

2024

ENVIRONMENTAL,
SOCIAL & GOVERNANCE
REPORT



CONTENTS

01 About The Report	/03
02 About Us	/05

03 Sustainability Management	
ESG Governance	/09
Stakeholder Engagement	/10
Materiality Assessment	/11

04 Talent Development and Employee Well-being	
Employee Employment and Management	/15
Employee Protection and Benefits	/17
Employee Training and Development	/18
Work Safety and Compliance Management	/20

05 Quality First, Responsibility to Customers	
Product Services and Quality Assurance	/27
Compliance Operation and Supply Chain Management	/33

06 Low-Carbon Development: Contributing to Environmental Protection	
Climate Change Action	/37
Resource Utilization and Environmental Protection	/41
Green Office and Energy Conservation	/43

07 Courage in Responsibility: Fulfilling Corporate Social Commitments	
Community Inclusion Activities	/47

08 Environmental and Social Performance	/49
09 List of Laws and Regulations	/55
10 Index for Hong Kong Stock Exchange's ESG Reporting Guide and GRI Standards	/56



01 About The Report

Report Overview

This Environmental, Social and Governance Report (the “Report”) aims to review the sustainability efforts and achievements of China Merchants Land Limited (the “Company” or “China Merchants Land”) and its subsidiaries (collectively referred to as the “Group” or “we”) during 2024. The Report also addresses key concerns raised by our major stakeholders regarding the Group’s sustainable development performance. To gain a more comprehensive understanding of the Group’s ESG performance, this Report should be read in conjunction with the Company’s 2024 Annual Report, particularly the sections on “Corporate Governance Report” and “Environmental Policies and Performance.”

Organizational and Reporting Scope

The scope of this Report covers the operations of the Company’s Hong Kong office, Hong Kong CM+ Hotel & Serviced Apartments and subsidiaries located in Foshan, Guangzhou, Chongqing, Nanjing and Jurong, and Xi’an (i.e., Foshan Company, Guangzhou Company, Chongqing Company, Nanjing and Jurong Company, and Xi’an Company). Unless otherwise specified, this Report includes information on the Group’s real estate development business and the operation of hotels and serviced apartments under the Group’s direct control.

Reporting Period

Unless otherwise stated, the data and information contained in this Report cover the Group’s ESG-related policies and performance from 1 January 2024 to 31 December 2024 (the “Reporting Period”). To maintain continuity and comparability, certain information has been extended beyond the Reporting Period as appropriate.

Reporting Standards

To ensure transparency and responsiveness to stakeholder concerns, this Report has been prepared in accordance with Appendix C2 “Environmental, Social and Governance Reporting Guide” (the “ESG Reporting Guide”) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEX”). It also makes reference to the recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”), the Global Reporting Initiative’s (“GRI”) Sustainability Reporting Standards, ISO 26000 Guidance on Social Responsibility, and the national standard of the People’s Republic of China, “Guidelines for the Preparation of Social Responsibility Reports” (GB/T 36001-2015). The Report adheres to the mandatory disclosure requirements and “comply or explain” provisions of the ESG Reporting Guide and is prepared based on the four reporting principles of Materiality, Quantitative, Balance, and Consistency. The Group provides comprehensive disclosures on its ESG strategies, targets, and key performance indicators. All information presented in this Report is sourced from relevant internal documents and statistical records. The application of each reporting principle is described as follows.

Materiality

The Group conducted a materiality assessment through online questionnaires to engage with stakeholders and identify material topics (“material issues”) that are considered important to both the Group and its stakeholders during the Reporting Period. These issues were reviewed by the Board of Directors and serve as the key focus areas for disclosure in this Report.

Quantitative

This Report provides data derived from measurable calculations, along with a description of the standards, methodologies, assumptions, and tools used in the calculation process, where applicable.

Balance

In line with the principle of balance, this Report presents an objective view of the Group’s ESG performance and management practices, without bias.

Consistency

Unless otherwise stated, the data collection and statistical methods used in this Report are consistent with those of previous years to ensure comparability. Any changes to these methods have been clearly disclosed.

Confirmation and Approval

The Board of Directors of the Company assumes full responsibility for the Group’s ESG strategy and reporting. The Board has confirms that the information disclosed herein is reliable, accurate, and complete.

Report Access

This Report is available for download in electronic format from the HKEXnews website and the Company’s official website (<http://ir.cmland.hk/en/corpinfo.php>). It is published in both Traditional Chinese and English. In the event of any discrepancies between the two versions, the Traditional Chinese version shall prevail.



Hong Kong Stock Exchange
Disclosure Platform



China Merchants Land
Official Website

Feedback

The valuable opinions of our readers are essential to the Group’s continuous improvement in corporate governance, environmental, and social responsibility performance. Should you have any questions or comments, please feel free to contact the Group via email at ir@cmland.hk.



02 About Us

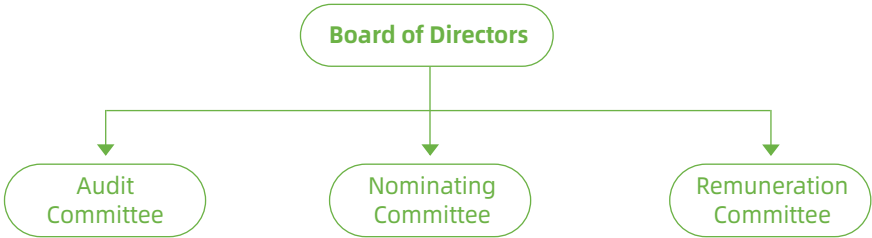
2.1 Business Overview

China Merchants Land Limited (formerly known as Tonic Industries Holdings Limited) was established in April 1997 and was listed on the Main Board of The Stock Exchange of Hong Kong Limited in October of the same year. Headquartered in Hong Kong, the Company is a subsidiary of China Merchants Group Limited (“China Merchants Group”) and China Merchants Shekou Industrial Zone Holdings Co., Ltd. (“China Merchants Shekou”). As of 31 December 2024, the Group had a total of 45 real estate development projects located in Foshan, Guangzhou, Chongqing, Nanjing, Jurong, and Xi'an. The Group is primarily engaged in the development of residential and mixed-use properties, with projects covering various types of properties including apartments, villas, office buildings, and retail shops. As of the end of 2024, the Group held a future saleable gross floor area of approximately 42 million square meters. The management believes that the existing land reserves are sufficient to support the Company's project development needs for the coming years. Looking ahead, we will continue to strengthen improvements in project progress, construction quality, production safety, customer service, cost control, and marketing and promotion, to achieve sustainable and high-quality corporate development.

2.2 Corporate Governance

Robust Governance Framework

The Group fully recognises the importance of a sound corporate governance structure in driving sustainable business development and enhancing overall performance. To safeguard the interests of the Company's shareholders, the Board of Directors, as the highest governing body, is committed to establishing a well-defined and effective governance framework to regulate and manage the Group's affairs in a standardised and efficient manner. The Board also serves as the strategic compass of the Company, providing guidance on business strategies and operational management. Under the Board, three specialised committees—namely the Audit Committee, the Nomination Committee, and the Remuneration Committee—are established to oversee relevant matters. These committees aim to enhance long-term value for shareholders and stakeholders, while leading and monitoring the Group's day-to-day operations.



Strengthening Risk Management and Control

The Board of Directors places great emphasis on risk management and is committed to establishing and maintaining a robust internal risk management and control system. This ensures that the risks faced by the Group remain manageable, protects the Group's assets and shareholders' interests, and minimises legal and compliance risks. The Audit Committee, a key committee under the Board, is primarily responsible for identifying and assessing the risks that the Group may encounter during its operations, evaluating their severity, and determining the Group's risk appetite. The Audit Committee also undertakes regular reviews and assessments of the Group's internal control and risk management systems to ensure the effectiveness of related practices and measures.

The Group has established a systematic risk management framework in alignment with the internal control requirements outlined in the 2013 framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). This framework also serves as a platform connecting risk management practices across both operational and business levels. During the Reporting Period, the Group conducted the identification and assessment of ESG-related risks and plans to gradually integrate non-financial risks—such as environmental protection and anti-corruption—into the enterprise-wide risk management system. This aims to minimise potential risks in the Group's operations and formulate effective risk evaluation and crisis response strategies.

Risk Management System

The Group has adopted a risk management system to oversee and manage risks associated with its business and operations. This system consists of the following key components:

- Identification** ▶ Identifying risk ownership, business objectives, and potential risks that may impact the achievement of those objectives;
- Assessment** ▶ Analysing the likelihood and potential impact of risks, and evaluating and making recommendations on the overall risk portfolio;
- Management** ▶ Considering risk mitigation measures, ensuring effective communication with the Board of Directors regarding risk matters, and continuously monitoring changes in risk factors in a dynamic manner.

Based on the risk assessment conducted during the Reporting Period, the Group did not identify any material risks. For more details regarding the Group's Board of Directors, management structure, and corporate governance framework, please refer to the relevant sections of the Company's 2024 Annual Report.

Lawful and Compliant Operations

The Group strictly adheres to all applicable laws and regulations, as well as industry-specific regulatory requirements that have a material impact on its operations across the nation and in each of its operating regions. Guided by the principles of integrity, ethics, and accountability, the Group conducts its business in a lawful and responsible manner. We uphold high standards of corporate governance and actively promote the integration of compliance practices into our operational management. The principle of legal compliance is deeply embedded in our daily operations. The Group has established a Chief Legal Counsel system and enhanced its focus on legal culture and regulatory research to ensure full compliance with applicable laws and regulations throughout its operations, while also addressing the expectations of modern corporate governance and our stakeholders. The Group conducts internal audits annually, reviewing areas such as procurement, cost control, capital management, and risk management. We also engage independent auditors to perform external audits each year. Through a combination of internal and external inspections, the Group effectively prevents and controls fraud and unethical behavior, thereby safeguarding the interests of the Group and its stakeholders.

Anti-Corruption

The Group has established a range of policies including the Compliance Management System, Anti-Money Laundering and Compliance Manual, and Code of Conduct for Employees. All employees and external suppliers are required to sign the Integrity Commitment Letter for Employees. Internal documents such as the Integrity Risk Prevention Manual for Property Holding and the Accountability Matrix for Integrity Supervision and Management have also been issued to fully implement the accountability system and supervision mechanisms for anti-corruption efforts.

In addition, the Group has put in place a Whistleblowing and Complaints Management Guideline, encouraging employees to report misconduct, dereliction of duty, or any illegal or non-compliant behavior via a designated compliance hotline or email. The confidentiality of whistleblowers is strictly protected. To enhance legal awareness among all employees, particularly frontline staff, the Group regularly engages external instructors or designated professionals to conduct specialised legal training and awareness sessions. Random assessments are conducted to evaluate the effectiveness of these trainings. Topics include the prohibition of commercial bribery, anti-unfair competition, protection of trade secrets, and information security. These initiatives aim to reinforce a culture of accountability and strengthen anti-corruption practices across the organisation.

The Group strictly complies with all applicable laws and regulations related to the prevention of bribery, extortion, fraud, and money laundering in Mainland China and Hong Kong, and adheres to relevant international best practices. During the Reporting Period, neither the Group nor any of its employees was involved in any concluded or pending legal cases concerning corruption.

Case Study: Promoting Integrity Culture Week to Strengthen Corporate Governance

In line with the national strategy of exercising full and rigorous governance over the Party, and to reinforce integrity awareness and foster a clean and upright political and corporate culture, the Group launched a one-week campaign titled “Integrity Culture Learning and Promotion Week” in 2024. The initiative aimed to enhance governance capabilities and elevate overall governance standards through comprehensive and multi-level integrity education.

Centred around the core theme of “Upholding Integrity with Action,” the campaign promoted in-depth learning of the spirit of the 20th National Congress of the Communist Party of China and General Secretary Xi Jinping’s key remarks on strict Party governance. A wide range of activities—including thematic study sessions, warning education, and the development of an integrity-driven corporate culture—were organised. These were carried out through Party committee study groups, thematic sessions by grassroots Party branches, and employee-focused learning initiatives. In particular, the revised Regulations on Disciplinary Actions of the Communist Party of China were thoroughly studied to strengthen Party members’ discipline and sense of rules.

As part of the warning education efforts, the Group held a dedicated education conference featuring videos that analysed typical violation cases, with the aim of learning lessons through case-based reflection and reform. Activities such as “Integrity in Practice” and “Supplier Integrity Education” were extended to both employees and suppliers, fostering the expansion of anti-corruption principles throughout the entire supply chain. Additional initiatives—such as integrity dialogues, integrity display boards, and the promotion of the “Ten Prohibitions on Integrity and Self-Discipline” —ensured full coverage of integrity practices at key operational sites including construction areas, sales centres, and overseas projects. These efforts fostered a culture grounded in respect for rules, caution, and ethical bottom lines. Moreover, the Group actively encouraged the creation of grounded and distinctive integrity-themed cultural works. These were showcased through various formats including videos, posters, calligraphy, and literary pieces to further embed the culture of integrity across the organisation.

The Group firmly believes that an integrity-driven culture not only serves as the cornerstone of lawful and compliant operations, but also acts as a driving force for high-quality and sustainable development. Through this campaign, we significantly strengthened employees’ awareness of discipline and responsibility, laying a solid foundation for building a transparent, efficient, and integrity-oriented corporate governance system.



03 SUSTAINABILITY MANAGEMENT

- 3.1 ESG Governance
- 3.2 Stakeholder Engagement
- 3.3 Materiality Assessment



03 Sustainability Management

3.1 ESG Governance

The Group regards sustainable development as an integral part of its long-term corporate strategy and actively responds to the profound impact of ESG-related issues on our operations and future growth. ESG principles are fully embedded into our business management and daily decision-making processes, with the aim of continuously enhancing our environmental, social responsibility, and governance performance.

The Board of Directors serves as the highest decision-making and supervisory body for ESG matters. It is responsible for formulating the Group's overarching direction and strategies concerning ESG, climate change, and sustainable development. The Board defines policy objectives and action plans, and regularly reviews the implementation and effectiveness of relevant policies to ensure alignment with the Group's development goals. It also reviews and approves the ESG Report to ensure the accuracy, completeness, and transparency of disclosures. For further details on our climate governance framework, please refer to Section 6.1 Climate Change Action of this Report.

To effectively promote the implementation of ESG initiatives, the Group has established a multi-tiered and cross-functional ESG management system. This system comprises the Board of Directors, senior management, functional departments, and relevant departments within subsidiaries. With clearly defined roles and collaborative mechanisms, the Board leads the decision-making and policy formulation on material ESG issues, while guiding corporate governance, board responsibilities, and compliance practices. Management is responsible for consolidating and analysing feedback from investors and other stakeholders, identifying market trends, and providing support for the Board's decision-making.

During the Reporting Period, we conducted a systematic review and assessment of our existing ESG governance framework and its operational effectiveness, based on the Listing Rules and the Group's operational context. In response to identified issues and areas for improvement, we proposed targeted optimization measures and implementation initiatives. The Group remains committed to strengthening the integration of ESG into its core business, deepening the application of sustainability concepts within the governance framework, and continuously improving our ESG governance capabilities and overall sustainability performance.

3.2 Stakeholder Engagement

The Group's key stakeholders include members of the Board of Directors, senior management, employees, shareholders and investors, suppliers, and distributors. In deliberating corporate development strategies and management policies, the Board actively seeks to balance the interests of all parties by holistically considering economic benefits, social responsibility, and environmental impact. The ultimate goal is to ensure the Group's sustainable development while delivering long-term returns to shareholders.

We recognize that strong stakeholder relationships not only enhance the Group's transparency and credibility, but also provide valuable and pragmatic insights in shaping our sustainability goals and strategies. To this end, we closely monitor international and regional trends in ESG and sustainable development across the industry, and proactively identify emerging stakeholder concerns to ensure the Group's development remains aligned with market and societal expectations.

To effectively manage and respond to stakeholder concerns, we define stakeholders as individuals or groups who have a significant influence on, or are significantly affected by, the Group's operations. These stakeholders are categorized into internal and external groups. A systematic stakeholder engagement framework has been established, incorporating both regular and ad-hoc communication channels to ensure the breadth, timeliness, and effectiveness of stakeholder feedback.

For details regarding stakeholder categories, corresponding communication methods, and frequencies of engagement, please refer to the table below.

Stakeholder Groups	Communication Channels and Frequency		According to operational needs
Shareholders and Investors	General Meeting of Shareholders	Annually	✓
	Corporate Reports and Other Announcements	Biannually	
	Official Website, Email and Hotline	Recurring	✓
Employees	Employees Performance appraisal	Annually	
	Meetings and Training	Recurring	✓
	Email and Notice Board	Recurring	
	Team Building and festive trainings	Periodically	✓
Homeowners	Property handover	After the customer has successfully purchased	
	Merchants Club Owners' Membership Programme	Recurring	✓
	400 Hotline" Owners' Feedback Platform	Unscheduled	
	Owner Satisfaction Survey	Pre-contract and annual post-contract	✓
Customers	Property sales channels (e.g. advertisements, sales venues, etc.)	Unscheduled	✓
	Customer Service Hotline and Email	Unscheduled	✓
Suppliers and Business Partners (e.g. engineering contractors)	Open Tender	Unscheduled	✓
	Site Visits	Unscheduled	✓
	Face to Face, Email and Hotline	Unscheduled	✓
	Industry Forums and Seminars	Unscheduled	



3.3 Materiality Assessment

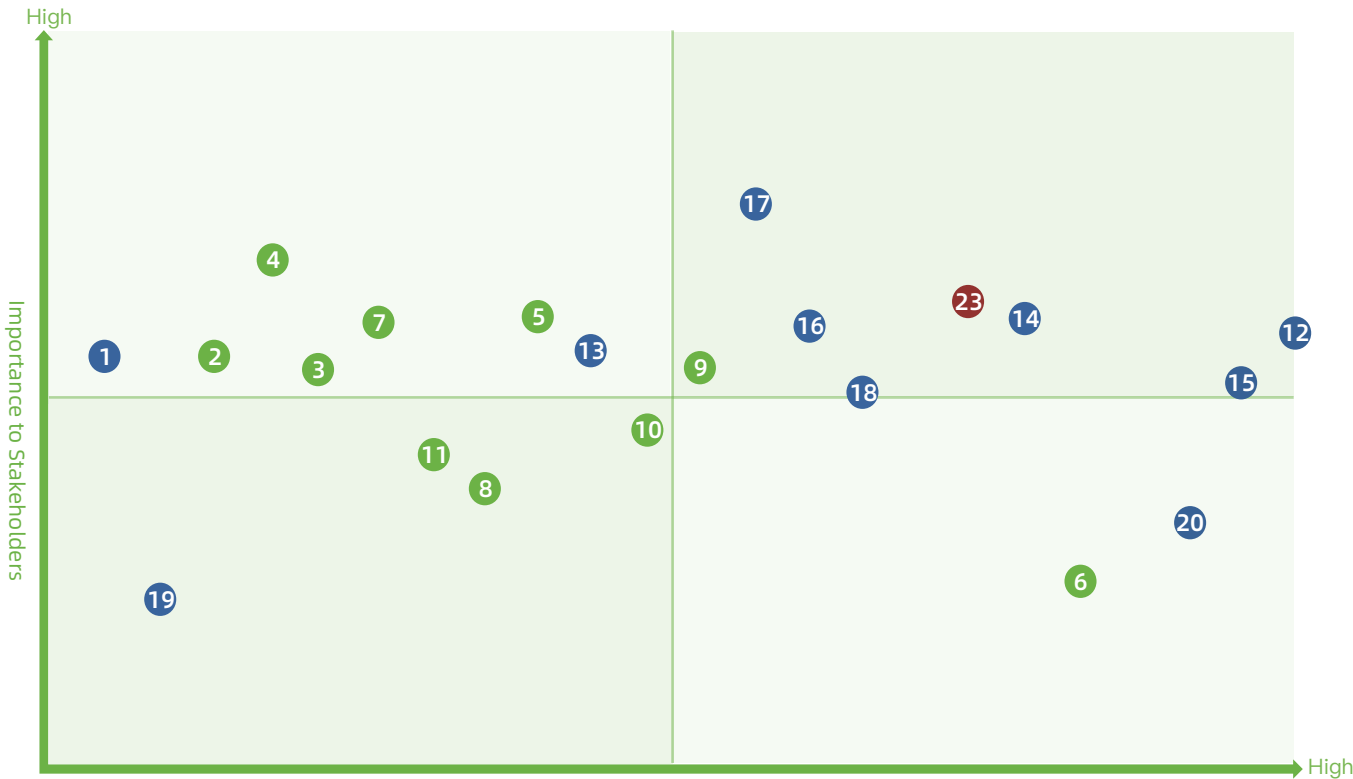
The Group conducts regular stakeholder surveys to systematically gather feedback on ESG topics. During the Reporting Period, we engaged an independent third-party consulting firm to assist in conducting a materiality assessment survey among various stakeholder groups, in order to identify the ESG issues that are most material to the Group. In this assessment, stakeholders were surveyed using a prioritization-based questionnaire to determine which topics are of high importance to both the Group and its stakeholders. This enables the Group to align its sustainability strategies with the evolving ESG landscape and stakeholder expectations. The following table outlines the Group’s stakeholder engagement and materiality assessment process.

- Step 1: Identify key stakeholders
- The Group commenced the materiality assessment process by conducting a stakeholder categorization survey, in accordance with the applicable reporting guidelines and standards, to determine the scope of the assessment.
- Step 2: Update the material topic repository
- In alignment with relevant reporting frameworks and standards, and with reference to the Group’s previous materiality topic repository, prevailing international laws and regulations, macro trends, and industry developments, the Group updated the names, descriptions, and categories of material topics. This ensures the ESG performance and outcomes disclosed during the reporting period are meaningful and accurately represented.
- Step 3: Screen potential material topics
- Based on the updated repository of material topics, the Group conducted a further screening process to select suitable topics for evaluation by internal and external stakeholders.
- Step 4: Distribute stakeholder survey questionnaires
- The Group conducted a scoring assessment of each material topic based on two dimensions: the impact of different topics on internal and external aspects, namely, “Importance to the Group” and “Importance to stakeholders.” Stakeholders assessed the material topics—updated during the reporting period—according to these two dimensions, using a five-level scale to evaluate the actual or potential impact of each topic.
- Step 5: Analyze the results
- The Group analyzed the results based on the two dimensions of “Importance to the Group” and “Importance to stakeholders,” to balance and incorporate the perspectives of various stakeholders. A total of 10 highly material topics were identified, each scoring 5 or above out of a total score of 10 across both dimensions.
- Step 6: Review and confirm material topics
- The materiality assessment results were reviewed, approved, and confirmed by the Board, and the identified material topics were integrated into the Group’s risk management processes, with oversight of the implementation of relevant initiatives.
- Step 7: Information disclosure
- This report will focus on disclosing the highly material topics identified through the stakeholder engagement and materiality assessment processes.

During the reporting period, the Group identified a total of 11 environmental, 10 social, and 2 corporate governance topics in this materiality review, which are designated as the material topics for the year 2024.

Environmental Dimension	Social Dimension	Governance Dimension
1.Building Materials	12.Employment & Employee Benefits	22.Risk and Crisis Management
2.Air Pollutants & Greenhouse Gas Emissions	13.Customer Satisfaction	23.Business Ethics & Integrity
3.Environmental & Natural Resource Policies	14.Employee Development & Training	
4.Green Building	15.Labor Standards	
5.Energy Use and Efficiency	16.Product & Service Quality Management	
6.Green Office Initiatives	17.Customer Privacy & Information Security	
7.Green Procurement	18.Anti-Corruption	
8.Climate Change Response	19.Supply Chain Management	
9.Water Resource Use & Wastewater Treatment	20.Community Engagement & Contribution	
10.Waste Management	21.Regulatory Compliance	
11.Biodiversity		

The Group analyzed the results based on two dimensions —— "Importance to the Group" and “Importance to stakeholders” ——to ensure a balanced consideration of stakeholder perspectives. A total of 10 highly material topics were identified. The results of the materiality assessment are illustrated in the chart below:



This report will provide a focused account of the Group’s progress and achievements during the reporting period in relation to 1 highly material environmental topic, 7 highly material social topics, and 2 highly material governance topics (see table below). The Group places strong emphasis on these highly material topics throughout its long-term operations by formulating corresponding strategic approaches, refining internal policies, and setting long-term targets to continuously respond to stakeholder expectations and report on its ESG contributions. Out of the 23 topics reviewed during the reporting period, the Group identified 10 as highly material. The prioritization of these material topics and the corresponding response sections are detailed in the table below:

Dimension	High Materiality Topic	Chapter
Environmental	Water Resource Use and Wastewater Treatment	Resource Utilization and Environmental Protection
Social	Employment and Employee Benefits	Employee Protection and Benefits
	Labour Standards	Employee Employment and Management
	Regulatory Compliance	Work Safety and Compliance Management
	Employee Development and Training	Employee Protection and Benefits
	Customer Privacy and Information Security	Work Safety and Compliance Management
	Product and Service Quality Management	Product Services and Quality Assurance
	Anti-Corruption	Corporate Governance
Governance	Risk and Crisis Management	
	Business Ethics and Integrity	

04 Talent Development and Employee Well-being

The Group has always adhered to a people-oriented talent philosophy, recognizing employees as a core asset for sustainable corporate development. We are committed to safeguarding employees' legitimate rights and interests, promoting their professional growth, and ensuring their occupational health and safety, with the goal of creating a respectful, inclusive, and caring work environment. To foster a fair and harmonious workplace culture, the Group continues to optimize its human resources policies and institutional framework, placing equal emphasis on standardized and people-centric management. We are dedicated to establishing an equitable employment mechanism and a diverse, inclusive working environment, thereby enhancing employees' sense of belonging and overall satisfaction, and strengthening team cohesion and corporate unity.

During the reporting period, the Group did not receive any material violations or related complaints regarding remuneration and dismissal, recruitment and promotion, working hours and leave arrangements, equal opportunity, diversity, anti-discrimination, or other benefits and welfare matters.

- 4.1 Employee Employment and Management
- 4.2 Employee Protection and Benefits
- 4.3 Employee Training and Development
- 4.4 Work Safety and Compliance Management



04 Talent Development and Employee Well-being

4.1 Employee Employment and Management

The Group strictly complies with the relevant employment laws and regulations applicable in Mainland China and Hong Kong that have a significant impact on its business operations. On this basis, the Group has established a series of human resources management policies, including the Labour Relations Management Measures and the Personnel Compliance Management Measures, to regulate employment practices, define employee rights and obligations, and ensure lawful employment practices. A comprehensive labour contract system is implemented, with clear provisions on contract duration, probation period, remuneration arrangements, dismissal conditions, and compensation standards to ensure consistent and compliant policy execution.

In terms of recruitment and promotion

The Group has formulated the Recruitment Management Policy and Internal Job Application Guidelines, which clearly regulate the recruitment process, position setting, internal application principles, and implementation mechanisms. The Recruitment Management Policy emphasizes strategic alignment by attracting talents who share the Group's values through a structured recruitment framework. The Internal Job Application Guidelines aim to promote internal mobility and enhance staffing efficiency, thereby supporting the coordinated development of the Group in terms of quality, efficiency, and scale.

The Group adheres to the principles of “compliance and fairness; suitability of roles and personnel; integrity and competence with integrity first; internal promotion as priority, supplemented by external hiring; and pre-employment and in-service conflict avoidance.” We uphold open, fair, impartial, and transparent recruitment standards, and are committed to building a team of highly professional and value-aligned talents.

In terms of equal employment

The Group strictly opposes any form of discrimination and fully complies with applicable laws in Mainland China and Hong Kong regarding equal opportunity and anti-discrimination. We explicitly prohibit any restrictions or bias in job postings or interviews based on race, place of origin, gender, cultural background, marital status, sexual orientation, or physical disability. The selection of candidates is based primarily on their capabilities, knowledge, and potential for development. To prevent the illegal employment of child labor, the Group rigorously verifies identification documents during the recruitment and onboarding process to ensure all hires meet the legal minimum age for employment. In the event of any violations, the Group will handle them seriously in accordance with applicable laws and regulations. During the reporting period, the Group did not receive any complaints or identify any incidents related to child labor.

Additionally, the Group has formulated an Employee Handbook to define employee rights and obligations. All human resources policies are reviewed and updated regularly to ensure they remain aligned with current laws, regulations, and industry trends, thereby further enhancing employee well-being and job satisfaction.

In terms of remuneration management

The Group has developed the Employee Salary Management Measures in accordance with national regulations. A multi-tiered salary structure is established based on job responsibilities, along with a dynamic adjustment mechanism of “position-based pay with changes in pay aligned with changes in position.” A performance-based incentive system has also been established, linking employee performance to salary adjustments, bonus distribution, and promotion opportunities, thereby motivating employees to continuously create value.

To support long-term employee development, the Group has implemented the Position and Rank Management Measures, which expand career development paths and improve promotion and development mechanisms. Through competitive compensation strategies, incentive systems, and career advancement opportunities, the Group strives to attract, motivate, and retain top talent, providing a solid human resources foundation for achieving high-quality development.

Case Study: Convening of the Employee Representative Conference

In June 2024, the Group's Foshan company convened an employee representative conference to further advance democratic corporate governance and trade union development. During the meeting, employee representatives, following relevant procedures, successfully completed the by-election for members of the second committee of the trade union of Foshan China Merchants Real Estate Co., Ltd.

The purpose of this conference was to fully leverage the bridging role of employee representatives, strengthen grassroots democratic participation mechanisms, and safeguard employees' rights to participation, information, and supervision in corporate management. The conference was conducted in an orderly manner, with transparent procedures. The by-election process strictly adhered to relevant rules and regulations to ensure fairness, impartiality, and transparency.

The Group has always attached great importance to the development of trade unions and employee representation systems. We are committed to institutionalized mechanisms for listening to employee voices, fostering consensus, and safeguarding employees' legitimate rights and interests. The successful convening of this employee representative conference not only enhanced the trade union's organizational structure but also laid a solid foundation for promoting harmonious labor relations and building a corporate culture of shared governance and mutual trust.



4.2 Employee Protection and Benefits

The Group places strong emphasis on the professional and career development of its employees, continuously investing resources to provide diversified training and development opportunities. We are committed to cultivating a high-quality talent pool as a solid foundation for the Group's sustainable development. We strictly comply with the relevant employment laws and regulations in Mainland China and Hong Kong, and have established a comprehensive internal system based on these legal requirements to effectively safeguard employees' legitimate rights and various benefits. To this end, the Group has formulated the Attendance Management Measures and Employee Benefits Management Policy, which are regularly reviewed and updated in line with policy changes and legal developments. The Attendance Management Measures and Employee Handbook clearly stipulate working hours and rest arrangements, which are strictly implemented in accordance with local legal standards to ensure lawful and compliant working conditions.

The Group explicitly prohibits all forms of forced labor. Overtime work must be approved by the Human Resources Department and the relevant supervisor, with compensatory time off or overtime pay arranged in accordance with applicable laws, thereby safeguarding employees' autonomy and physical and mental well-being. During the reporting period, there were no incidents in violation of forced labor laws and regulations that had a material impact on the Group.

In terms of benefits and protections

In addition to legally required contributions to social insurance and housing provident funds, the Group also provides supplementary medical insurance and supplementary pension insurance. We further offer subsidies for education, transportation, and housing to comprehensively improve employees' quality of life. In addition to statutory annual leave and public holidays, employees may also apply for family visit leave, marriage or bereavement leave, sick leave, maternity leave, paternity leave, and breastfeeding leave, reflecting the Group's care for employees' personal and family needs. To foster a positive and uplifting corporate culture, the Group regularly organizes holiday celebrations, birthday parties, and team-building activities to enrich employees' cultural and social life and enhance collaboration among colleagues. Meanwhile, an Employee Care Fund has been established to provide emergency assistance to employees or their families in times of significant hardship, genuinely reflecting the Group's commitment to employee well-being.

To enhance internal communication and employee engagement, the Group's subsidiaries regularly organized face-to-face forums during the reporting period, providing employees with the opportunity to directly voice their opinions and suggestions to management and receive concrete responses. In addition, the Group maintains legally established trade union organizations that actively safeguard employee rights and encourage participation in corporate governance through multiple channels such as the union and the General Manager's Mailbox, thereby fostering two-way communication between the company and its employees. To further improve communication efficiency and broaden engagement, the Group has also leveraged digital tools to establish an online interactive platform called Si Xiang Hui ("Idea Exchange Hub"), where employees are encouraged to submit suggestions regarding the Group's operations and development—either anonymously or under their real names—and engage in idea-sharing with colleagues. This platform helps cultivate an open and inclusive corporate communication culture.

Case: Safeguarding Employees' Rights and Interests, Implementing Employee Care

The group attaches great importance to humanistic care for its employees and conducts employee activities irregularly to demonstrate concern and support for their health.



Case Study: Eye Health Screening and Consultation Event

On August 28, 2024, the Group's Foshan company, in collaboration with Nanhai Aier Eye Hospital, successfully organized an eye health screening and consultation event themed "Caring for Vision, Safeguarding Health" at the Foshan Company Employee Home. The event aimed to raise awareness of eye health, promote ophthalmic knowledge, and support employees' physical and mental well-being, thereby further fulfilling the Group's commitment to employee care and workplace health protection.

On the day of the event, Nanhai Aier Eye Hospital dispatched a professional ophthalmology team to provide on-site medical services, including vision testing, intraocular pressure measurement, and dry eye screening. Personalized consultation and eye care advice were also offered based on the examination results. The event was met with great enthusiasm, with high employee participation. Many employees expressed that the screening allowed them to gain timely insights into their eye health status and enhanced their awareness of eye care.



4.3 Employee Training and Development

The Group regards employees' professional and career development as a vital pillar of sustainable business growth. We continue to invest resources to build a diversified and systematic training system that provides employees with ample development opportunities and supports the establishment of a high-caliber talent pipeline. To standardize training management and enhance training effectiveness, the Group has formulated and implemented the Employee Training Management Measures, which establish a training framework aligned with the Group's strategic goals. The framework covers three key categories: management training, professional skills training, and general competencies, catering to the learning needs of employees across different roles and levels. At the same time, the Group integrates corporate culture and social responsibility concepts into the training content to promote dual development in both professional competencies and value orientation, fostering a positive learning atmosphere. To promote internal knowledge sharing and build a learning culture, the Group has implemented the Internal Instructor Management Guidelines, which define the selection, promotion, and compensation mechanisms for internal trainers. Employees with professional expertise and a willingness to teach are encouraged to participate in in-house training and experience-sharing activities, thereby creating a virtuous learning cycle. The Group also supports employees in attending external professional training and field study programs and encourages self-directed learning during their spare time. For employees with at least two years of service, the Group offers financial assistance for further education to support personal development and long-term growth. To better align with business needs and individual employee differences, each subsidiary conducts annual surveys and interviews to collect employee training needs. Based on these findings and the company's operational objectives and strategic direction, targeted annual training plans are formulated. Upon the completion of each training activity, the organizing department conducts a systematic evaluation—based on the Training Satisfaction Evaluation Form—of the training content, instructor performance, and organizational arrangements, to continuously enhance training quality and the employee learning experience.

In addition, the Group has established a comprehensive training records management system. A personal learning file is maintained for each employee, documenting their training history and learning achievements. This ensures that employees at different functional levels have access to tailored learning resources and development opportunities aligned with their job requirements, thereby reinforcing the Group's talent development foundation. During the reporting period, the average number of training hours per employee was 18.69 hours.

Management Training

Management training programs are designed to enhance leadership and managerial competencies among management personnel. These programs are strategically aligned with the Group's overall objectives and are based on the Group's leadership competency model. Tiered leadership and management skills development is provided for managers at different levels, with the aim of building a robust leadership pipeline that supports the Group's strategic development needs.

Professional Skills Training

To enhance employees' job-related competencies, the Group offers various categories of professional training aimed at improving the knowledge and skills required for specific roles. In addition, the Group periodically organizes training sessions focused on legal and financial knowledge closely related to the real estate industry. These sessions help employees broaden their knowledge base and better address job-related challenges.

General Competency Training

General competency training focuses on enhancing employees' foundational skills, including communication, problem-solving, time management, and teamwork. These programs are designed to improve overall workplace effectiveness and facilitate cross-functional collaboration, supporting employee performance in diverse roles across the Group.

Case Study: Diverse Training Drives Growth and Builds a Professional Talent Pipeline

To further enhance team professionalism and support the company's high-quality integrated development, the Guangzhou company organized a total of eight training sessions in 2024, based on annual business priorities and employee training needs assessment. The training plan completion rate reached 100%, with an overall average satisfaction score of 9.42, reflecting widespread recognition of the training effectiveness.

► Professional Skills Enhancement

To address key and complex issues encountered in day-to-day operations, the company launched the "Face-to-Face with Experts" training series, inviting external industry experts and senior internal staff to deliver specialized lectures and share practical experience. In 2024, six professional enhancement training sessions were conducted, covering core business areas such as customer complaint handling, channel system development, sales clearance strategies, online marketing practices, engineering planning optimization, and corporate transformation. These sessions significantly improved employees' professional competence and practical skills.

► New Employee Orientation

To help new hires quickly understand corporate culture, become familiar with business processes, and smoothly integrate into the work environment, the Guangzhou company organized two onboarding training sessions in 2024. The programs included opening remarks, internal training sessions, thematic readings, and site visits, covering functions such as finance, product, engineering, marketing, and customer service. A total of 72 new employees participated, enhancing their sense of belonging and alignment with the company culture.

► "New Journey" Talent Development Program

To strengthen its young talent team, the company continued the "New Journey" program, which adopts a multi-dimensional development approach including periodic interviews, job presentations, team building, mentorship, and job rotation. This program builds a structured growth path, promotes capability advancement and career development for young employees, and accelerates the cultivation and retention of high-potential talent.



4.4 Work Safety and Compliance Management

The Group strictly complies with occupational health and safety regulations in both Mainland China and Hong Kong, which have a significant impact on its business operations. We continuously focus on personnel safety in production activities and place high importance on the occupational health and personal safety of employees and construction workers employed by engineering contractors.

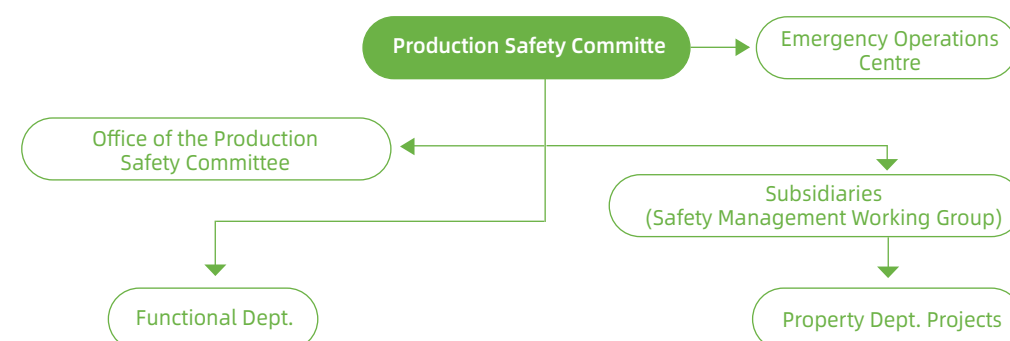
As a socially responsible enterprise, the Group is committed to providing a safe and healthy working environment for all project participants, ensuring they can perform their duties efficiently under risk-free conditions. To achieve this, we have established a comprehensive work safety and occupational health management system that covers the entire operational process. The system is supported by a wide range of institutionalized operating procedures to effectively prevent potential health and safety risks on construction sites.

Under the framework of this management system, the Group has developed a series of detailed management policies covering areas such as basic safety management, equipment and operational safety, risk control and hazard inspection, safety specialization, incident handling, and safety performance evaluation and incentive mechanisms. All subsidiaries are required to strictly implement these regulations to ensure effective and consistent execution across the Group. During the reporting period, the Group did not receive any reports of incidents that violated occupational health and safety laws or regulations and had a material impact on the Group's operations.

Work Safety Management

The Group has established a Safety Management Committee that is responsible for overseeing work safety across the Group. This committee coordinates the overall planning and guidance of safety management practices at the subsidiary level. Each subsidiary has also set up its own Safety Management Task Force, which is specifically responsible for managing the safety of their respective real estate development projects, ensuring coordinated implementation and vertical alignment throughout the organization.

To strengthen the safety governance system, the Group has built a work safety management structure based on the principles of "centralized leadership, hierarchical management, category-specific guidance, primary accountability, and full employee participation." Responsibilities are clearly defined across functional departments, with reinforced accountability requirements at each organizational level, forming a fully integrated responsibility network. This system ensures the safe operation of construction sites and makes every effort to protect the lives and occupational health of frontline construction workers.



The China Merchants Land Production Safety Organizational Structure

The Group continues to improve its work safety management system by formulating and implementing a series of standardized management documents that serve as safety guidelines for all employees and engineering partners. These documents include the Work Safety Standardization Manual, Construction Project HSE Standardized Management Guidelines, Standardized Management Manual for Safe and Civilized Construction of Construction Projects, Basic Guidelines for Safety Hazard Investigation in Safe and Civilized Construction, and the Implementation Rules for the Management of Safety Supervision Personnel, which comprehensively cover the planning, execution, inspection, and continuous improvement of construction activities.

These standards clearly define the responsibilities of various departments and personnel involved in construction safety management and provide operational procedures and hazard identification guidelines for each stage of the production process, enabling systematic and standardized risk control. The standards apply not only to all internal employees of the Group but also to all contractors and consultants involved in the design, construction, and supervision of contracted engineering projects. For any non-compliance with procedures or unauthorized construction practices, the Group has also issued the Implementation Rules for Penalties on Safe and Civilized Construction Violations, which specify accountability measures and penalties to ensure enforcement and integrity of the system.

To strengthen the overall planning of annual safety work, the Group formulates safety objectives, implementation plans, and assessment methods for the upcoming year at the end of each reporting year. These objectives are broken down and assigned across organizational levels to ensure effective deployment. The Group remains committed to its safety philosophy of "risk prevention, hazard elimination, zero accidents, and zero pollution." For ongoing construction projects, the Group engages third-party professional agencies to conduct regular safety management assessments. Through scoring and risk analysis, these assessments help identify potential hazards and reinforce process supervision.

Strengthen the Capability Building of Safety Management Personnel

- ▶ Conduct safety skills training and safety education, with a strict policy that prohibits personnel from commencing work without prior training. All on-site construction workers and supervision personnel must undergo safety training, and special seminars are held to address safety management issues.
- ▶ Organize centralized safety production training sessions for new employees every two months.

Ensure Safety at Construction Sites

- ▶ Carry out special safety inspections, led by the construction unit, multiple times per week. These inspections cover construction site safety, worker health conditions, fire safety equipment, fire prevention awareness, electrical and water safety, public facility safety, and fire prevention measures in dormitory areas.
- ▶ Hold weekly safety meetings in conjunction with supervision meetings, and monthly thematic safety production meetings. Daily safety briefings are conducted at construction sites to promote safety awareness and emphasize "safety first." Comprehensive safety inspections and assessments are conducted quarterly, with increased inspection frequency during holidays, rainy seasons, or typhoon periods.

Provide Safety Protection for Construction Workers

- ▶ Provide occupational safety and disease prevention facilities as required and distribute appropriate personal protective equipment (PPE) to workers.
- ▶ Construction units must comply with on-site construction specifications and ensure that basic medical equipment is available on-site.
- ▶ Strictly implement the Group's three-tier safety education system—organizational-level, departmental-level, and position-level training—to prevent untrained personnel from commencing work without completing all three levels of safety education.

Establish a Safety Performance Incentive and Penalty System

- ▶ Establish a safety performance incentive and penalty system, along with a dedicated safety reward fund. Rewards are linked to annual safety assessment results, and outstanding safety performance in construction projects is recognized accordingly.
- ▶ In the event of a safety incident, disciplinary actions will be taken against the responsible safety manager and the involved personnel based on their safety management performance and the implementation status of on-site safety measures.



Emergency Response Mechanism

To control and eliminate hazards caused by emergencies, protect the lives and property of employees and the public, and maintain the Group's operational order, the Group adheres to the principle of combining prevention with emergency response. An emergency management mechanism has been established, along with the formulation of contingency plans such as the General Emergency Plan for Public Emergencies, Comprehensive Emergency Plan for Production Safety Accidents, Special Emergency Plan for Typhoon and Flood Prevention, and Comprehensive Emergency Plan for Natural Disasters. These plans specify that relevant departments of the Group shall formulate emergency response measures based on different risk sources and levels of severity, and outline post-incident handling and emergency support procedures. At the same time, to enhance emergency response capabilities, the Group carries out related work in areas such as emergency drills, training and awareness, accountability, and incentives. Each subsidiary is required to organize at least one safety drill per year to improve emergency response capability, anticipate the impact of emergencies on production safety, and enhance the Group's ability to resume production after incidents.

The Group stipulates that in the event of an emergency, the principle of "prevention first, combination of prevention and response" shall be followed, and an emergency management mechanism featuring "vertical integration, multi-party coordination, orderly execution, and efficient operation" shall be established. Accidents are classified by type, characteristics, and severity, and corresponding emergency procedures are immediately activated. First, on-site personnel shall report to the person in charge of the unit, and an on-site emergency command center shall be established to carry out basic tasks such as scene control, personnel evacuation, perimeter control, and emergency rescue. If the severity level reaches the national reporting threshold, the responsible person shall immediately report to the relevant local government authorities. After the emergency response is completed, the unit involved shall organize an investigation into the accident, convene an analysis meeting, submit an investigation report, and notify all employees.

During the reporting period, the Group did not experience any major work safety accidents.

Case Study: Regular Safety Inspections Enhance Risk Prevention in Office Areas

To strengthen the prevention and control of safety risks in daily office areas, the Foshan company, in collaboration with its affiliated property management company, conducts comprehensive safety inspections of office premises before each holiday and on a quarterly basis. The inspection scope covers key areas such as fire protection equipment, electrical safety, office equipment, and emergency evacuation routes. For any potential hazards identified, corrective measures are formulated and promptly implemented through a closed-loop management approach.

Each inspection is documented in writing, including a list of issues, assignment of responsibilities, and completion status of corrective actions, ensuring that safety management is traceable and enforceable. In 2024, the Foshan company completed a total of 12 office safety inspections, further improving workplace safety, effectively reducing potential risks, and protecting the personal and property safety of employees.



05 Quality First, Responsibility to Customers

The Group has always regarded product quality enhancement as its highest pursuit, striving to provide customers with the best quality products and services, and delivering a better life through excellence in quality. The Group currently has 45 real estate development projects located in Foshan, Guangzhou, Chongqing, Nanjing, Jurong, and Xi'an, primarily focused on the development of residential properties and mixed-use residential-commercial properties. Product types include apartments, villas, office buildings, and retail shops. We always prioritize our customers, aiming to create ideal living environments and high-quality lifestyle experiences. We exercise strict control over product quality and safety, striving for continuous improvement, and are committed to delivering premium products and services to our customers.

- 5.1 Product Services and Quality Assurance
- 5.2 Compliance Operation and Supply Chain Management



05 Quality First, Responsibility to Customers

5.1 Product Services and Quality Assurance

In the highly competitive real estate industry, the Group firmly believes that only with outstanding quality can a company achieve steady and long-term development. Upholding our relentless pursuit of excellence, we have established a comprehensive quality management system that spans the entire project lifecycle—from design and planning to construction and final delivery—guided by high standards and strict requirements. Every operational procedure is scientifically designed and standardized, with clearly defined responsibilities across departments and seamless collaboration, forming a rigorous and well-structured management network. We believe that quality is not just a standard—it is a foundation of trust and a promise of our brand. Therefore, we are committed to reflecting respect for our customers and responsibility for the future in every detail. Through continuous refinement of management practices and a spirit of innovation, we aim not only to create livable spaces but also to lead urban quality upgrades, promote high-quality development in the industry, and work together with customers and society to build a prosperous and sustainable future.

During the reporting period, the Company responded to the call of China Merchants Group to support the enhancement of Hong Kong's economy and social well-being. It actively participated in the development of "Community Living Room" aiming to foster a harmonious, inclusive, and high-quality livable urban environment, thereby enhancing the sense of fulfillment and happiness among the general public.

Full Lifecycle Coverage of Product Services

The Group adheres to a customer-centric service philosophy and is committed to building a service system that covers the entire product lifecycle—from pre-sales consultation to in-sales support and post-sales care. Clear management processes and operational guidelines are in place to ensure that every customer receives a consistent and high-quality experience at all touchpoints. To this end, we have compiled the Product Lifecycle Customer Service Manual, which provides detailed guidance on key stages, risk points, and response mechanisms in the sales process, helping subsidiaries and projects carry out standardized and regulated sales services.

In addition, the Group has formulated the Standardized Customer Service Work Items for City Companies and the Customer Service Management Workflow, which systematically outline the key service elements involved in each stage—from land acquisition and project launch to property handover. These cover various dimensions including risk prevention and control, handover with property management, product delivery, and customer communication, ensuring effective implementation of both service and management. Under the unified institutional framework of China Merchants Land, each project is allowed flexibility to adapt and implement localized service measures, delivering more personalized and caring services to customers. From front-end design and engineering construction to back-end property management and after-sales response, we always uphold a meticulous and professional approach, fulfilling our dual commitment to quality and service—ensuring that every customer who chooses us can do so with confidence and leave with satisfaction.

Case Study: Green Building and Livable Environment Practices at Tianqing Yunmo Residential Project, Xi'an Company

Green Building and Environmentally Responsible Construction

During the construction of the Tianqing Yunmo residential project, great emphasis was placed on pollution prevention. For soil areas that may contain pollutants, dedicated testing and assessment were carried out. Upon detection of pollution, immediate measures such as isolation, anti-seepage, deodorization, and sealed transportation were implemented to ensure the safety of the soil and surrounding environment. The structural design and construction of off-site sand backfilling and high-fill areas were carried out simultaneously, with a complete slope protection system in place to comprehensively enhance project quality and safety. In addition, the underground garage is equipped with a carbon monoxide concentration monitoring and automatic ventilation system, which automatically activates the ventilation equipment when the concentration reaches the set threshold to ensure air circulation and the health of personnel. In terms of noise control, sound barriers were installed in sensitive areas, and combined measures such as water spraying for dust suppression and green isolation were adopted to reduce construction disturbances to the community.

Livable Environment and Convenience of Living

The Tianqing Yunmo residential project upholds a people-oriented philosophy to create a green and livable environment. The project incorporates the sponge city concept and installs rainwater and greywater recycling systems, achieving an annual total runoff control rate of 1.13%. Noise management meets the control standards for sensitive areas, ensuring the quality of life for residents. The community is equipped with waste sorting stations covering kitchen waste, hazardous waste, recyclables, and other types of waste, all collected and transported by municipal authorities to promote resource recovery and waste reduction. The underground space includes 320 non-motor vehicle parking spaces, all equipped with charging facilities to encourage low-carbon travel. In addition, 220 motor vehicle parking spaces support electric vehicle charging needs, meeting the future demands of green transportation development.

Public Transportation and Barrier-Free Design

The project offers convenient transportation connectivity, with bus stops planned within 500 meters of pedestrian entrances and connected to two bus routes, facilitating residents' daily commutes. The pedestrian circulation design fully considers barrier-free accessibility needs. Outdoor elevation differences are connected by gentle slopes, seamlessly linking with municipal roads. The overall site is flat and unobstructed, complying with the Code for Design of Accessibility GB 50763. The lighting system uses high-efficiency, energy-saving LED fixtures and complies with the Standard for Lighting Design of Buildings and Technical Requirements for Indoor LED Lighting Applications, ensuring both energy efficiency and user comfort.

Pre-sales Stage

01

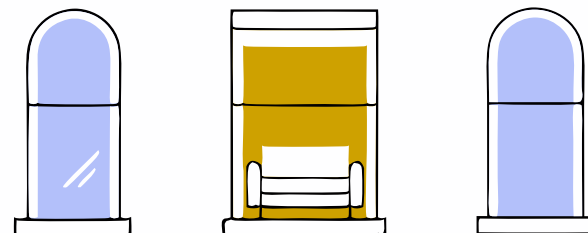
► Design:

To better meet customer needs, we actively conduct customer research and communication during the design phase to ensure that client requirements are fully considered from the outset. We have summarized past customer feedback and after-sales maintenance experience to develop a Total Quality Management (TQM) checklist, which covers key design concerns raised by customers, such as the installation of barrier-free access at entrances and drainage systems on balconies. We require the design department to conduct inspections according to the TQM checklist to ensure that ongoing projects have addressed these relevant issues.

► Engineering Management:

Based on our experience and with reference to best practices in the industry, the Group has formulated a series of policies, including the Engineering Quality Management System, Engineering Technical Management Measures, Engineering Document Management Measures, Engineering Quality Management Measures, Project Quality Management Guidelines, and Product Quality Assessment Operation Manual, to establish a comprehensive engineering quality management system. These policies standardize engineering quality management practices, ensuring product safety while laying a solid foundation for high-quality products. In order to thoroughly identify all major quality and safety risks in each project and to achieve higher third-party evaluations and customer satisfaction with housing quality, we provide employees with sufficient guidance on engineering quality management and technical standards. Before the official handover of properties, we organize a joint inspection event called the “Customer Experience Day,” during which customers can identify construction quality issues. After collecting customer feedback, we implement improvements in accordance with the Group’s relevant policies and procedures, and summarize areas for enhancement during project closure reviews.

► After property acceptance and move-in, we also strive to provide customers with the best property management services. One year after the handover of each property, we conduct a “home health check” and remind homeowners to carry out a comprehensive inspection three months before the end of the maintenance period, during which we organize construction personnel to carry out necessary repairs. In addition, each project organizes quarterly property inspections, during which issues are identified, improvement plans are proposed, and timely rectification is carried out. In daily operations, we actively explore opportunities for improvement and aim to create a safe, comfortable, and convenient living environment. All homeowners are invited to participate in the “China Merchants Club” homeowner membership program and other customer care activities, with the goal of enhancing their quality of life, strengthening customer engagement, and building a strong and trusting relationship.



In-sales Stage

02

► Sales:

During the sales process, we strictly comply with national and local laws and regulations on advertising and publicity to ensure that all promotional content is truthful and effective, providing customers with accurate and transparent information and safeguarding their rights and interests. False advertising is strictly prohibited. To prevent inaccurate or misleading publicity, the Group has established an internal policy—the Co-signing Operational Guidelines for the Review of Sales Project Promotional Materials—in accordance with relevant laws and regulations. This policy clearly defines responsibilities for the review and approval of promotional materials. All promotional materials issued by the Group must go through a rigorous three-tier approval process involving the publisher, the marketing manager, and the project manager to ensure truthfulness and prevent any form of customer misguidance. At the same time, we conduct strict quality control on materials that have passed this multi-step review process, aiming to maximize the effectiveness of the promotional materials while ensuring information is truthful and transparent. The Group has also established the Sales Site Management System and Customer Service Specification and Operational Guidelines, which clearly define requirements for the professional image, service attitude, and service process of sales personnel to ensure service quality at sales sites. In addition, we have developed service monitoring indicators for sales sites and conduct regular inspections and mystery shopper visits to evaluate service quality and identify non-compliant behaviors, which are then subject to criticism and rectification requirements. We also identify and document common issues in the sales process to avoid repeated occurrences. The Group respects intellectual property rights. All our marketing materials are properly authorized by copyright holders, their agents, or through legal authorization. During the reporting period, the Group did not receive any reports of major incidents involving violations of relevant laws or voluntary codes concerning the provision or use of our products and services.

► Delivery:

The Group has formulated a series of guidelines and policies to standardize the basic procedures for property handover, ensuring better management of the entire move-in process and addressing any potential issues that may arise during delivery. In the Operational Guidelines for Sales Project Handover Management and the Move-in Management Operational Guidelines, the Group requires relevant departments to conduct pre-handover risk assessments and rectify any identified risks. In addition, customer feedback received during the handover period is tracked and addressed. We ensure that owners are accompanied by designated staff and project engineers during property acceptance and documentation processing to help resolve any questions they may have. An on-site “Repair Hotline” is available to respond to issues raised during property handover. If a reported issue can be resolved quickly, repair personnel will be dispatched immediately so that owners can complete the acceptance process in a single visit. After the entire development is handed over, we conduct a review of identified issues and develop follow-up improvement measures to avoid similar occurrences in future projects, with the goal of enhancing product quality and improving customer service standards.

Full-Process Customer Care

The Group consistently upholds the core principle of “customer first,” striving to understand and respond to customers’ real needs by providing attentive and considerate services throughout the entire process. During customer reception and contract signing, we have established standardized service procedures to ensure that every interaction demonstrates professionalism and consistent quality. For contracted customers and homeowners, we conduct regular follow-up visits and proactively provide updates on project progress and key information to strengthen two-way communication and build trust.

To further expand communication channels, we have implemented diversified feedback mechanisms that encourage customers to voice their opinions and suggestions. A dedicated team is in place to respond quickly and handle related issues. Through the enterprise WeChat platform, we maintain real-time and seamless communication with customers, enabling prompt responses to various inquiries and concerns. Additionally, we make full use of the “China Merchants Club” WeChat public account to regularly share project updates and service content. This platform also serves as a brand channel through which we organize online and offline interactive activities to continuously strengthen customer engagement and brand loyalty. Through these initiatives, we not only enhance service efficiency but also aim to build a customer relationship ecosystem that is warm, connected, and trustworthy.

Case Study: CM+ Yutone Receives Dual Recognition from International Travel Platforms, Continuing to Uphold Service Excellence

In 2024, CM+ Yutone Hotel and Serviced Apartment was honored with two prestigious awards from leading international travel platforms—the Agoda Customer Review Award 2024 and Booking.com Traveller Review Awards 2024—in recognition of its outstanding guest experience and continuously optimized service quality. These dual accolades are not only a strong endorsement from global guests of the CM+ service experience but also a testament to the Group’s achievements in customer relationship management and brand trust-building.

The CM+ team consistently adheres to the philosophy of “customer-oriented and service with heart,” aiming to create a warm and comfortable “Home Plus” living environment for travelers. Whether in facility maintenance, guest experience, or communication efficiency, the team holds itself to high standards and continuously refines its processes and service details to enhance customer satisfaction and brand loyalty.

The Group firmly believes that high-quality service is not only a reflection of corporate competitiveness but also a vital way to fulfill social responsibility. Looking ahead, CM+ will continue to strengthen guest feedback mechanisms and deepen its digital service capabilities. Through data insights, it will more accurately align with customer needs, further improve service efficiency, and enhance the warmth of the customer experience—actively putting the “customer-centric” philosophy into practice as part of its sustainable business strategy.



Customer Privacy and Intellectual Property Protection

The Group places great importance on the protection of customer information and intellectual property rights. We strictly comply with relevant national and regional laws and regulations regarding personal privacy and intellectual property, resolutely preventing any form of information leakage and effectively safeguarding customers’ legal rights. To enforce confidentiality obligations, we have signed confidentiality agreements with all employees, clearly stipulating that all personnel with access to business information must strictly follow the Group’s information confidentiality policies. For customer information protection, the Group has formulated and implemented the Customer Privacy Protection Management Measures, adopting a centralized management model of “dedicated personnel for dedicated management” to ensure full control during the collection, storage, and use of customer data. Except where required by job duties, employees are not allowed to access or retrieve customer information without approval. If access is needed for work purposes, authorization must be granted by the relevant supervisory department, thereby strictly regulating data access permissions at the institutional level.

Regarding intellectual property, the Group has established the Document Management Guidelines and Management Measures for the Protection and Safeguarding of Intellectual Property Rights, which comprehensively regulate the access, usage, and archiving processes of physical and digital documents. All actions that violate intellectual property laws and regulations are strictly prohibited. We are committed to building a compliant and robust governance framework to achieve long-term trust and secure collaboration with stakeholders.

Customer Satisfaction Survey

To strengthen engagement with customers and comprehensively understand service quality performance, the Group has established a systematic customer satisfaction management mechanism and formulated the Customer Satisfaction Management Guidelines as the operational basis. The survey procedures and assessment criteria are regularly reviewed and refined. The guidelines clearly define the roles and responsibilities of relevant departments in customer satisfaction management to ensure orderly implementation and effective feedback response. To ensure objectivity and professionalism, the Group commissions third-party consulting firms to carry out customer satisfaction surveys, covering key stages from post-contract signing to early handover and the mid-to-late post-handover phases. The surveys focus on key areas such as housing quality, property services, and complaint handling to gain insight into real customer experiences and feedback. These surveys target not only residential owners but also customers during the opening phases of investment properties to achieve comprehensive coverage across business types.

Customer satisfaction assessment results are incorporated into the Group headquarters’ performance evaluation framework for regional companies and business units, forming a feedback-driven “customer-first” mechanism. Meanwhile, all local city companies and business units are required to develop specific improvement plans based on survey results and report the progress to headquarters on a regular basis. Through this closed-loop management approach, we continue to improve service quality and are committed to delivering products and services that truly satisfy and gain the trust of our customers.

Comprehensive Complaint Handling Mechanism

The Group places great importance on customer feedback and regards every complaint as an opportunity for continuous service improvement. To standardize service behavior and enhance customer experience, we have established a full-process service management system—the Customer Service Specification and Operational Guidelines. This document defines the basic behavioral standards for service personnel and stipulates that the first employee to receive a customer inquiry is responsible for follow-up, communication, and resolution throughout the entire process, ensuring customer needs are properly addressed.

In terms of information management, we emphasize the classification, organization, and archiving of complaint records such as calls and letters to ensure that customer feedback is traceable and actionable. The Group has also established the Customer Complaint Management Guidelines and Customer Service Supervision Guidelines, which standardize complaint handling procedures, follow-up mechanisms, and supervision methods to ensure every complaint is addressed and responded to promptly and efficiently.

To facilitate open feedback channels, the Group has set up complaint hotlines and various communication platforms, with contact information clearly displayed on sales cards, delivery notices, and property bulletin boards. Upon receiving a complaint, relevant departments initiate handling procedures based on classification protocols and assign responsibilities for rectification. After the issue is resolved, the Group conducts follow-up and return visits to evaluate the handling results, response timeliness, and customer satisfaction, ensuring problems are thoroughly resolved.

Furthermore, the effectiveness of complaint handling is included in the annual performance evaluation system as a key indicator of service capabilities for each unit. The Group headquarters conducts periodic random checks and releases updates on complaint resolution performance across regional city companies, reinforcing staff accountability and service improvement awareness, and driving continuous improvement in service standards.

During the reporting period, the Group did not receive any complaints or incidents involving violations of customer privacy or intellectual property rights.

5.2 Compliance Operation and Supply Chain Management

The Group adheres to the principles of fairness, impartiality, and transparency in the selection and cooperation of suppliers, prioritizing those with solid qualifications, stable performance, and strong social reputation. In the selection and cooperation process, the concept of sustainable development is integrated as a core evaluation criterion, with supplier performance in environmental protection, social responsibility, and labor protection incorporated into the assessment system to actively mitigate potential risks. To meet green procurement requirements, we promote the use of low-energy, recyclable, and environmentally friendly materials—such as prefabricated inspection wells and fiberglass septic tanks—which are more energy-efficient and eco-friendly compared to traditional concrete materials, thus achieving the dual goals of resource conservation and environmental protection.

To enhance supply chain operational efficiency and risk management capabilities, the Group has formulated and continuously optimized a number of internal policy documents, including the Procurement Management Implementation Rules, Supplier Management Implementation Rules, and Centralized Procurement Operating Guidelines. During the reporting period, these policies were revised and upgraded to further clarify standardized procedures for the entire supplier management process—from registration, assessment, onboarding, and process management to performance evaluation and reward/punishment mechanisms—while clearly defining the roles and responsibilities of each functional department.

The Group has established a dynamic supplier evaluation and tiered management mechanism. For key suppliers, regular quarterly performance evaluations are conducted, covering project implementation, delivery efficiency, quality control, safety management, and contract compliance. Evaluation results serve as the basis for annual rating and partnership decisions. Outstanding suppliers are rewarded and incentivized for further collaboration, while those with fulfillment risks, project losses, or violations of integrity standards are subject to disciplinary actions. In serious cases, suppliers are placed on a blacklist and disqualified from future cooperation. In addition, the Group places importance on assessing suppliers from a social responsibility perspective, including whether wages are paid on time, whether occupational safety standards are met, and whether any integrity risks exist. These factors are incorporated into the comprehensive supplier evaluation system. To identify and control potential environmental and social risks within the supply chain, the Group has established a four-step identification approach to manage quality and sustainability at the source. Through high-standard management systems and continuously improving cooperation mechanisms, the Group integrates sustainability principles into every stage of the supply chain, working with suppliers to achieve efficient coordination and green, win-win outcomes.

Supplier Grading

The Group adopts a tiered management approach for suppliers and conducts an annual supplier grading assessment. Suppliers are graded based on their annual performance evaluation scores, supplemented by feedback from various units and contract fulfillment performance to determine the final overall grade. Based on the evaluation scores and grading ratios, the Group assigns suppliers to one of four tiers, with the grading results valid for two years.

Grade	Usage	Management measures
A	Prioritized	<ul style="list-style-type: none">▶ Preferred as a national or regional strategic cooperation unit▶ Qualified to participate in the annual assessment of outstanding suppliers.
B	Encouraged	<ul style="list-style-type: none">▶ Regular participation in tendering activities;▶ Eligible for contract renewal.
C	Restricted	<ul style="list-style-type: none">▶ In principle, they are not allowed to participate in invitation to tender, competitive negotiation or direct commissioning projects, otherwise, they have to be selected after approval by the cost committee of the procuring unit;▶ For open tender projects, pre-qualification may be used to enhance the eligibility of the shortlisted bidders.
D	Prohibited	<ul style="list-style-type: none">▶ Disqualified from winning the tender for a period of two years and prohibited from participating in the Group's business;▶ Upon expiry of the evaluation period, Grade D suppliers are required to re-organize their visits to the stock at the time of introduction.

After stringent control of suppliers, the Group adopted a total of 6,748 qualified suppliers during the year, which are distributed as follows:

Number of eligible suppliers by subsidiary in 2024	
Subsidiary	Number of Qualified Suppliers
Foshan Company	4,043
Guangzhou Company	462
Chongqing Company	702
Xi'an Company	1,426
CM+ Hotel & Serviced Apartments Hong Kong	115



Supplier Introduction and Registration

- ▶ Priority is given to introducing outstanding suppliers from leading local and national real estate enterprises.
- ▶ Suppliers are introduced through real-name recommendation.
- ▶ Suppliers must register on the Group's trading platform and submit basic information for review.



Supplier Evaluation and Onboarding

- ▶ An inspection team of at least two employees from different departments is formed to conduct a preliminary qualification review and assessment of the supplier based on factors such as capability, contract performance, quality of past projects, and level of cooperation.
- ▶ Confirmation that the supplier meets the Group's basic requirements is a prerequisite for initiating procurement activities.



Supplier Grading

- ▶ Conduct an overall evaluation based on the supplier's contract performance.
- ▶ Raise performance improvement requirements for issues related to quality, progress, safety, and delivery during the process, and request the supplier to provide a corrective action plan.



Supplier Information Management

- ▶ The Procurement Department is responsible for maintaining and updating the records of all qualified and unqualified suppliers.



Low-Carbon Development: Contributing to Environmental Protection

The Group consistently integrates the concept of green development into all aspects of management, construction, operations, and daily life, and continues to explore practical pathways for the harmonious coexistence of people, buildings, cities, and nature. We are committed to building a systematic “green living system.” Carbon neutrality, green innovation, and low-carbon development strategies are actively embedded into our corporate culture and long-term planning, enhancing environmental awareness and responsible behavior, while striving to minimize the impact of our operations on the natural environment. In practice, the Group not only promotes responsible business operations but also encourages residents, employees, contractors, and suppliers to participate in green and low-carbon initiatives, advocating sustainable lifestyles and jointly alleviating pressure on the ecological environment to address the challenges of climate change. In active response to the national “dual carbon” policy, the Group has established an energy conservation and emission reduction management system and advanced a number of energy-saving and green building projects to support the transformation and upgrading of the construction industry. At the same time, we strictly comply with environmental protection laws and regulations in Mainland China and Hong Kong that materially affect our business operations.

During the reporting period, the Group did not receive any major violations or formal complaints related to environmental issues such as air emissions, greenhouse gas emissions, wastewater and soil discharges, solid waste treatment, or noise pollution. In addition, no compliance risks or anomalies were identified in water resource usage. The Group will continue to strengthen environmental compliance management, improve resource efficiency, and promote a green transformation across the entire value chain, making active contributions to achieving sustainable development goals and building an ecologically sustainable society.

- 6.1 Climate Change Action
- 6.2 Resource Utilization and Environmental Protection
- 6.3 Green Office and Energy Conservation



06 Low-Carbon Development: Contributing to Environmental Protection

6.1 Climate Change Action

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At the same time, we have explicitly required that all new residential projects achieve at least a one-star rating or above under the current national Green Building Evaluation Standard (GB/T 50378-2019), comprehensively promoting the coordinated improvement of building quality and green performance. Through continuous enhancement of green technology systems and standardized construction, we are progressing toward a more efficient, environmentally friendly, and healthy living environment, contributing the power of the real estate industry to the vision of carbon neutrality.



Main Points	Actions Taken by the Group
Governance: The Group's governance of climate-related risks and opportunities	<ul style="list-style-type: none">▶ The Group has incorporated climate-related risks into its ESG risk register and will gradually integrate ESG-related risks into the Group's existing internal risk management and internal control systems, in order to assess and formulate corresponding risk management measures. For details regarding risk management, please refer to the section “Strengthening Risk Control” in this report.▶ The Group conducts annual reviews and evaluations of its ESG topic library and has included climate change in the ESG topic list for materiality assessment. The Board of Directors reviews the results of the assessment.▶ The Group has clearly defined the responsibilities of the Board of Directors and management in relation to climate change issues. The Board is responsible for determining and overseeing the Group's policies and mechanisms related to climate matters, while the management is responsible for implementing relevant policies. At the same time, the Group requires the Board to review and evaluate the climate-related management mechanisms, while the management conducts assessments and analyses of climate-related issues for the Board's reference. This ensures that the Board can effectively perform its oversight role and coordinate the implementation of related policies across departments, ensuring orderly and efficient execution of relevant work.
Strategy: The actual and potential material impacts of climate-related risks and opportunities on the Group's business, strategy, and financial planning	<ul style="list-style-type: none">▶ The Group recognizes the physical risks brought about by climate change, such as natural disasters, which may negatively impact construction projects through delays or economic losses. At the same time, transition risks caused by climate change—such as shifts in market demand, technological changes, and policy adjustments—may also have potential financial impacts.▶ The Group also acknowledges the opportunities that may arise from climate change. Climate change may accelerate the shift in market consumption toward sustainability and low-carbon solutions, increasing market focus on green buildings and green building technologies. The Group has been actively engaged in the development of green building standards and green housing technologies, with the aim of gradually enhancing the sustainability of new projects.
Risk Management: How the Group identifies, assesses, and manages climate-related risks and opportunities	<ul style="list-style-type: none">▶ The Group, with reference to global sustainable development trends and the latest research developments in the sustainable development of the real estate industry, has conducted the identification and assessment of ESG-related risks. Climate-related risks have been incorporated into the Group's ESG risk register and will be considered during day-to-day operations in terms of their potential impacts.▶ The Group has established emergency response plans for various weather conditions, such as natural disasters, typhoons, and floods, to comprehensively manage physical risks related to climate change.
Metrics and Targets: The key metrics and targets used by the Group to assess and manage relevant climate-related risks and opportunities	<ul style="list-style-type: none">▶ The Group has compiled and disclosed data for the reporting period on air pollutant emissions, greenhouse gas emissions, energy consumption, water usage, and waste generation. Moving forward, we will continue to improve the collection and analysis of relevant data to more comprehensively reflect our attention to climate-related issues.▶ During the reporting period, the Group has set a series of targets related to energy use, water consumption, and the generation and treatment of waste. We will further refine these targets in the future and continuously monitor progress to enable more targeted improvements and ensure the sustainable development of the enterprise.

The Group's Green and Healthy Residential System is built around five core elements: "Four Clean," "Four Comfort," "Three Low," "Two Good," and "Two High."



6.2 Resource Utilization and Environmental Protection

The Group adheres to the core principle of green construction. During project development, we take into full consideration both environmental protection and the practical needs of surrounding communities. While ensuring engineering quality and safety, we implement comprehensive measures for energy conservation and emission reduction, resource efficiency, and environmentally friendly construction practices. Our goal is to achieve the “Four Conservations and One Environmental Protection” — namely energy conservation, land conservation, water conservation, material conservation, and environmental protection — and to drive full lifecycle green transformation in construction.

We strictly comply with relevant environmental protection laws and regulations in Mainland China and Hong Kong. In line with the Evaluation Standard for Green Construction of Buildings (GB/T 50640-2010), the Code for Green Construction of Buildings (GB/T 50905-2014), and the ISO 14001 Environmental Management System, we have formulated the Green Construction Objectives and Guidelines, which institutionalize and standardize the green construction behavior of engineering contractors. These policies provide clear guidance across all project stages—from design, construction, supervision to final acceptance—ensuring the consistent integration of green principles throughout the entire construction process.

Efficient Use of Raw Materials

- ▶ Give priority to the procurement of locally sourced, green, and environmentally friendly materials.
- ▶ Require contractors to strictly manage material classification before construction and to prepare detailed material usage plans to avoid waste.
- ▶ Accurately calculate material quantities, make reasonable use of offcuts, and design appropriate construction plans and reusable material systems to reduce waste generation.

Water Conservation

- ▶ Establish water-saving measures and select water-efficient fixtures.
- ▶ Install water meters on construction sites, with separate measurement for living and construction areas; regularly collect, analyze, and compare water usage data.
- ▶ Collect rainwater and treated wastewater for reuse in applications such as toilet flushing and site spraying.
- ▶ Actively promote the virtue of water conservation.

Energy Conservation

- ▶ Select construction machinery and equipment reasonably, and prohibit the use of devices that do not meet energy-saving and environmental protection requirements.
- ▶ Use energy-efficient lighting such as sound-activated lights, light sensors, and LED strips.
- ▶ Promote awareness of electricity conservation for both daily living and production use on construction sites.
- ▶ Install electricity meters on construction sites, with separate measurement for living and construction areas; regularly collect, analyze, and compare electricity usage data.

Dust Control

- ▶ Cover vehicles transporting earth and reduce driving speed.
- ▶ Install automatic wheel-washing systems at construction site entrances and exits.
- ▶ Implement measures such as water spraying and surface covering within the site to prevent dust dispersion.
- ▶ Use pre-mixed concrete and mortar off-site to reduce dust pollution at the construction site.

Noise Control

- ▶ Noise levels must not exceed the limits set by the national standard Emission Standard of Environmental Noise for Boundary of Construction Site (GB 12523-2011).
- ▶ Use low-noise and low-vibration machinery, and phase out excessively noisy equipment.
- ▶ Implement enclosure measures in high-noise areas.
- ▶ Install noise monitoring equipment to monitor noise levels 24 hours a day.
- ▶ In principle, prohibit high-decibel operations at night.

Water Pollution Control

- ▶ Wastewater discharge must comply with the requirements of the national Integrated Wastewater Discharge Standard (GB 8978-1996).
- ▶ Install appropriate treatment facilities on construction sites for different types of wastewaters, such as sedimentation tanks, oil separators, and septic tanks.
- ▶ For storage areas of chemicals, toxic materials, and oil, implement strict water isolation layer designs to protect groundwater and prevent contamination.

Waste Management

- ▶ Use recyclable aluminum formwork instead of disposable wooden formwork to reduce waste generation.
- ▶ Use environmentally friendly and non-toxic building materials as much as possible to minimize the production of hazardous waste.
- ▶ Sort construction waste and place it in sealed waste containers for centralized collection.
- ▶ Implement bagged disposal for domestic waste on construction sites and ensure timely removal.
- ▶ Strengthen the reuse of construction waste. Reuse materials such as crushed stone and earthwork waste for foundation backfilling and road paving to improve recycling rates and reduce waste volume.
- ▶ Clearly label containers or storage areas for hazardous waste; collect items such as batteries and paint, and hand them over to qualified units for proper treatment to avoid leakage and contamination of soil or groundwater.

Soil Protection

- ▶ Optimize construction plans to reduce earth excavation and backfilling, minimizing land disturbance and protecting the surrounding environment.
- ▶ Draw a site layout plan for the construction area to ensure rational arrangement; keep temporary land use within the red line boundary.
- ▶ Protect the surface environment by promptly covering exposed soil with gravel or planting fast-growing grass to reduce soil erosion caused by construction.
- ▶ For construction sites with longer durations, arrange new landscaping for the site.

6.3 Green Office and Energy Conservation

The Group actively responds to national environmental protection policies and is committed to promoting green office practices and low-carbon operations internally. We continuously improve our energy conservation and emission reduction management mechanisms and strive to enhance resource efficiency in office environments. We firmly believe that good environmental behavior stems from the accumulation of daily habits. Through policy guidance and cultural cultivation, we embed the concept of sustainability into every employee's daily work.

To systematically advance green office initiatives, the Group, while strictly complying with relevant national and regional laws and regulations, has formulated internal policies such as the Employee Green Behavior Guidelines. These documents clearly define energy-saving and environmentally friendly behavior standards in the workplace, serving as practical guidance for employees to implement green practices. At the same time, aligning with the Group's "cost reduction and efficiency enhancement" strategy, we promote energy conservation and consumption reduction from two dimensions: resource savings and behavioral change.

By combining promotional campaigns with daily supervision, we foster environmentally responsible habits among employees, including water and electricity conservation, paper reduction, waste sorting, and resource recycling. These efforts further strengthen employee engagement and awareness of their responsibilities in contributing to sustainable development.

⚡ Energy Conservation

- ▶ In line with staggered electricity use initiatives, recommend that property management companies shut down certain elevators and turnstiles during off-peak hours outside of commuting periods.
- ▶ Promptly switch off lighting and conference equipment in office areas, ensuring power is turned off when spaces are unoccupied.
- ▶ Adjust the operation and temperature of air conditioning in shopping malls and marketing centers according to visitor traffic.
- ▶ When purchasing office equipment, select models with higher energy efficiency ratings.
- ▶ Regularly clean dust filters and fan coil units, remove obstructions at air conditioning and ventilation intake and exhaust outlets to improve cooling efficiency, and ensure doors and windows are closed when the air conditioning is in use.
- ▶ Install thermometers in different office areas to monitor temperature settings; regulate air conditioning usage in accordance with national indoor temperature standards. Except for special uses, the indoor temperature should not be set lower than 26° C in summer and not higher than 20° C in winter.
- ▶ Use fans in combination with air conditioners to better distribute cool air evenly.
- ▶ Optimize office layout by deactivating certain office floors and converting them into open-plan workspaces.
- ▶ Maximize the use of natural lighting in offices and meeting rooms.
- ▶ Use LED light strips for office lighting, achieving approximately 30% energy savings in lighting.

💧 Water Conservation

- ▶ Post reminder signs near office faucets, restrooms, and dining areas to encourage employees to turn off taps after use.
- ▶ Use water-saving toilets, which can save approximately 1.8 liters of water per flush compared to conventional models.
- ▶ Regularly inspect and repair pipes, joints, and faucets to prevent leaks, drips, and water wastage.
- ▶ Publicize maintenance contact information so employees can promptly report water-related issues.
- ▶ Encourage cleaning staff to use recycled water when cleaning restrooms to effectively conserve water.
- ▶ Set time limits for water dispensing on office water dispensers to avoid water waste caused by unattended or improperly closed units.
- ▶ Do not provide bottled water to employees, thereby reducing drinking water waste to a certain extent.

In addition to the daily management of water and electricity, the Group has also established corresponding measures for the use of energy sources such as diesel and gasoline, aiming to reduce energy consumption and greenhouse gas emissions. We promote green travel and efficient dispatching, optimizing the allocation and refined management of company vehicles. Specifically, the Group encourages the timely decommissioning of vehicles that have reached their service life or are underperforming, phasing out high energy-consuming models. We also ensure scientific scheduling and reasonable allocation of active vehicles to improve efficiency and avoid resource waste. Routine maintenance and upkeep are reinforced to ensure vehicle safety and reliability while optimizing fuel efficiency, thereby reducing repair costs and fuel consumption.

Through the implementation of these management measures, we aim to ensure business operation efficiency while effectively controlling vehicle-related carbon emissions and energy consumption, contributing to the Group's overall energy-saving and carbon-reduction goals. In addition to energy conservation, we also strive to reduce waste generation by promoting paperless offices, material reuse, and waste sorting among employees. Specific measures include:

- Energy-saving reminder signs are posted on office equipment such as computers, printers, and light switches.
- Signs are placed next to printers to encourage double-sided printing and paper conservation.
- Collection boxes are set up to reuse non-confidential paper for secondary printing, expense reimbursement attachments, draft paper, and wrapping paper to reduce waste.
- Paperless work is promoted by sharing documents via shared drives or email instead of printing.
- Paperless meeting rooms are established to minimize paper usage.
- Employees are encouraged to use reusable cups instead of disposable paper cups.
- The use of rechargeable alkaline batteries is promoted, while single-use batteries are reduced and properly recycled.
- Refillable pens (such as gel and ballpoint pens) are encouraged to reduce reliance on disposable writing instruments.
- Waste sorting bins are provided to separately collect general waste, kitchen waste, recyclables, and hazardous waste.
- Employees are encouraged to bring their own lunch containers to reduce takeaway packaging waste.



07

Courage in Responsibility: Fulfilling Corporate Social Commitments

The Group deeply understands the social responsibilities it bears as a corporate entity. We actively pay attention to societal development, give back to the community, and extend care and support to neighboring areas. In our day-to-day operations, we place great emphasis on the surrounding communities, always taking into account the interests of local residents and ensuring that our business activities generate a positive impact on the community.

7.1 Community Inclusion Activities



07 Courage in Responsibility: Fulfilling Corporate Social Commitments

7.1 Community Inclusion Activities

Case Study: “China Merchants Happiness Village” Series Lands in Sha Tin, Setting a New Benchmark for Inclusive Urban Communities

In November 2024, the Group and its subsidiary CM+ Hotels and Serviced Apartments sponsored and supported the “Celebrating the 75th Anniversary of the Founding of the People’s Republic of China – Sha Tin Cycling Festival” awards ceremony, presenting prizes to the winners of events such as the “China Merchants Happiness Village Elite Men’s Cup” and the “China Merchants Happiness Village Elite Women’s Cup.”

As a key part of the “China Merchants Happiness Village” and “China Merchants Prosperity Village” community engagement series, this cycling festival was fully planned and organized by the Group. The event responded to the HKSAR Government’s call to promote sports “popularization, specialization, professionalism, event development, and industrialization,” aiming to enhance regional health and the high-quality development of the cycling industry.

The event featured 11 professional and amateur races, attracting over 700 participants of various age groups. The lively atmosphere on-site showcased strong community spirit and athletic enthusiasm. That afternoon, a “Torch Relay Carnival” was held with 14 thematic booths, allowing Sha Tin residents to engage closely with the sport of cycling while promoting community participation and cultural exchange.

As a key sponsor of the event, CM+ not only provided prizes for the champions of eight competitions, but also distributed discount vouchers to participants of the “Sha Tin District Council Friendship Cup” on-site. Through these actions, the brand actively gave back to the community, encouraged participation, and further enhanced its social value and public recognition.

The Group will continue to promote community integration and healthy development through diverse philanthropic, cultural, and sports activities, fulfilling corporate social responsibilities and contributing to Hong Kong’s progress toward prosperity through stability, achieving shared growth between the enterprise and the community.



Case Study: “Home Culture Festival” Promotes Shared Community – Guangzhou Company Builds a Neighborly and Inclusive Community Model

To continuously advance the creation of better living scenarios, the Guangzhou Company, in collaboration with China Merchants Yue, jointly launched the “Home Culture Festival” series in 2024. Through innovative community services, the initiative aimed to energize urban life and foster a warm, connected community culture. The activities spanned the cities of Guangzhou and Zhanjiang, engaging more than 20,000 families. With a variety of themed events and five major community-building programs, the initiative effectively promoted interaction and integration among residents.

♥ Sharing Mid-Autumn Sentiments, Celebrating Reunion Together

In September 2024, the “Mid-Autumn Festival Celebration – Together with Neighbors for a Warm Reunion” marked the opening of the Home Culture Festival. The event was held in the format of “one main venue + multiple sub-venues,” covering projects such as Xipai Tianhe Xu, Yonghua Mansion, Yongjing Bay, and Zhenyuan. It provided thousands of property owners with a warm and festive community experience. Through activities such as lantern riddles, DIY craft booths, and family-friendly interactions, the event not only celebrated traditional culture but also strengthened neighborly bonds.

♥ Caring for the Elderly, Building a Warm-Hearted Community

During the Double Ninth Festival, the Guangzhou Company specially launched the “One Good Deed a Day, Warming the Hearts of Empty-Nest Seniors” elderly care initiative. Medical teams were invited into the community to provide free health consultations for elderly residents. Additionally, volunteers conducted home visits to empty-nest seniors, assisting with household cleaning and checking electrical installations. Through these acts of tangible support and emotional care, the initiative demonstrated the Group’s sense of responsibility and compassion toward vulnerable groups.

♥ Co-Creating Communities, Building an Ideal Living Circle

This year’s Home Culture Festival further advanced community co-creation by encouraging residents to participate and independently initiate community group activities. A number of vibrant community organizations emerged across Guangzhou’s neighborhoods, such as: The Jinshangu community established the “Singing Sunset” choir and dance team, providing elderly residents with platforms for self-expression and social engagement. At the Yonghua Mansion project, a table tennis competition was jointly organized with the neighborhood committee, promoting a culture of healthy sports. In the Yongjing Bay community, active sports groups like the “Mingyue Bay Football Club” and the “Joyful Running Club” were initiated by enthusiastic residents, who organize regular activities to foster a lively and energetic neighborhood atmosphere. In addition, cultural groups such as the “Flower Dance Team” and the “Dream Fulfillment Ensemble” have helped deepen emotional connections among neighbors, enhancing social cohesion and fostering stronger community ties.

Through the Home Culture Festival, the Guangzhou Company has further reinforced its brand philosophy of “Where There Is Home, There Is Care,” achieving full-cycle engagement from product delivery to community building. The initiative not only enriched the spiritual and cultural lives of residents but also encouraged them to become active participants and leaders in co-creating the community. This has contributed to forming a new model of resilient, inclusive, and sustainable community development.



08 Environmental and Social Performance

Environmental Performance

Pollutant Emission Performance		2024	2023
Air Pollutants ¹			
Type	Unit	Total Emissions	
Sulphur Oxides (SOx)	Tonnes	0.05	2.12*10 ⁻³
Nitrogen Oxides (NOx)	Tonnes	0.001	0.05
Particulate Matter (PM)	Tonnes	0.43	9.4*10 ⁻³
Carbon Monoxide (CO)	Tonnes	0.01	0.52
Greenhouse Gases			
Type	Unit	Total Emissions	
Direct Greenhouse Gas Emissions (Scope1) ²	Tonnes CO ₂ e	222.65	295.19
Direct Greenhouse Gas Emissions (Scope1) Per Employee	Tonnes CO ₂ e	0.31	0.34
Indirect Greenhouse Gas Emissions (Scope2) ³	Tonnes CO ₂ e	203.05	1,456.15
Indirect Greenhouse Gas Emissions (Scope2) Per Employee	Tonnes CO ₂ e	0.29	1.70
Hazardous Waste			
Type	Unit	Total Emissions	
Cartridges/Toner	Tonnes	0.04	0.15
Cartridge/Toner Generation Per Employee	kg/Employee	0.06	0.17
Waste Batteries	Tonnes	0.04	0.05
Waste Battery Generation Per Employee	kg/Employee	0.05	0.06
Waste Lamps Containing Mercury	Tonnes	0.0039	3.00*10 ⁻³
Amount of Mercury-containing Waste Lamps Produced Per Employee	kg/Employee	0.0054	3.49*10 ⁻³
Light Bulb	Tonnes	0.000006	0.02
Light Bulb Production Per Employee	kg/Employee	8.42*10 ⁻⁶	0.02

Pollutant Emission Performance		2024	2023
Non-hazardous Waste			
Type	Unit	Total Production	
Domestic Waste	Tonnes	94.40	89.39
Amount of Domestic Waste Generated Per Employee	kg/Employee	132.59	104.06
Plastics	Tonnes	3.92	4.32
Plastic Production Per Employee	kg/Employee	5.50	5.03
Paper	Tonnes	9.31	10.22
Paper Production Per Employee	kg/Employee	13.08	11.90
Recyclable Waste			
Type	Unit	Total Recovery	
Paper	Tonnes	6.22	2.56
Plastics	Tonnes	1.55	3.60
Cartridges/Toner	Tonnes	0.24	0.006
Use of Resources			
Type	Unit	Amount	
Municipal Water Consumption	m ³	15,769.40	12,056
Total Water Consumption Per Square Metre of Floor Area	m ³ /m ²	0.66	0.50
Bucket Water Consumption	m ³	54.45	33.14
Total Bucket Water Consumption Per Staff	m ³ /Employee	0.08	0.04
Total Energy Consumption	kWh	3,685.47	3,743.67
Energy Use Per Square Metre of Floor Area	kWh/m ²	0.15	0.15
Electricity Consumption	kWh	2,487.01	2,164.70
Total Electricity Consumption Per Square Metre of Floor Area	kWh/m ²	0.10	0.09
Natural Gas Consumption	kWh	68.45	55.88
Total Natural Gas Consumption Per Square Metre of Floor Area	kWh/m ²	0.003	0.01
Gas Usage	kWh	308.39	250.66
Total Gas Consumption Per Square Metre of Floor Area	kWh/m ²	0.01	0.03

Pollutant Emission Performance		2024	2023
Use of Resources			
Type	Unit	Amount	
Petrol Consumption	kWh	821,61	1,097.71
Total Petrol Consumption Per Employee	kWh/Employee	1,15	1.28
Diesel Consumption ⁴	kWh	-	1.55
Total Diesel Consumption Per Employee	kWh/Employee	-	1.80

Social Performance

Total Staff			2024		2023	
Project		Unit	Amount	Percent	Amount	Percent
Number and Percentage of Employee	Total	Person	712	100.00%	859	100.00%
	By Gender	Male	470	66.08%	571	66.43%
		Female	242	33.92%	288	33.57%
	By Type of Employment	Full-time	712	100.00%	859	100.00%
		Part-time	0	0.00%	0	0.00%
	By type of staff	Assistant General Manager and Above	25	3.54%	30	3.46%
		Senior Manager	17	2.41%	26	3.03%
		Manager	66	9.32%	63	7.35%
		Assistant Manager	45	6.27%	60	7.06%
		General Staff	559	78.46%	676	78.67%
		Technical Staff	3	0.48%	4	0.43%
	By Age Group	Under 30 years old	80	11.25%	239	27.81%
		30-39 years old	444	62.38%	442	51.44%
		40-49 years old	159	22.35%	152	17.72%
		Age 50 and above	29	4.02%	26	3.03%
	By District	Mainland China	688	96.62%	834	97.12%
		Hong Kong	24	3.38%	25	2.88%

Staff Turnover				2024		2023	
Project			Unit	Amount	Turnover rate	Amount	Turnover rate
Number and rate of staff turnover ⁵	Total		Person	119	16.71%	125	18.01%
	By Gender	Male	Person	88	12.36%	90	19.52%
		Female	Person	49	6.88%	35	15.02%
	By Age Group	Under 30 years old	Person	30	4.21%	35	18.13%
		30-39 years old	Person	73	10.25%	67	18.77%
		40-49 years old	Person	29	4.07%	19	15.45%
		Age 50 and above	Person	5	0.70%	0	19.05%
	By District	Mainland China	Person	136	19.10%	118	17.51%
		Hong Kong	Person	1	0.14%	7	35.00%
Development and Training				2024		2023	
Project			Unit	Amount	Percentage of staff trained	Amount	Percentage of staff trained
Number and percentage of trainees ⁶	Total		Person	592	83.15%	679	79.05%
	By Gender	Male	Person	328	46.07%	453	66.72%
		Female	Person	264	37.08%	226	33.28%
	By type of staff	Assistant General Manager and Above	Person	51	7.16%	23	3.39%
		Senior Manager	Person	13	1.83%	23	3.39%
		Manager	Person	55	7.72%	67	9.87%
		Assistant Manager	Person	38	5.34%	76	11.59%
		General Staff	Person	487	68.40%	487	71.72%
		Technical Staff	Person	3	0.42%	3	0.44%
Average training hours per employee ⁷		Total		Hours	18.69	-	21.19
	By Gender	Male	Hours	17.17	-	19.28	-
		Female	Hours	21.67	-	25.02	-
	By type of staff	Assistant General Manager and Above	Hours	13.42	-	12.93	-
		Senior Manager	Hours	13.89	-	18.07	-
		Manager	Hours	14.60	-	10.78	-

Development and Training				2024		2023	
Project			Unit	Amount	Percentage of staff trained	Amount	Percentage of staff trained
Average training hours per employee ⁷	By type of staff	Assistant Manager	Hours	16.56	-	16.15	-
		General Staff	Hours	14.90	-	23.62	-
		Technical Staff	Hours	58.53	-	67.67	-
Occupational Health and Safety				2024		2023	
Project			Unit	Amount	Percent	Amount	Percent
Number and rate of work-related deaths			Person	0	0.00%	0	0.00%
Number of working days lost due to work-related injuries			Number of days	1	-	0	-
Supply Chain Management				2024		2023	
Project			Unit	Amount	Percent	Amount	Percent
Customer Satisfaction	Total		Size	6,748	-	2,500	-
	By District	Mainland China	Size	6,633	98.30%	2,395	95.80%
		Hong Kong	Size	115	1.70%	105	4.20%
Product Responsibility				2024		2023	
Project			Unit	Amount			
Customer Satisfaction	Average Customer Satisfaction (out of 100)		Score	94.1		97.71	
Receiving complaints about products or services	Number of complaints received		Cases	3,387		2,337	
	Complaint Resolution Rate		Percent	92.90%		94.30%	
Anti-bribery				2024		2023	
Project			Unit	Amount			
Number of corruption litigation cases filed and concluded against the Group or its employees			Cases	0		0	
Community Investment				2024		2023	
Project			Unit	Amount			
Donation Amount			RMB	540,000		1,722	
Staff Volunteer Hours			Hours	60		4	

¹ The Group’s air pollutants include emissions from natural gas usage and mobile sources in Mainland China, as well as gas emissions from town gas usage in Hong Kong.

² The Group’s Scope 1 greenhouse gas emissions include emissions from stationary sources and mobile sources. These cover emissions from natural gas used in Mainland China, gasoline used by road mobile sources, and town gas used in Hong Kong. The emission factors are based on the guidelines issued by the Ministry of Ecology and Environment of China, namely the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Enterprises in Other Industrial Sectors (Trial), the Accounting Methods and Reporting Guidelines for Greenhouse Gas Emissions of Land Transportation Enterprises (Trial), and the Environmental, Social and Governance Report ²⁰²³ published by The Hong Kong and China Gas Company Limited.

³ The Group’s Scope 2 greenhouse gas emissions include emissions from purchased energy, specifically from purchased electricity used in Mainland China and Hong Kong. The emission factors are based on the ²⁰²² Grid Average Carbon Dioxide Emission Factor for Electricity published by the Ministry of Ecology and Environment of China and the carbon emission intensity per unit of electricity consumption disclosed by HK Electric Investments.

⁴ During the reporting period, the Group did not use diesel vehicles or record any559 related diesel consumption.

⁵ In the reporting period, the employee turnover rate was calculated as follows: turnover rate for a specific employee category = Number of employees who left in that category / Total number of employees in that category at year-end.

⁶ In the reporting period, the calculation method for the employee training rate is as follows: training rate for a specific employee category / Number of employees who received training in that category ÷ Total number of trained employees.

⁷ In the reporting period, the calculation method for the average training hours per employee is as follows: average training hours for a specific employee category = Total training hours received by employees in that category / Total number of employees in that category at year-end.

09 List of Laws and Regulations

ESG Aspects	Mainland China	Hong Kong
Environment	Environmental Protection Law of the PRC Law of the PRC on Environmental Impact Assessment Construction Law of the PRC Atmospheric Pollution Prevention and Control Environment Law of the PRC Water Pollution Prevention and Control Law of the PRC Law of the PRC on the Prevention and Control of Environment Pollution Caused by Solid Wastes Law of the PRC on Prevention and Control of Pollution from Environmental Noise Energy Conservation Law of the PRC	Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong) Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong) Buildings Energy Efficiency Ordinance (Chapter 610 of the Laws of Hong Kong)
Employment and labour standards	Labour Law of the PRC Labour Contract Laws of the PRC Social Insurance Law of the PRC Law of the PRC on the Protection of Minors Provisions on the Prohibition of Using Child Labour	Employment Ordinance (Chapter 57 of the Laws of Hong Kong) Sex Discrimination Ordinance (Chapter 480 of the Laws of Hong Kong) Disability Discrimination Ordinance (Chapter 487 of the Laws of Hong Kong) Race Discrimination Ordinance (Chapter 602 of the Laws of Hong Kong)
Workplace health and safety	Production Safety Law of the PRC Law of the PRC on the Prevention and Treatment of Occupational Diseases Fire Protection Regulation of the PRC Emergency Response Law of the PRC Administrative Regulations on the Work Safety of Construction Projects State Contingency Plans for Environmental Emergencies	Occupational Safety and Health Ordinance (Chapter 509 of the Laws of Hong Kong)
Product responsibility	Patent Law of the PRC Product Quality Law of the PRC Trademark Law of the PRC Advertising Law of the PRC Intellectual Property Law of the PRC	Trade Descriptions Ordinance (Chapter 362 of the Laws of Hong Kong) Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) Trade Marks Ordinance (Chapter 559 of the Laws of Hong Kong)
Anti-corruption	Criminal Law of the PRC Company Law of the PRC Anti-Money Laundering Law of the PRC	Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Chapter 615 of the Laws of Hong Kong) Companies Ordinance (Chapter 622 of the Laws of Hong Kong)

10 Index for Hong Kong Stock Exchange’s ESG Reporting Guide and GRI Standards

Key Scope, Dimensions, General Disclosures and Key Performance Indicators(Indicators)		GRI Sustainability Reporting Standard Applicable Content	Disclosure Location or Remarks
Mandatory disclosure			
Governance Framework	a statement from the Board containing (i) a disclosure of the Board's oversight of ESG matters; (ii) the Board's ESG management approach and strategy, including the process for assessing, prioritizing and managing significant ESG-related matters, including risks to the issuer's business; and (iii) how the Board reviews progress against ESG-related objectives and explains how they relate to the issuer's business.	GRI102: General Disclosures 102-15, 102-29, 102-30, 102-31 and 102-32; GRI103: Management Practices Disclosure 103-1	Corporate Governance ESG Governance
Reporting Principles	Describe or explain how the reporting principles are applied when preparing an ESG report.	GRI102: General disclosure 102-40, 102-42, 102-43	Reporting Standards
Scope of Reporting	Explain the reporting scope of the ESG report and describe the process for selecting which entities or businesses to include in the ESG report. If there is a change in the scope of reporting, the issuer should explain the difference and the reasons for the change.	GRI 102: General Disclosure 102-45 and 102-49	Organizational and Reporting Standards Reporting Period
A: Environment			
Level A1: Emissions			
General disclosure	(a) policies in relation to emissions and greenhouse gases, discharge to water and land, generation of hazardous and non-hazardous waste, etc.; and (b) information on compliance with relevant laws and regulations materially affecting the issuer.	GRI103: Management Practices Disclosure 103-2; GRI307: Environmental Compliance Disclosure Item 307-1	Resource Utilization and Environmental Protection
A1.1	Emission types and related emission data.	GRI305: Emission disclosure item 305-7	Environmental Performance
A1.2	Direct (Scope 1) and energy indirect (Scope 2) GHG emissions (in tonnes) and (if applicable) intensity (e.g. per unit of production, per facility).	GRI305: Emission disclosure items 305-1, 305-2 and 305-4	
A1.3	Total amount of hazardous waste generated (in tonnes) and, if applicable, density (e.g. per unit of production, per facility).	GRI306: Waste Disclosure Item 306-3	
A1.4	The total amount of non-hazardous waste generated (in tonnes) and, if applicable, the density (e.g. per unit of production, per facility).	GRI306: Waste Disclosure Item 306-3	

A1.5	Describe the emission targets set and the steps taken to achieve them.	GRI103: Management Approach Disclosure 103-2	Resource Utilization and Environmental Protection Green Office and Energy Conservation
A1.6	Describe the methods used to treat hazardous and non-hazardous waste and describe the waste reduction targets set and the steps taken to achieve them.	GRI103: Management Practices Disclosure Item 103-2; GRI306: Waste Disclosure Items 306-1, 306-2	
Level A2: Use of Resources			
General disclosure	Policies for the efficient use of resources (including energy, water and other raw materials).	GRI103: Management Approach Disclosure 103-2;	Resource Utilization and Environmental Protection Green Office and Energy Conservation
A2.1	Total direct and/or indirect energy (e.g. electricity, gas or oil) consumption (in thousands of kWh) and intensity (e.g. per unit of production, per facility) by type	GRI302: Energy Disclosure Items 302-1 and 302-3	Environmental and Social Performance
A2.2	Total water consumption and density (e.g. per unit of production, per facility).	GRI303: Water Resources Disclosure Item 303-1	
A2.3	Describe the energy efficiency targets set and the steps taken to achieve them.	GRI103: Management Approach Disclosure 103-2	Resource Utilization and Environmental Protection Green Office and Energy Conservation
A2.4	Describe any problems that may have been encountered in obtaining the applicable water source, as well as the water efficiency goals that have been established and the steps that have been taken to achieve those goals.	GRI103: Management Approach Disclosure 103-2	
A2.5	The total quantity of packaging materials used in the manufacture of the finished product (in tonnes) and, if applicable, the quantity per unit of production.	GRI301: Material Disclosure No. 301-1	Not Applicable
Level A3: Environment and Natural Resources			
General disclosure	Policies to minimise the issuer's significant impact on the environment and natural resources.	GRI103: Management Approach Disclosure 103-2	Resource Utilization and Environmental Protection Green Office and Energy Conservation
A3.1	Describe the significant impacts of business activities on the environment and natural resources and the actions that have been taken to manage those impacts.	GRI103: Management Practices Disclosure Items 103-1 and 103-2; GRI303: Water Resources Disclosure Item 303-2; GRI304: Biodiversity Disclosure Item 304-2; GRI306: Waste 306-1 and 306-2	
Level A4: Climate Change			
General disclosure	A policy for identifying and responding to significant climate-related issues that have had and may have an impact on the issuer.	GRI103: Management approach disclosure 103-2 (c-i); GRI102: General disclosure 102-29	Climate Change Action

A4.1	Describe the significant climate-related issues that have had and are likely to have an impact on the issuer, and the actions taken in response.	GRI201: Economic Performance Disclosure 201-2	Climate Change Action
B: Social			
Level B1: Employment			
General disclosure	Relating to pay and dismissal, recruitment and promotion, hours of work, holidays, equal opportunities, diversity, anti-discrimination and other treatment and benefits: (a) policies; and (b) information on compliance with relevant laws and regulations material to the Issuer.	GRI103: Management Practices Disclosure Item 103-2; GRI419: Socio-Economic Compliance Disclosure 419-1	Employee Employment and Management
B1.1	Total number of employees by gender, type of employment (e.g. full-time or part-time), age group and district.	GRI 405: Diversity and Equal Opportunities Disclosure Item 405-1 (b-i,ii)	Social Performance
B1.2	Employee turnover rate by gender, age group and region.	GRI 401: Employment Disclosure 401-1(b)	
Level B2: Health and Safety			
General disclosure	Relating to the provision of a safe working environment and the protection of employees against occupational hazards: (a) policies; and (b) information on compliance with relevant laws and regulations material to the issuer.	GRI103: Management Practices Disclosure 103-2; GRI403: Occupational Health and Safety Disclosure 403-1; GRI419: Socio-Economic Compliance Disclosure 419-1	Work Safety and Compliance Management
B2.1	Number and rate of work-related deaths in each of the past three years (including the reporting year).	GRI 403: Occupational Health and Safety Disclosure 403-9 (a-i)	Social Performance
B2.2	Number of days lost due to work-related injuries.	-	
B2.3	Describe the occupational health and safety measures adopted and the related implementation and monitoring methods.	GRI103: Management Practices Disclosure Items 103-2 and 103-3; GRI403: Occupational Health and Safety Disclosures 403-3, 403-5, 403-7	Work Safety and Compliance Management
Level B3: Development and Training			
General disclosure	Policies regarding the enhancement of employees' knowledge and skills to perform their job duties. Describe the training activities. Note: Training refers to vocational training and may include internal and external courses paid for by the employer.	GRI103: Management Methods Disclosure Item 103-2 GRI404: Training and education disclosure item 404-2(a)	Employee Employment and Management

B3.1	Percentage of employees trained by gender and type of employees (e.g. senior management, middle management, etc.).	-	Social Performance
B3.2	The average number of hours of training completed by each employee, broken down by gender and type of employee.	GRI404: Training and Education Disclosure Item 404-1	
Level B4: Labour Standards			
General disclosure	In relation to the prevention of child or compulsory labour. (a) policies; and (b) information on compliance with relevant laws and regulations materially affecting the issuer.	GRI103: Management Practices Disclosure 103-2 GRI419: Socio-Economic Compliance Disclosure 419-1	Employee Employment and Management
B4.1	Describe the measures to review recruitment practices to avoid child and compulsory labour.	GRI103: Management Practices Disclosure 103-2; GRI408: Child Labour Disclosure 408-1(c);	
B4.2	Describe the steps taken to eliminate the situation when a breach is detected.	GRI409: Forced or Compulsory Labour Disclosure 409-1(b).	
Level B5: Supply Chain Management			
General disclosure	Managing Environmental and Social Risk Policies in the Supply Chain.	GRI103: Management Approach Disclosure 103-2	Compliance Operation and Supply Chain Management
B5.1	Number of suppliers by region.	GRI102: General Disclosure 102-9	Social Performance
B5.2	Describe the practices relating to the engagement of suppliers, the enforcement of such practices, the number of suppliers with such practices, and the methods of enforcing and monitoring such practices.	GRI103: Management Approach Disclosure 103-2; GRI308: Supplier Environmental Assessment Disclosures 308-1 and 308-2; GRI414: Supplier Social Assessment Disclosures 414-1 and 414-2	Compliance Operation and Supply Chain Management
B5.3	Describe practices for identifying environmental and social risks at each point in the supply chain, and related enforcement and monitoring methods.	GRI102: General Disclosure 102-9; GRI103: Management Practices Disclosure 103-2; GRI303: Water Resources Disclosure Item 303-1; GRI308: Supplier Environmental Assessment Disclosure Items 308-1 and 308-2; and GRI414: Supplier Social Assessment Disclosure Items 414-1 and 414-2	
B5.4	Describe the practice of promoting the use of environmentally friendly products and services in the selection of suppliers, and the related implementation and monitoring methods.	GRI103: Management Approach Disclosure 103-2	

Level B6: Product Responsibility			
General disclosure	Health and safety, advertising, labelling and privacy matters in relation to the products and services provided and remedies: (a) policies; and (b) information on compliance with relevant laws and regulations material to the issuer.	GRI103: Management Practices Disclosure 103-2; GRI416: Customer Health and Safety Disclosure Item 416-2; GRI417: Marketing and Labelling Disclosure Items 417-2 and 417-3; GRI418: Customer Privacy Disclosure 418-1; GRI419: Socioeconomic Compliance Disclosure 419-1	Product Services and Quality Assurance
B6.1	Percentage of the total number of products sold or shipped that are subject to recall for safety and health reasons.	-	Not Applicable
B6.2	The number of complaints received about products and services and how they were handled.	GRI102: General Disclosures 102-43 and 102-44; GRI103: Management Practices Disclosure 103-2; GRI418: Customer Privacy Disclosure 418-1	Product Services and Quality Assurance
B6.3	Describe practices related to the maintenance and protection of intellectual property rights.	-	Wholehearted Service to Ensure Quality
B6.4	Describe the quality assurance process and product recall procedures.	-	Not Applicable
B6.5	Describe the consumer data protection and privacy policy, and how it is enforced and monitored.	GRI103: Management Approach Disclosure Items 103-2 and 103-3	Product Services and Quality Assurance
Level B7: Anti-corruption			
General disclosure	(a) policies on prevention of bribery, extortion, fraud and money laundering; and (b) information on compliance with relevant laws and regulations material to the issuer.	GRI103: Management Practices Disclosure Item 103-2; GRI205: Anti-Corruption Disclosure 205-3; GRI419: Socio-Economic Compliance Disclosure 419-1	Corporate Governance
B7.1	The number of corruption litigation cases filed and concluded against the issuer or its employees during the Reporting Period and the outcome of such litigation.	GRI205: Anti-Corruption Disclosure Item 205-3	

A7.2	Describe the precautionary measures and reporting procedures, as well as the related enforcement and monitoring methods.	GRI102: General Disclosure Disclosure Items 102-17; GRI103: Management approach disclosures 103-2 and 103-3.	Corporate Governance
A7.3	Describe the anti-corruption training provided to directors and employees.	GRI205: Anti-Corruption Disclosure Item 205-2	
Level B8: Community Investment			
General disclosure	Policies on community engagement to understand the needs of the communities in which they operate and to ensure that their business activities take into account the interests of the community.	GRI103: Management Approach Disclosure 103-2	Community Inclusion Activities
B8.1	Focus on contribution areas (e.g. education, environmental issues, labour needs, health, culture, sports).	GRI203: Indirect Economic Impact Disclosure 203-1(a)	
B8.2	Resources (e.g., money and time) spent in the area of specialisation.	GRI201: Economic Benefits Disclosure Item 201-1 (a-ii)	