



越秀地產股份有限公司

YUEXIU PROPERTY COMPANY LIMITED

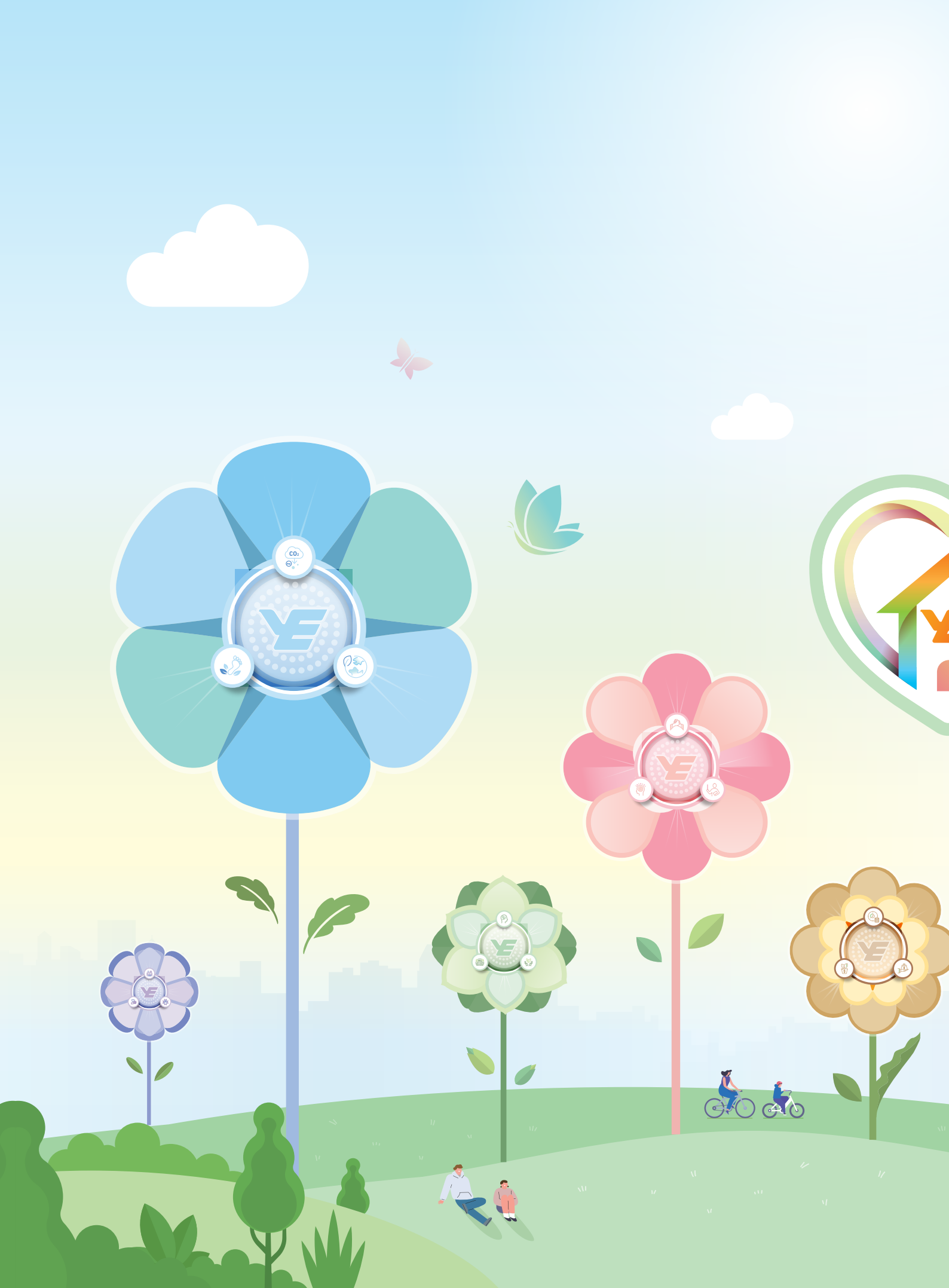
Stock Code: 00123

WHERE GOOD LIVING STARTS



SUSTAINABILITY REPORT
2024





Content

2 /	CHAIRMAN'S MESSAGE
6 /	SUSTAINABLE DEVELOPMENT POLICIES
26 /	PROGRESS OF SUSTAINABLE DEVELOPMENT IN 2024
28 /	SUSTAINABLE DEVELOPMENT PRIORITIES TOWARDS 2030: 2024 ANNUAL HIGHLIGHTS
30 /	OUR CARBON REDUCTION BLUEPRINT
32 /	ABOUT YUEXIU PROPERTY
34 /	ABOUT THE REPORT
36 /	MATERIALITY ISSUES AND STAKEHOLDER ENGAGEMENT

260 /	APPENDIX
260 /	SOCIAL HONOURS
263 /	LIST OF SUSTAINABILITY POLICIES AND SYSTEMS
267 /	ESG PERFORMANCE
273 /	INDEPENDENT ASSURANCE REPORT
276 /	INDEXES OF ESG REPORTING GUIDE OF HONG KONG STOCK EXCHANGE (HKEX)
281 /	GLOBAL REPORTING INITIATIVE (GRI) GUIDELINES INDICATOR INDEX
287 /	INDEX TO SASB INDICATORS
288 /	INDEX OF REFERENCE INDICATORS OF THE ESG SPECIAL REPORT REFERENCE INDEX SYSTEM FOR LISTED COMPANIES CONTROLLED BY CENTRAL ENTERPRISES
297 /	FEEDBACK FORM

CHAPTER 1 CLIMATE WISDOM AND ECOLOGICAL FOOTPRINT

44 /

CHAPTER 2 SUSTAINABLE BUILDING AND GREEN OPERATIONS

98 /

CHAPTER 3 SUSTAINABLE COMMUNITIES AND GOOD LIFE

154 /

CHAPTER 4 SUSTAINABLE GOVERNANCE AND THE CULTIVATION OF TALENT

188 /

CHAPTER 5 SUSTAINABLE FINANCE AND INTELLIGENT EMPOWERMENT

234 /

Where Good Living Starts



Mr Lin Zhaoyuan
Chairman of the Board of Directors
Chairman of the Sustainability Committee
Yuexiu Property Company Limited



As the world gradually emerges from the shadow of the pandemic and steadily moves towards recovery, the real estate industry encounters an evolving landscape with numerous challenges and opportunities. The continuous optimisation and adjustment of the policy environment provide new development directions and unprecedented opportunities for the industry. Technological innovations, such as big data, artificial intelligence, and the Internet of Things, are driving the smart technology integration into construction processes and enhancing energy efficiency. The growing consumer demand for green, healthy, and intelligent living is accelerating the upgrade and innovation of real estate products, thereby promoting a green transformation. Yuexiu Property adheres to its brand mission of “Where Good Living Starts” and is unwaveringly advancing its sustainable development strategy. The Company is focusing on delivering outstanding products, services, brands, and teams, and becoming a pioneer in creating a better urban living experience. I am pleased to see that in 2024 we have continued to make new progress on the path of sustainable development, steadily moving towards our phased sustainable development goals for 2030 and the grand mission of achieving net zero emissions by 2060 through our relentless efforts.



CHAIRMAN'S MESSAGE

Yuexiu Property has achieved notable accomplishments in sustainable development practices and information disclosure by virtue of its exceptional governance framework. Starting from September 9, 2024, Yuexiu Property (00123.HK) has been included as a constituent stock in the "Hang Seng ESG50 Index", "Hang Seng Corporate Sustainability Benchmark Index" and the "Hang Seng Climate Change 1.5°C Target Index". For two consecutive years, Yuexiu Property has steadily improved its score in the Global Real Estate Sustainability Benchmark (GRESB), continuing to receive the GRESB Green Four-Star Rating. Notably, it achieved full marks in the social and governance dimensions, fully demonstrating the Company's efforts in corporate social responsibility and governance. These achievements not only reflect the effectiveness of our deepening sustainable development initiatives but also strengthen our confidence in our continued commitment to building a prosperous and resilient net zero future.

“

Yuexiu Property has officially renamed its ESG Committee to the Sustainability Committee, marking a significant and solid step forward on the path of sustainability. This move not only aligns with the Company's corporate strategy and development philosophy but also signifies our further expansion and deepening in the field of sustainability. It also demonstrates our proactive response and commitment to the national development strategy of the new era and the United Nations Sustainable Development Goals (SDGs). At this new starting point, Yuexiu Property's sustainability efforts are showing a trend towards greater completeness, deeper engagement, and increased internationalisation.

In 2024, I am honoured to continue serving as Chair of the Company's Sustainability Committee, overseeing its affairs alongside two Executive Directors and four Independent Non-Executive Directors. This year, the Committee welcomes a new Executive Director, who brings extensive experience in corporate investment decision-making, financial management, and operational management. Their expertise provides invaluable guidance to Yuexiu Property in addressing sustainability-related financial and operational challenges.

”

The committee's work encompasses the review and approval of the Company's vision, goals, strategies, and management systems regarding sustainable development matters, as well as providing recommendations to the Board on related sustainable development issues. Additionally, with strong support from the Sustainability Leadership Group and Executive Group, we have clarified the sustainable development responsibilities of various functional departments and subsidiaries, enhancing the organisational mechanism of the Company's sustainable

development working group to ensure that sustainable development principles are integrated into every aspect of the Company. These initiatives not only solidify our sustainable development governance framework but also enhance the Company's competitiveness and influence on the path to sustainable development. We are confident that through the steadfast efforts and collaborative spirit of all stakeholders, Yuexiu Property will continue to lead the industry in sustainable development to shape a brighter future.



Implementing Climate Action, Preserving Ecological Balance

Yuexiu Property recognises that climate issues present both challenges and opportunities. Guided by this understanding, the Company focuses on comprehensively identifying the potential risks posed by climate change and the opportunities it may bring for future development. Embracing this philosophy, Yuexiu Property is committed not only to implementing effective measures to prevent and mitigate these risks but also to striking an optimal balance between climate impacts, corporate performance, and costs. In 2024, the Company revisited its climate risk assessments to ensure their validity in guiding decision-making and operational planning. Through continuous efforts, Yuexiu Property safeguards the resilient growth of its business while maintaining agility and innovation in addressing climate challenges, positioning itself to seize opportunities in an uncertain future. Our climate initiatives and disclosures align with global best practices, including the *International Financial Reporting Standards Sustainability Disclosure Standard—Climate-related Disclosures* (IFRS S2) and the *Hong Kong Stock Exchange's Guidance on Climate Disclosures*.

Simultaneously, Yuexiu Property acknowledges the intrinsic interdependence between corporate survival and natural resources. As a pioneer, the Company has systematically advanced natural-related financial disclosures under the Taskforce on Nature-related Financial Disclosures (TNFD) framework, promoting ecological balance through resource stewardship. Leveraging the TNFD framework, Yuexiu Property has established a comprehensive natural dependency and impact assessment system. This spans critical areas such as energy management optimisation and efficient water resource utilisation, fostering synergistic progress between economic efficiency and environmental protection. By deepening its sustainability practices, Yuexiu Property exemplifies responsible corporate leadership through concrete actions, setting a benchmark for sustainable development within the industry.

Sustainable Product Lifecycle: Green Development, Construction and Operations

To support the national goals of achieving peak carbon emissions by 2030 and carbon neutrality by 2060, we have established our own emission reduction targets: to achieve net-zero emissions across the value chain by 2060. In pursuit of environmental protection and resource conservation, we actively promote green buildings, utilising eco-friendly materials, optimising building structures, and enhancing energy efficiency, aiming to create green, healthy, and intelligent living and working environments. All new building projects are designed to meet at least the one-star standard for green buildings, with a strong emphasis on promoting prefabricated construction. We are continuously developing ultra-low energy buildings and successfully launched the Company's first zero-carbon and zero-energy ("Dual-Zero") project in 2024. At the same time, Yuexiu Property attaches great importance to product quality and safety and continuously strengthens relevant management measures. We have established a strict quality management system, and every link is strictly checked to ensure the high quality and reliability of the delivered products.

We adhere to green operations, leveraging intelligent management to reduce energy consumption and waste generation, and are dedicated to promoting a circular economy. By utilising electronic signatures, we minimise paper usage during contracting processes, achieving resource conservation and environmental protection. Furthermore, the Company requires commercial tenants to sign the Green Covenant, encouraging their participation in green initiatives to collectively advance society's green transition and development. Through these measures, the Company not only reduces resource waste but also enhances operational efficiency, contributing to the creation of a sustainable future.

Building Sustainable Communities, Fulfilling Corporate Responsibility

Yuexiu Property creates opportunities for residents and tenants to gain in-depth understanding of sustainable development principles by organizing diverse community activities and low-carbon office initiatives. In 2024, Yuexiu Property introduced two innovative projects: the "Sustainable Development Badge" and the "Green Living Path". These initiatives seek to cultivate a community ecosystem that encourages participation and social value, establishing a sustainable development model characterised by broad resident involvement and a healthy circulation of community resources. We have organised a series of community activities covering themes such as environmental protection, health, and education, designed to meet the needs of residents across different age groups, while stimulating active participation through interaction and experiential learning. These activities not only enhance interaction and collaboration among residents but also lay a crucial foundation for building community culture and promoting the concept of sustainable development.

We consistently adhere to the principles of responsible marketing in fulfilling our social responsibilities. Through a series of specialized training programs, we are committed to enhancing employees' professional skills and management capabilities. We place greater emphasis on market demands, implementing preemptive risk management starting from the product design phase to ensure product designs and functionalities meet user expectations. Simultaneously, Yuexiu Property provides customers with superior experiences through faster response speeds, higher service quality, and improved efficiency. By establishing smooth communication mechanisms, we continuously transform customer suggestions and complaints into community renewal practices, driving the co-evolution of service quality and community ecosystems, thereby achieving value resonance between social responsibility fulfillment and residents' aspirations for a better life.

We actively respond to the national rural revitalisation strategy, placing "poverty alleviation and empowerment" as one of the core tasks in fulfilling our corporate social responsibility. In 2024, Yuexiu Property achieved significant results in rural revitalisation and collaboration between eastern and western regions. We not only contributed to the construction of national-level pastoral complexes and engaged in the new round of eastern-western collaborative efforts, but also organised grassroots participation in the 2024 agricultural product marketing activities in poverty alleviation areas, demonstrating our commitment to social responsibility. The Company's volunteer team actively conducts various volunteering services, such as "Yue Closer", providing community services, health care, youth development, cultural promotion, poverty alleviation, environmental protection, and industry consulting for local governments and frontline community residents.



Innovating Corporate Governance, Empowering Talent Development

Yuexiu Property constructs a sustainable governance framework through systematic strategies, integrating business ethics and anti-corruption mechanisms into core decision-making processes, and establishing a multi-level risk control system to safeguard enterprise risk management. The Company prioritizes intellectual property protection and data privacy, strictly adhering to domestic and international compliance requirements to ensure full lifecycle security for user and operational data. In supply chain management, Yuexiu Property adopts sustainability-driven standards, implementing supplier qualification assessments, performance tracking, and dynamic elimination mechanisms. Digital platforms enable transparent supply chain collaboration, while resilient contingency plans are developed to mitigate market volatility.

At the same time, Yuexiu Property recognises that talent is the most valuable asset of the Company and is committed to building an exceptional team. We prioritise employee well-being by providing a healthy, safe, and equitable working environment, ensuring the safety of production and mental health of our employees. We strictly adhere to the safety assessment requirements of the "Four Ensurances, Five Zeroes" and the "Zero Work Fatalities" safety goals. In terms of employee training, we have established a comprehensive and systematic training system. Through four signature programmes—the "Hummingbird Programme," "Sea Swallow Programme," "Swan Programme," and "Roc Programme"—we continuously enhance our employees' professional skills and management capabilities.

Commit to Sustainable Finance, Drive Technological Innovation

Yuexiu Property actively responds to the green finance policies in mainland China and Hong Kong. In 2024, the Company established its *Sustainable Finance Framework* for the first time. The proportion of our bond and loan financing from green finance increased from 28.6% in 2023 to 31.8% in 2024. The proportion of green loans obtained out of the total loans amount reaches 48.9%. On 5 July 2024, we successfully issued our first offshore RMB green bond worth RMB1.690 billion. This breakthrough reflects Yuexiu Property's strong commitment to sustainable development. Moreover, by leveraging green finance, we can not only better manage financing costs and diversify funding channels but also significantly enhance our credit rating and competitiveness in the capital market, reducing potential reputational risks and contributing to the realisation of the Company's long-term value.

Yuexiu Property establishes a robust digital decision-making system to drive digital transformation across key business domains. The Digital Management Committee, as the supreme decision-making body overseeing the Company's digital strategic planning, is committed to optimizing business processes and enhancing operational efficiency. By applying digital and intelligent tools to project management, product systems, and office operations, we are dedicated to continuously integrating cutting-edge AI technologies. This initiative aims to elevate project management efficiency, refine customer experiences, and propel the intelligent transformation of the real estate industry.

Looking to the future, Yuexiu Property will continue to uphold the corporate spirit of "Beyond Excellence". We are committed to achieving even greater accomplishments across multiple dimensions, including environmental protection, social responsibility, and economic contribution. We understand that, as a member of the real estate industry, we bear the important mission of driving the industry's green transformation and promoting sustainable social progress. We will spare no effort in exploring and applying cutting-edge innovative technologies to vigorously advance the development of green buildings and smart communities. Our goal is to create a low-carbon, energy-efficient, and eco-friendly living environment that provides residents with healthier and more comfortable living spaces. At the same time, we recognise the importance of corporate social responsibility and will continue to actively engage in community development and public welfare initiatives. By participating in social projects such as education support, poverty alleviation, and environmental protection, we aim to create economic benefits while contributing to social harmony and prosperity. We firmly believe that through collaboration with all stakeholders and our relentless efforts, Yuexiu Property's sustainable development initiatives will contribute significantly to a brighter future for society.



Lin Zhaoyuan
Chairman

Hong Kong, 31 March 2025



STATEMENT OF THE BOARD

Guided by our corporate mission of “Where Good Living Starts”, the Company has fully integrated the philosophy of sustainable development into its long-term strategic framework. In response to the stringent disclosure requirements set forth by regulatory bodies such as the State-owned Assets Supervision and Administration Commission (SASAC) and the Hong Kong Stock Exchange (HKEX), we have established a top-down governance structure for sustainable development. The Board of Directors serves as the highest decision-making body for the Group's sustainable development management, fully responsible for formulating and reviewing the sustainable development strategy, and continuously monitoring its implementation. In regular meetings, the Board receives reports on sustainable development topics, including sustainable development and climate change, and tracks the progress of related indicators and objectives. Additionally, the Board is responsible for reviewing the overall risk management mechanism, incorporating sustainable development risks into the risk management process, and conducting regular risk assessments to ensure the Company proceeds steadily on the path of sustainable development.

In 2024, Yuexiu Property marks the 15th consecutive year of disclosing its practices and achievements in sustainable development. To underscore the Company's commitment to establishing sustainability as a core strategy and to amplify its comprehensive, far-reaching, and transformative impact in this field, we have renamed the ESG Committee as the Sustainability Committee and renamed the ESG Report as the Sustainability Report. This is a key step in the transformation of Yuexiu Property's sustainable practices into sustainable values and signifies a strategic realignment from “environmental



governance” to “systemic resilience” and from “compliance-driven disclosure” to “value-driven creation”. It further demonstrates the full integration of sustainability principles into the Company’s strategic decision-making, operational execution, and stakeholder collaboration, embedding sustainability across the entire value chain.

The Sustainability Committee comprises three executive directors and four independent non-executive directors, who regularly discuss and review the Group’s sustainable development risks and opportunities. In 2024, Yuexiu Property appointed an additional executive director, who also serves as a member of the Sustainability Committee. This director has extensive experience in corporate investment decisions, financial management, and operational management, which helps to enhance the diversity of the Board. The Company has established a Sustainability Leadership Group, led by the General Manager and involving heads of various business departments, responsible for refining the sustainable development management system and ensuring the orderly and efficient execution of sustainability initiatives. To enhance the professionalism and transparency of sustainable development management, the Company has formalised the management responsibilities and processes at all levels through official documentation and reports on significant sustainable development-related matters and indicator progress to the Board twice a year. Meanwhile, the Board attaches great importance to the health and safety management of the Company and has included the achievement of relevant targets in the annual performance appraisal system, which is linked to the remuneration of senior management.

The Board continuously monitors sustainable development governance trends, assesses internal management, identifies potential risks and opportunities, and maintains regular communication with stakeholders. This report has been approved by the Board, ensuring that the content is authentic, accurate, free from misleading statements or significant omissions, and comprehensively presents the Company’s efforts and achievements in sustainable development management.





SUSTAINABLE DEVELOPMENT PHILOSOPHY

Based on comprehensive discussions and decisions by the Board and the Sustainability Committee, Yuexiu Property strictly follows the Plan-Do-Check-Act (P-D-C-A) cyclical management process as its core management philosophy for sustainable development. This concept not only provides clear principles and guidance for the Company's sustainable development management efforts but also ensures continuous progress on the path of sustainable development through a spiral ascending work model.

Plan

Global Policies

- Follow and adhere to the United Nations Sustainable Development Goals
- Observe the ISSB's IFRS S1 and IFRS S2, as well as any upcoming relevant standards
- Respond to the Paris Agreement reached in the UN Climate Change Conference in Paris, France (COP21) and the Baku Climate Unity Pact as the outcome of the UN Climate Change Conference in Baku, Azerbaijan (COP29)

National Policies

- Adhere to the national "carbon peaking and carbon neutrality" goals
- Comply with the Action Plan for Carbon Peaking before 2030, the Guiding Opinions on Accelerating the Establishment and Improvement of a Green and Low-Carbon Circular Economic System and the Measures for the Administration of Legal Disclosure of Environmental Information
- Follow the Measures for the Supervision and Administration of Energy Conservation and Environment Protection of Central Enterprises

- Based on domestic and international policies, Yuexiu Property has established a comprehensive sustainable development management system. For more details, click the link to visit the official website:

Climate Change Policy, Meteorological Disaster Emergency Response Plan, Sustainable Development Policy, Resources Policy, Circular Economy Promotion Policy, Biodiversity Policy, Green Finance Policy, Environmental Policy, Energy Policy, Sustainable Building Policy, Health and Safety Policy, Occupational Health Management Rules, Production Safety Management Approach, Labor Rights Protection Policy, Diversity and Inclusion Policy, Human Rights Policy, Board Policy, Respect in the Workplace Policy, Supplier Code of Conduct, Sustainable Procurement Policy, Customer Relationship Management Approach, Detailed Provisions on Customer Relationship Management, Whistleblowing Policy, Comprehensive Risk Management Approach, Compliance Management Approach, Anti-Corruption and Anti-Bribery Policy and Tax Compliance Policy.

- Based on the established institutional framework, Yuexiu Property has developed specific plans for sustainable development management in the Company's sustainable development process to ensure that effective implementation of policies and measures internally.

Do

- Conduct daily sustainable development management according to the established plans and measures;
- Utilise the sustainable development management system for digital statistics of daily data, perform regular analysis, and report performance progress to the Board-level Sustainability Committee and the Management. The Sustainability Committee and Management review the related data periodically;
- Provide sustainable development-related training for internal personnel to continuously enhance the sustainable development management capabilities at Yuexiu Property.

- Regularly review the alignment of Yuexiu Property's sustainable development strategy with latest development requirements;
- Review the Company's management policies at least every three years, and promptly revise and update them in response to external conditions;
- Conduct periodic reviews and inspections of internal sustainable development management systems, making revisions as needed;
- Regularly assess sustainability performance to ensure sufficient progress towards the established targets;
- Integrate sustainable development risks into the overall risk management system, utilising risk assessment tools such as scenario analysis, and stress testing to identify and evaluate the likelihood and impact of sustainable development risks across the entire value chain, considering both potential financial and non-financial impacts.

Check

Act

Philosophy

- Yuexiu Property periodically adjusts its sustainable development philosophy based on the current P-D-C-A cycle, benchmarking against best practice management models domestically and internationally to enrich its sustainable development philosophy.

Structure

- In 2024, a new committee member was added to the Sustainability Committee to enhance the Company's sustainable development management capabilities. Plans are underway to form additional specialised working groups under the Sustainability Executive Group, focusing on various sustainable development-related topics, such as a TNFD Working Group;
- A Climate Change Response Working Group, a Green Office Working Group, a Dual Carbon Working Group and a Sustainable Supply Chain Working Group have been established, enhancing our organisational experience in sustainable development management.

Strategies

- In accordance with the 17 Sustainable Development Goals set by the United Nations, Yuexiu Property regularly reviews its sustainable development performance and continuously align itself with these goals;
 - We benchmark ourselves against best practices from leading peers, regularly assess our sustainable development strategic objectives and adjust as necessary.

Policies

- We continuously benchmark ourselves against international best practices and industry standards to formulate more systematic ESG policies, in order to improve our sustainability management system.

Management



- Based on the areas of improvement identified during the Check phase, we analyse the gaps against international and domestic standards, and continuously optimise future sustainable development management actions to achieve better sustainable development performance;
- We continuously analyse and evaluate the feasibility of future goals, while ensuring the successful achievement of sustainable development goals for the "14th Five-Year Plan" period, to explore the intensity and depth of goals for the "15th Five-Year Plan" period;
- We summarise the strengths and weaknesses of annual sustainable development information disclosure efforts, clarifying how disclosure contributes to enhancing sustainable development performance.





FULL LIFECYCLE MANAGEMENT OF YUEXIU PROPERTY



Phase	Important Factors Related to Sustainable Development	Specific Measures
<p>Land Acquisition Phase</p> 	Biodiversity and Natural Ecosystem Conservation	<ul style="list-style-type: none"> > Require all newly acquired projects to undergo environmental impact assessments to prevent adverse effects on surrounding areas.
	Climate-related Risks and Opportunities	<ul style="list-style-type: none"> > Conduct project surveys and calculations on targeted land plots and integrate environmental and climate change indicators for evaluation. > We have identified the level of exposure to climate physical risks of each business region and evaluated the impact of climate transition risks on our investments. This allows us to promptly devise more robust responsive strategies.
	Business Ethics	<ul style="list-style-type: none"> > Uphold the principle of fair competition in the processes of land bidding, auction and listing, as well as pre-application for land use, and strictly prohibit any instances of corruption or bribery during the land acquisition process.
	Green Development Commitment	<ul style="list-style-type: none"> > Uphold our green development commitment, ensuring the preservation of green areas and farmland.
<p>Design Phase</p> 	Green Building	<ul style="list-style-type: none"> > Actively incorporate green, low-carbon, and health-oriented elements into project designs in alignment with standards such as the <i>Assessment Standard for Green Building</i>, the Leadership in Energy and Environmental Design (LEED), and WELL Building Standard (WELL) Certification.
	Zero-carbon Building	<ul style="list-style-type: none"> > Actively explore and apply cutting-edge technologies such as ultra-low energy consumption building technology systems, near-zero energy consumption building technology systems, and zero-carbon building technology systems to further reduce carbon emissions and energy consumption throughout the building's lifecycle.
	Sponge City Development	<ul style="list-style-type: none"> > Implement sponge city designs for residential communities based on the findings of water risk stress assessments and practical considerations, optimise the ecology of water bodies in and around the communities and relieve pressure on water resources.
	Climate-related Risks and Opportunities	<ul style="list-style-type: none"> > Tailor designs for building layouts, ventilation corridors, and other elements based on the findings of the Task Force on Climate-related Financial Disclosures (TCFD)'s risk identification and actively keep in alignment with the design of the ultra-low energy consumption building technology system.
	Innovative Community Spaces	<ul style="list-style-type: none"> > Implement innovative designs for public areas to meet the evolving needs of residents.
	Product Quality and Safety	<ul style="list-style-type: none"> > Prioritise durability, safety, and fire resistance in building design and put in place standardised procedures.

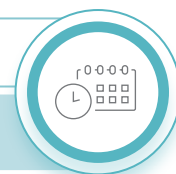
FULL LIFECYCLE MANAGEMENT OF YUEXIU PROPERTY




Phase	Important Factors Related to Sustainable Development	Specific Measures
Construction Phase 	Site Standardised Construction System	> Continuously optimise the on-site standardisation system and progressively enhance the level of standardisation.
	Prefabricated Construction	> Continuously expand the coverage of prefabricated buildings and boost the prefabrication rate to enhance resource efficiency.
	Green Construction	> Follow the guidance of the circular economy to boost resource efficiency, minimise the environmental impacts of emissions, and implement comprehensive environmental management for projects (including dust and noise treatment).
	Water Conservation and Resilience	> Implement water conservation and adjust construction water usage strategies based on the results of water risk stress tests.
	Energy Management	> Promote terminal electrification by encouraging and increasing the use of electricity in development projects and identify risk points in energy use to minimise unnecessary energy use processes; utilise renewable energy in the project development phase.
	Climate-related Risks and Opportunities	> We have identified the level of climate physical risks across various business regions and implemented climate risk management measures.
	Health and Safety	> Require contractors to uphold safe construction and workplace safety and be equipped with safety facilities and management measures. > Prevent health and quality issues during construction.
	Green Supply Chain	> Actively procure and utilise green building materials and encourage suppliers to adopt them; > Implement proper resource management and minimise the purchase of unnecessary products to conserve resources and promote the circular economy.
Sales Phase 	Responsible Marketing	> Formulate management guidelines, such as the <i>Marketing Business Risk Control Regulations</i> and the <i>Guidelines for Sales Document Management and Operations</i> , and define the principles for responsible marketing.
	Green Brand	> Use environmentally friendly materials in the sales process and encourage customers to engage in green and environmentally friendly consumption.
	Business Ethics	> Engage in fair competition with neighbouring properties, ensuring transparency and compliance throughout the selection and transaction processes to protect consumer rights and interests.
	Digital Management	> Advance online property purchase contract signing to transition to paperless contract signing and implement digital management of property purchase contracts.
	Circular Economy of Sites	> Implement site recycling initiatives and conduct lifecycle management of marketing centres by repurposing them into offices, business districts, or clubs after the sales, minimising building waste; > Promote the reuse of marketing materials to reduce resource wastage.




FULL LIFECYCLE MANAGEMENT OF YUEXIU PROPERTY



Phase	Important Factors Related to Sustainable Development	Specific Measures
Operation Phase 	Carbon Emission Management	<ul style="list-style-type: none"> > Actively manage carbon emissions of projects under operation via the sustainable development management system, striving to achieve a 40% and 19% reduction in the carbon emission intensity per unit area by 2030 as compared to 2019 levels for public projects and residential projects, respectively.
	Energy Management	<ul style="list-style-type: none"> > Strengthen energy governance during the operation phase by enhancing the energy governance structure and implementing a P-D-C-A cyclical management process, thereby reducing overall energy consumption and carbon emission intensity of projects in operation.
	Water resources Management	<ul style="list-style-type: none"> > Conduct water risk stress tests to assess water risk stress in pilot projects; > Implement targeted water conservation and recycling measures based on the assessment results of commercial projects.
	Circular Economy	<ul style="list-style-type: none"> > Implement category-based and class-based management of waste and collaborate with certified professional institutions for waste treatment; > Promote resource recycling and reuse to minimise waste at source; > Actively use green building materials and incentivise contractors to adopt them.
	Green Operations	<ul style="list-style-type: none"> > Conduct capital renovations of existing buildings to promote green building certification for projects in operation.
	Green Leasing	<ul style="list-style-type: none"> > Integrate green management with tenant operations, driving green integration of Yuexiu Property and tenants from three perspectives: advocating for green leasing, green procurement, and low-carbon living.
	Product Quality	<ul style="list-style-type: none"> > Conduct regular inspections to ensure building safety, focusing on electricity, water resources, and structural stability.
	Human Capital	<ul style="list-style-type: none"> > Enhance the efficiency of service personnel to improve the quality of residents' lives and create a better working environment for office tenants, thereby fostering enhanced public happiness overall.

FULL LIFECYCLE MANAGEMENT OF YUEXIU PROPERTY



Phase	Important Factors Related to Sustainable Development	Specific Measures
Management Phase 	Organisation and Innovation	> Implement robust corporate management by promoting anti-corruption measures, the enterprise risk management (ERM) system, and crisis management.
	Human Capital	> Ensure the protection of employees' rights and interests, including occupational health and safety, working environment, human rights, and career advancement; > Continually enhance employees' comprehensive abilities and work enthusiasm to improve the efficiency of human capital.
	Green Office	> Continuously drive paperless office development throughout various internal management processes such as office supplies and procurement.
	Green Finance	> Develop the <i>Green Finance Policy</i> and <i>Sustainable Finance Framework</i> to promote the green transformation of financing channels and stabilise fund flows.
	Physical and Mental Health	> Effectively safeguard employees' workplace safety by establishing a workplace safety risk management system and promoting the implementation of ISO 45001 occupational health and safety management system; > Promote employees' well-being, develop long-term strategies and initiatives centred on ISO 45003 Standard for Psychological Health and Safety at Work to improve mental health management, and plan to develop a PDCA cycle for mental health management.
	Customer Satisfaction	> Strive for 100% customer satisfaction by enhancing customer experience in various dimensions, bolstering complaint management and resolution, and nurturing a lasting harmonious relationship between Yuexiu Property and its customers.
	Positive Social Influence	> Intensify involvement in rural revitalisation, urban layout optimisation, elderly care services, and inclusive education, actively contributing to social welfare initiatives.
Demolition Phase 	Environmental Management	> Adhere strictly to relevant regulations during demolition to minimise the impacts of noise and dust on nearby residents.
	Circular economy	> Crush and recycle demolished building materials and conduct category-based and class-based disposal of other waste to minimise resource wastage.
	Urban Renewal	> Engage in diversified urban renewal practices, identify and preserve ancient trees, historic buildings and vital ecosystems in demolition zones, striking a balance among the urban layout, social benefits and original ecological value.
	Health and Safety	> Prioritise environmental monitoring of the sites before development to prevent future health and safety risks for residents as a result of land contamination or brownfield sites; > Minimise the impact of noise and dust caused by demolition on surrounding residents.



COMPREHENSIVE RISK MANAGEMENT SYSTEM



Risk Type

Policy Risk

Strategic Risk

Financial and Liquidity Risks

Market Risk

Operational Risk

Interest Rate and Foreign Exchange Risks

Reputational Risks

Legal and Compliance Risk

Project Risk

Sustainable Development Risk

Specific Measures

> Significant shifts in government policies, such as changes in land supply, tax policies, etc. To ensure uninterrupted operations, the Group has secured reasonable land reserves.

> Failure to adequately consider market changes in strategic goals or execute business strategies may lead to strategic risks. The Group has managed strategic risks by reviewing the effectiveness of the execution of strategies.

> Inadequate financial management and irrational liquidity arrangements may lead to financial and liquidity risks. The Group has managed financial and liquidity risks by monitoring indicators such as the current ratio and asset turnover.

> Drastic fluctuations in capital and financial markets may significantly impact the Group's financial performance. The Group has managed market risks by monitoring indicators such as financing costs and the fair value of financial assets and liabilities.

> This refers to a risk of unexpected losses due to deficiencies in the internal control system. The Group has managed operational risks by enhancing its internal control system, coordinating risk event management, and improving the efficiency of business operations.

> Fluctuations in interest rates and foreign exchanges may impede an enterprise's financial performance. The Group has managed interest rate and foreign exchange risks by promoting investor confidence through asset allocation and implementation of hedging strategies.

> Negative public opinions and a certain amount of customer complaints, if not handled properly, may lead to reputational risks. The Group has managed reputational risks by improving its public relations and customer service.

> Non-compliant behaviours in business operations may result in fines, litigation, etc. The Group has managed legal and compliance risks by implementing a multidimensional internal control management system to minimise legal and compliance risks.

> The Company may face compensation, complaints or litigation risks, or even reputational risks. With a goal of 100% customer satisfaction, the Group has facilitated the implementation of a comprehensive risk management system. Furthermore, it has implemented comprehensive risk management in its business environment for employees and contractors, thus creating a safe and civilised working environment.

> Sustainable development risks refer to risks arising from environmental pollution, climate change, social responsibility, and corporate governance in an enterprise's business management. The Group has managed sustainable development risks by establishing the Sustainability Committee and a robust sustainable development governance mechanism, and enhancing the performance of corporate social responsibility.

Measures

ation, and housing policies, could significantly impact the real estate market. To
erves, cash flows, and resources from diverse channels.

these goals effectively may jeopardise enterprise value. The Group has managed

y hinder the Group's operations, idle funds, or lower fund efficiency. The Group
he debt ratio, receipt-to-contract ratio, cash-to-total asset ratio, and total asset

the Group's funding and capital costs, harming enterprise value. The Group has
rice-to-book ratio.

al control system of the Group. The Group has managed operational risks by
nd strengthening accountability for risk events.

ise's financing channels. The Group has actively broadened financing channels
on of interest rate and foreign exchange related management.

ot addressed effectively internally, may damage the Group's value and lead to
performance in indicators such as customer satisfaction.

igation, or other legal consequences. The Group has effectively improved its
compliance risks.

public relations incidents arising from mismanagement of its various projects.
improvement of customer satisfaction by practically carrying out service quality
management for health and safety risks to ensure a safe and healthy working
atmosphere at Yuexiu Property.

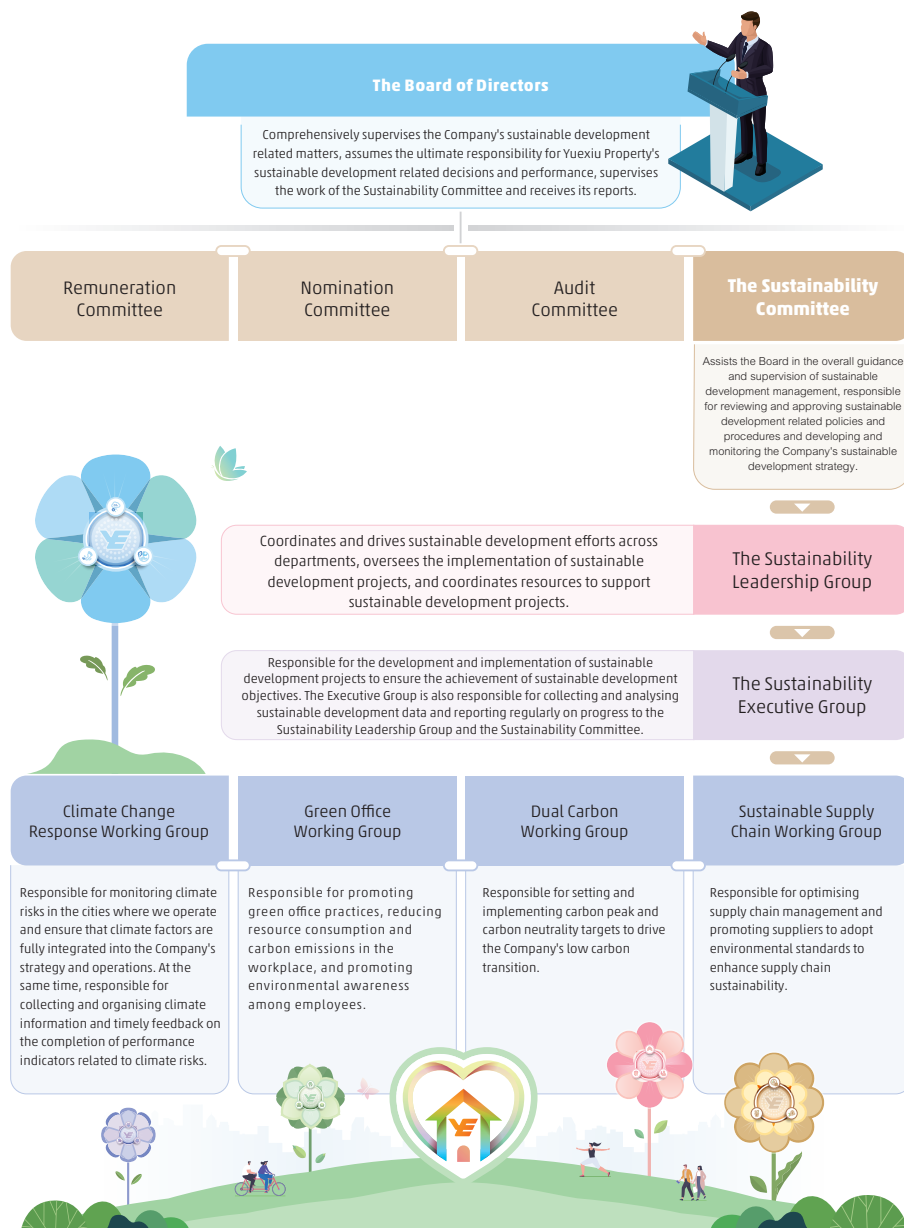
protection and sustainable development, people-oriented philosophy, social
ement. The Group has managed sustainable development risks by establishing
nce structure, improving relevant risk identification, assessment, and response
ties and internal governance.





SUSTAINABLE DEVELOPMENT GOVERNANCE

To strengthen its governance capabilities in sustainability, the Company officially established the Sustainability Committee (formerly known as the Environmental, Social, and Governance Committee, or “ESG Committee”) in March 2022. The Committee is led by the Chair of the Board and comprises two executive directors and four independent non-executive directors, ensuring the independence and professionalism of decision-making. Building on this foundation, the Company has continuously optimised its sustainable governance structure, forming a management framework consisting of the “Board – Sustainability Committee – Sustainability Leadership Group – Sustainability Executive Group”. Among these, the Board, as the highest decision-making body, comprehensively supervises the implementation of the sustainability strategy; the Sustainability Committee is responsible for specific guidance and oversight; the Sustainability Leadership Group promotes the deep integration of sustainability principles with business operations; and the Sustainability Executive Group, composed of headquarters functional departments and subsidiary business units, ensures the effective implementation of all sustainability initiatives. This systematic governance structure not only enhances the standardisation and execution of sustainable development management but also provides a solid organisational guarantee for the Company to achieve its sustainable development goals.



Yuexiu Property's Sustainability Governance Framework



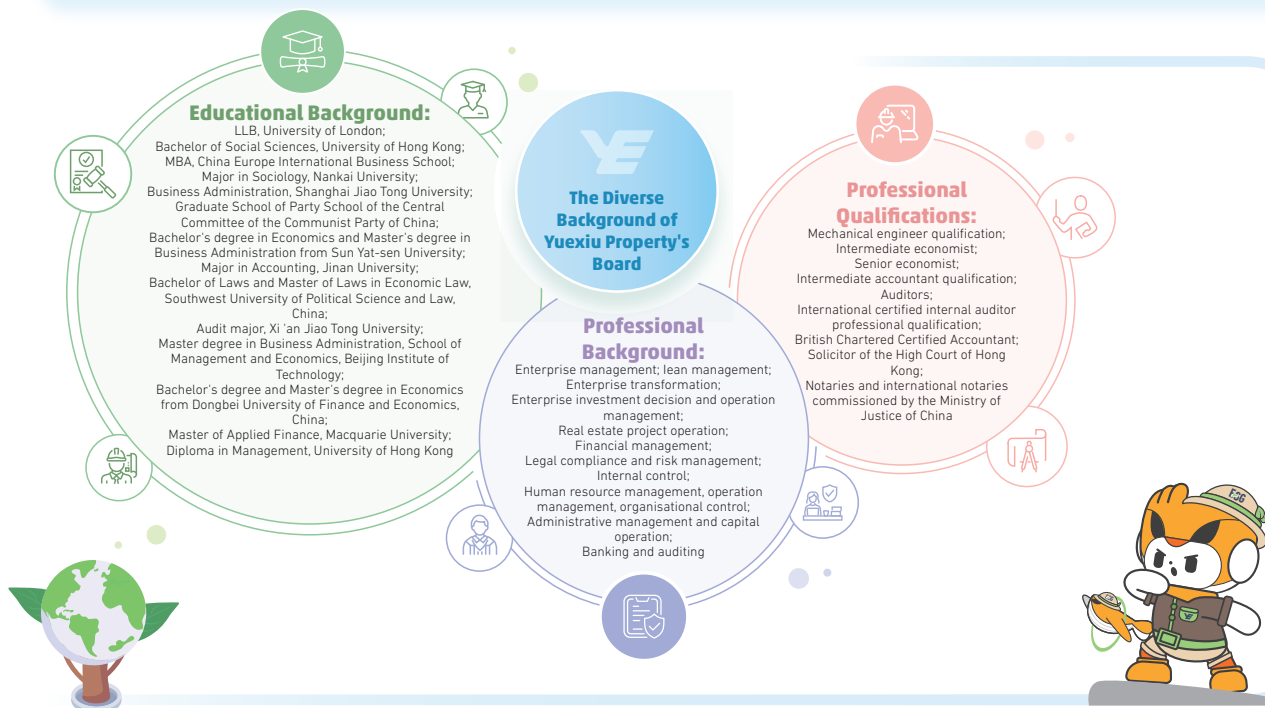
The Board of Directors strengthens the Company's sustainable development strategy and risk management

Yuexiu Property places great importance on the Board's involvement and decision-making in matters related to sustainable development. To further enhance the Company's leadership and execution in sustainable development management, a new director was added to the Sustainability Committee in 2024. The Board is responsible for reviewing the Company's sustainable development strategies to ensure they align with the overall corporate development strategy. As the ultimate governing body, the Board reviews and approves the Company's policies, systems, and response plans for risk management, and oversees the Company's risk appetite. The Company reports on significant matters and progress indicators related to sustainable development to the directors twice a year. This year, the Board's participation in sustainable development matters reached 100%, ensuring that each director is deeply involved in discussions, providing constructive opinions and suggestions, and collectively driving continuous improvement and enhancement in the Company's sustainable development efforts. This high level of participation and transparency not only improves the quality of the Board's decisions but also enhances the Company's overall performance in the field of sustainable development. The Company has incorporated health and safety management indicators into its annual performance evaluation system, linking them to the remuneration of senior management. This report provides a detailed disclosure of Yuexiu Property's progress and achievements in sustainable development for 2024, which was reviewed and approved by the Board in March 2025.



Continuously promoting the diversification of its Board of Directors

Yuexiu Property's Board is composed of six executive directors, two non-executive directors, and four independent non-executive directors. This Board possesses a wide range of diverse professional expertise, covering areas such as corporate management, lean management, risk management, internal controls, human resource management, and financial management. This diversity enriches the Board's decision-making perspectives and enhances the Company's ability to navigate complex business environments. Furthermore, to further strengthen the Board's professional background and comprehensive capabilities, Yuexiu Property has appointed one new Executive Director and one new Non-Executive Director in 2024. At the same time, the Company ensures fair treatment for women, maintaining two female members on the Board. Looking ahead, the Company is dedicated to promoting gender balance and overall diversity, continuing to advance the diversification of the Board from various dimensions. This includes introducing more members with diverse backgrounds and experiences to ensure the Board's effectiveness and foresight in strategic decision-making and corporate governance.



[illegible]

Hong Kong Quality Assurance Agency (HKQAA) Independent Assurance Report. For details, please refer to the Appendix to this report





ISO 55001 Standard Enhances Asset Management System and Boosts Corporate Performance

As an asset-intensive company, Yuexiu Property has integrated its asset management system into the corporate governance framework. Yuexiu Property adheres to the ISO 55001 standard for asset management, which is a key component of the ISO 55000 series, focusing on establishing, implementing, maintaining, and improving the requirements of an asset management system. ISO 55001 not only provides specific guidelines but also ensures that organisations can systematically and sustainably manage their assets, control the asset lifecycles, and balance asset performance, risks, and costs to achieve organisational objectives. By complying with the ISO 55001 standard, Yuexiu Property can maximise asset value, reduce operational risks and costs, thereby enhancing overall organisational performance and stakeholder satisfaction. Through this system, the Company can achieve:



Optimising the Asset Lifecycle:

Aligning organisational objectives with the asset management system to maximise asset efficiency and value.



Enhancing Financial Performance:

Managing costs and risks associated with assets to improve profitability and operational efficiency.

Sustainability:

Promoting responsible resource utilisation and sustainable asset management practices.



Reputation and Reliability:

Demonstrating effective risk management and reliability to stakeholders through certified practices.







SUSTAINABLE DEVELOPMENT STRATEGY




Strategic Background:

Development is the eternal pursuit of human society. Faced with the destruction and crises caused by human activities on climate and the environment, the United Nations adopted the *2030 Agenda for Sustainable Development* and 17 Sustainable Development Goals (SDGs) in 2015, outlining a global blueprint and path for sustainable development. Currently, the world is facing multiple crises and challenges. Influenced by factors such as the climate crisis, food security, geopolitical conflicts, and global economic downturn, the progress towards SDGs falls short of expectations, emphasising the dire need for all parties to take swifter action.

Yuexiu Property takes into full consideration its own strategic planning, core competencies and the interrelationships with SDGs. We actively respond to the 17 SDGs, establish an optimal SDGs strategic structure, and integrate sustainable development concepts into the Company's own development strategy. We are committed to operating with a responsible attitude to create sustainable environmental, social, and economic benefits. We continuously enhance our own sustainable development capabilities to become a responsible corporate citizen.

	SDGs	Our understanding	Action plans
	End poverty in all its forms everywhere.	<ul style="list-style-type: none"> > Strengthen and broaden the outcomes of poverty alleviation, advance the comprehensive revitalisation of industries, talents, culture, ecology, and organisations - the "Five Revitalisations". 	<ul style="list-style-type: none"> > Utilise the coordinating capacity of the Rural Revitalisation Office, escalate sustained investments in rural revitalisation, execute priorities in industrial revitalisation, and reinforce the accomplishments in poverty alleviation.
	End hunger, achieve food security, and improved nutrition and promote sustainable agriculture.	<ul style="list-style-type: none"> > Supporting the national food security strategy involves implementing the principle of protecting arable land during real estate development and adhering to commitments to green space development. 	<ul style="list-style-type: none"> > Adhering to the commitment to green space development means prohibiting any actions that violate the national arable land protection principle and refraining from developing green spaces and farmland beyond the designated red line. If development is unavoidable, it shall comply with green building standards.
	Ensure healthy lives and promote well-being for all at all ages.	<ul style="list-style-type: none"> > Supply customers with health and safety-focused residential, office, commercial, and other products, and ensure contractors' rights to safe production, and create a secure and healthy work environment for employees. 	<ul style="list-style-type: none"> > Throughout the preliminary development and intermediate operational processes, meet customers' health and safety needs from multiple dimensions; > Offer concrete protection to contractors and employees in terms of safety in production, workplace health, and mental well-being.






SDGs	Our understanding	Action plans
4 QUALITY EDUCATION  <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</p>	<ul style="list-style-type: none"> > Embrace inclusive education as part of Yuexiu Property's social endeavors, maintain supplementary construction of schools near residential products, cater to customers' demand for nearby educational options, and lay the hardware groundwork for compulsory nine-year education; > Provide employees with a comprehensive training system to promote lifelong learning and continuous improvement, and foster mutual growth with the Company. 	<ul style="list-style-type: none"> > Continuously increase investment in the supplementary construction of schools, and constantly upgrade the hardware facilities of such schools; > Enhance the employee training system continuously, and offer cross-experience and general training practices to help employees become competitive professionals.
5 GENDER EQUALITY  <p>Achieve gender equality and empower all women and girls.</p>	<ul style="list-style-type: none"> > Eliminate discrimination and prejudice based on gender, age, race, nationality, religious beliefs, or social and personal factors, effectively safeguard the interests of vulnerable groups, and promote the protection of women's rights. 	<ul style="list-style-type: none"> > Offer courses or activities for the protection of women's rights and interests to enhance awareness of women's rights and interests.
6 CLEAN WATER AND SANITATION  <p>Ensure availability and sustainable management of water and sanitation for all.</p>	<ul style="list-style-type: none"> > Conduct water risk stress assessments on freshwater resources and adjust water usage strategies in various business locations; > Strongly oppose uncontrolled sewage discharge, reduce wastewater emissions as much as possible, and discharge them into designated municipal sewage pipelines to prevent adverse effects on the environment. 	<ul style="list-style-type: none"> > Plan to complete water risk stress tests in all business locations by 2030; > Implement the <i>Sustainable Water Resources Policy</i>, promote compliant sewage discharge, reduce water usage, and strive for more reuse of recycled water.



SDGs	Our understanding	Action plans
<div data-bbox="124 448 236 562"> 7 AFFORDABLE AND CLEAN ENERGY  </div> <p>Ensure access to affordable, reliable, sustainable and modern energy for all.</p>	<ul style="list-style-type: none"> > Establish an energy management committee during the commercial operation phase to specifically manage energy consumption in commercial operations and reduce overall building energy consumption; > Promote the adoption of clean energy and apply clean energy throughout the construction, operation, and management phases. 	<ul style="list-style-type: none"> > Conduct deeper energy management, strengthen energy-saving and capitalized transformation of buildings, use sustainable development management systems for comprehensive analysis and assessment of energy consumption platforms, and reduce energy consumption risks; > Continuously expand the usage scenarios of clean energy to promote the coverage of clean energy throughout the entire lifecycle of the buildings of Yuexiu Property.
<div data-bbox="124 1015 236 1129"> 8 DECENT WORK AND ECONOMIC GROWTH  </div> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	<ul style="list-style-type: none"> > Provide employees with competitive salaries and fulfil employment responsibilities in business locations; > Yuexiu Property maintained steady growth in 2024 amid the deep adjustment of the real estate market. With its outstanding operational capabilities and innovative development strategies, it enhanced confidence in and promote the high-quality development of the real estate industry. 	<ul style="list-style-type: none"> > Enhance salary management for employees, promote overall salary increases, establish a fair and comprehensive salary performance management mechanism; > Deepen business diversification strategies and continue to advance Yuexiu Property's sustainable economic growth.
<div data-bbox="124 1494 236 1608"> 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE  </div> <p>Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.</p>	<ul style="list-style-type: none"> > Prioritise product quality and safety, and ensure all products meet earthquake, typhoon, and flood resistance requirements; > Continuously pilot zero-carbon building technology systems to drive technological innovation and high-quality development in the real estate industry. 	<ul style="list-style-type: none"> > Continuously build resilience against risks such as water resource, climate, and extreme weather risks; > Seize the opportunities of the green transformation in the construction industry to implement various new building technologies and promote industrialisation and standardisation of construction.



SDGs	Our understanding	Action plans
 <p>Reduce inequality within and among countries.</p>	<ul style="list-style-type: none"> > Engage in fair competition with peers; > Conduct responsible marketing to safeguard consumer rights; > Eliminate any corruption, fraud, or bribery along the value chain. 	<ul style="list-style-type: none"> > Consistently create a fair and stable market environment, and eradicate any form of unfair competition, deceptive marketing, and corruption practices.
 <p>Make cities and human settlements inclusive, safe, resilient and sustainable.</p>	<ul style="list-style-type: none"> > Initiate urban renewal to prevent residents from living in dangerous buildings or on polluted brownfield sites, and optimise the urban layout through comprehensive urbanisation approach; > Conduct urban micro-improvements in old city areas, and embody inclusivity and human care. 	<ul style="list-style-type: none"> > Consistently contribute to the sustainable development of the business's location; > Emphasise human care in the process of urban micro-improvements, and effectively ensure urban inclusivity and a safe atmosphere.
 <p>Ensure sustainable consumption and production patterns.</p>	<ul style="list-style-type: none"> > Promote green marketing, and promote sustainable and green consumption patterns among consumers; > Enhance influence in carbon, water, and circular economy targets. 	<ul style="list-style-type: none"> > Implement green marketing in the marketing process, and promote alignment with consumers on green consumption issues; > Continually advance the implementation of carbon, water, and circular economy targets.



Take urgent action to combat climate change and its impacts.

- > Conduct carbon emission inspection and analyse Scope 3 emission factors to lay the foundation for reducing carbon emissions along the value chain;
- > Implement TCFD management to enhance overall climate change resilience.

- > Calculate Scope 3 emissions for employee commuting and business trips, and plan to conduct Scope 3 assessments for purchased goods and services;
- > Continue to implement specific measures for climate change adaptation based on current TCFD outcomes.



Conservation and sustainable use of the oceans and marine resources for sustainable development.

- > Implement TNFD management to promote the protection of the ocean and marine resources and reduce the impact on the marine environment around the operation sites.

- > Implement TNFD management to identify risks in the process of protecting the ocean and marine resources, and avoid impacts on the marine environment around the operation sites.



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

- > Implement TNFD management to promote the protection of natural resources and the environment, and reduce the environmental impact around the operation sites.

- > Implement TNFD management to identify risks in the process of protecting natural resources and the ecological environment, and avoid impacts on the surrounding environment of the operation sites.



Build peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable and inclusive institutions at all levels.

- > Generate positive societal impact through initiatives such as rural revitalisation, health and wellness services, and inclusive education, and promote social peace, inclusivity, and sustainable development.

- > Sustain the progress of rural revitalisation, health and wellness services, inclusive education, and other social undertakings, and assess the realisation of related indicators on an annual basis.



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development.

- > Develop the Sustainable Procurement Policy to continuously promote sustainable development prosperity throughout the value chain through green procurement, supply chain carbon management, and other channels.

- > Review and update the Sustainable Procurement Policy every three years to involve more partners in Yueshi Property's sustainable development value chain.

DIGITAL MANAGEMENT FOR SUSTAINABLE DEVELOPMENT

In 2023, Yuexiu Property launched an ESG management system, which integrated various indicators, reporting items, parameters, and templates to create a foundational data management platform aimed at driving sustainable development management improvements. In 2024, we reviewed the sustainable development indicators, incorporating additional sustainable development-related metrics to not only refine the indicator system but also enhance the efficiency of data collection and analysis. We also comprehensively upgraded the sustainable development indicator system, expanding its functionalities to build an ESG management ecosystem that includes modules for data reporting, personal carbon footprints, ESG news updates, ESG data dashboards, low-carbon project reporting, carbon target management, and energy management.

Supported by the updated indicator system, company-level data dashboards, and a one-stop management platform, data can now be viewed and monitored in real time. Yuexiu Property can leverage high-quality data to better manage the environmental impact of projects, reduce carbon emissions, and improve energy efficiency. The system also focuses on the Company's impact on communities, including employee welfare, community relations, and customer satisfaction, while enhancing transparency, compliance, and corporate governance standards. The management of these indicators not only improves the systematic and scientific nature of sustainable development management but also enhances the Company's social image and brand value, while mitigating potential legal and financial risks.

Innovatively, we incorporated a personal carbon footprint module into the system, encouraging employees to pay attention to travel-related carbon emissions and opt for green transportation methods, thereby fostering employee participation in green initiatives. The system also integrates the latest domestic and international sustainable development news, helping employees stay informed about industry trends and policy developments. Additionally, the low-carbon project reporting module supports the Company in managing green and low-carbon building certifications, the carbon target management module aids in scientifically setting and tracking emission reduction goals, and the energy management module enables real-time monitoring of energy usage in commercial projects through digital means, improving energy efficiency. These initiatives not only enhance the systematic and scientific nature of sustainable development management but also help reduce operational risks, elevate brand value, and inject strong momentum into Yuexiu Property's long-term sustainable development.



Yuexiu Property ESG Management System

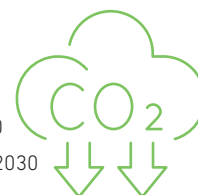


PROGRESS OF SUSTAINABLE DEVELOPMENT IN 2024

Major Achievements and Highlights in 2024

01 Review and update the "Dual-Carbon" goal

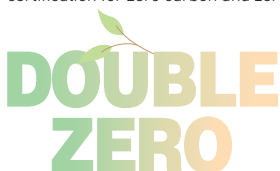
- > The carbon emission intensity per unit area for public projects to reduce by **40%** compared to 2019 levels by 2030
- > The carbon emission intensity per unit area for residential projects to reduce by **19%** compared to 2019 levels by 2030



02 Launch the "Dual-Zero" projects

Yuexiu Property Dual-Zero Exhibition Hall - Yuexiu R&D Center and Yuexiu iPARK Guangdong-Hong Kong Cloud Valley (越秀iPARK粤港雲谷) D6#

Successfully obtained **"Dual-Zero"** certification for zero carbon and zero energy consumption



"Dual-Zero" Exhibition Hall certification for zero carbon and zero energy consumption



Yuexiu iPARK Guangdong-Hong Kong Cloud Valley (越秀iPARK粤港雲谷) D6# certification for zero carbon and zero energy consumption

03 Green power trading

Purchased a total of **710,000** kWh of green power certificates



04 Employee health and safety

0 production safety responsibility accidents resulting in death among employees and related parties, achieving the goal of zero production safety accidents



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

05 The Task Force on Climate-related Financial Disclosures (TCFD)

Re-examined and comprehensively reviewed the climate risk categories, assessed the results according to climate risks, established several key financial indicators, and **quantified** the financial impact of climate risks and opportunities



Taskforce on Nature-related Financial Disclosures

06 The Task Force on Nature-related Financial Disclosures (TNFD)

The Company actively implemented the TNFD framework, completed a biodiversity assessment across the entire value chain and in **10** significant project cities, clarified and identified the importance and impact of environmental assets and ecosystem services on our business

07 Sustainable finance

Established the Sustainable Finance Framework for the first time

Successfully issued the **first green dim sum bonds** with a coupon rate of 4.10%, raising RMB1.69 billion

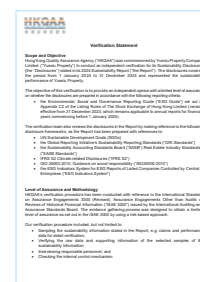
The proportion of bond and loan financing from sustainable finance further increased to **31.8%**



The Green and Sustainable Finance Certification of the Hong Kong Quality Assurance Agency (HKQAA)

08 Sustainable information disclosure

Engaged a third-party assurance agency to issue **an independent assurance report** for the Sustainability Report



Hong Kong Quality Assurance Agency (HKQAA) Independent Assurance Report. For details, please refer to the Appendix to this report

Sustainable Development Rating and Index Performance

 <p>Global Real Estate Sustainability Benchmark (GRESB)</p> <p>Achieved Four Stars rating, with its score upgraded for two consecutive years</p>	 <p>HKQAA Sustainability Rating</p> <p>Improved to "A"</p>	 <p>恒生指數 HANG SENG INDEXES</p> <p>Hang Seng Corporate Sustainability Index Series</p> <p>Hang Seng Sustainability Indexes</p> <p>A constituent member of the Hang Seng ESG 50 Index A constituent member of the Hang Seng Corporate Sustainability Benchmark Index A constituent member of the Hang Seng Climate Change 1.5°C Target Index</p>	 <p>S&P Corporate Sustainability Assessment</p> <p>ESG scores: 49</p>
 <p>Wind ESG Rating</p> <p>Rated "A", ranking 8th in the industry</p>	 <p>Greater Bay Area State-Owned Enterprises ESG Development Index</p> <p>Ranked No. 9</p>	 <p>China ESG Listed Company Greater Bay Area Pioneer 50</p> <p>Ranked No. 46</p>	 <p>Women Workplace Index</p> <p>Gold Employer</p>

Sustainability Awards and Recognitions

 <p>Hong Kong Corporate Governance and ESG Excellence Awards 2024 - The Chamber of Hong Kong Listed Companies and the Centre for Governance and Financial Policy, Hong Kong Baptist University</p> <p>Environmental, Social, and Governance Excellence Award</p>	 <p>2024 BDO ESG Awards - BDO</p> <p>A certificate of merit in Best in ESG Awards - Middle Market Capitalisation A certificate of merit in Best in Reporting Awards - Middle Market Capitalisation</p>	 <p>The Outstanding Award of ESG 2024 - Hong Kong Commercial Daily, PR ASIA Consultants and THINK ESG</p> <p>The Outstanding Award of ESG</p>
 <p>Hong Kong Green and Sustainability Contribution Awards 2024 - Hong Kong Quality Assurance Agency</p> <p>Mentor Pioneer Award for ESG Connect</p>	 <p>Hong Kong Green and Sustainable Finance Awards - Hong Kong Quality Assurance Agency</p> <p>Outstanding Award for Green and Sustainable Bond Issuer Leadership Award for Green and Sustainable Finance Development Outstanding Award for Green and Sustainable Financial Strategy Expertise</p>	 <p>Corporate Social Responsibility Plus Mark - Hong Kong Quality Assurance Agency</p>



SUSTAINABLE DEVELOPMENT PRIORITIES TOWARDS 2030: 2024 ANNUAL HIGHLIGHTS

Environmental Benefits



"Dual Carbon" Goals

2030 Objectives

Public projects:

Aim to **reduce the carbon emission intensity** per unit area by **40%** as compared to 2019

Residential projects:

Aim to **reduce the carbon emission intensity** per unit area by **19%** as compared to 2019

2024 Progress

Public projects:

Reduced the carbon emission intensity per unit area by **22.37%** as compared to 2019

Residential projects:

Reduced the carbon emission intensity per unit area by **3.91%** as compared to 2019

Green Buildings

2030 Objectives

We will strive to achieve **100%** green building 2-star or above certification for all new construction projects

The proportion of projects that adopted prefabricated construction reached **100%**

2024 Progress

In new projects, the proportion of areas that meet green building standards is **100%**

Commercial Segment:

As of the end of the reporting period, a total of **20** projects have been certified as green buildings, with a gross floor area of **1.56** million square meters; The proportion of green building certification projects is **90.3%**

Residential Segment:

As of the end of the Reporting Period, we have a total of **217** projects completed and under construction that meet green building standards, with a gross floor area of **39,380,000 sq.m.**; During the Reporting Period, we have newly added a total of **11** projects that meet green building standards, with a gross floor area of **2,310,000 sq.m.**

The proportion of projects that adopted prefabricated construction reached **72.4%**

Resource Management

2030 Objectives

We will comprehensively strengthen the management of energy consumption in buildings, facilities and equipment

Achieve water neutrality by 2060

Achieve a **90%**

or higher coverage rate of operational commercial projects connected to the energy management platform

2024 Progress

Energy:

Installation of elevator energy recovery devices led to approximately **8%** of reduction in elevator electricity consumption each year

The renovation of the terminal air conditioning system has lowered equipment energy consumption by **68%**

The commercial energy management system covers **74%** of the property area under its ownership

Water Resources:

Recovered condensate water: **16,512** tons

Rainwater recovery: **123,696** tons

Water-saving faucet coverage: over **80%**

Green Operations

2030 Objectives

Achieve a **90%** or higher signing rate for the Green Covenant among new long-term tenants (lease term \geq 12 months) in office buildings and apartment projects

2024 Progress

Achieved a **100%** signing rate for the Green Covenant among new long-term tenants (lease term \geq 12 months) in office buildings

Social Benefits



Employee Health and Safety

2030 Objectives

- > **Zero** production safety responsibility accidents resulting in death among employees and related parties (including contractors)
- > Related parties (including contractors) should achieve a **5%** year-on-year decrease in general-level and above work safety accidents compared to the previous year
- > Maintain a Lost Time Injury Rate (LTIR) of **1.2%** or lower among employees, and continue to monitor the rate of lost working hours due to workplace injuries
- > Employee health examination coverage: **100%**

2024 Progress

- > Number of work-related fatalities (person): **0**
- > Employee health examination coverage: **100%**
- > Lost Time Injury Rate (LTIR): **0.14%**
- > Specialised safety education delivered to **28,785** individuals
- > Approximately **287,847** individuals participated in safety education exams, and **1,378** individuals were rewarded for their performance

Employee Rights and Career Development

2030 Objectives

- > Provide employees with competitive compensation and benefits to enhance their personal competitiveness
- > Continuously update training systems and increase the number of hours of employee participation in training
- > **0** tolerance for child labour and forced labour

2024 Progress

- > The Company provided 11 job positions for people with disabilities and the Company's recruitment ratio for people with disabilities is **0.07%**
- > The Company recruited **174** recent graduates with bachelor's degree or above
- > The training participation rate for all employees is **100%**
- > The average training hours for all employees are **55.72** hours
- > **0** child labour and forced labour

Social Responsibility and Public Welfare

2030 Objectives

- > Provide multi-level and multi-dimensional community building and management programmes to promote community building and support residential development

2024 Progress

- > Educational public welfare donations reached RMB **50 million**
- > The number of employees participating in public welfare/volunteer activities is **3,316**

Customer Satisfaction

2030 Objectives

- > Provide multi-level and comprehensive categories of liveable and healthy living system products to enrich customers' choices
- > Continuously improve customer satisfaction to **95** or above

2024 Progress

- > Residential Customer Satisfaction: **88**
- > Commercial Tenant Customer Satisfaction: **97.59**

Governance Benefits



Business Ethics & Anti-Corruption

2030 Objectives

- > Conduct annual business ethics audits, achieving a coverage rate of **100%**
- > Achieve a **100%** coverage rate for employee anti-corruption training
- > Ensure a **100%** signing rate for new employees' Undertaking for Personal Integrity
- > Achieve a **100%** coverage rate for suppliers' anti-corruption training
- > Ensure a **100%** signing rate for suppliers' Integrity Agreement

2024 Progress

- > **0** case of corruption and embezzlement
- > **100%** coverage rate for employees receiving anti-corruption training
- > **100%** signing rate for suppliers' Integrity Agreement
- > **100%** signing rate for new employees' Undertaking for Personal Integrity

Supply Chain Management

2030 Objectives

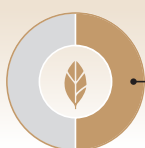
- > Build a digital supply chain and optimise ESG management in the supply chain

2024 Progress

- > The Company's Management Measures on Tendering and Procurement incorporates ESG management into the responsibilities of supply chain tendering and procurement

Sustainable Finance

2030 Objectives



Attain at least

50% of bond and loan financing from **sustainable finance**

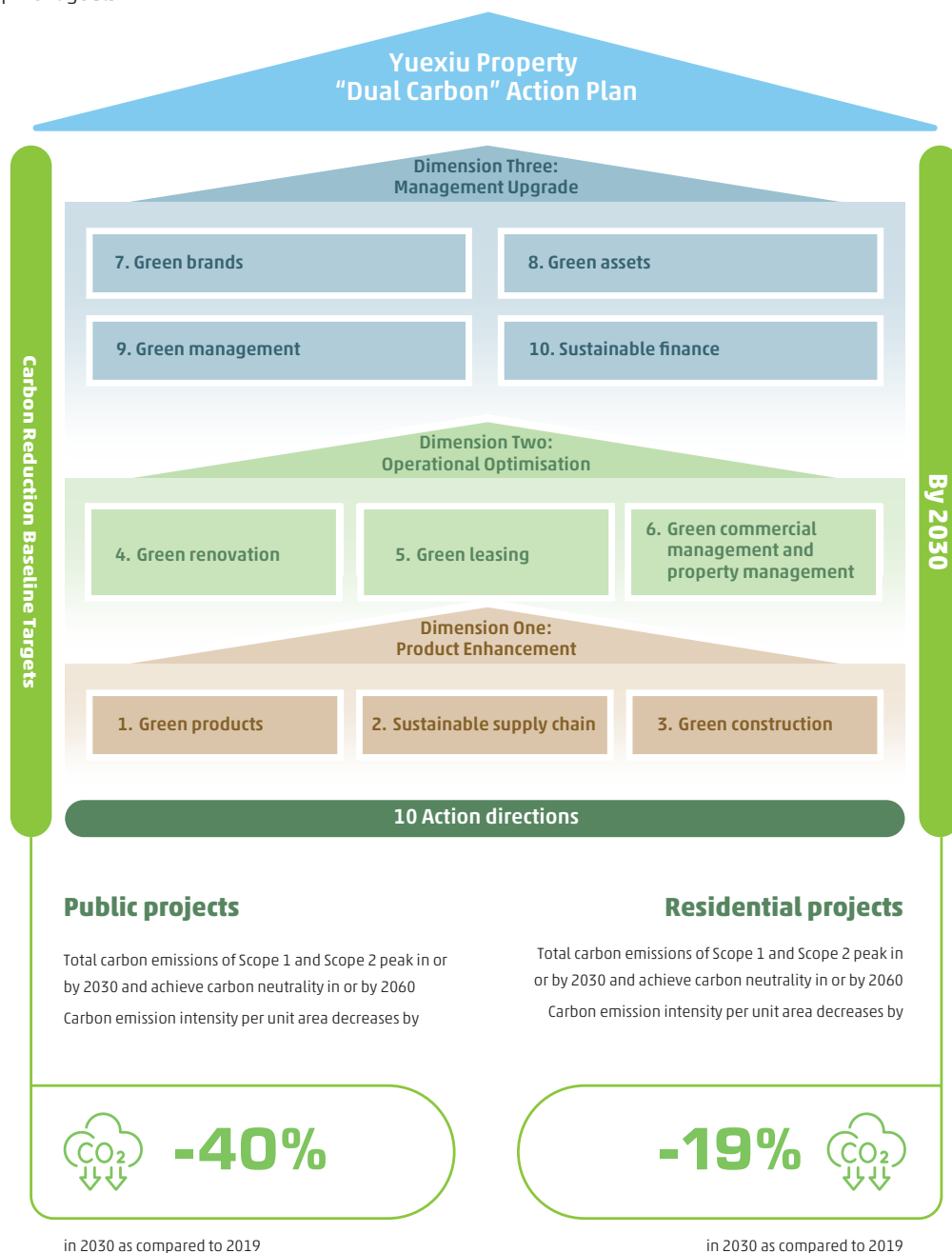
2024 Progress

- > Sustainable finance contributed to **31.8%** of the Company's total bond and loan financing
- > The amount of green loans secured is RMB **31.392 billion**, accounting for approximately **48.9%** of the total loan amount
- > Established the *Green Finance Policy* and the *Sustainable Finance Framework*
- > The amount of green bonds issued is RMB **1.690 billion**

OUR CARBON REDUCTION BLUEPRINT

Yuexiu Property has formulated the *Yuexiu Property "Dual Carbon" Action Plan*. This plan is based on the national "dual carbon" goals and the requirements for high-quality green development in the construction sector. Through in-depth investigations across various formats, Yuexiu Property has established clear baseline targets for carbon reduction, along with three major dimensions and ten action directions. The goal of this plan is to position Yuexiu Property as an industry leader in low-carbon products, low-carbon construction, low-carbon management, and ESG ratings, thus promoting the Company to become a leading low-carbon real estate enterprise.

To better respond to the expectations of stakeholders and market demands, we conduct a comprehensive carbon inventory every two to three years and update our carbon reduction targets as needed based on the latest operational conditions. This systematic approach not only helps us continuously optimize our evaluation system but also ensures that the Company's sustainable development strategy remains aligned with the evolving market demands. Through regular carbon inventories and target updates, we can more effectively identify and manage carbon reduction risks and opportunities, while laying a solid foundation for achieving our long-term sustainable development goals.



Yuexiu Property "Dual Carbon" Action Plan

Action plan

Product enhancement



Green products

- Lead in the industry in terms of green and low-carbon product standards
- Coverage rate of 2-Star Green Buildings: no less than 60%
- Utilisation rate of renewable energy reaching 2%

Green supply chain

- 1 green supply chain platform
- 100% use of green construction materials or equipment in newly constructed projects

Green construction

- 100% coverage rate of prefabricated construction projects
- 70% of standardised construction sites
- Full implementation of platform management of carbon emissions during the construction stage

Operation management



Green renovation

- The application ratio of energy consumption management platform for existing asset operation projects raised to 100%

Green leasing

- 100% implementation of carbon management system in tenants' areas for self-owned projects
- Full implementation of "Green Covenant" lease agreement

Green commercial management and property management

- 100% of self-owned projects under operation are included in energy consumption management platform appraisal; apply waste control and management system throughout the Company

Management upgrade



Green brands

- Establishment of green and low carbon brand promotion system
- Development of carbon inclusion and carbon credit mechanisms

Green assets

- Green property benchmark company; completion of full lifecycle carbon asset management transaction

Green management

- Enhancement of publicity and training of dual carbon
- Completion of annual low-carbon publicity campaigns both domestically and overseas

Sustainable finance

- Building sustainable finance innovative product system
- Exploration of operation modes, including issuance of green bonds, carbon neutrality bonds, REITs+ private equity

Medium-term targets

Public projects:

to reduce the carbon emission intensity per unit area by 40% in 2030 as compared to 2019;

Residential projects:

to reduce the carbon emission intensity per unit area by 19% in 2030 as compared to 2019;

100%
of newly constructed projects
obtain green building certifications



Long-term targets

2030

The total emissions of Scope 1 and Scope 2 peak in 2030; continue to promote carbon emission reduction by scaling up programmes and supporting innovative technologies.

2060

Achieve carbon neutrality in the value chain by 2060. Guided by a comprehensive carbon emission reduction policy and realistic scale-up of programmes with innovative strategies and technologies for a more sustainable, low-carbon future.



ABOUT YUEXIU PROPERTY



Established in

1983

Core businesses include:

Residential/Commercial/
Property Management/Elderly Care/
Long-term Rental/
Services for Education

Listed in Hong Kong in 1992 (Stock code: 00123.HK)

A real estate development enterprise controlled by Guangzhou Yue Xiu Holding Limited and headquartered in Guangzhou International Finance Center

Headcount of full-time employees as of 31 December 2024

15,184

Landscape covers

27 cities

Market Value
(31 December 2024)

HKD **20,490** million

Profit attributable to the shareholders in
2024

RMB **1.04** billion

Total land bank

approximately **19.71** million sq.m.

2024 operating revenue

RMB **86.40** billion, up **7.7%** YOY

Core net profit in 2024

RMB **1.59** billion

For further details of our business strategies, operating and financial performance, please refer to 2024 Annual Report of Yuexiu Property.

OUR VISION AND MISSION

Corporate Vision

Build the Company with “Quality Products, Quality Services, Strong Brand, Capable Service Team” to become a leading pioneer of good urban life.

Quality Products: high quality, warm, and common growth

Quality Services: professional, excellent experience, and shared happiness

Strong Brand: keep promises, build value, and win good reputation

Capable Service Team: strong competency, responsible, and high internal drive

Create and lead future urban life. With “residential and commercial properties” serving as twin growth engines, we aim to build a diversified layout that comprehensively covers the entire chain of TOD, urban renewal, elderly care, long-term rental, and services for education to create a new ecology for future urban development.

Create and lead quality urban life. Use high-standard technologies and introduce intelligent technologies to create “healthy + intelligent” high-quality residential products and commercial products, and explore and improve the “Yue + (越+)” service system for a quality urban life.

Corporate Mission

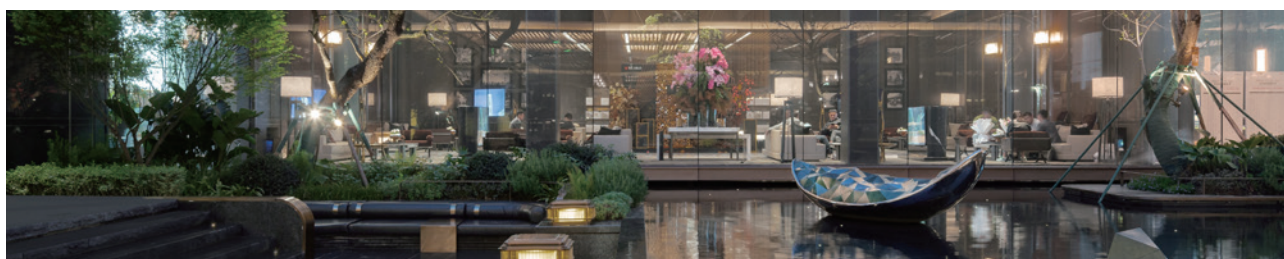
Where Good Living Starts

Make good living for customers. With a customer-centric approach, we provide customers with healthy living products and high-quality full-process services; help customers achieve success and satisfaction, so that they can live a good and happy life because of Yuexiu Property.

Make employees’ beautiful dreams come true. Provide open and fair opportunities and development platforms for employees, make progress and grow together with employees; respect employees and help employees realise the value of life.

Fulfil the good expectations of shareholders. As a state-owned enterprise, we shoulder the important task of maintaining and increasing the value of state-owned assets, creating bright prospects for Guangzhou and Yuexiu; improving asset quality and operational performance, paying back our shareholders’ long-term trust and support with an excellent return on assets, and enhancing value for investors.

Make a better future for society. Actively assume social responsibilities, create good urban life solutions for the country, region and society, and adhere to national strategies to create a better and harmonious society.



BUSINESS SCOPE

Over the past 42 years, Yuexiu Property has consistently upheld its brand commitment to “Where Good Living Starts”, executing a “Mixed Commercial & Residential” development strategy. Leveraging the strength of its unique “Development + Operation + Finance” business model, it has built extensive business presence in economically vibrant areas of China, spanning the Guangdong-Hong Kong-Macao Greater Bay Area, Eastern, Central-Western, and Northern regions, establishing a footprint in 27 top-tier and key second-tier cities nationwide. The Company has developed upwards of 300 large-scale residential projects, serving over 1 million home owners, and boasts ownership of more than 50 prominent commercial properties, including Guangzhou International Finance Center (GZIFC).

In recent years, Yuexiu Property has answered the state’s call and capitalized on the market trends by proactively developing such emerging businesses as elderly care, long-term rental apartments, urban renewal and property plus. We have partnered with Guangzhou Metro as a strategic shareholder to jointly explore the “railway + property” TOD development model, catering to the diverse needs of the people for a better quality of life in all aspects and dimensions.

Overview

This report is the fifteenth annual sustainability report (formerly known as the Environmental, Social and Governance (ESG) report) released by Yuexiu Property Company Limited for the reporting period from 1 January 2024 to 31 December 2024, which mainly covers the sustainable development practices and performance of Yuexiu Property and its subsidiaries in 2024. To facilitate presentation and reading, in this report, "the Company" or "Yuexiu Property" refers to Yuexiu Property Company Limited, and "the Group" or "we" refers to Yuexiu Property Company Limited and its subsidiaries. This report is published in April 2025.

Scope of the Report

Unless otherwise specified, this report covers the actual business scope of Yuexiu Property Company Limited and its subsidiaries. Yuexiu Services Group Limited (a subsidiary of Yuexiu Property, referred to as Yuexiu Services, Stock Code: 06626) also issued its independent ESG report. For the details on ESG performance of Yuexiu Services, please refer to its 2024 ESG Report. Unless otherwise specified, the currency in this report is Renminbi ("RMB").

Preparation of Information Reference

This report was prepared in compliance with the *Environmental, Social and Governance Reporting Guide* (currently known as *Environmental, Social and Governance Reporting Code*) under Appendix C2 of the *Main Board Listing Rules* of the Hong Kong Stock Exchange, and with reference to the *United Nations Sustainable Development Goals (SDGs)*, the *Global Report Initiative (GRI) Sustainability Reporting Standards*, the *Sustainability Accounting Standards Board (SASB) Real Estate Industry Standards*, the *International Financial Reporting Standard No. 2 - Climate-related Disclosures (IFRS S2)* issued by the International Sustainability Standards Board (ISSB), the *ISO 26000: Guidance on Social Responsibility (2010)*, the *ESG Indicators System for ESG Reports of Listed Companies Controlled by Central Enterprises*, and other reporting standards or guidelines.

Reporting principles

We adhere to the reporting guidelines outlined by the *ESG Reporting Guide* of the Hong Kong Stock Exchange, encompassing core principles such as materiality, quantitative, consistency, and balance. Moreover, we comply with the stipulations of the Global Report Initiative (GRI) Sustainability Reporting Standards for accuracy, clarity, comparability, completeness, punctuality, verifiability, and sustainability context. The subsequent table demonstrates how we apply these reporting principles to each individual item.

Principles	Corresponding Section
Materiality	We re-assessed the materiality of various sustainable development issues for the Group through a stakeholder survey and gave detailed responses to various material issues raised by stakeholders.
Quantitative	The data disclosed in this report has been presented on a year-on-year basis to show changes in annual performance, together with calculation standards and methods referenced for key data. We have also established annual targets for certain important indicators and disclosed the progress and results for the year accordingly.
Balance/Accuracy	This report provides a fair and comprehensive disclosure of the Group's ESG performance based on objective information and facts, and avoids statements or presentations that may influence the reader's decision or judgment.
Consistency/Comparability	Unless otherwise stated, the Group's disclosure and statistical methods are consistent with the previous year, and comparisons are made where there has been a change in the statistics.

Principles	Corresponding Section
Clarity	This report uses concise text, clear tables and diversified graphic presentations to facilitate readers' quick understanding of Yuexiu Property's sustainable development performance.
Completeness	The information disclosed in this report is sufficient and complete, and describes in detail the Group's review and plans on sustainability matters.
Timeliness	The reporting period is from 1 January 2024 to 31 December 2024, unless otherwise stated.
Sustainable development context	This report discloses the Group's sustainable development-related information in the increasingly important context of sustainability.

Accuracy of content

The Board of Directors of Yuexiu Property assumes full responsibility for the sustainable development strategy and reporting and undertakes that the contents of this report do not contain false records, misleading statements or material omissions.

Access to this report and explanation

The monetary amounts stated in this report are measured in RMB unless otherwise specified. This report is issued in both Chinese and English. In the event of discrepancies between the Chinese and English versions, the Chinese version shall prevail. This report is available in printed and electronic form; for electronic version, it can be accessed through the Company's website at <https://www.yuexiuproperty.com/sustainability>. For any comments or suggestions on the sustainable development performance of the Group, please contact us through esg@yuexiuproperty.com.





MATERIALITY ISSUES AND STAKEHOLDER ENGAGEMENT

STAKEHOLDER COMMUNICATION

The Group has always attached great importance to interaction and cooperation with all stakeholders. Through standardized participation mechanisms approved by the Board, we establish and maintain open and transparent communication channels with residents, customers, employees, government agencies, shareholders and investors, media, and local communities. This effectively promotes positive two-way communication and collaborative win-win outcomes. We are convinced that by collaborating closely with all stakeholders, we can collectively drive sustainable economic, social, and environmental progress, ultimately realizing enduring value for all.

Residents



The satisfaction of owners and residents with the Group's residential products and property services is the basis for its long-term development.

Main Focuses

- Geographic location
- Supporting facilities
- Internal environment
- Property service quality

Communication Channels

- Routine visits
- Satisfaction surveys
- Complaint hotlines
- Resident property manager

Customers



Users can experience the service and quality of its office buildings, shopping malls and healthcare industry in a more intuitive way. We will strive to provide a safe and comfortable shopping or office environment for them.

Main Focuses

- Geographic location
- Internal environment
- Property service quality
- Security facilities
- Rental level

Communication Channels

- Complaint mailbox
- Routine inspections
- Complaint hotlines
- Satisfaction surveys

Employees



A growing team of outstanding employees provides motives for the sustainable development of the Group.

Main Focuses

- Compensation package
- Room for development
- Employee benefits
- Promotion policy
- Training system
- Internal communication channels

Communication Channels

- Direct communication
- Employee mailbox/hotline
- Training programs

Governments



The support of the government to the Group encourages it to obtain larger range of positive social influence.

Main Focuses

- Compliance with local laws and regulations
- Tax payments according to law
- Promotion of local economic growth
- Boost local employment

Communication Channels

- Routine visits
- Communication about policies

We place significant emphasis on stakeholders' rights to information and engagement, giving serious consideration to every comment and suggestion regarding our management and sustainable development practices. Therefore, we are devoted to thoroughly understanding and promptly addressing their critical concerns through tangible actions. Meanwhile, we persistently refine our communication approach, ensuring that we gather and examine stakeholder opinions through diverse avenues and integrate this input into the execution of the Company's sustainable development strategy. This enables us to consistently refine and heighten our corporate performance.

Shareholders and investors



The existing and potential investors of the Group provide the economic foundation for its development. Creating a sustainable economic return that can meet the expectations of its shareholders is its mission.

Main Focuses

- Stock price and dividend
- Business prospects
- Financial status
- Future development plan

Communication Channels

- Information disclosure
- General Meeting
- Investor meetings and roadshows
- Investor hotline/mailbox

Partners



The partners provide the Group with high quality products and services as well as important business cooperation, and become an important part of the operation process of the Group. At the same time, they are also subject to the Group's supplier management policies.

Main Focuses

- Procurement policy
- Fair trade
- Supplier management policies
- Timely payment

Communication Channels

- Supplier review
- Regular visits

Media



Media reports can make the community more aware of the Group and urge the Group to improve its operation transparency.

Main Focuses

- Business and products
- Future development direction
- Financial performance
- Corporate social responsibility

Communication Channels

- Press conferences
- Interviews
- Regular seminars

Local communities



The Group makes its contribution to the development of the communities and meets the needs of local communities for educational resources.

Main Focuses

- Community development
- Public services
- Cultural & sports activities and facilities

Communication Channels

- Community public services
- Complaint hotlines



MATERIALITY ASSESSMENT

To align business decisions and operational activities with sustainable development goals, we engage with the Group's broad stakeholder community every three years to evaluate and prioritize material sustainable development issues, systematically identifying sustainable development topics most relevant to our operations. In 2024, adhering to the Hong Kong Stock Exchange's *ESG Reporting Guide*, we reassessed key sustainable development issues based on the 2022 sustainable development materiality survey, the 2023 sustainable development topic review, evolving industry trends, and stakeholder feedback. We restructured and updated the material sustainable development issues list by merging "Waste Management" and "Pollutant Management" into "Waste and Pollutant Management" and introduced "Sustainable Finance" as a new critical sustainable development topic in response to sustainability trends. Throughout this process, we thoroughly analysed the current status and trends of our business development while benchmarking against industry leaders' best practices, ensuring our sustainable development prioritization is scientifically rigorous, forward-looking, and pioneering. We also conducted a comprehensive evaluation of the macroenvironment and internal operations to maintain continuity and stability in our sustainable development management system while enhancing adaptability to external challenges.

In 2025, we plan to refine our materiality assessment methodology, initiate a new cycle of stakeholder engagement, and employ "double materiality assessment" to identify core sustainable development issues, demonstrating the relative significance of selected topics on the Company's financial performance as well as their environmental and social impacts.



Confirm materiality issue

Confirm sustainable development materiality issue for 2024 in five aspects: national policies, company strategic planning, domestic and international disclosure standards, capital market, and peer benchmarking.

01

Analyse materiality issue

Analyse the 25 sustainable development issues identified and assess the materiality of different sustainable development issues through conducting interviews with senior executives, engaging functional department heads, communicating with employees, and soliciting expert opinions, and collect opinions on the current sustainable development strategy, related performance, reporting methods, and disclosure quality.

02

Review materiality issue

Internal management and external experts review the screening and analysis results, and the Sustainability Committee of the Board of Directors discusses and reviews the results of the materiality matrix analysis.

03

Respond to and disclose materiality issue

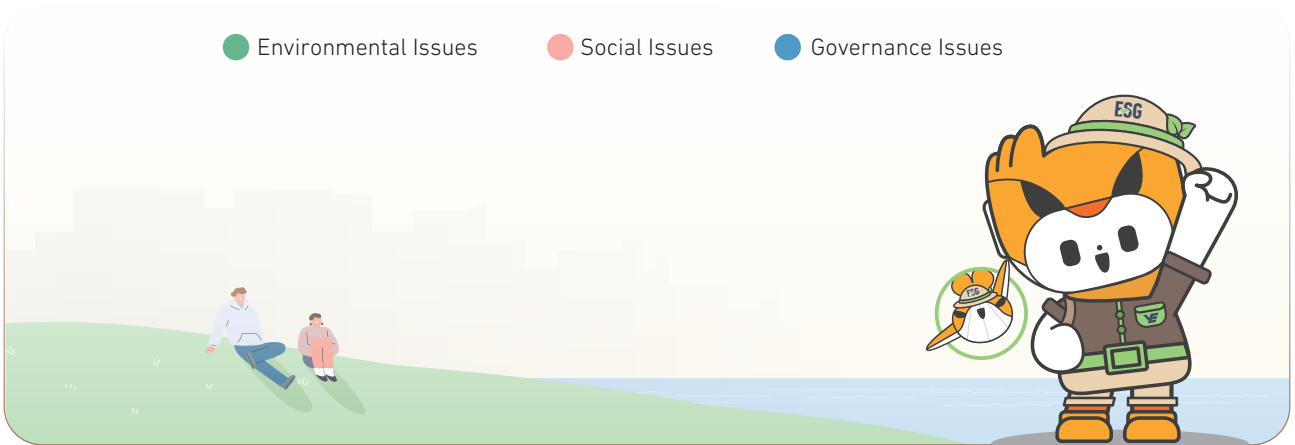
Formulate and implement action plans for material issue, and respond to and disclose key points in this report in order to respond to stakeholders' concerns about the Group's sustainable development efforts and enhance information transparency.

04



2024 Sustainable Development Issue Materiality Analysis Matrix of Yuexiu Property

● Environmental Issues ● Social Issues ● Governance Issues





No.	Title of Issue	Affected Stakeholders							
		Residents	Mall/Office Building Users	Employees	Government	Shareholder & Investor	Suppliers	Media	Local Community
1	Product quality assurance	●	●	●	●	●	●	●	
2	Employee safety and health			●					
3	Energy conservation and emission Reduction	●	●	●	●		●		
4	Business ethics and anti-corruption			●		●	●	●	
5	Green building	●	●		●	●		●	●
6	Climate change response	●	●	●	●	●	●	●	●
7	Responsible governance			●	●	●			
8	Employee remuneration and benefits			●					
9	Water resources management	●	●	●					
10	Customer privacy and information security	●	●						
11	Policy response				●	●		●	
12	Employee training and development			●					
13	Reasonable marketing and promotion	●	●		●				
14	Improvement of customer service quality	●	●	●					
15	Waste and Pollutant Management	●	●	●					●
16	Sustainable Finance					●	●		
17	Diversity and inclusion			●					
18	Protection of employee rights and interests			●					
19	Effective use of materials			●					
20	Public welfare	●	●	●	●	●			●
21	Responsible supply chain management						●		
22	Promotion of sustainable development for tenants	●	●						
23	Promoting industry development				●				
24	Intellectual property protection			●					
25	Reasonable development and biodiversity protection	●	●		●				●

Responses under Hong Kong Stock Exchange Environmental, Social and Governance Reporting Guide	Response under GRI	Responses under ESG Indicators System for ESG Reports of Listed Companies Controlled by Central Enterprises	Response Section of the Report
B6: Product Responsibility		S2.1 Product safety and quality	Product quality and safety
B2: Health and Safety	403-1, 403-2, 403-3, 403-4	S1.3 Employee health and safety	Occupational health and safety; Positive work environment
A3: The Environment and Natural Resources		E.3.2 Management of emission reduction E.5.2 Resource management measures	Our carbon reduction blueprint; Resource protection; Carbon reduction strategies and action plan
B7: Anti-corruption		G2.2 Integrity construction G2.3 Fair competition G5.1 Compliant operations	Business ethics and anti-corruption; Supplier business ethics
B6: Product Responsibility		E.5.5 Green low-carbon certification	Sustainable building design; Green construction
A4: Climate Change		E.3.4 Climate risk management	Climate-related risks and opportunities
	2-9, 2-10, 2-11, 2-12, 2-13, 2-14	G1.1 Governance strategy and procedure	Sustainable development governance
B1: Employment	401-2, 401-3	S1.2 Employee remuneration and benefits	Compensation and benefits; Employee well-being
A2: Use of Resources	303-3, 303-4, 303-5	E.1.1 Water resources	Water resources management
B6: Product Responsibility	418-1	S2.2 Customer service and rights and interests	Privacy protection and information security; Digital management
		S4.4 Response to national strategies	Sustainable finance
B3: Development and Training	403-5, 404-1, 404-2, 404-3	S1.4 Employee development and training	Employee career development
B6: Product Responsibility	417-1, 417-2, 417-3	G2.3 Fair competition	Responsible marketing
B6: Product Responsibility		S2.2 Customer service and rights and interests	Customer satisfaction
A1: Emissions		E.2.1 Wastewater E.2.2 Exhaust gas E.2.3 Solid waste	Green construction management
			Sustainable finance
B1: Employment	405-1, 405-2	S1.1 Employee recruitment and employment	Fair employment; Job creation
B4: Labour Standards		S1.1 Employee recruitment and employment	Opposition to child and forced labour; respect for freedom of association
A2: Use of Resources	301-1, 301-2, 301-3	E.1.2 Materials	Green construction; circular economy
B8: Community Investment	413-1, 413-2	S4.2 Community Joint development S4.3 Social welfare activities	Social responsibility and public welfare
B5: Supply Chain Management	308-1, 308-2, 414-1, 414-2	S3.1 Supplier management S3.2 Supply chain process management	Supply chain management
	203-1	E.5.4 Green actions and measures	Green value chain
	203-2		Green value chain
B6: Product Responsibility	417-1, 417-2	S2.3 Innovation Development	Intellectual property protection
A3: The Environment and Natural Resources	304-1, 304-2, 304-3, 304-4	E.4.1 Impacts of production, services and products on biodiversity	Nature-related financial Disclosure (TNFD); Ecosystem protection





Our Responses to Key Material Issues:

Employee Health and Safety:



Yuexiu Property prioritizes the health and safety of its employees by providing secure working environments, healthy conditions, and essential safety training. The Company organizes regular health check-ups and safety education programs to enhance employees' awareness of health and safety practices.

Business Ethics and Anti-Corruption:



Yuexiu Property upholds integrity in business operations, complies with ethical standards, and opposes all forms of corruption. The Company has established strict internal management systems and oversight mechanisms to ensure transparency and compliance in all business activities. Regular training on business ethics and anti-corruption is provided to employees to strengthen legal and ethical awareness.

Product Quality and Safety:



Yuexiu Property adheres to high standards of construction quality, implementing rigorous quality control across every stage—from design and material selection to construction—to ensure the delivery of safe, comfortable, and high-quality residential and commercial spaces. The Company has established a comprehensive quality management system and conducts regular inspections and evaluations to ensure compliance with national and industry standards.

Energy Conservation and Emission Reduction:



In project development and operations, Yuexiu Property adopts multiple measures to reduce energy consumption and carbon emissions. These include optimizing building designs, implementing efficient energy management systems, and utilizing renewable energy sources. The Company also encourages employees and clients to adopt eco-friendly practices to collectively reduce carbon footprints.

Green Building:



Yuexiu Property actively supports national green building initiatives, focusing on developing environmentally friendly projects. The Company employs energy-efficient materials and technologies in design and construction to enhance energy efficiency and minimize environmental impact. Additionally, Yuexiu Property participates in green building certifications such as LEED and BEAM to elevate the sustainability standards of its projects.





This Report gives a detailed presentation of the stakeholders' concerns and thoughts on the Group and our responses to above sustainable development issues. For the responses to indicators under HKEX's *ESG Reporting Guide*, GRI standards and SASB (Sustainability Accounting Standards Board) real estate industry standards, and the *ESG Indicators System for ESG Reports of Listed Companies Controlled by Central Enterprises*, please refer to the appendices to this report.





CHAPTER 1

CLIMATE WISDOM AND ECOLOGICAL FOOTPRINT

Our actions support the following
United Nations Sustainable
Development Goals (SDGs)





Management Approach

The *Global Risks Report 2024*¹ published by the World Economic Forum indicates that environmental risks remain among the paramount threats to global development. Extreme weather events, critical changes in Earth systems, biodiversity loss and ecosystem collapse, natural resource scarcity, and pollution rank within the top five most severe risks anticipated over the next decade. The threat of climate change to our planet and humanity is intensifying. Persistent global warming has precipitated a surge in extreme weather events, such as torrential rains, droughts, hurricanes, and heatwaves, which have a profound impact on agriculture, ecosystems, and society. Glacial melting, rising sea levels, and extreme temperatures have also exacerbated the frequency and severity of natural disasters. In the coming decade, inadequate response to climate change is identified as the greatest risk. This not only calls for enhanced international cooperation to jointly address climate change but also necessitates that governments and businesses take concrete and effective measures to reduce greenhouse gas emissions and enhance societal resilience to mitigate the negative impacts of climate change.

The *China's Policies and Actions Addressing Climate Change: 2024 Annual Report*² highlights that following the introduction of its carbon peak and carbon neutrality goals, China has comprehensively implemented a new development philosophy which adheres to a people-centric approach and focuses on the Chinese-style modernisation of harmonious coexistence between humans and nature. By synergistically advancing carbon reduction, pollution control, green spaces expansion, and economic growth, China is resolutely executing its carbon peak and carbon neutrality objectives, proposing new strategies and requirements for addressing climate change. The Third Plenary Session of the 20th Central Committee of the Communist Party of China explicitly identified the improvement of green centred and low-carbon development mechanisms as a crucial task in deepening ecological civilisation reforms, emphasising proactive climate change mitigation, promoting carbon neutrality, and for the first time, proposing the enhancement of the climate adaptation framework. With the continuous issuance of policies by the Central Committee of the Communist Party of China and the State Council, China is accelerating the implementation of carbon peaking initiatives, driving green transformation, building a more dynamic and internationally influential carbon market, strengthening climate change adaptation capabilities, and deepening the development of climate-resilient cities. These efforts provide a vital pathway and action guide for building a beautiful China and realising the Chinese dream of the great rejuvenation of the Chinese nation.

Addressing climate change and protecting biodiversity are critical focal points in response to the national "30|60" plan. Yuexiu Property has established a strategic goal on carbon reduction, focusing on five key areas: promoting advanced carbon reduction measures, researching and applying green building technologies, enhancing energy efficiency, optimising resource allocation, and encouraging owners and tenants to participate in low-carbon living practices.

Yuexiu Property deeply understands the profound impact of climate change on business operations. In accordance with the *Climate Change Policy*, we are committed to communicating our management approach and strategies for mitigating, adapting to, and building resilience against climate change to our stakeholders. Following the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we disclose climate-related financial information through the four core pillars of "Governance", "Strategy", "Risk Management", and "Metrics and Targets". Yuexiu Property uses internationally recognised third-party platforms (such as the MSCI Climate Risk Model) to comprehensively analyse the climate conditions of our business locations. This analysis helps us accurately assess our operational and value chain climate performance, as well as the associated risks and opportunities. From a scientific perspective, we have gained a deeper understanding of the potential impacts of climate change on our operations and value chain.



Entering 2024, we have conducted a quantitative study on the financial impacts of climate change, further deepening our understanding. Through carefully planned internal stakeholder interviews, we have gained profound insights into the potential impacts of climate risks and opportunities on our business. By adhering to the disclosure standards of IFRS S2³ and the climate disclosure guidelines of the Hong Kong Stock Exchange, we are committed to achieving international and regional best practices. These insights not only help us more accurately identify and assess risks but also provide valuable guidance for seizing opportunities.

- 1 The World Economic Forum released *The Global Risks Report 2024* on 10 January 2024.
- 2 The Ministry of Ecology and Environment of the People's Republic of China has compiled *China's Policies and Actions Addressing Climate Change: 2024 Annual Report*. The report was officially published during the regular press conference held by the Ministry on 6 November 2024.
- 3 The International Sustainability Standards Board (ISSB) released *IFRS S2 Climate-related Disclosures* in June 2023. IFRS S2 provides guidance and requires entities to disclose information about their climate-related risks and opportunities, thereby providing useful information to users of general-purpose financial reports for making decisions related to the provision of resources to the entity.

We are following the Taskforce on Nature-related Financial Disclosures (TNFD) and applying the LEAP methodology to conduct strategic reviews of nature and biodiversity. Our primary goal is to gain a thorough understanding of how our business activities depend on and impact the natural world. Nature can bring both risks and opportunities. We hope that through future assessment work, we can not only evaluate the potential impact of our business activities on the natural environment but also explore how to responsibly leverage natural capital to create sustainable value. This includes identifying and assessing nature-related risks in our business, such as ecosystem degradation, water scarcity, and biodiversity loss, and how these risks affect our supply chain, operations, and market performance. Additionally, we plan to seek opportunities in the future to promote the restoration and protection of natural capital through innovative solutions and sustainable practices.

In the future, we will continue to review and refine our climate risk assessment processes and integrate them into the Company's existing risk assessment procedures. This will ensure that we can dynamically understand the impacts of climate change and adjust our short-term and long-term climate management strategies accordingly. Yuexiu Property is committed to continuously enhancing the Group's climate resilience and contributing to a more sustainable future.

With our commitment to climate and biodiversity, the environmental management of the Group follows the following relevant laws, regulations, or standards:

The Paris Agreement

The Baku Climate Unity Pact

The Action Plan for Carbon Dioxide Peaking Before 2030

China's Policies and Actions for Addressing Climate Change

Guiding Opinions of the State Council on Accelerating the Establishment of a Sound Economic System with Green, Low-carbon and Circular Development

Measures for the Administration of the Law-based Disclosure of Environmental Information by Enterprises

Measures for the Supervision and Administration of Energy Conservation and Ecological Environment Protection of Central Enterprises





Main Internal Policies on Climate and Biodiversity of Our Company:

Climate Change	Climate Change Policy, Meteorological Disaster Emergency Response Plan
Biodiversity Conservation	Biodiversity Policy
Environmental Protection	Sustainable Water Resources Policy, Environmental Policy, Energy Policy, Sustainable Building Policy
Green Development	Circular Economy Promotion Policy, Green Finance Policy

1.1 GOVERNANCE

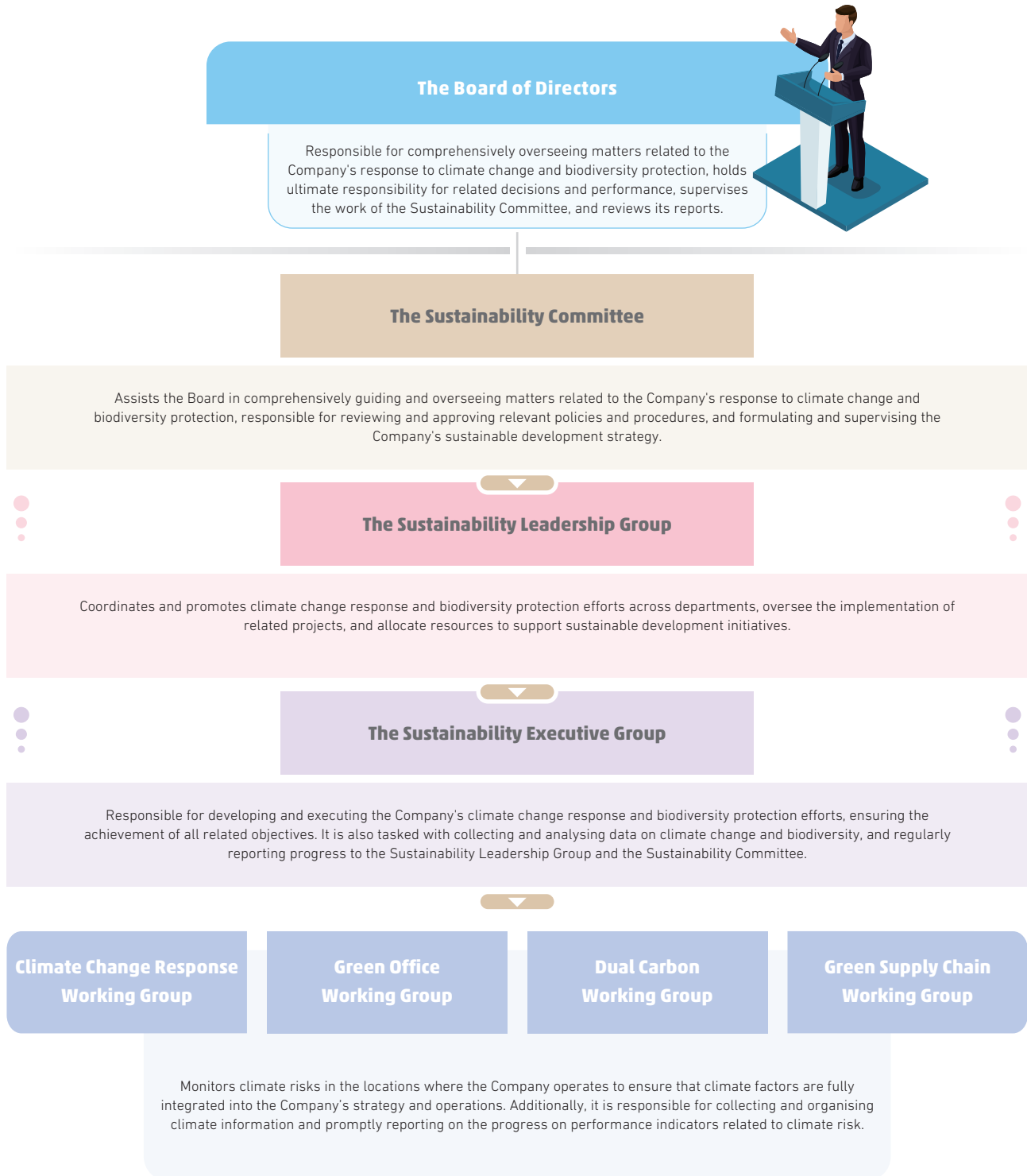
1.1.1 Climate and Biodiversity-related Frameworks and Policies

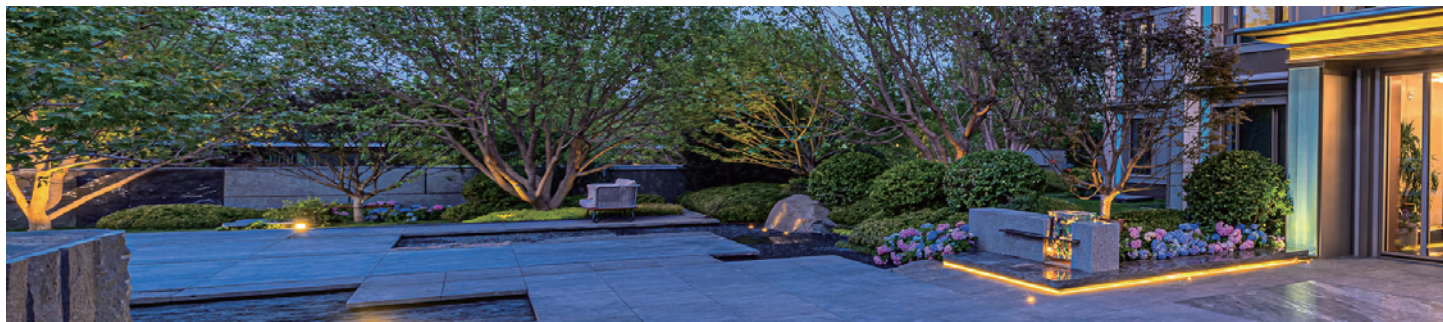
In the preparation of this report, we have consolidated the governance content related to the Task Force on Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD) in this section. This approach provides a comprehensive overview of the Company's integrated governance framework for addressing climate and nature-related risks. It enhances the coherence and transparency of the report, effectively showcasing the Company's overall strategy and actions in sustainable development. Through this method, stakeholders can gain a clearer understanding of the Company's comprehensive capabilities and commitment to environmental risk management, thereby strengthening trust and confidence.

As the decision-making bodies for sustainable development governance, the Board of Directors and the Sustainability Committee (formerly known as the ESG Committee) are responsible for managing and guiding the Company's climate change response and biodiversity conservation efforts, and they review and discuss related risks and opportunities at least annually. The Sustainability Leadership Group (formerly known as the ESG Leadership Group) and the Sustainability Executive Group (formerly known as the ESG Executive Group), which are subordinate to these bodies, lead the Climate Change Response Working Group and the Dual Carbon Working Group in implementing the Company's climate change response and biodiversity conservation initiatives. Major risks, opportunities, and initiatives related to climate change, as well as practices and initiatives for ecological protection and biodiversity conservation, will be disclosed on the Company's website and in the sustainability report.



Yuxiu Property Sustainability Governance Structure

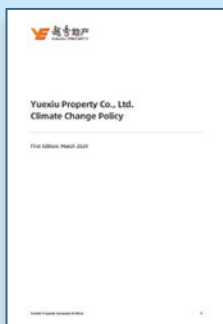




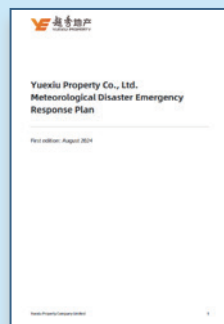
In 2024, Yuexiu Property established the *Climate Change Policy* to address climate change. This policy clearly outlines the Company's goals in advancing its dual carbon strategy: to achieve carbon peak in public and residential projects by 2030 and carbon neutrality by 2060. To this end, Yuexiu Property ensures that all new projects meet at least the one-star standard for green buildings and actively promotes the use of prefabricated construction, exploring the potential of ultra-low energy buildings. In the procurement process, the Company also considers energy efficiency and climate change factors, encouraging the use of low-carbon and sustainable building materials to reduce embodied carbon emissions. Through smart energy management and other means, Yuexiu Property will further strengthen energy management of buildings and facilities, improve resource utilisation efficiency, and help buildings achieve energy conservation and emission reduction. In daily operations, Yuexiu Property integrates the concept of green, low-carbon, and circular development into various activities, with specific requirements including green office practices and employee travel, to enhance resource and energy efficiency. Additionally, the Company promotes a green and low-carbon convention for tenants, encouraging cooperation between owners and tenants around sustainability goals to jointly improve the efficiency of leased buildings and promote social green transformation.

To enhance the ability to prevent and respond to meteorological disasters and minimise casualties and property damage, Yuexiu Property established the *Meteorological Disaster Emergency Response Plan* in 2024. This plan primarily applies to the response to meteorological disasters in the Guangzhou area, such as typhoons, heavy rain, high temperatures, thunderstorms, and strong winds. The principles of the plan include a focus on prevention and routine disaster reduction, ensuring a shift from post-disaster relief to pre-disaster prevention. The Company prioritises the safety of its employees, comprehensively strengthens emergency system construction, and leverages modern technology to enhance the early warning capabilities for meteorological disasters. After the issuance of a warning, all units must closely monitor weather changes, prepare for emergencies, and quickly organise resources to assess potential impacts. The emergency response levels are consistent with the *Guangzhou Meteorological Disaster Emergency Response Plan*, ranging from Level I to Level IV. Upon activation of the emergency response, all levels of emergency organisations must strengthen their duty shifts, closely monitor the disaster situation, and take appropriate measures based on different meteorological disasters. Yuexiu Property has established a Meteorological Disaster Emergency Command Center to lead prevention and emergency response efforts, ensuring that all levels of emergency organisations coordinate their work according to their functions. In post-disaster recovery, affected enterprises must quickly develop reconstruction plans, repair damaged facilities, and ensure a swift return to normal operations. The Board of Directors and the Sustainability Committee are responsible for managing and updating the emergency plan to ensure its effectiveness and disclose relevant practices.

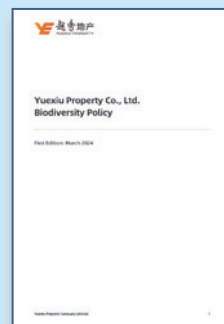
Yuexiu Property is committed to reducing the negative impact of business activities on the ecological environment and biodiversity. To this end, the Company has formulated the *Biodiversity Policy*. It commits to conducting environmental impact assessments in the early stages of projects to analyse, predict, and evaluate the potential impacts on ecosystems and biodiversity. The Company adheres to its green space commitment, complies with ecological protection red lines, and strives to minimise the environmental and ecological impact of construction processes, aiming to obtain green building certifications. Yuexiu Property is gradually adopting the Taskforce on Nature-related Financial Disclosures (TNFD) framework to assess risks and opportunities related to natural resources, enhancing the protection of natural resources, especially in the context of ecological and biodiversity protection during real estate development. The Company continuously monitors the risks associated with the quantification of natural resource losses and effectively manages financial risks and opportunities related to natural resources.



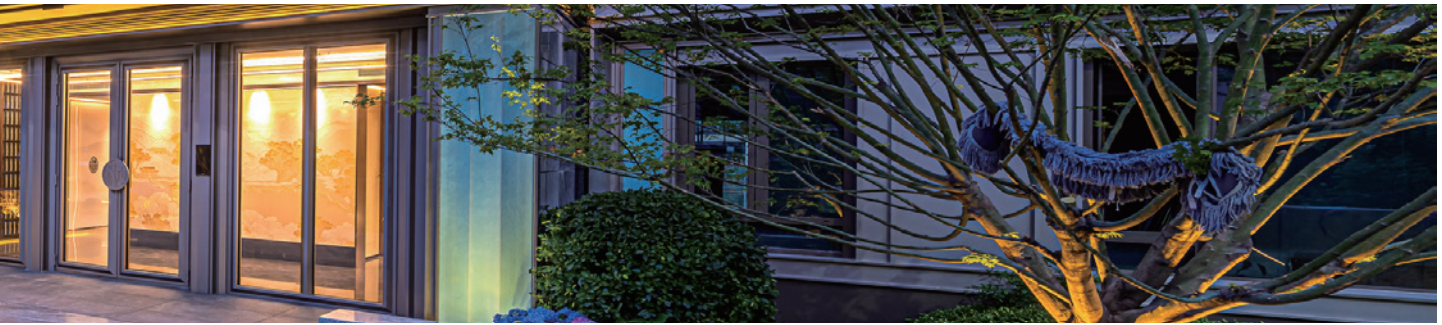
For more information, please refer to Yuexiu Property Co., Ltd. Climate Change Policy



For more information, please refer to Yuexiu Property Co., Ltd. Meteorological Disaster Emergency Response Plan



For more information, please refer to Yuexiu Property Co., Ltd. Biodiversity Policy



1.1.2 Climate and Biodiversity-related Training

Each member of the Board of Directors possesses extensive professional experience spanning various fields, including corporate management, lean management, finance, and risk management. This diverse and robust professional background ensures that the Board has the necessary knowledge and capabilities to provide effective guidance on sustainability-related initiatives. To further enhance the professional capabilities of the Board, senior management, and employees at all levels in the sustainable development domain, the Company has specifically designed a series of training programmes tailored to meet the demands of contemporary development. These training sessions cover not only the latest developments in sustainability but also encompass knowledge on climate change, environmental protection, social responsibility, and more. Through these programmes, the Company aims to cultivate sustainable development awareness among employees, improve their practical application skills, and ensure that the Company's sustainable development practices remain aligned with current trends and maintain a leading edge.

Case

Internal Company Training

In July 2024, the Company organised for responsible individuals and specialists in sustainable development from various departments and subsidiaries to attend the "Training on New Regulations of HKEX regarding Sustainability Climate Information Disclosure and Corporate Governance", covering **100%** of the responsible individuals and specialists.





1.2 THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

Yuexiu Property is well aware that climate issues present both challenges and opportunities. With this understanding, the Company focuses on comprehensively identifying the potential risks and future opportunities brought about by climate change. Adhering to this philosophy, Yuexiu Property is not only committed to implementing effective measures to prevent and mitigate these potential risks but also strives to find the optimal balance between climate impact, corporate performance, and costs. The Company continuously works to ensure the robust development of its business and to maintain flexibility and innovation in the face of climate challenges, thereby preparing for the unpredictable future and seizing opportunities to move towards a more sustainable development path.

The Group regularly reviews and updates relevant policies to adapt to the ever-changing external environment and societal needs. In 2023, Yuexiu Property conducted its first climate scenario analysis using a third-party platform (MSCI Climate Risk Model), covering all business locations of Yuexiu Property. This analysis assessed the climate performance and climate-related risks and opportunities of the Company and its subsidiaries (within the scope of this report). In 2024, we re-examined and comprehensively reviewed the risk categories and the results of the climate risk assessment to ensure that the outcomes remain valid and can effectively guide the Company's decisions and work plans. This initiative not only demonstrates our high level of attention to climate change issues but also highlights our firm commitment to sustainable development. The methods for identifying and assessing climate-related risks and opportunities are outlined in section 1.2.2 *Risk Management*.

1.2.1 Strategy

Decarbonisation Strategy

The response to the dual carbon policy is a top priority for Yuexiu Property's strategy to address climate change. To achieve this goal, the Company is fully promoting the application of green building technologies, focusing on reducing carbon emissions during the design, construction, and operational phases. Yuexiu Property employs efficient building materials and energy-saving equipment, striving to ensure that the energy efficiency standards of its buildings meet or exceed national green building certification standards. The Company is committed to designing, developing, and operating Ultra-Low Energy, Near-Zero Energy, and Dual-Zero Energy Buildings. For more details on green buildings, please refer to *Chapter 2: Sustainable Building and Green Operations*. Yuexiu Property has implemented a comprehensive energy consumption management system to monitor and assess the carbon footprint of its commercial projects in real time. This allows the Company to develop targeted carbon reduction measures effectively. For more information on carbon management, please see the section 2.1.2 *Sustainable Building Design*.



Case

"Dual Zero" Exhibition Hall - Yuexiu R&D Centre

In 2024, Yuexiu Property leveraged buildings as a medium to implement the design principles of Zero-Energy and Zero-Carbon Buildings. By validating zero carbon emissions during the operational phase, the Company aims to achieve the goal of "Zero-Energy + Zero-Carbon Buildings". This initiative contributes to the establishment of a "Dual-Zero" Building technology system for Yuexiu Property's projects in the South China region, creating a replicable and scalable model for demonstration and leadership. As at the date of this report, the exhibition hall serves as an R&D base with the most comprehensive range of R&D categories in the industry. It is China's first pilot project of near-zero pollution well-furnished building, and the first building project in China that features Zero-Carbon Building, Zero-Energy Building Design Certification, Three-Star Green Building pre-certification, and Healthy Building Gold Certification.



**DOUBLE
ZERO**

The project's annual operational carbon emissions per unit area was $-13.27 \text{ kg/CO}_2/(\text{m}^2\cdot\text{a})$, achieving a carbon reduction rate of 125%. This meets the negative carbon target and fulfils the requirements for a zero-carbon building.



Case

"Dual Zero" Exhibition Hall - Yuexiu R&D Centre (Continued)

Design Philosophy



Adopting the principle of "passive design first, active optimisation, and renewable energy utilisation", we have developed a "2+3+11" technical system—comprising "2 pathways + 3 modules + 11 technologies"—to achieve the Zero-Carbon and Zero-Energy Building target

- **Based on passive technology, reduce the building energy demand**
- **Based on active technology, improve the energy efficiency of equipment:** Active technology relies on efficient and energy-saving equipment systems to achieve energy saving and consumption reduction during the operation of buildings
- **Renewable energy:** Includes solar, hydro, wind, biomass, geothermal, and air energy, which are naturally replenishable resources. By utilising renewable energy systems, the Company continuously reduces the operational energy consumption of buildings
 - > This project features a **photovoltaic wall prototype**, integrating photovoltaic components directly into the building structure to combine energy production with architectural functionality. The CIGS thin-film solar modules used in this project generate 10%-15% more electricity than crystalline silicon modules of the same capacity

Facade (curtain wall)



The project primarily utilises two materials: **UHPC (Ultra-High-Performance Concrete) prefabricated components** and **photovoltaic glass**

- **UHPC (Ultra-High-Performance Concrete):** Known for its "three highs"—high strength, high durability, and high workability. Steel fibres are added to the concrete to enhance strength, reactive powders improve fusion, and the material is formed under high pressure and temperature
- **Photovoltaic Glass:** The project employs both BIPV (Building Integrated Photovoltaic) and BAPV (Building Attached Photovoltaic) technologies. The east facade features **hollow BIPV photovoltaic glass curtain walls**, which not only meet building energy efficiency requirements but also **convert solar energy into electricity** for building use. The component efficiency reaches 17% (exceeding the national standard of 15%), with an estimated annual power generation of 5,200 kWh

Case

"Dual Zero" Exhibition Hall - Yuexiu R&D Centre (Continued)

Facade (exterior wall paint, integrated insulation panels)



The non-transparent envelope structure features **real stone paint finishes**, while the north facade employs an **aerogel insulation system**

- Aerogel Insulation Products: A new type of environmentally friendly material composed of a putty layer, insulation middle coat, sealing primer layer, and reflective heat insulation layer. It features low thermal conductivity and high-efficiency thermal insulation

The west facade, which requires higher energy efficiency standards, uses **real stone paint integrated insulation panels**

- It consists of a rock wool insulation layer, inorganic resin board, strong composite adhesive, and real stone paint surface. It is non-toxic, odourless, fireproof, acid and alkali resistant, with strong adhesion that never fades. Additionally, it features durability and freeze-thaw resistance, effectively preventing the erosion of buildings by harsh external environments and extending their lifespan

Roof solar panel



The total area of the solar panels is approximately 170 square meters, comprising 63 units, with an estimated annual power generation of 30,300 kWh

This product does not require external power source. The glass can adjust its transparency based on ambient temperature and solar radiation intensity, allowing it to switch freely between transparent and frosted states

Temperature-dependent smart sunshade glass



Certificates awarded to the "Dual Zero" Exhibition Hall:



Zero Carbon Building Certification



Zero-Energy Building Certification



Three-Star Green Building Certification



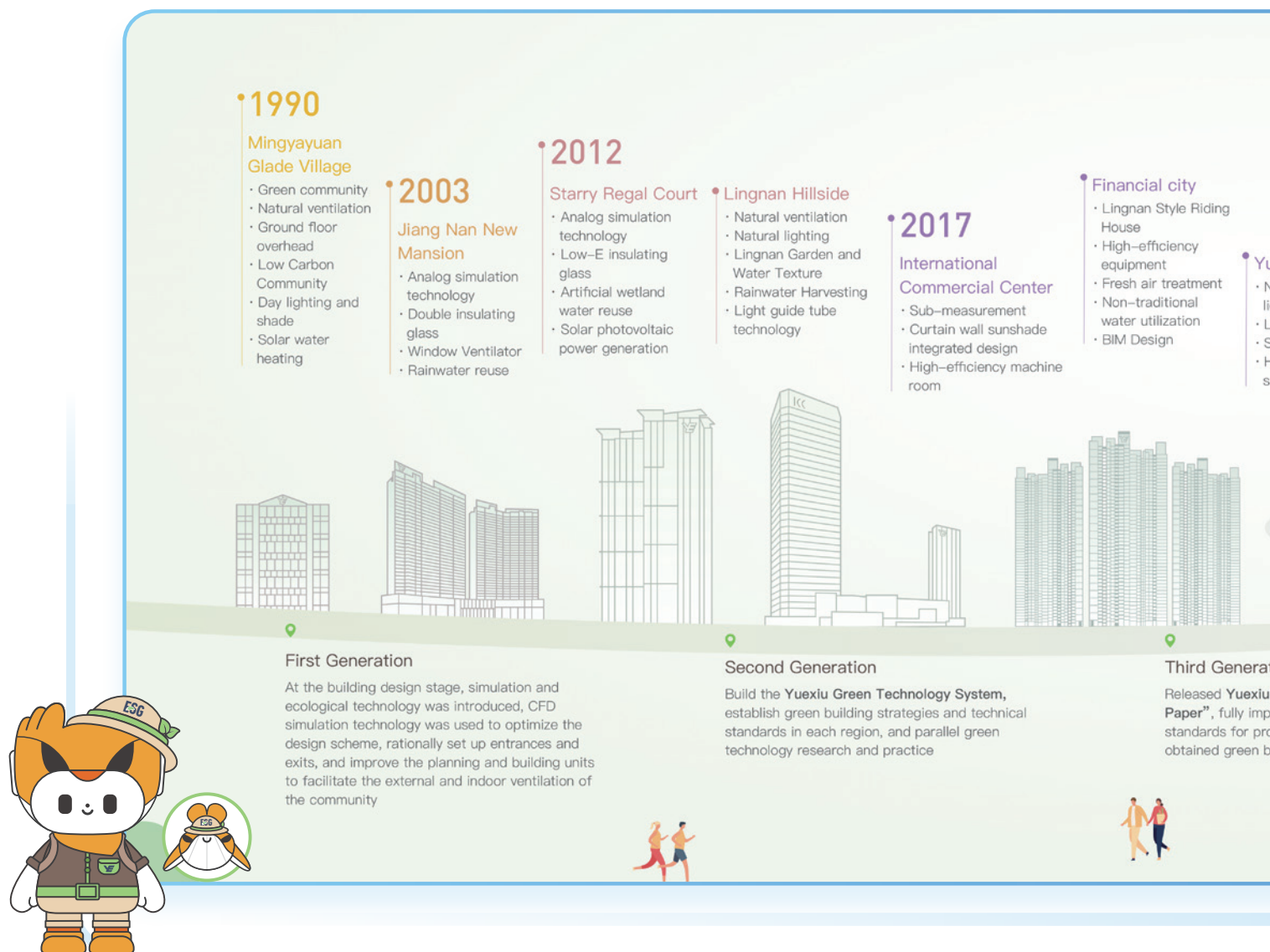
Healthy Building Design Certification



Gold-Level Near Zero Pollution Precision Renovation Evaluation Certificate



The Development Journey of Su



Energy Management

Yuexiu Property implements an energy management system to monitor and optimise energy usage, thereby improving energy efficiency. This includes adopting smart technologies to track energy consumption, establishing energy-saving policies and procedures, and regularly evaluating and improving energy management practices to reduce carbon emissions and achieve sustainable development. Specifically, energy-saving measures are promoted for high-energy-consuming equipment such as air conditioning, lighting, and elevators. By introducing high-efficiency air conditioning systems, LED lighting, and smart elevator technologies, the Company reduces equipment energy consumption and further decreases carbon emissions. Yuexiu Property actively promotes the use of renewable energy to reduce reliance on fossil fuels. The Company plans to integrate solar photovoltaic systems, wind energy facilities, and other renewable energy solutions into new and renovated projects. Collaborating with renewable energy suppliers, Yuexiu Property explores energy-sharing and trading models to increase the proportion of renewable energy usage. For more details on energy management initiatives, please refer to section 1.4.2 *Energy Management*.

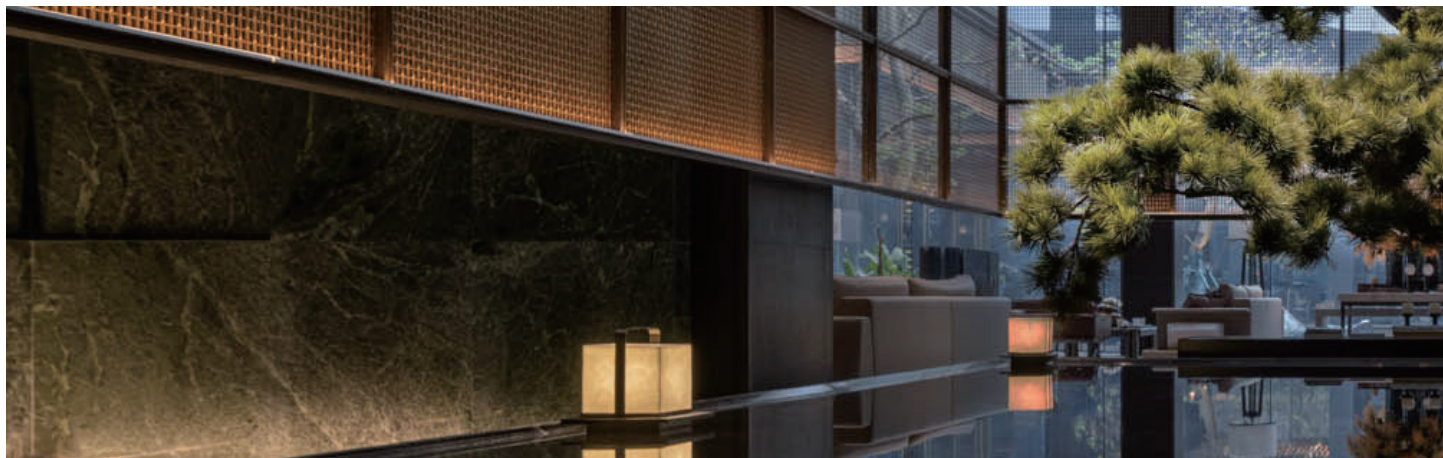
Sustainable Health Technologies



Water Resource Management

Yuexiu Property develops scientific water resource management strategies to achieve efficient and circular water use. The Company incorporates rainwater harvesting and reuse systems in the design phase of many projects, reducing reliance on municipal water sources. Additionally, water-saving technologies and equipment upgrades are implemented to optimise irrigation and cleaning processes, lowering water consumption. Furthermore, Yuexiu Property conducts regular assessments of water usage to ensure sustainable water resource management across all projects, minimising environmental impact. For more details on water resource management, please refer to section 1.4.3 *Water Resource Management*.





Engagement of Property Owners and Tenants

Yuexiu Property actively promotes the engagement of property owners and tenants to achieve broader sustainable development goals. The Company has established a comprehensive education and training system for owners and tenants, regularly hosting environmental awareness seminars and energy-saving workshops to enhance tenants' environmental consciousness and engagement. Additionally, Yuexiu Property has set up a feedback mechanism to encourage owners and tenants to provide input on sustainable development strategies, incorporating this feedback into future policy adjustments. By signing *Green Covenant* with tenants, the Company advocates the concept of sustainability, green and environmental protection through strict regulations on the selection of environmentally friendly materials, equipment and daily necessities, as well as the implementation of garbage classification and smoking ban initiatives. By doing so, the Company collaborates with tenants to build green communities, advancing sustainable development and strengthening cooperation in achieving carbon reduction goals. For more information on green tenants, please refer to the section 2.2.2 *Green Value Chain*.

Sustainable Finance

Yuexiu Property supports environmentally friendly and low-carbon projects through green finance strategies, driving green development. The Company issues green bonds to attract investors committed to sustainable development principles, funding renewable energy, energy-efficient buildings, and water resource management projects. Additionally, Yuexiu Property collaborates with financial institutions to utilise green loans and other financial tools, providing flexible funding channels for sustainable development. These measures not only optimise the Company's capital structure but also enhance its market competitiveness. For more information on Sustainable finance, please refer to *Chapter 5: Sustainable Finance and Intelligent Empowerment*.

Driving the Industry Toward a Low-Carbon Economy

Yuexiu Property strives to promote its own sustainable development while actively participating in carbon reduction initiatives advocated by industry organisations and the government. The Company engages in discussions and shares the latest technologies with other enterprises to lead the industry towards a low-carbon transition. The Company has been invited to contribute to the development of several standards, including *the Evaluation Standard for Zero-Carbon Office Buildings*, *the Carbon Emission Accounting Standard for Office Buildings*, *the Evaluation Standard for Comprehensive Service Capability of Building Mechanical and Electrical Adaptation*, *the Evaluation Standard for Low-Carbon Retrofitting of Existing Public Buildings*, and *the Evaluation Standard for Zero-Carbon Urban Areas*. These standards not only reflect Yuexiu Property's expertise and contribution in the field of energy conservation and carbon reduction, but also provide strong support for the industry's continuous innovation in the field of green and low-carbon business.

As a state-owned enterprise in Guangzhou, Yuexiu Property leverages its Zero-Carbon and Low-Carbon technology systems to successfully develop and establish the "Yuexiu R&D Centre" base in 2024. This pioneering project implements cutting-edge Zero-Carbon technologies and eco-friendly materials, obtaining multiple professional certifications and laying a solid foundation for future "Dual-Zero" projects.






Climate-Related Risks and Opportunities

Yuexiu Property has adopted a comprehensive and high-level strategy to address significant climate risks, ensuring sustainable development and corporate resilience. The Company faces physical risks, such as climate change and extreme weather, which may impact construction quality and operational costs. In response, Yuexiu Property actively adapts to environmental changes by strengthening climate change assessments and promoting green building technologies, thereby enhancing the risk resilience of its projects.

Regarding transition risks and opportunities, as policies and regulations become increasingly stringent and green building standards rise, Yuexiu Property is committed to complying with carbon reduction policies. By leveraging technological innovation and the development of green materials, the Company ensures project compliance and optimises resource allocation. This not only enhances the Company's market competitiveness but also lays the foundation for future sustainable development.


Below, we outline some significant climate-related risks and corresponding mitigation measures.

Type of Risks	Impact on the Company's Value Chain	Potential Financial Impact	Our Strategic Initiatives
Physical Risks			
Chronic (Medium-Term/Long-Term)			
 Annual Average Temperature Increase 	1. May affect the progress and quality of construction work, particularly the increased challenge of construction in hot environments.	Increased cost of using air conditioning and cooling equipment, increasing the Company's operating costs.	Regularly assess the impact of climate change on the project, strengthen safety precautions, management, and formulate <i>Climate Change Policy</i> and <i>Meteorological Disaster Emergency Response Plan</i> .
	2. Impact on the property sales market, with demand likely to be affected by seasonal variations and climatic conditions.	Increase in building maintenance costs. Rising insurance premiums increase project costs.	Vigorously promote green building technology and enhance the environmental performance of buildings.
Sea Level Rise 	1. Threatens coastal infrastructure and real estate, increasing risks and costs.	Reduces the market value of seaside property projects, potentially leading to asset depreciation and lower sales.	Develop a detailed geographic and climatic assessment of the risk of sea level rise in a given area.
	2. Increases the cost and complexity of maintaining and rehabilitating coastal properties.	Increase the cost of insurance and maintenance of seaside property, reducing the return on investment.	Work with insurance companies to ensure that the project has adequate insurance coverage.



Type of Risks	Impact on the Company's Value Chain	Potential Financial Impact	Our Strategic Initiatives
Acute (Short-Term/Medium-Term)			
Extreme Heat 	1. May affect the progress and quality of construction work, increasing construction risks and difficulties. 2. Increased energy consumption of cooling equipment. 3. Deterioration of building materials and damage to components.	Project delivery and cash flow affected by delays in the construction schedule. Increased cost of air-conditioning and cooling equipment usage, raising the Company's operating expenses.	Upgrade to energy-efficient air-conditioning and cooling equipment. Apply energy-efficient designs, such as heat-insulating materials and energy-efficient windows and doors, to reduce air-conditioning energy consumption. Enhance safety management to ensure employee health and safety in hot environments.
Rainfall Flooding 	1. Rainfall may damage the construction site and cause damage and leaks to houses. 2. Direct damage to existing properties.	Increased construction costs and elevated property maintenance costs. Rising insurance costs.	Deploy flood prevention work in advance and develop contingency plans. Conduct regular rainfall flood risk assessments. Incorporate sustainable design concepts in new projects to increase green space and stormwater management measures to reduce flood risk.
River Flooding 	1. May result in damage to construction sites, causing delays and increasing the construction period. 2. River flooding may result in damage to structures along the river.	Increased maintenance costs. Rising insurance costs. Decrease in valuation of Company's assets along the river.	Conduct regular flood risk assessments and develop emergency response plans. Negotiate comprehensive insurance coverage with insurance companies. Enhancement of drainage and flood protection facilities at projects.
Typhoons 	1. Causes damage to buildings and equipment. 2. Causes safety hazards in the surrounding environment. 3. Result in construction site stoppage and delay in project progress.	Causes direct damage to the building. Indirect losses in terms of increased operating costs. Rising insurance costs.	Reinforce the building structure and develop contingency plans. Improve the wind resistance of the building and optimise the construction of the drainage system. Seek insurance companies to ensure risks are covered.
Extreme Cold 	1. Extreme cold temperatures can reduce construction efficiency, increase heating energy consumption, and cause problems such as frozen water pipes and snow on roofs. 2. May affect the performance of building materials and structural safety. 3. Increase the challenges and risks of the healthcare industry in safeguarding the health of the elderly.	The construction cycle receives an impact leading to higher costs and affecting the project budget. Heating consumption can increase operating costs.	Apply suitable materials adapted to low temperature environment and strengthen quality control to ensure building structural safety. Develop and promote energy-efficient buildings to reduce heating demand. Develop contingency plans for frost damage.
Extreme Snowfall 	1. Snowfall will affect construction progress and project delivery. 2. May trigger damage to houses. 3. Increase the risk of injury to employees.	Damage to properties will increase the cost of repairs. Additional construction costs and material storage costs.	Prepare an emergency plan for snowfall and organise drills. Clear the snow in time to ensure the road is clear and to minimise potential safety hazards.




Type of Risks	Impact on the Company's Value Chain	Potential Financial Impact	Our Strategic Initiatives
Transition Risks and Opportunities			
Policy and Legal (Short-Term/Medium-Term/Long-Term)			
"30/60" Strategy National Policies and Regulatory Requirements 	1. Updates and changes in national policies lead the trend towards carbon reduction and raise project entry barriers.	Increased capital expenditure to comply with regulations and existing energy efficiency programmes.	Follow government policies on carbon reduction to ensure project compliance.
	2. Stringent regulatory requirements make compliance more difficult.	Potential for increased fines for non-compliance.	Active participation in policy development by government and industry organisations to promote project sustainability.
Stricter Green Building Standards 	1. Stringent green building standards lead to higher financing difficulty and construction requirements for companies.	Increased compliance costs.	Comply with relevant national standards and conduct building energy audits to ensure regulatory compliance.
	2. Additional costs for green certification.	Increased capital expenditure on renovation works on assets under management to comply with regulations.	Invest in R&D to find more cost-effective green materials and construction techniques.
Carbon Pricing Implementation in Business Markets 	1. Need to participate in carbon trading in accordance with local regulations, which requires increased investment.	Increased operating costs due to carbon tax and pricing.	Follow local and regional carbon market policies.
	2. Required to disclose carbon emissions and other relevant data in accordance with regulations.		Improve energy efficiency and increase the use of renewable energy, thereby reducing the carbon footprint and associated taxes.
Public Disclosure Requirements 	1. Increasing the Company's data collection and management costs brings additional compliance risks and operational complexities while enhancing transparency.	While enhancing the Company's transparency and reputation, this will also incur additional compliance costs, audit fees, and potential compliance risks, putting pressure on short-term financial performance.	The Company needs to establish a comprehensive data governance system, strengthen internal controls, optimise the information disclosure process, and continuously enhance its sustainable development management capabilities.
	2. It is necessary to implement various measures, including specialised personnel training, upgrading data management systems, and introducing third-party audits.		
Technology (Short-Term/Medium-Term/Long-Term)			
Development of Green Building Technologies 	1. Adoption of advanced construction techniques and equipment to shorten the construction cycle and improve efficiency.	The introduction of new technologies may lead to higher initial investment and affect short-term financial performance.	Increase the use of prefabricated buildings to reduce carbon emissions during construction and transport.
	2. Technology drives innovation in design concepts and enhances the functionality and environmental friendliness of buildings.	Green technologies can reduce energy consumption and maintenance costs, boosting long-term profits.	Collaborate with government and research organisations to accelerate the development and application of green building technologies.
Development of Energy Sector Technologies 	1. Integration of renewable energy technologies, such as solar and wind energy, to promote green building development.	The application of new technologies may require higher upfront investment, affecting short-term financial performance.	Increase R&D investment in cutting-edge energy technologies or collaborate with external organisations to introduce advanced technologies.
	2. New technologies can improve building energy efficiency, reduce energy consumption and improve operation and management.	In the long term, energy efficiency improvements can significantly reduce energy costs and improve profitability. Projects adopting advanced energy technologies may attract more customers.	Pay close attention to changes in energy policies and adjust strategies in a timely manner to comply with new requirements and market trends.





	Type of Risks	Impact on the Company's Value Chain	Potential Financial Impact	Our Strategic Initiatives
 	Market (Short-Term/Medium-Term/Long-Term)			
	Changing Investor Preferences for Green Investments	<ol style="list-style-type: none"> Higher investor expectations and willingness to invest in companies and projects committed to carbon reduction. 	Green projects may receive lower financing rates and more government subsidies.	<p>Formulate a <i>Green Finance Policy</i> and a <i>Sustainable Finance Framework</i>.</p> <p>Actively use green finance financing tools to attract such investors.</p>
		<ol style="list-style-type: none"> There are higher disclosure requirements for corporate sustainability-related indicators. 	Green buildings usually match higher rents and sales prices, enhancing asset values.	Communicate regularly with investors to understand their expectations.
	Shift in Customer Preferences for Low-Carbon Consumption	<ol style="list-style-type: none"> Higher customer demand and willingness to pay for buildings with lower carbon footprints and higher energy efficiency. 	Absorption of high-value tenants and potential increase in rental premiums for green buildings.	Promote smart applications and technologies conducive to low-carbon living to consumers, such as the concepts of Ultra-Low-Energy Buildings, Dual-Zero Buildings and healthy house systems.
 	Supply Chain (Short-Term/Medium-Term/Long-Term)			
	Widespread Adoption of Low-Carbon Materials	<ol style="list-style-type: none"> Increase procurement of low-carbon materials to ensure sustainability in the supply chain. 	In the short term, material procurement expenditures are likely to rise.	Yuxiu Property established the Yuxiu R&D Centre to develop green building technologies as well as environmentally friendly materials.
		<ol style="list-style-type: none"> Enhance research and development to explore new low-carbon materials to meet market demand. 	Low-carbon materials usually have higher durability and lower maintenance and replacement costs.	Strategic co-operation has been established with suppliers of low-carbon materials to ensure a stable supply of materials.
	Limited Availability and Rising Prices of Resources	<ol style="list-style-type: none"> Increased risk of supply chain disruptions. 	Increases in resource prices will directly raise project costs and affect profit margins.	Diversify supply chain to reduce risk.
 	Reputation (Short-Term/Medium-Term/Long-Term)			
	Reputation, Litigation, and Negative Publicity	<ol style="list-style-type: none"> Negative events can damage brand image and consumer confidence. 	Litigation cases may lead to increased legal costs and compensation expenses, affecting profits.	Demonstrate leadership in combating climate change by setting clear carbon reduction targets and disclosing relevant information.
		<ol style="list-style-type: none"> It affects the normal operation of the Company. 	Damaged goodwill may lead to a drop in share price, affecting the Company's market capitalisation and ability to raise funds.	Develop and implement a comprehensive crisis management strategy to respond quickly to adverse events.

To more accurately quantify the financial impact of climate risks and opportunities, Yuexiu Property has established several key financial indicators. These indicators are designed to comprehensively reveal the profound effects of climate factors on the Company's financial condition, while also showcasing the Company's proactive measures and significant achievements in addressing climate change and seizing market opportunities. Through this series of scientific and systematic financial indicators, Yuexiu Property not only builds a more robust financial foundation for itself but also sets a benchmark for sustainable development in the industry. This demonstrates the Company's steadfast commitment to balancing environmental protection and economic growth, highlighting its dual responsibility in fostering both ecological and financial resilience.

	Metrics	2024 Performance	2023 Performance
	Amount of green bonds issued (RMB million)	1,690	—
	Amount of new green building loans (RMB million)	13,381	20,898
	Amount of green loans secured (RMB million)	31,392	29,866
	Total loans secured (RMB million)	103,889	104,371
	Amount of green loans secured as a percentage of total loans secured	48.9%	44.7%

1.2.2 Risk Management

We identify our risk exposures and manage them in a timely manner. The Company has incorporated climate risk as one of the major sustainable development risks into its comprehensive risk management system by constructing a comprehensive climate risk management framework (comprising three levels: breadth, depth, and height).

The three levels of Yuexiu Property's climate change risk management

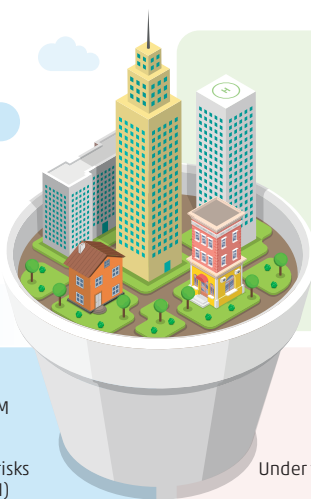


Dimension:

Integration of climate change risk management into ERM

Specific content:

Integrate climate change risks and biodiversity-related risks into Yuexiu Property's Enterprise Risk Management (ERM) system as the main risks to sustainable development, and identify, assess and manage climate change risks through a mature enterprise management system.



Dimension:

ISO14001 environmental management system

Specific content:

Yuexiu Property has formulated a comprehensive ISO14001 environmental management system and assisted its subsidiaries in obtaining ISO14001 environmental management system certification, so as to implement environmental and energy-saving and low-carbon management requirements, and to reduce negative impacts on the environment and carbon emissions.

Dimension:

Top-down management of climate change response

Specific content:

Under the leadership of the Sustainability Committee, the 'Climate Change Response Working Group' is responsible for Yuexiu Property's climate change management and specific identification, analysis and response to climate change risks, responding to global actions to address climate change. We are committed to minimising the amount of greenhouse gases in the atmosphere and to achieving net zero carbon emissions by 2060.

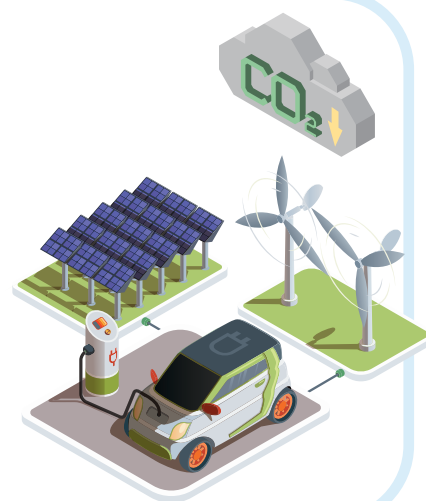
We have a robust audit and risk identification mechanism, which not only ensures that our operational activities comply with relevant regulations and standards but also helps us identify potential risk points in a timely manner. We regularly conduct in-depth climate change risk identification exercises, which include comprehensive analysis and assessment of acute and chronic climate change factors that may impact our business. We develop response plans for each risk on a case-by-case basis. These plans are designed to mitigate or eliminate the impact of the risks by implementing effective measures, ensuring that our business can continue to grow in a stable manner. More importantly, through this series of activities, we have established a virtuous cycle of continuously enhancing our risk management capabilities. Each process of risk identification, assessment, and response serves as a test and optimisation of our existing risk management mechanisms.



The Climate Change Response Working Group examines the Company's climate change management level from a strategic perspective, from the top down. The team is responsible for the strategic formulation, plan implementation, indicator tracking, and management enhancement of Yuexiu Property's overall climate change risks and opportunities. While exploring potential climate change risks, the team also identifies climate change opportunities within our business, enabling Yuexiu Property to better adapt to future climate change challenges. Through systematic analysis and assessment, the team not only identifies climate change factors that may have a significant impact on Yuexiu Property but also formulates specific countermeasures and action plans to ensure that these measures are effectively implemented and achieve the desired outcomes. Additionally, the team regularly tracks relevant indicators to assess the effectiveness of risk management and continuously optimises and enhances its management level, ensuring that Yuexiu Property remains at the forefront of climate change response.

Certain subsidiaries of Yuexiu Property, including Guangzhou Yuexiu Property Development Co., Ltd., Guangzhou Yuejian Engineering Management Co., Ltd., Guangzhou City Construction & Development Engineering Cost Consulting Co., Ltd., Guangzhou City Construction & Development Design Institute Co., Ltd., Yue Xiu Property Management Limited and Yue Xiu APT Parking Limited, have obtained ISO 14001 Environmental Management System certification. Through this certification, we have established a comprehensive system to ensure the identification and mitigation of climate-related risks and opportunities across all our business areas.

Through continuous learning and improvement, our risk management capabilities have significantly enhanced. This not only helps us better address current climate change challenges but also prepares us for new risks that may arise in the future. This continuous improvement mechanism ensures that we can maintain our competitiveness in a rapidly changing environment and lays a solid foundation for achieving our sustainable development goals.



Scenario Analysis

In accordance with the recommendations of the TCFD, we have developed two unique climate scenarios to deepen our understanding of the resilience and robustness of our business under different potential future conditions. These two scenarios are the 1.5°C and 3°C scenarios, both of which are constructed using publicly available scenarios from renowned organisations, including the Intergovernmental Panel on Climate Change (IPCC) and the Network of Central Banks and Supervisors for Greening the Financial System (NGFS). These scenarios encompass a range of factors, including political, environmental, economic, and social indicators. By assuming different levels of population size, economic activity, weather patterns, energy use, land use patterns, technology, and climate policy, these scenarios provide data projections that enable us to consider the potential impacts of climate change from the present to 2050, covering all our assets across 27 cities and 121 projects in China.

1.5 °C Scenario

The 1.5°C Scenario depicts a world in which global average temperatures is projected to rise by 1.5°C above pre-industrial levels by 2100 and envisages an economic development that is inclusive and respectful of environmental boundaries, and in which countries are committed to net-zero emissions by 2050 and are prone to implement stringent climate policies. In this scenario, the rapid transition from fossil fuels to renewable energy and the commitment of businesses to low-carbon operations, contributing to climate action goals and developing detailed plans with short-term targets result in a decarbonised economy with low physical risk and high transition risk.

3 °C Scenario

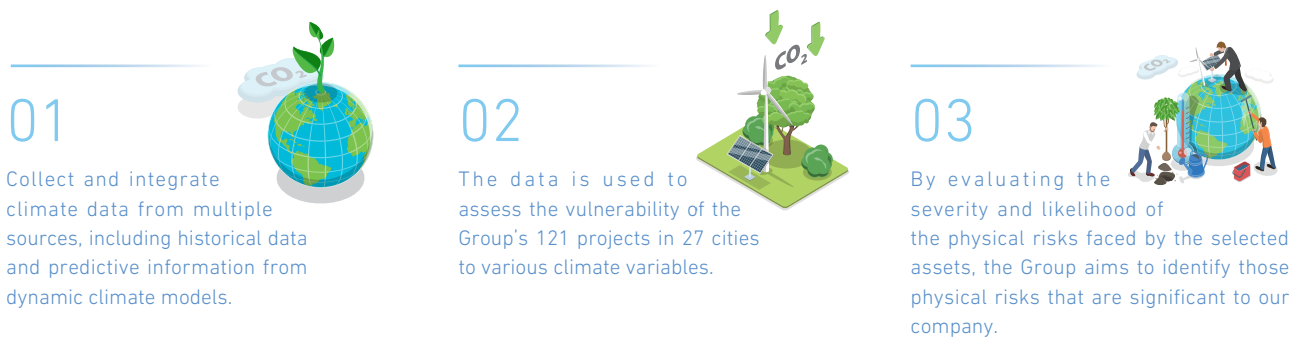
In the world described by the 3°C scenario, the global average temperature is projected to rise by more than 3°C above pre-industrial levels by 2100. This scenario envisions a future driven by fossil fuel-powered economic growth and technological progress, leading to increased greenhouse gas emissions and worsening extreme weather events. Despite the imminent environmental issues, the lack of new climate policies and short-term action plans is due to institutional, political, and economic challenges. Profit-centric business models prioritise financial gains over environmental and social impacts, and the lack of public awareness further hinders systemic transformation. Consequently, this scenario presents high physical risk and low transition risk.

Risk Identification

Since 2023, we have distributed assessment questionnaires to our directors and senior management to evaluate climate-related risks quantitatively and qualitatively. In 2024, we conducted in-depth interviews with the leaders of 24 key departments, particularly focusing on the Product and Customer Research Centre, Capital Management Department, Cost and Procurement Centre, Engineering and Technology Centre, and Strategic Investment Centre of Yuexiu Property. These interviews analysed the key physical and transition risks from the previous year and planned corresponding measures. This assessment aims to comprehensively understand the vulnerabilities of each department in the face of climate risks and to develop scientific response strategies. Through discussions with department leaders, we identified risks that have a significant impact on business operations, providing a foundation for formulating effective risk management measures. Additionally, department heads evaluated the factors that contribute to risks and opportunities, including current and planned measures and controls, and analysed the potential impact of these risks on financial performance. We incorporated the assessment results into an actuarial risk model to predict the potential impact of climate-related risks and prioritised climate risks.

Physical Risks

In the assessment of physical risks, chronic and acute risks have introduced significant uncertainty in our efforts to achieve our decarbonisation goals. Identifying, evaluating, and forecasting the primary sources of uncertainty and their future impacts help us develop appropriate strategies to mitigate the risks associated with climate change. By adopting a science-based approach, we can enhance the accuracy of our risk assessments. Reliable and precise data enable us to make informed decisions and develop effective mitigation plans. Our physical risk assessment includes eight physical climate variables.



Chronic Risks (Medium-Term /Long-Term)

	Annual Average Temperature Increase	The average annual temperature has risen compared to historical levels, primarily due to increased greenhouse gas emissions from human activities.
	Sea Level Rise	Global sea levels are on a long-term rising trend, leading to the flooding of low-lying and coastal areas.

Acute Risks (Short-Term /Medium-Term)

	Extreme Heat	Temperatures were significantly higher than normal, with serious implications for employee health and safety and resource consumption.
	Rainfall Flooding	Excessive rainfall causing floods, which can damage infrastructure and threaten lives.
	River Flooding	Overflowing rivers leading to widespread flooding, damaging communities and property.
	Typhoons	Tropical storms bringing strong winds and heavy rainfall, causing structural damage and environmental safety hazards.
	Extreme Cold	Extreme cold temperatures leading to increased resource consumption and affecting project delivery.
	Extreme Snowfall	Heavy snowfall impacting project progress and completion, and causing damage to buildings.



		Business Impact Level	
		1.5 °C	3 °C
Chronic Risks	Annual Average Temperature Increase		
	Sea Level Rise		
Acute Risks	Extreme Heat		
	Rainfall Flooding		
	River Flooding		
	Typhoons		
	Extreme Cold		
	Extreme Snowfall		

High Impact Medium Impact Low Impact

Transition Risks

By analysing two scenarios, we conducted both quantitative and qualitative assessments. This approach combines quantitative, science-based projections with qualitative analyses of government and policy developments to evaluate the impact of two different climate scenarios on our business and value chain. We also carried out extensive interviews and surveys this year to gather input from various departments and business units, aiming to better understand the resilience of our entire value chain and ensure that our transition risk assessments are closely aligned and consistent with our business operations.

01



We extract and integrate relevant data from reputable sources such as the IPCC and NGFS. Our assessment process includes qualitative research, policy and regulatory analysis, and the collection of input from key business units, ensuring that the assessment results are relevant and consistent with our operations.

02



We use the collected data to evaluate the risk exposure of selected business units and their value chains (both upstream and downstream).

03



By assessing the severity and likelihood of transition risks across the value chain, we identify significant transition risks for the Group.

Risks and Opportunities

Policy and Legal Risk (Short-Term/Medium-Term/Long-Term)

“30|60” Strategy National Policies and Regulatory Requirements

As the “30|60” targets advance, national policies and regulatory requirements are becoming increasingly stringent. This necessitates the allocation of more resources to ensure the accuracy of environmental data and meet requirements for personnel training, system upgrades, and third-party audits.

Stricter Green Building Standards

Government and relevant institutions are raising the bar for the certification, design, construction, operation, and maintenance of green buildings.

Carbon Pricing Implementation in Business Markets

Markets implementing carbon pricing typically require companies to report their carbon emissions, pay carbon taxes, or participate in carbon trading, and to take measures to reduce emissions.

Public Disclosure Requirements

To comply with government and institutional disclosure requirements, accurate carbon emission data must be provided, and carbon reduction measures must be implemented.

Risks and Opportunities**Technology Risk (Short-Term/Medium-Term/Long-Term)**

Development of Green Building Technologies	Advancing green building projects presents technological challenges and a demand for expertise, as well as challenges in the green building materials supply chain.
Energy Sector Technological Advancements	There is a trend towards adopting energy-saving and low-carbon technologies, along with an expansion in the use of renewable energy.

Market Risk (Short-Term/Medium-Term/Long-Term)

Changing Investor Preferences for Green Investments	There is a growing trend of investors showing increased interest and preference for environmentally friendly projects or companies in their investment decisions.
Shift in Customer Preferences for Low-Carbon Consumption	Consumers are increasingly choosing properties with lower environmental impact and carbon emissions when purchasing or renting.

Supply Chain Risk (Short-Term/Medium-Term/Long-Term)


Widespread Adoption of Low-Carbon Materials	An increasing number of companies in the industry are opting to use low-emission materials to reduce environmental impact.
Limited Availability and Rising Prices of Resources	Due to the limited availability of resources and increasing demand, resource supply is becoming strained, leading to price increases.

Reputational Risk (Short-term/Medium-term/Long-term)

Reputation, Litigation, and Negative Publicity	Companies may face risks and challenges related to their reputation, litigation, and negative public events, which can affect their financial condition, brand image, and market position.
--	--







		Business Impact Level	
		1.5 °C	3 °C
 Policy and Legal Risk	"30 60" Strategy National Policies and Regulatory Requirements are Stricter	High Impact	High Impact
	Stricter Green Building Standards	High Impact	High Impact
	Carbon Pricing Implementation in Business Markets	Medium Impact	Medium Impact
	Public Disclosure Requirements	Medium Impact	Medium Impact
Technology Risk	Development of Green Building Technologies	Medium Impact	High Impact
	Energy Sector Technological Advancements	Medium Impact	Medium Impact
Market Risk	Changing Investor Preferences for Green Investments	Medium Impact	Medium Impact
	Shift in Customer Preferences for Low-Carbon Consumption	Medium Impact	Medium Impact
Supply Chain Risk	Widespread Adoption of Low-Carbon Materials	Medium Impact	Medium Impact
	Limited Availability and Rising Prices of Resources	Medium Impact	Medium Impact
Reputational Risk	Reputation, Litigation, and Negative Publicity	Medium Impact	Medium Impact






High Impact Medium Impact Low Impact

1.2.3 Metrics and Targets

Yuexiu Property is committed to achieving its carbon emissions peak by 2030 and reaching carbon neutrality across its value chain by 2060. To this end, we will actively promote carbon reduction efforts by scaling up our decarbonisation programmes and supporting innovative technologies. Our comprehensive carbon reduction strategy, which integrates innovative approaches and technologies, is designed to pragmatically advance the development of these initiatives, thereby contributing to a more sustainable, low-carbon future.

To ensure the realisation of these goals, we have established a multi-dimensional set of metrics aligned with the nature and priorities of our operations, and we track the latest developments annually. These metrics will help us assess our progress in carbon reduction and adjust our strategies to meet evolving environmental and market demands. Through this systematic management and oversight mechanism, Yuexiu Property will continue to drive its carbon reduction efforts, contributing to the achievement of green and sustainable development.

	Metrics	Targets	Progress in 2024
	Greenhouse Gas Emissions and Energy Consumption		
	Carbon emission intensity per unit area of public projects (scope 1 and scope 2)	Achieve 40% reduction in carbon emission intensity per unit area of public projects by 2030 compared to 2019.	The carbon emission intensity per unit area of public projects has decreased by 22.37% compared to 2019.
	Carbon emission intensity per unit area of residential projects (scope 1 and scope 2)	Achieve 19% reduction in carbon emission intensity per unit area of residential projects by 2030 compared to 2019.	The carbon emission intensity per unit area of residential projects has decreased by 3.91% compared to 2019.
	Green Construction		
	Percentage of prefabricated construction projects	By 2030, the proportion of prefabricated construction projects will be 100%.	In 2024, the proportion of prefabricated construction projects was 72.4%.

	Metrics	Targets	Progress in 2024
	Green Building		
	During the design phase of residential projects, the proportion of projects designed to meet or exceed the one-star standard for green buildings.	During the design phase of residential projects, the proportion of projects designed to meet or exceed the one-star standard for green buildings is 100%.	During the design phase of residential projects, the proportion of projects designed to meet or exceed the one-star standard for green buildings was 100%.
	Proportion of green building area among the total area of new residential projects	By 2030, the number of residential projects constructed according to green building standards will account for 100% of all new construction projects.	From 2015 to 2024, the number of residential projects constructed to green building standards accounted for 68% of all new construction projects.
	Number of ultra-low, near-zero, and net-zero energy buildings among the number of new projects	By 2060, the number of new construction projects that are ultra-low energy, nearly zero energy, and net zero energy will account for 100% of all new construction projects.	In 2024, the number of new construction projects that are ultra-low energy, nearly zero energy, and net zero energy accounted for 38% of all new construction projects.
	Green Leasing		
	Proportion of public areas in self-held projects connected to energy management platforms	By 2030, the proportion of commercial self-held projects with public areas connected to an energy management platform will reach 100%.	In 2024, the proportion of commercial self-held projects with public areas connected to an energy consumption management platform reached 74%.
	Coverage rate of the Green Covenant in super-A grade office buildings	The coverage rate of the Green Covenant for office tenants in newly signed leases will be maintained at 100%.	In 2024, the coverage rate of the Green Covenant for office tenants in newly signed leases reached 100%.
	Sustainable Finance		
	Proportion of green bonds and green loans in the total bond and loan financing amounts.	By 2030, the proportion of green bonds and green loans in the total bond and loan financing amounts will be at least 50%.	In 2024, the proportion of green bonds and green loans in the total bond and loan financing amounts reached 31.8%.
	Proportion of green bond financing used for green building projects	By 2030, 100% of green bond financing will be used for green building projects.	In 2024, 100% of green bond financing was used for green building projects.
	Renewable Energy Generation		
	Purchase of green electricity	Purchase over 1,000,000 kWh of green electricity certificates by 2050.	In 2024, Yuexiu Property cumulatively purchased 710,000 kWh of green electricity certificates.
	Circular Economy		
	Paperless office (coverage rate of electronic signatures)	By 2030, the coverage rate of electronic signatures will reach 100%.	In 2024, the coverage rate of electronic signatures reached 43.7%.



1.3 THE TASKFORCE ON NATURE-RELATED FINANCIAL DISCLOSURES (TNFD)

Yuexiu Property deeply recognises that the survival and development of the Company are closely linked to natural resources, being both constrained by natural conditions and having a profound impact on the surrounding ecological environment. Based on this understanding, the Company actively implements the Taskforce on Nature-related Financial Disclosures (TNFD) framework, promoting global ecological balance through systematic resource management, and providing strong support for the implementation of sustainable development goals in China and the Hong Kong Special Administrative Region. The innovation of the TNFD framework lies in fully integrating natural capital into the corporate decision-making system. This not only effectively reduces the risk of ecological degradation and enhances climate resilience but also guides capital towards nature-friendly projects, providing a solid guarantee for global biodiversity conservation and ecosystem health.

Implementing TNFD has established the following advantages for Yuexiu Property:

- > By analysing cities with high biodiversity risks and incorporating the results into the development considerations of new projects, Yuexiu Property has taken important measures to reduce project risks and prevent property devaluation. For example, Yuexiu Property can avoid developing projects in areas with high water stress, thereby reducing the impact of future droughts caused by climate change on project quality. Additionally, we can use the analysis results to develop projects in a location-specific manner, optimising design according to local needs to minimise the impact of nature-related risks on occupants.

01

- > In the context of global warming, natural risk management has become a highly concerned issue for both the government and the public. By actively implementing TNFD, Yuexiu Property can demonstrate its commitment to environmental protection and social responsibility, enhancing public and investor trust. This can also attract more green investors and partners, providing the Company with more financing opportunities.

02

- > Goal 3 of the Kunming-Montreal Global Biodiversity Framework is to protect at least 30% of the Earth's land and sea by 2030 (the 30x30 target), which is supported by the China Biodiversity Conservation and Green Development Foundation. By continuing to focus on and protect natural resources, the Company will proactively address increasingly stringent regulatory requirements under the dual carbon and 30x30 targets.

03

- > The implementation of TNFD requires companies to continuously explore and apply new technologies and methods to reduce their impact on the natural environment. This will drive Yuexiu Property to adopt more advanced environmental protection technologies and sustainable designs in project development, thereby improving the overall quality and competitiveness of projects. At the same time, technological innovation can reduce operating costs and improve economic efficiency, achieving a win-win situation for the environment and the economy.

04

Guided by the TNFD framework, Yuexiu Property has established a comprehensive and multi-dimensional assessment system for natural dependencies and impacts, focusing on key areas such as energy management optimisation and efficient water resource utilisation. These analyses and evaluations not only identify the ecological footprint of Yuexiu Property's entire value chain and clarify future strategic directions but also enable the Company to gain a first-mover advantage in policy orientation and market trends, successfully achieving a positive interaction and synergistic progress between economic benefits and environmental protection. Through continuous deepening of sustainable development practices, Yuexiu Property is actively demonstrating the mission and responsibility of a responsible enterprise, setting an example for the sustainable development of the industry.

1.3.1 Strategy

In 2024, Yuexiu Property released its *Biodiversity Policy*, continuing to focus on the impacts of its operational activities on soil, air, water resources, and biodiversity. The Company is committed to fully considering biodiversity conservation in its business operations. Yuexiu Property respects local climate adaptability and the natural environment of sites, actively conducting relevant assessments in key cities for new development projects and daily operations to ensure that activities support the health and sustainability of ecosystems. Through these efforts, we not only promote sustainable development for the Company but also contribute to the protection of the surrounding ecological environment.

In 2024, guided by the TNFD recommended framework and with the assistance of external consultants, Yuexiu Property completed a biodiversity assessment across its entire value chain and in ten major project cities. At the value chain level, we systematically applied the LEAP methodology to analyse the natural dependencies and impacts of Yuexiu Property over short, medium, and long-term operational cycles. The Company assessed not only the direct ecological footprint of its business activities but also extended the analysis boundary to include the entire lifecycle of upstream and downstream processes. Through a multidimensional analysis, we established a monitoring system encompassing 22 themes of natural dependency and 11 themes of natural impact (see 1.3.2 Risk Management for details). By examining geospatial data, we have comprehensively disclosed the interactions between direct operational projects in core cities and high conservation value ecological areas, particularly identifying regions with significant potential dependencies and impacts, such as Shenzhen, Guangzhou, Hangzhou, and Shanghai. We will proceed to conduct risk management analysis in the next phase.

The results indicate that Yuexiu Property has established a certain ecological protection foundation in some projects, demonstrating initial practices of green building principles. However, there is still a need to establish systematic and sustainable management strategies to address increasingly stringent policy requirements in the future. With China's heightened emphasis on ecological civilisation construction, Yuexiu Property's proactive protection of biodiversity not only aligns with national policy initiatives but also reflects the Company's commitment to sustainable development. By integrating the concept of green development into its corporate image, Yuexiu Property can enhance its reputation for social responsibility, becoming a key highlight in attracting customers and investors. This will help the Company stand out in an increasingly competitive market, promoting long-term sustainable development.





1.3.2 Risk Management

Methodology

The LEAP (Locate, Evaluate, Assess, Prepare) analysis is significant to Yuexiu Property as it systematically assesses energy consumption, carbon emissions, and resource utilisation efficiency, providing robust data support for the formulation of scientific and actionable sustainable development strategies. This tool not only aids Yuexiu Property in optimising resource allocation and reducing operational costs but also effectively identifies and addresses the risks associated with future policy changes, ensuring that projects comply with increasingly stringent environmental regulations. The LEAP analysis helps quantify the effectiveness of ecological protection measures, promoting the application of green building and renewable energy technologies, thereby enhancing the Company's brand image and market competitiveness. The process involves four steps: Locating, Evaluating, Assessing, and Preparing. By applying the LEAP methodology, Yuexiu Property evaluates the industry's impact and dependency on nature, combining information on biodiversity impacts and dependencies with the specific conditions and pressures faced by biodiversity at the location. This report serves as evidence of Yuexiu Property's commitment to enhancing transparency and its ongoing efforts to contribute to global biodiversity conservation and sustainable development.

Locate

We will examine how our assets and projects interact with various ecosystems, such as those located in critical biodiversity areas, protected zones, and important natural habitats.

Evaluate

We will identify our dependencies on nature and the driving factors of our impacts, such as land degradation and salinisation, which may lead to a decline in land quality where our projects are situated, ultimately affecting the value and lifespan of the buildings.

Assess

In the future, we will conduct further analysis on the above steps, contemplating and evaluating the risks and opportunities related to nature and their implications for our business, as well as our response strategies, while continuously enhancing our disclosures.

Prepare

Based on the identified dependencies and impact drivers, we plan to assess the potential business impacts, such as restrictions on land use for projects and/or requirements to restore damaged ecosystems, which could result in increased costs and reputational damage.



Locate

In accordance with the recommendations of the Task Force on Climate-related Financial Disclosures and the Sustainability Accounting Standard Board (SASB) standards for residential, real estate, and real estate services, we first conducted a comprehensive review of the Company's value chain, identifying the connections between various projects and natural ecosystems. This includes assessing the ecological characteristics and biodiversity status of the locations of Yuexiu Property's projects to ensure we understand our direct and indirect relationships with nature. By integrating international ecological data, we defined the ecological areas and biomes adjacent to Yuexiu Property projects. This data assists us in evaluating the ecological health, species diversity, and resilience of these areas while identifying ecologically sensitive regions and ensuring that our operational activities minimise impacts on these areas.

During the locate process, we also analysed industry best practices and trends, combining them with Yuexiu Property's value chain to identify future opportunities and challenges for sustainable development. This process helps us determine where we can more effectively integrate biodiversity conservation measures. Based on considerations of ecosystem health, the importance of biodiversity, and Yuexiu Property's strategic positioning, we prioritised ten cities for disclosure. This prioritisation allows us to focus on the most ecologically sensitive locations, enabling us to take proactive actions in subsequent biodiversity conservation and management strategies.

Prioritised Disclosure Cities:

01 Guangzhou, 02 Hangzhou, 03 Qingdao, 04 Suzhou, 05 Hefei, 06 Shanghai, 07 Chengdu, 08 Shenzhen, 09 Beijing, 10 Xi'an

75.4%¹

Note 1: Proportion of land bank in 10 cities with undeveloped projects under construction to the total land bank in 2024

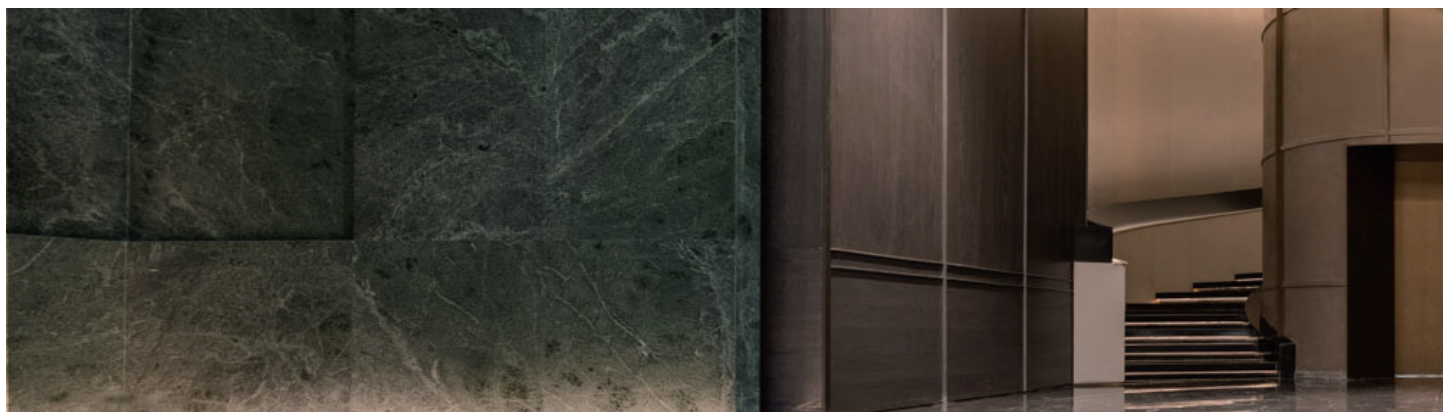
Evaluate

We recognise the critical importance of ecosystem services to the business performance of Yuexiu Property. The loss of natural resources could limit our ability to create value for stakeholders. Consequently, our operational activities inevitably impact the natural environment, encompassing both positive and negative effects. Negative impacts may compromise the health and resilience of natural ecosystems, weakening their capacity to provide ecosystem services, which in turn affects the Company's long-term development.

Based on a consistent approach across multiple industries, at this stage, we employed the ENCORE (Explore Natural Capital Opportunities, Risks, and Exposures) tool to define the relevant environmental assets and ecosystem services that Yuexiu Property's entire value chain relies on or impacts. We then assessed the significance of the identified environmental assets and ecosystem services in terms of their impacts and dependencies. By integrating the results of this significance assessment, we prioritised dependency and impact factors rated as "Very High" (VH), allowing us to clearly identify which business activities have the strongest dependencies on and impacts on biodiversity and ecosystem services, thereby identifying potential risks and opportunities.

Simultaneously, we identified specific business activities in priority locations and utilised the Integrated Biodiversity Assessment Tool (IBAT) alongside the World Wide Fund for Nature (WWF) database to delineate the relevant environmental assets and ecosystem services that we depend on or impact. Given that the status of biodiversity varies by project location, this variance necessitates Yuexiu Property to adopt site-specific biodiversity management strategies to ensure our actions align with the local ecological environment. Through in-depth analysis of flagship species and important habitats within a 50-kilometre radius of selected cities, we gained a clear understanding of each key city's ecological characteristics and biodiversity status. This process enabled us to identify critical environmental assets, such as wetlands, forests, and other ecosystems, along with the ecosystem services they provide, including water purification, carbon storage, and habitat protection, thus yielding insights related to biodiversity and natural management.

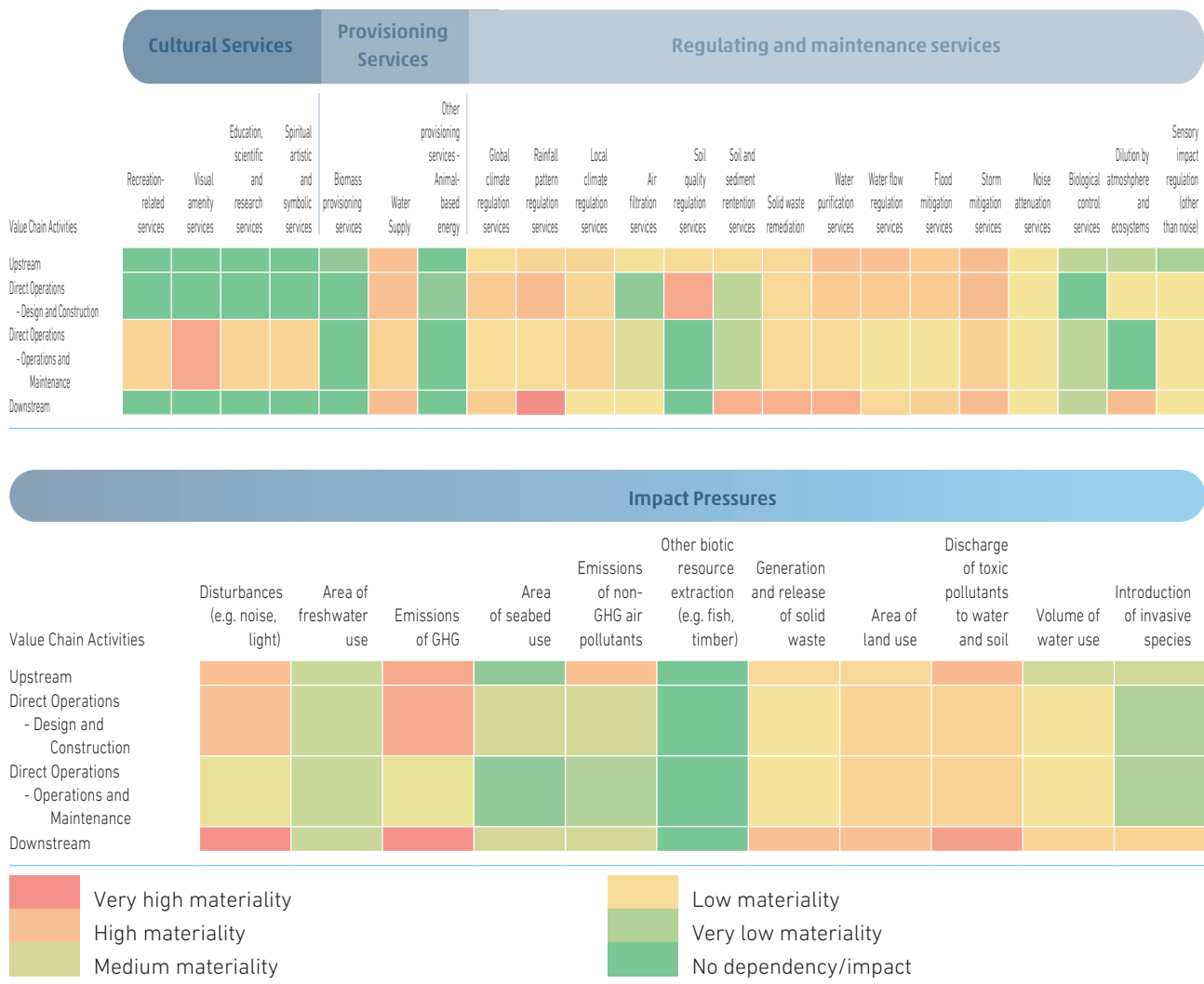
Through this process, we were able to clearly identify the importance and impact of environmental assets and ecosystem services on our business. This assessment not only helps us understand our ecological footprint but also provides a scientific basis for developing more sustainable development strategies. By promoting the health and resilience of nature, Yuexiu Property can safeguard the ecosystem services relied upon by itself and its value chain partners, facilitating sustainable operational and developmental practices in response to national calls for ecosystem and biodiversity conservation.



Identifying the Ecological Footprint of the Value Chain

We conducted an in-depth analysis of Yuexiu Property's potential dependencies and impacts on the natural environment across various stages of the value chain, including upstream activities, direct operations - design and construction, direct operations - operations and maintenance, and downstream processes. This analysis aims to clarify the relationships between each business segment and ecosystems, helping us identify key risks and opportunities. By systematically listing the degree of reliance on natural resources at different stages and the potential environmental impacts, we gain a clearer understanding of the overall impact of corporate operations on ecosystems. This not only lays the foundation for formulating corresponding sustainable development strategies but also provides important data support and reference for future decision-making processes. The following table details the specific dependencies and impacts of each segment, along with a natural dependency and impact heat map for the entire value chain.

Upstream (Procurement, logistics and warehousing)	Direct Operations - Design and Construction	Direct Operations - Operations and Maintenance	Downstream (Demolition and waste management)
Potential dependency:			
<ul style="list-style-type: none"> > Water flow regulation services > Flood mitigation services > Local climate regulation services > Storm mitigation services 	<ul style="list-style-type: none"> > Rainfall pattern regulation services > Soil quality regulation services > Soil and sediment retention services 	<ul style="list-style-type: none"> > Recreation-related and visual amenity services > Water purification services > Local climate regulation services > Storm mitigation services 	<ul style="list-style-type: none"> > Management of solid waste > Rainfall pattern regulation services > Global climate regulation services > Water purification services
Potential impact:			
<ul style="list-style-type: none"> > Discharge of toxic pollutants to water and soil > Disturbances (e.g., noise, light) > Emissions of GHG > Introduction of invasive species 	<ul style="list-style-type: none"> > Disturbances (e.g., noise, light) > Emissions of GHG > Discharge of toxic pollutants to water and soil > Area of land use 	<ul style="list-style-type: none"> > Generation and release of solid waste > Emissions of GHG > Volume of water use > Area of land use 	<ul style="list-style-type: none"> > Disturbances (e.g., noise, light) > Discharge of toxic pollutants to water and soil > Emissions of GHG



Yuexiu Value Chain Natural Dependency and Impact Heat Map



Nature-related Dependency and Impact of the Value Chain

Yuexiu Property's downstream activities exhibit significant dependencies and impacts on the natural environment. During the property demolition phase, substantial physical and chemical operations are required, leading to the generation of construction waste (such as concrete, bricks, and metals), which must be handled with care to conserve land resources and maintain the health of soil and water quality. Additionally, noise and dust generated during the demolition process can also affect the surrounding environment. Although the frequency of property demolitions is relatively low, waste management remains a critical aspect of daily operations. Therefore, Yuexiu Property should prioritise enhancing waste recycling rates and ensure collaboration with compliant waste disposal partners.

In construction-related activities, the environmental impacts are particularly pronounced due to the scale of resource consumption and waste generation. The procurement of building materials and the construction processes involve the extraction and processing of natural resources, which may affect land and water resources. To address this, Yuexiu Property should focus on adopting green building materials and standards to minimise the impacts of construction activities on nature, thereby promoting sustainable development.

Value chain	Dependency	Impact
Upstream	Low	High
Direct Operations - Design and Construction	Mid	High
Direct Operations - Operations and Maintenance	Low	Mid
Downstream	Mid	Very High



Analysis of Prioritised Disclosure Cities

Based on city-specific and industry-based assessment results, we have preliminarily identified several important conclusions regarding natural and biodiversity risks:

- There are higher natural risks in coastal and southern cities. This phenomenon is closely related to their unique geographical locations and rapid urbanisation processes.

These coastal cities, due to their **advantageous locations**, experience rapid economic development, attracting a large population, which results in high population density and increased urbanisation. However, this rapid development is also accompanied by a heightened risk of natural disasters. During natural events such as floods, storm surges, or typhoons, the impacts can be widespread, leading to significant losses and posing severe challenges to urban infrastructure and residents' lives.

Modifications to the natural environment during urbanisation, such as land reclamation and wetland destruction, may further exacerbate disaster risks.

Such actions not only undermine the natural protective barriers of ecosystems but also render urban reliance on the natural environment increasingly fragile. Coastal cities typically boast rich biodiversity; for instance, the mangroves of Shenzhen and Guangzhou, the wetlands of Hangzhou, and the coastal ecosystems of Shanghai are critical habitats. These ecosystems play vital roles in maintaining ecological balance, protecting coastlines, and mitigating natural disasters. However, they are highly sensitive to environmental changes, and once damaged, their recovery is challenging, further increasing natural risks.

Southern cities like Shenzhen and Guangzhou enjoy a warm climate conducive to the growth of various species, enhancing biodiversity. However, this also makes these cities more susceptible to tropical cyclones. The strong winds and heavy rainfall associated with tropical cyclones pose significant threats to urban infrastructure and residents' lives. Additionally, the warm climate may lead to an increase in certain pests and diseases, further impacting urban ecology and public health. The complex relationship between these climatic conditions and urban development underscores the importance of comprehensive assessment and effective management of natural risks.

We conducted a comprehensive analysis of the ten selected cities based on the distribution of important habitats and flagship species within a 50-kilometre radius. Through detailed data collection and scientific evaluation, we found that Shenzhen, Guangzhou, Hangzhou, and Shanghai face particularly severe challenges in ecological protection. These cities are not only adjacent to significant nature reserves but also host numerous endangered species, necessitating special attention and prioritised management during project development.

Cities Requiring Prioritised Management	Reason	Priority
Shenzhen	Among the ten cities, it sees: <ul style="list-style-type: none"> > The highest total risk score from the World Wildlife Fund > The second highest number of endangered species > The highest number of critically endangered species > The most nature reserves > The most biodiversity areas 	Very High
Guangzhou	Among the ten cities, it sees: <ul style="list-style-type: none"> > The second highest total risk score from the World Wildlife Fund > The highest number of endangered species > The second highest number of critically endangered species 	High
Hangzhou	Among the ten cities, it sees: <ul style="list-style-type: none"> > The third highest total risk score from the World Wildlife Fund > The third highest number of endangered species > Contains nature reserves within its range 	High
Shanghai	Among the ten cities, it sees: <ul style="list-style-type: none"> > The third highest number of critically endangered species > The second most biodiversity areas > Contains nature reserves within its range 	Mid

In addition to the four cities that require prioritised consideration, other cities such as Qingdao, Suzhou, Hefei, Chengdu, Beijing, and Xi'an possess rich ecological environments and unique natural and cultural characteristics, offering significant biodiversity protection value. The wetland and mangrove ecosystems in Qingdao and Suzhou provide habitats for various flora and fauna, while these cities also boast rich maritime cultures and classical garden resources. Hefei and Chengdu have notable advantages in the application of green technologies and ecological restoration, featuring extensive green spaces and ecological corridors. Beijing and Xi'an leverage important ecological resources, such as the Olympic Forest Park, Miyun Reservoir, and the Qinling Mountains. These areas not only protect the habitats of endangered species but also provide valuable natural experiences for urban residents.



Insights on Nature and Biodiversity

Through the work, Yuexiu Property has gained a comprehensive understanding of the current state of biodiversity management at project sites and throughout its supply chain. These results provide important insights for Yuexiu Property in formulating its nature and biodiversity management strategy. Firstly, the findings indicate that cities such as Shenzhen, Guangzhou, Hangzhou, and Shanghai are located near nature reserves, ecological conservation areas, or habitats of endangered species. This suggests that development activities in these regions may significantly impact biodiversity. Therefore, Yuexiu Property should prioritise these high-sensitivity areas as key management targets, proactively developing ecological protection plans to avoid regulatory violations and potential negative public opinion. By doing so, Yuexiu Property can not only comply with national policy directives but also establish a responsible corporate image within the industry.

Secondly, the analysis reveals that the supply chain, particularly in the procurement, transportation, and construction phases, may have substantial impacts on ecosystems. For instance, sourcing building materials like timber and minerals may involve unsustainable practices, thereby placing pressure on local ecology and potentially affecting biodiversity. The supply chain is not only a potential risk point for biodiversity protection but also a crucial opportunity for driving a green transformation. Yuexiu Property should actively collaborate with suppliers to promote sustainable sourcing and environmentally friendly practices to reduce ecological impacts and enhance overall operational sustainability.

In terms of brand enhancement, the findings suggest that Yuexiu Property has developed a certain level of ecological awareness in some projects, but a systematic and sustainable management strategy has yet to be established. With China's increasing emphasis on ecological civilisation, future policy requirements related to biodiversity may tighten. In response to this trend, Yuexiu Property should actively protect biodiversity and deeply integrate the concept of green development into its corporate image, thereby enhancing its reputation for social responsibility. This approach will not only strengthen consumer recognition of the brand but also serve as an important highlight in attracting customers and investors.

Furthermore, Yuexiu Property's strategic planning should actively align with the Chinese government's policy direction on ecological protection. In recent years, the country has introduced a series of policies on ecological civilisation and biodiversity protection, emphasising the importance of sustainable development. Yuexiu Property can seize this opportunity to engage proactively with national policies, promoting compliance and foresight in its ecological protection efforts. By collaborating with government agencies, research institutions, and social organisations, Yuexiu Property can exert greater influence in the field of ecological protection, contributing to the country's sustainable development goals and achieving a win-win situation for both the economy and the environment. Through the implementation of these strategies, Yuexiu Property can not only better address current ecological challenges but also position itself more favourably in future market competition, thereby promoting the long-term development of the enterprise.

CASE

The Moon Lake Ecological Restoration Project at Yuexiu World Garden

The Moon Lake Ecological Restoration Project at Yuexiu World Garden is set to be completed in 2024. Based on the theory of “atypical biological manipulation”, the project aims to establish a complete, healthy, stable, and long-lasting clearwater ecological system comprising “filter-feeding fish - zooplankton - submerged plants - benthic animals - microbial communities”, thereby enabling the water body to achieve sustainable self-purification functions. Through the five steps of “early-stage improvement project, construction of submerged plant system, transparency improvement project, construction of aquatic animal system, and construction of floating leaf landscape plants”, a beautiful lake view with clear water and shimmering sunlight reflections was created supported by sustainable natural development.



Before Ecological Engineering Restoration



After Ecological Engineering Restoration



Before Ecological Engineering Restoration



After Ecological Engineering Restoration

1.3.3 Metrics and Targets

After completing the comprehensive scan of nature-related dependencies and impacts, Yuexiu Property closely monitored the procurement, transportation, and construction phases. We have disclosed relevant indicators such as greenhouse gas emissions, water usage, and waste in our sustainability report, and we plan to provide more detailed disclosures regarding nature and biodiversity in the future.

By understanding the nature-related dependencies and impact characteristics of each business segment, we can incorporate several important considerations into the assessment of natural risks related to specific project sites. These considerations include the unique natural environments of each location, such as biodiversity value and the levels of water resource tension faced. We will then formulate targeted strategies and mitigation measures to effectively address these risks.

This in-depth analysis of biodiversity has established a strategic foothold for Yuexiu Property’s “ecologically empowered development”. By deeply integrating the natural capital accounting system into product development and asset operations, we not only achieve a quantifiable transformation of ecological value into product premium but also reconstruct the value loop of “environmental friendliness - customer health - asset appreciation” through scientific methodology. This aligns with the national dual carbon strategy while setting a benchmark for the industry’s transition from spatial construction to ecological services, providing innovative solutions for urban sustainable development that offer both social and economic benefits.

Targets



- Reach net zero loss by 2030
(i.e. minimising biodiversity loss in the course of business, balanced by gains elsewhere)
- Achieve positive biodiversity impacts by 2060
(i.e. gains outweigh losses)
- 100% of land will undergo biodiversity assessments before land development by 2030



1.4 RESOURCE PROTECTION

1.4.1 Ecosystem Protection

Yuxiu Property places great importance on the protection and restoration of ecosystems surrounding its projects. Throughout the entire process from site selection to project completion, we adopt dedicated measures to ensure the health and sustainability of these ecosystems. We fully consider biodiversity and conduct relevant assessments in our new development projects and business operations, striving to minimise the impact on biodiversity and ecosystems. We actively promote ecosystem protection and restoration, participating in projects aimed at restoring natural environments and enhancing the health and diversity of ecosystems. During the initial land acquisition phase, we incorporate ecological assessments as a core part of project decision-making. Through detailed research on the plot and surrounding natural resources, including analyses of biodiversity, soil and water conservation, and vegetation cover, Yuxiu Property ensures that development activities are aligned with the ecological environment. In the early planning stages, the Group prioritises the preservation of natural habitats and the reduction of ecological damage, seeking to minimise interference with existing ecosystems. Our commitment is to achieve a balance between development and protection, setting a standard for urban sustainable development.



Commitment to Prioritising Brownfield Development

The development of brownfield sites holds dual significance for Yuxiu Property's ecological protection efforts. On one hand, by prioritising brownfield development, Yuxiu Property reduces the occupation of undeveloped green land, thereby minimising damage to natural ecosystems and protecting biodiversity and natural resources. On the other hand, brownfields typically require environmental restoration and pollution remediation. During the development process, Yuxiu Property actively employs ecological restoration techniques, which not only enhance land value but also improve the regional ecological environment. In areas with soil contamination issues, such as abandoned industrial sites, we engage in proactive communication and collaboration with government departments. We conduct environmental assessments of contaminated sites as required, implement soil remediation plans, and only proceed with compliant brownfield projects after obtaining verification from third parties. This development model exemplifies Yuxiu Property's balance between ecological protection and urban development, setting a standard for sustainable urbanisation and eco-friendly development.

Commitment to Avoiding Greenfield Development

Yuxiu Property is committed to avoiding greenfield development. We will not undertake any construction in UNESCO World Heritage Sites or in IUCN categories I-IV protected areas. Before project initiation, we will strictly adhere to relevant laws and regulations, conducting comprehensive risk assessments and evaluations, including biodiversity surveys prior to land use, to avoid encroaching on farmland and green spaces. If urban planning necessitates some impact on green spaces that cannot be completely avoided, we will ensure that construction is carried out according to green building standards, following approval from relevant authorities. Throughout the subsequent development process, we will minimise the impact on green spaces and surrounding ecosystems, actively improving, optimising, and rectifying environmental issues related to the project site, while effectively carrying out ecological protection and restoration efforts.

Phase	Measures
Project Site Selection	Conduct comprehensive environmental impact assessments to reasonably avoid environmentally sensitive areas.
Building Design	Ensure that product design fully considers the local ecosystem, promoting harmony between design and environment.
Project Construction	Actively participate in ecological restoration efforts around the project to restore damaged ecosystems. Promote green and civilised construction with high standards and strict requirements to minimise environmental pollution and ecological damage during the construction process.
Continuous Monitoring and Improvement	Continuously monitor the environmental impact of the project to ensure long-term ecological sustainability.

CASE

Guangzhou Pazhou Shade – Practicing Ecological Civilisation with Special Action for Ancient Tree Protection

To thoroughly implement Xi Jinping's ecological civilisation thought and practice the development concept that "lucid waters and lush mountains are invaluable assets", we aim to enhance tree protection in Guangzhou and fulfill the requirements for tree protection in urban renewal projects. We adhere to the principles of "protection first, graded protection, full-process protection, and rational use", with the goal of safeguarding trees and their habitats.

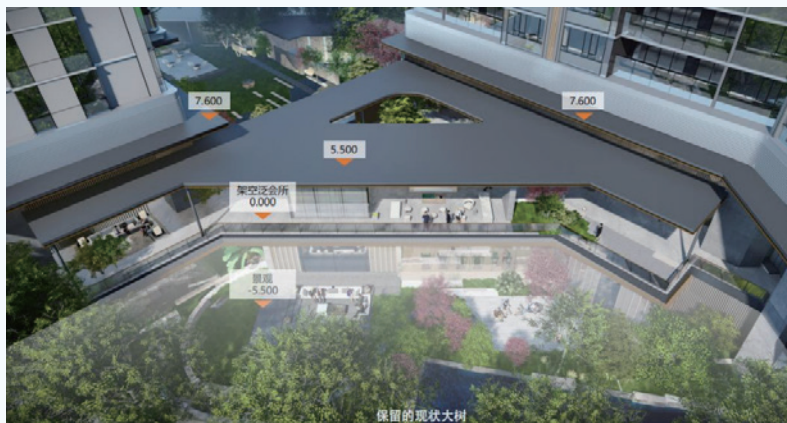
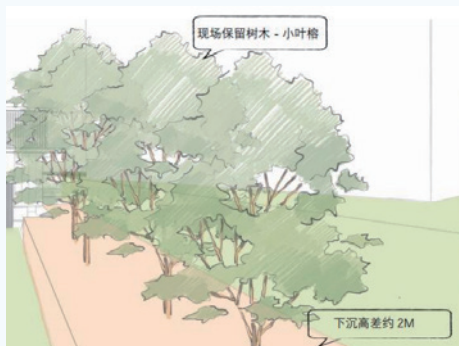
Protection First: Minimise the occupation of green spaces and the relocation or felling of trees.

Graded Protection: Ancient trees must be protected on-site, with subsequent resources from ancient trees generally also protected on-site. Large trees and other trees will be avoided and protected to the greatest extent possible.

Full-Process Protection: Tree protection measures will be implemented throughout the entire project process, including pre-construction, during construction, and post-construction protection and maintenance measures.

According to surveys, the project site area is 11,222 square meters, with the original topography being that of an open area. The site contains 24 trees, including 5 ancient tree resources and 19 large tree resources. No existing green spaces, contiguous forests, ancient trees, or other trees were found on the site. Based on the conditions of the trees and relevant regulations, 4 large-leaved banyan trees are relocated, while the remaining 20 trees

are protected on-site. The relocation site has good land conditions, with generally consistent soil types, fertile soil, and no signs of soil pollution or construction waste, making it suitable for planting large trees.





CASE

Guangzhou Pazhou Shade – Practicing Ecological Civilisation with Special Action for Ancient Tree Protection (Continued)

"One Tree, One Plan" Tree Protection Technical Scheme

Establish an Emergency Team

An emergency leadership group composed of management personnel from Yuexiu Property's Central Bay Area Company and the construction project contractor were established. This group is responsible for guiding, supervising, and managing the protection and restoration of ancient trees during the project construction, taking preventive measures against potential damage.

Clarify Responsibilities for Ancient Tree Protection

All construction units entering the site must sign a commitment to protect ancient trees and designate specific responsible persons. Particularly for ancient trees near construction areas, there must be a designated supervisor during the handling of tower crane materials and scaffolding to ensure that ancient trees are not touched and that no one enters the protection zone. The emergency team should assign a person to manage the dynamic monitoring of ancient trees and conduct regular inspections every seven days, recording the growth status of ancient trees and promptly reporting and taking protective measures if any abnormalities are found.

Construct Protective Barriers

To protect the normal growth environment of ancient trees, a control protection zone was established, extending 5 meters beyond the vertical projection line of the tree canopy. Barriers should be constructed before construction begins to prevent construction machinery and unauthorised personnel from entering, as well as to prohibit the stacking of construction materials and debris. It is recommended to use 2.5m-high PVC blue barrier boards, fixed with a concrete base that is 20cm wide and 30cm high. Drainage holes should be reserved when pouring the base to prevent water accumulation during the rainy season. Stainless steel signs measuring 800*800*5mm was hung around the barrier, stating "Protection of Ancient Trees is Everyone's Responsibility" and "Civilised Construction, No Damage to Ancient Trees", serving both as a protective reminder and a warning.



Protection Measures during Construction

01

Construction of Micro Steel Pipe Pile Support

To protect the root systems of ancient trees, micro steel pipe pile supports should be constructed next to the foundation pit in a timely manner. These supports should be approximately 4 to 4.5 meters high and about 9 meters long to prevent soil collapse. During construction, drainage holes must be reserved, and a ladder should be built for future maintenance access.

Soil Improvement

Any underbrush and weeds within the protection zone of the ancient trees are cleared and the soil is loosened to a depth of 10 to 30cm. If decayed roots are found, they should be cut away and disinfected. The backfill should be restored to the root collar level, covering any exposed roots. The soil should be naturally shaped outward from the tree to create a slope that prevents water accumulation.



Soil Improvement Examples

02

Drainage System Construction

Drainage ditches and permeable pipes are established around the ancient trees to effectively remove excess rainwater, preventing water accumulation at the roots and reducing the risk of root rot due to prolonged saturation.

Pruning Dead Branches

Under safe conditions, two professional technicians should use an aerial work platform to prune dead branches within the tree canopy, reducing nutrient consumption and the risk of pests and diseases. Cuts are ensured to be smooth and even, and apply disinfection immediately after pruning. For cuts larger than 5cm in diameter, apply a wound healing agent to prevent rot and pest infestations, promoting wound healing.

Dust Control Measures

To protect the normal growth of ancient trees, the construction team should install a spraying system outside the tree protection zone to reduce dust. If leaves are covered in dust, a high-pressure water gun is used to wash them off in a timely manner, avoiding impacts on photosynthesis and preventing pest outbreaks. Water pressure is adjusted to prevent leaf damage, and records will be maintained to facilitate supervision by the relevant authorities and maintenance inspection units.



Site Dust Control: Fog Cannon



Regularly spray the leaves to remove dust

03

Termite Monitoring and Control

Termites are one of the most serious pests threatening the growth and survival of trees in this region. Ancient trees are particularly vulnerable to termite damage, necessitating enhanced monitoring and control. A patented technology called "Ancient Tree Termite Bait Box" (Patent No. ZL201721035017.6) was used to bury bait boxes at the base of the tree during high termite activity periods, releasing bait. When a large number of termites are attracted, a pesticide will be sprayed to enable the termites to carry it back to their nest, thereby exterminating the entire colony.

Protective Measures After Project Construction

Given that the ancient tree is located within a residential area, a platform can be constructed post-project to avoid restricting residents' activity space. The platform used galvanised square tubes (specifications: width 10cm, height 5cm, thickness 0.25cm) as the framework, with wood-plastic flooring to create a resting area for residents. During platform construction, a movable ladder should be reserved for maintenance access by technicians. After the platform is built, a protective fence made of corrosion-resistant wood was constructed 3m away from the tree trunk.

Strengthening Daily Maintenance Management

After the protective measures are completed, at least two engineers with experience in ancient tree maintenance conducted detailed care for a period of five years. The trees are inspected every two weeks to monitor their growth condition.



Framework Platform Welding

04



1.4.2 Energy Management

In the field of energy management, Yuexiu Property has been consistently monitored and managed by a dedicated Sustainability Executive Group. We have not only established high standards for ourselves but also guided our subsidiaries in creating their own energy management frameworks. For instance, Guangzhou Yuexiu Commercial Property Management Co., Ltd. ("Yuexiu Commercial") has established an Energy Management Committee focused on formulating and implementing energy management policies, regularly monitoring and analysing energy usage data, and conducting routine inspections and capital upgrades of high-energy-consuming equipment. This is aimed at creating a green, low-carbon working and living environment for owners and tenants.

In enhancing our energy management system, we are committed to evaluating energy consumption factors, thoroughly identifying and analysing potential risks in our operational activities that could significantly impact energy consumption, and continuously optimising our energy efficiency accordingly. It is noteworthy that several of our subsidiaries - Guangzhou Yuexiu Property Development Co., Ltd., Guangzhou Yuexiu Yicheng Business Operations Management Co., Ltd., and Guangzhou Yuexiu Urban Construction Jones Lang LaSalle Property Services Co., Ltd. - have all received ISO 50001 Energy Management System certification, which is an authoritative recognition of our energy management efforts.

We continue to promote the upgrading and efficient operation of our intelligent energy consumption management platform, expanding its application across various projects. By optimising the operating strategies of critical equipment such as air conditioning terminals, we have significantly improved operational efficiency and drastically reduced energy consumption. Additionally, we have modernised the lighting systems of existing projects, for example, by replacing them with efficient LED fixtures to enhance lighting efficiency. Through a series of refined energy management measures, Yuexiu Property has successfully achieved multiple goals of reducing costs, increasing efficiency, and lowering carbon emissions, positioning ourselves at the forefront of the industry.

Plan	<ul style="list-style-type: none">> establish an Energy Management Committee> develop an environmental and energy management system
Do	<ul style="list-style-type: none">> specific measures for energy conservation and consumption reduction
Check	<ul style="list-style-type: none">> conduct energy audits and consumption diagnosis analysis
Act	<ul style="list-style-type: none">> implement special initiatives for energy consumption improvement> conduct regular training on energy conservation and consumption reduction

Key Performance

Installation of elevator energy feedback devices reduces elevator electricity consumption by approximately **8%** each year.

Retrofit of air conditioning system terminals results in a **68%** reduction in energy consumption.

Commercial Energy Management System covers **74%** of the property ownership area.



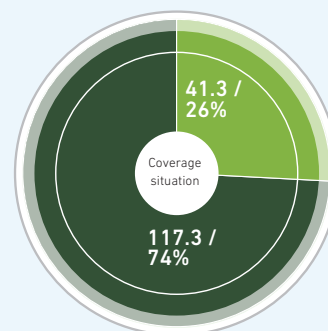
CASE

Commercial Energy Management System: Coverage Rate Reaches 74%

The Commercial Energy Management System, also known as the Intelligent Energy Consumption Platform, has established an efficient PDCA (Plan-Do-Check-Act) closed-loop management system for energy consumption. By integrating full-cycle energy management, equipment operational diagnostics, and standardised operational management, it aims to reduce carbon emission intensity and energy costs.

Coverage of the Commercial Energy Management

- Uncovered Commercial Energy Management System Project Area (ten thousand square meters)
- Covered Commercial Energy Management System Project Area (ten thousand square meters)



After its launch in 2023, the platform underwent continuous upgrades in 2024, expanding its coverage to 8 projects. In operational projects, the energy management system's coverage rate for office buildings is 64% (calculated by property area), while for retail mall projects, the coverage rate is 68% (calculated by property area). In 2024, the system connected 7,714 electricity meters, with an average monthly real-time monitoring of electricity consumption reaching 12 million kWh. It has cumulatively identified energy-saving benefits of 3.55 million kWh, achieving an energy-saving rate of approximately 4.1%.



	2023	2024
Covered Projects	Guangzhou International Finance Centre, Guangzhou Yuexiu Financial Tower, Guangzhou ICC, Guangzhou Victory Plaza, Guangzhou Yue City	Guangzhou International Finance Centre, Guangzhou Yuexiu Financial Tower, Guangzhou ICC, Guangzhou Victory Plaza, Guangzhou Yue City, Wuhan Yuexiu Fortune Centre, Wuhan Yuexiu International Finance Centre, Nansha Yuexiu International Finance Centre
Energy Conservation Management	1,979,000 kWh	3,550,000 kWh
Cost Savings (Calculated at an Average of RMB0.76/kWh)	RMB1,504,000	RMB2,698,000

The following are the capitalised renovation data for some of the projects managed by Yuexiu Property for the year 2024, with total investments exceeding ten million RMB, covering renovation work across multiple projects.

No.	Project	Renovation Project	Energy Conservation Effect or Target
1	Guangzhou Yue City	Roof daylighting automatic smoke vent renovation	Annual electricity savings of 167.2 kWh
2	Guangzhou Fortune Plaza	Air conditioning system terminal renovation	Maximum energy saving rate of 11% for DC inverter fans; savings of 17% and 56% for medium and low speeds
3	Guangzhou White Horse Building	Air conditioning system upgrade	Energy consumption of the energy-saving model is only 42.3% of the traditional model
4	Guangzhou Yuexiu Financial Tower	Cooling source system renovation	Target electricity savings of approximately 3%-4% year-on-year for the cooling source system



CASE

Guangzhou Yue City – Renovation of the atrium and cross corridor, with energy consumption reduced by approximately 8%

The fifth-floor cross corridor and the large and small atriums of Yue City are extensively connected to the outside and exposed to direct sunlight, leading to excessively high indoor temperatures and poor air conditioning performance during the summer. In 2022-2023, internal shading measures were implemented for the cross corridor and the atriums, resulting in some improvement; however, it still fell short of comfort standards. When the outdoor temperature was measured at 40°C, the maximum temperature in the atrium corridor approached 35°C.

In 2024, further energy-saving renovations were carried out to prevent the influx of hot air. The rain-proof louvres of the atrium and cross corridor were replaced with electric smoke vent windows, with completion expected in May 2024. After the renovation, the intrusion of hot air was blocked, enhancing customer comfort. The maximum temperature in the atrium corridor during summer dropped to approximately 27°C, with a corresponding energy consumption reduction of around 8%.

June to December 2023:

1,231.91 kWh

June to December 2024:

1,140.13 kWh (approximately **8%** reduction year-on-year)



CASE

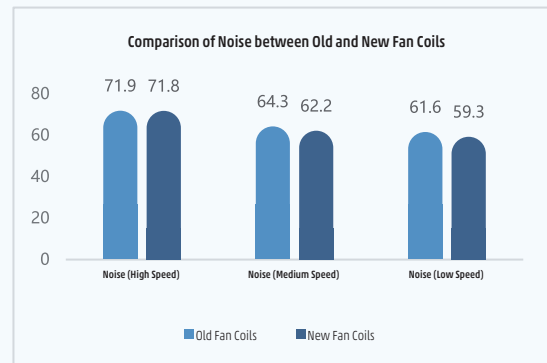
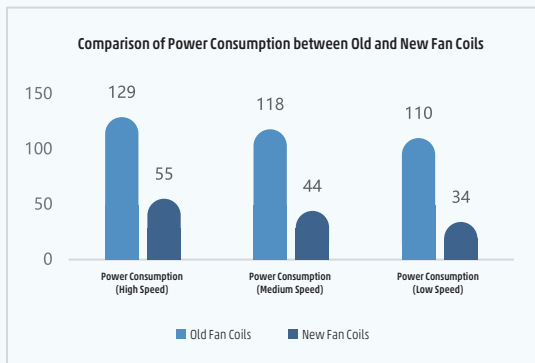
Guangzhou White Horse Building: Upgraded air conditioning system, energy consumption reduced by 57.7%

In 2024, the White Horse Building upgraded its air conditioning system, including:

- > Installation of new fan coil units
- > Replacement of return air louvers
- > Installation of new two-way valve drives and temperature control switches
- > Replacement of soft copper pipes
- > Installation of insulation materials, etc.

After replacing with energy-efficient fan coils, the energy consumption of the energy-efficient units is only 42.3% of that of traditional units.

Before Renovation			After Renovation		
Comparison of Power Consumption between Old and New Fan Coils			Comparison of Noise between Old and New Fan Coils		
	Old Fan Coils	New Fan Coils		Old Fan Coils	New Fan Coils
Power Consumption (High Speed)	129W	55W	Noise (High Speed)	71.9dB	71.8dB
Power Consumption (Medium Speed)	118W	44W	Noise (Medium Speed)	64.3dB	62.2dB
Power Consumption (Low Speed)	110W	34W	Noise (Low Speed)	61.6dB	59.3dB





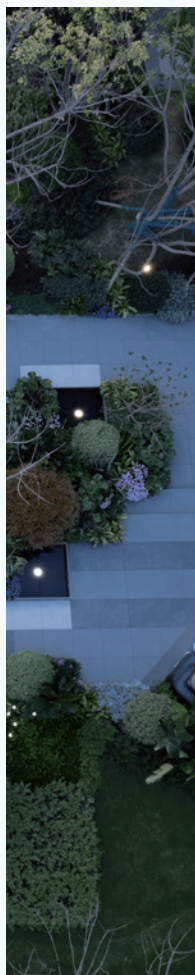
CASE

The parking lot lighting system has been renovated using the PDCA method, achieving an energy-saving rate of over 90%

Implementation of Parking Lot Lighting Strategies — Light Source Renovation

Currently, Yuexiu Commercial Real Estate Investment & Management Co., Limited ("Yuexiu Commercial") manages 17 parking lot projects, of which 15 have completed the radar sensor dual-brightness light renovation project, achieving a completion rate of 94% based on property area. These lights operate in a low-power standby mode when unoccupied, resulting in an energy-saving rate of up to 90%. In addition to replacing energy-efficient lighting, Yuexiu Commercial has upgraded the sensing technology system, employing simulation calculations and on-site testing to determine a strategy that combines radar sensing and IoT technology.

- > **Residential Projects:** The Yuexiu Service Property Management Center oversees the bulk procurement of energy-efficient lighting fixtures, with each property project responsible for purchasing and installation. The plan aims to cover 100 residential projects, with 12 projects already scheduled for procurement and replacement. Prior to replacement, the maximum luminous efficacy was 120 lm/W; the energy-efficient lights procured this time have a luminous efficacy exceeding 160 lm/W, consuming less power for the same brightness.
- > **Commercial Projects:** Among the 17 managed projects, all except Shanghai Yue Xiu Tower and Hangzhou Starry City have completed the radar sensor dual-brightness LED energy-saving light renovation. These lights utilise intelligent sensing microwave radar technology, enabling flexible lighting that activates when a vehicle approaches and dims when it leaves, effectively conserving energy.

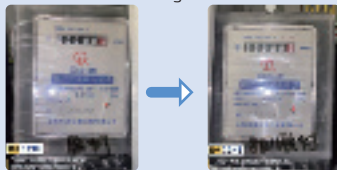


First Round Pilot Renovation: PDCA Test

Step 1: The radar (microwave) dual-brightness light tubes were replaced in Testing Area Two, while the existing lighting fixtures were maintained in Testing Area One.



Step 2: Independent metering devices were installed in the testing areas.



Meters in test area 1

Meters in test area 2

Step 3: The testing period was one week.



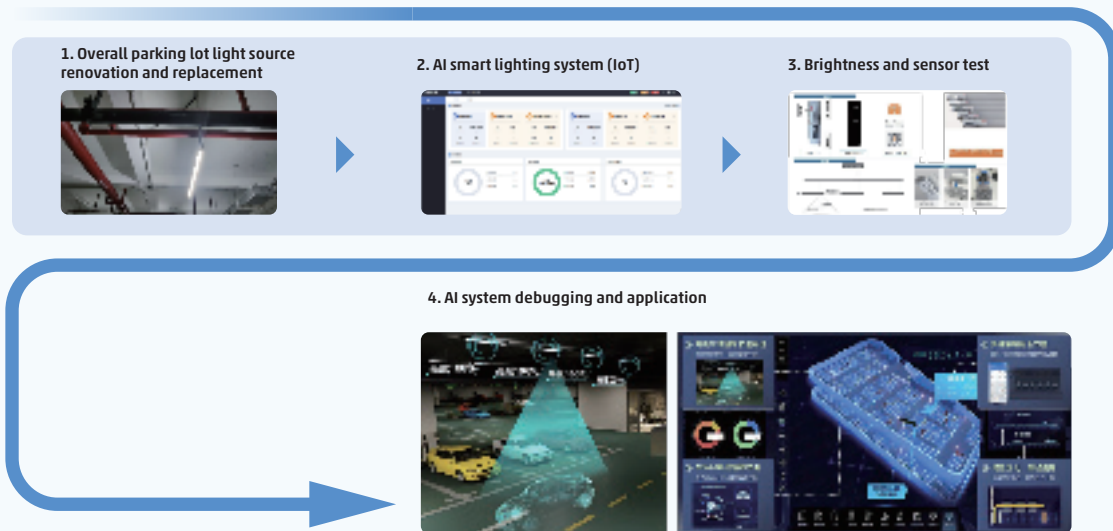
Meters in test area 1

Meters in test area 2

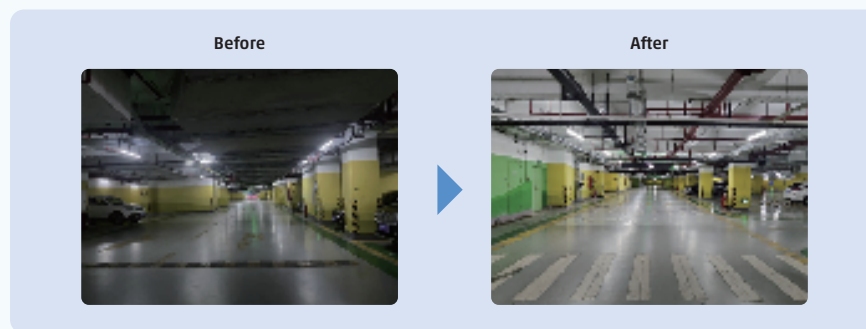
Step 4: Data Calculation and Analysis (Energy Saving Rate = (Original Lamp Energy Consumption - IoT Lamp Energy Consumption) / Original Lamp Energy Consumption * 100%)

	Testing Period	Starting Meter Reading	Ending Meter Reading	Usage	Energy Saving Rate
Testing area 1	1 week	0.4	460.06	459.66	50.1%
Testing area 2	1 week	0.45	184.31	183.86	

Implementation of Parking Lot Lighting Strategies — Light Source Renovation (continued)



> Before and After Renovation Effect Comparison



> Before and After Renovation Operation Data Comparison

	Power	Average brightness	Operation hours	Control system
Before renovation	3550*18W	40lux	16H/24H	Not applicable
After renovation	3550*(3~16) W	30lux~55lux	24H	IoT Intelligent for parking lots Lighting Control System

> Implementation Period for Parking Lot Lighting Renovation





We continuously conduct regular energy audits and energy consumption diagnostics, engaging third-party organisations to ensure the implementation of energy management systems and refined management through periodic inspections. The management targets include major office buildings, retail malls, and complexes. By generating detailed energy consumption diagnostic reports for each building, we analyse their energy-saving potential and develop improvement optimisation plans, promoting a continuous reduction in energy consumption intensity for the office buildings and commercial properties we manage. The energy consumption diagnostic reports include the following content:

Energy Audit	Building overview; construction status; quantitative data inventory of energy and resources; calculation and analysis of energy consumption indicators; analysis of building and major energy resource systems; analysis of energy savings effects and potential. We will also conduct environmental audits on all new investments and prior to mergers and acquisitions
Building Energy Management	Energy management organisation; energy usage management system; energy metering management
Building Energy Consumption Analysis	Total building energy consumption analysis; benchmarking of energy consumption indicators; monthly energy consumption inventory; breakdown of energy consumption analysis
Indoor Environment Testing	Indoor environment testing for commercial and office buildings; estimation of energy saving potential
Equipment and System Energy Efficiency Testing	Chiller plant equipment and energy efficiency testing; terminal air conditioning equipment testing; cold station group control and building automation (BA) system assessment
Energy Saving Potential Analysis	Smart management; asset risk assessment; re-adjustment of asset risks and analysis of energy saving potential

1.4.3 Water Resource Management

In terms of water resource management and utilisation, Yuexiu Property places a high level of importance. Through technological innovation and process optimisation, we continuously enhance the efficiency of water resource usage, actively promoting rainwater collection and recycling systems to effectively reduce unnecessary waste of water resources and ensure their sustainability. We are committed to achieving water resource neutrality by 2060, which means we will spare no effort in reducing water extraction, increasing the rate of water reuse, and implementing measures to prevent water pollution.

Our water conservation policies and measures are always in alignment with the water-saving regulations of the local governments where our projects are located, ensuring the legality and effectiveness of our implementation efforts. By 2024, all of Yuexiu Property's water supply come from municipal water systems, and all drainage comply with laws and regulations, discharging into designated municipal sewage pipelines and strictly adhering to environmental protection requirements. Even in regions with significant water resource pressures, our residential development and commercial operation projects have not encountered obstacles in water extraction, nor have they placed additional pressure on municipal sewage treatment facilities.

This series of efforts by Yuexiu Property not only reflects our responsible attitude towards water resources but also demonstrates our firm commitment to environmental protection and sustainable development.

Key Performance

In 2024, the recovered condensate water was approximately **16,512** tonnes

Rainwater collection volume was **123,696** tonnes

Water-saving faucet coverage rate reached over **80%**



Action Directions	Specific Measures
Design Phase	<ul style="list-style-type: none"> > Sponge City Design: Achieve “source reduction, process control, and system governance” by employing techniques such as “infiltration, retention, storage, purification, usage, and discharge” to reduce runoff pollution at the source and ensure the sustainable utilisation of urban water resources.
Construction Site	<ul style="list-style-type: none"> > Water Management: Use water-saving products and install metering devices; > Recycling and Utilisation: Include the recovery of surface water and rainwater; > Regular Inspections: Check water supply lines, pipe valves, and other water supply facilities to minimise water resource waste.
Commercial Operations	<ul style="list-style-type: none"> > Water-saving Fixtures: Use delay shut-off low-flow faucets and dual-flush toilets; > Regular Inspections: Conduct targeted checks on major water-using equipment and perform regular energy consumption analysis, paying special attention to unusual readings on water meters; > Rainwater Collection: Use collected rainwater for cleaning and irrigation to enhance water resource utilisation efficiency.
Daily Office Operations	<ul style="list-style-type: none"> > Awareness Promotion: Post signs and relevant posters advocating “water conservation” in key locations within the office to promote water resource savings; > Use and replace water-saving fixtures.
Residential Operations	<ul style="list-style-type: none"> > 100% of households have individual water meters to help them monitor their water usage.





CASE

Chengdu Yuexiu Joy Cloud – Green Ecological Community



Chengdu Yuexiu Joy Cloud, having successfully applied for the urban landscaping and ecological community project, incorporates strict requirements in various aspects, including energy-saving elevators, prefabricated design, sponge city design, water-saving fixtures, water-saving irrigation, rainwater reuse, haze removal fresh air systems, and level-2 energy-efficient air conditioning. These measures ensure compliance with standards for land conservation, energy efficiency, water conservation, material savings, and environmental protection.

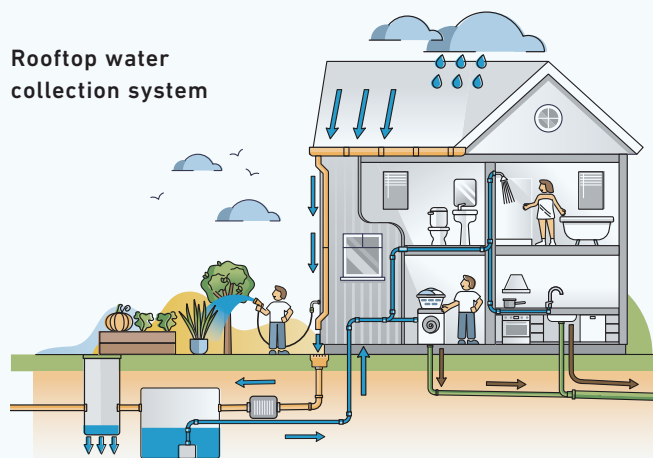


The total construction area of the project is approximately 136,000 square metres, with a greening rate of over 35%. The project design has received a one-star rating for green building, and its green building design rating is also one star. In addition to domestic architectural design certification, the project has also won the Gold Award at the MUSE Design Awards and the Platinum Award at the IAA London Design Awards.

01 Land Characteristics: There are no threats from natural disasters such as flooding, landslides, or mudslides. The site is not located in seismically hazardous areas and is free from major pollution sources such as hazardous chemicals, flammable and explosive materials, as well as harmful substances like electromagnetic radiation and radon-containing soil.

02 Water Resource Utilisation: To protect the existing natural water bodies, wetlands, and vegetation on site, ecological compensation measures such as the use of topsoil are implemented.

- > **The project makes full use of site space to reasonably set up green rainwater infrastructure:** 1) The combined area of depressional green spaces and rain gardens, which have rainwater retention functions, accounts for 30% of the total green area; 2) Properly connect and direct rooftop and road rainwater into ground ecological facilities, implementing corresponding runoff pollution control measures; 3) The proportion of permeable paving in hard-surfaced areas reaches 50%.
- > **Water-saving Irrigation:** The project employs a micro-spray efficient water-saving irrigation system, with over 80% of the greening area covered, and soil moisture sensors are installed.
- > **Rainwater Reuse:** Collected rainwater is stored in a rainwater reservoir, treated through integrated equipment to meet non-potable water quality standards, and then directed to a clean water tank for landscape water replenishment, greenery irrigation, road cleaning, and garage washing. According to calculations, the total annual water consumption is 8,879.31 tonnes, with the use of non-traditional water sources amounting to 7,351.53 tonnes, representing 82.79% of total water use.



03 Dust Control Measures: In addition to the construction phase, a dedicated dust control management system was established for project management in later stages, ensuring that sulfur dioxide, nitrogen dioxide, total suspended particulates, and inhalable particles meet the national "Ambient Air Quality Standards" GB 3095 Tier 2 standards.

04 Measures to Reduce Heat Island Intensity: 1) The project includes the strategic planting of trees and shrubs to effectively lower heat island intensity. Simulation analysis of the outdoor thermal environment indicates a heat island intensity of 0.03℃, providing a favourable living environment for the residential community; 2) More than 70% of road surfaces and building roofs have a solar radiation reflectance coefficient of no less than 0.4.

- > **Green Coverage Ratio** = $[\sum (\text{Tree Leaf Area Index} \times \text{Tree Projected Area} \times \text{Number of Trees}) + \text{Shrub Area} \times 3 + \text{Grass Area} \times 1] / \text{Site Area} = 2.08$

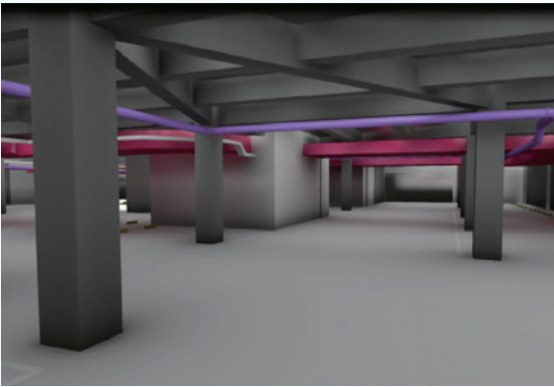


CASE

Chengdu Yuexiu Joy Cloud – Green Ecological Community (Continued)

05 Tree Protection: The project does not fell or damage trees over 5 years old or with a diameter greater than 10cm that have ecological value. Based on soil and climate conditions, disease-resistant plants such as Paulownia, Camphor, Fragrant Olive, and Osmanthus are incorporated.

06 Application of Building Information Modelling (BIM) Technology: During the design phase, the project established architectural, structural, and MEP models, along with assembly rates. In the construction phase, BIM was used for pipeline collision analysis and animation walkthroughs.



Introduction to BIM Animation Walkthroughs



Comprehensive pipeline effects enabled by BIM

07 Use of Renewable Energy: The outdoor public areas feature solar-powered courtyard lights, with solar lighting accounting for 57.31% of the total power.

08 Recycled Material Utilisation Rate: 11.4%

Types of Building Materials		Weight (t)	Total Weight of Recyclable Materials (t)	Total Weight of Building Materials (t)	Recyclable Material Utilisation Rate
Non-recyclable Materials	Concrete	112,758.65	24,122.54	212,257.25	11.36%
	Paint	6,022.21			
	Blocks	37,140.74			
	Mortar	32,213.11			
Recyclable Materials	Steel	13,219.49			
	Metal	4,781.15			
	Prefabricated Components	2,521.21			
	Glass	2,114.21			
	Wood	1,486.49			

CASE

Chengdu Yuexiu Joy Cloud – Green Ecological Community (Continued)

09 Green Building Materials: The project uses water-based waterproof coatings and autoclaved aerated concrete blocks, both of which have obtained green building material certification, with a usage rate of 100%.



CASE

Rainwater Harvesting Project at Baiyun Marriott Hotel

The Guangzhou Baiyun Yuexiu Marriott Complex is located in the core area of Baiyun New City, connected to the Baiyun Cultural Square Station on Guangzhou Metro Line 2 and adjacent to the Guangzhou Baiyun International Conference Center. The project covers an area of 115,456 square meters, with a building area of 203,893 square meters, comprising 12 floors and a height of 57 meters. It features 1,601 guest rooms, 10 dining spaces, a conference area of approximately 5,000 square meters, and 80,000 square meters of landscaped gardens. The hotel complex opened on 26 May 2023, and is designed with themes of Baiyun Mountain, Pearl River, water town impression, and Xiguan courtyard. a Lingnan garden-style architectural community. From the outset, the design considered the use of natural resources, ecological protection, and energy conservation, incorporating a rainwater harvesting system.





CASE

Four Seasons Hotel Laundry Steam Heat Recovery Project

01 System Design:

- > **Rainwater Collection Tanks:** Each zone is equipped with 4003 stainless steel rainwater harvesting tanks, constructed with concrete for underground installation and reserved maintenance access.
- > **Rainwater Collection:** Rainwater is collected from the building's roof and landscaped areas by connecting to the first-floor rainwater well. Excess rainwater is discharged into the municipal stormwater drainage system.
- > **Treatment and Pressurisation:** Collected rainwater is filtered and disinfected before being pressurised into the landscaping water tank. This water is then supplied to various points, including the water feature in the lobby, irrigation for the first-floor greenery, and cleaning in the basement. The pressurisation uses variable frequency supply to maximise resource conservation, protect the ecosystem, and reduce emissions.

02 Equipment for Rainwater Collection and Landscaping Water Tank



Underground rainwater collection tank



Water tank level gauges

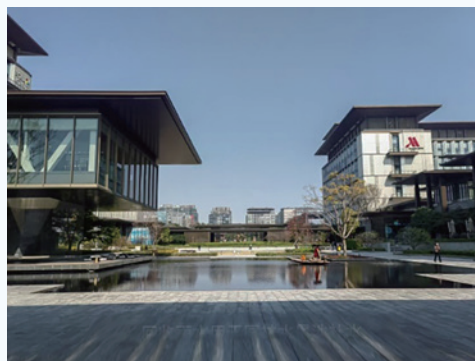


Landscaping water tanks and pumps

03 End Use Points for Rainwater Recovery



Recycling rainwater for greening irrigation



Recycling rainwater for replenishment of water feature

According to statistics, the system is projected to collect 12,832 cubic meters of rainwater in 2024, saving a landscaping water cost of RMB60,547 and reducing carbon emissions by 12 tons for the year, thereby achieving the expected goals.

CASE

Four Seasons Hotel Laundry Steam Heat Recovery Project (Continued)

The laundry facilities at the Four Seasons Hotel use a steam boiler, and during the condensate recovery process, a large volume of exhaust is directly vented from the roof of the annex building, resulting in significant flash steam and excessive amounts of waste heat.



04 Renovation Measures:

1. **Heat Recovery System:** By installing a Spirax Sarco TURFLOW heat exchanger, the heat from the flash steam is recovered. This system uses circulated hot water from the annex to lower exhaust temperatures while heating the circulating water, thereby reducing smoke from roof exhaust.
2. **Optimisation of Heat Pump Operation:** The recovered heat is used to heat the circulating water, which reduces the operating time and energy consumption of the air-source heat pump.
3. **Circulating Water Pump:** An additional circulating water pump has been installed to accelerate the hot water circulation in the annex, improving the efficiency of heat recovery.

05 Project Progress:

The system is operating well, saving approximately 450 kWh of electricity daily through the heat pump hot water system. It is expected to save a total of 164,000 kWh of electricity annually, resulting in savings of around RMB110,000.



HEALTHY

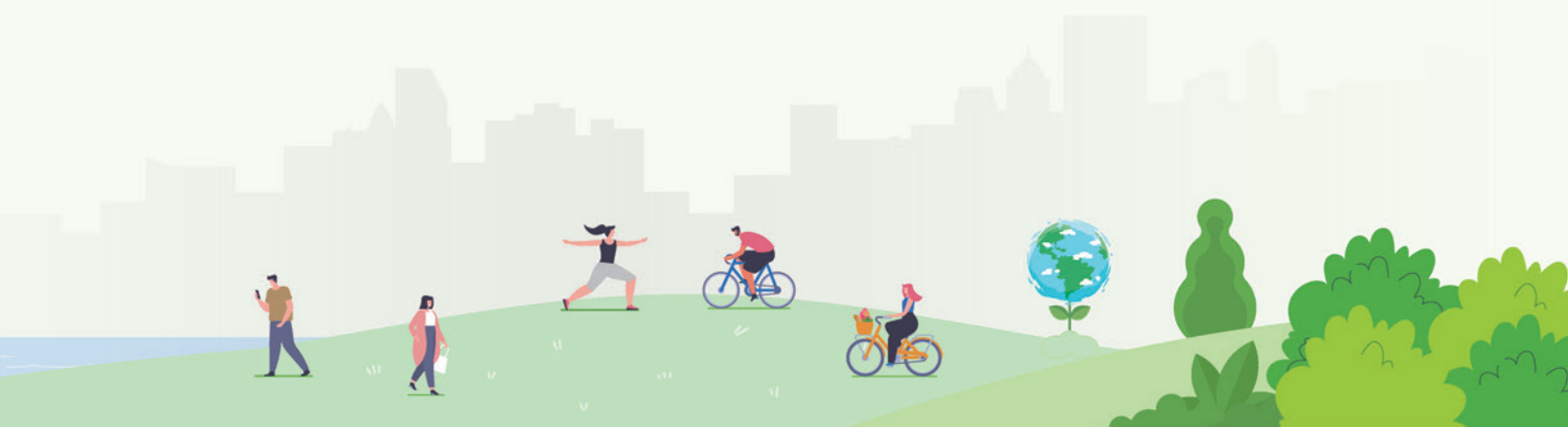




CHAPTER 2

SUSTAINABLE BUILDING AND GREEN OPERATIONS

Our actions support the following
United Nations Sustainable Development Goals (SDGs)





Management Approach

Yuexiu Property is committed to environmental protection with a strong sense of responsibility and mission, dedicated to achieving a harmonious balance between corporate sustainable development and environmental conservation. The Company has formulated a series of environmental protection policies, managing its business processes according to the ISO14001 environmental management system. The goal is to minimise the environmental impact of development activities and to promote efficient and circular resource use through scientific, rational, and effective management measures.

In the realm of green building, Yuexiu Property is committed to maintaining high standards and integrity. We integrate our vision of sustainability into every aspect of project development, committed to creating green buildings that meet contemporary needs. The Company actively adopts internationally recognised green building standards, significantly enhancing the environmental performance and energy efficiency of our buildings through innovative design concepts, carefully selected eco-friendly materials, and efficient energy-saving measures. Yuexiu Property also prioritises the creation of healthy and comfortable indoor living and working environments. We seamlessly integrate smart technology with green building design, aiming to provide residents and businesses with unparalleled high-quality experiences. Our efforts go beyond this. By continuously promoting the widespread adoption and development of green buildings, this not only significantly enhances the overall quality of our projects but also sets a benchmark for sustainable development within the industry. These practices enhance project quality and contribute positively to the goal of building low-carbon, environmentally friendly cities. Yuexiu Property actively fulfils its social responsibilities through concrete actions, striving to create a better urban living environment.

On our journey towards green operations, Yuexiu Property adheres to the dual principles of intelligence and sustainability, continuously building and refining our operational management system. By leveraging cutting-edge digital technologies, we have effectively optimised energy management, significantly enhancing resource efficiency, and implemented detailed improvements in every process of property management. Furthermore, we are firmly committed to building a green supply chain by collaborating with numerous partners to promote the low-carbon transition of the entire industry chain. This cooperative model not only brings dual benefits of economic and environmental gains but also sets new standards for the sustainable development of the real estate industry. In every aspect of our daily operations, Yuexiu Property deeply integrates the concept of green development. By leveraging technological innovation and management reform, we continuously reduce carbon emissions and unwaveringly pursue the goal of sustainable development. Each effort we make is a strong support for building a beautiful home and a profound practice of our social responsibility.

Environmental Laws, Regulations, and Standards Followed by the Group:

Environmental Protection Law of the People's Republic of China	Directory of National Hazardous Wastes
Law of the People's Republic of China on Environmental Impact Assessment	Evaluation Standard for Green Construction of Building
Energy Conservation Law of the People's Republic of China	Assessment Standard for Green Building
Law of the People's Republic of China on Prevention and Control of Environmental Pollution Caused by Solid Waste	Technical Standard for Nearly Zero Energy Building
Emission Standard of Environment Noise for Boundary of Construction Site	Design Standard for Energy Efficiency of Residential Buildings in Hot Summer and Cold Winter Zone, etc.

Main Internal Policies for Environmental Management of the Group:

Green Building	Green Building White Paper, National Guidelines for Design of 1-Star and 2-Star Green Buildings, Detailed Rules for Management of Green Building Construction Projects, Standardisation Atlas for Safe and Civilised Construction, Construction Environment Governance Guidelines, Detailed Rules for Civilised Construction Management, Guidelines for Quality Management of Construction Projects, Design Requirements and Standards for Residential Projects of District Companies, Technical Guidelines for 1-Star Green Buildings, Technical Guidelines for 2-Star Green Buildings, Green Building Knowledge Manual, Sustainable Building Policy
Energy Conservation and Emissions Reduction	Detailed Rules for Office District Administration, Environmental Policy, Energy Policy
Pollutant Management	Detailed Rules for Hazardous Materials, Detailed Rules for Environmental Protection
Circular Economy	Circular Economy Promotion Policy



2.1 SUSTAINABLE BUILDINGS

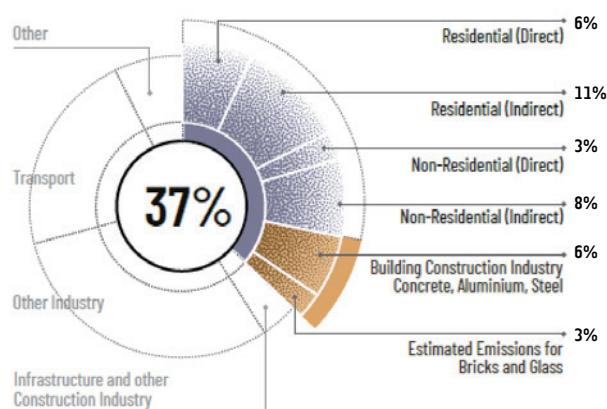
Yuexiu Property's philosophy of green building is grounded in a deep sense of humanistic care and reverence for nature, emphasising the principles of "respecting nature, putting people first, ensuring health and comfort, and promoting intelligent, low-carbon development". We create buildings that harmoniously coexist with the ecological environment by integrating innovative sustainable building systems, forward-thinking health-focused building concepts, environmentally friendly green construction techniques, high standards of product quality and safety, and a comprehensive lifecycle perspective.

Throughout this process, we focus on optimising resource allocation, minimising environmental pollution, and enhancing the health and comfort of indoor environments. We apply eco-friendly principles at every stage, from design and construction to operation and decommissioning. Green buildings not only significantly reduce energy consumption and carbon emissions but also provide users with a healthier, safer living and working environment.

2.1.1 Building Lifecycle Carbon Management

According to the United Nations Environment Programme, the construction sector is one of the largest contributors to climate change, accounting for 37% of global energy-related carbon emissions. As the global population and wealth increase, the demand for buildings is also growing rapidly. It is estimated that by 2060, the world's building stock will double, with an area equivalent to the size of Paris being added every five days. In this context, the issue of carbon emissions from the construction sector is particularly urgent. Achieving carbon reduction targets in the building environment is crucial for environmental protection and key to promoting sustainable development. Therefore, managing and reducing carbon emissions in the construction industry has become a global focus.

Global CO₂ emissions from buildings and construction operations¹



¹Source: Building Materials and Climate: Crafting a New Chapter for the Future (United Nations Environment Programme, 2022).



Carbon reduction strategies for the building lifecycle

Building lifecycle stages	Development department	Construction department	Engineering department
Land acquisition	<ul style="list-style-type: none"> > Emphasise natural capital and biodiversity during the land acquisition phase > Conducting environmental audits on all potentially developable land at the land acquisition stage 	<ul style="list-style-type: none"> > Avoid unsustainable land use and traditional material sourcing 	<ul style="list-style-type: none"> > Consider the origin and recyclability of design materials and increase the use of renewable materials
Design	<ul style="list-style-type: none"> > Adopt efficient and energy-saving design strategies > Extend the building lifecycle in the design phase 	<ul style="list-style-type: none"> > Prioritise the use of recyclable materials > Prioritise the use of renewable energy 	<ul style="list-style-type: none"> > Enhance decarbonisation strategies > Calculate / Design / Optimise locally reusable materials
Production	<ul style="list-style-type: none"> > Promote innovation in low-carbon materials and adhesives > Develop new low-carbon methods 	<ul style="list-style-type: none"> > Enhance greening > Avoid the use of virgin materials > Optimise circular manufacturing and composite materials to promote reuse 	<ul style="list-style-type: none"> > Collaborate with suppliers to specify circular materials > Develop bio-based building materials and modules
Construction	<ul style="list-style-type: none"> > Improve the renovation and retrofitting of existing buildings and materials 	<ul style="list-style-type: none"> > Track material usage > Prioritise the use of renewable energy > Require improved building energy efficiency 	<ul style="list-style-type: none"> > Management of on-site waste, including construction waste, domestic waste, etc. > Enhance on-site construction management
Use	<ul style="list-style-type: none"> > When selecting low-carbon materials, consider their energy consumption and cost recovery period 	<ul style="list-style-type: none"> > Support building owners and users in choosing low-carbon alternatives 	<ul style="list-style-type: none"> > Strengthen supply chain management to prioritise low-carbon alternatives > Extend material lifespan and adopt low-carbon maintenance practices
End of use (EoU)	<ul style="list-style-type: none"> > Increasing reuse and recycling to reducing construction and demolition waste 	<ul style="list-style-type: none"> > Improve recycling and on-site material sorting > Standardise materials to enhance recycling rates 	<ul style="list-style-type: none"> > Recycle and optimise building materials and modules for reuse after disassembly





Carbon Targets and Carbon Management

Under the guidance of China's "30|60" strategy, the State Council has issued the Action Plan for Carbon Dioxide Peaking Before 2030 and the Implementation Plan for Carbon Peaking in Urban and Rural Construction. These plans clearly outline the carbon management requirements for the entire lifecycle of the construction industry. By implementing mandatory building energy efficiency standards and increasing the proportion of renewable energy, these policy tools aim to facilitate the industry's low-carbon transition. As one of the first comprehensive real estate companies in the country, Yuexiu Property actively responds to the call for low-carbon development. Adhering to the principle of "long-termism", the Company continuously enhances its green building standards and focuses on carbon emission management throughout the building lifecycle.

Regular review of "Dual Carbon" goals

To better align with the Company's strategic development, following the P-D-C-A (Plan-Do-Check-Act) management cycle, it is planned to conduct a regular review of the "Dual Carbon" goals of Yuexiu Property every two to three years. This will help to better integrate the actual situation and formulate effective carbon reduction action plans for various business segments.

Following the establishment of our "Dual Carbon" goals in 2022, in 2024 we collaborated with a third-party professional organisation to review the "Dual Carbon" goals we have previously set in 2022. This review covers 100% of the Yuexiu Property asset portfolio, including residential, office buildings, retail malls, hotels, long-term rental apartments, wholesale markets, elderly care, and services for education. This scope applies to all our future asset portfolios. Combining the actual situation of new projects constructed over the past two years, the implementation of carbon reduction efforts, and the results of the 2024 carbon inventory, we are committed to achieving net-zero emissions across our value chain by 2060. Approved by the Sustainability Committee in March 2025, the updated "Dual Carbon" strategic targets for Yuexiu Property are:

- By 2030, reduce the carbon emission intensity per unit area of public projects by **40%** compared to 2019 (area of public projects participating in carbon emission intensity calculation in 2019: approximately 1.51 million square metres, with a carbon emission intensity per unit area of about 64.12 kgCO₂/m²)
- By 2030, reduce the carbon emission intensity per unit area of residential projects by **19%** compared to 2019 (area of residential projects participating in carbon emission intensity calculation in 2019: approximately 4.79 million square metres, with a carbon emission intensity per unit area of about 7.67 kgCO₂/m²)

Additionally, Yuexiu Property considers the "Dual Carbon" targets at all stages of investment and plans to further develop a Science-Based Target (SBTi) to ensure the scientific and effective nature of our emission reduction measures.

Scope 3 emissions management

Following the launch of the "Personal Carbon Footprint" module in the Yuexiu Property ESG management system in 2024, data collection for the "Business Travel" category under Scope 3 has been initiated. This includes real-time statistics on the data in this category, such as the modes of transportation, distances, and whether green flights were used during employee business trips. We plan to map out the 15 categories of Scope 3 in the value chain in 2025, expanding the data disclosure for Scope 3 categories, thereby laying a solid foundation for achieving the net-zero emissions goal across the value chain.

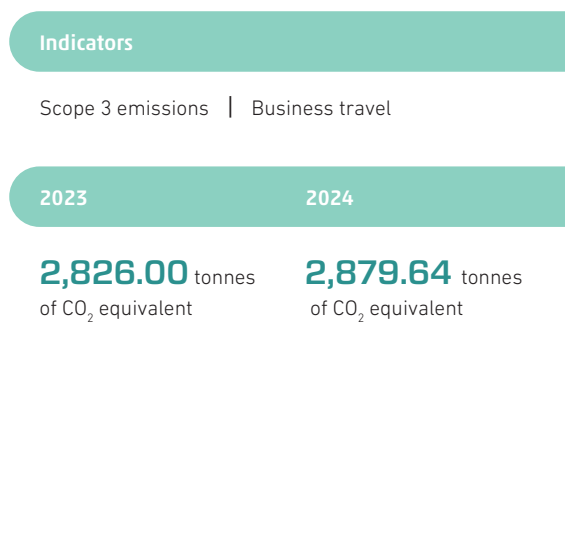
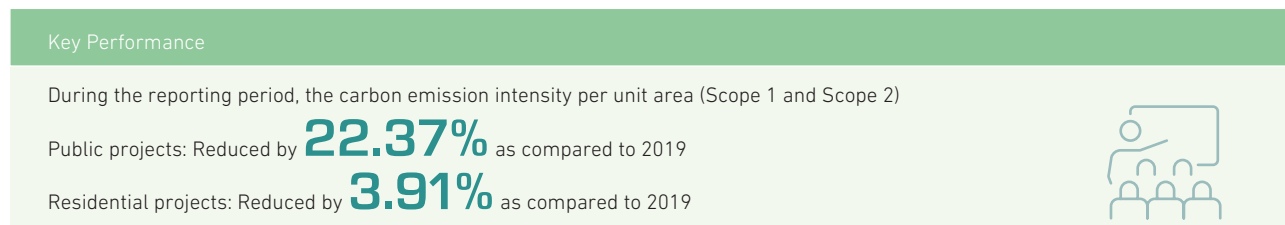
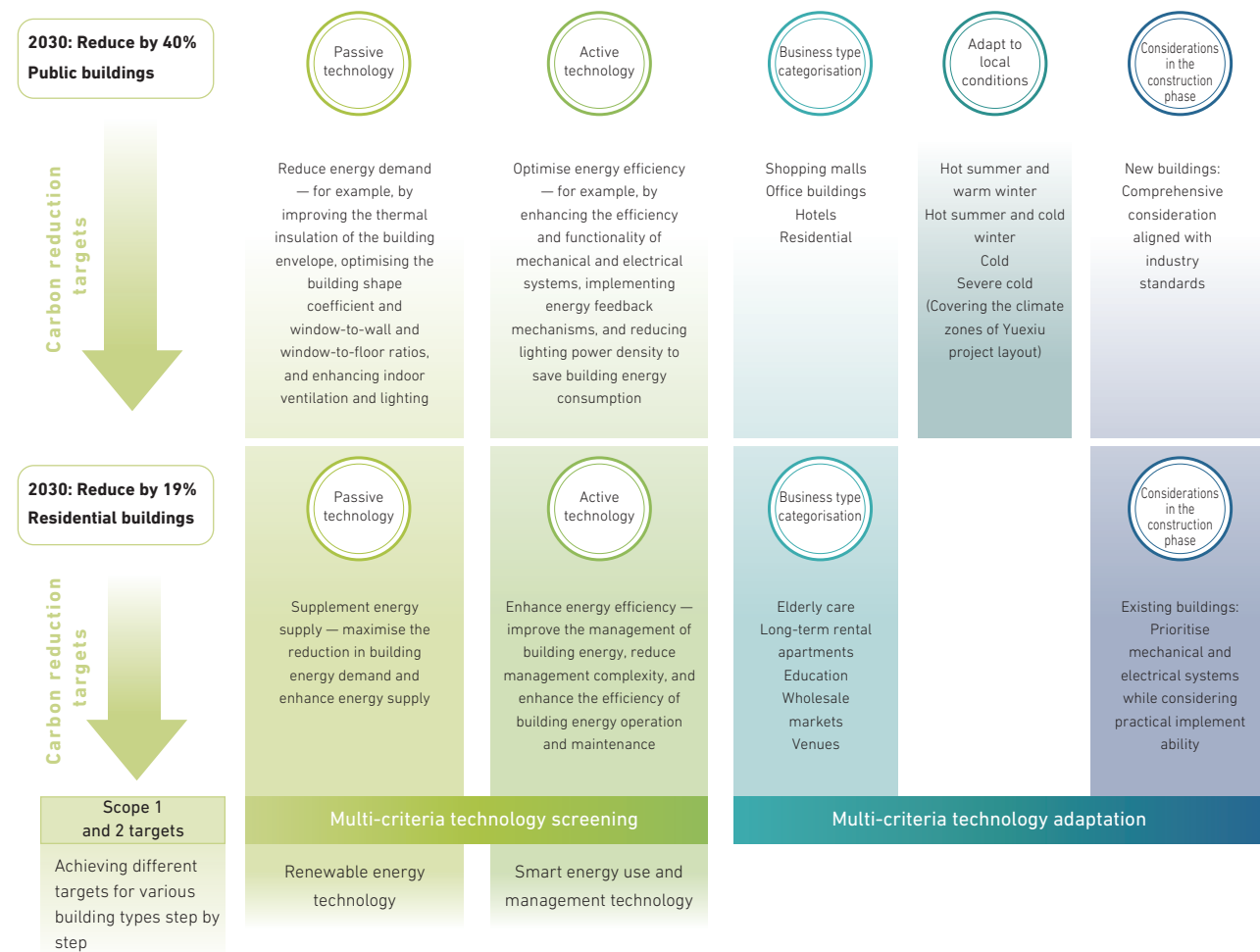


Fig: Yuexiu Property ESG Management System "Personal Carbon Footprint" Module



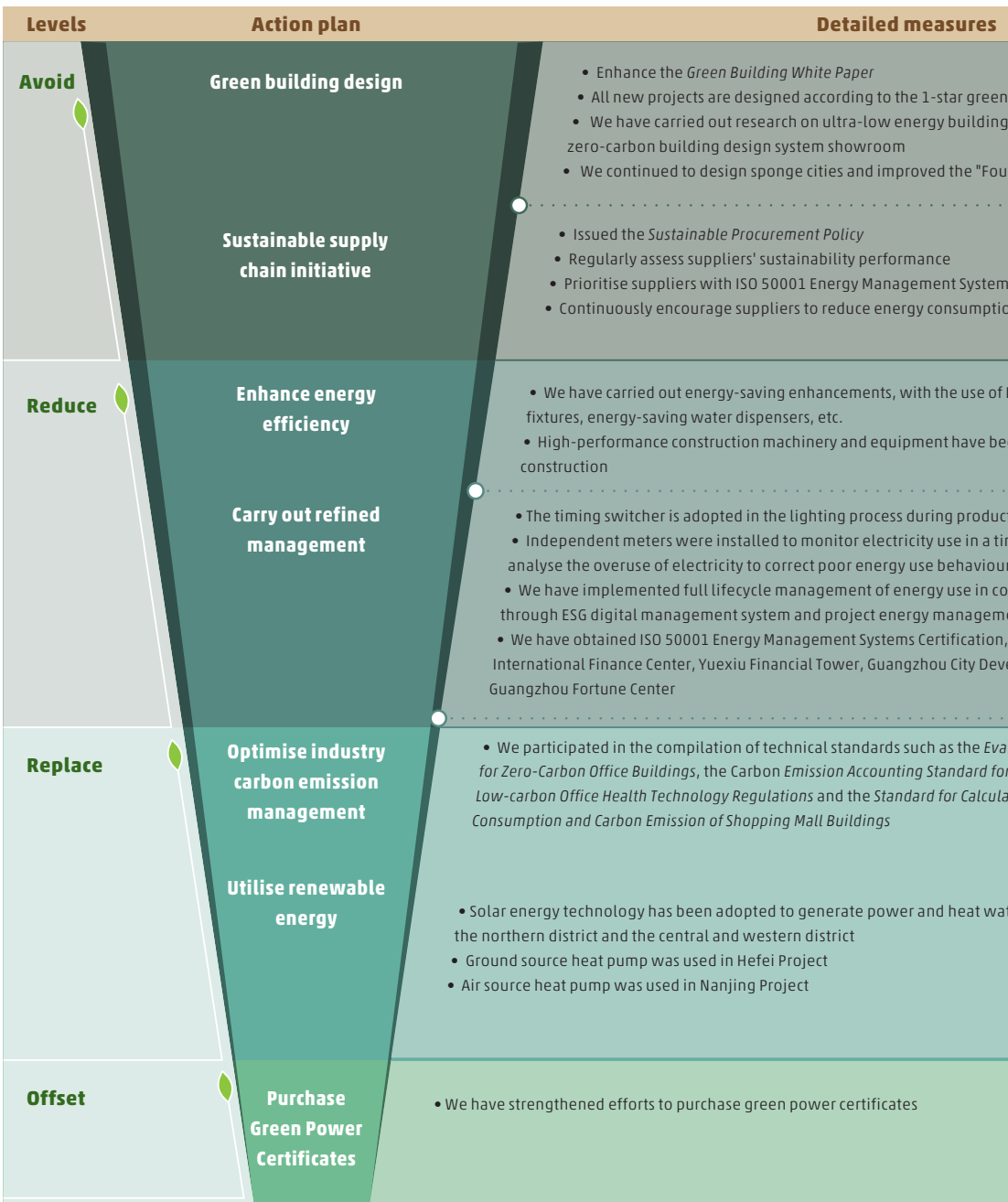
Carbon Reduction Strategy and Action Plan

In the face of increasingly prominent global climate change, Yuexiu Property recognises the significant mission it bears in the construction sector. We consistently implement carbon reduction measures, continuously optimise the energy mix, and enhance energy efficiency, contributing to climate change mitigation through concrete actions. Our efforts are not only a responsibility but also a commitment to future generations.





We strictly adhere to the carbon reduction hierarchy framework, which includes a systematic plan across four levels: Avoid, Reduce, Replace, and Offset. On this basis, we routinely implement specific carbon reduction actions and continuously review and evaluate our performance. Through regular reviews and reflections, we continuously improve and adjust our carbon reduction strategies, setting more ambitious goals to enhance our carbon management capabilities.



	Performance review	Future objectives
building standard design and established a "r" construction targets	<ul style="list-style-type: none"> • Add 150,000 square meters of green building area with three-star certification • Cumulatively implement ultra-low energy consumption building areas for 1,080,000 square meters 	<ul style="list-style-type: none"> • We will formulate the implementation path and nodal targets of the sustainability strategy from the three dimensions of investment, development and operation and maintenance • With Nansha Hong Kong People's Community as a pilot, we aim to obtain Singapore's Green Mark certification • We will implement WELL
certification on per unit of product	<ul style="list-style-type: none"> • Encourage suppliers to collaborate on projects according to the <i>Sustainable Procurement Policy</i> 	<ul style="list-style-type: none"> • Coordinate design, material selection, equipment procurement, and construction management to facilitate the implementation of technical system standards in product development
LED energy-saving light	<ul style="list-style-type: none"> • Installation of elevator energy feedback devices reduces elevator electricity consumption by approximately 8% annually • Retrofitting of the air conditioning system's terminal units has resulted in a 68% reduction in equipment energy consumption • The coverage rate of water-saving taps exceeds 80% 	<ul style="list-style-type: none"> • We will continue to reduce the energy consumption of existing assets and offer technical support
operation in a timely manner and in a timely manner commercial projects development platforms covering Guangzhou Development Tower and		<ul style="list-style-type: none"> • We will sort out renovation standards for each brand under each product line, emphasising sustainability and safety
evaluation Standard for Office Buildings, Reducing Energy	<ul style="list-style-type: none"> • The <i>Low-carbon Office Health Technology Regulations</i> were published in 2024 	<ul style="list-style-type: none"> • We will continuously and actively participate in the development of building carbon emission standards to promote the industry's low-carbon development
enter in	<ul style="list-style-type: none"> • Three types of measures have been taken to use renewable energy in 4 districts 	<ul style="list-style-type: none"> • Try to apply photovoltaics to commercial projects
	<ul style="list-style-type: none"> • In 2024, the Group purchased a total of 710,000 kWh of green power certificates 	<ul style="list-style-type: none"> • Purchased more than 1,000,000 kWh of green electricity certificates

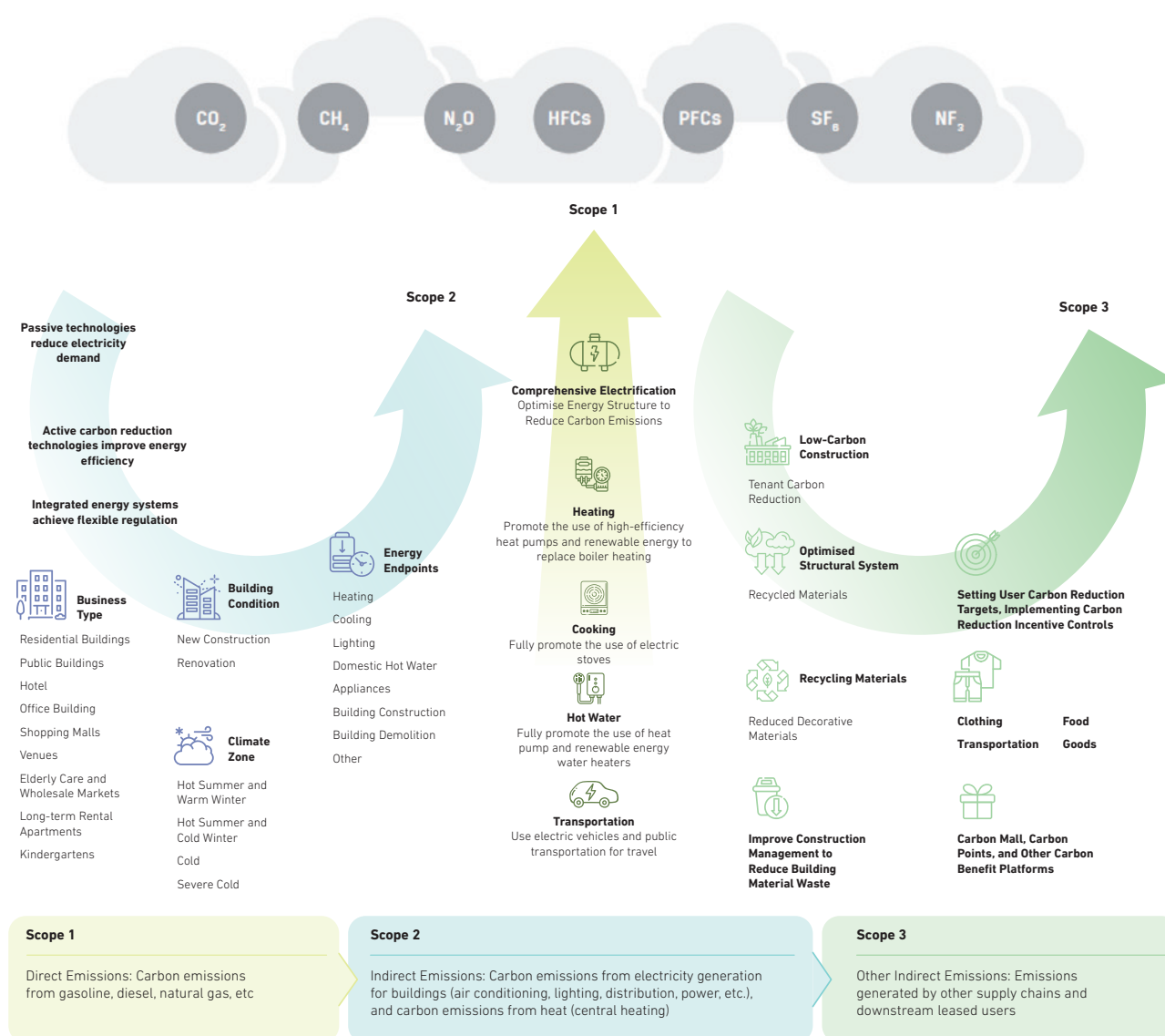


Yuexiu Property is committed to minimising the potential negative impacts of our production and operations on climate change in all dimensions, in all aspects and at every stage of the entire lifecycle.

To better advance the “Yuexiu Property Dual Carbon Action Plan”, through the carbon inventory work conducted in 2022 and 2024, a detailed analysis of various business sectors and their development trends has been carried out. Specific renovation and improvement plans have been formulated, with the goal of achieving net-zero emissions across the value chain by 2060.

The “Yuexiu Property Dual Carbon Action Plan” constructs development strategies and implementation paths from a full lifecycle perspective. It focuses on carbon emission reduction targets for Scope 1 and Scope 2, planning carbon emission reduction paths and setting performance targets. It also gradually formulates and evaluates carbon emission targets for Scope 3. Currently, for Scope 1 emissions, Yuexiu Property adopts a comprehensive electrification strategy to reduce direct carbon emissions. For Scope 2 emissions, Yuexiu Property sets short-, medium-, and long-term carbon reduction implementation plans for both existing and new projects, considering different business sectors, climate zones, and project construction stages, to improve energy efficiency and reduce emissions.

Carbon Reduction Action Plan for Full Lifecycle of Buildings



2.1.2 Sustainable Building Design

Yuexiu Property has always placed a high emphasis on and maintained a firm commitment to green buildings. As a responsible enterprise, Yuexiu Property recognises the significant role that green buildings play in environmental protection, resource conservation, and sustainable development. We are committed to ensuring that all new projects are 100% compliant with national green building standards of one star or higher (including: national green building standards of two stars and three stars, U.S. LEED certification, BOMA certification, WELL certification, etc.).

From the initial design phase, Yuexiu Property places great importance on integrating sustainable elements into buildings, dedicated to creating green and environmentally friendly living and working spaces. To scientifically guide project design and sustainable construction, we have formulated the *Yuexiu Sales Residential Sustainable Standards System* based on domestic standards such as the *Green Building Evaluation Standard* (GBT 50578-2019), the *Healthy Building Evaluation Standard* (TASC 02-2021), the *Near Zero Energy Building Technical Standard* (GBT 51350-2019), the *Zero Carbon Building Technical Standard* and the *Smart Building Evaluation Standard*, as well as international mainstream standards such as the *U.S. Green Building Standard LEED V4.1 Residential BD+C Multifamily Homes* (LEED New Multifamily Residential Standard) and the *International Healthy Building Standard WELL for Residential* (WELL Building Standard). This system not only aligns with the national dual carbon goals but also considers the relationship between projects and market demands; it not only meets government requirements to enhance the green and low-carbon performance of projects but also analyses customer preferences to proactively adapt to industry development. Ultimately, it establishes a framework for sustainable residential systems, providing four categories of configuration items—mandatory, recommended, preferred, and optional—tailored to different project types and regions, ensuring that the concept of sustainable buildings is considered from the design stage.

Mandatory: Applicable to all projects

- > Indicators that must be met, have already been met, or are easy to meet
- > Indicators required by national and industry standards, as well as local policies and regulations
- > Indicators required by Yuexiu Property's own design standards
- > Indicators typically met by Yuexiu Property's projects

01

Recommended: Applicable to mid-to-high-end projects

- > Indicators to enhance the project's sustainability performance
- > Indicators that are interrelated and have higher requirements in various sustainability standard systems
- > Indicators commonly used in mid-to-high-end projects to improve sustainability performance
- > Indicators that enhance customer satisfaction and quality

02

Preferred: Applicable to benchmark projects

- > Innovative, leading, and significantly performance-enhancing indicators
- > Innovative and leading technological indicators with a demonstrative effect in the industry
- > High-performance indicators required to achieve the highest level of building evaluation certification
- > New technological indicators that Yuexiu Property is focusing on researching and exploring

03

Optional: Applicable to certification projects

- > Indicators that must be added to meet various certification requirements

04



According to Yuexiu Property's sustainable building design system, we ensure that all buildings meet the following outstanding performance criteria:

<hr/>	
<ul style="list-style-type: none">> Enhancement of Long-term Investment Value> Enhancement of Brand Reputation	Safety and Durability
<hr/>	
<ul style="list-style-type: none">> Indoor Air Quality> Water Quality> Acoustic and Lighting Environment> Indoor Thermal and Humidity Environment	Health and Comfort
<hr/>	
<ul style="list-style-type: none">> Transportation and Accessibility> Service Facilities> Smart Operation> Property Management	Convenience of Living
<hr/>	
<ul style="list-style-type: none">> Land Conservation and Utilisation> Energy Conservation and Utilisation> Water Conservation and Utilisation> Material Conservation and Green Building Materials	Resource Conservation
<hr/>	
<ul style="list-style-type: none">> Site Ecology and Landscape> Outdoor Physical Environment	Livable Environment
<hr/>	
<ul style="list-style-type: none">> Technological Leadership> Enhanced Market Competitiveness> Enhanced Brand Influence	Improvement and Innovation
<hr/>	



Green Building

Yuexiu Property Commercial Project Green Building Performance in 2024

Key Performance

In 2024, the Company ensures that **100%** of all new projects meet green building standards.

Commercial Project: The gross floor area of projects certified as green has reached **1.56 million** square metres, accounting for **90.3%** of the total gross floor area of operational commercial projects



Projects certified by the U.S. Green Building Council (USGBC) with Leadership in Energy and Environmental Design (LEED) certification



Guangzhou International Finance Center, V4.1 O+M Platinum Certification



Guangzhou Yuexiu Financial Tower, V4.1 O+M Platinum Certification



Wuhan Yuexiu Fortune Center, V4.1 O+M Platinum Certification



Wuhan Yuexiu International Finance Center, Gold Certification



Yuexiu International Financial Center (Nansha IFC), Gold Pre-Certification



Xi'an ICC Gold Pre-Certification



Projects certified by the Building Owners and Managers Association International (BOMA)



Guangzhou International Finance Center, International 360 recertification



Guangzhou International Finance Center, China COE recertification



Yuexiu Property Commercial Project Green Building Performance in 2024 (continued)



Projects certified by China Green Building Certification



Guangzhou International Finance Center, One-star Green Building



Guangzhou IFC Mall, One-star Green Building



Guangzhou Yuexiu Financial Tower, Three-star Green Building



Guangzhou International Commercial Center, Two-star Green Building



Guangzhou International Commercial Center Mall, Two-star Green Building



Yuexiu International Financial Center (Nansha IFC, Tower A), Three-star Green Building



Yuexiu International Financial Center (Nansha IFC, Tower B), Two-star Green Building



Guangzhou Yuexiu Fortune Center, Two-star Green Building



Wuhan Yuexiu International Finance Center, Two-star Green Building



Hangzhou Victory Center, Two-star Green Building



Wuhan Yuexiu Fortune Center, Outstanding Net Zero Carbon Building

Projects certified as zero-carbon buildings by TÜV Rheinland of Germany and the Building Research Establishment (BRE) of the UK

Yuexiu Property places great importance on the development of sustainable buildings. Not only does it emphasise the green, low-carbon, and environmental aspects of the buildings themselves, but it is also increasingly focused on the positive impacts of improving the environment on human health, comfort, and mental well-being. To this end, Yuexiu Property has adopted the WELL Building Standard to evaluate its commercial projects. As of 2024, three of its commercial projects have been certified at the highest level of the WELL Building Standard—Platinum.



Projects awarded the Platinum certification under the WELL Building Standard™ by the International WELL Building Institute (IWBI) in 2024

A WELL Platinum certified project demonstrates that the building materials used in the project have clear health benefits, including the restricted use of hazardous substances such as aluminium, asbestos, and mercury, and the corresponding green product certification to meet the WELL Platinum requirements.

3 projects awarded the Platinum certification



Guangzhou International Finance Center, Platinum



Guangzhou Yuexiu Financial Tower, Platinum



Guangzhou International Commercial Center, Platinum



Yuexiu Property Commercial Project Green Building Performance in 2024 (continued)



In addition, Yuexiu Property places great importance on the health and safety of its buildings. In 2024, Yuexiu Commercial adopted the "WELL Health-Safety Rating" (referred to as WELL HSR) to evaluate 15 commercial projects under its management. This is a third-party independently verified rating system based on evidence-based research, applicable to all types of properties globally, to implement appropriate operational management policies, cleaning management systems, emergency preparedness plans, health service resources, nourishment and healthy food, mental health support, air and water quality management, and stakeholder engagement and communication in six key areas following the COVID-19 pandemic.

Projects certified with the WELL Health-Safety Rating by the International WELL Building Institute (IWBI) in early 2025

15 projects awarded Health-Safety Rating certification

 GUANGZHOU IFC MALL China Jan 2025 WELL HEALTH-SAFETY RATING	 GUANGZHOU INTERNATIONAL COMMERCIAL CENTER China Jan 2025 WELL HEALTH-SAFETY RATING	 GUANGZHOU YUE CITY China Jan 2025 WELL HEALTH-SAFETY RATING	 VICTORY PLAZA China Jan 2025 WELL HEALTH-SAFETY RATING	 GUANGZHOU FORTUNE PLAZA China Jan 2025 WELL HEALTH-SAFETY RATING
Guangzhou IFC Mall	Guangzhou International Commercial Center (mall)	Guangzhou Yue City (mall)	Guangzhou Victory Plaza (mall)	Guangzhou Fortune Plaza
 GUANGZHOU CITY DEVELOPMENT PLAZA China Jan 2025 WELL HEALTH-SAFETY RATING	 GZ NANSHA YUEXIU INTERNATIONAL FINANCIAL CENTER China Jan 2025 WELL HEALTH-SAFETY RATING	 WUHAN YUEXIU FORTUNE CENTER China Jan 2025 WELL HEALTH-SAFETY RATING	 WUHAN STARRY VICTORIA SHOPPING CENTER China Jan 2025 WELL HEALTH-SAFETY RATING	 WUHAN YUEXIU INTERNATIONAL FINANCE CENTER China Jan 2025 WELL HEALTH-SAFETY RATING
Guangzhou City Development Plaza	Yuexiu International Financial Center (Nansha IFC)	Wuhan Yuexiu Fortune Center	Wuhan Starry Victoria Shopping Center (mall)	Wuhan Yuexiu International Finance Center
 YUEXIU IFC MALL China Jan 2025 WELL HEALTH-SAFETY RATING	 FOZHAN YUE PLAZA China Jan 2025 WELL HEALTH-SAFETY RATING	 YUEXIU STARRY CENTER China Jan 2025 WELL HEALTH-SAFETY RATING	 HANGZHOU VICTORY BUSINESS CENTER China Jan 2025 WELL HEALTH-SAFETY RATING	 SHANGHAI YUEXIU TOWER China Jan 2025 WELL HEALTH-SAFETY RATING
Wuhan IFC Mall	Foshan Yue Plaza	Foshan Starry Center	Hangzhou Victory Business Center	Shanghai Yuexiu Tower



CASE

Landmark Properties, the New Fashion of Environmental Protection


Guangzhou International Finance Center (referred to as: Guangzhou IFC), as the first urban complex landmark project in the Asia-Pacific region to simultaneously obtain three major authoritative building certifications, BOMA, LEED, and WELL, has successively passed ISO 9001, ISO 14001, OHSAS 18001, and ISO 50001 standard certifications. It has achieved international leading levels in quality management, environmental management, occupational safety and health management, and energy management.



01 Air Conditioning Condensate Recovery

At present, Guangzhou IFC recycles air-conditioning condensate and reuses it to supply water to the cooling tower, with an annual recovery volume of about 8,500 tonnes.

Guangzhou IFC air-conditioning condensate can be recycled

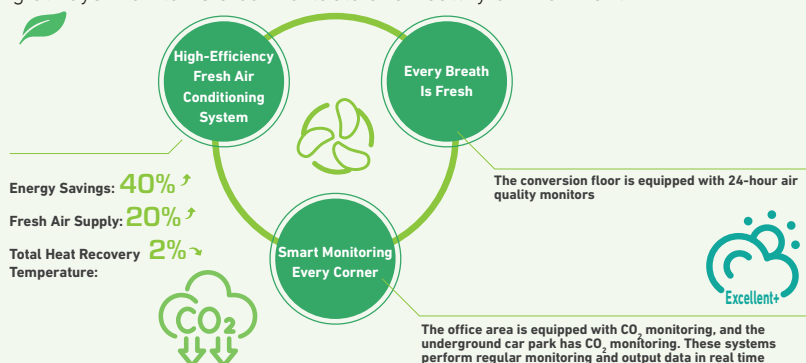
about **8,500** tonnes  per year = **4** standard swimming pools

Enough for **900** families for one year.



02 Air Quality Management (IAQ)

As early as 2019, Guangzhou IFC implemented an Indoor Air Quality (IAQ) management system, becoming the first ultra-high-rise office building in South China to adopt international standards for indoor air quality management. Through data transmission via cloud platforms and mobile devices, the system continuously monitors temperature, humidity, PM 2.5, and carbon dioxide levels both inside and outside the building. The PM 2.5 interception rate reaches **99%**, while the removal rates for formaldehyde and benzene are **90%**. The system also achieves a **99%** effectiveness in killing indoor bacteria, ensuring that the building always maintains a comfortable and healthy environment.



2024 Performance of Low-Carbon Residential Projects by Yuexiu Property:

As of the end of the reporting period, a total of **217** projects have been completed or are under construction, meeting green building standards,

with a total construction area of approximately **39.38** million square meters.

During the reporting period, **11** new projects meeting green building standards were added,

with a total construction area of approximately **2.31** million square meters.



Ultra-Low Energy Building

Ultra-low energy buildings are an innovative architectural design concept. They aim to significantly reduce energy consumption during the building's operational phase while ensuring indoor comfort. This type of building particularly emphasises its adaptability to local climate characteristics and site conditions. By employing passive design methods, ultra-low energy buildings significantly reduce the need for heating, cooling, and lighting. Active technologies are also employed to further enhance the efficiency of energy systems and equipment. These technologies can automatically adjust energy usage based on actual requirements, leading to efficient energy use.

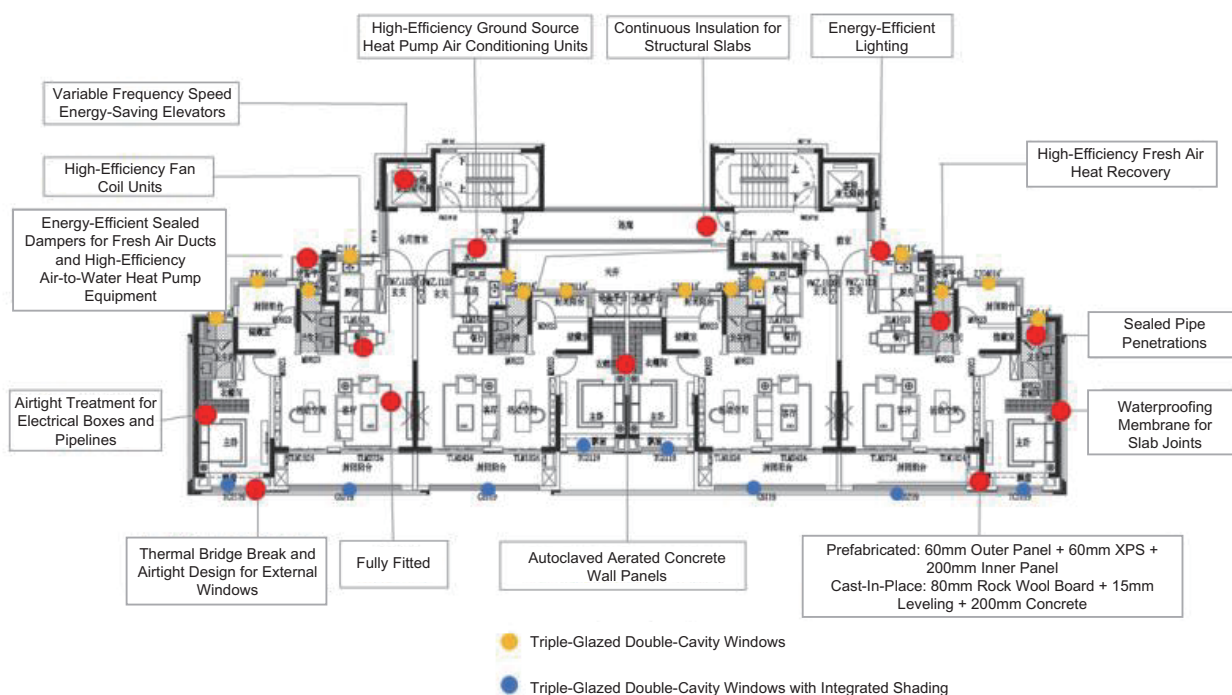
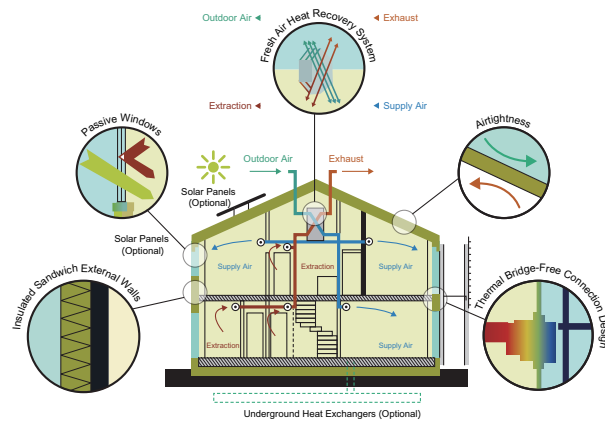


Diagram of Integrated Technologies for Ultra-Low Energy Buildings

In terms of passive energy efficiency, the ultra-low energy building has doubled the thickness of its exterior wall insulation compared to other energy-saving buildings in the area. This provides superior thermal performance, effectively reducing heat loss in winter and heat intrusion in summer, thereby reducing the need for heating and cooling. The exterior windows are triple-glazed with double cavities and achieve an airtightness level of 8, offering excellent thermal and sound insulation. This not only provides a quiet living environment for residents but also significantly reduces energy loss. South-facing windows are equipped with mid-positioned shading windows, which can effectively block direct sunlight in summer. This not only enhances the building's aesthetics but also allows for flexible adjustment of shading effects, ensuring ample and comfortable indoor lighting. The building is designed with no thermal bridges and enhanced airtightness, which prevents rapid energy transfer, thereby significantly reducing energy consumption.



For active energy conservation, ultra-low energy buildings employ a ground-source heat pump air conditioning system that leverages the consistent underground temperature. In winter, it transfers heat from underground to the building interior via a heat exchanger for heating; in summer, it transfers heat from the building interior to underground for cooling. Furthermore, an efficient air purification and heat recovery fresh air system is installed, with a total heat recovery efficiency of at least 70%. This system introduces fresh air while recovering the majority of the heat, thus reducing the energy consumption of heating and cooling systems. Moreover, ultra-low energy buildings utilise prefabricated construction, fully finished design, and construction techniques that enhance construction efficiency, minimise pollution, and meet ultra-low energy consumption standards, thereby achieving comprehensive high-quality control for health and environmental sustainability.



Adopting renewable energy is a critical measure for ultra-low energy buildings to achieve low carbon. These buildings, in addition to employing active and passive energy conservation technologies, also utilise clean energy sources like geothermal and solar power to replace fossil fuels, thereby reducing greenhouse gas emissions and promoting the achievement of carbon neutrality.

The indoor environmental parameters and energy efficiency indicators of Yuexiu Property's ultra-low energy consumption projects comply with the following regulations, and the building energy consumption level should be more than 50% lower than that of the Design Standard for Energy Efficiency of Residential Buildings in Hot Summer and Cold Winter Zone (JGJ134-2016).

Ultra-low Energy Consumption Project Building Path

Ultra-low energy building environment analysis	<ul style="list-style-type: none">> Choose a site with excellent natural lighting and ventilation> Optimise the window-to-wall ratio, floor plan layout, and ventilation paths
Accurately predict the building load and related energy consumption	<ul style="list-style-type: none">> The building envelope and fresh air heat recovery efficiency influence the building load> The performance of HVAC, power systems, and lighting equipment impacts building energy consumption
Passive design reduces the load	<ul style="list-style-type: none">> Improve the insulation and thermal performance of the building envelope (e.g., by adding thicker insulation layers)> Enhance the building's airtightness (e.g., by improving the construction of exterior doors and windows and refining construction techniques)
High-performance building energy and HVAC (Heating, Ventilation, and Air Conditioning) systems	<ul style="list-style-type: none">> Enhance the efficiency of equipment systems (e.g., high-efficiency HVAC systems and heat recovery)
Integrate renewable energy into building design	<ul style="list-style-type: none">> Primarily used for heating, cooling, and domestic hot water to lower energy consumption

Ultra-low Energy Consumption Project Design Guidelines

The design principles for ultra-low energy buildings adhere to the climate adaptability principle and the performance-oriented design principle.

Climate Adaptability Principle

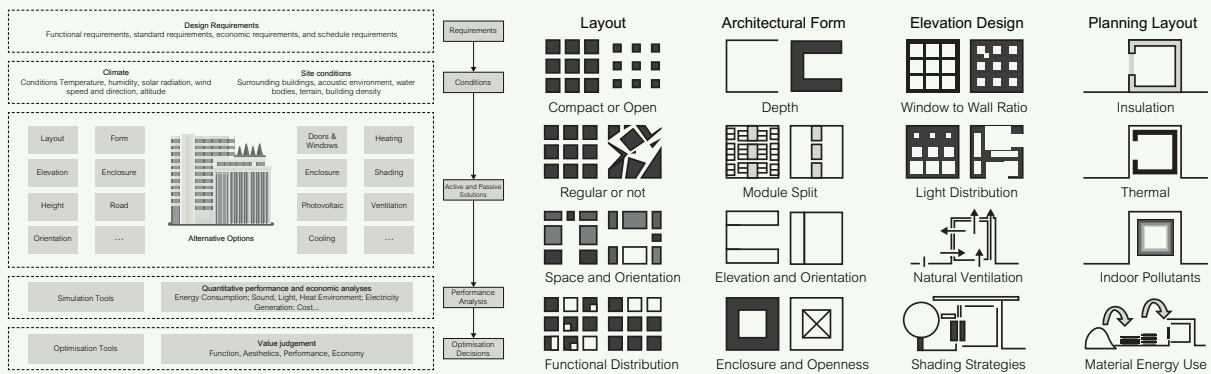
The climate adaptability principle takes into account the local meteorological, geographical characteristics, and site conditions, based on functional, standard, economic, and schedule requirements, to fully utilise natural methods and minimise the building's heating, cooling, ventilation, and lighting load demands, thereby adapting to the climate and environmental conditions and creating a building that is warm in winter and cool in summer with excellent lighting and ventilation.

01

Performance-Oriented Design Principle

Performance-based design methods are integrated throughout the design process of ultra-low energy buildings. The core of this approach involves quantitative design analysis and optimisation driven by performance targets, with performance parameters derived from computational results rather than directly from codes. Climate-responsive design considers local climate characteristics and the microclimate environment of the project site, focusing on natural ventilation, natural lighting, form and shading, and thermal insulation to create optimal building conditions. This project optimises the building's spatial layout, judiciously selects and utilises landscape and ecological greening measures to enhance natural ventilation and reduce the heat island effect in summer, and to increase sunlight exposure while mitigating the impact of cold winds in winter. The building should ideally have a north-south orientation, and the main entrance should be positioned to avoid the prevailing winter wind direction.

02



Climate-responsive design process

Key elements of climate-responsive design



Ultra-low energy building technologies



High-efficiency Exterior Wall Insulation System

The high-efficiency exterior wall insulation system, through its unique structural design and material selection, reduces the average thermal transmittance of the exterior walls by approximately 50% compared to the requirements of local residential building energy conservation design standards. This system not only stabilises indoor temperatures and significantly reduces energy consumption, but also provides additional protection for the building, extending the lifespan of the main structure.

Taking a 100-square-metre residence as an example, the adoption of a high-efficiency exterior wall insulation system can save about more than 60% of energy annually compared to ordinary buildings. This means that residents will experience a significant reduction in energy consumption for heating in winter and cooling in summer, not only saving on energy costs but also reducing the negative impact on the environment. Additionally, the high-efficiency insulation enhances the comfort of the occupants, making the indoor environment more pleasant and reducing the discomfort caused by temperature fluctuations.



High-efficiency energy-saving exterior window system

The high-efficiency energy-saving exterior window system improves the energy performance of windows through a combination of functions including thermal insulation, ventilation, daylighting, watertightness, airtightness, wind pressure resistance, sound insulation, anti-theft, shading, and weather resistance. The system achieves a thermal transmittance as low as $1.5\text{W}/(\text{m}^2\cdot\text{K})$, reducing the energy exchange between the interior and exterior, thereby lowering building energy consumption.

Through the optimised design of these integrated functions, the high-efficiency energy-saving exterior window system not only improves the energy performance of windows but also provides residents with a more comfortable, safe, and healthy living environment, achieving a comprehensive improvement in building energy efficiency.

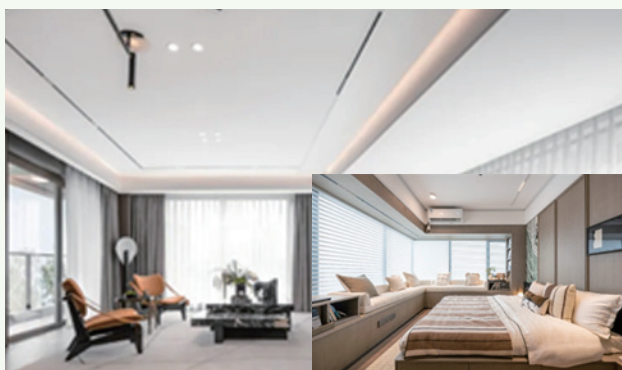


Natural Lighting

By maximising the use of natural light, the need for artificial lighting is reduced, lowering energy consumption and electricity costs. Natural lighting can also improve indoor air quality, enhance the dark and damp environment of underground garages, and reduce odours. It protects vehicles from rust and damage caused by moisture, thereby extending their lifespan.

We use natural light collection devices along with highly efficient light-conducting fibres and pipes to transmit outdoor natural light to underground functional areas. The light source wavelength is filtered to retain only a specific spectrum, free of ultraviolet and infrared light, with no colour distortion or flicker. This achieves lighting without electricity, reducing harm to the human body and saving energy.

We achieve proper amount of bright indoor lighting through master planning and layout optimisation, an ultra-high window-to-wall ratio, natural daylighting, and technologies such as simulation analysis. Light wells are installed to enhance daylighting and natural ventilation in underground garages, effectively expelling exhaust emissions.



Renewable Energy

Energy consumption in building operations is reduced through the use of equipment that harnesses renewable natural energy resources such as solar, hydro, wind, biomass, geothermal, air and waste-to-energy.

Our Building-Integrated Photovoltaics (BIPV) projects directly integrate photovoltaic components into buildings to meet buildings' energy needs. This integration combines energy production with various functions such as design, daylighting, thermal insulation, and soundproofing, achieving a perfect blend of energy production and building functionality. Under the same installed capacity, Copper Indium Gallium Selenide (CIGS) thin-film solar modules generate 10-15% more electricity compared to crystalline silicon solar modules, possess the strength of building materials, enabling direct substitution for conventional glass curtain walls, and is widely applied in the structure of eco-friendly buildings and green buildings.



Efficient Machine Room

We employ proactive technologies and intelligent equipment to control the HVAC system and other electrical devices in buildings. Through advanced technical means and smart control systems, we achieve precise and optimised management of the internal environment in buildings.

Specifically, proactive technologies can automatically adjust the operation modes of the HVAC system based on changes in the indoor and outdoor environment, ensuring that the indoor temperature, humidity, and air quality are always at their optimal levels. Meanwhile, the intelligent equipment management platform can monitor and control the operational status of various electrical devices in real time. By leveraging data analysis and predictive analytics, we optimise energy consumption and reduce unnecessary energy waste.



System schematic diagram



Shanghai Grand Harmony Ultra-low-energy Residential Project



Project Background

The Shanghai Grand Harmony project is located in Meilong Town, Minhang District, Shanghai, specifically at a location east of Meifu Road, west of Meijiang Road, south of Chunshen Road and north of Xingmei Road. The project commenced construction in December 2022 and successfully passed Shanghai's ultra-low-energy building project assessment in December 2023, receiving a qualified opinion. The project comprises 14 individual buildings with 889 households and a floor area of 99,444.13 sq.m..

Design Objective

In accordance with the "Shanghai Ultra-low-energy Building Technical Guidelines (Trial)", the project strictly controls indoor environmental indicators, building energy consumption indicators, and building airtightness indicators, with the objective of significantly reducing building energy consumption. Compared to existing energy-efficient buildings, this ultra-low-energy building project is expected to reduce 1,614.78 tonnes of carbon emissions annually, contributing to Shanghai's goal of reaching "carbon peak" by 2025.

Design Concept

The project adheres to the principle of "Passive Priority, Active Optimisation" and is guided by Shanghai's climate for the design of ultra-low-energy building programmes. The specific measures are as follows:

01 Climate-adaptive design:

- > **Building plan layout:** Design a reasonable building plan layout based on the meteorological conditions and living habits of the Shanghai region.
- > **Orientation design:** Optimise the building's orientation to maximise natural light utilisation and reduce energy consumption.
- > **Daylighting and ventilation:** Design an efficient daylighting and ventilation system to enhance indoor comfort and minimise air conditioning usage.

02 Passive Strategies:

- > **External sun-shading:** Employ efficient external sun-shading system to mitigate the impact of summer solar radiation on indoor temperatures.
- > **Energy-efficient windows and doors:** Utilise high-performance energy-efficient windows and doors to enhance the thermal insulation of the building.
- > **Envelope insulation:** Enhance the insulation performance of the building envelope to minimise heat loss.

03 Active optimisation Strategies:

- > **Energy efficiency improvement:** Select high-efficiency heating, air conditioning, and lighting equipment to reduce energy consumption.
- > **Renewable energy utilisation:** Integrate renewable energy resources, such as solar power, to further reduce building energy consumption.



Zero Carbon, Zero Energy Buildings

CASE

Yuexiu Property's First "Dual Zero" Industrial Park Project

Yuexiu iPARK industrial park is located in the Qingsheng area of Nansha pilot zone in Guangzhou, adjacent to the Hong Kong University of Science and Technology (HKUST) (Guangzhou campus). To support the country's "30/60" strategic goals, Yuexiu Property has adopted a sustainable development design philosophy, aiming to transform the project into a green, low-carbon, open, shared, smart, efficient, and innovative industrial-academic-research innovation park. We have selected building D6# as a pilot project of zero-carbon building, designed and built according to the latest national zero-carbon and zero-energy standards. In December 2024, the project successfully obtained the zero-carbon and zero-energy building certification from China Association of Building Energy Efficiency. This makes it the first zero-carbon industrial park building in Guangzhou and the first in South China Region to receive "Dual Zero" certification, marking Yuexiu Property's leading role in promoting the development of zero-carbon and zero-energy buildings and signalling a new step forward in the field of green construction.

DOUBLE
ZERO



The Zero Energy Building Certification recognises buildings that achieve net-zero energy consumption through efficient design and renewable energy sources.



The Zero Carbon Building Certification recognises buildings that achieve net-zero carbon emissions by minimising energy use and offsetting any remaining emissions.

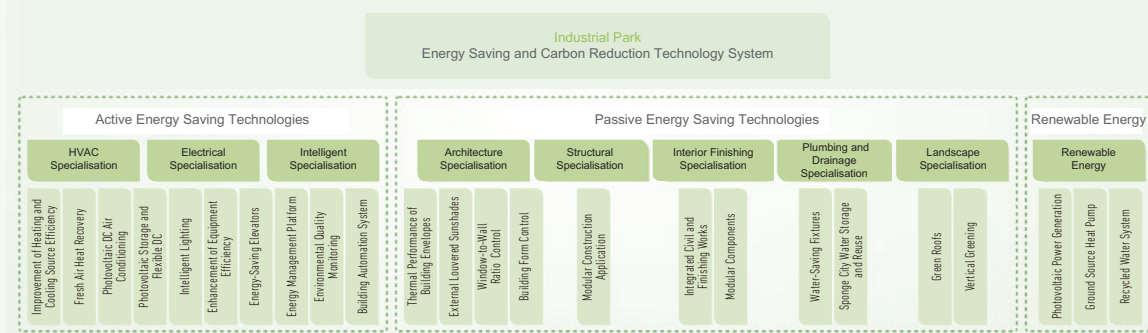
Project Features: Adhering to the Principles of Green, Energy-saving, Low-carbon, Environment-friendly, and People-centric Design

Aiming for sustainable development, the project adheres to the principles of green, energy-saving, low-carbon, environment-friendly, and people-centric design. Based on the local climate characteristics, the spatial layout is planned with "one corridor, two zones, and three nodes". By integrating 12 major specialised technologies, including active and passive energy-saving techniques, renewable energy utilisation, and the application of new product technologies, the project comprehensively reduces building energy consumption. This results in an intrinsic energy efficiency rate of 47.7%, a comprehensive energy efficiency rate of 100%, and a renewable energy utilisation rate of 108%. The annual terminal energy consumption of the building is 34 kWh/m².

Ultra-green

【Ultra-Green—Social Responsibility: A Small Effort for a Beautiful Future; Pilot Zero-Carbon Industrial Parks, Summarise Zero-Carbon Strategies, Promote Industrial Park Planning, and Foster Technological Innovation.】

The Energy Reduction Technology System follows three modules: Active Priority, Passive Integration, and Renewable Energy.



Project Energy Saving and Carbon Reduction Technology System

CASE

Yuexiu Property's First "Dual Zero" Industrial Park Project (Continued)

01 Sustainable planning and design: creating a green and healthy park

- > **People-friendly and business-friendly:** Respecting the surrounding ecological environment, the project integrates university sightline corridors into the design of open spaces such as vibrant public plazas, commercial leisure precincts, and garden-style office clusters, providing healthy and vibrant activity areas for clients and the local community.
- > **Pedestrian-friendly:** Creating a comfortable and convenient walking experience, with a first-floor covered corridor and a second-floor pedestrian system connecting all buildings, ensuring seamless connectivity between the park, the metro station, and the HKUST campus.
- > **Biodiversity:** We minimise or reduce our impact on nature using biodiversity-friendly designs. Through landscaping, water systems, and pedestrian paths, a central ecological green axis over 300 metres long is created, featuring rich local vegetation to improve the microclimate and protect biodiversity.
- > **Green collaboration:** All building rooftops are designed to support plant growth, and we work with tenants to create rooftop gardens, fostering a high-quality, green, and natural office environment.

02 Passive energy saving technology: Achieving natural green buildings

- > **Enhanced glass sunshading coefficient:** The curtain wall uses double-silver Low-E insulated argon-filled tempered glass, improving the thermal insulation performance of the building envelope and effectively reducing cooling loss in summer and heat loss in winter.
- > **Application of architectural self-shading technology:** Based on solar radiation simulation angles, 800mm-wide horizontal external shading louvers are installed on the curtain wall to reduce solar heat gain, ensuring indoor thermal comfort.
- > **Natural ventilation and lighting design:** Openable windows are set in the curtain wall to allow natural ventilation during transitional seasons, reducing the operating time of air conditioning and lowering electricity energy consumption and carbon emissions.





CASE

Yuexiu Property's First "Dual Zero" Industrial Park Project (Continued)

03 Active energy saving technology: Achieving dual control of energy and carbon

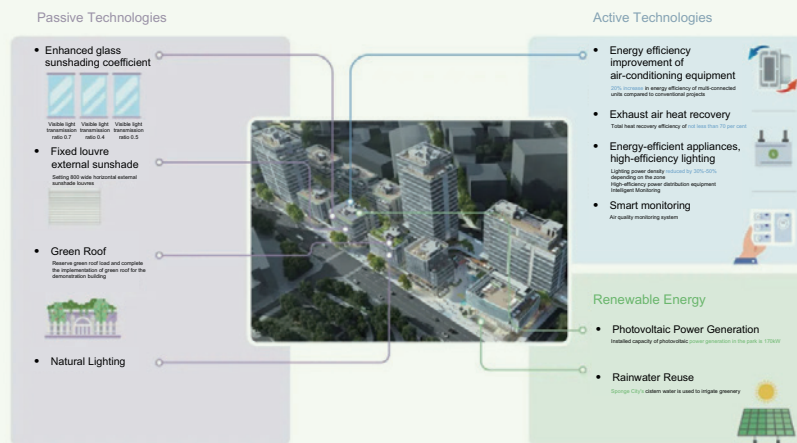
- > **Enhanced HVAC efficiency:** High-comfort, high-efficiency multi-split air conditioning systems are used indoors, improving energy efficiency by 20% compared to conventional projects, significantly saving electricity and creating a pleasant office environment for clients.
- > **Application of heat recovery technology in fresh air systems:** Full heat recovery fresh air units are used to recycle and reuse the cold and heat from exhaust air, with a recovery efficiency of no less than 70%, reducing fresh air energy consumption.
- > **High-efficiency energy-saving lighting design:** An intelligent lighting control system is used to adjust lighting based on different areas and usage scenarios, reducing lighting power density by 30% to 50%, promoting smart energy use, and creating a comfortable and healthy indoor light environment.
- > **Intelligent air quality monitoring:** An air quality monitoring system is used to monitor indoor temperature, humidity, PM2.5, and CO₂ levels in real-time, guiding energy-efficient operation of the air conditioning system.

04 Renewable energy development: Achieving energy recycling

- > **Solar Photovoltaic Power Generation:** Horizontal photovoltaic sunshading aluminium panels are installed on the curtain wall, and a 176kW photovoltaic power generation system is installed on the roof, capable of supplying 190,000 kWh of electricity annually, meeting the self-sufficiency needs of the D6 building.
- > **Sponge city rainwater reuse:** Rainwater is collected from the site according to sponge city requirements, and a 930 m³ rainwater storage tank is set up to store water for irrigation in the park, ensuring a runoff control rate of 86% annually.

05 Application of new technologies in products: Achieving carbon reduction in construction

- > **BIM technology empowerment:** BIM analysis is used to optimise the layout of underground garage pipelines, reducing material waste and improving the clear height of the space, enhancing the user experience for clients.
- > **Prefabricated structural application:** The D1 building uses UHPC hollow precast columns as vertical structures, with a vertical structure prefabrication rate of 36%, ensuring safety and convenience and significantly improving on-site construction efficiency.
- > **Energy management platform support:** A digital, energy-efficient, and visual smart energy management platform is used to comprehensively display and control the energy efficiency of the construction process, providing technical support for green construction.



Project Energy Saving and Carbon Reduction Technical Measures

Yuexiu Healthy House System

Yuexiu Property officially launched the “YES My Life” YES Healthy Living System in 2022, in which the “YESense” redefines future home products from the perspective of health, showing the direction and action programme of Yuexiu Property as a designer and implementer of green living, green working and green production practices. In order to carry on the concept of “YES My Life” YES Healthy Living System, Yuexiu Property applied the new generation “Healthy House Technology System” in August 2024, focusing deeply on the healthy lifestyles of our customers and meticulously creating good houses and communities that integrate health, comfort, green technology, and smart safety, leading the future of healthy living towards “Net Zero”.

This system includes **10** holistic health systems (Joyful Air, Joyful Clean Water, Joyful Silence, Joyful Lighting, Joyful Comfort, Joyful Engineering, Joyful Fitness, Joyful Humanities, Joyful Services, and Joyful Environment), featuring **72** modules and **170** health technology details.

The design phase incorporates advanced health concepts, optimising building layout and material selection to ensure indoor air quality, natural lighting, and noise control, thereby enhancing living comfort. During the construction process, environmentally friendly materials and efficient construction techniques are employed to minimise environmental impact. In the operational phase, automated and intelligent systems enable real-time monitoring and management of building energy consumption, ensuring that the building remains energy-efficient during use.



<p>Joyful Air</p>	<p>Ensure fresh indoor air, reduce harmful emissions, and improve the respiratory health of residents.</p>	<p>Joyful Engineering</p>	<p>According to the basic requirements of ergonomics and daily use, localised spatial refinements are implemented to enhance spatial comfort, allowing every inch of your home experiencing the warmth of design.</p>
<p>Joyful Clean Water</p>	<p>Efficiently utilise and manage water resources, reduce wastage, and realise the recycling of water resources through water-saving devices, rainwater collection systems and greywater reuse systems. At the same time, integrate water purification, water softening, and end-use drinking water purification systems into one cohesive unit to create a more comprehensive and healthy water usage environment.</p>	<p>Joyful Fitness</p>	<p>Through the construction of health space, health trails, children's activity space, elderly activity space, and the combination of life patterns, the construction of an all-age fitness system, enabling residents to stay active anytime and anywhere..</p>
<p>Joyful Silence</p>	<p>Reduce noise pollution, creating a quiet and comfortable living and working environment that helps alleviate stress and anxiety.</p>	<p>Joyful Humanities</p>	<p>Through indoor and outdoor comfortable natural landscape environment construction, all-age friendly care design, diversified communication space design, etc., foster a dual sense of physical and mental well-being and provide community residents with more abundant emotional value.</p>
<p>Joyful Lighting</p>	<p>Increase the use of natural light through thoughtful design, improving residents' psychological comfort and health.</p>	<p>Joyful Services</p>	<p>Provide community residents with more comfortable, humane and caring services to help them live a healthy life.</p>
<p>Joyful Comfort</p>	<p>Ensure suitable indoor temperature and humidity through effective building layout and efficient HVAC systems, enhancing residents' comfort.</p>	<p>Joyful Environment</p>	<p>By simulating the light environment, wind environment and heat environment of different seasons in different project locations, the design reduces the intensity of heat islands and creates a healthy and comfortable experience by special design.</p>



"Joyful Air" Health System, Creating the Best Indoor Air Quality

Environmental Laboratory

We use environmental quality testing equipment, including material monitoring environmental chambers, mobile sampling devices, and air quality monitoring devices, and employ IoT and sensor technology to achieve 24-hour continuous monitoring of indoor air quality. Data is uploaded in real-time to a cloud platform, providing minute-level data support for air quality management during the renovation process. This ensures transparent and visible air quality management during the renovation process and creates a detailed air quality record.



Material Monitoring Environmental Chamber



Mobile Sampling Device



Air Quality Monitoring Device



Green and Environmentally Friendly Materials

We select environmentally friendly building materials and strictly control the levels of various pollutants, ensuring effective control at the source. The selection standards for materials such as paints and indoor floor coverings fulfil the requirement of the limits set by current national standards.

> Eco-friendly paint

We use E0-grade latex paint that exceeds national standards, featuring anti-pollution, anti-bacterial and odour removal, as well as waterproof and anti-mould properties. This ensures a healthy and safe living environment for residents.

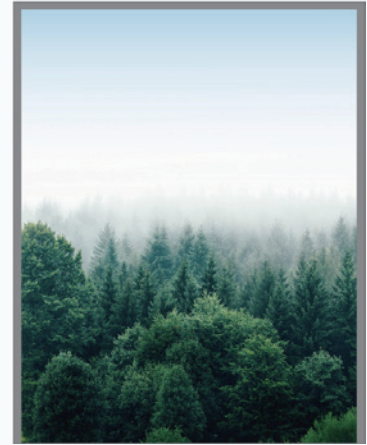
> Eco-friendly wooden flooring

ENF-grade panels, the highest environmental standard in China's newly released national standards, have low formaldehyde emissions and contain no harmful substances, making them friendly to both human health and the environment.



Window Ventilation System

An alternative to traditional window opening methods, it regulates the flow of outdoor fresh air to adjust the indoor air temperature, humidity, cleanliness, and air velocity, achieving air exchange between indoors and outdoors, ensuring fresh indoor air, creating a comfortable and healthy living environment.



Haze Removal Fresh Air System

A whole-house haze removal fresh air system continuously supplies fresh air 24/7 while filtering outdoor air pollutants such as PM2.5 and PM10, and disinfects, sterilises, supplies oxygen, and preheats (in winter) the air entering the indoor space, providing a fresh and comfortable living environment.





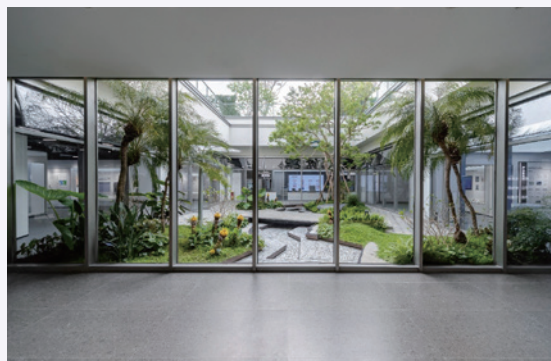
"Joyful Lighting", creating lighting systems tailored to various needs



Natural Light Environment

We optimise the building layout, including the overall plan and unit layout, the window-to-wall ratio, and natural lighting simulation, to ensure uniform brightness and effectively control the reflectance of indoor walls.

- > Morning: a high-illuminance light environment helps the body's biological clock boost cortisol levels, preparing for the day.
- > Forenoon: a high-illuminance, glare-free light environment enhances cognitive abilities, leading to high work efficiency.
- > Midday: a slightly lower illuminance and colour temperature create a relaxed and pleasant atmosphere for conversation and dining.
- > Afternoon: use light to stimulate the biological clock regulation centre in the brain to combat post-lunch drowsiness and better engage in afternoon work and study.
- > Evening: consider the lighting needs at night while ensuring the normal secretion of sleep hormones to maintain a healthy sleep rhythm.



Lighting Environment

Optimisation of indoor and outdoor lighting parameters includes the quality of fixtures and illuminance simulation analysis. Night light design emphasises the reasonable control of sensor night lights and suitable colour temperature in bedrooms.

- > The indoor artificial light provides very high colour rendering, excellent colour consistency, and virtually no flicker.
- > The outdoor lighting closely mimics natural light, offering strong colour rendering and consistent colour performance.

Public area lighting control is designed for energy saving. Advertising lighting control automatically adjusts brightness to suit the environment, while decorative lighting control follows a periodic on-off schedule to save energy and extend the lifespan of the fixtures.



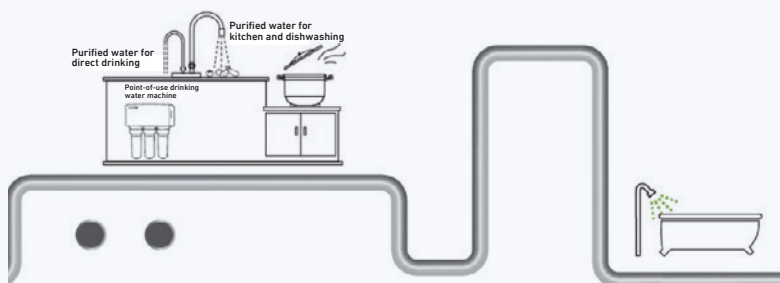
“Joyful Clean Water”, providing fine filtration, promoting safe and clean water usage



Whole-house Water Purification System

A whole-house water purification system can purify the water at every point of use in the home through fine filtration. When used with healthy piping materials, it removes various harmful substances, thereby improving water quality. When combined with a smart control system, it automatically adjusts to actual water usage needs, achieving energy savings and reducing emissions.

- > The pre-filter uses high-precision screens to remove large particles such as mud, rust, suspended solids, and colloidal impurities from tap water, restoring clean water quality.
- > The whole-house water purifier removes harmful substances such as chlorine, metals, and organic compounds from the water, while retaining beneficial minerals, providing healthy and high-quality water for domestic use.
- > The whole-house water softener reduces the hardness of the water by removing calcium and magnesium ions through ion exchange resin.
- > The point-of-use drinking water machine uses high-precision micro-filtration to remove common bacteria, colour and odour, providing pure water that can be consumed immediately, with an improved taste.
- > Stainless steel pipes, which are smooth, easy to clean, and non-transparent, generally have high hardness, tight connections, and excellent anti-pollution and anti-cracking properties. They are primarily used for direct drinking water in the kitchen and bathing.



- > Copper pipes possess excellent anti-corrosion properties and a long service life, with high antibacterial and bacteriostatic capabilities, ensuring water quality remains uncontaminated. They are primarily used for washing and laundry.





"Joyful Silence" noise isolation, experiencing tranquillity amidst the hustle and bustle of the city

Insulated Glass Windows

The gap between the layers of insulated glass is filled with dry air or inert gas, effectively reducing heat conduction. This gas layer also reduces sound transmission, providing sound insulation and energy-saving benefits.

Insulated Laminated Glass Windows

The gap in insulated laminated glass is filled with air and sound-absorbing membrane, effectively isolating the temperature difference between indoor and outdoor environments, reducing heat transfer, and blocking outdoor noise to achieve sound and heat insulation. Compared to single-pane glass, insulated laminated glass provides superior sound and heat insulation.

Interior Quiet Doors

Equipped with a sliding track, soft rubber strips, and a silent door lock, this design prevents noise from collisions, enhances sealing, and ensures a quiet door that does not disturb family members.



Silent Plumbing

Water supply pipes are concealed within the floor padding, and drainage is managed with flexible jointed cast iron pipes to reduce noise, thereby creating a quieter and more comfortable living environment.

Floor Soundproofing Pad

To mitigate the noise from activities of upper and lower neighbours, a vibration-isolating elastic pad layer is installed using microporous damping materials with high resilience, high damping, and strong adhesion. These materials effectively absorb low-frequency solid sounds (such as footsteps and impacts), providing excellent support and cushioning, soundproofing, vibration reduction, and noise reduction, thus avoiding interference between floors.





"Joyful Environment", creating comfortable spaces, promoting healthy habits



Sponge City

- > **Ecological regulation:** green spaces and water bodies, equipped with efficient water cycling systems, foster a positive natural ecosystem within the community.
- > **Rainwater recycling:** permeable paving on sidewalks, landscape paths, and neighbourhood squares guides rainwater into absorption, storage, and other ecological processes, allowing it to either infiltrate the soil directly or be drained through internal pipes of paving.
- > **Sustainable development:** connect and guide more than 80% of rainwater from roofs and roads into ground ecological facilities. When needed, the stored water is released and utilised, promoting water resource recycling and guiding community sustainable development.
- > **Eco-mobility:** by integrating designs such as sunken green spaces and rain gardens, this approach participates in the natural cycle of urban weather regulation, providing an ecological environment for passersby.



Outdoor Wind Environment Management

- > **Environmental simulation plan:** by thoroughly studying the local climate, wind environment simulations are conducted during the design phase, focusing on the harshest winter conditions to ensure that the site's wind environment meets the needs of various residents.
- > **Rational building layout:** buildings are arranged in a staggered pattern and oriented appropriately to ensure indoor ventilation, avoiding the formation of "high-speed alley winds" by taller buildings, thus enhancing ventilation comfort.
- > **Outdoor comfort environment:** outdoor activity spaces are designed to avoid direct exposure to strong winter winds while benefiting from cool summer breezes to alleviate the heat.
- > **Child-friendly considerations:** during the design phase, the wind speed in children's play areas is carefully considered to be 2 m/s, ensuring that children can play outdoors without being affected by strong winds.
- > **Monsoon considerations:** by using tall trees and other methods to improve local wind conditions, this approach reduces the impact of strong winter winds on residents in coastal and northwestern cities.





"Joyful services", providing thoughtful services, supporting a healthy lifestyle

- > One-button call system
- > Perimeter intrusion alarm system
- > Establish inspection, cleaning, and maintenance procedures and schedules for air conditioning, ventilation, and fresh air systems
- > Record inspection, cleaning, and maintenance data for air conditioning, ventilation, and fresh air systems
- > Eco-house



"Joyful Fitness", providing convenient exercise environments and equipment, supporting an energetic lifestyle

- > Family activity area – joyful reunions

A sports-oriented family social landscape that integrates growth, interaction, and family socialisation, fostering joyful gatherings for children, elderly care, family sharing, and parent-child companionship

- > Children's activity area – enjoying childhood dreams

"Childhood games and companionship": a children's playground for playing, exercising, and socialising, leading to a happy childhood and a fulfilling life

- > Elderly activity area – enjoying senior care

"Senior wellness community space" that promotes physical and mental health for the elderly, encouraging long-term residence and a harmonious, happy life for three generations living together





"Joyful Humanities", equipping with elderly-friendly designs, creating a living environment filled with care

- > **Supportive design:** handrails for the toilet in the bathroom, a shoe-changing bench at the entrance, and a shower bench with handrails in the shower room
- > **Barrier-free design:** thresholds in the bathroom should not protrude above the floor of other areas; bathroom doors should open outward or be sliding to prevent the door from being obstructed if an elderly person falls
- > **Enhanced safety alert:** elderly individuals should reduce the use of transparent glass due to declining vision. Shower rooms should use tempered glass for better visibility. Avoid using dark-coloured materials for space decoration
- > **Anti-slip design:** when selecting anti-slip flooring materials, consider the slip resistance of wet surfaces and the static friction coefficient to prevent safety issues on stairs, especially the inconvenience and risk of falling for elderly individuals and children





"Joyful Engineering", allowing every inch of your home experiencing the warmth of design

- > **Kitchen:** Statistics show that switching between sinks, cookers or operating tables at home dozens of times a day involves bending, squatting, lowering the head, lifting the head, lifting the hands and other muscle activities. An ergonomically designed kitchen can alleviate the muscle damage caused by these processes and achieve the goal of easy access and effortless operation.



- > **Toilet:** The ergonomically designed toilet will adjust the height of the washbasin and the height of the shower handle, etc., so that the distance and height meet the needs of the human body and reduce the inconvenience caused by excessive height during use.



"Joyful Comfort", leveraging the power of technology to create a comfortable and healthy indoor thermal environment, making your home feel like spring in all seasons

- > **Canopy capillary network air conditioning system:** This air conditioning system is highly comfortable, draught-free and ultra-quiet, and the indoor temperature is always maintained at 20°C to 26°C, making residents feel as if they are in the warm spring season.
- > **Electric underfloor heating:** In the southern region, where there is no central heating, electric underfloor heating can meet the heating needs of the southern region, using heating cables as a medium to convert 97% of electrical energy into heat.





Yuexiu Qingdao Grand Mansion Project



The Yuexiu Qingdao Grand Mansion project is located in Qingdao and considers “green” as the foundation and sustainable development as the goal. Based on a comprehensive consideration of human-centred and health-oriented principles, the project redefines the architectural standards to provide all-round solutions to residential health issues. The project has passed the expert evaluation of “Three-star Green Building Pre-evaluation” and has obtained the “Platinum Healthy Building Design Label” certification, becoming the first residential project in Qingdao to obtain this certification. In addition, the project has also successfully won the Platinum Award, the highest award of the MUSE Design Awards in the United States, and the Silver Award for Green Architecture of the Japan International Design Pioneer Award (IDPA AWARD).

Coexistence with the Natural Environment

- > **Outdoor environment:** The project has carefully selected over 40 varieties of trees, shrubs, and grasses to create a unique micro-ecosystem tailored to Yuexiu Qingdao Grand Mansion, allowing the community to seamlessly integrate with the ecological environment of the Zhangcun River Valley, coexisting harmoniously with nature.

- > **Wind environment optimisation:** From the planning and layout stage, the project carefully creates a comfortable wind environment on the site by using the results of outdoor wind environment simulations to optimise the building layout and landscape configuration, ensuring that winter wind speeds are not excessively high and that the site has good ventilation during the summer and transitional seasons.

Living in Harmony with the Family

- > **Smart home system:** The system automatically controls the operation of fresh air and air conditioning systems based on real-time indoor air quality parameters (such as PM2.5, temperature, and humidity), maintaining a fresh and consistently comfortable indoor air quality and proper temperature and humidity.
- > **Healthy indoor materials:** Pollution sources from finished materials are controlled at their source, with precise control over the levels of formaldehyde, volatile organic compounds (VOCs), and other pollutants in materials like flooring and paint, ensuring the health performance of interior materials.
- > **Noise control:** A comprehensive and systematic approach, from the outdoor environment to building construction and equipment noise reduction, creates a quiet and peaceful environment. Outdoor landscapes are enhanced with green axes, featuring large trees that effectively reduce traffic noise. Partition walls are constructed with 200mm-thick steel-reinforced concrete, and bathrooms within the units feature same-level drainage design to minimise drainage noise affecting bedrooms and neighbouring units.

CASE

Yuexiu Qingdao Grand Mansion Project (Continued)

In harmony with Body and Mind

- > **Senior-friendly design:** The design fully considers the living habits and physiological characteristics of elderly residents, eliminating thresholds between the entrance doors and corridors, and widening the entrance doors to ensure barrier-free passage. Emergency call devices are installed in the master bedroom and the southern secondary bedroom, and the smart home system includes gas monitoring and alarm functions for enhanced safety.
- > **All-age friendly:** The project not only focuses on the living experience of elderly residents but also creates rich cultural and shared spaces for middle-aged adults, youth, and children, providing comprehensive humanistic care.



Healthy Building Design
Label Certificate



Platinum Certificate of the
20th International Green
Building Conference



Top Platinum Award of the
US MUSE Design Awards



Silver Award for Green
Architecture of the Japan
IDPA AWARD





2.1.3 Green Construction

Yuexiu Property, grounded in a sustainable development strategy, systematically constructs a "full-cycle sustainable construction system". By integrating advanced design concepts and innovative building materials technology, it develops a low-carbon, environmentally friendly construction system, continuously reinforcing its leading position in the green building industry. We innovatively establish environmental control standards that cover the entire project lifecycle, from site assessment, planning and design, to construction, implementation, and operation and maintenance, creating a closed loop of green management throughout the development chain. By strictly adhering to national green construction standards and ecological protection standards, we ensure the compliance of construction procedures at each stage, achieving a dynamic equilibrium between development and ecological benefits, and setting new paradigms for sustainable development in the industry.

On-site standardised construction system (SSCS)

Yuexiu Property actively implements the on-site standardised construction system (SSCS) in its building practices to improve project quality and efficiency and reduce environmental impact. SSCS ensures high efficiency and quality in construction projects through standardised design, modular production, and standardised construction procedures. By implementing SSCS, Yuexiu Property not only shortens construction periods and reduces material waste but also enhances construction safety and environmental protection. The Company believes that the use of SSCS not only aligns with the trends in modern construction but also demonstrates Yuexiu Property's strong commitment to technological innovation and sustainable development. Through the application of SSCS, Yuexiu Property is committed to providing customers with higher quality, more environmentally friendly living and working environments, promoting green development in the industry.

Key processes

A range of key processes have been developed, including aluminium alloy formwork, fully steel intelligent climbing scaffolding, high-precision masonry blocks, and small precast concrete (PC) components. These processes leverage the benefits of factory production and standardisation to improve structural accuracy, reduce on-site wet work, and enhance construction quality.

01

Interleaved construction method

Emphasise the interlaced construction of processes by reasonably scheduling the interlaced time of different procedures, reducing process transitions and waste, and improving construction efficiency.

02

Intelligent construction

Utilise building information modelling (BIM) technology for process simulation, pipeline balancing, and visualised progress management, and use digital and intelligent platforms to achieve the collection of engineering information, visualised quality rectification management, and other functions, to enhance the intelligence of our construction practices.

03

Sustainable construction

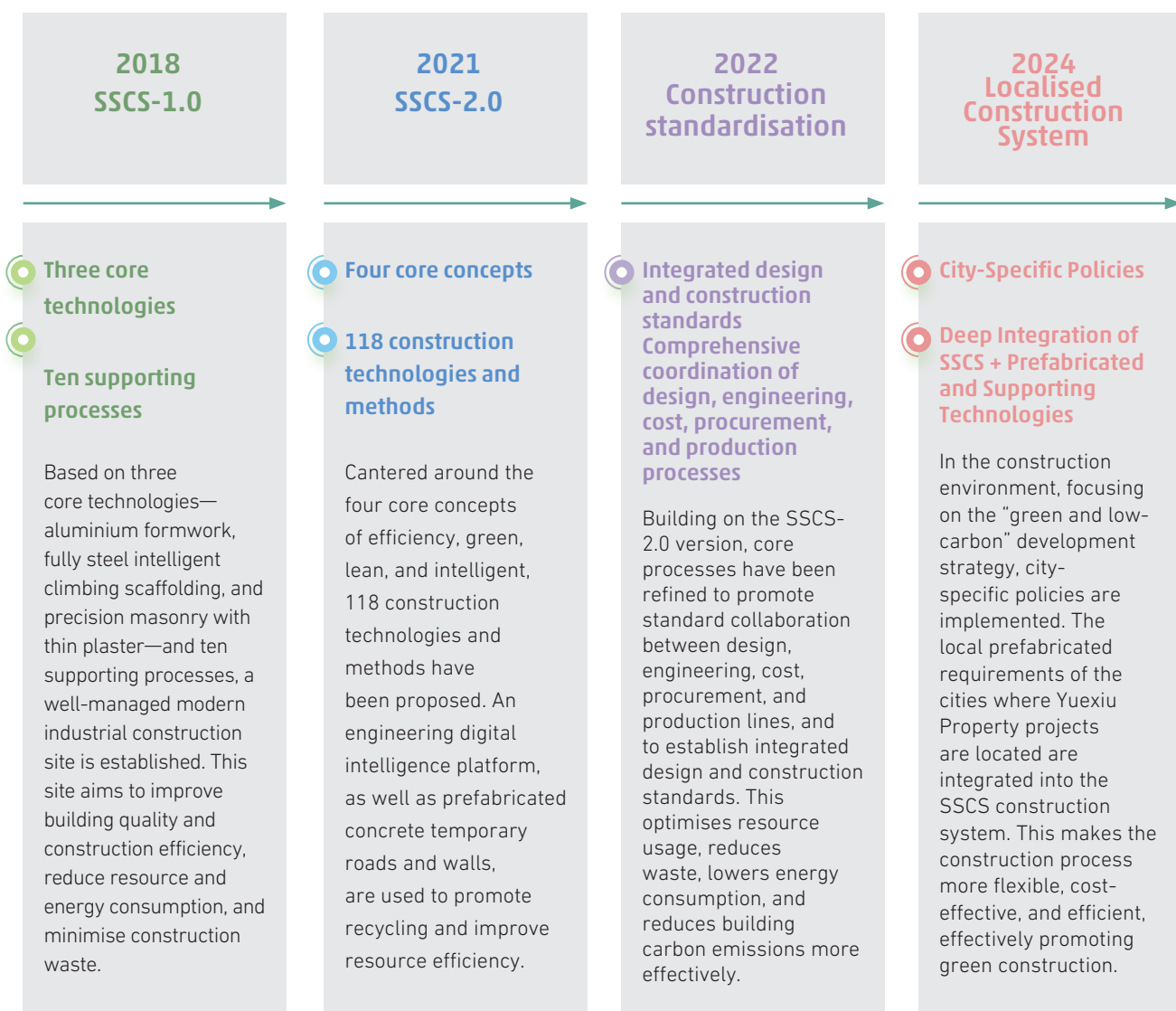
Adopt prefabricated construction, permanent-temporary integration, and recycling methods to reduce on-site wet work, achieve the recycling of construction waste, and enhance the overall environmental sustainability of our construction.

04

Localised work

To adapt to the policies, resources, and market environments of different cities, implement localised work to ensure that processes, measures, and management requirements are more suitable for local needs.

05





Guangzhou Nansha Phase 22 project: SSCS construction system elevates quality and wins multiple awards

The Guangzhou Nansha Phase 22 project has fully implemented the Company's SSCS construction system, significantly improving quality. In 2024, the project received S-level ratings in third-party evaluations for three consecutive quarters and has passed the review for the Guangzhou construction project structural quality award, pending issuance. The project plans to apply for the 2025 Guangdong provincial quality structure award and serve as a sub-venue for the 2024 Nansha district quality observation month, as well as a model site for construction quality in the city. In terms of efficiency, the project completed the final acceptance filing six months ahead of schedule through interleaved construction, demonstrating excellent construction speed and management capabilities.



Guangzhou Pazhou Shade – SSCS construction system leads in transparent management, efficient construction earns wide praise

The Guangzhou Pazhou Shade project fully adopts the Company's SSCS construction system to promote transparent management on the construction site. In June 2024, the project held an open day for property owners, which received widespread acclaim. In terms of efficiency, the project, through optimised management, completed the annual completion registration task five months ahead of schedule, demonstrating efficient construction capabilities and outstanding management.



Prefabricated Construction

Key performance indicators

During the Reporting Period, the proportion of projects that have adopted prefabricated construction reached **72.4%**



Yuexiu Property actively adopts prefabricated construction technology, one of its primary building techniques, to enhance project quality and construction efficiency. The following sections detail the main applications and advantages of prefabricated construction technology:

Standardised design	<ul style="list-style-type: none"> > Modular design: Dividing the building into multiple standardised modules, each with clear dimensions and functions, to facilitate factory production and on-site assembly. > Design optimisation: Utilising computer-aided design (CAD) and building information modelling (BIM) technology to optimise the design process, ensuring accuracy and consistency. > Standardised component library: Creating a standardised component library for easy access and modification by designers, enhancing design efficiency.
Factory production	<ul style="list-style-type: none"> > Advanced equipment: Utilising automation and robotics to improve production efficiency and accuracy. > Quality control: Implementing strict quality assurance measures during the production process, including raw material inspection, production monitoring, and finished product testing, to ensure that each component meets the standards. > Environmental production: Using eco-friendly materials and production techniques to minimise waste and pollutant emissions, achieving green production.
On-site assembly	<ul style="list-style-type: none"> > Efficient installation: Using professional installation tools and equipment to improve installation efficiency and reduce human operational errors. > Modular construction: Assembling prefabricated components in a modular manner to simplify the construction process and increase construction speed. > Safe construction: During the construction phase, strict safety management practices are implemented to ensure the safety of on-site construction and reduce construction risks.
Quality control	<ul style="list-style-type: none"> > Design review: Conducting multiple rounds of review during the design phase to ensure the design's rationality and feasibility. > Production testing: Performing real-time quality testing during the production process to ensure that each component meets the quality standards. > On-site quality checks: Conduct rigorous on-site quality checks after installation to ensure the overall quality of the building.
Technological innovation	<ul style="list-style-type: none"> > BIM technology: Utilise BIM technology for 3D modelling to achieve information management throughout the design, production, and construction processes, enhancing project collaboration efficiency. > Smart construction: Apply IOT, big data, and AI technologies to achieve intelligent construction, improving construction efficiency and quality. > Technological Innovation: Continuously research and apply new construction technologies, such as 3D printing and robotic construction, to enhance construction standards.
Environmental protection and energy saving	<ul style="list-style-type: none"> > Reduce waste: Through factory production, reduce on-site waste, achieving efficient resource utilisation. > Reduce noise: Minimise noise pollution from on-site construction, enhancing the comfort of the surrounding environment. > Energy-efficient buildings: Use energy-saving materials and designs to improve building efficiency and reduce energy consumption.



Green Construction Management

As a leading real estate developer in China, Yuexiu Property is dedicated to promoting green buildings and sustainable development. In green construction, the Company has implemented a series of innovative and environmentally friendly measures to reduce the environmental impact of the construction process, improve resource utilisation efficiency, and ensure high-quality and efficient project delivery. The following sections provide a detailed introduction to Yuexiu Property's specific initiatives in green construction.

The Company strictly adheres to laws and regulations, including the *Environmental Protection Law of the People's Republic of China* and the *Energy Conservation Law of the People's Republic of China*, as well as industry standards. Project construction management is conducted in accordance with internal systems and guidelines, including the *Detailed Rules for Civilized Construction Management*, the *Guidelines for Quality Management of Construction Projects*, the *Standardisation Atlas for Safe and Civilised Construction*, the *Guidelines for Environmental Governance of Construction Projects*, and the *Circular Economy Promotion Policy*.

Prior to the commencement of a project, we strictly follow the environmental impact assessment approval procedures, carefully organise the feasibility assessment and environmental impact registration for new projects and proceed with development only after receiving approval from local environmental protection authorities. We will also publish announcements on relevant government websites to facilitate public oversight.

Resource conservation and recycling	<ul style="list-style-type: none">> Construction Waste Management: Developed a detailed construction waste management plan and set targets for the classification of construction waste for each project to reduce the impact of waste on the environment through separate collection, recycling and reasonable disposal.> Water management: Utilise water-saving devices and technologies, such as low-flow faucets and showerheads, to reduce water consumption during construction. Additionally, establish a rainwater recycling system for site cleaning and landscape irrigation.> Energy management: Utilise high-efficiency, energy-saving construction equipment and lighting systems to reduce energy consumption. Promote the use of renewable energy sources, such as solar and wind power, to lower carbon emissions.
Environmental protection measures	<ul style="list-style-type: none">> Noise control: Implement effective noise control measures, including the use of low-noise equipment and the installation of sound barriers, to minimise the impact of construction noise on nearby residents.> Dust control: Use wet methods, cover with dust nets, and regularly water the site to reduce dust pollution during construction.> Environmental protection: Conduct ecological impact assessments before construction and implement measures according to mitigation hierarchy to protect natural vegetation and wildlife at the site, thereby minimising environmental damage and biodiversity disturbance.
Innovations in construction methods	<ul style="list-style-type: none">> Intelligent construction technology: Utilise BIM technology to optimise construction processes, minimise material waste, and reduce construction time.> Green construction equipment: Use low-emission, low-noise construction equipment to reduce environmental pollution.> Construction waste recycling: Through technological innovation, transform construction waste into reusable resources, such as converting construction waste into recycled bricks.
Employee training and environmental awareness enhancement	<ul style="list-style-type: none">> Environmental training: To provide regular environmental training on topics such as construction waste management, energy conservation and water conservation for site personnel (including construction staff, contractors or other stakeholders) to enhance their environmental awareness and skills, ensuring that the environmental protection measures in the construction process will be effectively implemented.> Incentive mechanisms: Establish environmental incentive programs to reward teams and individuals who excel in green construction, thereby motivating employees.
Environmental monitoring and assessment	<ul style="list-style-type: none">> Environmental Monitoring: During the construction process, regular environmental monitoring is conducted, including inspections of air quality, noise levels, and water quality, to ensure that construction activities meet environmental standards.> Environmental Impact Assessment: After the project is completed, an environmental impact assessment is conducted to summarise the experiences and lessons learned from green construction, providing references for future projects.

2.1.4 Products Quality and Safety

Yuexiu Property is committed to delivering high-quality products and services. To ensure that every phase of our projects—from design to delivery—meets the highest standards, we have established a comprehensive system for product quality and safety management, fulfilling our commitments to clients and society.

Quality Management System

While actively advancing cutting-edge technologies such as green building and healthy building practices, Yuexiu Property's robust product quality and safety management system remains the cornerstone of all our efforts. In this regard, we consistently uphold the highest requirements and standards to ensure every project achieves excellence in quality and safety. We strictly adhere to relevant laws and regulations, including the *Construction Law of the People's Republic of China*, the *Product Quality Law of the People's Republic of China*, the *Regulations on Construction Engineering Quality Management* and the *Unified Acceptance Standard for Construction Quality of Building Engineering (GB50300-2013)*. To align with the ISO 9001 Quality Management System and internal quality standards, we have developed institutional frameworks such as the *Yuexiu Property Engineering Quality Management Regulations*, *Standardised Delivery Workflow Guidelines*, *Quality Control Guidelines* and *Product Quality Warranty Management Guidelines*.

Under stringent governance, we have implemented a refined quality management process across all production stages, including Material Selection, Construction Standards, Building Techniques and Final Inspection and Acceptance. Below is an overview of Yuexiu Property's Quality Management System Framework.

Leadership Involvement	<ul style="list-style-type: none"> > Commitment of Top Management: Senior leaders demonstrate strong support and commitment to the Quality Management System (QMS). > Quality Policy: Establish and communicate a Quality Policy that defines the Company's quality objectives and direction. > Resource Allocation: Ensure necessary resources (human, material, and financial) are allocated for QMS implementation.
Planning	<ul style="list-style-type: none"> > Risks and Opportunities: Identify and evaluate risks and opportunities impacting the QMS and develop corresponding mitigation strategies. > Quality Objectives: Set specific, measurable quality objectives aligned with the Company's strategic goals. > Process Planning: Define and plan processes required to achieve quality objectives, including inputs, outputs, resources, methods, and controls.
Support	<ul style="list-style-type: none"> > Resources: Provide essential resources for the QMS implementation, including personnel, infrastructure, and work environments. > Competence: Ensure employees possess necessary skills and knowledge through training and development programs. > Awareness: Foster employees' awareness of the QMS's importance and their roles in contributing to quality objectives. > Communication: Establish effective internal and external communication channels to ensure seamless information flow.
Operation	<ul style="list-style-type: none"> > Production and Service Delivery: Ensure processes meet quality requirements, including process controls, equipment management, and personnel training. > Release of Products/Services: Conduct mandatory inspections and testing before releasing products/services to verify compliance with quality standards. > Control of Nonconforming Outputs: Implement procedures to address nonconforming products/services promptly and prevent recurrence.
Performance Evaluation	<ul style="list-style-type: none"> > Monitoring and Measurement: Regularly assess the QMS performance through internal audits to ensure effectiveness. > Internal Audits: Conduct audits to evaluate the QMS compliance and operational efficiency. > Management Review: Senior leadership reviews the QMS periodically to assess its suitability, adequacy, and effectiveness, identifying opportunities for improvement.
Improvement	<ul style="list-style-type: none"> > Nonconformities and Corrective Actions: Address nonconformities with corrective actions to prevent recurrence. > Continuous Improvement: Drive ongoing enhancements to the QMS performance through systematic improvement initiatives, ensuring alignment with quality objectives.



Quality Management Requirements for Each Phase of Yuexiu Property's Processes

Project Planning Phase	<ul style="list-style-type: none">> Design Standard Development: Develop rigorous design standards and specifications to ensure compliance with national and local regulations and industry requirements.> Risk Assessment: Conduct project risk assessments to identify potential quality and safety risks and formulate preventive measures.
Design Phase	<ul style="list-style-type: none">> Design Review: Organise expert teams to conduct multiple rounds of design reviews, ensuring rationality and feasibility.> Material Selection: Use high-quality, environmentally friendly building materials that meet national and industry standards.> Technical Briefing: Provide detailed technical briefings on design drawings and specifications to ensure construction teams fully understand design intent.
Construction Phase	<ul style="list-style-type: none">> Construction Management: Implement strict construction management systems to ensure all processes adhere to quality standards.> Quality Inspection: Conduct regular inspections, including material acceptance checks, in-process quality monitoring, and final completion assessments.> Safety Training: Provide safety training for workers to enhance safety awareness and ensure on-site safety.> Site Management: Strengthen site management to maintain a clean, orderly environment and minimise safety hazards.
Completion and Acceptance Phase	<ul style="list-style-type: none">> Comprehensive Inspection: Organise expert teams for comprehensive inspections to verify compliance with design requirements and national standards.> Quality Testing: Perform necessary tests (e.g., structural safety, environmental compliance) to ensure project quality.> User Feedback: Collect user feedback, promptly address issues, and improve customer satisfaction.
Operation and Maintenance Phase	<ul style="list-style-type: none">> Property Management: Establish professional property management teams to deliver high-quality services and ensure long-term operational stability.> Regular Maintenance: Develop maintenance schedules for periodic inspections and repairs to identify and resolve issues proactively.> User Training: Provide user training to enhance operational and maintenance capabilities, extending the project's lifespan.
Continuous Improvement	<ul style="list-style-type: none">> Quality Management System (QMS): Establish and refine the QMS to continuously improve quality control processes.> Data Analysis: Analyse data to identify weaknesses in quality and safety management and develop targeted improvements.> Customer Satisfaction: Conduct regular satisfaction surveys to understand client needs and expectations, continuously optimising products and services.

Meanwhile, the Group has set up a quality management system and is actively working on its certification. By the end of 2024, 6 of our subsidiaries had passed the ISO 9001 quality management system certification, further promoting quality management improvement.


To enhance the professional expertise and quality management capabilities of employees and suppliers, Yuexiu Property conducts regular training programs covering the latest construction technologies, quality standards, and safety regulations, ensuring teams stay updated with cutting-edge industry knowledge. Our training emphasises hands-on experience sharing to foster innovation, empowering the Company to deliver reliable products to its customers through exceptional quality management. In 2024, Yuexiu Property achieves a 100% coverage rate for safety and quality training among frontline construction workers and projects contractors.

Quality Delivery Assurance

As a renowned real estate developer with over 40 years of history, Yuexiu Property has been committed to delivering high-quality residential and commercial spaces to its customers since its establishment in 1983. The Company not only pursues innovation and sustainability in design but also rigorously controls construction quality to ensure every detail meets or exceeds customer expectations. In 2024, Yuexiu Property carries out successful deliveries in 16 cities, with a total of 110 delivery batches, welcoming over 23,000 households into their new “Yuexiu homes”. Among these, 16 projects were delivered ahead of schedule, such as the Hangzhou Opus Mansion project, which was delivered 9 months early.

2.2 GREEN OPERATION

2.2.1 Goals and Performance

	2030 Goals	2024 Performance	2023 Performance
	By 2030, achieve a 90% or higher signing rate for the Green Covenant among new long-term tenants (lease term \geq 12 months) in office buildings and apartment projects	Achieved a 100% signing rate for the Green Covenant among new long-term tenants (lease term \geq 12 months) in office buildings	Achieved a 90% signing rate for the Green Covenant among new long-term tenants (lease term \geq 12 months) in office buildings
	By 2030, achieve a 90% or higher coverage rate of operational commercial projects connected to the energy management platform	Launched 3 commercial projects with the energy management platform in 2024	Launched 5 commercial projects with the energy management platform in 2023

2.2.2 Green Value Chain

Reducing value chain emissions (Scope 3 emissions) is a key focus of Yuexiu Property’s “Dual Zero” strategy. We will comprehensively advance related work from top-level design to grassroots implementation, and from internal management to external collaboration, including:

01 Governance Structure

- > Establish a “Green Supply Chain Working Group” dedicated to promoting low-carbon operations throughout the building’s entire lifecycle. This group will ensure that all stages, from design, construction to operation, meet low-carbon and environmental protection requirements through formulating green supply chain management policies, supervising implementation, and assessing effectiveness.






02 Green Leasing Management Mechanism

- > Green leasing aims to promote sustainable development and environmental protection through operational and management models. By adopting energy-saving, emission reduction, and environmental certification, it provides tenants with green and healthy office and living spaces. This is an important component of Yuexiu Property’s sustainable development strategy.



Green Leasing

Green leasing is an operational and management model designed to advance sustainability and environmental protection. By adopting energy-saving, emission-reduction, and eco-friendly standards, it provides tenants with green and healthy office and residential spaces. This initiative is a critical component of Yuexiu Property's sustainable development strategy.

Action Direction	Specific Initiatives
<p>Green Covenant Signing</p> 	<p>> Starting with office buildings, extending to retail malls, apartments, and industrial parks, Yuexiu Property promotes green leasing management practices by signing the Green Covenant with tenants. This includes aspects such as energy management, waste management, green renovation, and the promotion and advocacy of green leasing concepts.</p>
<p>Waste Management</p> 	<p>> Establishing designated areas for construction waste and food waste recycling, implementing waste sorting management, and requiring tenants to comply with the Company's waste management and indoor environmental quality requirements, including waste sorting, orderly disposal, and processing.</p>
<p>Energy Management</p> 	<p>> Since the launch of the "Yuexiu Property Energy Management Platform" in 2023, by 2024, a total of 8 commercial projects have been connected to the energy management platform, using digital means to manage and identify potential energy-saving measures.</p>
<p>Green Renovation</p> 	<p>> Selecting green building materials and products that meet national or local environmental standards during renovation or refurbishment; encouraging clients to use environmentally friendly materials such as low-smoke halogen-free flame-retardant wires, flame-retardant boards with formaldehyde emissions meeting E1 standards, paints and coatings that meet environmental product technical requirements, and energy-saving lamps.</p>
<p>Environmental Advocacy</p> 	<p>> Regularly conducting low-carbon environmental protection campaigns to encourage tenants to engage in energy-saving and environmental protection practices.</p>

Key Performance Indicator





The coverage rate of signing the Green Covenant is **100%** since its launch in 2024



2.2.3 Circular Economy

As an economic model, the circular economy centres on minimising resource consumption and waste generation to achieve a harmonious integration of thriving economic activity and environmental preservation. This paradigm advocates efficient and recycled resource utilisation, driven by innovative practices across design, production, consumption, recycling, and reuse. It progressively establishes a comprehensive “resource–product–renewable resource” closed-loop circulation system.

The implementation of the circular economy not only significantly reduces reliance on natural resources and mitigates environmental pollution but also effectively accelerates sustainable economic growth, creating multifaceted value for society. Guided by this philosophy, Yuexiu Property actively promotes and adopts green building materials—such as low-energy glass, eco-friendly coatings, and sustainably sourced timber—to minimise the extraction and impact on virgin resources. At every stage of project development and daily operations, we prioritise reducing waste burdens on the environment while advancing material recycling and reuse. These initiatives not only reflect our deep commitment to circular economy principles but also demonstrate Yuexiu Property’s resolute strides toward sustainable development.

Action Directions	Specific Initiatives
Construction Sites 	<ul style="list-style-type: none"> > Use reusable barrier materials for site enclosures; > Promote the use of recyclable building materials to reduce reliance on finite resources; > Minimise waste generation during construction/demolition and encourage reuse or recycling of waste materials.
Sales Centres 	<ul style="list-style-type: none"> > Implement a digital fixed asset management system with a dedicated module for marketing asset tracking; > Monitor sales centre opening/closing schedules to optimise cross-regional asset reuse.
Office Spaces 	<ul style="list-style-type: none"> > Establish <i>Effective Material Utilisation Guidelines</i> to enforce waste sorting, recycling, and reuse (e.g., set up recycling stations for office supplies and idle materials and recycle and reuse miscellaneous materials); > Ensure licensed disposal of operational waste through certified and qualified third-party vendors; > Recycle printer cartridges/toners via suppliers for refilling and reuse, reducing hazardous waste pollution.
Operational Projects 	<ul style="list-style-type: none"> > Maintain waste inventory records and transfer all waste to government-licensed disposal agencies for processing; > Store hazardous waste separately and arrange regular disposal by certified professionals; > Adopt more comprehensive management measures, sign recycling agreements with professional third parties holding hazardous waste operation permits, arrange for the clean-up of hazardous solid waste, dispose of it in accordance with the relevant national and local rules and regulations, and record the method of disposal of hazardous waste, its quantity and type in the <i>Hazardous Solid Waste Disposal Registration Form</i>.



Key Performance Indicators

Achieve **100%** compliant disposal of hazardous waste through ongoing entrustment to third-party licensed agencies

The recovery of non-hazardous waste reached **9,877** tonnes



CASE

Circular Economy in Buildings

Yuxiu Property has been implementing the core concepts of ecological protection, circular economy and sustainable development, and has promoted the realisation of “zero landfill” of primary domestic waste in commercial projects under its management, contributing to the construction of a “waste-free city”.

Coffee grounds recycling

Taking Yuxiu Financial Tower in Guangzhou as an example, the coffee shops in the building produce coffee grounds. One of the coffee shops, for example, sells about 100 cups of coffee per day and produces about 1kg of coffee grounds per day. After 10 days of fermentation, the coffee grounds can be used as organic fertilisers to nourish plants, and are used in the “Roof Farm” on the 70th floor of the building, thus turning coffee grounds into a treasure to be recycled.

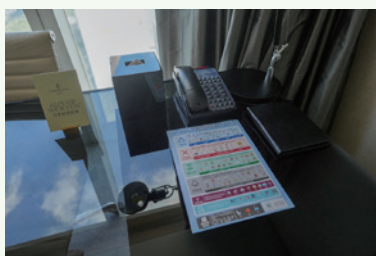


Fermentation tank of coffee grounds recycling machine of “Roof Farm” in Guangzhou Yuxiu Financial Tower

CASE

Guiding Customers to Separate Waste

Taking the Four Seasons Hotel Guangzhou as an example, the hotel has placed the Guide to Separation and Disposal of Domestic Waste in Guangzhou in the lobby and rooms, and has set up waste bins for waste separation to guide customers to correctly separate and dispose of various types of waste, improve the resourceful utilisation of waste, reduce the encroachment of landfills, and promote resource recycling and sustainable development.



Four Seasons Hotel Guangzhou, with the Guide to Separation and Disposal of Domestic Waste in Guangzhou in guest rooms



Four Seasons Hotel Guangzhou, with waste sorting bins placed in guest room bathrooms



Four Seasons Hotel Guangzhou, with a Guide to Separation and Disposal of Domestic Waste in Guangzhou at the reception desk

CASE

Resource Recycling Workshop

Taking the Guangzhou International Finance Center as an example, a "Resource Recycling Workshop" has been set up on the underground first floor, which exceeds the existing national standard and ensures that all 90 240-litre rubbish bins are placed indoors and do not occupy the aisles. According to the requirements of waste classification, the workshop is divided into designated disposal areas for recyclables, other rubbish and food waste. For the disposal of construction waste, there is a special workshop for construction and renovation waste, where different types of waste are collected based on waste classification requirements. In order to reduce odour, food waste will be put into a cooler at about 3°C for temporary storage and transportation after collection.



"Resource Recycling Workshop" at Guangzhou International Finance Center



Waste Separation Guidelines for Guangzhou International Finance Center (IFC)



CASE

Energy Saving and Carbon Reduction through Recycling

Taking the Guangzhou International Finance Centre as an example, a corresponding green management plan has been developed for the procurement of products and materials as well as waste management in the course of daily operation and maintenance and facility renovation, including the reduction of environmental hazards caused by the procurement, use and disposal of materials in building operations, and the resolution of problems in the management of daily consumables, batteries, durable products, facility renovation and expansion, and waste mercury-containing lamps in the building. In 2024, the recycling rate in Guangzhou International Finance Centre reached 91%, recycling 9.87 tonnes of paper, 5.18 tonnes of metals, 1 ton of glass, 0.88 ton of plastics, 0.27 ton of used clothing, and 0.26 ton of other materials.



In 2024, the recycling and reuse rate reached **91%**

Recycled paper 	Recycled metal 
9.87 tonnes	5.18 tonnes
Recycled glass 	Recycled plastic 
1 ton	0.88 ton
Recycled old clothing 	Recycled other materials 
0.27 ton	0.26 ton

CASE

Promoting Green Purchasing and Eco-Friendly Rolls Paper

Taking Guangzhou International Finance Centre as an example, we insist on and advocate green purchasing by our clients, using detergents, paper and equipment that meet CQC standards, FSC and HACCP certifications. At the same time, we actively guide our tenants to make green purchases by calling for the purchase of daily consumables that meet the FSC environmental certification and Energy Star certified office equipment that meets the EPEAT energy-saving certification.

At Guangzhou IFC, even the toilet paper is eco-friendly.



FSC Certified, Supporting Sustainability

FSC (Forest Stewardship Council) certification means that the products used come from sustainably managed forests

HACCP Certified, Doubling Safety

Recognised by organisations such as WHO/FAO as the most effective safety management system



2.2.4 Low-Carbon Office Operations

Yuexiu Property fully recognises the importance of low-carbon office practices for corporate sustainable development and has integrated green and environmentally friendly principles into daily management. The Company is committed to comprehensively reducing carbon emissions in office operations, improving energy efficiency, and creating a healthy and comfortable working environment through the application of smart office systems, promotion of green commuting, implementation of environmental training, and effective waste management. These management policies not only help minimise environmental impact but also provide employees with greener and more efficient working conditions, laying a solid foundation for the Company's long-term growth.

Guided by these policies, Yuexiu Property has actively adopted innovative technologies such as electronic signatures to further advance low-carbon office practices. Electronic signatures are an innovative initiative by Yuexiu to achieve sustainable development. This digital signature method verifies document integrity and signatory identity, ensuring security and legal validity. It not only protects the environment by reducing paper usage but also reduces costs and enhances efficiency. In 2024, Yuexiu used electronic signatures for 1.783 million documents, a 34% year-on-year increase. External contracts signed electronically reached 10,728, with an adoption rate of 43.7%. The use of electronic signatures reduced costs by over RMB 11.688 million and saved 446,000 hours.

Printing costs	>	Based on printing in duplicate at RMB0.5 per sheet, a total of 6.935 million sheets of paper were saved, amounting to RMB 3.467 million.
Logistics costs	>	Calculated at RMB10 per courier fee for 5% of total signed documents, courier expenses were reduced by RMB 892,000 .
Storage costs	>	Based on 20,000 documents stored per cubic meter, a total of 89.2 cubic meters of space was saved.
Time costs	>	Calculated at 15 minutes per document for stamping, mailing, and archiving, a total of 446,000 hours were saved.
Labour costs	>	Based on a monthly salary of RMB4,000, 8 working hours per day, and year-round operations, labour costs were reduced by RMB 7.328 million.
Environmental protection costs	>	Based on one 20-year-old tree producing 30,000 A4 sheets and each A4 sheet reducing carbon emissions by 33.41g, a total of 231.2 trees were preserved, and carbon emissions were reduced by 231.7 tonnes.

The above data is sourced from the electronic signature system from 1 January 2024 to 31 December 2024. Carbon reduction calculation standards reference the "Carbon Reduction Through Signing" model jointly developed by Fadada, the Beijing Green Exchange, and the Green Research Institute.



24 December

Featured as the only real estate company in the 2024 Signing for Carbon Reduction & Low-Carbon Office White Paper for exemplary practices



24 December

Recognised as a 2024 "Carbon Reduction Through Signing" Pioneer Enterprise by the Corporate Green Development Institute and other authorities



27 December

Achieved Level 3 Information System Security Certification



Key milestones of Yuexiu's electronic signature implementation in 2024 are as follows:

May	> Launch of e-signatures for HR onboarding documents	> Launch of e-signatures for commercial property contracts
June	> Launch of e-signatures for marketing gift agreements	> Launch of e-signatures for goods arrival confirmation forms
	> Launch of e-signatures for supplier payment request documents	
October	> Launch of e-signatures for preliminary property service agreements	> Launch of e-signatures for personnel certificates and related documents
December	> Launch of e-signatures for property decoration commitment letters	> Launch of e-signatures for property fee reminders (existing properties)
	> Launch of e-signatures for property legal notices	> Launch of e-signatures for long-term lease contracts and receipts
	> Completion of system development for the "Employee Signature Platform"	

With the core strategy of building a green operation system, Yuexiu Property systematically promotes energy saving and emission reduction through the deep integration of intelligent management and the whole life cycle sustainable development model. We use Internet of Things (IoT) technology to monitor energy dynamics and establish a closed-loop system for the resource-based treatment of construction waste, raising the resource utilisation rate of our projects to industry-leading levels and striving to achieve net positive environmental benefits by 2060.

The “Dual Carbon Empowerment Programme”, which was launched in parallel, relies on the Yuexiu Public Welfare Foundation platform of Yuexiu Group to carry out environmental value chain cultivation actions in commercial complexes on a regular basis: creating an ESG scoring system with tenants and embedding green office standards into the terms of the tenancy agreement; setting up a platform for visualisation of the carbon footprint and realising real-time incentives for energy-saving behaviours through the linkage of data; and organising regular recycling economy workshops, forming an environmental experience chain of “plastic product reduction - waste art circular - green plant adoption”. Since the implementation of the programme, the pilot projects have achieved a recycling rate of 91%, successfully shaping a new paradigm of low-carbon operation for commercial properties.



SOCIETY



CHAPTER 3

SUSTAINABLE COMMUNITIES AND GOOD LIFE

Our actions support the following
United Nations Sustainable
Development Goals (SDGs)





Management Approach

We recognise the importance of sustainable communities and social welfare. In every aspect of our operations, we are committed to actively giving back to society and building a harmonious and sustainable community environment. We believe that promoting community development, enhancing social welfare, supporting education and health initiatives, and conducting environmental protection activities are essential steps in fulfilling our corporate social responsibility (CSR) and fostering social harmony. By actively participating in community activities, we not only aim to improve residents' quality of life but also hope to stimulate community members' sense of participation and belonging, thereby fostering a social atmosphere of unity and mutual support.

With regard to sustainable community development, we actively promote local community participation, advocate for a green lifestyle, and provide residents with a higher quality living environment. Yuexiu Property consistently upholds its corporate mission of "Where Good Living Starts" and is dedicated to fostering the co-prosperity of the Company and the community. Through the implementation of the "YueHaven" project, we further enhance our influence in community sustainability and the fulfilment of social responsibility. By introducing two pioneering programmes—the "Sustainable Development Badge" and the "Green Living Path"—we aim to establish a sustainable development model that fosters broad resident engagement and facilitates a virtuous cycle of community resources. We actively organise various community activities to strengthen community cohesion, with a particular focus on the well-being of the elderly. By providing a rich array of cultural, health, and recreational activities, we help them achieve a higher quality of life.

In terms of social responsibility and philanthropic projects, Yuexiu Property actively engages in work related to education, rural revitalisation, and volunteer services. We have established a dedicated philanthropic team to support the educational development in impoverished areas, helping to improve the learning conditions and job opportunities for local children. Additionally, through our rural revitalisation strategy, we promote the economic development and infrastructure construction of rural areas, contributing to their sustainable development. Furthermore, we encourage our employees to participate in volunteer activities and undertake various social philanthropic projects, fully leveraging the Company's social influence to promote the overall progress and harmonious development of the community. Through these efforts, Yuexiu Property is committed to building a better society, fulfilling its corporate social responsibility, and advancing sustainable development.

The Group complies to the following laws, regulations, or standards in building sustainable communities:

Fulfilment of social responsibility	Improvement of customer service quality	
Charity Law of the People's Republic of China	Management Measures for Customer Relationships	Guidelines for the Management of Enjoy Club Management Rules
Law of the People's Republic of China on Donations for Public Welfare	Detailed Provisions on Customer Complaint Management	Manual of Members of Enjoy Club
Civil Code of the People's Republic of China	Guidelines for Customer Ambassador Services	Rules of Recommend House-purchasing of Members of Enjoy Club
	Detailed Rules on Customer Resource Management and Synergies	

3.1 COMMUNITY SUSTAINABILITY PRACTICES

3.1.1 Building Sustainable Communities

In today's society, sustainable development has become a global consensus, with enterprises playing a pivotal role in this transformative process. Through its diversified practices in residential and commercial real estate, Yuexiu Property not only advances the adoption of green lifestyles but also deepens the interaction and collaboration between communities and businesses. From eco-themed events in residential communities to low-carbon office initiatives in commercial buildings, Yuexiu Property has launched innovative programmes such as the Green Health Run, ecological revitalisation of the Roof Farm, and the Lingshan Island Hiking Event. These initiatives have heightened environmental awareness among residents and tenants while promoting the adoption of healthy lifestyles. Such efforts not only strengthen community cohesion and corporate social responsibility but also provide innovative frameworks and fresh impetus for urban sustainability. Through these endeavours, Yuexiu Property is progressively shaping a greener, healthier, and more harmonious social environment, setting a benchmark for future urban living.



Yuexiu Property promotes a deep understanding of sustainability concepts among residents by organising a wide range of community activities, thereby further enhancing community cohesion. These activities cover various themes, including environmental protection, low carbon living, health, and education, catering to the needs of residents of all age groups. For example, by inviting experts in the fields of healthcare and wellness, residents are provided with on-site consultations and health check-ups. Through these diverse community activities, residents have formed connections and interactions, fostering the development of harmonious communities.

CASE

Community Environmental Action

On the path to building harmonious communities and creating beautiful living spaces, Yuexiu Property has always actively collaborated with homeowners of all ages to jointly create a new ecosystem of warm and caring neighbourhood life. For younger residents, Yuexiu Property meticulously designed a series of educational and entertaining environmental activities. The "Little Green Guardians" programme encourages children to step out of their homes, become miniature guardians of community greenery, and participate in practical actions to protect and cherish green spaces. During the activities, children not only learnt plant care knowledge and personally experienced the joy of planting and nurturing greenery but, more importantly, absorbed the power of environmental protection through immersive experiences in nature, cultivating awareness of environmental stewardship and appreciation for the natural world. Through these initiatives, Yuexiu Property has not only provided children with a platform to connect with nature and grow through learning but has also fostered interaction and integration between families and the community.



Yuexiu Health - Haiyuehui (Jingyun Road) Branch



CASE

Neighbourhood Community Initiatives

Yuexiu Property has consistently upheld a development philosophy centred on humanistic care, continually exploring innovative forms and deeper meanings for estate cultural activities. The Company is dedicated to creating a more vibrant, harmonious, and inclusive residential life for its residents. By regularly refreshing the symbolic emblems of estate cultural initiatives, Yuexiu Property not only infuses contemporary relevance and vitality into community culture but also fosters the preservation and evolution of these traditions. In resource integration, the Company actively establishes shared community platforms, consolidating diverse resources both within and beyond the estate to deliver more convenient and efficient services for residents. From practical cleaning services to community-wide fitness competitions, and from the establishment of heartwarming hubs to the organisation of neighbourhood welfare campaigns, every initiative is closely aligned with residents' practical needs. These efforts aim to cultivate a warm, harmonious, and dynamic estate environment. The sustained implementation of these themed activities has not only ignited the vitality of the neighbourhood but also tangibly embodied the profound essence of "Good Living" through actionable commitment.



CASE

Neighbourhood Health Outreach Initiative

On the occasion of the 2024 Chongyang Festival (Double Ninth Festival), a series of synchronised community activities titled "Harmony Promoted by Party Building Leadership, Warmth Felt in the Golden Autumn of the Double Ninth Festival" were launched in "ten cities across seven provinces" in the Central and Western China Region of Yuexiu Property. Under the joint efforts of various communities in the Central and Western China Region of Yuexiu Property, medical staff from sub-district health service centres conducted thorough health check-ups for elderly residents in the communities. They addressed health concerns with professional expertise and provided tailored guidance and suggestions based on the elderly's physical condition, earning unanimous praise from residents. Yuexiu Property partnered with high-quality medical service providers to introduce professional examination services to the communities, enabling homeowners to enjoy convenient and professional medical services right at their doorstep. This initiative not only effectively utilised social resources but also provided more diversified service experiences for homeowners in the Yuexiu communities, further enhancing the intimacy between homeowners and the community, and improving the overall quality and living happiness of the communities.



In promoting a green, healthy, and low-carbon office environment and sustainable development, Yuexiu Property organises a series of diverse activities, including low-carbon office theme events, case sharing sessions, workshops, and site visits, to engage actively with tenants and stakeholders. These initiatives not only enhance the tenants' sense of participation and belonging but also facilitate communication and cooperation among enterprises, contributing to the creation of a more green, healthy, and sustainable office environment.

CASE

"Greening the City" Health Running Activities

Since the establishment of the "Green Health Committee" at Guangzhou IFC in 2023, the committee has been dedicated to promoting health among the building's tenants through green health running activities, integrating the concepts of green and low-carbon living into work and daily life, and collectively building a green and low-carbon office community. On 28 December 2023, the committee successfully held its first "Carbon Quest, Future Greener" event, which attracted enthusiastic participation from over a hundred people.

Under the continuous leadership of the "Green Health Committee", the second "Greening the City: City Run" event was successfully held on 19 December 2024. This event engaged tenants through a jogging format, further promoting the concept of a green and low-carbon office community within the building, and continuing the actions and environmental awareness of green and low-carbon living.



For more event highlights, please visit the official website





CASE

A Haven for Urbanites to Unwind

Under the guidance of Yuexiu Property's "Dual Carbon" strategy, Yuexiu Commercial, adhering to the principles of people-oriented and sustainable development, has established an "Urban Roof Farm" on the 70th floor of Yuexiu Financial Tower, where interactive experiences such as vegetable planting are offered to the public. This provides a space for urbanites to unwind, which helps promote the concept of green and environmental protection.

Yuexiu Financial Center "Urban Roof Farm"

Covering an area of approximately 250 sq.m., the "Urban Roof Farm" at Yuexiu Financial Tower is a multifaceted urban space that integrates ecology, environmental protection, social interaction, and leisure. Various organic vegetables, such as baby spinach and Chinese broccoli, are grown here year-round. The farm hosts four harvesting events each year, inviting tenants and clients to participate together in creating a green "garden". Implementing the concept of stress-relief building, we create a new model of "carbon-friendly" building services, connecting urban life closely with natural ecology.



CASE

The First Yuexiu Nansha IFC Lingshan Island Hiking Event

On 6 July 2024, the "New Lingshan, New Future" inaugural Yuexiu Nansha IFC Lingshan Island Hiking Event, organised by Yuexiu Commercial and guided by the Mingzhu Bay Development and Construction Administration and the Hengli Town Government of Nansha District, was successfully held on Lingshan Island in Nansha. This hiking event started with the aim of tracing the bay and sea sentiments and cultural heritage of Lingshan Island, promoting the sustainable development concept of building economy, and facilitating the interconnection of industries and enterprise resources within the island. Through sustainable development and ecological exploration, the event aims to promote the construction of a sustainable development district in Nansha and the Greater Bay Area, serving as a pilot and demonstration, and injecting new vitality into regional development.

As the organiser of this hiking event, Yuexiu Commercial not only successfully facilitated the holding of large community events in the region but also, based on daily needs, meticulously organised various green and healthy activities such as yoga, badminton, and night runs around the island. These activities not only enriched the leisure lives of residents and tenants on the tip of Lingshan Island but also made it an important venue for networking and daily life on the island, further enhancing the vitality and cohesion of the region.





CASE

Hosting the "Earth Hour" Event for Thirteen Consecutive Years

"Earth Hour" is an initiative proposed by the World Wildlife Fund (WWF) to address global climate change. Yuexiu Property has been actively participating in this event since 2011, and by 2024, it has voluntarily turned off the lights in its commercial projects for one hour on the last Saturday of March for 13 consecutive years. From 2019 to 2024, Yuexiu Property has cumulatively reduced carbon dioxide emissions by approximately **44 tons**, equivalent to planting about **1,929 trees**. This action not only achieves maximum energy savings at minimal cost but also demonstrates Yuexiu Property's high level of concern and proactive responsibility towards the issue of global warming. Through this initiative, Yuexiu Property calls on all its employees and the broader society to take practical actions and make an achievable environmental change for the Earth.



about **44** tons



about **1,929** trees



3.1.2 Sustainable Community Innovation

As the concept of sustainability continues to deepen, urban communities have not only become advocates of green living but also key arenas for the practical implementation of sustainable development. Yuexiu Property proposed two innovative projects in 2024: the "Sustainable Development Badge" and the "Green Living Path". These projects aim to build a community ecosystem with greater participation and social value. The projects' inception is rooted in a deep understanding of the needs of green community residents and a forward-looking approach to green development strategies. Yuexiu Property hopes to enhance residents' environmental awareness and drive a profound transformation in community culture, integrating the principles of green living into the daily management and operations of urban communities.

Green Living Path

Background and Design Philosophy

The "Green Living Path" is a comprehensive community environmental education and practice platform. Its design inspiration comes from Yuexiu Property's deep understanding of green urban development and community residents' expectations for a healthy and environmentally friendly lifestyle. The path's planning not only considers the residents' needs for learning and experiencing but also emphasises its role in beautifying the overall community environment. By integrating environmental education, practical opportunities, and green landscapes, the path becomes a space that continuously conveys environmental concepts. Yuexiu Property hopes that through this project, residents can intuitively understand the importance of sustainable development and become more actively involved in the community's green practices.

Implementation Mechanism

As an important vehicle of the mechanism, the Green Living Path provides a multi-dimensional platform for residents to participate in environmental protection by integrating educational guidelines, interactive experiences and practical scenarios. Within the community, multiple interactive task points are set up along the path, such as waste sorting experience zones, environmental knowledge quiz stations, and plant care guidance areas. As residents complete these tasks along the way, they not only earn additional badge rewards but also reinforce their understanding of environmental concepts through hands-on experiences. These designs ensure for disseminating green lifestyles, which the Green Living Path is not just a physical space but also an educational platform that effectively promotes the overall environmental awareness of the community, while fostering a greater sense of belonging and responsibility among residents.





Sustainable Development Badge

Background and Design Philosophy

The core design of the Sustainable Development Badge is to motivate residents to be environmentally friendly through a rewarding mechanism and to build an interactive network within the community. The badge is not only a symbol of honour for residents who have completed environmental tasks, but also a medium for resource circulation. Yuexiu Property realises that community governance shall take residents as the central participants, and through simple but effective incentives, environmental behaviour can be gradually internalised into residents' daily habits. This innovative design concept also reflects Yuexiu Property's high regard for community spontaneity and endogenous dynamics, and attempts to construct a community ecology based on a green economy through interaction and co-operation among residents.



Yuexiu Property Sustainable Development Badge

Implementation Mechanism

In community practice, the "Sustainable Development Badge" project is highly integrated with the Green Living Path, successfully creating a sustainable development model with widespread resident participation and a virtuous cycle of community resources. This mechanism, through diverse green task designs, provides residents with multiple channels to participate in environmental actions. For example, in the waste sorting challenge, residents earn one badge for each correct waste sorting, rewarding their contribution to the community's environmental goals. In terms of green travel, residents are encouraged to walk or cycle instead of using private cars, and they can exchange badges based on the number of steps or cycling miles recorded on their phones, reducing carbon emissions while enhancing health awareness. Additionally, the community organises a variety of environmental activities, such as environmental lectures and public green belt clean-ups. Residents earn 1 to 3 badges for each participation, depending on the difficulty of the task. These measures fully mobilise residents' enthusiasm, integrating environmental actions into their daily lives.

Usage and Circulation of Badges

In terms of the usage and circulation of badges, the project has designed a rich array of reward and interaction mechanisms, further enhancing residents' participation and community cohesion. Residents can use their accumulated badges to redeem green and healthy gifts on the property management platform, such as organic oils, grains, and health drinks, which meet their practical daily needs. More innovatively, badges can be freely exchanged within the community, allowing residents to share household resources. For example, they can trade badges for shared health resources or other essential household items. Residents who accumulate a large number of badges can also receive higher-level community service rewards, such as free access to public spaces or discounts on property management fees. This mechanism not only makes residents truly feel the value of their environmental contributions but also significantly enhances the vitality and interactive atmosphere of the community.



Future Project Outcomes

The “Sustainable Development Badge” and “Green Living Path” projects will soon be implemented in pilot communities. By implementing gamified task mechanisms (such as waste sorting points exchange and green travel check-ins), the projects aim to lower the psychological barriers for residents to engage in environmental protection behaviours. Accompanying measures, such as community environmental knowledge lectures and public greening activities, have gradually fostered a positive and interactive atmosphere. Notably, the badge circulation mechanism has not only facilitated the exchange of neighbourhood resources but has also led to some residents forming closer community ties through badge sharing. This may provide new insights for building community cohesion.

The integrated communication approach of the projects (combining green landscapes, interactive installations, and task systems) aims to integrate environmental concepts into daily life, enhancing residents’ awareness of issues such as waste sorting and plastic reduction. This helps community managers explore more precise directions for optimising public services. These initial practices have provided valuable reference models for further deepening the construction of green communities. We look forward to continuously optimising the mechanism design to validate the sustainable value of the projects on a larger scale.

Future Plans and Actions

In the future, Yuexiu Property plans to further optimise the “Sustainable Development Badge” and “Green Living Path” projects through various initiatives, providing residents with richer experiences and value.

Enhancing Badge Functionality

The projects will focus on enhancing badge functionality by exploring deeper integration with intelligent management systems. By introducing technological solutions, residents will be able to check their badge balances and complete the redemption process directly through the property management App, simplifying the operational steps and improving user experience. This not only makes it more convenient for residents but also significantly enhances the management efficiency of the projects.

Expanding Project Coverage

Yuexiu Property plans to extend the Green Living Path and badge system to more communities, allowing a greater number of residents to benefit from this innovative project. Additionally, the project content will be further enriched with health and technology-related themed activities. For example, the “Smart Living Badge” can encourage residents to optimise energy usage through smart devices, while the “Family Health Badge” can motivate residents to focus on their quality of life through health activities and dietary plans. These new additions not only broaden the application scenarios of the projects but also enhance residents’ participation enthusiasm and interactive experience.

Data Monitoring

In the future, Yuexiu Property plans to introduce advanced data analysis tools to comprehensively monitor the trends in residents’ environmental behaviours. By analysing residents’ preferences and the effectiveness of their participation in activities, the project team can continuously adjust and refine the incentive mechanisms to make them more targeted and appealing. This initiative will provide a scientific basis for the long-term development of the projects and offer valuable data support for community management and resident interaction.





3.1.3 Responsible Marketing

According to statistics from CRIC (the largest comprehensive real estate information service provider in China), Yuexiu Property’s annual contracted sales for 2024 have entered the top 10 nationwide for the first time, ranking 8th. Compared to 2023, the Company has moved up 4 places, making it one of the real estate developers with the largest ranking improvement in the top 10. This achievement reflects our continuous progress and efforts in the market competition and indicates the recognition of our service quality and products by customers. We will continue to focus on improving our business level and enhancing our market competitiveness.

Key Performance Indicator

During the reporting period, the training coverage rate for frontline marketing employees reached

100%



We fully understand the importance of the accuracy and authenticity of promotional materials for the Company’s reputation, including external sales documents and advertising content. Therefore, we have established a comprehensive marketing information review and control system that covers all ongoing projects of our regional companies. These measures aim to strengthen business management requirements and improve management quality.

- > *Management and Operation of Sales Documents*: This document provides detailed regulations on the operational standards and management criteria for various stages, from document preparation and approval requirements to execution, change management, and signing processes.
- > *Marketing Business Risk Control Management Guidelines*: This document specifies management requirements for document and measure implementation and sales messaging standardisation, establishing clear guidelines for developing and reviewing sales narratives across various scenarios and categories. An internal review process has been implemented, requiring cross-departmental collaboration (Legal, Customer Relations, Project Management, Design, etc.) to ensure the legality, compliance, and authenticity of marketing content.
- > In 2024, revisions were finalised for the *Marketing Supplier Management Guidelines* and *Marketing Bidding and Procurement Operations Standards*. These updates define compliance requirements for supplier management and frontline marketing bidding and procurement activities, providing a policy foundation for lawful operations. Additionally, efforts were made to enhance the dissemination and implementation of these regulations, and a long-term control mechanism was established.

To implement responsible marketing, in 2024, we conducted a series of specialised business training and assessments to enhance employees’ professional capabilities and business management levels. Through these specialised trainings, we aim to improve employees’ professional skills and management abilities, laying a solid foundation for the Company’s sustained development. The specific training includes the following areas.

Channel management training

We organised specialised training sessions combining the latest channel business contract templates and work requirements, aimed at reinforcing employees’ channel management awareness, enhancing control levels, and ensuring the smooth operation of all channel business activities.

Training on standardisation of contract signing and payment collection

To strengthen systematic and standardised control, we introduced the “City-level Payment Collection Management System”, which enables full-process monitoring and tracking of collections. Through the “Intelligent Analysis Platform”, we can efficiently obtain data to support business decision-making, ensuring the efficiency and transparency of the payment collection process.

Fangbao gift management module training

To improve the standardisation of frontline business operations, we conducted specialised training on gift management within the sales organisation, emphasising management and operational requirements to ensure that every employee can correctly use the Fangbao system for gift management.

Training on electronic signing of pre property service agreement

Through cross-departmental collaboration with the customer relationship centres, property management companies and the signing service centres of Xingye Property (a wholly-owned subsidiary of Yuexiu Property, responsible for full-chain real estate agency services of Yuexiu Property), we conducted specialised training before the launch of pilot projects, clarifying management points and standardising operational requirements to ensure the smooth execution of the electronic signing process.

ERP cost system training

We organised training sessions focused on the preparation, execution, and analysis of marketing expense budgets, aimed at improving personnel's operational proficiency and ensuring the standardisation and effectiveness of expense management.

Professional assessment of bidding and procurement practitioners in marketing lines

To strengthen the management of marketing supplier bidding and procurement and the application of the bidding and procurement platform, we organised professional assessments for bidding and procurement business, aimed at enhancing marketing personnel's risk management awareness and compliance capabilities, thereby effectively promoting the smooth progress of bidding and procurement activities.

In 2024, we organised five regional companies to conduct nationwide cross-inspections, completing on-site cross-checks of 20 projects. The inspection content covered five major categories: sales site management, process and policy compliance, sales backend management, bidding and procurement expense management, and online marketing, totalling 65 specific business inspection items. Through these inspections, we compiled the identified issues into reports and promptly sent them to the relevant regional companies for rectification. This process not only helps to quickly address on-site issues but also effectively identifies potential risks, promotes communication and learning among regional companies, and shares management practices.

CASE

Specialised Inspection of "Sunshine Marketing Action"

The "Sunshine Marketing Action" is a specialised inspection on responsible marketing practices focusing on business processes prone to risks, such as marketing and sales scripts, price execution, bidding and procurement management, channel management, and special promotions for Yoo-Magic. We have established a comprehensive "Headquarters + Regional Companies + Xingye Property" business risk control joint inspection mechanism. This mechanism aims to effectively manage various potential risks and ensure the compliance and safety of business operations.

Through this mechanism, we regularly conduct specialised risk self-inspections on sampled projects, systematically assessing risk points in each business process and identifying potential issues. This process not only helps us develop a robust self-inspection system but also significantly enhances the risk awareness of all employees, making each individual recognise their important role in risk management.

Furthermore, we emphasise the cultivation and improvement of regional risk control capabilities. We regularly organise training and exchange activities to share best practices and lessons learned, thereby strengthening the risk prevention capabilities of regional teams. Through continuous improvement and optimisation, we strive to achieve higher standards in risk management, ensuring that the Company can operate steadily in a dynamically changing market environment.



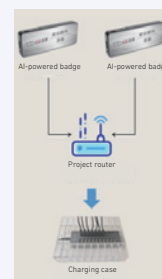
On-site Photos of the Sunshine Marketing Action Special Inspection



Voice Badge

Voice badge is an innovative tool primarily used to enhance the transparency of sales work and increase the fairness of judgment for the management, thereby effectively protecting the rights and interests of both the Company and its employees.

Example of Voice Badge



Sea Swallow Programme Digital Marketing Capability Certification

The “Sea Swallow Programme Digital Marketing Capability Certification” is a certification programme established by Yuexiu Property to enhance the digital capabilities of its marketing team, and is closely linked to the Company’s human resources assessment system. Marketing personnel are required to undergo professional training and pass an examination to obtain the certification, ensuring that they have solid digital skills and knowledge. In 2024, the certification pass rate of marketing personnel who participated in the training exceeded 80%, significantly improving the digitalisation level of the team.

Yuexiu Property aims to leverage the “Sea Swallow Programme Digital Marketing Capability Certification” to further emphasise the importance of digital transformation among all marketing personnel, continuously improve their business capabilities and overall competitiveness, and propel the Company to new heights in the field of digital marketing.



Digital Marketing Capability Certification Boot Camp under the Sea Swallow Programme

To ensure that the green philosophy is upheld throughout the sales process, we have stipulated that before the launch of each project, the design department must compile introductions highlighting the use of green building materials, energy conservation, and emission reduction. These materials will be provided to the sales staff at the sales office. This will help enhance consumers’ awareness and appreciation of green buildings and eco-friendly products, while also conveying our commitment and actions towards environmental protection. Furthermore, all sales scripts and video content used during the sales process must undergo strict review by relevant departments to ensure the accuracy of the information and the consistency of our green marketing strategy. We will continue to optimise our green marketing strategy and support environmental protection and sustainable development through concrete actions.

3.1.4 Customer satisfaction


We believe that good customer relationships are the foundation of business development. Therefore, we will continuously improve our management mechanisms and response measures to adapt to changing customer needs and strive to exceed customer expectations. Through ongoing improvements and innovations, we aim to provide more efficient and higher-quality services, further solidifying our market competitiveness.

In 2024, we have dedicated 80% of our efforts to identifying and preventing potential issues, while allocating 20% of our resources to addressing real-time customer problems. The customer satisfaction we refer to includes tenants' health and safety, office comfort, and feedback for improvement. This score helps us understand and assist in evaluating the risks and opportunities associated with each issue.

At the same time, we will begin to widely collect customer needs from the product design phase to ensure that the product design and features meet market expectations. We plan to incorporate product design satisfaction into our customer satisfaction metrics, further strengthening our preventive risk management strategy.

Additionally, we monitor the tenant turnover and move-out rates to complement the customer satisfaction results, helping us understand our impact on the local community and the social and environmental aspects. By continuously optimising our risk management before issues arise, we will be able to respond more quickly to customer needs, improve service quality and efficiency, and provide customers with an even more excellent experience.

2030 Goals and 2024 Performance

		2030 Objectives	2024 Performance
	Customer satisfaction	Create multi-level and rich categories of liveable and healthy living system products to enrich customers' choices; continuously improve customer satisfaction score to reach 95 points or above	Residential residents' satisfaction score: 88 points Commercial tenants' satisfaction score: 97.59 points





Regarding the customer satisfaction survey methods for the residential sector, in 2023, we transitioned from a single centralised survey to a combined model of 70% centralised survey and 30% decentralised survey. In 2024, we further improved our third-party customer satisfaction survey methods, upgrading to a **50%** centralised survey and **50%** decentralised survey combination. Specifically, 50% of the surveys are conducted during specific time periods, while the remaining 50% are sent to customers at random intervals throughout the year. This “combined centralised and decentralised” survey approach enhances the authenticity and randomness of the surveys, providing a more accurate reflection of end customers’ satisfaction with Yuexiu Property’s products. Additionally, this change helps to reduce potential manipulation in regular periodic surveys, such as pre-communicating with customers to secure higher ratings.



We place a high value on customer feedback and have developed and implemented the *Detailed Provisions on Customer Complaint Management*. These regulations provide clear instructions to ensure smooth and rapid communication with customers. Through standardised processes, we can promptly understand customer needs and issues, enabling more effective handling. Furthermore, we have established the *Long-term Response Mechanism for Customer Demands* and the *Upgraded Mechanism for Complaint Resolution*. These mechanisms aim to quickly address recurring and long-standing issues, significantly improving the efficiency of complaint handling and service quality. By promptly responding to customer concerns, we not only enhance customer experience but also strengthen their trust and satisfaction in us.

Customer Ambassadors

The programme offers comprehensive one-on-one dedicated services through Customer Ambassadors, supporting more than 30,000 homeowners from property purchase to delivery services. By connecting every homeowner via WeCom, we strive to be clients’ “go-to expert”, adding an extra layer of assurance for your peace of mind.

Yuexiu Family Letters

In 2024, 485 issues of *Yuexiu Family Letters* were distributed across 22 cities and 92 projects, with total readership exceeding 300,000. This regular publication updates homeowners on community news and provides real-time progress reports on construction milestones.

Construction Site Open Days

In 2024, 69 open-day events were held, allowing over 10,000 homeowners to experience Yuexiu’s craftsmanship standards firsthand. These events offer transparency into construction quality, let owners preview their future homes, and strengthen understanding and confidence in their investment.

Quality Delivery

In 2024, we successfully delivered homes across 16 cities through a total of 110 delivery batches, welcoming over 23,000 families to their new Yuexiu residences. Notably, 16 projects achieved early delivery, including Hangzhou Opus Mansion (up to 9 months ahead of schedule), Guangzhou Fantasy TOD, Zhengzhou Glory Mansion, Hefei Starry Junlan, Shenzhen Coast Walk, and Shenzhen Shade Walk (all 180 days ahead of schedule), demonstrating our proactive response to homeowners' expectations.

Delivering Houses along with Certificates

With meticulous execution and thoughtful services, 10 projects across 8 cities – Hefei, Changsha, Chongqing, Chengdu, Xiangyang, Foshan, Shenzhen, and Guangzhou – achieved “delivering houses along with certificates” at delivery sites. This seamless acceptance experience, where homeowners receive both keys and certificates of property ownership simultaneously, truly enhances their sense of happiness.

Yue Neighbours Life

Nearly 500 community events were organised in 2024, engaging over 130,000 participants. These diversified community activities not only enriched homeowners' lives but also fostered stronger community bonds. Through these lively events, homeowners collectively experienced the boundless splendour of a fulfilling life.



Delivering Houses along with Certificates



Community Events

In 2024, we increased the weight of “property management services” special assessment in employees' performance bonuses to a relatively high level within the industry. This adjustment reflects our emphasis on the quality of property management services and aims to motivate employees to provide better services, thereby enhancing customer satisfaction and overall service levels. Through this approach, we hope to further promote the professionalisation and efficiency of property management, ensuring that customers' needs are better met.



3.2 SOCIAL RESPONSIBILITY AND PUBLIC WELFARE

3.2.1 Build a Comprehensive Educational Ecosystem

The Yuexiu Education Department has successfully transformed its business model from “1+1+N” to “3+N”, aligning with industry standards. The “1+1+N” model refers to the creation of a diversified educational system through the introduction of a prestigious school and the operation of a preschool kindergarten, complemented by multiple other educational projects or services. In contrast, the “3+N” model encompasses three core business areas: preschool education, basic education, and community education. This model aims to establish a comprehensive educational ecosystem by setting up community youth centre and integrating state-owned enterprises to form youth science academies and parent-child education projects, alongside various other educational or service initiatives. This transformation has not only enhanced our business diversity but also bolstered our competitiveness and influence in the education sector.

In the realm of preschool education, we have focused on childcare for children aged 0-3, developing one of only four five-star childcare centres in Guangzhou and launching an affordable childcare centre in the core CBD area. In collaboration with the affiliated hospital of Guangzhou, we have become the first non-first-tier city childcare centre to partner with a hospital. Both childcare centres received the highest ratings from the education authorities. This innovative model not only provides convenience for parents but also ensures professional support for the healthy growth of infants and young children.

Awards winning projects in the preschool education sector in 2024

No.	Date of award	Award name	Issuing unit
1	01/03/2024	Evaluation of Standardised Kindergartens in Panyu District	Education Bureau of Panyu District, Guangzhou City
2	01/03/2024	Honorary title of “Good Garden” in Panyu District	Education Bureau of Panyu District, Guangzhou City
3	14/06/2024	Panyu District Kindergarten Health Care Training Base	Panyu Maternal and Child Care Service Centre of Guangzhou
4	17/07/2024	Star-Rated Childcare Service Evaluation for Childcare Institutions in Guangzhou (Five-star)	Guangzhou Municipal Health Commission
5	01/10/2024	Selected as a demonstration kindergarten community project in Guangdong Province	Education Bureau of Panyu District, Guangzhou City
6	02/11/2024	Vice President Unit of Guangzhou Panyu District Preschool Education Association	Education Bureau of Panyu District, Guangzhou City

In terms of basic education, we have achieved a breakthrough through resource integration, establishing an educational platform and developing new curricula. These initiatives not only enrich the teaching content but also improve the quality and efficiency of education. We are committed to providing students with a more comprehensive and personalised educational experience, helping them thrive both academically and in life.

The Practice of Green Building and Community Integration at Guangzhou Yantang Experimental Middle School



The Guangzhou Yantang Experimental Middle School project, led by the Greater Bay Area Regional Company of Yuexiu Property, is a benchmark project that embodies the concept of "green building + community sharing". As a modern campus centred on the comprehensive development of students, it deeply integrates ecology and technology through innovative design, achieving environmental friendliness, efficient resource utilisation, and community integration.



Stereoscopic Greening and Ecological Protection

The school has retained the large banyan trees within the site, forming an entrance square that serves as a unique memory of the campus. The project incorporates a stereoscopic greening system, from the sunken courtyard on the basement level to the grass and plants on the sports cover, and up to the rooftop greening. Green plants fill the entire campus, creating a park for teachers and students. The distant Baiyun Mountain blends with the trees within the campus, making the school a continuation of nature. Flower beds are arranged on the windowsills and walkways outside classrooms, and the roof is designed with a soil-covered planting area, facilitating students' learning about plants, engaging in labour planting, and experiencing the vitality of nature.

All-age Friendly and Community Sharing

The school breaks away from the traditional closed model, not only serving teachers and students but also complementing community facilities. Sports and cultural facilities that can be shared are located on the side closer to the city. Community residents can use these facilities after school and during winter and summer holidays, enhancing the happiness of community residents.

Efficient Resource Utilisation and Sustainable Operation

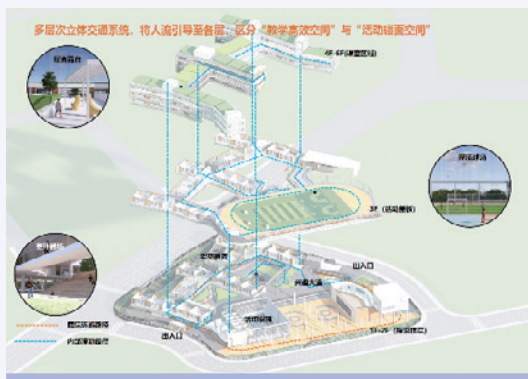
The project adopts a "stereoscopic composite design" strategy, elevating the sports field to the air, forming a large sports cover. Beneath the large cover, high-standard facilities such as a swimming pool, art gallery, science museum, and academic lecture hall are arranged, creating a well-structured stereoscopic cultural and sports hub. Students can freely explore their interests and follow their passions within the composite spaces from the ground to the third floor.



The Practice of Green Building and Community Integration at Guangzhou Yantang Experimental Middle School



The Guangzhou Yantang Experimental Middle School, with nature as its foundation, culture as its soul, and technology as its wings, not only redefines the value and essence of campus space but also, through the deep integration of green architecture and community sharing, provides a replicable innovative model for urban sustainable development.



Design Highlights:

- 01 Stereoscopic Sports Facilities:** In the context of limited land availability, the activity playground has been elevated to achieve composite land use. Beneath the sports cover, a basketball court and a six-lane indoor swimming pool are set up, with three irregular skylights introducing natural light. The ground floor features a 100-metre running track that can shelter from rain and wind, and a climbing wall is installed inside the covered playground to meet the diverse sports needs throughout the day.
- 02 Wandering Art Performance Classrooms:** The campus is designed as a stage for students to showcase their individuality. Dance and choir rooms are set up under the banyan tree square for external displays. A 400-person lecture hall meets the needs of large performances, while the sunken courtyard in the basement and the stereoscopic composite green platforms provide spaces for student performances.
- 03 Cyberpunk Science Museum:** An independent science museum is located at the corner of the school, offering a glimpse of the 6-metre-high exhibition hall through elliptical portholes. Accessible via a separate route to the sports cover level, the museum becomes a vibrant venue for science communication.
- 04 Elevated Campus Library:** The independent library is supported by two large columns above the running track, providing a wide-open view. Through full-height glass windows, students can look out at the surrounding banyan trees and green sports fields, stimulating their imagination.

Yuexiu • Grand World Scenic Park Project Primary School - Landscape Design Plan



The Yuexiu • Grand World Scenic Park Project is located at the Intelligence Valley Area in the eastern part of Tianhe District, Guangzhou. It centres around the Grand World Scenic Park cluster and is the only low-density eco-residential area developed contiguously in Tianhe District. The project aims to create a high-quality urban space that integrates “industrial clusters + Olympic Sports Centre + residential community + Olympic Sports Park”, featuring unique mountain and lake landscape resources. The current development land parcel is situated in the best lakeside location within the residential cluster, surrounding the Moon Lake, forming a complete lakeside living circle. The project is a tranquil haven amidst the bustling city, boasting precious mountain and lake landscape resources. The design goal is to create a high-quality eco-residential area that integrates modern living concepts, providing a vibrant, multi-dimensional campus with high exploratory, social, and experiential qualities.

Project Highlights

Focusing on Children's Inner World

The impact of the campus landscape design on students is primarily psychological. The campus should be a free expression of the inner world, creating spaces that are conducive to personal growth. To make children's outdoor life more integrated with nature, the design has chosen green and orange as the main colours, fostering an atmosphere of closeness to nature. In a comfortable and natural environment, the design aims to inspire students to engage in social interactions and club activities, creating vibrant focal points.

Nurturing Growth through Nature

Through a variety of outdoor teaching spaces, the design provides immersive and scenario-based learning experiences, fully stimulating children's interests and abilities and inspiring their thoughts about the future. The design aims to nurture growth through natural means, allowing children to freely explore and learn in a natural environment.



Playground



Yuexiu • Grand World Scenic Park
Project Primary School -
Landscape Design Plan



Reading garden

The landscape design for the Yuexiu • Grand World Scenic Park Project Primary School not only focuses on the integration of natural landscapes but also pays close attention to the psychological growth and holistic development of students. Through carefully designed outdoor spaces, the project aims to provide children with a vibrant, creative, and thought-provoking learning environment, allowing them to grow freely in nature and lay a solid foundation for their future.

Inspiring Creativity and Thought

The design provides a variety of outdoor teaching spaces, including immersive and scenario-based learning experiences, which comprehensively stimulate children's interests and abilities and inspire their thinking about the future. These spaces not only enrich the teaching content but also offer children more opportunities for interaction and exploration.

Vibrant and Engaging Spaces

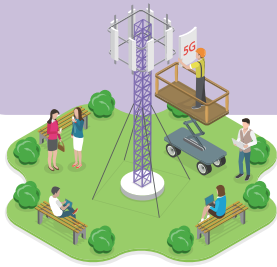
The feasibility of relocating classroom spaces is explored, aiming to maximise the use of every area, activate each space, and create a richer variety of functional areas to support teaching and various play activities during and after class. The design is guided by the concept of "grid guidance", dividing the space into multiple functional zones, each with a unique purpose, providing children with diverse learning and activity spaces.



Vibrant grids in the forest

In community education, Yuexiu Property has consistently integrated social responsibility into its business core. In 2024, through the "home-school-community collaboration" model, the Company built a community education ecosystem that covers the entire life cycle, leveraging technology to promote educational equity and lifelong learning, as well as social inclusion.

Technology leads to educational Yumeile and the creation of all-age friendly communities.



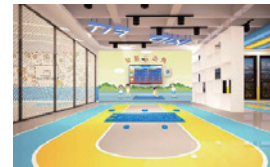
By relying on AI-powered smart education spaces, we integrate large educational models with intelligent hardware to launch the "Yuemeile Smart Growth Space", providing personalised learning, sports, and cultural services to the community. Through AI study rooms, intelligent diagnostic systems, and granular learning reports, we precisely address academic challenges, reduce the burden of parental tutoring, and support the academic improvement and interest cultivation of young people. At the same time, the AI sports area and reading space, designed with engaging features, activate community vitality and promote the physical and mental health and cultural literacy of residents of all ages.



AI Smart Education Space



AI study room



AI sports area

The digital platform breaks boundaries and promotes lifelong learning.



The "Online Growth Academy" integrates high-quality educational resources, building a digital and intelligent platform that covers vocational skills training, arts and cultural courses, and international study tours. This platform overcomes geographical limitations, allowing homeowners to participate in diverse courses such as international vocal classes and intangible cultural heritage experiences without leaving their homes. The platform is deeply integrated with the industrial and educational resources of the Guangdong-Hong Kong-Macao Greater Bay Area, empowering youth employment through colleges focused on coffee, AI, and cultural tourism. This creates a closed loop of "education-employment-industry", supporting regional talent development.



Online courses launched by the Growth Academy



Cultural heritage and a global perspective are given equal importance, deepening social value.



Projects such as the "Why Guangzhou" Cultural Journey and "European Music Study Tours" integrate local culture with international resources, enhancing teenagers' cultural identity and global perspective through research and study activities. Additionally, community public welfare classes, choir performances, and other cultural activities use art as a bond to enhance community cohesion, embodying the "Humanistic Yuexiu" philosophy.



"Why Guangzhou" Cultural Journey



European Music Study Tours

Green governance and efficient resource integration.



By revitalising idle real estate spaces to create the "Yuemeile Growth Base", the goal is to maximise social benefits with minimal resource investment. Collaborating with strategic partners such as iFLYTEK and Xiangsi Vocational and Technical College, an open and mutually beneficial educational ecosystem is being built, highlighting the leading role of enterprises in sustainable governance and technological innovation.



Yuemeile Growth Base

To further enhance the overall happiness and sense of belonging in the community, we plan to improve community facilities and provide emotional value to residents. We will increase the number of community activities and facilities, such as family activities and health seminars, so that residents can enjoy high-quality educational resources while also feeling the warmth and care of the community.

Additionally, we will develop AI study rooms to provide after-school tutoring for students, reducing the burden on parents and ensuring that students complete their homework and study in a safe and efficient environment. The AI study rooms will use advanced technological means to offer personalised learning support, helping students better grasp knowledge and improve their learning efficiency.

Through these specific measures and future plans, we will continue to strive to build a comprehensive, efficient, and sustainable educational ecosystem, cultivating more outstanding talents for society. We believe that through continuous efforts and innovation, we can provide residents with higher-quality educational services and make greater contributions to the development of society.



3.2.2 Educational Support and Rural Revitalisation

Yuexiu Property actively responds to the national rural revitalization strategy, taking “poverty alleviation and intellectual support” as one of the core tasks in fulfilling corporate social responsibility, and is dedicated to promoting educational equity and infrastructure improvement in rural areas. Yuexiu Property deeply recognises that education is the key to changing the destiny of rural areas. By enhancing the accessibility of educational resources and improving infrastructure, it can create a better living environment for rural residents and promote regional sustainable development. This plan not only reflects the Company’s concern over social issues but also embodies Yuexiu Property’s responsibility and mission in building a better future.

Educational Support

In terms of educational support, Yuexiu Property provides multi-dimensional assistance to enrich and enhance rural educational resources. The company actively collaborates with local governments and schools, investing specialised resources to support the construction of libraries, laboratories, and other infrastructure in rural schools, thereby providing students with more modern learning conditions. Additionally, Yuexiu Property focuses on optimising the allocation of educational resources by awarding targeted scholarships and grants to help children from impoverished families complete their education. This initiative not only reduces the financial burden on families but also provides more children with the opportunity to receive quality education, broaden their horizons, and change their lives.

Industry-Education Integration Empowers Rural Revitalisation – Educational Support and Talent Revitalisation Practices at the Fairfield by Marriott Bijie

Yuexiu Property actively responded to the national rural revitalisation strategy, focusing on vocational education, and joined hands with Marriott International to establish an “International Hotel Training Base” in the Bailidujuan Administrative Area in Bijie, Guizhou Province, aiming to create a sustainable development model that deeply integrates the “education chain, industry chain, and talent chain”.

Project overview and achievements

The main body of the training base is Fairfield by Marriott Bijie, with a gross floor area of approximately 25,000 sq.m.. It is equipped with 200 guest rooms and high-end hot spring facilities. Since its operation in October 2023, it has cumulatively received 15,000 guests and generated revenue exceeding RMB10 million.

Education empowerment and talent development

- > **School-enterprise cooperation mechanism:** Deep collaboration with Bijie Vocational and Technical College has been established. Since 2022, a total of 8 classes specialised in hotel and tourism management have been launched, targeting the cultivation of 370 students who have been involved in the entire process of hotel preparation and operational practices;
- > **Innovative training system:** In 2024, two batches of 96 trainees were received, and practical courses were provided to international standards. The total training duration exceeded 10,000 hours, with an average of 112 hours of training per person;
- > **Career development pathways:** Provide high starting positions for graduates and place them in Guizhou’s cultural, commercial, and tourism industries, thereby supporting local talent retention and industrial upgrading.



Social benefits and public welfare practices

- > **Employment assistance:** The project directly created high-quality jobs for local residents and, in collaboration with Yuexiu Foundation, launched the “Spreading the Fragrance of Books in Bailidujuan” activity, donating books to libraries and schools in the area, benefiting over 1,000 teachers and students;
- > **Industry benchmark recognition:** The hotel has been awarded the title of “Bijie City Model Worker (Employee) Recuperation and Convalescence Base” by the Bijie City Federation of Trade Unions, becoming a benchmark for regional cultural and tourism services.

Sustainable development value

Through the three-pronged assistance mode of “industry + education + employment”, the project has not only enhanced the level of professionalism of the local service industry but also revitalised the regional economy through talent revitalisation, which provides a replicable Yuexiu solution for rural revitalisation and common prosperity.



CASE

CYLC Branch of the Greater Bay Area Arm of Yuexiu Property supports the "Hundreds-Thousands-Ten Thousands Project"

The Communist Youth League of China (CYLC) Branch of the Greater Bay Area Arm of Yuexiu Property has been consistently implemented the important instructions of General Secretary Xi Jinping, actively promoting the High-Quality Development Project for Hundreds of Counties, Thousands of Towns, and Ten Thousands of Villages (the "Hundreds-Thousands-Ten Thousands Project"). In this process, we have proactively engaged with the Youth League Committee of Nansha District, transforming the Qingcheng project in Nansha District into a "Hundreds-Thousands-Ten Thousands" workstation for university students in Guangdong Province, providing young students with rich learning and practical opportunities.

To further support the development of young people, we have established two youth night schools, offering a variety of educational resources to help local youth improve themselves in their spare time. These night schools cover not only professional knowledge but also skill training and interest development, receiving widespread praise.

Additionally, we successfully organised the Guangdong-Hong Kong-Macao Greater Bay Area (Nansha) Youth Life Alliance + Music Festival, which attracted a large number of young participants. This event not only provided a platform for young people to showcase their talents but also promoted exchanges and cooperation among young people from Guangdong, Hong Kong, and Macao, enhancing their sense of belonging and identity.

Relevant activities have been reported three times by the official media of the city and district, effectively enhancing the Company's social influence. Through these initiatives, the CYLC Branch of the Greater Bay Area Company of Yuexiu Property not only provides strong support for the growth and development of young people but also demonstrates the Company's active commitment to social responsibility.



CASE

Book Donation Activities for Yuexiu Health Projects

The company organised grassroots trade unions to conduct book donation activities for the Yueluju and Haiyuehui projects of Yuexiu Health, aiming to gain a deep understanding of the project situations, experience the new lifestyle of elderly care, and explore the functional spaces on site. A total of 454 books were donated, covering various fields such as health and wellness, leisure and entertainment, and cultural education, providing rich spiritual nourishment for the residents of the projects.

During the activities, members of the grassroots trade unions thoroughly toured the various functional spaces of the Yueluju, including the gym, library, and activity room, personally experiencing the high-quality elderly care services provided by the project. Through on-site visits, employees not only gained a more intuitive understanding of the project's facilities and services but also developed a deeper understanding of the Company's elderly care business.





CASE

Public Welfare Book Donation Activity Titled "Spreading the Fragrance of Books in Bailidujuan"

The Commercial Management Trade Union of Yuexiu Property, in collaboration with Yuexiu Foundation, has launched a public welfare book donation activity titled "Spreading the Fragrance of Books in Bailidujuan", specifically collecting and donating books to "one library, one school" in the Bailidujuan Administrative Area in Bijie, Guizhou. This activity aims to provide more reading resources for local children and residents through book donation, enriching their spiritual and cultural lives.

This activity adhered to the core values of the Group's corporate culture, emphasising the alignment of social public welfare and corporate development. The Commercial Management Trade Union actively mobilised employees and individuals from various sectors of society to participate in the book donation, collecting a large number of high-quality books covering various fields such as education, science popularisation, literature, and art. These books will be donated to a library of a school in the Bailidujuan Administrative Area, providing rich reading resources to support the growth and development of local children and residents.

Through this activity, the Company not only demonstrates its high regard for social public welfare but also continues on its path of business friendliness, green building, charitable public welfare and sustainable development. The Company hopes that through such public welfare action, it can not only provide practical assistance to the local community but also convey the Company's sense of social responsibility and humanistic care, thus contributing to the building of a harmonious society.



Key Performance Indicator

Total amount of educational public welfare donations
in 2024: RMB **50** million





Rural Revitalisation

In 2024, Yuexiu Property made significant achievements in rural revitalisation and East-West collaboration. The Company actively fulfilled its social responsibilities by dispatching outstanding employees to participate in national projects and East-West collaboration. This not only earned high recognition from the government but also contributed to the development of poverty-stricken areas through concrete actions, demonstrating the Company's commitment and mission.

CASE

Supporting the National Rural Complex Project to Promote Rural Revitalisation

Yuexiu Property responded to the national call by dispatching core backbone personnel to support the Yuexiu Fengxing National Rural Complex Project. This project is one of the 12 key projects supported by the Ministry of Finance in 2021 and is the only national-level complex project themed around the dairy cattle industry in the country.

As the only "dual national-level" pilot project for rural revitalisation in the country, the project aims to achieve deep integration of agriculture, industry, and services, promoting the sustainable development of the rural economy. The backbone personnel dispatched by Yuexiu Property, with their rich project management experience, provided crucial support for the smooth progress of the project.



Aerial photo of Yuexiu Fengxing National Rural Complex Project

CASE

Promoting the East-West Collaboration

From July 2021 to March 2024, Yuexiu Property dispatched a member of its core backbone personnel to Anshun, Guizhou, to participate in the new round of East-West Collaboration, and he performed excellently. Over the course of nearly two and a half years, he actively engaged in the economic and social development of Anshun, making significant contributions to the area. Not only did he play a crucial role in project advancement, industrial cooperation, and talent exchange, but they also actively participated in social public welfare activities, earning high recognition from the local government and people. In February 2024, the Anshun Municipal Party Committee and Municipal Government awarded this staff member the title of "Honorary Citizen of Anshun City" and a personal third-class merit citation.



Aerial photo of Yuexiu Anshun Pig Industrial Base

In addition, we have always been committed to supporting rural revitalisation, promoting the development and promotion of related products. We continuously pay attention to the development needs of rural areas and make more contributions to society through practical actions. In 2024, Yuexiu Property organised a total of 40 people from various grassroots units to participate in the matching activity for the production and marketing of agricultural and sideline products in poverty-alleviation areas. Through this activity, the Company purchased rural revitalisation products worth approximately RMB18.15 million, which not only supported the development of the local economy but also facilitated exchanges and cooperation between urban and rural areas.

Yuexiu Property plans to further deepen its support for education and rural revitalisation projects, gradually expanding the coverage and introducing more innovative support methods. In the field of education, the Company will explore the development of online education platforms to provide remote educational resources for rural students and teachers, while continuously optimising teacher training programmes to ensure a comprehensive improvement in educational quality. In terms of rural revitalisation, the Company plans to integrate intelligent technologies to develop smart governance solutions for rural areas, providing more efficient and sustainable infrastructure and services to rural communities.

Through these efforts, Yuexiu Property hopes to promote educational equity and community sustainable development in rural areas with innovative practices, continuously enhancing the happiness and sense of belonging of rural residents, while demonstrating the Company's commitment to social responsibilities. These initiatives are not only a proactive response to the national rural revitalisation strategy but also a profound reflection of the Company's values.

3.2.3 Building a Happy Life for Senior Residents in the Community

Yuexiu Property is dedicated to creating a happy and healthy living environment for senior residents in our communities. We collaborate with professional healthcare and wellness service providers to offer regular health check-ups, health consultations, and emergency rescue services to our elderly residents. Additionally, we have established a Health Management Centre to provide daily health management services, which helps seniors maintain good physical condition. To enrich the spiritual lives of our senior residents, we regularly organise a variety of cultural activities, including calligraphy, painting, dance, and choir interest groups, as well as festive celebrations and community events. These activities not only enhance social interaction among seniors but also improve their overall quality of life. We also encourage young people and volunteers within the community to participate in services for senior residents, providing companionship, shopping assistance, and household support. Through these volunteer services, seniors feel the warmth and care of the community.

CASE

Establishing the Guangzhou Senior University in collaboration with the Civil Affairs Bureau

The Guangzhou Senior University has a history spanning over a decade. Since 2023, it has been managed and operated by Yuexiu Health, a subsidiary of Yuexiu Property. The university is dedicated to creating a beneficial, engaging, and healthy learning environment, aiming to become a leading cultural and artistic comprehensive senior university in Guangzhou.

Currently, the university offers six major courses: dance, vocal music, instrumental music, calligraphy and painting, photography, and health and wellness. These include specific classes such as ethnic dance, vocal music, cheongsam modeling show, instrumental music (such as guzheng, piano, and hulusi), photography, Chinese painting and calligraphy. The total number of classes offered is no less than 30. We focus on developing high-quality courses and distinguished teachers, with students from all districts of the city, totalling over 2,000.

As of 2024, the Guangzhou Senior University and its branches have a total of 800 students, with 669 attending the main campus. This represents an increase of 265 students compared to 2023. Our goal is to establish the university as the premier cultural and artistic comprehensive lifelong learning institution in Guangzhou and to become a leading brand in senior education nationwide. We are committed to providing professional senior education services, health management, and specialised courses in preventive elderly care, striving to become a model project for senior education in Guangzhou and across the country.





3.2.4 Cultural Inheritance

The world is a rich and colourful collection of different cultures, with each ethnic group possessing its own unique culture. Cultural inheritance helps protect and preserve different cultural forms, thereby fostering the development of cultural diversity. It enables a nation or country to gain a profound insight into its cultural strengths and characteristics, bolstering cultural confidence and national cohesion. However, cultural inheritance faces numerous difficulties and challenges in contemporary society. Yuexiu Property attaches importance to and actively participates in the inheritance and preservation of traditional Chinese culture, and as a state-owned listed company in Guangzhou, it plays an active role in the inheritance of the "City of Rams Culture" by organising a series of thematic events in the community to enable more people to learn about the "City of Rams Culture" and to enhance public understanding and appreciation of Guangzhou's historical heritage.

CASE

SHOW Featuring the Inheritance of the City of Rams Culture

Yuexiu Property, in collaboration with Guangzhou TV Station, organised a show featuring elderly performers highlighting the inheritance of the City of Rams culture, entitled "Stylish Uncles and Beautiful Aunts Age-Joyfully Show". This initiative encourages seniors to showcase their talents and pass on the City of Rams culture, embodying the concept of "Joyful Exercises, Greater Health" for a joyful life in old age. By redefining "advanced age" as "joyful age", it fosters a social atmosphere where the elderly "have fun in old age", promoting the coordinated development of the "silver economy" and cultural inheritance.

The first and second editions of the event focused on cultural inheritance across four areas: performing arts, painting, calligraphy, and photography. The performing arts category included Cantonese Opera, Chinese folk art forms and other elements of Lingnan intangible cultural heritage, while the painting, calligraphy and photography categories focused on the themes of "Cantonese Culture" and "Lingnan Scenery", using brushstrokes and lenses to document Guangzhou's urban memories and pass on the "Legend of the Five Rams".

In 2024, the third edition of the Inheritance of the City of Rams Culture event was held under the theme "Golden and Silver Wedding Anniversary Show". 75 couples celebrating their golden and silver wedding anniversaries were recruited from the community. By organising exhibitions of old photos and objects, interviews, lectures and other forms of activities, the event aims to pass on and promote Guangzhou's wedding customs while enriching the lives of elderly community members.



Looking ahead, Yuexiu Property will continue to deepen its efforts in enhancing the well-being of elderly residents in communities. We will further expand the coverage of age-friendly projects to ensure more elderly community members benefit, while continuously optimising designs to improve the practicality and comfort of age-friendly facilities. At the same time, we will collaborate with more professional institutions to introduce advanced health management and medical services, providing comprehensive and specialised health support for seniors. We plan to diversify and increase the frequency of cultural activities to meet the varied interests of elderly residents, inviting more artists and cultural figures to participate in community events, thereby elevating the quality and impact of these activities. Additionally, we will refine our volunteer service system to attract more participants, offering holistic and attentive care for the elderly, and provide volunteer training to enhance service professionalism. Through these strategies and initiatives, Yuexiu Property is committed to fostering a caring, healthy, and harmonious community environment where seniors can enjoy a fulfilling and vibrant life. We believe that sustained efforts will enable us to create an even brighter future for the elderly.

3.2.5 Promoting Better Urban Through Volunteer Services

Since the establishment of the Yuexiu Property Volunteer Service Team, this enthusiastic and loving group has always adhered to the service philosophy of “gathering warmth in the ordinary and demonstrating responsibility in action” and practiced the noble mission of “Where Good Living Starts”. They deeply understand that every small action can converge into a powerful force to change society, and every warm act can light up the hope in people’s hearts. Therefore, whether it is the daily maintenance of the community or the organisation of large-scale public welfare activities, the Yuexiu Property Volunteer Service Team goes all out, striving to bring more positive energy to society through their efforts.

The Yuexiu Property Volunteer Service Team places special emphasis on the exemplary role of Party members and CYLC members. They regularly organise volunteer service activities for Party members and CYLC members, not only providing various forms of assistance and support to community residents, such as environmental beautification, safety knowledge dissemination, and cultural event organisation, but also promoting cohesion and centripetal force within the team, enhancing the social responsibility and mission of young employees. In addition, the Yuexiu Property Volunteer Service Team actively promotes the “Youth Enjoyment Plan”, providing a variety of volunteer services to community residents, including convenient services and industry consultations, while enhancing the Company’s brand image and public image, demonstrating the social responsibility of a state-owned enterprise.

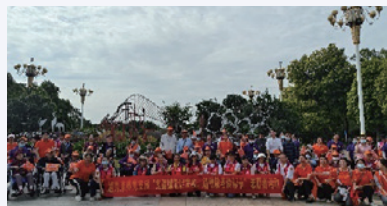
It is thanks to such a group of loving and responsible volunteers that Yuexiu Property can continue to move forward on the path of achieving a better life for millions of families, making every city warmer and more beautiful because of their presence. Through their tireless efforts, they not only improve the quality of life for urban residents but also make the cities themselves shine with even greater brilliance.

CASE

Yuexiu Health Volunteer Service Team: Love Transmitted for Over 10,000 Hours

The Yuexiu Health Volunteer Service Team was established in December 2017, comprising enthusiastic employees from Yuexiu Health Care Industry Company and Yuexiu Group, as well as caring individuals from all sectors of society. As of 2024, the team had grown to a total of 476 members. In 2024, the service team successfully conducted 132 volunteer activities (including 33 registered under the “Time Bank” initiative) under the “going out + bringing in” model, with a total of 800 volunteers participating, and the total volunteer service hours exceeding 10,000 hours. In terms of lean management, cost reduction and efficiency improvement, the service team applied for the “Fanxing” grassroots cultural and tourism volunteer service project in Guangzhou and established the “Paper Cutting Classroom” as a cultural inheritance space. During the project period, the team received RMB3,000 in government funding support.

Yuexiu Health has won the annual Guangzhou Community Volunteer Service Team Role Model Award for multiple consecutive years, with 9 projects receiving the “Public Time” Volunteer Service Station plaque from Guangzhou. In 2024, Yuexiu Health and Wellness also provided nearly 100 gifts and launched a special activity to care for volunteers across the city. Additionally, they jointly organised a bathing assistance activity for the elderly with the Guangzhou Volunteer Association, demonstrating Yuexiu Health and Wellness’s active commitment to social responsibility as a state-owned enterprise.





Yuexiu Commercial Promoting Integration and Community Development in the Guangdong-Hong Kong-Macao Greater Bay Area

Promoting Youth Exchanges in the Guangdong-Hong Kong-Macao Greater Bay Area

From 2023 to 2024, Yuexiu Commercial has served for two consecutive years as a co-organiser of the “100 Enterprises, 1,000 Employees” internship programme for Hong Kong and Macao college students in Guangzhou. Leveraging projects such as Yuexiu Star Home and Yuexiu Star Apartment, Yuexiu Commercial provides accommodation for Hong Kong and Macao students who come to Guangzhou for internships and assists in organising rich and colourful youth exchange and practice activities. These initiatives not only offer a good internship and living environment for Hong Kong and Macao youth but also effectively promote the integration and exchange within the Guangdong-Hong Kong-Macao Greater Bay Area.



Deepening the Development of the “Child-friendly Shopping Mall”

Relying on the Yue City project, Yuexiu Commercial collaborated with the CYLC Works Committee and the Works Committee of the Chinese Young Pioneers (CYP) of Xicun Sub-district, as well as 20 primary and secondary schools and kindergartens within its jurisdiction, to successfully host the 2024 “Discovering Spring Beauty” painting competition. Additionally, Yue City utilised store spaces on the east side of the second floor to create a “Child-friendly Art Corridor”, further deepening the development of the “Child-friendly Shopping Mall” and providing a platform for children to showcase their talents and engage in exchanges.

Innovatively Launching the Youth Night School

Nansha IFC has innovatively launched the Youth Night School project, in collaboration with the CYLC Committee of the Greater Bay Area and with the support of government units such as Dongchong Town and the Nansha Industrial Administration Bureau. A series of courses have been offered. The Youth Night School project in the Central and Western China Region has received extensive coverage from media outlets such as xuexi.cn and Hubei Daily, highlighting Yuexiu Commercial’s active contributions to youth education and training.

Actively Participating in Charitable Public Welfare Activities

The Compassionate Volunteer Team of White Horse Chamber of Commerce, Yuexiu Commercial, in conjunction with the Guangzhou Social Donation Reception Station, jointly organised the “From White Horse with Love, from Old Clothes with Warmth” clothing donation charity event. This public welfare activity collected over 1,600 items of clothing worth more than RMB100,000 and received high praise from society. This activity not only helped those in need but also demonstrated Yuexiu Commercial’s proactive commitment to social responsibility as a state-owned enterprise.



Yuexiu Services “Yue Closer” Volunteer Service Team: Practicing Corporate Responsibility

Guiding Young People to Engage in Corporate Development

In 2024, the “Yue Closer” Volunteer Service Team of Yuexiu Services closely aligned with the Company’s core business, actively guiding young people to participate in the production practices related to the Company’s operational development. Through the specialised improvement action of “Security, Cleaning, Greening, Warranty and Customer Service”, the volunteer service team collaboratively organised more than ten summer activities, including the “Sunflower Action” and “A Botanical Garden Below My Home”, attracting many homeowners to join the volunteer service team and jointly participate in community construction.

Serving the Community with Sincerity

The “Yue Closer” Volunteer Service Team organised more than 20 volunteer service activities throughout the year, covering projects such as free medical consultations, free haircuts, and blood donation. These activities served more than 2,000 people, not only improving the quality of life for community residents but also enhancing the community’s cohesion and sense of belonging.

Serving the Main Business as a Pioneer

In terms of corporate operations, the “Yue Closer” Volunteer Service Team provided support for 49 deliveries across various regions, with 955 young people participating in the delivery support. These young volunteers play a crucial role at critical moments, ensuring the smooth delivery of projects and demonstrating the pioneering spirit of Yuexiu Services.



Yuexiu Property Volunteer Service: Building a Better Community Together

Eastern China Region: “Youthful Passion, Volunteer Action” Volunteer Service Subteam

In 2024, Yuexiu Property's Eastern China Regional Company formed the “Youthful Passion, Volunteer Action” Volunteer Service Subteam, which actively participated in various community-organised volunteer service activities. During the “March 5th Lei Feng Memorial Day” event, volunteers assisted doctors in providing health services such as blood pressure and blood glucose measurements for community residents. They also offered traditional Chinese massage and acupuncture treatments to help residents alleviate physical discomforts. Additionally, the subteam actively participated in the “Embrace New Trends – Waste Sorting Volunteer Initiative” activity, providing convenient waste sorting services to community residents, popularising environmental knowledge, and enhancing residents' environmental awareness.

Northern China Region: Promoting Chinese Traditional Culture

Volunteers in the Northern China Region are actively dedicated to promoting Chinese traditional culture. In June 2024, Yuexiu Property organised a special concert by China National Traditional Orchestra titled “頌·黃鐘大呂” at the National Centre for the Performing Arts in Beijing. Sixty volunteers were actively involved in the organisation and coordination of the event, ensuring its smooth operation. A total of 1,300 audience members enjoyed this grand Chinese music feast, experiencing the unique charm of Chinese culture. Through this event, Yuexiu Property not only promoted Chinese traditional culture but also enhanced the cultural identity and pride of community residents.

Central and Western China Region: Supporting Flood Control Efforts

In July 2024, volunteers from the Central and Western China Region actively participated in flood control efforts along the Yangtze and Han Rivers in Wuhan. During the flood control and unity efforts of the Gujitian Sub-district, volunteers delivered flood control support supplies, including drinking water, food, and emergency medicines, to the staff guarding the levees, ensuring that the basic needs of frontline personnel were met. By taking concrete actions, the volunteers implemented the decision and deployment of the Communist Party of China (CPC) Central Committee to “jointly build a solid defense line for flood control and disaster relief”, showcasing Yuexiu Property's sense of responsibility and commitment in the face of natural disasters.

Yuexiu Property will continue to deepen its volunteer service work, further enhancing the quality and influence of volunteer services. Specific plans include: expanding the scope of volunteer services, increasing activities in areas such as environmental protection, education, and cultural heritage to meet the needs of different communities and groups; enhancing volunteer training to improve the professional skills and overall qualities of volunteers, ensuring the efficiency and professionalism of volunteer services; strengthening cooperation with governments, communities, enterprises and other external parties to form a united effort in promoting the development of volunteer services; exploring new volunteer service models, such as online volunteer services and community co-building, to increase the diversity and flexibility of volunteer activities; reinforcing brand building by further enhancing Yuexiu Property's brand image and public image through volunteer service activities, highlighting the Company's social responsibility; and continuously focusing on social hotspots such as environmental protection, poverty alleviation, and education, promptly organising relevant volunteer service activities to contribute to society.





CHAPTER 4

SUSTAINABLE GOVERNANCE AND THE CULTIVATION OF TALENT

Our actions support the following
United Nations Sustainable Development Goals (SDGs)





Management Approach

In the context of high-quality development in the new era, sustainable corporate governance and talent cultivation have become the core drivers of long-term growth. Yuexiu Property has constructed a systematic strategic framework for responsible development, incorporating measures such as business ethics and anti-corruption, enterprise risk management, intellectual property protection, and privacy protection into a closed loop of sustainable governance. Through the dual drivers of digital innovation and institutional reform, Yuexiu Property has not only developed a resilient and efficient operational system but has also fostered unique organisational competitiveness in the collaborative development with stakeholders, providing a valuable model for industry transformation and upgrading.

Yuexiu Property places strong emphasis on the stability and sustainability of its supply chain. By establishing a rigorous supplier evaluation system, the Company ensures the high quality and reliability of its supply chain. Digital tools are employed to achieve transparent supply chain management, enhancing the efficiency of information flow and reducing waste in intermediate stages. Additionally, a supply chain risk early warning mechanism has been established to promptly address market changes and mitigate the impact of uncertainties.

Yuexiu Property is committed to creating a harmonious workplace environment. By implementing fair and just management systems, the Company ensures that every employee can work in an equitable environment. It also places a particular focus on the protection and empowerment of female employees. The Company prioritises the well-being, health and safety of its employees, adopting a diversified talent acquisition strategy to attract outstanding individuals from both within and outside the industry. Through a variety of training programmes and activities, Yuexiu Property promotes a positive corporate culture, enhancing employees' sense of belonging and identity.

The laws, regulations or standards that the Group's sustainable governance and talent management adhere to include:

Regulation on the Implementation of the Bidding Law of the People's Republic of China	Advertising Law of the People's Republic of China
Law of the People's Republic of China on the Protection of Consumer Rights and Interests	Patent Law of the People's Republic of China
Company Law of the People's Republic of China	Civil Code of the People's Republic of China
Anti-Money Laundering Law of the People's Republic of China	Data Security Law of the People's Republic of China
Anti-Monopoly Law of the People's Republic of China	Labour Law of the People's Republic of China
Anti-Unfair Competition Law of the People's Republic of China	Labour Contract Law of the People's Republic of China
Interim Provisions on Prohibition of Commercial Bribery	Provisions on the Prohibition of Using Child Labour
Copyright Law of the People's Republic of China	Work Safety Law of the People's Republic of China
Trademark Law of the People's Republic of China	Law of the People's Republic of China on Prevention and Control of Occupational Diseases

The primary internal policies for the Group's sustainable governance and talent management are:


Business Ethics & Anti-Corruption	Anti-corruption and Anti-bribery Policies, Whistleblowing Policy, Administrative Rules for Integrity Supervisors, Accountability Management Measures, Guidelines for Overall Disposal of Issue Reflections, Reward and Penalty Management Rules, Fund Management Measures, Detailed Rules of Three Official Expenditures, Guidelines for Daily Supervision, Inspection, Problem Discovery, Notification, and Clue Transfer, Clean Employment Regulations, Management Measures of Compliant Letters and Visits, Guidelines for the Confidentiality of Information Reported in Letters and Visits
Enterprise Risk Management	Comprehensive Risk Management Measures, Compliance Management Measures
Intellectual Property Protection	Intellectual Property Management Measures
Privacy Protection and Information Security	Information Security Management Measures, Data Security Management Rules, Personal Information Protection Guidelines, Cybersecurity Emergency Response Management Guidelines, Information Security Employee Conduct Guidelines, Network Terminal Computer Information Security Management Regulations
Responsible Supply Chain Management	Management Measures on Bidding and Procurement, Management Rules on Construction Suppliers, Supplier Management Rules for Non-Construction Projects, Pre-recruitment Work Manual on Construction Suppliers, Management Rules of Bid Evaluation Experts and Bid Evaluation Expert Pools for Construction Projects, Strategic Procurement Results Management Rules, Management Rules for Bid Invitation and Procurement for Non-construction Projects, Management Rules for Bid Invitation and Procurement for Construction Projects, Guidelines on Risk Management of Bid Invitation, Procurement and Bid Determination for Construction Projects, Guidelines on Performance Risk Management for Suppliers in Construction Projects, Guidelines on Risk Prevention and Control for the Application of Strategic Procurement Results of Construction Projects, Management Rules for Bid Invitation and Procurement Platforms, Management Rules for the Application of Employer Supplied Items, Management Rules for Supply Chain Platforms, Guidelines for the Whole Process Management of Suppliers in Construction Projects, Guidelines for Brand Access and Selection Management of Recommended Materials for General Contractors, Guidelines for the Admission and Expansion of Non-Construction Suppliers, Guidelines for the Management of Bid Invitation and Procurement Inspection of Construction Projects, Supplier Code of Conduct, Sustainable Procurement Policy
Employee Safety and Health	Occupational Health Management Rules, Occupational Sanitation Management System, Health and Safety Policy, "Three Simultaneous" Management Rules on Construction Projects, Administrative Measures on Work Safety, Management Measures of Work Safety Accountability, Management Standards for Work Safety Standardisation of Real Estate, Development Enterprise Forms, Detailed Implementation Rules for Classified Safety Risk Control, Guidelines for Notification and Transfer of Work Safety Issues, Management Rules for Safety of Related Parties, Emergency Response Plan for Productive Safety Accidents, Guidelines for the Management of Security in Office Areas, Guidelines for Safety Education and Training, Health and Safety Policy
Employee Remuneration and Benefits	Management Rules on Employee Remuneration Incentive System, Performance Management Rules, Implementing Rules on the Management of Remuneration and Benefits
Diversity and Inclusion	Diversity and Inclusion Policy, Respect in the Workplace Policy, Board Diversity Policy, Position Management Rules
Employee Rights Protection	Management Measures for Labour Contracts, Employee Rights Protection Policy, Human Rights Policy
Employee Training and Development	Management Rules on Talent Evaluation and Application, Management Rules on Staffing, Management Rules on Key Talent Development, Training Management Rules, Position Management



4.1 CORPORATE GOVERNANCE AND INNOVATION SYNERGY

Yuexiu Property places a high emphasis on corporate governance and innovation synergy, ensuring not only the long-term stable development of the Company but also creating a more transparent, secure, and sustainable business environment for all stakeholders. We are committed to adhering to the highest standards of business ethics, actively preventing and combating corrupt practices, and ensuring the Company can swiftly respond and recover from various challenges through effective risk management strategies. In terms of intellectual property protection, we respect innovation and safeguard the Company's intellectual property while also respecting the intellectual property of others. Regarding privacy protection and information security, we implement stringent data protection measures to ensure the security of customer and employee information. In supply chain management, we adhere to responsible procurement policies, building long-term, trust-based relationships with suppliers to jointly promote sustainable development. Through these efforts, we aim to establish a responsible, transparent, and efficient corporate image, contributing to the sustainable development of society.

2030 Goals and 2024 Performance

		2030 Goals	2024 Performance
	Business Ethics and Anti-Corruption	<ul style="list-style-type: none"> Conduct annual business ethics audits, achieving a coverage rate of 100% Achieve a 100% coverage rate for employee anti-corruption training Ensure a 100% signing rate for new employees' Undertaking for Personal Integrity Achieve a 100% coverage rate for suppliers' anti-corruption training Ensure a 100% signing rate for suppliers' Integrity Agreement 	<ul style="list-style-type: none"> 0 cases of corruption and embezzlement 100% coverage rate for employees receiving anti-corruption training 100% signing rate for suppliers' Integrity Agreement 100% signing rate for new employees' Undertaking for Personal Integrity
	Supply Chain Management	Build a digital supply chain and optimise ESG management in the supply chain	The Company's Management Measures on Bidding and Procurement incorporate ESG management into the responsibilities of supply chain tendering and procurement

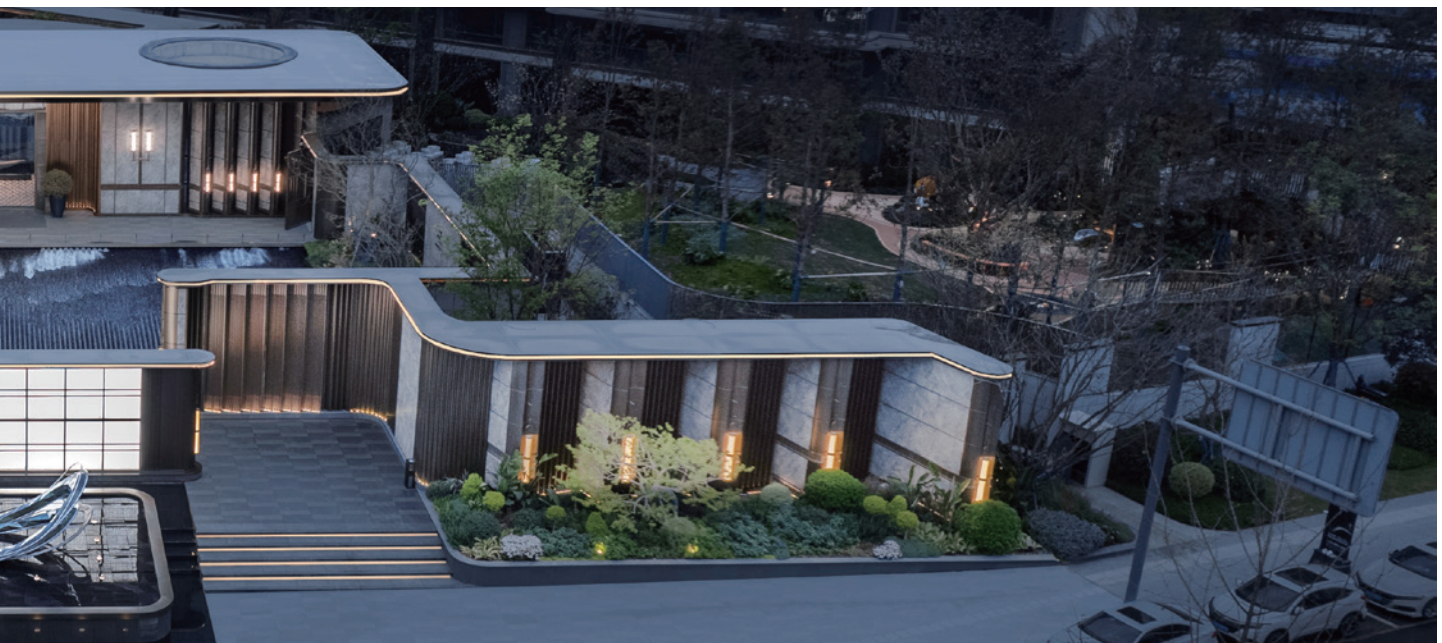


4.1.1 Business Ethics and Anti-Corruption

Yuexiu Property always adheres to the highest standards of national laws, regulations, and business ethics. The Company implements strict controls over the risks of fraud, bribery, and corruption to ensure that all operational activities are conducted legally and in compliance with regulations. This approach supports the Company's long-term stable development and maintains its good reputation. The Company strictly complies with laws and regulations such as the *Anti-Money Laundering Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*. It has established internal policies and procedures, including the *Anti-Corruption and Anti-Bribery Policy*, *Fund Management Measures*, *Detailed Rules of Three Official Expenditures*, and the *Clean Employment Regulations*, to prevent money laundering, corruption, and unfair competition.

The Sustainability Committee, a subcommittee of the Board of Directors, is responsible for overseeing the Company's business ethics to ensure that operations meet the highest ethical standards and legal requirements. As a board-level committee, it reports directly to the Board and collaborates with the executive management team and the Executive Committee to formulate, review, and supervise the implementation of business ethics policies. This ensures that ethical risk management is integrated into the Company's strategic decisions and daily operations, thereby safeguarding the Company's reputation and promoting sustainable development. Additionally, the Company has established a Disciplinary Inspection Committee, which has developed a series of disciplinary inspection systems and norms to reinforce the consequences for violations, enhance employees' awareness of ethical business practices, and ensure that all violations are handled in accordance with applicable laws and regulations. Meanwhile, we actively participated in anti-corruption and anti-bribery exchange activities among enterprises, mobilising internal and external resources to foster an atmosphere of integrity and ethical business practices. Through mechanisms such as issue transmission, twice yearly periodic reporting, and supervisory meetings, the Company ensures that management is promptly informed of and addresses issues. The Company also enhances management accountability and transparency by issuing work reminder letters and linking ethical business performance to performance evaluations. During the reporting period, the Company recorded zero cases of corruption and embezzlement.

The Company places strong emphasis on business ethics audits, conducting them at least once every three years to ensure that all business activities are carried out within a strict ethical and compliance framework. We have established an Integrity Construction and Anti-Corruption Work Coordination Group to report on significant challenges and issues, as well as problems identified in the daily supervision and investigation of cases by functional departments. The Disciplinary Inspection Committee authorises the Disciplinary Inspection Office to work with functional departments to implement and supervise these measures, forming a closed-loop management system for supervision.





Key Performance Indicators

1. The coverage rate of anti-corruption training for employees has reached **100%**.
2. The signing rate of *Integrity Commitment Letter* for new employees is **100%**.
3. The signing rate for the *Integrity Agreement* for suppliers is **100%**.
4. Integrity talks have been conducted, covering over **5,000** individuals, including new employees and those in new positions, ensuring that their understanding of integrity reaches **100%**.
5. Integrity culture promoters have conducted a total of **105** sessions, covering **12,342** individuals, with the coverage rate of regional companies reaches 100%.
6. Disciplinary inspection officials and party organisations at various levels have conducted a total of **483** integrity education sessions, covering **42,157** individuals.
7. There are a total of **43** integrity culture promoters, each required to conduct at least one integrity culture session within the year.



In-house Training

In September 2024, the Company organised for directors and members of the Sustainability Leadership Group to attend the "ICAC Anti-Bribery Ordinance Special Training Seminar".



Integrity and Cleanliness, Building a Positive Corporate Culture

- > **Integrity Talks for New Employees:** Conduct specialised integrity talks for new employees to reinforce the cultivation of integrity awareness.
- > **Integrity Education at Party Branch Meetings:** Utilise party branch meetings to deliver integrity education, ensuring that employees receive relevant knowledge during these meetings.
- > **Integrity Culture Promotion Team:** Organise at least one integrity culture lecture for all full-time employees each year to enhance their understanding of integrity culture.
- > **Dedicated Disciplinary Inspection Officers:** The Company has 30 dedicated disciplinary inspection officers, each of whom is obligated to participate in the dissemination of integrity culture.
- > **Integrity Corporate Channel:** Launch integrity courses and report typical cases using the corporate channel platform for promotion.
- > **Micro-video Campaigns:** Produce micro-videos for integrity promotion to increase employee engagement and recognition.
- > **Training for Disciplinary Inspection Officers:** Organise specialised training sessions for disciplinary inspection officers to develop integrity promoters and improve the effectiveness of their presentations.



Whistleblowing Mechanism

To protect whistleblowers, Yuexiu Property has issued the *Whistleblowing Policy*, which aims to serve as a crucial internal management tool, fully protecting whistleblowers and encouraging them to report misconduct within the Company. We have also implemented the *Management Measures of Compliant Letters and Visits* and the *Guidelines for the Confidentiality of Information Reported in Letters and Visits* to ensure that whistleblowers can report improper behaviour safely and anonymously through designated email (jubao@yuexiuproperty.com) and telephone (+86-020-88831325). The Company protects the information of both named and anonymous whistleblowers, strictly controlling the dissemination of whistleblowing information and maintaining the confidentiality of all materials during the investigation process. Additionally, the Company requires that the investigated units and the individuals involved must not retaliate against whistleblowers; any such actions, if discovered, will be addressed firmly.

Yuexiu Property Whistleblowing Handling Process

Information Acquisition and Review	<ul style="list-style-type: none"> > Obtain whistleblowing results through channels such as email and telephone and submit them to the Discipline Inspection Commission Office and other relevant organisations. > Conduct an initial analysis of the nature of the received reports. The Discipline Inspection Commission Office will perform a preliminary review based on the information provided by the whistleblower.
Report Deliberation and Detailed Investigation	<ul style="list-style-type: none"> > The head of the Discipline Inspection Commission Office and other relevant department heads discuss the proposed detailed investigation or other proposed actions with the relevant senior management (including directors). > If it is decided to conduct a detailed investigation, Yuexiu Property will allocate personnel and resources for a thorough review.
Detailed Investigation and Reporting	<ul style="list-style-type: none"> > Seek advice from internal or external legal counsel and/or the Human Resources Department and other relevant departments. > The investigation results of the Discipline Inspection Office, along with the corrective action plan, are submitted to the Audit Committee and the Sustainability Committee.
Notification and Sanctions	<ul style="list-style-type: none"> > The investigation results are communicated to the whistleblower. If criminal offences are involved, legal advice will be sought to determine the next steps. > Appropriate disciplinary actions are taken for misconduct. > All allegations are recorded in Yuexiu Property's Complaints Register.





4.1.2 Corporate Risk Management

In the face of a complex and ever-changing market environment and operational challenges, we firmly believe that only through the establishment of a robust risk management system can we ensure the rational allocation of resources within the Company, enhance our ability to manage future risks proactively, and strengthen the trust of all stakeholders in Yuexiu Property. To this end, we have developed a risk management framework that aligns with our corporate development, including precise risk identification processes, effective risk response strategies, and clear objectives and principles for internal control and risk management. We are also committed to continuously monitoring and improving our risk management capabilities to ensure the healthy and orderly development of our business, achieving high-quality growth.

To strengthen oversight, the Board of Directors has established an Audit Committee, comprising four independent non-executive directors with an international perspective. They are responsible for reviewing the effectiveness of the Company's financial monitoring, internal control, and risk management mechanisms. These four committee members have extensive experience in their respective industries, with expertise spanning sociology, accounting, auditing, finance, law, and other fields. The Audit and Risk Management Department reports to the Audit Committee and submits annual reports on risk management and internal control, providing timely updates on the Company's risk status and control measures. In 2024, we continue to improve our comprehensive risk management system, focusing on key risk areas such as strategic risk, financial and liquidity risk, operational risk and climate and biodiversity risks, to continuously conduct risk monitoring, early warning, and prevention.

Our risk management approach strictly adheres to the Company's strategic and operational objectives, covering all critical stages from strategic planning to daily operations, ensuring that every step of risk identification, assessment, response, and supervision is effectively implemented. Additionally, the formulation and implementation of regulations such as the *Comprehensive Risk Management Measures*, the *Internal Audit Regulations*, and the *Compliance Management Measures*, along with the cultivation of a risk management culture and the development of a risk management information system, have significantly contributed to the overall improvement of corporate management.

Overall Objectives of Risk Management



To ensure that risks are controlled within a level that is commensurate with and manageable for the Company's development, thereby promoting the achievement of the Company's strategic goals.



To ensure the authenticity, reliability, and effectiveness of internal and external information communication.



To ensure compliance with relevant laws and regulations and the fulfillment of corresponding social responsibilities.



To ensure the effectiveness of operational management, enhancing the efficiency and effectiveness of business activities.



To ensure the effectiveness of institutional development across all functional lines and regional companies, with internal controls comprehensively covering all known risks to protect the Company from significant losses.



To promote the risk culture building across departments and subsidiaries, ensuring that the concept of everyone's responsibility for risk management is fully implemented and practiced by all employees.

Based on the corporate risk management mechanism, we have established a three-tier risk management framework for closed-loop management and clarified the responsibilities of each department. The first line of defence is carried out by functional departments and affiliates in the business management process, directly fulfilling their respective risk management responsibilities, and implementing control management over risks. The second line of defence is constructed by the risk management function which is responsible for building a comprehensive risk management system, nurturing the Company's risk management culture, and assisting the Company in making risk management decisions. The third line of defence lies in the internal audit and monitoring of audit function which evaluates and manages the internal performance. Through this framework, we ensure that every aspect of risk management is effectively implemented and supervised, thereby safeguarding the Company's stable operation and sustainable development.

Line of Defence	Organisation	Responsibilities
	Board of Directors (and its Audit Committee)	As the governing body for the Company's comprehensive risk management, it bears ultimate responsibility for the construction and effective operation of the Company's overall risk management system.
Third Line of Defence	Audit Function	Conducts audits and supervision of the performance of risk management responsibilities by the risk management function, various departments, and subsidiaries, as well as the implementation of risk management activities.
Second Line of Defence	Risk Management Function	As the function responsible for comprehensive risk management, it leads the development of a comprehensive risk management system, fosters a risk management culture within the Company, provides professional advice on major risk decisions, and coordinates the risk management requirements of senior management.
First Line of Defence	Functional Departments and Affiliates	Directly fulfills the corresponding risk management responsibilities in the course of business management, implementing control over risks.





Highlights of 2024 Work

Refinement of the "Three Lines of Defence"	<ul style="list-style-type: none">> Strengthen the primary responsibilities of front-line business units, enhance the coordination capabilities of the second line of risk control and legal affairs, and reinforce the audit and disciplinary supervision functions of the third line to ensure comprehensive risk prevention and control.
Promotion of Inventory Value De-stocking	<ul style="list-style-type: none">> Conduct on-site research for key and challenging projects to accelerate their de-stocking;> Implement risk controls for uneven de-stocking, optimise the marketing pricing management mechanism, and promote the concept of balanced de-stocking;> Strengthen management audits in the field of sales, standardise bulk sales pricing, and improve the one-space-one-price pricing management.
Prevention and Control of Financial Risks	<ul style="list-style-type: none">> Refine the coordinated financial risk management mechanism of the three lines of defence, continuously monitor overdue payments from joint projects, and establish a comprehensive risk prevention and control mechanism for partners to safeguard the Company's interests;> Explore financial risk monitoring models, conduct compliance checks on financial management responsibilities in joint projects, and promote effective control of cooperative funds.

4.1.3 Business Crisis Management



In a rapidly changing business environment, effective business crisis management is crucial for ensuring the Company's sustained and stable development. The Company is committed to enhancing our business crisis management capabilities, viewing it as an integral part of our sustainable development management to ensure the Company's long-term stability and to create greater value for society.

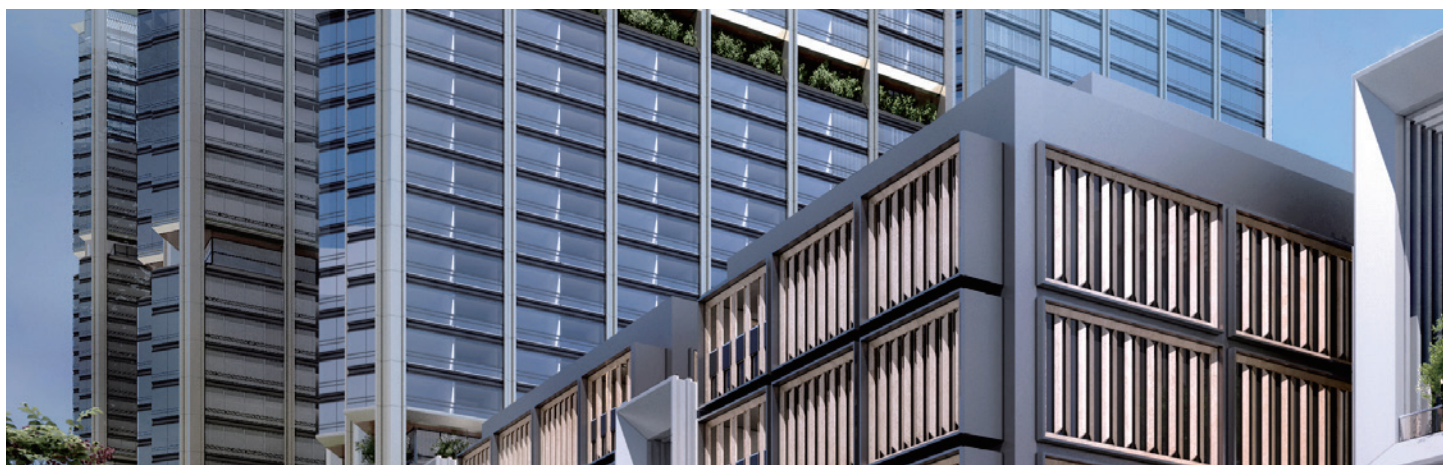
Crisis Assessment and Response




We are dedicated to conducting comprehensive crisis assessments, identifying and analysing various risk factors that could impact the Company, including market risks, policy changes, financial risks, climate risks, and natural disasters. By establishing a sound internal control system and response plans, we aim to effectively mitigate these risks and ensure the Company's stable operations in a dynamic market environment.

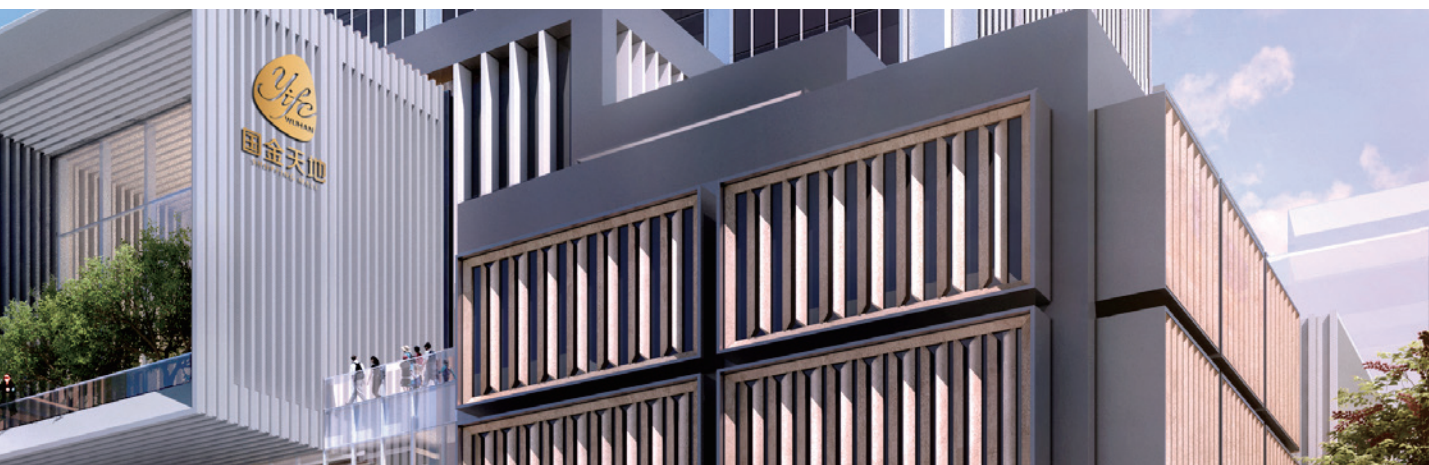





Possible Crisis	Potential Impact	Yuexiu Property's Response Measures
Earthquake 	<ul style="list-style-type: none"> > Asset Damage: May result in damage to buildings, land, and other assets. > Tenant Loss: May lead to tenant attrition. > Resource Investment: Requires resource investment for damage repair and reconstruction. 	<ul style="list-style-type: none"> > Develop and Implement Emergency Plans: Including strategies for post-disaster rescue, repair, and reconstruction, as well as communication plans with tenants, suppliers, and partners. > Rapid Damage Assessment: Quickly assess the extent of damage after an earthquake and allocate resources for necessary repairs and reconstruction to restore property use as soon as possible.
Extreme Weather 	<ul style="list-style-type: none"> > Project Delays: May cause construction delays, affecting project delivery times and costs. > Asset Damage: May result in damage to existing buildings, requiring repairs or reconstruction. > Safety Threats: The safety of construction workers and project facilities may be compromised. 	<ul style="list-style-type: none"> > Enhance Building Durability: Design and construct more durable buildings to improve their resilience against extreme weather. > Develop Emergency Plans: Formulate emergency plans to ensure quick response when extreme weather events occur, ensuring the safety of employees and property owners. > Regular Monitoring and Assessment: Regularly monitor and assess the impact of extreme weather events and the effectiveness of response measures.
Raw Material Shortages 	<ul style="list-style-type: none"> > Supply Chain Disruption and Price Fluctuations: May lead to supply chain disruptions and price fluctuations, increasing construction costs. > Project Interruptions or Delays: Lack of necessary materials may cause project interruptions or delays. > Design Adjustments: May require design adjustments, affecting building performance. 	<ul style="list-style-type: none"> > Diversify Supply Networks: Establish a diversified raw material supply network to reduce dependence on single suppliers. > Advance Procurement and Stockpiling: Procure and stockpile key materials when raw material supply is abundant. > Material-Efficient Design and Construction: Adopt more material-efficient design and construction techniques to reduce raw material consumption.



Possible Crisis	Potential Impact	Yuexiu Property's Response Measures
Land Subsidence 	<ul style="list-style-type: none">> Building Unusability: May render buildings uninhabitable or unusable.> Engineering Measures: Additional engineering measures may be required to reinforce the land.> Decline in quality of Life: May lead to a decline in residents' quality of life.	<ul style="list-style-type: none">> Detailed Geological Surveys: Conduct detailed geological surveys and assessments before project development.> Foundation Reinforcement: Implement foundation reinforcement and underground support measures to prevent and reduce the risk of land subsidence.> Emergency Evacuation: Evacuate property owners and staff immediately if there is a danger.
Nuclear Wastewater Pollution 	<ul style="list-style-type: none">> Health Threats: Poses serious health risks to property owners, potentially leading to radiation sickness, cancer, and other health issues.> Environmental Damage: Causes long-term environmental damage, including pollution of soil, air, and water sources.	<ul style="list-style-type: none">> Risk Assessment: Conduct detailed risk assessments before development to avoid construction and development in high-risk areas.> Emergency Response Plans: Develop emergency response plans to take swift action in the event of nuclear pollution, reducing damage.
Large-Scale Epidemics 	<ul style="list-style-type: none">> Labour Shortages: Labour shortages, supply chain disruptions, and epidemic control measures may lead to delays in construction projects.> Market Demand Changes: May alter the demand in the real estate market, causing fluctuations in property values.> Leasing and Sales Challenges: May face challenges in leasing and sales.	<ul style="list-style-type: none">> Health and Safety Measures: Implement necessary health and safety measures to protect the health of employees and property owners.> Online Sales and Leasing: Utilise digital technology for online sales and leasing activities.> Flexible Leases: Offer flexible lease terms, preferential policies, and other means to provide corresponding support and assistance.> Government and Community Cooperation: Maintain close cooperation with the government and community to jointly address the challenges posed by the epidemic.



Possible Crisis	Potential Impact	Yuexiu Property's Response Measures
Financial Crisis 	<ul style="list-style-type: none"> > Project Stagnation or Delays: May lead to project stagnation or delays. > Decline in Investor Confidence: May result in a decline in investor confidence. > Impact on Leasing and Sales: May affect leasing and sales activities. 	<ul style="list-style-type: none"> > Cash Flow Management: Strengthen monitoring and management of cash flow. > Diversified Financing: Explore diversified financing channels. > Fiscal Support: Utilise fiscal subsidies, tax incentives, and other measures to alleviate financial pressure.
Reputational Damage 	<ul style="list-style-type: none"> > Decline in Confidence: May result in a decline in confidence of investors, partners, and property owners. > Impact on Market Share and Profitability: May affect market share and profitability. > Long-Term Reputational Repair Costs: May lead to high costs for long-term reputational repair. 	<ul style="list-style-type: none"> > Transparent Communication: Timely communication with the public, investors, and partners to explain the actual situation and increase transparency. > Product Quality and Service: Ensure product quality and service levels. > Internal Management: Strengthen internal management to ensure compliance with regulations and operational standards.

4.1.4 Intellectual Property Protection


Yuexiu Property places great importance on the management of brand assets and intellectual property, and strictly adheres to relevant laws and regulations, including the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China*. To systematically enhance the management of intellectual property, we have established an Intellectual Property Management Committee and a comprehensive management mechanism that includes training, application, rewards, and evaluation, to promote efficient and extensive accumulation of intellectual property.

Yuexiu Property has established a systematic intellectual property management system, with the Legal Affairs Department responsible for the entire process of intellectual property management, including application, implementation, licensing, transfer, investment and financing, and maintenance. The legal departments of subsidiary companies, under the guidance of the Legal Affairs Department, are responsible for the establishment and updating of intellectual property records, ensuring the management is both standardised and dynamic. The finance, human resources, brand management, and digital intelligence development center departments work together, each responsible for specific tasks such as special fund approval, employee background checks, brand reputation management, and technical support, forming a multi-departmental collaborative management mechanism.



In specific implementation, the Company requires that the relevant departments conduct patent literature searches and trademark similarity searches before project initiation to avoid duplicate research or infringement risks, and regularly assess the value and maintenance needs of intellectual property. Special emphasis is placed on the coordinated management of the “Yuexiu” or “YE” trademarks to ensure the compliant use of brand elements. When using external intellectual property, the Company strictly signs agreements to clarify licensing conditions and prevent infringement risks.

The Company has issued the *Intellectual Property Management Measures*. Through internal education, communication, and training, we ensure that all employees fully understand and correctly implement the relevant systems, protecting the Company’s innovative achievements and enhancing overall awareness and management level of intellectual property. By implementing measures such as trademark registration, patent application, and copyright registration, the Company effectively protects its brand assets, significantly improving the management level of intellectual property, and providing a solid guarantee for the sustainable development of the enterprise.

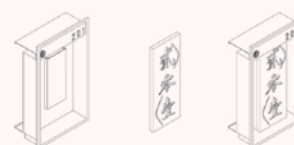
	Type	Total Quantity	New Patents in 2024
	Valid registered trademarks	584	8
	Valid invention patents	8	3
	Utility model patents	55	7
	Design patents	10	0
	Registered copyrights (software)	182	25



Smart Light-Sensitive Doorplate: An Innovative Design to Enhance Living Experience

In 2024, Yuexiu Property successfully implemented its innovative patented doorplate design in Qingdao Grand Mansion and Beijing Fragrant Shade projects. This design not only enhances the overall quality of the projects but also provides users with a new and improved living experience.

- > **Design Composition:** The doorplate consists of four parts: the base, the doorplate itself, the light, and the switch.
- > **Installation stability:** The base ensures the stability of doorplate installation through fixing, adsorption and limiting parts, the doorplate and the base realize precise positioning through adsorption and insertion.
- > **Light Design:** The ingenious light design is capable of illuminating the doorplate from the front and allowing light to pass through from the back. This enhances the night-time guidance function and improves the visibility of the doorplate.
- > **Interactivity and Ritual:** The switch is connected to the base, and when the doorplate is correctly installed, the light automatically turns on, adding an element of interactivity and a sense of ritual for the user.
- > **Innovation and Practicality:** This patented design not only addresses the issue of unstable traditional doorplate installations but also enhances practicality and aesthetics through its lighting design. It fully demonstrates Yuexiu Property’s dedication to detail innovation and the optimisation of user experience.



4.1.5 Privacy Protection and Information Security

The Company has established a comprehensive governance framework for customer privacy protection and has established an Information/Data Security Management Professional Committee, which is responsible for overall information security management and privacy protection and reports directly to the Chairman of the Board. At the corporate level, a robust privacy protection and information security management system has been established, with the release of several key documents, including the *Information Security Management Measures*, *Data Security Management Rules*, *Personal Information Protection Guidelines*, *Cybersecurity Emergency Response Management Guidelines*, and *Information Security Employee Behaviour Guidelines*. In 2024, the Company introduced the *Network Terminal Computer Information Security Management Regulations*, aiming at promptly monitoring and warning against unsafe behaviours. At the departmental level, specific individuals have been designated to oversee information security, and this responsibility is incorporated into their personal performance evaluations. This measure ensures that every employee places sufficient importance and responsibility on information security and customer privacy protection, fostering a strong culture of privacy protection across the entire company. Through this framework, we are committed to enhancing the effectiveness and transparency of customer privacy protection, providing customers with a more secure service experience.

Enhancing Customer Privacy Management

To safeguard customer privacy, we have reinforced privacy management in various aspects such as marketing, contracting, delivery, and complaints. All customer names and phone numbers in sales notices and OA office system approvals are shielded to ensure that customer privacy always takes precedence over internal control rights. In 2024, we introduced a new measure where customers' phone numbers are virtual, effectively preventing personal information leakage.

Employee Information Security and Protection

We actively conduct employee information security training with an attendance rate of approximately 85% and require employees to sign a commitment to information security behavior norms, with a signing rate of about 99.7%. This demonstrates our commitment to protecting customer information. Our well-developed information systems ensure that not all personal information of customers is fully displayed, thus reducing the risk of leaks. Communication is unified using WeChat for Enterprises, with the backend having full access to conversation content, eliminating the reliance on personal communication and further safeguarding customer privacy.

Information Systems Security Assurance

Yuexiu Property possesses four information systems handling large amounts of customer privacy data, including Enjoy Club, Yue+ Club, Yuexiu Fangbao, and electronic signatures. These systems have undergone Level 3 protection assessments to ensure the security of customer information. The implementation of embedding and invisible code technologies restricts data export, viewing, screenshots, and clicks, ensuring the security and traceability of data during usage. Information security work is carried out in accordance with the ISO 27001 (information Security Management System) standard, with routine assessments conducted annually to continuously optimise security management measures, aiming to safeguard customer privacy, enhance trust, and adhere to the highest security standards.

Regular Discussions and Continuous Enhancements

Monthly meetings are held to discuss customer privacy-related topics with 150 participants, including regional and headquarters personnel, lasting a total of 3 hours. The objective is to continuously reinforce employees' awareness and sense of responsibility towards protecting customer privacy. These measures aim to provide customers with a safe and trustworthy service environment.

Complaint System and Effectiveness

Customers can lodge complaints through the online complaint system, enhancing the convenience and privacy of complaints. Significant progress has been made in privacy complaints: In 2024, there were zero customer privacy complaints, with no group complaints and social impact events related to personal information leakage.

Key Performance

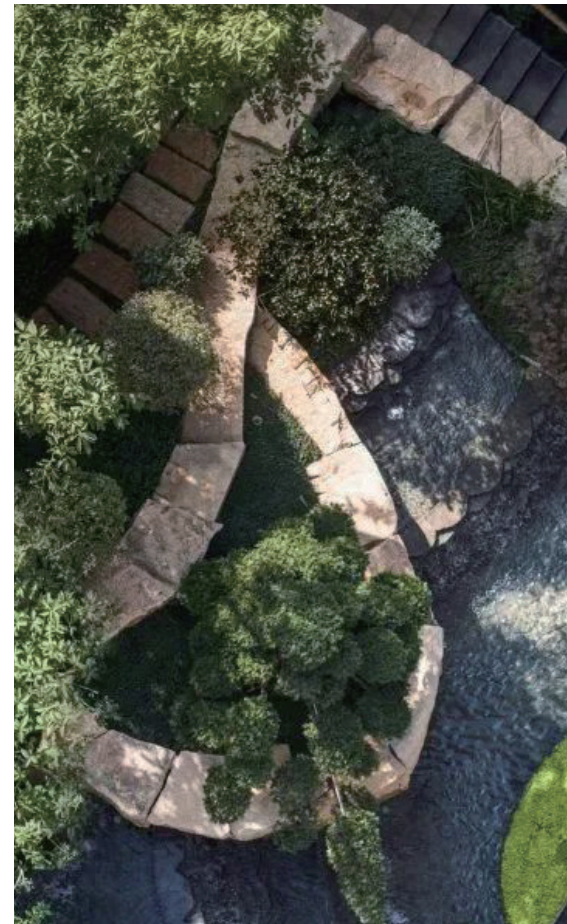
Number of complaints or legal proceedings related to the infringement of customer privacy:
0 incidents

Number of major privacy breaches, thefts, or losses of customer data:
0 incidents

0 major cybersecurity incidents

0 major service disruption incidents

0 major data security incidents





Network Attack and Defense Drill

To comprehensively enhance network security protection capabilities, Yuexiu Property actively participated in the annual attack and defense drill organised by Yuexiu Group. During the drill, the Company conducted comprehensive security testing and defense exercises specifically targeting the information systems handling customer privacy data and target systems. Through efficient protective mechanisms and team collaboration, the Company successfully repelled simulated attacks, ensuring zero leakage of customer privacy data and fully demonstrating the Company's robust strength in the field of data security.

Furthermore, the Company organised a data recovery drill focusing on customer privacy information systems, specifically verifying the effectiveness of backup data, recovery point objectives (RPO), and recovery time objectives (RTO). The results of the drill indicated that the Company's backup data is complete and effective, the data recovery process is efficient and reliable, fully meeting the requirements of business continuity and data security. This drill not only tested the reliability of the Company's network security protection system but also provided valuable experience for further enhancing the level of data security management, establishing a solid barrier for the security of customer's privacy data.

4.1.6 Supply Chain Management

Digitalisation of Supply Chain Management

In the context of the rapid development of information technology, the digitalisation of supply chain management has become a core strategy for businesses to enhance efficiency, reduce costs, and increase transparency. Digital technologies have reshaped traditional supply chain operations by integrating data, optimising processes, and enabling real-time collaboration. Yuexiu Property has fully adopted a digital procurement platform, and has built around three core modules: supplier management, tendering and procurement processes, and an electronic marketplace. By recording every stage from tendering, bid submission, bid opening, evaluation to awarding, the platform ensures traceable management throughout the entire tendering process.



We have also established a supply chain system, fully leveraging information technology and data analytics to achieve digitalisation across the entire supply chain. From procurement, inventory management, production, logistics to distribution, this system ensures that data is visible and risks are manageable at every stage of Yuexiu Property's supply chain. The supply chain system not only monitors the operational status of the supply chain, enhancing transparency and collaboration, but also helps us predict market demand and better respond to market changes.



Supplier Management System

Establishing a sound supplier management system entails comprehensive collaboration and meticulous oversight of suppliers, and is a crucial measure to enhance supply chain transparency and efficiency. When tendering, we explicitly require the inclusion of relevant terms, particularly emphasising suppliers' responsibilities and obligations in product quality and safety. During the on-site briefing phase, we reiterate safety management requirements and coordinate with project parties to ensure all suppliers fully understand and comply with the relevant standards. Based on quarterly performance evaluation feedback, we continuously optimise management processes to ensure supplier compliance and safety, further enhancing product quality and safety standards.

Yuexiu Property has established internal systems and management guidelines for responsible supply chains, including the *Supplier Code of Conduct*, *Sustainable Procurement Policy*, *Management Measures on Bidding and Procurement*, *Implementation Rules for Bidding and Procurement*, *Management Rules on Construction Suppliers*, and *Supplier Management Rules for Non-Construction Projects*. To further optimise the Company's procurement management, in 2024, we updated the *Management Measures on Bidding and Procurement*, incorporating ESG management into the responsibilities of tendering and procurement, refining the supply chain management guidelines, and adjusting the supplier admission management. Additionally, for non-construction projects, we implemented new legal norms to ensure the legality and transparency of the tendering and procurement process. Furthermore, to adapt to the new requirements for high-quality finishing, landscaping, and greening in key cities, we updated the evaluation system for contractors and optimised the selection criteria for project managers.

Stringent Supplier Qualification Review

Yuexiu Property conducts comprehensive qualification audits on potential suppliers to ensure they meet stringent selection criteria. During the auditing process, various key factors such as historical records, product quality and safety, reputation, qualifications, capacity, and willingness to cooperate are comprehensively assessed, taking into account climate, human rights, forced labour, compliance, etc. Through this systematic audit mechanism, Yuexiu Property can effectively identify and select high-quality partners, ensuring smooth project progress and service quality assurance. For this purpose, we have established a dedicated inspection team responsible for conducting comprehensive site inspections and audits on suppliers. During the evaluation process, the inspection team also references public information from authoritative channels such as the "National Enterprise Credit Information Publicity System", "Credit China", and "National Public Service Platform for Construction Market Supervision". Inspection results are summarised and scored online through our digital procurement platform, generating detailed inspection reports to ensure transparency and credibility of the results.





Regular Evaluation of Supplier Performance

We regularly evaluate suppliers' contract performance to ensure their performance during project execution meets our standards and requirements. The evaluation covers multiple dimensions, including project progress, quality control, safety management, and customer service, providing a comprehensive reflection of the supplier's performance through a comprehensive scoring method. This practice not only helps in timely identification and resolution of potential issues but also promotes continuous improvement and development of suppliers. Furthermore, the rigorous evaluation process ensures transparency and fairness, enabling us to collaborate with outstanding partners to successfully implement projects. We also provide suppliers with a formal appeal channel to safeguard their legitimate rights and interests. Suppliers who object to the evaluation results can feedback and appeal by filling out the *Appeal against the Result of Supplier Performance Assessment* through the online platform.

The Company is advancing the incorporation of diverse information into the evaluation system, such as assessment results from third-party professional evaluation agencies, objective quantitative indicators of internal process management, and owner feedback. By fully applying the digital procurement platform, we have achieved direct import of data, ensuring more objective and authentic evaluation results. This not only helps to enhance the management level of suppliers but also promotes healthy interaction with partners, further optimising our supply chain management.

Regular Inspections

- > **Method:** Conducted quarterly, these regular inspections involve the evaluation, supervision, and review of circular management across multiple dimensions, including regional supplier management, compliance of tendering and procurement operations, and the quality of tendering and procurement, through the use of quantitative indicators.
- > **Objective:** Not only does this help in analysing and forewarning of environmental and social risks related to suppliers, but it also ensures the transparency and sustainability of the supply chain.

Dynamic Inspections

- > **Method:** Carried out every two months, dynamic inspections utilise the procurement platform to identify judicial and operational risks of suppliers and associated enterprises. It analyses whether suppliers are facing integrity risks or abnormal situations, such as infringement of employee rights, and provides timely warnings.
- > **Objective:** To more effectively guard against potential risks and safeguard the health and stability of the supply chain.



Sustainable Supply Chain

In line with national and industry standards, we have developed the *Sustainable Procurement Policy* to further strengthen our sustainable supply chain management system, aimed at continuously improving the sustainable performance of the supply chain. We will continue to closely collaborate with partners upstream and downstream of the supply chain to jointly promote sustainable development, ensuring that the green development of the supply chain is in harmony with our business strategy.

Supplier ESG Admission Standards

- > **Advocating Responsible Procurement:** We raise the entry threshold for suppliers, considering ESG credentials as a significant factor in the tendering process. We have a strong commitment to ESG and, on a parity basis, give preference to suppliers with better ESG performance.
- > **Implementing Spot Checks and Verification Mechanisms:** We ensure that suppliers meet ESG requirements through regular spot checks and verifications. In addition, suppliers may be excluded from the cooperation if they are no longer able to meet the minimum ESG access standards within the required timeframe.
- > **Focused Management of Key Suppliers:** Specifically for strategic material suppliers, we strengthen in-depth verification of their ESG management practices, including ISO system certifications and labour management, to maintain high standards and compliance in the ESG dimension of the supply chain.

Sustainable Supplier Support Programme

- > **Conducting Sustainable Supplier-Themed Training:** We disseminate the concept of a green supply chain to suppliers through ESG-themed training sessions and workshops.
- > **Providing a Platform for Environmental Technology Exchange:** We offer a platform for suppliers to exchange environmental technology, promoting the construction and development of a green supply chain.

Supplier Business Ethics

Yuexiu Property has formulated the *Supplier Code of Conduct*, requiring 100% of suppliers to meet Yuexiu Property's business ethics standards.

Yuexiu Property Supplier Business Ethics Requirements

Corruption and Bribery



- > We advocate for the establishment of pure and green business supply chain relationships, transparent transactions, and fair competition, adopting a zero-tolerance stance towards any form of corruption and bribery.
- > Suppliers are required to comply with local laws and regulations concerning corruption and bribery. Suppliers must review and adhere to the terms of the *Integrity Agreement*, which includes detailed rules and guidelines to ensure compliance with applicable anti-corruption laws and regulations.
- > Suppliers should disclose to Yuexiu Property any potential material conflicts of interest that may exist, such as if any official personnel of Yuexiu Property or professionals under contract with Yuexiu Property have any type of material interest or business relationship in the supplier's operations.

Fair Competition



- > Maintain fair business, advertising, and competition standards, and comply with applicable antitrust and competition laws. Suppliers are prohibited from engaging in any activities designed to restrict or hinder other suppliers from providing products and services to Yuexiu Property.

Confidential Information and Privacy



- > Without prior written consent from Yuexiu Property, suppliers shall not disclose any confidential information related to the Company's business. Suppliers should develop policies to prevent the leakage of confidential information.
- > Suppliers must properly safeguard the Company's assets and ensure the proper use of Yuexiu Property's resources. When using Yuexiu Property's assets and resources, relevant procedures and rules should be followed.

Yuexiu Property continues to refine its integrity management of suppliers, with specific measures including the removal of suppliers with potential major integrity risks, signing the *Integrity Agreement* with suppliers, hosting integrity exchange meetings for suppliers, and organising commercial ethics training on supplier integrity and compliance from time to time.

Key Performance Indicators

2024 Supplier Integrity Agreement

Signing Rate **100%**





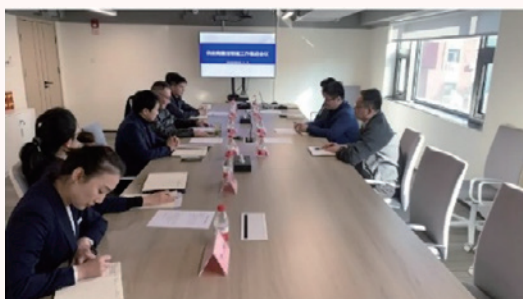
In 2024, in order to establish integrity in the fulfilment of business contracts and to ensure the quality of contract execution, we revise and improve the existing *Integrity Agreement* to ensure that specific responsibility requirements are clearly outlined in each contract, achieving a 100% signing rate for the *Integrity Agreement*. At the same time, we dynamically monitor changes in corporate information through government credit information websites and litigation cases for investigation. In addition, we strengthen communication with suppliers, establish an interactive mechanism, and provide timely feedback to enhance overall management levels.

Supplier Business Ethics Training

On 24 September 2024, Yuexiu Property's Greater Bay Area Company held a supplier integrity co-construction and dissemination meeting, with 278 participants, including supplier representatives and marketing department employees, attending both online and offline. The meeting focused on the theme of "Integrity Co-construction, Compliance for Mutual Benefit." During the meeting, the Director of the Discipline Inspection Commission Office of Yuexiu Property's Greater Bay Area Company delivered a vivid integrity education session to the supplier representatives and marketing department employees. The attendees collectively watched an integrity-themed micro-video, which used case studies to remind everyone to uphold their original intentions and business ethics, and firmly resist various temptations and corrupt practices. The supplier representatives also pledged at the meeting to recognise the importance of anti-corruption, strengthen their ideological defences, and maintain integrity in their business practices, promoting clean cooperation and mutual development.



On 21 October 2024, Beijing Guangzhou Tower Co., Ltd., a subsidiary of Yuexiu Property, held a meeting with its supplier, Beijing Shenghao Jiaxuan Mechanical and Electrical Engineering Co., Ltd., to advance their joint integrity-building efforts. The meeting organised a thorough study of Yuexiu Property's regulations on integrity in business practices and a collective viewing of an anti-corruption educational film, aiming to enhance both parties' understanding of business ethics and anti-corruption. Subsequently, both parties signed the *Integrity Joint Building Agreement*, further solidifying their consensus on integrity in business practices, strengthening the prevention and control of business ethics risks, and promoting the healthy development of the company.



Supply Chain Risk Management

To deepen the risk governance across the entire supply chain, we have developed management systems such as the *Guidelines on Risk Management of Bid Invitation, Procurement and Bid Determination for Construction Projects*, *Guidelines on Performance Risk Management for Suppliers in Construction Projects*, and *Guidelines on Risk Prevention and Control for the Application of Strategic Procurement Results of Construction Projects*. These guidelines aim to cover the entire construction process from bidding to performance, identifying potential environmental and social risks, including climate, biodiversity, forced labour, human trafficking, child labour, violation of freedom of association, and discrimination. Yuexiu Property uses a supplier management information platform and a third-party credit assessment tool for supplier risk monitoring, and conducts risk scanning for new suppliers. At the same time, we conduct refined management of key supplier project management teams, dynamically supervising the implementation of the project management teams, implementing lean management practices with suppliers, and enhancing the granularity of management. Supplier risks identified will be notified and followed up in a timely manner.

Stringent Quality and Safety Management Measures

To ensure the quality and safety of products and services, we have implemented a set of stringent management measures, including "Lockdown for Minor Issues" and "Blacklisting for Serious Offences":

- > **Lockdown for Minor Issues:** For minor problems, we take lockdown measures to suspend related operations to conduct thorough investigations and rectifications, ensuring timely resolution of the issues.



- > **Blacklisting for Serious Offences:** For serious violations, we add the relevant suppliers to a blacklist, restricting their opportunities for future cooperation.



This series of measures not only enhances our management level but also provides guarantees for maintaining the overall health of the supply chain. Through these initiatives, we are committed to achieving sustainable development of the supply chain, ensuring transparency and compliance in business partnerships, and laying a solid foundation for the Company's long-term stable development.

Supplier Blacklist Trigger Mechanism

According to the *Supplier Management Rules for Non-Construction Projects (Revised)* and the *Guidelines for the Whole Process Management of Suppliers in Construction Projects*, a supplier will be added to the blacklist if they meet any of the following conditions:

- > If, within the past two years, there has been verified instances of bribery towards our staff, resulting in severe negative impact on the Company;
- > If the supplier's actions have caused significant losses to the Company or severe negative public opinion, severely affecting major operational requirements of the Company, or causing severe negative impact;
- > If, within the past two years, there has been verified instances of bribing, extorting, or demanding subsidies from other suppliers under the guise of overtime pay, resulting in severe negative impact on the Company.

The handling of blacklisted suppliers requires verification by the relevant departments and the consent of the Tendering and Bidding Leadership Group. Blacklisted suppliers are generally not to be included in the supplier database again. To remove a supplier from the blacklist, approval must be obtained from the Discipline Inspection Management Department, Audit Management Department, and the Tendering and Bidding Leadership Group. This mechanism ensures the transparency and fairness of supply chain management, effectively prevents potential risks, and maintains the overall health of the supply chain.



In 2024, “Qixinbao” continues to serve as a tool for Yuexiu Property’s Cost and Procurement Centre to integrate external data. As a third line of defence and a supplement to supply chain management, “Qixinbao” enables the regular monitoring of supplier information, including supplier financial risks, commercial acceptance bill situations, bond ratings, external economic disputes, negative public opinions, and performance evaluations. This prevents cash flow disruptions from affecting projects, thereby realising a closed-loop supply chain.

Supply Chain Carbon Management

Supply chain carbon management is a crucial initiative for Yuexiu Property to achieve its carbon reduction targets. We actively take measures to reduce carbon emissions throughout the supply chain. Yuexiu Property considers carbon emissions as a vital metric in evaluating supply chain partners and encourages suppliers to adopt low-carbon production methods to collectively realise green development. Below are the initiatives we propose at various stages of production:

Material Procurement

- > Priority given to local suppliers: Reducing carbon emissions during transportation and supporting the local economy.
- > Encouragement of green certified materials: Procuring materials that meet green building standards and certifications to lessen environmental impact.
- > Reduction of unnecessary packaging: Collaborating with suppliers to reduce material packaging and minimise waste generation.

Construction Site

- > Use of low-emission equipment: Prioritising the use of clean energy or low-emission construction machinery to reduce carbon emissions during construction.
- > Implementation of waste management: Establishing effective waste classification and recycling systems to reduce construction waste, and using reusable hoarding materials to decrease resource wastage.
- > Training workers on energy conservation: Providing energy-saving and carbon reduction training for construction personnel to enhance their environmental awareness and promote the implementation of energy-saving measures.



4.2 HUMAN CAPITAL AND HARMONIOUS WORKPLACE

We firmly believe that the contribution of our employees is key to the success of Yuexiu Property. Therefore, we are committed to creating a healthy, equal, and pleasant working environment for our staff, and have established a talent development strategy system for Yuexiu Property. Yuexiu Property continually invests resources in the sustainable development of employees, striving to build a diverse and inclusive team that leads the industry.

4.2.1 Occupational Health and Safety

Yuexiu Property is committed to creating a safe and healthy working environment for employees and continuously improves related management systems to enhance employees' sense of security. We strictly adhere to the *Law of the People's Republic of China on Work Safety* and the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* and other relevant laws and regulations. Yuexiu Property has formed a system of documents for company safety management. We have established regulations such as the "Three Simultaneous" Management Rules on Construction Projects, Occupational Health Management System, and Occupational Hygiene Management System, implementing a three-level safety management system. In 2024, we newly formulated the Food Safety Management Details and updated the Internal Public Security Work Details, Meteorological Disaster Emergency Response Plan, Production Safety Emergency Response Plan, Guidelines for the Management of Security in Office Areas, and Safety Education and Training Guidelines. The Company systematically reviewed and compiled the *Standardised Manual for Work Safety Management* in 2024, which includes three volumes: *Safety Management System Construction*, *Safety Management Behaviour Standards*, and *On-site Safety Management Atlas*, guiding managers at all levels in carrying out work safety management.

The Board of Directors bears ultimate responsibility for occupational health and safety performance, while senior and middle management are responsible for related indicators of work safety. Key Performance Indicators (KPIs) for work safety directly affect the performance and remuneration of Yuexiu Property's management. The core goal of the "Four Ensurances and Five Zeros" work requirement is "Zero Fatalities". We implement strict assessments based on this target, applying a single vote of disapproval for incidents involving employee deaths, mass injuries, significant economic losses, deaths due to environmental pollution, deaths due to food safety accidents, and incidents with significant social impact. Additionally, the completion of health and safety management indicators is incorporated into the annual performance appraisal system, linking it to the remuneration of senior management. Management is held accountable and subject to cash penalties in accordance with the *Management Measures of Work Safety Accountability* and the *Production Safety Accident Hidden Danger Investigation and Governance Management Method*, ensuring the implementation of work safety responsibilities.

The Sustainability Committee, Sustainability Leadership Group, Sustainability Executive Group, and safety management departments regularly identify and organise the Company's occupational health and safety risks and assess key indicators, reporting to the Board of Directors and senior management on a regular basis. The Board of Directors and senior management review specific indicators of occupational health and safety to continuously monitor and improve occupational health and safety levels.

Zero Target for Work Safety

The Company's work safety objectives follow the overall requirement of "Four Ensurances and Five Zeros":



Four Ensurances

- > No major production safety responsibility accidents occur
- > No major food safety incidents occur
- > No major sudden environmental events occur
- > No significant internal public security incidents occur

01



Five Zeros

- > Zero work-related fatalities due to production safety responsibility accidents among employees
- > Zero production safety responsibility accidents resulting in death among related parties (including all members of the value chain such as suppliers and contractors)
- > Zero responsibility accidents with significant direct economic losses
- > Zero general food safety incidents involving mass poisoning without fatal cases
- > Zero general sudden environmental events leading to casualties or mass health incidents due to environmental pollution

02



Non-Zero Targets for Safety Production

1. Related parties (including contractors) should achieve a 5% year-on-year decrease in general-level and above safety production accidents compared to the previous year.
2. Maintain a Lost Time Injury Rate (LTIR) due to work-related injuries of 1.2% or lower among employees, and continue to monitor the LTIR of the employees.

Safety Targets and Performance

	Number of fatalities due to work-related causes (persons)	0
	Total number of working days lost due to work-related injuries (days)	1,165
	Lost Time Injury Rate (LTIR)	0.14%

Standard Certifications and Credentials

During the reporting period, the subsidiaries of Yuexiu Property obtained ISO 45001 Occupational Health and Safety Management System certifications, all of which remain valid. Subsidiaries including Guangzhou Yuexiu Property Development Co., Ltd., Guangzhou Yuejian Engineering Management Co., Ltd., Guangzhou City Construction & Development Engineering Cost Consulting Co., Ltd., Guangzhou City Construction & Development Design Institute Co., Ltd., Yue Xiu Apt Parking Limited and Yue Xiu Property Management Limited have all been certified with ISO 45001, with the coverage gradually increasing.



Guangzhou Yuexiu Property Development Co., Ltd.



Guangzhou City Construction & Development Design Institute Co., Ltd.



Guangzhou City Construction & Development Engineering Cost Consulting Co., Ltd.



Guangzhou Yuejian Engineering Management Co., Ltd.



Yue Xiu Apt Parking Limited



Yue Xiu Property Management Limited



ISO 45001 Occupational Health and Safety Management System Certifications





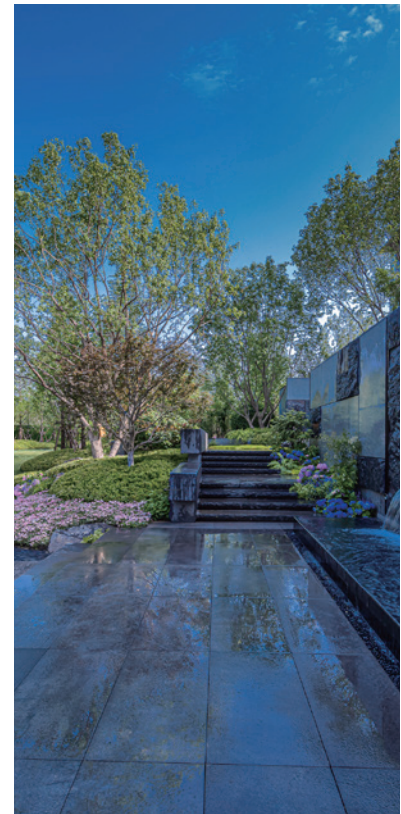
Safety Certificates and Commendation Certificates Obtained in 2024



Internal and External Audits

The Company views internal and external audits as essential tools for ensuring the effective operation and continuous improvement of the ISO 45001 Occupational Health and Safety Management System. In terms of management, we have established clear occupational health and safety policies and objectives, and we identify and control potential health and safety risks through regular risk assessments. Additionally, we provide comprehensive training and awareness-raising activities to ensure that employees comply with relevant regulations and actively participate in occupational health and safety matters.

Based on the management content, the Company conducts an internal audit of the occupational health and safety management system annually. The management team reviews the management system and makes necessary internal adjustments based on the audit results to ensure the system's ongoing suitability, adequacy, and effectiveness. Furthermore, external audits are conducted every three years by independent third parties to assess compliance with the ISO 45001 international standard, thereby continuously driving the optimisation and enhancement of the management system.





Employee Safety Training

In 2024, Yuexiu Property launched a series of new initiatives targeting employees safety and health to enhance their awareness of workplace safety and health. Firstly, the Company conducted special lectures and training for all engineering staff to help them gain a deeper understanding of the importance and knowledge related to safe production. Furthermore, the Company encourages front-line employees to obtain national safety certificates (such as Registered Safety Engineers) and provides financial compensation to those who successfully acquire the certificates as an incentive for them to improve their professional expertise.

To further strengthen safety management, Yuexiu Property organises the "Safety Production with Me" campaign every month, implementing monthly safety knowledge assessments. The Company uses its ESG management system to track and publicly display the completion rates of these assessments for each department and subsidiary in real time. This not only enhances employee engagement but also helps management to promptly understand the effectiveness of safety training, thereby continuously optimising safety management measures to ensure the achievement of the Company's safety production targets.



Key Performance

During the reporting period,
approximately **287,847** person-times participated in safety education exams, with **1,378** person-times receiving rewards;
39,318 person-times engaged in regular study of General Secretary Xi Jinping's important theoretical discussions;
5,054 person-times of new employees received safety education;
1,944 person-times received certified safety education;
and **28,785** person-times participated in thematic safety education.



Safety Officer Allocation and Standardised Supervision

To ensure the safety management of construction sites, prevent accidents, and safeguard the personal safety and health of workers, we have appointed dedicated safety officers for projects exceeding 200,000 square metres since 2021, and part-time safety officers for projects below that size. Front-line safety officers are required to obtain national safety certificates and register as safety engineers. They are responsible for supervising and enforcing the rules and regulations of safe production, conducting safety education and training, inspecting the safety conditions of construction sites, promptly identifying and addressing potential safety hazards, and ensuring that the construction process complies with national and local safety standards and regulatory requirements, thereby providing a solid safety guarantee for the smooth progress of the project.



Dedicated
Safety Officers
305



Part-Time
Safety Officers
86



Registered
Safety
Engineers
123



Qualified Safety
Management
Personnel
219



Registered
Fire Engineers
7



In 2024, Yuexiu Property implemented graded safety training, focusing on key positions, enriching training methods, and strictly grasping learning outcomes

- **Headquarters:**
 - > **Thematic Training Empowerment:** Conducted safety training for key positions such as leaders of subsidiaries, engineering, safety personnel, and project generals.
 - > **Positive and Negative Case Learning:** Continuously carried out monthly sessions on external accident case studies and share internal best practices, drawing lessons from safety incidents in the industry, and promoting the learning of top enterprises and subsidiaries' outstanding safety practices.
 - > **Policy and System Advocacy:** Utilised monthly meetings to conduct advocacy on "tough measures", "major hidden danger standards", and systems.
 - > **Safety Production with Me:** Organised monthly training exams for all staff, accumulating approximately 300,000 person-times.
- **Subsidiaries:**
 - > **Newly opened Project Training:** Supervised subsidiaries to organise special briefings for all newly opened project teams according to Yuexiu's requirements.
 - > **New Supplier Onboarding Training:** Ensured regional projects conducted onboarding briefings for key suppliers.
 - > **Diversified Training Seminars:** Conducted special training on major hazard projects, gas, food hygiene, fire facilities, as well as safety knowledge and examination for project management personnel.
 - > **Key Positions and Safety License Training:** Trained fire control room duty personnel, electricians, and special operations personnel.
- **Projects:**
 - > **Monthly Training:** Monitored each project's preparation of monthly training plan and organised the study of various systems, course materials, and cautionary cases.
 - > **Morning Meeting Education:** Conducted pre-shift education for work teams, with supervision and random inspections by the project manager.
 - > **Onboarding Education Briefings:** Required individual learning, signing, passing exams, and issuance of labour protection supplies plus access to entry records.
 - > **Re-education for Violations:** For teams and workers with violations, re-education and briefings were conducted. For workers who repeatedly fail to reform and those with serious violations, access was revoked and they were dismissed.
 - > **Practical Assessment for Special Trades:** Strictly controlled entry, weeding out individuals who might pass themselves off as qualified.





Yuexiu Property has always regarded safe production and emergency management as a vital cornerstone of the Company's sustainable development. In 2024, the Company conducted a series of multi-scenario, multi-level emergency drills to comprehensively test and enhance its emergency response capabilities, laying a solid foundation for the protection of the lives and property safety of employees, customers, and the public.

Safety Emergency Response Drill of the Panyu Liren Dong Village Renewal and Reconstruction Project

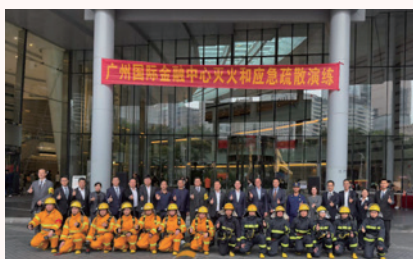
On the afternoon of 3 December 2024, the Panyu Liren Dong Village renewal and reconstruction project successfully hosted the "2024 Guangzhou City Housing and Construction Engineering Emergency Response Drill Observation" event. Themed "Enhancing Emergency Capabilities, Strengthening Safety Defences", the drill was presided over by Li Zhaohui, Deputy Director of the Guangzhou Housing and Urban-Rural Construction Bureau. More than 300 leaders and industry colleagues from the Guangzhou Housing and Urban-Rural Construction Bureau, the Guangzhou Emergency Management Bureau, district housing and construction bureaus, safety supervision stations, Yuexiu Group, Yuexiu Property, China Construction Fourth Engineering Division Corporation Limited, Panyu Fire Rescue Bureau, and He Xian Hospital attended the event.

The drill site simulated high-fall safety accidents and fire rescue incidents, fully demonstrating the project's exemplary practices in safety management and emergency response capabilities. It tested and enhanced the proficiency of the project team in self-rescue, mutual assistance, and rescue evacuation. Leaders from all sides highly praised the effectiveness of the drill and the quality and safety sample display. Companies in the Guangzhou region used this event as an opportunity to continue to promote safety management and emergency management with high standards and strict requirements, safeguarding the Company's production and operations.



"Public Fire Safety, Life First" - Guangzhou IFC Fire Drill in the Second Half of 2024

To continuously enhance the "four capabilities" and "one understanding, three skills" of fire safety at the Guangzhou International Finance Centre (Guangzhou IFC), the centre successfully held the "Public Fire Safety, Life First" national 33rd Fire Safety Promotion Month event and the second half of 2024 fire extinguishing and emergency evacuation drill on 19 November 2024. The drill involved simultaneous coordinated participation from the office building, Four Seasons Hotel, Ascott serviced apartments, and the IFC Mall, forming a robust fire safety network. In conjunction with the drill, the Fire Safety Promotion Month activities were conducted, featuring on-site experiences such as practical fire extinguishing, smoke escape, AED first aid, and fire equipment displays. These activities were complemented by online quizzes with prizes and multi-channel publicity to enhance the fire safety awareness and skills of all personnel.



OH&S Hazard Risk Management

Identifying occupational health and safety (OH&S) hazards and assessing associated risks are the core components of Yuexiu Property's OH&S management system. The Company places great importance on the management of occupational health and safety risks. In accordance with the *Health and Safety Policy*, the Company continually optimises regulations such as the *Occupational Health Management Rules*, the *Occupational Sanitation Management System*, and the *"Three Simultaneous" Management Rules on Construction Projects*, clearly defining the objectives, tasks, responsibilities, and requirements of safety production management to prevent and control potential safety risks.

We regularly conduct hazard identification and risk assessments and investigate work-related injuries, ill health, diseases and accidents, and develop corresponding mitigation measures, establishing a closed-loop risk management process that covers identification, assessment, response, rectification, and supervision, ensuring the effective operation of the occupational health and safety management system.

Measures to Reduce the Risk of Serious Illness

To reduce the risk of serious illness, the Company has taken a series of measures to ensure the health of its employees. To enhance employees' health awareness and prevent potential health risks, we provide annual health check-up benefits for employees. In 2024, the coverage of employee health check-ups reached 100%, ensuring that every employee received a comprehensive physical examination and that health issues were identified and addressed promptly.

Additionally, for female employees, we regularly organise voluntary gynecological health checks to attend to their specific health needs and ensure that they receive adequate care and support in the workplace. To further enhance daily health and safety, we have also piloted the provision of employee medical kits to meet their emergency medication needs during routine work. These measures not only contribute to improving the overall health of employees but also reflect the Company's high regard for the well-being of its staff. Through these efforts, we are committed to creating a healthier and safer working environment.





4.2.2 Protection of Employee Rights and Interests

Fair Employment

Yuexiu strictly adheres to the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Law on the Protection of the Rights and Interests of Labourers*, and other relevant laws and regulations. We rigorously comply with the *Conventions of the International Labour Organisation* (ILO) and maintain a fair and equitable recruitment process, eliminating any form of discrimination. We consider factors such as culture and professional abilities and implement equal pay for equal work, striving to build a diverse talent pool and ensure the practice of fair employment.

We strictly adhere to the labour-related laws and regulations in the regions where we operate, dedicated to protecting the fundamental rights and welfare of our employees. To this end, the Company has developed several key policies, including the *Employee Rights Protection Policy*, aiming at ensuring that each employee enjoys fair treatment and basic rights in their work; the *Diversity and Inclusion Policy*, emphasising respect for diversity and inclusiveness, promoting harmonious coexistence among employees from different backgrounds; the *Human Rights Policy*, clarifying the Company's commitment to human rights, ensuring respect and protection of human rights in all business activities; and the *Respect in the Workplace Policy*, advocating for the establishment of a culture of mutual respect and understanding in the work environment. These policies not only reflect our compliance with laws and regulations but also demonstrate our high regard for the dignity and rights of our employees, aiming to create a safe, respectful, and inclusive work atmosphere within the Company.



Opposition to Child Labour and Forced Labour

We strictly adhere to the UN's *Convention on the Rights of the Child*, the *Convention on the Elimination of All Forms of Forced Labour*, and the State Council's *Provisions on the Prohibition of Using Child Labour* and other policy provisions, firmly prohibiting the employment of minors for labour and rejecting any form of forced labour. Additionally, we have established the *Employee Rights Protection Policy*, the *Management Measures for Labour Contracts*, and the *Supplier Code of Conduct*, explicitly prohibiting any actions involving child labour or forced labour within the Company and its value chain, including formal employees, outsourcing, and labour dispatch, and prohibiting involvement in any form of human trafficking.

The Group's Human Resources Department and Legal Affairs Department and other relevant departments continuously regulate key human resource management processes such as recruitment, dismissal, and working hours. We enter into formal labour contracts with all employees, clearly stipulating the rights and obligations of both parties in the contract, including position, workplace, working hours, salary, and other specific terms, resolutely protecting the legitimate rights and interests of employees. Moreover, the Company provides training to enhance employees' awareness and preventive capabilities regarding child labour and forced labour issues. We believe that through these measures, we can create a safe, just, and respectful work environment for our employees. In 2024, Yuexiu Property conducted monthly systemic data screenings and found no cases of child labour or forced labour.



Key Performance

0 Instances of Child Labour
0 Instances of Forced Labour



Creation of Employment Opportunities

As a responsible corporate citizen, Yuexiu Property is committed to creating more job opportunities for society and promoting sustainable economic development. By continuously expanding our business areas and optimising project layouts, we provide a broad career development platform for various talents. Whether it is real estate development, property management, or commercial operations, Yuexiu Property actively recruits various professional talents, including architects, engineers, marketing specialists, and property management professionals. At the same time, we focus on the professional training and personal growth of our employees, offering abundant training resources and promotion opportunities to help employees achieve their career goals. Through these initiatives, Yuexiu Property not only provides stable job opportunities for employees but also contributes to the harmonious development of society.

Category	Progress	Achievements
Providing Employment Opportunities for Vulnerable Groups 	<ul style="list-style-type: none"> > In order to address employment issues for vulnerable groups and to enhance their social engagement and self-development capabilities, the Company actively responds to social demands and, in line with its own development reality, provides employment opportunities for people with disabilities. > The Company has established dedicated positions, with specialised personnel responsible for coordinating the recruitment, promotion, and other aspects of employees with disabilities, ensuring that they enjoy fair and equitable treatment and that their career development rights are fully protected. 	<p>In 2024, the Company provided 11 job positions for people with disabilities, accounting for 0.07% of the total number of formal employees.</p>
Offering Diverse Positions for Fresh Graduates 	<ul style="list-style-type: none"> > The Company offers a variety of employment positions, covering areas such as project management, functional management, engineering management, and customer service, building a broad career development platform for university graduates. > Not only has the Company effectively promoted the employment of university graduates, but it has also injected fresh vitality into itself, optimised the talent structure, and strengthened its core competitiveness through talent reserves. 	<p>In 2024, the Company recruited over 174 fresh graduates with bachelor's degrees or above.</p>



Respect for Freedom of Association

Yuexiu Property has always adhered to the principle of respecting employee rights and actively supports and safeguards the freedom of association of its employees. The Company encourages employees to freely establish and join trade unions or other employee organisations based on their own wishes and needs, in order to better express opinions, safeguard rights, and promote personal development. The Company commits to providing an open and transparent communication platform to ensure that employee voices are fully heard and respected. The management team maintains close cooperation with trade unions and other employee organisations to jointly discuss and resolve issues of concern to employees, driving the common development of the Company and its staff.

Yuexiu Property strictly follows national laws and regulations, regularly reviewing and updating policies and service systems that protect employee rights. The Company signs a *Collective Contract* with the union every three years to ensure the timeliness and adaptability of the contract content, thereby safeguarding the legitimate rights and interests of all employees. When formulating rules and regulations involving employee rights, the Human Resources department works closely with the union to ensure the rationality and fairness of the systems. Before new systems are officially implemented, they are publicly displayed through the Employees’ Representative Congress, inviting all employees to participate in discussions and offer valuable feedback, thus ensuring employee awareness and participation rights.

Compensation and Benefits

Yuexiu Property has always maintained the compensation philosophy of “reflecting position value, market-oriented, motivating excellence and focusing on the front line”, positioning employee compensation and benefits management as a core human resources strategy. We adhere to the principle of equal pay for equal work and regularly update the *Compensation and Benefits System* to ensure that employees are paid above subsistence level and local cost of living, and commensurate with market competitiveness.

To inspire employee enthusiasm, especially for positions that significantly contribute to profit and value creation, we implement performance-oriented compensation incentive mechanisms to increase employee motivation. While ensuring the fairness of employee compensation, the Company strictly enforces the *Performance Management System* and the *Performance Management Rules*, using OKR (Objectives and Key Results) + KPI (Key Performance Indicators) evaluation methods to comprehensively assess employee performance. Additionally, we have enhanced the feedback and complaint mechanisms of the performance management system to ensure that employees receive timely and objective performance feedback.

Yuexiu Property legally pays five social insurances and one housing fund for all employees and provides statutory holidays. Furthermore, we also offer a variety of commercial insurances, holidays, and other benefits to enhance employee well-being and satisfaction. Through these comprehensive welfare measures, we strive to create a warm and healthy working environment, ensuring that every employee is provided with a living wage and can feel cared for and supported at work.

Social Security	Pension Insurance, Medical Insurance, Unemployment Insurance, Maternity Insurance, Work Injury Insurance, Housing Provident Fund
Commercial Insurance	Accidental Death/Dismemberment, Accidental Medical Expenses, Hospital Allowance, Critical Illness, Outpatient/Inpatient Medical Expenses, Disease-Related Death, Women’s Health Issues, Women’s Maternity
Paid Holidays	National Statutory Public Holidays, Annual Leave, Work Injury Leave, Special Leave (Marriage Leave, Prenatal Check-Up Leave, Maternity Leave, Paternity Leave, Parental Leave, Bereavement Leave)
Other Benefits and Facilities	Annual Health Check-Up for Employees, Subsidies for Mobile Communication Fees, Cultural, Sports, and Health Promotion Activities, Festive Benefits, Mother and Baby Rooms, Childcare Facilities, Company Internal Purchase Discounts



Positive Work Environment

Yuexiu Property deeply recognises the importance of employee mental health for overall work and quality of life. Mental health is increasingly seen as a major challenge in health, safety and well-being at work: stress, overwork, anxiety, and depression can ultimately lead to economic loss and negative impact. Mental health encompasses organisational aspects, social factors, and the work environment. Therefore, we are committed to adhering to the ISO 45003 standard for psychosocial health and safety at work, identifying psychosocial risk hazards that affect employees, and reducing psychological risks by taking effective measures to improve employee well-being.

Plan	<ul style="list-style-type: none"> > Implement mental health management in line with ISO 45003 > Develop the “Three Completions and Four Possessions” welfare system > Establish an Employee Assistance Programme (EAP)
Do	<ul style="list-style-type: none"> > Open channels for employee mental health counselling > Create a healthy office and production environment
Check	<ul style="list-style-type: none"> > Regularly review and supplement the “Three Completions and Four Possessions” welfare system > Continuously improve the healthy office environment based on feedback from counselling channels
Act	<ul style="list-style-type: none"> > Plan to open various channels in the future to enhance the effectiveness of psychological guidance > Regularly improve mental health management in accordance with ISO 45003 standards





Risk Assessment and Management:

We identify and assess factors affecting the psychosocial health of our employees and implement control measures to reduce these risks. We evaluate potential stressors in the workplace, such as workload, work environment, performance expectations, long working hours, or lack of social time, as well as employees' capacity to cope with stress. In addition, we regularly assess the frustrations and challenges employees may encounter in their career development by understanding their career plans and development needs, and thus providing support and assistance accordingly.



Management Systems:

We have formulated the *Health and Safety Policy*, which includes the management of employee mental health, aiming to create a supportive and mentally healthy work environment for employees through institutional guarantees and practical measures. The system covers mental health promotion and education, counselling and services, assessment and monitoring, crisis intervention mechanisms, work-life balance, and employee care and support, among other aspects, to enhance employees' mental health literacy, promptly identify and resolve mental issues, and promote synchronised improvement in employee mental health and work performance.



Review and Improvement:

We strive to regularly review the effectiveness of psychosocial health management, establishing a cycle of continuous improvement to determine if adjustments or enhancements are needed. This includes evaluating the implementation of the system and monitoring and analysing the mental health status of employees. In this process, we conduct reviews with a "zero suicide rate" goal, not only committed to preventing suicide incidents but also providing comprehensive psychological support and care through the implementation of the Employee Assistance Programme (EAP), to reduce or even eliminate the risk of suicide.



Strengthening External Cross-sector Collaboration:

We actively collaborate with professional mental health service providers to offer employees psychological counselling, assessment, and therapy services. We also conduct mental health training and workshops to enhance employees' knowledge of mental health and their ability to cope with stress.



"Three Completions and Four Possessions" Employee Welfare System

Yuexiu Property has always prioritised employees and fully implemented the "Three Completions and Four Possessions" welfare system, ensuring the provision of "statutory benefits, subsidised benefits, and union benefits". We strive to strengthen the effective communication and promotion of welfare, committed to providing employees with broad, in-depth, warm, and caring welfare security.

In 2024, the Company integrated existing resources and, without incurring additional labour costs, added four educational and three health preservation resources, significantly enhancing the competitiveness of the welfare system.

- > **In terms of educational resources**, employees enjoy priority enrollment rights for their children in the Company's kindergartens and discounted rates at self-operated nurseries. They also receive exclusive discounts on music and art centre training courses and study tour activities, as well as professional school enrollment consultation and assistance services, providing all-around support for the educational growth of employees' children.
- > **In terms of health preservation resources**, the Company provides exclusive discounts for outpatient rehabilitation projects at the People's Rehabilitation Hospital. Employees can also enjoy discounted memberships and experiential services at retirement institutions and vibrant health preservation community apartments. They have priority access to consultations with renowned traditional Chinese medicine practitioners, ensuring comprehensive attention to the physical and mental well-being of employees and their families. These initiatives not only strengthen employees' sense of belonging and well-being but also further exemplify Yuexiu Property's "people-oriented" corporate culture, laying a solid foundation of employees for the sustainable development of the Company.

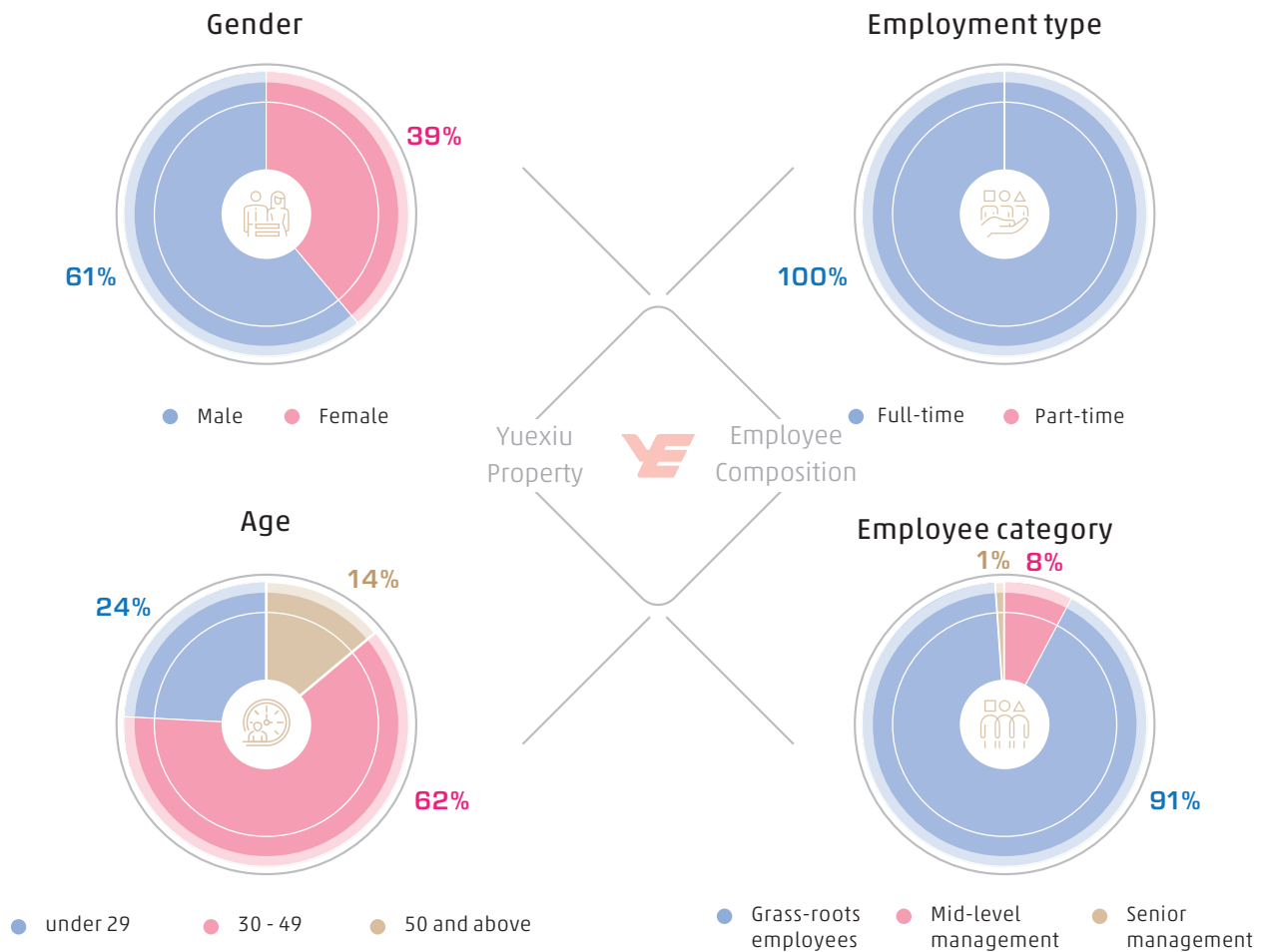
4.2.3 Employee Career Development

Diversity and Equality

In 2024, Yuexiu Property systematically strengthened the framework for protecting employee rights under the *Employee Rights Protection Policy*. The core content includes promoting a diverse and inclusive work environment characterised by fairness and inclusivity. To advance diversity, the Company has formulated a *Diversity and Inclusion Policy*, explicitly prohibiting discrimination on the basis of nationality, gender, age, disability, ethnicity, etc., to ensure that all employees and candidates are provided with equal employment opportunities. In particular, the Company has made gender equality a strategic focus, ensuring that female employees have the same opportunities and treatment as male employees in recruitment, promotion, and remuneration. Moreover, the Company provides special support for persons with disabilities, actively offering them employment opportunities and prohibiting any form of discrimination, harassment, or insults, whether physical or psychological.

During the reporting period, no instances of discrimination or harassment were found within Yuexiu Property's operational scope. The Company is committed to building a diverse talent pool, planning and constructing a diverse talent database, and providing each employee with fair development opportunities and ample room for growth. At the same time, the Company adheres to the principle of equal pay for equal work within its operational scope. During the reporting period, the average salary difference between male and female employees, based on performance, remained at a low level.

In 2024, the composition of Yuexiu Property's employees was as follows:



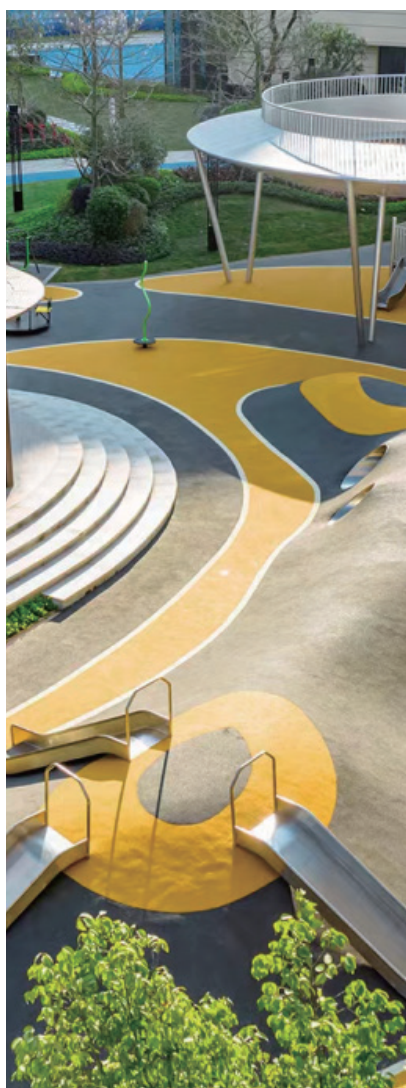


Employee Communication and Exchange

We place great importance on communication with our employees, respect their right to freedom of association, and are committed to opening up internal communication channels, standardising the internal appeal process, and addressing difficulties that employees may encounter in their work and lives. To this end, we have established the following communication mechanisms and channels:

- > **Information Transparency:** Through organising employee care activities, sending emails, and offering condolences, we ensure that employees are kept informed of significant matters of the Company in a timely manner.
- > **Performance Management:** Through the performance management mechanism, we provide employees with timely feedback on their individual work performance, along with suggestions for improvement, to help enhance their professional abilities.
- > **Opinion Collection:** Through departmental meetings and employee activities, we actively collect employees' opinions and suggestions, ensuring that their voices are heard and responded to.

In 2024, Yuexiu Property conducted multi-dimensional employee research and communication activities to gain a deeper understanding of employees' evaluations of their current work situation. Based on employee feedback, we continuously optimise employee care measures, steadily increasing employee satisfaction, and creating a more harmonious and efficient work environment for our staff.



Employee Training

Yuexiu Property understands that talent is the most valuable asset of the Company. Therefore, we are dedicated to building a comprehensive and systematic employee training system designed to unleash the potential of each employee and foster their professional growth. Our training programmes cover everything from onboarding training for new employees to specialised skill training and leadership development, providing a holistic learning platform for all staff. We believe that through continuous learning and growth, not only can individuals enhance their capabilities, but the Company can also benefit from sustained innovation and progress. Every employee at Yuexiu Property is an important member of our big family, and we encourage everyone to actively participate in training and grow together towards a brighter future.

2024 Key Initiatives

- > **Critical Talent Development Projects:** We have iterated the training methods and content of four key talent development projects to ensure alignment with the Company's latest strategic business objectives.
- > **Lean Management Training:** Focusing on the theme of "Lean Management and Continuous Improvement", we have conducted related training to cultivate talents with lean management capabilities.
- > **Talent Development Standards and Management System:** We have updated the work standards and management system for talent development and released them through the Human Resources "Talent Scout Class" training, reinforcing professional empowerment and baseline management.

2024 Progress

- > **Swan Programme:** By iterating the job rotation mechanism, strengthening the process management of the rotation mechanism and the full-cycle operation experience, and enhancing the practicality of thematic action learning, combined with the Company's key operating guidelines, we have carried out empowerment training and action learning in three business modules: "Product and Customer Research", "Supporting Marketing Breakthroughs", and "Promoting Business Quality and Efficiency Improvements". These training initiatives, featuring project practice, benchmarking research, and interactive discussions, reinforce the training experience and outcomes, continuously cultivating and shaping project management professionals with product awareness and business thinking.
- > **Sea Swallow Programme:** Through topics on large-scale operations, business simulation exercises, and project review logic training, the Sea Swallow Programme has enhanced participants' understanding of the entire real estate development chain and improved their business acumen and global perspective. Project review, as a key component of action learning, has provided valuable recommendations for the resolution of stagnant projects, continuously strengthening the effect of applying learned knowledge.
- > **Hummingbird Programme:** In 2024, we solidified the talent reserve, completed the "Yu Xiu Student" onboarding integration series training, initiated the ice-breaking phase of job rotation, and held periodic rotation review meetings to help newly hired "Yu Xiu Students" address practical issues, improve their workplace performance, and integrate faster into the workplace. We also focused on the continued growth of previous "Yu Xiu Students", created a learning resource sharing platform, regularly provided high-quality resources, encouraged continuous improvement, and, in collaboration with subsidiary human resources, continuously tracked the development of "Yu Xiu Students".
- > **Multi-Stage Professional Empowerment Training:** In the year 2024, we coordinated and implemented multi-phase professional empowerment training across six lines, including "You Make the Difference" for the Engineering line, "Urban Development Class" for the Product line, "Vigorous Marketing Class" for the Marketing line, "Legal Excellence Class" for the Legal line, "Data Intelligence Class" for the Data Intelligence line, and "Talent Scout Class" for the Human Resources line. These training sessions encompassed all relevant personnel at the headquarters, middle management personnel at subsidiary companies, and key business personnel, continuously enhancing the professional capabilities of each line.



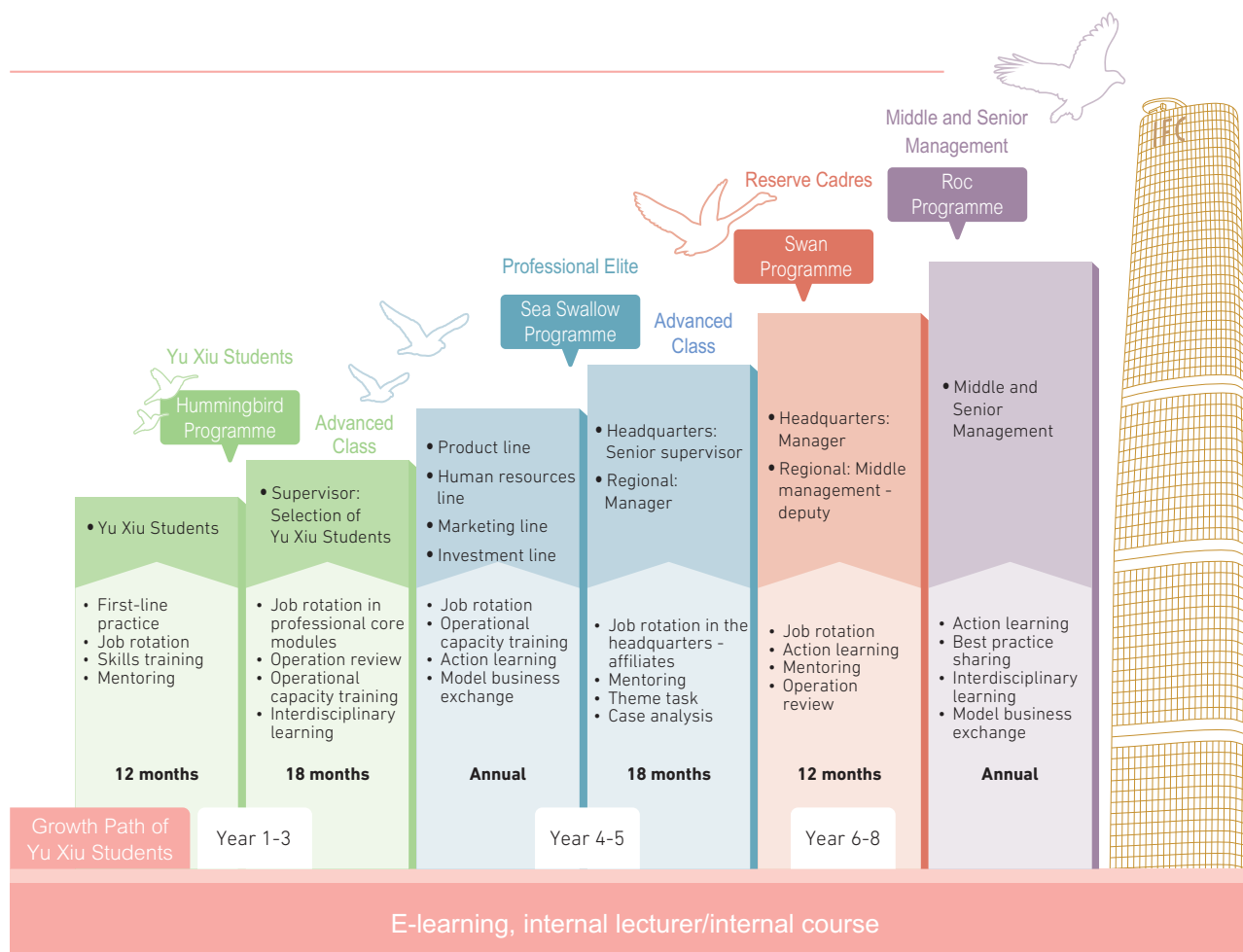
Four Major Projects Launch Compilation



Swan Programme



Sea Swallow Programme



“Yue Learning” is an online learning platform independently developed by Yuexiu Property, aiming to convey a wealth of knowledge to employees and assist in their rapid advancement in the workplace. In 2024, we focused on strengthening the course construction and updates of the “Yue Learning” platform, completing the optimisation and launch of 13 video courses for the property headquarters and its subordinate sectors. In addition, we established corresponding course content in the themed sections, aligning with the enhancement of “Product Power”, and promoted the resources of training programmes, continuously reinforcing the construction of a learning organisation.

Key Performance

During the reporting period,

The “Yue Learning” online learning platform accumulated a total of over **4,696** courses;

There were **809** internal instructors, with **165** rated as three-star or above;

809 new courses were added annually;

The average learning hours per person were **41.2** hours, an increase of **22.4%** compared to last year.





Labour Competition Activities

The Company organised 17 grassroots units to carry out 38 labour competitions centred on the theme of “Strengthening Lean Management to Enhance Quality and Efficiency”, involving a total of 10,337 participants. These competitions covered various aspects such as sales and procurement improvements, cost-saving initiatives, capital works transformation, service enhancement, safety production skills, mass marketing, and short video contests, aimed at improving the Company’s lean management through competition. Through these activities, the Company not only inspired employees’ enthusiasm and creativity but also promoted quality and efficiency in all business areas, helping the Company’s lean management to reach a new level.

Among these, the 2024 “Yangcheng Craftsmanship Cup” Yuexiu Group Yuexiu Health Care Nursing Skills Competition received affirmation and recognition from city leaders, showcasing the Company’s high level of nursing skills. Additionally, member Xiong Jing represented Yuexiu Property to attend the 2024 Guangdong, Hong Kong, and Macau Female Employees’ Digital Skills Observation and Exchange Activity and the first Guangdong Province Female Employees’ Digital Skills Competition, successfully entering the top 40 in the province, bringing honour to the Group. These achievements not only enhanced the Company’s social influence but also demonstrated the outstanding abilities and professional qualities of the employees.





Attraction and Retention of Talent

To enhance the level of talent management, we have formulated and implemented the *Position Management Rules*, the *Management Rules on Talent Evaluation and Application*, and the *Management Rules on Staffing*, standardising the recruitment process and perfecting the talent allocation mechanism, with the aim of building a diverse and efficient talent team. Meanwhile, the Company adopts a strategy that values both internal selection and external recruitment, offering competitive compensation and benefits to attract and retain talent.

Category	Strategy	Outcome
Interviewer Empowerment 	We conduct interviewer training and empowerment activities to enhance the professional capabilities of interviewers, helping them to deeply understand and implement Yuexiu Property's talent philosophy and to increase attractiveness to top candidates.	Professional interviewers not only help to enhance the Company's image and reputation but also attract more outstanding talent to join.
Human Resource Risk Management 	We regularly perform personnel structure analysis, tracking employees' age, length of service, tenure, level, and turnover rate. Through horizontal benchmarking analysis, we promptly identify human resource risks and resolve exceptional issues, adapting to the rapidly changing environment and addressing employee turnover concerns, ensuring the rational use of resources and the sustainable development of the enterprise.	As of 2024, we have completed inventory of 129 middle and senior management personnel at the headquarters and 538 middle-management personnel in subsidiaries, conducting a comprehensive assessment of talent from both performance and capability dimensions, improving the matching of people to positions.
Succession Talent Development 	The Company has formulated the <i>Detailed Rules for Key Talent Management</i> , identifying key skilled talent through "talent inventory" and tracking them using the "Talent Billboard" and "Talent Portrait" systems. The Company begins reserving replacement candidates three to five years in advance to address the retirement of key employees, supporting effective human resource risk management and ensuring the stable development of the enterprise.	In 2024, we successfully completed the external placement of 9 middle and senior management personnel and the internal placement of 4 middle and senior executives, achieving an annual key talent onboarding rate of 98%.



Women's Empowerment Programme

Yuexiu Property's Women's Empowerment Programme is dedicated to enhancing the career development and leadership of female employees by providing professional training, mentorship, and career advancement opportunities, supporting women in realising their self-worth in the workplace. The Company regularly hosts women's leadership seminars and exchange activities, encouraging female employees to participate in decision-making and innovative projects, creating an inclusive and supportive work environment. In 2024, Yuexiu Property further improved the Women's Empowerment Programme, helping women to balance work and family life and achieve comprehensive development.

Yuexiu Property has established a Women Workers Committee under the Company trade union, responsible for safeguarding the legitimate rights and special interests of female employees in political, economic, cultural, social, and familial aspects. The committee participates in the formulation of enterprise rules and regulations concerning the protection of female employees' rights and interests, supervises and assists relevant departments in implementing them, cares for the physical and mental health of female employees, and actively organises cultural and sports activities that enhance the fitness of female employees and enrich their leisure life, among other women's empowerment initiatives.

Key Performance

Yuexiu Property has been awarded the
**"Women Workplace Index"
Gold Employer Award.**





Key Work of the Women Workers Committee for 2024

1. Protection of Women Workers' Rights and Collective Contract Signing

The Company has included a "Protection of Women Workers Clause" in the collective contract, further advancing the goal of comprehensive coverage of women workers' rights protection and collective contracts. By clarifying the rights and interests during pregnancy, lactation, and other special periods, the legitimate rights and interests of women workers are effectively protected.

2. Training and Capability Enhancement

Various activities have been organised, including trade union cadre training, training on the laws and regulations on women workers' rights and interests, position skill enhancement of the Women Workers Committee, and cultural short video training, to comprehensively improve the overall quality and professional skills of women workers.

3. Establishment of Women Workers' Innovation Workshop

The Women Workers' Innovation Workshop of the Company, led by Zhou Zhanyan, was successfully applied for and recognised as a 2024 Innovation Workshop for Female Employees of Guangzhou Federation of Trade Unions, highlighting the Company's outstanding achievements in the field of women workers' innovation.

4. Construction and Improvement of Functional Rooms

The construction of functional rooms for women workers at projects has been strengthened, with the addition of 7 new projects including "Yue Health" psychological consultation rooms (treatment rooms) and "Love Mother" cabins, as well as 15 new women's rest and lactation rooms. Among them, the "Love Mother" cabins at Yuexiu Financial Tower (property company), Yuezhong, and the YUE City have been rated as star demonstration sites by Guangzhou Federation of Trade Unions and designated with plaques.

5. Cultural and Sports Activities

Active organisation of basketball, badminton, football, Pilates, and other diverse cultural and sports activities at various grass-roots units to enrich the employees' leisure life and promote their physical and mental health.

6. Labour Competitions and Knowledge Contests

Conducting characteristic labour competitions and knowledge contests for women workers, such as the "Ankang Cup", to inspire women workers' enthusiasm and innovation capabilities.

7. "Three Full Coverages" Special Action

Fully implementing the "Three Full Coverages" special action to ensure comprehensive coverage of maternity protection, physiological protection, and psychological protection, providing all-around care and support for women workers.

8. Publicity and Education on Women Workers' Rights

During the "Month of Women Workers' Rights Defence", a science popularisation special topic on women workers' rights was launched to achieve full coverage of publicity and education. Experts were invited to hold lectures on *The Law on the Protection of Women's Rights*, *The New Marriage Law*, and *Self-health Care for Women During Five Periods* to further enhance women workers' self-protection awareness and rights defence capabilities.



Insights into 'Her' Power – Yuexiu Commercial Management Retail Brand Women's Salon

On 12 September 2024, the first station of the Yuexiu Commercial Management Retail Brand Salon was successfully held at Guangzhou Mingquanju Hotel, officially launching the 3.0 Strategic Release Conference of Yuexiu Commercial Management Retail Business Brand. The Guangzhou station featured the innovative theme "Elegance for Oneself, Pursuing Success Freely" women's salon. Female executives from Yuexiu Commercial Management retail business, female entrepreneurs, and female representatives from several mainstream industry media gathered to engage in a deep thought exchange conference on topics such as "Breaking Through Traditional Formats in the New Consumption Revolution" and "Innovative Paths for Emerging Formats". They discussed the direction for the revitalisation and development of the commercial ecosystem with Yuexiu Commercial Management retail business as the paradigm.

This salon brought together numerous pioneering women, including female founders and female executives from brands such as Sisyphe, Nairbao, Lianxianglou, Hope & Sesame, Scone ING, Levvv and Tangning Books. These female business professionals, who have transitioned from consumers to operators, bring a uniquely female perspective to their roles, offering a more nuanced, profound, and comprehensive understanding of female psychology and preferences. Their management style is characterised by with meticulous attention to detail from a female standpoint.

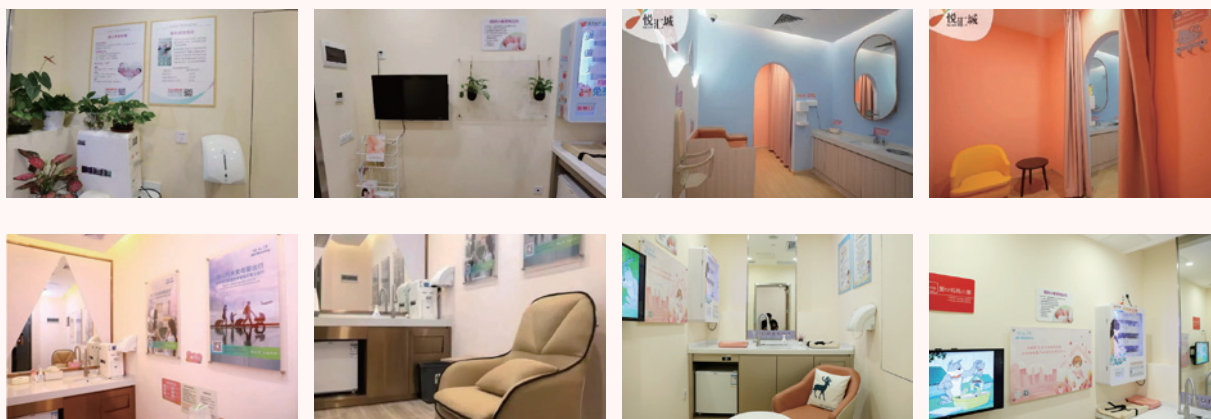




Love Mum's Lounge and Love Mother-Child Rooms

Yuesiu Property places great importance on the work-life balance of female employees, allowing those who are breastfeeding infants under one year old to apply for one hour of breastfeeding time daily.

The establishment of the "Love Mum's Lounge" and "Love Mother-Child Rooms" is designed to provide a warm and comfortable space for female employees of the Company and female tenants, helping them better balance their work and family life. This initiative not only reflects the Company's deep concern for its female employees but also highlights the warmth and inclusivity of the corporate culture. By setting up the "Love Mum's Lounge" and "Love Mother-Child Rooms", the Company provides a private, clean, and well-equipped resting place for mothers during their breastfeeding period, allowing them to have a quiet environment to take care of their own and their babies' needs amidst their busy work schedules. Additionally, the "Love Mum's Lounge" regularly hosts various health talks and family activities, which not only enrich the extracurricular lives of female employees but also enhance their health awareness and parenting knowledge. This measure not only increases the happiness and sense of belonging of female employees but also further promotes a harmonious atmosphere within the Company, laying a solid foundation for building a more positive and uplifting corporate culture.



Guangzhou IFC is the first office building in Guangzhou to establish and open a mother-baby room, equipped with comfortable breastfeeding chairs, water purifiers, smart consumables cabinets, sterilisers, refrigerators, and changing tables. The Yuexiu Nansha IFC has set up a mother-baby room, becoming a benchmark for female-friendly spaces within Guangzhou's science and technology landmark. It leverages smart technology to provide working mothers with additional support and care.

Yuexiu Property Awarded Gold Employer Certification by the Women Workplace Index

In October 2024, Yuexiu Property was honoured with the Gold Employer Certification by the Women Workplace Index (WWI), becoming one of only five award-winning companies among more than 250 listed companies in Asia. This accolade recognises the Company's exemplary practices in gender equality, inclusivity, and diversity in the workplace, highlighting its leadership in promoting sustainable social development. The Women Workplace Index is based on three pillars, sixteen themes, and over forty indicators, providing a comprehensive assessment of enterprises' performance in gender equality through a combination of international standards and local regulations.



Yuexiu Property ensures equal opportunities for female employees in recruitment, promotion, and career development through measures such as a "blind hiring" process, flexible work arrangements, and family support programmes. Moving forward, the Company will continue to support women's empowerment projects and integrate gender equality goals into its annual reports, taking practical actions to drive progress in the industry and society, setting an example of "her" power.

4.2.4 Employee Well-being

Yuexiu Property attaches great importance to the well-being of its employees and is committed to creating a healthy, harmonious, and vibrant work environment. The Company ensures a balance between professional development and personal life for its employees by providing a comprehensive welfare programme, which includes competitive salaries, comprehensive health insurance, abundant training and development opportunities, and flexible work arrangements. Yuexiu Property regularly organises team-building activities and employee care projects, such as mental health support, educational assistance for employees' children, and community volunteer services, thereby addressing the overall well-being and family needs of its employees. Through these initiatives, Yuexiu Property has not only enhanced job satisfaction among employees but also laid a solid talent foundation for the sustainable development of the Company.

"Caring for Employees, Warming Hearts with Traditional Chinese Medicine" Charity Clinic Event

To further advocate for the concept of "Healthy Living, Happy Working" and to care for the physical and mental health of employees, addressing suboptimal health issues and meeting the aspirations of employees for a better life, the Company's trade union invited the Rehabilitation Department of Southern Hospital to conduct a "Caring for Employees, Warming Hearts with Traditional Chinese Medicine" charity clinic event for all employees within the Company. Focusing on office workers who are sedentary for long periods, they provided health guidance, explained traditional Chinese medicine (TCM) health knowledge, offered TCM pulse-taking and tongue diagnosis, conducted constitutional differentiation and regulation, and provided consultations, analyses, and treatments for common ailments. Advice was given on dietary regulation, exercise, and other aspects of health management. A variety of TCM therapies such as massage, acupuncture, and cupping were provided, and some employees suffering from common conditions like cervical spondylosis, low back pain, and peri-arthritis of the shoulder received treatment, helping them to better manage their health. A total of 180 employees participated in the event.





Diverse Cultural and Sports Activities

Trade unions at all levels have actively organised and hosted a total of 334 diverse cultural and sports activities, covering 15,000 employee participation instances. These activities include artistic performances, hiking, and parent-child summer camps, aiming to enrich the employees' leisure life, enhance team cohesion, and boost the employees' sense of happiness and belonging.

Through these activities, the Company not only provides employees with a variety of recreational options but also fosters communication and cooperation among them. Artistic performance events showcase the versatility of employees, strengthening team unity; hiking events allow employees to relax in nature, enhancing teamwork abilities; and parent-child summer camp events focus on the families of employees, increasing their family happiness and the overall cohesion of the Company.

These initiatives not only enrich the employees' spare time but also create a positive and upward work atmosphere, further enhancing the employees' sense of happiness and belonging, laying a solid foundation for the Company's long-term development.



"Yue Dynamics" Hosts Numerous Exciting Competitions

Basketball Tournament

In 2024, the Company successfully hosted the "Yue Dynamics" Guangdong Division Basketball Tournament, featuring 72 matches with approximately 150 participants. The tournament consisted of group stages, knockout rounds, and finals. The Company meticulously prepared the venues, hired professional referees, and organised 150 volunteers to ensure the smooth running of the competition. The teams demonstrated excellent teamwork and skill, improving the athletic literacy and team cohesion of the employees.

Badminton Competition

In 2024, the Company successfully hosted the "Yue Dynamics" Yuexiu Capital Badminton Tournament, attracting 14 teams from the group. The Yuexiu Property Team achieved third place in the team competition. The Company meticulously prepared the venue, organised professional referees and volunteers, ensuring the smooth progression of the tournament. The atmosphere at the event was lively, showcasing the employees' exceptional skills and team spirit.





Special Employee Visit Activities

Spring Festival Visit Activity

During the Spring Festival, the Company carried out special visit activities for employees who remained on duty. It thoroughly investigated the situation and living conditions of employees who worked on New Year's Eve and the first day of the Lunar New Year, involving 399 person-times with a total investment of about RMB137,400. Company leaders and trade union representatives visited and comforted the on-duty employees personally, bringing them warmth and care to ensure they felt the Company's care and support during the Spring Festival.

Additionally, the Company conducted special visit activities for the digital marketing team, sending them festive gifts and blessings, thanking them for their hard work during the Spring Festival.



"Summer Coolness" Visit Activity

To ensure the safety and health of front-line employees during high-temperature weather, the Company actively promoted 11 trade unions to carry out "Summer Coolness" visit activities, distributing cool drinks with a total investment of about RMB180,000. The Company mobilised 12 units from subordinate grass-roots trade unions to timely send coolness visits to 13,099 front-line employees, with a total investment of about RMB970,000. These measures not only enhanced the employees' sense of happiness and belonging but also further strengthened the Company's cohesion and team spirit.

Through these special visits and "Summer Coolness" activities, the Company not only provided practical help and support to employees but also created a warm and harmonious working environment, demonstrating the Company's deep concern for its employees.



FINTeCH





CHAPTER 5

SUSTAINABLE FINANCE AND INTELLIGENT EMPOWERMENT



Our actions support the
following United Nations Sustainable
Development Goals (SDGs)





The real estate sector is entering a new phase of structural optimisation and quality enhancement. Yuexiu Property remains committed to a sustainable development model that prioritises both quality and efficiency, while actively expanding its financing channels and leveraging its strengths in sustainability performance to promote the utilisation of sustainable finance. Sustainable finance incentivises real estate enterprises to adopt eco-friendly materials and technologies, reduce carbon emissions, and improve energy efficiency through financial instruments such as low-interest green loans and green bonds. These measures not only help companies lower operational costs but also enhance their social reputation and market competitiveness.

Yuexiu Property is dedicated to strengthening its core competitiveness through continuous technological innovation. The Company has established a comprehensive digital decision-making system, with its Digital Management Committee serving as the supreme decision-making body responsible for formulating and overseeing the implementation of digital strategies. This ensures efficient decision-making and optimal resource allocation during the Group's digital transformation. In the field of smart residential development, Yuexiu Property emphasises intelligent building design, integrating smart home systems to enable holistic management of household security, energy consumption, and environmental controls. This approach enhances residential comfort and safety while significantly reducing household energy usage.

Below are the laws, regulations or standards we adhere to in our sustainable finance and intelligent empowerment approach:

Guidelines for Establishing the Green Financial System	China Green Bond Principles
Green Bond Endorsed Projects Catalogue (2021 Edition)	Copyright Law of the People's Republic of China
Guidance Catalogue for Green Industries (2023 Edition)	Trademark Law of the People's Republic of China
Environmental Equity Financing Tools (JR/T 0228-2021)	Advertising Law of the People's Republic of China
Carbon Financial Products (JR/T 0244-2022)	Patent Law of the People's Republic of China

The Group has also established internal policies for our sustainable finance and intelligent empowerment activities:

Sustainable finance	Green Finance Policy, Sustainable Finance Framework
Intelligent empowerment	Intellectual Property Management Measures, Digital Management Measures, Management Measures of the Digital Management Committee, Detailed Rules for the Management of Digital Product Development, Detailed Rules for the Management of Digital Product Operation, Guidelines for Digital Performance Evaluation, Guidelines for the Management of External Expert Think Tank of the Digital Management Committee



5.1 SUSTAINABLE FINANCE

Our Approach

Yuexiu Property is committed to developing in the field of sustainable finance. Guided by its mission of “Where Good Living Starts”, the Company integrates environmental protection and social responsibility into its operational strategy formulation. In 2024, Yuexiu Property established the *Sustainable Finance Framework* for the first time, planning to utilise funds raised through sustainable financing transactions for its eligible green projects. This framework is developed in accordance with multiple international standards, including the voluntary guidelines from the International Capital Market Association (ICMA)'s *Green Bond Principles (2021)*, *Social Bond Principles (2023)*, and *Sustainability Bond Guidelines (2021)*, as well as the *Green Loan Principles (2023)* and *Social Loan Principles (2023)* established by the Loan Market Association (LMA), Asia Pacific Loan Market Association (APLMA), and Loan Syndications and Trading Association (LSTA). Additionally, Hong Kong Quality Assurance Agency (HKQAA) was engaged to provide a third-party opinion on the framework, confirming its credibility, robustness, impact, and alignment with current market standards.



Green Bond Principles
For more information,
please visit this link



Social Bond Principles
For more information,
please visit this link



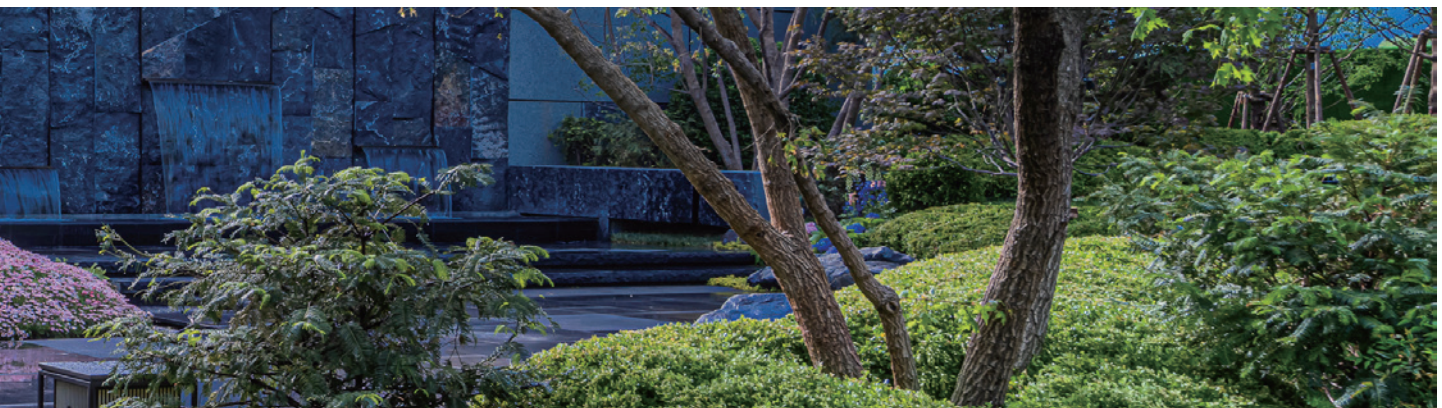
Sustainability Bond
Guidelines
For more information,
please visit this link



Green Loan Principles
For more information,
please visit this link





Social Loan Principles
For more information,
please visit this link





5.1.1 Objectives and Performance

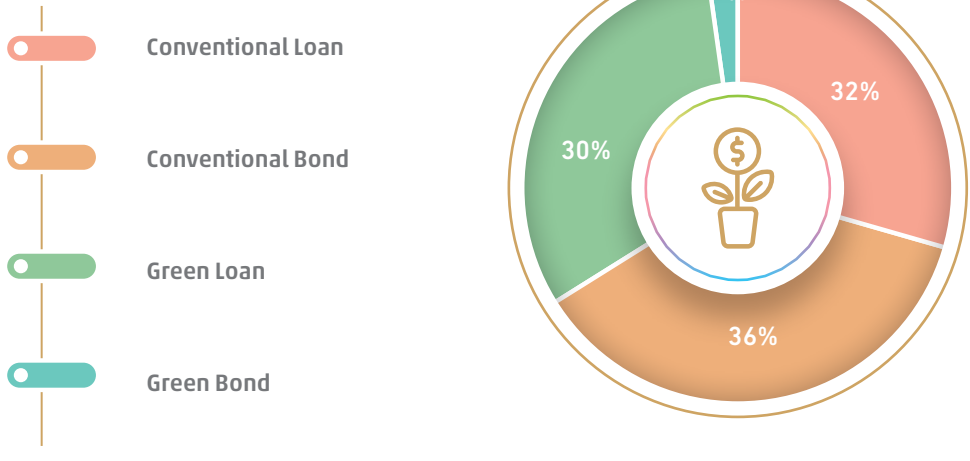
2030 Objectives	2024 Performance	2023 Performance	Comparison
<ul style="list-style-type: none">At least 50% of bond and loan financing is sourced from sustainable finance¹.	<ul style="list-style-type: none">In 2024, the proportion of bond and loan financing from sustainable finance reached 31.8%.A sustainable finance framework has been established.	<ul style="list-style-type: none">In 2023, the proportion of bond and loan financing from sustainable finance was 28.6%.	Compared to 2023, the share of sustainable finance in bond and loan financing increased by 11.2% in 2024. 

	Metrics	2024 Performance	2023 Performance
	Amount of green bonds issued (RMB billion)	1.690	—
	Amount of new green building loans (RMB billion)	13.381	20.898
	Amount of green loans secured (RMB billion)	31.392	29.866
	Total debt ² (RMB billion)	103.889	104.371
	Amount of green loans secured as a percentage of total loans secured ³	48.9%	44.7%

Note 1: Sustainable finance includes financial instruments such as green loans and green bonds that support sustainable development.

Notes 2 and 3: For details, please refer to the 2024 Annual Report of Yuxiu Property.

Proportion of Sustainable Finance in Bond and Loan Financing



Looking ahead, Yuexiu Property is committed to achieving at least

50% of its bond and loan financing from green finance by 2030.

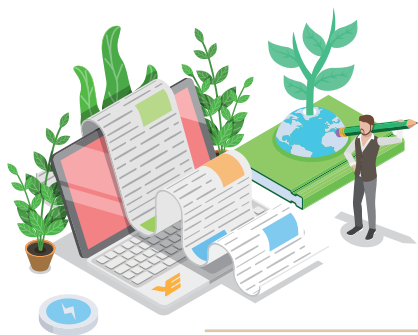


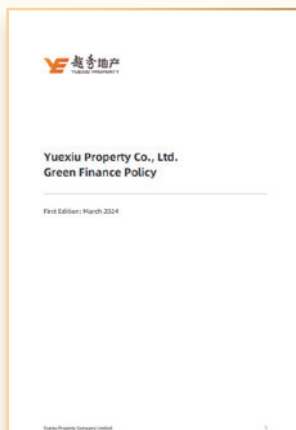
In 2022, Yuexiu Property established sustainable finance objectives, aiming to increase the proportion of sustainable finance in bond and loan financing to 50% by 2030. As of the end of 2024, the proportion of sustainable finance reached 31.8% (2023: 28.6%), representing a 11.2% increase, while green loans grew by 5.1%.

5.1.2 Sustainable Finance Policy

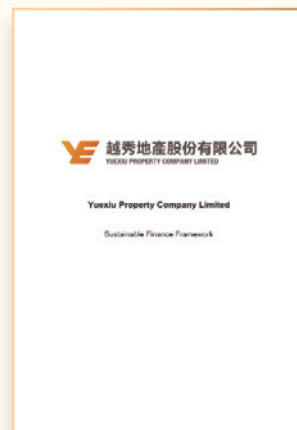
To fully integrate the concept of sustainable development into all dimensions of corporate growth and solidify its efforts in sustainable development, Yuexiu Property established the *Green Finance Policy* in 2024. This policy aims to comprehensively embed sustainable development principles into its financing strategies, actively exploring diverse sustainable financing instruments such as green bonds, green loans, and sustainability-linked loans. These initiatives aim to enhance Yuexiu Property's financial flexibility and risk resilience while driving the transition toward a low-carbon, resource-efficient, and sustainable economic model.

In recent years, Yuexiu Property has intensified investments in ultra-low energy consumption, near-zero energy consumption, and zero-energy consumption buildings. The *Green Finance Policy* outlines specific frameworks for development objectives, funding allocation areas, risk management, information disclosure, monitoring, and periodic reviews. The Sustainable Committee of Yuexiu Property oversees sustainable finance-related matters, convening regular meetings to review progress and ensure effective implementation of sustainable finance practices and initiatives. Additionally, the Sustainable Development Executive Group has established a project evaluation and screening mechanism to guarantee that only projects meeting stringent green criteria qualify for green financing.





For more information, please refer to *Green Finance Policy* of Yuexiu Property



For more information, please refer to *Sustainable Finance Framework* of Yuexiu Property

Under Yuexiu Property's *Sustainable Finance Framework*, fundraising activities are rigorously reviewed, with proceeds allocated to green and socially beneficial projects that align with our business strategies. This approach supports Yuexiu Property's vision of becoming a sustainability leader. Eligible green projects include green buildings, climate change adaptation, energy efficiency improvements, and pollution prevention and control initiatives. Eligible social responsibility projects encompass initiatives such as affordable housing projects.

5.1.3 Green Bonds and Green Loans Practice Cases

In April 2024, the People's Bank of China, together with six other government agencies, issued the *Guidelines on Financial Supporting for Green and Low-carbon Development*. The Guidelines set the goals to establish the framework of a world-leading financial system for green and low-carbon development and to advance various types of economic and financial policy for green and low-carbon development in a coordinated and efficient manner by 2035. Financial institutions will carry out carbon accounting and disclose environmental information, develop a unified sustainable financial standard system, and incorporate ESG into credit ratings. Yuexiu Property actively responds to national policies and is committed to sustainable development, positioning sustainable finance as a critical financial tool to enhance economic resilience and strengthen market competitiveness. This initiative also serves as an integral component of the Company's decarbonisation strategy.

As an enterprise with a significant business presence in Hong Kong, Yuexiu Property actively participates in Hong Kong's green transformation through the implementation of its *Green Finance Policy*, contributing to the realisation of Hong Kong's carbon neutral target by 2050. Yuexiu Property has been increasing its share of sustainable finance each year since setting its sustainable finance objectives in 2022. Looking ahead, Yuexiu Property aims to achieve a 100% sustainable finance ratio by 2060.

In July 2024, Yuexiu Property successfully issued its first green bond, which enriched its sustainable finance portfolio and demonstrated the Company's commitment to gradually increase the share of sustainable finance in its operations.



01

Reducing energy
consumption data



02

Obtaining
green building
certification



03

Developing more
green products



04

Improving
corporate
sustainability index

Green Bond

Green bond is a financial instrument specially designed to raise funds to support environmental protection and sustainable development projects. Yuexiu Property successfully issued its first green bond in 2024, effectively integrating the concept of environmental protection with business development and injecting new impetus for the Group's future development. At the same time, this initiative also provides investors with the opportunity to support environmental protection projects, realising a win-win situation that balances both economic and environmental benefits.

Time	July 2024
Scale	RMB1,690 million
Coupon Rate	4.10%
Duration	3 years
Standard	In accordance with the <i>Sustainable Finance Framework</i> of Yuexiu Property Compliance with the Green Bond Principles (GBP) and the Climate Bonds Standard of the Climate Bonds Initiative (CBI)
Use of proceeds	Fully allocated to eligible green projects, such as green buildings that meet China's three-star green building standard



Certification

The Green and Sustainable Finance
Certification of the Hong Kong
Quality Assurance Agency (HKQAA)



Ultra-low-energy Building Case:
Hefei • Yaohai Starry Junlan



The building area of Hefei • Yaohai Starry Junlan is more than 100,000 square metres, and the design basis includes *Assessment Standard for Green Building (GB/T 50378-2019)*, *General Code for Energy Efficiency and Renewable Energy Application in Buildings (GB 55015-2021)*, *Code for Building Environment (GB 55016-2021)*, *General Code for Design of Building Water Supply and Drainage and Water Saving (GB 55020-2021)*, etc.. The project has obtained the three-star green building certification.

ULTRA-LOW-
ENERGY

- **Efficient use of water resources:** A rainwater reuse system is installed to make full use of non-traditional water sources for greening irrigation, road washing and basement washing, so as to improve the recycling rate of water resources.
- **Automatic sprinkler irrigation for greening:** The property adopts an automatic sprinkler irrigation system, combined with water-saving control measures such as rain sensors and soil moisture sensors to realise precise irrigation and effectively save water resources.
- **Water-saving sanitaryware:** Water-saving sanitaryware with level 1 water efficiency are selected to significantly reduce water consumption and improve water utilisation efficiency.
- **Green building materials and products:** Adoption of environmentally friendly materials reduces the impact on the environment and improves the health and comfort of the building occupants.
- **Assembly construction method:** Building Information Modelling (BIM) technology is applied in the design and construction phases to improve construction efficiency and quality and reduce waste of resources in the construction process.
- **Ground source heat pump heating and air conditioning:** Ground source heat pump system with class 1 energy efficiency is used to perform energy-efficient heating and air conditioning functions.
- **Air-source water heaters:** Air source water heaters with class 2 energy efficiency are installed in each household to provide energy-efficient domestic hot water.
- **Online water quality monitoring system:** An online water quality monitoring system is installed to monitor water quality indicators in real time to ensure water safety.
- **Positive pressure haze removal fresh air system:** Each household is equipped with a set of high-efficiency fresh air system to ensure indoor air quality and provide a healthy and comfortable living environment.
- **Energy management system:** Energy management systems are adopted in the public area of residential properties to conduct real-time monitoring, data analysis and management of building energy consumption, and improving the energy efficiency of the building.

Concentration control of indoor air pollution sources



Chinese version only: Test Report on the Concentration of Indoor Air Pollution Sources

Energy-saving equipment



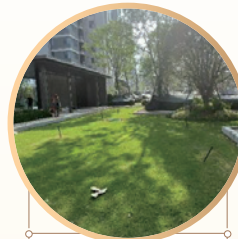
Chinese version only: China Energy Conservation Certification - Product Accreditation Certificate

Water-saving equipment



Chinese version only: Test Report Issued by the National Water Conservation Appliance Product Quality Inspection and Testing Center

ULTRA-LOW-ENERGY



Green building materials



(Chinese version only, the China Green Product Certification is a certificate that verifies a product meets specific environmental standards set by the Chinese government.)

Commitment to Green Building

Yuexiu Property is committed to increasing the use of green building materials in various projects, which include the following environmental benefits: renewable materials, low embodied carbon materials, easily recyclable building materials, low volatile organic compound materials, etc.



Ultra-low-energy Building Case: Hefei • Joy Winking



The ultra-low-energy building Hefei • Joy Winking, with a floor area of more than 50,000 square metres, has been awarded three-star green building certification in accordance with the ultra-low-energy building design in the *Technical Standard for Nearly Zero Energy Buildings (GB/T 51350-2019)*. The building achieves high energy efficiency through the following measures:

- **North-south orientation:** All residential buildings are designed with a north-south orientation to maximise the use of natural light and reduce reliance on artificial lighting. Indoor lighting conditions meet the requirements of the *Assessment Standard for Green Building*.
- **Expanding building spacing:** By maximising the distance between buildings while adhering to specifications and daylight requirements, the design ensures that each structure receives ample natural light.
- **Thermal performance of external windows:** The thermal performance of external windows is optimised for various conditions to ensure good airtightness, minimise the exchange of hot and cold air, and reduce energy consumption.
- **Thermal bridge free design:** The surface of building walls adopts a thermal bridge free design, which reduces the heat transfer through the wall and improves the thermal insulation performance of the building.
- **High-efficiency total heat recovery device:** Adopting fresh air fans with high-efficiency total heat recovery device provides fresh air for each household while at the same time recovering the heat in the discharged air to improve energy efficiency.

ULTRA-LOW-
ENERGY



▲ Photo: Outdoor landscape

- **Low-temperature air energy heat pump for air-conditioning:** Low-temperature air energy heat pump system is adopted to provide cooling and heating sources to ensure normal heating of the unit in extreme weather conditions, ensuring both household comfort and the economy of energy application.
- **Air energy hot water system:** Air energy hot water system is adopted to provide domestic hot water. The system has class 1 energy efficiency with a coefficient of performance (COP) of no less than 4.4 to ensure high efficiency and energy saving.
- **Energy-efficient LED lamps and lanterns:** The lighting system adopts energy-efficient LED lamps and lanterns to reduce lighting energy consumption.
- **Energy-saving elevator:** The elevators adopt variable frequency and variable voltage operation control with energy feedback, which automatically turns off the lighting and fan in the elevator cars when there is no external calls or preset commands for a specified period, further enhancing energy savings.



Green building materials



(Chinese version only, the China Green Product Certification is a certificate that verifies a product meets specific environmental standards set by the Chinese government.)



▲ Photo: Water-saving irrigation





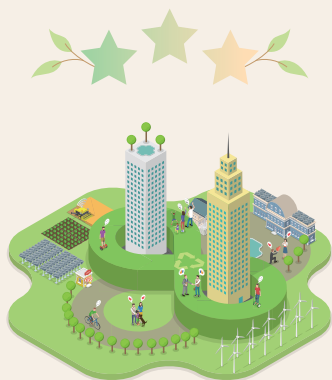
Green Loan

Green loan is a financial tool specifically designed to support environmentally friendly projects. The use of funds must comply with specific environmental standards and requirements, such as energy saving and emission reduction, renewable energy and green building. Yuexiu Property has actively used green loans to finance its sustainable development projects, including green building three-star projects, ultra-low-energy projects, etc.. Taking the Guangzhou • Pazhou Shade project as an example, it not only secures financing at lower costs, but also demonstrates to the market its strong commitment to environmental protection and social responsibility, thus enhancing its corporate image and market competitiveness.

Three-star Case for Green Building Design: Guangzhou • Pazhou Shade



Guangzhou • Pazhou Shade (i.e., the land parcel No. AH040329 at Xingang East Road, Pazhou West District) has a total gross floor area of approximately 57,000 square metres. In accordance with the *Management Measures for Review of Construction Drawing Design Documents for Housing Construction and Municipal Infrastructure Projects* (MOHURD Order No. 13 and No. 46), the design of the project has been awarded “Three Stars in Compliance with Assessment Standard for Green Building” by the Department of Housing and Urban-Rural Development of Guangdong Province.



- **Assembly rate:** The assembly rate of #1 residential building is 50.5%, and the assembly rate of #2 residential building is 50.6%.
- **Energy saving:** The project adopts hollow Low-E glass, which **reduces** heat loss by **about 70%** and greatly reduces the load of cooling (heating) air-conditioning system.
- **Renewable energy:** The project adopts solar heating, solar cooling, solar hot water, and rooftop photovoltaic power generation systems. The carbon emission intensity has been **reduced by 58.96%** on the basis of the energy-saving design standards implemented in 2016, and the carbon emission intensity has been reduced by **14.43kg CO₂/ (m²·a)**. The carbon emission indicators of building operations meet the requirements of Article 2.0.3 of the *General Code for Energy Efficiency and Renewable Energy Application in Buildings (GB 55015 – 2021)*.
- **Sound insulation:** Central laminated glass is adopted to provide enhanced sound insulation, reaching up to 39dB, which is **62.5% higher than that of ordinary windows**.
- **Safety aspect:** The outer windows are made of super white glass, which enhances anti-explosion performance and improves overall safety levels.
- **Air quality:** The use of decorative building materials involves strict control over the concentration of emitted volatiles, reducing the concentration of major indoor air pollutants by over 20%.
- **Ecological environment:** The designated green space meets the requirements of the local urban and rural planning. Plant selection is adapted to the local climate and soil, ensuring that all plants are non-toxic and easy to maintain. The project adopts the compound greening method with a three-dimensional multi-level planting of trees, shrubs, grasses, allowing them to complement each other effectively. Additionally, the residential project's green space is designed to include at least 3 arbor trees per 100 m².

Various species of plants suitable for local conditions are planted in different projects, such as Podocarpus macrophyllus, Red Maple, Ilex rubra and Magnolia figo, etc..



- **Soil radon concentration check:** Inhalation of radon is the second largest cause of lung cancer, second only to smoking. By testing the radon concentration in the soil, the health risk in the living environment can be assessed. According to the *Standard for Indoor Environmental Pollution Control of Civil Building Engineering (GB 50325-2020)*, if the radon concentration in the soil of construction site is below 20,000 Bq/m³, the project is not required to implement radon preventive measures.





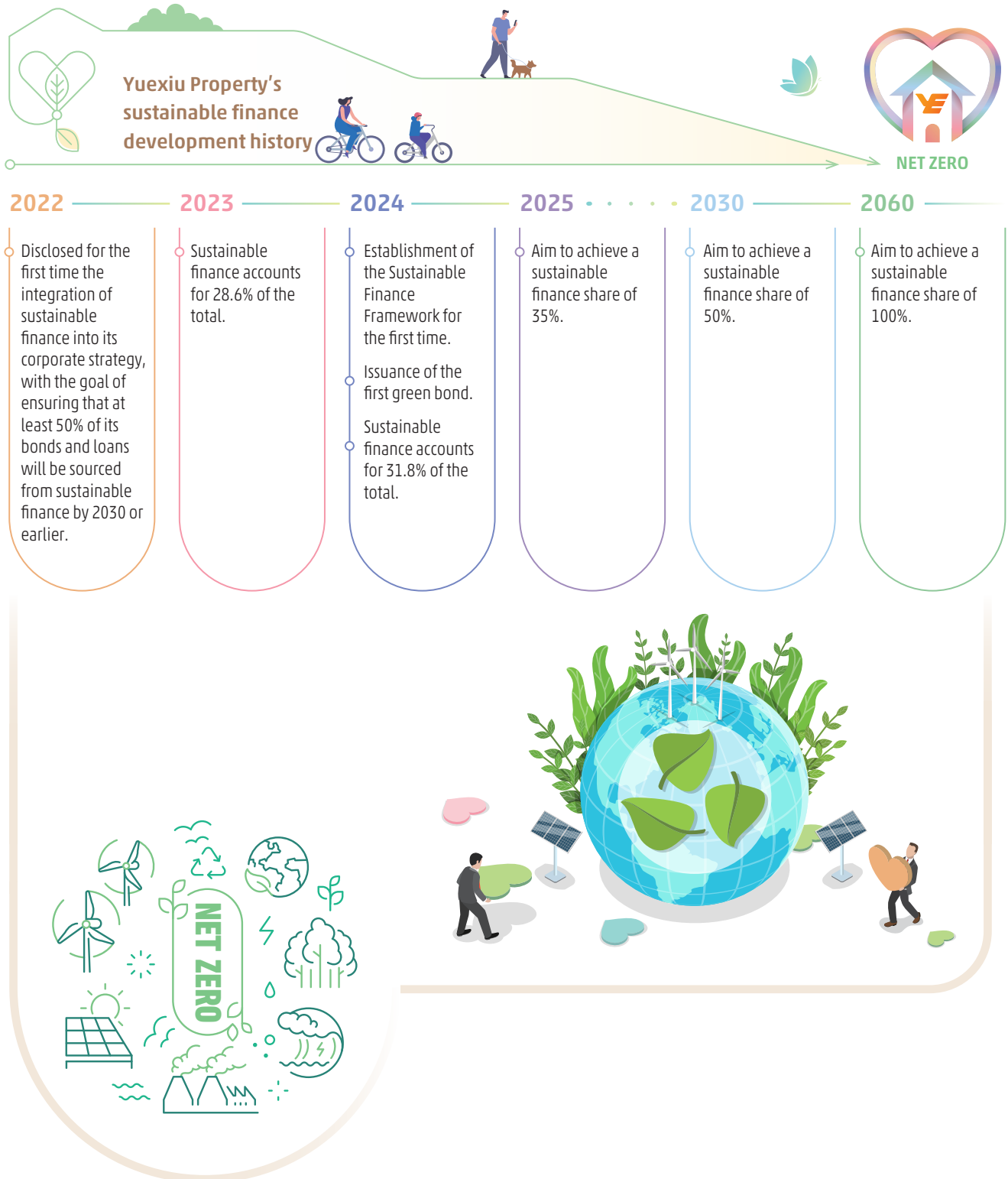
5.1.4 Response to Policies in Hong Kong

Hong Kong is an international financial centre with significant influence. Over the past few years, Hong Kong has been deeply engaged in sustainable finance, not only building a robust framework for the development of sustainable finance in terms of systems, policies and market mechanisms, and continuously deepening and improving green financial regulation, but also establishing sustainable financial cooperation through the financial market and joining hands with Chinese and foreign institutions, and giving play to its comparative competitive advantages in the areas of green bond issuance and green investment, and has developed into a significant sustainable financial centre in Asia and even globally.

China's "30|60" plan aims to achieve carbon peaking by 2030 and carbon neutrality by 2060, while Hong Kong's "2050" plan sets the target of achieving carbon neutrality by 2050. These targets provide a clear direction and impetus for the green development of various industries. Yuexiu Property actively responds to the national policy and contributes to the carbon emission reduction target through sustainable financial means, contributing to the sustainable development of the country.

In May 2021, the Hong Kong Monetary Authority (HKMA) launched a three-year Green and Sustainable Finance Grant Scheme, which provides funding support to eligible green and sustainable finance projects to lower financing costs and encourage more enterprises and organisations to participate in sustainable finance activities. The Scheme has been extended for three years in 2024 to 2027, and the scope of funding has been expanded to cover transformation bonds and loans. As of August 2024, the Scheme has successfully supported bond issuers and borrowers to issue a total of 440 green and sustainable debt instruments in Hong Kong, totaling US\$120 billion. Through this type of policy, Hong Kong has attracted more international capital to flow into the Greater Bay Area, supporting the acceleration of the transition to green projects and sustainable development of the Greater Bay Area; accumulated rich experience in sustainable finance standards and certification, which can be extended to other cities in the Greater Bay Area to enhance the level of sustainable finance in the region as a whole; and generated good social impacts through green finance projects, such as improving the quality of life of residents and promoting employment, etc., which will help enhance the social well-being of the entire region.







5.1.5 The Link Between Sustainable Finance and Financial Performance

Financial Savings and Benefits

Sustainable finance is an integral part of Yuexiu Property's carbon reduction programme. By providing a range of financial tools and services, sustainable finance can incentivise companies to adopt more environmentally friendly construction and operational practices, thereby reducing carbon emissions.

Saving on Operating Cost

Financial savings are the most direct benefit. In recent years, sustainable finance and green building are gradually becoming important development directions for the real estate industry. By actively adopting sustainable financial instruments, such as green loans and green bonds, real estate companies are not only able to secure financing at lower costs and more flexible repayment terms, but also significantly improve their credit ratings and competitiveness in the capital market. These advantages not only help the Company to reduce its overall financing costs, but also help it to stand out in the fierce market competition, thus further optimising its financing conditions and forming a virtuous circle.

Promoting Green Buildings

Green buildings can significantly reduce energy consumption and minimise maintenance costs. These buildings effectively reduce energy consumption through the use of energy-saving materials, optimised design and intelligent management systems. For example, the use of high-efficiency heat-insulating materials and double-glazing can reduce indoor and outdoor heat exchange and lower energy consumption for air-conditioning and heating; optimise the layout and orientation of the building to make full use of natural light and ventilation, and reduce reliance on artificial lighting and mechanical ventilation; and install an intelligent energy management system that automatically adjusts lighting, temperature and humidity to ensure the efficient use of energy. These measures not only reduce energy consumption and operating costs, but also enhance the environmental performance and comfort for building occupants.

Enhance Market Value and Attractiveness

At the same time, green buildings can also enhance our market value and attractiveness. With the advancement and deepening of the national "30|60" goal and the increasing environmental awareness of consumers, there has been increasing preference towards green buildings in the market. The environmentally friendly features and efficient energy management of green buildings are attracting more and more tenants and buyers who are willing to pay higher prices for healthier and more sustainable living and working environments. In addition, green buildings can reduce operating costs and increase long-term return on investment, further enhancing their competitiveness in the market. Promoting and applying green buildings not only helps to improve the Company's brand image, but also increases the occupancy rates and sales prices of its properties.



Promoting Industry Development

Moreover, sustainable finance not only provides real estate companies with an economic incentive to achieve carbon reduction targets, but also promotes the development and application of green building technologies, which helps build a more sustainable urban environment. Through green building projects, the Company can not only set up industry benchmarks and promote technological innovation and policy support, but also improve public awareness and reduce construction costs through market education and supply chain integration, thus effectively promoting the development of green buildings and balancing both economic and environmental benefits. At the same time, green building projects can also advance the development of related industrial chains, drive momentum for the optimisation and upgrading of economic structure, and promote the achievement of sustainable development goals.

Returns to Investors



Long-term Value Enhancement

The economic benefits generated by sustainable finance are manifold and include indirect long-term value enhancement in addition to financial savings. With increasing global awareness of environmental protection, more and more investors are inclined to support companies that are environmentally responsible. Sustainable finance projects, such as green buildings and renewable energy projects, can demonstrate a real estate company's efforts and commitment to environmental protection, thereby attracting investors who value sustainable development. Features such as high energy efficiency and low operating costs allow green buildings to not only reduce the cost of ownership in the long run, but also enhance the market competitiveness of the project.



Improving Financial Transparency and Management Level

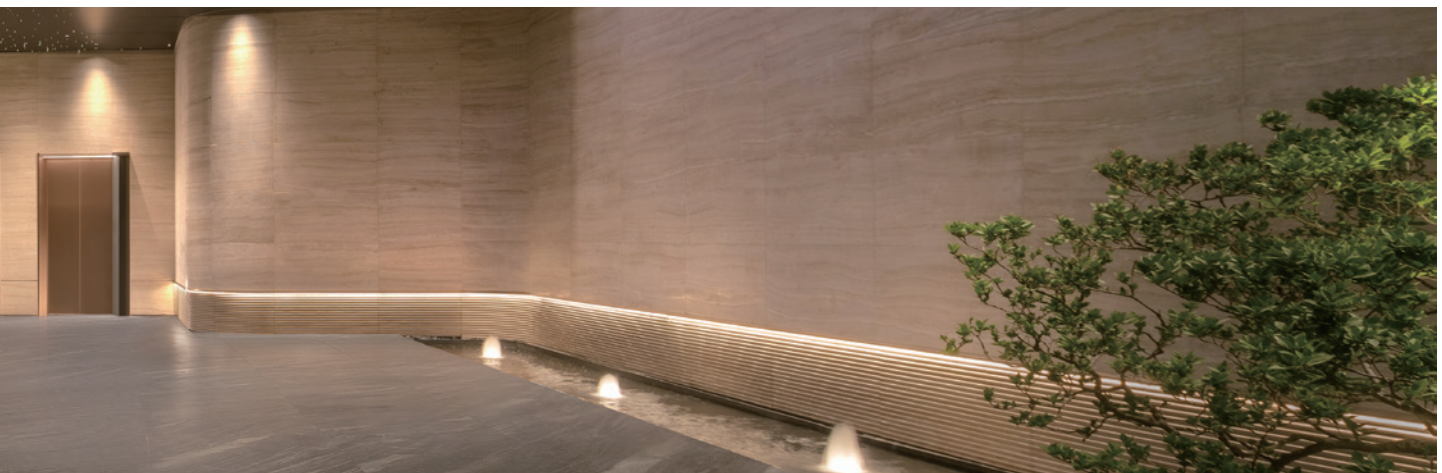
Sustainable financial products usually have a high degree of transparency and standardisation, which clarifies the Company's financial situation, helps to improve the Company's financial transparency and management level, and further enhances investor confidence. Sustainable financial products require companies to regularly disclose information on the progress of projects, the use of funds and environmental benefits, etc.. Such information not only helps the Company's internal management and supervision, but also gives external investors and regulators a clearer understanding of the Company's operations. This increased transparency helps reduce information asymmetry and enhances investor trust in the Company.

Second, regulatory requirements prompt the Company to improve its management level. Sustainable financial products usually need to undergo strict auditing and evaluation to ensure that the projects meet environmental standards and social responsibility requirements. This not only requires the Company to be more cautious in project selection, but also requires strict management and supervision during project implementation. By complying with these regulatory requirements, the Company is able to establish a more robust internal management system and improve operational efficiency and risk management capabilities.



Reducing Reputational Risks

Sustainable finance projects can also reduce reputational risks due to environmental issues. As society becomes more aware of environmental protection, companies are increasingly exposed to negative public opinion and legal risks due to environmental issues. By actively participating in sustainable finance projects, we are able to demonstrate our commitment to environmental protection, enhance our brand image and reduce potential reputational risks.





5.2 Intelligent Empowerment

Our Approach

Yuexiu Property has taken solid strides in its digital transformation journey by establishing a robust digital decision-making system to drive digital innovation across key business areas. As early as 2023, the Company established its highest-level digital governance body, the Digital Management Committee, chaired by the Chairman. This committee oversees the advancement and refinement of the Company's digital governance framework, coordinates the planning and implementation of digital strategies, promotes digital transformation in core business domains, and strengthens the management systems for data assets, software intellectual property, and information security to ensure compliance and safeguard data integrity. The Digital Management Committee operates through six specialised sub-committees responsible for focused initiatives under its supervision: Intelligent Construction Professional Committee, Smart Marketing Professional Committee, Data Quality Improvement Professional Committee, Intellectual Property (Software) Professional Committee, Information & Data Security Professional Committee and Performance Evaluation Committee.

In its future development roadmap, Yuexiu Property will continue to integrate and apply cutting-edge artificial intelligence (AI) technologies to enhance project management efficiency, optimise customer experiences, and propel the intelligent transformation of the real estate industry.

Key Performance Indicators

In December 2024, Yuexiu Property was named among the **"TOP 10"** Digital Product Power in China's Real Estate Industry for 2024".

In September 2024, Yuexiu Property was ranked **TOP 5** in the "2024 China Real Estate Digital Competitiveness Ranking" among Chinese property developers.



5.2.1 Digital Management

The Digital Management Committee is dedicated to driving digital transformation across the Company's key business areas. By introducing advanced digital technologies, it aims to optimise business processes, enhance operational efficiency, and strengthen market competitiveness. The Committee also undertakes the critical task of establishing and refining the management of data assets and software intellectual property rights, ensuring the lawful and compliant utilisation of data resources while safeguarding the Company's intellectual property from infringement. Additionally, the Committee is responsible for improving the information security framework to protect corporate data security, ensure compliance, mitigate risks, and provide a robust safety net for the Company's digital transformation.

	Professional Sub-committees	Responsibilities
	Intelligent Construction Professional Committee	Focusing on product realization and using Building Information Modelling (BIM) as the foundation, this sub-committees develops a digital smart construction system to enhance product capabilities.
	Smart Marketing Professional Committee	Customer-centric, this sub-committees enhances the online and offline customer experience of systems such as Yuexiu Fangbao, Yuekebao, voice name badges, sales site risk control, sales systems, and commission systems, thereby boosting marketing power.
	Data Quality Improvement Professional Committee	This sub-committee is responsible for the overall construction of the Company's information and data security system, strengthening the data governance system to fully leverage data value and promote data assetisation and capitalisation.
	Intellectual Property (Software) Professional Committee	This sub-committee is responsible for continuously refining the software intellectual property system to empower corporate technology R&D and stimulate organisational innovation.
	Information & Data Security Professional Committee	This sub-committee is responsible for promoting the application and innovation of information technology, ensuring data and information security, supporting safe production, and fostering the steady development of the Company's production and operations.
	Performance Evaluation Committee	This sub-committee is oriented towards "lean management", aiming to improve the digital performance evaluation mechanism to fully leverage the maximum value of digital empowerment in business operations.





5.2.2 Technology Empowers Construction

In the area of technology-empowered construction, Yuexiu Property has made significant efforts. The Company introduces and applies the latest artificial intelligence technologies and optimises project management processes using intelligent methods, improving construction efficiency and quality. For instance, Yuexiu Property leverages big data analysis for market forecasting and project planning and adopts intelligent construction technologies to enhance construction safety and precision. These measures have not only significantly enhanced the Company's competitiveness but also set a benchmark for the industry's intelligent transformation.

CASE

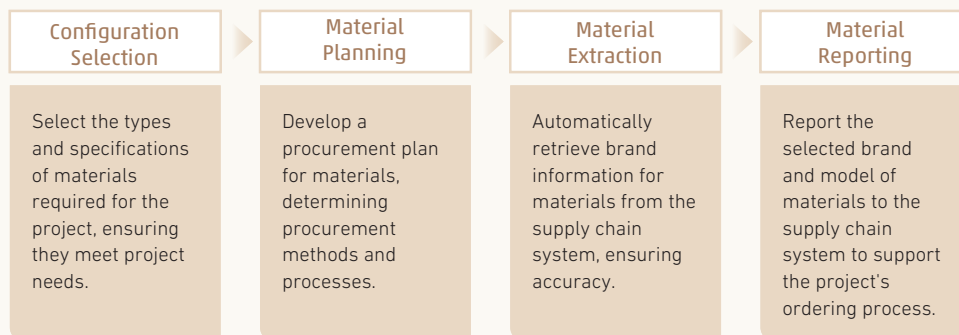
Yuezhizao – Project Information Collaboration Platform

The “Product Decision” function of the Yuezhizao Platform offers a comprehensive solution for project management. This feature enables users to configure material selections online and transfer them to the cost procurement stage. Upon receiving the selection information, the cost procurement team will simultaneously plan the procurement methods for the materials. By integrating with the supply chain system, the system can automatically retrieve the extracted brand information. As the project advances, the brands and models of the materials will be gradually determined and reported to the supply chain system, ultimately supporting the order process for project engineering.

As at the end of the reporting period, the Yuezhizao Platform has been successfully applied to 12 projects, initiating 42 brand selection draws and reporting 239 materials. This process not only facilitates online collaboration during the launch meeting, product refinement, cost procurement, and project engineering, but also ensures that every step from selection, draw reporting to supply chain ordering is completed efficiently and accurately.

This process not only enhances project management efficiency but also minimises human errors, ensuring seamless integration of all project stages. Through the “Product Decision” function of the Yuezhizao Platform, project teams can collaborate more effectively, ensuring the project progresses as planned and ultimately achieves high-quality delivery.

The “Product Decision” function of the Yuezhizao Platform, through precise configuration and collaborative advancement, ensures efficient and accurate project management.



CASE

Smart Construction – iPARK Cloud Valley Eagle Eye System and BIM (Building Information Modelling) System

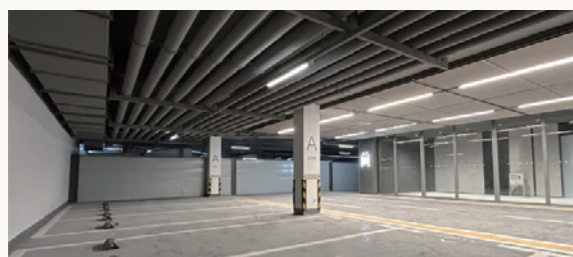
The Eagle Eye System is an advanced high-definition video information collection and video digital twin technology. It combines image intelligent comparison applications. This system uses high-resolution cameras and intelligent algorithms to collect and process video data in real time at the site, generating high-precision digital twin models. The BIM system is widely used in building digital modelling, design, construction, and management. It creates a three-dimensional digital model of the building, including detailed information about the structure, materials, and equipment, providing strong support for building design and construction.

When the Eagle Eye system integrates with the BIM system, it enables comprehensive visualisation of engineering data. Design and engineering personnel can quickly compare the differences between the real scene and the model, check for design discrepancies, and perform online virtual inspections. This integration improves design and construction accuracy and significantly reduces on-site inspection time and costs. Using the Eagle Eye technology, project progress and quality can be comprehensively managed in the cloud, ensuring that the project proceeds as planned and enhancing the efficiency and quality of the engineering work.

Furthermore, this integration enhances convenience to project management. For instance, real-time monitoring and data comparison enable timely identification and resolution of construction problems, thereby preventing rework and delays caused by errors. Additionally, the cloud management platform enables project teams to access project data anytime and anywhere, facilitating collaborative work and enhancing communication and collaboration efficiency. In conclusion, the integration of the Eagle Eye system with the BIM system not only enhances the management of engineering projects but also strongly supports the digital transformation of the construction industry.



BIM + Eagle Eye System Conceptual Image

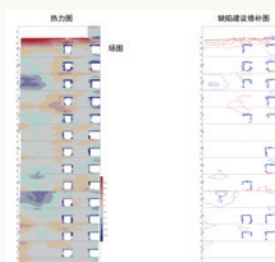
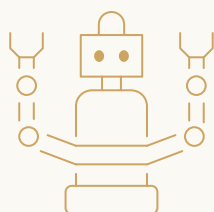


BIM Integrated Piping Real Scene Image

CASE

Intelligent Inspection – Robotic Quality Inspection

With the continuous development of the construction industry, the application of intelligent technology has become increasingly widespread. As a leading company in the industry, Guangzhou Yuexiu Construction Technology Co., Ltd., a subsidiary of Yuexiu Property, has taken the initiative to introduce façade inspection robots to enhance the efficiency and accuracy of building quality inspections. By using robots, the company can not only quickly and comprehensively inspect building façades but also reduce the risks and costs associated with manual inspections.

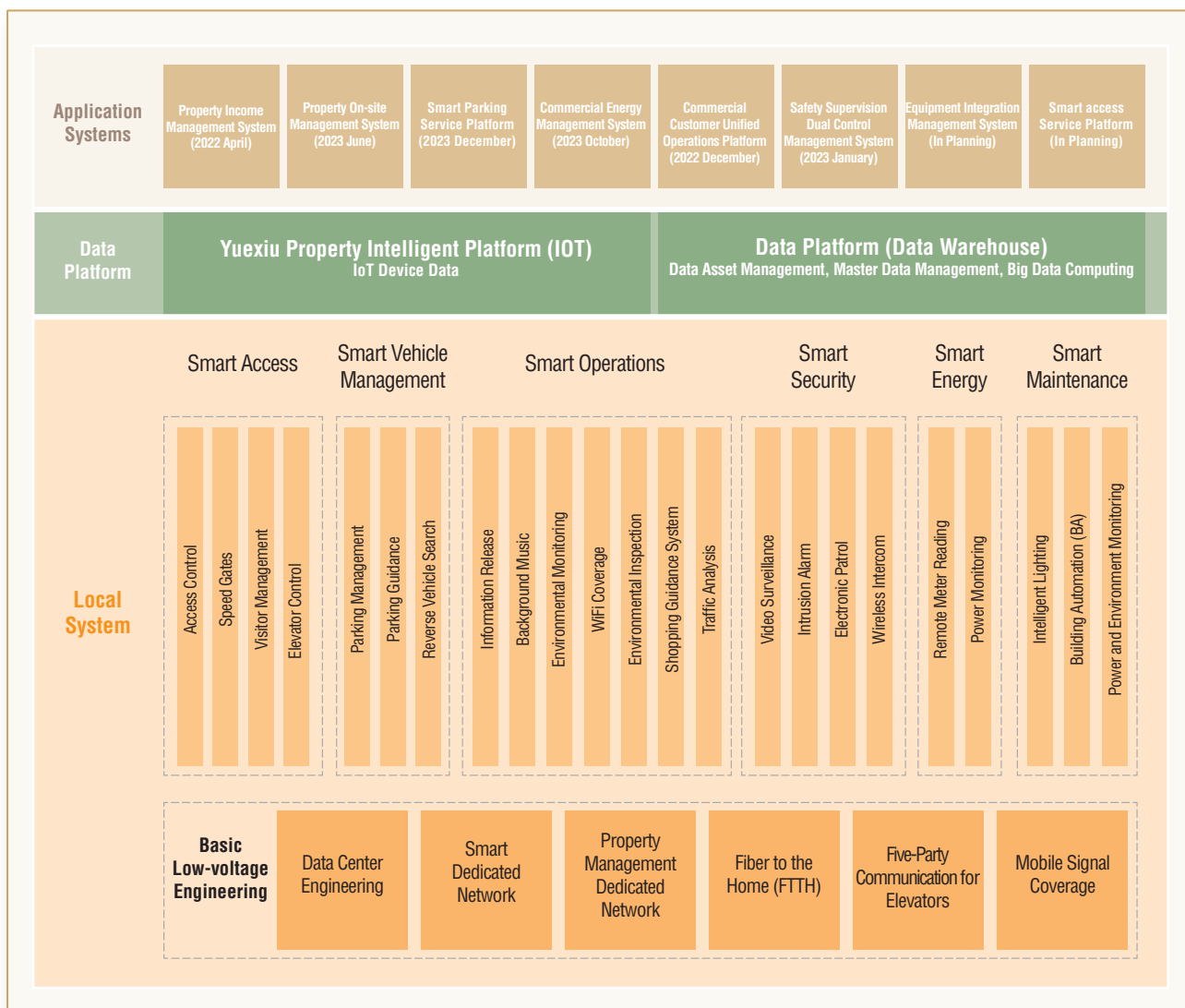


Robotic scanning, imaging, and repair recommendations



5.2.3 Technology Empowers Living Spaces

Yuxiu Property has developed a comprehensive smart system through the application of commercial intelligent scenarios, encompassing six modules: smart access, smart vehicle management, smart operations, smart security, smart energy, and smart maintenance. This high-level intelligent configuration not only optimises traffic management, enhances operational efficiency, and ensures the safety and stability of projects, but also achieves green operations, providing the users with a more convenient, safe, and comfortable experience. This not only enhances the overall competitiveness of the project but also creates a better living and working environment for the users.



Smart Vehicle Management

The unified smart parking platform leverages technologies such as cloud computing, the Internet of Things (IoT), and mobile terminals. By employing methods such as vehicle navigation, parking space reservation, and payment settlement, it achieves intelligent parking management. The platform aims for an ultimate customer experience by thoroughly analysing customer needs and preferences in various scenarios, restructuring the parking payment process and parking lot operations management, effectively reducing labour costs. Full business digitalisation and the integration of business and finance have enhanced project operational efficiency and strengthened risk management.

Residential:

Currently, 100% of self-managed projects are covered, with 220 residential units having been upgraded. Through dynamic monitoring and governance, the abnormal pass rate has decreased to 0.12%, effectively eliminating oversight caused by poor management and improper operations, and ensuring the safety and privacy of residents.

01

Commercial:

Currently, the coverage rate for self-managed projects is 100%, with 16 commercial entities upgraded, resulting in revenue from parking fees. The unattended management rate reached 99.98%, and the abnormal pass rate controlled at 0.04%.

02

Since launch, a total of 35.45 million vehicle services have been provided. This has significantly enhanced customer experience and service quality, and was selected as a "2024 National User Experience Innovation Case".



The award was presented by the China Quality Management Association for Electronics Industry, recognising the "Yuexiu Property Commercial Smart Parking Platform" for its focus on delivering an exceptional customer experience. The platform has restructured the customer journey for parking payments (finding a space → travelling → entering → paying → leaving), establishing a comprehensive standardised system. This has broken through traditional hardware limitations, effectively integrating intelligence and digitalisation into daily life.

Smart Access

Smart access offers convenient passage methods for residents and commercial tenants, including card access, QR code access, and facial recognition, creating an efficient access experience.

Residential:

Launched and applied to 53 projects, covering 24.77% of 214 basic property management residential projects, including mixed-use complexes.

01

Commercial:

The Guangzhou ICC, Nansha IFC, and Wuhan International Financial City have launched single-project versions of smart access systems, which support IC cards, QR codes, and facial recognition. The Guangzhou International Finance Center supports IC cards and visitor QR code access.

02

Yuexiu Property, as a leading real estate developer in China, is committed to enhancing living experiences through innovative technology, aiming to set new standards for smart homes. In the field of smart homes, Yuexiu Property focuses on intelligent design, including the integration of smart home technologies, to enhance various aspects of home management. This includes achieving intelligent management in areas such as home security, energy management, and environmental control, offering residents a more comfortable, safe, and convenient living environment. Yuexiu Property's smart homes are not just living spaces but also a perfect blend of technology and humanistic care, creating a new chapter of smart living for residents.



Top-tier Selection | Immersive, Personalised, and Scalable Full-scene Smart Experience

Central Control System:

- > Huawei's whole-house smart host provides full coverage with high-speed whole-house WiFi, ensuring stable connections for all smart devices.
- > Equipped with scalable HarmonyOS ecosystem supporting facilities, it provides a unified control interface to manage all smart devices.

01

Smart Lock (integrated camera and intercom):

- > Linked to the homecoming scene, it automatically turns on lights, air conditioning, and other devices when the user returns home.
- > Supports various unlocking methods, including fingerprint, password, and card, for a convenient user experience.
- > Built-in security alarm function that detects abnormal situations and sends alarm messages.

02

Smart display (32-inch magic mirror):

- > One-touch elevator call with arrival notification, reducing waiting time and improving travel efficiency.
- > Voice intercom function, allowing users to communicate with visitors through voice.
- > Human body sensor that automatically adjusts the display status to save energy.

03

AI super sensor:

- > Intelligent interconnection, lights turn on when someone enters and turn off when they leave, providing a convenient lighting experience.
- > Security alarm function that detects abnormal situations and sends alarm messages, enhancing home security.

04

Whole-house lighting, air conditioning, and fresh air control:

- > Smart regulation, automatically adjusting lighting, air conditioning, and fresh air systems based on the environment and user needs.
- > Provides a comfortable living environment, thereby improving quality of life.

05

Background music control for the living room and kitchen:

- > With the central control system, users can control the playing of background music.
- > This helps to create a pleasant home atmosphere, thereby enhancing the quality of life.

06

Electric curtain control (using motor and track):

- > Electric curtains achieve automatic opening and closing using motors and tracks.
- > They automatically adjust based on the time and ambient light, providing convenient curtain control and saving energy.

07

Smart security monitoring and alarm system:

- > Real-time monitoring of home security through smart cameras, sensors, and other devices.
- > Timely detection and handling of safety hazards, thereby enhancing home security.

08



5.2.4 Governance of Scientific and Technological Ethics

With the rapid development of scientific and technological innovation, enterprises face increasing scientific and technological ethics challenges in their scientific and technological innovation, including but not limited to privacy protection, AI-related ethical decision-makings and ethical issues in biotechnology. Yuexiu Property has paid attention to the ethical risks that scientific and technological development may pose to the Group, and attached great importance to the application of science and technology in ethical issues. In accordance with the *Law of the People's Republic of China on Scientific and Technological Progress*, the *Opinions on Strengthening the Governance of Scientific Ethics*, the *Measures for the Review of Scientific Ethics (Trial)* and other laws and regulations and relevant requirements, the Group will further improve its management system and working rules for governance of scientific and technological ethics, with an aim to standardise the Group's governance of scientific and technological ethics in the fields of science and technology application and technological development, reinforce risk prevention measures in scientific and technological ethics and promote the improvement of a responsible system.

5.2.5 Artificial Intelligence and the Future

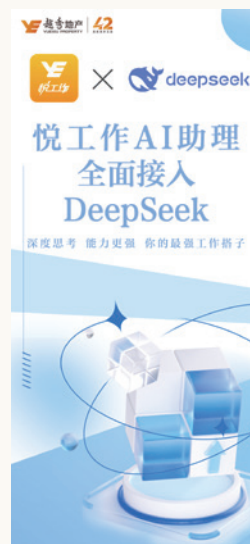
Yuexiu Property actively explores the promotion of corporate digital transformation by embedding artificial intelligence technology into office systems to enhance efficiency and decision-making capabilities. Through the implementation of intelligent office processes, Yuexiu Property employees can quickly handle matters for approval, optimise resource allocation, and thereby improving work efficiency. Moreover, the Company is committed to aligning with future development trends and plans to integrate artificial intelligence deeply into all aspects of operations to drive business innovation and sustainable development. This strategy of Yuexiu Property not only enhances its own competitiveness but also establishes a benchmark for the industry.

CASE

Ywork.me – Full Integration of DeepSeek






In February 2025, Yuexiu Property's "Ywork.me" platform launched an AI assistant fully integrated with the DeepSeek model, with the aim of redefining workplace productivity and significantly enhancing employee efficiency. The R1-671B model of DeepSeek, known for its powerful knowledge processing and learning capabilities, has become the ideal work companion for employees. The AI assistant not only quickly retrieves and provides the required information from both internal company knowledge bases and external sources but also assists employees in designing work plans, offering innovative ideas and optimisation suggestions, stimulating creativity, providing new perspectives and inspiration, and helping to solve complex problems.

In addition, employees can create their own personalized AI assistants by selecting from various large models. By uploading specific knowledge and documents, such as employee codes of conduct, policy guidelines, operating manuals, job experiences, and laws and regulations, the AI assistant can perform deep learning using this content to better understand the employee's work environment and needs, thereby providing more accurate and personalised support. This innovative initiative not only significantly improves work efficiency and reduces repetitive tasks, enabling employees to focus more on core tasks, but also enhances innovative thinking and aids in solving complex problems, leading to significant productivity gains for the Company. Through a customised approach, the AI assistant serves as a powerful tool for employees, helping the Company maintain a leading position in a highly competitive market.








SOCIAL HONOURS

Award-winning Organisation	Award Date	Award Name	Awarding Body	Award Image
Yuexiu Property	March 2024	2024 TOP 10 China Real Estate Developers in Comprehensive Strength	China Real Estate Association and Shanghai E-House Real Estate Research Institute	
Yuexiu · Cloud Bay Phase II	April 2024	11th (2023-2024) Guangsha Award	China Real Estate Association	
Yuexiu · Starry Centre				
Melody TOD Phase II				
Galaxy TOD Phase I				
Yuexiu Property	May 2024	ESG Connect Pioneer Award for Guiding Institutions	Hong Kong Quality Assurance Agency	
Yuexiu Property	August 2024	Influential Real Estate Enterprise of the Year 2024	Guandian Index Research Institute	
Yuexiu Housing Rental	August 2024	High-Quality Development in National Housing Rental - Brand Power Enterprise of the Year	Vitamin C Media	

Award-winning Organisation	Award Date	Award Name	Awarding Body	Award Image
Yuexiu Property	September 2024	Advanced Social Responsibility Mark	Hong Kong Quality Assurance Agency	
Yuexiu Property	September 2024	2024 China Top 5 Real Estate Enterprise Digital Power	CRIC Research Center	
Yuexiu Commercial Management	October 2024	Top 12 Performance in China's Commercial Real Estate Sector 2024	Guandian Index Research Institute	
Yuexiu Property	October 2024	2024 Hong Kong Green and Sustainable Finance Award	Hong Kong Quality Assurance Agency	
Yuexiu Property	November 2024	The Outstanding Award of ESG for the year 2024	Hong Kong Commercial Daily, PR ASIA Consultants, THINK ESG	



Award-winning Organisation	Award Date	Award Name	Awarding Body	Award Image
Yuexiu Property	November 2024	Outstanding Listed Company Award 2024	Hong Kong Institute of Financial Analysts and Professional Commentators Limited	
Yuexiu Property	December 2024	Listed Company Awards of Excellence 2024	Hong Kong Economic Journal	
Yuexiu Property	December 2024	ESG Excellence Award 2024	Chamber of Hong Kong Listed Companies and the Centre for Corporate Governance and Financial Policy of Hong Kong Baptist University	
Yuexiu Property	December 2024	ESG BDO Award 2024	BDO	
Yuexiu Property	December 2024	TOP 10 real estate companies in China in terms of product competitiveness	CRIC Research Center	

LIST OF SUSTAINABILITY POLICIES AND SYSTEMS

ESG metrics	Internal policies	External policies
A. Environmental		
A1 Emissions	Detailed Rules for Hazardous Materials Detailed Rules for Environmental Protection	Environmental Protection Law of the People's Republic of China Law of the People's Republic of China on Environmental Impact Assessment
A2 Use of Resources	Sustainable Water Resources Policy Circular Economy Promotion Policy Energy Policy	Law of the People's Republic of China on Prevention and Control of Environmental Pollution Caused by Solid Waste Law of the People's Republic of China on Prevention and Control of Water Pollution
A3 The Environment and Natural Resources	Biodiversity Policy Environmental Policy Sustainable Building Policy Guidelines for Tree Protection and Management in Project Design in Guangzhou	Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution Law of the People's Republic of China on Prevention and Control of Soil Contamination Law of the People's Republic of China on the Prevention and Control of Noise Pollution Energy Conservation Law of the People's Republic of China
A4 Climate Change	Climate Change Policy Meteorological Disaster Emergency Response Plan	Land Administration Law of the People's Republic of China People's Republic of China Nature Reserve Regulations Urban and Rural Planning Law of the People's Republic of China Regulations on the Administration of Construction Project Environmental Protection Management Measures for Prevention and Control of Environmental Pollution Caused by Electronic Waste Marine Environmental Protection Law of the People's Republic of China The Regulations Concerning the Prevention and Cure of Pollution Damage of Marine Environment by Pollutants from Land People's Republic of China Nature Reserve Regulations Opinions on Strengthening Ecological and Environmental Protection in All Round Way and Firmly Fighting the Battle of Pollution Prevention and Control National Catalogue of Hazardous Wastes Assessment Standard for Green Building Measures for the Transfer of Hazardous Wastes



ESG metrics	Internal policies	External policies
B. Social		
B1 Employment	Management Measures for Labour Contracts Management Rules on Employee Remuneration Incentive System Performance Management Rules Implementing Rules on the Management of Remuneration and Benefits	Labour Law of the People's Republic of China Labour Contract Law of the People's Republic of China Law on the Protection of Workers' Rights and Benefits International Labour Organization Conventions Employment Promotion Law of the People's Republic of China
B2 Health and Safety	Health and Safety Policy Occupational Health Management Rules Administrative Measures on Work Safety Occupational Sanitation Management System "Three Simultaneous" Management Rules on Construction Projects Management Measures of Work Safety Accountability Standardisation of Real Estate Development Enterprise Forms Detailed Implementation Rules for Classified Safety Risk Control Guidelines for Notification and Transfer of Work Safety Issues Management Rules for Safety of Related Parties Emergency Response Plan for Productive Safety Accidents Guidelines for the Management of Security in Office Areas	Fire Protection Law of the People's Republic of China Work Safety Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Occupational Diseases Regulation on Work-Related Injury Insurance Emergency Response Law of the People's Republic of China Construction Law of the People's Republic of China Labour Dispute Mediation and Arbitration Law of the People's Republic of China Provisions on the Administration of Occupational Health at Workplaces Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents Interim Provision on the Screening, Identification and Control of Work Safety Accident Hazards Provisions on the Negotiation and Mediation of Enterprise Labour Disputes The Administrative Regulations on the Work Safety of Construction Projects Occupational Health and Safety Certification Standards for Safety Inspection of Construction Supervision
B3 Development and Training	Diversity and Inclusion Policy Board Diversity Policy Respect in the Workplace Policy Management Rules on Talent Evaluation and Application Management Rules on Staffing Management Rules on Key Talent Development Training Management Rules	

ESG metrics	Internal policies	External policies
B. Social		
B4 Labour Standards	Employee Rights Protection Policy Human Rights Policy Position Management Rules	Universal Declaration of Human Rights UN Convention on the Rights of the Child Convention on the Elimination of All Forms of Forced Labour Law of the People's Republic of China on the Protection of Minors The Company Law of the People's Republic of China Provisions on Minimum Wages
B5 Supply Chain Management	Management Measures on Bidding and Procurement Management Rules on Construction Suppliers Supplier Management Rules for Non-Construction Projects Pre-recruitment Work Manual on Construction Suppliers Management Rules of Bid Evaluation Experts and Bid Evaluation Expert Pools for Construction Projects Strategic Procurement Results Management Rules Management Rules for Bid Invitation and Procurement for Non-construction Projects Management Rules for Bid Invitation and Procurement for Construction Projects Guidelines on Risk Management of Bid Invitation, Procurement and Bid Determination for Construction Projects Guidelines on Performance Risk Management for Suppliers in Construction Projects Guidelines on Risk Prevention and Control for the Application of Strategic Procurement Results of Construction Projects Management Rules for Bid Invitation and Procurement Platforms Management Rules for the Application of Employer Supplied Items Management Rules for Supply Chain Platforms Guidelines for the Whole Process Management of Suppliers in Construction Projects Guidelines for Brand Access and Selection Management of Recommended Materials for General Contractors Guidelines for the Admission and Expansion of Non-Construction Suppliers Guidelines for the Management of Bid Invitation and Procurement Inspection of Construction Projects Supplier Code of Conduct Sustainable Procurement Policy	Bidding Law of the People's Republic of China Government Procurement Law of the People's Republic of China Implementation Rules on Bidding Law of the People's Republic of China Provisions on Engineering Projects Which Must Be Subject to Bidding



ESG metrics	Internal policies	External policies
B. Social		
B6 Product Responsibility	<p>Customer Relationship Management Approach</p> <p>Detailed Provisions on Customer Complaint Management</p> <p>Management Rules of Data Security</p> <p>Rules on Customer Resource Management and Synergies</p> <p>Enjoy Club Management Rules</p> <p>Manual of Members of Enjoy Club</p> <p>Rules of Recommend House-purchasing of Members of Enjoy Club</p> <p>Intellectual Property Management Measures</p> <p>Engineering Quality Management Measures</p> <p>Product Delivery Quality Control Management Rules</p> <p>Product Warranty and Repair Management Process</p>	<p>Construction Law of the People's Republic of China</p> <p>Product Quality Law of the People's Republic of China</p> <p>Regulation on the Quality Management of Construction Projects</p> <p>Cybersecurity Law of the People's Republic of China</p> <p>Data Security Law of the People's Republic of China</p> <p>Urban Real Estate Administration Law of the People's Republic of China</p> <p>Advertising Law of the People's Republic of China</p> <p>Regulatory Measures on the Sale of Commercial Houses</p> <p>Law of the People's Republic of China on the Protection of Consumer Rights and Interests</p> <p>Patent Law of the People's Republic of China</p> <p>Administrative Ordinance on Development and Management of Urban Real Estate</p> <p>Copyright Law of the People's Republic of China</p> <p>Civil Code of the People's Republic of China</p> <p>Personal Information Protection Law of the People's Republic of China</p> <p>Trademark Law of the People's Republic of China</p>
B7 Anti-corruption	<p>Anti-Corruption and Anti-Bribery Policy</p> <p>Whistleblowing Policy</p> <p>Comprehensive Risk Management Approach</p> <p>Compliance Management Approach</p> <p>Tax Compliance Policy</p> <p>Administrative Rules for Integrity Supervisors</p> <p>Accountability Management Measures</p> <p>Guidelines for Overall Disposal of Issue Reflections</p> <p>Reward and Penalty Management Rules</p> <p>Fund Management Measures</p> <p>Detailed Rules of Three Official Expenditures</p> <p>Guidelines for Daily Supervision, Inspection, Problem Discovery, Notification, and Clue Transfer</p>	<p>Anti-Money Laundering Law of the People's Republic of China</p> <p>Prevention of Bribery Ordinance</p> <p>Competition Ordinance</p> <p>Anti-Unfair Competition Law of the People's Republic of China</p>
B8 Community Investment	<p>Management Measures for the Yuexiu Property Volunteers Association</p>	<p>Charity Law of the People's Republic of China</p> <p>The Law of the People's Republic of China on Donations for Public Welfare</p> <p>Civil Code of the People's Republic of China</p>

ESG PERFORMANCE

List of Environmental ESG Performance Indicators

A1. Emissions

A1.1 The types of emissions and respective emissions data	Unit	2021	2022	2023	2024		
					Yuexiu Property	Yuexiu Services ¹	Total
Nitrogen oxides (NO _x)	Ton	/	/	1.21	0.85	0.18	1.04
Sulphur dioxide (SO ₂)	Kg	/	/	3.03	1.94	0.52	2.45
Particle matter	Kg	/	/	114.76	80.37	16.18	96.55

A1.2 Greenhouse gas emissions and intensity	Unit	2021	2022	2023	2024		
					Yuexiu Property	Yuexiu Services ¹	Total
Greenhouse gas emissions (Scope 1)	Ton (Carbon Dioxide Equivalent)	3,491.21	1,795.56	1,932.02	5,222.86	1,105.97	6,328.83
Greenhouse gas emissions (Scope 2)	Ton (Carbon Dioxide Equivalent)	68,831.52	62,335.44	62,405.47	85,448.76	55,480.75	140,929.51
Total greenhouse gas emissions (Scope 1 and Scope 2)	Ton (Carbon Dioxide Equivalent)	72,322.73	64,131.00	64,337.49	90,671.62	56,586.72	147,258.34
Greenhouse gas emission intensity	Ton/person	4.43	3.49	3.34			9.70
Greenhouse gas emission intensity	Ton/RMB1 million	1.26	0.89	0.80			1.70
Greenhouse gas emission intensity	Ton/10,000 m ²	26.68	22.54	25.06			20.67

A1.3 & 1.4 Waste produced	Unit	2021	2022	2023	2024		
					Yuexiu Property	Yuexiu Services ¹	Total
Total hazardous waste	Ton	14.60	88.68	19.67	12.22	6.44	18.66
Hazardous waste intensity	Ton/person	0.0009	0.005	0.001			0.001
Hazardous waste intensity	Ton/RMB1 million	0.0003	0.001	0.0002			0.0002
Hazardous waste intensity	Ton/10,000 m ²	0.0054	0.031	0.008			0.003
Total non-hazardous waste	Ton	44,987.53	109,174.90	132,829.31	17,969.25	268.73	18,237.98
Non-hazardous waste intensity	Ton/person	2.76	5.93	6.89			1.20
Non-hazardous waste intensity	Ton/RMB1 million	0.78	1.51	1.66			0.21
Non-hazardous waste intensity	Ton/10,000 m ²	16.59	38.37	51.74			2.56
Fluorescent lamps containing mercury or energy-saving lamps	Ton	10.90	7.67	5.82	0.73	4.19	4.91
Waste cartridges and toner cartridges	Ton	1.75	2.19	1.69	1.31	0.73	2.04
Waste electrical and electronic equipment	Ton	1.95	17.92	12.51	10.18	1.53	11.71
Medical waste	Ton	/	60.90	/	/	/	/
Office paper	Ton	264.82	206.66	113.30	72.82	66.06	138.87
Construction and demolition waste	Ton	44,719.50	102,747.94	132,086.29	7,534.09	/	7,534.09
Waste furniture	Ton	3.21	32.58	18.55	406.93	3.23	410.16
Gardening waste	Ton	/	385.54	208.20	111.74	209.27	321.01
Total other non-hazardous waste	Ton	/	6,008.84	516.28	9,916.48	56.23	9,972.71



A1.5 & 1.6 Waste recovery	Unit	2021	2022	2023	2024		
					Yuexiu Property	Yuexiu Services ¹	Total
Recycling of computers	Ton	370 sets	15.44	6.88	16.83	0.71	17.54
Recycling of metal construction waste	Ton	5,070.20	6,660.05	47,507.39	11,915.81	/	11,915.81
Earthwork recycling	Ton	1,147,746	1,697,480.90	814,826.35	1,738,298.44	/	1,738,298.44

A2. Use of Resources

A2.1 Energy consumption and intensity	Unit	2021	2022	2023	2024		
					Yuexiu Property	Yuexiu Services ¹	Total
Gasoline	Litre	479,931.60	228,220.15	188,607.27	123,923.28	13,216.12	137,139.40
Gasoline intensity	Litre/person	29.41	12.40	9.78			9.03
Gasoline intensity	Litre/RMB1 million	8.36	3.15	2.35			1.59
Gasoline intensity	Litre/10,000 m ²	177.03	80.22	73.47			19.25
Diesel oil	Litre	86,671.74	23,772.87	15,812.87	7,107.23	20,156.64	27,263.87
Diesel oil intensity	Litre/person	5.31	1.29	0.82			1.80
Diesel oil intensity	Litre/RMB1 million	1.51	0.33	0.20			0.32
Diesel oil intensity	Litre/10,000 m ²	31.97	8.36	6.16			3.83
Canned LPG	Kg	34,554.00	30,742.45	14,800.50	2,638.77	3,594.50	6,233.27
Canned LPG intensity	Kg/person	2.12	1.67	0.77			0.41
Canned LPG intensity	Kg/RMB1 million	0.60	0.42	0.18			0.07
Canned LPG intensity	Kg/10,000 m ²	12.75	10.81	5.77			0.87
Natural gas	m ³	954,959.00	519,365.00	654,732.96	2,169,544.87	468,367.00	2,637,911.87
Natural gas intensity	m ³ /person	58.51	28.23	33.95			173.73
Natural gas intensity	m ³ /RMB1 million	16.64	7.17	8.16			30.53
Natural gas intensity	m ³ /10,000 m ²	352.25	182.55	255.06			370.19
Pipeline gas	m ³	2,325.00	4,558.00	11,930.00	214,839.00	0	214,839.00
Pipeline gas intensity	m ³ /person	0.14	0.25	0.62			14.15
Pipeline gas intensity	m ³ /RMB1 million	0.04	0.06	0.15			2.49
Pipeline gas intensity	m ³ /10,000 m ²	0.86	1.60	4.65			30.15
Total electricity consumption	kWh	118,454,066.36	109,289,237.77	109,425,687.93	149,831,245.88	103,393,124.90	253,224,370.78
Total electricity consumption intensity	kWh/person	7,258.21	5,939.63	5,673.55			16,677.05
Total electricity consumption intensity	kWh/RMB1 million	2,064.42	1,509.19	1,364.04			2,930.82
Total electricity consumption intensity	kWh/10,000 m ²	43,693.86	38,414.49	42,627.85			35,536.07

A2.2 Water consumption and intensity	Unit	2021	2022	2023	2024		
					Yuexiu Property	Yuexiu Services ¹	Total
Total water consumption	m ³	2,049,041.46	1,822,737.75	2,131,501.14	2,869,566.38	2,604,230.13	5,473,796.51
Water consumption intensity per RMB1 million	m ³ /RMB1 million	35.71	25.17	26.57			63.35
Water consumption intensity per person	m ³ /person	125.55	99.06	110.51			360.50
Water consumption intensity per 10,000 m ²	m ³ /10,000 m ²	755.82	640.68	830.35			768.16

Notes:

1. The scope of the 2024 annual environmental key performance data collection about Yuexiu Property covers the office areas of Yuexiu Property and the public areas of projects managed by the Company. For environmental data related to Yuexiu Services, please refer to the Yuexiu Services 2024 ESG Report, which will be the authoritative source.
2. In 2024, there was a significant increase in greenhouse gas emissions, energy consumption, and water usage compared to 2023. The primary reason for this increase is that Yuexiu Property initiated a comprehensive carbon inventory in 2024 to further improve the calculation of carbon emissions. This included projects opened in that year in the statistics of total carbon emissions and total water usage data, and added new projects covering health and wellness projects and educational projects.
3. The greenhouse gas emissions disclosed in this report only include carbon dioxide emissions and do not include greenhouse gases such as methane and nitrous oxide emissions from other sources.
4. Carbon dioxide emissions in Scope 1 include the greenhouse gas emissions generated in the combustion of fossil energy such as gasoline, diesel oil, natural gas, petroleum and pipeline gas; greenhouse gas emissions in Scope 1 are calculated by reference to the *Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Public Building Operation Units (Enterprises) (Trial)* issued by the General Office of the National Development and Reform Commission and the Hong Kong Stock Exchange (HKEX)'s *Reporting Guidance on Environmental KPIs*.
5. Carbon dioxide emissions in Scope 2 include the greenhouse gas emissions caused by indirect energy consumption such as outsourced electricity and heat; greenhouse gas emissions in Scope 2 are calculated by reference to the *Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Public Building Operation Units (Enterprises) (Trial)* issued by the General Office of the National Development and Reform Commission and the HKEX's *Reporting Guidance on Environmental KPIs*; electricity emission factors take reference to the Notice on the Reporting and Management of Greenhouse Gas Emissions of Power Generation Enterprises from 2023 to 2025.
6. The significant decrease in the total amount of non-hazardous waste and the recycling of metal construction waste is due to a significant decrease in construction and demolition waste in 2024 as most of our projects were in the late development phase.
7. The significant increase in the earthwork recycling is due to the fact that some of our projects entered the earth backfilling phase in 2024.
8. The decrease in the consumption of canned LPG is due to the closure of the canteen of a subsidiary of the Group in 2024 due to relocation of its office premises.

List of Social ESG Performance Indicators

B1. Employment

B1.1 Total workforce by gender, employment type, age group and geographical region	Unit	2021	2022	2023	2024		
					Yuexiu Property	Yuexiu Services ¹	Total
Total number of employees	Person	16,320	18,400	19,287	4,762	10,422	15,184
Male	Person	9,689	11,593	11,767	3,094	6,105	9,199
Female	Person	6,631	6,807	7,520	1,668	4,317	5,985
Full-time	Person	16,289	18,148	19,287	4,762	10,422	15,184
Part-time	Person	31	252	0	0	0	0
Senior management	Person	163	203	146	87	63	150
Middle management	Person	1,123	1,322	1,219	605	643	1,248
Staff	Person	15,034	16,875	17,922	4,070	9,716	13,786
18-29 years old	Person	4,868	5,347	4,854	740	2,864	3,604
30-49 years old	Person	9,065	10,693	11,046	3,759	5,635	9,394
50 years old or older	Person	2,387	2,360	3,387	263	1,923	2,186
Mainland of China	Person	15,726	17,769	18,578	4,697	9,705	14,402
Hong Kong, Macau and Taiwan	Person	592	623	705	65	714	779
Overseas	Person	2	8	4	0	3	3

B1.2 Employee turnover rate by gender, age group and geographical region	Unit	2021	2022	2023	2024		
					Yuexiu Property	Yuexiu Services ¹	Total
Total employee turnover rate	%	37.50%	34.02%	25.64%	19.26%	19.76%	19.60%
Male	%	35.84%	34.02%	25.03%	19.72%	19.45%	19.54%
Female	%	39.92%	34.02%	26.58%	18.40%	20.19%	19.70%
18-29 years old	%	51.30%	52.05%	34.49%	26.22%	27.44%	27.19%
30-49 years old	%	30.85%	29.35%	21.03%	18.18%	16.70%	17.30%
50 years old or older	%	34.61%	14.36%	25.40%	12.62%	15.51%	15.17%
Mainland of China	%	37.19%	35.01%	25.37%	19.36%	18.73%	18.94%
Hong Kong, Macau and Taiwan	%	45.70%	5.62%	32.28%	9.72%	31.61%	30.20%
Overseas	%	0%	50.00%	0%	100.00%	0.00%	25.00%

B2. Health and Safety

B2.1 Number and rate of work-related fatalities	Unit	2021	2022	2023	Yuexiu Property	2024 Yuexiu Services ¹	Total
Number of work-related deaths	Person	1	1	1	0	0	0
Rate of work-related fatalities	%	0.01%	0.01%	0.005%	0%	0%	0%

B2.2 Lost days due to work injury	Unit	2021	2022	2023	Yuexiu Property	2024 Yuexiu Services ¹	Total
Lost days due to work injury	Day	441	1,464	605	780	385	1,165

B3. Development and Training

B3.1 The percentage of employees trained by gender and employee category	Unit	2021	2022	2023	Yuexiu Property	2024 Yuexiu Services ¹	Total
The percentage of employees trained	%	100%	100%	100%	100.00%	100%	100%
Male	%	54.46%	62.46%	61.01%	64.97%	58.58%	60.58%
Female	%	45.54%	37.54%	38.99%	35.03%	41.42%	39.42%
Senior management	%	2.48%	1.37%	0.76%	1.83%	0.60%	0.99%
Middle management	%	9.19%	6.29%	6.32%	12.70%	6.17%	8.22%
Staff	%	88.33%	92.34%	92.92%	85.47%	93.23%	90.79%

B3.2 The average training hours completed per employee by gender and employee category	Unit	2021	2022	2023	Yuexiu Property	2024 Yuexiu Services ¹	Total
All employees	hour	37.82	45.53	39.25	86.86	41.49	55.72
Male	hour	41.73	45.80	38.09	90.50	39.34	56.55
Female	hour	31.92	45.07	41.07	80.13	44.54	54.46
Senior management	hour	104.03	25.63	31.40	128.87	38.87	91.07
Middle management	hour	60.73	30.21	25.36	116.03	49.24	81.62
Staff	hour	35.40	46.97	40.26	81.63	41.00	52.99

**B5. Supplier Management**

B5.1 Number of suppliers by geographical region		Unit	2021	2022	2023	2024
Total	supplier		26,850	18,196	21,529	24,075
Southern China	supplier		15,574	8,248	9,061	10,227
Eastern China	supplier		2,761	2,494	6,160	6,930
Central China	supplier		3,333	3,154	2,795	2,799
North	supplier		2,969	2,766	1,896	2,124
		Northeast China				
Western China	supplier		1,300	1,534	1,588	1,964
		Southwest China				
North China	supplier		353	/	/	/
Hong Kong, Macau, Taiwan and overseas	supplier		560	/	29	31

B6. Product Responsibility

B6.2 Number of products and service related complaints received		Unit	2021	2022	2023	2024	
						Yuexiu Property	Yuexiu Services ¹
							Total
Total number of products and service related complaints	case		33,195	64,187	43,173	12,802	30,560
							43,362

B7. Anti-corruption

B7.1 Number of legal cases regarding corrupt practices		Unit	2021	2022	2023	2024	
						Yuexiu Property	Yuexiu Services ¹
							Total
Number of filed or concluded legal cases regarding corrupt practices	case		0	0	0	0	0
B7.3 Description of anti-corruption training provided to directors and employees		Unit	2021	2022	2023	2024	
						Yuexiu Property	Yuexiu Services ¹
							Total
Number of directors and employees attending anti-corruption training	person		16,085	16,042	15,638	4,762	9,225
							13,987
Number of hours of directors and employees attending training	hour		/	30,052	45,806	19,547	19,619
							39,166

B8. Community Investment

B8.2 Resources contributed to the focus area		Unit	2021	2022	2023	2024	
						Yuexiu Property	Yuexiu Services ¹
							Total
Employees' participation in public welfare/voluntary events	person-time		4,238	7,647	4,003	2,522	794
							3,316
Total contribution in public welfare	RMB10,000		/	1,696.09	23,519	7,112.4	2,587.1
							9,699.5

Note:

- For social data related to Yuexiu Services, please refer to the Yuexiu Services 2024 ESG Report, which will be the authoritative source.

INDEPENDENT ASSURANCE REPORT



Verification Statement

Scope and Objective

Hong Kong Quality Assurance Agency (“HKQAA”) was commissioned by Yuexiu Property Company Limited (“Yuexiu Property”) to conduct an independent verification for its Sustainability Disclosures (the “Disclosures”) stated in its 2024 Sustainability Report (“the Report”). The disclosures covered the period from 1 January 2024 to 31 December 2024 and represented the sustainability performance of Yuexiu Property.

The objective of this verification is to provide an independent opinion with a limited level of assurance on whether the disclosures are prepared in accordance with the following reporting criteria:

- the Environmental, Social and Governance Reporting Guide (“ESG Guide”) set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (version effective from 31 December 2023, which remains applicable to annual reports for financial years commencing before 1 January 2025).

The verification team also reviews the disclosures in the Report by making reference to the following disclosure frameworks, as the Report has been prepared with references to:

- UN Sustainable Development Goals (SDGs)
- the Global Reporting Initiative’s Sustainability Reporting Standards (“GRI Standards”)
- the Sustainability Accounting Standards Board (“SASB”) Real Estate Industry Standards (“SASB Standards”)
- IFRS S2 Climate-related Disclosures (“IFRS S2”)
- ISO 26000:2010, Guidance on social responsibility (“ISO26000:2010”)
- the ESG Indicators System for ESG Reports of Listed Companies Controlled by Central Enterprises (“ESG Indicators System”)

Level of Assurance and Methodology

HKQAA’s verification procedure has been conducted with reference to the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE 3000”) issued by the International Auditing and Assurance Standards Board. The evidence gathering process was designed to obtain a limited level of assurance as set out in the ISAE 3000 by using a risk-based approach.

Our verification procedure included, but not limited to:

- Sampling the sustainability information stated in the Report, e.g. claims and performance data for detail verification;
- Verifying the raw data and supporting information of the selected samples of the sustainability information;
- Interviewing responsible personnel; and
- Checking the internal control mechanism



Roles and Responsibilities

Yuexiu Property is responsible for the organization's information system, the development and maintenance of records and reporting procedures in accordance with the system, including the calculation and determination of sustainability information and performance. HKQAA verification team is responsible for providing an independent verification opinion on the disclosures provided by Yuexiu Property for the reporting period. The verification was based on the verification scope, objectives and criteria as agreed between the Yuexiu Property and HKQAA.

Independence

HKQAA did not involve in collecting and calculating data or compiling the reporting contents. Our verification activities were entirely independent and there was no relationship between HKQAA and Yuexiu Property that would affect the impartiality of the verification.

Limitation and Exclusion

The following limitations and exclusions were applied to this verification due to the service scope, nature of verification criteria, and characteristics of the verification methodology.

- I. Our verification scope is limited to verifying the transcription/transformation of the raw data or information into the disclosures, e.g., Claims and Performance Data stated in the Report. The identified sustainability information may be subject to inherent uncertainty because of incomplete scientific and technical knowledge.
- II. Evaluating the quality of execution and implementation effectiveness of the ESG practices, the appropriateness of the assumptions made, and the estimation techniques applied are outside the scope of our verification.
- III. The verification of raw data or information is based on the use of a sampling approach and reliance on the client's representation. As a result, errors or irregularities may occur and remain undetected.
- IV. Any information outside the established verification period has been excluded.
- V. ESG performance of Yuexiu Services Group Limited (a subsidiary of Yuexiu Property, referred to as Yuexiu Services, Stock Code: 06626.HK) has not been included.

Conclusion

Based on the evidence obtained and the results of the verification process, it is the opinion of the verification team that, with a limited level of assurance, nothing has come to the team's attention that the Report has not been prepared, in all material respects, in accordance with the ESG Guide set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited (former version, which remains applicable to annual reports for financial years commencing before 1 January 2025).



In addition, the verification team reviewed the Report with reference to the SDGs, GRI Standards, IFRS S2, SASB Standards, ISO26000:2010, ESG Indicators System and considered that the Report has been prepared by making reference to the contents or parts of the contents of the aforementioned disclosure frameworks.

In conclusion, the verification team was not aware that the disclosures were not reliable, complete and accurate.

Signed on behalf of Hong Kong Quality Assurance Agency

A handwritten signature in black ink, appearing to read 'Connie', is shown.

Connie Sham
Head of Audit
April 2025
Ref: 14958786-VER



INDEXES OF ESG REPORTING GUIDE OF HONG KONG STOCK EXCHANGE (HKEX)

Issues	Guide Requirements	Disclosure Section
A. Environment		
A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	1.4.3 Water Resource Management 2.1.1 Building Lifecycle Carbon Management Appendix: List of Sustainability Policies and Systems
	KPI A1.1 The types of emissions and respective emissions data.	Appendix: ESG Performance
	KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix: ESG Performance
	KPI A1.3 Total hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix: ESG Performance
	KPI A1.4 Total non-hazardous waste produced (in tons) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix: ESG Performance
	KPI A1.5 Description of emissions target(s) set and steps taken to achieve them.	Our Carbon Reduction Bluepoint
	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.	2.2.3 Circular Economy

Issues	Guide Requirements	Disclosure Section
A. Environment		
A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	1.4 Resource Protection Appendix: List of Sustainability Policies and Systems
	KPI A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix: ESG Performance
	KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix: ESG Performance
	KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	2.1.1 Building Lifecycle Carbon Management 1.4.2 Energy Management
	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.	1.4.3 Water Resource Management
	KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	As the products of the Company's principal business do not require the use of packaging materials, this KPI is not applicable.
A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	1.4.1 Ecosystem Protection Appendix: List of Sustainability Policies and Systems
	KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	1.4.1 Ecosystem Protection



Issues	Guide Requirements	Disclosure Section
A. Environment		
A4: Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	1.2 The Task Force on Climate-related Financial Disclosure (TCFD) Appendix: List of Sustainability Policies and Systems
	KPI A4.1 Description of the significant climate-related issues that have impacted and are likely to impact the Issuer, and the actions taken to manage them.	1.2 The Task Force on Climate-related Financial Disclosure (TCFD)
B. Social		
B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	4.2 Human Capital and Harmonious Workplace Appendix: List of Sustainability Policies and Systems
	KPI B1.1 Total workforce by gender, employment type (for example, full- or part time), age group and geographical region.	Appendix: ESG Performance
	KPI B1.2 Employee turnover rate by gender, age group and geographical region.	Appendix: ESG Performance
B2: Health and Safety	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.	4.2.1 Occupational Health and Safety Appendix: List of Sustainability Policies and Systems
	KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Appendix: ESG Performance
	KPI B2.2 Lost days due to work injury.	Appendix: ESG Performance
	KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	4.2.1 Occupational Health and Safety

Issues	Guide Requirements	Disclosure Section
B. Social		
B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	4.2.3 Employee Career Development Appendix: List of Sustainability Policies and Systems
	KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix: ESG Performance
	KPI B3.2 The average training hours completed per employee by gender and employee category.	Appendix: ESG Performance
B4: Labour Standards	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.	4.2.2 Protection of Employee Rights and Interests Appendix: List of Sustainability Policies and Systems
	KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	4.2.2 Protection of Employee Rights and Interests
	KPI B4.2 Description of steps taken to eliminate such practices when discovered.	4.2.2 Protection of Employee Rights and Interests
B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	4.1.6 Supply Chain Management Appendix: List of Sustainability Policies and Systems
	KPI B5.1 Number of suppliers by geographical region.	Appendix: ESG Performance
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	4.1.6 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.	4.1.6 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.	4.1.6 Supply Chain Management



Issues	Guide Requirements	Disclosure Section
B. Social		
B6: Product Responsibility	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.	2.1.4 Products Quality and Safety Appendix: List of Sustainability Policies and Systems
	KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Property sales and deliveries require the government's "transfer" process, therefore this KPI is not applicable.
	KPI B6.2 Number of products and service-related complaints received and how they are dealt with.	Appendix: ESG Performance
	KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	4.1.4 Intellectual Property Protection
	KPI B6.4 Description of quality assurance process and recall procedures.	2.1.4 Products Quality and Safety
	KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	4.1.5 Privacy Protection and Information Security
B7: Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	4.1.1 Business Ethics and Anti-Corruption Appendix: List of Sustainability Policies and Systems
	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.	Appendix: ESG Performance
	KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	4.1.1 Business Ethics and Anti-Corruption
	KPI B7.3 Description of anti-corruption training provided to directors and employees.	4.1.1 Business Ethics and Anti-Corruption
B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	3.2 Social Responsibility and Public Welfare Appendix: List of Sustainability Policies and Systems
	KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	3.2 Social Responsibility and Public Welfare
	KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	Appendix: ESG Performance

GLOBAL REPORTING INITIATIVE (GRI) GUIDELINES INDICATOR INDEX

No.	Indicator	Disclosure Section
General Standard Disclosures		
The organization and Its Reporting Practices		
2-1	Organizational details	Yuexiu Property Profile
2-2	Entities included in the organization's sustainability reporting	About the Report
2-3	Reporting period, frequency and contact point	About the Report
2-4	Restatements of information	About the Report
2-5	External assurance	Appendix: Independent Assurance Report
Activities and Workers		
2-6	Activities, value chain and other business relationships	Yuexiu Property Profile
2-7	Employees	Human Capital and Harmonious Workplace
2-8	Workers who are not employees	Sustainable Communities and Good Life
Governance		
2-9	Governance structure and composition	Sustainable Development Governance
2-10	Nomination and selection of the highest governance body	Sustainable Development Governance
2-11	Chair of the highest governance body	Sustainable Development Governance
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainable Development Governance
2-13	Delegation of responsibility for managing impacts	Sustainable Development Governance
2-14	Role of the highest governance body in sustainability reporting	Sustainable Development Governance
2-15	Conflicts of interest	Business Ethics and Anti-Corruption
2-16	Communication of critical concerns	Materiality Issues and Stakeholder Engagement
2-17	Collective knowledge of the highest governance body	Sustainable Development Governance
2-18	Evaluation of the performance of the highest governance body	Sustainable Development Governance
2-19	Remuneration policies	Compensation and Benefits
2-20	Process to determine remuneration	Compensation and Benefits
2-21	Annual total compensation ratio	/



No.	Indicator	Disclosure Section
General Standard Disclosures		
Strategies, Policies and Practices		
2-22	Statement on sustainable development strategy	Sustainable Development Strategy
2-23	Policy commitments	Sustainable Development Philosophy
2-24	Embedding policy commitments	Sustainable Development Philosophy
2-25	Processes to remedy negative impacts	Business Crisis Management
2-26	Mechanisms for seeking advice and raising concerns	About the Report Materiality Assessment and Stakeholder Engagement
2-27	Compliance with laws and regulations	Appendix: List of Sustainable Development Policies and Systems
2-28	Membership associations	Sustainable Buildings and Green Operations
Stakeholder Engagement		
2-29	Approach to stakeholder engagement	Materiality Issues and Stakeholder Engagement
2-30	Collective bargaining agreements	Respect for Freedom of Association
Material Topics		
3-1	Process to determine material topics	Materiality Issues
3-2	List of material topics	Materiality Issues
3-3	Management of material topics	Materiality Issues
Economic Topics		
201-1	Direct economic value generated and distributed	Sustainable Finance Introduction to Yuexiu Property
201-2	Financial implications and other risks and opportunities due to climate change	Climate-related Risks and Opportunities
201-3	Defined benefit plan obligations and other retirement plans	Protection of Employee Rights and Interests
201-4	Financial assistance received from government	/
Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	Social Responsibility and Public Welfare
203-2	Significant indirect economic impacts	Social Responsibility and Public Welfare

No.	Indicator	Disclosure Section
General Standard Disclosures		
Procurement Practices		
204-1	Proportion of spending on local suppliers	/
Anti-corruption		
205-1	Operations assessed for risks related to corruption	Business Ethics and Anti-Corruption
205-2	Communication and training about anti corruption policies and procedures	Business Ethics and Anti-Corruption Appendix: List of Social ESG Performance Indicators
205-3	Confirmed incidents of corruption and actions taken	During the reporting period, the Group have not involved in any litigations relating to corruption, money laundering, unfair competition or monopoly.
Anti-competitive Behavior		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Corporate Governance and Innovation Synergy
Materials		
301-1	Materials used by weight or volume	Appendix: List of Environmental ESG Performance Indicators
301-2	Recycled input materials used	Green construction Circular economy
301-3	Reclaimed products and their packaging materials	Products covered by the Group's main businesses require no packing materials.
Energy		
302-1	Energy consumption within the organization	Appendix: List of Environmental ESG Performance Indicators
302-2	Energy consumption outside the organization	Appendix: List of Environmental ESG Performance Indicators
302-3	Energy intensity	Appendix: List of Environmental ESG Performance Indicators
302-4	Reduction of energy consumption	Sustainable Buildings and Green Operations
302-5	Reductions in energy requirements of products and services	Sustainable Buildings and Green Operations



No.	Indicator	Disclosure Section
Water and Effluents		
Topic Management Disclosures		
303-1	Interactions with water as a shared resource	Water Resource Management
303-2	Management of water discharge-related impacts	Water Resource Management
Topic Disclosures		
303-3	Water withdrawal	Appendix: List of Environmental ESG Performance Indicators
303-4	Water discharge	/
303-5	Water consumption	Appendix: List of Environmental ESG Performance Indicators
Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	The Taskforce on Natural-related Financial Disclosures (TNFD)
304-2	Significant impacts of activities, products and services on biodiversity	The Taskforce on Natural-related Financial Disclosures (TNFD)
304-3	Habitats protected or restored	The Taskforce on Natural-related Financial Disclosures (TNFD)
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A
Emissions		
305-1	Direct (Scope 1) GHG emissions	Appendix: List of Environmental ESG Performance Indicators
305-2	Energy indirect (Scope 2) GHG emissions	Appendix: List of Environmental ESG Performance Indicators
305-3	Other indirect (Scope 3) GHG emissions	Appendix: List of Environmental ESG Performance Indicators
305-4	GHG emissions intensity	Appendix: List of Environmental ESG Performance Indicators
305-5	Reduction of GHG emissions	Appendix: List of Environmental ESG Performance Indicators
305-6	Emissions of ozone-depleting substances (ODS)	/
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Appendix: List of Environmental ESG Performance Indicators
Effluents and Waste		
306-3	Significant spills	The Group had no relevant event during the reporting period.

No.	Indicator	Disclosure Section
Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	Supplier Chain Management
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management
Employment		
401-1	New employee hires and employee turnover rates	Appendix: List of Social ESG Performance Indicators
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Protection of Employee Rights and Interests
401-3	Parental leave	Protection of Employee Rights and Interests
Occupational Health and Safety		
Topic Management Disclosures		
403-1	Occupational health and safety management system	Occupational Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety
403-3	Occupational health services	Occupational Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety
403-5	Worker training on occupational health and safety	Occupational Health and Safety
403-6	Promotion of worker health	Occupational Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety
403-8	Workers covered by an occupational health and safety management system	Occupational Health and Safety
403-9	Work-related injuries	Appendix: List of Social ESG Performance Indicators
403-10	Work-related ill health	Occupational Health and Safety
Training and Education		
404-1	Average hours of training per year per employee	Appendix: List of Social ESG Performance Indicators
404-2	Programs for upgrading employee skills and transition assistance programs	Employee Career Development
404-3	Percentage of employees receiving regular performance and career development reviews	/
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Diversity and Equality Appendix: List of Social ESG Performance Indicators
405-2	Ratio of basic salary and remuneration of women to men	Diversity and Equality



No.	Indicator	Disclosure Section
Anti-discrimination		
406-1	Incidents of discrimination and corrective actions taken	Protection of Employee Rights and Interests
Freedom of Association and Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Protection of Employee Rights and Interests
Child Labour		
408-1	Operations and suppliers at significant risk for incidents of child labour	Opposition to Child Labour and Forced Labour
Forced or Compulsory Labour		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory Labour	Opposition to Child Labour and Forced Labour
Security Practices		
410-1	Security personnel trained in human rights policies or procedures	/
Local Communities		
413-1	Operations with local communities engagement, impact assessments, and development programs	Community Sustainability Practices
413-2	Operations with significant actual and potential negative impacts on local communities	Community Sustainability Practices
Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	Supply Chain Management
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management
Public Policy		
415-1	Political contributions	/
Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	Products Quality and Safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	/
Marketing and Labeling		
417-1	Requirements for product and service information and labeling	Responsible Marketing
417-2	Incidents of non-compliance concerning product and service information and labeling	Responsible Marketing
417-3	Incidents of non-compliance concerning marketing communication	Responsible Marketing
Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy or losses of customer data	No such event occurred during the reporting period

INDEX TO SASB INDICATORS

Theme	Indicator	Code	Disclosure Section
Energy Management	Energy consumption data coverage as a percentage of total floor area, by property sector	IF-RE-130a.1	/
	(1) Total energy consumed by portfolio area with data coverage; (2) percentage grid electricity; and (3) percentage renewable, by property sector	IF-RE-130a.2	Appendix: ESG Performance
	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	IF-RE-130a.3	/
	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property sector	IF-RE-130a.4	/
	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	IF-RE-130a.5	1.4.2 Energy Management
Water Management	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property sector	IF-RE-140a.1	/
	(1) Total water withdrawn by portfolio area with data coverage; and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property sector	IF-RE-140a.2	Appendix: ESG Performance
	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector	IF-RE-140a.3	Appendix: ESG Performance
	Description of water management risks and discussion of strategies and practices to mitigate those risks	IF-RE-140a.4	1.4.3 Water Resource Management
Management of Tenant Sustainability Impacts	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements; and (2) associated leased floor area, by property sector	IF-RE-410a.1	2.2.3 Green Value Chain
	Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property sector	IF-RE-410a.2	/
	Discussion of approach to measuring, incentivising and improving sustainability impacts of tenants	IF-RE-410a.3	2.2.3 Green Value Chain
Climate Change Adaptation	Area of properties located in 100-year flood zones, by property sector	IF-RE-450a.1	/
	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	IF-RE-450a.2	1.2 The Task Force on Climate-related Financial Disclosure (TCFD)



INDEX OF REFERENCE INDICATORS OF THE ESG SPECIAL REPORT REFERENCE INDEX SYSTEM FOR LISTED COMPANIES CONTROLLED BY CENTRAL ENTERPRISES

Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
E.1 Consumption of Resources	E.1.1 Water resources	E.1.1.1 Fresh water consumption	Appendix: List of Environmental ESG Performance Indicators
		E.1.1.2 Circulating water consumption	/
		E.1.1.3 Percentage of circulating water consumption	/
		E.1.1.4 Intensity of water consumption	Appendix: List of Environmental ESG Performance Indicators
	E.1.2 Materials	E.1.2.1 Consumption of non-renewable materials	/
		E.1.2.2 Consumption of toxic and hazardous materials	Appendix: List of Environmental ESG Performance Indicators
		E.1.2.3 Intensity of material consumption	Appendix: List of Environmental ESG Performance Indicators
	E.1.3 Energy	E.1.3.1 Fossil energy consumption	Appendix: List of Environmental ESG Performance Indicators
		E.1.3.2 Non-fossil energy consumption	Appendix: List of Environmental ESG Performance Indicators
		E.1.3.3 Percentage of non-fossil energy consumption	Appendix: List of Environmental ESG Performance Indicators
		E.1.3.4 Total energy consumption	Appendix: List of Environmental ESG Performance Indicators
		E.1.3.5 Intensity of energy consumption	Appendix: List of Environmental ESG Performance Indicators
	E.1.4 Packaging materials	E.1.4.1 Packaging material consumption	/
		E.1.4.2 Light-weighting and reduction of packaging materials	/

Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
E.2 Pollution Prevention and Control	E.2.1 Wastewater	E.2.1.1 Compliance with wastewater discharge standards	/
		E.2.1.2 Measures for wastewater management and discharge reduction	Water Resource Management
		E.2.1.3 Wastewater discharge	/
		E.2.1.4 Wastewater pollutant discharge volume	/
		E.2.1.5 Concentration of wastewater pollutant discharge	/
	E.2.2 Exhaust gas	E.2.2.1 Compliance with exhaust gas emission standards	/
		E.2.2.2 Volume of exhaust gas pollutant emissions	/
		E.2.2.3 Concentration of exhaust gas pollutant emissions	/
	E.2.3 Solid waste	E.2.3.1 Compliance with solid waste disposal laws and regulations	Circular Economy
		E.2.3.2 Management of general industrial solid waste	Circular Economy
		E.2.3.3 Volume of general industrial solid waste disposed	Circular Economy
		E.2.3.4 Hazardous waste management	Circular Economy
		E.2.3.5 Volume of hazardous waste disposed	Circular Economy



Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
E.3 Climate Change	E.3.1 Greenhouse gas emissions	E.3.1.1 Source and type of greenhouse gas	Carbon Target and Carbon Management
		E.3.1.2 Management of greenhouse gas emissions	Carbon Target and Carbon Management
		E.3.1.3 Scope 1 emissions	Appendix: List of Environmental ESG Performance Indicators
		E.3.1.4 Scope 2 emissions	Appendix: List of Environmental ESG Performance Indicators
		E.3.1.5 Scope 3 emissions	Carbon Target and Carbon Management
		E.3.1.6 Intensity of greenhouse gas emissions	Appendix: List of Environmental ESG Performance Indicators
	E.3.2 Management of emission reduction	E.3.2.1 Management of greenhouse gas emission reduction	Carbon Reduction Strategy and Action Plan
		E.3.2.2 Volume of greenhouse gas emission reduction	Carbon Reduction Strategy and Action Plan
	E.3.3 Environmental equity trading	E.3.3.1 Participation in the carbon emissions trading market	/
		E.3.3.2 Participation in energy, water and sewage trading markets	/
		E.3.3.3 Participation in green power trading	Carbon Reduction Strategy and Action Plan
	E.3.4 Climate risk management	E.3.4.1 Climate risk management	Climate-related Risks and Opportunities
E.4 Biodiversity	E.4.1 Impacts of production, services and products on biodiversity	E.4.1.1 Impacts of production, services and products on biodiversity	The Taskforce on Nature-related Financial Disclosure (TNFD)

Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
E.5 Policies and Measures for Resource and Environmental Management	E.5.1 Development of low-carbon development objectives and strategic measures	E.5.1.1 Development of low-carbon development objectives and strategic measures	Our Carbon Reduction Blueprint
	E.5.2 Resource management measures	E.5.2.1 Water use management	Resource Protection
		E.5.2.2 Material use management	Resource Protection
		E.5.2.3 Energy use and energy saving management	Resource Protection
	E.5.3 Energy-saving and carbon reduction statistics and monitoring and the assessment reward and punishment system	E.5.3.1 Report on energy saving and carbon reduction monitoring and statistics, and assessment system	Our Carbon Reduction Blueprint
	E.5.4 Green actions and measures	E.5.4.1 Clean production	Green Construction
		E.5.4.2 Green technology transformation and recycling	Green Construction
		E.5.4.3 Green construction renovation	Sustainable Building Design
		E.5.4.4 Green office and operations	Green Operation
		E.5.4.5 Green procurement and green supply chain management	Supply Chain Management
		E.5.4.6 Public welfare activities of environmental protection	Social Responsibility and Public Welfare
	E.5.5 Green low-carbon certification	E.5.5.1 Environmental management system certification	Sustainable Buildings and Green Operations
		E.5.5.2 Green low-carbon enterprise certification	Green Operation
		E.5.5.3 Certification of green and low-carbon products and services	Sustainable Buildings and Green Operations
	E.5.6 Legal compliance in the environmental field	E.5.6.1 Emergency response plan for environmental emergencies	Business Crisis Management
		E.5.6.2 Incidents of violations in the environmental field	No such event occurred during the reporting period



Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
S1 Employee Rights and Interests	S1.1 Employee recruitment and employment	S1.1.1 Recruitment policies and implementation by enterprises	Fair Employment
		S1.1.2 Employee structure	Appendix: List of Social ESG Performance Indicators
		S1.1.3 Avoid child or forced Labour	Opposition to Child Labour and Forced Labour
	S1.2 Employee remuneration and benefits	S1.2.1 Remuneration philosophy and policy	Compensation and Benefits
		S1.2.2 Work hours, rest and vacation	Compensation and Benefits
		S1.2.3 Guarantee of remuneration and benefits	Compensation and Benefits
		S1.2.4 Democratic management of employees	Respect for Freedom of Association
	S1.3 Employee health and safety	S1.3.1 Employee OHS management	Occupational Health and Safety
		S1.3.2 Employee safety risk prevention and control	Occupational Health and Safety
		S1.3.3 Response to safety incidents and work-related injuries	Occupational Health and Safety
		S1.3.4 Employee care and support	Human Capital and Harmonious Workplace
	S1.4 Employee development and training	S1.4.1 Employee incentive and promotion policy	Employee Career Development
		S1.4.2 Employee education and training	Employee Career Development
		S1.4.3 Employee career planning and position change support	Employee Career Development
	S1.5 Employee satisfaction	S1.5.1 Employee satisfaction survey	Human Capital and Harmonious Workplace
		S1.5.2 Labour disputes	/
		S1.5.3 Employee mobility	Appendix: List of Social ESG Performance Indicators

Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
S2 Product and Service Management	S2.1 Product safety and quality	S2.1.1 Policies and measures for standardized production management	Products Quality and Safety
		S2.1.2 Quality management	Products Quality and Safety
		S2.1.3 Product recall and withdrawal	Property sales and deliveries require the government's "transfer" process, therefore this indicator is not applicable
		S2.1.4 Negative product or service events	/
	S2.2 Customer service and rights and interests	S2.2.1 Customer satisfaction	Customer Satisfaction
		S2.2.2 Customer complaints and response to the complaints	Customer Satisfaction
		S2.2.3 Customer information and privacy protection	Privacy Protection and Information Security
	S2.3 Innovative development	S2.3.1 R&D and innovation management system	Intelligent Empowerment
		S2.3.2 R&D investment	Intelligent Empowerment
		S2.3.3 Innovative results	Intelligent Empowerment
		S2.3.4 Intellectual property protection	Intellectual Property Protection
S3 Supply Chain Security and Management	S3.1 Supplier management	S3.1.1 Supplier selection and management	Supplier Management
		S3.1.2 Number and distribution of suppliers	Appendix: List of Social ESG Performance Indicators
	S3.2 Supply chain process management	S3.2.1 Policies and measures for supply chain management	Supply Chain Management
		S3.2.2 Supply chain security assurance and contingency plans	Supply Chain Management
		S3.2.3 Material risks and impacts (supply chain)	Supply Chain Management



Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
S4 Social Contribution	S4.1 Tax payment	S4.1.1 Tax payment	/
	S4.2 Community co-building	S4.2.1 Policies and measures for participation in local communities development	Social Responsibility and Public Welfare
		S4.2.2 Contribution and impact on the local communities	Social Responsibility and Public Welfare
	S4.3 Public welfare activities	S4.3.1 Policies and measures for participation in public welfare activities	Social Responsibility and Public Welfare
		S4.3.2 Investment and effectiveness of participation in public welfare activities	Social Responsibility and Public Welfare
		S4.3.3 Barrier-free environment building	/
	S4.4 Response to national strategies	S4.4.1 Industry transformation	Social Responsibility and Public Welfare
		S4.4.2 Rural revitalization and coordinated regional development	Social Responsibility and Public Welfare
		S4.4.3 Belt and Road Initiative and overseas responsibility performance	/
		S4.4.4 Industry characteristics and performance of other social responsibilities	Social Responsibility and Public Welfare
G1 Governance Strategy and Organizational Structure	G1.1 Governance strategy and procedure	G1.1.1 Governance strategy development	Sustainable Development Governance
		G1.1.2 Governance strategy supervision procedures	Sustainable Development Governance
		G1.1.3 Approval and review procedure for governance strategy	Sustainable Development Governance
		G1.1.4. Leadership of Party building	/
	G1.2 Organizational structure and functions	G1.2.1 Ownership responsibilities	Sustainable Development Governance
		G1.2.2 Organizational structure and functions of the board of directors, board of supervisors, and management	Sustainable Development Governance
		G1.2.3 Appointment procedure and composition of the board of directors, board of supervisors, and management	Sustainable Development Governance
	G1.3 Remuneration management	G1.3.1 Remuneration plan for directors and supervisors	/
		G1.3.2 Transparency of board remuneration	/
		G1.3.3 Rationality of management remuneration	/

Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
G2 Standardized Governance	G2.1 Internal control	G2.1.1 Internal audit	Corporate Risk Management
		G2.1.2 Internal control structure, mechanism, and procedure	Corporate Risk Management
	G2.2 Integrity construction	G2.2.1 Policies and regulations on integrity construction	Business Ethics and Anti-Corruption
		G2.2.2 Effectiveness of integrity construction measures	Business Ethics and Anti-Corruption
	G2.3 Fair competition	G2.3.1 Policies and regulations on fair competition	Business Ethics and Anti-Corruption
		G2.3.2 Effectiveness of fair competition measures	Business Ethics and Anti-Corruption
G3 Investor Relations Management and Shareholder Equity	G3.1 Investor relations management	G3.1.1 Investor relations management strategy	Stakeholder Communication
		G3.1.2 Investor communication	Stakeholder Communication
		G3.1.3 Establishment of investor relations management department	Stakeholder Communication
	G3.2 Shareholders' equity	G3.2.1 Shareholders' (General) meeting	/
		G3.2.2 Shareholder communication	/
		G3.2.3 Shareholders' right to information and participation in decision-making	/
	G3.3 Creditors' equity	G3.3.1 Credit standing	/
		G3.3.2 Bond market performance	/



Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
G4 Transparency of Information Disclosure	G4.1 Disclosure policy	G4.1.1 Financial disclosure	About Yuexiu Property
		G4.1.2 Non-financial disclosure	Appendix: ESG Performance
	G4.2 Quality of information disclosure	G4.2.1 Regular monitoring, audit, and assessment of all disclosed information	Corporate Risk Management Appendix: Independent Assurance Report
G5 Compliant Operations and Risk Management	G5.1 Compliant operations	G5.1.1 Compliant operations policy	Corporate Risk Management
		G5.1.2 Compliance system development	Corporate Risk Management
		G5.1.3 Specific procedures for compliance review	Corporate Risk Management
	G5.2 Risk management	G5.2.1 Risk identification and early warning	Corporate Risk Management
		G5.2.2 Risk control and tracking	Corporate Risk Management
		G5.2.3 Risk reporting and management	Corporate Risk Management

FEEDBACK FORM

Dear reader:

Thank you for reading this Report! This is our *2024 Sustainability Report*, and we hope to receive your comments on the Report to help us continuously improve the Report. If you have any opinions or suggestions on the sustainable development performance of the Group, please send email to esg@yuexiuproperty.com.

Yuexiu Property Company Limited 2024 Sustainability Report Feedback Form

Name: _____

Company: _____

Position: _____

Telephone: _____

Email: _____

Your appraisal: (please put √ in the corresponding box)

Questions	Excellent	Good	Ordinary	Poor	Very Poor
Do you think this Report highlights the important information of the Group in respect to the sustainable development?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you think the information and indicators disclosed in this Report are clear, accurate and complete?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you think the organization of content and style design of this Report are reader-friendly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Which part are you most interested in?

What other information that you would like to know is not reflected in this Report?

What advice do you have for our future release of sustainability reports?

STOCK CODE

00123



We welcome your feedback on our sustainability report and sustainability performance.
Please share your views with us at esg@yuexiuproperty.com

© Yuexiu Property Company Limited 越秀地產股份有限公司