical project management skills of the employees.



“Maps of Experience” Product

Country Garden Services School

Country Garden Services School is a one-stop mobile learning platform independently developed by Country Garden Services with functions such as course delivery, training course management, tests, and questionnaires, enabling employees to study on their own through WeChat. Since its launch in April 2019, Country Garden Services School has over 60,000 registered employees and over 400 online courses, with over 2.5 million views. Country Garden Services School has effectively brought together the experience and skills of various positions in the Group, and has enriched the course formats and talent training methods to promote the effective supply of talents.



“Country Garden Services School” Functional Interfaces

In future, we will continue to comply with related laws and regulations, actively safeguard the legitimate rights and interests of employees, strengthen labor training for human resource employees and managers, further improve the career development channels for employees, and provide employees with all-round development support. On the other hand, with the expansion of the Company's international business, we will vigorously promote cross-cultural integration, enhance the understanding of the local culture and social development of each country by our Chinese and international employees, and promote the identification of our international employees with the Company.

We will continue to optimize the work environment, strengthen safety management and daily training, enhance the safety awareness of employees, advocate work-life balance, and ensure the physical and mental health of our employees based on enterprise spirit of "Benefiting the People, Benefiting the Society". At the same time, by creating several even more considerate and sincere activities and striving to improve the equal communication and interaction platform, we are making efforts to promote communication among employees of all levels and departments, reduce employee turnover and enhance employee satisfaction and sense of belonging.

In terms of talent selection, we will further explore high-potential talent and train them from practical operations to accelerate the growth of high-potential talents. In terms of talent development, the Maps of Experience product for key positions featuring "Starting while keeping the end in mind" has been

designed so that the target group can be made aware of position requirements and take responsibility as soon as possible. In terms of talent management, a visualized talent management system has been established so that talent management can be inquired, relied upon and visualized to further enhance work efficiency. In terms of resource development, resources have been comprehensively upgraded, the curriculum has been built keeping in mind both quantity and quality, the tutor pool has been revitalized, and the corresponding systems have been improved, to respond to the various talent training requirements.

In terms of industry empowerment, we will continue to optimize our talent training product lines and actively empower our industry clients through annual open classes, customized internal trainings, micro-consulting, and the mobile online property service school—"Country Garden Services School". In future, we will uphold the service principle of "Committed to Providing Optimized Solutions for Industry Clients" to assist the development of industry talents.

ESG Issues
Addressed in this
Chapter



Promoter of Community Ecology

We hope that what homeowners purchase are more than suitable homes, and that they are able to enjoy a caring and considerate community. In this respect, we have been actively and comprehensively exploring the needs of homeowners, to create a harmonious and happy community culture. At the same time, we hope to create a more open and collaborative ecosystem platform that will attract more business partners to our community. We have also been active in fulfilling our social responsibility by radiating poverty alleviation work in many communities across the country, to give back to the community in a practical manner.

Taking from Society and Giving Back to Society

Safeguarding the Interests of the Community

It has always been the mission of Country Garden Services to build harmonious and friendly neighborhoods and to bring happiness to the families of the homeowners. In 2019, Country Garden Services focused on four major orientations—community cultural values, homeowner groups, community atmosphere and community cultural activity system, to enhance community communication and promote the development of culture, health and sports in the communities.

Highlighting the 0.5 Happy Community Cultural Value Proposition	Since 2018, Country Garden Services has taken the initiative to promote the cultural value proposition of 0.5 Happy Community in the industry, by establishing the "6.28 Harmony Family Day", an exclusive event for community homeowners, to build the community into a vibrant community with high emotional links and high satisfaction.
Creating Homeowner Communities	Build accurate groups of community owners and improve the community homeowners' online and offline control mechanism; integrate resources and build an online community platform; and continue to operate the community with internal and external partner models.
Community Atmosphere	Create quality content and create a strong and quality community atmosphere for the homeowners through a variety of channels, from the three aspects of online atmosphere, offline atmosphere, and creative atmosphere.
Community Cultural Activity System	The activity system can be divided into five categories—large-scale characteristic IP activities, social responsibility activities, bimonthly key themed activities, regular monthly activities, and community welfare activities. The activities cover the whole network of the community served by Country Garden, providing homeowners with creative and diversified activity experiences.

Community Cultural Activities

In 2019, Country Garden Services carried out a diverse range of community cultural activities, especially on brand themed activities such as the "Kids Having the Say" Car Trunk Creative Bazaar, the "Gourmet Festival" and "Shared Landscape Governance" in projects across the country, creating a harmonious and happy community atmosphere, enriching the free time of homeowners and enhancing their sense of belonging to the Country Garden Services brand. Some of the representative events we have developed are listed as follows:

"Kids Having the Say" Car Trunk Creative Bazaar

To celebrate the 2019 Children's Day, Country Garden Services launched a nationwide parent-child event—"Kids Having the Say" Car Trunk Creative Bazaar. The event introduced for the first time the concept of "Car Trunk Creative Bazaar" to of Country Garden Services communities, to promote parent-child bonding of the homeowners and create a warm community bonding culture through interesting sales activities. Participating families also donated the proceeds from the sale of goods to public welfare organizations or poor mountainous regions, so as to pass on the love from small community to large society and realize the true shared happiness from community to society.

The event covered over 179 projects nationwide in 29 regions, with 21,851 offline participants and involved 1.2 million person-times participation.




Photo of "Kids Having the Say" Car Trunk Creative Bazaar

2019 First Country Garden Services "Gourmet Festival"

The year 2019 is the first year of the "Gourmet Festival" of Country Garden Services, with the theme "Delectable Food, Wonderful Life". From September to November 2019, a variety of community activities such as creative food competitions, restaurant visits, food DIY, late-night canteens, food street, etc. were carried out for in communities nationwide. With the aim of "Spreading Culture with Food, Conveying Love with Food and Witnessing Happiness with Food", we actively promoted family and neighborhood exchanges, created a community culture atmosphere of "Friend Neighborhood, Caring Neighbors", and enhanced the sense of belonging and happiness of the homeowners.

The event covered 243 activities in over 163 projects nationwide in 29 regions, with 48,830 offline participants and 8,913 online participants.



Photo of the Country Garden Services "Gourmet Festival" Site

Community Public Welfare Activities

In 2019, Country Garden Services organized and motivated homeowners through several community activities to spread the positive energy of public welfare, and actively conveyed our vision of public welfare and social responsibility to homeowners. Some typical practical examples are as follows:

“Rainbow Program - Everest Charity Tour” Event

In June and July 2019, Country Garden Services joined hands for the first time with the Youth Eco-Environmental Education Special Fund of China Charities Aid Foundation for Children, to launch the “Rainbow Program - Everest Charity Tour” Event. In this event, four community ambassadors were selected through a community vote to go to Tibet and share their knowledge of environmental protection and to climb Mount Everest with the children of Tibet.

The overall publicity of the event covered over 300,000 person-times, and the community benefit concept of "Practicing Publicity Charity Out of the Community and Creating Stories" was proposed, which was also the public welfare vision of Country Garden Services to enable the positive energy of public welfare to be widely disseminated in the communities.



Volunteers Share Environmental Knowledge with Tibetan Children

Implementation of the “Green Guarding Program”

The “Green Guarding Program” is a public welfare volunteer initiative sponsored and implemented by the Country Garden Group and Country Garden Volunteer Association under the support of Country Garden Services. It aims to promote environmental protection and build a harmonious community. We have actively organized public welfare activities in the communities, given full play to the role of community volunteers in respecting the elderly, caring for the young, helping the disabled and the weak, and protecting the environment, so as to make practical contributions to society.

The planned public welfare activities involved two aspects: On one hand, encourage homeowners to provide assistance to special groups of people, such as the elderly and the disabled and those living alone in the community, through activities such as paying visits with love and warmth on holidays to promote the harmonious development of the community; on the other hand, motivate community volunteers to reach poor areas through door-to-door cultural, technological and health services, establish supporting relationships and experiencing new rural customs, etc., and promote urban and rural economic developments in a diverse manner.



Opening Ceremony of “Green Safeguarding Program” of Country Garden Taicang

Group Photo of Volunteers Supporting Sanitation Workers

“Exchanging Old Clothes for Useful Things” Public Welfare Commodity Exchange

In 2019, Country Garden Services Shenyang Region held the “Exchanging Old Clothes for Useful Things” Public Welfare Commodity Exchange event to encourage homeowners to bring their idle clothes to the event site and exchange them for daily household necessities such as laundry detergent, toilet paper, water bottles, toothpaste toothbrushes, and tableware. The idle clothes collected were donated to poor families in mountainous areas, to bring them warmth in winter. About 300 people participated in the event, and the homeowners conveyed their warmth and love to society through the donation of clothes.



Photo of “Exchanging Old Clothes for Useful Things” Public Welfare Commodity Exchange Event

Rewarding Society with Sincerity

To achieve the goal of building a well-off society by 2020, Country Garden Services has been making consistent efforts in the fight against poverty in recent years. With the headquarters as the core, Country Garden Services has carried out poverty alleviation work in many regions of the country, forming four poverty alleviation models, namely, Party-based Poverty Alleviation, Education-based Poverty Alleviation, Employment-based Poverty Alleviation and Consumption-based Poverty Alleviation. By adhering to a precise strategy, Country Garden Services has maximized the role of enterprises and communities in precise poverty alleviation.

- Party-based Poverty Alleviation

Rooted in Party building, Country Garden Services has been visiting poverty-stricken villages, mobilizing community families to twin with registered poverty-stricken families and has been highlighting the role of "Party Flag" in targeted poverty alleviation. We are taking the lead in rural revitalization and poverty alleviation through the following "Four Ones" initiatives.

Sign an exclusive agreement

- Make a commitment to targeted poverty alleviation. Presently, Country Garden Services has signed Party Building Assistance Agreement with seven provincial poor village Party (General) branches in Yingde City, Guangdong Province, to include Party building work in poverty alleviation into the company's operation schedule.

Organize a door-to-door research team

- Be well prepared for targeted poverty alleviation. Country Garden Services has established a research team of Party members to visit farmers' families, discuss with them thoroughly, understand their needs, and prepare the "Party Committee of Country Garden Property Company Targeted Poverty Alleviation Information Card" and record the information into the electronic system in a standardized format, laying a foundation for targeted twinning assistance.

Form a group of twinning families

- Engage community families in targeted poverty alleviation. In addition to mobilizing the employees, Country Garden Services has also fully mobilized compassionate homeowners to form twinning families in the form of "one-to-one", "several-to-one", and "one-to-several", with a total of 96 households in 7 villages. In the process of twinning, community families visit the poor families and address the needs of the registered families with help in kind and in cash.

Build a Party building activity room

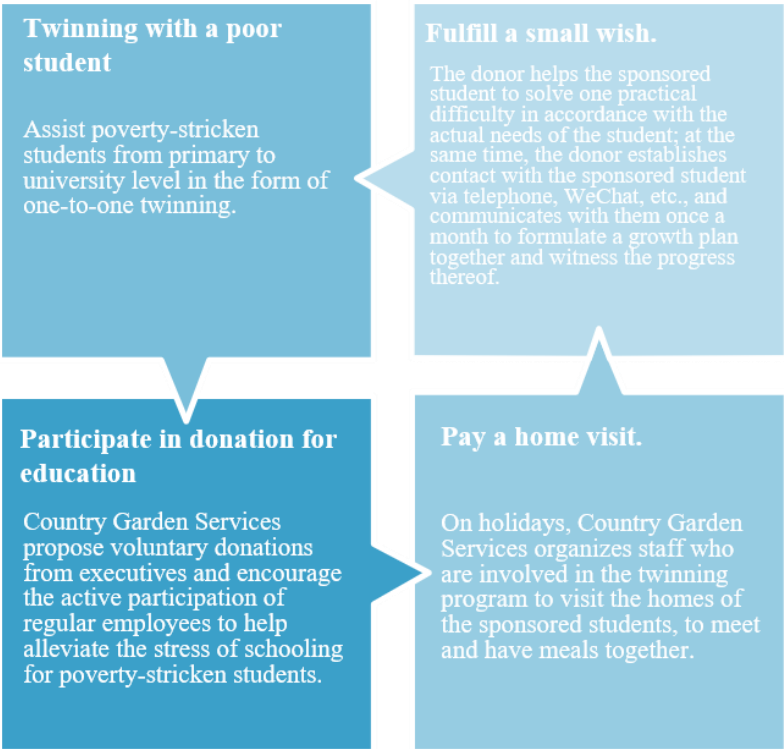
- Establishing a solid base of Party building for poverty alleviation. Country Garden Services has included the transformation of the village Party Building Activity Room into an important task of Party building, with the aim to use such activity rooms for training, lectures, volunteer medical services, and other popular activities of the villagers, to provide villagers with convenient services while strengthening the village Party branch and adding momentum to poverty alleviation.



Photo of Twining Families for Party-based Poverty Alleviation

• Education-based Poverty Alleviation

"Helping Poverty-stricken People using Intelligence and Knowledge", Country Garden Services vigorously carries out unified actions to help students in need, and has established precise supporting relationship with students in need, to ensure that children from poor families are able to receive good compulsory education We are developing rural revitalization and poverty alleviation through the following "Four Ones" initiatives.



22,232 856,200

In the 2019 education grant program, a total of 22,232 people participated in the donation and twinning program, donating a total amount of RMB856,200. Targeted assistance was offered to school-age children in 14 counties in 9 provinces (including Xinhe County, Ping Shan County, Luanping County, Chongli District, Hebei Province, Ning Shaan County, Lantian County, Yaozhou District, Shaanxi Province, Shucheng County, Anhui Province, Yucheng County, Henan Province, Tian Dong County, Guangxi Province, Xingguo County, Jiangxi Province, Pingjiang County, Hunan Province, Dongxiang County, Gansu Province, Yingde City, Guangdong Province) in poverty-stricken areas.

• Employment-based Poverty Alleviation

“Teach them how to fish and feed them for a lifetime”. To strengthen the self-reliance and self-development ability of the poverty-stricken people and realize poverty alleviation using a "sustainable development" approach, Country Garden Services has visited poverty-stricken counties to help the poverty-stricken people in terms of technology and employment, so that they can master work skills and prepare themselves for employment.

8,500 467 105 53

In recent years, Country Garden Services has reached out to 14 counties in 9 provinces and provided over 8,500 jobs in total. In 2019, a total of 467 individuals were hired for basic positions throughout the year, including 105 from registered poverty-stricken people, and 53 have started their jobs.

• Consumption-based Poverty Alleviation

To promote the economic development of poor counties and stimulate consumption growth, Country Garden Services has been actively assisting poor villages in opening up sales channels for agricultural products, helping local farmers to come out of poverty, and helping industrial development in poor areas.

6,036,600 481,100 4,759,900 3,000 600,000

Country Garden Services joined hands with three platforms—BiXiang, "Phoenix Club" APP and YiJuLeNong, to conduct the "Golden Mango Initiative", "Golden Peach Initiative" and "Love in Dongxiang" events. These events focused on the characteristic agricultural products in poor counties such as Tiandong in Guangxi, Jinggangshan in Jiangxi, and Dongxiang in Gansu, to mobilize employees and homeowners to buy products instead of making donations. This sales promotion led to total sales of RMB6.0366 million and total sales quantity of 481,100 jin (jin, a weight unit equivalent to 0.5 kg), ranking no.1 across the country. The sales of Dongxing Sheep was RMB4.7599 million (about 3,000 sheep) and the sales of Guiqi Mango was over RMB600,000. Such efforts directly assisted farmers in poor areas by opening up sales channels, thereby helping increase their income and alleviating poverty.

“Power from Communities” Consumption-based Poverty Alleviation Action

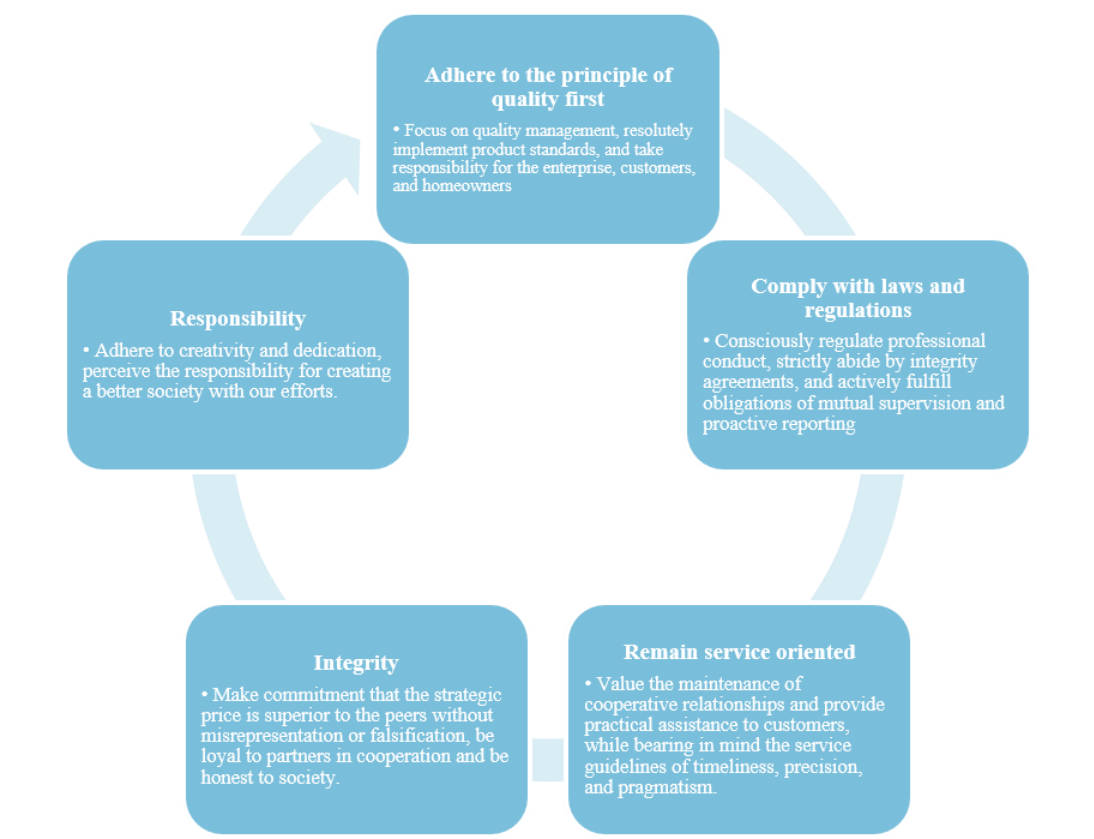
To implement the decision of the Party Central Committee and the State Council for the final triumph of the battle against poverty alleviation, Country Garden Services actively implemented the “Power from Communities” Consumption-based Poverty Alleviation Action, to promote consumption-based poverty alleviation in the communities. A total of 1,138 communities signed up for the battle. In 2019, Country Garden Services was awarded the "Consumer Poverty Alleviation Action Award" and the "Consumer Poverty Alleviation Enterprise Contribution Award" by the China Property Management Institute and the China Poverty-alleviation Promotion of Volunteer Service.



Photo of Kick-off Meeting of the Consumption-based Poverty Alleviation Consumption-based Poverty Alleviation Action

Openness for Coexistence, Cooperation for Win-Win

Country Garden Services has always adhered to the principle of Quality First and attaches importance to quality management. Therefore, we have been conducting strict supplier assessment and actively communicating with our suppliers to maintain and expand long-term cooperation with our partners. We have made the following five major commitments:



The Group’s suppliers are divided into four major categories—environment, engineering, safety management and materials. There are 1,377 suppliers as of 2019.

The Group is committed to establishing fair and transparent supply chains and has formulated *Notes on Supplier Integrity and Cooperation*, to ensure fairness, openness, and impartiality of the bidding process. In addition, the Group has also formulated management systems such as *Measures for the Development and Management of Supplier Procurement for Property Companies* and *Measures for the Management of Community Value-Added Partners*, which comprehensively consider suppliers in terms of their business indicators, illegal activity records, quality system, business reputation, and accounting system to ensure that the selected suppliers are compatible with the Group’s quality standards. We have put forward the following requirements for supplier access:

Basic Requirements	• Legal and compliant operation, sound financial system and appropriate technology and equipment.
Quality Standards	• The goods must be superior grade products that meet the related national and industry quality standards.
Integrity and Cooperation	• Cases of significant malicious harm to the basis of cooperation, significant malicious harm to the basis of cooperation, provision of false information or unpermitted information, and improper transactions with individuals in the procurement or use would result in disqualification.
Qualification Requirements	• Manufacturing license or safety approval from the manufacturer of the special equipment supplier, power of attorney from the agent or distributor of the agent, food supplier and quarantine certificates of food supplier, etc.
Certification Requirements	• Suppliers in the environmental protection and safety category must provide related qualification materials.

Country Garden Services carries out dynamic management of registered suppliers to guarantee stable product quality and supply capacity of suppliers. We also reserve the right to request other business qualifications from the suppliers even after admitting and cooperating with such suppliers. The suppliers are obligated to provide and ensure the authenticity, completeness and timeliness of the related qualifications and information materials. In addition, depending on the actual requirements, we will review the qualification of our suppliers at appropriate intervals.

Launch of Bicai Mall

In 2019, Country Garden Services launched the "Bicai Mall" system and organized the compilation of Administrative Measures for Suppliers in "Bicai Mall", enabling units to place orders with suppliers through "Bicai Mall" and provide timely feedback on the handling of the suppliers and goods in the commodity comments. Country Garden Services can classify suppliers based on their historical transaction information, to promptly eliminate undesirable suppliers and ensure an updated supplier information database.



Screenshot of “Bicai Mall” Interface

In addition, the Group attaches importance to communication with suppliers and maintains timely interaction and communication through daily online and telephone communication, supplier visits and holiday wishes letters, and has established a supplier complaints and feedback mechanisms to ensure that the rights and interests of suppliers are protected. On March 26th, 2019, the Group invited 29 key cooperating suppliers to the supplier exchange meeting, to train them on the online operation of "Bicai Mall" and solicit their suggestions and opinions on the cooperation process through on-site exchanges, to ensure that the demands of both sides are responded to in a timely manner.



Photo of the Supplier Exchange Meeting

Country Garden Services is committed to refining supply chain management policies and processes and optimizing supply chain management tools. In future, we will improve the three aspects—system construction, standardization of procurement materials, and improvement and optimization of the "Bicai Mall" system, to realize openness and transparency, precise control, resource sharing, cost reduction and efficiency, and create more open, transparent, efficient and high-quality supply chains.

Appendix I: Index of Key Performance Indicators (KPIs)

Environment

	2019 data ^{(1) (2)}
Emissions ⁽³⁾	
NOx emissions (kg) ^{(4) (5)}	604.05
SOx emissions (kg) ⁽⁵⁾	0.15
Greenhouse gases	
Total greenhouse gas emissions (range 1 + range 2, carbon dioxide equivalent emissions (ton))	383,203.75
Range 1 (CO ₂ equivalent emissions (ton)) ⁽⁶⁾	2,035.37
Range 2 (CO ₂ equivalent emissions (ton))	381,168.37
Hazardous waste	
Total hazardous waste (ton) ⁽⁷⁾	3.79
Weight of waste batteries (ton)	3.79
Non-hazardous waste	
Total non-hazardous waste (ton) ⁽⁸⁾	2,219.37
Weight of office waste (ton)	1,323.55
Weight of kitchen waste (ton)	895.82
Energy	
Total energy consumption ('000 kWh) ⁽⁹⁾	438,170.30
Total energy density ('000 kWh/m ²) ⁽¹⁰⁾	0.0016
Non-renewable fuel (direct) consumption ('000 kWh) ⁽¹¹⁾⁽¹²⁾	9,866.29
Natural gas consumption ('000 kWh)	7,753.99
Liquefied petroleum gas consumption ('000 kWh)	2,112.30
Energy purchased (indirect) consumption ('000 kWh) ⁽¹³⁾	428,304.02
Outsourced power consumption ('000 kWh)	428,304.02
Water	
Water consumption (m ³)	28,144,265.96
Water consumption density (m ³ /m ²) ⁽¹⁰⁾	0.1019

Notes on Key Environmental Performance Indicators

- The scope of environmental KPIs disclosed for the year 2019 includes the office areas of the headquarters, 32 regional companies, 7 city-based companies and 1,160 project companies, public areas of property management under the administration, as well as all non-contracted employee canteens.

- 2 For data conversion methods and coefficients, reference is mainly made to *Annex II: Guidelines for Key Environmental Performance Indicator Reporting* in *How to Prepare Environment, Society and Governance Report*. References for individual data conversion methods and coefficients are shown in the attached notes.
- 3 No particulate matter (“PM”) emission data was recorded as the Group does not use commercial vehicles.
- 4 NOx emissions are calculated from natural gas and liquefied petroleum gas (“LPG”) consumption. The natural gas emission coefficient is based on reference to the *Guidelines on Emission Factors and Material Accounting Methods for Industries Not Included in the Management of Emission Permits (Trial)* issued by the Ministry of Ecology and Environment of China in 2017.
- 5 SOx emissions are calculated from LPG consumption. The LPG calorific value coefficient is based on reference to the *Guidelines on Greenhouse Gas Emission Accounting and Reporting for Public Building Operation Enterprises (Trial)* issued by the National Development and Reform Commission of China for the calorific value factor in 2015.
- 6 Greenhouse gas emissions (range 1) are calculated from emissions of fuel combustion of fixed sources (except power plants) for heat or steam. For example, natural gas and LPG are consumed for gas stoves, heating boilers, etc. for non-contracting staff canteens. The natural gas calorific value and emission coefficients are based on reference to *Guidelines on Greenhouse Gas Emission Accounting and Reporting for Public Building Operation Enterprises (Trial)* issued by the National Development and Reform Commission of China in 2015.
- 7 Total hazardous waste = Total amount of waste batteries
- 8 Total non-hazardous waste = Weight of office waste + Weight of kitchen waste.
- 9 Total energy consumption = Non-renewable fuel (direct) consumption + Energy purchase (indirect) consumption.
- 10 The density value is calculated with the area under administration of the Group in 2019 as the divider.
- 11 The non-renewable fuel (direct) calorific value coefficient is based on reference to the *Guidelines on Greenhouse Gas Emission Accounting and Reporting for Public Building Operation Enterprises (Trial)* issued by the National Development and Reform Commission of China for the calorific value factor in 2015.
- 12 Non-renewable fuel (direct) consumption = Natural gas consumption + LPG consumption.
- 13 Energy purchase (indirect) consumption = Outsourced power consumption.

Employment

	2019 data
Total number of employees	54,085
Total number of employees by sex	
Male	33,638
Female	20,447
Total number of employees by type	
Service	44,227
Business	1,638
Professional	3,677
Management	4,543
Total number of employees by age group	
30 or under	19,167
31-40	15,677

	2019 data
41-50	12,585
50 or above	6,656
Total number of employees by region	
Mainland China	53,874
Hong Kong	11
Overseas Areas	200

Health and Safety

	2019 data
Working days lost due to work injuries (day) ⁽¹⁴⁾	4,565

Notes on Key Health and Safety Performance Indicators:

14 Working days lost due to work injuries = Days of leaves due to work injuries

Development and Training ⁽¹⁵⁾

	2019 data
Person-times of employees trained	288,473
Person-times of employees trained by sex	
Male	150,325
Female	138,148
Person-times of employees trained by employee level	
Senior management	403
Middle management	51,308
Ordinary employees	236,762
Average hours of training per person-times of employee	4.35
Average hours of training per person-times of employee by sex	
Male	4.41
Female	4.28
Average hours of training per person-times of employee by level	
Senior management	17.24
Middle management	5.16
Ordinary employees	4.15

Notes on Key Development and Training Performance Indicators:

15 Only data of the Group employees' off-the-job training is included. Data such as pre-job training and on-the-job training are not included.

Operation Practices

	2019 data
Number of suppliers ⁽¹⁶⁾	1,377
Number of complaints related to products and services received	48,214

Notes on Key Operation Practices Performance Indicators:

- 16 Only the suppliers providing environmental, engineering, safety and management, and material products and services to the Group are included, but not the suppliers providing value-added community services to residents.

Community

	2019 data		
Category of focused contribution ⁽¹⁷⁾	Number of input people (person)	Input time (h)	Input cost (RMB)
Poverty alleviation	60	135	95,000
Environmental protection	490	652	465,156
Education	30	200	514,000
Sports	40	32	5,140
Culture	1,156	1,004	1,331,660
Total	1,776	2,023	2,410,956

Notes on Key Community Performance Indicators:

- 17 Incomplete statistics of the resources used by the Group in the focused area.

Appendix II: List of Policies and Applicable Laws and Regulations

ESG indicators	Internal policy	Compliance with laws and regulations
Level A1: Emissions	Procedures for Environmental Factor Identification and Assessment and Prevention and Control	Law of the People's Republic of China on Environmental Protection
Level A2: Resource Utilization	Procedures for the Management of Resources	Law of the People's Republic of China on Environmental Impact Assessment
Level A3: Environment and Natural Resources	Procedures for the Treatment of Solid Waste	Law of the People's Republic of China on the Prevention and Control of Water Pollution
	Procedures for the Treatment of Wastewater Exhaust and Noise	Water Law of the People's Republic of China
		Law of the People's Republic of China on the Prevention and Control of Pollution to the Environment
		Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution
		Law of the People's Republic of China on the Prevention and Control of Air Pollution
		Law of the People's Republic of China on Coastal Environmental Protection
		Law of the People's Republic of China on Energy Conservation
		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
		National List of Hazardous Wastes Consolidated Management of Hazardous Waste Transfer Forms
		Work Program for the Control of Greenhouse Gas Emissions in the 13 th Five-Year Plan
		Measures for the Management of Municipal Domestic Waste

Appendix 2: List of Policies and Applicable Laws and Regulations

ESG indicators	Internal policy	Compliance with laws and regulations
Level B1: Employment	<p>Regulations on the Management of Official Conduct of Employees of Country Garden Services Group</p> <p>Attendance and Leave Management System of Country Garden Services Group</p> <p>Regulations on the Administration of Employee Welfare Leave and Regional Allowance for Ethnic Minorities and Remote/High Plateau Areas of Country Garden Services Group</p> <p>Regulations on the Management of Pay Adjustment for MP Categories of Staff</p> <p>Measures for the Management of Employee Incentives of Country Garden Services Group</p>	<p>Regulations on the Management of Municipal Construction Waste</p> <p>Labor Law of the People's Republic of China</p> <p>Labor Contract Law of the People's Republic of China</p> <p>Law of the People's Republic of China on the Promotion of Employment</p> <p>Law of the People's Republic of China on Social Insurance</p> <p>Regulations on Minimum Wages</p> <p>Regulations on the Prohibition of Child Labor</p> <p>Special Regulations of the People's Republic of China on the Protection of Underage Workers</p>
Level B2: Health and Safety	<p>Procedures for the Management of Operation Safety</p> <p>Procedures for the Management of Labor Protection Items</p> <p>Regulations on Occupational Safety and Precautions</p> <p>Procedures for the Prevention and Control of Hazardous Source Identification</p> <p>Procedures for Environmental Factor Identification and Assessment and Prevention and Control</p>	<p>Labor Law of the People's Republic of China</p> <p>Law of the People's Republic of China on the Prevention and Control of Occupational Diseases</p> <p>Law of the People's Republic of China on Safe Production</p> <p>Law of the People's Republic of China on Fire Protection</p> <p>Law of the People's Republic of China on Response to Emergencies</p> <p>Regulations for the Safe Management of Hazardous Chemicals</p> <p>Regulations on the Reporting and Investigation of Workplace Safety Accidents</p> <p>Provisional Regulations on the Identification and Management of Hidden Production Accident Risks</p> <p>Regulations of the People's Republic of China on Work Injury Insurance</p>

Appendix 2: List of Policies and Applicable Laws and Regulations

ESG indicators	Internal policy	Compliance with laws and regulations
		Regulations of the People's Republic of China on Unemployment Insurance Regulations on Occupational Health Supervision and Administration in the Workplace Classification and Catalog of Occupational Diseases Provisional Measures on Maternity Insurance for Employees of Enterprises
Level B3: Development and Training	Measures for the Management of Training Laboratory Operations Notice on the Implementation of Special Training Camps for Future Regional General Managers & Future Project Managers Notice on Launching the Internal High Potential Talent Identification Project "Gold Rush Program" at Company Level Notice on the Implementation of Special Training Camps for Future Regional General Managers & Future Project Managers Notice on the Evaluation of the 2019 Benchmark Talent Cultivation Bases Notice on the Launch of the 2019 National Training Camp for Directors of Investment and Development under the Qingyun Program Notice on the Implementation of the 2019 "Rocket Force Program & Phoenix Feather Program" Rules for the Management of the Benchmark Talent Base Measures for Internal Faculty Management Top 100 Youth Program	
Level B4: Labor Codes	Attendance and Leave Management System of Country Garden Services Group	Labor Law of the People's Republic of China

Appendix 2: List of Policies and Applicable Laws and Regulations

ESG indicators	Internal policy	Compliance with laws and regulations
	Regulations on the Administration of Employee Welfare Leave and Regional Allowance for Ethnic Minorities and Remote/High Plateau Areas of Country Garden Services Group	Labor Contract Law of the People's Republic of China Regulations on the Prohibition of Child Labor Law of the People's Republic of China on the Protection of Minors Law of the People's Republic of China on the Protection of the Rights and Interests of Women
Level B5: Supplier Chain Management	Measures for the Management of Self-Purchase of Food Ingredients in the Staff Canteens of Property Service Companies Measures for the Development and Management of Suppliers for the Procurement of Materials by Property Service Companies Partner Assessment Approaches Measures for the Management of Prequalification of Community Value Added Partners Guidelines on Investment Promotion for Regional Strategic Cooperation	Law of the Republic of China on Tendering and Bidding Provisional Measures on the Management of Bidding and Tendering for Early Stage of Property Management Measures for the Management of Tenders for Government Procurement of Goods and Services Law of the People's Republic of China on Government Procurement Regulations of the People's Republic of China on the Implementation of the Government Procurement Law
Level B6: Product Responsibility	Program for Sales Field Service Planning Standard Operation Procedures (SOP) Measures for the Quality Management of Property Services of Country Garden Standardized Workbook Standards for Internal Audit of Quality Management Risk Management System for Basic Property Services Quality Inspection Standards 30 Mandatory Checkpoints for Unannounced Inspections at the Sales Sites 10 Key Tasks for Butler	Law of the People's Republic of China Against Unfair Competition Provisional Provisions on Commercial Bribery Law of the People's Republic of China on Anti-monopoly Law of the People's Republic of China on the Protection of Consumer Rights and Interests Law of the People's Republic of China on Tort Liabilities Advertising Law of the People's Republic of China Trademark Law of the People's Republic of China Patent Law of the People's Republic of China

Appendix 2: List of Policies and Applicable Laws and Regulations

ESG indicators	Internal policy	Compliance with laws and regulations
	Standard for Third-Party Mystery Shopper Investigation and Inspection in Residential/Sales Points of Country Garden	Quality Law of the People's Republic of China Regulations on Property Management Law of the People's Republic of China on Urban Real Estate Management
	Program for Corporate Butler and Business Reception for Industry-City Integration Property Services	Code of Fire Protection for Building Design GB50016-2014
	Handbook on Environmental Services at the Industry-City Integration	Measures for the Management of Property Services Charges
	Property Services Level	Property Rights Law of the People's Republic of China
	Guidelines for Pre-Intervention in Property Works of Industry-City Integration Property Services	Law of the People's Republic of China on the Safety of Special Equipment
	Security Risk Management System for Basic Property Services	Regulations on the Safety Inspection of Special Equipment
	Measures for the Management of Public Resources Inventory	Regulations on the Reporting and Investigation of Special Equipment Accidents
	Measures for the Management of Community Advertisements in Communities Under Country Garden	Guidelines for Emergency Response for Elevators
	Property Services	Regulations on the Internal Security of Enterprises and Institutions
	Guidelines on the Classification of Work Orders for Complaints	Regulations on Security Services
	Guidelines on the Processing of Work Orders for Complaints	Law of the People's Republic of China on Fire Protection
	Measures for the Management of Claims Assessment	Regulations on the Investigation of Fire Accidents
	Procedures for Nightly Inspections by Property Project (Regular Property) Managers	Measures for the Supervision and Administration of Firefighting in Construction Projects
	Measures for the Management of Fire Safety Liability of Country Garden Properties	Law of the People's Republic of China on Tort Liabilities
	Measures for the Management of the Use of Mobile Phones in the Workplace of the Property Service Staff	Measures for the Management of Information Security Level Protection
	Management of Incentives for Innovation	Regulations on the Security Protection of Computer Information Systems GBT 25058-2010 Guidelines for the Implementation of Security Level Protection for Information Security Technologies and Information Systems

Appendix 2: List of Policies and Applicable Laws and Regulations

ESG indicators	Internal policy	Compliance with laws and regulations
Level B7: Anti-corruption	WeChat Public Platform Management System	GBT22080-2008 ISO27001-2005 Requirements for Information Technology Security Management System
	System of Management of Country Garden Homeowner Clubs and Associations	
	Code of Practice for the Management of Information Security of Country Garden Properties	
	Regulations on the Management of Official Conduct of Employees of Country Garden Services Group	Company Law of the People's Republic of China
	Measures for Pursuing Responsibility for Violations of Discipline by Employees of Country Garden Services Group	Anti-Money Laundering Law of the People's Republic of China
	Guidelines on Self-Investigation Operations in Supervision Cases	Law of the People's Republic of China Against Unfair Competition
	Guidelines for Internal Control Self-Assessment Operations	Provisional Provisions on Commercial Bribery
	Code of Conduct for the Integrity of Employees	
	Regulations on Conflict of Interest Management for Employees	
Level B8: Community Investment		Guiding Rules for General Assemblies and Committees of Homeowners Regulations on the Safety of Large-sized Public Events

Appendix III: Index of the ESG Reporting Guide

ESG indicators		Disclosure Information	Chapter
A1: Emissions			
General Disclosure	With respect to emissions of exhaust gases and greenhouse gases, discharge to water and land, generation of hazardous and non-hazardous waste, etc.: (a) Policies (b) Information on compliance with related laws and regulations that have significant impact on the issuer.	Disclosed	Responder to Green and Low Carbon Initiative
A1.1	Types of emissions and associated emission data.	Disclosed	Responder to Green and Low Carbon Initiative Appendix I: Index of Key Performance Indicators (KPIs)
A1.2	Total greenhouse gas emissions and if applicable, intensity.	Disclosed	Responder to Green and Low Carbon Initiative Appendix I: Index of Key Performance Indicators (KPIs)
A1.3	Total amount of hazardous waste generated and if applicable, density.	Disclosed	Responder to Green and Low Carbon Initiative Appendix I: Index of Key Performance Indicators (KPIs)
A1.4	Total amount of non-hazardous waste generated and if applicable, density.	Disclosed	Responder to Green and Low Carbon Initiative Appendix I: Index of Key Performance Indicators (KPIs)
A1.5	Description of emission reduction measures and results achieved.	Disclosed	Responder to Green and Low Carbon Initiative
A1.6	Description of methods of handling hazardous and non-hazardous waste, measures to reduce generation and results obtained.	Disclosed	Responder to Green and Low Carbon Initiative

ESG indicators		Disclosure Information	Chapter
A2: Resource Utilization			
General Disclosure	Policies for the efficient use of resources (including energy, water, and other raw materials).	Disclosed	Responder to Green and Low Carbon Initiative
A2.1	Total direct or indirect energy consumption and intensity.	Disclosed	Responder to Green and Low Carbon Initiative Appendix I: Index of Key Performance Indicators (KPIs)
A2.2	Total water consumption and intensity.	Disclosed	Responder to Green and Low Carbon Initiative Appendix I: Index of Key Performance Indicators (KPIs)
A2.3	Description of the energy efficiency plan and the results obtained.	Disclosed	Responder to Green and Low Carbon Initiative
A2.4	Description of any problems with access to applicable water sources and plans for improving water efficiency and results achieved.	Disclosed	Responder to Green and Low Carbon Initiative
A2.5	Total amount of packaging material used in the finished products and the amount per unit of production.		N/A
A3: Environment and Natural Resources			
General Disclosure	Policies to reduce the issuer's significant impact on the environment and natural resources.	Disclosed	Responder to Green and Low Carbon Initiative
A3.1	Description of the significant impacts of operational activities on the environment and significant resources of natural resources, and actions taken to manage such impacts.	Disclosed	Responder to Green and Low Carbon Initiative
B1: Employment			
General Disclosure	With respect to remuneration and dismissal, recruitment, promotion, working hours, holidays, equal opportunities, diversity, anti-discrimination and other treatment and benefits (a) Policies	Disclosed	Practitioner of Humanistic Care

ESG indicators		Disclosure Information	Chapter
	(b) Information on compliance with related laws and regulations that have significant impact on the issuer.		
B1.1	Total number of employees by sex, employment type, age group and region.	Partly disclosed	Practitioner of Humanistic Care Appendix I: Index of Key Performance Indicators (KPIs)
B1.2	Employee turnover rate by sex, age group and region.	Not disclosed	/
B2: Health and Safety			
General Disclosure	With respect to provision of a safe working environment and protection of employees against occupational hazards: (a) Policies (b) Information on compliance with related laws and regulations that have significant impact on the issuer.	Disclosed	Practitioner of Humanistic Care
B2.1	Number and rate of deaths due to work-related causes.	Not disclosed	/
B2.2	Number of working days lost due to work injuries.	Disclosed	Practitioner of Humanistic Care Appendix I: Index of Key Performance Indicators (KPIs)
B2.3	Description of the occupational health and safety measures adopted, and related implementation and monitoring methods.	Disclosed	Practitioner of Humanistic Care
B3: Development and Training			
General Disclosure	Policies on upgrading the knowledge and skills of employees to perform their job duties. Description of training activities.	Disclosed	Practitioner of Humanistic Care
B3.1	Percentage of trained employees by sex and employee category (e.g. senior management, middle management, etc.)	Partly disclosed	Practitioner of Humanistic Care Appendix I: Index of Key Performance Indicators (KPIs)

	ESG indicators	Disclosure Information	Chapter
B3.2	Average hours of training per employee by sex and employment category.	Partly disclosed	Practitioner of Humanistic Care Appendix I: Index of Key Performance Indicators (KPIs)
B4: Labor Codes			
General Disclosure	With respect to prevention of child or forced labor (a) Policies (b) Information on compliance with related laws and regulations that have significant impact on the issuer.	Disclosed	Practitioner of Humanistic Care
B4.1	Description of measures to review recruitment practices to avoid child and forced labor.	Disclosed	Practitioner of Humanistic Care
B4.2	Description of the steps taken to eliminate the situation when a violation is detected.	Disclosed	Practitioner of Humanistic Care
B5: Supplier Chain Management			
General Disclosure	Environmental and social risk policies for managing supply chains.	Disclosed	Promoter of Community Ecology
B5.1	Number of suppliers by region.	Partly disclosed	Promoter of Community Ecology Appendix I: Index of Key Performance Indicators (KPIs)
B5.2	Description of practices relating to the employment of suppliers, the number of suppliers with whom the practices are enforced, and the methods of implementation and monitoring of the practices.	Disclosed	Promoter of Community Ecology Appendix I: Index of Key Performance Indicators (KPIs)
B6: Product Responsibility			
General Disclosure	With respect to health and safety, advertising, labeling and privacy matters and remedies for products and services provided: (a) Policies (b) Information on compliance with related laws and regulations that have significant impact on the issuer.	Disclosed	Supplier of Beautiful Life

	ESG indicators	Disclosure Information	Chapter
B6.1	Percentage of total number sold or shipped that is subject to recall for safety and health reasons.		N/A
B6.2	Number of complaints related to products and services received and countermeasures.	Disclosed	Supplier of Beautiful Life Appendix I: Index of Key Performance Indicators (KPIs)
B6.3	Description of practices relating to the maintenance and protection of intellectual property rights.	Disclosed	Supplier of Beautiful Life
B6.4	Description of the quality assurance process and product recall procedures.		N/A
B6.5	Description of consumer data protection and privacy policy and related enforcement and monitoring methods.	Disclosed	Supplier of Beautiful Life
B7: Anti-corruption			
General Disclosure	With respect to policies to prevent bribery, extortion, fraud and money laundering and compliance having a significant impact on issuers: (a) Policies (b) Information on compliance with related laws and regulations that have significant impact on the issuer.	Disclosed	Sustainable Development Governance
B7.1	The number of corruption lawsuits filed and concluded against issuers or their employees during the reporting period and the results of such lawsuits.	Not disclosed	/
B7.2	Description of preventive measures and reporting procedures and related enforcement and monitoring methods.	Disclosed	Sustainable Development Governance
B8: Community Investment			
General Disclosure	Policies on community engagement to understand the demands of the communities in which they operate, and to ensure that their operations consider community interests.	Disclosed	Promoter of Community Ecology

ESG indicators		Disclosure Information	Chapter
B8.1	Focused contribution category (e.g. education, environmental issues, labor needs, health, culture, sports)	Disclosed	Promoter of Community Ecology Appendix I: Index of Key Performance Indicators (KPIs)
B8.2	Resources for the focused category (e.g. Money or time)	Disclosed	Promoter of Community Ecology Appendix I: Index of Key Performance Indicators (KPIs)