



**卓越商企服務集團有限公司**  
EXCELLENCE COMMERCIAL PROPERTY & FACILITIES  
MANAGEMENT GROUP LIMITED

(Incorporated in the Cayman Islands with Limited Liability)

Stock Code: 6989



**2021**  
ENVIRONMENTAL,  
SOCIAL AND GOVERNANCE REPORT

# ABOUT THE REPORT

This report is the second environmental, social and governance (“ESG”) report (the “Report”) released by Excellence Commercial Property & Facilities Management Group Limited (the “Company”, “Excellence CM”, “we” or “us”). It adheres to the principles of materiality, quantification, balance and consistency to comprehensively illustrate the Company’s management approach and work performance in environmental, social and governance aspects during the period from 1 January 2021 to 31 December 2021, and focuses on the concerns of stakeholders. Unless otherwise stated, the information presented in the Report represents data performance in 2021.

## Scope of the Report

The Report mainly covers Excellence Commercial Property & Facilities Management Group Limited and its branches and subsidiaries (the “Group”). Environmental data covers the self-developed projects of Excellence Real Estate Group Co., Ltd. (卓越置業集團有限公司) and its subsidiaries (together, “Excellence Group”) under the management of the Company.

## Basis of Preparation of the Report

The Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) set out in the Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

## Principles of Preparation

**Materiality:** We identify major ESG issues through materiality assessment, and relevant process and results have been disclosed in the Report;

**Quantification:** Quantitative environmental and social information with historical data has been presented in the Report with descriptions of its purpose and impact, and comparative information will be provided in subsequent ESG reports;

**Consistency:** We use a consistent statistical approach of disclosure. In the Report, we have maintained the same statistical approach of disclosure for the information disclosed in the previous report (which is also the first report). For the information disclosed for the first time, we will adopt a consistent approach for ESG information disclosure in subsequent years to facilitate meaningful comparisons year by year.

## Access and Response to the Report

The Chinese and English versions of the Report can be downloaded from the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the Company’s website. The Report is published in both Chinese and English. In case of any inconsistency, the Chinese version prevails.

## Contact Us

For any comments or suggestions on the environmental, social and governance performance of the Company, please email us at [ir@exceam.com](mailto:ir@exceam.com).

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## INTRODUCTION OF THE COMPANY

### About Excellence CM

Established in October 1999, Excellence Commercial Property & Facilities Management Group Limited is a leading commercial real estate service operator in China, which is dedicated to the provision of customized one-stop comprehensive operation and management services for customers and offers full-life cycle asset maintenance and full-chain overall service solutions.

With its management experience accumulated over nearly two decades, the Company has formed a well-established comprehensive commercial property service model: focusing on commercial properties as its primary development path to achieve a diversified combination of full range of businesses covering high-end commercial office buildings, commercial complexes, high-tech industrial parks, government buildings and residential apartments. The Company offers real estate consulting, asset operation and management, equipment and facilities management, comprehensive administrative logistics and other services. The Company has expanded value-added businesses to boost profit growth, innovated high-end business services, focused on the development and practice of commercial real estate, and developed a complete business chain of real estate life-cycle operation and management services, in order to achieve the management goal of preserving and increasing the value of its assets. The Company has also established new pilot projects for medical services, urban services and government building services, in an effort to enhance overall competitive edges and accelerate business development by promoting the Company's large-scale operation through merger and acquisition and cooperation.

Excellence CM is a holder of the national first-class property management qualification, and a standing director unit of China's property management industry. As a leading enterprise in the field of commercial property services in China, the Company has been intensively developing the field of commercial property services for over two decades, and has continuously innovated intelligent means through its in-depth understanding of the major market areas of property services and customer needs. While providing customers with professional basic management services, it offers customers with overall solutions for customised real estate full-life cycle services and full-chain comprehensive facility management services so as to achieve users' comprehensive value expectations. At present, the Company provides services for a number of Fortune 500 companies including many well-known high-tech, Internet and financial enterprises, and has successfully established itself as an international high-end business enterprise real estate operation service provider, which has been well received and unanimously recognised by the industry.

With years of successful experience in the field of high-end commercial property services, the Company has developed a well-established comprehensive commercial property service operation model. The Company has also been certified with ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, ISO 50001 Energy Management System and Other Management System Certification successively. Its standardized workflow, well-established management system and solid precipitation of management provide strong support and assurance for the daily operation of existing projects and the undertaking of new projects. The Company introduces advanced service concepts constantly to dock with international standards. The Company has been successively certified as a platinum member of the International Building Owners and Managers Association (BOMA), a member of the International Facility Management Association (IFMA) and a member of the Royal Institute of Chartered Surveyors (RICS).

## INTRODUCTION OF THE COMPANY

### Results for the Year

For the year ended 31 December 2021, our contracted GFA was approximately 56.8 million sq.m.<sup>1</sup>, representing an increase of approximately 26.9% as compared to those as at 31 December 2020, with business coverage spanning 2 countries, 18 provinces; the GFA under management amounted to approximately 41.2 million sq.m.<sup>2</sup>, with 521<sup>3</sup> projects under management, representing an increase of approximately 28.7% and 28.3%, respectively, as compared to those as at 31 December 2020. As of 31 December 2021, our business has expanded from Shenzhen to 50 cities in China. Most of these cities are located in the most economically developed area, such as the Greater Bay Area, the Yangtze River Delta Region and regional key cities in China. Among them, the Greater Bay Area<sup>4</sup>, the Yangtze River Delta Region<sup>5</sup> and the other regions<sup>6</sup> accounted for 43.1%, 22.8% and 34.1% of the GFA under management, respectively.

Contracted GFA	56.8 million sq.m.
GFA under management	41.2 million sq.m.
Number of projects under management	521
Business coverage	2 countries, including 18 provinces, and 50 cities in China
Proportion of the GFA under management in the Greater Bay Area	43.1%
Proportion of the GFA under management in the Yangtze River Delta Region	22.8%
Proportion of the GFA under management in the other regions	34.1%

Of the Company's total revenue by business type in 2021, commercial properties, public properties, residential properties and value-added services accounted for 56.6%, 10.1%, 9.2% and 22.5%, respectively. In 2021, the Company's operating income reached RMB3,467.1 million with a year-on-year growth of 37.3%, of which the basic property service income from third parties accounted for 60.7% and posted a gross profit of RMB959.6 million, with an annual growth rate of 44.6%; and the comprehensive gross profit margin was 27.7%, representing an increase of 1.4 percentage points as compared with 2020. Net profit attributable to the parent company amounted to RMB510.1 million, up by 57.0% year-on-year; and net profit margin was 15.8%, representing an increase of 1.7 percentage points over 2020.

- 1 included the 5.8 million sq.m., which was managed by the Group for most of the year and was terminated on 22 December 2021 as a result of disposal of subsidiaries, for comparison.
- 2 included the 4.6 million sq.m. (5.0 million sq.m. is calculated according to the Group's management time-weighted), which was managed by the Group for most of the year and was terminated on 22 December 2021 as a result of disposal of subsidiaries, for comparison.
- 3 included 115 projects, which was managed by the Group for most of the year and was terminated on 22 December 2021 as a result of disposal of subsidiaries, for comparison.
- 4 Cities in which we provided property management services to properties in the Greater Bay Area including Shenzhen, Guangzhou, Zhuhai, Huizhou, Dongguan and Zhongshan, etc.
- 5 Cities in which we provided property management services to properties in the Yangtze River Delta Region including Shanghai, Nanjing, Hangzhou, Suzhou, Jiaxing, Yangzhou, Nantong, Wuxi and Taizhou, etc.
- 6 Cities in which we provided property management services to (i) properties in the other regions in China, including Beijing, Xi'an, Qingdao, Zhengzhou, Chongqing, Chengdu, Wuhan, Tianjin, Jinan, Shijiazhuang, Changsha, Fuzhou, Nanchang, Jinjiang; and (ii) projects in India.

## INTRODUCTION OF THE COMPANY

Operating income in 2021	RMB3,467.1 million
Proportion of commercial properties	56.6%
Proportion of public properties	10.1%
Proportion of residential properties	9.2%
Proportion of value-added services	22.5%

### Awards and Accolades

No.	Title of the Awards and Accolades	Awarding Unit
1	TOP100 Property Management Companies in China for thirteen consecutive years from 2009 to 2021	China Index Academy
2	2021 China Office Property Management Exceptional Companies	China Index Academy
3	Zhuopin Business Service Co., Ltd., a subsidiary, was awarded “2021 China’s Excellent Property Management Companies with Diversified Operations”	China Index Academy
4	2021 “Golden Palace TOP 10 Most Popular Property and Facility Management Company Awards”	Shanghai Hotel & Shop Plus
5	Most Popular New Stock Company Among Investors	Zhitong Caijing
6	2021 TOP100 Blue-chip Property Management Companies	The Economic Observer
7	2021 Enterprises with Excellent Investment Values	The Economic Observer
8	2021 China TOP100 Property Service Companies	CRIC Research
9	2021 China TOP 20 Office Property Service Enterprises (TOP3)	CRIC Research
10	2021 Top 20 of China Property Management Companies (TOP15)	China Real Estate Evaluation Center of Shanghai E-House Real Estate Research Institute
11	The COE Team of Excellence CM shortlisted for RICS Awards China 2021 “Facility Management Team of the Year (年度設施管理團隊)”	RICS

# INTRODUCTION OF THE COMPANY



Please see Appendix for the rest part of the Company's awards and accolades for 2021.



## STATEMENT OF THE BOARD OF DIRECTORS

As a leading property management company in China, Excellence CM recognises that the importance of good corporate governance and risk management processes are critical to sustainable development of the Company and management of ESG matters. Based on external social and economic environment and the Company's choice of development strategies, the board of directors (the "Board") of Excellence CM regularly reviews major ESG issues, discusses and determines the Company's ESG risks and opportunities, regards the management and improvement of key issues as the key ESG task of the year and supervises issue management and performance.

The Company has established the Strategy and ESG Committee, which is one of the committees under the Board. It is composed by the chairman of the Board, executive directors, non-executive directors and independent non-executive directors, and is responsible for the supervision, promotion and implement of the Company's strategy and ESG issues. The Company pays great attention to the service quality management, customer complaint management, employee occupational health and safety, smart community and other aspects, and provides shareholders of the Company with stable and long-term returns while protecting environment.

The Company has formulated a series of standards for management systems and property management service, which have specific requirements on the standards for customer service. The Company continues to improve customer relationship management through conducting check-in, reception services, repair reports, complaints, return visits, etc. The Company has launched 6U deep-care product system in the aspect of smart community and has built a bridge of communication and service between community management and property owners through AI smart community.

This Report discloses in detail the progress and effectiveness of the ESG task of Excellence CM in 2021. The Board and all directors of Excellence CM assure that this Report contains no false information or misleading statements or material omissions and that they are jointly and severally responsible for the truthfulness, accuracy and completeness of its content.

## CHAIRMAN'S MESSAGE

Dear stakeholders,

As a leading commercial real estate service operator in China, Excellence CM provides customers with full-lifecycle asset maintenance and full chain service solutions. Excellence CM has always been concerned about the basic needs and growing value experience of our clients. We have formed a well-established comprehensive commercial property service model: focusing on commercial properties as its primary development path to achieve a diversified combination of full range of businesses.

2021 is the opening year of the “14th Five-Year Plan” of China. We continue to strengthen risk management, seize opportunities, implement the business philosophy of pursuing excellence and striving for transcendence, and cooperate with our stakeholders to exert positive impact on service quality improvement and environmental protection. We maintain communication with stakeholders to enhance their understanding of the Company's development and operating policies, and provide timely and effective feedback on their demands to ensure the cooperative relations and common development of the two parties.

In 2021, we have continued to strengthen our investments in all aspects of ESG. In terms of service quality management, we attach importance to lean management and system construction and strive to strengthen the quality of property services and establish a long-term mechanism for property quality management. The Intelligent Community of Excellence CM holds the principle of “people-oriented”. We have launched a 6U deep-care product system of “U-Guider, U-Home, U-Shield, U-Care, U-Community, U-Cloud service”, covering 35 standard scenarios in 6 major categories, and we have also created an enterprise-level integrated open platform, EMOP.

Moreover, we care about the rights and interests, development, and health and safety of employees, and provide employees with fair development and promotion channels. We strive to lower occupational safety risks, and provide a safe and comfortable working environment. In daily operations and during the course of development, we always place emphasis on the importance of environmental protection. We actively implement the green and low carbon development strategy, maintain the environmental management system and energy management system, promote energy conservation and emission reduction, identify and address the impact of climate change on us, and make effort to achieve green development. Excellence Group and Excellence CM, collaborating with each other, have donated RMB625 million in aggregate, and have participated in 402 charity projects, giving back to the society with practical actions.

The sustainable development of Excellence CM relies on the participation and support of various stakeholders. By maintaining communication with stakeholders and sharing information on major sustainable development issues, we believe that Excellence CM can go steady and far on the path of sustainable development.

*Chairman of the Board and Chairman of the Strategy and ESG Committee*

**Mr. Li Xiaoping**

May 2022

## ESG OVERVIEW

### ESG Governance

The Board of the Company has always maintained a supportive attitude towards ESG matters, and has actively promoted and responded to the implementation of relevant measures. On 19 April 2022, the Board of the Company established the Strategy and ESG Committee, which is one of the committees under the Board. It consists of the Chairman of the Board, executive directors, non-executive directors and independent non-executive directors, and is responsible for supervision, promotion and implementation of the strategic and ESG matters of the Company. The ESG-related responsibilities and powers of the Strategy and ESG Committee under the Board are as follows:

- to assist the Board in setting ESG strategic goals and implementation plans, and also lead the ESG task group at the operational level;
- to supervise the Company's implementation of ESG strategy and the progress of objectives, to evaluate the potential impact of ESG work on the Company's business model and related risks, listen to internal and external feedbacks on ESG work, and put forward improvement suggestions for the subsequent ESG work;
- to evaluate the effect and impact of the Company's ESG governance, promote the establishment of ESG culture, review the ESG report of the Company;
- to inspect and evaluate the implementation of the above matters, and to make timely recommendations for adjustment.

Meanwhile, the ESG working group is responsible for ESG supervision and coordination, implementing decisions of the decision-making organization, communicating and coordinating ESG related affairs, organizing the preparation of ESG reports and reporting to the Board on the implementation of relevant work on an annual basis.

In addition, as executive organizations for specific works, the Company's various functional departments and subsidiaries implement the ESG plan formulated by the task group, effectively record and report ESG-related data, and fully put the ESG-related management work into practice.

### Stakeholder Engagement

The Company's ESG stakeholders mainly include internal employees, suppliers, customers, shareholders and investors, the government, and the communities where it operates. The Company believes that listening to and understanding the opinions of stakeholders will provide a solid foundation for the long-term development and success of the Company. The Company actively explores various channels to maintain good communication with stakeholders, to enhance the stakeholders' understanding of the Company's development and operational policies, and to provide more opportunities for them to put forward suggestions so that the Company can provide them with timely and effective feedback regarding their concerns. In this way, the Group ensures that it is cooperating and working alongside stakeholders to achieve mutual benefits.

# ESG OVERVIEW

Stakeholder	Government	Shareholders and investors	Employees	Customers	Suppliers	Community
<b>Target and Focus</b>	<ul style="list-style-type: none"> <li>Respond to national policies</li> <li>Operate according to laws and regulations</li> <li>Pay taxes according to laws</li> <li>Promote employment</li> </ul>	<ul style="list-style-type: none"> <li>Business strategy and financial performance</li> <li>Protect shareholders' rights and interests</li> <li>Business sustainability</li> <li>Corporate transparency</li> </ul>	<ul style="list-style-type: none"> <li>Remuneration and benefits</li> <li>Protection of rights and interests</li> <li>Career development</li> <li>Safety and health</li> <li>Corporate culture</li> </ul>	<ul style="list-style-type: none"> <li>Timely service</li> <li>Safety of residents</li> <li>Privacy protection</li> <li>Continuously improve service quality</li> </ul>	<ul style="list-style-type: none"> <li>Abide by commercial ethics and state laws and regulations</li> <li>Be transparent and fair</li> <li>Accomplish commitments, and achieve mutual benefits and win-win cooperation</li> </ul>	<ul style="list-style-type: none"> <li>Host community events</li> <li>Participate in community building</li> <li>Invest in community charity</li> <li>Promote community development</li> </ul>
<b>Method of Communication</b>	<ul style="list-style-type: none"> <li>Participate in discussion for formulation of relevant policies</li> <li>Contribute corporate experience</li> <li>Guide and influence public policies actively</li> <li>Dialogue with the local government</li> </ul>	<ul style="list-style-type: none"> <li>Enhance information disclosure</li> <li>Board meeting, shareholders' meeting and investors' meeting</li> <li>Direct communication among shareholders</li> <li>Roadshows</li> <li>Telephone conference</li> </ul>	<ul style="list-style-type: none"> <li>Employee representative of the board of supervisors</li> <li>Staff union</li> <li>Employee representative meeting</li> <li>Employee survey and feedback</li> <li>Enhance information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Communication during the process of service activities</li> <li>Owner survey and feedback</li> <li>Complaint hotline</li> <li>Enhance information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Announce the management rules of the suppliers</li> <li>Contract negotiation</li> <li>Daily business communication</li> <li>Enhance information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Dialogue with the local government and organisations</li> <li>Community visits and communication</li> <li>Enhance information disclosure</li> </ul>
<b>Key Actions</b>	<ul style="list-style-type: none"> <li>Implement national policies, abide by state laws and regulations</li> <li>Accept supervision and check-ups</li> <li>Create more labour positions to promote employment</li> <li>Cooperate with government to guide garbage classification</li> <li>File tax returns in a timely manner</li> </ul>	<ul style="list-style-type: none"> <li>Convene shareholders' meetings regularly</li> <li>Convene Board meetings regularly</li> <li>Convene investors' meetings</li> <li>Disclose statutory issues in a timely manner</li> </ul>	<ul style="list-style-type: none"> <li>Enhance trainings for employees in respect of culture and skills</li> <li>Improve employees' working and living environment</li> <li>Guarantee employees' rights and interests, and improve their benefits and welfare</li> <li>Guarantee for employees' health and safety</li> <li>Establish a staff union</li> </ul>	<ul style="list-style-type: none"> <li>Normalised and standardised services</li> <li>Conduct regular satisfaction surveys</li> <li>Respond to customer complaints and provide them with feedback in a timely manner</li> <li>Practically protect customer privacy</li> </ul>	<ul style="list-style-type: none"> <li>Set up an open and transparent tendering system</li> <li>Set up a communication platform for suppliers</li> <li>Perfect the supplier selection system</li> <li>Offer equal opportunities to suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Regularly host activities to benefit the community</li> <li>Encourage good deeds</li> <li>Be passionate about public welfare, and give back to society</li> <li>Conduct volunteer activities for employees</li> </ul>



# COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

## Concept of Quality and Comfortable Services

The Company has always taken high-quality development as its sustainable development goal and has established a standardized system management model. Pursuant to its principle for quality governance of “Profession and Standardisation, All Staff Participation, Innovation for Sustainability, Building a Bright Future”, the Company issues the Annual Targets Responsibility Letter regarding quality/occupational health/environment/energy, and implements the quarterly review mechanism. In 2021, the Company was awarded the “Sustainability Award of Shenzhen (深圳市可持續發展大獎)”, which indicated that the continuing efforts of the Company has been making in quality construction for the long term was recognized by the industry. In the future, the Company will vigorously promote the digital transformation and high-quality operation model and reorganize the business processes, to improve its delivering capabilities.

- **Community Cultural Activities for Office Buildings:** In 2021, the life circle of the business project of Excellence CM covered 19 office buildings and 100,000 white-collar customers, where Excellence CM have held over 100 activities for the whole year. In 2022, Excellence CM carries out the brand upgrading of the community culture of office buildings, launches four series of customer IP activities including the “Enterprise Alliance”, “Excellent Club”, “Self-pleasure Party” and “Light, Shadow, Sound and Color”, builds a healthy urban lifestyle and spiritual territory that connects people to people, people to buildings, and people to cities.
- **Community Cultural Activities for Residential Properties:** In 2021, the community cultural activities for residential properties of Excellence CM covered 17 cities in the country and 62 communities with nearly 100,000 property owners, and Excellence CM jointly holds over 50 community cultural activities each year. Apart from undertaking the Life Circle IP of Four Seasons of Excellence Group, carrying out series of activities including “Excellence Happiness Season, Excellent Health Season, Excellent Growth Season, Excellent Thanksgiving Season” and traditional holidays, it also combines outdoor sports, community handicrafts, film festivals and public welfare activities, etc., starting from the needs of the property owners, paying more attention to the highlights and content of the activities, and creating a harmonious and beautiful life for the neighbors.



## COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

In 2021, Excellence CM conducted fire drills for various property service projects, including initial firefighting, solid fire, liquid fire, fixed fire, electrical fire, evacuation, fire safety knowledge lecture, firefighting equipment drill, semi-annual and annual fire drills, etc., with 401 drills and 73,493 participants in total.



With respect to promoting and marketing, we have formulated the Brand Management System of Excellence CM Group and the Management System on Press Release of Excellence CM Group, clarifying the methods and channels of the Company in publicizing. During the year, the Company was not involved in any violation of regulations in terms of liability involving health and safety, advertising, trademarks and privacy for the products and services we offered, nor did it have any sold or delivered products recalled for safety and health reasons.

### **Intellectual Property Rights and Customer Privacy Protection**

With respect to intellectual property management, the Company follows the principle of central management in intellectual property and aims to make intellectual property a valuable asset and enhance corporate competitiveness. As at the end of 2021, the Company had 3 utility model patents. In the future, we will continually strengthen our intellectual property reserves and competitiveness.

As to customer privacy, the Company has formulated the Guidelines Governing Data Security on the Zhuopin Intelligent Platform to set out the policy governing encryption requirements for server data on and login access to Alibaba Cloud. Customers who log in to the registration platform are required to sign an online user privacy agreement that complies with China's relevant Internet laws and regulations. Users can access the platform only after agreeing to the agreement. The platform system carries out hierarchical management of all users' data permissions.

## COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

We take the following measures to protect customer privacy:

- Storing the information of customer identification in database in the form of ciphertext, and the sensitive customer information is also transmitted in the form of ciphertext.
- Using two or more combined identification technologies such as dynamic password, digital certificate, encrypted USB-Key, biotechnology and device fingerprint to the operation and maintenance hosts to detect user's identity.
- Applying the identity logos and identification to the logged-in users, the identity logos are unique, while the identification information involves complex requirements and is regularly replaced.
- Handling functions for login failure are set in place, and relevant measures such as ending sessions, limiting the times of illegal logins, automatically logging out when the login connection times out should be placed and applied.
- Applying the SSL protocol to ensure the confidentiality of important data during transmission.
- Using the auditing function for the database, protecting the audit records, and scheduling regular backups.

In the future, as to customer privacy protection, we will continually optimize the management system on operation and maintenance, strengthen the supervision on data operation, regularly scan the system, check for security loopholes, regularly check the data, and constantly enhance the customer privacy protection management.

### Zhuopin Intelligent Community Platform

The Zhuopin App itself is based on the Zhuopin open platform, it provides services in the form of function portfolio and business portfolio according to the needs of different projects through the form of SaaS+PaaS, and has the characteristics of high scalability and high adaptability.

The smart community of Excellence CM upholds the "people-oriented" principle, achieves the effective interaction of public areas through a household smart platform, and enhances the experience of property owners from two aspects. On the one hand, thinking from the perspective of customers, gaining insight into customer needs, and creating good products that the property owners feel; on the other hand, as for the property department, being the other side of the AIoT smart community, it is necessary to effectively improve the efficiency of daily operations through the construction of the AIoT smart community.

The smart community of the Company launched a 6U deep-care product system of "U-Guider, U-Home, U-Shield, U-Care, U-Community, U-Cloud service" in 2021, establishing a bridge of communication and service between the management of the community and the property owners through the AI community smart brain, and applied such system to various projects including Excellence Uni-Park in Huzhou (湖州卓越春熙里), Excellence Qingcui in Chengdu (成都卓越晴翠), Excellence Qingcui in Yangzhou (揚州卓越晴翠) and Pinghu Mingxijingyuan in Jiaxing (嘉興平湖明熙璟園), etc. While integrating the designing concept of intelligence into the projects, it also brings high-quality residential properties that can stand the tests of the market and time to the local area. Besides, the Company also completed the research and development of the Enterprise Mix Open Platform and launched it online.

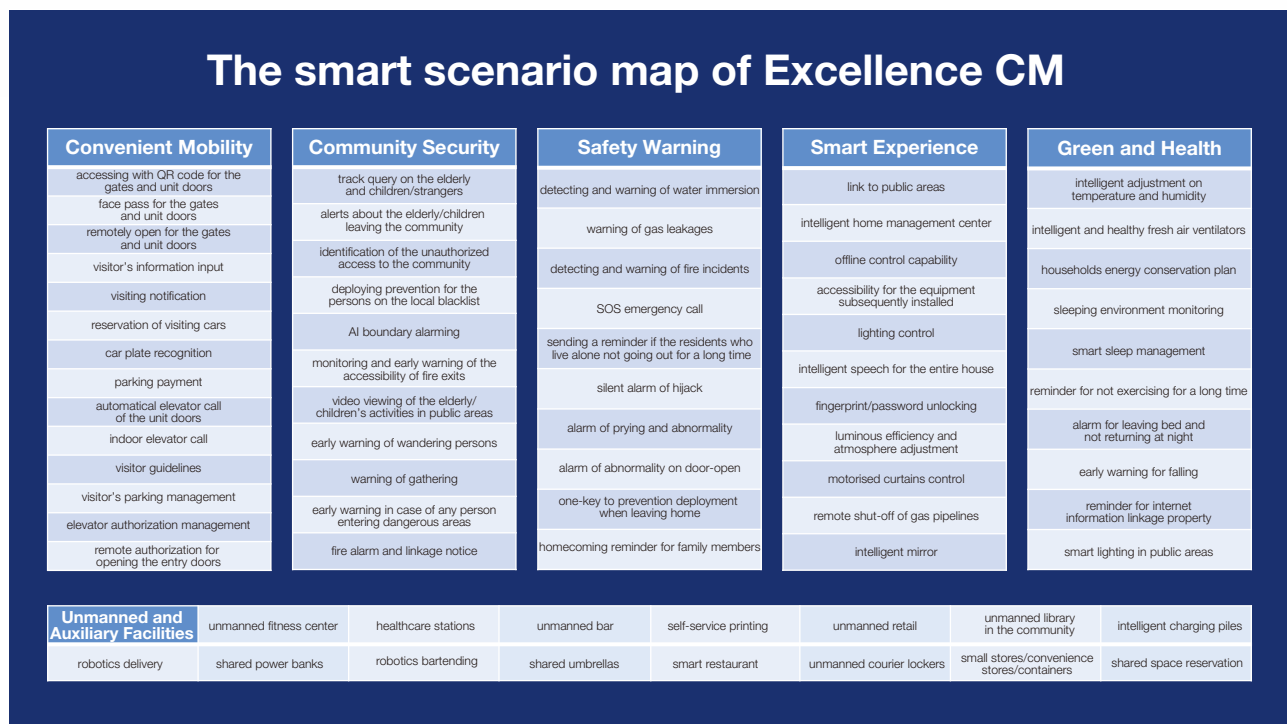


# COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

Excellence CM established an application standard of smart community with its own characteristics, which achieved good performance in three dimensions:

## 1) Standard Application for Achieving 35 Scenarios

Based on the various dimensions of the technology such as the maturity and feasibility, practicality for scenarios, customer sensitivity, etc., we had conducted rounds of review and discussion, took the needs of the improvement of product competitiveness (for marketing aspect) as well as the “reducing costs and enhancing efficiency” and the “improvement of customer satisfaction” (for properties aspect) into consideration, and developed a latest scenario 5.0 (standard version), according to which all projects are selected and determined.



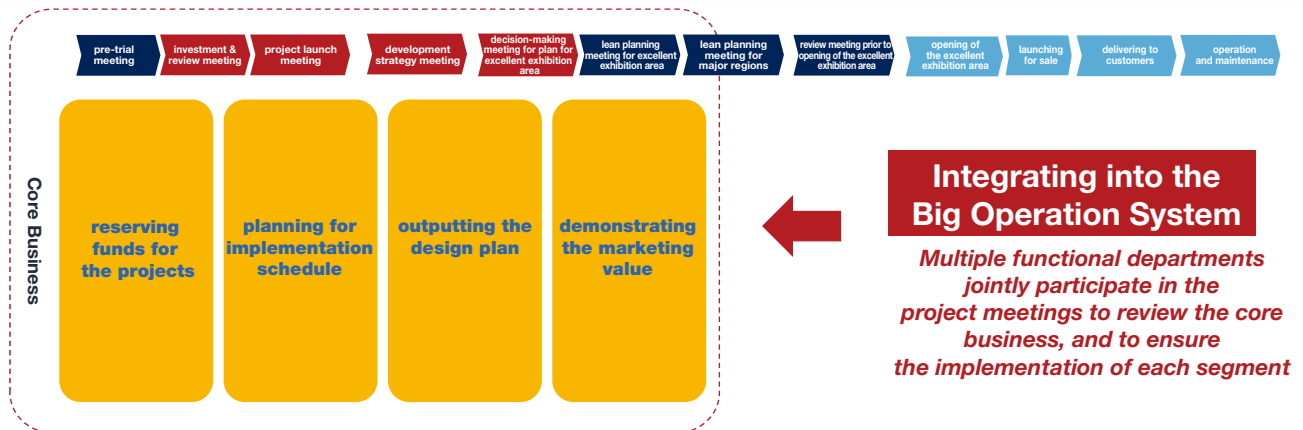
The smart scenario map of Excellence CM

# COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

## 2) Integrating the Smart Community into the Big Operation System

We integrated the smart community into the big operation system for management and control purposes, implemented the effective management and control of various aspects of the smart community, including the demand planning at early stage, the product allocation plans and the specific commencement of construction, through holding a project launch meeting, a development strategy meeting and a decision-making meeting for plan for excellent exhibition area. For management purpose, our headquarters established an internal leading group of the smart community and engaged a charge person at branch-level of the smart community, to safeguard the implementation of the smart community, combining with the special business trainings and the standardized control.

### The design plan and decision-making & review at the early stage of implementation of the projects

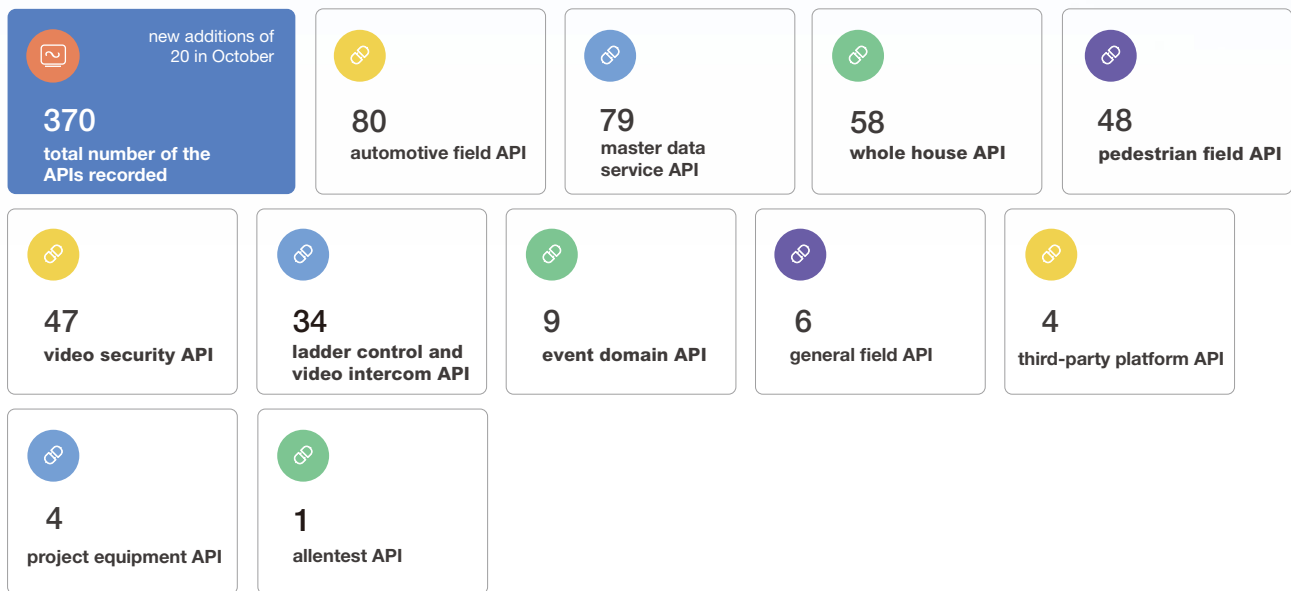


The Standardized Decision-making Process

## COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

### 3) **An Open Platform and Building a Private IoT Middle Platform of Excellence CM**

The smart community of Excellence CM combines multiple underlying platforms (eg. Alibaba Cloud IoT and Tuya IoT), integrates the advantages of each items, and therefore, it possesses more open ecological capabilities, provides a more efficient access platform which supporting the equipments of more brands, and satisfies the owners' proactive selection of favorite brands in terminal equipment to a large extent.



EMOP (Enterprise Mix Open Platform)

In addition to the excellent capabilities of public platform in these industries, we have also built a competitive private IoT middle platform for Excellence CM itself, being the EMOP (Enterprise Mix Open Platform), which serves as a IoT center that can integrate multiple ecological capabilities, provides tool support for the mass implementation of projects and improves the implementation efficiency.

# COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

Currently, the 6U system of Excellence CM covers 35 standard scenarios of 6 categories, which include Scenario of Convenient Mobility (such as face pass, smart visitor appointment, smart parking service, smart elevator call, etc.), Scenario of Community Security (such as alerts about elderly/children leaving the community, monitoring and early warning of the accessibility of fire exits, etc.), Scenario of Safety Warning (such as detecting and warning of water immersion, warning of gas leakages, caring and warning for people with special needs, etc.), which are efficient and useful; such scenarios also include Scenario of Green and Health (such as environmental comfort adjustment, intelligent adjustment on temperature and humidity, etc.), Scenario of Smart Experience (such as technology interactive scenario in public or indoor spaces, intelligent speech), Scenario of Unmanned and Auxiliary Facilities (such as unmanned retail stores, unmanned fitness center), which improve the quality. Besides, such scenarios include the “Invisible Safeguarding Scenarios”, such as the identification of persons in blacklist, warning of gathering.

<p>1</p>  <p><b>悠哉行</b> U-Guider</p>	<p><b>Scenario of Convenient Mobility</b></p> <ul style="list-style-type: none"> <li>face pass</li> <li>smart visitor appointment</li> <li>smart parking service</li> <li>smart linkage calling elevators</li> </ul>	<p>4</p>  <p><b>悠舒享</b> U-Care</p>	<p><b>Scenario of Green and Health</b></p> <ul style="list-style-type: none"> <li>intelligent adjustment on temperature and humidity</li> <li>households energy conservation plan</li> <li>environmental comfort adjustment</li> <li>...</li> </ul>
<p>2</p>  <p><b>悠然家</b> U-Home</p>	<p><b>Scenario of Safety Warning</b></p> <ul style="list-style-type: none"> <li>detecting and warning of water immersion</li> <li>warning of gas leakages</li> <li>caring and warning for people with special needs</li> <li>...</li> </ul>	<p>5</p>  <p><b>悠社區</b> U-community</p>	<p><b>Scenario of Unmanned and Auxiliary Facilities</b></p> <ul style="list-style-type: none"> <li>unmanned retail stores</li> <li>unmanned fitness center</li> <li>unmanned book bar</li> <li>...</li> </ul>
<p>3</p>  <p><b>悠安心</b> U-shield</p>	<p><b>Scenario of Community Security</b></p> <ul style="list-style-type: none"> <li>alerts about elderly/children leaving the community</li> <li>identification of persons in blacklist</li> <li>monitoring and early warning of the accessibility of fire exits</li> <li>...</li> </ul>	<p>6</p>  <p><b>悠暢聯</b> U-Cloud service</p>	<p><b>Scenario of Smart Experience</b></p> <ul style="list-style-type: none"> <li>technology interactive scenario in spaces</li> <li>intelligent speech</li> <li>offline control</li> <li>...</li> </ul>

6U System of Excellence CM, Covering 35 Standard Scenarios in 6 Categories

## COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

### > **Scenario ①: Alerts about the elderly/children leaving the community**

For the urban elites, the elderly and children are the people they mostly care about, and these two groups (especially the older elders and underage children) must be accompanied by their guardians before leaving the community.



Intelligent scenario: Alerts about the elderly/children leaving the community

With the authorization from owners, the owners may enroll in the photos of the elderly or children who need special care at home in the Zhuopin App. If the elderly or children go out of the community alone, the platform will send information such as the time they go out of the community and the specific exit to the owners and property management staff as soon as possible, so that they can timely respond to prevent possible dangers and use AI big data to establish a prevention system in the future.

## COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

➤ **Scenario ②: Check of the movement tracks of people who need special concern**

Community is the extension of home, and for the elderly and children, it is also the area where they spend the most time every day besides their homes. While the owners are busy outside, they are also concerned about the elderly/children at home.

With the authorization from owners, the owner may enroll in the photos of the elderly or children who need special care at home in the Zhuopin App. When there is an anomaly (such as not returning home for a long time) for family members (the elderly or children) that owners subscribe to follow, owners can directly check their movement tracks in the community in the Zhuopin App and quickly find their families through the community AI algorithm.



Intelligent scenario: Check of movement tracks of people in the community

Meanwhile, for outsiders entering the community, the property management company can also check their tracks in the community through the monitoring system and use the AI algorithm to find out abnormalities for timely intervention.

## COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

### > Scenario ③: Alerts about not going out for people who live alone (stay at home for a long time)

There is a large number of elderly people living alone under the current environment, more care may be given to them with the help of technology. Take a 70-year-old man living alone as an example, every day he gets up early at 6:30 a.m. for a walk, and walks around alone after dinner at 8:00 p.m. in the neighborhood, but for two days he has not gone out, how can we deal with this?



Intelligent scenario: Alerts for staying at home for a long time

For such cases, we have set up a step-by-step notification model: if a single anomaly is monitored, the system will send a message to their children; if two anomalies are detected, it will be upgraded to a phone call to inform their children; in case of three anomalies, the property housekeeper will personally visit their houses to check and identify if the elderly may be at risk of being bedridden due to illness or special events. For sure, all of the abovementioned situations are subject to the owner's pre-registration and authorization.

## COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

### ➤ Scenario ④: Perfect interconnection of “public area+indoor”

We have currently equipped AIoT intelligent community solutions in 90% of our newly developed projects, among which more than 60% have adopted the “public area+indoor” model. Take the homing path as an example, the system will sense an owner’s different ways of returning home and automatically activate a customized home mode. When the owner opens the gate of the unit with his facial recognition/QR code/IC card, it will automatically lead the elevator to the floor where the gate of the unit is located, reducing the waiting time of the owner in the elevator hall, and the air conditioner (in summer) or the floor heating system (in winter) of his home will be automatically turned on or started in advance, so that when he arrives home, the temperature in the house will have been adjusted to the most suitable to him. If the owner drives home, at the moment his license plate is recognized and the barrier rod is lifted, the lights at home will be lit up in advance; when he opens the door with fingerprint/password, the TV or music in the living room will be activated at the same time, so he can enjoy the relaxing and pleasant family time instantly.

As the first AIoT intelligent community with Excellence 6U standards, Excellence Uni-Park in Huzhou (湖州卓越春熙里) project covers two parts: convenient access and full dimensional intelligent security. The former consists of convenient pedestrian access, convenient vehicle access and intelligent visitor functions, while the latter includes 8 major functions covering general perimeter alarm & AI perimeter alarm, road gate abnormal alarm & alert for detention at the entrance and exit of the car gate, alerts about children leaving the community, alert for local blacklisted people, identification of unauthorized people entering the community.



Excellence Uni-Park in Huzhou (湖州卓越春熙里)



## COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

In terms of intelligent community, we plan to continue to iterate our products and upgrade the owners' experience in the future, including central control room renovation for the property management company, perimeter security upgrade and continuous technology empowerment. The central control room renovation for the property management company aims to control the surveillance cameras in the community security area unitedly by applying the Internet of Things and AI vision algorithms, so as to provide services to the owners by one by one combination of the identified risks with the property work orders. Perimeter security upgrade means that the system can proactively perform continuous learning based on foliage shading, critter identification and periodic events to acquire the most practical algorithm capability for the community. We plan to build a "joint laboratory": a co-creating intelligent scenario experience center/research center for specialized issues/intelligent software and hardware product incubation center with the Internet leading platforms. Meanwhile, we will further explore the impetus of science and technology innovation and continue to strengthen in-depth cooperation with more leading technology enterprises based on the "technology empowerment" transformation strategy, aiming to create a cutting-edge information management platform and accelerate our digital development.

### Listening Carefully to Solve Customers' Problems

#### Customer Service

We have established a customer service system consisting of management policies such as those for customer relationship, customer service, decoration management and house delivery, and implement a three-tier management and control mechanism covering headquarters, regions and projects. Customers can make enquiries and suggestions or provide feedback in the following ways: Excellence Group Hotline: 400 0086 000; Excellence CM Hotline: 0755-23989106 and Email: zy400@excegroup.com. We use the 115-mechanism for response timeliness, which means to follow up within 1 hour, reply within 24 hours and close the case within 5 days in principle. Complaints are classified by specialty and daily, monthly, and quarterly data reports are included in performance appraisal. In the norms of complaint handling, customer complaint management methods and complaint handling procedures are clearly defined. To give feedback to customer complaints quickly, we have established a nationwide customer complaint feedback WeChat group for immediate follow-up, and publish a daily customer complaint bulletin for notification. If customers are dissatisfied with our services, the project's property service center will be primarily responsible for taking the lead in contacting the customers and communicating with them about their needs, so as to meet those needs within the legal, compliant and reasonable scope of services.

The Company issues an annual quality target management responsibility letter every year, which sets out annual target responsibility letters in terms of quality management, environmental management, occupational health and safety management, and energy management. It has also developed the Excellence Property Integrated Management Manual (《卓越物業一體化管理手冊》), the Target Indicator Plan (《目標指標方案》) and other documents for standardization.

## COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

We divide complaints into categories such as comprehensive customer service, engineering, safety, environment, and third parties. In 2021, Excellence CM received 405 complaints in total via 400-hotline, and a total of 1,692 complaints were received from the smart cloud platform and the project reception, with the complaint closure rate and the effective complaint return visit of 100%. The primary demands of the owners for property management services come from the housing repair progress regarding product quality, and the service attitude and the timeliness of the response of the property management services to the customer's demands. For the customer complaints and advices received by the Company in 2021:

- In terms of rapid housing repair and housing repair effect regarding product quality, we added the follow-up and publicity of the rectification rate of the issues during the intervention and takeover of the property pre-delivery team, and property management service providers, real estate companies and Excellence Group held regular meetings to communicate and strengthen Excellence Group's appraisal of housing repair, so as to minimize the impact of housing repair on customer satisfaction from the source and during the management process.
- In terms of the timeliness of response to customer demands, we added the data display and appraisal on the timeliness of the online work orders and complaints processed on the data platform, carried out training on customer service documents and complaints on a regular basis, and added an online information sharing platform, which could be updated and checked immediately, so as to improve job skills and service levels.

### Customer Satisfaction Survey

In 2021, the Company conducted satisfaction surveys on the residential properties owned by Excellence Group through third-party telephone interviews, with an overall satisfaction rate of 75%, and conducted satisfaction surveys on the commercial properties owned by Excellence Group through third-party door-to-door interviews, with an overall satisfaction rate of 99%. The overall satisfaction rate of the Company's satisfaction survey conducted through telephone interviews was 97%. The satisfaction survey target of the Company was set by Excellence Group, divided by headquarters, regions and projects and assessed quarterly and annually to realize the target.

In 2021, we actively cooperated with communities, sub-district offices and owners' associations in the prevention and control of the pandemic, organized effective door posts, buildings and customer convenience services, which have won the recognition and trust of the property owner groups. We have developed and launched the data platform in an all-around way, implemented online collection, input and reply of customer orders, complaints and suggestions, and processed them within a time limit and included them in appraisal. In addition, we have replaced offline satisfaction surveys with online collection, which could directly reply to customers online, and achieved more straightforward, reliable and comprehensive collection of customer opinions.

# COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

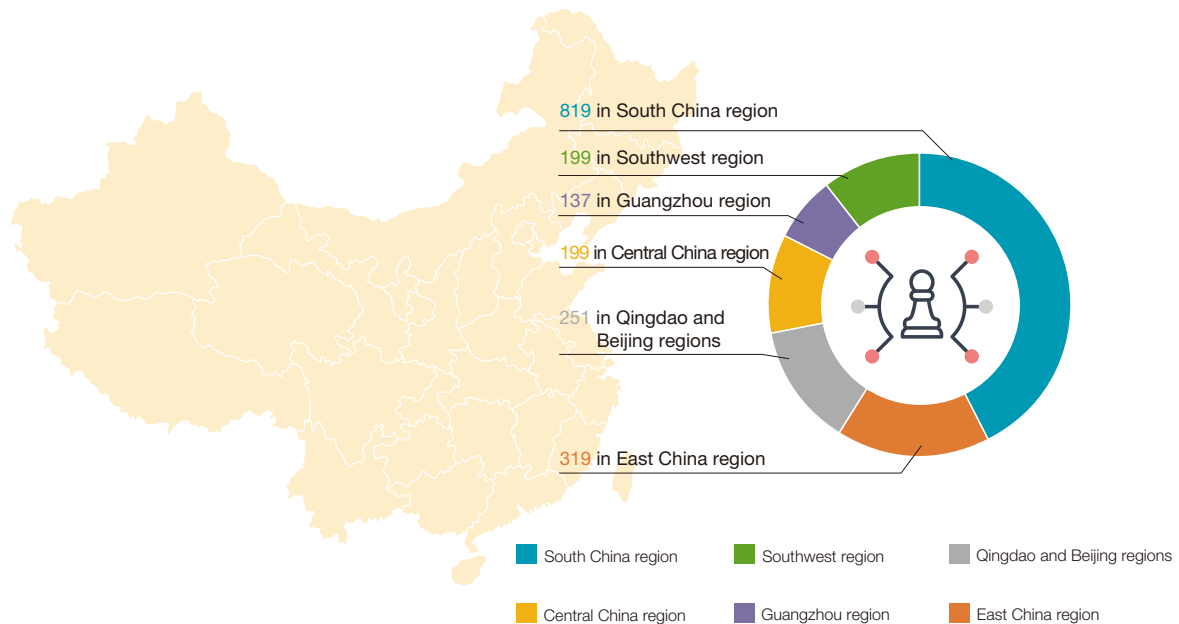
## Green Procurement to Achieve Harmony and Win-win Results

The Company exercises stringent controls over the selection of suppliers for materials procurement and service outsourcing, and clearly specify the selection of suppliers, procurement process, and certification of purchased products and services in its procurement control procedures. Moreover, the Company continues to consolidate and expand the partnership with its suppliers through good communication to keep supply channels stable and assure the quality of supply.

The categories of our suppliers mainly include property – material, property – engineering, repair and maintenance, property – service and labour outsourcing, insurance and insurance brokerage, IT (information and technology), brand design and event planning, supply chain and others, and Shenghengda EE, Shenghengda Elevator, Zhuopin Business Service business and E Butler business, etc.

The Company has a total of 1,924 suppliers in China. The distribution of suppliers by region is illustrated in the chart below:

**Distribution of the Number of Suppliers by Region**



## COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

### **Suppliers' Access**

In line with our direction of business development and our development plan, we reserve the sourcing of supplier resources, and comprehensively evaluate suppliers' price levels, quality assurance, delivery capability, reputation risk and collaboration intention. These suppliers will be preliminarily reviewed and certified by our procurement staff. The preliminary review and certification will conduct a veto review on the corporate reputation, corporate qualifications, basic corporate information, financial conditions, and cooperation risks etc. of the suppliers. Our procurement staff will organize our professional and business departments to form an inspection team to conduct comprehensive evaluation, on-site inspections, case studies, and sample tests on the suppliers who have passed the preliminary review. The procurement staff will arrange on-site inspections, formulate plans, organize projects in need and professionals to conduct on-site inspections of suppliers, verify the information provided, inspect on-site operations, production, and services, take photos and related records, and complete the "Suppliers on-site Inspections Report". The suppliers under review will be included in the pool of qualified suppliers after passing a test upon approval and examination by the staff in charge of procurement respectively. All of our suppliers follow this process for access. According to the procurement requirements of each project, we will select suppliers that meet environmental and safety requirements and have similar project implementation experience from the pool of qualified suppliers, match the suppliers to confirm the selection of suppliers through bidding and price comparison, and execute the contracts after approval.

### **Supplier Contractual Performance and Post-performance Assessment**

For suppliers that are performing contracts, we will conduct regular assessment of their contractual performance according to payment schedules, in terms of quality rendering and satisfaction, service timeliness, delivery timeliness and rectification of after-sales conditions, with safety risks and social impact (reputation) as the red line of the assessment. According to the assessment standards agreed in the contract, after completing the evaluation/assessment, the evaluation results are submitted for review and approval by the person directly in charge of the project/department. Satisfaction data will be counted for suppliers with third-party satisfaction survey data in cleaning, greening, and sterilization, and the evaluation results will be assessed as agreed in contracts; the integrity behaviors, safety incidents, and negative impacts of suppliers will be recorded to add or subtract points on the evaluation results according to assessment standards; the procurement centre will organize communication meetings to track supplier rectification and improvement based on the assessment of contractual performance.

Suppliers that complete a one-year contract period will be evaluated comprehensively after the performance of the contract, and the average value of the performance evaluation results during the contract period will be recorded as the evaluation result. The supplier rating result comes from the average value, and will be applied in contract renewal and supplier selection. According to the rating result, with 75-score as the acceptance line, 20% of qualified suppliers will be rated as excellent suppliers, 20% as good suppliers and 50% as qualified suppliers, the remaining 10% will be used under restricted conditions, and those scoring below 75 will be unqualified suppliers. Those suppliers that touch the red line in terms of safety risks, social impact, breach of contract in anti-corruption and bid rigging and collusion will be blacklisted and will not be able to collaborate with us within 3 years.

## COMFORTABLE SERVICES, HARMONY AND WIN-WIN RESULTS

### Inspection and Evaluation of Suppliers' Environmental and Social Factors

In respect of the inspection of suppliers' social responsibility and environmental protection, we assess the suppliers' quality, health and environmental systems during the suppliers' access process, and conduct on-site inspection of the operation of these systems. During the performance of the contract, we conduct spot checks and assessments on the performance of the contracts, with regard to but not limited to the following: ① quality rendering; ② employment legality/salary benefits/insurance; and ③ whether the use of chemical materials conforms to national regulations, whether they have certificates of conformity, and whether inventory management meets EHS requirements. The Company will propose rectification requirements or deal with breach of contract based on the results of the spot checks and assessments.

We have adopted the following measures to identify the environmental and social risks associated with the supply chain involved in the process of suppliers' access and subsequent performance:

- Whether suppliers' passing certification standards, performance evaluation standards, performance inspection standards and post-performance ratings in the entire process meets the judgment of compliance with the performance of the contract; there is a timely reporting mechanism if a supplier touches the red line;
- Suppliers are reserved for planned development, with headquarters' central procurement covering the whole country, regions or city territories; 3-5 suppliers of each type in each city are reserved to make sure suppliers are reserved for selection in case of defaults;
- For subcontracting and engineering suppliers, before providing cleaning and greening services, they are required to provide employee health certificates; before providing exterior wall and engineering services, they are required to provide high-rise work certificates; and before carrying out high-risk operations, they are required to provide a certificate of insurance that covers special positions. The procurement centre strictly inspects the equipment for safety construction, inspect the construction materials to see if they pass standards, and supervise and conduct pre-job training for safe construction and safe operation guidance prior to construction or service.

In the process of purchasing materials, the Company chooses environment-friendly products based on the cost budget when selecting specifications and brands for various materials. Environment-friendly products are the preferred choices in selecting decoration materials, cleaning materials, security materials and other materials (for example, we purchase more environment-friendly natural resin paint as decoration materials, etc.). We review the qualifications of materials suppliers in the certification process, and make purchases from those suppliers with agency certificates, business licences and regular brands. Products and materials are inspected after they arrive to see if they have test reports and certificates of conformity. Sub-standard products will be returned and exchanged. Moreover, we will determine the warranty period and free replacement or repair during the warranty period.

## RECRUITING TALENTS FOR COMMON GROWTH

In terms of human resources management, the Company abides by national laws and regulations such as the Labour Law of the People’s Republic of China, the Labour Contract Law of the People’s Republic of China, the Social Insurance Law of the People’s Republic of China, the Law of the People’s Republic of China on the Protection of Minors, Special Provisions on the Protection of Juvenile Workers, the Special Provisions on Labour Protection for Female Employees, the Regulations on the Employment of Disabled Persons, the Implementation Measures for Paid Annual Leave of Enterprise Employees, the Regulation on Public Holidays for National Annual Festivals and Memorial Days and the Regulations on Work-Related Injury Insurance.

Our human resources system includes Management Measures on Organisational Structure, Management Measures on Position Description, Authority and Responsibility Management System, Management Measures on Recruitment, Management Measures on Internal Deployment, Management Measures for Induction, Employment and Dismissal, Management Measures on Internal Communication, Management Measures on Reward and Punishment, Measures Governing Employee Relations Committee, Measures Governing Employee Team Building Activities, Measures Governing Corporate Culture Team, Management Measures on Compensation and Benefits, Management Measures on Attendance, Leave and Overtime, Measures Governing Performance Appraisal and Objectives, etc. The human resources management is comprehensively regulated through development of the system.

### Equal Employment and Protection of Rights and Interests

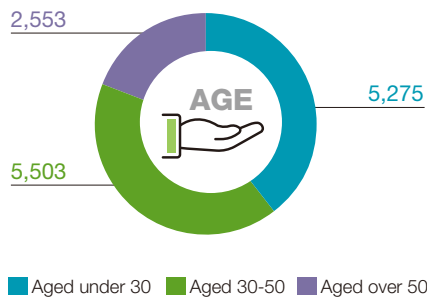
#### Employment

The employment challenge faced by the Company lies in its rapid business development, which requires the recruitment of more professionals and management talents to keep abreast with the fast-growing business. The Company has upgraded its recruitment plan and developed a market-based pay survey plan to increase recruitment number and quality, and recruit employees with more market-based compensation, so as to meet the needs of business development. In terms of employee compensation and benefits, the Company pays monthly salaries on time according to regulations and purchases supplemental medical insurance for employees holding positions of managers and above.

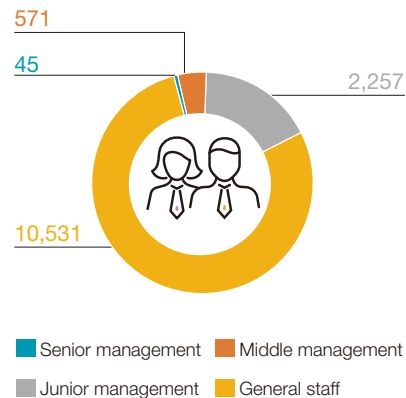
In terms of employee resignation, we interview the employees who intend to resign, and HR also pays attention to the situation from time to time for employees who intend to return. The Company also welcomes returning employees.

This year, the Company had a total of 13,404 employees (including 1,127 dispatched employees), all of whom are full-time employees, including 8,026 males, 5,378 females, 521 ethnic minority people, 25 disabled people, and 166 student interns, 93 of whom were retained after graduation. The breakdown and turnover rates of employees are as follows:

**Breakdown of Employees by Age<sup>7</sup> (persons)**



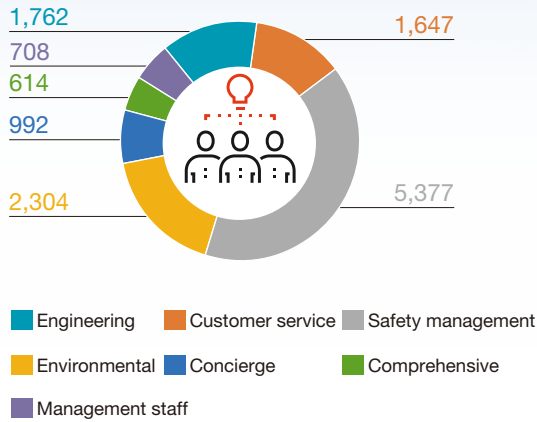
**Breakdown of Employees by Level (persons)**



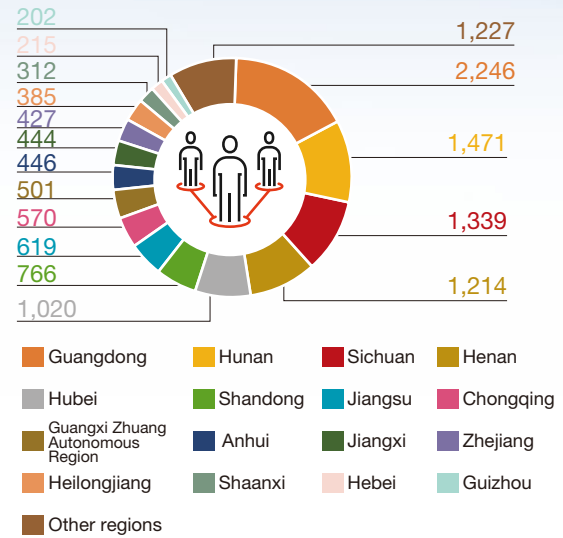
7 Breakdown of employees by age has not included employees in India.

# RECRUITING TALENTS FOR COMMON GROWTH

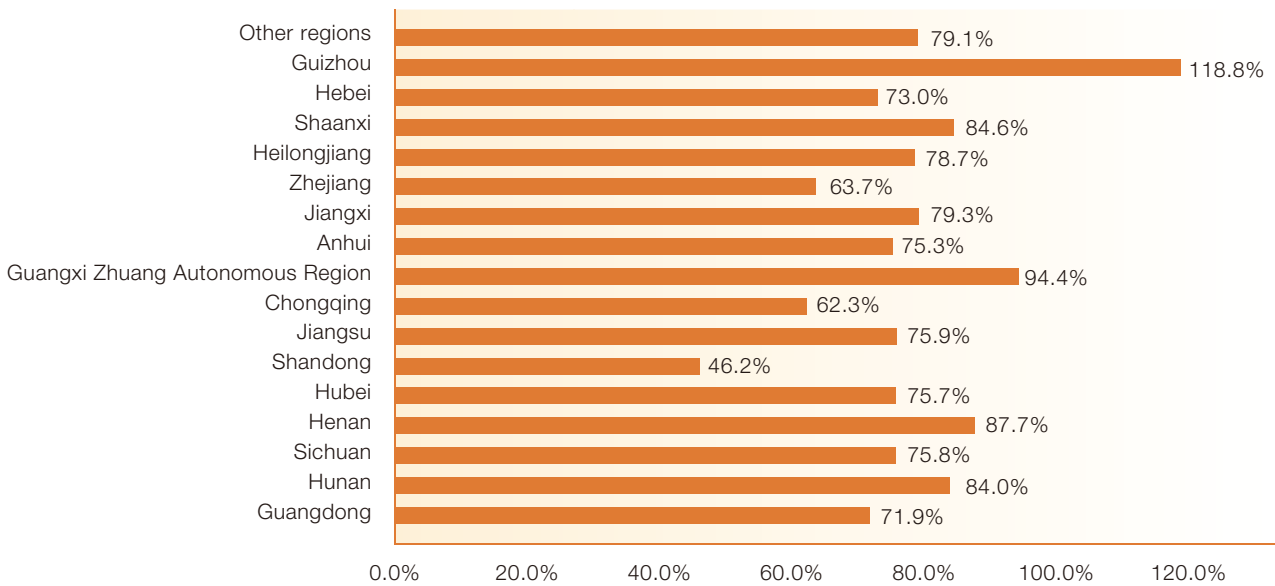
**Breakdown of Employees by Function (persons)**



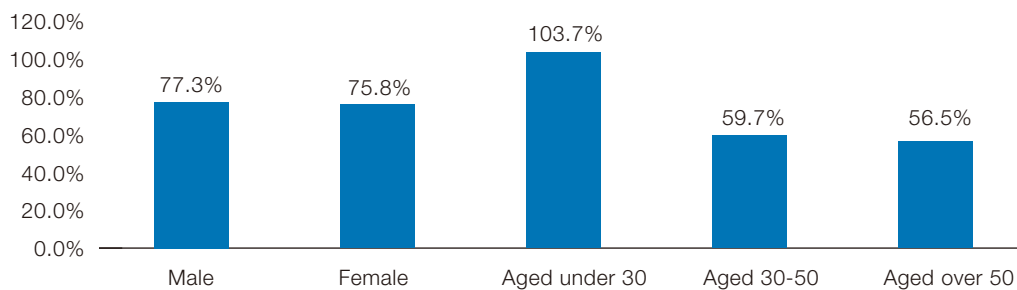
**Breakdown of Employees by Region (persons)**



**Employee Turnover by Region**



**Employee Turnover by Gender and Age Group**



## RECRUITING TALENTS FOR COMMON GROWTH

### Employee care

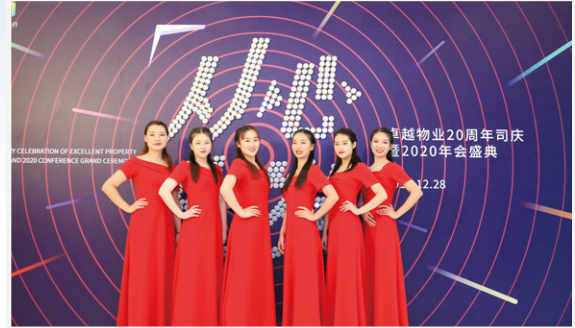
With respect to employee care, Excellence CM provides holiday allowances on Spring Festival, Women's Day, Dragon Boat Festival and Mid-Autumn Festival, covering more than 12,000 employees in the Company, and regularly arranges nearly 10 activities every year for employees such as physical examinations, birthday parties, appreciation days, fun sport events and annual parties. The Company's employee philosophy of "simplicity, respect, growth and happiness" has been implemented to support the business development of the Company. The Company has purchased employer liability insurance for 1,021 retired employees reemployed to safeguard their benefits.

Since the outbreak of the pandemic, the frontline staff of Excellence CM have been working hard to cooperate with the community and administrative authorities to support pandemic prevention and control, while facing the psychological pressure brought by the normalised situation of pandemic prevention and control as well as the long-time hard work on the front line. The Company has also established an employee care hotline covering all employees in 50 cities of 15 regions, which became more active especially during the pandemic outbreak. Employees on the front line of each regional project can contact the relevant regional hotline if they need support for the pandemic prevention.

Region	Telephone	Email
Headquarter of the Company	0755-23989098	wyrl@exceam.com
Zhuopin Business	0755-23989105	wylbb@exceam.com
Zhuoyi Environmental	0755-23910861	humin22@exceam.com
E Butler	0755-23822059	lsx02@exceam.com
Shenghengda EE/Elevator	13823553876	luosy02@exceam.com
South China FM major region	13480994370	tangjf@exceam.com
South China PM region	0755-83055620	wyhnpmqy@exceam.com
South China residential region	0755-26054279	gumm@exceam.com
Wuhan region	15572781512	guancf03@exceam.com
Southwest region	028-85915225	liuxq09@exceam.com
Beijing region	18518951787	jiangjf@exceam.com
East China commercial region	0571-86939783	liuxj08@exceam.com
East China residential region	021-69778280	lihd@exceam.com
Qingdao region	0532-67762178	wyqdqy@exceam.com
Changsha region	15973160352	Xiaoling@exceam.com



## RECRUITING TALENTS FOR COMMON GROWTH



In order to build a harmonious enterprise, reflect the Company's humanistic care, advocate the philosophy of "solidarity, support, love and kindness", and promote the caring spirit of helping the needy and distressed people, the Company established the "Excellence Property Love Foundation" to provide employees with financial assistance in the event of accidental death of their immediate family members or death of their parents, etc. The amount of financial assistance applied for by employees in 2021 was more than RMB250,000.

## RECRUITING TALENTS FOR COMMON GROWTH

### **Employee diversity and prevention of child labour and forced labour**

In terms of holidays and working hours, the Company abides by relevant national laws and regulations. For employees working overtime, we will compensate them with overtime pay or compensatory leave.

In terms of employee diversity, we respect differences and do not impose restrictions on age, gender, origin, religion, etc. as long as employees are competent to do their jobs.

In terms of preventing child labour and forced labour, the Company strictly abides by the national labour laws and regulations, and strictly prohibits the employment of child labour. We conduct relevant verification for all employees when they join the Company, verify the identity and age against original identity cards provided by each job applicant during the recruitment process, and regularly review the database every month to check whether the age of personnel meets the requirement before recording in the HR system. The headquarter and regional companies also conduct quarterly compliance checks on projects to prevent child labour and forced labour. The Company has not found any child labour and forced labour. If it is found, we will stop it immediately and punish the responsible person accordingly.

In 2021, there were no violations in relation to recruitment and dismissal, compensation and promotion, working hours, rest periods, equal opportunity, diversity, etc., nor were there any incidents concerning child labour, forced labour or other violations of employment and labour rules of the Company.

### **Employee Training for Development and Advancement**

In order to ensure that the Company has an internal control environment with good human resources, it conveys knowledge to employees at different levels every year. Through organising training for employees, the Company meets the needs of corporate development for competent employees. Employees will be put into their posts upon receiving training and improving their professional and technical capabilities, which will improve the operating results of the Company.

We have set up the Management Measures for Talent, the Promotion Management Measures, the Training Management Measures, the Management Measures for Data Base, the Management Measures for Instructors, the Measures for Course Development and Management, the Management Measures for Certificates and other promotion and training systems. The Company's management goals in employee training and development are to promote the implementation of corporate strategy, develop and enhance managers' leadership, cultivate key talents, integrate training resources, and spread corporate culture.

### **Employee promotion**

In terms of employee promotion, the Company implements the Management Measures for Talent Development and the Promotion Management Measures. Based on business developments and the readiness of employees, each business department submits a list of personnel for promotion on a monthly basis, which is subject to approval according to the level of promotion. During the year, the Company introduced the SHL talent evaluation system to analyze the potential of project managers and assist the employing departments to pay attention to the potential and advantages of their subordinate employees. During the year, the Company had 373 newly promoted mid-level management staff members (managers and above positions), including 138 internally promoted mid-level management staff members and 235 externally engaged mid-level management staff members.

## RECRUITING TALENTS FOR COMMON GROWTH

### Staff training

The Company has achieved systematic management in talents training, and has carried out in an orderly manner according to the project system. Our training system is divided into company-level training and regional project training. Company-level training covers new recruits (management trainees), potential talents (reserve supervisors), excellent talents (reserve managers) and leaders (mid-level and senior management). The training sessions were mainly on-site training, coupled with remote online learning. As to regional project training specific to a project, an annual training plan will be developed and implemented on a monthly basis to ensure smooth business operations. Combining different levels to design different training projects is the highlight of the Company's talent training. While exporting talents, the Company has cultivated a group of lecturers with excellent professional capabilities.

In 2021, the Company provided relevant training for employees at different levels:

- Various regional and project organizations provided training for front-line employees. At the beginning of the year, an annual training plan is developed based on the development needs of the projects and implemented on a monthly basis. The training hours per person of the front-line employees reached 40 hours during the year.
- Through the recommendation of various regional project leaders, the Company provided training for project business line supervisors and set up a programme for cultivating potential talents. During the year, a total of 207 employees were recruited into the candidate pool, to attend lectures of 9 courses over a three-month period.



## RECRUITING TALENTS FOR COMMON GROWTH

- In order to attract more young talents to join the Company, we have cooperated with various colleges and universities to introduce management trainees, and have developed programmes for cultivating new recruits. During the year, a 7-day offline course and outdoor development activities were carried out for 153 new recruits.



- The training project for excellent talents targets reserve project managers and reserve professional managers. Through talent selection, excellent talented students with high potential in the project were recruited into the excellent talent pool, for whom a half-year intensive training has been carried out, covering a total of 18 courses.



## RECRUITING TALENTS FOR COMMON GROWTH

- In 2021, the training program for middle and senior management have been continued and set off to the “Isles of Wisdom” (聰慧島) and “Neverland” (夢幻島). The management and regional leaders of the Company attended the training session, and senior lecturers from well-known consulting companies were invited to serve as course lecturers. These courses helped the Company’s senior management to further deepen their knowledge of sales skills, talent development and organisational development.
- In order to support the Company’s market expansion and business development, we invited senior full-time lecturers from well-known consulting companies to teach relevant courses on sales for nearly 40 employees in the market positions of the Company.



Categories	Targets	Number of lectures	Class hours	Number of participants	Purposes
New recruits in 2020	Undergraduate students	10	30	496	Cultivation of reserve cadres for the Company
Potential talents in 2021	Reserve supervisors	17	60	720	Cultivation of reserve cadres for the Company
New recruits in 2021	Undergraduate students	16	41	1,223	Cultivation of reserve cadres for the Company
Excellent talents in 2021	Reserve managers	19	72	1,266	Cultivation of reserve cadres for the Company
Leaders in 2021	Directors and above positions	2	28	63	Development of a well-trained management team
Project managers in 2021	Project managers	1	3	480	Enhancement of legal awareness
Sales in 2021	Sales team	1	14	43	Sales to key customers

## RECRUITING TALENTS FOR COMMON GROWTH

We have established an online training platform, which is an internal learning platform jointly developed by Excellence CM and Yunxuetang (雲學堂). The courses are aimed at front-line employees, supervisors and above positions, covering course categories including position-related professional courses, new employee training, development-oriented courses, Xiaohongshu training, training from external databases, etc. Training administrators can effectively manage training data by launching training programs, attendance records, examinations, effect assessments and other functions through the platform. In 2021, there were a total of 1,439 course packages on the platform, with a learning rate of 69% and learning hours per person of 6.3 hours. In 2021, our training expenses amounted to RMB392,300. During the year, we sent 80 employees to third party professional training institutions for training.

Training Indicator		2021 Data
Number and percentage of trained employees by gender	Total number of male employees trained	7,300
	Total number of female employees trained	5,000
	Percentage of male employees trained	90.95%
	Percentage of female employees trained	92.57%
Number and percentage of trained employees by level	Total number of senior management trained	32
	Total number of middle managers trained	344
	Total number of general employees trained	12,268
	Percentage of senior management trained	66.67%
	Percentage of middle managers trained	60.25%
Training hours per employee	Percentage of general employees trained	95.93%
	Average training hours per male employee <sup>8</sup>	40
	Average training hours per female employee <sup>8</sup>	40
	Average training hours per senior management	28
	Average training hours per middle manager	40
	Average training hours per general employee	40

In order to actively respond to the rapid development of the Company's business and cultivate key talents for the Company in a timely manner, the Company will continue to carry out the key talent training project in 2022. For the new recruits project, we will expand the talent pool, optimise course content, add student task lists, develop a mentor system and effectively implement the cultivation plan for management trainees, all these efforts are expected to increase our talent retention rate. For potential project managers, knowledge conveyance will be carried out on their management skills and tool use, so as to improve the ability of potential project managers and learn from benchmarking project managers.

8 Average training hours per employee by gender does not include the senior managements.

## RECRUITING TALENTS FOR COMMON GROWTH

### Protecting and Caring for Employee Health and Safety

#### Occupational health and safety

The Company has issued the “Provisions on the Administration of Occupational Hygiene” and the “Classification Catalogue of Occupational Disease Hazard Factors”. Each project/department needs to refer to the catalogue to comprehensively identify potential hazard factors, formulate the “List of Occupational Hazard Factors and Positions”, and keep it updated. We have adopted the following measures to improve the occupational health and safety of the employees:

1. Daily occupational health and safety training, such as high-altitude operation safety training, hazard identification assessment and control training, LOTO procedure safety training, traffic safety training, fire safety training, etc.;
2. The allocation and supervision of the use of personal protective equipment, such as helmets, safety belts, insulated safety shoes, ear plugs, protective masks, gas masks, etc.;
3. Supervision of the safety of employees’ daily maintenance and repairing operations, and permission and approval system for high-risk operations;
4. The organisation of safe and cultural activities, and the development of occupational health and safety leadership.

The Company provides employees with body checks on an annual basis, covering employees from all regions, departments and positions of the Company. The medical examination agencies will issue a professional physical examination analysis report based on the comprehensive analysis data of the employees’ annual physical examination results, including basic information, statistics on abnormal conditions identified in physical examination, analyses and evaluations on employee’s health issues, which allow the Company to fully understand the health status of employees and the direction for improvement.

The Company strictly abides by the laws and regulations of local government, and offers high temperature allowances in summer. While offering allowances, we also carry out various summer breeze activities, to provide employees with heatstroke prevention and cooling materials, such as herbal tea, watermelon, mung bean soup, etc., to secure the health of employees.

	2021	2020	2019
Number of employees who died at work	3	0	0
Percentage of employees who died at work	0.22‰	0	0
Work days lost due to work-related injuries	1,427	2,082.5	1,959

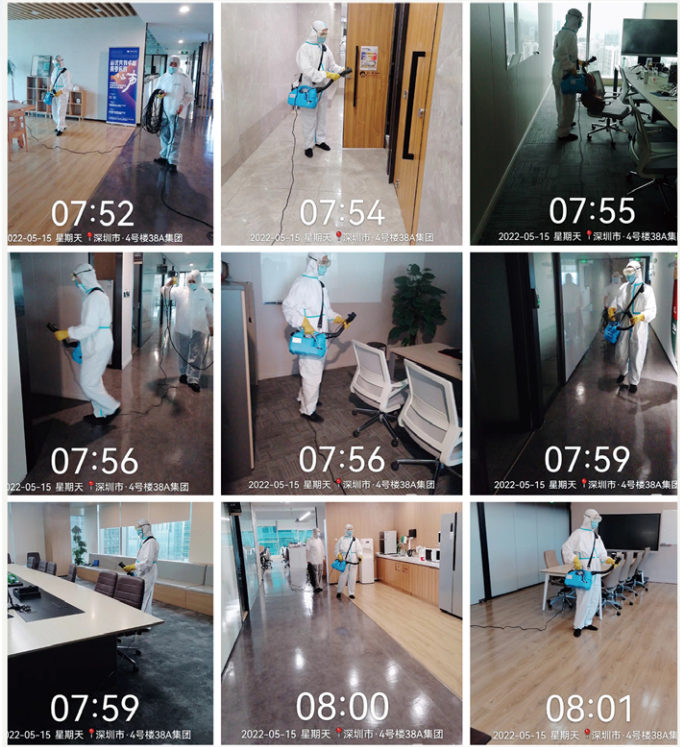
During the year, the Company had no violations in terms of occupational health and safety.

## RECRUITING TALENTS FOR COMMON GROWTH

### Prevention and control of the epidemic

During the epidemic, we increased the frequency of disinfection in public areas such as offices and duty rooms, and carried out preventive disinfection on public items and parts such as desks (tables), door handles, faucets, handrails, etc., which are touched frequently, and on floors and walls, if necessary. Air circulation were maintained in staff canteen, mainly with cleaning, supplemented by preventive disinfection. We have taken measures such as reducing the density of people, off-peak dining and “one tableware for one person” with immediate disinfection after use, and have set up dedicated personnel to send reminders or posted reminders in prominent places.

For the employees who participated in the fight against the epidemic, the Company will offer material and spiritual rewards and recognition. The Company will pay attention to the development of the epidemic, allow employees to work from home when necessary, make effort to disinfect the office, and provide epidemic prevention materials.





## GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

Upholding a responsible attitude towards the society and the environment, the Company is well-aware of its environmental responsibility as a corporate citizen. In the course of daily operations and development, we constantly place emphasis on the importance of environmental protection, and actively implement the green and low carbon development strategy to reduce the negative impact of business development on the environment and exert a positive impact.

The Company strictly abides by the Environmental Protection Law of the People's Republic of China, the Energy Conservation Law of the People's Republic of China, and other laws and regulations that have a significant impact on the Company's development, and continuously improve the awareness of environmental protection by taking a series of practical measures to achieve the expected outcomes.

In terms of the environmental management system, the principal places of business of the Company have passed the ISO 14001:2015 environmental management system certification and ISO50001:2018 energy management system certification. We vigorously promote the implementation of environmental management system by establishing a rigorous structure with a clear division of labour. The relevant job levels include general manager, management representative, systems manager, EHS officer, business operation manager (environmental), quality operation officer of the regional project, supplier management officer, and project-based environmental management officer. The functions and duties of these positions are reasonably set in respect of the planning, implementation, inspection, and improvement of the environmental management system, and being measured, examined, and improved in real-time. Currently, the environmental management system is running well.

### Emissions Control to Protect the Environment

Excellence CM has always been adhering to the strategies of low-carbon environmental protection and sustainable development. The Company continues to establish and improve various systems, and has specially established the Waste Management Rules and other rules and regulations, which were implemented through special inspections, quality inspections, daily training and other aspects. The Company also promotes and implements measures such as renting indoor green plants for display, park greening and air pollution control according to business characteristics, so as to reduce the emissions of exhaust gas and greenhouse gas. We will always take promoting the process of emission management, waste management and environmental protection as the long-term goal, in an effort to finally realize the concept of circular economy and take the road of sustainable development. In the future, the Company will also develop a sustainable development strategy in response to the call of national policies, step up efforts in air pollution control and pollutant discharge control and take the social responsibilities of low-carbon environmental protection and green properties. During the year, there were no violations that had a significant impact on the Company in terms of emissions.

### Management of exhaust gas and greenhouse gas emissions

In accordance with the requirements of the ISO14001 environmental management system and ISO50001 energy management system, the Company implements national environmental policies and energy conservation and emission reduction requirements. Our projects under management are mainly commercial office buildings, residential building and a few logistics parks. The direct sources of greenhouse gas emissions are diesel emissions from generators and exhaust emissions from employees' private cars; the indirect source of emissions is caused by using electricity. The diesel consumption of generators generally only occurs during power outages and monthly tests, so the exhaust gas emissions therefrom are negligible. The Company advocates green travel. Our projects are mostly located in urban areas with convenient transportation, and our employees mostly commute by subways or buses, thereby reducing exhaust gas and greenhouse gas emissions from cars to minimal levels.

## GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

### The Company's Exhaust Gas and Greenhouse Gas<sup>9</sup> Emissions and Intensity

Category	2021 Emissions	2020 Emissions	Unit
Sulphur dioxide	19.88	13.95	kg
Nitrogen oxides	195.02	136.86	kg
Particulate matter	26.24	18.41	kg
Direct greenhouse gas emissions	255.39	170.24	tonnes of carbon dioxide equivalent
Indirect greenhouse gas emissions	59,762.24	62,604.60	tonnes of carbon dioxide equivalent
Total greenhouse gas emissions	60,017.62	62,774.84	tonnes of carbon dioxide equivalent
Greenhouse gas emission intensity	14.57	19.61 <sup>10</sup>	tonnes of carbon dioxide equivalent per 10,000 m <sup>2</sup> of properties under management

### Waste discharge management

The Company complies with environmental requirements, closely cooperates with the implementation of waste reduction initiatives, and requires relevant parties to participate in such initiatives. In the course of business, we classify waste into recyclable, non-recyclable, and hazardous waste. In each property under management, we set up garbage bins for these three types of waste and continuously publicize garbage classification knowledge to property owners and residents on bulletin boards and through online and other channels, to remind them to classify waste before dumping. We advocate paperless offices, reuse of single-sided paper, and reduce the use of disposable tableware/plastic bags to reduce waste generation.

For office and domestic garbage generated daily, we first separate the recyclable garbage and have them disposed of by the contracted qualified suppliers. Domestic garbage will be collected in a garbage room, transported, and disposed of by the sanitation department, and registered in terms of quantity. During the process, no secondary pollution such as splashing and scattering is allowed. All decoration waste is cleared and transported by the construction entity.

9 Calculation method of greenhouse gas emissions:

Direct greenhouse gas emissions: The Company's gasoline and natural gas consumption is multiplied by the corresponding emission factor. For the emission factor, please refer to ① China Energy Statistical Yearbook and ② IPCC 2006;

Indirect greenhouse gas emissions: The amount of electricity purchased by the Company is multiplied by the corresponding emission factor. For the emission factor, please refer to the Notice on Doing a Good Job in the Management of Corporate Greenhouse Gas Emissions Reporting in 2022 published by the Ministry of Ecology and Environment;

Total greenhouse gas emissions: Sum of direct and indirect greenhouse gas emissions.

10 For the convenience of comparison, we adjusted to use area of properties under management for the calculation of intensity in 2020.

## GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

The quality management department of the Company reviews the list of hazardous wastes each year and updates it according to the National Catalogue of Hazardous Wastes. For each project, a special hazardous waste warehouse has been set up to collect and store hazardous wastes generated from project operations, including waste fluorescent tubes, waste paint, waste chemical solvents, and their containers. In accordance with the national requirements for environmental technology upgrading, we are gradually replacing them with LED lamps, water-based paint, and mercury-free batteries and eco-friendly pens to reduce the generation of hazardous waste at the source. Our copiers are leased, and the hazardous wastes generated by them such as ink and toner cartridges are replaced and disposed of by the supplier regularly. Other hazardous wastes are temporarily stored in a separate place on the premise of taking measures for isolation and leakage prevention, and a hazardous waste recycler certified by the environmental authority is contracted to transfer and dispose of such wastes from time to time.

In 2021, the total amount of hazardous waste<sup>11</sup> discharged by the Company was 4.44 tonnes, and the total amount of non-hazardous waste<sup>12</sup> discharged was 53,278 tonnes.

Category	2021 Emissions	2020 Emissions	2021 Discharge per
	(unit: tonnes)	(unit: tonnes)	10,000 m <sup>2</sup> of properties under management (unit: kg)
Hazardous waste	4.44	3.63	1.07
Waste lamps	2.67	2.17	0.65
Waste paint solvent	1.77	1.46	0.43
Non-hazardous waste	53,278.00	70,052.85	12,931.55
Domestic waste	53,278.00	70,052.85	12,931.55

### Wastewater management

The Company's projects generate domestic sewage (but no industrial wastewater), mainly including domestic sewage from toilets and tea rooms, cleaning and tool cleaning water, air conditioning condensate, etc. Sewage from toilets and tea rooms and cleaning wastewater are treated in septic tanks and then discharged into municipal sewage pipes for treatment in sewage plants, and the Company pays wastewater treatment fees as required. Air conditioning condensate is recycled instead of being discharged.

11 Due to the business nature, the hazardous waste of the Company and those generated by owners of the projects under management are hard to differentiate, therefore, the total emissions of hazardous waste include those generated by owners or tenants of the projects under management.

12 Due to the business nature, the non-hazardous waste of the Company and those generated by owners of the projects under management are hard to differentiate, therefore, the total emissions of non-hazardous waste include those generated by owners or tenants of the projects under management.

## GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

### Energy Conservation and Consumption Reduction by Green and Low Carbon Operation

In terms of energy use, the Company has established a complete and sound management system. The relevant management measures in effect include: the Resource and Energy Management Rules, the Energy Evaluation Management Rules, the Regulations on Control of Energy Benchmarks and Performance Parameters, the Regulations on Operation of Diesel Generator Equipment, the Regulations on Repair and Maintenance of Diesel Generator, the Procedures for Identification, Evaluation and Control of Environmental Factors and etc. Since the establishment of our energy management system in 2019, the Company has set annual responsibility targets for certified areas and projects (headquarters office area, Tower 1 of Excellence Century Centre) every year, and such targets have been successfully completed. The Company's goal in energy and water resources management is to improve the effective utilization of energy and water resources and maximize the environmental and economic benefits of energy and water resources on the premise of satisfying business activities. In 2021, the Company formulated the Energy Data Collection Plan and the Energy Monitoring and Measurement Scheme. The Excellence Century Centre project engaged Dachong Luyuan Energy Technology Co., Ltd. to carry out energy-saving transformation of its central air conditioning system, which eventually achieved a daily saving of 14,706 kWh of electricity. Overall, this move can save 12.76% electricity cost. In the future, the Company will also promote energy conservation and consumption reduction by enabling sound operation of energy management system and environmental management system, breaking down and implementing annual responsibility targets, carrying out training on and publicity of energy conservation and consumption reduction for entities at all levels, and applying new energy-saving technologies. The Company's business does not involve the use of product packaging materials.

### The Company's Resource and Energy Consumption and Intensity

Category	2021	2020	Unit
	Consumption	Consumption	
Electricity consumption	102,860,995.00	102,613,662.50	kWh
Natural gas	110,819.00	77,772.16	Nm <sup>3</sup>
Liquefied petroleum gas	3,980.00	4,856.70	kg
Water consumption	5,730,783.00	5,831,844.30	m <sup>3</sup>
Water consumption intensity	0.14	0.18 <sup>13</sup>	m <sup>3</sup> /each m <sup>2</sup> of property under management
Paper	1,480.00	1,804.40	tonnes
Integrated energy consumption	104,115.77	–	'000 kWh
Integrated energy consumption intensity	25.27	–	'000 kWh/10,000 m <sup>2</sup> of property under management

### Energy saving and consumption reduction

Each property management project of the Company is required to set annual energy-saving targets, carry out special tasks for energy-saving transformation in phases, and continue to implement energy-saving measures such as "table clearing and five shutdowns", so as to gradually reduce power waste and control greenhouse gas emissions. In the future, we will continue to apply energy-saving technologies in various projects, such as comprehensively promoting and applying LED lights and enabling dynamic induction control of major energy-consuming equipments including air-conditioning systems, elevator systems and basement lighting.

## GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

We take the following measures for energy conservation:

- Carrying out energy-saving technical transformation to achieve the goal of energy conservation;
- Publicity and education: Make use of energy-saving posters, logos and other publicity methods to make the concept of energy conservation deeply rooted in the hearts of all personnel;
- Staff training: Train and educate employees on daily habits, work scenarios and job skills, and correct their waste habits;
- Setting responsibility targets: Issue letters of responsibility for energy-saving targets at the beginning of the year from the Company to various regions and projects and to all departments, regularly review the progress of the targets, and make improvements based on routine inspection results to ultimately achieve the goal of energy conservation;
- Routine inspection: Responsible departments such as the engineering department and administrative department inspect the office area and operational area to avoid waste of energy resources.

### **Water resources management**

The Company implements water-saving measures internally and sets annual water conservation targets. We adopt water-saving measures such as the reuse and transformation of reclaimed water and the use of water-saving toilets. We conduct continuous inspections in daily operations, repair damaged faucets in a timely manner, prevent wasting water, and ensure that the Company's water consumption tends to be at a reasonable level. During the year, the Company did not have any problems in sourcing water that is fit for purpose.

We explored new ways to save water from the following aspects:

- Explore a robot inspection system to timely detect and deal with any water pipe leakage;
- Compare with the water consumption data of the same period of previous years through the E+FM facility management system to find out any anomaly in water consumption, identify the issues behind and make improvements;
- Adjust the flow of toilet water and reasonably control the water consumption of toilets;
- Explore a landscape water recycling and treatment system to fully use stored water and rainwater.

In response to the government's call for water conservation, we cooperated with the construction of sewage treatment system, explored rainwater collection and reuse technology, and expanded water sources suitable for the property management projects in various ways, in an effort to achieve energy conservation and environmental protection.

## GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

The Company has set up 246 waste battery recycling bins in 51 offices and residential buildings. In 2021, 4.025 tonnes of waste batteries were collected, all of which were handed over to qualified recycling agencies for disposal. At the same time, 93 bins for recycling of old books and periodicals and paper have been set up in 20 projects under management, with 205.38 tonnes of old books and periodicals and paper being collected; 53 used clothing recycling bins have been set up in 25 projects under management, with 9 tonnes of used clothes being collected.

### Evaluating and Addressing Climate Change

Global climate change has become the most important environmental and development challenge faced by mankind in the 21st century. Addressing climate change is the core mission of achieving global sustainable development at present and even in the future.

The Company actively responds to the national carbon peaking goal and carbon neutrality vision, and uses corporate strength to deal with climate change, build ecological civilization, and promote high-quality development. The Company describes our efforts and future directions in addressing climate change in terms of governance, strategy, risk management, and indicators and goals.

### Governance

Focusing on the governance of climate-related risks and opportunities, according to the ESG governance structure formulated by the Company, the Company has clarified that on climate change issues, and the Strategy and ESG Committee under the Board has clarified the Company's operation goals and long-term development strategies, made recommendations for major issues, and suggest and supervise the implementation of annual operation plans and proposals. At the same time, the Company has set up an ESG working group to clarify the responsibility for climate change management and target implementation, and to report to the Board on a regular basis.

### Strategy

Climate-related risks include transition risks associated with a low-carbon economy and physical risks associated with the impacts of climate change. Transition risks can be divided into policy and regulatory risks, technical risks, market risks, and reputational risks. Physical risks include acute physical risks (mainly due to a single event, such as extreme weather such as typhoons and floods) and chronic physical risks (represents to the long-term change of climate models such as persistent high temperatures).

In terms of transition risks, the policy and regulatory risks, with the deepening of the society's understanding of climate change and the implementation of relevant policies, the operating locations may increase energy prices, set energy use caps, expand the coverage of paid greenhouse gas emissions or improving other environmental regulatory requirements will lead to an increase in our operating costs. In this regard, we actively respond to the national strategy, select pilot projects to implement the dual-carbon strategy, and implement innovative measures. For example, promote the installation of rooftop photovoltaics, and realize energy-saving and reuse through elevator energy feedback, thereby creating benefits.

## GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

In terms of acute physical risks, we focus on the impact of extreme weather on production operations, and identify various natural disasters, extreme weather or adverse weather conditions that operations may face, which are mainly shown on:

- When extreme rainfall, blizzard, cold wave and other conditions which may affect the Company's provision of property services occur, the provision of property services for owners is directly affected by extreme weather events on residential communities, office buildings, industrial parks, etc.;
- In the case of a sudden drop in temperature due to cold weather, due to thermal expansion and contraction, water pipes in residential communities, office buildings, and industrial parks may be at risk of bursting, which may increase the cost of property services we provide.

### **Risk management**

Based on the characteristics of the industry in which the Company operates and the actual situation, we have identified and assessed the management process for climate-related risks. The Company identified that environmental and climate risks may lead to operational and financial risks, including the increase in the cost of electricity expense due to climate change, the frequent outbreak of the epidemic has increased our operating costs and workload, and customers have shrunk or even reduced their business due to the impact of costs and the epidemic. In response to the identified climate-related risks, in terms of emergency management, the Company has established typhoon and rain emergency plans, heavy rain and cold wave emergency plans, blizzard emergency plans, snow removal emergency plans, and high-temperature weather emergency plans for extreme weather, and will formulate the emergency drill plan every year, urge the project to implement drills on a regular basis.

In addition, the Company recognizes the opportunities brought about by climate change, such as our increasing role and importance in community and grassroots epidemic prevention and control; through energy saving and consumption reduction, we can save costs for the operation of self-owned properties and customers; by promoting clean energy management such as solar, wind power management may also bring new business opportunities.

### **Indicators and goals**

In order for the climate change process to be measurable, it is crucial to select appropriate parameters and indicators, and to set responsive targets. Combined with the actual situation, the Company has clarified the climate-related risk indicators related to energy use efficiency, water resource efficiency, waste discharge and greenhouse gas emission management. At the same time, the Company will continue to promote the formulation of relevant quantitative targets and regularly review the implementation of the goals.

Considering that the operating and market environment in which the Company operates is constantly changing, we will constantly review our practical activities and adjust our goals and proposed measures in a timely manner. In the future, we will further improve strategy formulation, risk management, indicator and target identification and management, and work with all walks of life to address climate change and achieve common sustainable development.

## OPERATIONAL COMPLIANCE, INTEGRITY AND HONESTY

The Company earnestly carried out anti-corruption and integrity work and strictly abided by the Criminal Law of the People’s Republic of China, the Anti-Unfair Competition Law of the People’s Republic of China, the Audit Law of the People’s Republic of China and other laws and regulations, and has established an effective risk management mechanism and developed a set of measures, including the Audit Management Measures, the Whistleblowing Management Measures, and the Reward and Punishment Management Measures. Each year, we review and revise such measures based on business development needs. The Company has also formulated an employee handbook and ten red lines on employee code of conducts to regulate employee acts. Each supplier is required to sign the Sunshine Cooperation Agreement when contracting with the Company. The Company’s headquarters has an audit department to audit the supplier-related departments from time to time. Suppliers that violate the Sunshine Cooperation Agreement or are subject to verified complaints will be held accountable and blacklisted for three years.

Any employee of the Company or anyone who finds corruption, bribery and other illegal activities within the Company may report such activities by letter, telephone, fax or email, through our website, or by paying a visit to us. We have dedicated personnel to handle whistleblowing matters. We encourage and give priority to real-name whistleblowing, and we keep the information of whistle-blowers strictly confidential, and have provisions in the Whistleblowing Management Measures to protect the rights and interests of whistle-blowers. After receiving a whistle-blower’s report, we will investigate and verify the reported clues according to the report investigation process. If it is confirmed that there is any suspected violation of laws and regulations, we will report it to the management or the Board for approval before deciding how to deal with it. We encourage whistleblowing, but prohibit malicious whistleblowing, defamation and false accusations. For those who are involved in malicious whistleblowing, defamation and false accusations by virtue of deliberate fabrication of facts, forged evidence, false confession in collusion, dissemination of false information, etc., once verified by the risk management department audit team of the Company, will be treated in strict accordance with the relevant provisions of the Reward and Punishment Management Measures, and cases involving offences or crimes will be transferred to judicial organs. The Company has the right to submit employees’ violations of discipline and law to the Enterprise Anti-Fraud Alliance (反舞弊聯盟協會). The Company received anti-corruption whistleblowing in 2021, yet the verified amount is relatively small and does not meet the case-filing criteria. During the reporting period, we found no cases of corruption, bribery, extortion, fraud or money laundering against the Company or its employees.

Contact measures for whistleblowing	Whistleblowing Hotline: 18128857565  Handling Department: risk management department audit team  Email Address: wyjubao@exceam.com  Contact Address: 4 Floor, Tower 4, Excellence Century Center, Fuhua Third Road, Futian District, Shenzhen, Guangdong Province  Postal Code: 518000
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We promote the culture of integrity through new employee training, special training, holiday anti-corruption tips, etc. In 2021, the Company organized training on integrity and anti-corruption for employees in the form of classroom lectures, the topics of which included special training on internal control and auditing and lectures on the ten red lines of property management companies, etc., covering certain projects in Shenzhen, Hangzhou and Changsha. In 2021, the Company did not provide any anti-corruption training to our directors. We plan to provide directors with at least one anti-corruption training in 2022, to improve anti-corruption publicity, and increase incentives for whistleblowing.



## CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

Since its inception in 1996, Excellence Group has been committed to becoming a socially responsible company, and has been accomplishing this commitment in its business decisions for a long time. Excellence CM follows the example of Excellence Group and has been participating in charity undertakings since 1999 to live up to its corporate social responsibility.

Excellence Group, Excellence CM and its affiliated companies have long been committed to charity undertakings with the vision of “caring for the public welfare with common efforts to build a life of excellence”, building a brand of public welfare with the characteristics of excellence – Excellence Charity. Donations from Excellence Charity cover education, poverty alleviation, healthcare, ecological protection, post-disaster aid and construction, rural revitalization, etc. With Shenzhen as the starting point, our public welfare footprint has spread across Xinjiang, Tibet, Guangxi, Sichuan, Jiangxi, Taiwan, etc. Excellence Charity has all along been taking the government’s central work and social pain points as the guide, integrating social resources, gathering charitable forces and striving for win-win outcomes; at the same time, corporate employees were encouraged to participate extensively in our charity undertakings and give back to the society with practical actions.

Excellence Group teamed up with Excellence CM to donate a total of RMB625 million and participate in 402 charity projects. Along the way, Excellence Charity has started from the simple motive of “doing charity from the bottom of the heart and giving back to the society” to “poverty alleviation donations focusing on the central work of the government” and further to “exploration of the industrial revitalization model with the corporate operation mindsets and forward-looking perspectives”, through which we have embarked on a path towards public welfare with the characteristics of excellence.

Since 2017, Excellence CM has been collaborating with Excellence Group to provide assistance to Tashkurgan Tajik Autonomous County in Xinjiang in response to the call of Shenzhen Futian District. We launched the “Excellence Assistance to Xinjiang” series of charity activities. For this end, we dispatched a working group focusing on “helping the disabled and poverty alleviation” to help the disabled children in Tashkurgan County. In addition, Excellence CM has developed an innovative model for “calibrated and long-term” poverty alleviation. Under this model, we helped solve the historical difficulties in procurement, logistics, commercial negotiation and sales. We have acquired a total of 66 tonnes of golden apricots and developed 15,429 apricot gift boxes. Excellence CM has been collaborating with Excellence Group to work with Tiznap and Baldir of Tashkurgan County to build a 100-mu snow chrysanthemum base, with an aim to create a snow chrysanthemum characteristic industry. In 2021, Excellence Group teamed up with Excellence CM once again in response to the government’s call to participate in the great cause of “rural revitalization”, making full use of the 5,000 mu of artificially planted sea buckthorn and more than 20,000 mu of wild sea buckthorn resources in Baldir to deeply cultivate the sea buckthorn industry, thus starting the road of “industrial revitalization”.

## CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### > Excellence Assistance to Xinjiang 2.0

Since 2018, Excellence Group has been collaborating with Excellence CM to work with Tiznap and Baldir of Tashkurgan County to build a 100-mu snow chrysanthemum base, attracting a total of more than 400 households in the two townships to plant the crop, with an aim to create snow chrysanthemum characteristic industry. In the following year, Excellence Group teamed up with Excellence CM to promote the creation of Baldir Pamir Snow Chrysanthemum brand and expand its production scale to 200 mu. As of December 2021, a total of 1,876 kilograms of snow chrysanthemums were acquired and 12,200 sun gift boxes were developed. At the same time, through the implementation of the project, local management talents and sales talents also have been cultivated.

In terms of rural revitalization, Excellence Charity adheres to its long-standing style of stability and pragmatism. Under the guidance of Shenzhen Aid Headquarters for Xinjiang, Excellence Charity decided in September 2021 to focus on the industrial construction of Baldir of Tashkurgan County, hoping to solve the problems of local agricultural product processing and sales through 3 to 5 years of “industrial revitalization”, cultivating industrial teams on the one hand and increasing villagers’ income on the other hand.

After the all-round research performed by Excellence Group and the technical quality assessment conducted by Excellence CM, the industrial direction was confirmed, which is to make full use of 5,000 mu of artificially planted sea buckthorn and more than 20,000 mu of wild sea buckthorn resources in Baldir to develop products and turn the wild fruits which are considered to be “useless” by local people into resources for industrial revitalization. For this reason, Excellence Group teamed up with Excellence CM to complete the joint registration and establishment of “Kashgar Excellence Yuan Zhen Eco-Agriculture Technology Co., Ltd. (喀什卓越願臻生態農業科技有限責任公司)” with the local enterprises in Xinjiang within 2 months with extremely high efficiency, meanwhile, they built the “snow chrysanthemum base” and “Excellence rural revitalization industrial base”, thus starting the road of “industrial revitalization”.

In 2021, the sea buckthorn processing and production base covering an area of nearly 10 mu has been put into production, 25 tonnes of sea buckthorn have been harvested and processed and the raw sea buckthorn pulp and fruit powder products have been launched on the market. Currently, the products are being improved in terms of “poverty alleviation quality” and sales channels are being expanding.

In 2022, the production and processing capacity will be expanded to more than 300 tonnes, with an annual output value of RMB6 million to RMB10 million, and more new products will be launched on the market as well. This alone will increase the per capita income of Baldir by more than 50% on the basis of 2021.

# CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY



## CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### > Red Action Voluntary Blood Donation

Since 2011, Excellence Group and Excellence CM have long been assisting in the “Red Action Voluntary Blood Donation” event hosted by Shenzhen Lions Club for 11 years. Excellence Group not only provides venues for Red Action for free for the opening ceremony and blood donation activities and other purposes, Excellence CM also calls on and mobilizes its employees to participate in voluntary blood donation. For this reason, Excellence Group and Excellence CM have won the “Gold Award for Caring Enterprise” and “Bronze Award for Caring Enterprise” issued by Shenzhen Lions Club for 11 consecutive years.



## CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### > Participating in rural governance to build a demonstrative happy village

In June 2021, Excellence Charity together with Shenzhen Charity Association signed a tripartite agreement with the people’s government of Tashkurgan County, initiating a “happy village” construction project to set up the “cultural station” and “social workers station” and upgrade a “health center” in Baldir. Through the construction of the “three stations”, Excellence Charity tapped the local cultural characteristics, shaping Tajik cultural cards and promoting the enrichment of villagers’ cultural life; at the same time, through the development of the social workers station, Excellence Charity strengthened the humanistic care for villagers, especially the frail and the old, promoting the construction of public services and the harmony of people’s livelihood; Excellence Charity improved the level of medical care at the village level, providing better protection for the villagers’ medical health. Excellence Charity was in the hope that through three years of efforts, it can create a demonstrative happy village with Baldir as a model with the goal of enhancing the sense of happiness of the villagers.



In October 2021, Excellence Charity donated 5 oxygen concentrators to health stations, which were respectively placed in four village offices or health centers and border guards’ residence, helping local villagers to alleviate their problems such as physical discomfort caused by high-altitude hypoxia. At the same time, with the help of the charity foundation platform, Excellence Charity has raised and donated a large number of commonly used medicines. In 2022, Excellence Charity will also focus on the special group of pregnant women and continue to donate 18 oxygen concentrators to help 16 pregnant women in Baldir go through the pregnancy period smoothly, hoping that the oxygen concentrators will improve the problem of high proportion of disabled newborns caused by hypoxia in pregnant women, so as to improve the birth quality of the population and protect the health of pregnant women.

In terms of the social workers station, Excellence Charity has sponsored 1 local social worker to conduct specific work. It plans to cooperate with the Shenka social workers station (深喀社工站) in 2022 to establish a working mechanism for the social workers station, helps improve the professional capacity of social workers and drives the growth of voluntary organizations, thus building a sustainable and continuously upgraded social service system.

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The concept of “culture benefits Xinjiang (文化潤疆)” was first defined in the Xinjiang governance strategy put forward by the third Xinjiang Central Work Conference. Under the guidance of this strategy, the “cultural station” of Excellence held the “Baldir First Sports Games” on 10 January 2022, and the daily sports and cultural activities of the villagers were enriched through the use of various sports and cultural entertainment equipment jointly donated by Excellence Group and Excellence CM as well, making “culture benefits Xinjiang (文化潤疆)” a scenery of Baldir.



At present, the airport in Tashkurgan County is available to the public after trial flights. It is expected that Baldir can create local special cultural activities with the help of the cultural station while giving full play to its local natural tourism resources, with a view to increasing the distinctive selling points and income for local tourism.

In the future, the construction of snow chrysanthemum plantation, sea buckthorn plantation and product experience hall in Baldir will enrich the tourism resources of Tashkurgan County. It is believed that with the strong support from the Shenzhen Qianzhi (深圳前指) and through the steady progress of Excellence Charity, it will be possible to realize the linkage of the primary, secondary and tertiary industries and the multi-dimensional blueprint of rural revitalization in Baldir.

### > “Internet + Education” Assistance Scheme

Since 2020, Excellence Charity teamed up with the targeted region supported by Shenzhen, namely Xunwu County, which is also known as the old revolutionary area, to provide targeted support.

Excellence Charity launched an “Internet + Education” assistance scheme called Excellence Magic Live Class in Xunwu County based on its research, established a team of offline live class teachers for Xunwu “shared school” and built 10 Internet live broadcast classrooms named “Excellence Magic Live Class”, benchmarking and introducing quality teaching resources from Shenzhen, developing courses with local characteristics, building a platform for online education observation, open class live broadcast, offline teaching reform, interdisciplinary sharing and other functions, thus promoting educational equity and supporting the education policy of “Double-Reduction”.

To ensure the steady progress of the assistance scheme and achieve its goals, Excellence Charity has set up a special working group under the leadership of the local education science and sports bureau and regularly released the courses recording materials. So far, 272 courses have been recorded in the live class, with an average of 14,000 viewers for the three types of primary Chinese, Mathematics and English courses and 1,182 viewers for the extracurricular reading courses.

## CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

On 25 October 2021, more than 1 year after the implementation of the assistance scheme, a recognition ceremony was held at San Er Wu Primary School (三二五小學) in Xunwu County, where a total of 2 schools were awarded the Outstanding Organization Award, 3 teachers were recognized as Excellent Teachers, 3 principals were recognized as Outstanding Management Instructors, 2 individuals were awarded the Outstanding Technical Support Award and 12 teachers were appraised as Caring Teachers.



In October 2021, Futian Experimental Education Group's superintendent Xiang Yang (項陽), a special-grade teacher, led Shenzhen famous teachers to visit 3 primary schools in Xunwu County, with three sessions of teaching courses demonstrated in public, three sessions of presentations and seminars organized for key teachers and one-to-one personalized educational and teaching demonstrative guidance provided to 12 children from Grade two to Grade six. Apart from the abovementioned, he also provided guidance to some teachers on the use of equipment.

From 28 to 29 December 2021, Excellence Charity project team came to Xunwu County again to organize the "Excellence Cup" teaching demonstration competition. 30 Chinese, Mathematics and English teachers from Xunwu County participated in this event, as a result, teaching exchange and improvement were accomplished through on-site courses teaching and recording and on-site comments. Subsequent to the abovementioned, Shenzhen famous teachers will also comment on the courses.



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As an innovative tool of “Internet + Education”, the “Excellence Magic Live Class” comes to teachers in Xunwu County, allowing them to gradually get used to recording the class content with cameras from lecturing face to face with students and from being at a loss to being at ease. The combination of traditional classroom with video equipment brings not only a change in teaching methods, but also a reform in the teachers’ teaching consciousness. The “Excellence Magic Live Class” not only promotes the implementation of new ideas, new methods and new tools, but also integrates the characteristics and abilities of local teachers to promote teaching applications. Also, the decentralized Internet display platform provides the famous teachers in Xunwu County with a stage for self-display and mutual learning, which will eventually help the famous teachers in Xunwu County to emerge and grow extensively.

The “Excellence Magic Live Class” project is still in progress.

### > **Fighting against the COVID-19 epidemic together to overcome the difficulties**

As the COVID-19 epidemic still continued in 2021, Excellence CM, as a part of the people’s livelihood service industry, contributed to the national fight against the COVID-19 epidemic.

More than 10,000 frontline employees of Excellence CM were motivated to spare no efforts in winning the fight against the COVID-19 epidemic regardless of the difficulties and challenges. Excellence Charity was aware that frontline workers in the Kashgar region of Xinjiang needed to consume a large number of medical masks on a daily basis to prevent and control the COVID-19 epidemic. In order to help relieve the pressure on purchasing epidemic prevention supplies for the frontline workers in Kashgar, Excellence Charity donated 180,000 disposable medical masks to the Shenzhen Aiding-Xinjiang Frontline Command Office in Kashgar, and the Shenzhen Aiding-Xinjiang Frontline Command Office donated them on behalf of Excellence Group to Kashgar Shenzhen Industrial Park (喀什深圳產業園), Kashgar Central Asia and South Asia Management Committee (喀什中亞南亞管委會), Shenzhen Aid Headquarters for Xinjiang (Kashgar) Social Work Station (深圳市對口支援新疆(喀什)社會工作站), Shenzhen Aiding-Xinjiang Medical Support Team (深圳援疆支醫隊), etc.





## CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### > Excellence Charity Assistance

As the member of the Mangrove Wetlands Conservation Foundation (MCF), Excellence Charity was committed to conserving the coastal wetlands and protecting the coastline and was deeply involved in charity activities, so as to establish the concept of environmental protection to drive more people and enterprises to care about wetland protection.

In 2021, Excellence Charity donated RMB100,000 to the Mangrove Wetlands Conservation Foundation and organized three “Green Monster Hunt (打綠怪)” charity activities for employees, with a total of over 84 participants who jointly cleared up 150 catties of invasive plants and learned about wetlands knowledge in the ecological park, helping them understand the importance of the ecological environment and allowing more people to learn the importance of ecological protection.



Excellence Group was one of the first enterprises in Shenzhen to hold a vertical marathon. In 2015, Excellence Group teamed up with Excellence CM to successfully organize the first Green Vertical Marathon, which has been held for five consecutive years as of 2019. On the spot, each participant turned into a love carrier, carrying a green runner love sticker to climb up to the top of Tower 1 of Excellence Century Center and post their love stickers on the backdrop placed on the top floor. Excellence Group and Qingdao Excellence donated RMB100 to each love sticker posted by each runner who finished his/her running and donated RMB60,000 per year to Shenzhen Lions Club, which in turn would receive a cumulative donation of more than RMB200,000 from Excellence Charity designated to train 50 medical college students in Tashkurgan County for 2 years of study.

Working through trials and hardships for 22 years, Excellence CM has always been spreading warmth in the name of love. Excellence Charity is committed to giving back to the society and actively responding to the call of the national policy of common prosperity, making the 100-year plan of common prosperity a sustainable and constantly realizable goal. More people are expected to join Excellence Charity to gather every kindness and good deed into a majestic force, so that all seeds of love can take root, sprout, blossom and yield fruit. With a sense of effectiveness and progress, Excellence Charity is determined to forge ahead on the road of charity undertakings.

We would spare no effort and work pragmatically towards our desired objectives. On the basis of adhering to the original aspiration of charity undertakings, Excellence Charity will even closely follow the national strategy and continue to carry out the glorious mission given by the times by integrating the charity resources of Excellence Group and even the entire public welfare ecosystem.

## APPENDIX

## 2021 Awards and Accolades

No.	Title of the awards and accolades	Awarding unit
1	TOP 100 Property Management Companies in China for thirteen consecutive years from 2009 to 2021	China Index Academy
2	2021 China Office Property Management Exceptional Companies	China Index Academy
3	Zhuopin Business Service Co., Ltd., a subsidiary, was awarded “2021 China’s Excellent Property Management Companies with Diversified Operations”	China Index Academy
4	2021 “Golden Palace TOP 10 Most Popular Property and Facility Management Company Awards”	Shanghai Hotel & Shop Plus
5	Most Popular New Stock Company Among Investors	Zhitong Caijing
6	2021 TOP 100 Blue-chip Property Management Companies	The Economic Observer
7	2021 Enterprises with Excellent Investment Values	The Economic Observer
8	2021 China TOP 100 Property Service Companies	CRIC Research
9	2021 China TOP 20 Office Property Service Enterprises (TOP 3)	CRIC Research
10	2021 TOP 5 Companies with Office Property Services in the Greater Bay Area (TOP 1)	CRIC Research

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No.	Title of the awards and accolades	Awarding unit
11	2021 TOP 100 Companies with Property Services in the Greater Bay Area	CRIC Research
12	2021 Top 20 of China Property Management Companies (TOP 15)	China Real Estate Evaluation Center of Shanghai E-House Real Estate Research Institute
13	2021 Companies with Property Innovation in China	Leju Finance
14	2021 TOP 10 Listed Service Companies in Operation Innovation	hexun.com
15	2021 TOP 10 Service Listed Companies with the Highest Property Owner Satisfaction	hexun.com
16	2021 TOP 10 Service Listed Companies in Repayment Capability	hexun.com
17	Gold Property Award for the Year	Times Media Group
18	2021 ListCo Excellence Awards	am730, PR ASIA
19	2021 Shenzhen Sustainable Development Award (Economic Category)	Shenzhen Association for Quality

# APPENDIX

## Index of Environmental, Social and Governance Reporting Guide of the Hong Kong Stock Exchange

Environmental, Social and Governance Reporting Guide		Report contents
<b>Subject Area A. Environment</b>		
<b>Aspect A1: Emissions</b>		
A1	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Green and Low Carbon Operation for Environmental Protection
A1.1	Types of emissions and the respective emissions data.	Emissions control to protect the environment
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).	Emissions control to protect the environment
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions control to protect the environment
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions control to protect the environment
A1.5	Description of the emission targets set and the steps taken to achieve them.	Emissions control to protect the environment
A1.6	Description of how hazardous and non-hazardous wastes are handled, and description of the waste reduction targets set and the steps taken to achieve them.	Emissions control to protect the environment
<b>Aspect A2: Use of Resources</b>		
A2	General Disclosure Policies on efficient use of resources including energy, water and other raw materials.	Energy conservation and consumption reduction by green and low carbon operation
A2.1	Direct calculated 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).	Energy conservation and consumption reduction by green and low carbon operation
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Energy conservation and consumption reduction by green and low carbon operation
A2.3	Description of the energy use efficiency targets set and the steps taken to achieve them.	Energy conservation and consumption reduction by green and low carbon operation
A2.4	Description of whether there is any issue in sourcing water that is fit for the purpose, and water efficiency targets set and the steps taken to achieve them.	Energy conservation and consumption reduction by green and low carbon operation
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A

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Aspect A3: The Environment and Natural Resources		
A3	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.	Green and Low Carbon Operation for Environmental Protection
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green and Low Carbon Operation for Environmental Protection
Aspect A4: Climate Change		
A4	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Evaluating and addressing climate change
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.	Evaluating and addressing climate change
Subject Areas B. Social		
Aspect B1: Employment		
B1	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, vacations, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Equal employment and protection of rights and interests
B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Equal employment and protection of rights and interests
B1.2	Employee turnover rate by gender, age group and geographical region.	Equal employment and protection of rights and interests
Aspect B2: Health and Safety		
B2	General Disclosure Information on: (a) the policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Protecting and caring for employee health and safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Protecting and caring for employee health and safety
B2.2	Lost days due to work injury.	Protecting and caring for employee health and safety
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Protecting and caring for employee health and safety

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Aspect B3: Development and Training		
B3	<p>General Disclosure</p> <p>Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.</p>	Employee training for development and advancement
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Employee training for development and advancement
B3.2	The average training hours completed per employee by gender and employee category.	Employee training for development and advancement
Aspect B4: Labour Standards		
B4	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.</p>	Equal employment and protection of rights and interests
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Equal employment and protection of rights and interests
B4.2	Description of steps taken to eliminate such practices when discovered.	Equal employment and protection of rights and interests
Aspect B5: Supply Chain Management		
B5	<p>General Disclosure</p> <p>Information on policies on managing environmental and social risks of the supply chain.</p>	Green procurement to achieve harmony and win-win results
B5.1	Number of suppliers by geographical region.	Green procurement to achieve harmony and win-win results
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Green procurement to achieve harmony and win-win results
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Green procurement to achieve harmony and win-win results
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Green procurement to achieve harmony and win-win results

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Aspect B6: Product Responsibility		
B6	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.	Comfortable Services, Harmony and Win-win Results
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
B6.2	Number of products and service related complaints received and how they are dealt with.	Listening carefully to solve customers' problems
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Concept of quality and comfortable services
B6.4	Description of quality assurance process and recall procedures.	Concept of quality and comfortable services
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Concept of quality and comfortable services
Aspect B7: Anti-corruption		
B7	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.	Operational Compliance, Integrity and Honesty
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.	Operational Compliance, Integrity and Honesty
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Operational Compliance, Integrity and Honesty
B7.3	Description of anti-corruption training provided to directors and staff.	Keep Improving
Aspect B8: Community Investment		
B8	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.	Caring for the Community and Giving Back to Society
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Caring for the Community and Giving Back to Society
B8.2	Resources contributed (e.g. money or time) to the focus area.	Caring for the Community and Giving Back to Society