



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

HANGZHOU

GUANGZHOU

SHANGHAI

VISION FOR A STEADY FORTUNE

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT 2020

15 YUEXIU
REIT
2005-2020



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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 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. 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.

PROPERTY PORTFOLIO

Yuexiu REIT focuses on clothing wholesale mall, office buildings, retail malls, hotel and service apartments. While using the properties for multiple purposes, the Manager implements active and prudent investment strategies to identify high-quality commercial projects and supporting resources in the core areas of domestic cities with high economic growth. By continuously improving the quality of tenants and the scale of assets, Yuexiu REIT will inject new growth momentum and bring sustained and stable returns to unit-holders.

As at 31 December 2020, Yuexiu REIT's portfolio of properties consisted of eight properties, namely, White Horse Building Units ("White Horse Building"), Fortune Plaza Units and certain Carpark Spaces ("Fortune Plaza"), City Development Plaza Units and certain Carpark Spaces ("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. For more information on property, please refer to Yuexiu REIT Annual Report 2020 Section "Property Portfolio" (Page 37).

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 properties every year, so as to maximize leasing revenue and protect the rights and interests of our investors.

ABOUT THIS REPORT

OVERVIEW

This Report is the fifth independent Environmental, Social and Governance (ESG) Report of Yuexiu REIT, focusing on the disclosure of Yuexiu REIT's philosophy, significant measures and efficiency of ESG aspects in 2020. The annual update on the sustainable development performance under the four major issues of Yuexiu REIT in 2020 (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.

REPORTING PRINCIPLES

This Report has been prepared in accordance with the four reporting principles of the "ESG Guide" of the Stock Exchange of Hong Kong Limited, and responds to the concerns of the stakeholders of Yuexiu REIT in various aspects.

- **Materiality:** The Manager employed a third-party professional organization to identify the current ESG important issues by combining the business characteristics of Yuexiu REIT and communicating with the stakeholders, and submitted the results to the Board of Directors of the Manager ("the Board") for approval. Finally, the material ESG issues for Yuexiu REIT were determined as the basis for preparing the ESG report and responded through the report.
- **Quantification:** Under the coordination of the Sustainability Working Group, this Report has established a data collection tool to record and monitor various environmental and social indicators, and established a data collection and review mechanism. Where applicable, this Report disclosed annual comparative data to let stakeholders know the ESG management progress of Yuexiu REIT.
- **Balance:** This Report reported the ESG performance of Yuexiu REIT without bias. Besides disclosing the work results, it also discussed the improvement space and plan on relevant issues.
- **Consistency:** The quantitative information in this Report is disclosed in a way consistent with that in the past, so that stakeholders can analyze and evaluate the performance of Yuexiu REIT at different times. If the scope of data collection changes, the data update or the measurement method changes (if any), a corresponding explanation will be attached for the report users' reference.

SCOPE AND BOUNDARY OF THE REPORT

This Report covers all the properties held by Yuexiu REIT from 1 January to 31 December 2020 ("This Year" or "The Reporting Year"). Sections of The Report may extend beyond the above period. Unless otherwise stated, this Report uses Renminbi ("RMB") as the currency unit.

ABOUT THIS REPORT

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 Annual Report 2020.

DATA SOURCES AND RELIABILITY STATEMENTS

All the data used in this Report is obtained from the Manager, the Trust and holding companies under it and has been reviewed by the Board on 28 April, 2021.

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 THIS 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 Yuexiu REIT, please email to yxft.ir@yuexiureit.com.

CHAIRMAN'S MESSAGE

2020 is extraordinary and profound for the world, the country and the public. This year, under the influence of COVID-19, the operation of properties held by Yuexiu REIT were impacted to varying degrees in the first half of the year, especially in clothing wholesale mall and hotel. In the face of sudden risks and challenges, the Manager forged ahead, quickly started the emergency plan for epidemic risk, and introduced targeted tenant assistance scheme to resolve the impact of the epidemic, ensuring the overall stability of operation and give back to investors.

At the end of the reporting period, the total asset scale of Yuexiu REIT reached about RMB 36.26 billion, the net property income of the whole year was about RMB 1.323 billion, the distribution of per Unit was about RMB 0.1985, and the distribution yield of return was about 6.07%. Operating performance was in line with expectations.

LIN DELIANG

Chairman



CHAIRMAN'S MESSAGE

2020 is also the 15th anniversary of the listing of Yuexiu REIT. As the world's first listed REIT to invest in properties in the mainland of the People's Republic of China ("PRC"), with its steady and innovative dual platform interaction of "real estate and finance" and unique "three-in-one" operation mode of business operation, capital operation and property management, Yuexiu REIT's assets have increased by more than 7.5 times in the past 15 years, ranking among top 10 of more than 100 real estate listed funds in Asia. It has won the investment grade rating of Moody's and S&P, and has been selected into seven Hang Seng Indexes (HSI). The Manager is deeply grateful and excited for the concern and support of all stakeholders to Yuexiu REIT.

We are deeply aware of the principle of "win-win cooperation". 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 and constantly improves. Under the leadership of the Board, the Manager discloses an independent ESG Report for the fifth consecutive year to convey the ESG performance and effectiveness of Yuexiu REIT to stakeholders.

We care about tenants' operation. Combined with the actual situation of different business types, during the period of COVID-19, the Manager timely launched the risk emergency plan, equipped sufficient temperature measurement facilities and disinfection facilities in all properties, increased the frequency of inspection of disinfection and ventilation facilities in public areas, maintained close contact with government departments and industry associations, promoted the resumption of work and production in all walks of life, and finally realized "zero diagnosis" in every property. We are gratified that the obvious anti-epidemic effect has been highly recognized by government departments and communities.

Considering the unprecedented impact on the development of all walks of life, the Manager actively responded by providing rent concession measures and formulating more reasonable and targeted leasing policies. Among them, the office buildings built a "Yue Plus" platform within the year, aiming to promote the building economy, build an urban "building ecosystem", and strive to work with partners to achieve win-win results. With the steady recovery of domestic economy, Yuexiu REIT's operating indicators gradually recovered in the second half of the year. The property occupancy rate at the end of the period reached 92.8%, and the occupancy rate of Four Seasons Hotel Guangzhou and Ascott Serviced Apartment GZIFC remained leading in the industry. We are deeply encouraged.

Addressing climate change and energy management are two of our material issues this year. 2020 marks the fifth anniversary of the entry into force of the Paris Agreement, and the new ESG rules of the Stock Exchange of Hong Kong also come into force this year. China proposed that carbon dioxide emissions will reach its peak by 2030, and strive to achieve carbon neutralization by 2060. This emission reduction commitment has aroused worldwide attention and enthusiastic response from the international community. The Manager closely follows the development trend of the times, integrates ESG elements in the risk management framework, and strives to effectively control extreme climate risks, for example, typhoon, rainstorm and high temperature, while seizing development opportunities to continuously improve ESG performance and the result are widely recognized. On the one hand, we adhere to the concept of environmental green development and take more effective measures to enhance our contribution to carbon neutrality by improving the environmental performance of our properties. On the other hand, we continue to promote green building certificate and green leasing policy, and deeply integrate BOMA international standards. GZIFC successfully passed the BOMA International 360 Certificate this year, becoming the first REITs asset project obtained the dual-certificate of BOMA COE and BOMA 360 in Asia Pacific, and was awarded the "Facility Management Team of the Year" and "Sustainability Achievement of the Year" by RICS, which is another milestone for us to practice the concept of integrated environmental development.

We put people first and have always worked side by side with employees to protect their rights, paying attention to their development, physical and mental health, and improving their sense of participation and accomplishment at work. During the epidemic period, we provided sufficient anti-epidemic materials such as goggles, masks and gloves for employees and front-line personnel to build a health barrier for them. The Manager's team remained stable and efficient work this year to build a solid foundation for the stable development of Yuexiu REIT.

We adhere to the line of defense of compliance and integrity risk, and strive to build a responsible supply chain. While reviewing all links in the supply chain and ensuring that the supply chain is clean and efficient, we also urges suppliers to fulfill their social responsibilities.

While developing the economy, we must remember to fulfill our social responsibilities. In addition to the rent concession measures introduced during the epidemic period, we also actively integrated into the local community, encouraged customers, employees and the public to participate in charity activities, actively responded to targeted poverty alleviation, and purchased "Love Poverty Alleviation Gift Packages" to help poor households in Chimi Village, Qingyuan, increase their income. We actively voiced for social welfare and provided a free site for a number of charitable activities. In the future, the Manager and properties will continue to exert charity power and provide a platform for social charity, and continue to advance towards the vision of "sincerely giving back to the society and building a beautiful community".

On behalf of Yuexiu REIT, I would like to take this opportunity once again to sincerely thank all stakeholders for their consistent care and support. 2021 marks the beginning of China's 14th Five-Year Plan period. The national economy will enter a stage of high-quality development. The starting point of a new future is now. The Manager is full of expectation and confidence. Yuexiu REIT, which has experienced the test of the epidemic, will seize the opportunity of the times when a greater opportunity comes. Through the layout of high development potential cities, we will firmly adhere to the fundamental direction of high-quality development and bring positive returns to investors. As a forerunner and pioneer in the field of REITs in Chinese mainland, we will continue to fulfill our determination and commitment of "pursuit of excellence, never-ending" with practical actions to tenants, customers, investors, employees, government and regulators, communities and other stakeholders.

LIN DELIANG

Chairman

ANNUAL TOPIC I:

STEADY DEVELOPMENT IN THE PAST 15 YEARS

In the past 15 years, Yuexiu REIT has adhered to the “three-in-one” mode of integrating asset management and fund management, commercial operation and property management, and capital upgrading and asset upgrading, and adhered to the commercial real estate road of “being based on commercial operation and financial operation”, achieving fruitful results.



Since 2005, the total assets of Yuexiu REIT has risen from RMB 4.2 billion to over RMB 36 billion, with an increase of 7.5 times and a compound annual growth of more than 14%, becoming one of the top 10 listed real estate investment trust funds in Asia. Our business and rental returns also showed a steady growth. Since the listing, the total distributable income of Yuexiu REIT has increased from about HKD 207 million in 2006 to about RMB 761 million in 2019. In 2020, despite the impact of the epidemic, the total distribution also reached to about RMB 649 million. We have maintained 100% and above distribution level for 15 consecutive years. The overall distribution yield of historical funds has remained at more than 5%, which has brought stable returns to the unit-holders.

In the past year, the Manager took the initiative to deal with COVID-19, showed a strong ability to resist risks and cross the economic cycle, and led the business to recover steadily. By the end of 2020, Yuexiu REIT has obtained investment rating by two international rating agencies Moody's and S&P, and has been selected into 7 Hong Kong HSIs. The development overview for 2020 is as follows.

IMPORTANT HONORS

Yuexiu REIT

- (1) "Listed Company Excellence Award 2020" awarded by HKEJ
- (2) "Asset Management Annual Performance Award 2020" awarded by Guandian Group

GZIFC

- (1) "Global Award Ten Year Award" awarded by International Society for Tall Buildings and Urban Habitat (CTBUH)
- (2) BOMA 360 Certificate

Victory Plaza

Oscar of Chinese Commercial Art Exhibition "Golden Light Award
• Visual Excellence Award"

Four Seasons Hotel Guangzhou

- (1) "Forbes Travel Guide Five-Star Hotel 2020" awarded by Forbes Travel Guide
- (2) "China Golden Horse Awards-City Landmark Hotel" awarded by China Hotel Magazine
- (3) The Chinese restaurant Yu Yue Heen awarded the "Michelin One Star" by Guide Michelin Guangzhou 2020

White Horse Building

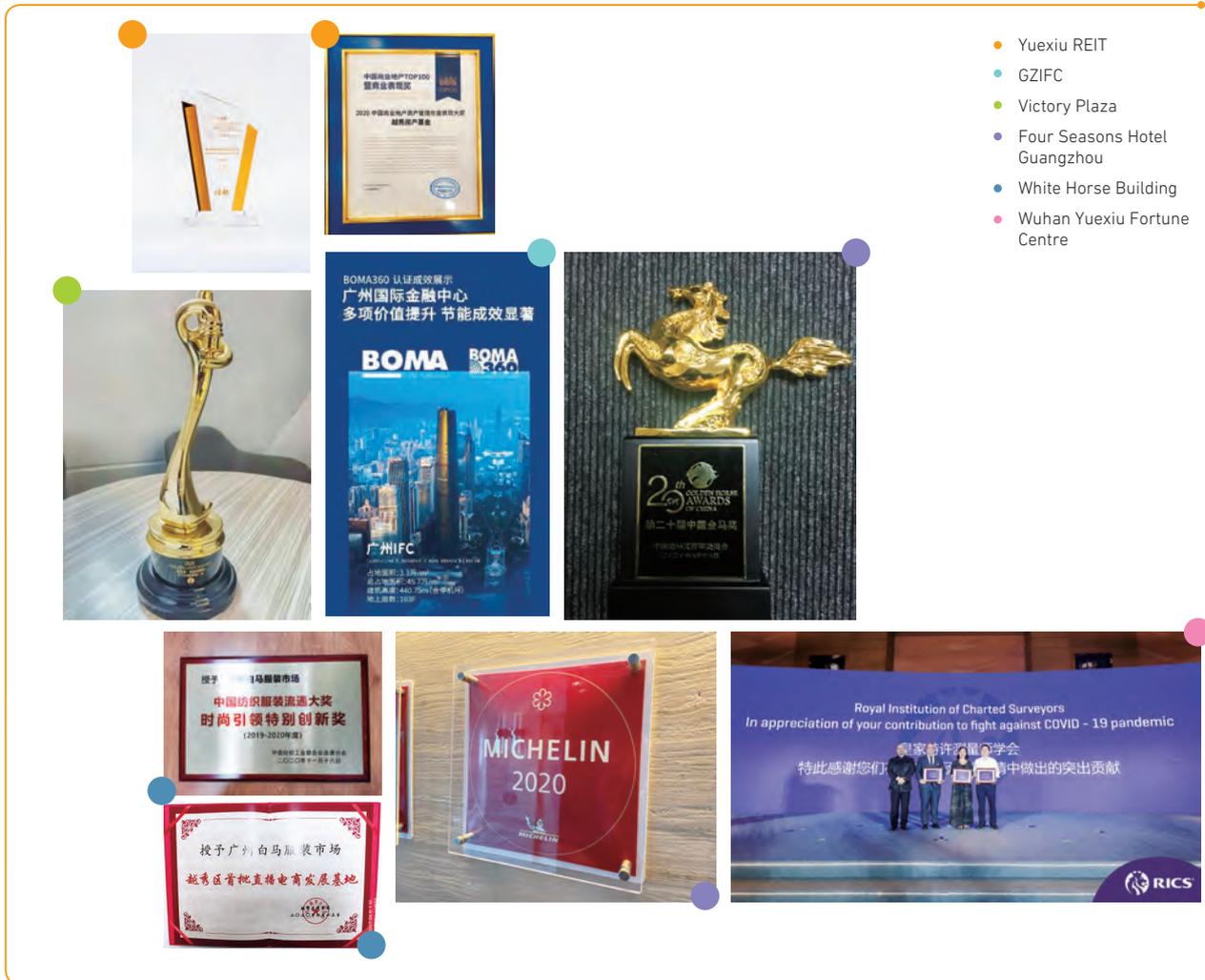
- (1) "Yuexiu District's First Broadcast E-commerce Development Base" awarded by Yuexiu District Business Bureau
- (2) "China Textile and Apparel Circulation Award Fashion Leading Special Innovation Award" awarded by Circulation Branch of China National Textile and Apparel Council

Wuhan Yuexiu Fortune Centre

"RICS China Summit Business Project Finalist Award 2020" issued by RICS



ANNUAL TOPIC I: STEADY DEVELOPMENT IN THE PAST 15 YEARS



ECONOMY/MARKET

- At the end of the reporting period, Yuexiu REIT has a total property ownership area of **973,001.4 m²**, and the market value of the property portfolio was about **RMB 34.488 billion**. In the reporting year, the operating income amounted to **RMB 1.759 billion**, the net property income amounted to **RMB 1.323 billion**, and the **distribution of per Unit was about RMB 0.1985**. The **distribution yield was about 6.07%**.
- At the end of the reporting period, **the overall property occupancy rate was about 92.8%**. Among them, growth projects have been growing for three consecutive years, and **the occupancy rate of Wuhan Yuexiu Fortune Center is 87.1% as at 31 December 2020, up 12 percentage points year on year**.

For more information on the overall financial performance of Yuexiu REIT and the operating performance of every property, please refer to the "2020 Business Review and Future Prospects" of Yuexiu REIT Annual Report 2020 (page 17).

ENVIRONMENT

- We have practiced the green leasing policy and carried out the transformation of equipment and facilities. Several properties have obtained green building certificate, including **LEED EBOM V4 platinum certificate, Building Sustainable Development Index Verification Mark and National Two-star Green Building Design Label**;
- GZIFC obtained the LEED EBOM V4 platinum certificate, successfully passed the BOMA International 360 Certificate within this year, becoming the **first REITs asset project obtained the dual-certificate of BOMA COE and 360 in Asia Pacific**, and awarded the **“Facility Management Team of the Year” and “Sustainability Achievement of the Year”** by RICS;
- We equipped Wuhan Properties’ power supply system with **monitoring devices and energy management system** to improve the level of energy consumption management;
- Four Seasons Hotel Guangzhou carried out the **transformation of South Square greening image** to improve customer experience and green environment.

EMPLOYMENT

At the end of the reporting period, Yuexiu REIT employed **574 and 126 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 **about 48 hours of training on average**.

COMMUNITY

- During the epidemic of COVID-19, we launched the provision of interim rental extension and reduction so as to help our tenants. The total rental concessions in respect of all the properties held by Yuexiu REIT was approximately **RMB 90 million**;
- Starry Victoria Shopping Centre acted responsibly during the worst of the epidemic. On the premise of making a good job in epidemic prevention, it insisted on operating and provided living materials for the community and front-line medical staff. Wuhan Yuexiu Fortune Centre was also awarded the **“Outstanding Contribution Certificate of Ant-epidemic”** by RICS;
- When the epidemic eased, the properties actively cooperated with the government to promote the orderly resumption of work and production. The office buildings launched a digital marketing platform **“Yue Plus”** to promote the building economy. White Horse Building has built a **“Fashion Core”** multi-functional art exhibition hall to provide a better product display environment and procurement services;
- We actively responded to targeted poverty alleviation, purchased **“Love Poverty Alleviation Gift Packages”** to help poor households in Chimi Village, Qingyuan to increase their income, and organized volunteers to visit the village;
- The properties gave back to the society through diversified charity activities and provided free site for various charitable activities. The **“YEService Warm Market”** of GZIFC, together with famous brands and commercial merchants, held a charity sale to attract the public to raise money for warm bags and send warm items to children in remote areas in the cold winter. Victory Plaza provided free space for public welfare activities, and was awarded the certificate of **“Charity Support Unit”** by Guangzhou Charity Association for 99 Public Welfare Day Good City Love Activity. The properties held by Yuexiu REIT participated in **254 person-time and provided volunteer services for 819.5 hours**.

ANNUAL TOPIC II:

CONCENTRIC FIGHT AGAINST THE EPIDEMIC, PERSEVERANCE AND RESPONSIBILITY

In 2020, the COVID-19 spread worldwide, bringing hitherto unknown public health risks. In the face of the severe challenges brought by the epidemic situation, the Manager led the front-line operation teams of the properties to respond in a timely and rapid manner, quickly raised epidemic prevention materials, took a full range of epidemic prevention and control measures, took epidemic prevention responsibility, and successfully guaranteed the safety and health of employees, tenants and communities. After the epidemic was under control, we did not slacken our efforts, established a long-term prevention and control mechanism, implemented the "normalized epidemic prevention" measures, and consolidated the safety and health achievements of epidemic prevention. On the basis of ensuring safety and health, we have the courage to take responsibility to help maintain and expand the business activities of tenants, and work side by side with tenants to achieve a win-win situation.



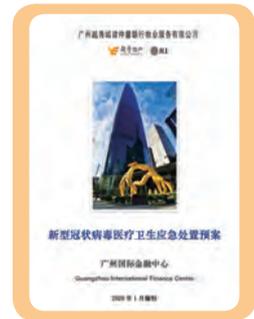
QUICK RESPONSE

After the outbreak of COVID-19, the Manager quickly formulated the emergency plan for epidemic prevention and control, closely monitored the progress of the epidemic situation, made proper preparations for disinfection and storage of the disease, and took all-round measures to coordinate the various properties, formulated the commercial building epidemic prevention standard together, placed the safety and health of the personnel in the first place, and worked together with all parties to overcome the difficulties and fight the epidemic.



Rapid and Comprehensive Implementation of the Epidemic Prevention and Control Emergency Plan

- GZIFC immediately upgraded the response mechanism from Grade III to Grade II after the epidemic occurred in Guangzhou, and comprehensively strengthened epidemic prevention and control, and formulated the epidemic prevention standard Emergency Response Plan for COVID-19 Healthcare. This standard was approved by Guangzhou Property Management Association and rapidly extended to other properties.
 - (1) Turn on the fresh air fan in the transition season, adjust the CO₂ concentration setting of the air processor at all layers from no more than 1,000 ppm to 400 ppm according to the national standard, and increase ventilation;
 - (2) Adjust cleaning of the air conditioning unit once a week and disinfect with Sterile deodorant and 84 disinfectant; equip the air conditioning unit room with ultraviolet lamp for disinfection and sterilization, and fully monitor the indoor air quality of the building in real time;
 - (3) Use the multi-functional disinfectant of a famous brand on a daily basis, automatically mix the concentration through the MSDS chemical dispenser, and dilute the cleaning agent in precise proportions. In addition to daily cleaning, the public areas, toilets, parking lots and other places of the building are disinfected every 1 hour on weekdays; and during the peak period of people flow, special personnel are assigned to the lobby reception areas, gates, escalator handrails, elevators and buttons in car lifts, toilets, tea rooms, waste cans and other high-frequency contact points for circular disinfection.



Comprehensive Epidemic Prevention and Control at GZIFC

ANNUAL TOPIC II: CONCENTRIC FIGHT AGAINST THE EPIDEMIC, PERSEVERANCE AND RESPONSIBILITY

- Wuhan Properties have properly implemented disinfection and epidemic prevention in the early stage of the epidemic, used disinfectants with non-toxic side effects, publicized personal protective measures, and appeased tenants. Wuhan Properties' outstanding performance in epidemic prevention has been recognized by all sectors of the society. Royal Institution of Chartered Surveyors (RICS) has awarded Wuhan Yuexiu Fortune Centre the honor of "2020 Commendation of Epidemic Prevention Contributions", and highly recognized our epidemic prevention emergency mechanism and operation ability of maintaining stable growth in epidemic.



Epidemic Prevention Measures at Wuhan Properties

- In order to deal with the epidemic prevention and control, White Horse Building developed a health punch mini program, which collects and analyzes the site customer information, analyzes and monitors the temperature, identity information, source distribution, etc. of passenger flow in real time, so as to effectively control emergencies. White Horse Building's efficient response to the epidemic has also been recognized by the industry. White Horse Building has been listed in the "Advanced Collective in National Textile Industry to Fight Against the COVID-19" by China National Textile and Apparel Council.



Large Screen of Health Punch Data

COURAGE FOR CHALLENGE

Wuhan Properties are located in the epidemic prevention center. During the epidemic period, Wuhan Properties actively responded to the call of the government and social demands, insisted on business on the premise of doing a good job in epidemic prevention and ensuring safety and health, and show strong corporate social responsibility. Starry Victoria Shopping Centre and the supermarket tenants on the 1B cooperated to open and close the stores, maintained the safety and health order in the mall and ensured the supply of living materials for residents in surrounding communities. At the same time, the online ordering service and live sales channel were fully opened to strengthen the business alliance and helped broaden the marketing channels of catering, retail and other businesses.

ORDERLY RESUMPTION OF WORK

After the epidemic was under control, we actively responded to the call of the government, formulated the relevant standards and planed for the resumption of work and production, orderly promoted the resumption of work of all property enterprise tenants on the premise of ensuring safety and health, established a long-term prevention and control mechanism, and implemented "normalized epidemic prevention" measures to ensure the safe resumption of work and production in an all-round way.

CASE

Full Guarantee of Resumption of Work and Production by all Properties

- GZIFC was the first building in the CBD of Zhujiang New Town to add non-contact large-scale infrared thermometer. In addition, GZIFC promoted the self-developed "Yue Plus E-Pass" platform in multiple business buildings along the central axis, integrating "Suikang Code" and "Telephone Track", making it the first cross-building "three in one" in China, and implementing the normalization of epidemic prevention with digital technology. In order to ensure a healthy and comfortable office environment, GZIFC provided a free spray disinfection service for tenants. The measures and effects of the GZIFC have been widely praised, and have been praised by various government departments for many times, and won the title of "Outstanding Ant-epidemic Performance Property Project" awarded by Guangzhou Property Management Association.



Digital Epidemic Prevention Program



Special Report of Xinhua News Agency

ANNUAL TOPIC II: CONCENTRIC FIGHT AGAINST THE EPIDEMIC, PERSEVERANCE AND RESPONSIBILITY

- Wuhan Yuexiu Fortune Centre formulated the Application for Enterprise Resumption of Work and Production. When the tenants resumed to work, they needed to submit the Letter of Commitment for Resumption of Work, relevant documents approved for resumption of work, and detailed information of the employees returning to work. In addition, Wuhan Yuexiu Fortune Centre strictly controlled the personnel entering and leaving the office and parking lot, restricted external visitors, provided guide at the elevator by time, and encouraged the self-bringing lunch to avoid cross infection. The public area of the office building was equipped with a special recycling bucket for waste masks, and the recycling buckets were disinfected regularly, aiming to collect the used masks to avoid secondary pollution.



Orderly Resumption of Work at Wuhan Yuexiu Fortune Centre

Resumption of work at Yuexiu Fortune Centre has been reported by many mainstream media. After experiencing an early peak after resumption of work, the reporter of Changjiang Weekly made a high recognition and special report on the strict control of personnel access and uninterrupted disinfection measures at Yuexiu Fortune Centre.



Press Coverage

- White Horse Building, the first professional clothing market to resume work in Yuexiu District, strictly deployed the work plan for resumption of work and production, conducted epidemic emergency drills for potential physical abnormalities in advance, ensured that the maximum capacity of 10 m² per capita was estimated to prevent cross infection, set automatic induction free-wash disinfectant at the entrance and exit of public area, and carefully implemented the details of epidemic prevention.



Flow Control Facilities

TENANT ASSISTANCE

The Manager cares about the operation of tenants. During the epidemic, we responded to the government's call to provide the rent concessions to clothing wholesale mall, retail malls and office tenants on the basis of negotiation, approximately RMB 90 million. At the same time, we supported tenants' business activities through flow attracting activities, tenant welfare, opening online services and live communities, providing epidemic prevention materials, etc.

CASE

Assisting Tenants and Moving Ahead Together

- **Flow attracting and expansion:** GZIFC shopping mall opened online ordering service channel and "contactless distribution channel or special area" to ensure smooth logistics and maintained the operation of commercial tenants in catering. White Horse Building introduced online celebrity live broadcasting organization to assist commercial tenants to set up the online promotion platform, broadened the sales channels and provided the live broadcasting and video marketing related training.
- **Epidemic prevention support:** Victory Plaza provided 1,000 masks and thermometers for cooperative commercial tenants to avoid the inability to continue business due to the shortage of epidemic prevention materials. White Horse Building specially formulated the commercial tenant health questionnaire, effectively established register of health information of more than 2,000 commercial tenants in order to understand the health status and demands of commercial tenants.
- **Tenant benefits:** GZIFC provided various benefits for tenants, including discounts for internal purchase, etc. Four Seasons Hotel Guangzhou provided convenience and care for tenants by offering banqueting discount.

ANNUAL TOPIC II: CONCENTRIC FIGHT AGAINST THE EPIDEMIC, PERSEVERANCE AND RESPONSIBILITY

DETERMINED PREVENTION AND CONTROL

During epidemic prevention and control, all property front-line personnel held their posts, selflessly contributed and marched counter in the front-line of community epidemic prevention. They have been widely involved in the material raising, epidemic prevention standard formulation, information collection, equipment preparation, and other anti-epidemic work, showing strong sense of employee responsibility and social responsibility, and jointly writing a new chapter of epidemic prevention.

CASE

Normalized Epidemic Prevention and Continuous Safety and Health Protection

- Adhere to the principle of "Unblocking does not mean no prevention, and zero growth is not zero risk". After the epidemic was effectively controlled, GZIFC continued to strictly control the access and regular disinfection; in terms of air quality management, adjusted the return air volume to pursue the balance between comfort and health and safety. At the same time, formulated the emergency response plan for suspected cases and other emergencies.
- Four Seasons Hotel Guangzhou provided and timely changed masks, hand sanitizers and other protective accessories for guests and employees, and was equipped with non-contact disinfection machines and position distance indication and other safety signs. At the entrance, Four Seasons Hotel Guangzhou strictly controlled the access to the building, by using big data and health code for inspection, and improving the management standards for foreign guests.

Special Safety Signs for Epidemic of Four Seasons Hotel Guangzhou



Notice on Risk of Epidemic Rebound

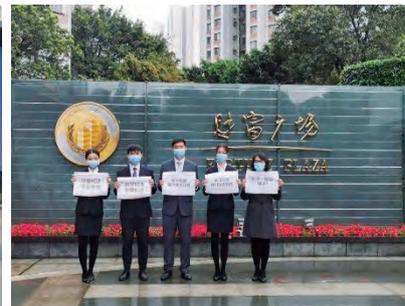


CASE

Full Devotion of Front-line Operators and Writing a New Chapter of Epidemic Prevention

The success of epidemic prevention is inseparable from the input and effort of the front-line operators. It is their persistence that has become the hard core force of prevention and control.

1. During the Spring Festival, the front-line operators of GZIFC cooperated with the Company's all-round prevention and control deployment, arranged the comprehensive and thorough cleaning and disinfection of the equipment, air unit room, etc., and installed the non-contact large-scale infrared thermometer at the three main entrances and exits, as the first building equipped with such thermometer in the CBD of Zhujiang New Town.
2. The front-line operators of White Horse Building still managed to return to duty one week before resumption of work under the traffic control, to ensure that they could communicate with customers fluently and effectively when being on duty.
3. When the epidemic broke out, the front-line operators of Hangzhou Victory assisted the property in purchasing emergency epidemic prevention materials through the channel of family members, to provide security for the colleagues on duty during the Spring Festival.
4. The front-line operators of Victory Plaza investigated the situation of all security personnel travelling on vacation. After entering the Level I response, they took the initiative to apply for cancellation of Spring Festival leave and returned to duty.



Front-line Anti-epidemic Force

SUSTAINABLE DEVELOPMENT MANAGEMENT

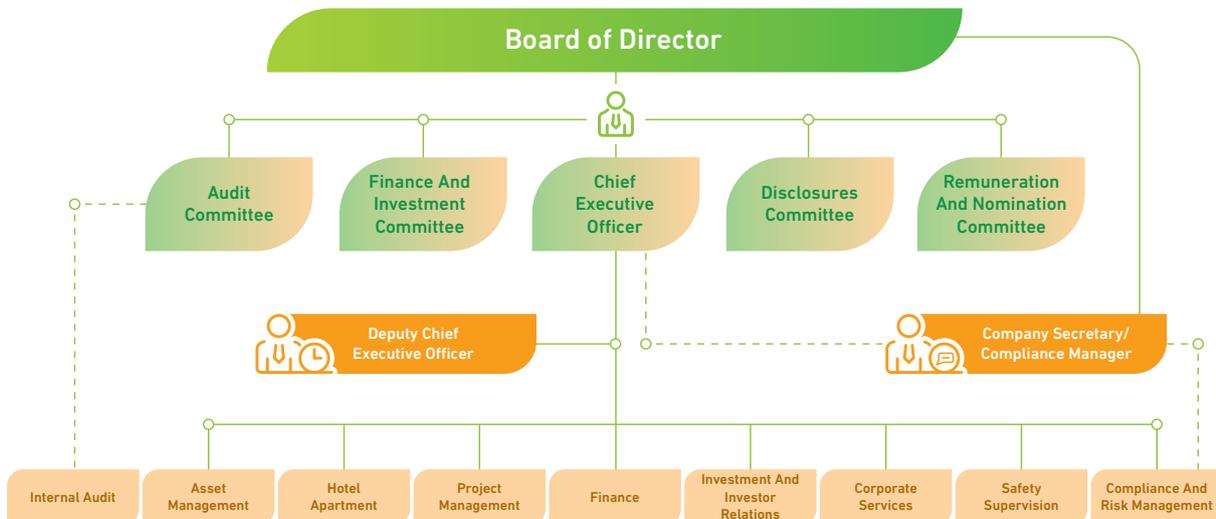
In the past year, under the leadership of the Board, the Manager continued to consolidate the sustainable development structure and work system, implemented the concept of sustainable development throughout the work and firmly promoted our three principles of sustainable development:



CORPORATE GOVERNANCE

The Manager encourages 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’s Organization Structure



Board Diversity

The Manager is fully aware that the diversity of board members is of great significance to the improvement of corporate governance, and ensures that the Board has diverse background experience, appropriate knowledge in the decision-making process. Therefore, when the Board selects its member candidates, it comprehensively considers multiple factors, including but not limited to age, gender, culture, educational background, professional experience, skills, academic background and service life, etc., always insists on using talented people, and maintains proper balance and diversification on the premise of ensuring the effective operation of the business of 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. The Manager appointed a female director to the Board this year.

During the reporting year, the Board meet the requirements of Yuexiu REIT's business operation in terms of personnel composition, size and structure. Every member has rich experience and considerable knowledge, 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 Section "Corporate Governance" of Yuexiu REIT Annual Report 2020 (Page 91).

Brief Introduction to the Board (Updated to March 4, 2021)

Name	Position
Mr. LIN Deliang	Chairman and Executive Director
Ms. OU Haijing	Executive Director (appointed on 20 November 2020)
Mr. LI Feng	Non-Executive Director
Mr. ZENG Zhizhao	Non-Executive Director (appointed on 4 March, 2021)
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 Xiaouu	Independent Non-Executive Director

Note: Mr. CHENG Jiuzhou has resigned as Executive Director effective on 4 March 2021.

Structure of the Board (Updated to March 4, 2021)

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



SUSTAINABLE DEVELOPMENT MANAGEMENT

Anti-corruption and Anti-commercial Bribery

Yuxiu REIT and the Manager attach great importance to transparency, independence, accountability, responsibility, fairness and compliance, strictly abide by the requirements of the applicable laws and regulations. The Company has formulated a series of anti-corruption rules and regulations to ensure asset transparency, management process routinization and expenditure rationalization and clarifies that anti-corruption and anti-commercial bribery are the “red line” that every employee must strictly adhere to. The Company has established an internal supervision and management system on anti-corruption and anti-commercial bribery. All kinds of illegal, irregular and violating behaviors, or misconducts that may cause great losses to the Company’s reputation or economy are put under strict supervision and handled strictly. Internal rules and regulations, training and supervision mechanism on anti-corruption and anti-commercial bribery cover directors, employees (full-time/internship), front-line operators and various outsourcing service providers.

System and Mechanism

The Manager continuously improves various rules and regulations in order to ensure that all branches of the Company abide by business ethics and consolidate non-corrupt corporate culture through prevention, supervision and reward and punishment measures. The Manager has formulated compliance management system documents such as Compliance Manual, Guideline on Anti-money Laundering, Measures for the Management of Risk Preference and Implementation Measures for Internal Audit to closely monitor and control various compliance risks and established a supervision and reporting mechanism. The Manager has also established the procedure for dealing with the conflicts of interest, which all directors and employees must strictly follow the procedure.

Independent Supervision and Whistleblower Protection

The Manager reviews formulated anti-corruption and anti-commercial bribery policies and improves system contents every year to broaden the jurisdiction of the system. At present, the Manager has established an independent supervision mechanism. According to the Compliance Manual, the compliance team regularly conducts compliance inspections on front-line operators every year. According to the Implementation Measures for Internal Audit, the internal audit team conducts internal control evaluation/special audit on the Manager’s functional departments and front-line operators from time to time every year, accepts whistle-blowing information, and keeps information sources and whistleblowers’ information strictly confidential to ensure that they are protected by law and away from interference. For management defects found in the inspection, relevant departments or front-line operators are instructed to formulate rectification/optimization plans and implement them. In the process, if violations of law, discipline or business ethics are identified, they will be reported and investigated according to the established mechanism.

Employees' Business Ethics Training

The Manager requires employees to make commitments to integrity and organizes business ethics training every year and requires front-line operators to effectively promote and train integrity. The relevant functional departments of the Manager carry out special supervision from time to time to prevent the occurrence of events that damage the overall image of Yuexiu REIT. During the year, the Managers conducted a total of about 620 hours of anti-corruption and anti-commercial bribery training.

Anti-bribery of Suppliers

The Manager emphasizes the integrity management of supply chains and has "zero tolerance" for any suppliers who violate the integrity agreement. In order to carry out the integrity construction of various property capital transformation contract projects, the Manager requires the other party of the Contract and the Bidder to sign an Integrity Agreement with the Company, so that they promise to give no rebates, procedure fees, commissions, referral fees to employees to obtain any business opportunities.

Anti-money laundering

The Manager has established an anti-money laundering mechanism. For routine business, we carry out customer identification and verification based on customer identification rules. A lease management system has been established to register and maintain the business information and basic identity information of customers and their agents. The copies or photocopies of relevant persons' valid identity documents or other identity documents are properly kept. We have also included "anti-money laundering clauses" in the lease contract, requiring tenants to declare that the source of each fund submitted to the Company are legal and promise that the identity information submitted for filing is true and reliable. For investment and financing affairs, the Manager entrusts lawyers or qualified professionals to conduct due diligence to ensure the legality and compliance of relevant economic activities.

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

Anti-unfair Competition

We deeply understand that healthy competition can improve efficiency and promote innovation, enhance service quality to meet the needs of owners and improve customer experience. The Manager advocates that all business activities shall be conducted in good faith and fairness to gain the trust of business partners, tenants, investors and the public. According to the Competition Ordinance, we prohibit anti-competitive behaviors, actively identify risks in the competition routine and formulate control measures and include bidding and tendering regulations clearly in the internal system.

During the reporting year, the Manager did not discover or aware of any non-compliance with laws and regulations relating to competition.

SUSTAINABLE DEVELOPMENT MANAGEMENT

Intellectual Property Protection

We respect intellectual property rights, regard trademarks, brands and other intellectual property rights as important assets, which are managed by the Asset Management Department in a unified way, and try our best to protect various intellectual property rights involved in business activities. All employees are not allowed to copy or disseminate any unauthorized copyright materials in order to avoid encroaching on the rights of copyright owners. Tenants in the clothing wholesale mall own lots of brands. Therefore, we create an atmosphere of initiative and originality through various channels and call on and supervise tenants and the public to take practical actions to protect intellectual property rights.



Speak for Brands and Protect Intellectual Property Rights

In 2020, in order to better protect intellectual property rights and innovation achievements, White Horse Building built a whole chain of “intellectual property creation, application, protection, management and service”, launched a new position to become a “directly wholesale base of high-end original factory goods”, introduced more middle and high-end original brands and attract and gather many excellent original brands in Guangzhou, thus providing high-quality original products for clothing buyers. In addition, White Horse Building conducts the selection of top ten original brand awards every year to encourage originality, speak for the brand and empower the brand to grow and leapfrog.



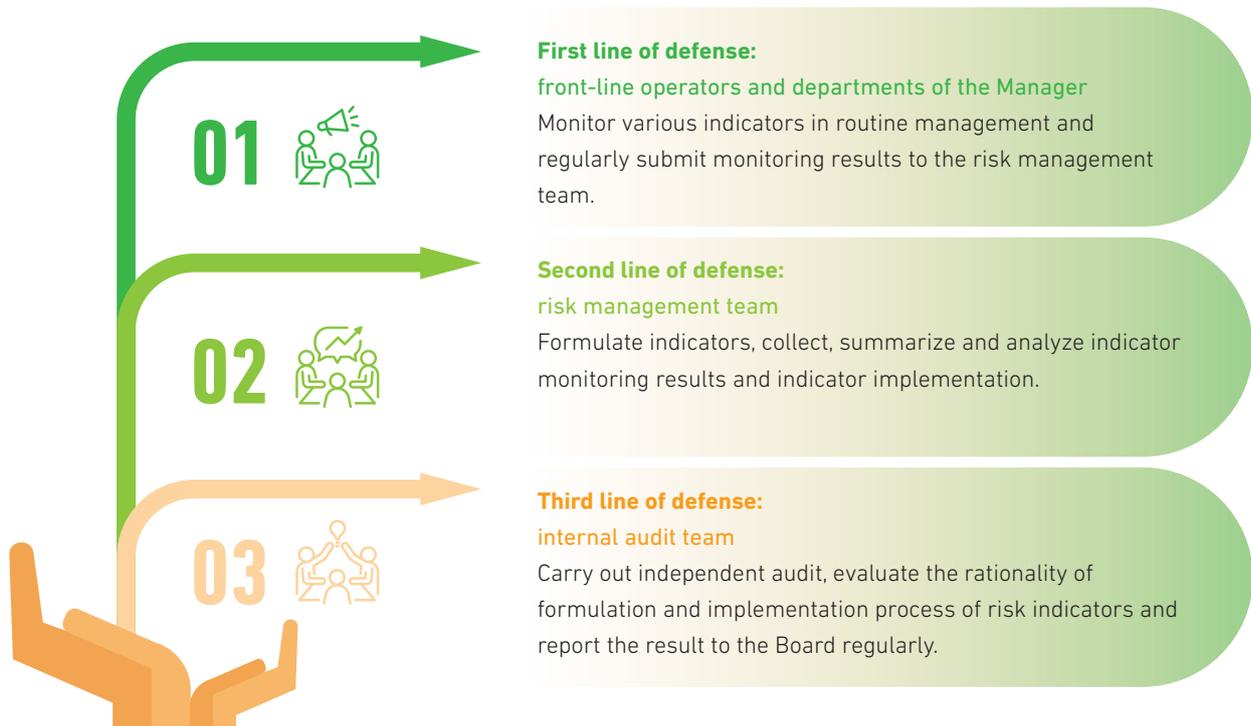
Mr. LIN Deliang, Board Chairman and CEO of the Manager, attended the launch of the original brands of White Horse Building

RISK MANAGEMENT AND INTERNAL CONTROL

Effective risk management is the guarantee for the Turst to achieve strategic objectives. In order to maintain more effective business operation and sustained business growth, the Manager systematically determines business risks and formulates governance structure, management process and management contents. The Manager's risk management policies are dedicated to identifying business-related risks in advance to avoid impacts. This can ensure that we will better handle risks, improve business operations through related opportunities and implement responsibilities and supervision.

The Manager follows risk management and control framework (ERM) with three defense lines, and has established a risk ledger and a key risk indicator system involving various aspects of fund operation, covering major categories such as revenue risk, interest rate risk, exchange rate risk, liquidity risk, reputation risk, compliance risk, human resource risk, work safety risk and information security risk. The correlation among risks is analyzed by means of scenario test and risk map. The occurrence possibility and impact degree of various risks are evaluated every quarter. Risk management and control measures and mitigation measures are inspected to ensure the effective operation of comprehensive risk management system. The implementation of risk management plans is regularly inspected and improved. The Audit Committee is responsible for overall risk management. The Board holds a meeting once or more every quarter (if necessary) to review risk reports submitted by the risk management team to the audit committee and confirms whether internal control implemented according to the main procedure for fund operation is effective and sufficient.

We deeply recognize that ESG issues are an integral part of risk management. The Manager incorporated ESG elements into the risk management framework system in this year, linked ESG issues with related risks and took ESG element management as a part of risk management. For example, typhoon, flood, high temperature weather, thunderstorm, high wind and other elements related to climate change, public health risks and occupational safety elements were integrated with work safety risks for joint monitoring and reporting.



SUSTAINABLE DEVELOPMENT MANAGEMENT

SUSTAINABLE DEVELOPMENT MANAGEMENT ARCHITECTURE

The Manager has established and continuously improved the sustainable development management structure and functions covering all management levels in the reporting period, defined work scope, process and key points according to the actual business situation and realized the normal management of sustainable development-related work.



STAKEHOLDER COMMUNICATION

STAKEHOLDER IDENTIFICATION AND ENGAGEMENT

We regard government and regulators, media, unit-holders and potential investors, tenants, customers, employees, suppliers and local communities as main stakeholders. We continue to maintain good and orderly communication with stakeholders in this year. Specific communication forms are listed in the following table.

	Stakeholders	Their concerns	Our daily communication
	Tenants Tenants of the wholesale mall, retail malls and offices held by Yuexiu REIT	Property location, internal environment, property service quality, safety facilities, property energy consumption, rental level, shopping mall traffic	Regular visits, satisfaction surveys, complaint hotlines, resident property management
	Customers Customers enjoy services in retail malls, hotel and serviced apartments held by Yuexiu REIT	Property location, tenant portfolio, property environment, safety facilities, property transportation convenience	Complaint mail, regular inspection, complaint hotline, satisfaction survey
	Employees Employees of Yuexiu REIT and the Manager	Remuneration, development potential, employee benefits, promotion policies, training system, corporate reputation, job intensity, internal communication channels	Direct communication, employee mailbox/hotline, training programs
	Government and regulators Local government and regulators of the registration, listing and operation of Yuexiu REIT	Complying with local laws and regulations, paying taxes according to law, promoting local economic growth and local employment, and creating social benefits	Keep in touch and communicate in policy
	Unit-holders and investors Existing unit-holders and potential investors	Share prices, distribution, financial conditions, business prospects, future development plans, corporate governance, management selection and recruitment	Unit-holders' meeting, financial information disclosure, investor hotline/mailbox, investor relations roadshow Please refer to Page 120 of Annual Report 2020 for investor relations report.
	Suppliers Suppliers provide devices and services required for routine operations of Yuexiu REIT	Procurement policies, supplier management system, fair trade, on-time delivery, timely payment, communication channels, and maintaining good partnerships	Supplier review, regular visits
	Media The media focuses on Yuexiu REIT and promotes our operating performance and service conditions	Social impacts, financial performance, future direction, awards obtained	Event invitations, public opinion monitoring
	Local communities Communities where properties held by Yuexiu REIT are located	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	Public welfare activities, complaint hotline

STAKEHOLDER COMMUNICATION

MATERIALITY MATRIX AND ISSUE LIST

We conduct a multi-directional risk assessment and materiality analysis around the ESG issues. Through the analysis of regulatory requirements, media research, peer benchmarking, questionnaire survey and field investigation of the properties, we review and obtain material issues, which are the basis for the preparation of Environmental, Social, and Governance Report to ensure the reasonable disclosure of ESG-related information. We commissioned professional consultants to identify and analyze 23 sustainable development issues with a great impact on Yuexiu REIT's development based on our own business development and industry characteristics, covering four dimensions: environment, society, operation and employment.



Compliance disclosure

Combine with investigation results of previous issues, suggestions from external consultants and internal analysis and cover all issues on compliance requirements of the Stock Exchange of Hong Kong.



Investors' attention

Refer to issues focusing on MSCI ESG rating, HSSUS, GRESB and SASB.



Peer attention

Identify and compare issue distribution in the peer and supplement and improve the base for issues.

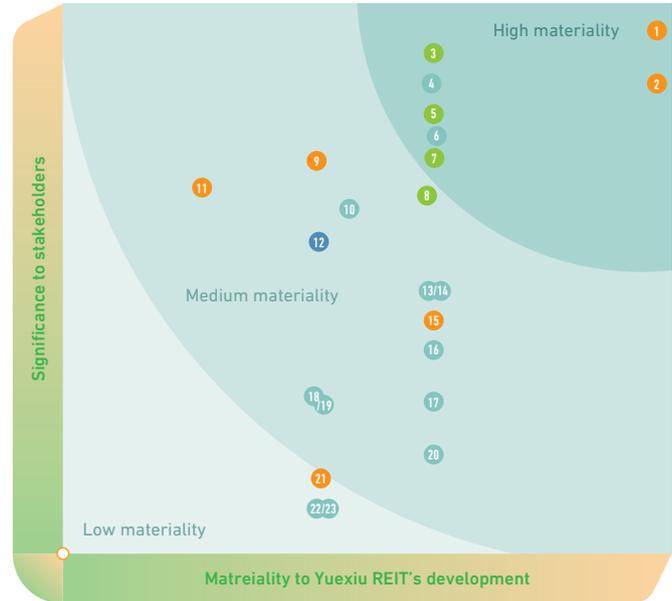


Other issues concerned by stakeholders

In this year, the business nature and asset scale of Yuexiu REIT did not changed significantly. Therefore, based on the evaluation results of previous years, the Manager conducted an issue review with the assistance of professional consultants and with the integration of the latest concerns of the stakeholders, and organized 12 special investigations, then concluded the material issues of 2020, which have been submitted to the Board of Directors for deliberation and approval. We have further enhanced the importance of energy consumption management, resource utilization, and tackling climate change to actively respond to the national requirements for green development.

ESG MATERIALITY MATRIX

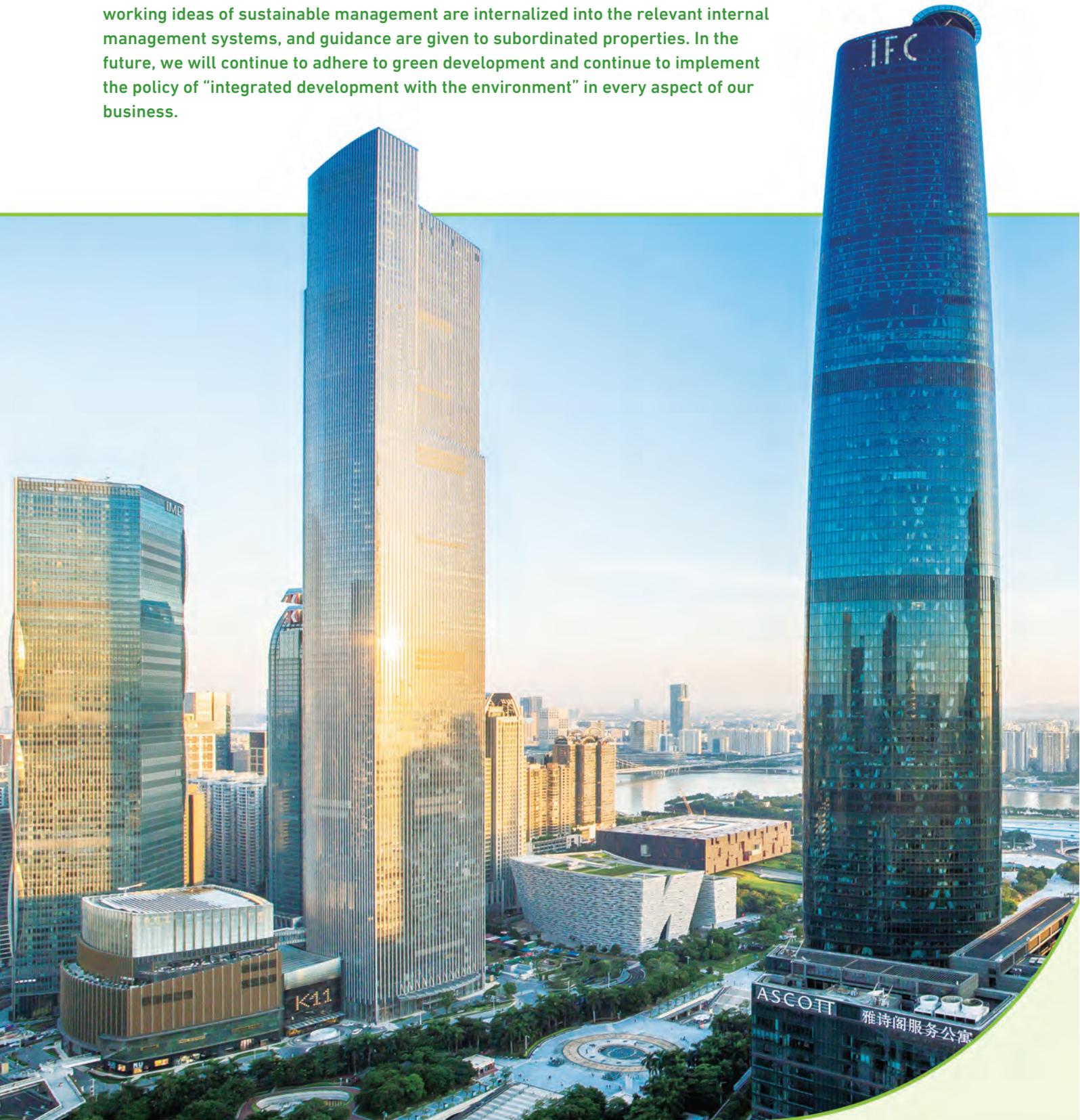
- Environment
- Employment and labor practice
- Operating practice
- Society



LIST OF MATERIAL ISSUE

Rank	Issue	Sustainability Aspect	Chapter
1	Energy management	Environment	Implementation of Green Lease
2	Green lease	Environment	Implementation of Green Lease
3	Employee development and training	Employment and labor practice	Employee Development and Training
4	Anti-commercial bribery	Operating practice	Corporate Governance
5	Employee attraction and retention	Employment and labor practice	Talent Attraction and Retaining
6	Stable value creation	Operating practice	Annual Topic I: Steady Development in the Past 15 Years Corporate Governance
7	Employee interest and communication	Employment and labor practice	Protection of Employee Rights and Interests
8	Employee safety and health	Employment and labor practice	Occupational Health and Safety
9	Water resources management	Environment	Implementation of Green Lease
10	Industry development	Operating practice	Enabling Tenant Operations Assisting Industry Development
11	Tackling climate change	Environment	Implementation of Green Lease
12	Social welfare	Society	Caring for Society
13	Information security	Operating practice	Providing Excellent Services
14	Property safety and health	Operating practice	Annual Topic II: Concentric Fight Against the Epidemic, Perseverance and Responsibility Providing Excellent Services
15	Waste management	Environment	Implementation of Green Lease
16	Value chain responsibilities	Operating practice	Building Responsible Supply Chain
17	Service quality	Operating practice	Providing Excellent Services
18	Anti-unfair competition	Operating practice	Corporate Governance
19	Intellectual property protection	Operating practice	Corporate Governance
20	Customer complaint handling	Operating practice	Providing Excellent Services
21	Biodiversity	Environment	Create Green Atmosphere
22	Sustainable consumption	Operating practice	Create Green Atmosphere
23	Responsible marketing	Operating practice	Building Responsible Supply Chain

We strive to reduce the possible impact on the environment during the operation, integrate the concept of environmental protection and sustainable development into the daily property management concept according to the business characteristics, and actively carry out green leasing and green publicity activities. On the basis of strictly abiding by national and regional laws and regulations on environmental protection, the working ideas of sustainable management are internalized into the relevant internal management systems, and guidance are given to subordinated properties. In the future, we will continue to adhere to green development and continue to implement the policy of "integrated development with the environment" in every aspect of our business.





INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

SDGS ISSUE TO BE RESPONDED TO
IN THIS SECTION



INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

IMPORTANT ESG ISSUES IN THIS SECTION AND CORRESPONDING INTERNAL MANAGEMENT POLICIES

Issues



Green lease



Energy management



Water resources management



Waste management



Tackling climate change

Internal management policies

- Green Convention, Decoration Manual
- Environmental Monitoring Process
Environmental Factors Identification and Evaluation Process
Environmental Protection Guidelines
Public Energy Consumption Control Index
Implementing Rules for Energy Consumption Management
- Implementing Rules for Energy Consumption Management
Public Energy Consumption Control Index
- Guidelines on Chemical Safety Instructions
- Drill Plan of Emergency Plan
Emergency Kit Configuration Guidelines

OBJECTIVE MANAGEMENT

Goal setting

We have established the energy management target of property management, the public water consumption and power consumption according to the actual situation as to reduce by 1% or more compared with that of the previous year.

Progress review

- Innovated the circulating use of water and completed the energy-saving renovation of equipment
- Overall public power consumption decreased by 4.6% compared with that of 2019
- Overall public water consumption decreased by 17.4% compared with that of 2019

Improvement plan

- Strengthen the statistical analysis of energy consumption of various properties and integrate international standards
- Formulate medium and long-term energy-saving, water saving, emission reduction and waste reduction targets of the Turst
- Continue to promote green publicity and environmental protection public welfare activities in various properties
- Continue to carry out green building promotion and certificate promotion activities

CREATE GREEN BUILDINGS

Based on high-level office building management standards, we monitor the operation of equipment and facilities, public areas, operating systems (lighting, power supply, water supply and drainage), etc., and perform transformation and management in accordance with the requirements of green building certificates. We also fulfill the Green Convention with tenants in numerous operation aspects links to further build a harmonious and symbiotic green building.

Commitment and Goals

Green Convention

During the year, we further integrated BOMA management requirements with the Company's standardized management system and applied it to daily operations. GZIFC has formulated the Standard Operating Procedure (SOP) in line with the actual operational needs in combination with BOMA international standards, forming the super-high-level management system of GZIFC. Since 2019, the Manager has incorporated the Green Convention into the lease contract, and made an agreement on the tenants' environmental protection performance in decoration and operation. We provide tenants with the decoration proposal with the optimized energy consumption efficiency, and call on customers to choose decoration materials (such as coatings and plates) that meet the environmental protection technical requirements and national environmental protection standards certificates when starting secondary decoration. It is strictly forbidden to use decoration materials with greater environmental hazards, such as oily paint. Building boards, equipment and cleaning agents, daily office paper, printer ink cartridges, cleaning paper, etc. should pass relevant environmental protection and safety certificates, so as to fully realize recycling and reduce possible pollution.

Green Transformation

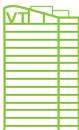
In 2020, we continued to deepen the cooperation with specialized energy-saving management service companies, and strengthened the environmental performance transformation of subordinated property equipment:

- Energy-saving renovation and upgrading of public areas, for example, GZIFC replaced the disposable toilet paper with energy-saving hand dryers, and Wuhan Properties completed the installation of power monitoring and energy consumption analysis system.
- With the cooperation of municipal departments, Fortune Plaza has completed the installation of road rainwater and sewage diversion devices within the year, realizing efficient recovery and reuse of sewage and rainwater, innovating the application scenarios of water resources reuse, and improving the environmental benefits of buildings on the basis of ensuring tenants' health and safety.

INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

Green Building Certificate

Our efforts in building green buildings are fruitful and widely recognized. Up to now, properties held by Yuexiu REIT have won a number of green building-related certificates or awards:

Property	Certificates or Awards
GZIFC 	<ul style="list-style-type: none"> BOMA 360 Certificate BOMA China COE LEED EBOM V4 Platinum Certified "Facility Management Team of the Year (2020)" and "Sustainability Achievement of the Year (2020)" by RICS "Sustainable Building Index Verified Mark" awarded by Guangzhou Tianhe CBD Administration Committee and the Hong Kong Quality Assurance Agency
Fortune Plaza 	<ul style="list-style-type: none"> "Sustainable Building Index Verified Mark" awarded by Guangzhou Tianhe CBD Administration Committee and the Hong Kong Quality Assurance Agency
City Development Plaza 	<ul style="list-style-type: none"> "Sustainable Building Index Verified Mark" awarded by Guangzhou Tianhe CBD Administration Committee and the Hong Kong Quality Assurance Agency The Air-conditioning Energy-saving Renovation Project was awarded as "Building Energy-saving and Wall Material Innovation Demonstration Project in Guangzhou"
Victory Plaza 	<ul style="list-style-type: none"> "Sustainable Building Index Verified Mark" awarded by Guangzhou Tianhe CBD Administration Committee and the Hong Kong Quality Assurance Agency
Hangzhou Victory 	<ul style="list-style-type: none"> National two-star green building design label



CASE

GZIFC was honored with BOMA 360 Certificate

GZIFC has world-leading hardware facilities, building energy consumption management, health, safety and intelligent system technology, industry-leading management experience and international management practice. Since its establishment, GZIFC has won many international awards in green building and introduced BOMA management system in early 2019. In 2020, GZIFC continued to accelerate its progress towards international high-quality assets, and launched BOMA 360 Certificate. It has become the first REITs asset project in Asia Pacific Region to obtain BOMA COE and BOMA 360 Certificate through six audits, including construction operation management, building safety and risk management, training management, energy management, tenant relationship and environmental management.

- Energy management:** strictly implement the ISO 50001 energy management system, develop equipment list and energy consumption benchmark indicators, carry out fine statistics and analysis on the main energy consumption equipment every day through cold measurement, power monitoring and weather conditions, and accurately determine the opening time of air conditioning host to achieve effective energy saving effect. The elevators are equipped with electric energy feedback device to reduce the electricity consumption. Apply LED light source with radar sensing dual bright mode.
- Air quality:** Take the comfortable temperature and humidity as the standard, monitor and evaluate the indoor air quality, regularly purify and transform all air-conditioning units according to the professional process, remove PM2.5 and other dust particles, and achieve the interception rate of PM2.5 of 99%. Set up intelligent detection equipment to detect the indoor air quality of the building in real time. Investigate the adverse factors affecting air quality (bacteria breeding, sundries in air outlets, cleanliness of filters, and decoration pollution), protect tenants' health and comfort experience at all times, and improve the production efficiency of enterprise tenants.

According to the survey results of BOMA tenant satisfaction in 2020, the satisfaction rate of BOMA tenants in GZIFC reached 90%, up 1% compared with that of last year and higher than the average satisfaction rate of 77% of similar projects in BOMA China in 2019.



GZIFC Indoor

About BOMA 360

The BOMA 360 certificate, set by the standards and awarded by the International Association of Building Owners and Managers (BOMA), recognizes commercial real estate projects that demonstrate all-round excellence in building management and operations.



INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

IMPLEMENTATION OF GREEN LEASE

“Green lease” is the most concentrated expression of our initiative to integrate our business with the concept of sustainable development. We have carried out environmental protection and energy-saving renovation on the properties, and adopted green building related technologies to save energy and improve resource use efficiency. At the management level, we have gradually improved the management mechanism, strengthened the standardized management of resources and energy, properly disposed of wastewater, waste gas and wastes in compliance with regulations.

While striving to reduce our own impact on the environment, we also regard customers as an important part of green operation, guide customers to use and operate in a “greener” way, invite customers to participate in various green environmental protection activities, and cultivate a consensus on environmental protection to further expand environmental protection benefits.

Improve Management Mechanism

Strict and effective management and gradually improved mechanism are the important pillars for us to realize “green lease”. We adhere to the bottom line of environmental compliance, strictly abide by the national and local laws and regulations. We standardize and guide the internal environmental management of subordinated properties, and actively fulfill the corporate social responsibility of protecting the environment.



Policy constraints

GZIFC integrates BOMA management requirements, formulates the Decoration Manual and Green Convention, incorporates the Green Convention into the lease contract, strictly controls tenants' use of environmentally-friendly performance materials in secondary decoration, and requires tenants to treat decoration wastes in a classified manner, standardizes the decoration, and abides by the Green Convention with tenants to build green buildings; Hangzhou Victory has formulated the Energy-saving Management Plan, Fortune Plaza improved the Guidelines for Energy Consumption Management, implemented the relevant responsible departments of energy consumption management, and stipulated the contents of energy-saving indicators, the operation specifications of various energy-saving equipment and energy consumption systems, the energy-saving supervision mechanism, and the data recording and analysis of building energy consumption.



Mechanism guarantee

Wuhan Properties, City Development Plaza, etc. determine the responsible departments for energy-saving and consumption reduction according to the Guidelines for Energy Consumption Management, set up an energy-saving and consumption reduction group, specify the person in charge of the group, and establish the group structure and division of responsibilities. The responsibilities of the group covers the whole process of resource use recording, monitoring, feedback and target adjustment, so as to realize closed-loop environmental management.

Practice Water and Power Conservation

During the year, the properties held by Yuexiu REIT continued to improve 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

According to their own operating conditions, every property has formulated its own energy-saving and consumption reduction plans, continuously carries out water saving renovation of hardware facilities, and strengthened water use control.



White Horse Building implements water saving measures

White Horse Building formulated the the Guidelines for Energy Consumption Management, implemented the renovation of water saving equipment and installed water saving faucets. Innovative measures for recycling water, collect the fish pond water and cooling tower wastewater for reuse as greening water. Complete the installation of faucet water economizer, optimize the cleaning management of air conditioning cooling tower, and directly apply the reservoir water in the cooling tower for cleaning.





After optimization, the water saving for every tower washing is about **50 M³**

It is estimated that the water saving for the building will be **1,200 M³** throughout the year

Electricity Conservation

Implement the concept of low-carbon operation, strictly abide by internal policies, carry out energy-saving and consumption reduction, strengthen the energy-saving performance of facilities and equipment, monitor and record the situation of electricity consumption, timely analyze abnormal situations and issue solutions.

INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

CASE

Multiple Measures to Promote Energy-saving

GZIFC established the statistical analysis table of public electricity consumption to timely detect and adjust the electricity consumption of GZIFC. Promoted the energy-saving transformation, implemented the energy-saving transformation plan of LED lights and hand driers of public toilets, installed the hand driers with higher energy-saving efficiency, and monitored and recorded the energy-saving effects.



GZIFC annual public electricity consumption reduced about **1,961,058 KWH** accounting for **9.2%** of the total public electricity consumption in 2019



Also, White Horse Building professionally carried out the installation of time controllers for the public area lighting equipment to timely control the electricity consumption and the implementation of energy-saving target through the equipment improvement means of installing solar street lamps and transforming the commercial water heaters to the ones with microcomputer control.



White Horse Building annual total public electricity consumption saved about **708,352 KWH** accounting for **11.7%** of the total public electricity consumption in 2019



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.

Implementing Waste Classification Requirements

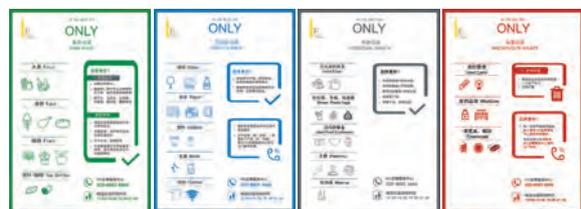
In this year, we continued to respond to the call of the government to contribute to the goal to basically establish a domestic waste classification and treatment system in 46 pilot cities by 2020. According to the relevant implementation regulations introduced by the local government departments, every property held by Yuexiu REIT continues to promote the development and implementation of waste classification, and simultaneously and actively advocates the waste classification methods to tenants and customers to gradually develop waste classification habits.

CASE

GZIFC Advocated Tenants to Jointly Respond to the Waste Classification Actions

For the requirements of waste classification supervision, and combined with the BOMA management requirements and its own management regulations, GZIFC responded positively with the following actions:

- Set up three types of waste bins for kitchen waste, recyclable waste and classified waste in all office floors, and add pilot floors of waste classification in 2021.
- Set up a battery recycling bin at the premium 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.
- Launch the second stage of waste classification management activity in the second half of the year to promote the concept of waste classification to tenants in the building, provide waste classification guidance of four types of waste with pictures and texts in a vivid and visual way, lead the tenants to jointly respond to the call of waste classification, and gradually cultivate the tenants to develop the habit of waste classification.
- Adhere to the environmental protection concept of green building, carry out various environmental protection activities, and invite experts of waste classification to carry out relevant lectures, aiming to let more customers to understand the waste recycling information and gradually cultivate the customers' awareness of waste classification.



Poster of Waste Classification

INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT



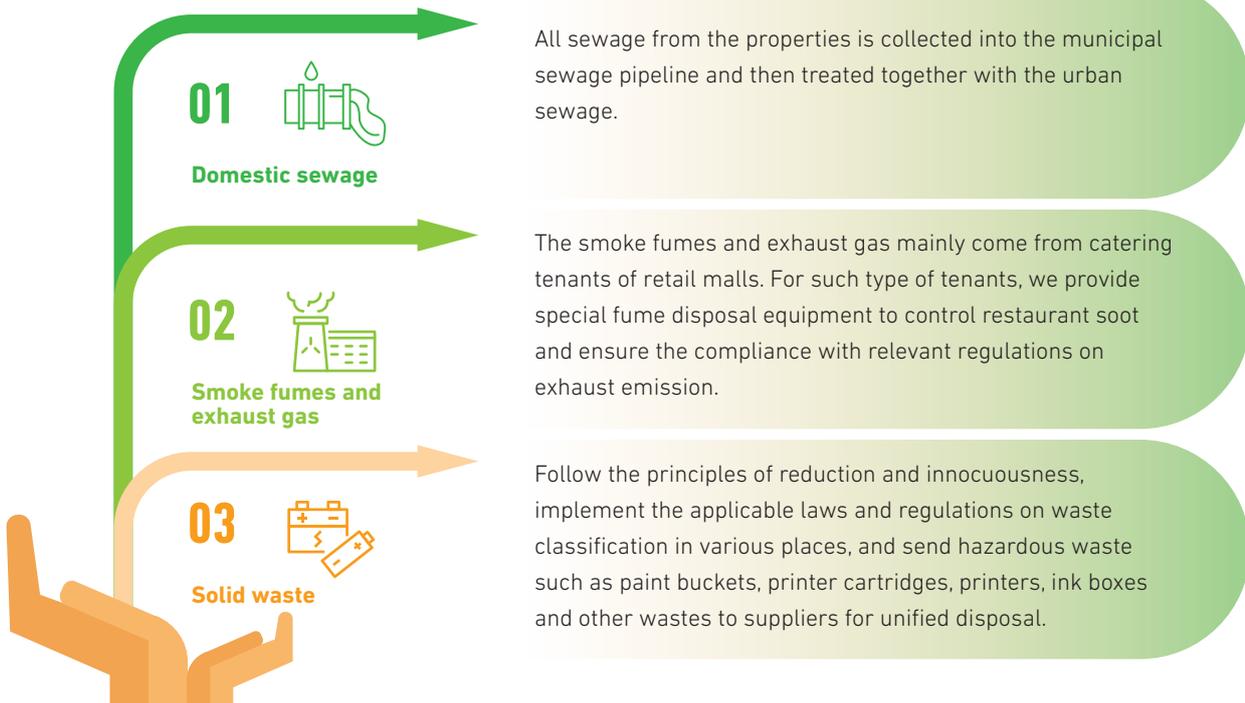
Four Seasons Hotel Guangzhou Carried Out a full Range of Waste Classification and Transformation

According to the requirements and guidance of waste classification issued by the municipal government of Guangzhou, the Four Seasons Hotel Guangzhou conducted the follow-up transformation of waste classification within the hotel, and posted the publicity notices of waste classification in public passageways.



Transformation of Classified Bin

We strictly abide by relevant laws and regulations, properly handle the sewage and waste, and avoid environmental pollution.



Tackling Climate Change

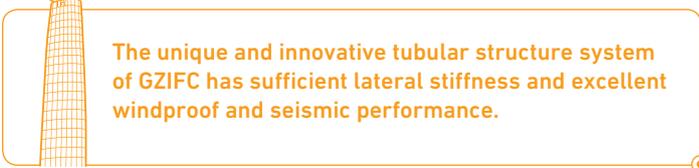
We are dedicated to effectively managing and tackling the climate change risks during the whole operation. On one hand, we actively take multiple measures to mitigate the climate change, such as formulating emergency plans for extreme weather of typhoon, flood, high temperature, thunderstorm and storm, and conducting drills. On the other hand, we formulate strategies to adapt to the climate change to reduce its impact on business.

Climate Change Mitigation

- Strengthen the energy management of every property held by Yuexiu REIT to reduce the carbon emission during operation.
- Consider the climate change factors during the procurement and encourage the use of low-carbon and environmentally friendly materials.
- Encourage employees, suppliers, tenants and other customers to reduce the carbon emission in the daily business activities.
- Consider to set carbon emission reduction target to reduce carbon footprint.

Adapt to Climate Change

- Evaluate the risks and opportunities brought by the climate change, and deeply understand the impact of climate change on business operation and other relevant financial risks and opportunities.
- Formulate the management plan for extreme weather to response to the more frequent extreme weather events caused by the climate change.
- Formulate appropriate work process and measures to prevent or reduce the possible damages caused by climate change to the properties.
- Purchase adequate insurance for the safety and continuity of business of every property.
- Continuously promote the green lease, improve the service quality, and seize the opportunities brought by climate change.



The unique and innovative tubular structure system of GZIFC has sufficient lateral stiffness and excellent windproof and seismic performance.



INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

CASE

Natural Disaster and Flood Control Emergency Drill

- In June 2020, Wuhan properties carried out the flood control emergency drill, and test the disasters emergency response capability of property personnel through simulating the possible emergencies brought by the climate change, so as to clarify the responsibility awareness of the personnel of every responsible department, be familiar with the post responsibilities of flood control emergency events, and improve the emergency organization capability among every responsible department.



Flood Control Emergency Drill of Wuhan Properties

- In July 2020, GZIFC carried out the annual natural disaster emergency drill, simulated the natural disaster scene, comprehensively tested the cooperation and emergency response capability of property team to natural disasters, and recorded the drill progress in detail for review, so as to effectively improve the control and disposal skills of front-line personnel to natural disasters.



GZIFC Natural Disaster Emergency Drill

CREATE GREEN ATMOSPHERE

Green Evaluation

According to the nature of business, we are dedicated to building green and sustainable commercial communities and communities, and focus on the green building investment and green operation. During the evaluation of property, we investigate and evaluate the environmental assessment report and green building design certificate of the property construction, pay attention to the environmental protection benefits of buildings, and ensure that buildings meet the local environmental assessment policies and requirements.

Green Publicity

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.

CASE

Publicity Activities of Environmental Protection and Energy-saving

As the advocate and promoter of green buildings, while practicing the environmental protection concept, we advocate tenants to pay attention to environmental protection, held various types of green environmental protection activities and invited tenants to participate in to jointly create the green office and living environment.

·Theme activities with the “Earth Hour”, “World Earth Day” and “World Oceans Day” series

The Earth Hour on 28 March is the global energy-saving advocacy activity proposed by the World Wide Fund for Nature (WWF) in response to the global climate change. Every property held by Yuexiu REIT actively responded to it through turning off the decoration lights of buildings;

On 22 April, GZIFC held the “Activity of World Earth Day” to advocate tenants to take care of the earth through on-line popularization of science and off-line publicity;

On 8 June, GZIFC invited Xie Mo, the first Chinese Hasselblad master, to conduct the photography sharing with the theme of Visual Rhythm of Seabed to shutterbug, advocated to reduce the use of disposable plastic products, and adhered to the degradable environmentally friendly packages to jointly protect the blue ocean.



INTEGRATED DEVELOPMENT WITH THE ENVIRONMENT

·Publicity and Implementation for “Go green” Environmental Protection Concept of Ascott Serviced Apartments GZIFC

Ascott Serviced Apartments GZIFC held various green activities of turning waste into wealth and DIY and integrated the environmental protection concept into the daily operation and service details, such as advocating and suggesting guests to reasonably reduce the cleaning times of rooms according to their own needs, and reduce the washing frequency of bedclothes, so as to achieve the purpose of saving the water resource and detergent consumption. Introduce a reward policy which gave the participants green plant gift and reward points to encourage the participation of guests, so as to form a nonmalignant incentive mechanism for environmental protection.



Smoke-free Building

The properties held by Yuexiu REIT have conducted the tobacco odor control and management for many years, and continuously conducted the tobacco control hardware equipment and smoke-free publicity to create a better operation and office environment for tenants. The normalized tobacco control measures formed in office buildings:

- Set up fixed-point smoking area to reduce the interference to non-smokers
- Arrange the non-smoking supervisors with work recorder to conduct daily inspections for the public areas and fire stairs, and record and admonish the violations
- Install smoke alarms at smoking black spots to timely feed back and monitor the occurrence of cigarette smoke
- Hold a series of activities of No Tobacco Day to create the smoke-free environment

CASE

“The Most Beautiful Spokesperson for Tobacco Control” in Fortune Plaza and City Development Plaza

On the day of “World No-Tobacco Day”, Fortune Plaza and City Development Plaza respectively held the activities of No Tobacco Day with the theme of “Green Office, Starting with No Smoking” to carry out the publicity of the activity to tenants through the manner of posters, and the display of publicity material by electronic screen. City Development Plaza innovatively carried out the “Activity of the Most Beautiful Spokesperson for Tobacco Control” to encourage tenants to shoot promotional videos on supporting smoke-free environment, and simultaneously held the on-line smoke-free safety knowledge contest to create the smoke-free building together with tenants.



Gifts for tenants who extinguish cigarettes



Innovative publicity mode



WIN-WIN COOPERATION WITH PARTNERS

SDGS ISSUE TO BE RESPONDED TO
IN THIS SECTION





Upholding the business concept of “professionalism, stability, excellence and win-win strategy”, we constantly pursue higher service quality, always adhere to win-win strategy of cooperation. We are committed to creating a sustainable value for customers, partners and colleagues in the industry to achieve win-win development.

WIN-WIN COOPERATION WITH PARTNERS

IMPORTANT ESG ISSUES IN THIS SECTION AND CORRESPONDING INTERNAL MANAGEMENT POLICIES

Issues



Customer complaint handling



Service quality



Property safety and health



Information Security

Internal management policies

- Standard Operating Procedure of GZIFC (tenant relationship and retention)
- Guidelines for Customer Satisfaction Survey
- Guidelines for Management of Clients' Opinions
- Guidelines for the Handling of Customer Complaints
- Guidelines on Service Standards for Special Groups
- Decoration Manual
- Tenancy Relationship Management Operational Guidelines
- Guidelines for Customer Call Operations
- Fire Emergency Response and Disposal Guidelines
- Guidelines for the Investment of Safety Production Funds
- Administrative Measures for Safety Production Responsibility System
- Fire Drill Guidelines
- Measures for the Management of Fire Control Facilities and Equipment
- Guidelines on Operation Procedures for Safe Production
- Administrative Measures for Occupational Health and Safety
- Data Protection Notification and Authorization
- Customer Resource Management Operational Guidelines

OBJECTIVE MANAGEMENT

Goal setting

From the perspective of customer experience and customer demands, we promote the product service quality and systematically improve the project quality through the implementation of total quality management, to realize the implementation of high-quality strategy, and provide high-quality services for customers

Progress review

- Third-party Customer satisfaction survey: 97%
- Customer complaint handling: 100%
- Fire drills: every 6 months
- Investment in asset appreciation projects: about RMB 47 Million

Improvement plan

Focusing on "Win-Win Cooperation with Partners", comprehensively improve the customer relationship management capability of the whole value chain, and be committed to providing high-quality products and high-level services for tenants and customers

PROVIDING EXCELLENT SERVICES

Properties held by Yuexiu REIT are commercial properties with various business types, covering office buildings, clothing wholesale mall, retail malls, hotel and serviced apartments. We regard high-quality customer service as the core and foundation of practicing social responsibility, and put interests of customers first. Our goal is continuously improving customer service satisfaction and trust, and our primary task is to provide customers with high-quality services and comfortable environment. We try our best to provide services of higher quality and higher level for customers. Third-party customer satisfaction continued to achieve 97% in 2020.

Customer Service

According to the characteristics of various types of properties, we develop complete customer service policies and service system, striving to create the best quality service experience for customers. We regularly carry out the customer satisfaction survey and demand survey of our properties, timely feed back the survey results to all properties, and push them to continuously improve the service quality.



Wonderful Service System

We have 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. We also have 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.

CASE

"YEService" Value System

Based on the concept of premier services and star experience, the service brand system has been upgraded this year, and "YEService" has been launched for the business type of office buildings and retail malls, to comprehensively improve the customer service experience from the six value systems of "YESwise", "YEShealthy", "YEScare", "YESeasy", "YESshare" and "YESocial".



WIN-WIN COOPERATION WITH PARTNERS

Quality Service Experience

We actively explore 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.

CASE

GZIFC "Special Love for Special You"

Customized special group care services

Carry out the training on service reception guidelines for special group, and install the accessibility facilities, such as braille on the elevator button, accessible parking space and accessible passage, to show care for the humanity.



List of Special Group Care Services

Being equipped with care rooms of infant & mom

Specially set clean, private and comfortable care rooms of infant & mom for lactating mothers in the multi-floor property. The rooms of infant & mom are equipped with comfortable lactation chair, water purifier, hot and cold faucet, intelligent consumable cabinet, hand drier, disinfection cabinet and other facilities.



Baby care room

Customized services of care for overtime tenants

Provide the services of escort for overtime tenants, and fully open the "exclusive hotline for overtime tenants" and "care for overtime people". Add your own unit to the security patrol route when you ask the "exclusive property assistant" for overtime services.



Care for Overtime Staff

CASE

Customer Satisfaction and Business Skills Training

In October 2020, Wuhan Properties strengthened the service awareness and business skills of front-line personnel, improved the image of property services and customer satisfaction, launched a special training program with the theme of "unceasing struggle and unremitting efforts", and adopted the form of "theoretical knowledge training and correction of on-site practical operation errors and inspection and observation", cooperated with internal and external training institutions and professional teachers, and continuously promoted the implementation of various training subjects. So far, 17 courses have been carried out, and the training will last until March 2021.



Skills Training

Privacy Protection

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

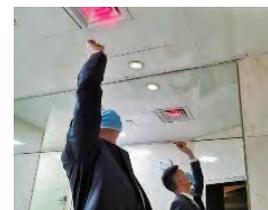
The properties held by Yuexiu REIT follow the Tenancy Relationship Management Operational Guidelines. We appoint special personnel for sorting, summarizing, filing, and maintaining confidentiality of operating information such as tenant information, special posts, etc. The Manager encrypts all kinds of sensitive information, and no one can consult or copy without authorization. The front-line operators have also established the customer privacy accounts to keep confidential the operation sensitive information documents. All confidential documents are strictly managed in accordance with the authorized approval.

During the reporting year, the Manager did not find or aware of any breach of health and safety regulations relating to the products and services, or of any substantiated complaint of invasion of customer privacy or loss of customer information.

CASE

Special Inspection of Privacy and Security in Public Areas

Within the year, GZIFC carried out privacy security inspection in the office building, the retail mall, public toilets in parking lots, VIP toilets, rooms of infant & mom, tea rooms and other key areas, and no hidden risks of privacy security were found.



Privacy Security Inspection

WIN-WIN COOPERATION WITH PARTNERS

Complaint Handling

We 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 a respective complaint management system based on its business features and management approach.

Our Tenancy Relationship Management Operational Guidelines emphasizes the importance of tenant complaint handling and clarifies 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 is released in the monthly operating report. We respond 100% to customer complaints.

In order to listen to customers' opinions in time, the front-line operators of properties carry out the customer survey including periodic and special visits. Through the survey, we are able to fully understand customer demands, which is of great guiding significance to the company's scientific planning of customer groups and improvement of service quality.



Online and Offline Multi-channel Listening Demands

In order to timely feed back and handle the demands of tenants, GZIFC has formulated the Standard Operating Procedure to clarify the handling process of tenants' complaints. In addition to retaining traditional information communication channels such as WeChat official account message, special housekeeper complaints, and front-line complaints, GZIFC takes full advantage of information technology to create toilet instant feedback system, and instantly enjoy service interface through scanning the QR Code behind the latrine panel door.



System Function Interface

Property Safety and Health

We regard property safety and health as the top priority. While reinforcing the property safety, 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.

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 Fire Emergency Response and Disposal Guidelines, 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 training and assessments, and regularly reporting on safety management.



Safety Management Team Building

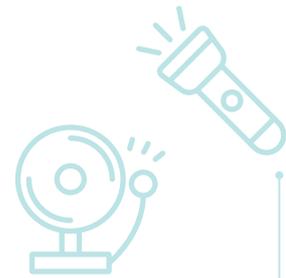
By continuously strengthening the sense of responsibility and drawing up special protection schemes and intensifying emergency treatment, we ensure smooth communication among all property management functional units in order to enable timely and efficient handling of emergencies. Every property management 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.

WIN-WIN COOPERATION WITH PARTNERS

CASE

Being Committed to Building a Key Fire Safety Unit and Demonstration First

As a national fire safety management benchmark project, GZIFC sets up 4 fire control rooms and 4 miniature fire stations, to realize alarm confirmation in 1 minute, arrival of nearby volunteer fire brigade in 3 minutes and arrival of miniature fire station in 5 minutes. In addition, the property personnel inspects every 2 hours, conducts random inspection every month and conducts fire safety inspection every quarter to ensure that the intact rate of fire-fighting facilities and emergency equipment is above 99% and 100% respectively.



Safety Training Advocacy

In order to implement the guidelines of work safety, enhance the fire safety awareness of all employees and tenants, every property organizes centralized fire drills every six months, drills the interactive mechanism of tenant evacuation to improve the ability of firefighting and organization evacuation, better makes the tenants understand the function of firefighting equipment and facilities in the building, and improves the ability of self-rescue. Deepen the "safety ambassador" service, forms a "full implementation" safety management network through various safety and education activities and safety self-inspection, creates a safe and comfortable working and living environment, and promotes the harmonious development of the building and tenants.



CASE

Fire Safety Skills Training of Four Seasons Hotel Guangzhou

In August 2020, Four Seasons Hotel Guangzhou hired a risk lecturer from Guangzhou Fire Training Center to train all hotel employees on fire knowledge and skills, fully explaining the importance and danger of fire safety, and enhancing the safety risk awareness of hotel employees. In addition, Four Seasons Hotel Guangzhou conducts skills training for special kitchen fire response for all kitchen employees every quarter to prevent kitchen safety risks and enhance kitchen employees' crisis response ability.



Fire Safety Training

CASE

Diversified Fire Safety Education Activities

Fortune Plaza

In November 2020, the fire safety publicity and education activities were carried out, which obtained strong support by the surrounding streets and relevant units, and attracted nearly 600 customers.



Drill Site

Ascott Serviced Apartments GZIFC

Together with the labor union, Ascott Serviced Apartments GZIFC held the theme competition of work safety in 2020 to enable employees to deepen their understanding of safety in all aspects through four categories of examination questions: required question, quick response question, emergency simulation and practical operation.



Theme Competition of Work Safety

WIN-WIN COOPERATION WITH PARTNERS

Property renovation and upgrading

In order to maintain a good business situation and make preservation and appreciation of properties, the Manager carries out asset appreciation projects of properties every year to maintain a comfortable and convenient property environment for customers and tenants at all times, and lays a solid foundation for rent maximization, so as to better protect the interests of investors.

In 2020, the total investment in asset appreciation projects was approximately

RMB 47 MILLION



CASE

Renovation of Equipment and Facilities of Wuhan Properties to Ensure Safety, and Improvement of Energy Consumption Management Efficiency

- **Equipped the power supply system with on-line power monitoring and energy consumption analysis system**

The power monitoring system coordinates the regional distribution data through the intelligent monitoring platform, and realizes the real-time electrical visual management of the whole region in the way of central centralized control management. Through early warning mechanism, fault alarm mechanism and accident analysis mechanism, the system can accelerate the ability of engineering personnel to deal with emergencies, and effectively improve the quality of equipment maintenance services and fault handling emergency speed. At the same time, realize the function of energy consumption analysis and improve the efficiency of energy consumption management.

- **Installation of Power-off Leveling Device for Elevator Equipment**

In case of power interruption or power flash, all elevators, including fire elevators, can switch to standby power supply to prevent elevator stop from leading to trapping in multiple stairs and automatic forced landing of shuttle elevators.



Energy Management System

CASE

Overall Improvement and Renovation of Plaza Greening Image of Four Seasons Hotel Guangzhou

Within the year, the plaza greening image improvement project was carried out. Through the installation of automatic irrigation system for outdoor landscaping, the upgrading of outdoor landscaping lighting system, the transformation of outdoor landscaping and other renovations, the overall greening landscape image of the plaza of Four Seasons Hotel Guangzhou was improved, providing more comfortable experience for customers.



Before

Renovation

CASE

Upgrading and Renovation of Video Monitoring System in Public Areas

In 2020, we upgraded and renovated the video monitoring system of several properties in order to improve the security level of the property and increase the sense of security of customers. Based on the upgrading and renovation of public area monitoring system in 2019, Four Seasons Hotel Guangzhou upgraded the monitoring system of all floors in 2020. Realize the high-definition digitization full-coverage of video monitoring system network by replacing analog equipment with digital equipment, increasing digital equipment in key areas, establishing handover machine in monitoring center, establishing independent LAN and other methods. The City Development Plaza and Shanghai Yue Xiu Tower also upgraded their video monitoring system to comprehensively improve the environmental safety assurance of the property.



WIN-WIN COOPERATION WITH PARTNERS

ENABLING TENANT OPERATIONS

Combined with business characteristics, the properties held by Yuexiu REIT actively explore innovative services and practices, and are committed to becoming affordable commercial properties, providing more resources and value for tenants, and growing together with commercial tenants.

Tenant Assistance

In response to the market changes and the pressure faced by tenants in different industries after the epidemic, the Manager strengthened active management, formulated more reasonable and targeted leasing strategies, and assisted tenants in overcoming difficulties through temporary rent concessions and relief measures. During the period of COVID-19, we worked with tenants to overcome the difficulties, and provided rent concessions of approximately RMB 90 million to maximize the stability of tenants.

Assisting Growth

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



Reconstruction of “People, Goods and Market” to Create a New Marketing Platform

In June 2020, Yue Plus released “six housekeepers and two platforms” to link high-quality industries, resources, spaces and economic developments, created a building economic ecosystem, and realized “share, co-creation and win-win situation” with enterprises and customers. The aim was to establish a long-term resource interaction mechanism to assist commercial tenants in growth. In September, GZIFC held a “Yue Plus platform cross-border resource conference” to upgrade enabling of resource cluster again. By using new channels across social media, Yue Plus has changed the interactive mode of customers with enterprises and brands, created a cracking block chain marketing platform, and created a win-win ecosystem of “openness, cooperation and innovation”.



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

CASE

Combination of Software and Hardware to Assist Commercial Tenants in Growth in an All-round Way

In 2020, White Horse Building further strengthened the hardware transformation and commercial supporting upgrading, and made efforts in multiple dimensions to assist commercial tenants in growth.

- **Online enabling**

Assist commercial tenants in familiarizing themselves with online channel sales, online operation skills training, on-site training to assist tenants in displaying products. Build "2020 Autumn/Winter Yunshang Technology Show", and carry out live broadcast together with brands in White Horse, with more than 100,000 users participating in the release.

- **Offline support**

Within the year, provided more than 600 times of tenant assistance, including 82 times of broadcast assistance, live broadcast assistance for 190 customers, 71 times of free shooting, 42 times of new media pictures and video promotion, 61 times of rolling broadcast of LED screen at White Horse Building main entrance, 15 times of summer shopping guide, 106 times of promotion through online channels, 42 times of participation in pick-up festival, 3 times of assistance for selecting the most beautiful shops, and 12 times of participation in new product spot fairs of 2020 national summer clothing.

- **Fashion Core**

Create the atrium multi-functional art exhibition hall "fashion core", to provide better product display environment and better procurement services for tenants.



New look of the First Floor of White Horse Building



Fashion Week Live Day

WIN-WIN COOPERATION WITH PARTNERS

BUILDING 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.

The leasing agent Yicheng Company introduced the operation management of quality management system, environmental management system and occupational health and safety management system in 2009, and obtained the certificates of GB/T19001-2016/ISO9001:2015, GB/T24001-2016/ISO14001:2015 and GB/T28001-2011/OHSAS18001:2007. Baima BM was also awarded the GB/T19001-2016/ISO9001:2015 certificate in 2018.

In order to establish comprehensive supplier management policies and control the quality of suppliers' products and services, we established the Supplier Management Methods for Large-scale Asset Transformation, 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 and give priority to purchasing environment-friendly products as specified in the procurement contracts. For the project supplier of asset transformation, the Manager requires the supplier to have valid quality management system certificate, environmental management system certificate, occupational health and safety management system certificate.

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, can facilitate our supervision over suppliers and maintain the stability of supply chain .

We also encourage customers to make green procurement, using cleaner, paper and equipment meeting CQC standard, FSC and HACCP certificates.



Guide customers to purchase environmental protection products, and appeal to purchase daily consumables meeting FSC environmental protection certificate and office equipment products meeting EPEAT energy saving certificate and Energy Star certificate.



ASSISTING INDUSTRY DEVELOPMENT

In the asset management industry of commercial real estate, we have built a “three-in-one” business model of commercial operation, capital operation and property management, which provides a valuable case for Chinese mainland to invest in property asset securitization. Based on outstanding achievements, we contribute to the specialization of asset management industry of domestic commercial real estate by strengthening industry exchanges and opening up market space, and assist the industry development together with our partners.

CASE

Contributing to the Specialization Development of Asset Management Industry

In September 2020, Mr. LIN Deliang, Chairman of the Board and CEO, shared our management experience with all walks of life by launching “REITs structure and operation management data sharing” in BOMA China and more than 6,000 people watched the sharing. At the same time, through the BOMA China industry annual meeting, we shared the international standard achievements of GZIFC, and assisted the industry development with practical experience. Our experience in asset management is widely recognized by the industry. We aim to continuously contribute to the specialization development of asset management industry of domestic commercial real estate.

ONLINE THEME SHARING



“

Adhere to the international operation and management standards, continuously improve the project asset operation and management level, and lead the industry towards the standardization, specialization and internationalization of asset management and operation services.

”

By LIN Deliang

We always adhere to the concept of "people-oriented, walking side by side with employees", and regards the interests of employees as the top priority. We strictly abide by the national labor laws and regulations, effectively protect the legitimate rights and interests of employees, provide a perfect training system, comprehensively take care of the physical and mental health of employees, create a democratic atmosphere of caring for them, and provide a fair and just working environment full of happiness for everyone and growth space.





MUTUAL GROWTH WITH EMPLOYEES

SDGS ISSUE TO BE RESPONDED TO
IN THIS SECTION



MUTUAL GROWTH WITH EMPLOYEES

IMPORTANT ESG ISSUES IN THIS SECTION AND CORRESPONDING INTERNAL MANAGEMENT POLICIES

Issues



Employee development and training



Employee attraction and retention



Employee interest and communication



Employee safety and health

Internal management policies

Employee Handbook
The Measures for Salary Management
The Measures for Performance Management

OBJECTIVE MANAGEMENT

Goal setting

Achieve standardized and market-oriented employment, continuously enrich the forms and channels for employees to participate in democratic management, establish a normal remuneration growth mechanism, build a smooth career development channels, and promote the employee growth, and create efficient, dynamic and happy working environment



Progress review

- Labor contract signing rate: 100%
- Employee social insurance coverage rate: 100%
- Female employees percentage: 52%
- Overall turnover rate: 27%
- Average training hours (Hour): 48
- Work-related fatalities (case): 0



Improvement plan

Continually carry out employee safety education, make continuous improvement of relevant management mechanisms, pay more attention to employee health, maintain a lower employee turnover rate, and incorporate such work into the long-term plan for the human resources management system for continuous optimization



PROTECTION OF EMPLOYEE RIGHTS AND INTERESTS

Compliant and Regulated Employment

In terms of employment, we fully respect and safeguard the international human rights conventions and labor standards signed by the government of China. There is no child labor or forced labor. We strictly abide by the national labor laws and regulations, continuously improve the human resources management system, formulate 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.

Employee Diversity

The Company follows the principles of anti-discrimination and diversification. We treat all employees equally, in line with the principle of fairness and justice. Different nationalities, races, marriages, genders, regions and religious beliefs do not affect the employment, treatment and promotion. At the same time, we are committed to building a diversified talent structure. Our employees come from different nationalities and regions. At the same time, we focus on accepting and employing special people without affecting the performance of our duties. For example, Four Seasons Hotel Guangzhou employs more than ten special people, who play valuable roles in various positions such as finance department, housekeeping department and laundry room, and enjoy the same welfare treatment as other employees, including festival gifts and maternity protection, and equally participate in the evaluation and post competition with outstanding employees.



Yuexiu REIT is managed by the Manager. The Board has a Remuneration and Nomination Committee, chaired by an Independent Non-executive Director, which regularly reviews the employee conditions and manpower deployment plans of the Manager's employees. The employees of the Manager have diversified professional backgrounds and rich work experience, which meet the requirements of the Manager. The Manager's team maintained stability during the year.

At the end of the reporting period, Yuexiu REIT employed 574 and 126 employees in China for hotel operation through its branch companies and for serviced apartments operation through its subsidiary respectively, mainly to fulfill its operating functions and provision of services for hotel and serviced apartments. Among them, female employees account for 52%.

MUTUAL GROWTH WITH EMPLOYEES

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 accordance with internal employment policies such as the Measures for Salary Management and the Measures for Performance Management, the Company provides employees with market-competitive salaries and benefits, ensures the statutory holidays and vacations for employees according to the related laws, and pays 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. In addition, in order to motivate employees and improve efficiency, the Company implements a floating salary system, which includes basic salary and performance bonus.

TALENT ATTRACTION AND RETAINING

In the past year, we continued to strengthen talent attraction and optimized our 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 on-site recruitment, internal open competition and external recruitment.

Employee Motivation

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. For example, 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.



Communicate with Employees

We have 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 raises 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.

CASE

"Ascott Moment" Smooth Communication Channel of Ascott Serviced Apartments GZIFC

The persons in charge of departments of Ascott Serviced Apartments GZIFC provide catering and services with "aviation theme" for the employees participating in the activities, so that the employees can give face-to-face feedback on their work opinions and suggestions in the personal service experience, and listen to the voice of the employees through multiple channels.



Event Site

MUTUAL GROWTH WITH EMPLOYEES

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. We call on employees to actively participate in all kinds of sports to promote physical and mental health. Four Seasons Hotel Guangzhou and Ascott Serviced Apartments GZIFC 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.

CASE

Four Seasons Hotel Guangzhou's All-round Care for the Physical and Mental Health of Employees

- Create the column "Story of Me and Four Seasons" through the public media, and select more than 20 stories of excellent employees to make employees feel the power of care and example;
- Cooperate with Tulip Sunshine Group to carry out mental health lectures and salon activities every quarter to effectively help employees solve their concerns and let them learn scientific methods to adjust their mentality;
- Distribute moon cakes and send blessings to employees on the Mid-Autumn Festival.



Scene Photos

EMPLOYEE DEVELOPMENT AND TRAINING

We attach great importance to the growth and development of talents, encourage and support our employees to participate in various types of training to maintain continuous self-improvement, and also establish a complete employee development and training system within the Company. According to the job characteristics of different employees, we have set up a variety of training courses and training methods, such as engineering training for project management personnel, service quality training for property service personnel and leadership training for the management. The training covers the employees of the Manager, employees of hotel and serviced apartments, front-line operators and all kinds of outsourcers.

CASE

Organizing Diversified Training Activities

- **Hold special lectures to expand employees' quality in various aspects**

Encourage employees to participate in short-term training of various external professional courses to improve the quality of health building and talent management. Combine with the changes of domestic laws and regulations, invite external legal experts to hold lectures on the Civil Code of the People's Republic of China to improve the legal knowledge level of employees.



Photos of Various Training Activities

MUTUAL GROWTH WITH EMPLOYEES

- **Whole process skill training of Ascott Serviced Apartments GZIFC**

Introduce the company profile and corporate culture through induction training to help employees understand the Company and integrate into the team; regularly carry out on-the-job knowledge and skill training to improve the business ability of employees.



Training Site

- **“Black Mirror Leadership” Training at Four Seasons Hotel Guangzhou**

In order to enhance the self-awareness and cognition of the staff of Four Seasons Hotel Guangzhou, and to integrate knowledge with practice, the hotel specially invited a professional management consulting company to give a lecture on “Black Mirror Leadership”. The two-day course was based on practice, reflection, theoretical explanation and behavior structure. Not only the detailed and interesting content but also the diverse and vivid form benefited the staff a lot.

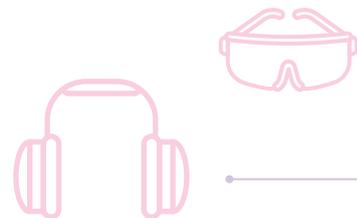


Award course certification

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, 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, and provide our employees with annual physical examination. 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, we have established workplace occupational hazard monitoring files and individual occupational health surveillance files for employees, provide regular medical examinations and arrange additional medical examinations for female employees. We have posted warning signs in hazardous workspace to remind entering staff to wear temporary protective items, reinforce ventilation and heat reduction during high temperature times, hand out cooling items to employees, and ensure sufficient drinking water supply on site.



COEXISTENCE AND PROSPERITY WITH THE SOCIETY

SDGS ISSUE TO BE RESPONDED TO IN THIS SECTION





We continue to fulfill the commitment of corporate citizens. By caring for the natural environment, green cause, city devotees and vulnerable groups, we contribute to community development, inject love into community harmony and sincerely serve the society.

COEXISTENCE AND PROSPERITY WITH THE SOCIETY

OBJECTIVE MANAGEMENT

Goal setting

Strengthen the cooperation with the government, our customers, environmental protection organizations and public welfare organizations, carry out more diversified charity activities, and promote the common development of community economy, environment and society



Progress review

- Continue to carry out targeted poverty alleviation in Chimi Village, Yingde, Qingyuan, and purchase poverty alleviation agricultural products
- Provide a total of approximately RMB 90 million of rental concessions during the epidemic period
- Volunteer services: 254 person-time and 819.5 hours



Improvement plan

- Promote consumption poverty alleviation and support industrial development in poor areas
- Carry out more environmental publicity and public welfare activities to encourage more employees and customers to participate in



ENVIRONMENT PROTECTION

In the process of development, we always pay attention to environmental protection, actively participate in and respond to green activities such as World Earth Day, World No-Tobacco Day and Earth Hour, hold environmental protection salons and other innovative activities, publicize environmental protection concepts such as waste classification, electricity saving and rejection of disposable plastic straws, and set an example to practice the concept of green development. For details, please refer to "Create Green Atmosphere" in this report.

CASE

Innovating A New Model of Environmental Protection and Public Welfare "Environmental Protection plus Science and Technology Research"

On 31 October, 2020, GZIFC, together with Guangdong Environmental Protection Publicity and Education Center and Guangzhou Green-Point Public Welfare and Environmental Protection Association, combined scientific and technological knowledge learning with environmental protection public welfare volunteer service through the way of "environmental voluntary service plus scientific and technological research" and received more than 200 parents and teenagers to tell them about energy use, temperature regulation and garbage disposal of super high-rise buildings to promote the citizens to protect the environment.



CARING FOR 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 2020, we continued to carry out targeted poverty alleviation in Chimi Village, Yingde, Qingyuan, and purchased “Love Poverty Alleviation Gift Packages” to help increase the income of the village. The properties also actively organize employees to participate in social charity activities to respond to social needs.

CASE **Diversified Public Welfare Activities Caring for Communities**

- Love delivery:** The “Unattended Love Station” of GZIFC and “Love Station” of Fortune Plaza provided free meals and daily disinfection and cleaning supplies for the takeaway, courier and environmental sanitation workers who insist on fighting in their posts; Victory Plaza’s “Victory Love·No Isolation” distributed masks and warm-hearted gifts to the families in the Tiyu Village Community of Tianhe South Street, and taught residents to wear masks in the right way, held the charity activities of “The City of Charity” to benefit the people, built a publicity and interaction platform for a number of charity organizations and social work institutions to have no contact with the public by means of public welfare market and public welfare interaction, and created the national charity atmosphere, thus being awarded the certificate of honor of “Loving Support Unit” to the activity of “99 Giving Day” The City of Charity by Guangzhou Charity Association.



Unattended Love Station



Fortune Plaza “Love Station”



“Victory Love-No Isolation” Public Welfare Activity

COEXISTENCE AND PROSPERITY WITH THE SOCIETY

- **Poverty alleviation and benefaction to people:** "YEService Warm Market" of GZIFC, together with famous brands and commercial tenants, held a charity sales. During the activity, a variety of novel devices were set up to teach and enjoy, attract tourists to raise money for One Foundation warm bags, sent warm items such as cotton clothes, cotton shoes, scarves, schoolbags and postcards were sent to children in remote areas in the cold winter; held the "I Find Creative" in the site built by environment-friendly materials, and directly gave the sales income from the charity sale to Environmental Welfare Fund and the farmers. White Horse Building organized volunteers to participate in the targeted poverty alleviation activities initiated by the government, and donated about RMB 10,000.

"YEService Warm Market"



- Community construction:** The City Development Plaza organized volunteers to go deep into the community, or to clean up, or to distribute creative publicity materials, so as to promote the spirit of building a civilized city and civilized community in Guangzhou; White Horse Building organized volunteers to clean up the garbage in the public area of the railway station community, so as to improve the environmental sanitation of the community; Ascott Serviced Apartments GZIFC invited the residents to visit the theme park to promote the community and local culture, which was loved by international residents.



Photos of Volunteers Activities



Theme Activity of Ascott Serviced Apartments GZIFC

PROSPECTS

2021 marks the beginning of the 14th Five-Year Plan period of China, and the call for green development has been fully launched. We will continue to follow the policy of sustainable development, consolidate the mechanism of sustainable development, improve the management system of sustainable development, insist the road of high-quality development. We are determined to create greater economic and social benefits.

WIN-WIN DEVELOPMENT

We will adhere to the original intention of maximizing the value of assets, grasp the new pattern of economic development, further the leasing and operation of digital enablement through the implementation of a positive and stable leasing strategy, improve the satisfaction of customers and employees and work hand in hand with all parties for a win-win situation. We try our best to bring stable returns to unit-holders by grasping the potential investment opportunities, exploiting the financing opportunities in the asset market and effectively reducing the financing costs.



GREEN DEVELOPMENT

We will further the goal of sustainable development and continue to practice the green leasing policy to promote the asset appreciation projects of properties, improve the energy consumption management level and resource utilization efficiency of properties, and strengthen the supply chain management. By carrying out extensive publicity of environmental protection, we advocate tenants and customers taking care of the environment and saving energy.



INCLUSIVE DEVELOPMENT

We will uphold the people-oriented concept to protect the legitimate rights and interests of employees, smooth internal communication channels, create a safe, healthy and harmonious office environment, and provide all kinds of training to promote personal development of employees. We are enthusiastic about public service by helping the poor and actively participating in various volunteer activities to give back to the communities with practical actions and providing venues for charity activities.



SUSTAINABILITY PERFORMANCE SUMMARY

POLICY LIST

List of policies and indicators (ESG)	Laws and regulations	Internal policies
A1 Emissions	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	Environmental Monitoring Guidelines Environmental Factors Identification and Evaluation Guidelines Environmental Protection Guidelines
A2 Use of resources	Energy Conservation Law of the People's Republic of China	Measures for Energy Consumption Management Implementing Rules for Energy Consumption Management Public Energy Consumption Control Index
A3 Environment and natural resources	Environmental Protection Law of the People's Republic of China	Guidelines on Chemical Safety Instructions Environmental Protection Guidelines Guidelines for Property Smoking Control Management Green Convention
A4 Climate change	China's National Climate Change Programme China's Policies and Actions for Addressing Climate Change (White Paper) Guiding Opinions on Integrating and Strengthening Efforts in Climate Action and Ecological and Environmental Protection	Drill Plan of Emergency Plan Emergency Kit Configuration Guidelines

SUSTAINABILITY PERFORMANCE SUMMARY

List of policies and indicators (ESG)	Laws and regulations	Internal policies
B1 Employment	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	Employee Handbook Salary Management Measures Performance Management Measures
B2 Occupational health and safety	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	Fire Emergency Response and Disposal Guidelines Guidelines for the Investment of Safety Production Funds Administrative Measures for Safety Production Responsibility System Fire Drill Guidelines Measures for the Management of Fire Control Facilities and Equipment Guidelines on Operation Procedures for Safe Production Administrative Measures for Occupational Health and Safety
B3 Development and training	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	Employee Handbook
B4 Labor standards	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	Employee Handbook

List of policies and indicators (ESG)	Laws and regulations	Internal policies
<p>B5 Supply chain management</p>	<p>Company Law of the People's Republic of China Contract Law of the People's Republic of China</p>	<p>Management Measures for Suppliers of Large-Scale Capital Transformation Management Review Procedure for Material Suppliers Supplier Management Guidelines</p>
<p>B6 Product responsibility</p>	<p>Construction Law of the People's Republic of China</p>	<p>Standard Operating Procedure of GZIFC Guidelines for Customer Satisfaction Survey Guidelines for Management of Clients' Opinions Guidelines for the Handling of Customer Complaints Customer Resource Management Operational Guidelines Guidelines on Service Standards for Special Groups Decoration Manual Tenancy Relationship Management Operational Guidelines Guidelines for Customer Call Operations Data Protection Notification and Authorization</p>
<p>B7 Anti-corruption</p>	<p>Provisions of the Independent Commission Against Corruption of Hong Kong Special Administrative Region Provisions on Bribery Prevention of Hong Kong Special Administrative Region Guideline on Anti-Money Laundering and Counter-Terrorist Financing</p>	<p>Compliance Manual Guidelines on Anti-money Laundering Measures for the Management of Risk Preference and Implementation Implementation Method for Internal Audit Integrity Agreement Measures for the Administration of "Three Public Matters"</p>
<p>B8 Community investment</p>	<p>Charity Law of the People's Republic of China Charity Donation Law of the People's Republic of China</p>	<p>/</p>

SUSTAINABILITY PERFORMANCE SUMMARY

PERFORMANCE LIST

Scope	ESG Indicator	Unit	2020 ^a	2019	2018
A Environment					
A1 Emissions	A1.2 Total greenhouse gas emissions and intensity				
	Scope I greenhouse gas emissions ¹	ton of CO ₂ equivalent	2,793.46	3,288.87	3,103.33
	Scope II greenhouse gas emissions ²	ton of CO ₂ equivalent	67,251.96	44,816.13	44,399.62
	Total greenhouse gas emissions ³	ton of CO ₂ equivalent	70,045.42	48,105.00	47,502.95
	Scope I greenhouse gas emission intensity	ton of CO ₂ equivalent/per million revenue	1.59	1.60	1.53
		ton of CO ₂ equivalent/m ² (Office buildings/Wholesale mall/Retail malls) ⁵	0.001	0.001	0.001
	Scope II greenhouse gas emission intensity	ton of CO ₂ equivalent/per room per night ⁴ (Hotel/Serviced apartments)	0.011	0.012	0.012
		ton of CO ₂ equivalent/per million revenue	38.24	21.77	21.85
	Total greenhouse gas emission intensity	ton of CO ₂ equivalent/m ² (Office buildings/Wholesale mall/Retail malls)	0.078	0.051	0.049
		ton of CO ₂ equivalent/per room per night (Hotel/Serviced apartments)	0.107	0.059	0.058
		ton of CO ₂ equivalent/per million revenue	39.83	23.37	23.38
		ton of CO ₂ equivalent/m ² (Office buildings/Wholesale mall/Retail malls)	0.079	0.052	0.050
		ton of CO ₂ equivalent/per room per night (Hotel/Serviced apartments)	0.118	0.071	0.070

Scope	ESG Indicator	Unit	2020	2019	2018
A1 Emissions	A1.3 Total hazardous wastes produced				
	Waste fluorescent tubes	Piece	4,532	3,906	3,642
	Waste printer cartridges	Piece	45	64	84
	Waste ink boxes	Piece	146	150	199
	Paint bucket	Kg	251 ⁷	94	68.67
	A1.4 Total non-hazardous wastes produced and density				
	Waste office paper consumption	Kg	22,318 ⁸	43,292	49,406.58
	Waste office paper consumption intensity	Kg/per million revenue	12.69	21.03	24.31
A2 Use of resources	A2.1 Total energy consumption and intensity				
	Gasoline consumption ⁹	L	1,140	1,209	-
	Gasoline consumption intensity	L/per million revenue	0.65	0.59	-
	Diesel consumption ¹⁰	L	5,720	5,678	5,616
	Diesel consumption intensity	L/per million revenue	3.25	2.76	2.76
	Natural gas ¹¹	m ³	1,283,854	1,512,957	1,428,492
	Natural gas consumption intensity	m ³ /per million revenue	729.99	735.12	703.04
	Outsourced electricity ¹²	kWh	79,606,125	83,657,449	83,049,608
	Outsourced electricity consumption intensity	kWh/per million revenue	45,263.36	40,647.67	40,873.36
		kWh/m ² (Office buildings/Wholesale mall/Retail malls)	92.24	94.58	90.91
		kWh/per room per night (Hotel/Serviced apartments) ¹³	127.76	112.43	109.98
	A2.2 Water consumption and intensity				
	Household water consumption ¹⁴	m ³	745,677	902,876	918,128
Household water consumption intensity	m ³ /per million revenue	423.99	438.69	451.86	
	m ³ /m ² (Office buildings/Wholesale mall/Retail malls)	0.938	0.997	0.950	
	m ³ /per room per night (Hotel/Serviced apartments) ¹⁵	0.913	1.284	1.389	

SUSTAINABILITY PERFORMANCE SUMMARY

Scope	ESG Indicator	Unit	2020	2019	2018	
B. Society						
B1 Employment	B1.1 Total workforce by gender, employment type, age group and geographical region					
	Total workforce ¹⁶	person	700	764	805	
	Male	person	336	369	386	
	Female	person	364	395	419	
	Management	person	127	133	156	
	Non-management	Person	573	631	649	
	29 and below	Person	322	422	441	
	30-49	Person	340	303	333	
	50 and above	Person	38	39	31	
	Chinese mainland	Person	685	747	789	
	Hong Kong, Macao and Taiwan Regions of China	Person	5	9	7	
	Overseas	Person	10	8	9	
	B1.2 Employee turnover rate by gender, age group and geographical region					
	Total employee turnover rate ¹⁷	Percentage	27	28	23	
	Male	Percentage	29	32	21	
Female	Percentage	25	24	25		
29 and below	Percentage	38	33	23		
30-49	Percentage	15	22	22		
50 and above	Percentage	28	13	30		
Chinese mainland	Percentage	27	29	23		
Hong Kong, Macao and Taiwan Regions of China	Percentage	56	15	9		
Overseas	Percentage	8	22	30		
B2 Occupational health and safety	B2.1 Number of work-related fatalities					
	Number of work-related fatalities	Person	0	0	0	
	B2.2 Lost days due to work injury					
	Work injury ¹⁸	Case	19	6	9	
Lost days due to work injury	Day	64	26	132		

Scope	ESG Indicator	Unit	2020	2019	2018
B3 Development and training	B3.1 Employees trained by gender and employee type				
	Total employees trained ¹⁹	Person time	16,912	14,560	2,919
	Male	Person time	7,017	5,629	1,420
	Female	Person time	9,895	8,931	1,499
	Management	Person time	2,218	1,711	739
	Non-management	Person time	14,694	12,849	2,180
	B3.1 Total training hours completed by gender and employee type				
	Total training hours	Hour	35,519	40,788	15,824
	Male	Hour	16,220	18,881	6,788
	Female	Hour	19,299	21,907	9,036
	Management	Hour	6,516	7,433	4,955
	Non-management	Hour	29,003	33,355	10,869
	B3.2 Training hours completed per employee by gender and employee type				
	Average	Hour	48	49	21
Male	Hour	45	48	19	
Female	Hour	51	51	23	
Management	Hour	44	50	36	
Non-management	Hour	49	49	18	
B5 Supply chain management	B5.1 Suppliers by region²⁰				
	South China	Percentage	73	72	75
	East China	Percentage	11	19	12
	Central China	Percentage	6	0	1
	North China	Percentage	0	7	5
	Northeast China	Percentage	3	0	1
	Southwest China	Percentage	5	0	2
	Northwest China	Percentage	0	0	1
	Hong Kong, Macao and Taiwan Regions of China and Overseas	Percentage	2	2	3
B6 Product responsibility	B6.1 Number of received complaints regarding products and services				
	Hardware/facility	Case	31	37	14
	Software/service	Case	21	22	17

SUSTAINABILITY PERFORMANCE SUMMARY

Notes

1. 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.
2. 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.
3. 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.
4. Outsourced electricity consumption reduced by 4.6% in 2020 compared with 2019, and the increase in the estimated total amount of Greenhouse Gases (scope 2) and carbon emission density of 2020 compared with previous years is mainly due to the selection of emission coefficients. The Greenhouse Gas (scope 2) emission coefficients for 2020 is based on the emission coefficients for operating in Chinese Mainland as set out in the "How to Prepare an Environmental, Social and Governance Report" issued by the Hong Kong Stock Exchange in March 2020.
https://www.hkex.com.hk/-/media/HKEX-Market/Listing/Rules-and-Guidance/Environmental-Social-and-Governance/Exchanges-guidance-materials-on-ESG/app2_envirokpiis_c.pdf?la=zh-CN
 In 2018 and 2019, the emission coefficients we used to calculate Greenhouse Gases (scope 2) were based on the "2011 and 2012 average carbon dioxide emission factors from China's regional power grids" published by the National Development and Reform Commission.
<https://cec.org.cn/detail/index.html?3-128187>
 By contrast, the emission coefficients we use this year are higher than that of previous years. If use the same emission coefficient of previous years, the total Greenhouse Gases emission of 2020 is 5.4% lower than that of 2019.
5. According to the principle of Materiality, 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 = total number of rooms × annual days × annual average occupancy rate. Greenhouse gas emission intensities of hotel and serviced apartments for 2018 and 2019 have been relisted using the same measurement.
7. Wuhan Properties carried out the renovation of parking lot within the year which consumed a certain amount of paint, therefore, the production of paint barrels increased than that of 2019.
8. We advocate paperless office through the application of on-line office system to improve work efficiency and reduce paper consumption. The office paper consumption within the year continues to reduce.
9. The gasoline consumption is the gasoline consumption of vehicles in hotel/serviced apartments. The data has been collected since 2019.
10. The diesel consumption is mainly the diesel consumption of electric generator owned by the properties held by Yuexiu REIT.
11. 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.
12. Power consumption in the public areas of office buildings, wholesale mall, retail malls and hotel and apartments, excluding the power consumption of tenants.
13. Room night = total number of rooms × annual days × annual average occupancy rate. Electricity intensities of hotel and serviced apartments for 2018 and 2019 have been relisted using the same measurement.
14. Water consumption in the public areas of office buildings, wholesale mall, retail malls and hotel and apartments, excluding the power consumption of tenants.
15. Room night = total number of rooms × annual days × annual average occupancy rate. Water intensities of hotel and serviced apartments for 2018 and 2019 have been relisted using the same measurement.
16. "Workforce" means persons who perform the operational functions and service provision of the Hotel and Serviced Apartments, including full-time employees and interns.
17. "Employee turnover" includes employees who voluntarily leave or terminate their employment by reason of dismissal, retirement or death, excluding interns. We relisted the data of 2018 and 2019 according to the same statistical principles. The employee turnover rate is calculated as the number of employees who leave the group in the year/(the number at the beginning of the group + the number of employees who enter the group in the year).By subgroups, as shown in the employee data, there are fewer employees in the over-50 group, the Hong Kong, Macao and Taiwan regions of China and the overseas region group, so the turnover rate of this groups will fluctuate more than that of other groups.
18. Number of work-related injuries: subject to the determination of the Social Security Administration.
19. The scope of statistics includes employees of Yuexiu REIT and the Manager.
20. The supplier's region is based on the location of registration.

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	Sustainability Performance Summary
	KPI A1.3	Total hazardous wastes produced and density	Sustainability Performance Summary
	KPI A1.4	Total non-hazardous wastes produced and density	Sustainability Performance Summary
	KPI A1.5	Description of measures to mitigate emissions and results achieved	Implementation of Green Lease
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Implementation of Green Lease
A2 Use of resources	General Disclosure	Integrated Development with the Environment	
	KPI A2.1	Total energy consumption and intensity	Sustainability Performance Summary
	KPI A2.2	Total water consumption and intensity	Sustainability Performance Summary
	KPI A2.3	Description of energy use efficiency initiatives and results achieved	Implementation of 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	Implementation of Green Lease
	KPI A2.5	Total packaging material used for finished products and per unit produced	Not applicable to the business of Yuexiu REIT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE INDEX

Environmental, Social and Governance Scope, General Disclosure, and KPI		Section in the Report
Environment		
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	Implementation of Green Lease
A4 Climate change	General Disclosure	Integrated Development with the Environment
	KPI A4.1 Describe major climate-related issues that have affected and may affect the issuer and countermeasures.	Implementation of Green Lease
Society		
B1 Employment	General Disclosure	Protection of Employee Rights and Interests
	KPI B1.1 Total workforce by gender, employment type, age group and geographical region	Sustainability Performance Summary
	KPI B1.2 Employee turnover rate by gender, age group and geographical region	Sustainability Performance Summary
B2 Occupational health and safety	General Disclosure	Occupational Health and Safety
	KPI B2.1 Number and rate of work-related fatalities	Sustainability Performance Summary
	KPI B2.2 Lost days due to work injury	Sustainability Performance Summary
	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	Sustainability Performance Summary
	KPI B3.2 The average training hours completed per employee by gender and employee type	Sustainability Performance Summary

Environmental, Social and Governance Scope, General Disclosure, and KPI		Section in the Report	
Society			
B4 Labor standards	General Disclosure	Protection of Employee Rights and Interests	
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labor	Protection of Employee Rights and Interests
	KPI B4.2	Description of steps taken to eliminate such practices when discovered	Protection of Employee Rights and Interests
B5 Supply chain management	General Disclosure	Building Responsible Supply Chain	
	KPI B5.1	Total suppliers by regions	Sustainability Performance Summary
	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	Building Responsible Supply Chain
	KPI B5.3	Describe the practices for identifying environmental and social risks in each link of the supply chain, and relevant implementation and monitoring methods.	Building Responsible Supply Chain
	KPI B5.4	Describe the practices of promoting the use of environment-friendly products and services during the selection of supply chain, and relevant implementation and monitoring methods.	Building Responsible Supply Chain
B6 Product responsibility	General Disclosure	Providing Excellent Services	
	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	Providing Excellent Services Sustainability Performance Summary
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Intellectual Property Protection
	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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE INDEX

Environmental, Social and Governance Scope, General Disclosure, and KPI		Section in the Report
Society		
B7 Anti-corruption	General Disclosure	Corporate 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
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored
	KPI B7.3	Description of anti-corruption training provided to directors and staff
B8 Community investment	General Disclosure	Coexistence and Prosperity with the Society
	KPI B8.1	Focus areas of contribution
	KPI B8.2	Resources contributed to the focus area

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			
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	Chinese mainland
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 Annual Report 2020.
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	Sustainable Development Management	
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 and Analysis			
102-14	Statement from senior decision-maker	Chairman's Message	

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

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, Sustainable Development Management	For more details, please visit the website of Yuexiu REIT: http://www.yuexiureit.com/aboutUs/overview.html
Governance			
102-18	Governance structure	Sustainable Development Management	
Stakeholder engagement			
102-40	List of stakeholder groups	Stakeholder Communication	
102-41	Collective bargaining agreements	Mutual Growth with Employees	Four Seasons Hotel Guangzhou and Ascott Serviced Apartments GZIFC have set up a labor union respectively, and all the employees have participated in.
102-42	Identifying and selecting stakeholders	Stakeholder Communication	The basis for identifying stakeholders is the extent to which they interact with the operations of Yuexiu REIT.
102-43	Approach to stakeholder engagement	Stakeholder Communication	
102-44	Key topics and concerns raised	Stakeholder Communication	

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 this Report	
102-46	Defining report content and topic boundaries	About this Report	
102-47	List of material topics	Stakeholder Communication	
102-48	Restatements of information	Sustainability Performance Summary	
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 REIT ESG Report 2019.
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 103: Management Approach 2016			
103-1	Explanation of the material topic and its Boundary	Stakeholder Communication	
103-2	The management approach and its components	Sustainable Development Management	
103-3	Evaluation of the management approach	Sustainable Development Management	

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

GRI Guidelines			
Indicators	Details	Disclosure Section	Notes
Economic topics			
GRI 201: Economic Performance 2016			
	Management approach disclosures	About Yuexiu Real Estate Investment Trust, Annual Topic I: Steady Development in the Past 15 Years	
201-1	Direct economic value generated and distributed	Annual Topic I: Steady Development in the Past 15 Years	
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, Annual Topic I: Steady Development in the Past 15 Years	
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	

GRI Guidelines			
Indicators	Details	Disclosure Section	Notes
General Standard Disclosure			
GRI 205: Anti-corruption 2016			
	Management approach disclosures	Sustainable Development Management	
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 our employees concerning commercial bribery.
GRI 206: Anti-competitive Behavior 2016			
	Management approach disclosures	Sustainable Development Management	
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 REIT is real estate leasing. This KPI is not applicable to the business of Yuexiu REIT.
GRI 302: Energy 2016			
	Management approach disclosures	Integrated Development with the Environment	
302-1	Energy consumption within the organization	Sustainability Performance Summary	
302-3	Energy intensity	Sustainability Performance Summary	

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

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	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	Sustainability Performance Summary	
GRI 304: Biodiversity 2016			
	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 REIT 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	Sustainability Performance Summary	
305-2	Energy indirect (Scope 2) GHG emissions	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	

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	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	Sustainability Performance Summary	

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

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 of discrimination 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 Guidelines			
Indicators	Details	Disclosure Section	Notes
Social topics			
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

FEEDBACK FORM

Thank you for reading Yuexiu REIT's 2020 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 2020 ESG Report Opinion Feedback Form

Name _____

Employer _____

Title _____

Tel _____

E-mail _____

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

	Fine	Good	Marginal	Poor	Very poor
Do you think this Report highlights Yuexiu REIT'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:

