



**Colour Life Services Group Co., Limited**  
Stock code: 1778

BREAKTHROUGH • RENEW



**Environmental, Social and  
Governance Report 2022**

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# ABOUT COLOUR LIFE



Colour Life Services Group Co., Limited (“Colour Life” or the “Company”) was established in June 2002 and was the first community service enterprise listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 30 June 2014. We are a technology-driven and comprehensive community service enterprise, providing property management, intelligent building solutions, and community services. Our mission is to transform “property management” into “service for people,” and we have developed and operated the leading global community service platform – “Caizhiyun”. Embracing the brand concept of “Excellence in Community Service”, we are committed to offering the most comprehensive care to both property owners and clients. Under our relentless efforts, in the year 2022, we were honored with the following recognitions awarded by the China Index Academy:



2022 China Leading Property Management Companies in Community Retail Operations



2022 China Leading Property Management Companies in Terms of Technology Application



2022 China Top 10 Listed Property Management Companies in terms of Community Value-added Service Capabilities



2022 Top 100 Property Management Companies in China



2022 China Leading Property Management Companies in Community Internet Operations



2022 China Excellent Property Management Company by ESG Development

# ABOUT COLOUR LIFE

Over the 8 years since its listing, with its outstanding business development capabilities, Colour Life has become a leading community service operator in China in terms of service scale. Based on the property management services, Colour Life always adheres to its core value of “Creating Values for Customers” and its brand concept of “Excellence in Community Service” to provide high-quality services to customers. Besides, Colour Life explores more community consumption scenarios by utilising internet technology to build offline and online service platforms, so as to provide more convenient, advanced and comfortable experiences and enjoyment to property owners.



## BRAND HONOURS

- ZhiTong Finance, RoyalFlush Finance – “Best Property Management Company” Award
- Guandian Index Academy – “Excellent Performance of Property Service Company in 2022”
- Phoenix Media Guangdong – “Annual Innovative Brand” Award
- Guangdong Property Management Industry Institute – “Special Contribution” Award
- China Index Academy – “China Five-Star Property Service Project 2022”
- China Index Academy – Leading Enterprise in the Property Service Market 2022
- China Index Academy – China Property Service Industry Demonstration Base 2022
- China Index Academy – China Market Operational Leading Brand of Property Service Company - Brand Value: 9.9 Billion RMB
- China Index Academy – Leading Brand in China’s Property Service Standardization Operation 2022
- China Index Academy – Excellent Brand in the Property Service Platform 2022
- Shenzhen Property Management Association – Gold and Bronze Awards for Property Excellence
- Shenzhen Property Management Association – “Excellent Enterprise” Award

# ABOUT COLOUR LIFE

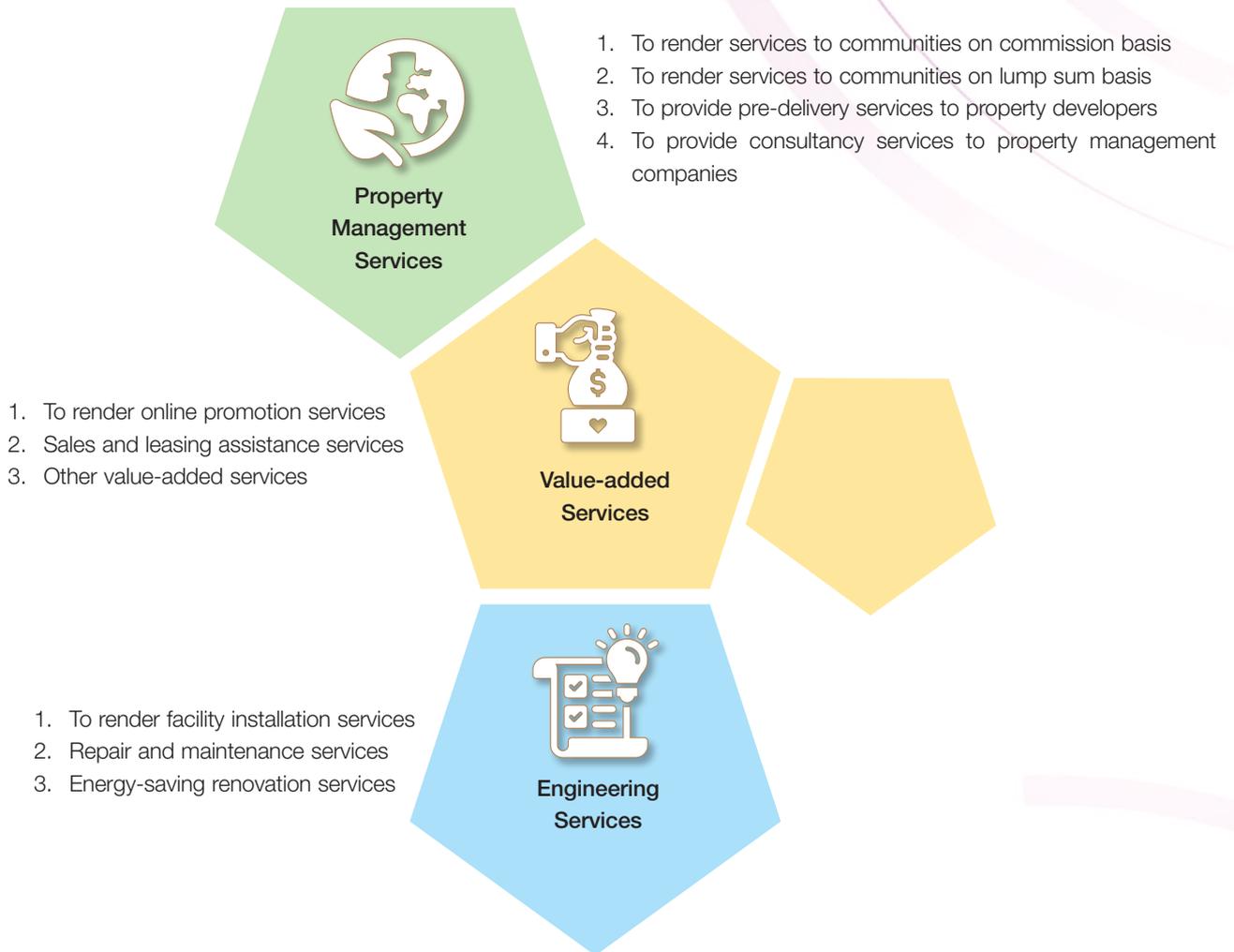
- Shenzhen Property Management Association – “Outstanding Contribution in Charity and Philanthropy” Award
- Guangdong Property Management Industry Association – Outstanding Contribution Award 2022 for Property Service Enterprises in Guangdong Province: “Taking Up Social Responsibility and Supporting Social Employment”
- Guangdong Property Management Industry Association – Top 50 in New Media Construction and Operation in Guangdong Property Management Industry 2022
- Blue-Chip Property Top 100 Summit 2022 – Leading Enterprise in Digital Technology
- Blue-Chip Property Top 100 Summit 2022 – Exemplary Enterprise in ESG Practices
- Blue-Chip Property Top 100 Summit 2022 – Top 100 Blue-Chip Property Enterprise in 2022
- Guandian Property – “Top 20 Most Influential Property Service Enterprises” Award 2022
- Guandian Property – “Top Quality Service Property Enterprise” Award 2022
- Leju Finance – “Top Quality Service Property Enterprise” Award 2022
- Property Index Research Institute, C-SPEXPO, and Guangdong Property Management Industry Association – Digital Technology Navigation Award

Furthermore, Colour Life deeply understands the significance of corporate integrity and compliance, and has consistently committed to maintaining high standards of integrity and compliance. Through unwavering efforts, Colour Life maintains high standards in corporate governance and acquired the GB/T 31950-2015 Certificate for Integrity Management System and the GB/T 35770-2017 Certificate for Compliance Management System.



# ABOUT COLOUR LIFE

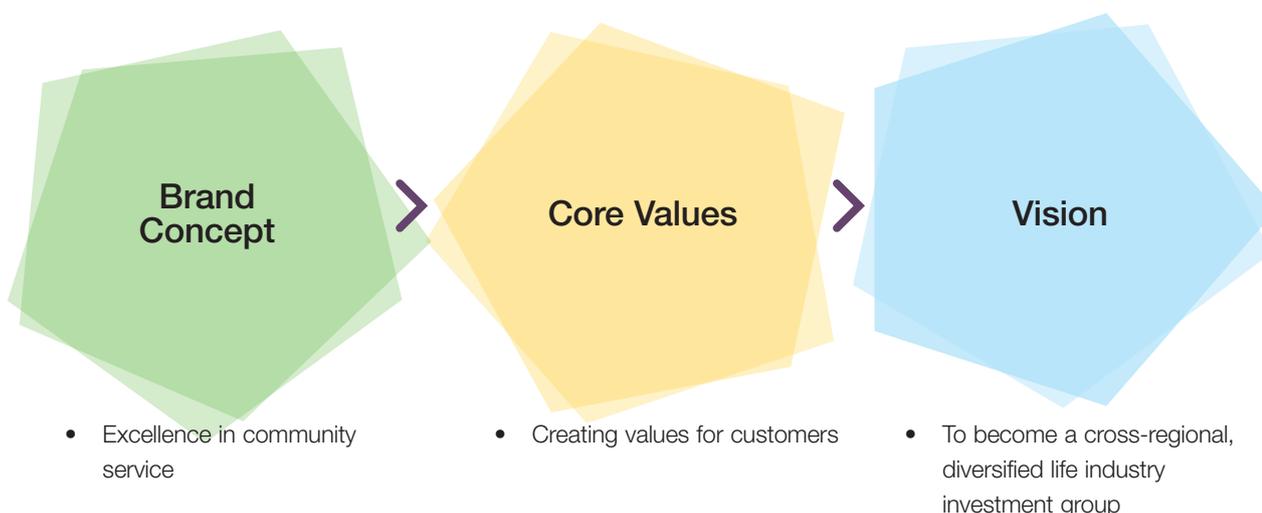
## BUSINESS OVERVIEW



In 2022, Colour Life continued to expand into new markets, introducing various community services and launching a wide range of online insurance products, such as automobile insurance, traffic accident insurance, home property insurance, gas insurance, and electric bicycle insurance. By continuously enhancing the community property ecosystem, we have upheld the service philosophy of being “Your Trusted Insurance Steward,” catering to the diverse insurance needs of countless households in the community.

## ABOUT THIS REPORT

Colour Life Services Group Co., Limited and its subsidiaries (collectively referred to as the “Group”, “we” or “us”) continued to invest resources and formulate strategies to support the sustainable development of the Group and the community over the past year. We are pleased to publish the 2022 Environmental, Social and Governance (“ESG”) Report (the “Report”) of the Group, aiming to disclose to the stakeholders the sustainable development strategies, resource inputs and performance in relation to ESG in 2022. The Group has also engaged Riskory Consultancy Limited as its independent ESG consultant to assist the Group in publishing the Report and providing ESG-related advisory services.



### REPORTING PERIOD AND SCOPE

The reporting period of the information contained in the Report is from 1 January 2022 to 31 December 2022 (the “Reporting Period”). Unless otherwise specified, the scope disclosed in the Report covers the environmental and social performance of the Group’s principal business.

### ACCESS TO THE REPORT

The Report is an annual report, which is available in both traditional Chinese and English. An electronic version of the Report can be downloaded from the website of the Stock Exchange as well as the official website of the Group ([www.colourlife.hk](http://www.colourlife.hk)). In the event of any conflicts or inconsistencies between the Chinese and English versions, the Chinese version shall prevail.

### INFORMATION COLLECTION METHOD

The information in the Report is derived from the official documents and statistics of the Group and has been reviewed by the relevant departments of the Group.

## ABOUT THIS REPORT

### REPORTING PRINCIPLES

In accordance with the requirements set out in “Environmental, Social and Governance Reporting Guide” (“ESG Reporting Guide of the Stock Exchange”), Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange, the Report is prepared in accordance with the following four reporting principles, and was approved by the Board of Directors in July, 2023:

- **Materiality**
  - **Definition:** The issues covered in the Report should reflect the significant impacts of the Group on the economy, environment and society, or the scope of assessments and decisions of stakeholders being affected.
  - **Response:** Through communication with stakeholders as well as considering the Group’s business nature and development, material sustainability issues are identified.
- **Quantitative**
  - **Definition:** The Report should disclose key performance indicators (“KPIs”) in a measurable manner.
  - **Response:** The Group will disclose its environmental and social key performance indicators quantitatively where appropriate. We calculated the key performance indicators disclosed in the Report mainly in accordance with the “Reporting Guidance on Environmental KPIs” and the “Reporting Guidance on Social KPIs” (Appendix II and Appendix III to “How to Prepare an ESG Report”).
- **Consistency**
  - **Definition:** The Group should confirm that the preparation methods of the ESG report is consistent with those used in previous year(s), or state the revised reporting methods, or illustrate other relevant factors that will affect meaningful comparison.
  - **Response:** The reporting scope and reporting method of the Report are substantially consistent with those in last year. Any changes in the method used and the reporting scope are explained in the notes for stakeholders’ reference.

# ABOUT THIS REPORT

## SUSTAINABILITY GOVERNANCE STRUCTURE

Maintaining sound corporate governance is the key to the business development of the Group. Colour Life has a good governance structure that can promote business management efficiency. As the top decision maker, the Board of Directors takes the lead in guiding the sustainable development and strategy making of the Group. The Board of Directors is also responsible for regularly discussing, identifying and reviewing the risks, opportunities, performance and progress of the Group's sustainable development, identifying and evaluating material issues that have a significant impact on the Group, and formulating ESG-related goals and reviewing progress, aiming to ensure that sustainable development measures can be delivered and implemented in an orderly manner from top to bottom.

For more information regarding the corporate governance of the Group, please refer to the "Corporate Governance Report" section in the 2022 Annual Report.



# ABOUT THIS REPORT

## STAKEHOLDER ENGAGEMENT

We believe that keeping close communication with stakeholders is an indispensable part of a company's sustainable development. Therefore, we continuously use different communication channels to collect opinions of stakeholders from different sectors, listen to and identify their environmental and social concerns and their expectations on the Group, which are treated as benchmarks for our development target.



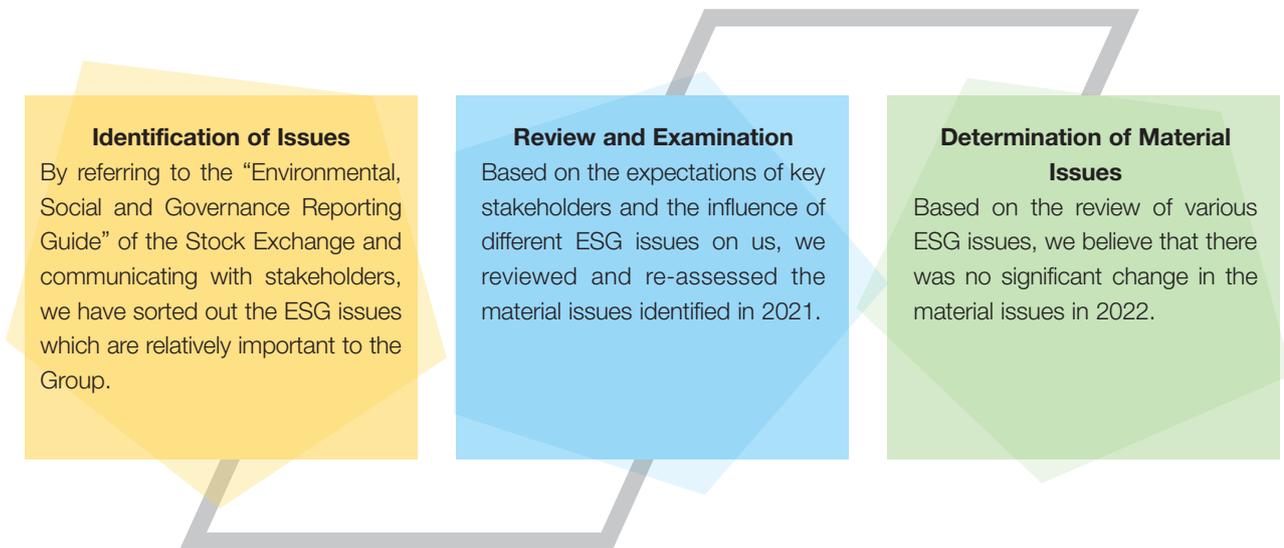
## FEEDBACK

Colour Life highly values the opinions from every stakeholder. We promise to adopt the opinions of stakeholders as appropriate to promote sustainable development. Should you have any opinion regarding this Report or the Group's sustainability performance, please contact us through email at [IR@Colourlife.com](mailto:IR@Colourlife.com).

# ABOUT THIS REPORT

## MATERIALITY ASSESSMENT

In order to manage the Group’s ESG performance in a more effective manner and facilitate the reporting process, we conducted a materiality assessment on ESG issues during the Reporting Period. The materiality assessment process is as follows:



To reflect the ESG risks and opportunities faced by the Group in a more effective manner, we have identified and integrated material ESG issues. Material issues during the Reporting Period include:

Material Issue	Materiality Assessment Score (Most important/Important)
<b>Responsibility for Environment</b>	
1. Management of exhaust gas and greenhouse gas emissions	Important
2. Wastewater discharge management	Important
3. Waste management	Important
4. Energy and water resources management	Important
5. Other resources management (including paper)	Important
6. Environmental impact of other business activities	Important
7. Green procurement	Important
8. Risks associated with climate change (such as typhoons, floods, etc.)	Important
<b>Operation Practices</b>	
9. Anti-corruption management	Most important
10. Legal compliance of operation	Most important
11. Supply chain management	Important
12. Suppliers’ environment and social risk management	Important

# ABOUT THIS REPORT

Material Issue	Materiality Assessment Score (Most important/Important)
<b>Product and Service Responsibility</b>	
13. Product and service quality	Most important
14. Personal safety and health of customers, and safety of their property	Most important
15. Intellectual property rights	Important
16. Customer/Consumer privacy protection	Important
<b>Quality of Working Environment</b>	
17. Customers' satisfaction	Most important
18. Diversity and equal opportunities, as well as prevention of discrimination and harassment	Important
19. Employment arrangements, including recruitment, promotion and dismissal procedures	Important
20. Occupational safety and health	Important
21. Training and development	Important
22. Prevention of child labour and forced labour	Important
23. Employment relationships and employee communication	Important
24. Staff benefits, including remuneration, working hours, holidays, etc.	Important
<b>Community Contribution</b>	
25. Participation in volunteer activities	Important
26. Charitable donations	Important
27. Community inclusive activities	Important

## COLOUR LIFE'S SERVICES

We strictly abide by laws and regulations relating to products and services, including but not limited to “Advertising Law of the People’s Republic of China” (《中華人民共和國廣告法》), “Cybersecurity Law of the People’s Republic of China” (《中華人民共和國網絡安全法》), “Law of the People’s Republic of China on the Protection of Consumer Rights and Interests” (《中華人民共和國消費者權益保護法》) and “Decision of the Standing Committee of the National People’s Congress on Strengthening Information Protection on Networks” (《全國人民代表大會常務委員會關於加強網路資訊保護的決定》), etc.

During the Reporting Period, we were not aware that the Group was involved in any material breach of laws and regulations relating to health and safety of products and services.

As the world’s leading operator of community service platforms, providing the residents in the community with products of the highest quality and the most comfortable and convenient life is the core of Colour Life’s services. We consistently fulfil our responsibilities:

- “Excellence in Community Service”
- To safeguard the life and safety of owners

In 2022, Colour Life continued to build benchmark projects, involving more than 150 quality improvement projects in areas such as safety, environment, parking facilities, and engineering. We are committed to enhancing the quality of these projects.



Through the online community service platform, Caizhiyun, we transform traditional communities into smart communities and further launch other rich and diverse products and services for communities, so as to provide homeowners with a truly “colourful life”.

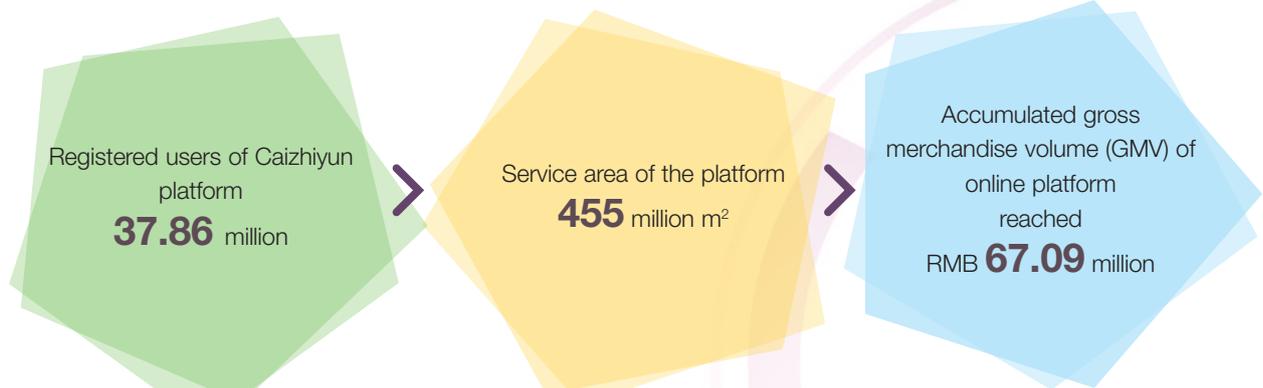
# COLOUR LIFE'S SERVICES

## CAIZHIYUN (COLOUR LIFE'S COMMUNITY SERVICE PLATFORM)

Caizhiyun is a smart community platform that helps owners of Colour Life's communities to solve life-related problems by providing merchant services including clothing, food, housing, transportation, entertainment, shopping and travel, thus upgrading traditional properties to digital smart communities and building the smart community ecology together.



We will further explore innovations in the integration of “community + business”, “community + logistics”, “community + security”, and “community + technology”, develop deeply community scenarios and optimise the experience of owners to develop a fine “smart community” with warm services.

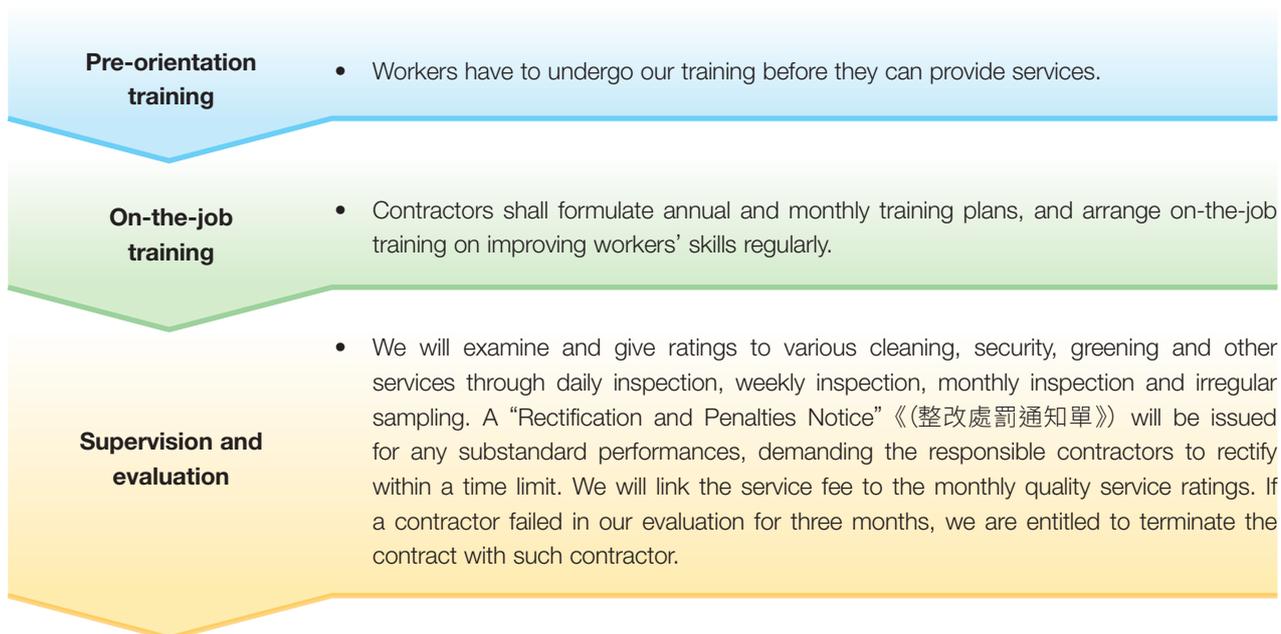


# COLOUR LIFE'S SERVICES

## Service Quality

KPI B6.1, B6.4

We attach great importance to the quality and safety of our service in order to maintain a good relationship with our customers and speed up our business development. We continue to operate with heart, in addition to stepping out of the comfort zone to constantly come up with innovative services, we have been working hard to maintain our high quality, and emphasise both quality and quantity. We have comprehensive management system across different aspects, such as the Parking Area Management System, the Notice on Special Inspection of Fire Safety, the Management Measures on Fire Safety, the Fire Safety Management System, the Elevator Management System, and the Major Event Management System. We also have formulated the Verification and Assessment System for Property Owner Information and the Notice on Regulating Project Service Hours and Establishing Duty Managers. Due to the business nature, the Group does not involve production manufacturing, and therefore there is no product recall.



## Quality Standards

Colour Life has formulated quality standards, requiring workers to follow the steps, and strictly supervise each service in the following manner to strive for excellence:

- Parking Group:** Enable unmanned management of parking services to improve its management efficiency, and provide high-quality, efficient and unified services, to meet the owners' needs for security and convenience in parking their cars
- Elevator Group:** Monitor operations of the lifts through SaaS (Software as a Service), connect the owners, property maintenance companies and raw material suppliers
- Energy Group:** In terms of energy expenses, support collection and payment of electricity charges, refine management of energy consumption of public areas, and manage energy efficiency through Internet platform

## COLOUR LIFE'S SERVICES

- **Furnishing Group:** Provide whole-cycle interior decoration service and professionalise in-depth community operation
- **Payment Group:** Provide property fees collection solutions, and improve fund transparency and efficiency in financial auditing
- **Complaint Group:** Reduce and optimise labour-intensive processing, improving the automation level of the systems, making the processing process fully transparent, and allow real-time conversations with the handlers and give ratings from different dimensions

### Community Safety

As a property manager, ensuring the safety of the community is the first priority. Colour Life has provided better and safer services through the following two functional modules:

<b>Safety Group</b>	<p>Install the comprehensive Sky-eye System in every community, carry out daily online inspections, and monitor the relevant conditions of the people and the environment in the community through the Sky-eye System which watches pedestrian and vehicle areas.</p> <p>Set up electronic access control systems in multiple communities, such that residents can use mobile applications to open doors, and access their communities through interfaces such as QR code, Cloud Talking, IC card, thus reducing the risk of strangers breaking into the community.</p>
<b>Elevator Group</b>	<p>Monitor every elevator in the community under our management through the platform of elevator group round-the-clock. The platform will report to the police automatically if breakdowns or trapped events occurred. In addition, the platform also stored the maintenance data of each elevator, and it will remind the responsible persons the annual checking date of individual elevator.</p> <p>Suppliers of elevator maintenance services will be evaluated monthly in accordance with the “Law on Safety of Special Equipment of the People’s Republic of China” (《中華人民共和國特種設備安全法》), “Safety Technical Regulation of Special Equipment TSG T5002-2017” (《特種設備安全技術規範TSG T5002-2017》) and contract provisions, and service quality assessment will be conducted quarterly. If any non-compliance is identified, such as causing economic loss, expiry of elevator usage signs, failure to meet the standard of satisfaction for 3 consecutive months, or quality being unusually lower than the required standard including the number of complaints, the number of breakdowns and the number of trapped events, the supplier will be black-listed. There will be a penalty for the first time, no new business will be granted, and its business volume will be cut by 20% when the contract expires. There will be a penalty and a 50% reduction in the business volume for being black-listed twice, and the contract will be terminated if it is black-listed for three times.</p> <p>Suppliers of elevator maintenance services will be strictly managed and their qualification requirements will be specified in the contract. Evaluation will be conducted on projects when contract expires, and the contract will only be renewed after passing such evaluation. Suppliers will be required to participate in the safety and quality meetings held by the Group regularly.</p>

# COLOUR LIFE'S SERVICES

## PRIVACY AND INTELLECTUAL PROPERTY RIGHTS

### KPI B6.3, B.5

Protecting the personal information of customers is the most essential and important requirement for our operations. This is because we collect and process a large volume of sensitive information in our daily operations, such as company information, financial data, personal information of customers, patented technology and software. Therefore, we attach great importance to data protection and implemented a series of measures to prevent data leakage.

We collect and use information of customers strictly in compliance with the “Law of the People’s Republic of China on the Protection of Customer Rights and Interests” 《(中華人民共和國消費者權益保護法)》 and “Decision of the Standing Committee of the National People’s Congress on Strengthening Information Protection on Networks” 《(全國人大常委會關於加強網路信息保護的決定)》, and we have obtained the GB/T 22080-2016 idt ISO/IEC 27001:2013 Information Safety Management System Certification.



<b>Caizhiyun Mobile App</b>	<ul style="list-style-type: none"> <li>• With security reinforcement, and uses 360 Security Antivirus software to prevent data leakage</li> <li>• With data transmission security encryption</li> </ul>
<b>Internal Work</b>	<ul style="list-style-type: none"> <li>• At the project site meeting, paper-based information will be scanned, uploaded and stored in the ERP system (“Enterprise Resource Planning System”)</li> <li>• The Customer Department is responsible for controlling relevant measures, including checking whether scans are performed on time</li> <li>• Permissions are set for the system such that each customer personnel can only view the information of customers they manage</li> <li>• Registration is required for borrowing of the paper version</li> <li>• Employees are requested to sign letter of professional undertaking and confidentiality agreement, which stipulate that they shall not disclose information without permission</li> <li>• Trainings on protection of privacy and intellectual property rights are arranged to raise employees’ awareness of confidentiality and protection of intellectual property rights.</li> </ul>

# COLOUR LIFE'S SERVICES

## CUSTOMER FEEDBACK

### KPI B6.2

Customers' valuable opinions are the key to our progress and sustainable development. As a result, Colour Life strives to improve customer service procedures that allow our customers to provide us with their feedback by the following means at any time and place, thereby giving us the opportunity to improve our service quality:

- the complaint platform established on the Caizhiyun platform, on which users can file complaints and check the processing progress and details of complaint and give their comments;
- Customer service hotline 400 has been established for customers to provide their feedback;
- the Caizhiyun platform and its telephone number through which Colour Life responds to customers as soon as possible; and
- the functions of the platform which support distinguishing types of customer opinions and accurately understanding customer needs.



Our after-sales service has obtained the GB/T27922-2011 After-sales Service Certification, certifying that our after-sales service has reached a five-star level. During the Reporting Period, Colour Life received a total of 7,905 complaints and has properly communicated with customers through the aforesaid procedures.

## COLOUR LIFE'S SERVICES

### EPIDEMIC PREVENTION AND CONTROL MEASURES

In the belief that “hospitals are the frontline against the epidemic and properties are the frontline to prevent and control the epidemic”, the Group made great efforts to fight against the epidemic and protect the property owners and households. During the epidemic, Colour Life has summarized its experience in epidemic prevention and control in previous years and revised the “Emergency Plan for the Prevention and Control of COVID-19”. As the epidemic prevention and control plans of various government departments have become more mature, Colour Life has combined its projects with local government requirements for epidemic prevention and control, taking measures such as nucleic acid testing, body temperature measurement, disinfection, and control of external personnel to ensure effective epidemic prevention and control. We kept a close communication 24 hours a day and discussed major issues such as epidemic prevention and control, material procurement, etc., so as to grasp any change of the epidemic.

During the outbreak of the epidemic, Colour Life called for business divisions in various regions to organise and establish an emergency-response team. This team developed an emergency policy on how to report and cope with any suspected case. It also issued the “Work Plan to Combat COVID-19”.

Colour Life continued to adapt management standards and value-added services during the epidemic, including Colour Life’s cooperation with E-Parking to equip the entrance and exit of vehicles with smart parking technology in terms of daily travel of property owners, which can automatically identify vehicles from elsewhere and reduce the risk of virus transmission to a certain extent. In terms of logistics, Colour Life also introduced corresponding software, which enables property owners to find their own packages in the first place and reduces time staying outside.

#### Response to the Epidemic in 2022

In response to the outbreaks of the epidemic in many places in China this year, the headquarter of Colour Life responded quickly by following the government’s guidance and launching epidemic prevention work in various projects across China, thereby establishing a fortified line of defence for the community. It also implemented various measures to protect the health of property owners and residents to minimize the risk of infection, including but not limited to:

- To prioritize the dispatch of supplies to the harder-hit areas;
- Property service personnel and community volunteer teams organize nucleic acid testing, isolation control, environmental disinfection, etc.;
- Security guards are on duty 24 hours a day in shifts. All vehicles and personnel entering the community are checked and screened at the entrances and exits by strictly following the guidelines of “making inquiries, scanning QR codes, measuring temperature and registration”;
- People entering the community are required to wear masks before entering;



## COLOUR LIFE'S SERVICES

- Public areas are disinfected no less than three times a day; frequently touched areas, such as elevators, amusement and leisure areas, are disinfected in a more frequent manner; increase the disinfection times of key facilities, such as domestic water facilities and equipment, garbage stations, are disinfected in a more frequent manner;
- To check whether key areas are well ventilated;
- The staff are given packages of free anti-epidemic materials, including masks, disinfectant wipes, hand sanitizers, and some grains and oils; and
- Property owners who have already started the “isolation period mode” are required to implement home quarantine in strict accordance with the requirements of epidemic prevention. Fetchers and carriers also deliver supplies and throw garbage from residences to ensure that the family members have a secure life during the quarantine period.

### Express One-stop Service

Against the backdrop of the severe epidemic, delivery couriers were not permitted to enter the community, which turned to be inconvenient for our property owners. In view of this, Colour Life further improved its services. It cooperated with large express delivery companies to provide home delivery services in the user-oriented mindset. That is, Colour Life collected delivery packages for the communities under its management and delivered these packages door to door, so that the property owners can truly enjoy shopping without leaving home. Furthermore, Colour Life actively offers a diverse range of operational services. We conduct a comprehensive inventory of existing community resources and input them into our system, ensuring their optimal utilization. Through the implementation of an online platform for managing various service resources, we strive to achieve efficient and centralized management. Additionally, we are venturing into the field of property leasing and charging stations, exploring new opportunities to expand our business portfolio. We plan to upgrade our services in the future and cover daily offices. The door-to-door service mode of “Internet Property + Logistics” proposed by Colour Life targeted for different communities has undoubtedly achieved win-win results.



# COLOUR LIFE'S SERVICES

## Education on Epidemic Prevention

<b>Educational Short Films</b>	We released short films on epidemic prevention in the Company's and the property owners' WeChat groups to direct everyone on how to prevent epidemic at home, including how to properly select masks and disinfection products, deal with clothes and wash hands.	
<b>"Handbook of COVID-19 Prevention"</b>	We issued the handbook of COVID-19 prevention jointly compiled by many medical doctors, which included epidemic prevention and medical knowledge, such as understanding of the COVID-19 and the transmission risk, personal hygiene protection, infectious disease related knowledge, etc., so that property owners/households could have enough knowledge to prevent themselves from getting COVID-19, protect their homes through their own practices, and greatly alleviate the spread of the epidemic.	

## The Emergency Plan for Epidemic

We developed the Emergency Plan for COVID-19 Epidemic for Households to ensure that our staff can have clear guidelines to protect the health and safety of owners and residents, including:

- the epidemic prevention stage;
- the handling process of suspected cases of property owners/households;
- the handling process of confirmed cases of property owners/households; and
- customer records and reporting requirements.

Meanwhile, the Joint Prevention and Control Mechanism of the State Council has issued the "Home Isolation Guidelines for COVID-19 Infected Individuals" to educate infected individuals on the correct procedures for receiving home isolation treatment. Colour Life has proactively disseminated these guidelines to ensure that our employees and property owners are well-informed about the necessary precautions, thereby preventing the spread of the pandemic.

# COLOUR LIFE'S SERVICES

### Anti-epidemic Achievements

Each and every employee at Colour Life is dedicated to their responsibilities. Deputy Director of the Luohu Housing and Construction Bureau, Mr. Zhang Shichun, has specifically praised Colour Life for its outstanding service during the pandemic, particularly in the “Government Talent Residence Lian Xin Home”. Additionally, Colour Life’s commendable performance has also been recognized and praised by the authoritative news program, “Spot News” in Shenzhen.



Due to the Company’s dedicated efforts during the pandemic, the Xin’an Street Community Party Committee has awarded us the “Outstanding Management and Progress Award”. Additionally, Colour Life has been honored with two prestigious awards from the Guangdong Property Management Industry Association – the “First Half-Year Guangdong Province Property Management Industry Pioneer Enterprise in Epidemic Prevention and Control” award and the “Special Contribution” award.



# COLOUR LIFE'S SERVICES

## SUPPLY CHAIN MANAGEMENT

### KPI B5.1, B5.2, B5.3

We are committed to establishing close relationships with suppliers, supporting and respecting each other, and providing high-quality services and products with environmental and social responsibilities to maintain the Group's sustainable development. In the past year, we have cooperated with a total of 909 suppliers from Mainland China, including security, cleaning, facilities and equipment, elevator maintenance and greening maintenance. We have established a "Supplier Evaluation Mechanism" for suppliers, with strict standards and systems to identify suppliers with high service and product quality. We ensure that our suppliers' operations are in line with the Group's sustainable development goals, we observe the following principles when selecting suppliers:

- Demanding our suppliers to operate in accordance with the principles of probity and integrity
- Avoiding any transfer of benefits
- Contracts should require both parties to take their corporate social responsibilities and abide by business-related laws and regulations.

#### Selection

For procurement projects of over RMB 200,000, tenders will be conducted in accordance with the principle of comparison to select the most suitable proposed suppliers. Qualified suppliers will be recorded in the supplier information database. Suppliers are required to meet all the evaluation criteria, such as licenses, registered capital, operation years from establishment, service performance, etc., before they can be rated as qualified.

#### Evaluation

The suppliers are divided into three categories, namely construction, administrative & office and software. Assessment will be conducted quarterly and annually, and the assessment criteria include product quality, timeliness and accuracy of delivery, after-sales service, price level, etc. Suppliers will be classified into levels A to D, with priority given to level A suppliers and order volume from level C suppliers will be reduced.

#### Rectification

For suppliers who are classified as level D in the assessment, we will suspend cooperation with them and request for rectification. Furthermore, for suppliers with less than 80 points for 2 consecutive quarters, we will issue a yellow card to them and request for rectification within 3 months; for suppliers with less than 70 points for 2 consecutive quarters and less than 80 points for 4 consecutive quarters, we will issue a red card to them and suspend cooperation with them for half year.

To ensure service quality, all suppliers are required to pass quality assurance and testing procedures before engagement. From the end of December to the beginning of January each year, we will organize an annual supplier evaluation. For suppliers rated as "excellent", they may directly renew their contracts in the next year, and we will also give priority to them when we have new business. Suppliers rated as "unqualified" will be removed directly after the contract expires.

## GREEN PROCUREMENT

### KPI B5.4

We have formulated a detailed green procurement list, requiring suppliers to purchase qualified products on the list, such as cleaning supplies, fertilisers for greening, etc., in order to reduce our indirect pollution to the environment.

## ANTI-CORRUPTION

### KPI B7.1, B7.2, B7.3

Colour Life adheres to the principles of business ethics and anti-corruption, which not only enhances our competitiveness in the industry, but also consolidates the reputation of the enterprise. It is one of the indispensable factors for our stable development. We have implemented the following measures to ensure that the Group's operations remain honest and free from any non-compliance:

- We strictly comply with the “Rule of Avoidance for All Staff” prepared by the parent company Fantasia;
- The Group also clearly sets out the regulations on anti-corruption in the “Employee Handbook”, prohibiting employees from receiving benefits from third parties through taking advantage of their positions and business;
- We require suppliers and partners to conduct business transactions in accordance with the principle of integrity and avoid all violations to safeguard the interests of the Group and its stakeholders; and
- Our employees participated in anti-corruption training organised by the parent company, thus enhancing relevant knowledge.

The Group encourages employees to report misconduct such as corruption, bribery, extortion, money-laundering or frauds. We would promptly carry out investigations and report to the management and government authorities if needed upon receiving the whistleblowing message. The Group is committed that adequate confidentiality measures will be taken to protect the identities of the whistleblowers during investigations. If the case is confirmed, the employee involved will receive penalty. Moreover, we will continue to review and improve the internal monitoring system and anti-corruption system to prevent corruption.

During the Reporting Period, the Group was not involved in any litigation and complaint in respect of breach of laws and rules relating corruption, bribery, extortion, fraud and money laundering, including but not limited to “Anti-Unfair Competition Law of the People's Republic of China”《(中華人民共和國反不正當競爭法)》 and “Criminal Law of the People's Republic of China”《(中華人民共和國刑法)》.

## ADVERTISING AND PROMOTION

When advertising and promoting our business, we comply with all applicable laws and regulations, including but not limited to the “Advertising Law of the People's Republic of China”《(中華人民共和國廣告法)》 and “Law of the People's Republic of China on the Protection of Consumer Rights and Interests”《(中華人民共和國消費者權益保護法)》, so as to ensure the authenticity of advertising content and protect the interests of consumers. As our business is not related to product manufacturing, product labelling is not a major issue of concern for the Group.

## COLOUR LIFE'S TALENTS



We attach great importance to the management of human resources in order to provide quality services to property owners and residents, and to improve our competitiveness. Colour Life's management philosophy aligns with our principles of managing employees, which is "Transforming from Management of Things to Services for People". We attach importance to the enthusiasm, skills, performance, experience and physical and mental health of our employees. We have formulated the "Employee Handbook" in respect of all aspects of human resources management, including remuneration, recruitment, dismissal, promotion, training, occupational health and safety, employment standards, etc. We also have formulated clear and sound policies and measures in order to protect the interests of both the Group and its employees comprehensively.

In order to improve human resources management and make the operation more efficient, Colour Life formulates an annual human resources plan for the coming year and review the implementation of the plan for the year. We implemented automated procedural management of the staff profile process, and through the online recruitment system, applicants can fill in personal data online, and record interview notices, resumes, evaluations, salary determination, enrollment, passing of probation period, contract renewal, etc. In addition, we have also realised the personnel file management of full life cycle, including pre-employment management and enrolment management of new employees, new employee training, promotion/demotion/appointment and removal/salary adjustment management, reward and punishment management, resignation management, etc., thus greatly improving the efficiency of human resources management.

# COLOUR LIFE'S TALENTS

## EMPLOYMENT RIGHTS AND BENEFITS

Colour Life offers competitive remuneration packages to attract and retain outstanding talents. We clearly specify working hours and arrangements for termination of labour contracts or dismissal in the employee handbook, so as to protect the rights and benefits of employees. We also established different communication channels and organised various employee activities to maintain vertical and horizontal employee communication, listen to employees' opinions attentively, and help us continue to make progress in business and human resources.

Staff remuneration includes basic salary, position subsidy and bonus. Colour Life strictly contributes to social insurance and housing provident fund for our staff in China in accordance with the law. We provide a sufficient compensation to staff for termination of labour contracts or dismissal in accordance with laws and regulations. In addition, we also formulated a rich welfare system, which provides different benefits and allowances to ensure the physical and mental needs of our employees.

Holiday	Medical and health	Recreation	Incentives and subsidies
<ul style="list-style-type: none"> <li>• Marriage leave</li> <li>• Spring Festival extension holiday</li> <li>• Compassionate leave</li> <li>• Annual leave</li> <li>• Paid compensation leave</li> <li>• Maternity leave</li> <li>• Paternity leave</li> <li>• Work injury leave</li> </ul>	<ul style="list-style-type: none"> <li>• Critical illness insurance in Shenzhen</li> <li>• Subsidies from Colour Life Charity Foundation</li> <li>• Gears for labour protection</li> <li>• Cooling items</li> </ul>	<ul style="list-style-type: none"> <li>• Trips</li> <li>• Sports activities</li> <li>• WeChat festival gift</li> <li>• New Year's lucky draw</li> <li>• Team building</li> <li>• Festival celebration</li> </ul>	<ul style="list-style-type: none"> <li>• Year-end bonus red packets</li> <li>• Mid-Autumn/Dragon Boat Festival red packets</li> <li>• Monthly performance/ monthly commission bonus</li> <li>• Market expansion incentive</li> <li>• Computer subsidy</li> <li>• Business promotion commission</li> </ul>

In June 2022, Colour Life organized a special team-building event titled "Twenty Years of Glory, Forging Ahead" to celebrate its 20th anniversary. During this event, employees actively cooperated in team-building activities such as ice-breakers, team competitions, and joyful picnics. Through these group activities, the barriers between colleagues were broken down, and hearts were opened up, fostering a spirit of cooperation and mutual support. The event not only successfully strengthened the team's cohesion, but also laid a solid foundation for Colour Life's future development.



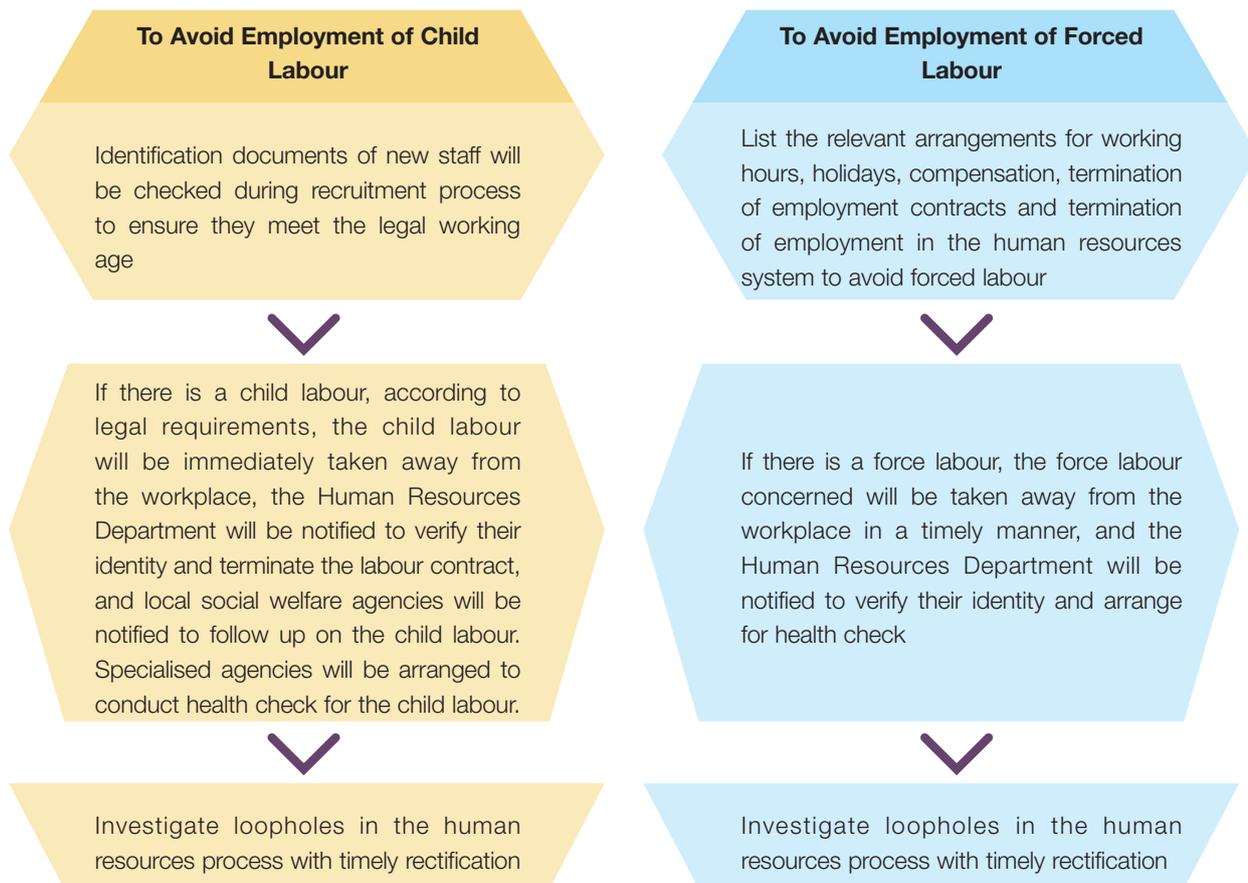
# COLOUR LIFE'S TALENTS

## LABOUR STANDARDS

### KPI B4.1, B4.2

We strictly comply with all applicable laws and regulations related to employment, including but not limited to the “Labour Law of the People’s Republic of China” 《中華人民共和國勞動法》, the “Social Insurance Law of the People’s Republic of China” 《中華人民共和國社會保險法》, “Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases” 《中華人民共和國職業病防治法》, the “Law of the People’s Republic of China on the Protection of Minors” 《中華人民共和國未成年人保護法》 and “Provisions on the Prohibition of Using Child Labour” 《禁止童工規定》, to provide adequate protection for our employees. During the Reporting Period, we were not aware that the Group was involved in any material breach of laws and regulations relating to employment and labour standards.

Colour Life strictly abides by labour laws. We have formulated the following measures to resolutely prevent the employment of child labour and forced labour:



## OCCUPATIONAL HEALTH AND SAFETY

### KPI B2.3

Employees are an indispensable asset of an enterprise. Colour Life strives to provide the healthiest and safest working environment for all employees and is committed to minimizing the risk of injury. In case of work-related injuries or fatalities, we will first be well informed of the situation of the employees involved in the accident, then investigate the cause of the accident before further handling, and take appropriate measures to reduce the number of injuries and fatalities to protect the safety of our employees. In addition, we also attach great importance to the physical and mental health of our employees, and recognize it is very important that both mental and psychological demands should be satisfied in addition to physical health and safety. We have worked hard to improve the policy on occupational safety and health. Some of the measures include:

- We require new recruits to provide entry physical examination reports, and we provide physical examination for general management personnel each year;
- Provide labour protection supplies, such as safety helmets;
- Offer cooling items such as herbal tea and drugs to staff who work outdoor in summer;
- Arrange regular fire drills and trainings to enhance staff's awareness of fire safety;
- Provide sufficient compensation and work injury leaves to staff suffered from work-related injuries in accordance with the requirements of laws;
- Publish safety information on the WeChat public account during festivals and holidays to enhance employee safety awareness; and
- Provide wardrobes, tables, mosquito nets, shoe racks and other facilities in offices and dormitories in different regions to provide employees with a comfortable working and resting environment.



Facing the full-blown COVID-19, Colour Life pays close attention to the health and safety of employees. In order to reduce the risk of infection for employees, we have formulated a number of epidemic prevention measures, which require employees to strictly implement and follow.

During the epidemic in 2022, all employees of Colour Life stayed at their posts and held meetings daily. Business Divisions in regions like Xi'an, Shanghai and Shenzhen, etc. delivered supplies, such as disinfection supplies, to project sites promptly to support our diligent employees. Our employees' hard work in epidemic prevention has also been supported by property owners and residents.



# COLOUR LIFE'S TALENTS

Colour Life has formulated a comprehensive “Emergency Plan for COVID-19 Epidemic for Employees” to effectively prevent the epidemic, through which we can effectively respond to and control the epidemic when it occurs, minimising the impact of the epidemic. We have to first ensure the life safety of our employees, so as to ensure the smooth operation of each project. Some of our measures include:

<b>Employee Care</b>	Provide all employees with all kinds of protective materials for each project free of charge. Employees are required to do all kinds of protection, in particular when they contact the property owners, they shall wear rubber gloves and goggles, and wear protective clothing under special circumstances to fully ensure the safety of employees; Check body temperature twice every day/every shift, and keep records of employees’ health monitoring
<b>Handling Process of Suspected Infection of Employees</b>	When employees are suspected to be infected with COVID-19, they should immediately notify the community (CDC) for testing or seek medical treatment under its guidance, and report to the Company for filing
<b>Protection of Employees’ Health</b>	Employees are required to report their body temperature to their superiors every morning through WeChat, such that we can keep record and stay informed about the physical status of employees; Suspected cases should be reported in real time to Company and government functional departments
<b>Formulation of the “COVID-19 Prevention and Elimination Procedures”</b>	Clear guidance on how to wear and take off protective clothing and the disinfection process

The Group strictly complies with the laws and regulations related to occupational safety, including but not limited to the “Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases” 《中華人民共和國職業病防治法》), and has obtained the Occupational Health and Safety Management System Certification (ISO 45001:2018). During the Reporting Period, we were not aware of any material breach of laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards.



# COLOUR LIFE'S TALENTS

## DEVELOPMENT AND TRAINING

For Colour Life, a requisite condition for sustainable development also includes an excellent and dedicated team. We place great emphasis on the personal development of our employees, and therefore we offer a wide range of training courses for our employees to enhance their knowledge and capability in various areas, and help them leverage their strengths in the workplace. We regularly review the policies and mechanisms in respect of training and promotion such that employees and the Group will advance together. We also formulate an annual training plan, arranged internal and external training courses, classes and workshops to assist our employees in their career development and encourage them to keep learning.



For staff promotion, Colour Life promote employees by putting equal emphasis on morality and performance. We offer sufficient room for our employees to develop their careers. They can be promoted by reference to their personal development direction and specialties. We have also formulated the “Promotion Mechanism” to manage the promotion of employees in a more systematic and efficient way. In addition, the promotion, deployment and salary of employees will be adjusted according to the results of their annual performance assessment, which focuses on the personal qualities and performance of employees.

### Head Office

- Annual training planning, implementation of training projects, formulation of standard procedures
- Approval and distribution of training and teaching materials
- Evaluation and supervision of training results

### Business Divisions

- Cooperate with the head office to complete regional training tasks for supervisors/account manager and complete the quarterly trainings of each business division
- Cooperate with the head office to complete training projects
- Complete training data statistical feedback

# COLOUR LIFE'S TALENTS

## SOCIAL KEY PERFORMANCE INDICATORS

### KPI B1.1, B1.2, B2.1, B2.2, B3.1, B3.2

#### Staff Overview

The Group had a total of 10,959 employees as at 31 December 2022, all of whom are full-time employees and are from Mainland China.

	Unit	2022
<b>Total employees (by gender)</b>		
Male	Person(s)	6,309
Female	Person(s)	4,650
<b>Total employees (by age)</b>		
20 or below	Person(s)	41
Aged 21-30	Person(s)	1,046
Aged 31-40	Person(s)	2,495
Aged 41-50	Person(s)	2,722
Aged 51-60	Person(s)	3,716
60 or above	Person(s)	939

#### Employee turnover rate<sup>1</sup>

	Unit	2022
<b>Employee turnover rate (by gender)</b>		
Male	Percentage	42
Female	Percentage	37
<b>Employee turnover rate (by age)</b>		
Aged 20 or below	Percentage	178
Aged 21-30	Percentage	65
Aged 31-40	Percentage	35
Aged 41-50	Percentage	29
Aged 51-60	Percentage	38
60 or above	Percentage	58
<b>Employee turnover rate (by geographical region)</b>		
Mainland China	Percentage	40
Hongkong	Percentage	100

<sup>1</sup> Employee turnover rate is calculated as: (total number of employees who left during the Reporting Period/total number of employees as at 31 December 2022) x 100%.

# COLOUR LIFE'S TALENTS

## Staff training

	Unit	2022
<b>Percentage of employees trained (by gender)</b>		
Male	Percentage	39
Female	Percentage	71
<b>Percentage of employees trained (by employee category)</b>		
Operators	Percentage	37
Management	Percentage	96
<b>Average training hours (by gender)</b>		
Male	Hour(s)	0.2
Female	Hour(s)	0.4
<b>Average training hours (by employee category)</b>		
Operators	Hour(s)	0.2
Management	Hour(s)	0.5

## Health and Safety

During the Reporting Period, the Group recorded 2,098.5 lost working days due to work injury. Other data related to health and safety are as follows:

	Unit	2022	2021	2020
Cases of work-related fatalities	Case(s)	2	3	2
Rate of work-related fatalities	Percentage	0.02	0.02	0.01

## COLOUR LIFE'S ENVIRONMENT



In addition to being responsible for people and properties, Colour Life also pays great attention to environmental protection. As a property manager, only by continuously conserving rich natural resources can we provide a good and sustainable home for our property owners. Colour Life acknowledges that it needs to be responsible for the impact of its business on the natural world. Therefore, we have formulated the sound Energy Management Policy, with a view to improving our environmental management and supervision mechanism to achieve better management and control of carbon emissions, and striving to become an environmentally-friendly and energy-saving industry pioneer. We have also obtained the Environmental Management System Certification (ISO 14001: 2015).



The Group's daily operation strictly follows all laws and regulations related to environment, including but not limited to the "Environmental Protection Law of the People's Republic of China"《(中華人民共和國環境保護法)》, the "Law of the People's Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Wastes"《(中華人民共和國固體廢物污染環境防治法)》, the "Atmospheric Pollution Prevention and Control Law of the People's Republic of China"《(中華人民共和國大氣污染防治法)》 and the "Water Pollution Prevention and Control Law of the People's Republic of China"《(中華人民共和國水污染防治法)》.

During the Reporting Period, we were not aware that the Group had been accused or complained for any breach of laws and regulations relating to environment, which would have a material impact to the Group.

# COLOUR LIFE'S ENVIRONMENT

## REDUCTION OF EMISSIONS AND WASTE

### KPI A1.1, A1.5, A1.6

Colour Life is not involved in discharging exhaust emissions (including nitrogen oxides, sulfur oxides and particulate matters) as it doesn't use direct energy. The main energy consumed in the daily operation of buildings and offices is purchased electricity. We do not directly emit major greenhouse gas pollutants as we are not involved in the use of other fuels due to the nature of the Group's business. Even though we have not generated significant emissions, we will still strive to implement different measures and plans in the future to minimize emissions to the greatest extent possible. As an environmentally responsible company, we advocate the concept of making the best use of materials, reducing waste at source and reducing energy consumption. We are committed to implementing environmental protection measures to minimise our impact on the environment. Some of the measures include:

- Proper collection, recycling and disposal of waste;
- General office waste will be collected separately from recyclables;
- Recycling batteries and plastic bottles;
- Reusing paper and printing on both sides;
- Requiring employees to use our online systems – Micro-service of Colour Life Housekeeper for daily work such as receiving and sending emails, clock-in, application for leave, approving documents and disseminating information; and
- Encouraging our employees to take public transport or walk to and from work as far as possible.

The Group not only frequently monitors the emissions and resource consumption performance of our own business, but also conducts energy audits on our offices and some property management projects to monitor and analyse our energy consumption pattern through "Energy Group", the energy efficiency management data platform of Colour Life. These measures include:

- Install energy-saving switches in public office areas, head offices and meeting rooms, and staff are requested to turn off the lights after going off duty; and
- Promote power-saving awareness and encourage employees to develop the good habit of "cutting off electricity when leaving the office".

Colour Life has obtained the ISO 50001:2018 Energy Management System Certification. Looking ahead, we will continue to implement relevant measures such as waste reduction, recycling and energy saving, and continue to monitor the energy consumption and waste volume of the Group in order to achieve the goals of emission reduction and manufacturing waste reduction.



# COLOUR LIFE'S ENVIRONMENT

## WATER RESOURCES

### KPI A2.3 \ A2.4

Water is also one of the precious resources. To achieve the purpose of efficient use of water resources, Colour Life has been advocating the reduction in water consumption and recycling of water. We do not have any issues in sourcing water that is fit for purpose as our domestic water is provided by local water supply companies. We do not produce large amounts of waste water due to the nature of our business. Although the Group does not involve in large amount of water consumption, we have adopted the following measures to save water:

- We use residual mineral water in meeting rooms and water used for cleaning purposes to water plants; and
- We post water saving labels in washrooms and control water flow of some faucets to strengthen the awareness of water conservation.

Colour Life will continue to implement the aforesaid measures and actively consider other possibilities for saving water, hoping to continuously improve the Group's efficiency in water consumption.

## ENVIRONMENT AND NATURAL RESOURCES

### KPI A3.1

As a property manager, the natural environment is inseparable from us, and is an irreplaceable asset to us. The sustainable development of Colour Life's business also relies on the abundant resources provided by the natural environment to ensure that property owners and residents can continue to enjoy high-quality living environment and services in the future. Due to the nature of the business of Colour Life, the Group do not have significant impact on the environment and natural resources. However, we are fully aware of our social responsibility to ensure that we do our best to preserve the environment and conserve resources during our operations.

## CLIMATE CHANGE

### KPI A4.1

Climate change caused by global warming is affecting the world to varying degrees, and extreme weather is becoming more and more frequent. As a property manager, in order to ensure the safety of property owners and residents and avoid property damage, in addition to reducing our carbon footprint and managing and controlling energy conservation, we have formulated prevention and control plans for extreme weathers and strengthen our ability to adapt to climate change issues. we have also held flood control drills and notified owners of forthcoming typhoons or rainstorms through our WeChat account "Colour Life", by posting notices or through other channels. Colour Life revised the "Special Emergency Plans for Typhoon and Rainstorm", which clearly guides the staff to do appropriate tasks and take appropriate measures at different stages. These measures include:

## COLOUR LIFE'S ENVIRONMENT

### Precautionary stage before the emergency:

Check if the suspensions (such as antennae, billboards, light boxes) in each area are installed firmly with no potential risks; prepare daily necessities in advance, such as instant noodles, biscuits, mineral water, etc.

### Emergency handling stage during the emergency:

Focus on checking the damage to windows and doors, parking lot entrances and exits, and report any danger in a timely manner; collect the latest information on typhoon and rainstorm, making it available for owners to soothe their nerves in a timely manner

### Subsequent processing stage after the emergency:

Cooperate with the environment organizations to clean up collapsed trees, broken limbs and fallen leaves; focus on inspecting the damage to elevators, power distribution rooms and electric rooms, etc. and do timely maintenance

In terms of projects, in the event of continuous heavy rain causing water accumulation, blockages in drainage pipes, and other situations, the project command team will activate the flood prevention plan immediately to timely and effectively control the flood situation and protect the personal safety of the property owners.

## ENVIRONMENTAL KEY PERFORMANCE INDICATORS

### KPI A1.1, A1.2, A1.3, A1.4, A2.1, A2.2

KPIs	Unit	2022	2021
Total greenhouse gas emissions <sup>1</sup>	Tonnes of CO <sub>2</sub> e	<b>76.19</b>	81.52
Energy indirect emissions (Scope 2)	Tonnes of CO <sub>2</sub> e	<b>76.19</b>	81.52
Intensity of greenhouse gas emissions	Tonnes of CO <sub>2</sub> e/m <sup>2</sup> (gross floor area)	<b>0.03</b>	0.03
Total energy consumption	MWh	<b>133.60</b>	133.62
Indirect energy consumption (Purchased electricity)	MWh	<b>133.60</b>	133.62
Intensity of energy consumption	kWh/m <sup>2</sup> (gross floor area)	<b>46.25</b>	46.26
Total water consumption <sup>2</sup>	m <sup>3</sup>	<b>N/A</b>	N/A
Intensity of water consumption	m <sup>3</sup> /m <sup>2</sup> (gross floor area)	<b>N/A</b>	N/A
Total non-hazardous waste	Tonnes	<b>10.40</b>	12.00
Total non-hazardous waste disposed	Tonnes	<b>10.40</b>	12.00
Intensity of non-hazardous waste	kg/m <sup>2</sup> (gross floor area)	<b>3.60</b>	4.15
Total hazardous wastes	Tonnes	<b>0.01</b>	0.01
Total hazardous waste disposed	Tonnes	<b>0.01</b>	0.01
Intensity of hazardous waste	kg/m <sup>2</sup> (gross floor area)	<b>0.00</b>	0.00

<sup>1</sup> Due to the nature of its business, the Group does not consume direct energy, and therefore does not involve emissions of waste gas and scope 1 greenhouse gases.

<sup>2</sup> As water consumed at the Group's office is provided and shared by the property management company, the data on water consumption cannot be obtained.

## COLOUR LIFE'S COMMUNITY



### KPI B8.1

Bearing in mind the corporate concept of “Excellence in Community Service”, in addition to providing excellent services, Colour Life eagerly participates in community activities, goes deep into various communities, and spreads love and care to those in need, especially underprivileged groups, thereby creating a harmonious and beautiful community.

## COLOUR LIFE CHARITY FOUNDATION

### KPI B8.2

Colour Life Charity Foundation is a non-public fund-raising foundation initiated and promoted by the Colour Life. Since its establishment in 2015, it has integrated social resources, promoted the civilization and progress of the community, and provided appropriate support to the community in need, including our staff, property owners, residents and even the integrated communities. The foundation’s philosophy is “Practicing Charity, Embracing Life’s Beauty” to promote traditional Chinese virtues, inspire compassion and kindness, facilitate the creation of harmonious communities, and aid vulnerable groups. The funding for the foundation comes from donations from the employees and companies within the Colour Life Service Group Co., mainly to provide financial support to homeowners, residents, and employees of Colour Life’s serviced communities who are facing serious illnesses or unexpected hardships. In the future, the foundation aims to encourage the active participation of residents in the communities served by Colour Life. The foundation combined resources and manpower from various regions to form “Colour Life Volunteers” with our staff. During the Reporting Period, we invested approximately 4 million RMB in various community activities in the service communities of Colour Life.

In recognition of Colour Life’s efforts in charity and public welfare, the company was honored with the “Outstanding Contribution in Charity and Philanthropy” Award presented by the Shenzhen Property Management Association, and the “Outstanding Contribution Award 2022 for Property Service” presented by the Guangdong Property Management Industry Association.



# COLOUR LIFE'S COMMUNITY

## Charitable Aid

- A total of approximately 80,000 RMB has been donated to provide assistance to company employees who are suffering from serious illnesses or facing unexpected accidents
- The total donation income and other revenue combined amount to more than 45,000 RMB
- Initiated the “Warmth for Rural Impoverished Children” public welfare donation project within the community, purchasing winter supplies for underprivileged left-behind children
- Organized the “Rainbow Summer Camp” event for school left-behind children, donating approximately 10,000 RMB worth of supplies, including backpacks and stationery
- “Colour Life Select” has launched a section dedicated to supporting agricultural products, boosting sales of agricultural products and increasing farmers’ income



## “Warm Winter” Activities

- Providing ginger tea to employees and homeowners, bringing warmth to their bodies and souls during the winter season
- Organizing a 4-week “Convenience Service Week” that offers free services such as haircuts, medical consultations, knife sharpening, furniture cleaning, and clothing repair, benefiting the community members



# COLOUR LIFE'S COMMUNITY

## Education

- Prepared specialized stationery sets and milk for the high school entrance examination candidates, expressing care and blessings for their exams
- Encouraged homeowners and residents to lower the volume during the high school entrance examination period, creating a quiet and conducive environment for the candidates to study and live
- Invited residents to write their well-wishes for the candidates on banners, wishing them great achievements in their exams
- Donated goods worth over 100,000 RMB to Fantasia Hope Primary School



## Donation of Heartwarming Supplies

- Donated a batch of heartwarming supplies to the Luohu Housing and Construction Bureau to assist in the frontline fight against the pandemic
- Supplies included fruit, milk and energy drinks, etc.



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT INDEX

Subject Areas	Content	Section
Mandatory Disclosure Requirements		
Governance Structure	<p>A statement from the Board containing the following elements:</p> <ul style="list-style-type: none"> <li>(i) a disclosure of the Board’s oversight of ESG issues;</li> <li>(ii) the Board’s ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer’s businesses); and</li> <li>(iii) how the Board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer’s businesses</li> </ul>	Sustainability Governance Structure
Reporting Principles	<p>A description of, or an explanation on, the application of the following reporting principles in the preparation of the ESG report:</p> <p><b>Materiality:</b> The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer’s stakeholder engagement</p> <p><b>Quantitative:</b> Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed</p> <p><b>Consistency:</b> The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison</p>	Reporting Principles
Reporting Boundary	<p>A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change</p>	Reporting Period and Scope

“Comply or explain” provision

A. Environmental

A1 Emissions

General Disclosure	<p>General Disclosure Information on:</p> <ul style="list-style-type: none"> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul> <p>relating to air and greenhouse gas emissions, discharges wastes into water and land, and generation of hazardous and non-hazardous waste</p>	Reduction of Emissions and Waste
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# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT INDEX

Subject Areas	Content	Section
KPI A1.1	The types of emissions and respective emissions data	Environmental Key Performance Indicators
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) GHG emissions (in tonnes) and, where appropriate, intensity	Environmental Key Performance Indicators
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity	Environmental Key Performance Indicators
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity	Environmental Key Performance Indicators
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them	Reduction of Emissions and Waste
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Reduction of Emissions and Waste
<b>A2 Use of Resources</b>		
General Disclosure	Policies on efficient use of resources, including energy, water and other raw materials	Reduction of Emissions and Waste, Water Resources
KPI A2.1	Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity	Environmental Key Performance Indicators
KPI A2.2	Water consumption in total and intensity	Environmental Key Performance Indicators
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve	Reduction of Emissions and Waste
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Water Resources

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Subject Areas	Content	Section
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Based on the nature of its business, the Group is not involved in the consumption of packaging materials of finished goods.
<b>A3 Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Environment and Natural Resources
<b>A4 Climate Change</b>		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Climate Change
<b>B. Social</b>		
<b>B1 Employment</b>		
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Employment Rights and Benefits
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	Social Key Performance Indicators
KPI B1.2	Employee turnover rate by gender, age group and geographical region	Social Key Performance Indicators

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Subject Areas	Content	Section
<b>B2 Health and Safety</b>		
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to providing a safe working environment and protecting employees from occupational hazards	Occupational Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Social Key Performance Indicators
KPI B2.2	Lost days due to work injury	Social Key Performance Indicators
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Occupational Health and Safety
<b>B3 Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category	Occupational Health and Safety
KPI B3.2	The average training hours completed per employee by gender and employee category	Occupational Health and Safety
<b>B4 Labour Standards</b>		
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to preventing child and forced labour	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Labour Standards

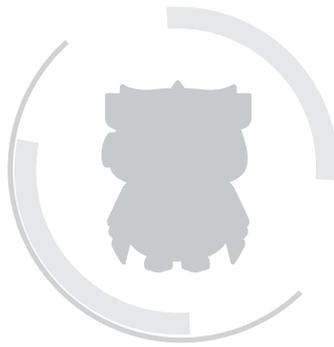
# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Subject Areas	Content	Section
<b>B5 Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Supply Chain Management
<b>B6 Product Responsibility</b>		
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Service Quality, Quality Standards, Community Safety, Advertising and Promotion
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Based on the nature of its business, the Group is not involved in product manufacturing.
KPI B6.2	Number of products and service related complaints received and how they are dealt with	Customer Feedback
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Privacy and Intellectual Property Rights

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Subject Areas	Content	Section
KPI B6.4	Description of quality assurance process and recall procedures	Based on the nature of its business, the Group is not involved in product manufacturing.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Privacy and Intellectual Property Rights
<b>B7 Anti-corruption</b>		
General Disclosure	Information on:  (a) the policies; and  (b) compliance with relevant laws and regulations that have a significant impact on the issuer  relating to bribery, extortion, fraud and money laundering	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff	Anti-corruption
<b>B8 Community Investment</b>		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities takes into consideration the communities' interests	Colour Life's Community
KPI B8.1	Focus areas of contribution	Colour Life's Community
KPI B8.2	Resources contributed to the focus area	Colour Life Charity Foundation



COLOURLIFE



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