



越秀服務集團有限公司
YUEXIU SERVICES GROUP LIMITED

(Incorporated in Hong Kong with limited liability)

Stock Code : 6626

Where Good Service Starts



**Environmental, Social and
Governance Report 2021**

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ABOUT THIS REPORT

This report is the first independent Environmental, Social and Governance (“**ESG**”) Report (referred to as the “**ESG Report**” or “**this Report**”) released by Yuexiu Services Group Limited (the “**Company**”), focusing on the disclosure of the management philosophy, management measures and results highlights of the Company and its subsidiaries (collectively referred to as “**Yuexiu Services**” or the “**Group**”) relating to ESG affairs in 2021.

Preparation Basis

This Report was prepared according to the Environmental, Social and Governance Reporting Guide (the “**ESG Reporting Guide**”) as set out in Appendix 27 to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong (the “**Stock Exchange**”).

Reporting Principles

Principle	Response
Materiality	The Group engaged a third-party professional agency to identify ESG material issues by reflecting the characteristics of the Group’s business and communication with its stakeholders. The results were submitted to the board (the “ Board ”) of directors (“ Directors ”) of the Company for review and approval, which were determined as the basis for the preparation of the ESG Report.
Quantitative	With the coordination of the ESG working group of the Company, the Group has established a data collection tool to record and monitor various environmental and social indicators, and established a data collection and review mechanism.
Balance	This Report reported the ESG performance of the Group without bias. In addition to disclosing the achievements, the Group also discussed the areas for improvement and plan on relevant issues.
Consistency	In case of any difference in the scope of data collection, methods of data update or measurement, a corresponding explanation will be attached for the report users’ reference.

Scope of this Report

This is an annual report for the period from 1 January 2021 to 31 December 2021, with certain contents extended where appropriate.

The policy documents, statements and data in this Report covered the scope of actual operation of the Group, except as otherwise specified in individual materials. Unless otherwise specified, the monetary amounts in this Report are denominated in Renminbi (“**RMB**”) as the currency unit. This Report focuses on the disclosure of ESG Information, part of which should be read together with the 2021 annual report of the Company.

Data Sources

All data disclosed in this Report are from public data, internal statistical statements, third-party surveys, administrative documents and reports and other relevant documents.

Report Approval

This Report was reviewed and approved by the Board on 26 May 2022.

Access to this Report

This Report is prepared in traditional Chinese and English for readers’ reference. The electronic copy of this Report can be accessed from the Stock Exchange’s website (www.hkexnews.hk) or the website of the Company (<https://www.yuexiuserVICES.com>). In case of any discrepancy between the Chinese and English versions of this Report, the Chinese version shall prevail.

Response to this Report

The Group’s continuous improvement of ESG performance relies on your suggestions. For any questions or feedbacks in relation to the Group’s ESG performance, this Report or its contents, please contact the Group through email at: ir@yuexiuproperty.com.

CHAIRMAN'S MESSAGE



Mr. Lin Feng

Chairman of the Board

In 2021, Yuexiu Services commenced its implementation of the “14th Five-Year Plan” national strategy. It was also a milestone year in its growth trajectory, as it was successfully listed on the Stock Exchange. As it reaches new heights, the Group will continue to seek high-quality development, while focusing on the impact of its operation on its stakeholders, and seeking to maximise its beneficial impacts for the economy, society and environment.

CHAIRMAN'S MESSAGE

Delivering “Yue+” Services as the Essence of Development

In the pursuit of its brand mission of “Where Good Service Starts (用心•成就美好生活)”, the Group aims to provide customers with “thoughtful customer services, complete security, continuous maintenance, comfortable environment and pleasant sales offices (客服貼心、秩序安心、工程放心、環境舒心、案場悅心)”. In 2021, the Group improved the service system in all aspects, including by upgrading the service standards and refining property management details, to set a solid foundation for its property management services. The Group also carried out a special programme of “Enhanced Service (強服務)” and integrated the National 400 Integrated Command Centre to better address its customers’ all-around needs; and actively promoted smart communities by applying smart technologies in its community management services. Through such efforts, the Group strives to deliver high quality services to owners and tenants.

As a leading urban operation services provider in the Guangdong-Hong Kong-Macau Greater Bay Area (the “**Greater Bay Area**”), the Group has taken initiatives to develop the transit-oriented development (“**TOD**”) integrated property management model. The Group provides professional property management services for the depots and stations of urban railways to facilitate urban mobility. Moreover, the Group continues to strengthen its urban operation services through developing a new “One-For-All” service model. In addition to its property management services, the Group has upgraded infrastructure, introduced intelligent facilities and provided community commercial services to revitalise old urban area.

Embracing the “Yue+” Sustainable Development with Long-term Vision

The Group proactively engages with its corporate environmental responsibility in alignment with the national development strategy of “dual carbon” (carbon dioxide peaking and carbon neutrality). The Group has promoted green property management through improved environmental management regulations, refined management practices, enhanced energy efficiency, water-saving and power-saving renovation, and garbage sorting at residential properties, to lessen and appropriately address environmental impact. Meanwhile, the Group continues to focus on climate change, by formulating contingency plans and management mechanisms for climate disasters, and enhancing its capacity to prevent and handle natural disasters. The Group continues to promote green office, green and low-carbon life, and sustainable developments.

The Group believes that its employees are the cornerstone of its sustainable development. The Group respects every employee, by building a fair and inclusive working environment, listening to employee feedback, and empowering their development through diversified training systems. The Group also attaches great importance to the establishment of an effective risk management and internal control system to improve its supervision and governance system and advancing a corporate culture of compliance, in order to ensure sustainable development.

Shouldering Responsibilities to Drive a “Yue+” Harmonious Future

The Group fulfills its corporate social responsibility and public welfare undertakings, in accordance with public policy. In 2021, facing the recurrence of the COVID-19 pandemic, the Group was at the forefront of the fight against COVID-19 in projects and cities it covered. The Group set up a pandemic prevention emergency team, and applied a number of intelligent property management technologies to support pandemic prevention with science and technology. The Group also actively participates in community public welfare activities to contribute to a better urban life.

Additionally, the Group strictly adheres to honest and ethical operations and maintains a high standard of business integrity. The Group also has an effective system in managing its business partners and establishes effective and win-win business relationships, seeking to promote the entire industry’s development for a harmonious future.

Looking ahead, the Group will stay true to its origins, while continuing to improve its services, developing its employees and engaging with its social responsibilities.

Mr. Lin Feng
Chairman of the Board

01 / STATEMENT OF THE BOARD

The Board gives top priority to sustainable development management. In accordance with the ESG Reporting Guide, the Group has established an effective multi-tier ESG mechanism to continuously improve the Group's ESG governance structure and strengthen the supervision and engagement of the Board in the Group's ESG affairs.

ESG Governance Structure

The Board assumes full responsibility for the Group's ESG works. The Company has established an ESG Committee in March 2022, which consists of one non-executive Director, one executive Director and three independent non-executive Directors. As authorised by the Board, the ESG Committee is responsible for reviewing, formulating and approving the Group's vision, goals, strategies and management policies regarding ESG issues, reviewing and evaluating the adequacy and effectiveness of the management framework for ESG matters at the Group level, identifying and assessing ESG related risks and opportunities that have an impact on the Group's operation, and regularly deliberating and reviewing the Group's ESG goals and achievement. The ESG Committee meets at least once a year.

On top of that, the Group has also set up an ESG leadership group, which is led by the chief executive officer of the Company (the "**Chief Executive Officer**") and composed of main business leaders of the Group. The ESG leadership group is responsible for establishing and improving the ESG mechanism, coordinating and supervising ESG work, and is committed to incorporating sustainability into daily operation. For efficient and effective implementation of specific ESG work, the Group has set up an ESG working group under the ESG leadership group, which is composed of employees from functional departments of the headquarters and regional companies. The ESG working group is responsible for collecting, recording and reporting ESG related information and data, and implementing and improving the Group's ESG concept, strategies and measures during daily operation management.

ESG Risk Management

The Group puts great emphasis on ESG risks. The Group, based on thorough analysis on industry ESG risks, regulatory requirements and macro policies, updates its ESG issue database every year, carries out materiality assessment of ESG issues through stakeholder research, expert evaluation and board deliberation, and formulates relevant risk management and response plans when necessary. The Board prioritises ESG issues based on materiality. The Board participated in the materiality assessment of ESG issues of the Group in 2021, and reviewed and confirmed the analysis results of the material issues for 2021. In doing so, the Board provided guidance on the Group's ESG management priorities for 2021 and was endeavored to mitigate the impact of ESG risks through proactive actions.

ESG Target Management

The Group has set ESG targets for greenhouse gas (the "**GHG**") and waste gas emissions, waste treatment as well as energy and water use according to the ESG Reporting Guide. The Board has reviewed and discussed such target setting and will continue to review and monitor the progress towards achieving the targets.

02 / ABOUT THE GROUP

2.1 Company Profile

Yuexiu Services is the first (currently the only) property management company under the State-owned Assets Supervision and Administration Commission of Guangzhou Municipal Government (“**Guangzhou SASAC**”) that is listed in Hong Kong Special Administrative Region (“**Hong Kong**”) of the People’s Republic of China (the “**PRC**” or “**China**”). The Group is an all-round urban operation service provider in China and a leading integrated property management service provider in the Greater Bay Area. It has received first-class property management qualification at the national level. The Group is also the standing director institution of the China Property Management Association, the corporate vice president of the Guangdong Property Management Industry Association, and the corporate president of the Guangzhou Property Management Industry Association.

For the past three decades, the Group has been fulfilling its mission of “Where Good Service Starts (用心•成就美好生活)”. It leverages new technologies to apply its extensive experience in the entire value chain of the residential property management, specialised operation of commercial properties and TOD integrated property management. It aims to enhance customer experience and increase the enterprise value through improving its service offerings. The Group comprehensively meets the diverse needs of customers in their quest for a better life.

As of 31 December 2021, the Group had extended its geographical market coverage to 27 cities (including Hong Kong) nationwide, with the Greater Bay Area as its core market and strong presence in eastern, central, northern and southwestern China. It currently provides property management services for more than 250 projects, with more than 38 million square meters of gross floor area (“**GFA**”) under management. The types of properties that it manages include residential properties, TOD properties, office buildings, shopping malls, wholesale markets, exhibition centres, industrial parks and other urban facilities. It also runs other businesses, including carpark management, repair and maintenance of equipment and facilities as well as various value-added services. The Group is building its image as a high-end provider of property operation and maintenance services, with a wide range of services.

In the future, the Group will press on with its efforts to standardise its property management and differentiate its services to improve the standard of living for customers. It aspires to become a leading integrated urban services operator in China.

The Group's business is mainly divided into (i) non-commercial property management and value-added services; and (ii) commercial property management and operation services.

Non-commercial property management and value-added services

The Group provides a wide spectrum of property management and value-added services to non-commercial properties, which primarily comprise residential properties, TOD properties, public premises and industrial parks. In particular, it offers:

- ✓ Property management services. The Group provides cleaning, security, gardening and repair and maintenance services to property owners, property owners' associations and/or residents for properties sold and delivered and property developers for pre-delivery stage of residential properties.
- ✓ Value-added services to non-property owners. The Group provides value-added services to non-property owners which mainly include (i) sales office and display unit management and pre-delivery support services; (ii) carpark space sales assistance services; (iii) ancillary property leasing services; and (iv) preliminary planning and design consultancy services.
- ✓ Community value-added services. The Group provides community value-added services to meet the needs of property owners and residents of residential properties under its management. Such services mainly include (i) home-living services; (ii) space operation services; and (iii) decoration, turnkey and move-in furnishing services.

Commercial property management and operation services

The Group provides property management and operation services to commercial properties, which primarily comprise office buildings, shopping malls and wholesale markets. In particular, it offers:

- ✓ Commercial operation and management services. The Group provides commercial operation and management services to property owners, developers and tenants, which mainly consist of commercial property management services and other value-added services such as carpark management and operation services and space operation services (including advertising space leasing and common area leasing services).
- ✓ Market positioning consultancy and tenant sourcing services. The Group provides market positioning consultancy and tenant sourcing services to property developers and property owners, which primarily include market positioning and management consultancy services and tenant sourcing services.

02 / About the Group

2.2 Key Performance Indicators



OPERATION INDICATORS

	Categorisation	Description	For the year ended/as at 31 December 2021	Unit
	Financial performance	Total revenue	1,918	RMB million
		Profit attributable to the owner of the Company	360	RMB million
		Total assets	5,131	RMB million
		Total equity	3,090	RMB million
	Business performance	Contracted GFA	58,384	Thousand sq.m.
		GFA under management	38,872	Thousand sq.m.
		Number of contracted projects	315	Project
		Number of projects under management	251	Project
	Capital market performance	Hang Seng Property Service and Management Index	Included in Hang Seng Property Service and Management Index	



SUSTAINABILITY INDICATORS



Categorisation	Description	For the year ended 31 December 2021	Unit
Environmental performance	Total energy consumption	82,537	MWh
	Total carbon dioxide emissions	46,722	Tonne
	Total water consumption	1,677,684	m ³



RESPONSIBILITY INDICATORS



Categorisation	Description	For the year ended 31 December 2021	Unit
Customer safety and health	Investment in work safety	47,563	RMB'000
	Work safety inspection	490	Times
	Work safety rectification rate	100	%
	Emergency drills	1,395	Times
	Headcount of participants in the emergency drill	29,282	Person times



Employee development	Total employees trained	147,774	Person times
	Training coverage	100	%
	Average training hours	40	Hour



Charity	Total investment in community services	10,176.3	RMB'000
	Number of employees participating in public welfare/volunteer activities	3,493	Headcount

02 / About the Group

2.3 Awards and Honours



Awards and Honours

1. **The 16th among the 2021 Top 100 Property Management Companies in China**
(2021中國物業服務百強企業第十六位)
2. **2021 Leading High-end Property Management Companies in China**
(2021中國高端物業服務領先企業)
3. **2021 Top 100 Leading China Property Management Companies in terms of Service Quality**
(2021中國物業服務百強服務質量領先企業)
4. **2021 Outstanding China Commercial Property Management Company**
(2021中國商業物業管理優秀企業)
5. **2021 Leading Property Management Company in the Greater Bay Area (TOP 5)**
(2021大灣區物業服務市場地位領先企業TOP5)
6. **2021 Top 10 China Property Management Companies in Terms of Urban Service**
(2021中國物業服務企業城市服務十強)
7. **2021 Top 50 China Property Management Companies in terms of Customer Satisfaction**
(2021中國物業服務企業客戶滿意度模範企業五十強)
8. **2021 Top 10 China Property Management Companies in Terms of Competitiveness in South China**
(2021中國物業服務企業華南競爭力十強)

Organisers

China Index Academy (中國指數研究院)

EH Consulting and Jiahe Jiaye (億翰智庫·嘉和家業)

**Awards and Honours**

9. 2021 Top 100 China Property Management Companies in Terms of Brand Value (2021中國物業服務企業品牌價值100強)
10. 2021 Top 20 Brands of China Property Management Companies in South China (2021中國物業服務華南品牌企業20強)
11. TOP 30 China Property Management Companies in Terms of Digital Strength for 2020-2021 (2020-2021中國物業企業數字力TOP30)
12. The 9th among 2021 Top 100 Property Management Companies in Terms of Service Quality in the Greater Bay Area (2021物業服務力大灣區TOP100企業第九位)
13. 2021 Top 5 Office Building-focused Property Management Companies in the Greater Bay Area (2021大灣區寫字樓物業服務力TOP5企業)
14. 2021 Top 15 China Property Management Companies in terms of Comprehensive Strength (2021中國物業服務年度綜合實力品牌企業NO.15)
15. Brand Benchmarking Enterprise of the Development of the Property Management Industry in Guangdong Province for the 40th Anniversary (廣東省物業管理行業發展40週年品牌標桿企業)
16. 2021 Leading Smart Property Management Company (2021年度智慧物業領先企業)

Organisers

- Shanghai E-house Real Estate Research Institute (上海易居房地產研究院), China Real Estate Appraisal Centre (中國房地產測評中心)
- Shanghai E-house Real Estate Research Institute (上海易居房地產研究院), China Real Estate Appraisal Centre (中國房地產測評中心), CRIC Property Management (克而瑞物管)
- Shanghai E-house Real Estate Research Institute (上海易居房地產研究院), CRIC Property Management (克而瑞物管)
- China Real Estate Business (中國房地產報社), CIHAF Organising Committee (中國住交會組委會)
- Guangdong Property Management Industry Institution (廣東省物業管理行業協會)
- Bo'ao 21st Century Real Estate Forum (博鰲•21世紀房地產論壇)

BUILDING A “YUE+” BETTER CITY FOR THE DEVELOPMENT OF THE GREATER BAY AREA

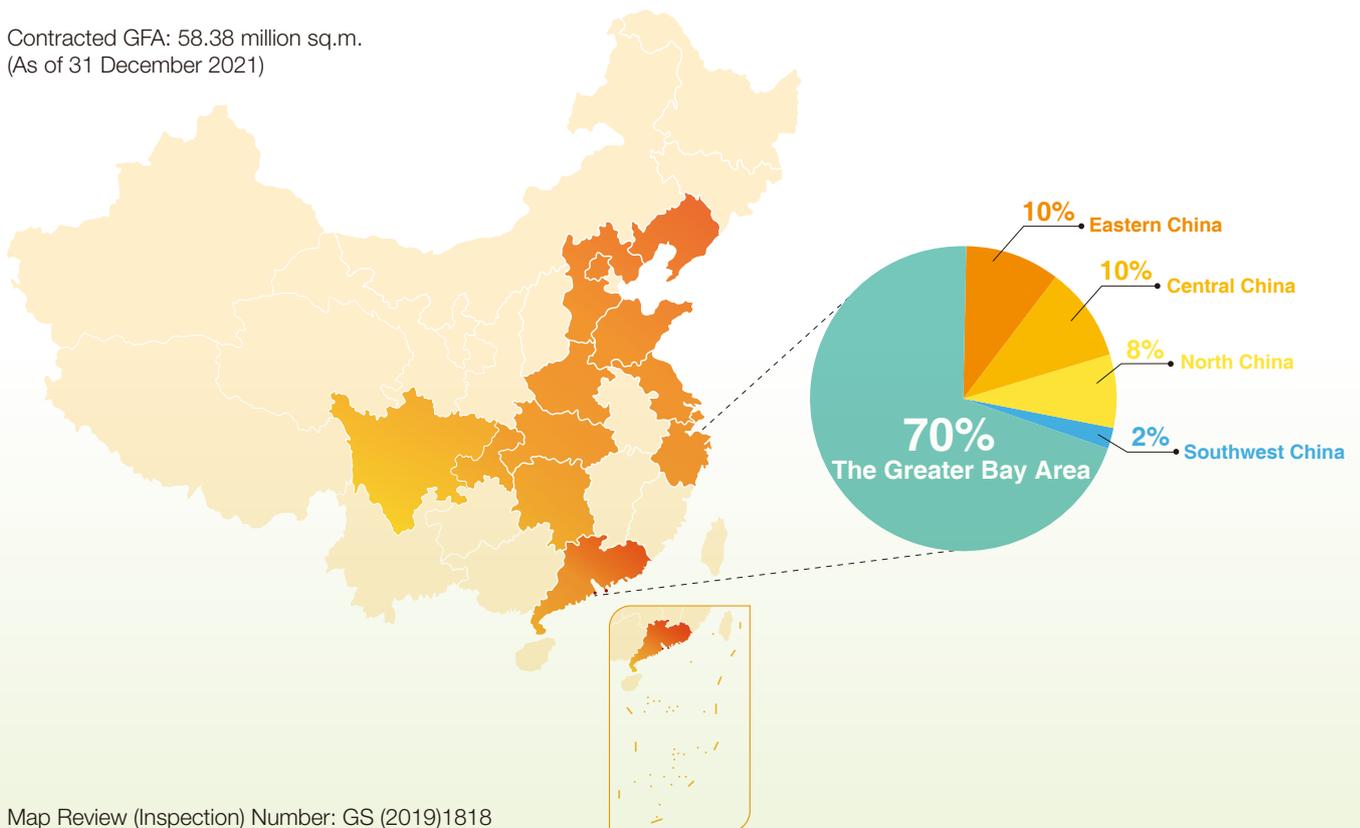
The history of the Group can be traced back to 1992. Rooted in the Greater Bay Area, the Group has gradually expanded its operations to other cities beyond that and accumulated 30 years of professional service experience. Adhering to the core values of “Constantly surpassing, beyond excellence” and upholding the brand mission of “Where Good Service Starts (用心•成就美好生活)”, the Group continues to create new services and expands its service scope to contribute to the development of the Greater Bay Area.

Diversified service models rooted in the Greater Bay Area

With the rollout of the Development Planning Outline of the Greater Bay Area, the development of the Greater Bay Area has become an important engine for national major development strategy of achieving sustainable development through dual circulation to tap growth potential in both domestic and international markets. As a leading urban operation service provider in the Greater Bay Area, the Group leverages its state-owned background, and continues to expand its business presence and optimise its services to cater to diverse property profile, diverse customer base and diverse service offerings in the Greater Bay Area.

- ✓ Diverse property profile: The Group provides services to various types of properties, including residential properties, office buildings, shopping malls, wholesale markets, metro lines, metro stations, metro depots, exhibition centres, industrial parks and other urban facilities.
- ✓ Diverse customer base: The Group treats all people who live, shop, work and stay in the properties under its management as its valued customers.
- ✓ Diverse service offerings: The Group has expanded beyond traditional property management services and provides comprehensive solutions for customers from all walks of life.

Contracted GFA: 58.38 million sq.m.
(As of 31 December 2021)



Map Review (Inspection) Number: GS (2019)1818

Building a “Yue+” Better City for the Development of the Greater Bay Area



Facilitating urban mobility with integrated TOD property management

In the backdrop of China’s vigorous development of urban railways, the Group provides metro property management services in the Greater Bay Area. It delivers specialised services to the depots and stations of urban railways in an integrated TOD property management model of “metro environmental engineering maintenance + metro property management and operation”, with professional service standards, to facilitate urban mobility.

The Group currently provides property management services for 98 metro stations and 24 depots/parking lots in Guangzhou, including not only regular property management services such as cleaning and greening for train stations, car depots and parking lots, but also professional services including cleaning and disinfection services for trains and other special equipment.



OFFERING RESPONSIBLE AND WARM “YUE+” SERVICES

In 2021, in the face of repeated outbreaks of pandemic in Guangzhou and surrounding cities, the Group stood at the forefront of the fight against COVID-19 in projects and cities it covered. The Group set up a pandemic prevention emergency team and provided timely and reliable service, upholding its specialised and standardised service quality.

In June 2021, to cooperate with the pandemic prevention and control effort of Guangzhou, the Group responded simultaneously, urgently dispatched 150 security guards and organised “security commandos” to assist the government in pandemic prevention. The Group also encouraged its employees to participate in pandemic prevention to safeguard the safety and health of tenants and owners. In this battle, the Group dispatched 308 employees to fight against the pandemic and served around 200,000 hours of service. The Group successfully supported the lockdown of 21,000 people in Zhongnan Street, Liwan District, and assisted in completing 8 rounds of nucleic acid tests for all people in the district, with more than 200,000 people or headcounts tested.

Offering customers attentive services during regular pandemic prevention

The Group stayed at the front line of fighting the pandemic in the projects and cities it covered, trying its best to prevent the spread of pandemic.

- ✓ Building a protective wall through sterilisation and cleaning: The Group increased the frequency of disinfection and cleaning in the residential properties, sales offices, office buildings, metro stations and compartments and other public areas, to ensure that there was no blind spot of sanitation and safety.
- In the metro stations, the staff increased the frequency of disinfection in the platforms, compartments and other spaces.



Offering Responsible and Warm “Yue+” Services

- In the office buildings, the staff meticulously cleaned and disinfected the entrances and exits every 2 hours.



- In the residential properties, the staff disinfected the elevators, toilets, lobby door handles and access control buttons at least 4 times a day, and disinfected the garbage collection sites at least twice a day.



- ✓ Assisting the government in the nucleic acid test and screening: The Group cooperated with government departments in carrying out nucleic acid testing for community residents, and assisted in door-to-door notification, material preparation, site arrangement and coordination.
- ✓ Caring for the quarantined households through door-to-door services: The Group provided services such as home delivery of fresh produce, group purchase and procurement, and garbage collection and transportation for property owners and tenants in locked down communities to meet their daily needs during the quarantine.



Offering Responsible and Warm “Yue+” Services

- ✔ Tightening the control of entrances and exits: The Group conducted temperature measurement, health code check and information registration at the entrances and exits of each community and office building to reduce the risk of spreading the pandemic.



- ✔ Publicising pandemic prevention information and knowledge: The Group made available information on pandemic prevention measures in real time on online housekeeper platform to ensure each household was informed. It forwarded latest news and updates from local authorities and shared pandemic prevention knowledge on social networks such as property owners and tenants’ communication group, housekeepers’ WeChat Moment updates, and the Group’s official accounts. It also put up posters and banners on pandemic prevention at the main entrances, bulletin boards in lobbies and main roads of the communities.



- ✔ Promoting vaccination to reduce the chance of infection: Thanks to the support and arrangement of related government departments, the Group set up Guangzhou’s first temporary vaccination site for COVID-19 vaccine in office buildings in Guangzhou International Finance Centre, providing 1,500 doses per day.



Offering Responsible and Warm “Yue+” Services

- ✓ Workplace safety: The Group encouraged employees to get vaccinated, regularly distributed masks and other pandemic prevention materials to on-site employees and ensured that employees working from home are taken care of through social network platforms.



Offering smart pandemic prevention services

The Group actively explored and fully applied multiple intelligent technologies in property management services to support scientific pandemic prevention.

- ✓ Masked face recognition: The Group added the masked face recognition function in the access control of residential properties, so that only residents with a mask on can have access to the property. Temperature detection functions were enabled to block people with abnormal conditions from entering.
- ✓ Remote management of community equipment: The Group’s proprietary remote monitoring system (“**EBA system**”) played a crucial role in remote management and online inspection of community equipment, ensuring the safety management of electricity, water and fire protection for property owners and tenants during the pandemic.



Standardising and refining pandemic prevention measures

With the pandemic under regular control, the Group tailored its pandemic prevention services to various property types, and provided timely services for property owners and tenants by formulating and implementing standardised pandemic prevention guidelines and refining management measures.



Building a “Guangzhou Model” of Office Building Management for Pandemic Prevention and Control



At the onset of the pandemic in 2020, the Group responded to the government’s requirements in a timely manner and actively took a series of pandemic prevention measures in office buildings it managed. As such, it received recognition by Guangzhou Municipal Leading Group for the Prevention and Control of COVID-19 for its strict implementation of Building Owners and Managers Association (“**BOMA**”) international management and pandemic prevention practices in Guangzhou International Finance Centre.



The Group collaborated with Guangzhou Industry Investment Promotion Association (“**廣州市產業招商投資促進會**”) and Guangzhou Building Economy Promotion Association (to be established) (“**廣州市樓宇經濟促進會(籌)**”) to draft and issue the Guidelines on the Prevention and Control of Respiratory Infections in Commercial Buildings in Guangzhou (the “**Guidelines**”). The Guidelines set out the basic requirements for COVID-19 prevention and control in commercial buildings, providing detailed guidance on personnel management, facilities and equipment management, environmental management, access management, customer management, information dissemination, risk management and other aspects. The introduction of the Guidelines led to the standardisation and refinement of the prevention and control of respiratory infections in commercial buildings in the city, promoted the orderly resumption of business of enterprises in commercial buildings, and provided a “Guangzhou Model” for targeted policy implementation and scientific pandemic prevention.

SUSTAINABLE DEVELOPMENT MANAGEMENT



The Group is committed to integrating sustainable development into its operation and management, and establishing an efficient, multi-tiered ESG risk management and internal control system. Based on its sustainable development strategy and material issues, the Group has identified its target of “six responsibilities” in accordance to the United Nations Sustainable Development Goals (SDGs). The Group listens to the voices of its stakeholders, responds to their demands and expectations, and constantly enhances its capability in sustainable development.

Material issues, guidelines and indicators addressed in this chapter

Material Issues

SDGs

Sustainable
development
management



03 / Sustainable Development Management

3.1 ESG Governance Structure

The Group set up the ESG Committee in March 2022, as well as the ESG leadership group and working group thereunder, established an effective multi-level ESG risk management and internal control system, and clearly defined the responsibilities and authorities of each management level with business development and supervision requirements taken into account. In the future, the Board will be more deeply involved in ESG works to strengthen the management of ESG risks in addition to the current responsibilities.

ESG Working Level	Staffing	Main Responsibilities
Governance level 	ESG Committee comprising one non-executive Director, one executive Director and three independent non-executive Directors	<ol style="list-style-type: none"> To review, formulate and approve the Group's vision, goals, strategies and management policies regarding ESG issues To review and evaluate the adequacy and effectiveness of the management framework for ESG matters at the Group level To identify and assess the ESG related risks and opportunities that have an impact on the Group's operation To regularly review the Group's ESG objectives and their achievement To review ESG reports
Supervision and coordination level 	ESG leadership group led by the Chief Executive Officer and main business leaders	<ol style="list-style-type: none"> To establish and improve the ESG working mechanism with a clear division of labour, responsibilities, communications and working scheme To coordinate the Group's ESG works and ensure its implementation To monitor the latest ESG development and update ESG issues and indicator database To monitor and review ESG related work performance To report and make suggestions to the governance level and improving the Group's ESG performance
Execution level 	ESG working group comprising staff specially assigned by functional departments of the headquarters and regional companies	<ol style="list-style-type: none"> To carry out daily ESG operation management and report indicators on a routine basis To manage ESG performance and receive guidance and evaluation on ESG works To compile ESG report and verify information and data To organize ESG research, training, communication and promotion To make suggestions on daily management

03 / Sustainable Development Management

3.2 Sustainable Development Goals

The sustainable development of enterprises is closely related to the environment, society and global climate change. In order to solve the problems in economic, social and environmental development, the United Nations has clearly set out 17 Sustainable Development Goals and called on all countries to take actions to realise poverty eradication and equality, and respond to climate change among other goals by 2030, protect the planet while promoting economic prosperity, and embrace sustainable development.

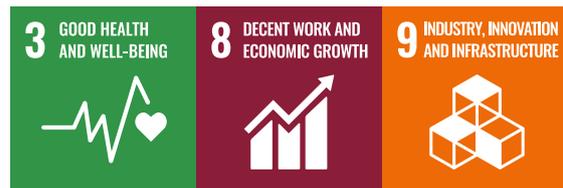
The Group stands firm on its core mission of “Where Good Service Starts (用心•成就美好生活)”. While promoting business development, the Group also advocates and attaches great importance to its service responsibility, employee responsibility, supply chain responsibility, environmental responsibility and social responsibility. According to the Group’s sustainable development strategy and material issues, the Group has identified its target of “six responsibilities” in accordance with the SDGs, with an aim to effectively promote sustainable development strategy of the Group through risk identification and goal matching, respond to potential risks in related responsibilities in a timely manner, and enhance sustainable development competitiveness.

The Group’s “six responsibilities”

Corresponding SDGs

Economic responsibility

Create sustainable economic benefits through improved quality of operation-driven development, gradually build up nationwide presence beyond the Greater Bay Area, enhance the Group’s competitiveness to promote economic development and stimulate employment growth.



Service responsibility

Strictly stick to the mission of “Where Good Service Starts (用心•成就美好生活)” with a commitment to high-quality services, provide sustainable services in cities and communities through delivering good, safe, and green services.



Employee responsibility

Provide a better working environment for employees through offering fair working opportunities, improving and refining human resources management, listening to employees’ voices, enriching their lives, ensuring occupational health and safety and organising work-related trainings.



The Group’s “six responsibilities”

Supply chain responsibility

Optimise supplier selection, evaluation and assessment, promote transparent, green and responsible procurement under whole-process supply chain management, and advocate close and sustainable partnerships with suppliers.

Environmental responsibility

Undertake environmental protection responsibilities and pledge to provide environmentally friendly services through energy conservation and emission reduction, green and low-carbon operations

Social responsibility

Actively respond to the national strategy, undertake corporate social responsibility in poverty eradication and the development of culture, sports and education, striving to become a trustworthy “corporate citizen”

Corresponding SDGs



03 / Sustainable Development Management

3.3 Stakeholder Communication

Close communication with stakeholders is an important way for the Group to achieve sustainable development. The Group maintains active communication with its stakeholders in order to fully understand their thoughts. The Group constantly improves the stakeholder communication mechanism, continuously discloses corporate information through its official website, social media, and other channels. The Group learns about and responds to stakeholders' expectations and demands in a timely manner through owner satisfaction surveys, employee satisfaction surveys, supplier meetings and other activities, and on that basis, continuously optimises the Group's sustainable development strategy and planning.

Stakeholders	Demands and expectations	Main communication methods
Property owners 	Geographic locations Surrounding facilities Internal environment of residential properties Residential property management quality	Regular visits Satisfaction survey Complaint hotline Property management personnel around the clock
Tenants 	Geographic locations of office buildings/malls Internal environment of office buildings/malls Property management quality Safety facilities Level of rent	Complaint mailbox Routine inspection Complaint hotline Satisfaction survey
Customers 	Product and service quality Protection of customers' rights and interests	Customer satisfaction survey Customer complaint mechanism
Employees 	Remuneration Career development Benefits Promotion policy Training system Communication channels	Direct communication Employee mailbox/hotline Training programmes feedbacks
Government or regulators 	Abiding by local laws and regulations Paying taxes according to law Boosting local economic growth Boosting local employment	Regular visits Policy communication

03 / Sustainable Development Management

Stakeholders		Demands and expectations	Main communication methods
Suppliers/partners		Procurement policy Supplier management system Fair transactions Timely payment	Supplier review Regular visits
Investors		Share price and dividend Financial performance Business prospect Future development plan	Information disclosure Investor conferences and roadshows Investor hotline/mailbox
Industry associations/ chambers of commerce		Compliance with industry practice Promoting industry development Driving industry innovation	External exchange and cooperation Attending industry workshops Participation in formulation of industry standards
Social groups		Supporting public welfare Proper use of resources Protecting the ecological environment	Communicating with social groups Jointly hosting activities
Media		Information on business and services Financial performance Future development direction Corporate social responsibility	Press conferences Media interviews Regular communications

03 / Sustainable Development Management

3.4 Identification and Analysis of the Materiality of ESG Issues

Based on the ESG Reporting Guide, the Group has identified and selected the Group's material ESG issues for 2021, taking into account the Group's business model, industry development, and national policies. In order to enhance the relevance and substance of this Report, the Group conducted an extensive stakeholder questionnaire survey. Based on the responses from various stakeholders, the Group conducted an analysis of the material ESG issues. Through this process, the Group has identified material ESG issues, and will improve ESG management accordingly, so as to better address the expectations and demands of its stakeholders.



Step 1 ESG issue identification

Based on its own business model, as well as national policies, capital market rating requirements, and the ESG disclosure trend of the industry, the Group has identified 22 ESG issues in the three major areas in society, environment and governance, such as customer health and safety, service quality, anti-corruption, and green property management.



Step 2 Stakeholder survey

The Board participated in the evaluation of material ESG issues for 2021. In total, the Group collected 1,189 questionnaires from its stakeholders such as investors, suppliers, government and regulators, customers, and employees, to fully understand internal and external stakeholders' evaluation of the materiality of the Group' ESG issues for 2021.



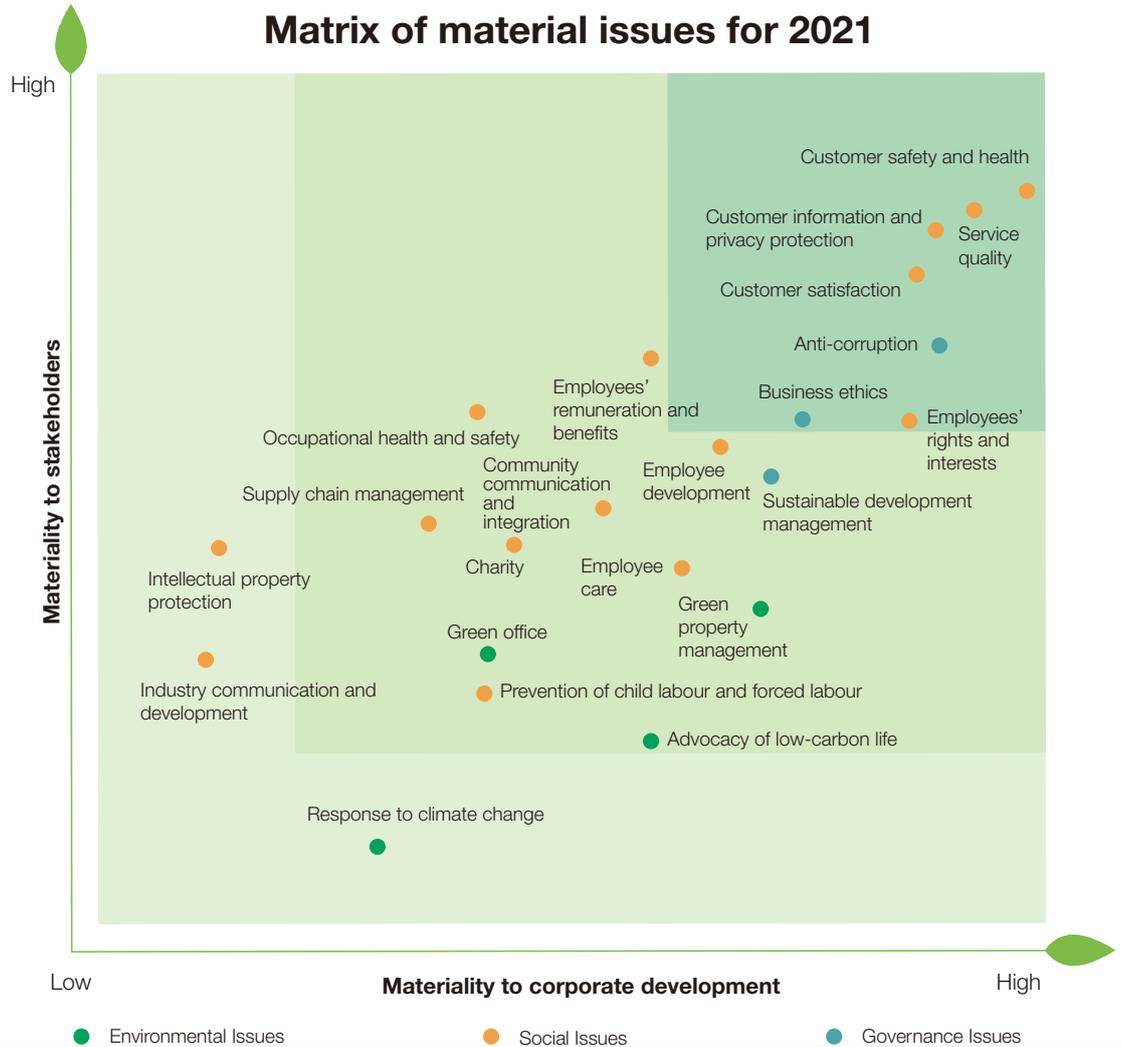
Step 3 Materiality analysis

On the principle of materiality, and based on the questionnaire results, the Group ranked ESG issues by "Materiality to corporate development" and "Materiality to stakeholders", thus drawing up the matrix of material issues.

The Group also conducted more than 20 in-depth interviews with management and employees to understand their views and demands as well as current management and practice, which helped it further determine the importance of the issues for the Group's development.

Step 4 Management confirmation

The Board and the management of the Group reviewed the materiality analysis results and confirmed the material ESG issues and issue matrix for 2021.



03 / Sustainable Development Management

Matrix of material ESG issues for 2021

Importance	Ranking	Category	Issue
Highly important issues	1	Social	Customer safety and health
	2	Social	Service quality
	3	Social	Customer information and privacy protection
	4	Social	Customer satisfaction
	5	Governance	Anti-corruption
	6	Social	Employees' rights and interests
	7	Governance	Business ethics
Moderately important issues	8	Governance	Sustainable development management
	9	Social	Employee development
	10	Social	Employees' remuneration and benefits
	11	Environmental	Green property management
	12	Social	Employee care
	13	Social	Community communication and integration
	14	Social	Occupational health and safety
	15	Social	Charity
	16	Social	Supply chain management
	17	Environmental	Advocacy of low-carbon life
	18	Environmental	Green office
	19	Social	Prevention of child labour and forced labour
Generally important issues	20	Social	Intellectual property protection
	21	Environmental	Response to climate change
	22	Social	Industry communication and development

RESPONSIBILITY – “YUE+” SOLID DEVELOPMENT



The Group upholds a sustainable philosophy of comprehensive and balanced development. The Group has been continuously refining its development through improved and standardised internal governance and risk control, and advocating business integrity and compliant operation in good faith, with an aim to improve the overall governance level of the Group, and lay a solid foundation for the sustainable development. The Audit and Legal department promotes the legal and compliant operation of the Group by implementing internal audit supervision and promoting the construction of an internal control system.

Material issues, guidelines and indicators addressed in this chapter

Material Issues	SDGs	HKEX ESG Indicators
Anti-corruption Business ethics Intellectual property protection	 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	B6.3 B7 B7.2 B7.3

04 /

Responsibility – “Yue+” Solid Development

4.1 Integrity and Compliance

The Group has always stressed the importance of compliance for maintaining the daily operations and strictly abides by the internal and external legal regulations and rules. It continuously strengthens the compliance management system in four aspects: regulating corporate governance, improving compliance system, arranging compliance training, and disclosing compliance information to ensure integrity and compliance.



Regulating corporate governance

The Group attaches great importance to governance standards, strictly abides by the Listing Rules, the Articles of Association and other applicable laws and regulations, and continuously improves and standardises the governance system. The Group has established a robust corporate governance structure composed of the Board, audit committee, remuneration committee, nomination committee, investment committee and ESG committee. Each committee performs its own duties and operates effectively in strict accordance with the Listing Rules, the Articles of Association and the relevant terms of reference, to promote corporate governance of the Group.



Improving compliance system

The Group has formulated and implemented a series of compliance management systems, and constantly updates and supplements them according to the changes in laws and regulations, stricter management requirements, and business development. In 2021, the Group issued the Industrial Policies and Regulations Updates to provide legal support and assistance for the functional departments and its members to operate in compliance with the relevant laws and regulations.

 **Arranging compliance training**

- ✓ The Group actively carried out the “Green Seedling Action” series of offline legal training nationwide, and provided all-around legal support through analysing the application of the Civil Code in property management, clarifying the concepts of service liability and tort liability in property management.



Training on Guangzhou Property Management Regulations to Support Front-line Operation



In March 2021, Guangzhou Branch of the Group carried out a training session in the special series of “Four Studies and One Action” to understand Guangzhou Property Management Regulations. The training focused on four key topics: improving the property owners’ organisational system, standardising the early-stage property management, strengthening the supervision of property management practice, and improving the use and maintenance of property, thus providing adequate legal support and guidance for the property management operation. A total of 57 key managers at or above the middle level participated in the on-site training, and the remaining 174 managers attended the training online via “Yue Work live”.



Residential property sector training on Civil Code	9 sessions
Residential property sector training on legal topics	10 sessions

 **Disclosing compliance information**

The Group actively fulfills its obligation of information disclosure with the principle of accuracy, compliance and timeliness to all shareholders, investors and the public, to provide them with a clear picture of the Group’s financials, operations, personnel, ESG governance and other major issues. Moreover, the Group adheres to the highest levels of integrity and responsibility and values investor relations. The Group has established various communication channels with investors and the public and continues to strengthen investor relations.

04 / Responsibility – “Yue+” Solid Development

4.2 Risk Management and Internal Control

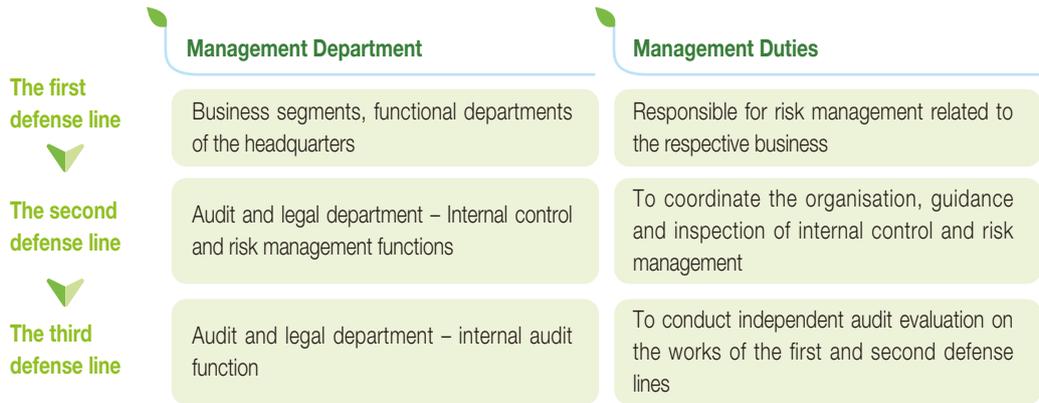
The Group lays great emphasis on risk management and internal control. By building a comprehensive risk management system, the Group has strengthened and improved the risk control process, and is able to identify, measure, analyse and evaluate all kinds of risks that may occur within the enterprise, and takes timely and effective control measures.

Risk management

The Group has formulated and implemented various management measures, including the Risk Management Measures, to enhance risk management of the Group. In addition, the Group collects risk related information of its members, records the progress in the year on a quarterly basis, and supervises the risk management process, in order to prevent and control risks effectively and regularly.

✓ Risk management system

The risk management organisational structure of the Group mainly consists of the Board, the audit committee, the senior management, management of functional departments at headquarters, management of other members of the Group, and the audit and legal department, which form three defense lines of risk management.



✓ Risk management process

Control stage	Control measures
I. Risk identification	(1) Members of the Group continuously collect internal and external information related to risks in daily operations, including historical data, future forecast and risk loss cases of peers at home and abroad, focusing on monitoring risks that affect the achievement of the Group’s objectives and risk management process on a dynamic basis. (2) Members of the Group collect risk information according to business types, identify risks related to them, and submit such information to the audit and legal department as required. (3) The audit and legal department analyses, screens, and combines the risk information submitted by members of the Group.

Control stage	Control measures
II. Risk analysis	<ol style="list-style-type: none"> (1) The audit and legal department shall select qualitative and quantitative assessment methods according to the characteristics of risk types and the actual needs for risk management during risk evaluation. (2) When evaluating a number of specific risks, the audit and legal department sets priorities to focus its attention and management efforts in order of likelihood and the extent of impact on business development goals. (3) The audit and legal department shall adopt an integrated risk management strategy through analysing the relationship between different risks to take into account the combined effect of the risks on the operation and business goals. (4) The audit and legal department shall appoint external consultancy agencies with qualification, good reputation and strong professionalism when necessary.
III. Risk response	<ol style="list-style-type: none"> (1) Members of the Group put forward risk management proposals while other functional departments of the headquarters provide professional advice, and the audit and legal department evaluates the adequacy and appropriateness of the proposals. (2) The audit and legal department formulates specific risk management solutions. (3) Members of the Group carry out risk management solutions and assign risk control responsibilities to specific departments for further handling. (4) The Group has established a risk alert system by setting up major risk alert indicators, and raising alerts in time. (5) The audit and legal department has formulated emergency plans for major risks and emergencies and established procedures with clear division of labour and responsibilities with regular trainings to ensure major risks and emergencies are handled in a timely and proper manner.
IV. Risk evaluation	<ol style="list-style-type: none"> (1) The audit and legal department shall evaluate risk management works and results independently and give directions for further improvement. (2) The audit and legal department shall keep the responsible personnel informed of the assessment criteria and risk management objectives.

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Responsibility – “Yue+” Solid Development



Internal control

The Group has optimised the efficiency of its internal control system by various measures, including improving its settings, strengthening internal control compliance review, and implementing special internal control audit.

In 2021, in order to standardise internal operation management and prevent operational risks, the Group sorted out the core business process and the corresponding management and control system with reference to the Basic Norms for Internal Control of Enterprises and related guidelines.

In 2021, based on the current system, the Group established an annual compliance review mechanism, by which the Group reviewed the system settings and operation of its members. This review was carried out through sampling and on-site review. By such review, the Group inspected the overall situation of internal control of its members, pinpointed the risks discovered during operation, and organised rectification. The specific rectification tasks were implemented by frontline staff, and the rectification measures were taken at the design level and execution level.

4.3 Anti-Corruption

In 2021, the Group continued to strengthen integrity through strengthened ideological guidance, improved management system, and implementation of “transparent decision-making, operation, management, and service”. The Group further strengthened the efficiency of supervision through improving quality of daily works and bringing supervision forward with a problem-based approach, in strict compliance with the Company Law of the People’s Republic of China, Anti-Money Laundering Law of the People’s Republic of China, Anti-Unfair Competition Law of the People’s Republic of China, Interim Provisions on The Prohibition of Commercial Bribery and other relevant laws and regulations; and in accordance with relevant internal policies such as the Measures for the Administration of Discipline Inspection Work of Affiliated Enterprises of Yuexiu Group (Trial) and Measures for Internal Supervision of the Discipline Inspection System of Yuexiu Group (Trial). The Group had zero tolerance to corruption, resolutely combated corruption, bribery, extortion, fraud and money laundering in all forms; and promoted integrity, honesty, trust and ethics among its staff to raise their awareness. The Group continued to improve the quality of integrity rules and regulations, internal accountability system and reporting channels, strengthened integrity education and training to promote its ingrained anti-corruption conviction, with the aim of continuing to create a clean environment and corporate culture of clean governance.

The Group has adopted ISO 37001:2016 Anti-bribery management system protocol to prevent, detect and respond to bribery and comply with anti-corruption laws and voluntary commitments applicable to its activities.



Clean governance structure

The Group adheres to business ethics. The Board is committed to maintaining and establishing a comprehensive anti-corruption management structure to ensure the Group’s clean and efficient operation. As the executive department, the Office of the Commission for Discipline Inspection is responsible for managing anti-corruption matters, coordinating various functional departments and its members to manage anti-corruption related matters, and applying the integrity philosophy to business as usual activities.

In order to increase management’s participation in anti-corruption supervision and to improve management of anti-corruption matters, the anti-corruption task force held quarterly and special meetings regarding rectification to issues reported in special audits, the inspection of key business lines and follow-up solutions, and investigation results regarding various types of complaints and tip-offs.



Clean governance system

The Group strictly implements the Several Regulations on Integrity of State-owned Enterprises Leaders and other related regulations. The Group has set up a comprehensive supervision matrix of risk prevention and control mechanism that reflects the characteristics of property management, horizontally integrating three tiers of “business lines + functional departments + the audit and legal department”, and vertically integrating three tiers of “projects + regions + headquarters”.



Clean governance practice

- ✓ To reinforce integrity mindset: The Group held four supervision meetings, made in-depth analysis of negative typical cases, providing guidance regarding relevant matters, including understanding of relevant rules, and otherwise worked to maintain high standard of integrity. Four supervision training sessions were organised, covering supervisors of different levels within the Group. The Group reviewed problems on a dynamic approach and reported solving progress in a timely manner, so as to further reinforce its supervision responsibilities.
- ✓ To bring accountability to clean governance: Key management and heads of all functional departments and its members signed the 2021 Responsibility Statement on Clean Governance Target, to carry out integrity governance development in the implementation of all decision-makings of the Group through rigorous inspection and assessment. So far, the Group has received a total of 447 copies of the 2021 Responsibility Statement on Clean Governance Construction Target.
- ✓ To improve the supervision and governance system: In accordance with the 2021 work plan, the Group actively established and improved internal supervision and governance system, and prompted relevant business departments to improve their rules and regulations. So far, the Group has completed and issued six internal policies, including the List of “Checklist on Three Major and One Big” Decisions of Guangzhou Yuexiu Property Development Co., Ltd. and the Regulations on the Use of Three Public Expenses of Guangzhou Yuexiu Property Development Co., Ltd. (Trial), to continuously promote the effective integration of corporate governance and supervision systems.

04 / Responsibility – “Yue+” Solid Development

📍 Whistleblower protection

The Group has formulated the provisions on the scope of application, management department, investigation process, accountability and other contents in strict accordance with relevant working systems on whistleblower protection.

- ✓ Reporting channels: advocate “Cracking down on Corruption with Transparency” and encourage internal staff and third parties to report bribery through various reporting channels (e.g. telephone, email, letter, and official account).
- ✓ Information protection: standardise the procedures for handling reports, keep information about whistleblowers confidential, and designate staff to manage the information. Retaliation against whistleblowers is prohibited to effectively protect their interests.
- ✓ Reports handling procedures:



📍 To focus on integrity education

The Group has been promoting discipline education and integrity education. The Group urged new employees to sign the Integrity Undertaking, arranged centralised integrity training, and instilled integrity as a core value of the Group through action-based education. In 2021, the Group carried out comprehensive integrity education on a regular basis, including by:

- ✓ Holding supervision meetings on a quarterly basis to supervise the implementation of all-round internal integrity development;
- ✓ Arranging integrity training for newly-appointed management before they take up their positions;
- ✓ Compiling and issuing the Integrity Practice Regulations to promote integrity amongst employees;
- ✓ Nurturing a corruption-free atmosphere through integrity education with the theme of “address root causes by case study”, to pass on the anti-corruption spirit to every employee; and
- ✓ Raising awareness through launching an innovative series of comics featuring integrity tailored to employees.

In 2021, the Group held 11 anti-corruption training sessions (totalling 16 hours) for internal directors with topics on relevant laws, honesty and compliance, management conduct, clean culture, anti-corruption, and warning cases with the aim of detecting problems in advance.



The First Integrity Education Tour Themed “Addressing Root Causes by Case Study”



In July 2021, the Group organised the first integrity education tour, where it educated employees to manage integrity risks through identifying relevant risks embedded in their position and rigorously fulfilling their obligations with integrity. More than 100 people participated through the “online + offline” mode.



4.4 Intellectual Property Protection

The Group strictly complies with the Trademark Law of the People’s Republic of China, the Patent Law of the People’s Republic of China, the Copyright Law of the People’s Republic of China, the Civil Code of the People’s Republic of China and other relevant laws and regulations, and attaches great importance to intellectual property protection.



To protect its own intellectual property: The Group has standardised its procedures for intellectual property protection, and protects its intellectual property according to the principles of centralised management and standardised use. As of 31 December 2021, the Group held 10 trademarks, 49 patents for software, 17 utility model patents and 6 patents for high-tech products.



To respect the intellectual property of others: The Group fully respects the intellectual property rights of its partners, and strictly uses the intellectual property rights of its partners within the scope of authorisation. In 2021, the Group inspected the legitimacy of all software it used as necessary. The heads of all departments have signed the Letter of Commitment for Using Legitimate Software and compiled the Confirmation Form for Transferring Licenses of Legitimate Software.

QUALITY – “YUE+” BETTER SERVICES



Upholding the mission of “Where Good Service Starts (用心•成就美好生活)”, the Group has been focusing its business in “residential + commercial + mass transportation + urban services” sectors, striving to become an all-round city operation service provider. The Group is committed to delivering “Yue+” quality services to customers under an integrated service. The Group listens to the voices of customers, emphasizes customer satisfaction, and constantly improves the quality of services. While the Group is committed to ensuring customer health and safety, it also stresses the importance of protecting customer information and privacy.

Material issues, guidelines and indicators addressed in this chapter

Material Issues

Service quality
Customer satisfaction
Customer safety and health
Customer information and privacy protection

SDGs



HKEX ESG Indicators

B2.3
B6
B6.2
B6.4
B6.5

5.1 Services Standardisation

5.1.1 Standardized management of service system

With a customer-oriented philosophy, the Group has been rigorously pushing forward the implementation of standardised service system through standardised management. As of 31 December 2021, the Group developed 68 service standards, including the Guidelines for Sales Office Operation Management, Operation Instructions for Engineering Management, Operation Instructions for Daily Environmental Practices, Operation Instructions for Customer Filing Management, Working Regulations for Fire Safety Management, Operation Instructions for Project Decoration Management, and Visualised Handbook on Regular Elevator Inspection. By developing a series of standardised service standards, the Group has implemented systematic service requirements to ensure that it provides customers with quality services.

In 2021, the Group won a number of quality management system certifications through all-round quality improvement and high-standard management operations, while continuously improving customer service quality.



Guangzhou Yuexiu Property Development Co., Ltd. ISO 9001 quality management system certification



Guangzhou Yuexiu Yicheng Business Operation Management Co., Ltd. ISO 9001 quality management system certification



Guangzhou Metro Environmental Engineering Co., Ltd. ISO 9001 quality management system certification

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Quality – “Yue+” Better Services

5.1.2 Standardised management of different property types

The Group has developed and updated a range of standardised management standards tailored to different property types, and followed such standardised guidelines to further enhance its service quality.

Residential property management

For residential property management services, the Group has formulated 71 documents on property management standard regulations and summarised more than 6,000 service standards focused on property management fundamentals. In 2021, the Group continued to improve its service standards, and updated the Guideline on Residential Property Service Standards of Yuexiu Services, with revisions to the operating standards of the four business lines of customer service, security and order, engineering and environment in addition to the fundamental system, thus further refining service standards.





Training Camp for Key Posts



In April 2021, to further improve and standardise residential property management services, the Group launched a five-day intensive training camp for line managers of the property management system. The training provided 18 courses in on-site quality control, satisfaction promotion strategy, customer service touch points, project operation and peer analysis. Participants received an average of 48 training hours per person. The training aimed to encourage managers to thoroughly analyse management problems and work out solutions.



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Quality – “Yue+” Better Services



Commercial property management services

The Group possesses more than 20 years of experience in commercial property management and operation, focusing on high-end office property management services in China. The Group understands the diverse demands of its commercial customers, and has developed a number of high-standard and characteristic services tailored to different commercial service scenarios, on par with international market practices and standards.

As a pioneer in high-end office property management in China, the Group provides specialised commercial operation services. The Group provides a full range of commercial operation services, including commercial operation and management services, market positioning consultancy and tenant sourcing services. Based on specialised, systematic and personalised service standards, the Group has built up six value systems of “Yue Intelligence”, “Yue Healthcare”, “Yue Care”, “Yue Convenience”, “Yue Sharing” and “Yue Community”, as part of the “Yue business” ecosystem that features intelligence, healthcare, sharing, convenience and pleasure.

The Group has formulated and implemented the Commercial Service Standards for Office Buildings and developed 65 service standard guidelines, including 9 standards of staff image, 31 standards on service scenarios and 25 standards of customer service practice standards, covering the whole range of commercial property management services.



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Quality – “Yue+” Better Services

✓ “Yue Business” service value system of Guangzhou International Finance Centre

“Yue Convenience” Continued to arrange training regarding receiving and serving people with special needs, and provides accessibility features such as braille on elevator buttons, barrier-free parking spaces and barrier-free access.



“Yue Care” Protected customers (especially female customers) who departed work late at night by various measures, including recording the license plate number of online ride-hailing vehicles, to ensure their safe commute at night.



“Yue Sharing” Installed a shared soundproof office cabin on each floor (accessible for all staff) to provide a quiet and efficient office environment without noise disturbance.



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Quality – “Yue+” Better Services

“Yue Intelligence”

Upgraded its hardware facilities and related services. Intelligent transformation was carried out in the drop-off area, including installation of car locating system, garbage sorting area, elevators and other equipment and services.



“Yue Healthcare”

Provided a healthy and safe environment through regular disinfection and distribution of medical materials under regular pandemic prevention management standards.



“Yue Community”

Held “Youth Science Summer Camp” to spread science, technology, engineering and mathematics knowledge in terms of high-rise design, air conditioning, indoor air monitoring system and fire safety, with an aim to enrich participants’ extracurricular life through showing the operation of this Guangzhou landmark.





TOD integrated property management services

Oriented by public transportation, TOD is an urban planning and design model that integrates work, business, culture, education and residence to maximise the use of public transportation in residential or commercial areas. The Group provides comprehensive TOD property management operation with metro environmental engineering maintenance and metro property management and operation capabilities. It has issued and implemented 16 guidelines on standardised operations, such as 100 Service Details for Guangzhou Metro Property Management and Operation Instructions for Key Positions of Metro Property Management, providing standardised management of metro environmental engineering maintenance and property management operation.



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Quality – “Yue+” Better Services



Building a Benchmark Project in TOD Property Management

The Group actively built benchmark projects in places such as Chen Clan Academy Station of Guangzhou Metro, Xunfenggang carpark and Zhenlong depot. In addition to ensuring on-site service quality, the Group visualised the operations and standardised the management of working units, based on which it selected the benchmarks through on-site review of relevant standards, so as to further improve the service quality.





Special Customer Service Training of “Enhancing Service Awareness and Service Quality” For TOD Business



In 2021, the Group carried out a special customer service training for TOD business based on the Property Service Guidelines. The project managers of property management and customer service summarised the core “4” goals of property management service, the “6” stages of the whole life-cycle of property management service and the “5” tools for improving property management service through data analysis of the property management industry with data and examples. This training was set to strengthen the stewards’ customer-centred concept by problem identification and scenario analysis. During the training, the trainees deliberated thoroughly, expressed their opinions proactively, exchanged views enthusiastically and mastered handling essentials of property management services. Through such training, front-line staff will be able to provide better services to our customers.



5.2 Services Quality Improvement

The Group strives to provide “Yuexiu Good Service” through a series of measures including strengthened quality supervision, special programmes on quality improvement, green community environment, standardised setting of equipment room, 24/7 intelligent community security, various community activities, and customer service upgrade. The Group continues to improve service quality through benchmark appraisal projects. In 2021, the Group carried out benchmark project appraisals in regional companies nationwide. A total of nine projects and five sales office were selected as benchmarks.



Quality supervision

The Group attaches great importance to the quality of property management services, and has formulated the QPI Standards and other regulations. In the residential property management sector, a “three-level supervision model” was introduced to ensure service quality. In 2021, the Group carried out first-level quality inspections nationwide from May to July and from October to December. Such inspections covered the full life-cycle of property management, including pre-delivery sales office and post-delivery projects, and was conducted by four business lines of customer services, engineering, security and order and environment. In addition, the Group designated quality supervision responsibilities to regional companies and project leaders, which conducted quarterly second-level and weekly third-level supervision to ensure timely and effective supervision and rectification.

In 2021, the first-level quality supervision was organised in ten regional companies, covering 81 key projects, and addressed 2,546 quality-related issues.



“Three-level supervision” model for quality management of residential property



Quality improvement

From September to November 2021, the Group launched a three-month “Enhanced Service” campaign to improve service quality, covering ten major regions nationwide, with the aim of providing “thoughtful customer service, complete security, continuous maintenance, comfortable environment and pleasant sales offices”. This campaign led to an increase of overall residential customer satisfaction score to 88.2 for the whole year, due to improvements in 62 touch points, such as environmental improvements, engineering improvements, fire drills and equipment site visit, and 1,500 service standards.

Targets	Measures	Results
Comfortable environment	Overall upgrade and renewal of greenery, sanitation, leisure facilities, etc.	<p>About 1,600 environmental rectification</p> <p>Pruning of nearly 6,000 trees</p> <p>Replanting of approximately 20,000 m² lawn</p> <p>Replanting of nearly 10,000 m² ground cover and approximately 9,000 bushes</p>
Reliable engineering and maintenance	Standardised management of equipment room, and renewal of wall, ground and pipe marks	<p>About 2,000 engineering rectification</p> <p>Upgrading and renewal of approximately 4,000 public facilities</p> <p>Standardising approximately 100 equipment rooms</p> <p>About 5,000 surveillance cameras installed</p>



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Quality – “Yue+” Better Services

Targets	Measures	Results	
Assured security and order	Enhanced security and strengthened community safety management	<p>Approximately 200 emergency drills</p> <p>Nearly 100 fire drills</p> <p>Handling approximately 20,000 cases of illegal parking</p>	
Attentive customer service	Improved customer service quality, and open customer communication channels	<p>Approximately 90,000 households visits</p> <p>Approximately 100 manager reception days</p> <p>Nearly 700 equipment room visits open days</p>	
Pleasant sales offices	Refined service touch points to provide high-quality reception on site	Meticulous care	

5.3 Smart Property Management

Driven by the development of digitalisation and intelligent technology, the Group has been dedicated to providing high-quality and intelligent life services to property owners by applying smart technologies in community management. The improvement in intelligent community management was empowered by the use of Internet of Things (“IoT”), artificial intelligence (“AI”), data centre, EBA system and other innovative technologies.



Smart service: The Group has developed a customer service platform, Enjoy Club (“悦秀会”), to provide customers with one-stop living solutions integrating member services, member mall, member activities, property owner services, companywide marketing and other functions via online scenario-based management and services. This platform provides timely service to customers through multiple channels, and touch points, thereby improving customer satisfaction.

Smart operation: Through the smart property management platform jointly developed with Kingdee Home Cloud, the Group provided the front-line property management staff with seven functional modules, including project management, customer management, contract management and fee collection management. Such platform provided the Group with more direct access to various business information and with increased business automation. In addition, such platform is deeply integrated with the customer platform Enjoy Club (“悦秀会”), through which owners can utilise a series of property management functions such as online payment and invoicing. Moreover, the establishment of a centralised fee collection platform has helped solve the problem of data management and comprehensively improved the accuracy of data through such key functions as master data management, customer information sharing and payment channel connection.



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Smart access: By leveraging IoT, AI and other technologies, the Group has added intelligent access such as face recognition, QR code scanning, IC card and ID card swiping at the entrances and exits of residential properties and office buildings. In particular, the accuracy rate of face recognition system reached 95%. In addition, the Group set up various advanced functions to ensure access safety and efficiency, such as one click to invite visitors and remote access granting.



Smart equipment: The Group promoted intelligent management by introducing more intelligent technology and machines to ease manual works, such as electric road sweepers, police balance cars and other advanced equipment. In doing so, the Group improved the quality of on-site services through standardised and procedure-based operations.



Smart security:

- ✓ The Group implemented an integrated intelligent property management system to promptly detect security problems and anomalies, including vehicle lane occupation, perimeter intrusion, electric vehicles in the elevator, people being trapped in the elevator and abnormal movement of visitors at night. In case of any warning, voice alerts and video pop-ups will be enabled by the central control room through the online warning centre to immediately notify related staff for response.
- ✓ The Group has been effectively preventing “Dropping objects from height” through installing 154 monitoring cameras in the managed properties nationwide, which could track the trajectory of objects as small as cigarette butts based on AI algorithms and alert related staff at the monitoring centre.
- ✓ The Group has been adopting smart and targeted security solutions to reduce the frequency of offline patrols while increasing that of online detection, improving security in the residential properties.

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Smart parking: A cardless parking payment system was installed to record parking time and fees through license plate recognition. A reverse car searching terminal with touch screen was set up to enable remote car locating, to improve the convenience of car parking and locating vehicles.



Smart business: An intelligent business steward system was built up to improve efficiency in the office buildings, making available a series of services on mobile phone, including visitor invitation, property management bulletin, malfunction report, parking fee payment, online mall, shared space, business travel service, sorting centre, and electronic invoicing. The Group integrates resources within the office building, so as to provide shared resources on top of tailored-services in an effort to “share and create together for win-win cooperation” with its business customers.

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Launch of Smart Community Control Platform

The Group has realised a new management system, combining virtual reality, real-time monitoring and data panel with work flow instructions by launching a smart community management and control platform. Such platform integrated one IoT platform, five major business systems (106 quantitative indicators) and 80 surveillance cameras.

- 
Visualised property operation data: Comprehensive overview of property operations through comparative figures of income from main business, diverse property operation types, management costs, per capita efficiency, and payment collection rate.
- 
Smart inspection upgrade: With the biometric authentication of the AI cameras and the intelligent tracking technology, the Group kept track of the patrol routes and enabled intelligent patrol, flexible planning, route arrangement and electronic filing.
- 
Smart access management: The Group monitored high-risk people through real-time recording of community traffic and information integration with public security platform. Smart parking fee collection was made available with the introduction of a vehicle access management system with “license plate recognition with video feeds” technology.
- 
Smart community management: The installation of 80 cameras in Guangzhou enabled AI visual supervision based on intelligent AI learning algorithm.
- 
24/7 equipment monitoring: The proprietary EBA system detected equipment faults in a timely manner.

With its industry-leading practice of the application of information technology, the Group won the “Tianma Cup” China Property Management Project Award in Information Technology in 2021.



5.4 Customer Satisfaction

With a “customer-oriented” principle, the Group respects the legitimate rights and interests of its customers and gives priority to customer satisfaction, strictly abiding by the Law of the People’s Republic of China on the Protection of Customer Rights and Interests. The Group has formulated the Operation Guide on Project Satisfaction Management, Operation Guide on Customer Visit, National 400 Integrated Command Centre Management Standards and other system documents, with an aim to raise its staff’s service awareness, and enhance the quality of customer service through refining standardised guidance. The Group values customers’ feedback and promptly rectifies problems found in the service process. The Group proactively broadens customer communication channels and gives timely feedback to customers, in order to further improve customer satisfaction.

5.4.1 Timely response to customer complaints

The Group always regards customer feedback as top priority and provides a variety of open channels to collect such feedback. The Group has developed the National 400 Integrated Command Centre Management Standards, Customer Complaint Handling Guidelines, Unqualified Service Management Procedures, Corrective and Preventive Measures Procedures and other regulations and standard guidelines. The purposes of such standardised procedures were to categorise complaints, clarify the management measures at different levels and standardise the handling process including time requirements and follow-ups. The Group actively responds to and addresses customer complaints in a timely fashion, in an effort to provide customers with satisfactory solutions.



Complaint handling process



Complaint management mechanism

- ✓ Residential property management services: Customers can file requests and appeals through the community steward, service counter, 400 complaint hotline, Enjoy Club (“悦秀會”) platform and other online and offline channels. The 400 Command Centre centralises the supervision and management of owners’ requests. In accordance with the National 400 Integrated Command Centre Management Standards, the Group designated authority to different staff levels according to the nature of the cases, e.g. complaints, red flag cases and major cases. A monthly report on complaint handling was issued, supplemented with spot check and case review.
- ✓ Commercial property management services: Customers can give feedback through three avenues, customer service hotline, headquarters supervision hotline and official account on social media services. The Group handled customer complaints according to the Customer Complaint Handling Guidelines. After receiving the result from the responsible department, the Group evaluated the handling based on the filing details, case importance and the complexity. The Group also followed up with customer within three working days by means of phone call, WeChat and on-site communication where appropriate, to ensure feedback is received and case is appropriately managed.
- ✓ TOD property management services: The Group handled customer complaint according to the Unqualified Service Management Procedures, and Corrective and Preventive Measures Procedures. The Group put forward different solutions to address customers’ requests according to the specific situation and evaluated the results by the designated department.

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During 2021, the Group received a total of 10,025 complaints, which were resolved in an efficient and attentive manner as follows:

	Complaint handling rate (%)	Complaint closing rate (%)	Average response time (hour)
 Residential property	100%	99.77%	2.13
	Complaint handling rate (%)	Complaint closing rate (%)	Complaint handling satisfaction (%)
 Commercial property	100	100	100
 TOD property	100	92	95

5.4.2 Customer communication

The Group attaches great importance to proactive communication with customers. The Group responded to customers’ feedbacks and suggestions in a timely and effective fashion through door-to-door visits, satisfaction surveys, anonymous visitor surveys, customer reception activities and other measures, which in turn improved internal management. According to the survey data of a third-party research agency, the overall customer satisfaction score of residential property management services in 2021 was 88.2 points. This was 1.8 points higher than the industry benchmark and 10.2 points higher than the industry average. The average tenant satisfaction of commercial projects was 93%.

-  **Door-to-door visits:** The Group identified customer needs through door-to-door interviews and brought up targeted improvement measures according to Operation Guide on Customer Visit.
-  **Satisfaction management:** The Group has formulated the Operation Guide on Project Satisfaction Management, to provide guidance on its regular satisfaction surveys. Based on the survey results, it drew up an improvement plan and supervised the rectification to ensure cases are appropriately managed.



Satisfaction management process

In 2021, the Group conducted customer satisfaction surveys for residential property management services, commercial property management services and TOD property management services respectively.

Business segment Satisfaction surveys in 2021

Residential property management services



Two satisfaction surveys were carried out during the year by a third-party agency, covering four types of property owners at different stages of the property life-cycle: 180 days after delivery, 365 days after delivery, 2 years after delivery and over 2 years after delivery. A total of 161,426 questionnaires were distributed.

Commercial property management services



For commercial tenants, 70% of commercial tenants responded through online questionnaire while 30% through face-to-face interviews. Employees, visitors, customers and suppliers also participated via face-to-face interviews.

TOD property management services



The Production Safety Department conducted telephone or on-site customer satisfaction survey in relocation communities on a quarterly basis. The satisfaction survey in subway stations and depots was conducted by Guangzhou Metro based on monthly evaluation, supplemented with on-site spot check.



Customer reception activities: The Group organised manager reception day and required project managers to hold discussion sessions with property owners and arranged facility room visit to update owners regarding latest developments for facilities and equipment.



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5.5 Customer Health and Safety

The Group attaches great importance to work safety and strictly abides by laws and regulations, standards and norms, including as the Work Safety Law of the People’s Republic of China, Fire Control Law of the People’s Republic of China, Basic Norms for Standardisation of Enterprise Work Safety. The Group has formulated a variety of rules and regulations for work safety, including the Management System for Work Safety Responsibility, the Management System for Work Safety Education and Training, the Management System for Investigation and Management of Production Safety Hazards, and the Emergency Plan for Work Safety Accidents, with the aim to proactively creating a safe, healthy and hygienic living environment for customers and ensure work safety.

5.5.1 Work safety structure

The Group has established a work safety management mechanism in accordance with the laws, made clear the compositions and responsibilities for work safety at different levels, and specified that the chairman and general manager shall be the first person responsible for work safety with one-vote veto power.



Work safety management structure

Safety management level	Composition	Safety management responsibilities
Work Safety Committee	Composed of the management and the heads of functional departments	Formulate safety management systems and policies, hold regular safety meetings, review work safety reports of different levels, supervise work safety mechanism and manage its implementation.
Work safety office for different property types	Work safety office is set up for different property types	Supervise the safety works of different departments, identify, prioritise, manage and control safety risks, organise safety education and training, arrange emergency rescue drills, and submit safety work reports to the work safety committee.

5.5.2 Safety management mechanism

Inclusion in assessment indicators

In strict adherence to the national work safety policy of “safety first, focus on prevention and integrated control”, the Group implemented the “one-vote veto system” for safety management and resolutely implements and enforces laws and regulations on enterprise safety management and prevention. The Group incorporated work safety management into performance appraisal, and formulated the Performance Appraisal Plan in Work Safety to specify key performance indicators.

Establishment of management goals

The Group established work safety management goals, and designated responsibility in work safety through the execution of the work safety responsibility statement.

-  No direct work safety liability accidents.
-  No major environmental pollution accidents.
-  No major internal security accidents.
-  No major food safety liability accidents.

Improvement of handling work safety accidents

Regarding the work safety accidents that have occurred, the Group has formulated the Work Safety Accident Reporting, Investigation and Handling System and the Work Safety Accident Accountability System to specify the work safety accident grade classification, accident reporting and accident investigation processes, compile the Accident Investigation Report based on investigation results and hold relevant responsible personnel accountable, thus ensuring that duties are fully fulfilled and breach of duty is appropriately addressed.



Work safety accident handling process

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5.5.3 Safety management initiatives

In order to ensure that customers enjoy a safe and secure community and foster a superior and safe living environment, the Group regularly inspects its projects under management to identify safety risks, including potential fire hazards, risks associated with the external walls of high-rise building, potential risks in equipment room. The Group closely monitors safety at all times, and strengthens safety management through increasing awareness.



Investigation and rectification of safety hazards: In 2021, the Group took a range of measures to proactively identify and manage safety risks, such as intelligent networking of fire facilities, special campaign to manage electric bicycles, special inspection on the safety of gas systems, limited space control, and outdoor manhole cover rectification.



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Fire safety management: The Group strengthened fire safety management by checking fire-fighting equipment, refining the Fire Safety Management Regulations, Safety Manual, Tenant Manual, Construction Management Regulations, and other measures. Guangzhou International Finance Centre was accredited as “Advanced Unit” in fire safety.



The First Phase of Intelligent Networking of Fire Facilities



In July 2021, the Group integrated intelligent technology to upgrade fire facilities in projects nationwide, in order to improve the quality of fire safety management through centralised remote monitoring, which provided real-time data and early warning through EBA system.



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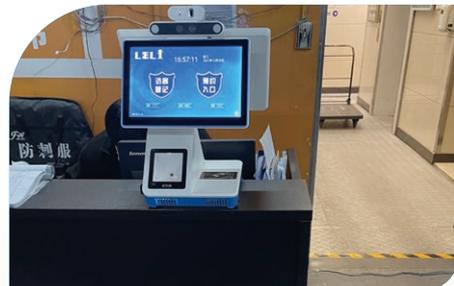
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Community security management: The “Enhanced Service” campaign targeting residential property management. Via such campaign, the Group stepped up patrols, put staff on-call around the clock at the monitoring centre, tackled disorderly parking of electric bicycles, and inspected garage, in an effort to maintain public order and ensure community safety and stability.



Smart safety monitoring: Intelligent and digital devices are used to spot potential safety risks in real time. These devices improved safety management efficiency and provided property owners and tenants with a convenient, safe and efficient community life experience.



5.5.4 Safety training

Ensuring customer safety is crucial to the Group. The Group organised work safety training on a regular basis and strengthened safety training through such activities as “culture wall on work safety” and “work safety month”. The Group has continuously enhanced its property management staff’s safety service awareness, and took other measures to improve its capability in providing safe services, in order to protect the life and property of its property owners and tenants to the utmost extent. The Group has developed various comprehensive contingency plans, special plans and on-site handling plans in compliance with regulations. It also regularly carried out a variety of emergency rescue drills for working at height, working in limited space, people trapped in elevators, typhoon and flood protection, etc., in order to improve its emergency handling level and rescue capability, and protect the life and property of customers.



The Joint Fire Emergency Rescue Drill of Guangzhou Yuexiu Financial Tower



In November 2021, the Group held an aerial firefighting and ground fire brigade joint fire emergency rescue drill in Guangzhou Yuexiu Financial Tower in coordination with the Xiancun Sub-district Office of Tianhe District People’s Government, Tianhe District Fire Rescue Brigade, Guangdong Provincial People’s Hospital, Eastern General Aviation and other resources. The drill was recognised by government departments such as Xiancun Sub-district Office of Tianhe District and leaders from Tianhe District Fire Rescue Brigade. Guangzhou Yuexiu Financial Tower was accredited as “Emergency Rescue Partnership Unit”.



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Fire Drill at Residential Properties



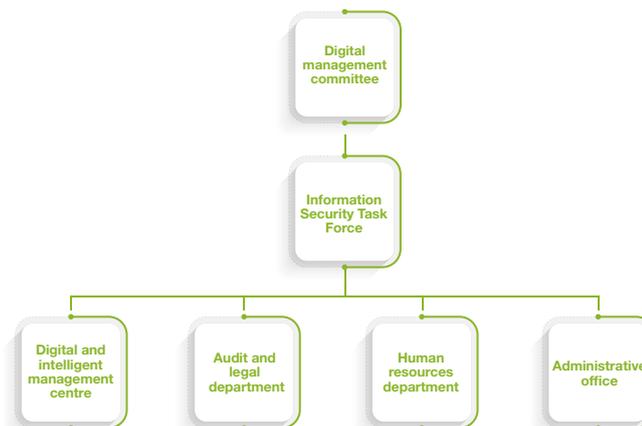
In November 2021, the Group launched fire safety activities in various residential properties, encouraging property owners and tenants to participate to work together for fire safety.



5.6 Customer Privacy and Information Security

In strict compliance with the Data Security Law of the People’s Republic of China, the Electronic Commerce Law of the People’s Republic of China and other relevant laws and regulations, the Group has formulated the Information Security Management Measures (Trial) and the Guidelines on Information Security Practices for Employees. Customer information and security order are classified and managed by dedicated persons to effectively protect customer privacy and information security. Guangzhou Yuexiu Property Development Co., Ltd., a member of the Group, has passed the certification of ISO 27001 Information Security Management System.

In 2021, the Group optimised the data security management structure, and set up a digital management committee. The Information Security Task Force under the committee teamed up with the digital and intelligent management centre, the audit and legal department, the human resources department and the administrative office to jointly take the responsibility for information security and privacy protection.



Data security management structure

- Hierarchical data management:** Customer information and corporate data are classified into five levels based on the priority for management, which is handled with different measures.
- Data security test:** Security tests are conducted on all information systems to ensure a safe physical and network environment. In 2021, the Group has completed the security tests of integrated Yuexiu intelligent platform system, onsite property management system, and Yuexiu Housekeeper back-office management system.
- Confidentiality undertaking:** Any company or individual with direct or indirect access to customer information is required to enter into appropriate confidentiality undertakings.
- Customer file management:** Operational information on commercial property tenants was filed and managed by dedicated persons and kept in accordance with the relevant provisions of management system documents. In addition, the Group’s customer relation management system (“**CRM system**”), which passed the level 2 data security certification, centralised the recording and storing of customer and enabled an audit mechanism for data recording, modification and elimination.

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Information Security Month Activities

In 2021, the audit and legal department of the Group worked with the digital and intelligent management centre to run the “Digital Security Month” activities. The activities included network security risk case sharing, expert lectures, code scanning experience and one-click for help.



GREEN AND LOW CARBON – “YUE+” SUSTAINABILITY



The Group attaches great importance to sustainable development in its operation. The Group is committed to reducing the negative impact of operation on the environment, and has formulated multiple environment-related policies, including the Pollutant Control and Management Measures Table, Energy Management Measures, Business Guidelines for the Compilation of Energy Management Implementation Rules, Solid Waste Management Regulations, Office Power Conservation Management System, Emergency Plan for Work Safety Accidents and others, to manage the Group's emissions (e.g. GHG, exhaust gas and waste) and energy consumption (e.g. use of electricity, water and natural resources). Meanwhile, the Group is committed to integrating the concept of sustainable development into green office and green operation, striving to promote a green culture within the Group.



Material issues, guidelines and indicators addressed in this chapter

Material Issues	SDGs	HKEX ESG Indicators
Green property management		A1
Green office		A1.5
Response to climate change		A1.6
Advocacy of low-carbon life		A2
		A2.3
		A2.4
		A3
		A3.1
		A4
		A4.1

Multiple projects under the management of the Group have been certified as green buildings. Guangzhou International Finance Centre has passed the Green Building Evaluation Certification issued by Leadership in Energy and Environmental Design (“LEED”), China Certificate of Excellence (“COE”) and International 360 Certification issued by BOMA. Yuexiu Financial Tower has obtained the Green Building Evaluation Certification and the Green Building Platinum Level Mid-term Certification issued by International Well Building Institute.



6.1.1 Emissions management

While strictly complying with the Law of the People’s Republic of China on the Prevention and Control of Air Pollution, the Law of the People’s Republic of China on the Prevention and Control of Water Pollution and other relevant laws and regulations, the Group has formulated internal guidelines such as the Pollutant Control and Management Measures Table to strengthen the control of GHG, waste gas, wastewater, noise and other emissions and reduce the negative impact on the environment.

Emissions management targets	Target description
GHG emissions targets	To reduce GHG emissions intensity
Waste gas emissions targets	To reduce waste gas emissions intensity

- ✓ GHG emissions: Energy consumption in project sites and in office areas is the main source of GHG emissions from the Group operations. In order to minimise GHG emissions, the Group promotes continuous improvement of energy efficiency in daily management, and has installed environmentally friendly air-conditioning refrigerants to reduce GHG emissions.
- ✓ Waste gas management: In order to reduce waste gas emissions and help improve air quality, the Group has taken series of measures including installing fume extractor in restaurants and air purifiers in decoration sites.



Guangzhou International Finance Centre Introduces Indoor Air Quality (“IAQ”) Management System



Guangzhou International Finance Centre took the lead in introducing the IAQ management system in South China. Through strict control of temperature and humidity, sufficient fresh air supply, indoor and outdoor pollution control and other means, the system blocked 99% of PM2.5, removed 90% of formaldehyde and benzene, and killed 99% of indoor germs. To reduce damage to the ozone layer, environmentally friendly air-conditioning refrigerators are used in daily management.



- ✓ Wastewater management: The Group has set up a rain & sewage diversion system and supervises wastewater discharge to ensure compliance with the relevant standards. In TOD property management, the Group requires that cleaning agents used for the cleaning of special equipment for depots and stations should meet environmental protection requirements and the emissions standards to reduce water pollution.
- ✓ Noise management: The Group proactively puts noise management in place by specifying reasonable periods for property owners to renovate their apartments, and encouraging environmentally friendly processes. In addition, the Group monitors noise emissions and responds to the reasonable requirements of property owners for noise control through patrols and other measures.

6.1.2 Energy management

The Group abides by the Energy Conservation Law of the People’s Republic of China, and has formulated and implemented internal policies such as Guidelines for Energy Consumption Management and Control, Energy Management Measures, and Business Guidelines for the Compilation of Energy Management Implementation Rules to regulate energy management. Guangzhou Yuexiu Property Development Co., Ltd., Guangzhou Yuexiu Yicheng Business Operation Management Co., Ltd., and Guangzhou Yue Xiu City Construction Jones Lang Lasalle Property Services Co., Ltd. which are members under the Group have all passed the ISO 50001 energy management system certification.

Energy management target

Target description

Energy use efficiency

To strengthen the management of energy consuming equipment and improve its efficiency

To promote the use of energy-saving LED lights in office areas and projects under management

The power consumption of elevators, lighting, central air-conditioning systems, water pumps and other facilities and equipment is the main source of energy consumption for our operation. The Group improved management of energy consumption by formulating and implementing the Guidelines for Energy Consumption Management and Control. The Group gave detailed guidance on standardised operations in areas such as measurement, basic data collation, meter reading requirements, and energy consumption analysis to reduce the energy consumption of the whole process. In addition, in order to improve energy efficiency, the Group has set annual energy consumption targets for some projects under management and collected monthly reports on the target achievement progress under a lean management model. In 2021, the Group carried out energy conservation transformation in residential projects, with a total of 78 projects completed in all regions.

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Green and Low Carbon – “Yue+” Sustainability

Measures	Results
Zhongshan Starry Court replaced a total of 600 fluorescent lamps with dual-brightness LED lamps	To save about 24,900 kWh of electricity per year 
Upgraded two cast iron pumps in the water pump room for the north and south blocks of the Wuhan Modern Building	To save about 22,500 kWh of electricity per year 
Replaced 200 lamps with dual-brightness LED lamps in the garage of Xinghui Phoenix in Yantai	To save about 17,000 kWh of electricity per year 
Replaced the previous two pressure tanks with a non-negative pressure water supply system at Guangzhou Nansha Binhai Peninsula	To save about 24,300 kWh of electricity per year 

Aside from conventional energy conservation measures, the Group has also applied technology as well as other measures such as using new energy and improving the greening rate to further optimise energy conservation.

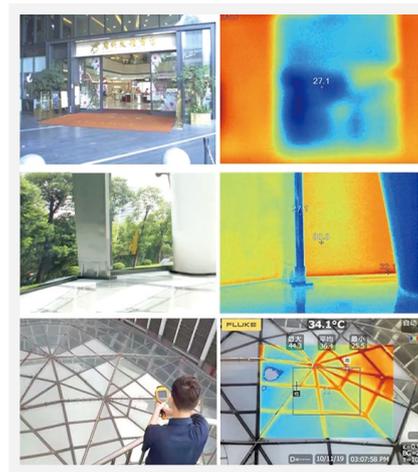
Intelligent management: The Group applies intelligent facilities or management measures and further reduces energy consumption and optimises energy use, e.g. elevators in office buildings being turned into energy-saving mode at night, the main units of air conditioning for podiums adjusted according to the outdoor temperature and seasonal changes, the fluorescent lights in underground parking lots and passages in buildings replaced with radar-sensing dual-brightness LED lights, which reduces the use from 16 Watts (when there is motion) to 3 Watts (when there is no motion).



Guangzhou International Finance Centre Applies Infrared Imaging Technology to Reduce Abnormal Energy Consumption



Guangzhou International Finance Centre uses thermal infrared imagers to scan the building envelope on a monthly basis, which reduces cooling losses due to insufficient airtightness of the building envelope that led to increased energy consumption. The power distribution cabinets, busbars, cables and other equipment of the power supply and distribution system are checked regularly to avoid the increase in resistance and power consumption caused by the poor contact of connectors. The electricity consumption in the public area of Guangzhou International Finance Centre was reduced by 2% in 2021 compared with 2019.



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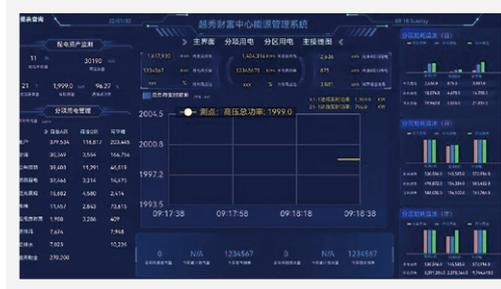
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Wuhan Yuexiu Fortune Centre Adopts Digital Energy Consumption Monitoring Platform



Wuhan Yuexiu Fortune Centre centralises energy control and management through an intelligent monitoring platform, which coordinates regional power distribution data and enables real-time electrical visual management in the whole building. The energy management system strengthens the engineers’ capability in handling emergencies through the early warning mechanism, malfunction alarm mechanism and accident analysis mechanism, effectively improving the quality of equipment maintenance and troubleshooting efficiency. In addition, the energy consumption analysis function also ratcheted up the system’s energy consumption management capabilities.



New energy application:

- ✓ The Group has installed solar streetlights in the public areas of the Guangzhou Baima Building since 2020. As of 31 December 2021, a total of 6 solar streetlights have been put to use. Solar collectors have been installed on the rooftops of office buildings to supply about 9.6 m³ of hot water (60°C) per day, saving 335 kWh of electricity.



Greening to save energy:

Hanging gardens are built in some office buildings, with a greening rate of 20%-33%. The greening reduces air pollution and lowers temperature, which leads to the reduction of energy consumption by air conditioning.

6.1.3 Water management

The Group promotes water conservation and has improved the efficiency of water use in daily operations via various ways, such as use reduction, usage control, and water recycling. It strictly abides by the Law of the People’s Republic of China on the Prevention and Control of Water Pollution, Urban Drainage and Sewage Treatment Regulations and other relevant laws and regulations. The majority of the water used by the Group comes from the public water supply system, while a limited amount is from rainwater recycling. The Group’s water use mainly involves daily services, property services, office use and greening. In 2021, there was no difficulty in identifying suitable water sources. The Group actively promotes water resource recycling to improve water use efficiency. In 2021, a total of 18,314 cubic meters of rainwater was collected.

Water resource

management target

Target description

Water use efficiency

To reduce the water consumption intensity



Water use reduction:

- ✓ Plant drought-tolerant local plants to reduce water use;
- ✓ Control the water used for greening within a reasonable level according to climate and seasonal changes;
- ✓ Encourage water conservation and use sensor faucets in toilets in public areas;
- ✓ Upgrade water conservation equipment to reduce water waste.

Transformation

Jiangmen Starry Court upgraded the watering system with the installation of mobile sprinklers, which can save 1,400 tons of water per year as compared to manual watering.

Results



T-shaped nozzles are added to the water pipes used for cleaning the train frame to save water with a better control of spray direction and water pressure and a wider coverage.



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Water usage control:

- ✓ Monitor energy consumption at all times;
- ✓ The water-saving rate improved 44.15% through the use of variable frequency water pumps, sensor faucets, cooling towers with low rate of water loss, sensor sanitary ware, etc;
- ✓ Sub-meters installed at main points of water supply provide usage data for water usage management. Targeted water-saving measures are activated on a timely basis in case of abnormal water consumption.



Water recycling:

- ✓ Rainwater collection: Rainwater was collected and used for toilet flushing, garage washing, landscape water replenishment and other purposes to save water;
- ✓ Air-conditioning condensate recovery: Air-conditioning condensate recovery devices are installed at Guangzhou International Finance Centre to collect condensate, which amounts to 8,500 tons annually and is reused to supply cooling towers;
- ✓ Recovery of reclaimed water for cooling towers: The reclaimed water is collected and used for cleaning the cooling tower to save water after device upgrade at Guangzhou Baima Building. Compared to the previous approach, each cleaning job saves 50 cubic meters of water, which adds up to 1,200 cubic meters of water per year.

In 2021, a number of projects managed by the Group, e.g. Guangdong Science Centre and Foshan Keyi New Force, were each accredited as a “Water-saving Demonstration Unit”.

6.1.4 Waste management

The Group complies with relevant national and local laws and regulations on waste management, such as the Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, and vigorously implements the Notice on Comprehensively Carrying Out Domestic Waste Sorting in Cities at and Above the Prefectural Level in China issued by the Ministry of Housing and Urban-Rural Development, and other documents. It has formulated internal regulations such as Solid Waste Management Regulations, Pollutant Control and Management Measures Table, Hazardous Chemicals List, Solid Waste List, and Hazardous Solid Waste Disposal Registration Form, to standardise waste management in the process of property management and operation, and take targeted management measures to reduce the impact of waste on the environment.

Waste management targets

Target description

Waste management targets

To promote waste sorting and recycling in offices and projects under management

The hazardous solid waste generated during property management operations are mainly light tubes and waste batteries. According to the Solid Waste Management Regulations, Solid Waste List and other internal management systems, the Group has set up recovery stations for hazardous wastes such as waste batteries and light tubes in some projects under management and strengthened waste management through waste classification for collection, storage and management.

In accordance with the Solid Waste Management Regulations and the Solid Waste List, the Group classifies solid waste into three categories. They are non-recyclable solid waste, hazardous solid waste, and recyclable solid waste.

- 
Recyclable solid waste: The designated departments regularly sort out the recyclable solid waste in respective areas, fill in the Approval Form for Disposal of Waste and Used Articles and Equipment, and dispose of them in accordance with the Measures for the Disposal of Waste and Used Articles and Equipment.
- 
Non-recyclable solid waste: Such waste is disposed of in accordance with the regulations of local environmental protection authority.
- 
Hazardous waste: The Group has engaged a professional third party with a hazardous waste business license to dispose of hazardous solid waste in accordance with relevant national and local laws and regulations, and to fill in the Hazardous Solid Waste Disposal Registration Form to record the disposal method, quantity and type.

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Highlights of TOD property waste management in 2021:

Recycling rate of general waste	100%
Recycling rate of TOD solid waste	100%

The main non-hazardous wastes generated during property management operations are domestic waste, garden waste and kitchen waste. For non-hazardous waste, the Group has set up regular and overtime dumping stations in the projects under its management to centralise waste collection and has engaged qualified third-party agencies to dispose of the waste.



Guangzhou Keyi Home Accredited as the “Advanced Unit” for Domestic Waste Treatment



In 2021, the Group was accredited as the “Advanced Unit” for domestic waste treatment by Haizhu District Urban Management and Comprehensive Law Enforcement Bureau for its efficient waste classification management in the project of Guangzhou Keyi Home.





Actively Promoting Waste Sorting Activities in Residential Properties



In 2021, the Group launched the “Rejuvenation” action in the projects under management by optimising community environment, hardware equipment and facilities, enhancing the quality of property management, and upgrading recycling stations in residential properties, in an effort to create a green and environmentally friendly living environment.



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6.2 Green and Low-carbon Life

While making utmost efforts in the operation and management of green properties, the Group actively promotes a green and low-carbon lifestyle to owners, tenants and other groups, encouraging a green and low-carbon development.

- 
Advocating green commute: The Group has reserved some parking spaces for installation of electric vehicle charging equipment for new energy vehicles and earmarked bicycle parking spaces to encourage green and low-carbon commute.
- 
Promoting green leasing: The Group put forward the Green Environmental Protection Proposals for tenants of some office buildings under management to encourage the use of eco-friendly decoration materials and energy-saving lamps and ensure supervision and inspection are in place.
- 
Encouraging low-carbon life: The Group has encouraged property owners and tenants to sort waste and recycle materials and cultivated low-carbon concept among customers through activities such as eco-friendly markets and urban farms.
- 
Strengthening environmental protection publicity: Environmental protection is promoted through diverse public channels such as multimedia platforms, tenant handbooks, company websites, and social media official accounts.



Clothes Collection for Recycling



In 2021, the Group set up used clothes collection bins in some projects under management and called on owners to donate used clothing items to those in need, to promote recycling.





Guangzhou Yuexiu Financial Tower Built an Urban Roof Farm



A roof farm of about 250 square meters was built on the roof of the Guangzhou Yuexiu Financial Tower, inviting tenants to grow edible crops by themselves. Full-time farm managers are hired for new tenants to share planting knowledge from seeding to harvesting. In 2021, the Group introduced petri dishes with special lighting to ensure sufficient sunlight for crops to grow at the roof farm, and reserve a special area for sustainable vegetable varieties (e.g., peppers, okra, corn). The roof farm not only adds green space to the office building, but also allows tenants to experience a low-carbon, healthy and sustainable lifestyle.



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Green and Low Carbon – “Yue+” Sustainability

6.3 Green Office

As a strong advocate for green office in business operations, the Group has formulated the Office Power Conservation Management System and other regulations and measures, implemented energy conservation and environmental protection measures, and promoted the importance of energy conservation and consumption reduction to employees in an effort to create a green office.



Paperless office:

- ✓ Promote an energy-saving and low-carbon office, and encourage employees to streamline the internal approval process and internal communications through a centralised and digital system.
- ✓ Encourage the use of digital office tools, such as smart contracting and teleconferencing.
- ✓ Install intelligent office equipment, such as an intelligent lighting control system, an intelligent file management system, and a cloud office system.



Energy-saving office:

- ✓ Install LED lamps or energy-saving lamps in almost all office areas.
- ✓ Keep temperature in office at no lower than 26 degrees Celsius in summer.
- ✓ Supply power at restricted time frame in restaurants and office areas.
- ✓ Use sensor LED lights in parking lots, and dim the lights when the area is not in use.
- ✓ Strengthen the maintenance and management of water supply equipment in the office area, maintain and upgrade the drainage system on a regular basis, and eliminate leakage and dripping of gas and water due to poor management and improper handling.



Low-carbon office:

- ✓ Place recyclable garbage bins, and classify and dispose of office waste such as waste batteries.
- ✓ Limited use of printer with real-name registration, encourage double-sided printing, and present conference materials in electronic form to reduce paper consumption.
- ✓ Require employees to turn off the lights when leaving work areas and equipment room.
- ✓ Encourage online meetings to reduce business travel.
- ✓ Reduce the use of company vehicles.

6.4 Response to Climate Change

Climate change risks include physical and transition risks. Physical risks are caused by extreme weather or rising temperatures, while transition risks are caused by changes in markets, regulations, policies, etc., as a result of climate change. The Group actively promotes green properties and sustainable development and proactively responds to climate change-related risks and opportunities, to mitigate climate change’s adverse impacts.



Identification of climate change risks:

- ✓ Policy and legal risks: With the implementation of the 14th Five-Year Plan, China further forged ahead with its dual carbon goals by imposing stricter requirements on enterprises for energy conservation and emissions reduction.
- ✓ Extreme weather risks: The Group has identified natural disasters as one of the four types of safety accidents. It has identified risks that may be caused by extreme weather in the Emergency Plan for Production Safety Accidents, and assesses safety management risks that may be brought by typhoon, rainstorm, and other extreme weather conditions. By doing so, the Group aims to reduce the greenhouse effect and improve weather conditions.



Response to climate change risks:

- ✓ Advocate green property management and operation: The Group advocates green operation by proactively promoting energy conservation, consumption reduction, GHG emission reduction and resource recycling in its daily property management operations.
- ✓ Withstand the risks brought by extreme weather: The Group has devised an emergency management system, specified responsible departments and their obligations, formulated accident reporting regulations, established emergency response procedures and rescue handling processes, and put in place emergency supplies and rescue teams. Emergency rescue drills were arranged regularly to identify problems for further improvement.

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Green and Low Carbon – “Yue+” Sustainability



“One Theme for One Month” Safety Management Activity Focuses on Climate Change Risks



In 2021, the Group organised the “One Theme for One Month” safety management activity, which identified potential safety risks that may be caused by climate change under seasonal influence, incorporated such risks into safety management, carried out targeted inspections, and took appropriate risk prevention measures.

May 2021 – “Operation safety month in rainy season”

The Group carried out special inspections on the safety of electrical equipment and temporary electricity consumption before the arrival of the wet season, and rectified hidden dangers of electricity consumption.



July 2021 – “Typhoon and flood prevention month”

The Group conducted special inspections on typhoon and flood control, comprehensively identified weaknesses and resolved existing problems in its typhoon response plans, and organised emergency drills.



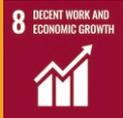
TOGETHER – “YUE+” UNITY



Employees are the cornerstone of the Group's long-term development. The Group regards its staff as its most valuable asset, respects the basic rights and interests of every employee, and is committed to building a fair, safe and healthy environment for employees. It also implements diversified talent development strategies to promote employees' growth, provides a platform for employees to utilise their full talent, and collaborates with employees for common growth.



Material issues, guidelines and indicators addressed in this chapter

Material Issues	SDGs	HKEX ESG Indicators
Employees' rights and interests	 	B1
Employee development		B1.1
Employee care		B2
Occupational health and safety		B2.3
Employees' remuneration and benefits		B3
Prevention of child labour and forced labour		B3.1
		B3.2
		B4
		B4.1
		B4.2

07 / Together – “Yue+” Unity

7.1 Employees’ Rights and Interests

7.1.1 Equal employment

In strict compliance with the Labour Law of the People’s Republic of China, Labour Contract Law of the People’s Republic of China, Law of the People’s Republic of China on the Protection of Minors, Provisions on the Prohibition of Child Labour, and other laws and regulations related to labour and employment, the Group has formulated internal policies such as the Detailed Rules for the Management of Talent Allocation, Recruitment Management Measures, Recruitment Channel Management Measures, and Labour Contract Management Measures to standardise the employment management requirements and procedures and complied with statutory requirement on the working hours, to fully protect employees’ legitimate rights and interests, and to proactively create a fair and impartial employment environment.



Diverse employment

High-caliber staff are the driving force of corporate development. The Group has developed an efficient recruitment management system in line with its corporate strategy. Through a standardised recruitment process and diversified channels, including social recruitment, campus recruitment, staff recommendation and other channels, the recruitment management system ensures that candidates are well-targeted to fit into position characteristics. In addition, through talent training programmes such as “YUXIU SHENG” and “Management Trainees”, more capable and prospective talents are attracted to join the Group, so as to strengthen the Group’s talent pool.

- ✓ Social recruitment: Through headhunting, industry resources, and other methods, the Group brought in middle and senior management with excellent professional backgrounds and extensive work experience.
- ✓ Campus recruitment: Through the “YUXIU SHENG” programme, the Group recruited outstanding graduates. In 2021, the Group recruited 72 college and university graduates through the “YUXIU SHENG” programme, and will continue the programme in 2022.

The Group also regards board diversity as an important part of sustainable development. To ensure a balanced and diversified boardroom in terms of directors’ experience, skillset and points of view, the Group has adopted a merit-based appointment mechanism in accordance with the Board Member Diversification Policy. The Group gives full consideration to diversity during board appointments, to ensure the board functions effectively while maintaining a high level of corporate governance.

As of 31 December 2021, the Group had nine Directors, including one female independent non-executive Director.



“Embark on a New Journey, Make New Progress through Hard Work” Recruitment Talk on Campus



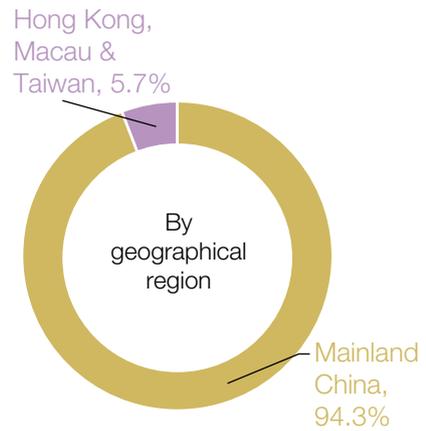
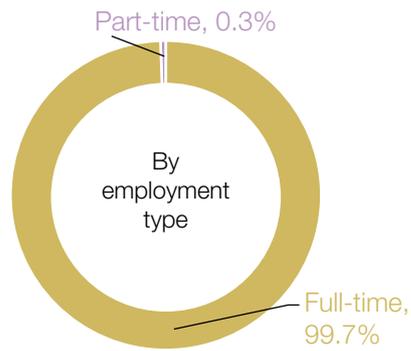
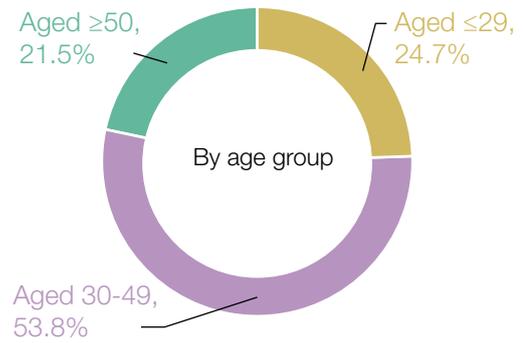
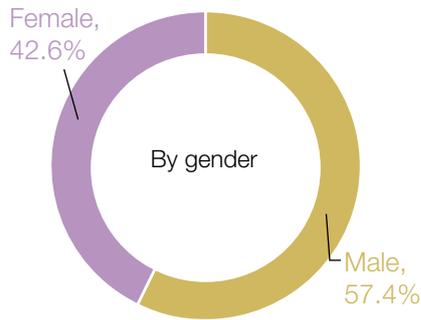
In November 2021, a recruitment talk themed “Embark on a New Journey, Make New Progress Through Hard Work” was held at Guangzhou International Commercial Centre. This was the first college-enterprise cooperative recruitment fair that the Group has held. It was conducted through site visits, on-site presentations and interviews to provide a more direct communication platform for graduates.



07 / Together – “Yue+” Unity

As of 31 December 2021, the Group had a total of 11,243 employees, classified by gender, age, employment type and region as follows:

Workforce Composition in 2021



 **Equal employment**

The Group upholds the principle of “open recruitment and fair selection”. In addition to complying with relevant laws and regulations, the Group has stipulated various internal management principles for diversity and integration which are applicable to employees and to be followed by partners, to ensure that employees receive equal opportunities. The Group promotes gender diversity and optimises its workforce composition, to achieve a reasonable distribution of employees by gender, age, region, etc. In addition, the Group also provides equal employment opportunities for people with disabilities, ensures fair opportunities for all employees, strives to eliminate discrimination and unfair dismissals, and encourages effective collaboration among employees in a multi-cultural environment.

 **Anti-discrimination**

The Group adheres to a culture of diversity and inclusion, while upholding a principle of fair and impartial selection. The Group treats all candidates equally, ensures the objectivity of its recruitment process and selection criteria, and sources talents that have appropriate qualifications. The Group treats all employees as equal and prohibits discrimination on the ground of gender, age, ethnicity, race, nationality, native place, religion, political affiliation, marital status or any other social identity.

 **Prohibition of child labour and forced labour**

The Group strictly prohibits child labour and forced labour within its workforce and its other partners. The Group executes appropriate employment contracts with all employees and service contracts with interns and temporary workers, and enters into confidentiality agreements where necessary. The Group has strengthened human rights training to equip its employees with a better understanding of their rights and enable them to identify potential violations. The Group prohibits child labour and forced labour. The Group has not discovered any of the above cases. If it does, the Group will take remedial measures immediately, including suspending the work of the relevant person and taking the person to a hospital for physical examination. In the case of child labour, the Group will notify the local labour bureau, and upon its approval, send the person back to the original place of residence or school and contact the parents or guardians. In 2021, the Group had no forced labour or child labour. The Group strictly reviews suppliers' protection of human rights, and in case of violation of relevant regulations, the Group gives warning notice, punishes and terminates cooperation.

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7.1.2 Democratic communication

The Group welcomes its employees’ feedback, by establishing a variety of communication channels, addressing employees’ demands in a timely manner and guaranteeing employees’ right to participate. In 2021, the Group conducted an employee satisfaction survey, where 90% of the interviewed employees expressed satisfaction with their work, training and learning, and corporate atmosphere.



Open communication channels

The Group attaches great importance to communicating with employees through diverse communication channels, such as informal chats, monthly meetings, performance feedbacks, new employee orientation, and employee representative meetings, to promote direct communication between the Group’s management and employees. The Group carefully reviews employees’ demands, provides timely feedback for employees and assists in resolving their difficulties, in an effort to continuously enhance employees’ satisfaction and sense of belonging.



Face-to-face Meetings with the General Manager Held by the TOD business



In March and November 2021, TOD business held face-to-face meetings with the General Manager, where the Group reviewed employees’ feedback, sharing with them the latest development and management, and noted reasonable suggestions put forward by employees.



Respect the freedom of peaceful assembly and association

The Group values employees’ right to organise and join trade unions, workers’ congress and other employee organisations in accordance with local laws and regulations, and protects employees from retaliation, intimidation or harassment, to safeguard their rights of discussion and freedom of expression.

7.1.3 Employee remuneration and benefits

Based on the principles of fairness and competitiveness, the Group continuously optimises the compensation and benefit system for employees, and is devoted to providing employees with competitive remuneration packages to attract and retain high-caliber internal and external talents.



Performance assessment

The Group has formulated policies such as the Management Measures for Employee Compensation Incentive System, Management Measures for Performance Appraisal of the Management of Subsidiaries, Management Measures for Performance Appraisal of Functional Departments Heads, and Management Measures for Performance Appraisal of Project Leaders. It has established a compensation structure of “basic salary + performance bonus + variable income” to drive performance, with an aim to motivate employees through performance incentives.



Benefits

Statutory benefits In accordance with applicable national or local regulations, employees enjoy:

- ✓ Statutory holidays
 - ✓ Social insurance, including basic endowment insurance, medical insurance, unemployment insurance, work-related injury insurance, etc.
 - ✓ Housing provident fund
 - ✓ Other statutory benefits for employees
-

Basic benefits All employees enjoy:

- ✓ Leaves entitlement, including sick leave, work-related injury leave, personal affair leave, public affair leave, marriage leave, condolence leave, prenatal check-up leave, maternity leave, paternity leave, nursing leave and annual leave (in addition to statutory holidays)
 - ✓ Cash gift or present for the Chinese New Year, Mid-autumn Festival, and other traditional festivals
 - ✓ Employees' birthday cash gift or present
 - ✓ Meal allowance
 - ✓ Communication allowance
-

Special benefits Employees who meet applicable conditions enjoy:

- ✓ Work-related injury insurance
 - ✓ Supplementary commercial insurance
 - ✓ Accident insurance
 - ✓ Employee dormitory
 - ✓ Housing allowance
 - ✓ High-temperature/low-temperature allowance
-

7.2 Occupational Health and Safety

The Group always takes occupational health and safety of its employees seriously. The Group is committed to establishing and improving its internal occupational health and safety management system, and regularly conducts third-party evaluation to ensure the effective operation of the system. The Group provides extensive and diversified full-time training for employees. The Group also increases its employees' occupational health and safety awareness through theme meetings on occupational safety, internal notices and regular briefings, as well as safety education and training for new employees and other methods.

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Together – “Yue+” Unity

In strict compliance with the Law of the People’s Republic of China on Prevention and Control of Occupational Diseases and other laws and regulations, the Group has formulated internal policies such as the Management System for Prevention and Control of Occupational Diseases, Detailed Rules for Management of Employees’ Occupational Health and Hygiene, Guidelines on Occupational Health Management for Related Parties, and Safety Management System for Related Parties to stipulate specific requirements on the management of employees’ work safety. The Group has obtained the ISO 45001:2018 occupational health and safety certification.



Guangzhou Yuexiu Property Development Co., Ltd. ISO 45001 occupational health and safety management system certification



Guangzhou Yuexiu Yicheng Business Operation Management Co., Ltd. ISO 45001 occupational health and safety management system certification



Guangzhou Metro Environmental Engineering Co., Ltd. ISO 45001 occupational health and safety management system certification

- 
Regulating operation requirements: The Group requires employees to strictly abide by labour discipline, work safety rules and regulations, work safety operation guidelines, etc.
- 
Providing a safe environment: The safety management department regularly inspects the working environment in the office area to eliminate potential risks to occupational health and safety
- 
Providing safety equipment: The Group provides employees with personal protection equipment needed for work and distributes necessary anti-pandemic supplies to employees on a regular basis during the pandemic
- 
Organising safety training: The Group’s annual safe production plan includes several safety guarantee training sessions and drills, in order to enhance the occupational safety awareness of employees. In accordance with the Work Safety Education and Training Regulation, Detailed Rules for Management of Safety Training, Work Guidelines on Safety Training and Education, and other regulations, the Group regularly organises safety training to enhance employees’ safety awareness



Work Safety Management Training



In September 2021, the Group carried out a series of training with the theme of “Gathering Momentum and Strength, Empowering Growth, Forging Ahead”, including the promotion of laws and regulations such as the Work Safety Law and Fire Control Safety Administration Regulations for High-Rise Civil Buildings, increasing awareness of internal policies such as the Safety Management Red Line and List of Major Safety Risks, interpretation of safety assessment and safety accident case study. Through these activities, 25 key safety managers improved their professional management capability.

7.3 Employee Development

The Group develops diversified career paths to address its employees’ development. The Group continuously improves its training system for employees at different levels, to continue their sustainable development.

7.3.1 Employee training

The Group provides targeted training for employees at different positions under its comprehensive training system, with a view to solidifying employees’ skills and knowledge and enhancing their professional capabilities. The Group has formulated policies such as the Annual Training Guide, Employee Orientation/ Transfer Training Guide, and Internal Trainer Management Measures, to continuously build and improve its training management mechanism and specify training procedures and lecturers’ responsibilities.



Talent training system

- ✓ New employee training: The Group set up the “New Employee Programme” training programme for new graduates to introduce corporate culture and core values, equip them with necessary skills for their positions, integrate into the team and adapt to a working environment as soon as possible.
- ✓ Leadership training: The Group devised the “Kapok Programme”, “Ivy Programme”, “Yuegao Class”, “Senior Elite Class” and other training programmes to enhance employees’ leadership and management capabilities through lectures, hands-on project experience sharing, etc. In 2021, a total of 50 middle and senior managers joined the one-year “Yuegao Class” and “Senior Elite Class” programme where they advanced their skills in financial and risk management and asset operation management.
- ✓ Specialised skill training: The Group developed special training programmes such as the “Intensive Skill Class” and “7 Special Skill Class” and introduced 65 specialised courses to provide frontline personnel with five types of specialised training in customer services, engineering management, environmental management, security protection and maintenance, and sales office management. These programmes aim to help front-line staff to master operational skills, increase awareness of job requirements and enhance their safety awareness.



Training modes

Online learning platforms

- ✔ “Yue Learning Platform”: “Yue Learning Platform” provides all employees with professional empowerment courses, general management courses, IT system operation guidance and other training courses through the integration of self-developed specialised property management courses and external resources.
- ✔ Lexiang Night School: In 2021, a total of 18 courses were held through the online micro-class learning programme, “Lexiang Night School”, covering the Company’s latest business development, policy interpretation, industry trends, professional skills, etc. It provided employees at all levels with learning and exchange opportunities on a weekly basis.
- ✔ “Professional Force” App: Courses on professional skill and overall advancement are uploaded regularly to the “Professional Force” platform. In 2021, the Group rolled out 800 new courses, 160 of which were developed by internal trainers of the Group, and held 15 online lectures on job requirements.

Offline training platforms

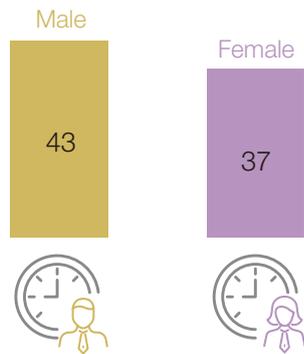
- ✔ Training Development Academy: Adhering to the philosophy of “continuous growth to put knowledge into action”, the Training Development Academy offers various training courses for frontline staff and base, mid and top level management. In 2021, the academy held a total of 27,752 training sessions for companies nationwide, with an average training satisfaction rate of 98%.
- ✔ Internal lecturer mechanism: The Group launched the lecturer training programme, with a view to comprehensively improving internal lecturers’ ability to conduct internal training. In 2021, courses on labour employment risk prevention and control for TOD business was developed independently, adding six courses including integrity, safety, administration, information management, etiquette service, etc.

In addition, the Group supports and encourages employees’ on-the-job continuing education based on their professional backgrounds, enabling them to pursue higher academic degrees, obtain qualification certifications, advance skillset and broaden the direction of career development. Moreover, in accordance with policies like the Employee Certificate Management Measures (Trial) and Employee Self-Improvement Management Measures, the Group provides financial support based on the employee’s learning progress and qualification results.

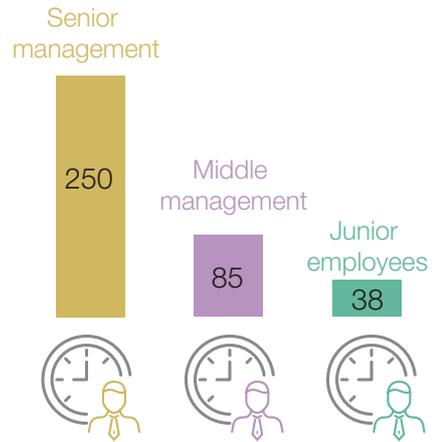
Employee training in 2021



Average training hours by gender



Average training hours by employment category



07 / Together – “Yue+” Unity



Special Customer Service Training with the Theme of “Enhance Awareness and Improve Service Quality”



To underpin its management foundation and improve its management and service quality, TOD business organised a training session to study Property Service Guide, which implemented four core targets, six service phases, five improvement tips and other elements for property management. The training enhanced customer service personnel’s service awareness and attention to various detail to improve service quality, thus lifting customer satisfaction.



7.3.2 Promotion planning

Ensuring fair promotion of employees is a key factor for the stable development of an enterprise. The Group has formulated Employee Promotion Management Measures and Leaders Promotion Management Measures, among others, to regulate and guide promotion management. Talents that acknowledge corporate culture and meet the needs for team development will be promoted under the principle of “fairness and impartiality, scientific selection, and merit-based promotion”. Moreover, the Group regularly reviews its talent structure and introduces internal competition to maintain a healthy competition environment. The Group is committed to building an appointment, dismissal and promotion system which implements specific rules and requirements that must be met. On the basis of merit, the Group ensures a promising career path which is open to competent employees with strong performance.

7.4 Employee Caring

The Group not only focuses on the growth and development of employees, but also attaches great importance to their well-being. The Group is committed to creating harmony in the workplace, closely reviewing employees feedback and providing them with extensive benefits, in order to build a cohesive team where employees feel happy at work with a strong sense of belonging.

7.4.1 Employee care activities

The Group appreciates the hard work of every employee. The Group encourages employees to strike a balance between work and life and further extends its care for employees through holding diverse employee activities, including the following.

-  **Physical checkups:** organise health checkup for employees
-  **Recreational and sports activities:** such as badminton, football, basketball, and yoga
-  **Festival care:** organise celebration activities and distribute gifts during festivals
-  **Care for women:** give special gifts on Women’s Day (8 March), organise physical checkups for female employees, and make available nursing rooms
-  **Care for pandemic prevention:** set up COVID-19 vaccination sites, encourage employees to get vaccinated, and regularly distribute masks and other pandemic prevention materials to on-duty employees



07 /

Together – “Yue+” Unity



Knowledge Contest Activity for Employees



In September 2021, the Group carried out experiential based training for employees in the form of business knowledge contest, aiming to create a positive organisational atmosphere and empower the employees for common growth.



COOPERATION – “YUE+” WIN-WIN



The Group believes that win-win cooperation can only be achieved through partnering with suppliers and peers and pulling together quality industry resources for a shared growth. The Group actively helps to forge a new industry landscape through its strategic advantages and influence in the value chain, to participate in the formulation and improvement of industry standards.

Material issues, guidelines and indicators addressed in this chapter

Material Issues

Supply chain management
Industry communication and development

SDGs



HKEX ESG Indicators

B5
B5.1
B5.2
B5.3
B5.4

08 /

Cooperation – “Yue+” Win-Win

8.1 Supply Chain Management

The Group continuously strengthened its supplier management through establishing a standardised management system under the principle of open, fair and impartial bidding and procurement. The Group also propelled sustainable supply chain, identified and managed environmental and social risks in its supply chains and advocated green procurement to fulfill its corporate social responsibilities.

As of 31 December 2021, the Group had a total of 8,311 suppliers.

Number of suppliers in the Greater Bay Area	5,562
Number of suppliers in East China	774
Number of suppliers in North China	873
Number of suppliers in Central China	882
Number of suppliers in Southwest China	220

Optimising supply chain management

The Group has formulated the Supplier Management Measures and other internal policies, which applies to all suppliers. The Group steadily standardises the tendering process, clearly defines the supplier inspection and evaluation standards, and implements the classification management of suppliers, in an effort to improve the quality management of suppliers.

- 
Admission approval: The Group established strict supplier admission standards. Suppliers are required to provide related materials in enterprise credentials, professional qualifications or service quality, financial strength and relevant experience matching tendering requirements. The Group ensures the authenticity of information provided by suppliers through site visits, on-the-spot inspections and professional assessments. All of these are taken into account for evaluation and record keeping.
- 
Contract fulfillment evaluation: The Group regularly evaluates suppliers' contract fulfillment in terms of product quality, service, cooperation and pricing, so as to ensure the high quality of its supplier pool.
- 
Update and adjustment: The Group will review the supplier list from time to time based on contract fulfillment evaluation results. For disqualified suppliers, the Group urges improvements or suspends present and future cooperation according to specific circumstances.

Advocating responsible procurement

The Group is committed to promoting responsible procurement and advocating suppliers' compliance with industry norms and business ethics, to fulfill its social responsibility in supply chain management.

- 
Green procurement: The Group strengthened the evaluation and control of suppliers from environmental and social perspectives, as part of its sustainable development approach. The Group advocated for its suppliers to take social responsibilities seriously, e.g. providing legitimate compensation and benefits to their employees, using environmentally friendly materials with relevant environmental testing reports, etc.
- 
Transparent procurement: The Group requires suppliers to sign the Integrity Agreement upon their admission, which prohibits bribery, fraud, and other unfair competition behaviors. The Group also integrity reporting channels and reporting mailboxes to discipline inspection office in the tendering and procurement system in an effort to end under-the-table deals and illegal transactions. In 2021, 100% of suppliers of the Group's members, Guangzhou Yuexiu Property Development Co., Ltd. and Guangzhou Metro Environmental Engineering Co., Ltd. signed the Integrity Agreement.

Carrying out supplier training

The solid cooperation relationships between the Group and suppliers are built on sound communication. In addition to daily communication, the Group holds regular talks with suppliers and organises annual supplier conferences to strengthen their relationship for mutual trust and shared benefits. Meanwhile, the Group provides regular training for suppliers. In 2021, the Group provided a total of 2,026 hours of training to suppliers.

**Promoting Integrity and Win-win Cooperation with Suppliers**

In June 2021, the Group held a national supplier conference on standardised management and risk control. 160 suppliers joined the conference, where it introduced supplier management measures, new supplier admission procedures, points to note, and the three-level response mechanism for supplier coordination. The Group required all suppliers to actively cooperate with its integrity supervision and put an end to gift or cash giving, or improper economic exchanges. The conference further standardised the requirements for suppliers in contract fulfilment and clean cooperation, as part of a concerted effort to create a “fair, impartial, and clean” cooperation environment.



8.2 Industry Exchange and Development

As an integrated urban service provider, the Group is active in building relationships with industry, to promote industry development while furthering its own development.

Formulation of industry standards

The Group proactively participated in the formulation of industry standards to boost the specialised development of the industry, and organized multiple property management service seminars where industry peers shared and learned from each other and mapped out a new blueprint for property management development.



Accredited as “Industry Standard Formulation Unit”



In 2021, as the current president institution of Guangzhou Property Management Association, the Group took an active role in drafting the local standards of Guangzhou Property Management Part 2: Residence Properties, and was accredited as “Industry Standard Formulation Unit”.





Expansion of strategic cooperation

The Group actively pursues diversified cooperation based on complementary advantages to achieve economies of scale in selected regions and win-win effect through brand synergy, with an aim to deliver added value to customers and improves the property management quality in the Greater Bay Area.



Joined Hands with McDonald's to Introduce Catering to its Community Commercial Services



In October 2021, the Group reached a strategic agreement with McDonald's (China) to cooperate in projects under its management in the Greater Bay Area, East China, Central China, North China and Southwest China. With its pursuit of creating an active community under its commercial services brand, “Yuexiu Living Fun”, the Group will assist McDonald's in establishing a business network with premium locations through introducing catering services to its community commercial services across the country. The move is aimed at providing a better and more convenient living environment to community residents and advanced the transformation of new catering model.



08 /

Cooperation – “Yue+” Win-Win



Further school-enterprise cooperation

The Group continued to promote school-enterprise cooperation via joint talent training scheme with schools, in order to expand the talent pool and advance “Yue+” quality services. As of the end of 2021, the Group had established long-term and stable partnerships with 11 domestic vocational colleges.



School-Enterprise Cooperation with Guangzhou Communications Technician Institute



In November 2021, the Group entered into a school-enterprise cooperation agreement with Guangzhou Communications Technician Institute, and officially became the off-campus practice base for Guangzhou Communications Technician Institute. The institute will supply high-quality interns majoring in electromechanical integration to the Group every year, to jointly build a school-enterprise talent training mode, thus further deepening the two sides' cooperation.





Promotion of government-enterprise cooperation

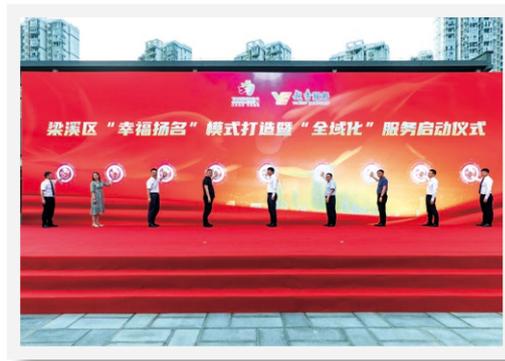
The Group continued to pursue the diversified cooperation mode of “government, enterprise and residents”. The Group took an active role in urban development and operation and put forward an innovative “One-For-All” services, striving to become an integrated urban operation service provider.



“One-For-All” Service Mode in Yangming Community



In April 2021, the Group undertook the “One-For-All” service engagement of Yangming Garden, a large-scale municipal relocation community in Wuxi city. The Group offered a one-stop solution combining professional property management and intelligent operation, which linked up the government, sub-district office and residents. The services covered enhanced space management, infrastructure, equipment and facility upgrade as well as community commercial services, setting a new industry role model and national benchmark for revitalising old urban areas.



COMMUNITY INTEGRATION - "YUE+" HARMONY



As a responsible enterprise, the Group complies with Charity Law of the People's Republic of China, Law of the People's Republic of China on Donations for Public Welfare and internal relevant management system, in order to meet its commitments and integrate social responsibility into corporate development. The Group actively participates in community construction, public welfare, and charity activities, in order to contribute to a harmonious society with actions.



Material issues, guidelines and indicators addressed in this chapter

Material Issues	SDGs	HKEX ESG Indicators
Community communication and integration Charity	 	B8 B8.1
	 	
	 	

9.1 Community Communication and Integration

The Group has been upholding its mission of “Where Good Service Starts (用心•成就美好生活)”. The Group engages with its customers and communities, with a commitment to promoting community integration and building a better community.



“I Love My Home” public service week

The Group offered “I Love My Home” public service in the last week of each quarter, in which it provided dozens of public services to the residential properties it served, including car washing, small appliance repair, household knives and blades polishing, free medical services and free haircutting services, winning recognition and praise from many residents.



09 / Community Integration – “Yue+” Harmony

“Happy Yuexiu” community integration

The Group provided quality and attentive services to facilitate community integration, with an aim to forge “Happy Yuexiu” communities.



“Happy Yuexiu” Family Day in Summer Holiday



In July 2021, a special summer holiday event was held for customers at Hangzhou Yuexiu Xinghuiyuan (杭州越秀星汇园). Involving various games such as fishing, painting, marshmallows DIY and ring-toss, the residents enjoyed happy family and children enjoyment time.





“Happy Yuexiu” Chung Yeung Festival Event



During the Chung Yeung Festival in 2021, the Group offered a variety of daily personal care services for the elderly at residential properties, including free haircutting and gift offering. The elderly were also invited to participate in talent shows like calligraphy and activities on anti-fraud, waste sorting and general legal knowledge. The event was aimed at improving the quality of life for the elderly residents.



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Community Integration – “Yue+” Harmony

9.2 Public Welfare and Charity

The Group commits to public welfare and spreads love and care through charity practice, contributing to a better urban life.



Online Charitable Reading Sharing Event on World Reading Day

In April 2021, the Group held online charitable reading sharing event with the theme of “Attraction of Book” on the World Reading Day, at which it invited 10 well-known academics to recommend “the most worth reading book”.



Book Donation

In March 2021, the Group held a book donation event, collecting books for the 6th Primary School of Shaping Sub-district, Heshan City.





Participation in “Light it Up Blue for Autism Awareness Day”



On World Autism Awareness Day in April 2021, commercial properties managed by the Group including Guangzhou International Finance Centre, Guangzhou Yuexiu Financial Tower, Guangzhou VT101 Victoria Plaza, Guangzhou International Commercial Centre, Guangzhou City Development Plaza and Guangzhou Fortune Tower all lit up blue lights to support autism advocacy.



“Shining Ears” Voluntary Home Safety Service for Hearing-impaired People



From May to June 2021, the Group joined “Shining Ears” home safety support campaign for hearing-impaired people in Nanshitou Sub-district, Guangzhou City. By installing flashing doorbell devices, luminous alarm timer, smoke alarm and fire extinguishers for 40 hearing-impaired people in need, the Group helped to address their daily needs, eliminate potential safety hazards, and strengthened their connection with the community.



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Appendix I 2021 Annual ESG KPIs

Aspect	KPI	Unit	For the year ended/ as at 31 December 2021
A. Environmental			
A1 Emissions	A1.1 The types of emissions and respective emissions data		
	NO _x	Tonne	1.39
	SO ₂	Kilogram	1.46
	PM	Kilogram	101.99
	A1.2 Direct (scope 1) and energy indirect (scope 2) GHG emissions and intensity		
	Total carbon dioxide emissions	Tonne	46,722
	Carbon dioxide emissions (scope 1)	Tonne	819.45
	Carbon dioxide emissions (scope 2)	Tonne	45,902
	Total emissions intensity	Tonne/10,000 m ²	12.02
	Emissions intensity (scope 1)	Tonne/10,000 m ²	0.21
	Emissions intensity (scope 2)	Tonne/10,000 m ²	11.81
	A1.3 Total hazardous waste produced and intensity		
	Total hazardous waste produced	Tonne	11.08
	Hazardous waste produced intensity	Tonne/10,000 m ²	0.00
	Waste selenium drums	Tonne	0.67
	Waste modulator tubes	Tonne	9.76
	Waste electronic product	Tonne	0.65
	A1.4 Total non-hazardous waste produced and intensity		
	Total non-hazardous waste produced	Tonne	110.44
	Non-hazardous waste produced intensity	Tonne/10,000 m ²	0.03
Office paper used	Tonne	107.93	
Waste furniture	Tonne	2.51	
A1.6 Total hazardous waste recycled			
Computers recycled	Piece	46	
A2 Use of Resources	A2.1 Direct and/or indirect energy consumption by type in total and intensity		
	Total energy consumption	MWh	82,537
	Energy consumption intensity	MWh/10,000 m ²	21.23
	Total diesel consumption	L	83,262
	Total gasoline consumption	L	24,953
	Total canned liquefied petroleum gas consumption	Kilogram	7,692
	Total natural gas consumption	m ³	241,731
	Total acquired electricity	kWh	78,999,166
	A2.2 Total water consumption and intensity		
	Total water consumption	m ³	1,677,684
Water consumption intensity	m ³ /10,000 m ²	431.61	

Aspect	KPI	Unit	For the year ended/ as at 31 December 2021
B. Social			
B1 Employment	B1.1 Total workforce by gender, employment type, age group and geographical region¹		
			Number of employees
	Total number of employees	Headcount	11,243
	By gender		
	Number of male employees	Headcount	6,459
	Number of female employees	Headcount	4,784
	By employment type		
	Number of full-time employees	Headcount	11,212
	Number of part-time employees	Headcount	31
	By age group		
	Number of employees aged 29 or below	Headcount	2,775
	Number of employees aged 30-49	Headcount	6,056
	Number of employees aged 50 or above	Headcount	2,412

¹ The total number of employees and the number of employees of the Group in 2021 by gender, age group and geographical region took into account the number of full- and part-time employees within scope of this data set.

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Aspect	KPI	Unit	For the year ended/ as at 31 December 2021		
	By geographical region (workplace)				
	Number of employees in Mainland China	Headcount	10,601		
	Number of employees in Hong Kong, Macao and Taiwan	Headcount	642		
	By employee category				
	Senior management	Headcount	54		
	Middle management	Headcount	440		
	Junior employees	Headcount	10,749		
	B1.2 Employee turnover rate by gender, age group and geographical region²				
	Employee turnover rate	%	48.45		
	By gender				
	Turnover rate of male employees	%	46.53		
	Turnover rate of female employees	%	51.04		
	By age group				
	Turnover rate of employees aged 29 or below	%	74.02		
	Turnover rate of employees aged 30 to 49	%	40.89		
	Turnover rate of employees aged 50 or above	%	38.01		
	By geographical region				
	Turnover rate of the employees in Mainland China	%	48.48		
	Turnover rate of the employees in Hong Kong, Macao and Taiwan	%	47.98		
	KPI	Unit	2021	2020	2019
B2 Health and safety	B2.1 Number and rate of work-related fatalities occurred in each of the past three years, including 2021				
	Number of work-related fatalities	Headcount	1 ³	0	0
	Rate of work-related fatalities	%	0	0	0
	B2.2 Lost days due to work injury				
	Number of work injuries	Case	9		
	Total lost days due to work injury	Day	441		

² The total number of employee turnover and the number of employee turnover of the Group in 2021 by gender, age group and geographical region took into account the number of full- and part-time employees within scope of this data set.

³ The incident was not related to work safety. After the incident, the Group actively followed up with the employee's family, and assisted the employee's family in acquiring compensation and related benefits from social security agency. Meanwhile, the Group also granted comfort allowance to the employee's family, which is aimed at protecting the employee's rights and interests.

Aspect	KPI	Unit	For the year ended/ as at 31 December 2021
B3 Development and training	B3.1 The percentage of employees trained by gender and employee category		
	Total employees trained	Person times	147,774
	By gender		
	Male employees trained	%	53
	Female employees trained	%	47
	By employee category		
	Junior employees trained	%	88.50
	Middle management trained	%	8.70
	Senior management trained	%	2.80
	B3.2 The average training hours of employees by gender and employee category		
	Average training hours per employee	Hour	40
	By gender		
	Training hours of male employees	Hour	43
	Training hours of female employees	Hour	37
	By employee category		
Average training hours of junior employees	Hour	38	
Average training hours of middle management	Hour	85	
Average training hours of senior management	Hour	250	
B5 Supply chain management	B5.1 Number of suppliers by geographical region		
	Suppliers in total	Number	8,311
	By geographic region		
	Suppliers in the Greater Bay Area	Number	5,562
	Suppliers in Eastern China	Number	774
	Suppliers in Northern China	Number	873
	Suppliers in Central China	Number	882
	Suppliers in Southwest China	Number	220
B6 Product responsibility	B6.2 Number of products and service-related complaints received		
	Number of products and service-related complaints received	Time	10,025
B7 Anti-corruption	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		
	Number of legal cases regarding corrupt practices	Case	0
	B7.3 Description of anti-corruption training provided to directors and staff		
The total duration of anti-corruption training of directors and staff	Hour	1,049	

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Aspect	KPI	Unit	For the year ended/ as at 31 December 2021
B8 Community investment	B8.2 Resources contributed (e.g. money or time) to the focus area		
	Investment in philanthropy	RMB'000	112.2
	Investment in community services	RMB'000	10,176.3
	Number of employees participating in activities		
	Number of employees participating in public welfare/volunteer activities	Headcount	3,493

Scope of statistics:

The scope of the environmental data disclosed in this Report included the office areas of the Group as well as the public areas in the projects managed by the Group.

Explanation on the data calculation:

- 1) The GHG emissions (Scope 1) were mainly from the use of gasoline and diesel; the GHG emissions (Scope 2) were mainly from the consumption of purchased electricity, and their data sources were the relevant bills of payment and the administrative statistical ledger. Among others, the GHG emission factor of direct energy was calculated by reference to the Guideline for the Accounting Methods and Reporting of Greenhouse Gas Emissions by Public Building Operators (Enterprises) (for Trial Implementation), and the GHG emission factor of purchased electricity was calculated by reference to the 2017 Baseline Emission Factors for Regional Power Grids in China issued by the Ministry of Ecology and Environment.
- 2) The types of energy consumed by the Group in 2021 consisted of gasoline and diesel, and the data sources were the relevant bills of payment and the administrative statistical ledger. Among others, the energy consumption coefficient was calculated by reference to the conversion factors provided by the International Energy Agency and to the national GB 2589-2008T General Rules for Calculation of the Comprehensive Energy Consumption.
- 3) The water consumed by the Group was mainly the water supplied by municipal pipeline networks, and the data sources were the utility bills, financial reimbursement records and administrative ledgers.

Appendix II Content Index under the ESG Reporting Guide

Aspects, General Disclosures and KPIs	Description	Disclosed or not	Paragraph
A. Environmental			
Aspect A1: Emissions			
General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p>Note: Air emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.</p> <p>GHGs include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</p> <p>Hazardous wastes are those defined by national regulations.</p>	Disclosed	Green and Low Carbon – “Yue+” Sustainability
KPI A1.1	The types of emissions and respective emissions data.	Disclosed	Appendix I 2021 Annual ESG KPIs
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I 2021 Annual ESG KPIs
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I 2021 Annual ESG KPIs
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I 2021 Annual ESG KPIs
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Disclosed	Green and Low Carbon – “Yue+” Sustainability
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Disclosed	Green and Low Carbon – “Yue+” Sustainability Appendix I 2021 Annual ESG KPIs

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Aspects, General Disclosures and KPIs	Description	Disclosed or not	Paragraph
Aspect A2: Use of resources			
General Disclosure	<p>Policies on the efficient use of resources, including energy, water and other raw materials.</p> <p>Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.</p>	Disclosed	Green and Low Carbon – “Yue+” Sustainability
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I 2021 Annual ESG KPIs
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I 2021 Annual ESG KPIs
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	Green and Low Carbon – “Yue+” Sustainability
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Disclosed	Green and Low Carbon – “Yue+” Sustainability
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable	/
Aspect A3: Environment and natural resources			
General Disclosure	Policies on minimising the issuer’s significant impacts on the environment and natural resources.	Disclosed	Green and Low Carbon – “Yue+” Sustainability
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	Green and Low Carbon – “Yue+” Sustainability
Aspect A4: Climate change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Disclosed	Green and Low Carbon – “Yue+” Sustainability
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Disclosed	Green and Low Carbon – “Yue+” Sustainability

Aspects, General Disclosures and KPIs	Description	Disclosed or not	Paragraph
B. Social			
Employment and Labour Practices			
Aspect B1: Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Disclosed	Together – “Yue+” Unity
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Disclosed	Together – “Yue+” Unity Appendix I 2021 Annual ESG KPIs
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	Appendix I 2021 Annual ESG KPIs
Aspect B2: Health and safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Disclosed	Together – “Yue+” Unity
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years, including the reporting year.	Disclosed	Appendix I 2021 Annual ESG KPIs
KPI B2.2	Lost days due to work injury.	Disclosed	Appendix I 2021 Annual ESG KPIs
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	Together – “Yue+” Unity Quality – “Yue+” Better Services
Aspect B3: Development and training			
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	Disclosed	Together – “Yue+” Unity
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	Together – “Yue+” Unity Appendix I 2021 Annual ESG KPIs
KPI B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	Together – “Yue+” Unity Appendix I 2021 Annual ESG KPIs

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Aspects, General Disclosures and KPIs	Description	Disclosed or not	Paragraph
Aspect B4: Labour standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Disclosed	Together – “Yue+” Unity
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Disclosed	Together – “Yue+” Unity
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	Together – “Yue+” Unity
Operating Practices			
Aspect B5: Supply chain management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	Cooperation – “Yue+” Win-Win
KPI B5.1	Number of suppliers by geographical region.	Disclosed	Cooperation – “Yue+” Win-Win Appendix I 2021 Annual ESG KPIs
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	Cooperation – “Yue+” Win-Win
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	Cooperation – “Yue+” Win-Win
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	Cooperation – “Yue+” Win-Win
Aspect B6: Product responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosed	Quality – “Yue+” Better Services

Aspects, General Disclosures and KPIs	Description	Disclosed or not	Paragraph
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable	/
KPI B6.2	Number of products and service related complaints received and how they were dealt with.	Disclosed	Quality – “Yue+” Better Services Appendix I 2021 Annual ESG KPIs
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	Responsibility – “Yue+” Solid Development
KPI B6.4	Description of quality assurance process and recall procedures.	Disclosed	Quality – “Yue+” Better Services
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	Quality – “Yue+” Better Services
Aspect B7: Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	Responsibility – “Yue+” Solid Development
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.	Disclosed	Appendix I 2021 Annual ESG KPIs
KPI B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored.	Disclosed	Responsibility – “Yue+” Solid Development
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Disclosed	Responsibility – “Yue+” Solid Development Appendix I 2021 Annual ESG KPIs
Community			
Aspect B8: Community investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities’ interests.	Disclosed	Community Integration – “Yue+” Harmony
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	Community Integration – “Yue+” Harmony
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Disclosed	Appendix I 2021 Annual ESG KPIs

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Appendix III Feedback Form

Dear reader,

Thank you for reading this Report! This is Yuexiu Services' first independent ESG Report, and the Group welcomes your feedback on this Report.

If you have any opinions or suggestions on this report or the Group's ESG activities, please complete the following form and email your feedback to: ir@yuexiuproperty.com,

Subject: Yuexiu Services Group Limited 2021 ESG Report Feedback Form

Name _____

Company _____

Position _____

Telephone _____

Email _____

Your appraisal: (please put ✓ in the corresponding box)

	Excellent	Good	Ordinary	Poor	Very poor
Do you think this Report highlights key ESG information for the Group?	<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 organization of content and style design of this Report are reader-friendly?	<input type="checkbox"/>				

Which part of this Report were you most interested in?

What other information you would like to know were not included in this Report?

What feedback or suggestions do you have for the Group's future ESG reports?