



越秀房地產投資信託基金

YUEXIU REAL ESTATE INVESTMENT TRUST

A Hong Kong collective investment scheme under section 104 of the Securities and Futures Ordinance <chapter 571 of the Laws of Hong Kong>

Stock Code : 00405



WUHAN

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VISION FOR A STEADY FORTUNE

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2019



SHANGHAI



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GUANGZHOU



ABOUT YUEXIU REAL ESTATE INVESTMENT TRUST

Yuexiu Real Estate Investment Trust (Yuexiu REIT, 00405.HK) was listed on The Stock Exchange of Hong Kong Limited (Stock Exchange) on 21 December 2005, and it is the first listed real estate investment trust in the world which invests in real property in mainland of the People's Republic of China (PRC).

Yuexiu REIT focuses on office buildings, wholesale mall, retail malls, hotel and serviced apartments, and strives to acquire properties that bring considerable cash flow and returns, along with identifying business opportunities to achieve higher revenue growth through operational optimization.

As at 31 December 2019, Yuexiu REIT's portfolio of properties consisted of eight properties, namely, White Horse Building Units ("White Horse Building"), Fortune Plaza Units ("Fortune Plaza"), City Development Plaza Units ("City Development Plaza"), Victory Plaza Units ("Victory Plaza"), Guangzhou International Finance Center ("GZIFC"), which are located in Guangzhou; Yue Xiu Tower ("Yue Xiu Tower"), which is located in Shanghai; Wuhan Yuexiu Fortune Centre, Starry Victoria Shopping Centre and certain Carpark Spaces ("Wuhan Properties"), which are located in Wuhan; as well as Hangzhou Victory Business Center Units and certain Carpark Spaces ("Hangzhou Victory"), which are located in Hangzhou. The aggregate area of ownership of the properties was approximately 973,001.4 m².

Yuexiu REIT Asset Management Limited serves as the manager of Yuexiu REIT ("The Manager"). With extensive professional and practical experience in real estate investment, asset management and capital management, the Manager brings long-term and steady flow of investment income to the unit-holders of Yuexiu REIT through actively managing its assets and expanding its operations. While the real estate investment trust market is flourishing, the Manager is committed to becoming a professional asset management institution with a focus on the commercial property market, continuing asset appreciation capability, commercial operation capability and capital management capability, so as to acquire and maintain a leading position in the industry.

CORPORATE GOVERNANCE

The Manager encouraged the transparent operation of Yuexiu REIT, with internal audit and control to evaluate the performance of the Manager. The Manager has also adopted a compliance manual ("Compliance Manual") for use in relation to its management and operation of Yuexiu REIT which includes key policies and procedures for maintaining a high standard of corporate governance. During the Reporting Year, the Manager has complied with the provisions of the Compliance Manual of its management of Yuexiu REIT.

The Manager is fully aware that the diversity of board members is of great significance to the improvement of corporate governance, and thus ensures that the Board of Directors (the "Board") has diverse background experience, appropriate knowledge and necessary skills in the decision-making process. Therefore, when the Board selects its member candidates, it comprehensively considers multiple factors, including but not limited to character, integrity, age, gender, culture, educational background, professional experience, skills, academic background and service life, etc., considers the contribution to diversity, insists on using talented people alone, and maintains proper balance and diversification on the premise of ensure the effective operation of the business of the Yuexiu REIT. In accordance with the requirements of the Corporate Governance Code, the Manager has formulated a board member diversity policy in the Compliance Manual and regularly reviews the composition of the Board every year.

In 2019, the Board could meet the requirements of Yuexiu REIT's business operation in terms of personnel composition, size and structure. Every member has rich experience, considerable knowledge and necessary skills, and has spent enough time and energy performing their duties as the Company's directors, leading Yuexiu REIT to steadily go forward. For more information on corporate governance, please refer to Yuexiu REIT's 2019 Annual Report.

BRIEF INTRODUCTION TO THE BOARD

Name	Position
Mr. LIN Deliang	Chairman, Executive Director and Chief Executive Officer
Mr. CHENG Jiuzhou	Executive Director and Deputy Chief Executive Officer
Mr. LI Feng	Non-Executive Director
Mr. LIANG Danqing	Non-Executive Director
Mr. CHAN Chi On	Independent Non-Executive Director
Mr. CHAN Chi Fai	Independent Non-Executive Director
Mr. CHUENG Yuk Tong	Independent Non-Executive Director
Mr. CHEN Xiaouo	Independent Non-Executive Director

STRUCTURE OF THE BOARD

THE TYPE OF COMPANY DIRECTOR



AGE



GENDER



PROFESSIONAL BACKGROUND



EDUCATION BACKGROUND



THE YEAR OF BEING COMPANY DIRECTOR



THE NUMBER OF COMPANIES SERVED AS DIRECTORS OF LISTED COMPANIES



ABOUT YUEXIU REAL ESTATE INVESTMENT TRUST

During the reporting year, Yuexiu REIT transferred the leasing management and promotion service functions (collectively referred to as "Leasing Agents") of every property to Guangzhou Baima Business Operation Management Co., Ltd ("Baima BM"), Guangzhou Yuexiu Yicheng Business Operation Management Co., Ltd ("Yicheng") and Guangzhou Yue Xiu Asset Management Company Limited ("GZAM"). The staffs of the leasing agents are seasoned professionals who are dedicated to the market for lots of years, and equip with extensive experience in commercial property leasing, marketing and leasing management in the PRC.

To maintain a good business momentum, stabilize existing customers and introduce new quality customers, the Manager conducts asset appreciation projects to maintain and improve the values of such properties every year, so as to maximize leasing revenue and protect the rights and interests of our investors.



1



2



3



4



5



6

1. Preparation of GZIFC for Annual Fire Drill
2. Wuhan Yuexiu Fortune Center's 2019 New Year's Opening Ceremony
- 3-5. Frontline Style of Shanghai Yue Xiu Tower, Victory Plaza and Hangzhou Victory
6. Safety Inspection of Power Supply and Distribution System of Guangzhou City Development Plaza

ABOUT THIS REPORT

OVERVIEW

This Report is the fourth independent Environmental, Social and Governance (ESG) Report of Yuexiu REIT. It focuses on the disclosure of the Yuexiu REIT's philosophy, significant measures and efficiency of ESG aspects in 2019, based on the principles of materiality, quantitative, balance and consistency. The annual update on the sustainable development performance of the Company under the four major issues of Yuexiu REIT in 2019 (Environment, Economy/Market, Employment and Community) has been provided in this Report.

BASIS OF PREPARATION

This Report has been prepared in accordance with the *Environmental, Social and Governance Reporting Guide* ("the ESG Guide") in Appendix 27 to the *Main Board Listing Rules* of The Stock Exchange of Hong Kong Limited, and with reference to the core part of the Global Report Initiative (GRI) Guidelines.

The contents included in this Report are determined through a set of systematic procedures. The preparation of this Report involves identifying key stakeholders, identifying and prioritizing material ESG related issues, determining the boundary of the ESG Report, collecting relevant materials and data, compiling and reviewing data, and preparing report contents.

SCOPE AND BOUNDARY OF THE REPORT

The Report covers all the properties held by Yuexiu REIT from 1 January to 31 December 2019 ("This Year" or "The Reporting Year"). Sections of the Report may extend beyond the above period. Unless otherwise stated, the Report uses Renminbi("RMB") as the currency unit.

EXPLANATION FOR ABBREVIATIONS

To facilitate the preparation and reviewing of this Report, Yuexiu REIT and the Trust mean Yuexiu Real Estate Investment Trust; the Manager means Yuexiu REIT Asset Management Limited, which is responsible for managing Yuexiu REIT in accordance with the Trust deed as the Manager of Yuexiu REIT. Therefore, in this Report, the Company indicates Yuexiu Real Estate Investment Trust and Yuexiu REIT Asset Management Limited. Depending on the specific context, "We" refer to "Yuexiu Real Estate Investment Trust", "Yuexiu REIT Asset Management Limited" and parties who have been delegated functions.

Unless otherwise specified, the terms used in this Report shall have the same meaning as defined in Yuexiu REIT's 2019 Annual Report.

DATA SOURCES AND RELIABILITY STATEMENTS

All the data used in this Report is obtained from the Manager, Yuexiu REIT and holding companies under it and has been reviewed by the Board.

CONFIRMATION AND APPROVAL

This Report was confirmed by the Sustainability Steering Group of Yuexiu REIT and was approved by the Board.

ACCESS AND RESPONSE TO THE REPORT

This Report is made in both Chinese and English. Should any difference between both versions, the Chinese Version shall prevail. The electronic version of this Report has been uploaded to Yuexiu REIT's website www.yuexiureit.com. If you have any comments or suggestions on the ESG performance of the Yuexiu REIT, please email to yxft.ir@yuexiureit.com, or call (852)3607 1886.

CHAIRMAN'S MESSAGE

As a pioneer of the REITs in Mainland China, Yuexiu REIT owns various high-quality commercial properties including office buildings, wholesale mall, retail malls, hotel and serviced apartments. With the steady and innovative double platform interaction of property and finance, and the unique business model of integrated operation of commerce, capital and property, Yuexiu REIT has gained market recognition through the years.

In the past year, the overall economic uncertainty increased and Yuexiu REIT tried the best to maintain significant development. The total revenue increased by 1.3% and the net income from the properties increased by 1.8%, compared to those of last year. The performance result met with expectation. During the year, we continued our positive and prudent investment strategies and successfully acquired some carpark spaces at City Development Plaza and Fortune Plaza. The overall occupancy rate of our properties reached 92.6%, and the market value of our property portfolio was up to RMB34.961 billion.



LIN DELIANG
Chairman

CHAIRMAN'S MESSAGE

Sustainable development has always been an issue that Yuexiu REIT attaches great importance to. While optimizing the asset structure and improving business performance, the Manager actively communicates with stakeholders, listens carefully to their opinions and suggestions, and continues to monitor the sustainable development performance of the properties. Since the release of the first independent ESG Report in 2016, we kept improving and optimizing our sustainable development framework, increasing the application of environmental protection technologies, adhering to the customer-first philosophy, working side by side with employees, and contacting the community to improve the experience of customers, employees and the general public, while contributing value to environmental protection and public utilities.

With regard to environment, green lease has always been our active policy. Following the LEED EBOM V4 Platinum certification in 2017, GZIFC won BOMA China COE again in 2019, becoming the first super-high-rise complex landmark with an international operation management system in South China, and the award reflected the recognition of us from outside.

For customers, we are committed to working with all parties to achieve a win-win cooperation, focusing on the protection of customers' interests, continuously improving customer service satisfaction, investing in asset appreciation projects to enhance customer experience, and helping tenants grow through various support methods.

For employees, we ensure to work side by side with them to protect their rights, paying attention to their development, physical and mental health, and improving their sense of participation and accomplishment at work.

For communities, we adhere to sharing hardships and prosperity with them, actively integrating into the local community, advocating customers, employees and the public to participate in charity activities, and continuing to march towards the vision of "sincerely giving back to the society and building a beautiful community".

We believe that, for Yuexiu REIT which is engaged in commercial properties, sustainable development not only means reducing the impact of buildings on the environment and climate, but also means deepening the interaction with the community and improving people's satisfaction with their work and consumption in the properties. Energy conservation and emission reduction are our continuous goals, and the satisfaction and joy on people's faces are our pursuits as well.

In supporting the country's financial supply-side structural reform and promoting the high-quality development of the economy, we will bear our original intention in mind and keep working hard. We commit to bring active and positive return to investors and play a leading role in the field of REIT in our country by developing high-development potential cities based on Guangdong-Hong Kong-Macao Greater Bay Area. While developing steadily, we will also keep strengthening communication and cooperation with various stakeholders, practicing the concept of sustainable development, environment and commerce, and sharing achievements, hardships and prosperity with communities.

LIN Deliang

Chairman

OVERVIEW OF DEVELOPMENT IN 2019

IMPORTANT HONORS



"Listed Company Excellence Award 2019" by Xibei News



"2019 Listed Companies Award" by Bloomberg Businessweek



GZIFC was awarded the "BOMA China COE" by the BOMA China



Victory Plaza was awarded the "Golden Light Award for Outstanding Visual Effects" that represents the highest honor of China-VMD



Four Seasons Hotel Guangzhou was awarded "Forbes Travel Guide 2019 5-Star Hotel" by Forbes Travel Guide



Wuhan Yuexiu Fortune Center won the "Imprint of the Times-City Influential Enterprise Award" at the 7th Phoenix.com Global Chinese Real Estate Festival



Wuhan Yuexiu Fortune Center won the 18th place in the "China Top 100 List of Office Building City Value" by iqidian.com

ECONOMY/MARKET

In 2019, Yuexiu REIT completed the acquisition of carpark spaces at City Development Plaza and Fortune Plaza, with **RMB98 million** in total. The market value of Yuexiu REIT's property portfolio was up to **RMB34.961 billion**, increasing by **2.9%** as compared with 2018

During the reporting year, the total operating revenue of Yuexiu REIT was approximately **RMB2.058 billion**, increasing by **1.3%** as compared with 2018; and the net income from the properties was **RMB1.495 billion**, increasing by **1.8%** as compared with 2018; and distribution of per Unit was **RMB0.2406**. The comprehensive yield¹ of Yuexiu REIT was **10.32%**.

Customer satisfaction of the properties held by Yuexiu REIT continued to achieve a good performance of **97%**.

¹ Comprehensive yield refers to the sum of the increase in stock price and distribution yield.

EMPLOYMENT

At the end of the reporting period, Yuexiu REIT employed **632** and **132** employees in China for hotel operation through its branch companies and for serviced apartments operation through its subsidiaries respectively, mainly to fulfill its operating functions and provision of services for hotel and serviced apartments. Among them, female employees accounted for **52%**. The employees of Yuexiu REIT and the Manager received **49** hours of training on average.

ENVIRONMENT

GZIFC has **LEED EBOM V4 Platinum certification** and "**Building Sustainability Index Verification Mark**". In 2019, GZIFC was awarded the **BOMA China Certification of Excellence** ("BOMA China COE"), becoming the first landmark building with an international operation management system in South China, and also the first REIT asset project certified by BOMA in Asia.

The properties held by Yuexiu REIT such as Fortune Plaza, City Development Plaza, Victory Plaza and Yue Xiu Tower have made full use of energy-saving technologies such as inverter technology and LEDs, adopted industry-leading energy management models, introduced water-saving equipment and strengthened water consumption monitoring. The properties mentioned above saved a total of about **187,791 kWh** public power throughout the year, accounting for **1.7%** of public power consumed by those properties of the previous year; and saved about **3,728 t** public water, accounting for **2.4%** of public water consumed by those properties of the previous year.

COMMUNITY

We continued the targeted poverty alleviation in Chimi Village, Yingde, Qingyuan during the year. The properties held by Yuexiu REIT participated in **57** public welfare activities and provided volunteer services for **288** hours.

The "Bay Area Youth Action" was launched at GZIFC, and we introduced the technological secrets behind the super high-rise building to **more than 30** middle school students from Guangdong, Hong Kong and Macao.

White Horse Building and Liuhua Sub-district co-sponsored the "Micro Wish" campaign and donated **more than 80** "Warm Packs" within three days.

City Development Plaza donated over 120 books worthy of **more than RMB4,500** to the library of Yuexiu Haiyiyuan Rest House.

Victory Plaza joined hands with the tenant Uniqlo to organize a love clothing donation event to collect and donate **more than 500** pieces of love clothing.

We Organized charity activities for caring about and accepting autistic children, raising a total of **RMB4,000**. Victory Plaza provided venues for charitable activities from time to time and was awarded the honorable title of "**Charitable Entity in the Charitable City of Loves**" by Guangzhou Charity Association.

In response to the outbreak of COVID-19 in early 2020, we proactively fulfilled our social responsibilities and working with all parties to fight against the epidemic by providing temporary rent concessions to several tenants of office buildings, retail malls and wholesale mall, providing the employees with epidemic prevention equipment, and providing online promotion platforms for tenants. We also strengthen the disinfection of properties and cooperate with the communities to prevent the epidemic. **It is estimated that the total rental concessions in respect of all the properties held by Yuexiu REIT will be approximately RMB90,000,000 and the tenants of Wuhan Starry Victory Shopping Center were offered a waiver of two-month's rent.**



PRINCIPLES OF SUSTAINABLE DEVELOPMENT

In 2019, we continued to improve and consolidate our sustainable development strategy and work system, and firmly promoted the three sustainability principles:



WIN-WIN DEVELOPMENT

to offer customers outstanding products and services; to provide harmonious working environment for employees; to provide constant and stable returns for unit-holders; and to create higher economic value for stakeholders;



BEING GREEN

to conduct green property management; to operate in an energy-saving and environment friendly way; to introduce energy-saving technologies; to strive to become the leading example of green operations within the industry and perseverance on green sustainable development;



INCLUSIVE DEVELOPMENT

engagement with the community; concern about livelihoods; care for the underprivileged; taking full advantage of our platforms and resources and sharing the values and achievements with society.

SUSTAINABILITY GOVERNANCE STRUCTURE

This year, the Manager continued to clarify the governance and management responsibilities of sustainable development matters within the Company. The Board led the discussion of environmental, social and governance (“ESG”) risks and information disclosure, and assumed responsibility for the ESG management system and information disclosure. The management fully understood and recognized various factors of ESG were related to business risks and opportunities, and undertook related management responsibilities. Every department and property management team implemented ESG management requirements and implemented specific responsibilities into daily work.



PRINCIPLES OF SUSTAINABLE DEVELOPMENT

STAKEHOLDER IDENTIFICATION AND ENGAGEMENT

TENANTS



Stakeholders	Tenants rent Yuexiu REIT's wholesale mall, retail malls and offices
Relationship with the Trust	Tenants' trust and satisfaction are the cornerstones of our ability to continuously improve our performance
Their concerns	Property location, internal environment, property service quality, safety facilities, property energy consumption, rental level, shopping mall traffic
Our daily communication	Regular visits, satisfaction surveys, complaint hotlines, resident property management

CUSTOMERS



Stakeholders	Customers enjoy services in retail malls, hotel and serviced apartments held by Yuexiu REIT
Relationship with the Trust	Customers are direct users of our commercial properties and it is our responsibility to provide them a safe and comfortable environment
Their concerns	Property location, tenant portfolio, property environment, safety facilities, property transportation convenience
Our daily communication	Complaint mail, regular inspection, complaint hotline, satisfaction survey

EMPLOYEES



Stakeholders	The 764 employees hired by Yuexiu REIT and the Manager's employees
Relationship with the Trust	The continuous growth of outstanding employees is the key to our sustainable development
Their concerns	Remuneration, development potential, employee benefits, promotion policies, training system, corporate reputation, job intensity, internal communication channels
Our daily communication	Direct communication, employee mailbox/hotline, training programs

GOVERNMENT



Stakeholders	Local government of the registration, listing and operation of Yuexiu REIT
Relationship with the Trust	The support of the government enables us to produce a wider range of positive economic and social impacts
Their concerns	Complying with local laws and regulations, paying taxes according to law, promoting local economic growth and local employment, and creating social benefits
Our daily communication	Keep in touch and communicate in policy

UNIT-HOLDERS AND INVESTORS



Stakeholders	Yuexiu REIT's unit-holders and potential investors
Relationship with the Trust	The unit-holders of the Yuexiu REIT provided the economic foundation for our development, Yuexiu REIT therefore was obliged to create satisfying expectations and sustainable economic returns for unit-holders
Their concerns	Share prices, distribution, financial conditions, business prospects, future development plans, corporate governance, management selection and recruitment
Our daily communication	Unit-holders' meeting, financial information disclosure, investor hotline/ mailbox, investor relations roadshow

SUPPLIERS



Stakeholders	Suppliers provide devices and services required for routine operations of Yuexiu REIT
Relationship with the Trust	The suppliers provide us high-quality products and services and are an important part of the operation of Yuexiu REIT. At the same time, they also need to abide by the supplier management system of Yuexiu REIT
Their concerns	Procurement policies, supplier management system, fair trade, on-time delivery, timely payment, communication channels, and maintaining good partnerships
Our daily communication	Supplier review, regular visits

MEDIA



Stakeholders	The media focuses on Yuexiu REIT and promotes our operating performance and service conditions
Relationship with the Trust	The continual supervision by medias can help the community understand the situation of Yuexiu REIT, and urge Yuexiu REIT to increase the transparency of its operations
Their concerns	Social impacts, financial performance, future direction, awards obtained
Our daily communication	Event invitations, public opinion monitoring

LOCAL COMMUNITIES



Stakeholders	The communities where Yuexiu REIT's properties are located
Relationship with the Trust	The communities and local residents support our business growth, and our properties also provide living space for local residents
Their concerns	The environmental impact of the properties, the recreational facilities provided in the properties, the traffic and opportunities brought by the properties for the local area
Our daily communication	Public welfare activities, complaint hotline

PRINCIPLES OF SUSTAINABLE DEVELOPMENT

MATERIALITY MATRIX AND ISSUE LIST

Based on the business development and industry characteristics of Yuexiu REIT, the Manager entrusted a professional consultant in 2018 and 2019 respectively to assist in identifying and analyzing sustainable development issues that are of concern to internal and external stakeholders and have a greater impact on the Company's development, and assist the management in conducting important issue assessments.

- Continuously update the ESG issue bank according to the business development direction of the Company, the development conditions of the industry, and the key concerns of the media and the capital market;
- Survey on stakeholder opinions of internal management, employees, tenants, suppliers, investors, other cooperation organization, etc;
- Optimize survey results through media concerns, industrial benchmarking, group discussions, expert opinions, etc. The management discusses the survey to obtain an overall assessment result, and prepares the ESG materiality matrix and issue list as an important reference to ESG management and disclosure.

During the reporting year, the business nature and scale of Yuexiu REIT did not change significantly. Based on the evaluation results of previous year and in consideration of the latest concerns of the stakeholders, the Manager comprehensively updated the issue bank, integrated similar issues, issued questionnaires to the internal management, finally reviewed and drew material issues for 2019 and responded to them through this Report.



Rank	Material Issue	Sustainability Aspect
1	Employee development and training	Employment and labor practice
2	Anti-commercial bribery	Operating practice
3	Stable value creation	Operating practice
4	Information security	Operating practice
5	Employee safety and health	Employment and labor practice
6	Employee interest and communication	Employment and labor practice
7	Property safety and health	Operating practice
8	Industry development	Operating practice
9	Talent attraction and retention	Employment and labor practice
10	Service quality	Operating practice
11	Value chain responsibilities	Operating practice
12	Green lease	Environment
13	Customer complaint handling	Operating practice
14	Waste management	Environment
15	Energy management	Environment
16	Social welfare	Community
17	Sustainable consumption	Operating practice
18	Water resources management	Environment

We also pay attention to the following aspects:

Rank	Material Issue
A	Anti-unfair competition
B	Biodiversity
C	Responsible marketing
D	Intellectual property protection

ANTI-CORRUPTION AND SOUND GOVERNANCE

The Manager attaches great importance to transparency, independence, accountability, responsibility and fairness, strictly abides by the requirements of the applicable laws and regulations and has formulated a series of anti-corruption rules and regulations within the Company. The Manager is committed to ensuring the transparent assets, streamlined management process and reasonable expenditure of Yuexiu REIT, and clarifies that anti-corruption and anti-commercial bribery are the "red lines" of behavior that every employee must strictly adhere to. The Company has established an internal supervision and management system, any issues with the tendency to bribery, corruption, malpractice, abuse of authority, abuse of power and other types of illegal, irregular or violating behaviors, or misconducts that may cause great losses to the Company's reputation or economy will be put under strict supervision and handled with impartiality.

We continued to improve the regulations and ensure compliance to business ethics on all levels, and strengthen a corporate culture of integrity with precaution, monitoring reward and punishment measures. According to the *Guideline on Anti-Money Laundering and Counter-Terrorist Financing* and based on the business characteristics of Yuexiu REIT, the Manager has formulated the *Guideline on Anti-money Laundering*. Moreover, the Manager has established the procedures for settling conflicts of interests and all the employees shall comply with the same.

During the reporting year, no commercial bribery cases were discovered by the Company and no confirmed commercial bribery cases were known to the Company. There were also no legal proceedings as a result of commercial bribery against the Company or our employees.

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**CONFIRMED COMMERCIAL
BRIBERY CASES WERE
DISCOVERED OR KNOWN TO THE
COMPANY**

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**LEGAL PROCEEDINGS AS A
RESULT OF COMMERCIAL
BRIBERY AGAINST THE
COMPANY OR OUR EMPLOYEES**



We pursue the integration of people, buildings and the environment. In the development process, we pay attention to the impact of various business types on the environment, keep adhering to the concept of low-carbon environmental protection, and strive to contribute to healthy and organic city life. In the past year, we took environmental management to a new level and promoted the normalization of green operations. We will continue to be a good practitioner and advocate of green environmental protection, and work with customers, employees and all sectors of society to create a green ecology that integrates humanity, building and the environment.





**INTEGRATED DEVELOPMENT
WITH THE ENVIRONMENT**

INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

GREEN LEASE

“Green Lease” is the most concentrated embodiment of us in environmental protection. It includes environmental protection and energy-saving renovation of properties, and promoting tenants to operate in a “greener” manner. We are committed to the improvement of technologies and management related to green buildings, strengthening of the standardized management of resources and energy, proper disposal of waste water, waste gas and solid waste, and strive to reduce our environmental impact. We also include customers as part of our greener operation and actively guide customers to participate in various environmental protection activities, forming a consensus on environmental protection, and further expanding the environmental protection benefits.

IMPROVE MANAGEMENT MECHANISM

Strict and effective management is an important pillar to realize our “green lease” concept. We adhere to the bottom line of environmental compliance, strictly abide by the national and local laws and regulations, including the *Environmental Protection Law of the People’s Republic of China (PRC)*, *Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Wastes*, *Energy Conservation Law of the PRC*, *Construction Law of the PRC*, *Law of the PRC on the Prevention and Control of Water Pollution*, *Law of the PRC on the Prevention and Control of Atmospheric Pollution*, *Regulations of Guangdong Province on the Prevention and Control of Environmental Pollution by Solid Waste*, *Provisions on the Administration of Urban Construction Wastes*, *National Hazardous Waste Inventory*, and regulate the internal green management of every property, actively fulfilling the corporate social responsibilities for environmental protection.

In 2019, we continued to strengthen environmental management through three aspects: goal setting, system improvement and staffing.



In 2019, we established a relatively developed internal policy on environmental management, supervised and implemented the environmental quality standards of the properties, identified and controlled environment pollution such as waste water, waste gas, solid waste and noise generated from operations, and established corresponding handling measures in consideration of various environmental risks.

CREATE GREEN BUILDINGS

Based on high-level office building management standards, Yuexiu REIT monitors the operation of equipment and facilities, public areas, operating systems (lighting, power supply, water supply and drainage), etc., and performs transformation and management in accordance with the requirements of green building certification. In 2019, we cooperated with professional energy-saving service companies to carry out projects such as LED lamp rectification, fresh air fan replacement projects, and public area renovation projects. We extensively used energy-saving technologies such as variable frequency control and high-efficiency heat exchangers, and installed solar energy, air energy and other clean energy water heaters to supply hot water.

GREEN CONVENTION

Refer to the requirements of the BOMA management model, we introduced a green convention during the annual review of the lease contract model in the second half of the year, requiring tenants to use environment-friendly technical decoration materials (such as flooring, panels, paint, etc.) during their second renovation. Oil-based paint is strictly banned and construction boards have to meet the required relevant environmental protection level or above. Wood products should have legal source certificates, and the equipment and cleaners should meet the standards of China Quality Certification Center. Require tenants to use the daily office paper, printer cartridges, cleaning paper, etc. certified in environmental protection, and use the office equipment certified in energy conservation, in order to realize recycling and no pollution.

Our green buildings have been well-recognized by lots of parties. By now, the properties held by Yuexiu REIT have accumulated a number of green building certifications:

- **GZIFC** has global leading technologies and management practices in energy management, health and safety, and intelligent systems. It has won international and domestic "Green Medals" such as LEED EBOM V4 Platinum certification, sustainable building development index verification sign. In 2019, GZIFC won the BOMA China Certificate of Excellence ("BOMA China COE"), and was again recognized internationally as a green building model.



BOMA China COE



LEED EBOM V4 Platinum Certified

INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT



GZIFC WAS HONORED WITH BOMA CHINA COE

GZIFC started to introduce the BOMA management system in early 2019. In October's expert review, GZIFC won over 90 in five aspects including building operation management, energy management, training management, marketing and communication management, and environmental management. As a result, GZIFC was honored with BOMA China COE, becoming the first landmark building with an international operation management system in South China, and also the first REIT asset project certified by BOMA in Asia.



Field Audit by Expert Group

- **Energy management:** GZIFC continuously improves its energy management technologies and methods, introduces intelligent technology in 19 subsystems such as building lighting and energy management, uses heat recovery design and new thermal insulation materials, and uses an energy feedback device for building elevators to reduce power consumption by about 8%, and recycles and reuses condensate about 8,500 tons per year.
- **Air quality:** GZIFC purifies and transforms all air-conditioning units to remove dust particles such as PM2.5. The air quality sensor controls the amount of fresh air according to the indoor CO₂ concentration. In addition, an ultraviolet sterilization section is added on the basis of electronic dust removal equipment. The refrigerator is sterilized by radiation to prevent the breeding of bacteria and microorganisms;
- **Environment-friendly design:** GZIFC pays attention to environmental protection and comfort in design. It adopts the world-leading double-layer, double-silver low-reflection, high-permeable hollow glass curtain wall, which can not only effectively insulate noise, but also reduce energy consumption and light pollution to surrounding buildings.

About BOMA China COE

As the abbreviation of BOMA China Certificate of Excellence, it is the first Chinese building management certification recognized by GRESB, an ESG international rating agency.



GZIFC's Indoor Environment



GZIFC's win fully reflects the external recognition of our professionalism in overall asset management. It is a milestone in the Company's development process of internationalized asset operation and management, and helps to increase the overall value of Yuexiu REIT's commercial assets, and an important guarantee for investors to obtain stable and continuously increasing investment returns.



Mr. LIN Deliang, Board Chairman and CEO of the Manager, attended the ceremony and delivered a speech



By LIN Deliang



Fortune Plaza: While continuously upgrading the hardware, Fortune Plaza improves the level of property management, pays attention to the health and comfort of the office environment, and has obtained the "Sustainable Building Index Verified Mark" awarded by Guangzhou Tianhe CBD Administration Committee and the Hong Kong Quality Assurance Agency.



Fortune Plaza's Interior View

Sustainable Building Index Verified Mark

City Development Plaza: It focuses on energy management, continuously strengthens energy conservation transformation, and has obtained the "Sustainable Building Index Verified Mark" awarded by Guangzhou Tianhe CBD Administration Committee and the Hong Kong Quality Assurance Agency.



City Development Plaza Interior View

Sustainable Building Index Verified Mark

Hangzhou Victory: The utilization rate of renewable energy of Hangzhou Victory is 71.95%, the energy efficiency of buildings is 51.3%, and the ratio of recyclable building materials is 10.12%. It has obtained the 2-star logo for green building design.



Hangzhou Victory



Green Building Design Logo Certificate

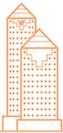
INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

PRACTICE WATER AND POWER CONSERVATION

During the year, the properties held by Yuexiu REIT successively introduced energy consumption control targets and implementation rules, further promoted the normalization of energy-saving technological reforms and green office initiatives, conducted data management on the results of resource conservation, and made effort to reduce resource consumption in operations.

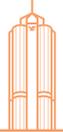
Water conservation

Fortune Plaza



Fortune Plaza required cleaning companies to formulate operating requirements to save water. It controlled the water inlet valve before cleaning the domestic water tank and control water level properly. It required replacing parking garage and greening faucets with lock faucets and using water-saving appliances such as inductive faucets, inductive flushing, and water-saving faucets. It monitored the monthly water consumption, paid attention to the monthly water leakage in the system, and checked for leaks and fixed them on time. During the reporting year, Fortune Plaza saved 1,879 tons of public water compared with the previous year.

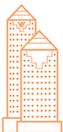
City Development Plaza



It strengthened the management of water tanks and asked the Property Department to make an appointment and close the water inlet valve in advance to control the water level. It adjusted the reasonable water consumption of toilets to avoid excessive water use; adjusted the water output of basin faucets to reduce water splashing, and disabled the water heaters on Saturday and Sunday. During the reporting year, City Development Plaza saved 21 tons of public water compared with the previous year.

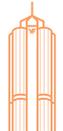
Electricity conservation

Fortune Plaza



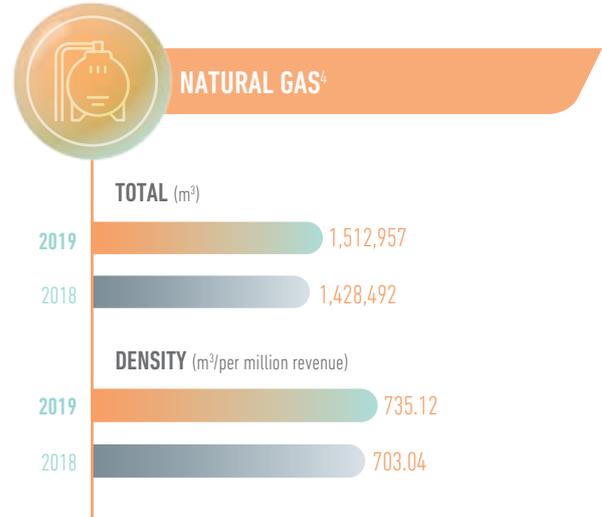
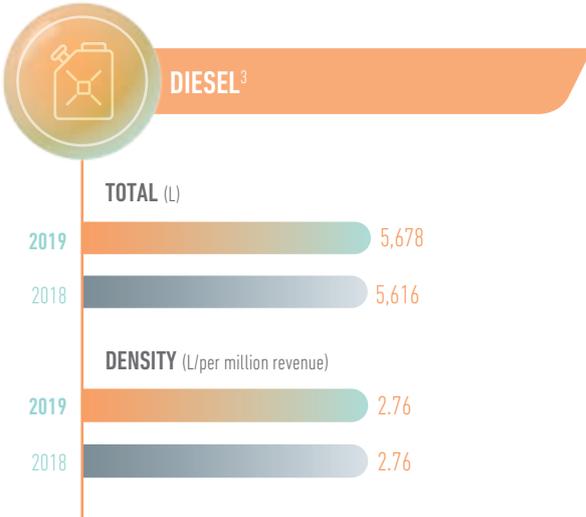
Fortune Plaza set up a working group for energy conservation and consumption reduction to regulate the management of central air-conditioning systems, elevator systems, lighting systems, gas systems, offices and equipment rooms. It implemented key measures such as installing induction lamps, setting up central cooling (heating), formulating equipment switching schedules, and choosing to use products with the China Energy-saving Product Certificate. Through these measures, the public power consumed throughout the year was reduced by 35,408.53 kWh, accounting for 1.8% of the total public power consumed in the previous year.

City Development Plaza

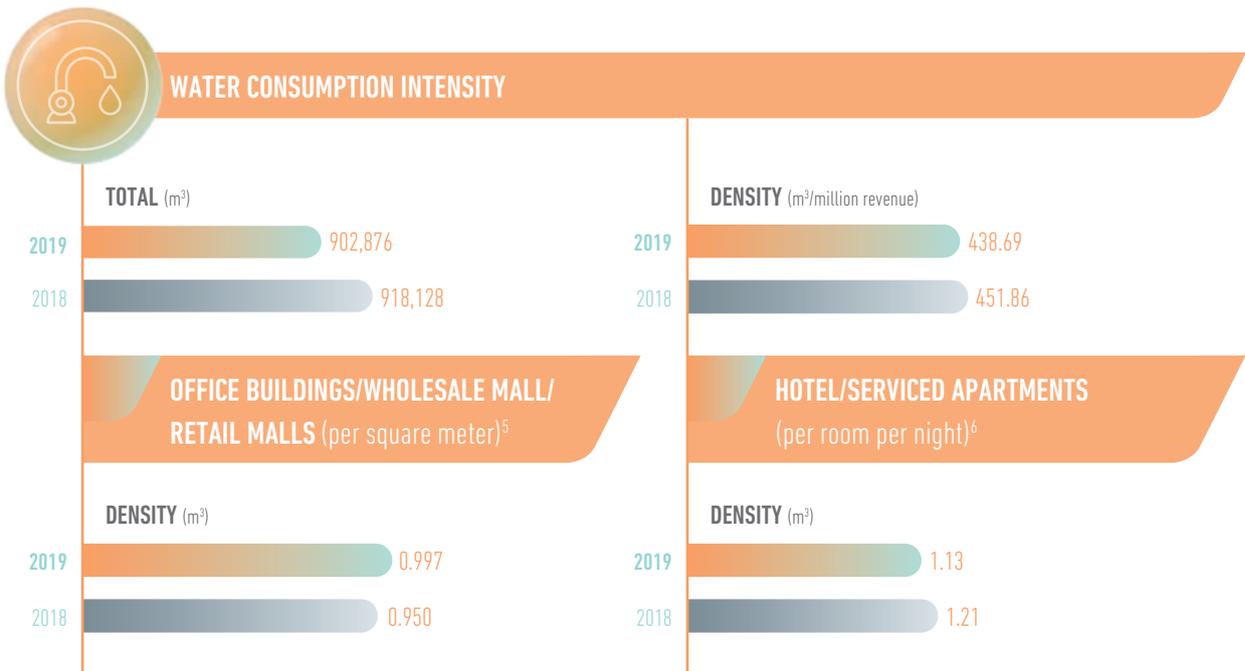


City Development Plaza set up energy-saving team, formulated equipment operation management standards, energy-saving and consumption-reduction supervision table, air-conditioner mainframe switch schedule, public lighting schedule and elevator operation schedule, provided power supply and distribution on a seasonal basis, and performed a monthly energy consumption analysis. Through these measures, the public power consumed throughout the year was reduced by 9,846.24 kWh, accounting for 0.8% of the total public power consumed in the previous year.

ENERGY AND RESOURCE CONSUMPTION AND DENSITY²



TOTAL WATER CONSUMPTION AND DENSITY



² According to the principle of "Consistency" and based on the statistical caliber of the current year, the energy and resource consumption in 2018 is retroactively revised (if applicable), and the density data is revised accordingly.

³ The statistical scope of diesel consumption covers the diesel consumed by the power generators of the properties held by Yuexiu REIT. The diesel consumption in 2019 increased to certain extent mainly due to the full-load test, full cleaning and maintenance of the power generators by GZIFC, White Horse Building and Fortune Plaza.

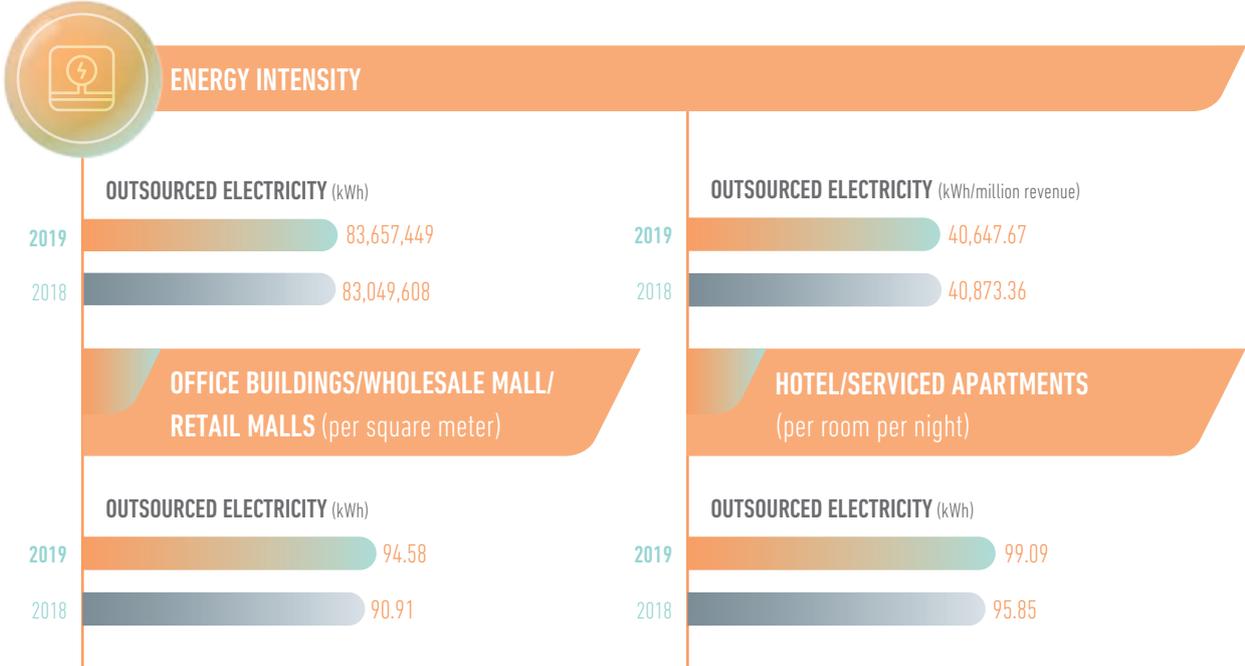
⁴ The statistical scope of natural gas consumption covers the natural gas consumed by the heating equipment of the properties held by Yuexiu REIT and the natural gas consumed by the catering sector of Four Seasons Hotel Guangzhou, other than the natural gas consumed by catering tenants and dining halls in retail malls and office buildings. The natural gas consumption increased to certain extent in 2019, mainly due to the extension of winter heating by Wuhan Properties.

⁵ According to the principle of "Importance", the scope of properties included in the statistics in the current year is determined in consideration of actual management (refer to "Scope and Boundary of the Report"), and the area is calculated according to the scope.

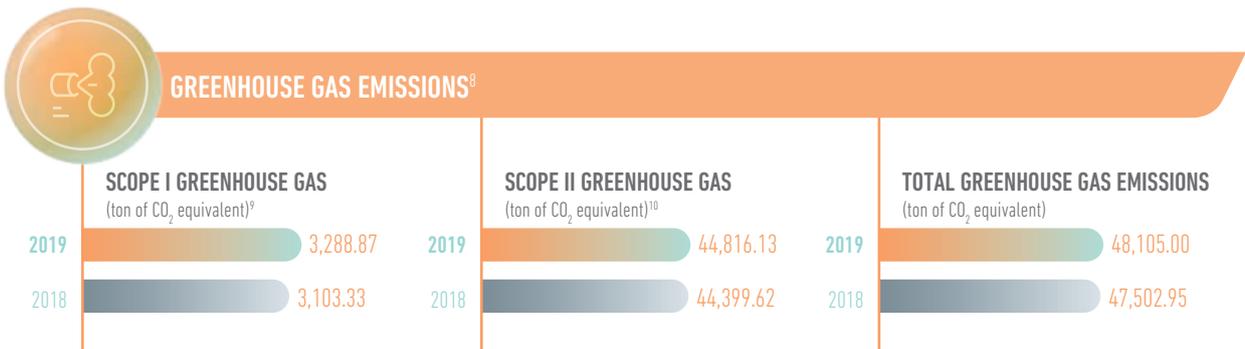
⁶ "Room Night" refers to the total rooms of Four Seasons Hotel Guangzhou and Ascott Serviced Apartments multiplied by the days of the whole year.

INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

TOTAL POWER CONSUMPTION AND DENSITY



GREENHOUSE GAS EMISSIONS⁷



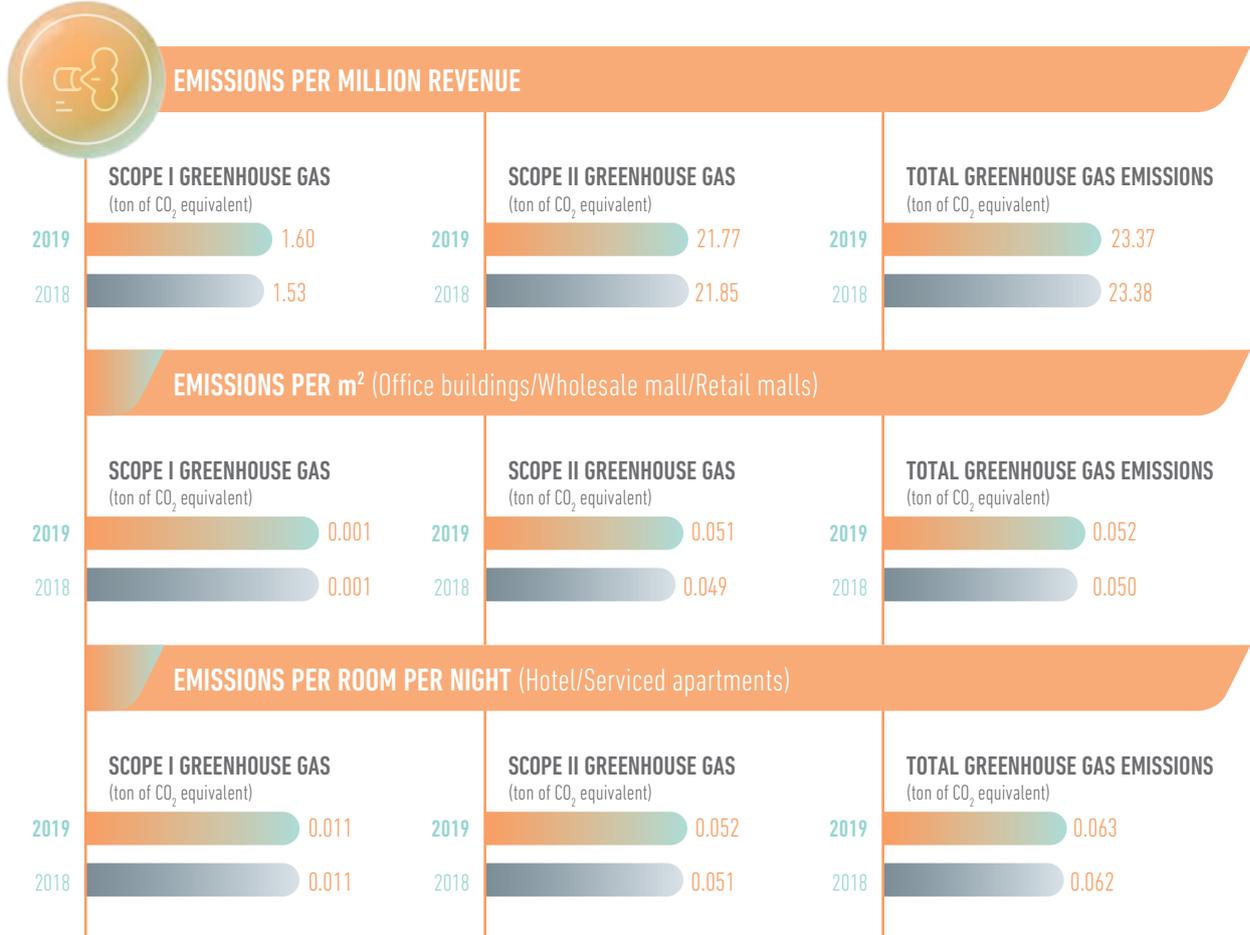
⁷ Total greenhouse gas emissions are limited to direct/indirect carbon dioxide emissions from the energy consumption of non-leasing/sales parts of the properties held by Yuexiu REIT.

⁸ Update carbon emissions and density accordingly based on revised 2018 energy consumption.

⁹ According to the ISO 14064 International Standard for GHG Emissions Inventories and Verification, Scope I of GHG emissions refers to the direct GHG emissions, and refers to emissions directly from the sources owned and controlled by the organization, such as emissions from vehicles owned by itself. For the carbon emission factors, the Report uses the Emission Factors for China Grid Benchmark Line issued by the National Development and Reform Commission in 2012.

¹⁰ According to the ISO 14064 International Standard for GHG Emissions Inventories and Verification, Scope II of GHG emissions refers to indirect sources of energy, such as indirect GHG emissions from outsourced power. For the carbon emission factors, the Report uses the Emission Factors for China Grid Benchmark Line issued by the National Development and Reform Commission in 2012.

GREENHOUSE GAS EMISSION INTENSITY



EMISSION DISPOSAL AND TREATMENT

The properties held by Yuexiu REIT strictly abide by national and local laws and regulations when dealing with emissions, and actively respond to the domestic waste classification requirements that are gradually being implemented in major cities across the country.



Domestic sewage

All sewage from the properties is collected into the municipal sewage pipeline and then treated together with the urban sewage.



Smoke fumes and exhaust gas

The smoke fumes and exhaust gas mainly come from catering tenants of the retail malls. For such type of tenants, we provide special fume disposal equipment to control restaurant soot and ensure the compliance with relevant regulations on exhaust emission.



Solid waste

We follow the principles of reduction and innocuousness, implement the applicable laws and regulations on waste classification in various places, and send hazardous waste such as paint buckets, printer cartridges, printer ink boxes and other waste to suppliers for unified disposal.

INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

Implementing Waste Classification Requirements

In 2019, the Ministry of Housing and Urban-Rural Development issued the *Notice on the Comprehensive Implementation of Domestic Waste Classification in Cities at and above the Prefecture Level Nationwide*, initiating the classification of domestic waste and proposing that 46 pilot cities should achieve the goal to establish a domestic waste classification and treatment system by 2020.

Guangzhou, Shanghai, Wuhan and Hangzhou, where the properties held by Yuexiu REIT are located, are all pilot cities for waste classification. With the introduction of relevant local regulations, every property carefully implements local regulations for waste classification, handles different types of domestic waste, and advocates different waste classification methods to tenants and customers.



GZIFC LED TENANTS TO WASTE CLASSIFICATION IN ATTRACTING WAYS

Aiming to fulfil the requirements of waste classification supervision and practicing the concept of waste classification, GZIFC responded positively with the following actions:

- Launched an environmental protection month and hosted a "Waste Classification Challenge" game to enable tenants to quickly acquire waste classification skills;
- Set up a battery recycling bin at the service center so that tenants could put used batteries and portable chargers into the bin for recycling. Designated professional companies to recycle and harmlessly treated such hazardous waste regularly;
- Provided waste bags in four colors for tenants in the building and arranged personnel to recycle waste;
- Organized the "Protect the Earth Environment" Action Photography Art Exhibition, promoted awareness on environmental protection and waste classification tenants through environmental photography exhibitions and the establishment of environmental ambassador committees;
- Carried out waste classification activities based on the green building's environmental protection concept, aiming to let tenants understand the methods of waste classification and the importance of waste classification to the environment;
- Organized volunteers for the waste collection event, and turned the waste in people's hands into valuable items.





SHANGHAI YUE XIU TOWER SPREAD AWARENESS AND CONDUCTED TRAINING ON WASTE CLASSIFICATION

Yue Xiu Tower purchased bins for waste classification, disseminated relevant information to the tenants, set up waste classification publicity boards on walls, and played promotional videos on the lobby TV in a loop, spreading the message of waste classification. The training provided on waste classification was received well.



Yue Xiu Tower distributed and posted publicity materials for waste classification



WUHAN PROPERTIES REFINED WASTE CLASSIFICATION AND TREATMENT METHODS

Wuhan Properties classified the types of waste in the office building and the retail mall, which were generally divided into general domestic waste, construction waste and kitchen waste. For every type of waste, Wuhan Properties specified the corresponding release time and disposal method. For example, for food waste, we would provide a unified waste bin for every tenant, delimited the area where the waste bin was placed, and collect waste regularly every day. At the same time, tenants were required to install oil-water separators at the drainage outlet and clean the equipment on a daily basis.



HANGZHOU VICTORY STRENGTHENED PUBLICITY OF WASTE CLASSIFICATION

Hangzhou Victory explained to tenants the methods of waste classification. We also worked closely with the local sub-district to prepare posters that were stuck on buildings to deepen public's understanding of waste classification in Hangzhou.



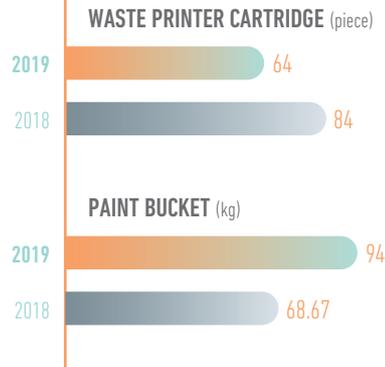
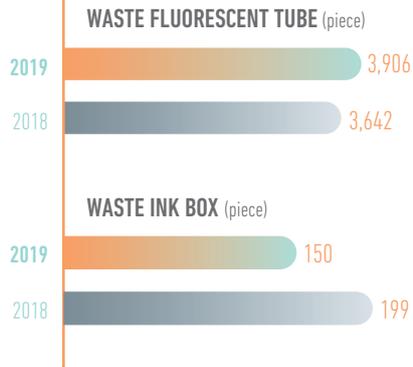
Guidance and awareness on waste classification

INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

DATA OF HAZARDOUS WASTES



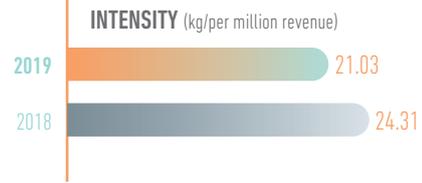
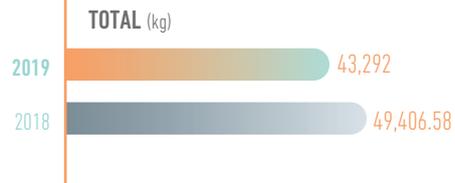
HAZARDOUS WASTES



DATA OF NON-HAZARDOUS WASTES



OFFICE PAPER



BUILD SMOKE-FREE BUILDINGS

In 2019, the properties held by Yuexiu REIT continued to strengthen the control of tobacco odor. By adding tobacco control hardware equipment and carrying out smoke-free publicity, we created a better operating and office environment for tenants.



GZIFC PUT OUT SMOKING FOR “LOVE”

On 31 May, GZIFC conducted a love and health smoke-free campaign “In the Name of Love” to suggest people to bring health to children and the world through smoking ban. The campaign got strong support from all the parties involved.



Less tobacco today, healthier babies tomorrow

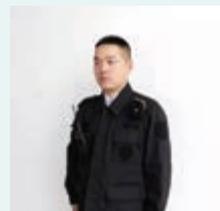


No-tobacco ambassadors and little angels admonished smokers to throw their tobaccos



WUHAN PROPERTIES CONTROLLED SMOKING THROUGH MULTIPLE CHANNELS

- 1 Arranged no-smoking supervisors to wear work recorders to conduct daily inspections over public areas and stairs of the office building, and captured the people in violation of office management regulations. Reminded the person that did not obey the regulation of smoking after being advised for many times on the office television;
- 2 The management office installed smoke alarms at the points with frequent smoking. When the cigarette smoke is sensed, the alarm will immediately give a voice alarm, and the signal will be directly fed back to the monitoring center;
- 3 Set up a smoking area at the entrance of the west lobby of the building.



No-smoking Supervisor



Smoke Alarm



Designated Smoking Area

INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT



FORTUNE PLAZA AND CITY DEVELOPMENT PLAZA EXPLORED NEW TOBACCO CONTROL MODEL

On World No-Tobacco Day 2019, Fortune Plaza hosted a no-tobacco event with the theme "Green and Fresh Office, Starting from No Smoking", inviting tenants to sign on the initiative board, joining in a smoke-free commitment program, and thanking the customers supporting Fortune Plaza's no-tobacco building program over the years. This was aimed at enhancing the customers' sense of participation and honor, and jointly creating a green and fresh smoke-free office environment.



Event site

Meanwhile, City Development Plaza continued to strengthen management measures for tobacco control. On the same day, an event called "Open New Mode of Tobacco Control and Protect Everybody" was held to develop interactive games for tenants in order to help them comply with smoke-free regulations.



Tenants interacted with no-smoking supervisors



GREEN PROMOTION

The properties held by Yuexiu REIT are not only practitioners of green environmental protection, but also active advocates and propagandists. This year, we launched various kinds of promotional and educational activities around the theme of environmental protection, spreading awareness on various environmental protection concepts in fun interactions with tenants.



ENVIRONMENTAL PROTECTION AND ENERGY CONSERVATION PUBLICITY SERIES OF GZIFC

As an ultra-Grade A green building, GZIFC always encourages its tenants to pay attention to environmental protection. It invited tenants to participate in a series of activities to jointly create a green office living environment:

- On 22 April, GZIFC held the "World Earth Day" Event. Through field promotion, it advocated that tenants should care for the earth, and gave them small potted plants free of charge.



- On 28 August, a lecture on environmental protection art exhibition was held. On the site, Mr. Li Zhihong, the current secretary-general of Guangzhou Urban Mineral Association, was invited as a lecturer to hold a scientific, professional and innovative environmental lecture.



WIN-WIN COOPERATION WITH PARTNERS





By upholding the business concept of “professionalism, stability, excellence and win-win strategy”, we have been adhering to improving service quality and being committed to creating a win-win situation in cooperation with customers, partners, and industry peers to achieve common development.

WIN-WIN COOPERATION WITH PARTNERS

EXCELLENT SERVICE

Continuously improving customer service satisfaction and trust is an important goal pursued by us. The properties held by Yuexiu REIT strive to provide customers with services of higher quality and higher standards. In 2019, the overall customer satisfaction maintained 97%.

CUSTOMER SERVICE

The properties held by Yuexiu REIT have a diverse property portfolio including wholesale mall, office buildings, retail malls, hotel and serviced apartments. We have excellent internal policies for customer service, as well as a high-quality customer service system, striving to create the best quality service experience for customers. We regularly conduct customer satisfaction surveys and investigations on customer needs as references to further optimize the customer experience and service standards of various properties.

COMPLETE CUSTOMER SERVICE SYSTEM

The Company has established customer service-related policies such as the *Customer Resource Management Operational Guidelines*, aiming to build a good cooperative relationship with customers, and constantly improve the pertinence and efficiency of the investment promotion work to ensure that customer follow-up, negotiation and contract signing are conducted in a procedural and standardized manner. The Company has established the *Tenancy Relationship Management Operational Guidelines* to strengthen the tenancy relationship management, improve the level of our tenancy relationship management, enhance tenants' satisfaction, optimize the tenant portfolio of properties and enhance their core competitiveness.



Every property has also formulated internal policies to implement customer service policies to the extreme:



GZIFC has the “6S” Star Diamond service system and the supreme service concept, namely “Smile, Speed, Specialty, Security, Sincerity, Share”. Starting from the hardware facilities and professional services, GZIFC pursues the continuous improvement of its service quality level, adheres to the concept of “Creating together, Sharing together and Winning together” and is committed to providing international star services for customers.

White Horse Building provides a customer relationship management operation course, improving the customer relationship from four aspects including customer visit, customer support, member service and business exchange. We understands customers’ needs, shares the latest market operations and expansion trends with customers, and protects customers’ rights and interests.

The Property Center of City Development Plaza conducts periodic visits to customers at the end of every year to evaluate services and adjust services accordingly. The Property Center will try to respond to or solve the problems on site as much as possible, and make a response to that cannot be solved on site within one week.

Wuhan Properties provide standardized services according to customer needs, and also provide personalized services. For example, if we find a customer having birthday during the business process, we will present blessings. When tenants need to receive important guests, we will provide VIP reception services in a timely manner so that guests can have a respectful experience.

Four Seasons Hotel Guangzhou improves catering quality, implements the “3C” Service Concept (Connection, Craftsmanship, Character), and enhances the guest experience and hotel reputation.



WIN-WIN COOPERATION WITH PARTNERS

QUALITY SERVICE EXPERIENCE

We are actively exploring to strive to create the best service experience for our customers by introducing convenient facilities, optimizing the experience of communicating with customers, publicizing safety knowledge, providing a variety of cultural activities, conducting customer satisfaction surveys and other different channels.



ATTENTIVE LISTENING TO CUSTOMERS

During 4-8 March 2019, GZIFC invited the building tenants to participate in the BOMA Tenant Satisfaction Survey to understand the tenants' expectations and suggestions on various aspects of the building operation team, environmental cleanliness, equipment and facilities, safety management, air quality, rental services, and measures for the benefit of the people. 127 questionnaires were finally collected. The survey results show that the tenant satisfaction rate was 89%, 14% higher than the 2018 BOMA China similar project satisfaction benchmark. It has been the highest satisfaction rate among all super high-rise projects of BOMA's cooperation projects in China at present. Based on the report of the survey results, we conducted in-depth analysis and discussions with experts, formulated and implemented corresponding improvement plans and measures for various opinions and suggestions from customers in order to provide customers with better, safer and more detailed office environment.



THE TENANT
SATISFACTION
RATE WAS

89%



SHANGHAI YUE XIU TOWER INGENIOUSLY CREATED DOUBLE-SUPREME SERVICES

On 28 August 2019, on the fourth anniversary of Yuexiu REIT's "Going Out of Guangzhou and Entering Shanghai", Shanghai Yue Xiu Tower officially launched the "Double-Supreme Service" by upgrading products, support and service. By firmly grasping the "Build Another New Pudong" opportunity, we determine to make Yue Xiu Tower a new territory for finance and trade in Zhuyuan CBD, Pudong, Shanghai.



Release Site

Highlights of Double-Supreme Services

- Installed lobby gates, elevator access control, building video intercom, upgraded video monitoring and fire hydrant main pump control cabinets to escort safe offices from outside to inside;
- Completely transformed the optical fiber network, upgraded the air-conditioning system in the lobby, extended the air-conditioning service on the low and middle floors to 22:00, introduced a variety of supporting facilities such as car sharing stations, business tea rooms, etc.;
- Gained insight into customer needs, set up mother and baby rooms in the lobby, and carried out various circle activities such as afternoon concerts to infuse care and love into offices.



GZIFC SHOPPING MALL HERITAGE MUSEUM "JOYFUL APPRECIATION" CULTURAL FESTIVAL, A CULTURAL AND ART FEAST

1 The Wizard of Oz

On 21 May, Dorothy in The Wizard of Oz took the scarecrow, the tin man and the lion to "Cross" to GZIFC Shopping Mall. They sang "Over the Rainbow" for people passing by, and used smiles and songs to connect the "Superior" adventurous spirit in the fairytale to present a pure and flawless spiritual world for the urban forest filled with reinforced concrete.



GZIFC Shopping Mall in fairy world



"Ancient Mysteries" Mobile Experience Hall



Mr. LIN Deliang (left) and Ms. Karen Maddocks (right), British Consul General in Guangzhou, addressed at the event

2 Ancient Mystery

Committed to creating the "New Landmark of Elite Life", on the occasion of the third anniversary celebration, GZIFC Shopping Mall cooperated with the world's oldest and most magnificent comprehensive museum-the British Museum to inspire life with cultural innovation from 3 May to 3 July, creating an "Educational and Entertaining" experience with humanistic care and a top-level cultural IP Ancient Mysteries mobile experience hall in the atrium. The series of activities brought a cultural feast to tenants, customers and the public, and accompanied the children with a meaningful Children's Day and Father's Day.

3 Invisible Forbidden City

On 22 May, GZIFC M Space invited two heavyweight guests with inextricable links with the Forbidden City to conduct a cross-border dialogue. Mr. QI Haonan, a young role model of the craftsman spirit, known as the "Male Goddess of the Forbidden City", told the audience about his daily routine of repairing clocks in the Forbidden City, while Mr. LI Shaobai, who was the first person to take photographs in the Forbidden City, conducted a photography exhibition of Forbidden City.



Event Poster



Salon Scene

4 BBC Civilization Documentary Sharing Salon

On 23 May, GZIFC invited Dr. YANG Sen, a PhD in Theatre and Film Studies and a lecturer in the Department of Radio and Television of Guangdong University of Finance & Economics, to open a sharing salon in M Space to reveal the secrets behind BBC documentaries. In addition to high capital investment, clever shooting techniques and, precise narration, the professionalism behind the scenes is remarkable as well.

About M Space

Yue Space on the M floor of GZIFC ("M Space") is an office business service platform with four unique features, including intelligent cloud services, resource links, service customization, and pan-entertainment and social networking. Various art exhibitions, lecture salons and public welfare activities are held in M Space from time to time, aiming to provide a platform for tenants and visitors to take a break from work and recharge, and present people a new office model.

WIN-WIN COOPERATION WITH PARTNERS



VICTORY PLAZA WAS AWARDED WITH "STAR OF INGENIOUS SERVICE"

"Star of Ingenious Service" aims to establish the ultimate service benchmark in Tianhe Road business district and create the "Tianhe Standard" that belongs to the industry. The competition started on 17 January and ended on 26 January. More than 600,000 people participated in the voting. Victory Plaza stood out with the maximum number of votes and was awarded "Star of Ingenious Service" by the public. Its quality of services has been highly recognized by the government and citizens.



CITY DEVELOPMENT PLAZA FULLY IMPROVES SERVICE QUALITY BY CREATING GREEN ENVIRONMENT AND PROVIDING CONVENIENT FACILITIES

Since May 2019, City Development Plaza has been strengthening the environmental construction of vacant units, by not only regularly cleaning all places, but also placing green plants and drinking water to enhance the building's image. This takes care of the needs of customers, improve the customer's experience of building services, and enhances service quality from all aspects.



In addition, City Development Plaza has introduced supporting services such as shared portable chargers and home delivery services. It also provides convenience services for take-out food and distribution, reducing the opportunity for outsiders to enter the building, improving building safety, and alleviating elevator congestion during the rush hours at noon.

PROPERTY SAFETY AND HEALTH

The Manager and all the property management teams regard property safety and health as our top priority. While reinforcing the property safety on their own, every property also organizes regular activities to improve safety awareness and tenants' capability of tenants, including fire protection training, fire drill, Safe Production Month, safety fun sports meeting, etc.

The outbreak of COVID-19 in early 2020 posed a threat to property safety. The properties held by Yuexiu REIT have introduced adequate measures on time to effectively strengthen epidemic prevention and control. For more details, please refer to "Anti-Epidemic Together" in this Report.

Fire Safety Regulations

The properties held by Yuexiu REIT have implemented the safety production work guidelines of “safety first, prevention foremost and comprehensive management”, taken proper fire safety measures, and incorporated safe operations into the property management system.

We strictly abide by the applicable laws and regulations such as the *Fire Protection Law of the People’s Republic of China*, and implement relevant management rules and regulations such as the *Guidelines for Safety Education and Training of Stores*, etc. to ensure the daily management of safe operations, including establishing key facilities and equipment management accounts, eliminating hidden dangers before, during and after operation, regularly organizing safety education skill trainings and assessments, and regularly reporting on safety management.

Safety Management Team Building

By continuously strengthening the sense of responsibility and drawing up special protection schemes and intensifying emergency treatment, we ensure smooth communication among all property management functional units in order to enable timely and efficient handling of emergencies. Every property management team regularly inspects the fire-fighting equipment such as fire hydrants, fire extinguishers and gas masks in accordance with the regulations, to ensure the effectiveness of fire prevention equipment such as fire water hoses, smoke sensors and fire pipes, thereby effectively protecting the safety of every employee and guest. In addition, all the properties give priority to flame retardant materials to prevent fires.

Safety Training Advocacy

All the properties held by Yuexiu REIT follow the “safety first, prevention foremost and comprehensive management” safety production work guidelines, take steps to enhance the fire safety awareness of all the employees and customers, regularly organize fire drills, exercise customer evacuation interaction mechanism, and improve fire fighting and organization evacuation capabilities to better enable our customers to understand the functions of our buildings’ fire-fighting equipment and facilities and improve their ability to escape and rescue themselves.



GZIFC launched the “Extreme Security Team” in 2019, indicating our dedication commitment to prioritise the safety of our customers. In case of emergency, the security team will charge forward and fight on the front line to ensure the safety of the building and everyone.



WIN-WIN COOPERATION WITH PARTNERS



ANNUAL FIRE DRILL OF SHANGHAI YUE XIU TOWER

Shanghai Yue Xiu Tower regularly inspects its self-rescue ability and organization and handling capacity for fire alarms and fire accidents, along with the performance of its fire-fighting equipment and devices. Fire drills were conducted in June and November respectively this year. The professionalism of the drill activities was highly evaluated by tenants.



Fire Drill of 2019

The properties held by Yuexiu REIT have also launched a series of novel publicity measures on the theme of safety and fire protection. Through various types of communication channels, safety warning articles and safety notices, the importance of safety and fire protection among employees, customers and the public are enhanced. In addition, the properties prevent fires and ensure daily safety by cooperating with the relevant parties.



CITY DEVELOPMENT PLAZA CREATED NEW PUBLICITY MODEL FOR SAFETY AMBASSADORS

On 13 August 2019, City Development Plaza organized safety ambassadors to watch the movie "Heroes of Fire". Through the interpretation of the movies, the safety ambassadors were trained in fire safety and learned lessons from safety accidents, aiming to enhance their sense of urgency, responsibility and mission in terms of work safety.



Safety Ambassador Fire Safety Training



GZIFC COOPERATED WITH MULTIPLE AGENCIES TO CONDUCT CULTURAL EVENT ON SAFETY

On 11 September 2019, GZIFC conducted a cultural promotion event with the theme of safety, which was strongly supported by the local fire authority and more than 100 people from different institutions participated in the event.

The participants visited fire trucks and anti-riot vehicles, learned the use of various safety emergency equipment, and observed the riot prevention drills conducted by the security department of GZIFC and observed the practical fire simulation drill performed by the volunteer teams of GZIFC on the 440m high cloud parking apron in order to understand the safety work of the building.



Site of Open Day Event



Site of Fire Frill on Safety Promotion Day



WUHAN STARRY VICTORIA SHOPPING CENTER ESTABLISHED SAFETY EDUCATION TRAINING FILE CARD FOR TENANTS

In order to further protect customer safety, Wuhan Starry Victoria Shopping Center established safety education and training file cards for tenants, provided training for them in respect of fire safety knowledge and soot pipeline control standard, the safety ambassador fire safety training, the core area explanation training, etc. A total of 20.5 hours of safety education and training for tenants were held throughout the year, with a total of 740 participants.

20.5 HOURS
OF SAFETY EDUCATION
AND TRAINING FOR TENANTS

WIN-WIN COOPERATION WITH PARTNERS

PRIVACY PROTECTION

We attach great importance to the protection of customer privacy and have established series of policies and procedures to regulate the customer information management of its properties, so as to ensure compliance with laws and regulations. And confidentiality staff are required to be trained on how to manage sensitive customer information.

The properties held by Yuexiu REIT follow the *Measures for Customer Relationship Management*. We appoint special personnel for sorting, summarizing, filing, and maintaining confidentiality of operating information such as tenant information, special posts, etc. For example, Wuhan Yuexiu Fortune Center has established customer privacy ledger for the confidentiality of VIP customers, only allowing manager and above levels to access it.

COMPLAINT HANDLING

Yuexiu REIT and all the property management teams focus on listening to feedback from customers in order to better understand their demands and continuously improve our service quality. As the main customer group for every property varies, the types of demands and nature of complaints are different. To optimize complaint handling and ensure its targeted handling, every property has established respective complaint management system based on its business features and management approach.

The *Tenancy Relationship Management Operational Guidelines* formulated by the Company emphasizes the importance of tenant complaint handling and clarify the procedures and methods for it. The *Guidelines for the Handling of Customer Complaints* establishes and improves the complaint handling mechanism. A statistical analysis of the tenants' complaints and handling conditions will be released in the monthly operating report.

The properties managed by Yicheng require at least 12 hours of training on complaint handling skills and case studies annually of relevant staff to ensure service quality. We specify the complaint types and record them as suggestion or complaint in the Customer Service Record Sheet, regulating the measures and steps of complaint handling, specifying the related posts and responsibilities, so as to ensure timely and effective handling of customer complaints.

The White Horse Building has opened several complaint channels such as the face-to-face complaint, service hotline, WeChat official account, tenant WeChat group, etc to ensure quick response and smooth transfer of tenant complaints. In addition, White Horse Building details the Customer Complaint Handling Process and the Guidelines for the Handling of Customer Complaints based on the characteristics of the project. These rules and regulations are applicable to the daily complaints relating to customer services at the HQ and the center, standardizing the implementation process of complaint handling, and ensuring timely and effective action.





SHANGHAI YUE XIU TOWER'S CUSTOMER COMPLAINT HANDLING



Complaint unit:
2104

Complaint time:
July 2019

Description of complaint:

In summer, there was a large amount of water leakage in the air-conditioning drainage area.

Complaint handling:

After receiving the call for repair, the property management personnel arrived at the site within 15 minutes to deal with the leakage in time. Moreover, we planned to clean and unblock the condensed underwater pipeline twice a year during the air conditioning cleaning, increase the frequency of cleaning depending on the existing conditions, and increase the number of inspections during seasonal maintenance and daily maintenance.

Customer feedback:

In our follow-up visits, the customer were satisfied with the result.



In order to address our customers' suggestions on time, we conduct customer surveys including periodic visits and special visits every year. Through the survey, we are able to fully understand customer demands, plan our customer groups more scientifically, and improve our service quality.

SERVICE UPGRADE

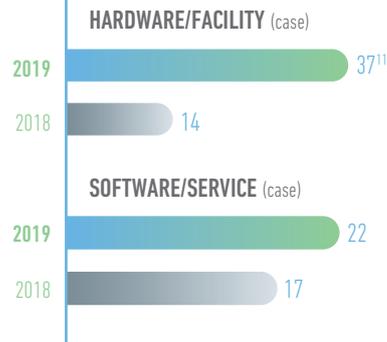
In addition to regular property services, the properties held by Yuexiu REIT are also actively exploring areas such as service innovation to use our resources to bring more convenient services, resources and value to tenants in business operations, and to grow together with them.

Asset Appreciation Projects

In order to maintain a good business situation and maintain and increase the value of properties, the Manager carries out asset appreciation projects on the properties held by Yuexiu REIT every year, with a view to maintaining a comfortable and convenient property environment for tenants and customers at all times. In 2019, the relevant cost reached RMB22 million.



DATA OF CUSTOMER COMPLAINT



IN 2019, THE RELEVANT COST REACHED RMB **22** MILLION

¹¹ The operating atmosphere of Wuhan Starry Victoria Shopping Center continued to improve during the year, and the format of the shopping mall was geared to many consumers, and the demands collected also increased.

WIN-WIN COOPERATION WITH PARTNERS**UPGRADING THE PUBLIC AREA OF CITY DEVELOPMENT PLAZA**

In 2019, we upgraded the corridors, bathrooms, and tea rooms of City Development Plaza. This has received the positive praise from tenants, and also has laid a good foundation for the improvement of City Development Plaza's rental value.

- 1 The core tube in the common area of the F23 typical floor was excavated and removed, and the wall tiles were repaved.
- 2 The previous decorative surfaces of the public washrooms and pantries on F26 typical floor were removed, new floor pavements and wall tiles were fixed, the ceiling was re-installed, suspending poles and keels, all lighting fixtures, switches, sanitary wares and new cubical boards were replaced and installed new pantry cabinets.

Core tube corridor*Before**Renovation***Pantry***Before**Renovation***Washroom***Before**Renovation*



RENOVATION AND UPGRADING PROJECT ON THE IMAGE OF WHITE HORSE BUILDING

From June to August 2019, we upgraded and reconstructed the 200m² wall above the main entrance window and the main entrance of the White Horse Building. After the renovation, the appearance of the front entrance of the White Horse Building was greatly improved, enhancing the building's competitiveness and attracting more passengers. By installing dynamic models in the display windows of the outer wall, the visual effect of the main entrance was enhanced, improving the overall business environment. This has received positive praise from the public.



Before (left) and After renovation (right)



UPGRADING OF GZIFC VISITOR ACCESS CONTROL SYSTEM

In 2019, we updated the visitor access control system at GZIFC to improve visitor registration efficiency and save customers' time.

- 1 On the basis of the original IC card business of access control, the Company increased the application of QR code access.
- 2 We transformed the lobby gate and the reader of the main tower elevator, and added the function of remote card reading.



UPGRADING AND RECONSTRUCTION OF FOUR SEASONS HOTEL GUANGZHOU'S VIDEO SURVEILLANCE SYSTEM

In 2019, we remodeled the analog monitoring system on every floor of Four Seasons Hotel Guangzhou, replacing the existing 255 analog signal monitoring equipment with 1,080P network HD camera equipment. The updated monitoring system can effectively improve the management of property security prevention and control.

255 ANALOG SIGNAL
MONITORING
EQUIPMENT
WERE
REPLACED

WIN-WIN COOPERATION WITH PARTNERS

Help Tenants to Grow

In order to enable our tenants to strengthen their capability and sustain their development during the operation, the properties held by Yuexiu REIT fully mobilized their existing resources to assist them, carrying out tenant assistance, information sharing, publicity and promotion, etc., and exploring tenant growth models by all means.

CASE

GZIFC SHOPPING MALL EMPOWERED TENANTS TO IMPROVE THEIR OPERATIONS

During the year, we continued to empower and provide business assistance to GZIFC Shopping Mall's tenants, and provided them with support from media promotion, marketing, membership activity, business strategy recommendation, etc., in order to improve their performance. For example, GZIFC Shopping Mall's Wechat public account has set up a "Search for Cuisine" column, allowing customers to obtain first-hand gourmet information here.

In addition, GZIFC Shopping Mall also cooperates with retailers in advertising, display and other resources. It will also cooperate with tenants to organize a variety of interactions in the atrium to help tenants promote and enhance their operations so as to achieve a win-win situation.



"Wei Lai Store"-Participants guessed the taste of the corresponding products to get fun gifts sponsored by various tenants

美饌探索

广州IFC国金天地



美饌探索 | 广州人的秋天，都藏在舌尖和味蕾上

往期回顾

美饌探索 | 小饼如嚼月，中有酥和怡



美饌探索 | 元气寿司会员领券，结伴免费吃挪威三文鱼！



Cuisine column





WHITE HORSE BUILDING EMPOWERED TENANTS IN MULTI-ASPECTS

1 “Support 100”

In 2019, after our selection, 100 tenants meeting original design and first-hand supply conditions got extra support. Through the free support from the supporting resources in the venue, we aim to give these high-quality customers some help in operations. As at December 2019, White Horse Building supported customers more than 280 times, added 6 factory-certified stores and 17 original design stores, and supported customers to be awarded “National Best-selling Brand in the National Commodity Trading Markets”, “Most Influential Wholesaler in the National Commodity Trading Markets for 40 Years since Reform and Opening Up”, “Excellent Channel Distributor of Chinese Clothing Brands” and other honors.



“Support 100” Working Conference



Guangzhou White Horse E-commerce Service Center’s Unveiling Ceremony

2 “Smart Market”

On 19 August 2019, the 1688 E-commerce Service Center Guangzhou White Horse Station officially opened in White Horse Building. The 1688 service team “landed” in White Horse and set its office in White Horse Building to achieve “Available Any Time” to provide efficient and personal services for the tenants, aiming to help them learn efficiently and quickly mass data and adapt to the new needs of procurement in the e-commerce context.

3 “Fashion Week”

White Horse Building has kept held annual procurement festival since 2007. This year, White Horse Building, with the development orientation of “China’s Leading Fashion Industry Operator”, has made great efforts to build the “White Horse” ecosystem, mobilizing the advantages of White Horse to deepen the layout of the fashion industry, and advancing to the fashion week with the purchasing festival. On 24 August, “White Horse Fashion Expert Advisory Group” composed of a number of well-known domestic designers was officially established and it will give professional guidance for and maintain long-term linkage with White Horse Building in terms of leading trend and controlling design. The “2019 TOP 10 Original Brands” also born on the same day in Guangzhou Baima clothing market, which reflected our unremitting efforts in encouraging originality and voice for brands.



Site of Event

WIN-WIN COOPERATION WITH PARTNERS



INTERNAL PROMOTION BY THE STORE MANAGER CONFERENCE AT VICTORY PLAZA

In order to build a platform for communication between the mall and customers, Victory Plaza convenes a store manager conference every quarter to explain and share the phased operation data of the mall, publicize the overall operation and promotion activities of the mall, and manage and secure the site control and feedback, so that tenants can understand the situation of the mall in a timely manner. Through the interactive link, store managers can absorb advanced management experience from each other, so that participating store managers can improve the understanding and progress of all parties, not only to improve their own store business performance, but also to enhance the overall marketing and promotion influence of the mall.



Venue of Store Manager Conference

RESPONSIBLE SUPPLY CHAIN

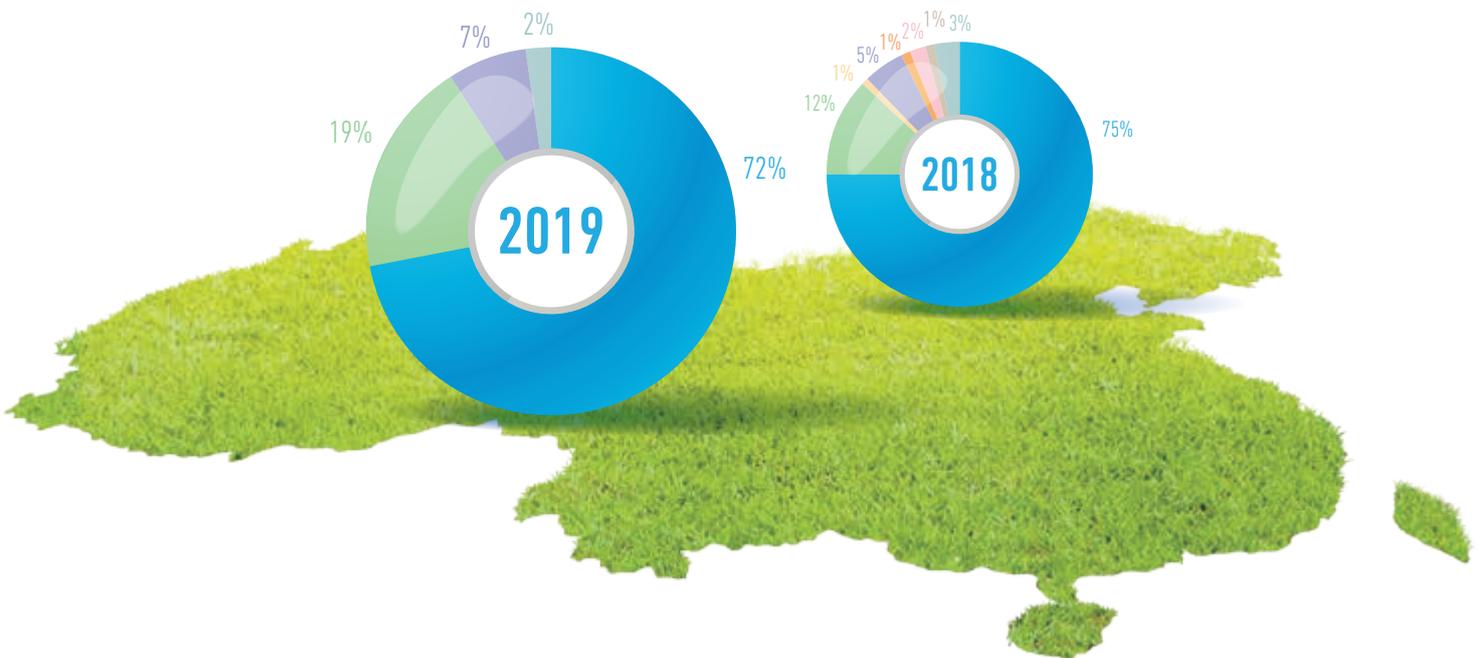
We maintain close cooperation with various parties during the operation of the Manager and the properties, expecting to conduct wider and deeper cooperation, integrate industry resources, promote coordinated development, and finally reach a win-win situation with our partners. In order to establish comprehensive supplier management policies and control the quality of suppliers' products and services, we established the *Management Review Procedure for Material Suppliers* and the *Guidelines for the Management of Material Suppliers* to ensure that suppliers meet the needs of us. Yuexiu REIT has implemented a set of strict procurement procedures such as regular supplier qualification review, data review and dynamics management, to ensure timely supply of materials as specified in the procurement contracts.

We tend to choose suppliers that operate locally in the places where the properties held by Yuexiu REIT are located. This, on the one hand, can support local economic development, shorten the distance of logistics and transportation, and reduce carbon emissions in transit, and on the other hand, facilitates our supervision over suppliers.



SUPPLIERS BY REGION¹²

Region	2019	2018
South China	72%	75%
East China	19%	12%
North China	0%	1%
Central China	7%	5%
Northeast China	0%	1%
Southwest China	0%	2%
Northwest China	0%	1%
Hong Kong, Macao and Taiwan Regions of China and Overseas	2%	3%



¹² The supplier's region is based on its location of registration

We regard talents as one of the most valuable assets. We have always adhered to the principle of equal employment and effectively protected the legitimate rights and interests of our employees. We always practice the people-oriented concept, pay attention to employees' demands, and the training and development of employees, care for the physical and mental health of employees, build a cohesive corporate culture, and work side by side with employees to achieve the common growth of employees and the Company.





MUTUAL GROWTH WITH EMPLOYEES

MUTUAL GROWTH WITH EMPLOYEES

EMPLOYEE RIGHTS AND INTERESTS

We strictly abide by the national labor laws and regulations, continuously improve the human resources management system, formulated the *Employee Handbook* to strictly implement the labor contract system management of all employees, establish labor relations with employees on a voluntary basis, make sure the signing of legal labor contract with every employee, specify the rights and obligations of our employees, and resolutely resist and prohibit the recruitment of child labor, forced labor, harassment and abuse.

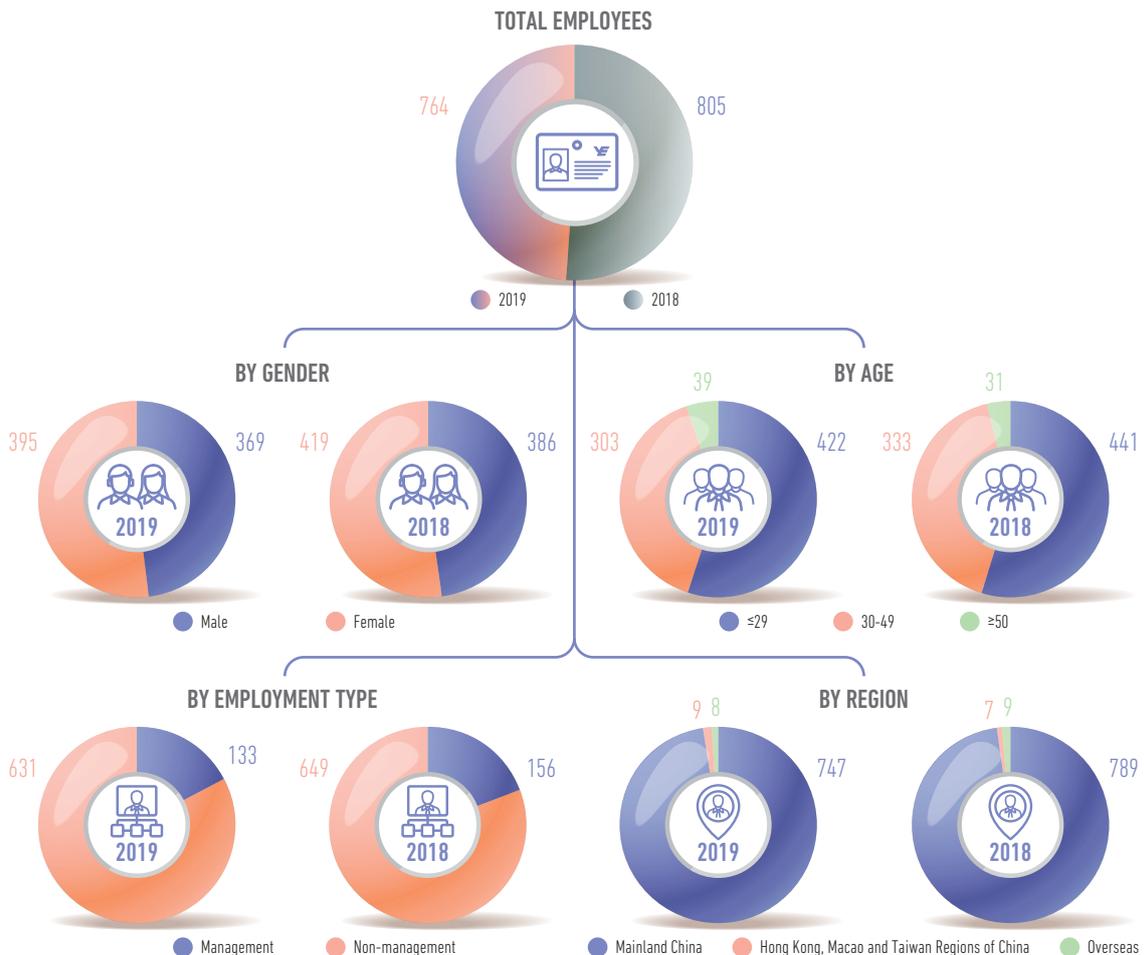
During the reporting year, there was no violation or complaint related to human rights and labor measures in the Company, and the employment relations remained stable and harmonious.

COMPLIANT AND REGULATED EMPLOYMENT

We insist on equal employment, and conduct fair and just recruitment of talents from open channels. We must eliminate discrimination in terms of gender, ethnicity, marital status, religion and etc. in the recruitment, training and promotion of our employees, and we provide talents with an inclusive and open development platform.

Yuexiu REIT is managed by the Manager. At the end of the reporting period, Yuexiu REIT employed 632 and 132 employees in China for hotel operation through its branch companies and for serviced apartments operation through its subsidiaries respectively, mainly to fulfill its operating functions and provision of services for hotel and serviced apartments. Among them, female employees accounted for 52%.

STAFF DATA



Employee turnover rate ¹³	2019	2018
Overall turnover rate	23%	22%
Male	25%	23%
Female	20%	20%
29 and below	25%	22%
30-49	20%	22%
50 and above	9%	11%
Mainland China	23%	22%
Hong Kong, Macao and Taiwan Regions of China	0%	7%
Overseas	9%	22%

REMUNERATION AND WELFARE

In terms of the remuneration system, the Company strictly abides by laws and regulations, deducts and pays for the social insurance, housing provident fund, enterprise annuity and employees' personal income tax from the salaries. In 2019, the Company continuously improved its internal employment policies such as the *Measures for Salary Management* and the *Measures for Performance Management* to provide our employees with market-competitive salaries and benefits, ensure the statutory holidays and vacations for employees according to the related laws, and pay the premiums for the endowment insurance, medical insurance, unemployment insurance, work-related injury insurance and maternity insurance, as well as housing fund and supplementary medical insurance.

TALENT ATTRACTION AND RETAINING

In the past year, the Company continued to strengthen talent attraction and optimized its talent reserves. Based on the needs of business development, we have formulated a talent recruitment plan, implemented a systematic talent pipeline construction through a combination of online and offline recruitment, internal open competition and external recruitment. In order to achieve the goals of proper talents for proper jobs, we continue to optimize the big data recruitment service system, quickly identify the target key talents, adhere to the "two-way selection" principle, and improve the recruitment efficiency while improving the talent retention rate. For the turnover risks of key talents and key employees, we carry out regular evaluations to consolidate the HRs in a targeted manner and make judgments on the retention and recruitment of key positions in advance.



FOUR SEASONS HOTEL GUANGZHOU PROVIDES MULTIPLE INCENTIVES FOR EMPLOYEES

In order to better attract and retain talents, Four Seasons Hotel Guangzhou has set up various incentive methods, such as providing a more fair promotion method, providing opportunities for cross-training, and giving employees opportunities for relevant external training funding through the assistance of the labor union.

¹³ The staff turnover rate is calculated as: number of employees of this group in the year who resigned / (original number of employees in this group + number of employees recruited for this group in the year)

MUTUAL GROWTH WITH EMPLOYEES

STAFF COMMUNICATION

The Company has formulated a handling policy for employees' complaints and set up channels to listen to employees' opinions, in order to improve their working enthusiasm and establish a harmonious employment relationship.

Every year, the Company organizes an employee seminar participated by the Chairman of the Board and employees' representatives. Any questions or suggestions from employees can be reported directly to the Chairman at the meeting. In the daily work, if an employee raise any opinion or feedback, he/she can also express it through the mailbox of the labor union and the "heart-mailbox" on the front desk. Those proposed opinions and complaints are managed by a special person, and are regularly processed and replied to.

EMPLOYEE DEVELOPMENT AND TRAINING

The Company attaches great importance to the growth and development of talents, encourages and supports our employees to participate in various types of training to maintain continuous self-improvement, and also establishes a complete employee development and training system within the Company.



UNDERSTANDING SELF, INTEGRATING TEAM, REALIZING VALUE

In October 2019, the Company organized employees to participate in a personality test called "PDP". "PDP" stands for "Professional Dyna-Metric Programs", which is an internationally renowned personal trait test. Mr. LIN Deliang shared his experience and understanding with colleagues, inspired them to deepen their understanding, enhance the ability and realize value in the team.



FOUR SEASONS HOTEL GUANGZHOU SUPPORTED STAFF GROWTH

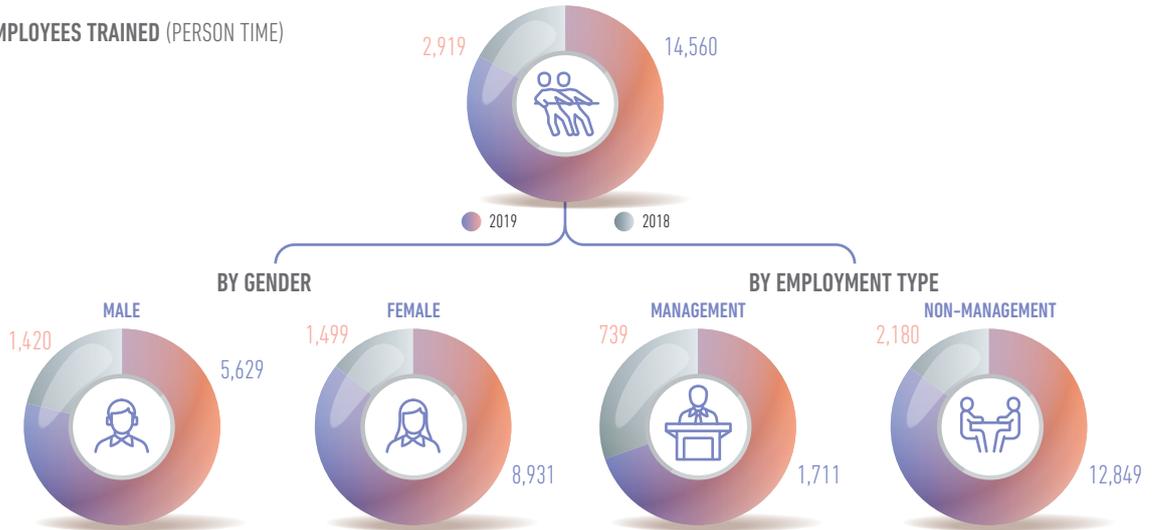
In 2019, Four Seasons Hotel Guangzhou used the Internet platform to enrich training types and provide online training courses to achieve mobile training and convenient training for employees. In addition, Four Seasons Hotel Guangzhou provided employees with opportunities for external training and cross-training, enabling them to gain leading professional skills and management experience in external exchanges. Through a combination of internal and external training, we strive to improve the employees' ability to work, broaden the career development channels for employees, strengthen the construction of the talent structure, and provide every employee with development space, helping them to discover their values and improve themselves.



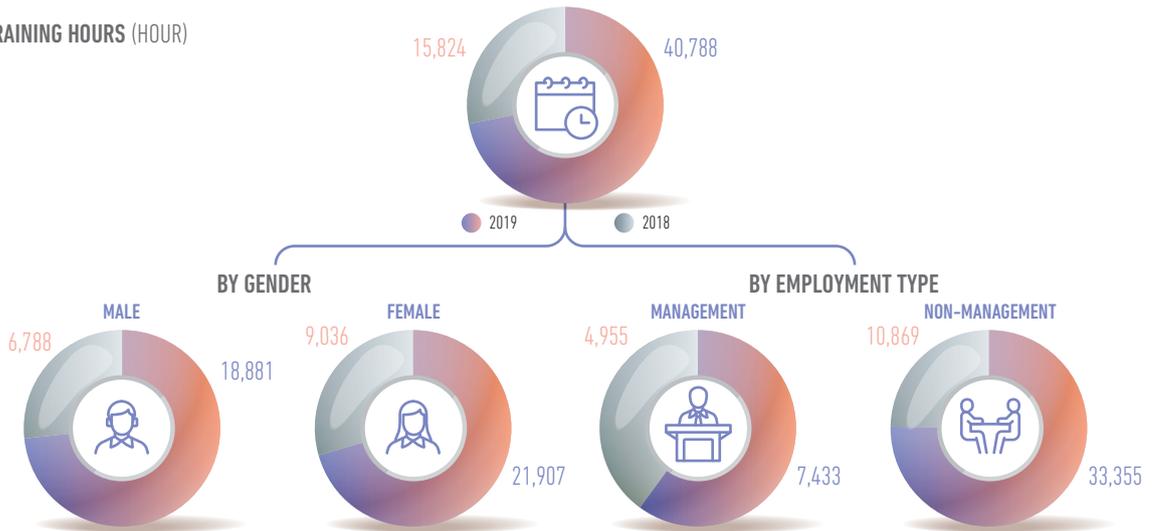
Graduation ceremony of Four Seasons Hotel Guangzhou induction training

STAFF TRAINING DATA¹⁴

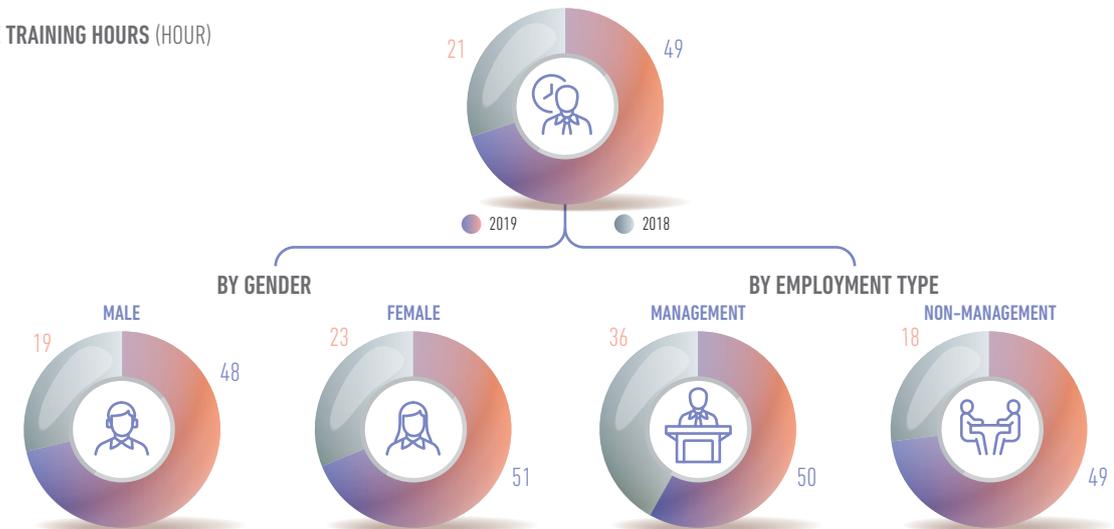
TOTAL EMPLOYEES TRAINED (PERSON TIME)



TOTAL TRAINING HOURS (HOUR)



AVERAGE TRAINING HOURS (HOUR)



¹⁴ The training data covered Yuexiu REIT's employees and the Manager.

MUTUAL GROWTH WITH EMPLOYEES

OCCUPATIONAL HEALTH AND SAFETY

The Manager and every property management team strictly abide by the applicable national and regional laws and regulations, such as the *Fire Protection Law of the People's Republic of China* and etc., related to environment, health and safety (EHS). We equip our employees with facilities, tools and personal protective equipment that are compatible with occupational safety and health protection. For the issued personal protective equipment, we carry out regular inspections, and the protective equipment that requires technical appraisal will be sent to the testing station authorized by the state for inspection, and the inspection will be filed.

In addition, the Company has established workplace occupational hazard monitoring files and individual occupational health surveillance files for employees, and provides regular medical examinations. We have posted warning signs in hazardous workspace to remind entering staff to wear temporary protective items, reinforce ventilation that will reinforce ventilation and heat reduction during high temperature times, hand out cooling items to employees, and ensure sufficient drinking water supply on site.



Employee health and safety data	2019	2018
Work-related fatalities (case)	0	0
Work injuries ¹⁵ (case)	6	9
Lost days due to work injury (day)	26	132

EMPLOYEE CARE

We adhere to the people-oriented principle, care for everyone working in the property, help the employees who have difficulties and suffer from illness, and help them through the difficult time. Four Seasons Hotel Guangzhou and Ascott Serviced Apartments have set up a labor union respectively with care and solicitude for employees by organizing outdoor activities and caring activities, forming a corporate culture of mutual help, enhancing corporate cohesion and enhancing employee happiness.

¹⁵ Number of work-related injuries: subject to the determination of the Social Security Administration.



“FAMILY DAY” OF FOUR SEASONS HOTEL GUANGZHOU

On 26 August 2019, Four Seasons Hotel Guangzhou held its annual “Family Day” and invited employees and their families to join in. Under the theme of “Magic World”, the event not only presented colorful magic games and wonderful performances, but also provided a variety of snacks and prizes. At whichever age, everyone could find joy here.



Event Site



“IN WINTER WITH WARM SUN, STAY HEALTHY” HIKING EVENT

On 23 November 2019, the labor union of Ascott Serviced Apartments organized more than 100 employees in Conghua to carry out a walking event on the theme of “In Winter with Warm Sun, Stay Healthy”. The event was one of the significant fitness programs for employees, which aimed to promote a scientific, civilized, and healthy lifestyle, guide and cultivate good habits, and improve the physical and mental quality of all employees.



Group Photo of the Hiking Event



WHITE HORSE BUILDING EXPRESSED SOLICITUDE FOR CLEANING STAFF AND REWARDED GOOD PERSONALITIES AND GOOD DEEDS

On 11 September 2019, at the time of the Mid-Autumn Festival, in order to continue the fine tradition of employee care, White Horse Building launched Mid-Autumn Festival solicitude and praise for the good personalities. The representatives of White Horse Building sent solicitude to the cleaning staff at the front line. We sent the caring moon-cake gift boxes and refreshing drinks to the hard-working cleaning staff. We also praised good people for their good behaviors by moving others with simple actions in order to promote social justice.



Site of Mid-autumn Festival Solicitude

COEXISTENCE AND PROSPERITY WITH THE SOCIETY





We pay attention to public welfare and charity such as environmental protection and care for disadvantaged groups, and have provided free venues for many charity projects that raised funds or aroused awareness of the public. At the same time, the Company also actively participates in community construction, cooperates with all sectors of the society, and contributes to public welfare and the development of the community.

白馬大廈服裝天下

COEXISTENCE AND PROSPERITY WITH THE SOCIETY

ENVIRONMENTAL PROTECTION

In addition to proactively protect the environment, we also encourage our tenants to participate in various community events organized by us and other agencies to raise tenants' awareness of waste disposal, including reduction and recycling.



"EARTH HOUR" SERIES EVENTS

- (1) **GZIFC** persists in participating in the "Earth Hour" every year, and inspiring more people to join the team for environmental protection. Regardless from the design of the building or the management and operation, GZIFC has pragmatically practiced the concept of green and environment-friendly buildings to realize the harmonious unification of the sustainable development of the building and people and the natural environment.
- (2) **Ascott Serviced Apartments** has kept participating in the global "Earth Hour" for seven years. The theme of this year was "Friendly Earth". We invited our guests and their families to join the environmental protection event (DIY plant and environmental knowledge contest) on 30 March to work together to make our planet a better place.



"Earth Hour"



GZIFC HELD ENVIRONMENTAL ART SALON

On 29 September 2019, GZIFC held an environmental art salon in "M Space", with a "Green DIY" program, allowing customers to participate in fun activities such as environmental protection and waste utilization, effectively improving the environmental protection image of the building's environmental management in the eyes of customers.



Site of Environmental Salon Event



WUHAN PROPERTIES HELD THE PUBLIC WELFARE DAY TO MAINTAIN A CLEAN ENVIRONMENT

Wuhan Properties set the first Friday of every month as the Public Welfare Day to clean or weed the surrounding areas of the properties, and uniformly clean up the shared bicycles around. While fulfilling social responsibility, we also create a good business environment for the properties.



Public Welfare Day

CARE FOR THE SOCIETY

With the vision of “sincerely giving back to the society and building a beautiful community” and the courage to take on social responsibilities, we are enthusiastic about public welfare, and actively transmit positive energy. In 2019, we continued to carry out targeted poverty alleviation in Chimi Village, Yingde, Qingyuan, and purchased “Love Poverty Alleviation Gift Packages” to help the poor households there increase their incomes. The properties held by Yuexiu REIT also actively organized personnel to participate in social charity activities to care for vulnerable groups and respond to social needs.



Volunteers in Chimi Village

COEXISTENCE AND PROSPERITY WITH THE SOCIETY



"BAY AREA YOUTH ACTION" TO GZIFC

On 25 May 2019, the first event of the "Bay Area Youth Action" in Guangzhou, sponsored by lots of famous enterprises, schools and social organizations in the Bay Area, was launched at GZIFC. More than 30 middle school students from Guangdong, Hong Kong and Macao, together with Mr. LIN Deliang, Board Chairman and CEO of the Manager, analyzed the technological secrets behind super high-rise building, and thoroughly understood the operation modes of commercial real estates. During the event, the participants also visited the core tube machine room that was not open to the public, and learned about the facilities such as water equipment rooms, fresh air ventilation systems, power systems and fire protection systems in super high-rise buildings in order to broaden their horizons.



"Bay Area Youth Action" Event



CITY DEVELOPMENT PLAZA HELD A BOOK DONATION EVENT

On 1 August 2019, City Development Plaza held a theme day event of donating books, which collected more than 120 donated books with a value of more than RMB4,500 to the library of Yuexiu Haiyiyuan Rest House.



Love Book Donation Event



“LOVE AND WARMTH FROM WHITE HORSE” CHARITY EVENT

On the afternoon of 28 November 2019, White Horse Building and Liuhua Sub-district co-sponsored the “Micro-Wish” event, which received the strong support of the majority of members of the White Horse Clothing Chamber of Commerce, and received more than 80 “Warm Packs” within three days to meet the actual expectations of the difficult families and send them warmth through micro-wish.



Group Photo



ASCOTT SERVICED APARTMENTS HELD DIVERSE ACTIVITIES TO GIVE BACK TO SOCIETY



Group Photo

In 2019, Ascott Serviced Apartments organized two outdoor sightseeing events with the theme of Lingnan culture and customs. Through fishing shows, water weddings and other activities, guests could experience the Lingnan folk customs and living atmosphere, taste authentic special snacks, and get fun and knowledge.



Event poster

On the warm Mother’s Day, Ascott Serviced Apartments held an event called Lobby Surprise for the residents in the lobby, sending a warm blessing to every guest passing-by that had become a mother so that they could feel our care in this festival belonging to them.

COEXISTENCE AND PROSPERITY WITH THE SOCIETY



VICTORY PLAZA PUBLIC WELFARE SERIES EVENTS

- 1 On 19 January, Victory Plaza and tenant Uniqlo held a "Yuexiu Staff Day" event, which included clothes donation, visits, games, and exclusive offers. The clothing donated by every participant would be sent to people in need. The event attracted more than 200 Yuexiu employees' families and friends to join. They donated love clothes in person and passed on the power of the clothes. In total, more than 500 love clothes were recycled.
- 2 From 7 September to 9 September, under the guidance of Guangzhou Civil Affairs Bureau and Guangzhou Charity Service Center, Guangzhou Charity Association, Guangzhou Guangyi Joint Fundraising Development Center, Information Times and other charity institutions and media jointly held a large-scale charity event "Charitable City for Love" at Victory Plaza. The purpose of this event was to make the public zero-distance from charity through interactive experience games, offline public welfare markets, and to double the power of charity.
- 3 From 8 December 2019 to 1 January 2020, Victory Plaza and Guangzhou YangAi Special Children Parent Club jointly held a "Love • Unbounded" wishing event to encourage everyone to care more about and accept autistic children. After receiving the "Love Cards", customers wrote down their wishes and blessings on them and hang them on the wall of love. After the event, Victory Plaza counted the number of "Love Cards", i.e. "one heart earns one yuan", in order to donate money for the children with autism and donated a total of RMB4,000.



Love Clothing Donation



Site of Charity Event



"Love • Unbounded" wishing event

ANTI-EPIDEMIC TOGETHER

At the beginning of 2020, the spread of COVID-19 was fierce, and all the country was gradually strictly controlling public places to cut off the transmission of the virus. As everyone else, we pay close attention to Wuhan and are always concerned about the development of the epidemic. The Manager and the properties held by Yuexiu REIT have taken various measures to cooperate with all parties concerned to overcome the difficulty and fight against the epidemic. At the same time, we have taken all-round measures to join hands with all parties to overcome difficulties and work together to win this epidemic war, cheering Wuhan and all the country on!



We proactively fulfilled our social responsibilities and working with all parties to fight against the epidemic by providing temporary rent concessions to several tenants of office buildings, retail malls and wholesale mall, providing the employees with epidemic prevention equipment, and providing online promotion platforms for tenants. We also strengthen the disinfection of properties and cooperate with the communities to prevent the epidemic.

(1) Property safety: We always put the health of personnel in the property on the top place, and quickly launched the *Emergency Plan for System Operation During Epidemic*. Every property of Yuexiu REIT formulated scientific and effective strategies for epidemic prevention and control based on business characteristics. We replenished all kinds of epidemic prevention materials in time and equipped our staffs with protective equipment such as masks, goggles and gloves. We also advocated flexible work, telecommuting and other types of work to reduce the risk of crowd aggregation.



COMPREHENSIVELY LAUNCHING AN EMERGENCY PLAN FOR EPIDEMIC PREVENTION AND CONTROL TO PROTECT THE HEALTH OF ALL PERSONNEL

At the beginning of the epidemic, Wuhan Properties promptly strengthened on-site disinfection. With the spread of the epidemic, the building responds to the requirements of relevant departments of the country, increases the frequency of disinfection of public places such as toilets, elevator halls, and carries out epidemic prevention and control properly. At the same time, the main entrances of the building are equipped with anti-epidemic medical supplies, such as medical masks and disinfectant, and provide services such as body temperature check and emergency treatment.



Wuhan Properties strengthen on-site disinfection

As a landmark building, the prevention and control of the epidemic for GZIFC is equally urgent. GZIFC has quickly formulated the *COVID-19 Emergency Plan*, launched a Level III response mechanism, established a command team, and cooperated with Four Seasons Hotel Guangzhou and Ascott Serviced Apartments to achieve a joint prevention and control mechanism. It has also established a contact mechanism for the cooperating party, reporting once a day, making joint preparations for prevention, and following up the health status of customers and employees on a daily basis. In addition to the general disinfection, GZIFC pays close attention to the indoor air quality of the building, increases the air volume of the air conditioning fresh air system, strengthens air circulation, increases the frequency of cleaning and disinfection of air conditioning dust nets, and provides infrared thermometers at main entrances/exits to curb the spread of the virus.



GZIFC strengthens epidemic prevention and control



COEXISTENCE AND PROSPERITY WITH THE SOCIETY



COMPREHENSIVELY LAUNCHING AN EMERGENCY PLAN FOR EPIDEMIC PREVENTION AND CONTROL TO PROTECT THE HEALTH OF ALL PERSONNEL

In addition to the Wuhan Properties and GZIFC, Fortune Plaza, City Development Plaza, Yue Xiu Tower, and Hangzhou Victory all carry out high-frequency comprehensive disinfection in office buildings, provide electronic thermometers, disposable masks, disposable rubber gloves, medicine and alcohol in the service center, and disposable hand-washing devices in the lobby. Unauthorized personnel are strictly prevented from entering the building and all personnel in the building must wear masks and check body temperature. Every building also posts warm reminders of epidemic prevention in the lobby, and releases information such as the progress of the epidemic and resumption of work in time through WeChat public accounts.



Always Serve You

The White Horse Building has established an epidemic prevention and control emergency response team to purchase epidemic prevention items, conduct market disinfection, strengthen the building's epidemic prevention equipment, and have customer and employee epidemic investigations properly. As a retail mall, in addition to strengthening anti-epidemic materials, advocating with tenants to strengthen epidemic prevention, vigorously strengthening cleaning and sanitation operations, Victory Plaza also installs disposable disinfectants next to elevators and entrances of retail malls for customers, and strengthens public area ventilation, frequent cleaning and disinfection.

(2) Tenant assistance: we are concerned about the operation of our tenants. During the epidemic, we respond to the government's call and launch targeted assistance measures for different types of tenants, so as to help our tenants to mitigate the impact of the epidemic. It is estimated that the total rental concessions in respect of all the properties held by Yuexiu REIT will be approximately RMB90,000,000.



HELPING TENANTS AGAINST THE EPIDEMIC

- 1 Wuhan Starry Victory Shopping Center's** tenants were offered a waiver of two-month's rent. Online service channels and exclusive shopping center community are opened to ensure the operation of the tenants with rigid demand, maintain safe and hygienic order in the mall and ensure the living and supply of the surrounding residents.
- 2 White Horse Building** introduces the online live broadcast agency, provides live broadcast training, strengthens online live broadcast promotion, assists tenants to open online platforms and expand sales channels. In terms of video marketing, White Horse Building has formed a professional team to provide video planning, photographing and production services for tenants, and to provide tenants with short video promotion and operational training.
- 3 GZIFC Shopping Mall** launches the activity of "Online Shopping, Service to Door", launches a double-point preference policy for online shopping for members, sets up an exclusive community one-to-one online Q&A, and provides consumers with the fastest and warmest services.

SUSTAINABILITY PERFORMANCE SUMMARY

POLICY LIST

List of Policies and Indicators (ESG Category)	Laws and regulations	Internal policies
<p>A1 EMISSIONS</p>	<ul style="list-style-type: none"> • Environmental Protection Law of the People’s Republic of China • Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes • Law of the People’s Republic of China on Prevention and Control of Water Pollution • Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution • Regulations of Guangdong Province on the Prevention and Control of Environmental Pollution by Solid Waste • Provisions on the Administration of Urban Construction Wastes • National Hazardous Waste Inventory 	<ul style="list-style-type: none"> • Environmental Monitoring Process • Environmental Factors Identification and Evaluation Process • Environmental Protection Work Guidelines
<p>A2 USE OF RESOURCES</p>	<ul style="list-style-type: none"> • Energy Conservation Law of the People’s Republic of China 	<ul style="list-style-type: none"> • Environmental, Health, Safety and Energy Operations Management Procedures • Implementing Rules for Energy Consumption Management
<p>A3 ENVIRONMENT AND NATURAL RESOURCES</p>	<ul style="list-style-type: none"> • Environmental Protection Law of the People’s Republic of China 	<ul style="list-style-type: none"> • Disposal Chemicals Management Procedures • Hazard Identification Risk Assessment Management Procedures • Guidelines for Property Smoking Control Management
<p>B1 EMPLOYMENT</p>	<ul style="list-style-type: none"> • Labor Law of the People’s Republic of China • Labor Contract Law of the People’s Republic of China • Social Insurance Law of the People’s Republic of China • Personal Income Tax Law of the People’s Republic of China 	<ul style="list-style-type: none"> • Employee Handbook

SUSTAINABILITY PERFORMANCE SUMMARY

List of Policies and Indicators (ESG Category)	Laws and regulations	Internal policies
<p>B2 HEALTH AND SAFETY</p>	<ul style="list-style-type: none"> • Labor Law of the People's Republic of China • Labor Contract Law of the People's Republic of China • Social Insurance Law of the People's Republic of China 	<ul style="list-style-type: none"> • Guidelines for the Investment of Safety Production Funds • Administrative Measures for Safety Production Responsibility System • Guidelines for Fire Exercises • Guidelines for the Management of Security and Fire- fighting Equipment Accounts • Safety Operation Regulations • Guidelines for Occupational Safety and Health Management • Administrative Measures for Occupational Health and Safety
<p>B3 DEVELOPMENT AND TRAINING</p>	<ul style="list-style-type: none"> • Labor Law of the People's Republic of China • Labor Contract Law of the People's Republic of China • Social Insurance Law of the People's Republic of China 	<ul style="list-style-type: none"> • Employee Handbook
<p>B4 LABOR STANDARDS</p>	<ul style="list-style-type: none"> • Labor Law of the People's Republic of China • Labor Contract Law of the People's Republic of China • Social Insurance Law of the People's Republic of China 	<ul style="list-style-type: none"> • Employee Handbook
<p>B5 SUPPLY CHAIN MANAGEMENT</p>	<ul style="list-style-type: none"> • Company Law of the People's Republic of China • Contract Law of the People's Republic of China 	<ul style="list-style-type: none"> • Management Review Procedure for Material Suppliers • Guidelines for the Management of Material Suppliers

List of Policies and Indicators (ESG Category)	Laws and regulations	Internal policies
<p>B6 PRODUCT RESPONSIBILITY</p>	<ul style="list-style-type: none"> • <i>Construction Law of the People's Republic of China</i> 	<ul style="list-style-type: none"> • <i>Customer Resource Management Operational Guidelines</i> • <i>Tenancy Relationship Management Operational Guidelines</i> • <i>Management System for Visits to Members of the Guangzhou White Horse Chamber of Commerce</i> • <i>Guidelines for Customer Reception Business</i> • <i>Guidelines for Customer Call Operations</i> • <i>Guidelines for Customer Satisfaction Survey</i> • <i>Guidelines for Management of Clients' Opinions</i> • <i>Guidelines for Implementation of Mysterious Visitor Survey</i> • <i>Guidelines for the Handling of Customer Complaints</i>
<p>B7 ANTI-CORRUPTION</p>	<ul style="list-style-type: none"> • <i>Provisions of the Independent Commission Against Corruption of Hong Kong Special Administrative Region</i> • <i>Provisions on Bribery Prevention of Hong Kong Special Administrative Region</i> • <i>Guideline on Anti-Money Laundering and Counter-Terrorist Financing</i> 	<ul style="list-style-type: none"> • <i>Administrative Rules on the Remuneration and Business Expenditure of the Management Team Administrative</i> • <i>Rules on Three Public Expenses</i> • <i>Notice on Doing a Good Job of Checking and Resolving Unstable Problems</i> • <i>Guideline on Anti-money Laundering</i>
<p>B8 COMMUNITY INVESTMENT</p>	<ul style="list-style-type: none"> • <i>Charity Law of the People's Republic of China</i> • <i>Charity Donation Law of the People's Republic of China</i> 	<p>/</p>

SUSTAINABILITY PERFORMANCE SUMMARY

PERFORMANCE LIST

Scope	ESG Indicator	Unit	2019	2018
A. Environment				
A1 EMISSIONS	A1.2 Total greenhouse gas emissions and intensity			
	Scope I greenhouse gas emissions	(ton of CO ₂ equivalent)	3,288.87	3,103.33
	Scope II greenhouse gas emissions	(ton of CO ₂ equivalent)	44,816.13	44,399.62
	Total greenhouse gas emissions	(ton of CO ₂ equivalent)	48,105.00	47,502.95
	Scope I greenhouse gas emission intensity	ton of CO ₂ equivalent/per million revenue	1.60	1.53
		ton of CO ₂ equivalent/m ² (Office buildings/Wholesale mall/Retail malls)	0.001	0.001
		ton of CO ₂ equivalent/per room per night (Hotel/Serviced apartments)	0.011	0.011
	Scope II greenhouse gas emission intensity	ton of CO ₂ equivalent/per million revenue	21.77	21.85
		ton of CO ₂ equivalent/m ² (Office buildings/Wholesale mall/Retail malls)	0.051	0.049
		ton of CO ₂ equivalent/per room per night (Hotel/Serviced apartments)	0.052	0.051
	Total greenhouse gas emission intensity	ton of CO ₂ equivalent/per million revenue	23.37	23.38
		ton of CO ₂ equivalent/m ² (Office buildings/Wholesale mall/Retail malls)	0.052	0.050
		ton of CO ₂ equivalent/per room per night (Hotel/Serviced apartments)	0.063	0.062
	A1.3 Total hazardous wastes produced			
	Waste fluorescent tubes	Piece	3,906	3,642
	Waste printer cartridges	Piece	64	84
	Waste ink boxes	Piece	150	199
	Paint bucket	Kg	94	68.67
A1.4 Total non-hazardous wastes produced				
Waste office paper consumption	Kg	43,292	49,406.58	
Waste office paper consumption intensity	Kg/per million revenue	21.03	24.31	

Scope	ESG Indicator	Unit	2019	2018
A. Environment				
A2 USE OF RESOURCES	A2.1 Total energy consumption and intensity			
	Diesel consumption	L	5,678	5,616
	Diesel consumption intensity	L/per million revenue	2.76	2.76
	Natural gas consumption	m ³	1,512,957	1,428,492
	Natural gas consumption intensity	m ³ /per million revenue	735.12	703.04
	Outsourced electricity	kWh	83,657,449	83,049,608
	Outsourced electricity consumption intensity	kWh/per million revenue	40,647.67	40,873.36
		kWh/m ² (Office buildings/ Wholesale mall/Retail malls)	94.58	90.91
		kWh/per room per night (Hotel/Serviced apartments)	99.09	95.85
	A2.2 Water consumption and intensity			
	Household water consumption	m ³	902,876	918,128
	Household water consumption intensity	m ³ /per million revenue	438.69	451.86
		m ³ /m ² (Office buildings/ Wholesale mall/Retail malls)	0.997	0.950
		m ³ /per room per night (Hotel/ Serviced apartments)	1.13	1.21
B. SOCIETY				
B1 EMPLOYMENT	B1.1 Total workforce by gender, employment type, age group and geographical region			
	Total workforce	Person	764	805
	Male	Person	369	386
	Female	Person	395	419
	Management	Person	133	156
	Non-management	Person	631	649
	29 and below	Person	422	441
	30-49	Person	303	333
	50 and above	Person	39	31
	Mainland China	Person	747	789
	Hong Kong, Macao and Taiwan Regions of China	Person	9	7
	Overseas	Person	8	9
	B1.2 Employee turnover rate by gender, age group and geographical region			
	Total employee turnover	Percentage	23	22
	Male	Percentage	25	23
	Female	Percentage	20	20
	29 and below	Percentage	25	22
	30-49	Percentage	20	22
	50 and above	Percentage	9	11
	Mainland China	Percentage	23	22
Hong Kong, Macao and Taiwan Regions of China	Percentage	0	7	
Overseas	Percentage	9	22	

SUSTAINABILITY PERFORMANCE SUMMARY

Scope	ESG Indicator	Unit	2019	2018
B. SOCIETY				
B2 HEALTH AND SAFETY	B2.1 Number of work-related fatalities			
	Number of work-related fatalities	Person	0	0
	B2.2 Lost days due to work injury			
	Work injury	Case	6	9
	Lost days due to work injury	Day	26	132
B3 DEVELOPMENT AND TRAINING	B3.1 Employees trained by gender and employee type			
	Total employees trained	Person time	14,560	2,919
	Male	Person time	5,629	1,420
	Female	Person time	8,931	1,499
	Management	Person time	1,711	739
	Non-management	Person time	12,849	2,180
	B3.1 Total training hours completed by gender and employee type			
	Total training hours	Hour	40,788	15,824
	Male	Hour	18,881	6,788
	Female	Hour	21,907	9,036
	Management	Hour	7,433	4,955
	Non-management	Hour	33,355	10,869
B3.2 Training hours completed per employee by gender and employee type				
Average	Hour	49	21	
Male	Hour	48	19	
Female	Hour	51	23	
Management	Hour	50	36	
Non-management	Hour	49	18	
B5 SUPPLY CHAIN MANAGEMENT	B5.1 Suppliers by region			
	South China	Percentage	72	75
	East China	Percentage	19	12
	Central China	Percentage	0	1
	North China	Percentage	7	5
	Northeast China	Percentage	0	1
	Southwest China	Percentage	0	2
	Northwest China	Percentage	0	1
	Hong Kong, Macao and Taiwan	Percentage	2	3
	Regions of China and Overseas			
B6 PRODUCT RESPONSIBILITY	B6.2 Number of received complaints regarding products and services			
	Hardware/facility	Case	37	14
	Software/service	Case	22	17

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE INDEX

Environmental, Social and Governance Scope, General Disclosure, and KPI		Section in the Report	
Environment			
A1 EMISSIONS	General Disclosure	Integrated Development with the Environment	
	KPI A1.1	Types of emissions and relevant data	The emissions of nitrogen oxide, sulphur oxide and other pollutants are not material to Yuexiu REIT's business.
	KPI A1.2	Total greenhouse gas emissions and intensity	Green Lease
	KPI A1.3	Total hazardous wastes produced and density	Green Lease
	KPI A1.4	Total non-hazardous wastes produced and density	Green Lease
	KPI A1.5	Description of measures to mitigate emissions and results achieved	Green Lease
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Green Lease
A2 USE OF RESOURCES	General Disclosure	Integrated Development with the Environment	
	KPI A2.1	Total energy consumption and intensity	Green Lease
	KPI A2.2	Total water consumption and intensity	Green Lease
	KPI A2.3	Description of energy use efficiency initiatives and results achieved	Green Lease
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Green Lease
	KPI A2.5	Total packaging material used for finished products and per unit produced	Not applicable to the business of Yuexiu REIT.
A3 ENVIRONMENT AND NATURAL RESOURCES	General Disclosure	Integrated Development with the Environment	
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Green Lease

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE INDEX

Environmental, Social and Governance Scope, General Disclosure, and KPI		Section in the Report	
Society			
B1 EMPLOYMENT	General Disclosure	Employee Rights and Interests	
	KPI B1.1	Total workforce by gender, employment type, age group and geographical region	Employee Rights and Interests
	KPI B1.2	Employee turnover rate by gender, age group and geographical region	Employee Rights and Interests
B2 HEALTH AND SAFETY	General Disclosure	Occupational Health and Safety	
	KPI B2.1	Number and rate of work-related fatalities	Occupational Health and Safety
	KPI B2.2	Lost days due to work injury	Occupational Health and Safety
	KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Occupational Health and Safety
B3 DEVELOPMENT AND TRAINING	General Disclosure	Employee Development and Training	
	KPI B3.1	The percentage of employees trained by gender and employee type	Employee Development and Training
	KPI B3.2	The average training hours completed per employee by gender and employee type	Employee Development and Training
B4 LABOR STANDARDS	General Disclosure	Employee Rights and Interests	
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labor	Employee Rights and Interests
	KPI B4.2	Description of steps taken to eliminate such practices when discovered	Employee Rights and Interests
B5 SUPPLY CHAIN MANAGEMENT	General Disclosure	Responsible Supply Chain	
	KPI B5.1	Total suppliers by regions	Responsible Supply Chain
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Responsible Supply Chain

Environmental, Social and Governance Scope, General Disclosure, and KPI		Section in the Report	
Society			
B6 PRODUCT RESPONSIBILITY	General Disclosure	Excellent Service	
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Not applicable to the business of Yuexiu REIT
	KPI B6.2	Number of products and service related complaints received and how they are dealt with	Complaint Handling
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Not applicable to the businesses of Yuexiu REIT
	KPI B6.4	Description of quality assurance process and recall procedures	Not applicable to the business of Yuexiu REIT
	KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Privacy Protection
B7 ANTI-CORRUPTION	General Disclosure	Anti-corruption and Sound Governance	
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Anti-corruption and Sound Governance
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Anti-corruption and Sound Governance
B8 COMMUNITY INVESTMENT	General Disclosure	Coexistence and Prosperity with the Society	
	KPI B8.1	Focus areas of contribution	Coexistence and Prosperity with the Society
	KPI B8.2	Resources contributed to the focus area	Coexistence and Prosperity with the Society

GLOBAL REPORTING INITIATIVE (GRI) GUIDELINES

CONTENT INDEX-CORE OPTIONS

GRI Guidelines			
Indicators	Details	Disclosure Section	Notes
General Standard Disclosure			
GRI 102: General Disclosures 2016			
Organizational profile			
102-1	Name of the organization	About Yuexiu Real Estate Investment Trust	
102-2	Activities, brands, products, and services	About Yuexiu Real Estate Investment Trust	
102-3	Location of headquarters	About Yuexiu Real Estate Investment Trust	Hong Kong
102-4	Location of operations	About Yuexiu Real Estate Investment Trust	Mainland China
102-5	Ownership and legal form	About Yuexiu Real Estate Investment Trust	A real estate investment trust listed on HKEX
102-6	Markets served	About Yuexiu Real Estate Investment Trust	
102-7	Scale of the organization	About Yuexiu Real Estate Investment Trust	Detailed financial breakdown is contained in the 2019 Annual Report.
102-8	Information on employees and other workers	Mutual Growth with Employees	Seasonal and part-time work did not result in significant changes in the total number of employees.
102-9	Supply chain	Win-Win Cooperation with Partners	
102-10	Significant changes to the organization and its supply chain	Not Applicable	No significant change
102-11	Precautionary Principle or approach	Principles of Sustainable Development	
102-12	External initiatives	Integrated Development with the Environment, Win-Win Cooperation with Partners, Mutual Growth with Employees, Coexistence and Prosperity with the Society	
102-13	Membership of associations	Not Applicable	
Strategy			
102-14	Statement from senior decision-maker	Chairman's Message	

GRI Guidelines			
Indicators	Details	Disclosure Section	Notes
General Standard Disclosure			
GRI 102: General Disclosures 2016			
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	Chairman's Message, Principles of Sustainable Development	For more details, please visit the website of Yuexiu Real Estate Investment Trust: http://www.yuexiureit.com/aboutUs/overview.html
Governance			
102-18	Governance structure	About Yuexiu Real Estate Investment Trust, Principles of Sustainable Development	
Stakeholder engagement			
102-40	List of stakeholder groups	Principles of Sustainable Development	
102-41	Collective bargaining agreements	Mutual Growth with Employees	Four Seasons Hotel Guangzhou and Ascott Serviced Apartments have set up a labor union respectively, and all the employees have participated in.
102-42	Identifying and selecting stakeholders	Principles of Sustainable Development	The basis of identification of stakeholders their recognition of the specific major issues and businesses described in the Report.
102-43	Approach to stakeholder engagement	Principles of Sustainable Development	
102-44	Key topics and concerns raised	Principles of Sustainable Development	

GLOBAL REPORTING INITIATIVE (GRI) GUIDELINES CONTENT INDEX-CORE OPTIONS

GRI Guidelines			
Indicators	Details	Disclosure Section	Notes
General Standard Disclosure			
GRI 102: General Disclosures 2016			
Reporting practice			
102-45	Entities included in the consolidated financial statements	About Yuexiu Real Estate Investment Trust	
102-46	Defining report content and topic boundaries	About this Report	
102-47	List of material topics	Principles of Sustainable Development	
102-48	Restatements of information	Integrated Development with the Environment, Sustainability Performance Summary	Yuexiu Real Estate Investment Trust disposed Neo Metropolis and acquired Hangzhou Victory in December 2018. Therefore, the scope of disclosure of management situation and related performance indicators in this report contains Hangzhou Victory but not Neo Metropolis. According to the principle of "Consistency" and based on the statistical caliber of the current year, the energy and resource consumption in 2018 is retroactively revised (if applicable), and the density data is revised accordingly.
102-49	Changes in reporting	About this Report	
102-50	Reporting period	About this Report	
102-51	Date of most recent report	Not Applicable	Please refer to Yuexiu Real Estate Investment Trust 2018 ESG Report.
102-52	Reporting cycle	About this Report	
102-53	Contact point for questions regarding the report	About this Report	
102-54	Claims of reporting in accordance with the GRI Standards	About this Report	Core options
102-55	GRI content index	Global Reporting Initiative (GRI) Guidelines Content Index	
102-56	External assurance	Not Applicable	

GRI Guidelines			
Indicators	Details	Disclosure Section	Notes
General Standard Disclosure			
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Principles of Sustainable Development	
103-2	The management approach and its components	Principles of Sustainable Development	
103-3	Evaluation of the management approach	Principles of Sustainable Development	
Economic topics			
GRI 201: Economic Performance 2016			
	Management approach disclosures	About Yuexiu Real Estate Investment Trust, Overview of Development in 2019	
201-1	Direct economic value generated and distributed	Overview of Development in 2019	
201-3	Defined benefit plan obligations and other retirement plans	Mutual Growth with Employees	
GRI 202: Market Presence 2016			
	Management approach disclosures	About Yuexiu Real Estate Investment Trust, Overview of Development in 2019	
GRI 203: Indirect Economic Impacts 2016			
	Management approach disclosures	Integrated Development with the Environment, Win-Win Cooperation with Partners, Mutual Growth with Employees, Coexistence and Prosperity with the Society	
203-1	Infrastructure investments and services supported	Integrated Development with the Environment, Win-Win Cooperation with Partners, Mutual Growth with Employees, Coexistence and Prosperity with the Society	
GRI 204: Procurement Practices 2016			
	Management approach disclosures	Win-Win Cooperation with Partners	
204-1	Proportion of spending on local suppliers	Win-Win Cooperation with Partners, Sustainability Performance Summary	

GLOBAL REPORTING INITIATIVE (GRI) GUIDELINES CONTENT INDEX-CORE OPTIONS

GRI Guidelines			
Indicators	Details	Disclosure Section	Notes
General Standard Disclosure			
GRI 205: Anti-corruption 2016			
	Management approach disclosures	Anti-corruption and Sound Governance	
205-3	Confirmed incidents of corruption and actions taken	Not Applicable	During the reporting period, there were no confirmed commercial bribery incidents or public legal actions against the company or its employees concerning commercial bribery.
GRI 206: Anti-competitive Behavior 2016			
	Management approach disclosures	Anti-corruption and Sound Governance	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not Applicable	During the reporting period, there were no public legal actions about anti-competitive behavior, anti-trust or monopoly practices.
Environmental topics			
GRI 301: Materials 2016			
	Management approach disclosures	Integrated Development with the Environment	
301-1	Materials used by weight or volume	Not Applicable	The main business of Yuexiu Real Estate Investment Trust is real estate leasing. This KPI is not applicable to the business of Yuexiu Real Estate Investment Trust.
GRI 302: Energy 2016			
	Management approach disclosures	Integrated Development with the Environment	
302-1	Energy consumption within the organization	Integrated Development with the Environment, Sustainability Performance Summary	
302-3	Energy intensity	Integrated Development with the Environment, Sustainability Performance Summary	

GRI Guidelines			
Indicators	Details	Disclosure Section	Notes
Environmental topics			
GRI 303: Water and Effluents 2018			
	Management approach disclosures	Integrated Development with the Environment	
303-3	Water withdrawal	Integrated Development with the Environment, Sustainability Performance Summary	Within the scope of the report, municipal water supply was the only source of water.
303-4	Water discharge	Integrated Development with the Environment	
303-5	Water consumption	Integrated Development with the Environment, Sustainability Performance Summary	
GRI 304: Biodiversity 2018			
	Management approach disclosures	Integrated Development with the Environment	
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not Applicable	None of the operating sites owned, leased or managed by Yuexiu Real Estate Investment Trust or the adjacent areas was located in environmental protection areas or other areas with high biodiversity value.
GRI 305: Emissions 2016			
	Management approach disclosures	Integrated Development with the Environment	
305-1	Direct (Scope 1) GHG emissions	Integrated Development with the Environment, Sustainability Performance Summary	
305-2	Energy indirect (Scope 2) GHG emissions	Integrated Development with the Environment, Sustainability Performance Summary	
GRI 306: Effluents and Waste 2016			
	Management approach disclosures	Integrated Development with the Environment	
306-2	Waste by type and disposal method	Integrated Development with the Environment, Sustainability Performance Summary	

GLOBAL REPORTING INITIATIVE (GRI) GUIDELINES CONTENT INDEX-CORE OPTIONS

GRI Guidelines			
Indicators	Details	Disclosure Section	Notes
Environmental topics			
GRI 307: Environmental Compliance 2016			
	Management approach disclosures	Integrated Development with the Environment	
307-1	Non-compliance with environmental laws and regulations	Not Applicable	No incident occurred during the reporting period.
GRI 308: Supplier Environmental Assessment 2016			
	Management approach disclosures	Win-Win Cooperation with Partners	
308-1	New suppliers that were screened using environmental criteria	Win-Win Cooperation with Partners	
Social topics			
GRI 401: Employment 2016			
	Management approach disclosures	Mutual Growth with Employees	
401-1	New employee hires and employee turnover	Mutual Growth with Employees, Sustainability Performance Summary	
GRI 402: Labor/Management Relations 2016			
	Management approach disclosures	Mutual Growth with Employees	
402-1	Minimum notice periods regarding operational changes	Mutual Growth with Employees	
GRI 403: Occupational Health and Safety 2018			
	Management approach disclosures	Mutual Growth with Employees	
403-3	Occupational health services	Mutual Growth with Employees, Sustainability Performance Summary	
GRI 404: Training and Education 2016			
	Management approach disclosures	Mutual Growth with Employees	
404-1	Average hours of training per year per employee	Mutual Growth with Employees, Sustainability Performance Summary	

GRI Guidelines			
Indicators	Details	Disclosure Section	Notes
Social topics			
GRI 405: Diversity and Equal Opportunity 2016			
Management approach disclosures		Mutual Growth with Employees	
405-1	Diversity of governance bodies and employees	Mutual Growth with Employees, Sustainability Performance Summary	
GRI 406: Non-discrimination 2016			
Management approach disclosures		Mutual Growth with Employees	
406-1	Incidents of discrimination and corrective actions taken	Not Applicable	No incident occurred during the reporting period.
GRI 413: Local Communities 2016			
Management approach disclosures		Coexistence and Prosperity with the Society	
413-1	Operations with local community engagement, impact assessments, and development programs	Coexistence and Prosperity with the Society	
GRI 416: Customer Health and Safety 2016			
Management approach disclosures		Win-Win Cooperation with Partners	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not Applicable	No incident occurred during the reporting period.
GRI 418: Customer Privacy 2016			
Management approach disclosures		Win-Win Cooperation with Partners	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Not Applicable	No incident occurred during the reporting period.
GRI 419: Socioeconomic Compliance 2016			
Management approach disclosures		Win-Win Cooperation with Partners, Mutual Growth with Employees	
419-1	Non-compliance with laws and regulations in the social and economic area	Not Applicable	No incident occurred during the reporting period.

COMMENT FEEDBACK FORM

Thank you for reading Yuexiu REIT's 2019 ESG Report. We sincerely hope that you can evaluate this Report and provide valuable suggestions for us so that we can make continuous improvement.

If you have any comments or suggestions on the ESG of Yuexiu REIT, please email to yxft.ir@yuexiureit.com or scan the QR code on the bottom.

(1) Yuexiu Real Estate Investment Trust's 2019 ESG Report Opinion Feedback Form

Name _____

Employer _____

Position _____

Tel _____

E-mail _____

Your evaluation on this Report: (Please ✓ in the corresponding position)

	Very good	Good	Average	Poor	Very Poor
Do you think this Report highlights the Trust's important ESG information?	<input type="checkbox"/>				
Do you think the information and indicators disclosed in this Report are clear, accurate and complete?	<input type="checkbox"/>				
Do you think the layout and style of this Report are easy to read?	<input type="checkbox"/>				

Which parts of this Report are you most interested in?

What else do you think you need to know that is not reflected in this Report?

Do you have any suggestions for our future release of ESG reports?

(2) You can also scan the following QR code to provide your feedback:

