Country Garden Services Holdings Company Limited

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

Environmental, Social and Governance Report 2021

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I. About the Report

1. Report Overview

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

2. Reporting Scope

The Report covers the Reporting Period from 1 January 2021 to 31 December 2021 ("Reporting Period" or "year") and extends in part backward and forward to the Reporting Period as appropriate.

Unless otherwise stated, the Report sets out the risks, opportunities, and corresponding management approaches, practices, and performance associated with the major sustainability aspects of the overall business scope¹ of the Group. Among these, the economic and social KPIs disclosed in the Report cover the overall scope of the business, while the environmental KPIs² only cover 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.

3. Reporting Standards

The Report has been compiled in accordance with the Appendix 27 Environmental, Social and Governance Reporting Guide ("ESG Reporting Guide") to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited of The Stock Exchange of Hong Kong Limited ("Stock Exchange"). The content index of the ESG Reporting Guide is detailed in the Appendix to the Report, for quick reference.

The Group has referred to the initiative of the International Integrated Reporting Council (IIRC) to maintain the consistency of the Report with the financial reporting and to summarize financial information in the Report, to present a coherent picture of financial and non-financial performance so

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

²The scope of data collection of environmental KPIs in 2021 is consistent with that of 2020 (due to the merging and separation of individual regions and projects in management, there are changes in the number of regions and projects in this year), including: office areas of the Group's headquarters, 33 regional company/city company offices areas, and a total of 931 project company office areas and common property management areas under their management, as well as all non-outsourced staff canteens

that readers can make a more comprehensive assessment of the work done by the Group. For details of the financial information, please refer to the official website of the Group at <u>bgyfw.com</u> or the 2021 Annual Report of Country Garden Services published on the Stock Exchange news website at <u>hkexnews.hk</u>.

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

4. Reporting Principles

The Group discloses its ESG management performance in accordance with the principles of "materiality", "quantitative", "balance" and "consistency" in the *ESG Reporting Guide* of the Stock Exchange.

Reporting Principles	Definition The Groun's Response			
Materiality	The issues covered in the Report should reflect the Group's sufficiently important impacts on the economy, environment and society or areas that affect stakeholder assessments and decisions.	 understand the importance of each ESG issue to its business development and stakeholders' concerns, and will report the ESG issues that the Board of Directors determines to have a sufficiently 		
Quantitative	The report should disclose KPIs in a measurable manner.	The Group insists that KPIs in respect of historical data need to be measurable, and provides the calculation criteria and formulae in the notes to the "Index of Key Performance Indicators".		
Balance	The Report should provide an unbiased picture of the Group's overall sustainability performance.	The Group has explained in detail the sustainability matters that have a sufficiently important impact on the business, including results achieved and challenges confronted.		
Consistency	The Group should ensure the consistent disclosure principle is adopted for the reporting.	The Group will ensure the disclosure scope and reporting standards are generally consistent from year to year. Where there are changes in statistical methods, assumptions or other relevant factors affecting a meaningful comparison, the reasons will be stated in the Report.		

5. Information Source

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

6. Release Method

The Report is prepared in both English and Chinese and has been published in electronic form and uploaded to the official website of Country Garden Services at <u>bgyfw.com</u> and the Stock Exchange news website at <u>hkexnews.hk</u>. In case of inconsistencies or discrepancies between the English and Chinese versions of the Report, the Chinese version shall prevail.

II. About the Group

Founded in 1992, Country Garden Services Holdings Company Limited (Stock Code: 6098.HK) is a leading integrated service provider in the People's Republic of China ("PRC") covering diversified business forms, including residential properties, commercial properties, office buildings, industrial parks, multi-purpose complexes, government buildings, hospitals, schools and other public facilities, such as airport terminals, highway service stations and cultural scenic areas. Since its establishment, adhering to the original intention of "Creating a better life for the society", the Group continuously strengthens its businesses, improves and streamlines its property management and service system, and relies on community business resources and technology products to empower smart properties, so as to meet the diverse needs of property owners, thus achieving better services for a better life.

1. Our Businesses

In previous years, the Group was principally engaged in the provision of property management services, community value-added services, value-added services to non-property owners, heat supply and property management services under the state-owned enterprises separation and reform program ("Three Supplies and Property Management"), and city services in the PRC. During the year, the Group commenced commercial operational services, providing shopping malls, community merchants, business districts and specialized markets with services such as business planning consultation, investment promotion, operation and planning services. The six sectors constitute the integrated services provided to customers and cover the full property management value chain.

Property Management Services

The Group provide property owners, residents and property developers with a series of property management services, including security, cleaning, green landscaping, gardening, repair and maintenance, and other services. The Group adhered to the strategy of regional focus with the development in city clusters and metropolitan areas as the core, continued to strengthen development in the five metropolitan economic circles, and further increased our market scale in high-tier cities.

Community Value-added Services

The Group is committed to being a "integrated whole-cycle community life services provider", providing six value-added services that meet property owner's needs for asset preservation and appreciation and daily life needs: (i) home services; (ii) home decoration services; (iii) community media services; (iv) local life services; (v) real estate brokerage services; and (vi) community area services.

Value-added Services to Non-property Owners

The value-added services to non-property owners provided by the Group mainly include (i) management consultancy services to property developers for their pre-sale activities, as well as consultancy services for properties managed by other property management companies; (ii) cleaning services, green landscaping, repair and maintenance services to property developers at the pre-delivery stage; (iii) sales and leasing agency services of unsold parking spaces and properties; and (iv) elevator products installation and supporting services and other services.

31, 370+

The services cover more than 370 cities across 31 provinces, autonomous regions in Mainland China and Hong Kong Special Administrative Region and overseas

6,046 We manage a total of 6,046 properties

7.42 *million* We serve over 7.42 *million property owners and merchants*

766 million m²

Apart from the "Three Supplies and Property Management" businesses, our revenuebearing gross floor area ("GFA") was approximately 766 million sq. m.

1,438 million m²

Apart from the "Three Supplies and Property Management" businesses, our contracted GFA was approximately 1,438 million sq. m.

85.2 million m² 2,508 million

Both of the revenuebearing and contracted GFA of the property management services of the "Three Supplies and Property Management" businesses were approximately 85.2 million sq. m., with a revenue of approximately RMB2,508 million

42.3 million m² **1,222** million The revenue-bearing GFA from the heat supply business of "Three Supplies and Property Management" was approximately 42.3 million sq.m., with a revenue of approximately RMB1,222 million

150+ 4,529 million City services cover over 150 cities and achieved a revenue of approximately RMB4,529 million

100+ 654 million

We provide commercial operational services for over 100 projects and achieved a revenue of approximately RMB654 million

"Three Supplies and Property Management" businesses

The Group's "Three Supplies and Property Management" businesses mainly comprise the separation and transfer reform of heat supply, property management services and other related services. In addition, the Group has continued to expand its market, including hospitals, schools, rail transport and integrated city services, with 10 business divisions set up to launch and pilot community value-added businesses including community media, group purchase, real estate brokerage, housekeeping services and community elderly care.

City Services

As a leading municipal public service explorer and city operation service integrator in the PRC, the Group adheres to the strategy of focusing on new urbanization. With "improving municipal services and environment to benefit business and people" as core value, driven by market demands and core technologies, on the basis of sharing ecological partners and resource platforms, the Group promotes high-quality development of cities through our three core businesses, the business covers city municipal services, city area operation and city community management.

Commercial Operational Services

The Group provides shopping malls, community merchants, commercial blocks, specialized markets and other projects with full-chain services such as business planning consulting, tenant sourcing, operation and planning services, mainly including (i) conducting commercial operation and management of the properties owned by leasing developers or property owners; (ii) providing property market research and positioning services at the investment stage of property developers; (iii) providing market research and positioning, business planning consulting, tenant solicitation and opening preparation services to property developers or owners at the preparation stage before the opening of the properties; and (iv) providing tenant solicitation, operation and management services to property owners or tenants at the stage of property operation.

2. Our Performance

1) Index

Since being listed in 2018, the Group has been standing out for its excellent and robust performance, and became the first listed property management company to be included as a constituent stock of the Hang Seng Index, the Hang Seng China Enterprises Index and the Hang Seng ESG50 Index. Furthermore, it has been A-rated in the MSCI ESG rating assessment for three consecutive years, which is the highest rating among all property management companies listed in Hong Kong. For credit rating, the Company received Fitch's long-term foreign-currency issuer credit rating of investment grade BBB-with stable outlook on 20 March 2020. Moody's has assigned a first-time Baa3 issuer rating of investment grade to CG Services on 28 April 2022 with a stable outlook, demonstrating the international capital market's recognition of the Group's sustainability performance.



Received Moody's Baa3 issuer rating of investment grade with stable outlook

2) Certification

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



3) Honors

135

industry

as at 31

A total of 135

association/

December 2021

Since its establishment, the Group has been pragmatic and innovative, and has created value for customers and society through service, technology, and business model transformation. It has won over 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 (among others):

Sustainability (among others)

 \geq "Best ESG Company" Institutional Investor

Social Responsibility (among others)

- A Social Model Making Sincere Donation out of Infinite Love and \geq **Enthusiasm in Public Welfare** Guangdong Guoqiang Foundation
- \geq Leading Party Organization of Country Garden Service Group in Fighting COVID-19

Country Garden Group Committee of the Communist Party of China ("CCP")

Comprehensive Operation (among others)



Continued to be the No.1 in terms of "Overall Strength", "Operation Performance" and "Service Scale" among the Top 100 Property Services Enterprises of China in 2021, ranking first among "Leading New Property Services Enterprises in China" and "2021 Listed Property Services Enterprises of China" and others.

About the Group



Awarded the 20th "National Youth Civilization" jointly issued by the Central Committee of the Communist Youth League, the Supreme People's Court, the National Development and Reform Commission and the Ministry of Industry and Information Technology.



Wang Shigui, a Party member from the Group, was awarded the "Guangdong May 1 Labor Medal" in 2021. Under her leadership, the largest community in Dongguan, Country Garden Tianlushan Garden, achieved "zero suspected or confirmed cases" in the fight against COVID-19 in the past two years.

24 A total of 24 **provincial** honors as at 31 December 2021

> (第二十二章) 佛山市先进基层壳组织 中共佛山市委 =0=-年七月

Awarded the "Leading Community-level Party Organization" by Foshan Municipal Committee in 2021.

20

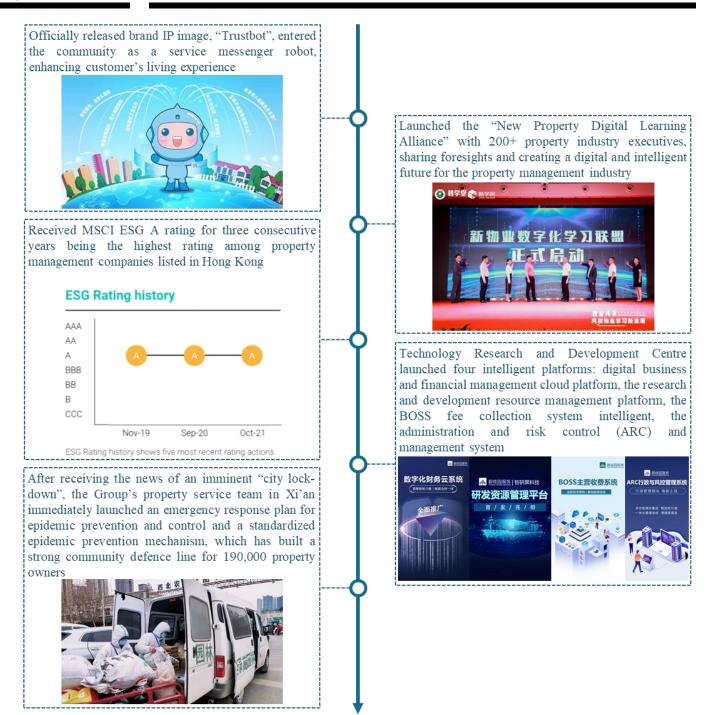
A total of 20 **municipal** honors as at 31 December 2021



3. Major Events in 2021



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With the corporate vision of "becoming a leading international new property service group", the Company adheres to the concept of *"New Property"* Services" with a human-oriented approach, comprehensively *explores customer* demand, continues to create new value through new technologies, new ecosystem, and new services, and ultimately realizes the brand mission of "Service for a Better Life".

III. Message from the Chairman

On behalf of Country Garden Services, I am honored to present the fourth *Environment, Social and Governance Report* of the Group, to report our commitment and performance in the areas of sustainable development governance, operational responsibility, human services, supply chain management, environmental protection, employee care, and social welfare. While striving to operate sustainably, we remain true to our original aspiration on the journey of sustainable development and use innovation and technology to continuously forge ahead.

Adhering to service concepts of "fulfill and anticipate the needs of property owners" and "center everything around property owners", Country Garden Services has established a high-level property management and service system based on reliable operations and refined management. We integrate community business resources to provide whole cycle property services, with the support of a strong offline service system and online digital transformation. We tightly follow the domestic and international goals regarding achieving "carbon neutrality" and "carbon peak" and keep mindful of our corporate social responsibilities, so as to build a sound community culture atmosphere where human and nature coexist in harmony.

The year 2021 marked the efforts of Country Garden Services in remaining unshaken in its determination to pursue innovation and progress. Focusing on customer satisfaction and abiding by the strict quality control system, we keep on upgrading our services according to customer needs and adopting digital means to push forward smart property development. We are also concerned about the harmonious coexistence of human settlements and the natural environment, and take the green management system as a guiding program to promote intelligent water and electricity conservation and boost the establishment of environmental-friendly harmonious communities. In addition, we pay attention to creating a humanistic life in the community, and raising the happiness of our property owners with diversified joyful community activities, so that we can get together to propel public welfare and fill the society with positive energy. Moreover, we attach importance to building a talented workforce through upholding the principle of equality and fairness in talent selection, and providing high remuneration and benefits, thereby motivating our staff to upgrade and grow.

We bolster the city's sustainable development with service innovation and upgrading as the foundation. We take excellent standards as our guide to upgrade our products and services, summarize our experience in service management, and introduce the innovative "Double Flywheel" strategy for community value-added services; we take creative thoughts as the driver to promote the development of urban symbiosis and implement the "City Co-existence Programme 2.0"; we take "improving governance and environment to benefit business and people" as core value to concentrate on the construction of new urbanization and assist cities to develop in a high-quality manner. Country Garden Services will put more effort in bringing more added value to its property owners and urban communities based on the high quality and strict management of its products and services, so as to bolster the city's sustainable development.

We set up an employment model through constant innovation with the development of a talented workforce as the base. In the course of standing together through thick and thin, adhering to the principle of employee rights and interests first, we continuously improve our employee rights and interests management system to create a fair and cooperative employment atmosphere as well as a safe and healthy working environment for our employees. We set up a specific "Workplace Wellbeing" project to construct a happy workplace activity atmosphere horizontally and a clear promotion system vertically, which work together to create a corporate culture of happy workplace.

We wholeheartedly contribute to the cause of environmental protection with ecological civilization as the bottom line. From design to operation, from community to society, we are committed to the ecological civilization by broadening the boundaries of our green services throughout the life cycle. At the design level, we have established a green management system to integrate resources and energy use, and enhance operational efficiency, thus actively boosting the transformation to a low carbon economy. At the operation level, by means of intelligent digitalization, we optimize the use of energy resources to enhance green operation.

We empower innovation of property services for property owners with digital technology transformation as the impetus. In line with the rapid development trend in the era of big data, we use technology to empower the development of intelligent property services and improve the overall living experience of our customers. Through standardized, automated and intelligent management and advanced information system, we reshape our management model, build "smart communities", connect "intelligent homes" and create flexible services, aiming to benefit property owners via technology.

We relay love for the construction of a better society with giving back to the society through public welfare as the pursuit. We proactively respond to the call of the Party and the government, take up the social responsibility as a large enterprise to give back to the public, and continue to explore and innovate in the cause of public welfare and philanthropy based on our strengths and experience. We pool our resources and join hands in the fight against disasters and emergencies together with the nation; we echo the call of the Party for supporting the construction of villages by revitalizing our talent industry to help village modernization; we renew old communities with vitality utilizing our experience and innovation; we relay love for the society through public welfare to make it harmonious and beautiful.

Since our establishment, we stood at the forefront of the times and the industry. With meticulous services as our foundation and environmental protection as our bottom line, we relied on offline resources and online transformation and upgrading to provide high-level property services to property owners and create public welfare value for the society. Looking forward, we will stay true to our founding mission, and forge ahead on the new journey of Country Garden Services in the next decade. We will uphold the sustainable development concept, continue to improve our business capabilities, deepen the organic integration of corporate strategies with the society and environment, and embrace public welfare and corporate social responsibility, to realize the harmonious coexistence of human settlements and the natural environment, and make unremitting efforts in creating a better life for more people!

Yang Huiyan Chairman of the Board



IV. Sustainable Development Concept and Governance

The Group places a high priority on sustainable development management while driving business growth. The Group believes 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.

1. Sustainable Development Concept

The Group consistently adhere to the core mission of "fulfill and anticipate the needs of property owners", persist in the service concept of "center everything around property owners", and stick to integrating the concept of sustainable development into its daily operation and management decisions, as well as throughout its business value chain. The Group actively pushes forward sustainable development in corporate governance, environmental protection, labor rights and interests, community development, so as to keep on creating values for shareholders, property owners, employees, suppliers and the environment.

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

Chapter	United Nations Sustainable Development Goals (SDGs)	Key Actions and Performance in 2021	
			Attaching importance to and making more efforts in the enhancement of sustainable development governance by improving internal controls and strengthening risk management and control
S			100% of directors received the training on anti-corruption
Sustainable Development Concept and Governance	8 ECONOMIC GROWTH 16 AND STRONG INSTITUTIONS INSTITUTIONS	>	12 subsidiary companies have been urged to conduct internal control training and complete self-assessment
		A	Requiring all employees to sign the Letter of Commitment Relating to Integrity and Self-discipline, formulated and implemented systems such as the Regulations on the Management of Professional Conduct of Employees of Country Garden Services Group to jointly



Humanistic Community, Outstanding Reputation



build an anti-corruption defense line and create a clean and upright working environment

- Multi-tiered and highly flexible communication channels were created to hear stakeholders' views
- Carrying out nearly 200 domestic and overseas roadshows, met and communicated with around 1,000 investors via phone, attracted nearly 500 domestic and overseas investment institutions, and participated in more than 100 large-scale online summits organized by over 40 investment banks
- Conducting materiality assessment to understand the importance of each ESG issue to the Group's business development and stakeholders' concerns in a timely and comprehensive manner, and took proactive measures accordingly
- Committing to building a "customeroriented" property ecological service system
- Won a number of awards such as "Top 500 Property Services Enterprises in China on Overall Strength: 1st Rank in 2021"
- The "City Service Partner Programme" have been launched and signed contracts with more than 40 city partner representatives to integrate city development resources, as a result, 30 city service products were formed in various fields
- Paying attention to community safety management and control by establishing a mechanism of "pre-process prevention, inprocess controls, post-process accountability" to comprehensively protect customer safety
- The digitalization of more than 3,000 communities with intelligent construction to empower quality services have been upgraded. The positive feedback ratio of online orders from the self-built "Phoenix Home" service exceeded 97%, and the online task management platform achieved 100% community coverage, both of which contributed to the creation of intelligent communities

Sustainable Development Concept and Governance



4 QUALITY 3 GOOD HEALTH **5** GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH **Oriented**, Being the Standard of

Fulfilling Environmental **Protection**, Safeguarding **Ecological** Environment

People

Excellent

Employer



- Committing to establishing a fair and \triangleright transparent supply chain with rigorous supply chain management in terms of environment, labor and society
- ≻ Actively participating industry in exchanges, the Group has been devoted to achieving coordinated development in the industry and working with partners for common responsible development
- \triangleright Attaching importance staff to communication through conducting the Employee Sense of Happiness Survey, with 17,697 valid questionnaires received.
- Focusing on employee safety and health by \triangleright conducting employee health and safety trainings. It also formulated the "Blue, Green, Orange, Yellow and Red" Fivecolor Risk Management Mechanism to effectively safeguard the health and life safety rights of employees
- The Group organized online and offline \triangleright training on various subjects, with approximately 1.4 million participants and 500,000 training hours in total, including 120,000 offline training hours
- \geq An energy consumption control platform and retrofitted energy-efficient lighting fixtures were built to reduce energy consumption
- \triangleright Exercising strict control over water consumption in the communities, and upgraded and renovated domestic water pumps to conserve water resources
- \triangleright Community waste separation has been implemented to protect environmental resources
- \geq The Procedures for Identification Assessment of Environmental Factors and Prevention and Control have been formulated to address climate change and extreme weather challenges in an orderly manner

Sincerely Contributing Back, Being a Good Social Enterprise



- A total of RMB9,488,000 was donated
- Through technology empowerment, the Group promoted normalization of community pandemic prevention
- Supporting children and adult education, and carried out activities to assist farmers, so as to jointly boost rural revitalization
- Conducting cultural public welfare activities to create a good community atmosphere

2. Sustainable Development Governance Structure

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



Sustainable Development Governance Structure

1) Board of Directors

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

2) ESG Committee

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

3) ESG Working Group

The ESG Working Group is made up of members from the Investor Relations Department, the Administration and Risk Control, Audit and Inspection Department, etc. at the Group Headquarters. The Working Group is responsible for the coordination and preparation of the report, the coordination of internal and external resources, as well as maintaining close communication with the ESG Committee and the Board of Directors, to ensure a comprehensive review of the sustainable development performance of the Group in our reporting.

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

3. Internal Control and Risk Management

The Group attaches great importance to internal control and risk management, and the Board of directors take full responsibility on protecting the company's assets and shareholders' rights. During the Reporting Period, the Board of Directors of the Group held meetings regularly to review the contributions that directors are required to make in performing their duties to the Company and whether they have devoted sufficient time to perform such duties. In addition, the chairman has met with the independent non-executive board without the presence of other directors during the year to ensure the independence of internal control. The Group has established a Risk Management Committee to undertake the responsibilities of risk identification, risk analysis and response, risk evaluation and risk tracking in collaboration with the Risk Control, Audit and Inspection Department. The Group continues to refine its internal policies and establishes a risk management and internal control system comprising 4 levels and 6 steps based on the *Risk Management Committee Implementation Rules* and other systems to ensure that audit and supervision work covers all levels in all regions and departments of the Group:

Sustainable Development Concept and Governance

Risk Identifi- cation	 Risk Disclosure Various centers of the Group identify internal control risk matters in accordance with their daily work and collate and submit the identified risks to the Risk Control Audit and Supervision Department. Risk Assessment The Group screens and collates the collected risk information and establishes the risk management information database of the Group.
Risk Analysis and Response	 3 Risk Response > The Group organizes various centers and related departments to rectify various risk matters.
Risk Evaluation	 4 Risk Review > The Risk Control Audit and Supervision Department distributes questionnaires in each center, to under-stand the current risk management conditions and assess the Company's risk control status based on the information captured. 5 Risk Report > The Group summarizes the current internal risk control conditions and proposes management recommendations and conducts reflection and planning of risk management work.
Risk Tracking	 6 Risk Maintenance > The Group establishes a regular risk tracing mechanism and collaborates with each center to implement remedial measures and tracking of various risk matters in a timely manner and maintains a risk management information database for real-time updates.

Risk management and internal control system

During the Reporting Period, the Group made continuous efforts in improving and expanding the scope of internal control self-assessment management, and further optimized the risk management and internal control system by leveraging cutting-edge technologies, so as to regularly identify potential short-, medium- and long-term risks in various business and functional departments at the Group and regional levels, which covered the entire value chain of the Group.

Auditing and Inspection

Regularly carry out monitoring, evaluation, auditing and inspection work; each department cooperates with the Risk Control, Audit and Supervision Department to carry out internal review of all business lines; organize each unit to rectify the problems found; write off the items after completion, to reduce the occurrence of corruption. Guide each region to raise the level of awareness of the importance of internal control and risk management; Risk Control, Audit and Inspection Department counsels each unit to carry out annual internal control selfassessment; establish evaluation systems and post-assessment procedures to assist subsidiaries to enhance risk awareness.

Improving self-assessment management

"Review" + "Self-assessment" Comprehensive Risk Control

Sustainable Development Concept and Governance

Internal Control Self-Assessment Management Empowered by ARC System

On 2 August 2021, the ARC System was officially introduced to the Group's internal control self-assessment management system to achieve online operation of internal control self-assessment, improve the accuracy of data statistics, and at the same time realize effective data retention to reduce the risk of data loss, thus empowering the Risk Control, Audit and Inspection Department to reasonably utilize the system for self-assessment data analysis and optimization.



Poster Introducing Online ARC System Internal Control Self-Assessment Module

In addition, the Group has also continuously monitored potential environmental and social risks in business operations through risk assessment, learning empowerment, and in-depth communication to promote the systematization, standardization and forward planning of risk management, thus enhancing the Group's resilience and flexibility in addressing risks:



Risk Assessment



Learning Empowerment

Assign members of the risk management team to regularly identify and analyze the sources and types of ESG risks involved in the Group's business development and formulate risk assessments and proposals.

Promptly refine and revise the functions of each center /department according the to strategic demands of the Group, conduct special learning according to orientations, learn and understand related laws and regulations, and establish long-

term risk prevention mechanisms.



In-depth Communication

Keep up to date with macro policies, maintain close communication and exchange with peers, update response plans and ensure implementation by all units.

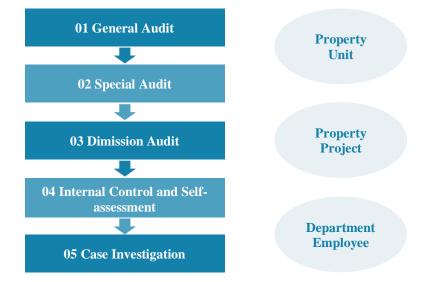
4. Integrity and Ethical Culture Construction

1) **Building an Integrity Ethical System**

The Group has zero tolerance for corruption and is resolute in combating any form of incidences of embezzlement, bribery, extortion, fraud, and money laundering. The Group strictly abides by laws and regulations such as the Company Law of the People's Republic of China, the Anti-Money Laundering Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, and the Interim Provisions on the Prohibition of Commercial Bribery, and has formulated and implemented the Regulations on the Management of Professional Conduct of Employees of Country Garden Services Group, Guidelines for Self-Inspection of Supervision Cases, Code of Conduct for Employee Integrity, Regulations on the Management of Conflict of Interest of Employees and other

internal management systems, clearly stipulating the definition of and reporting methods for discipline violations and bribery, and standardizing the investigation and handling procedures in line with fair and just processing principles, so as to build a complete and traceable anti-corruption chain.

Internally, the Group specifies its expectations on all members in the *Letter of Commitment Relating to Integrity and Self-discipline*, including strictly complying with the laws and regulations of the jurisdiction where the Group operates; refraining from any forms of bribery or corruption; treating others with respect and fairness, etc. Moreover, the Group also requires all its own and outsourced suppliers to sign the Commitment when on-boarding. Generally, the Group performs self-evaluation through regular audits, special audits, exit audits, internal control self-assessments, and case investigations to identify and rectify internal control vulnerabilities, reduce the possibilities of corrupt acts by virtue of positions, and build a clean and fair business environment.



Anti-corruption Work System

Externally, when selecting suppliers for cooperation, the Group strictly assesses their integrity and internal control, and requires all suppliers to sign and comply with the *Rules for Operation and Management of Bicai Mall (for Suppliers)*, which is consistent with relevant standards and regulations such as the *International Human Rights Law* and the fundamental rights stipulated by the International Labor Organization (ILO), and will be continuously optimized and updated according to the policies. Meanwhile, a "one-vote veto" system has been set up to resolutely rule out suppliers with fake operation, fraud and corruption, who will also be included in the blacklist. The Group always concerns with the environmental and social performance of suppliers, and refuses to cooperate with unqualified suppliers. In addition, the Group also encourages suppliers to actively be socially responsible, apply the same screening system to their procurement processes, and report violations of laws and regulations along with breach of trust and contract to the Group via the complaint hotline.



The Year's Supplier Sunshine Integrity Cooperation Poster

2) Implementing Anti-corruption Measures

The Group guarantees the accessibility of reporting channels and upholds the principle of "All Reported Incidents Must be Investigated and All Violations Must be Prosecuted" in handling reported incidents. The Group's Risk Control, Audit and Inspection Department is responsible for the overall coordination and anti-corruption system development and management. It is responsible for investigating reported incidents, guiding the publicity and promotion of integrity at the Group headquarters and subsidiary units, and ensuring the improvement of operational efficiency and effectiveness.



By establishing internal systems such as the *Administrative Measures for Handling Complaints and Reporting of Employee Disciplinary Violations*, the Group strictly enforces the rules of "confidentiality and avoidance" for case-handling personnel, keeps confidential the identity of whistleblowers and responds in a timely manner:

- Strictly control the scope of the collected complaints and reported matters informed, and strictly prohibit unauthorized personnel from copying or quoting the materials of complaints and reports;
- The case-handling personnel shall keep strictly confidential the information in hand and shall not reveal or disseminate information that should be kept confidential;
- If necessary, an extract of the reported clues should be forwarded without exposing the whistleblower, and direct provision of the original is prohibited.

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

100%, 2 hours

Coverage of anticorruption training for directors was 100%; training hours were 2



The Group has established a dedicated internal control selfassessment program for equity companies in accordance with the principle of "One Strategy for One Project", conducted internal control trainings for 12 subsidiaries and required the timely completion of selfassessment

3) Carrying out Ethical Education on Integrity

During the Reporting Period, the Group conducted anti-corruption training and ethics education for its various members, covering topics such as finance, information confidentiality, compliance operation and business integrity, so as to clarify the Group's red line, strengthen the awareness of integrity and ethics, and create a transparent and clean working environment.

For new members:

The Group incorporated ethical and integrity-related thematic lectures into the orientation for all members. By explaining the red lines and the sunshine culture and presenting relevant cases, the Group ensured that each intern, regular employee, supplier and other members were aware of and familiar with the Group's anti-corruption system and ethical code, helping new members quickly integrate and strengthen their self-management awareness.

For management:

The Group organized courses for regional managers, business backbones and Group directors on performing their duties with integrity, emphasizing the Group's ethical requirements for integrity and strengthening anti-corruption management.

> For partners:

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

Risk Control Seminar

This year, the Group's risk control seminar was held in the form of thematic posters to spread anticorruption, sunshine procurement, regulation of fund use and other risk-related knowledge to senior management, including the registration and filing of gifts, information confidentiality, fund management, special maintenance funds, integrity mid-autumn festival celebrations, bribery investigation, sunshine procurement, avoidance of false invoicing, regulation of housing rental and sale business, etc., which were published in senior management work groups, functional line work groups and all units involved, aiming at urging staff at all levels to learn business knowledge, gain insight into industry development, establish risk awareness and strictly adhere to the bottom line of work, effectively publicizing the culture of integrity, and establishing the awareness of integrity among all staff.



44

85 thousand persontimes

44 units nationwide participated in the integrity knowledge contest, with a total of 85 thousand responses received

42 34 thousand times

42 unit leaders participated in the filming of the promotional video messaging integrity, with a total of 34 thousand reposts

470 36 thousand employees 37 units conducted 470 seminars on integrity, with a total of 36 thousand employees

37 452 times 37 units held 452 Sunshine Health Campaigns

participated

Anti-Corruption Training for Directors

The Group requires its Board members to strictly comply with the Group's rules and regulations to avoid acts such as corruption, bribery and other violations of laws and disciplines. During the Reporting Period, all directors of the Group received 2 anti-corruption training sessions conducted by the Independent Commission Against Corruption ("ICAC") in Hong Kong to study the "Compliance and Beyond" training package on business ethics for listed companies, which effectively enhanced the directors' understanding of anti-corruption laws, established proper ethics and values, and deepened their anti-corruption acumen.

	Compliance and Bayond Training Parkago on Buildings Ethios for Listed Companies
	培訓短片學習重點
目錄 故事一	商減記
	周續夢 19
故事-	
故事二 故事三 詞彙	殼伏

"Compliance and Beyond" training package on business ethics for listed companies

The Second Sunshine Cultural Festival

In May 2021, the Group's Risk Control, Audit and Inspection Department organized series of activities under the Second Sunshine Culture Festival, including the integrity knowledge contest, promotional video on messages of integrity and sunshine, thematic lecture on integrity, and sunshine health campaign. And after each activity, the Group made a video/tweet of the outcomes, and popularized outstanding works and activities, to enhance the senses of honor and belonging within the units.



In the future, the Group will further reinforce the systematic development of the integrity culture system, continue to revise and optimize the rules and regulations, and enhance the implementation thereof in accordance with the changes in the Group's businesses and the current conditions of integrity governance, to ensure the effective operation of the system. At the same time, the Group continues to expand the scope of its risk assessment and internal control self-assessment system, improve the risk and internal control management mechanism and raise the enthusiasm and conscientiousness of employees at all levels in performing their duties and responsibilities. In addition, the Group will also optimize the forms of integrity education as well as the content, enhance their pertinence and effectiveness, form a long-term working mechanism, and further deepen the awareness of integrity among employees.





V. Stakeholder Engagement

The Group attaches immense importance to communication with stakeholders and has created multitiered and highly flexible communication channels to hear their views and respond to their expectations and demands in a timely manner. Furthermore, on such basis, the Group constantly optimizes its sustainable development strategies and plans, for the purpose of strengthening the cooperative relationship with stakeholders and achieving win-win development.

1. Communication with Stakeholders

The Group's existing stakeholder communication channels are as follows:

Stakeholders	Expectations and Demands	Communication and Responses
Stakeholders Employees Investors/Shareholders/Capital Market Analysts Customers/ Property Owners	 <i>Expectations and Demands</i> Compensation and welfare protection Safe and healthy working environment Career development and promotion Protection of employees' legal rights and interests Financial performance Corporate sustainable profitability Corporate transparency Guarantee of rights and interests Property management services quality Customer information protection Business integrity 	 Competitive market salary Employee care activities Optimized employee development and promotion mechanism Establishment of barrier-free communication channels for employees Improve profitability Improve corporate sustainable profitability Daily information disclosure Hold the general meeting of shareholders Improve product and service quality Apply information technology tools Optimize internal controls
Suppliers/Contractors/ Partners	 Compliance-based operation Cooperation and mutual benefits Openness and fairness Shared growth 	 and risk management Improve customer communication mechanisms Optimize project management Improve supplier management mechanisms Build supplier
Local Communities	 Protect the community environment Engage in social causes Create harmonious community environment Promote community development 	 communication platforms Comprehensively practice green operations Conduct public interest projects Actively engage in community building Provide quality cultural resources

Stakeholder Engagement

Public Interest Organizations/NGOs	 Focus on vulnerable groups Public welfare and charity Community culture development 	 Volunteer services Conduct public interest projects Publicize community culture
Governments/ Regulatory Bodies	Compliance with the lawLegal taxationSupport for local development	 Law-based operations and compliance management Actively pay taxes Create employment opportunities

During the Reporting Period, the Group carried out nearly 200 domestic and overseas roadshows, met and communicated with around 1,000 investors via phone, attracted nearly 500 domestic and overseas investment institutions, and participated in more than 100 large-scale online summits organized by over 40 investment banks. In addition, the Group maintained communication with experts from property management industry associations, with a view to interpreting the latest views and trends of policies and business for the capital market in a timely manner.

2. Materiality Assessment

The Group stresses the materiality assessment on ESG issues to enhance the materiality of the Report. The Group conducts materiality assessment to understand the importance of each ESG issue to its business development and stakeholders' concerns in a timely and comprehensive manner, and takes proactive measures accordingly, so as to further facilitate the continuous improvement of the Group's ESG information disclosure and management level of related matters. The specific working steps are as follows:

Update material ESG issues in 2021 based on the Group's business characteristics and in combination with macro policies, industry dynamics, and disclosure requirements of the *ESG Reporting Guide* Discuss and identify the material issues to be disclosed in this year's ESG report and the focuses of the Group's ESG work in the coming years according to the ranking of ESG issues

Step 2: Determine materiality

Step 1: Identify ESG issues

Step 3: Communication and feedback

Internally, the ESG concerns of relevant departments are collected through interviews; externally, the final ranking of material issues and materiality matrix is determined by understanding the requirements and expectations of different stakeholders, and taking into account the analysis results of industry and market development trends and peer benchmarking.

	Importance	Ranking	Issues
		1	Service Quality and Customer Satisfaction
	Very Important	2	Employee health and safety
			Promoting the development of intelligent property service
		4	Integrity culture development
			Staff promotion and development
			Health and safety of products and services
			Information safety and privacy protection
		8	Green operation and environmental impact
		9	Avoiding child and forces labor
· · · · · · · · · · · · · · · · · · ·		10	Equal opportunities and diversification
2 1	Important	11	Promoting community development
5		12	Intellectual property protection
		13	Employee remuneration and welfare
		14	Improving energy use efficiency
14 9 7 6		15	Employee recruitment and team building
		16	Public welfare charity and social services
14 7 6 17 15 12 9 21 18 13 23 20 16		17	Employee benefits and care
15 12 9		18	Carbon emission and response to climate change
21 18		19	Supplier access and monitoring
13	Less Important	20	Smart city construction and ecological balance
3 20	important	21	Responsible marketing
24 22 19		22	Supply chain environment and social risks
		23	Saving water usage
Importance to Business		24	Waste management
Materiality Matrix		Rank	ing of ESG Issues

The results of the Group's material ESG issues assessment in 2021 are as follows:

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

ESG Issues Responded in this Chapter

Service Quality and Customer Satisfaction

Promoting the Development of Intelligent Property Services

SDGs Responded in this Chapter



VI. Humanistic Community, Outstanding Reputation

Adhering to the customer-oriented service concept, the Group deeply understands and explores the needs of property owners, and focuses on the satisfaction of millions of property owners, so as to create a diversified and personalized community platform for our customers. We have built a reputation for quality, consistently improving our service quality and innovating our service models to bring premium services to the table. In addition, the Group continues to explore professional, refined and intelligent city services and creates a better life for millions of property owners with our professionalism and attentiveness.

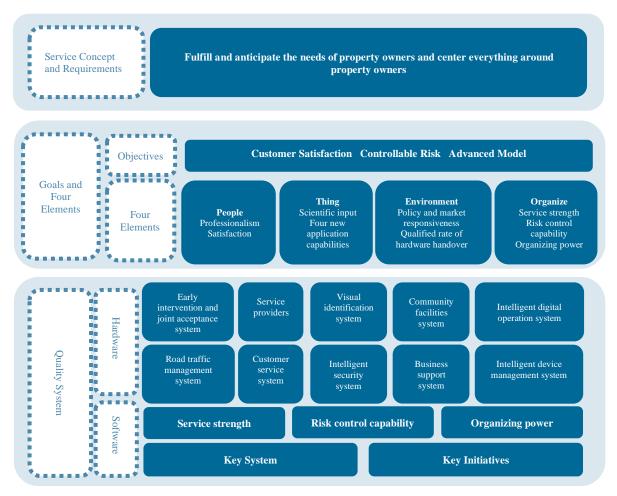
1. Deliver Value with High Quality Services

The Group adheres to the development philosophy of "scale + quality" and "service + technology", and is committed to satisfying the needs of each customer, establishing a sound and lean property management and service system, building a diversified business format and providing sincere services, thus spreading sustainable brand values.

1) Property Management Services

Superior Service Standards

The Group strictly abides by all laws and regulations such as the Urban Real Estate Management Law of the People's Republic of China and the Regulations on Property Management, and has formulated and implemented the Measures for Quality Control of Country Garden Property Services. The Group has updated and improved the Quality Operation and Control Standards during the Reporting Period, covering internal audit standards for quality organization system construction, quality abnormal response standards and inspection standards, quality benchmarking project acceptance standards and project mutual inspection standards. Meanwhile, the Group has established a three-level quality inspection mechanism featuring "company-unit-project" and followed the PDCA (plan-do-check-act) cycle in our panoramic view of property service quality operations.

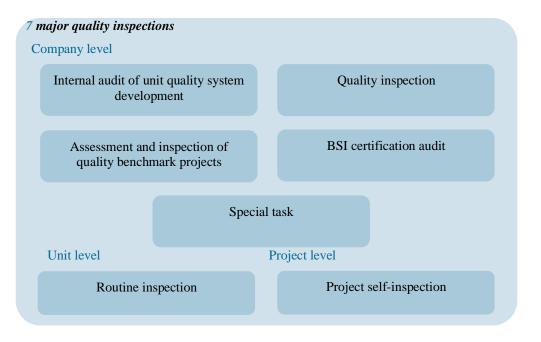


Panoramic View of Property Service Quality Operations

The Group has formulated and implemented 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-action preparation, in-action control and post-action accountability. The Group continues to promote quarterly inspections to cover the project with risk comprehensively, as well as conducts regular quality inspections and improves the inspection mechanism for the whole process and cross coverage, so as to ensure that the service quality is up to standard, and to promote the continuous improvement of service quality. The quality inspection mechanisms the Group currently implements are as follows:

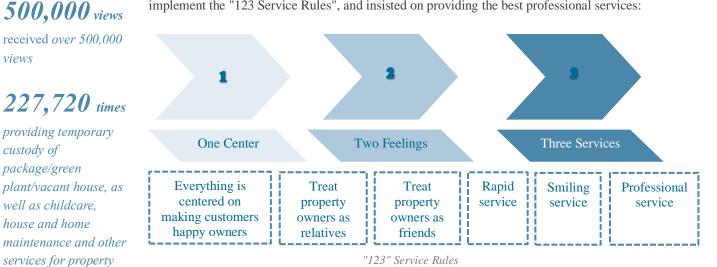
Composed of certified internal audit experts, integrated business professional committee advisors/membersComposed of Quality Management Center, Future Regional Chief, and "Rocket Force"Composed of designated personnel from Quality Management Center and regionsCertified auditors of external BSI audit companyQuality Management CenterQuality Management CenterUnit levelProject levelDesignated regional personnel regional personnelAll project employees, designated project personnel	7 <i>types of quality insp</i> Company level	pection team members	,		
from Quality Management Center and regions Quality Management Center Unit level Designated regional personnel All project employees, designated	experts, integr professional	ated business committee	Center, Future	Regional Chief, and	
Unit level Project level Designated regional personnel All project employees, designated	from Quality Manag	gement Center and			
Designated regional personnel All project employees, designated		Quality Management Center			
	Unit level	Project level			
	Designated regi				





Excellent Service System

The Group has consistently innovated its service concepts and systems, forged ahead with new property management service models and is committed to establishing a benchmark image in the industry. To upgrade and transform property service, we have innovated the service model, implement the "123 Service Rules", and insisted on providing the best professional services:



well as childcare, house and home maintenance and other services for property owners over 227,720 times

providing temporary

custody of package/green

As at 31 December

2021, "Life Trust"

project :

views

with an average rating of 4.9 out of 5 from property owners

4.9 points

Brand IP Image "Trustbot"

In August 2021, the Group officially launched the brand IP image "Trustbot", which means "a small robot you can trust". "Trustbot" entered the community as a trustworthy, resourceful and honest service messenger, made contact with property owners at various aspects such as visual decoration and cultural activities, and providing dedicated services.



Organized "Life Trust" Activities

In line with the service concept of "fulfill and anticipate the needs of property owners", the Group organized a "Life Trust" service promotional activity, provided property owners with various services such as express delivery, items hosting, housing trust, and family care to meet their individual needs and helped them solve their problems when they were out, thus making their life more convenient.



"Life Trust" Service Scope

Property Management Service Butlers Take on the Role of Gardeners to Care for Property Owners' Orchards

For property owners who are elsewhere and unable to look after their orchards on Hainan Island, the Group's property management service butlers have taken great care of their fruit trees, with the services expanding from picking and mailing to a whole process of "care, watering, fertilization, regular feedback, picking, love cards and mailing", dedicating to providing convenient living services for our property owners.





Caring the orchards for property owners

Pet Care Service: Relieve Worries for Pets Lover

For property owners who are away for days with pets left unattended, the Group's "Life Trust" has launched pet care services such as feeding, massage, and photo-taking for owners' pets, comprehensively attending to the needs of owners' lives and pulling property owners and us closer with humanistic care





Pet care for property owners

2) Community Value-added Services

We are committed to being a "integrated whole-cycle community life services operator" and has innovatively launched the "Double Flywheel" strategy for community value-added services, in which community value-added services and basic property management form an integrated community life service. With customer experience as the core driver, we continue to expand the scope of our services by deepening our efforts in the property management projects and improving the cost-effectiveness of our property management services. Six major services have been gradually established for the community value-added services:



Aiming at facilitating the lives of property owners, we make reasonable use of community areas to improve their sense of well-being: to provide comprehensive and personalized high-quality services for the property owners.



Create a one-stop, closedloop service for home decoration and cooperate with partners in the home decoration industry for mutual benefits: integrate brand resources, build a professional home decoration service team, and realize in-depth cooperation under diversified scenarios with brand owners.

> Home Decoration Service



Continue to improve the skills of domestic service personnel and provide highquality professional services for property owners: focus on online management and operation improvement at consumer-side, and carry out trainings around the door-todoor service supply chain provide and engaged services for internal major customers.

Home Services

Community Area

Service



Join hands with City Media to establish a full-scenario community marketing matrix: deeply connect with consumers through online platforms, promote quality goods and services in property communities, and advocate public welfare values.

Create a convenient service center, arrange consumption activities at the festivals, and provide high-quality festival goods: build а local consumption scene for customers, provide highquality festival product and enhance customer experience relying on the applet platform.

Community Media Service

Local Life Services

"YOUWA" operates more than 100 stores in 80 cities across the country. With an innovative directed-operated store + partnership store management model. YOUWA provides brokerage operation and management with management tools such brand empowerment, as training empowerment and port empowerment to provide residents with a trustworthy and guaranteed rental and purchase experience through good service attitude.

> Real Estate Brokerage Service



Receive an "Phoenix Home" housekeeping service order every 1.5 minutes on average

"Phoenix Home" service received nearly 400,000 orders throughout the year, with an online positive feedback rate of over 97%. A service order was generated from property owners every 1.5 minutes on average. With high-quality housekeeping services, the Group was entitled as the provincial-level corporate champion of 2021 "Southern Guangdong Housekeeping Services".



Over 100,000 people have rented or purchased houses through "YOUWA"

In February 2021, "Country Garden Services Rental and Sales" officially changed its name "YOUWA". During the to Reporting Period, YOUWA served more than 130,000 customers, with a customer satisfaction rate of 96.57%, providing customers with a reliable and quality rental and sales experience.

Property owners can enjoy "home delivery" from thousands

The Group has introduced a number of high-quality merchants in key categories. Over 3,000 brands had been registered in the community online mall throughout the year, with an ever-rising favorable ratings. Property owners can enjoy the convenience and benefits of the "home delivery" service without leaving home.



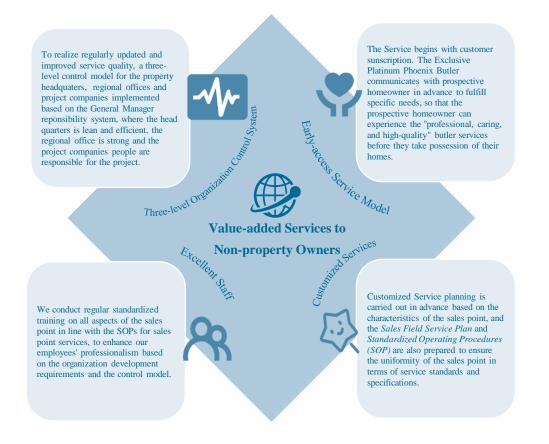
One-stop maintenance service provided by "Phoenix House Purchasing Platform"

The Group has established the "Phoenix House Purchasing Platform" to actively improve home maintenance services, covering the full life-cycle process of properties from moving in to living in for owners. During the Reporting Period, Chongqing and Foshan provided pilot home maintenance services with customer satisfaction rates of 95% and 96% respectively; Jiangmen provided all-round on-site maintenance services, with a customer satisfaction rate as high as 98%.

Community value-added services cases

3) Value-added Services to Non-property Owners

The value-added services to non-property owners provided by the Group are tailored professional services provided to property developers, and include management consultancy services for pre-sale activities, cleaning services, green landscaping, repair and maintenance services at the pre-delivery stage, sales and leasing agency services of unsold parking spaces and properties, and elevator product installation, auxiliary services and other services. We strive to provide homeowners with professional Exclusive Platinum Phoenix Butler services from the moment the contract is signed, and we continue to improve our service quality through the following service models:

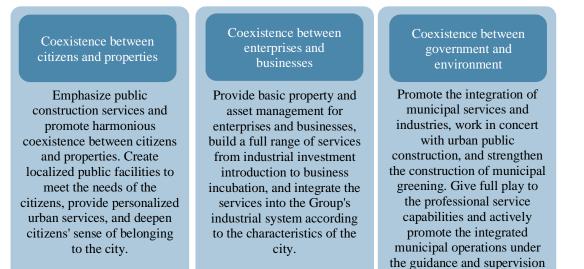


4) City Service Business

The Group actively responds to the needs of urbanization development and takes "Improving governance and environment to benefit business and people" as our core value and the urban service concept of "service, making the city better" focuses on new urbanization construction driven by market demand and core technology. Since 2015, the Group has been a pioneer in the industry to go out of the traditional communities, expand diversified business modes and actively enter the city services field.

We have developed the three core businesses of city municipal services, city space operations, and city community governance to contribute to high-quality city development and continuously improving citizens' sense of well-being.

The Group practices the city coexistence concept of "one big ecosystem + three small ecosystems", taking the whole city as the "one big ecosystem" and public construction services, industrial services and municipal services as the "three small ecosystems", and providing individualized strategic solutions for each ecosystem based on its different characteristics.

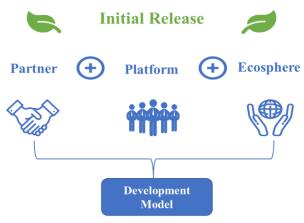


Co-existence concept of "three small ecosystems"

of the government.

City Co-existence Programme

Since the announcement of the "City Co-existence Programme" in December 2018, the Group has set standards in the professional field for various challenges in city services. Summing up its operational experience, the Group upgraded and launched the "City Service Partner Programme" in March 2021, starting the construction of an ecological platform from the perspective of the city services ecological chain, and innovatively proposed the concept of city services developers to build an "City Services Ecological Alliance".



"City Service Partner Programme" development model

City Services Developers Conference Empowers City Construction

In April 2021, the "City Services Developer Conference" was held in Foshan, Guangdong Province, with the theme of "Connecting Ecosystems, Growing Together". For the first time, the Group has defined "City Services" as "comprehensive services provided to terminal customers such as city governments, enterprises and residents through digital empowerment and intelligent means to achieve large-scale and integrated operation with public service as the carrier and city space operation, industrial development as the foundation and community livelihood services as the main areas."

At the conference, the Group has signed contracts with more than 40 partners, calling on more partners from different fields to join the city construction. Through platform integration and data-driven approaches, the Group continues to expand the boundaries of urban services and work together to empower the new city governance process.



2021 City Services Developers Conference of Country Garden Services

Long-term Management of Aged Communities

Relying on its rich experience in property management and service, the Group has carried out demonstration projects for the renovation of aged communities, focused on improving the living conditions of residents, improved the management and services of aged communities, and promoted the establishment of a community governance system of joint construction, co-governance and sharing.

Renovation of Aged Communities in Junliangcheng, Tianjin

Junliangcheng has a planned population of 200,000 and involves nearly 7 million households. There were problems such as lack of management and poor environmental management in the community before the Group settled in. Through a comprehensive review, the Group's project team quickly formulated a special improvement plan of "100-day quality improvement", and deployed functions including party leadership, municipal operation, community monitoring, and equipment and facility management. A total of 300,000 square meters of on-site greening and renovation were completed, more than 2,000 vehicles of sundries in the building, open areas and basement were cleaned up, more than 1,000 garbage cans and 50 leisure benches were added, a total of 8,300 meters of marking lines of fire escape routes and roadside stones have been marked. The project was awarded the "2021 Top 10 China Property Service City Services Benchmark".



Renovation results of Junliangcheng, Tianjin

Facilitating Industrial Incubation

The Group innovatively implemented the dual-wheeled wisdom-driven model of "smart city infrastructure operation + urban cultural activities support services" with the help of intelligent IoT hardware and community operation data platform and created a framework of smart IoT urban services to provide development platforms for more industries.

Launching "Legends of Sea" to Empower the Development of the Industrial Park

Based on the ingenious practice of more than 100 industrial parks, the Group has Launched "Legends of Sea", the industrial park operation and development platform, which is a set of industrial service system featuring digital intelligence upgrade, cluster strengthening, value-added space and enterprise gain, empowering the development of industrial parks in an all-round way.



"Legends of Sea", the industrial park operation and development platform

Helping to Solve Urban Traffic Problems

The Group is concerned about urban traffic problems, creating a region-wide parking system to facilitate residents' travel and promote high-quality urban construction.



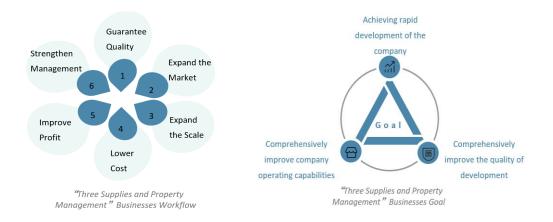
During the Reporting Period, the Group had developed 30 major service products in various fields such as aged communities, hospital logistics, airports/transportation hubs, highways, cultural and scenic spots, and universities, and was awarded the title of "Outstanding Urban Renewal Operator", representing its comprehensive strength and professional capability in urban services were recognized by the market.



Country Garden Services won the title of "Outstanding Urban Renewal Operator" thanks to its multi-field layout

5) "Three Supplies and Property Management" Businesses

The Group attaches great importance to the growth and development of the "Three Supplies and Property Management" Businesses. We have been working together with our partners to promote the development of management systems, refine quality control, implement butler services, and improve operation management and service quality. During the Reporting Period, the Group completed the strategic deployment of the "Three Supplies and Property Management" businesses, promoted the progress of the management system by formulating the *Internal and External Customer Experience Management System* and setting up a customer experience management system. The Group also established five independent market development regions in Northeast China, North China, East China, South China and Northwest China, and built a smart IOT demonstration zone with technology empowerment to optimize quality services.



2. Protecting Safety, Safeguarding Happiness

The Group regards the information security of property owners and residents as its responsibility, and strictly abides by laws and regulations such as the *Law of the People's Republic of China on Production Safety*, the *Law of the People's Republic of China on Fire Fighting*, and the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*. We continue to strengthen health and safety protection work and strive to create a harmonious and safe community environment.

1) Health and Safety Management

The Group is committed to building a harmonious, civilized and safe community, actively responds to and implements external laws and regulations, and formulates internal systems such as the *Safety Risk Management System for Basic Property Management Services* and *Administrative Measures for Fire Safety Responsibilities of Property Management of Country Garden Services* to clarify the safety responsibilities in the course of property services, strengthen community safety control and protect the personal and property safety of property owners. The Group treats related parties as our own, includes their employees into the supervision scope of the Group's health and safety management system, and proactively assists related parties in improving occupational health and safety management, contributing to the construction of a safe and secure society.

Safety Management Framework

The Group adheres to the principle of "Those who in charge shall take the responsibility", insists on local management and classification control, establishes an effective risk control and safety management system, and sets up a standardized and comprehensive closed-loop process to make preprocess prevention, in-process controls, and post-process accountability for safety risks. Covering the Group's own employees and outsourcing partners, the Group prevents risks from multiple perspectives and levels, reduces safety management risk injuries and improves safety risk management efficiency.

Responsible Subject Each unit is responsible for Safety Risk Management

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Risk Investigation

Normalization is the foundation, and special objects are the focus control



implementation

- Total workforces sign the Production Safety Commitment when getting on board
- Set up leaders at the unit and project levels, who are fully responsible for their respective management levels
- Set up supervisors at the department level, responsible for assisting the person in charge to implement, and responsible for the safety of the department

Carry out rigorous safety training and assessment for all employees self-owned and outsourced

- Establish training, rewards and punishments and some other measures, and summarize the experience of governance regularly.
- Conduct regular investigations on safety risks faced by the project
- Take special measures such as setting up warning signs to focus on controlling high-risk areas
 - regularly organize drills in accordance with *Emergency* Response Plan Drill Checklist
 - All employees shall be familiar with the relevant responsibilities and requirements in the emergency plan
 - Each project needs to establish a voluntary fire brigade to ensure the timeliness of situation control
 - In the process of emergency response, make efforts to take necessary operation protection and safety measures, care for employees on the post

Safety Management Objectives and Performance

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

In order to prevent accidents and minimize personal injuries, all departments of the Group organize all employees self-owned and outsourced to receive occupational safety and health education and training, require employees to strictly abide by safety operation procedures and various rules and regulations, and use labor protection equipment correctly. In case of work-related accidents, the Group requires that the department where the accident occurred shall strictly implement the work-related accident response process and not treat its own and outsourced employees differently. In addition, the department shall report an accident in 18 minutes, with zero tolerance for delays and concealment of work-related accidents.

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

During the Reporting Period, the provision rate of the Group's labor protection supplies reached 100%, and no occupational disease or suspected occupational disease occurred.

Community Safety Management

In terms of risk control and safety management, the Group regularly carries out community safety hazard prevention activities and sets the 9th of each month as the "Group Safety Day". Each unit organizes safety-related activities and implements a standardized work list to enhance the safety awareness of all employees and form a regular hazard inspection of full participation.

100-Day Accident-Free Safety Campaign

To strengthen the early warning and control of public security, fire protection and other risks at the end of the year, the Group launched the "100-day accident-free safety campaign" on 1 November 2021 to build an atmosphere of "total involvement in safety risk prevention and control" to actively prevent and respond to safety risks and protect customers' personal and property safety. The Campaign consists of 4 phases:

- **Publicity and mobilization:** Work together with public security, street office and other relevant units to post countdown boards and posters;
- Education and training: Carry out work conduct training for the workforce, subdivide tasks and indicators, assign responsibilities to individuals, and improve service image;
- Measures in place: Carry out emergency drills, safety assessment and investigation, organize night patrol teams, and combine human patrol, vehicle patrol and technical defense to strengthen community security;
- Summary and review: Review the strengths and weaknesses of the Campaign, give rewards and punishments based on the actual performance of the team and individuals, and update the community safety management program to address new issues.



At the same time, the Group probes the actual situation in the community, earnestly fulfills its responsibility and obligation to protect the safety of the property owners, and fight for the battle of the community sky to eliminate the occurrence of hidden dangers such as high-rise littering.

2,882 households RMB140,000

The video surveillance installed at some areas in Xuancheng of Anhui Province covers a total of 2,882 households and costs approximately RMB140,000

Intensifying publicity and use technical means to avoid high-rise littering

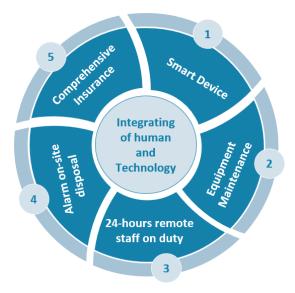
- Continue to strengthen daily patrols to investigate the potential danger of high-rise littering, and give promptly reminder to and dissuade the relevant personnel.
- Actively implement publicity and work with property owners to eliminate high-rise littering;
 - Put up posters on community bulletin boards, elevators and other places;
 - Conduct door-to-door visits and publicity, and sign a proposal with the property owners to enhance their concept of legal system.
- Accelerate the construction of intelligent communities, and improve the prevention efficiency of high-rise littering by means of artificial intelligence:

On the eve of the Mid-Autumn Festival in 2021, the Group's communities such as Great Dream and Cambridge Shire in Anhui planned to install a total of 62 video monitors for preventing high-rise littering, benefiting nearly 10,000 property owners in 36 buildings. The night vision and dynamic capture functions effectively prevent and curb high-rise littering behaviors at source, reduce community disputes and promote the construction of a harmonious community atmosphere.



A staff investigates the case of high-rise littering

In order to further enhance the quality of security services, strengthen the safety of home and store environment, and improve the satisfaction rate of property owners, the Group has launched the intelligent network alarm service "integrating of human and technology", covering the whole process of pre-process prevention, in-process restrain, post-event compensation, cloud monitoring, and manual backstage monitor, to realize the digitalization of safety and protection.



Voluntary fire brigade guards property owner's home

On 26 October 2021, the Group's property management service butler in Zhangpu Country found smoke coming from a balcony when he patrolled the community. After contacting the owner and confirming that no one was at home, the butler and the property captain arrived at the owner's home with fire extinguishers and jointly put out the flames in the house. The firefighters who arrived at the scene reconfirmed that the flames had been extinguished. Their joint efforts saved the new house for the owner.



The scene after the fire



Employees of the Group helped the property owner to clean up after the fire



Four banners of honor sent by property owners

Regular Pandemic Prevention and Control

The Group solidly promotes regular pandemic prevention and control, continues to cooperate with regional prevention and control requirements, conducts thorough safety inspections in the community, carries out disinfection in public areas, assists in the PCR testing in the community. Meanwhile, the Group also actively promotes pandemic prevention knowledge, and strictly implements measures such as temperature measurement for people the community to ensure the safety of the community, and thus fully protects the health of property owners.

Humanistic Community, Outstanding Reputation



Organize property owners to take PCR tests



Pandemic prevention poster

2) Customer Satisfaction Improvement

Adhering to the customer-oriented service concept, the Group strictly abides by all laws and regulations such as the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, formulates and implements internal systems such as the *Classification Guidelines for Complaint Work Order Processing*, the *Guidelines for Complaint Work Order Processing Operations* and the *Claim Assessment Management* to standardize the aftersales staff complaint process, implement claim classification control, enhance customer satisfaction management system, consistently improve service quality in our lean management.

Relying on the self-built customer interaction center, the Group completed the "Daily Satisfaction Rate" survey on projects across the country. Through continuous monitoring, feedback, rectification and improvement, the Group has formed a closed management loop of customer experience monitoring, and continuously promoted the improvement of property owners' satisfaction rate.

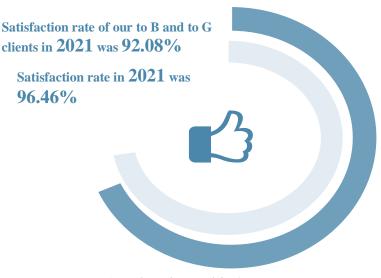
Humanistic Community, Outstanding Reputation

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Outbound call team 30 full-time outbound satisfaction call customer service representatives are stationed in 400 hotline Customer Contact Center, to conduct daily outbound call-based research.	Technical management team 3 outbound call field technicians and 1 technical analysis and evaluation system managers are assigned to provide technical support for the surveys.	Customer experience team 3 market research and data analysts and 7 operation personnel are assigned to handle user operation, business research, owner profile creation, and research.			
Comprehensive survey frequency	Conduct nodal search for assessment purposes and emphasize on annual improvement; conduct regular research 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.				
Closed loop satisfaction	We are business oriented and conduct in-depth data and case study-based analysis on reasons for service level discrepancy, 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 Management System

The Group urges each property service management region to identify weaknesses in customer service, continuously improve the management level. Through the establishment of internal and external customer experience management systems, the Group has established an omni-channel customer experience evaluation standard, achieved improvements in five steps of "full coverage of projects, more timely collection, more refined indicators, more efficient analysis, and closed-loop management" to build a good brand image.

During the Reporting Period, the Group's annual satisfaction rate was 96.46%, and that of our to B and to G clients was 92.08%. The Group coordinates the monthly ratings of customers in 9 dimensions including the overall customer evaluation of property and on-site quality, and links the satisfaction of property owners to the year-end performance assessment of regional projects.



Annual satisfaction of the Group

Special Research on Customer Needs

The Group uses various methods, such as interviews and surveys, to cater to the needs of property owners in the whole process of handover, and conducts special research on customer needs for maintenance issues during the warranty period, so as to practically solve difficulties and problems; the Group designs innovative customer interactive experience activities to enhance the understanding of customers' changing needs and help create a community and home with long-term happiness.

Establish the Customer Experience Management (CEM) System

The Group launched the *Internal and External Customer Experience Management System* project in the fourth quarter of 2021 and rolled out a customer experience management system after establishing an "online + offline" omnichannel customer experience evaluation system. By placing emphasis on "overall indicators + business line indicators + 70 contact indicators", we have grasped a whole picture of customer satisfaction. And on such a basis, we further analyzed the needs of our customers, striving to offer precise and quality services to them.



Monthly Property Owner Satisfaction Survey

First Customer Experiences on Innovative Services

In the fourth quarter of 2021, under the concept of "constructing, sharing and governing together", the Group held an event themed "Customer Experiences on Innovative Services" to collect creative solutions from customers. Over two months, we selected nine innovative solutions to a replicable and effective innovative services model, and implemented those innovative services to continuously optimize customers' living experience.



Customer Experiences on Innovative Services

Complaints and Handling

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

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



Customer Complaint Handling Principles

"Listen to Customers" Programme

The Group attaches great importance to customer satisfaction. While urging each property service management region to identify weaknesses in customer service, we also reinforce the management of the Customer Interaction Center to better meet the needs of property owners. We launch the "Listen to Customers" Programme to get the entire Company to perceive the real needs of customers while uniting efforts at all levels to render quality, practical and considerate property services.

"Listen to Customers" Programme of Customer Interaction Center - Listen to the voice of customers

In the fourth quarter of 2021, the Group's Customer Interaction Center took the lead in launching the "Listen to Customers" Programme by recruiting evaluation officers from 300,000 property owners. We set up 400 hotline staff experience seats to call upon personnel at all levels to answer the customer service hotline in person, so that they can keep in touch with customers. Moreover, they need to further familiarize themselves with the responsibilities and working process of the Customer Interaction Center and discover and solve internal problems, so as to optimize service quality from the inside out and deliver the warmest and top-quality services.



"Listen to Customers" Programme of Customer Interaction Center

3) Customer Information and Privacy Protection

In strict observance of the *Regulations on the Security Protection of Computer Information Systems*, the *Administrative Measures on Information Security Level Protection* and relevant laws and regulations, the Group has formulated and enforced a series of internal regulations, including the *Code of Practice on Information Security Management of the Group* and the *Security Requirements on Classified Protection 2.0 (Level III)*. This is done to urge the Group headquarters, its subordinate regions, projects, as well as third-party cooperation units to conduct regular professional security testing and system maintenance, standardize information classification and confidentiality, enhance information security incident response capability and continuously improve the system of information security protection.

The Group has classified the network security levels, strengthened the management of the Cloud Services System and Business Network System, and intensified the protection of the Company's confidential information. To improve employees' awareness of data protection, we have conducted various trainings on information network security protection and data security and organized several data disaster-backup drills. With these actions, the Group puts more efforts into risk analysis and prevention in information usage management and infrastructure management, so as to ultimately achieve the confidentiality, integrity and availability of the information systems.

The Group takes the following measures to protect customer information and ensure privacy security:

Cloud Database

Management

Put up effective security defense with the help of security protection products, and reduce the most common network security risks faced by current servers in virtue of various security detection functions, e.g., password cracking interception, exception login reminder, Trojan file removal, high-risk vulnerability detection, etc.

Penetration Testing

Conduct comprehensive penetration tests on 8 core systems, and perform thorough and in-depth security tests on business systems via simulated hacking. At present, all relevant vulnerabilities have been fixed.

With regard to access security, access is restricted to the corporate intranet only, with minimum permission authorized to access accounts; In data security respect, all data and available cluster architecture models are backed up at a definite time every day to keep the data secure.

Interconnected Personal Information under Relevant Protocols

In November 2021, the Group's full-cycle overall competitiveness was improved. We sorted out property owner information and verified the integrity from the data and technical aspects, and utilized vulnerability scanning tools to detect the hidden safety hazards of interfaces.

Classified Protection 2.0 (Level III)

Implement comprehensive classified protection work for five core systems, namely the Official Website for property services, Bi Le Tao, Phoenix House Purchasing, Phoenix Home and Employee Mobile Platform. Evaluation and authentication relevant to classified protection have been completed.

Financial Documents Security Sharing System

The overall deployment of Virtual Private Network (VPN) and Disk Station Manager (DSM) has been completed, and a copy of the notice and operation manual for switching between VPN and DSM along with matters needing attention have been distributed to all parties.

Security Reinforcement

Data Disaster-Backup Drill

During the Reporting Period, the Group conducted a data disaster-backup drill and updated relevant procedures. To be more precise, we backed up data and systems, carried out recovery tests and performed data verification in advance to ensure the controllability of the implementation plan. This drill improved the response capacities of those responsible for disaster recovery, optimized the restoration process of systems and data, further improved the effectiveness and reliability of their recovery steps, and enhanced the safety performance of each system.





Data Disaster-Backup Drill

Information Security Training

The Group has carried out a multi-layered and multi-faceted information security training for technical managers, operation and maintenance staff, and financial document controllers at the Technology R&D Center, (e.g., inviting a dedicated team to provide professional training in guidelines on relevant login operations) to ensure secure network access, broaden storage paths, and strengthen the compliance construction of data security. During the Reporting Period, we gave a training on information security, a VPN login guide, a DSM login guide, and five training sessions on Classified Protection 2.0 (Level III), which effectively strengthened information security management and safeguarded the security of individuals, organizations and the Center.





Information Security Training

4) Responsible Brand Management

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

During the Reporting Period, in adherence to the tenet of being responsible to customers, we revised the *Administrative Measures for Public Opinion of Country Garden Services*, strengthened the brand management of the Group, enhanced the brand awareness of all staffs, and managed brand in a scientific and standardized manner, so as to establish a good brand image.

Training System for Responsible Brand Management

The Group's Brand Management Department is responsible for developing brand management courses, cultivating instructors, and conducting case studies. To raise the consciousness of brand promotion risk control among all employees, the department organizes brand and public opinion management training at least twice a year for company executives, unit brand heads, project managers, Rocket Force, Star Youth, etc. For the sake of pushing forward this work at the unit and project level, the brand heads of each unit make overall arrangements to provide training (at least twice per year) brand and public opinion management training for personnel in key positions, covering project managers, Phoenix Butlers and department heads, in an effort to ensure the full coverage of the training. We adopt the principle of "where there is a training, there is an examination", so we organize examination after each training session to help employees retain the knowledge during the training and inform them of the exam results. For those who fail the exam, the unit heads will reconsider their suitability for their positions.

3. Intelligent Services, Convenient Life

The Group upholds the principle that "serving people is the sole criterion for good technology", and has invested heavily in technology and intelligent research. Supported by technology empowerment, we have made continuous efforts to enhance employees' service efficiency and reshape the management model, seeking to upgrade customer experience and create a smart and ideal community for our owners.

1) Solidifying R&D Capability

This year, after setting up a Digital Committee to enhance the artificial intelligence technology (AIT), the Group issued the *Uniform Standards of Guiding Principles for High-end R&D* and independently developed the "R&D Resource Management Platform" and the "Automated Testing Platform" to digitalize R&D management and conduct automated testing. Also, we introduced the CMMI

(Capability Maturity Model Integration) system and applied the digital platform to control the quality of the R&D process. During the Reporting Period, the Group received 6 technology awards, with 14 utility patents and 84 computer software copyrights granted.

The Group has developed an online intelligent integrated platform "Tianshi Cloud" for community services, which includes four major product systems, (i.e., property management system, property charging system, intelligent security and protection system and community APP) along with an Intelligent Control Center, equipment management system and people-vehicle access management system. With this platform, property enterprises are able to realize a one-stop transformation towards informatization and intelligence. During the Reporting Period, the "Tianshi Cloud" platform not only helped more than 3,000 communities of the Group complete digital upgrading but also provided digital solutions for hundreds of peer companies, covering over 600 projects nationwide. Also, it even won the "2021 Impact Award in China's AI Industry" and the "2021 China AI Breakthrough Award".

The Group has built a cloud-based AI platform and AI algorithm training platform and has pioneered the development of the first "AI + Service" community in China while launching the first AI- and IOT-based AI full-stack solution product system in the industry. During the Reporting Period, the Group focus on carry out digital development with three areas of "intelligent space service operation", "customer service operation platform" and "digital support service management", integrate digital technology with property service scenarios and so provided basic digital conditions for exploring the full use of service robots in standard services.

Development of Property Robots

During the Reporting Period, the Group put four types of property robots into production, which were designed for building services, outdoor cleaning, commercial cleaning, handheld sweeping respectively. Even with different purposes, they all have the functions of automatic charging, visual recognition, ultrasonic radar sensing and laser positioning. And such robots, with automatic cleaning, automatic garbage collection, fixed-point garbage dumping and automatic charging, have kept buildings and communities clean and tidy all the time.



R&D Achievements - Property Management Services Robots

2) Improvement of Service Efficiency

Relying on its digital platform and offline service organizations in the community, the Group has built an intelligent service circle to bring convenience and benefits to the property owners. With increasing investments in constructing intelligent equipment and platforms, we leverage the standardized, automated, and intelligent management and advanced information systems to explore a full-stack system combining AI and IoT, trying to build a smart community and provide customers with safe and convenient intelligent services.

The Group has strengthened the construction of the intelligent operation system and enhanced the intelligence and digitization of the security and protection system. Besides, we have upgraded the functions of the "work order system" to enable data analysis, and promoted the technological breakthrough of the system to make it provide strong support for business; in terms of butler service, we take advantage of digital technology to provide online and offline services for property owners to ensure service quality.

Our achievements in intelligent property construction and application mainly include:

Smart Entrance Guard

Our smart entrance guard possesses a variety of functions, such as one-button call, visual intercom and intelligent voice. By comparing and verifying the backend data, it can realize face recognition, and register and verify information very quickly, and therefore improve access efficiency while heightening security. Moreover, the guard system can conduct panoramic analysis of human behaviors and give warnings or voice prompts against illegal behaviors such as crossing and climbing.





Smart Fire Management System

By establishing a three-level "headquarters-unit-project" intelligent information platform for online management and control, and equipping each property project with intelligent sensors for remote monitoring, the fire management system can sound fire alarms, detect fire pressure, monitor the status of fire alarm control panels, etc. As such, the head office can control the nationwide fire management status in real time in the back end, monitor the status of fire equipment and events, discover fire problems in time, and thus reduce fire control risks.





The fire-fighting data serves community safety, it improves fire-fighting efficiency through real-time monitoring of firefighting equipment and real-time alarm work order push. Currently, the total number of online projects has reached



of which **832** have been newly implemented, and the overall equipment online rate has

reached **96%**

Humanistic Community, Outstanding Reputation

Quality Work Order System

The quality work order system allows the Group to achieve the transfer to "online control" over its property management and services from "offline organizations". During the Reporting Period, the total number of work orders exceeded 600,000 with a sales rate of about 98%. Through periodic and automatic generation of management tasks, and online management of data analysis and correction, the system has accelerated the digital operation of our property services and enabled the Group to have full control over its service quality.



Smart Butler System

The smart butler system represents the digital transformation of butler service. As an intelligent auxiliary tool for butlers and administrators, the system has optimized the customer service process and speeded up the response to property owners' requests, with online visible responses achieved. Besides, an intelligent customer service bot is embedded in the online communication scenario between butlers and property owners to answer common questions from property owners, and its round-the-clock services have enhanced the online experience of customers.

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"Phoenix Club" Property Information Collaborative Mobile Platform

"Phoenix Club" APP is a comprehensive app providing onestop services for property owners from purchasing a house to living in the community. Specifically, it integrates a series of online and offline functions, such as smart access control, property services, shopping benefits of certain business districts, neighborhood socialization and online butlers. Besides, it has taken advantage of advanced Internet technology to integrate all the service resources of the Group and break down the barriers to point consumption between real estate, property, hotel, home decoration, finance, tourism, education and commerce, in an endeavor to provide property owners with comprehensive services.



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During the Reporting Period, the "Bi Le Tao" APP had **140,000** registered users, covering **3,416** projects in **65** regions

Humanistic Community, Outstanding Reputation

"Country Garden Services Happy Shopping" APP - Delivering an intelligent and convenient shopping experience

As a community group-buying platform, the "Country Garden Services Happy Shopping" APP is centered on communities and distributes goods to internal and external group-buying organizers, encouraging users to carry on transactions through social contacts.

During the Reporting Period, the "Country Garden Services Happy Shopping" APP obtained online support in four major business segments (i.e., Community Group-buying, Near-field Mode, Premium Membership and QuickWin), which accelerated the digital transformation and upgrade of community shopping, and brought property owners a smart and convenient community shopping experience.



Interface of "Country Garden Services Happy Shopping" APP

3) Intellectual Property Protection

The Group strictly abides by the *Copyright Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China* and relevant laws and regulations, and has established a comprehensive intellectual property management system for intellectual property applications, rights maintenance, infringement litigation, property rights transactions, etc. The Group has promulgated the *Administrative Measures for Innovation Incentives* and the *Patent Management Manual* to encourage intellectual property-based R&D by scientific and technical personnel and has also assigned dedicated personnel to follow up the intellectual property rights application process. The Group has also established an intellectual property protection working group, which includes technical, legal, and financial personnel, to regularly verify if intellectual property rights have been infringed, and has set up a process for responding to intellectual property protection.

Intellectual Property _____ Management System

Clear division of responsibilities for patents

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

Smooth internal workflows

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

Avoid external patent risks

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

ESG Issues Responded in this Chapter

Supply Chain Management

Supplier Access and Monitoring

Supply Chain Environmental and Social Risk

Assistance in Industry Development

SDGs Responded in this Chapter

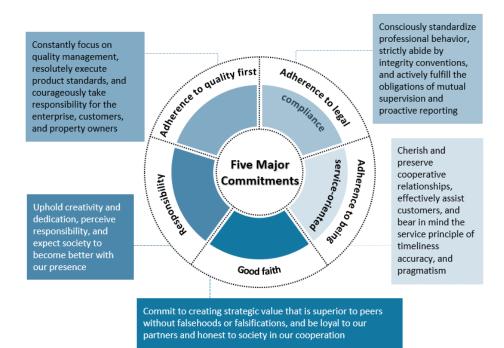


VII. Opening up for a Win-win Cooperative Platform

The Group is committed to creating a more open and collaborative ecosystem platform, realizing a collaborative development of industry chain through expansion of self-owned business and cooperation with external parties, and constantly extending the influence of the whole industry at society level. The Group also gets firmly attached to the idea of cooperation and mutual benefits to create a culture of integrity and work together with partners in responsible development.

1. Supply chain management

Striving to establish a fair and transparent supply chain, the Group has built up the Online Procurement Platform of Bicai Mall, and has formulated internal systems such as the *Rules for Operation and Management of Bicai Mall (for Suppliers)* and the *Administrative Measures for Access, Withdrawal and Evaluation of Material Suppliers in Bicai Mall* to ensure that the selected suppliers are compatible with the quality standards of the Group while comprehensively considering supplier indicators including operational indicators, records of illegal actions, quality systems, commercial reputation, accounting systems and environmental factors.

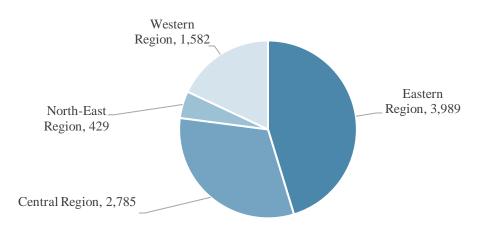


1) Full life-cycle Management of Suppliers

The Group implements dynamic management of registered suppliers in the pool, and assesses their service capability, performance capability, etc. at fixed time points such as one month, six months, and one year after they are registered. Based on the assessment results, we retain the best and eliminate the worst suppliers, to ensure stable product quality and supply capability of our suppliers, to satisfy the business development needs of the Group. When reaching cooperation intentions with suppliers, we require suppliers to sign contracts such as the *Firefighting and Safety Production Commitment* and the *Supplier Safety and Health Agreement* so as to clarify health and safety management standards and effectively identify and control possible health and safety issues. We also have the right to request other business qualifications from suppliers after their registration and in the subsequent operation phase, and suppliers must truthfully provide and ensure the authenticity, completeness, and timeliness of related qualifications and information materials.

Meanwhile, under the purpose of reinforcing supplier management and procurement control, the Group regularly performs reassessment on suppliers. By replacing suppliers with unacceptable performance or inadequate qualification and regularly removing the unqualified suppliers from the list of qualified suppliers, the Group intends to ensure stable supply and product quality at the very beginning.

During the Reporting Period, the Group had 8,786 suppliers in total, among that there is 1 from overseas, and they were subject to information management at Bicai Mall, the remaining 8,785 are from mainland China. The breakdown by region² are as follows:



² Eastern China: Beijing, Tianjin, Hebei Province, Shanghai, Jiangsu Province, Zhejiang Province, Fujian Province, Shandong Province, Guangdong Province, Hainan Province

Central China: Shanxi Province, Anhui Province, Jiangxi Province, Henan Province, Hubei Province, Hunan Province

Northeast China: Liaoning Province, Jilin Province, Heilongjiang Province

Western China: Inner Mongolia Autonomous Region, Guangxi Zhuang Autonomous Region, Chongqing, Sichuan Province, Guizhou Province, Yunnan Province, Tibet Autonomous Region, Shanxi Province, Gansu Province, Qinghai Province, Ningxia Hui Autonomous Region, Xinjiang Uygur Autonomous Region

2. Environmental and Social Risk Management of the Supply Chain

For the purpose of promoting healthy and sustainable development of the supply chain and achieving environmental and social risk management across the supply chain, the Group integrated the environmental and social risk factors into the supplier assessment and cooperation process, including but not limited to:



3. Supplier communication

The Group attaches importance to the communication with suppliers and keeps timely interaction and communication through daily online and telephone communication, supplier visits, and holiday condolence letters. At the same time, a complaint and feedback mechanism for suppliers has been established to guarantee the protection of suppliers' rights and interests.



4. Assistance in Industry Development

1) Expansion of Diversified Cooperation Channels

In order to quickly promote the diversification strategy, refine the layout of industry, and jointly advance the development of the industry, the Group closely works with multiple enterprises through diversified cooperation channels to make full use of each other's advantages.



In 2021, the Group jointly established the City Governance Development Alliance with the team led by Professor Deng Guosheng (vice dean of the School of Public Policy & Management, Tsinghua University), the Environmental Engineering Design & Research Institute of China Urban Construction Design & Research Institute, TalkingData and Accenture to carry out strategic cooperation. Through this cooperation, the Group aims to give full play to the talents and scientific research capabilities of universities and scientific research institutes, deepen multi-party exchanges and cooperation, promote the formation of a high-level talent gathering effect in society, drive the positive circulation and regional interaction of technology and industry, and accelerate the structural transformation of digital intelligence in the industry.



Kick-off Ceremony of Country Garden ServicesCity Governance Think-Tank Alliance

Setting Example as the First Rotating Chairman of the Industry Alliance

On 24 April 2021, the Group jointly formed the "G11" Listed Property Enterprise Cooperation Alliance with other 10 property management enterprises and China Index Academy, and served as the first chairman of the alliance. Through industry cooperation and collaboration of enterprises and research institutes, the Group endeavors to share advanced service model, regulate industry practices, improve service quality and build a mutually beneficial service ecosystem, so as to make quality property services available for more people.



Release Conference of "G11" Listed Property Enterprise Cooperation Alliance

2) Active Engagement in Industry Exchanges

As an industry leader, the Group continues to deepen brand building and empower the overall development of the industry with the driving force of brand. Being committed to becoming a key opinion leader in the industry, the Group focuses on industry strategy, and strives to bring breakthrough to the current service mode of the industry and realize the delivery of its brand value through closer engagement in industry exchanges.

Issuing Write Paper to Present a Full View and In-depth Analysis of the "New Property" Initiative

In May 2021, together with China Property Management Research Institution, the Group issued the 2021 China New Property Service Development White Paper to support industrial transformation and upgrade. Based on in-depth interviews with dozens of senior executives of the Group as well as research on real enterprise cases, the Group offered a panorama of industry trends, analyzed enterprise development practices from all aspects and disclosed its considerations and methodologies in the white paper, providing guidance for the innovative development of property service enterprises.



Release Conference of the 2021 China New Property Service Development

Delivering Speech to Share Brand New Value Concept for Property Services

On 26 and 27 October 2021, Li Changjiang, the executive director and president of the Group delivered a keynote speech titled the *Why Should We Deliver Value-added Services* at the 11th Annual Conference of Most Valuable Real Estate Enterprises and the Guangzhou International Property Expo Summit Forum. Against the background of the new era, the speech focused on "centering on people" and proposed the definition of "the Four New" (i.e. new technologies, new services, new ecosystem and new values) to reshape the approach, connotation, boundaries and values of "property services". The Group has always been taking active part in industry exchanges and playing important roles in them. Aiming to achieve diversified and collaborative development of the industry, the Group focuses on industry strategies and carries out in-depth discussions with the industry peers about



The Group's Executive Director and President Li Changjiang is Delivering Speech

ESG Issues Responded in this Chapter **Employee Health and** Safety Staff Promotion and **Development** Avoiding Child Labor Avoiding Forced Labor Equal Opportunities and Diversity **Employee Remune**ration and Welfare **Employee Recruitment** and Team Building **Employee Benefits and** Care

SDGs Responded in this Chapter



VIII. People Oriented, Being the Standard of Excellent Employer

In order to establish and perfect its management policies concerning salary, labor rights and interests, welfare, health and safety, recruitment and promotion, training and development, etc. and create an equal and harmonious employment relationship as well as a safe and healthy working environment for employees, the Group strictly abides by laws and regulations such as the *Labor Law of the People's Republic of China*, the *Law of the People's Republic of China on the Promotion of Employment* and the *Regulations of the People's Republic of China on Work Injury Insurance*, and has formulated and updated the *Salary Calculation Rules and Management System of the Country Garden Services Group*, the *Organizational Performance Appraisal Plan of Country Garden Service Group for 2021*, the *Attendance and Leave Management System of Country Garden Services Group* (2021), the *Leader Management Measures of Country Garden Services Group* and other internal systems during the Reporting Period.

1. Guarantee Rights and Interests and Equal Employment

The Group respects and abides by the *International Labor Organization Constitution*, which serves as the international norms for human rights, and actively answers the calls of international conventions such as the *Discrimination (Employment and Occupation) Convention* and the *Abolition of Forced Labor Convention*. By formulating various internal policies such as the *Employee Handbook*, the Group endeavors to protect employees' legitimate rights and interests in a comprehensive manner and provide employees with a diversified and fair environment for development. The Group adheres to the principle of equal and fair employment, and tolerates no discrimination of any kind during the process of recruitment, employment and promotion.

1) Labor Rights and Interests

The Group has been actively involved in protecting labor rights and interests and avoiding child labor. We prohibit the employment of child labor and verify the valid identity certificates of candidates in all aspects of employee recruitment, recruitment approval, and job entry, in accordance with laws and regulations such as the *Regulations on Prohibition of Child Labor*, the *Regulations of the People's Republic of China on Special Protection for Underage Workers*, as well as the corresponding overseas laws and regulations. We do not tolerate forced labor. All employees of the Group are recruited on a voluntary basis with no deception or coercion.

In accordance with the *Labor Contract Law of the People's Republic of China* as well as the rules and regulations of the overseas and domestic business sites, the Group establishes labor relations based on the principles of fairness and legality, equality and voluntariness, and honesty and trustworthiness. We sign internship agreements, labor contracts, or employment contracts with each employee based on the type of employee and renew contracts on a timely manner with employees whose contracts have expired. We refrain from forced extension of working hours. The Human Resources Department strengthens employment management through monthly statistical monitoring forms, to ensure legal and compliant employment. Meanwhile, the Group has established a standardized communication and investigation

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mechanism for employee dismissals to ensure that the reasons and processes related to dismissals are in compliance with laws and regulations. For employees who quit on their own initiative, we conduct 100% exit retention interviews, sincerely inquire whether employees have chosen to quit due to sudden family accidents, difficulties in life, etc., and try our best to help and solve the problem to strengthen employees' sense of belonging. In the process of employee dismissals, we also respect the right of employees to freely choose their jobs and strictly abide by the *Labor Contract Law of the People's Republic of China* and the *Measures for Investigating the Responsibility for Violations and Discipline of Employees of Country Garden Services Group*, etc., uphold the principles of legal compliance, truthfulness, fairness and justice, regulate the work procedures for the cancellation and termination of labor contracts, and ensure the legitimate rights and interests of 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 underage worker is found to be employed, we immediately report to the related labor administration for registration, and provide health inspection, safety education, and training in accordance with related laws and regulations.

During the Reporting Period, we did not find any cases of child labor or forced labor in violation of applicable laws and regulations.

2) Remuneration and Welfare

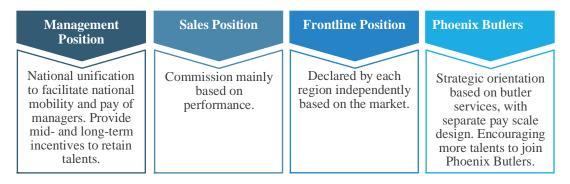
The Group has built a salary system based on the principle of "3P (Position, Performance and Person) + M (Marketing)" to provide employees with a more competitive remuneration and welfare. Insisting on "market-based salary, job-based salary, performance-based salary and ability-based salary" rules, we keep employees' salary in line with their performance and post value contribution and fully consider their post values, performance and skills, so as to maximize the value of each employee. Each year, the Group appropriately adjusts employees' salary and benefits based on market salary and employee performance, to provide externally competitive and internally fair pay.

The Group has established a performance and development assessment mechanism to ensure the justice and equity of the remuneration system and the consistency of the overall assessment, in a bid to provide every employee with an objective and fair assessment on a regular basis. During the Reporting Period, the Group conducted a survey on emolument of the new service positions in the community to learn about their salaries and incentive systems, and optimized the remuneration system for business personnel based on business planning and market salary research results. The Group reviewed the schedules of different business lines and adjusted the target annual salary structure of the investment and development business. In view of the adjustment of minimum wage standards in multiple regions, the Group also updated the payroll for employees engaged in the service business, and raised their reimbursement standards of medical examination expenses.

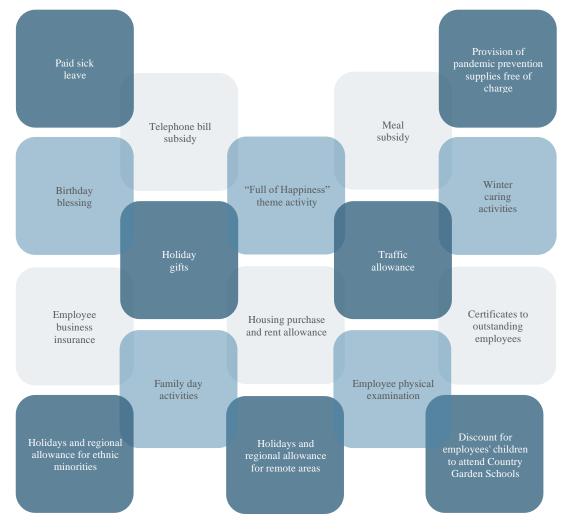
In addition, the Group sets up distinct performance targets and rewards for frontline positions based on market and position conditions in each region, so as to achieve horizontal and vertical breakdown of the Group's strategic performance objectives and coordinated development between employees and the Group. By formulating short-term/long-term equity incentive plans, the Group fully mobilizes employees' enthusiasm and initiative, and attracts and retains talents with outstanding skills and experience. The Group adopted the Pre-Listing Share Option Scheme on 13 March 2018 and the Share

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Option Scheme on 28 September 2020. Under the Share Option Scheme adopted on 28 September 2020, the Group granted a total of 1,600,000 share options to the eligible participants during the Year.



Besides the benefits provided by the state, we also provide other benefits and subsidies for our employees, fully reflecting the spirit of "Being Nice to People and Being Nice to Society".



3) Equal Opportunities

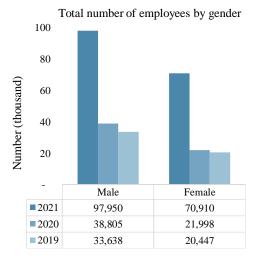
The Group is committed to ensuring diversity and equality of opportunity in the work. We do not judge employees based on their skin color, nationality, sex, age, ethnicity, sexual orientation, marital status, religious beliefs, place of domicile, and pregnancy and maternity status, nor do we use the above as criteria for hiring, assessment, promotion and training, and provide employees from varying cultural backgrounds with a working environment that is based on mutual respect, understanding and integration. Besides, the Group will continue to explore and improve our democratic management system to effectively guarantee that employees enjoy equal rights.

The Group adheres to the idea that the diversity of employees is one of the crucial factors in maintaining our competitive edge and unleashing the driving force for our development. When selecting board members or making recruitment decisions, the Group not only considers candidates' comprehensive value for the Group's business development, but also takes the diversity of the Group into account, actively advocating the employees' diverse backgrounds.

Moreover, following the trend of gender equality, the Group continues to build a welfare system for female employees, and strictly complies with the state regulations on female employee leave management to give them full care. The *Attendance and Leave Management System of Country Garden Services Group* specifies that female employees are entitled to maternity leave, breast-feeding leave and antenatal examination leave, and male employees are provided with paternity leave. The Group takes multiple measures, including setting up maternity rooms and arranging work assignments in a reasonable manner, to support female employees who have given birth to return to work.

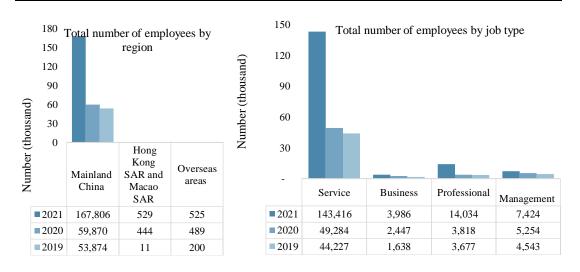
During the Reporting Period, the Group had a total of 168,860 employees³, of which 42% were females; The Board of Directors of the Group had 2 female directors, accounting for 33% of the total number of directors; A total of 67,005 retirees were rehired.

The employee breakdown by gender, region and job type are as follows:



³ The data of 8 subsidiaries are not included.

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Continuing to Deepen the Employer Brand Influence

In December 2021, the Group was selected as the "2021 TOP 10 China Property Service Employers with Brand Influence" in the "2021 Super product Innovation Conference" sponsored by the YIHAN and Jiahe Property Service Research Institute. Pursuing the idea of talent cultivation, the Group has established a stepped talent training mechanism to build reasonable promotion channels and reinforce the employer brand influence, laying a foundation for driving service transformation and upgrading.



2. Caring for Employees and Creating Harmonious Workplace

The Group attaches immense importance to the occupational health and safety of employees, and strictly abides by the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* and the *Law of the People's Republic of China on Fire Fighting*, as well as other related laws and regulations. We have formulated and updated internal systems such as the *Guidelines for the Management of Occupational Injuries for Employees of Country Garden Services Group*, the *Discipline of Production Safety and Quality Red Line of Country Garden Services* and the *Measures for Production Safety - Environment* (version 1.0), to actively create a safe, healthy, and comfortable working environment for employees and guarantee their physical and mental health. At the same time, the Group comprehensively considers the needs of employees and raise employee satisfaction and happiness.

1) Occupational Health and Safety

The Discipline of Production Safety and Quality Red Line of Country Garden Services, the Regulations on Occupational Safety Prevention, the Measures for Property Service Quality of Country Garden Services and the "Blue, Green, Orange, Yellow and Red" Five-color Risk Management Mechanism the Group developed and implemented regulate the handling of employee health and safety accidents, reporting requirements, rewards and penalties, etc., and link safety and production risk management to the performance assessment of related personnel in charge. In case of accidents arising from improper management, which endanger the health and safety of employees, the Group will issue yellow or red card warnings to the responsible organization based on the loss or impact of the accident, and impose punishment on responsible personnel of the project.

In our daily operations, the Group actively conducts health and safety training for employees and publicizes safety knowledge to raise their safety awareness, and strengthens labor protection measures to effectively safeguard employees' health and life safety rights.

> Catering safety

Set up canteens at the Group's headquarters and in most projects; Periodically inspect the nutrition of meals and the food quality of canteens to ensure the dining safety of employees.

> Safety training

Popularize occupational safety, self-rescue methods in natural disaster and pandemic prevention methods through safety knowledge contests and lectures to protect employees' occupational safety.

> Seasonal labor protection

Provide windproof gloves, cotton-padded clothes, scarves, hats and other winter clothing, and provide hot drinks for outdoor employees in winter; Provide employees with green bean soup, refreshing tea, ice cubes and handkerchief to cool down in summer and protect their health.

Physical and mental health

Arrange annual medical examination for employees; Organize occasional seminars on mental health or health care for employees; Provide supporting cultural and recreational facilities, such as cinema, library and gym, to maintain employees' physical and mental health.

Campaign on Knowledge for Employees' Self-rescue in Danger

During the Reporting Period, the Group arranged "Country Garden Services Values Your Safety", a campaign on knowledge for employees' self-rescue in distress, which introduced measures taken in epidemic prevention, earthquake, typhoon and rainstorm for self-rescue whereby employees' knowledge on self-rescue in distress was enriched and their awareness of self-protection was enhanced.



Online Competition on Safety Knowledge

In November 2021, the Group held the "Second Online Competition on Safety Knowledge of Country Garden Service Employees", learning practical business safety knowledge, self-rescue knowledge for natural disaster, epidemic prevention, control knowledge, etc. A total of 7,000 employees took part in the competition, with the Top 50 participants finally winning out. The Group's affiliated Bijia Property won the title of "Best Safety Education Unit". While popularizing the safety knowledge in the work scene, the Safety Knowledge Competition also attracted more employees to join in learning safety knowledge.



Propaganda Poster of "On-line Competition on Safety Knowledge"

Activity Themed "Happy and Healthy Workplace"

The Group launched the activity themed "Happy and Healthy Workplace", aiming to relieve employees' working pressure, facilitate employees to live a proactive and healthy life, and protect their physical and mental health. The Group collected tips on how to relieve stress, distributed gifts to employees engaged in the activity, and encouraged employees to share the best ways to balance their lives and work to protect their physical and mental health.



Propaganda Poster of "Happy and Healthy Workplace"

Activity Themed "Happy and Healthy Season"

In October 2021, the Group launched a two-month sporting event of "Happy and Healthy Season", which enriched employees' daily lives and brought sports enthusiasm to work through basketball games, badminton, hiking and other physical activities.



Group Photo of "Happy and Healthy Season"

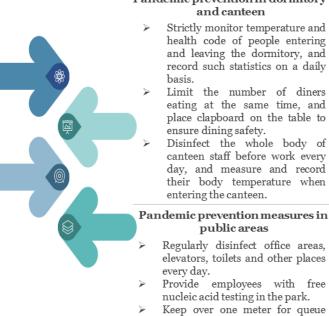
To coordinate with the regular pandemic prevention and control, the Group has timely formulated and released the *Guidelines on Work Safety Protection Measures for Employees in Important Positions of Country Garden Services during the COVID-19 Pandemic* and the *Notice on Continuing to Implement Pandemic Prevention and Control Measures*. In office areas, canteens, dormitories and other places, special personnel are assigned to carry out pandemic prevention measures such as checking travel code, measuring body temperature and conducting regular disinfection to ensure employees' safety at work and in life.

Daily pandemic prevention measures

- Arrange special personnel to check the health code of employees entering the park and take their temperature.
- Arrange special personnel to record the travel code and health code of visitors entering the park and their visiting reasons, and take their temperature.
- Publicize pandemic prevention and control knowledge via WeChat official accounts.

Pandemic prevention and control materials management

- Provide masks, disinfectants, gloves and other epidemic prevention materials to employees on a daily basis.
- Regularly purchase disinfectant fluid, sanitizer, protective garment and other epidemic prevention materials to ensure adequate supplies



2) Communication and Care

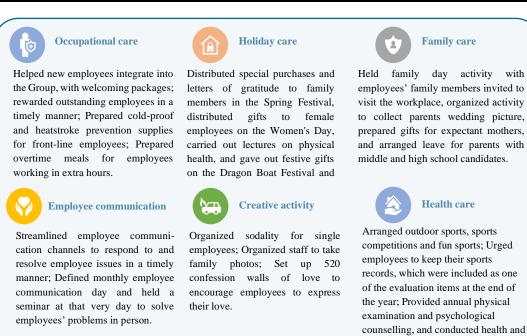
The Group attaches great importance to employee communication and care in the daily operation. In 2021, the Group published "Full of Happiness" Staff Care List, which clarified staff care content, in a bid to strengthen communication with employees, constantly improve their satisfaction and cohesion, and bolster the healthy growth of the Group.

This year, the Group established a special working team of "Happy Workplace" to actively listen to employees' voices, collect their opinions and resolve their problems. Through collective activities, enterprise culture publicity and implementation of subsidy policies, the team built a harmonious workplace atmosphere, helped employees create explicit working plans, and strived to foster a happy workplace culture exclusive for the employees of Country Garden Services.

Pandemic prevention in dormitory

- Strictly monitor temperature and health code of people entering and leaving the dormitory, and record such statistics on a daily
- Limit the number of diners eating at the same time, and place clapboard on the table to
- canteen staff before work every day, and measure and record their body temperature when

- Regularly disinfect office areas, elevators, toilets and other places
- spacing.



In September 2021, the Group held an activity match themed "Moon Cake and Festive Lantern" and invited employees to make festive lanterns with moon cake boxes, activating festive atmosphere while demonstrating humanistic care. The activity not only turned the waste of moon cake box into treasure, but also enriched employees' Mid-Autumn Festival experience, further enhancing their sense of participation, satisfaction and happiness during the festival.



psychological knowledge lectures.

Award-winning Works for the "Moon Cake and Festive

"Full of Happiness and Trust in You" Family Day Activity

This year, the Group held the family day activity themed "Full of Happiness and Trust in You" in Shunde District of Foshan City, inviting 25 groups of employee representatives and their families (nearly 100 people) from all over the country to participate in. The Group arranged multiple activities, such as visiting the Country Garden Cultural Exhibition Hall, issuing the anniversary badge and tasting Shunde cuisine, to increase employees' sense of belonging and express sincere gratitude to their family members.



"Full of Happiness and Trust in You" Family Day Activity

In addition, the Group carries out a happiness survey for all employees at least once a year, so as to dig out the causes for lacking happiness among employees and deal with the factors affecting their happiness from the source. This year, the Group received 17,697 valid questionnaires for the employee happiness survey. According to the survey results, the Group established 12 improvement measures to improve employees' happiness from three levels including basic security, emotional connection and self-realization, aiming to promote the overall improvement of employees' happiness. Meanwhile, the Group conducted a survey on the satisfaction of accommodation conditions of 1,650 projects in 12 districts, and promptly took improvement measures based on the survey results, striving to create a nutritious, healthy, clean and hygienic accommodation environment for employees.

3. Highlighting Virtue and Cultivating People for the Future

The Group attaches importance to the cultivation of outstanding talents and team building and has established a comprehensive recruitment, promotion, training, and development system to motivate employees to continuously learn and improve themselves.

1) Recruitment and Promotion

The Group highlights recruitment needs based on the demands for talents and carries out efficient and systematic recruitment activities via distinct recruitment channels to enrich the talent pool and ensure sufficient talent resources for the development of the Group. The Group established diversified talent introduction mechanism to achieve effective supply of talents and optimization of the talent structure. Meanwhile, the Group takes other measures (e.g. organizing industry salons) to expand recruitment channels and facilitate targeted introduction of key talents.



The "Future Plan" is a special recruitment plan for social management talents, in which special recruitment activities are organized according to the Group's periodic employment needs. In 2021, special recruitment activities focusing on scientific research were organized with the Group's digital transformation, so as to attract more outstanding researchers to join the Group.



The "Rocket Force" Programme and the "Star Youth" Programme, designed for the recruitment and development of management talent, aim to recruit new master students and undergraduates with managerial potential, and realize their upgrading to manager in one year, senior manager in two years, and director in three years through systematic step-bystep training.



The "Emerging Talent Programme" is a special recruitment and training program aimed at cultivating the backbone of the business. The Group selects graduates fresh with professional competence and comprehensive quality to inject more new force into the Group's business positions.



Recruitment channels

Based on the concept of co-operation and win-win development, the Group continues to work with universities on talent incubation to provide stable and continuous talent source for the rapid development of the Group. During the Reporting Period, the Group kept up with the trend of digital platform development and utilized new recruitment methods, such as on-line career talk and live broadcast of recruitment, which attracted outstanding graduates from over 40 colleges and universities across the country and received over 10,000 resumes from students in schools A total of 9,000 viewers watched the on-line career talk.

In addition, drawing a bead on the strategic objective of scientific and technological R&D capability and digital transformation development, the Group arranged special scientific social recruitment to bring in outstanding scientific research personnel, thus helping the Group to maintain the leading role in the digital property sector. During the Reporting Period, the Technology R&D Center recruited 137 persons the whole year, successfully accomplishing the goal of introducing social talents for the current year and replenishing the Group's critical positions to facilitate the reinforcement of the management capacity.

"Future Plan" Social Recruitment Fair

In January 2021, the Group launched the special recruitment campaign for the Technology R&D Center, and held the scientific research themed salon of "Future Plan" at the Four Seasons Hotel in Guangzhou in March, with over 130 interviewees joining in. With the theme of "Lead Technological Trend in Property Industry", the salon interpreted the Group's digital system build-up and organized in-depth discussions on the future development of the property industry, greatly igniting the enthusiasm of the participants.



Picture from the Scene of "Future Plan" Social Recruitment Fair

"Offer from Country Garden Services" Campus Recruitment

In September 2021, the Group launched the on-line career talk of "Offer from Country Garden Services" and invited business backbones, employees from previous school recruitment and HR in charge of recruitment to discuss interview strategies and career planning, attracting nearly 10,000 viewers from 40 well-known universities such as Tsinghua University, Fudan University and Wuhan University. With the theme of the trend in science and technology and the trend in future, the career talk placed emphasis on the advanced concept of services empowered by technology and offered a proposal for the recent graduates to properly choose their future career paths.





Publicity Picture of "Offer from Country Garden Services" Campus Recruitment

Talent Echelon Building System

The Group is committed to the cultivation of excellent talents and provides a wide range of career development space for talents 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 build a horizontal multi-channel and vertical multi-grade development system.

	M refers to the managerial post, which leads a team in a certain field and is divided
1	into 9 levels based on differences in management capacities

P refers to the professional post, where the person works independently in a professional field. The post is divided into 7 levels based on differences in professional capacities

B refers to the business/expansion post, whose primary function is to increase nonprincipal business operating income or to expand non-owned management area. The post is divided into 7 levels based on differences in business capacities

S refers to the service post, which is directly in contact with or serving customers and is divided into 5 levels based on differences in service capacities

Promotion Channel

P

R

S

Country Garden Services has established a comprehensive employee performance assessment and promotion system. We have developed assessment indicators and standards to conduct assessments for employees at all levels and in different positions. The performance assessment is carried out on a regular basis and the results are linked to the performance pay/bonus of employees and used as a reference

As at 31 December 2021⁴:

87.55% 87.55% of employees were trained

93.94 hours The average hours of training per employee was 93.94 hours

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basis for job promotion. The Group has established an internal grade system and a flexible position transfer system, which enable employees to select the appropriate professional development path based on their skill strengths and the Group's business needs. The Group also provides diverse promotion channels such as open competition, internal recruitment and targeted recommendation for employees. We accurately select management leaders by portraying the profiles of high-potential talents to facilitate the construction and development of talent echelon.

2) Training and Development⁴

The Group attaches immense importance to the cultivation of talents and has promulgated policies and systems such as *Talent Management Responsibilities and Requirements, Implementation Rules for Model Talent Base Management, Measures for Internal Tutor Management, Management Regulations* and *Youth 100 Plan*, to guide the implementation of talent development and training in each region. The Group cultivates internal tutor resources, to improve the talent pool and better deliver key talents for business. The Group also encourages employees to enhance their professional skills and knowledge after work, and supports them in pursuing further education in management or professions related to their positions and obtaining professional certificates during their tenure. Each department is entitled to apply for an annual training budget to support staff in their academic qualifications and skills upgrading.

The Group has drawn up the "Leadership Successor" schedule for management positions, department heads, business cadres and fresh graduates, and has set up a total of 8 training plans, including Field Programme and Excellence Programme to help the rapid development of talents in multiple positions and facilitate their career planning and promotion.

	Training objects	Training plans	Training achievements this year
Field Programme	Reserved regional general manager	6-month comprehensive training, including centralized training and executive forum	80 trainees completed their assignments, 68 trainees completed the course conversion, and over 2,800 viewers participated in the live broadcast
Excellence Programme	Reserved project leader	3-month to 6-month comprehensive training, including learning, training and practices	A total of 216 trainees engaged in the training, of whom 165 successfully completed the training, and 19 realized promotion

⁴ In 2021, the online and offline training data of the Group are included, the data of 8 subsidiaries are not included.

Elite Programme	Reserved department leader	12-month training focusing on "Improvement of Professional capacity and General Competence"	Each unit completed the inter- level business knowledge training, and included outstanding trainees in the future talent pool
Rocket Force Programme	Outstanding fresh postgraduate	Upgrading to manager in one-year, senior manager in two years and director in three years	30 trainees attended the intensive training, with a completion rate of 100%
Star Youth Programme	Outstanding fresh undergraduate	Upgrading to supervisor in one year, vice manager in two years and manager in three years	114 trainees attended the intensive training, with a completion rate of 100%
Emerging Talent Programme	Outstanding fresh junior college student	Cultivating internal business backbones by internship, accelerate the training and annual review	Departments and equity companies recruit graduates according to their business needs and develop them into talents for grass-roots positions
Youth 100 Plan	Outstanding young people	Selecting talents through internal selection criteria, and arranging training according to position requirements	Two sessions completed, with the appointments rate of 100%
Broad Cadre Programme	Excellent management cadre	Deploying cadres to different regions for agile arrangements to build up a cadre team with management capability and knowledge	A total of 61 cadres were shortlisted, 11 of whom completed the assignment

Meanwhile, the Group optimizes the internal training course system and sets up regular, professional and personalized training programs for each position, so as to enhance the professional, general, and management capabilities of our staff. In addition to the training programs for key personnel, the Group also organizes training for lecturers, continuously updates internal training courses, and provides SOP (standard operating procedures) and training laboratories as well as other related process systems for frontline employees. The Group takes training as a medium to provide training on applied skills to employees under simulated work practice scenarios anytime and anywhere, to comprehensively improve their work skills and quality.

Regular Bi-week Training

In September 2021, the Group launched the Regular Bi-week Training for heads of units, regional managers, heads of platform departments, project heads, Rocket Force, Star Youth, etc. The training focused on basic services, community life, urban services, etc. and introduced problem solving methods by presenting real cases and simulating business problems, which effectively reinforced employees' professional qualification. A total of five Regular Bi-week Trainings were completed this year, covering nearly 10,000 employees.



Photo of the Scene of Regular Bi-week Training

Lecturer Training Project

Since the establishment of the Group's lecturers team, it has 1,615 Professional Certified Lecturers and 3,886 Professional Certified Coaches, playing a leading role in property industry training. The lecturing quality is fundamental to the Group's training development. Under the Lecturer Training Project, the Group updated the lecturers' teaching methods and their training content, thus providing strong support for the Group's development.



Photo of the Scene of Lecturer Training Project

ESG Issues Responded in this Chapter

Green operation and environmental impact

Saving water usage

Smart city construction and ecological balance

Waste management

Improving energy use efficiency

Carbon emission and response to climate

SDGs Responded in this Chapter



IX. Fulfilling Environmental Protection, Safeguarding Ecological Environment

Strictly complying with the *Law of the People's Republic of China on Environmental Protection*, the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution from Fixed Waste* and other laws and regulations, the Group adheres to the country's green development strategies and steadfastly following the basic route of low-carbon development, consistently improves environmental management measures, and actively deals with the risks of climate change, in a bid to reduce the potential impacts of our operations on the ecological environment and natural resources.

1. Green Management System

The Group has obtained the ISO 14001:2015/GT/T 24001-2016 environmental management system certification and has established an environmental management system in accordance with its inherent business features to upgrade the environmental protection system, gradually improve the internal environmental protection mechanism, and implement publicity on environmental protection.

The Group's environmental management system covers three aspects - improve environmental system development, improve the environmental protection system, and raise environmental protection awareness among all staff. The details are as follows:

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

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

Actively implement environmental protection education and publicity activities, convey environmental protection concepts to employee, property owners, partners and other stakeholders, gradually improve the community's environmental protection facilities, and promote environmental safety awareness among all staff.

2. Green Development Goal

Improve

environmental

system

Improve the

environmental

protection system

Raise environmental

protection awareness

among all staff

To strengthen the tracking and control of environmental management benefits, the Group has set four development goals of water conservation, waste reduction, energy efficiency and emission reduction, and made action plans from rational utilization of water resource, waste reduction, natural resource protection and responding to climate changes.

Water Efficiency Goal

Strengthen the management of water consumption module on energy consumption platform and conduct real-time monitoring of water consumption data in each area to achieve the timeliness and effectiveness of risk assessment on water resource and reduce water consumption risks such as running, spraying, dripping and leaking.



 CO_2

- Comprehensively promote the water pump renovation, applying in all the water pump rooms of the project, to reduce the water loss rate and water consumption.
- Reasonably adjust the frequency of water consumption, dedicate water for exclusive use, and investigate abnormal causes for water consumption to promote green office operation and improve water efficiency.
- Promoting green office operation and improving water efficiency by rationally adjusting the frequency of water use, using dedicated water exclusively, and investigating the cause of abnormal water consumption.

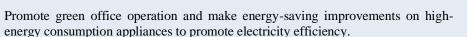
Waste Reduction Goal

- Formulate and implement the Procedures for Resource Management and Procedures for Fixed Waste Disposal to prevent general and major environmental pollution incidents.
- > Popularize paperless office, reduce office garbage, and promote waste recycling.

Energy Efficiency Goal

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Strengthen the use of clean energy, encourage business and managed projects to use nature gas. Lay out charging pile construction and new energy vehicle applications. Plan to lay 50,000 car charging piles in 2022.



- > Promote green travel and online meetings to reduce the frequency of business travel.
- In 2022, the group plans to retrofit more than 900,000 lamps for energy saving, which can save more than 50 million kilowatt-hours of electricity, and it is expected to cover more than 1,200 projects and save more than RMB7 million in electricity costs per year.

Emission Reduction Goal

- Formulate and implement the internal systems such as the Environmental Factors Identification Assessment and Prevention Control Procedures.
- ➢ Gradually reduce the intensity of greenhouse gas emissions in total, and contribute to limiting the global temperature rise to 1.5℃ by the end of the century.

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

3. Green Property Promotion

Strictly abiding by national laws and regulations, the Group has formulated and implemented relevant internal management systems and actively pursued green operation concepts while improving the

2.527 million m³

During the Reporting Period, the consumption of natural gas in 2021 was 2.527 million cubic meters, with an increase of 8.3% over 2020 systems of resource and energy management, to continuously promote energy-saving and emission reduction and explore the transition to low carbon.

1) Energy Management

In strict observance of policies of the law such as the *Law of the PRC on Energy Conservation*, the Group carried out a series of specific work during the Reporting Period, namely, saving energy by improving the lighting system of commercial office buildings and basements and reducing emission by building the Energy Consumption Control Platform and using new energy unmanned vehicles, and organized the curriculum training of *Green Energy-Saving of Commercial Office Buildings*, to promote the rational allocation of resources in the process of operation, reduce the consumption of resources, and enhance the efficiency of energy and resource use.

Elevator Air- conditioning	Temperature-controlled or timer-based switches are installed in elevator rooms to adjust the switching on/off of air-conditioning equipment; when the elevator is under maintenance, the air-conditioning equipment is shut down automatically.
Indoor Air- conditioning	The Company fully utilizes natural ventilation to regulate the office temperature, the air conditioning temperature is set at a fixed temperature—the indoor air conditioning temperature in summer cannot be set lower than 26 °C and the indoor temperature in winter cannot be set higher than 20 °C; during the transitional seasons, the cooling system is not turned on, and the fresh air system can be turned on to ensure air circulation.
LED Light Sources	The Company adopts an "every alternate lamp lighting" model and strictly enforces energy consumption control. It has developed programs to gradually replace non-LED light sources with LED light sources and employs microwave motion sensor-based LED light sources in garages.
Energy-saving Pumps	The Company adopts advanced energy-saving pumps and has implemented energy-saving improvements to domestic water supply systems in several regions.

2.5-5w

The Pak 18W LED ceiling lights that originally installed in the commercial office building were replaced by voice-activated and dual-brightness 2.5-5W LED ceiling lights with high quality and high illumination in a customized style

10w, 2w, 4w

After the upgrade, the lighting system of underground parking garage can realize the full brightness of 10W for people or cars coming, and the brightness of 2W for people or cars leaving with a delay of 30 seconds. The average power is 4W

71 garages RMB**3.36** million

As at 31 December 2021, 71 underground parking garages lighting had been upgrade, saving about RMB3.36 million in energy costs throughout the years

Construction of Energy Consumption Control

The Group has constructed the Energy Consumption Control Platform to strengthen the control efficiency of energy consumption. In terms of business, the Group realizes the unified management of meter and energy consumption data by linking two major aspects of meter reading and account entry in the charge system, reduces water consumption risks of running, spraying, dripping and leaking through standardized and normalized management. In terms of function, the Group makes meter reading more convenient by adding camera function in APP to identify the reading through scanning the QR code, ensuring the authenticity and timeliness of energy consumption data.



Lighting System

During the Reporting Period, the Group has completed the upgrading of lighting systems in several commercial office buildings such as Guangzhou Yingkai Square and 71 underground garages, and replaced the lighting in the lobby, corridors, fire stairs, etc. Radar induction control lamps and intelligent identification system can effectively solve the problems of high power, constant lighting, difficult management and high operating costs. While realizing the dual guarantees of safety and energy saving, the renovation has reduced the lighting energy consumption in the public areas of commercial office buildings by an average of 15%. The Group's own projects saved about RMB3.36 million in energy costs throughout the year.



Guangzhou Yingkai Square Lobby LED strips



garage lighting system

The Unmanned Vehicle "Apollo" Introduced by the Property Management of Smart Industrial City to Facilitate the Development of New Energy

The Group's property management of smart industrial city helps monitor the energy efficiency of smart buildings by taking advantage of hardware technology of Smart Internet of Things. The Group analyses the trends of capacity and energy utilization, conducts comprehensive evaluation of energy consumption indicators, and makes online dynamic monitoring on regional energy with the help of power generation and energy consumption data of new energy. The Group makes real-time monitoring of the running status of energy systems to timely understand energy consumption of the industrial city and provide a strong data basis for rational allocation of resources, energy-saving and emission reduction in the industrial city.



The New Energy Unmanned Vehicle "Apollo"

2) Water Resource Management

The Group actively implements the management planning of water resource, optimizes water conversation measures related to the two modules of community and urban service water resource managements, and actively advocates water conversation while strengthening the recycling of water resource and refining the management and utilization of water resource. During the Reporting Period, the water used by the Group was mainly supplied from municipal water and there were no difficulties in obtaining suitable water resources.

The Group pays attention to water conversation in the whole process of the supply chain, strictly assesses suppliers from environmental and water resources and gives priority to suppliers with environmental management system certification in an effort to build a high-quality supply chain system with abundant water resource.

The Group makes upgrades and renovations on water pumps in the community's water resource management. During the Reporting Period, 28 improvement projects had been put into use, achieving the highest energy-saving rate of 84%. In addition, the Group optimizes the water supply system by reasonable adjustment of the frequency of water consumption, utilization of dedicated water for exclusive use, investigation of abnormal causes for water consumption to reduce the water loss rate and promote the realization of water efficiency.

28 projects 88.8%

9 projects As of 31 December 2021, A total of 28 water pump renovation projects have been completed. The projects are mainly carried out in Guangdong, accounting for 88.8%, of which the maximum renovation projects in Eastern Guangdong-Huizhou-Shenzhen is 9

RMB1.09 million RMB1.78 million The energy-saving of water pump renovation

project is about RMB1.09 million, with an annual amount of RMB1.78 million

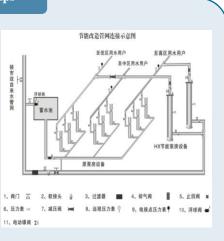
47%, 84%

After the renovations, the average energysaving rate is 47%, and the highest energysaving rate is 84%

Fulfilling Environmental Protection, Safeguarding Ecological Environment

Renovation on Pressure-superposed Water Pumps

The Group makes upgrades and renovations on original domestic water pumps, effectively integrates multiple sets of equipment while maintaining the water quality, and realizes direct pressure-superposed water supply on the basis of the municipal network additive pipe pressure to reduce the basic points of energy consumption and water loss rate. The Group adjusts the operation frequency of water pumps according to changes in water volume and pressure, with on-demand water supply, saving water resources and promoting overall green transformation of development.



Renovation schematic diagram

Operation frequency •

Reasonably regulate the frequency of cleaning and landscaping operations and water consumption, reduce water flooding, and promote permeable pavements.

Dedicated Switches •

Design dedicated switches, joins, or locks for cleaning and greening water supply points to avoid access to water by unauthorized personnel.

Sub-meters abnorm losses

Install sub-meters to accurately calculate water consumption in public areas, investigate abnormalities and reduce water consumption losses through year-over-year and quarter-onquarter comparison.

Leakage Investigation and Remediation

Organize leakage investigation and remediation for projects with high water loss rates, to reduce water loss costs.

In terms of city service water resource management, the Group implemented a number of environmental protection measures such as riverway regulation during the Reporting Period to help manage urban river waters and practice the construction of ecological civilization.

Riverway Cleaning Project by Sanitation Workers in Fengyang Town, Lianzhou City

The Group carries out comprehensive cleaning services covering 80km of riverway in Fengyang Town, Lianzhou City, uses the integrated intelligent sanitation system to upgrade the whole process of sanitation operation with intelligence, platform-based and digital technologies and effectively conducts daily riverway management and protection and cleaning work of river slope and water surface, while removing garbage, debris and floating objects from inland rivers. By doing so, the Group has established a long-term mechanism for cleaning of river waters and promoted the construction of local ecological civilization.



Riverway Cleaning Project in Fengyang Town, Lianzhou City

3) Waste Management

Strictly abiding by national laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, the Group has formulated and implemented internal systems such as the *Procedures for Fixed Waste Disposal* to guide to segregate garbage in the communities in a standardized manner, promote the level of garbage sorting and disposal by using innovating incentives and digital intelligent equipment and continuously optimize the communities' environmental governance.

Orderly Implementation of Garbage Sorting in the Community

In May 2021, the Group's region in Shijiazhuang of Hebei Province actively responded to the government policy of *Administrative Measures for Domestic Garbage Sorting of Shijiazhuang*, withdrew garbage cans originally replaced in the corridors while putting them in the designated places, timely publicized relevant knowledge, and implemented the point mechanism on garbage sorting to mobilize the enthusiasm of property owners. The Group set intelligent voice broadcast at the place of garbage cans, designated supervisors to supervise and give guidance to garbage sorting, ensuring the implementation of garbage sorting in an all-round way.



The Drop Point for Garbage Sorting of Tianhui Project of Country Garden in Shijiazhuang

4) Environmental and Natural Resource Conservation

The Group formulates and implements internal management systems such as the *Procedures for Resource Management* and the *Assessment and Scoring Standards for Landscaping Management and Maintenance* to strengthen the construction of greening and enhance the efficiency of resource use. At the same time, the Group takes multiple measures to maintain biodiversity and prevent soil pollution, so as to maintain a virtuous cycle of the ecological environment and effectively protect the environmental and natural resources. Those measures include:

- Regularize the use of pesticides, herbicides, fertilizers, and other chemicals, prioritize the use of environmentally friendly drugs and avoid damage to the soil and groundwater environment.
- Explore and implement biological control-based pest control techniques (microbial pest control, insect pest control, bird pest control, hormone pest control, etc.) and physical control (bait trapping, light trapping, clearing of disease spots, heat treatment, etc.).
- Mark ancient trees in the residential areas managed by the Group with signs and carry out regular maintenance.

At the same time, we actively spread the awareness of green and environmental protection among our owners, employees, and other stakeholders, and convey the culture of environmental protection such as caring for green plants, reusing recyclable resources, and segregating garbage through nationwide green promotion activities, and are collaborating to build a green ecological home. During the Reporting Period, the Group's business activities did not have a significant impact on the environment and natural resources.

5) Emission Management

To reduce environmental emissions from the Group's own and managed projects, the Group has formulated and implemented the *Procedures for Identification and Assessment of Environmental*

Factors and Prevention and Control to identify the risk of emission pollution that may result from the Company's operations involving the social environment, operating environment, infrastructure, working environment, engineering and maintenance materials, cleaning supplies and greening materials. In addition, the Group coordinates the implementation of environmental management indicators, supervises the implementation of environmental prevention and improvement measures in the Group's subsidiaries and departments, and assists the functional departments in the identification, assessment, and improvement of environmental factors.

4. Respond to Climate Changes

Understanding that extreme weather disasters and effects of global warming arising from climate changes have an impact on business operations, the Group actively responds to relevant risks of climate changes and pays attention to carry out effective prevention and real-time monitoring in parallel. To improve the transparency of the sustainability reporting, the Group refers to the proposed framework of Task Force on Climate-related Financial Disclosures (TCFD), further discloses the effects of climate changes on the Group's operations, adopts related solutions and strengthens the construction of risk management system, while continuously optimizing the structure of risk governance and deeply implementing the strategy of sustainable development.

Governance: Assessment and Monitoring on the Effects of Climate Changes on Business Operations

The Group's ESG Committee is responsible for formulation and review of relevant policies on climate changes, supervises climate-related risks and opportunities, and includes related physical and transformation risks into the Group's process of risk assessment, while overseeing the effective management of risks on climate change in the Group's operations, so as to mitigate the effects of climate changes on business and strengthen the Group's capability for climate changes.

Strategy: Reinforcement of Institutional Building and Control Measures for Climate-related Risks and Opportunities

The Group fully implements the *Emergency System for Disasters*, improves the level of property emergency management and regularly organizes emergency drills, while strengthening the reminder and publicity of natural disasters and making solid efforts to hidden danger identification, so as to effectively protect the life and property safety of property owners and employees.

The Group formulates and implements the *Emergency Management System of Country Garden Services for Natural Disasters such as Typhoons and Flood Control* ("*Emergency System for Disasters*") to make detailed regulations on the prevention and rescue of severe weather, such as inspection of emergency supplies and first-aid kits, check and reinforcement of facilities and equipment in public areas, and proactive measures for cold snap, wind and snow weather.

Risk Management: Identification and Management of Climate-related Risks

By reference to the TCFD proposal, the Group subdivides risks on climate changes into physical and transformation risks, and conducts risk assessment of climate changes. The industry of the Group exposes to risks on community safety, public facilities and equipment and environment due to climate changes. Therefore, while assessing risks and implementing projects, the Group further improves risk management system, includes climate risk management to the management system, quantifies the influence coefficients and assessment objectives, and puts forward targeted prevention and solutions, promoting the establishment of a risk control system of "prevention before the process, control during the process, and treatment after the process". At the same time, the Group will pay close attention to changes in environmental policies, actively respond to the national call, strengthen the compliance construction of environmental management, and seize the opportunity to promoting the green and low-carbon transformation.

Indicators and Goals: Indicators and Goals for Assessing and Managing Climate-related Risks and Opportunities

The Group has formulated green development goals such as water efficiency, waste reduction, energy efficiency and emission reduction, and has made specific measures to the realization of the goals. At the same time, the Group continues to strengthen the disclosure of environment related information, strengthen the protection of investors' rights and interests, and actively promote the development of green property.

Respond to Climate Changes, Construct Safety Defense

Extreme weathers incurred in 2021 such as flooding in Henan on July 20 and heavy rainfall of the sixth Typhoon In-fa, the Group took the following measures to respond in an orderly manner, quickly implementing flood control preparations to effectively protect the property and life safety of property owners:

- Monitor the community environment through digital platforms, update the climate change situation in time, and take timely measures to improve the efficiency of response.
- Check and inspect potential risks in the residential areas to prevent hidden dangers such as damaged facilities, poor drainage or back flow of rain.
- Establish material supply warehouse for flood control to construct the "flood control wall" with sufficient materials.
- Arrange sandbags for flood control, keep an eye on the dynamics of the flood season, and carry out a series of work such as inspection, dredging, cleaning, and drainage in an orderly manner.
- Arrange special staff to make real-time monitoring on community drainage and weather information, and effectively communicate flood information in chat groups of property owners.



The Site of Flood Control

ESG Issues Responded in this Chapter

Promote Community Development

Public Charity and Social Services

SDGs Responded in this Chapter





X. Sincerely Contributing Back, Being a Good Social Enterprise

Committing to building a harmonious and beautiful social environment and responding the property owners' diversified demands, the Group deeply implements the social spirit with pursuing public welfares, actively undertakes the responsibility from the state and the era, initiatively throws itself into disaster relief and emergency response, rural revitalization, public charity and community renovation, rewarding society with the sincere heart.

1. Bravely Assume Responsibility to Disaster Relief and Emergency Response

In the face of repeated outbreaks of the epidemic and natural disasters, the Group has bravely undertaken corporate social responsibility and helped the country overcome difficulties.

1) Fighting Against the Epidemic

During the Reporting Period, actively responding to regional epidemic prevention policies, the Group issued the internal documents such as the *Notice on Continuing to Implement Epidemic Prevention and Control*, carries out the requirements of epidemic prevention, and conducted prevention and control work jointly with the community, while providing materials and building a solid defense line with detail-oriented and technology-based, to provide a safe and harmonious living environment for property owners and the public.

Standardized Daily Prevention and Control

The Group cooperates with various units to carry out community-based epidemic prevention, organizes volunteer service teams of Party members, and actively participates in voluntary services such as nucleic acid testing for residents carried out by the government.

Immediate Response to the Management of Epidemic Prevention in Northwest China

In mid-October 2021, there was a resurgence of the epidemic in northwest China. According to the Notice on *Continuing to Implement Epidemic Prevention and Control* issued by the Group on 8 January 2021, all project teams of the Group promptly launched emergency response plans, implemented strict personnel management and daily disinfection, and assisted in carrying out multiple rounds of nucleic acid testing. At the same time, the teams organized caring activities to actively relieve the property owners' emotions, demonstrating the Group's management level with "Speed of Country Garden Property", which was highly praised by the property owners, media and government.



Silk Banners Given by the Property Owners to the Local Project Team in Northwest China

Serving Property Owners through Intelligent Epidemic Prevention

In order to meet the material needs of property owners and effectively reduce the impact of the epidemic on their lives, the Group strengthens epidemic controls by adopting intelligent measures such as the Entrance Guard System, Monitoring Cloud System, Bi Le Tao System and "Bi Shi Tong" Video conferencing software, improving the efficiency of temperature test and automatically updating data monitoring situation on epidemic prevention of the community.

Entrance Guard System

Retrofit integrated equipment for face recognition and temperature test at entrances and exits and realize rapid face recognition comparison and temperature measurement between property owners and visitors by calling the property owner and visitor databases to speed up the efficiency of personnel passing, reduce personnel contact and help carry out epidemic prevention and control.

Monitoring Cloud System

Carry out real-time automatic detection on whether people entering the community wear masks or not and the spacing distance of pedestrians and give according reminders to them by combining with VR and face recognition technologies, and upload relevant data to the background system for analysis to allocate epidemic prevention personnel more reasonably and efficiently, improve the efficiency of epidemic prevention, and ensure the effect of epidemic prevention.

Country Garden Services Happy Shopping System

Provide quality products to more than 140,000 users through more than 17,000 local group-buying organizers and effectively reduce person-to-person contact by systematic procurement to address the problem of difficulty in buying goods during the epidemic and meet the needs of residents to buy quality goods without leaving their homes.

2) Immediate Aid of Henan

Actively responding to the disaster relief, the Group organizes the employees to stay on the front line of flood control, integrates team resources to assist disaster areas, protects the life and property safety of every property owner with a professional attitude.

Unity to Help Fight Flood in Henan

In July 2021, many places in Henan were hit by heavy rain. The Group took immediate measures to ensure the personal and property safety of more than 70,000 owners of projects in the flood-stricken areas of Henan.

- > Urgently purchase and dispatch materials for flood control to the disaster-hit areas
- > Purchase materials for providing free meals to property owners
- Organize the employees to arrange sandbags for flood control and check the hidden dangers of sewer pipes
- Set up a volunteer service team to clean water and garbage in Zhengzhou East Railway Station
- Post the notices on flood situation in the community, and set 24-hour rolling reminders in the WeChat moments
- Set up a "material delivery team" to deliver water and meals to the property owners who have difficulty in moving



Material trucks arrive in Country Garden in Henan



Property administrators raise the flood control wall



Country Garden Wanshan Lake No. 1 provides free meals for the property owners



Party member employees of Country Garden Services staff and volunteers clean the stagnant water

26+bases, 5 provinces,

30+cities

The group has established more than 26 housekeeping training bases, "Phoenix Home", were opened and cover more than 30 cities in 5 provinces across China

4,170 persons A total of 4,170 poor people had been trained

*RMB***1,000**+

Trainees' salaries generally increase by more than RMB1,000 through re-employment trainings

RMB30,000, 30 children

RMB30,000 for the "Hope 100" Dream Space Programme has been raised, which can help 30 children in need

2. Help to Promote Rural Revitalization

Guided by the goal of common prosperity, the Group actively responds to the strategy of "rural revitalization" by combining urban services with rural revitalization.

1) Talent Revitalization

The Group empowers rural revitalization with talent revitalization and enhances rural development capacity through vocational skill trainings.

Talent Revitalization: "Phoenix Home" Housekeeping School

During the Reporting Period, the Group's "Home Service Division" remained true to its original aspirations while providing high quality services. It actively participated in the construction of "Southern Guangdong Housekeeping Services" project, continuously expanded the layout of "Phoenix Home " housekeeping school and created connections among training, employment and entrepreneurship, so as to provide employment and entrepreneurship platforms for the poor in poverty-stricken areas, create hundreds of thousands of jobs for society, and contribute to rural revitalization.



Group Photo of the Training of "Country Garden Services- Southern Guangdong Housekeeping Services"

Talent Revitalization: "Hope 100" Education Aid Initiative

Focusing on the construction of rural education, the Group, together with Guoqiang Foundation and China Siyuan Foundation for Poverty Alleviation, carries out the "Hope 100" education aid initiative. After the effective improvement of rural teaching level, the Group continues to optimize the education sponsorship program and launches the "Hope 100" Dream Space Programme, customized "Five ones" family learning space for rural children, and effectively addressed the needs of students.

1 solid wood study desk

- 1 solid wood study chair
- 1 rechargeable study lamp
- 1 intelligent companion robot
- 1 weighty extracurricular book

2) Industry Revitalization

The Group promotes industrial revitalization by helping farmers sell goods, and accelerates industrial economic transformation and urban-rural integration construction with the help of the community.

Sincerely Contributing Back, Being a Good Social Enterprise

*RMB***10.32**

million As at 31 December 2021, the cumulative sales of "Power of Community" reached RMB10.32 million

3 days, 50,000

catties "Agriculture Development by Digital Economy and Electronic Commerce" A Total of 50,000 Catties of Honey Pomelos Sold By 3-day Live Broadcast in Mid-Autumn Festival

26,000 times 200,000

times The live broadcast was watched 26,000 times and short videos were viewed more than 200,000 times

5,000+

Plants

RMB1+ million

As at 31 December 2021, more than 5,000 flowers and plants were sold in the "Happy Field of Flowers" activity, earned more than RMB1 million for flower growers Industry revitalization: "Power of Community" and "Agriculture Development by Digital Economy and Electronic Commerce" Activities

The Group has carried out the consumption activity of "Power of Community" for supporting farmers, together with Guangdong Bixiang Science and Technology Development Co., Ltd. (聯合 廣東碧鄉科技發展有限公司) ("Bixiang"), to promote guiqi mangos, Jinggangshan yellow peaches, Dongxiang sheep, and gonggan oranges for four consecutive years. In the Mid-Autumn Festival of 2021, in order to comply with the new retail trend and promote the "City Coexistence Programme", the Urban Service Department of the Group carried out the "Agriculture Development by Digital Economy and Electronic Commerce" activity, sold honey pomelos by live broadcast in Dapu, Meizhou, while promoting the development of agricultural economy with digital innovation and contributing to social harmony and win-win.



Poster of Support of Farmers by Consumption Activity of "Power of Community"



"Agriculture Development by Digital Economy and Electronic Commerce" Activity: Live Broadcast of Honey Pomelos in Dapu, Meizhou

Industry revitalization: Support of Farmers by Public Welfare Activity of "Happy Field of Flowers"

Since January 2021, in combination with the requirements of epidemic prevention and control and the spring greeting custom of visiting flower markets and buying flowers for the new year, the Group has carried out "Happy Field of Flowers" activity to help farmers and facilitate property owners in more than 200 communities: holding offline "Micro Flower Market" activity in the community and online "Cloud Flower Market" activity to develop sales channels for flower farmers; inviting flower farmers into the community to facilitate property owners to buy flowers for the new year without leaving home. The activity not only improves the life experience of property owners, but also innovatively and effectively solves the dilemma of dull of sale of flowers, making the Spring Festival warmer.



Support of Farmers by Public Welfare Activity of "Happy Field of Flowers"

3. Community Culture and Public Welfare Services

The Group actively participates in social construction, and is committed to carrying out cultural and public welfare activities that benefit more groups, while enriching the community life of property owners and helping the disadvantaged groups in society, to contribute to positive development of the city with conducting practical actions and performing responsibilities.

1) Community culture development

During the Reporting Period, the Group carried out cultural, sports and art activities suitable for various groups, such as Blessings for Spring Festival and Parent-child Garden Tours, according to the preferences of the masses and social fashion. The Group also paid attention to the cultural atmosphere of the community and hold the community library and the "birthday party for the elderly" activity to enhance the communication between neighbours, improve the satisfaction of property owners, and promote the construction of a civilized and scholarly city.

Sending blessings during the Year of the Ox

In the Spring Festival of 2021, the Group carried out the "Blessings for Spring Festival" activity in each community, organized to purchase finished spring festival couplets and fu zi as gifts to property owners, and helped the elderly living alone to post them. At the same time, the Group invited calligraphy lovers and property owners to write spring festival couplets to show their talents, creating a strong Spring Festival atmosphere. They exchanged couplets to each other, which enhance the harmony between neighbors.



The Group's Employee Is Sending Spring Festival Couplets



Writing Spring Festival Couplets



Group Photo of Staff and Property Owners

Creation of Cultural Atmosphere Through Community Library

On 18 May 2021, the Group officially unveiled "4:30 School Library" of Jade Bay Project in Luzhai, Guangxi. As the first reading demonstration site in the local community, the library enhances the good-neighborly and friendly relations of the community, stimulates the property owners' interest in reading, and promotes the construction of a high-quality cultural atmosphere toward beauty and goodness by building a platform of "meeting friends with books".



"4:30 School Library" of Jade Bay Project of Country Garden in Luzhai, Guangxi.

2) Community Public Welfare Services

The Group cares for the welfare of the community residents, and delivers warmth and care to property owners through giving supports to the College Entrance Examination, and providing free clinics and other public welfare services.

Considerate and free clinic services to property owners

On 14 April 2021, the Group joined hands with local communities and street offices to carry out free clinics in many areas. Chief physicians were invited to check property owners' physical condition and answer their health-related questions for free. These free considerate services suited property owners' demands and enhanced their life experience, and thus helped the Group win their recognition and praise.



"Caring Free Clinic" at Country Garden (Anqing)

3) Red Spirit Featured Property Management

The Group injects the red spirit into property management in an active manner, and manages to promote the red spirit by working on Party building and engaging in public welfare and charity activities. The Group is committed to building property management units into a service platform of primary-level party organizations to create a general pattern of primary-level governance that is closely interrelated and coordinated.

200+

The free clinic service at Country Garden (Anqing) reached more than 200 property owners In July 2021, to celebrate the centenary of the founding of the CPC, the Group launched a series of campaigns to deliver positive energy to the society and assist in building a good atmosphere for public welfare:

- Our Party branch in Shunde, Foshan, organized the "Donating Blood & Delivering Love" activity to encourage employees to do anything good no matter it is big or small, and carry on the positive spirit of selflessness and devotion to the society.
- A political collective activity was held to celebrate the CPC Founding Day, where Party members and representatives shared their original aspiration and experiences of joining the CPC, which enhanced their sense of responsibility and mission to give back to primary-level units and serve the masses.
- Gifts such as learning books and notebooks were given to Party member employees to celebrate the founding of the Party and remind Party members to play a pioneering and exemplary role in work and life.
- Employees were organized to learn the spirit of the Sixth Plenary Sessions of the 19th National Congress of the CPC and practice it in our property management practice, so as to make concerted efforts to build a better socialist society in the new era.
- A Party history knowledge contest was carried out to deepen employees' cognition of the Party spirit.



Group photo of employees participating in the activity of "Celebrating the Centenary of the Party's Founding - Donating Blood & Delivering Love" in Shunde, Foshan



Party's Founding Day (July 1) Gifts to the Staff



The Founding Day Celebration Cards and Learning Books



Employees at the Group level learn the spirit of the Sixth Plenary Sessions of the 19th National Congress of the CPC

Party history knowledge contest

In April 2021, the Group launched an online Party history knowledge contest, and called on employees and their family members, property owners, personnel from the county we assist, and partners to participate in the contest. Later in June, the offline contest started. After fierce competition, 8 teams stood out and entered the final in October. The Party branch in Southern Hubei won the championship at last. This activity was carried out in a novel and interesting way. It greatly stimulated employees' enthusiasm for learning the Party history, deepened their understanding of the corporate culture with love to the Party and the country, and further practised the spirit that "we address the masses' practical problems".



The Final of Party history knowledge contest

Appendix I: Index of Key Performance Indicators (KPIs)

Environment

ESG Indicators	Unit	2021 Data ^{(1) (2)}	2020 Data	2019 Data
Emissions ⁽³⁾				
NOx emissions ⁽⁴⁾⁽⁵⁾	kg	2,041.37	1,902.07	604.05
SOx emissions ⁽⁵⁾	kg	0.10	0.11	0.15
Greenhouse gases				
Total greenhouse gas emissions (Scope 1 + Scope	4.0.0	574 214 00	440 240 41	292 202 75
2, carbon dioxide equivalent emissions)	ton	574,314.08	440,249.41	383,203.75
Scope 1 (CO ₂ equivalent emissions) ^{(6)}	ton	5,782.83	5,442.95	2,035.37
Scope 2 (CO ₂ equivalent emissions) ⁽⁷⁾	ton	568,531.25	434,806.46	381,168.37
Hazardous waste				
Total hazardous waste ⁽⁸⁾	ton	0.75	4.79	3.79
Weight of wasted batteries	ton	0.75	4.79	3.79
Non-hazardous waste				
Total non-hazardous waste ⁽⁹⁾	ton	2,712.35	2,028.53	2,219.37
Weight of office waste	ton	468.92	577.58	1,323.55
Weight of food waste	ton	2,243.43	1,450.95	895.82
Energy				
Total energy consumption ⁽¹⁰⁾	'000 kWh	692,665.51	534,664.20	438,170.30
Total energy intensity ⁽¹¹⁾	'000 kWh / m ²	0.0013	0.0012	0.0016
Non-renewable fuel (direct) consumption ⁽¹²⁾⁽¹³⁾	'000 kWh	28,715.91	26,987.52	9,866.29
Pipeline natural gas consumption	'000 kWh	27,322.72	25,402.47	7,753.99
Liquefied petroleum gas ("LPG") consumption	'000 kWh	1,393.18	1,585.05	2,112.30
Energy purchased (indirect) consumption ⁽¹⁴⁾	'000 kWh	663,949.60	507,676.68	428,304.02
Outsourced power consumption	'000 kWh	663,949.60	507,676.68	428,304.02
Water				
Water consumption	m ³	29,881,488.74	28,490,751.03	28,144,265.96
Water consumption intensity ⁽¹¹⁾	m³/m²	0.058	0.066	0.102

Notes to Environmental KPIs:

- 1 The scope of data collection of environmental KPIs in 2021 is consistent with that of 2020 (due to the merging and separation of individual regions and projects in management, there are changes in the number of regions and projects in this year), including: office areas of the Group's headquarters, 33 regional company/city company offices areas, and a total of 931 project company office areas and common property management areas under their management, as well as all non-outsourced staff canteens.
- 2 Data conversion methods and coefficients are mainly with reference to the *Appendix 2: Reporting Guidance on Environmental KPIs* to the *How to Prepare an ESG Report* released by the SEHK, with several exceptions where the data conversion methods and coefficients are detailed in relevant notes.
- 3 The Group does not operate official cars; therefore, no particulate matter emission data was recorded.
- 4 NOx emissions are generated from pipeline natural gas and LPG consumption. The natural gas emission factor is selected with reference to the *Methods for Emission Factors and Material Accountancy Applicable to Industries Not Included in Emission Permit Management (Trial)* issued by the Ministry of Ecology and Environment of China in 2017.
- 5 SOx emissions are generated from LPG consumption. The LPG calorific value coefficient is selected with reference to the *Guidelines for Accounting Methods* and *Reporting of Greenhouse Gas Emissions from Enterprises Operating Public Buildings (Trial)* issued by the National Development and Reform Commission of China in 2015.
- 6 The GHG emissions (Scope 1) arise from the combustion of fuels from stationary sources (other than electrical installations) to generate heat or steam, such as the consumption of pipeline natural gas and LPG for non-outsourced employee cafeteria gas stoves, heating boilers, etc. The natural gas calorific value coefficient and emission factor are selected with reference to the *Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions from Enterprises Operating Public Buildings (Trial)* issued by the National Development and Reform Commission of China in 2015.
- 7 The GHG emissions (Scope 2) arise from the purchased electricity consumed within the company. For the GHG emission factor of purchased electricity, refer to the *Baseline Emission Factors of China's Regional Power Grids for Emission Reduction Projects in 2019* issued by the Ministry of Ecology and Environment of the People's Republic of China.

- 8 Total hazardous waste = Total weight of wasted batteries.
- 9 Total non-hazardous waste = Weight of office waste + Weight of food waste.
- 10 Total energy consumption = (Direct) energy consumption of non-renewable fuel + (Indirect) consumption of purchased energy.
- 11 Intensity values are calculated by dividing the sum of the area under management for all projects within the scope of the current year's environmental key performance indicator data disclosure.
- 12 The (direct) calorific value coefficient of the non-renewable fuel is selected with reference to the *Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions from Enterprises Operating Public Buildings (Trial)* issued by the National Development and Reform Commission of China in 2015.
- 13 (Direct) energy consumption of non-renewable fuel = Pipeline natural gas consumption + LPG consumption.
- 14 (Indirect) consumption of purchased energy = Outsourced power consumption.

Employment⁽¹⁵⁾

	2021 Data	2020 Data	2019 Data
Total number of employees	168,860	60,803	54,085
Total number of employees by gender			
Male	97,950	38,805	33,638
Female	70,910	21,998	20,447
Total number of employees by job type			
Service	143,416	49,284	44,227
Business	3,986	2,447	1,638
Professional	14,034	3,818	3,677
Management	7,424	5,254	4,543
Total number of employees by age group			
Aged under 30	24,354	19,959	19,167
Aged 31-40	31,809	19,347	15,677
Aged 41-50	27,884	13,773	12,585
Aged 50 above	84,813	7,724	6,656
Total number of employees by employment type			
Full-time	160,133	60,704	-
Part-time	8,727	99	-
Total number of employees by region			
Mainland China	167,806	59,870	53,874
Hong Kong SAR and Macao SAR	529	444	11
Overseas areas	525	489	200

Notes to Employment KPIs:

15 In 2021, the number of employees of 8 subsidiaries is not included; in 2020, the number of employees of Manguo Kangjie and Fujian Dongfei is not included.

Turnover Rate (16) (17)

	2021 Data	2020 Data	2019 Data
Overall employee turnover rate (%)	25.87	-	-
Employee turnover rate by gender			
Male	27.02	-	-
Female	24.21	-	-
Employee turnover rate by age group			
Aged under 30	32.03	-	-
Aged 31-40	24.51	-	-
Aged 41-50	21.85	-	-
Aged 50 above	25.68	-	-
Employee turnover rate by region			
Mainland China	25.83	-	-

Hong Kong SAR and Macao SAR	30.85	-	-
Overseas areas	30.19	-	-

Notes to turnover rate KPIs:

16 The number of employees from 8 subsidiaries is not included.

17 Turnover rate = Number of employees in the specified category leaving employment in 2021 / (Number of employees in the specified category at the end of 2021 + Number of employees in the specified category leaving employment in 2021) * 100.

Health and Safety

	2021 Data	2020 Data	2019 Data
Number of work-related fatalities (person) ⁽¹⁸⁾	1	1	2
Rate of work-related fatalities $(\%)^{(19)}$	0.001	0.002	0.004
Lost days due to work injury (day) ⁽²⁰⁾	6,419	3,664	4,565

Notes to Health and Safety KPIs:

18 All the subsidiaries are not included in the number of work-related fatalities.

- 19 The rate of work-related fatalities = the number of work-related fatalities / Total number of employees * 100 (all the subsidiaries are not included in the number of work-related fatalities and total number of employees).
- 20 Lost days due to work injury = the number of days off due to work-related injuries (In 2021, data of 9 subsidiaries are not included; in 2020, data of Manguo Kangjie and Fujian Dongfei are not included).

Development and Training^{(21) (22)}

	2021 Data
Percentage of total employees trained	87.55
Percentage of employees trained by gender	
Male	86.84
Female	88.53
Percentage of employees trained by category	
Senior management	86.57
Middle management	88.58
Ordinary employees	87.45
Average hours of training per employee ⁽²³⁾	93.94
Average hours of training per employee by	
gender	
Male	90.54
Female	98.63
Average hours of training per employee by	
category	
Senior management	81.35
Middle management	100.56
Ordinary employees	93.33

Notes to Development and Training KPIs:

21 In 2021, the online and offline training data of the Group are included, the data of 8 subsidiaries are not included. In 2020, only the off-the-job training data of the Group are included, but not the data of pre-job training and on-the-job training; The data of Manguo Kangjie and Fujian Dongfei are not included.

22 Percentage of employees trained by category = Total number of trained employees in that specific category/ total number of employees in that specific category*100.

23 Average hours of training of employees in relevant employee categories = Total training hours of employees in that specific category/total number of employees in that specific category.

Operation Practices⁽²⁴⁾

		2021 Data	2020 Data	2019 Data
Number of suppliers		8,786	11,878	1,377
	Eastern China	3,989	-	-
Mainland China	Central China	2,785	-	-
Mainland China	Northeast China	429	-	-
	Western China	1,582	-	-
Overseas areas		1		

Notes to Operation Practices KPIs:

24 In 2021, the data of 6 subsidiaries are not included.

Product Responsibility (25)

	2021 Data	2020 Data	2019 Data
Number of complaints received regarding the products and services	117,647	69,938	48,214
Response rate of complaints completed (%)	100	100	100

Notes to Operation Practices KPIs:

25 In 2021, the data of 2 subsidiaries are not included; In 2020, the data of Manguo Kangjie and Fujian Dongfei are not included.

Anti-corruption

	2021 Data	2020 Data	2019 Data
Number of concluded legal cases regarding corruption (case)	0	-	-

Community⁽²⁶⁾

	2021 Data	2020 Data	2019 Data
Philanthropy			
Number of input workforce (person)	1,725	100	60
Input time (h)	1,386	168	135
Input capital (RMB)	150,000	275,200	95,000
Environmental protection			
Number of input workforce (person)	211	1,630	490
Input time (h)	1,314	2,240	652
Input capital (RMB)	72,815	77,271	465,156
Culture			
Number of input workforce (person)	33,356	1,829	1,156
Input time (h)	38,763	14,644	1,004
Input capital (RMB)	4,368,874	730,971	1,331,660
Sports			
Number of input workforce (person)	3,430	615	40
Input time (h)	313	3,691	32
Input capital (RMB)	975,000	107,723	5,140
Education			
Number of input workforce (person)	888	345	30
Input time (h)	430	976	200
Input capital (RMB)	25,186	164,822	514,000

Total			
Number of input workforce (person)	39,610	4,519	1,776
Input time (h)	42,206	21,719	2,023
Input capital (RMB)	5,591,875	1,355,987	2,410,956

Notes to Community KPIs:

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

Appendix II: List of Policies and Applicable Laws and Regulations

ESG indicator	Internal policies	Compliance with laws and regulations
Aspect A1: Emissions	Procedures for Identification and Assessment of Environmental Factors and Prevention and	Law of the People's Republic of China on Environmental Protection
Aspect A2:	Control	Law of the People's Republic of China on
Use of Resources	Procedures for Resource Management	Environmental Impact Appraisal
Aspect A3:	Procedures for the Treatment of Solid Waste	Water Pollution Prevention and Control Law
Aspect A3: The Environment and Natural Resources	Procedures for the Treatment of Solid Waste Procedures for the Treatment of Wastewater, Exhaust and Noise Assessment and Scoring Standards for Landscaping Management and Maintenance	 Water Pollution Prevention and Control Law of the People's Republic of China Water Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste 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 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 Source and Damage to the Marine Environment National Catalogue of Hazardous Wastes Administrative Measures for Hazardous Wast Transfer Forms Work Program for the Control of Greenhouse Gas Emissions in the 13th Five-Year Plan Administrative Measures for Urban Living Garbage
Aspect B1:	Regulations on the Management of	Provisions on the Administration of Urban Construction Garbage Labor Law of the People's Republic of China
Employment	Professional Conduct of Employees of Country Garden Services Group	Labor Contract Law of the People's Republic of China
	 Attendance and Leave Management System of Country Garden Services Group Regulations on the Administration of Employee Welfare Leave and Regional Allowance for Ethnic Minorities and Remote/High Plateau Areas of Country Garden Services Group Regulations on the Management of Pay Adjustment for MP Categories of Staff of Country Garden Services Group Measures for the Management of Employee Incentives of Country Garden Services Group Salary Calculation Rules and Management System of the Country Garden Services Group Organizational Performance Appraisal Plan of Country Garden Service Group for 2021 Leader Management Measures of Country Garden Services Group 	Law of the People's Republic of China on Promotion of Employment Social Insurance Law of the People's Republic of China Regulations of the People's Republic of Chin. on Special Protection for Underage Workers Regulations on Minimum Wage for Enterprises Regulations on Prohibition of Child Labor International Labor Organization Constitution Discrimination (Employment and Occupation Convention Abolition of Forced Labor Convention

Appendix II: List of Policies and Applicable Laws and Regulations

ESG indicator	Internal policies	Compliance with laws and regulations
	Employee Handbook	
	"Full of Happiness" staff care list	
Aspect B2:	Guidelines for the Management of	Labor Law of the People's Republic of China
Health and Safety	Occupational Injuries for Employees of	Law of the People's Republic of China on the
	Country Garden Services Group	Prevention and Control of Occupational
	Discipline of Safety Production and Quality	Diseases
	Red Line of Country Garden Services	Law of the People's Republic of China on
	Procedures for the Management of Operation	Production Safety
	Safety	Law of the People's Republic of China on Fin
	Procedures for the Management of Labor	Fighting
	Protection Items	Emergency Response Law of the People's
	Regulations on Occupational Safety and	Republic of China
	Precautions	Regulations on Safe Management of
	Procedures for the Prevention and Control of	Hazardous Chemicals
	Hazardous Sources	Regulations on the Reporting, Investigation
	Procedures for Identification and Assessment	and Disposition of Work Safety Accidents
	of Environmental Factors and Prevention and	Interim Provisions on the Investigation and
	Control	Treatment of Work Safety Accident Hazards
	"Blue, Green, Orange, Yellow and Red" Five-	Regulations of the People's Republic of Chin
	color Risk Management Mechanism	on Work Injury Insurance
	Emergency Response Plan Drill Checklist	Regulations of the People's Republic of Chin
	Measures for Safety Production - Environment	on Unemployment Insurance Regulations on Occupational Health
	(Version 1.0) Guidelines on Work Safety Protection	Supervision and Administration in the
	Measures for Employees in Important	Workplace
	Positions of Country Garden Services during	Classification and Catalogue of Occupationa
	the COVID-19 Epidemic	Diseases
	Notice on Continuing to Implement Epidemic	Trial Measures for Maternity Insurance for
	Prevention and Control	Enterprise Employees
Aspect B3:	Administrative Measures for Training of	Encipiise Employees
Development and Training	Laboratory Operations	
bevelopment and Training	Measures for Internal Tutor Management	
	Implementation Rules for Model Talent Base	
	Management	
	Talent Management Responsibilities and	
	Requirements	
	Notice on the Special Training Camp for	
	Future Regional General Managers & Future	
	Project Managers	
	Notice on the Initiation of the Second Training	
	Camp of the Qingyun Program	
	Notice on Induction Training for the 2020	
	Rocket Army Program & Star Youth Program	
	Notice on the Initiation of the Youth 100 Plan	
Aspect B4:	Attendance and Leave Management System of	Labor Law of the People's Republic of China
Labor Standards	Country Garden Services Group	Labor Contract Law of the People's Republic
	Regulations on the Administration of	of China
	Employee Welfare Leave and Regional	Regulations on Prohibition of Child Labor
	Allowance for Ethnic Minorities and	Law of the People's Republic of China on the
	Remote/High Plateau Areas of Country	Protection of Minors
	Garden Services Group	Law of the People's Republic of China on the
		Protection of the Rights and Interests of
		Women
A	Risk Management Committee Implementation	Law of the Republic of China on Tendering
		and Bidding
Supplier Chain	Rules	•
Supplier Chain	Measures for the Management of Self-	Interim Measures for the Administration of
Aspect B5: Supplier Chain Management		•

Appendix II: List of Policies and Applicable Laws and Regulations

ESG indicator	Internal policies	Compliance with laws and regulations
	Measures for the Development and	Measures for the Administration of Tenders
	Management of Suppliers for the Procurement	and Invitations to Bid in Government
	of Materials by Property Management	Procurement of Goods and Services
	Companies	Law of the People's Republic of China on
	Partner Assessment Approaches	Government Procurement
	Guidelines on Investment Promotion for	Regulations of the People's Republic of Chin
	Regional Strategic Cooperation	on the Implementation of the Government
	Rules for Operation and Management of Bicai	Procurement Law
	Mall (for Suppliers)	
	Administrative Measures for Access,	
	Withdrawal and Evaluation of Material	
	Suppliers in Bicai Mall	
Aspect B6:	Standard Operation Procedures (SOP)	Anti-Unfair Competition Law of the People's
roduct Responsibility	Measures for Quality Control of Country	Republic of China
	Garden Property Services	Anti-Monopoly Law of the People's Republic
	Standardized Work Manual	of China
	Internal Audit Standard for Quality Control	Law of the People's Republic of China on the
	Quality Inspection Standards	Protection of Consumer Rights and Interests
	Quality Operation and Control Standards	Tort Law of the People's Republic of China
	Sales Field Service Plan	Advertising Law of the People's Republic of
	Ten Priorities for Butlers	China
		Trademark Law of the People's Republic of
	Standards for Third Party Satisfaction Survey	China
	Inspections by Surveyed City for Country	Patent Law of the People's Republic of China
	Garden Group	Copyright Law of the People's Republic of
	Scheme of Butler and Business Reception	China
	Services for Industry-City Properties	Product Quality Law of the People's Republi
	Service Manual for Grade 1 Environmental	of China
	Services for Industry-City Properties	Regulations on Property Management
	Guidance for Preliminary Intervention of	Urban Real Estate Management Law of the
	Industry-City Property Projects	People's Republic of China
	Administrative Measures for Safety Risks in	Interim Provisions on the Prohibition of
	Basic Property Services	Commercial Bribery
	Guidelines for Complaint Work Order	GB 50016-2014 Code for Fire Protection
	Processing Operations	Design of Buildings
	Administrative Measures for Claims	Measures for the Management of Property
	Assessment	Services Charges
	Operating Procedures for Night Inspection by	e
	Property Project (Regular Property)	Property Law of the People's Republic of China
	Management Personnel	
	Administrative Measures for Fire Safety	Law of the People's Republic of China on the
	Responsibilities of Property Management of	Safety of Special Equipment
	Country Garden Services	Regulations on the Safety Supervision of
	Administrative Measures for the Use of	Special Equipment
	Mobile Phones by Property Management	Regulations on the Reporting and
	Personnel at Work	Investigation of Special Equipment Accident
	Administrative Measures for Innovation	Guidelines for Emergency Response for
	Incentives	Elevators
	Administrative Measures for Official WeChat	Regulations on the Internal Security of
	Account	Enterprises and Institutions
	Administrative Measures for Country Garden	Regulations on Security Services
	Property Owner Clubs and Societies	Law of the People's Republic of China on Fi
	Administrative Measures for Property	Fighting
	Information of Country Garden	Regulations on the Investigation of Fire
	Emergency Response Plan Drill Checklist	Accidents
	Classification Guidelines for Complaint Work	Measures for the Supervision and
	Order Processing	Administration of Firefighting in Construction
	Claim Assessment Management	Projects
		Tort Law of the People's Republic of China

ESG indicator	Internal policies	Compliance with laws and regulations
	Security Requirements on Classified	Administrative Measures on Information
	Protection 2.0 (Level III)	Security Classified Protection
	Administrative Measures for Public Opinion	Regulations on the Security Protection of
	of Country Garden Services	Computer Information Systems
	Patent Management Manual	GBT 25058-2010 Information Security
	-	Technology - Implementation Guide for
		Classified Protection of Information System
		GBT22080-2008 ISO27001-2005 Information
		Technology - Security Techniques -
		Information Security Management Systems -
		Requirements
Aspect B7:	Regulations on the Management of	Company Law of the People's Republic of
Anti-corruption	Professional Conduct of Employees of	China Anti Manan Laur daring Laur of the Decembric
	Country Garden Services Group Measures for Investigating the Responsibility	Anti-Money Laundering Law of the People's Republic of China
	for Violations and Discipline of Employees of	Anti-Unfair Competition Law of the People's
	Country Garden Services Group	Republic of China
	Guidelines for Self-Inspection of Supervision	Interim Provisions on the Prohibition of
	Cases	Commercial Bribery
	Guidelines for Internal Control Self-	2
	Assessment Operations	
	Code of Conduct for Employee Integrity	
	Regulations on the Management of Conflict of	
	Interest of Employees	
	Commitment to Integrity and Self-discipline	
	Administrative Measures for Handling	
	Complaints and Reporting of Employee	
	Disciplinary Violations Management Measures for Reporting and	
	Registration of Gifts and Gratuities	
	Risk Management Committee Implementation	
	Rules	
	Integrity and Anti-Corruption Guidelines for	
	Public Officials	
Aspect B8:		Guiding Rules for General Assemblies and
Community Investment		Committees of Property Owners
		Regulations on Security Administration of
		Large-scale Mass Activities
		Charity Law of the People's Republic of China

	ESG Indicators	Disclosure	Chapter
		Information	
	Scope: Environment A1: Emissions		
	Information on:		
General Disclosure	 (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non- hazardous waste. 	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment
A1.1	The types of emissions and respective emissions data.	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment Appendix I: Index of Key Performance Indicators (KPIs)
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity(e.g. per unit of production volume, per facility).	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment Appendix I: Index of Key Performance Indicators (KPIs) Fulfilling Environmental
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Protection, Safeguarding Ecological Environment Appendix I: Index of Key Performance Indicators (KPIs) Fulfilling Environmental
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility.	Disclosed	Protection, Safeguarding Ecological Environment Appendix I: Index of Key Performance Indicators (KPIs)
A1.5	Description of emission target(s) set and steps taken to achieve them.	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment
	A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment Fulfilling Environmental
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Disclosed	Protection, Safeguarding Ecological Environment Appendix I: Index of Key Performance Indicators (KPIs) Fulfilling Environmental
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Disclosed	Protection, Safeguarding Ecological Environment Appendix I: Index of Key Performance Indicators (KPIs)
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment

	ESG Indicators	Disclosure Information	Chapter
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable with reference to per unit produced.		of the Group does not cover the use naterials, therefore, this KPI is not
	A3: The Environment and Natura	l Resources	
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment
	A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted and those which may impact the issuer.	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Disclosed	Fulfilling Environmental Protection, Safeguarding Ecological Environment
	Scope: Society		
	B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Disclosed	People Oriented, Being the Standard of Excellent Employer
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Disclosed	People Oriented, Being the Standard of Excellent Employer Appendix I: Index of Key Performance Indicators (KPIs)
B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	People Oriented, Being the Standard of Excellent Employer Appendix I: Index of Key Performance Indicators (KPIs)
	B2: Health and Safety		
	Information on: (a) the policies; and		
General Disclosure	 (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards: 	Disclosed	People Oriented, Being the Standard of Excellent Employer
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	People Oriented, Being the Standard of Excellent Employer Appendix I: Index of Key Performance Indicators (KPIs) People Oriented, Being the
B2.2	Lost days due to work injury.	Disclosed	Standard of Excellent Employer Appendix I: Index of Key Performance Indicators (KPIs)
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	People Oriented, Being the Standard of Excellent Employer

	ESG Indicators	Disclosure Information	Chapter
	B3: Development and Trai		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	People Oriented, Being the Standard of Excellent Employer
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	People Oriented, Being the Standard of Excellent Employer Appendix I: Index of Key Performance Indicators (KPIs) People Oriented, Being the
B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	Standard of Excellent Employer Appendix I: Index of Key Performance Indicators (KPIs)
	B4: Labor Standards		
	Information on:		
General Disclosure	(a) the policies; and(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Disclosed	People Oriented, Being the Standard of Excellent Employer
B4.1	Description of measures to review employment practices to avoid child and forced labor.	Disclosed	People Oriented, Being the Standard of Excellent Employer
B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	People Oriented, Being the Standard of Excellent Employer
Canaral	B5: Supply Chain Manager	ment	Opening up for a Win min
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	Opening up for a Win-win Cooperative Platform Opening up for a Win-win
B5.1	Number of suppliers by geographical region.	Disclosed	Cooperative Platform Appendix I: Index of Key Performance Indicators (KPIs)
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	Opening up for a Win-win Cooperative Platform Appendix I: Index of Key Performance Indicators (KPIs)
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	Opening up for a Win-win Cooperative Platform
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	Opening up for a Win-win Cooperative Platform
	B6: Product Responsibili	ity	
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosed	Humanistic Community, Outstanding Reputation
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.		of the Group does not involve ping products, therefore, this KPI is
B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	Humanistic Community, Outstanding Reputation Appendix I: Index of Key Performance Indicators (KPIs)
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	Humanistic Community, Outstanding Reputation

	ESG Indicators	Disclosure Information	Chapter
B6.4	Description of quality assurance process and recall procedures.		of the Group does not involve ping products, therefore, this KPI is
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	Humanistic Community, Outstanding Reputation
	B7: Anti- corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer Relating to bribery, extortion, fraud and money laundering.	Disclosed	Sustainable Development Concept and Governance
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Disclosed	Sustainable Development Concept and Governance Appendix I: Index of Key Performance Indicators (KPIs)
B7.2 B7.3	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. description of anti-corruption training provided to	Disclosed Disclosed	Sustainable Development Concept and Governance Sustainable Development
2710	directors and staff.		Concept and Governance
	B8: Community Investme	ent	
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	Humanistic Community, Outstanding Reputation Sincerely Contributing Back, Being a Good Social Enterprise Humanistic Community,
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Disclosed	Outstanding Reputation Sincerely Contributing Back, Being a Good Social Enterprise Appendix I: Index of Key Performance Indicators (KPIs)
B8.2	Resources contributed (e.g. money or time) to the focus area.	Disclosed	Humanistic Community, Outstanding Reputation Sincerely Contributing Back, Being a Good Social Enterprise Appendix I: Index of Key Performance Indicators (KPIs)