



2023 ESG

Environmental, Social and  
Governance Report

China Jinmao Holdings Group Limited

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## About The Report

This Report is the third Environmental, Social and Governance (ESG) Report issued by China Jinmao Holdings Group Limited, which has issued five Sustainable Development Reports and three Corporate Social Responsibility Reports. This Report aims to communicate frankly with stakeholders about the Company's philosophy, main practices, and key performance for sustainability.

### Report Scope and Interval

Unless otherwise stated, this Report covers China Jinmao Holdings Group Limited and its subsidiaries both in and outside China, consistent with the scope of the *China Jinmao Holdings Group Limited 2023 Annual Report*. Information and data cited in the Report come from the Company's official documents, statistical reports, and financial reports, as well as ESG information compiled, summarised, and audited by the Company. The currency unit is the Chinese yuan (RMB). This annual report covers the period from 1 January 2023 to 31 December 2023. Some contents may go beyond the mentioned period to enhance the comparability and foresightedness of this Report.

### References

For the convenience of expression and reading, "China Jinmao Holdings Group Limited" is also referred to as "China Jinmao" "the Company" or "we" in this Report. The Company's regional or city companies in the development sector are referred to in the format of "Jinmao + the region/city".

### Basis of Preparation

This Report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide ("ESG Reporting Guide")* under Appendix C2 of the *Listing Rules of the Stock Exchange of Hong Kong Limited*, and refers to the *Chinese Corporate Social Responsibility Report Preparation Guide* (CASS-ESG 5.0) issued by the Chinese Academy of Social Sciences, the United Nations' SDG Compass: The guide for business action on the SDGs, the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards), and the standard for the real estate industry of the Sustainable Accounting Standards Board (SASB). This Report was prepared through stages including industry benchmarking, questionnaire surveys, stakeholder interviews, information collection, information review, report writing, independent third-party audit, and approval by the ESG Committee and the Board of Directors.

### Reporting Principles

This Report follows the reporting principles laid out in the *ESG Reporting Guide*, which include:

- **Materiality:** To keep improving ESG management and effectively respond to the expectations and demands of stakeholders, China Jinmao regularly identifies and selects ESG issues. After analysis and evaluation, it draws a materiality matrix to determine ESG issues and submits it to the Board of Directors for review and approval. In 2023, there were no significant changes in material issues after evaluation by the Company.
- **Quantitative:** China Jinmao has established a standardised ESG indicator management system covering its headquarters and all subsidiaries. It regularly collects quantitative key performance indicators across "Environmental" and "Social" aspects as defined in the *ESG Reporting Guide*. These indicators are aggregated over the course of the year and ultimately constitute the disclosures presented in this Report. Where calculations or conversions are involved, the standards, protocols, and guidelines used are provided in the notes of this Report. The detailed quantitative ESG data and targets can be found in the relevant sections of this Report as well as in the ESG Performance Indicators included in the appendix.
- **Balance:** China Jinmao warrants that the contents are presented in an objective and impartial manner. The disclosed content can be found on the Company's official disclosure channels and public media reports.
- **Consistency:** Unless otherwise stated, the information collection and disclosure methods used in this Report are consistent with those used in previous years, ensuring comparability of information.

### Access

This Report is available in traditional Chinese and English for readers. It can be downloaded on the official website of the Company (<https://www.chinajinmao.cn>) and the website of The Stock Exchange of Hong Kong Limited (<https://www.hkexnews.hk>).

## The Company's Message

The year 2023 marked the first year to implement the guiding principles of the 20th National Congress of the Communist Party of China (CPC) on all fronts and laid the solid groundwork for building a modern socialist country in all respects. Faced with the complex domestic and international environment and intense market competition, China Jinmao sought guidance from Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and deeply studied and implemented the spirit of the 20th National Congress of the CPC. We profoundly grasped the core essence of high-quality development and implemented the principles of innovation, coordination, green, openness, and sharing. While maintaining steady operations, we strive to create more sustainable economic, environmental, and social value for all stakeholders.

In 2023, China Jinmao continued to enhance its ESG governance and risk management capabilities. Our sustainable development performance was highly recognized by authoritative agencies both in China and abroad. During the year, our MSCI ESG rating upgraded to A and our Global Real Estate Sustainability Benchmark (GRESB) rating raised to four-star. We received a low-risk ESG rating by Sustainalytics and granted the "ESG Regional Top Rated" in the Asia-Pacific region. We were included in the "Hang Seng SCHK China Central SOEs ESG Leaders Index" and the "Hang Seng SCHK China Central SOEs ESG 40 Index". We were also listed in the "Central SOEs ESG Governance Pioneers 100 Index" published by the Bureau of Social Responsibility under the State-owned Assets Supervision and Administration Commission (SASAC) of the State Council.

**Uphold top quality for a happy life.** As a city operator, China Jinmao has continuously upgraded its "One Core · Three Focuses" strategy. We strive to build a city operation ecosystem featuring high-quality development, premium quality of property holding, high-end quality services, and building technology innovation. This ecosystem aims to create livable, business-friendly, and pleasant urban living spaces. In 2023, the Company launched the Jinmao Palace 3.0 series to comprehensively improve the residential experience through "one core, five beauties, two supporting facilities, and two services". We conducted quality control during the whole lifecycle and delivered 45,000 high-quality housing units in 76 batches with industry-leading customer satisfaction. We have remained committed to building a high-quality, trustworthy service system with a long-term horizon and providing customers with more diverse living experiences through the integrated membership system.

**Purse green development for ecological beauty.** Guided by China's "dual carbon" goals, China Jinmao has incorporated the concept of "carbon neutrality" into city operation planning and advanced the layout of green buildings. As of 2023, we had received 308 green building certifications and labels and brought the total green-building certified floor area to 30,994 thousand square meters. 100% of our new projects met the requirements of green building design, and we ranked first for the competitiveness of green property development in China again. To actively address climate change, we have conducted climate risk management, further improve our climate risk management capabilities, and seize climate opportunities, as recommended by the Task Force on Climate-related Financial Disclosures (TCFD) framework. In response to the call of the United Nations supported Principles for Responsible Investment (UN PRI), we have engaged in responsible investment and financing, capitalize on opportunities for green buildings and public offering of the real estate investment trusts (REITs), as well as promote the Company's sustainable development through green finance.

**Foster a harmonious society with corporate responsibility.** Focusing on the "top priority of the state", China Jinmao fulfills its mission by working together with employees, customers, partners, and all sides to promote the harmonious and stable development of society. We make persistent efforts to create an equal, diverse, and inclusive workplace, reinforce the foundation of safety, and provide ample opportunities for employee development. By leveraging resources in the value chain, we deepen cooperation and exchange to promote the coordinated development of the urban economy, culture, and industry. In 2023, we actively participated in the construction of Xiong'an New Area. We facilitated the construction of the Sinochem Building and resettlement housing with high standards. We also aimed to create landmarks with a strong sense of political mission and responsibility. To fulfill our responsibilities as a central enterprise, we actively engaged in public welfare donations, contributed to poverty alleviation, and strived for rural revitalization and common prosperity.

The year 2024 marks the 75th anniversary of the founding of the People's Republic of China and is a crucial year for the realization of the goals of the 14th Five-Year Plan. Embarking on the new journey, China Jinmao will remain steadfast in implementing its business strategies, deepening reforms, and accelerating capacity building. Focusing on city operation, we will advance the coordinated development of various business sectors, put customers first, and expedite the upgrade of products and services. Through these efforts, we will make greater contributions to empowering urban construction and improving the well-being of the people as a central enterprise.

## Figures for Jinmao

### Economy

Total assets	Operating revenue	City operation and property development contracted sales
<b>RMB 407,119.2 million</b>	<b>RMB 72,403.6 million</b>	<b>RMB 141,200 million</b>
Owned city operation, property development, commercial lease, retail, and hotel operation projects		
<b>382</b>		
Homeowner satisfaction score	Commercial lessee satisfaction score	Commercial customer satisfaction score
<b>90 points</b>	<b>92.5 points</b>	<b>91.5 points</b>
Third-party actual measurement score		
<b>97.2 points</b>		

### Environment

Comprehensive energy consumption per unit of area	GHG emissions (Scope 1)	GHG emissions (Scope 2)
<b>0.00426 tonnes of standard coal/m<sup>2</sup></b>	<b>30,848.70 tonnes CO<sub>2</sub> equivalents</b>	<b>323,420.37 tonnes CO<sub>2</sub> equivalents</b>
GHG emission intensity	Obtained green building certifications or labels in total	Projects obtained green certifications or labels in total
<b>16.88 kg CO<sub>2</sub> equivalents/m<sup>2</sup></b>	<b>308</b>	<b>255</b>
Total green-building-certified project floor area	Invested, constructed and operated urban, regional and project-level energy stations	
<b>3,099.4 10,000m<sup>2</sup></b>	<b>73</b>	

### Community

Science and technology investment	Signing rate of labor contracts	Work-related death for three consecutive years
<b>RMB 335 million</b>	<b>100%</b>	<b>0</b>
Average training time per person	Number of suppliers	Total public welfare donation
<b>48.6 hours</b>	<b>9,958</b>	<b>RMB 5.9 million</b>

## Our Honors

 MSCI ESG rating upgraded to A, with a rise for two consecutive years	 GRESB four-star rating and A rating for public information disclosure
 Inclusion in Hang Seng SCHK China Central SOEs ESG Leaders Index	 Received a low-risk ESG rating by Sustainalytics and was granted the "ESG Regional Top Rated" in the Asia-Pacific region
 Inclusion in Hang Seng SCHK China Central SOEs ESG 40 Index	
 Inclusion in "Central SOEs ESG Governance Pioneers 100 Index" published by the Bureau of Social Responsibility of SASAC	

## Major Integrated Awards

- In June 2023, China Jinmao was awarded the "2023 Blue Chip Enterprise", the "2023 Comprehensive and Robust Development Quality Enterprise", the "2023 Sustainable Blue Chip Valuable Enterprise", the "2023 Top Quality Model Enterprise", and the "2023 Digital-driven Leading Enterprise" at the 20th(2023) Top 100 Blue Chip Property Companies Summit.
- In August 2023, China Jinmao was awarded the "2023 Digital Model Enterprise of China's Construction Industry" by China Real Estate Business.
- In September 2023, China Jinmao was awarded the "Valuable Real Estate Enterprise of the Year", the "Valuable City Operator of the Year", and the "Valuable Property Enterprise of the Year" at the 13th Annual Meeting of China Valuable Real Estate.
- In November 2023, China Jinmao was awarded the "2023 Outstanding Social Responsibility Enterprise" by Investorchina.cn.
- In December 2023, China Jinmao was awarded the "2023 Enterprise with ESG Development Influence" at the 2023 Annual Meeting of FeChina and the 21st Financial Ranking.
- In December 2023, China Jinmao won the "People's Corporate Social Responsibility Award - Green Development Award" at the 2023 People's Corporate Social Responsibility Award Ceremony and the 18th People's Corporate Social Responsibility Award Ceremony.

## Other Awards

- In January 2023, Jinmao Green Building won the "China Award for Science and Technology in Construction" by the Committee of the China Award for Science and Technology in Construction.
- In March 2023, Jinmao Green Building was awarded the "2022 China IDC Industry Green Computing Data Center" by the Shenzhen Big Data Research and Application Association.
- In May 2023, Jinmao Services received multiple awards from CRIC, including the "2023 China's Leading Listed Property Management Enterprises: the Top 10 Enterprises for ESG Sustainable Development", the "2023 China's Top 10 State-owned Property Service Enterprises for Comprehensive Strength", and the "2023 China's Leading Property Service Enterprises for Growth Potential".
- In June 2023, Jinmao Capital was awarded the "2022 Top 10 Best Investment Institutions of China's Real Estate Industry" by the CV.
- In September 2023, Jinmao Hotel was awarded the "2022 ABN Index Influential Real Estate Hotel Group" by ABN Index.
- In November 2023, Jinmao Green Building was awarded the "Top 10 Brands of Photovoltaic Building Solutions of the Year" by In-En.com.
- In December 2023, Jinmao Retail Business was awarded the "2023 Outstanding City Commercial Operator" at the 2023 Winshang Conference and the Release of Winshang Top 100 Research Achievements.

## About China Jinmao

China Jinmao Holdings Group Limited (hereinafter referred to as "China Jinmao") is the city operation platform of Sinochem Holdings Corporation Ltd. ("Sinochem Holdings"), a Fortune Global 500 company. On 17 August 2007, China Jinmao was listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: HK.00817). Sinochem Holdings was formed through the merger of Sinochem Group Co., Ltd. and China National Chemical Corporation Ltd. Sinochem Holdings operates in eight business sectors covering life science, materials science, petrochemicals, environmental science, rubber and tire, machinery and equipment, city operations, and industrial finance. It is a leading global chemical conglomerate.

Upholding the vision of "Unleashing the Future Vitality of the City", China Jinmao has continuously upgraded its "One Core · Three Focuses" strategy. To pursue high-quality development, we focus on premium quality of property holding and high-end quality services. By leveraging innovative building technology innovation across multiple dimensions, we aim to accelerate the creation of a second growth curve.

"Jinmao" is a well-known trademark in China. Since 2005, the brand "Jinmao" has been named among "China's 500 Most Valuable Brands" for 19 consecutive years. In 2023, "Jinmao" ranked 174th with a brand value of RMB 58.209 billion, representing an increase of RMB 7 billion compared to the previous year.

## Business Presence

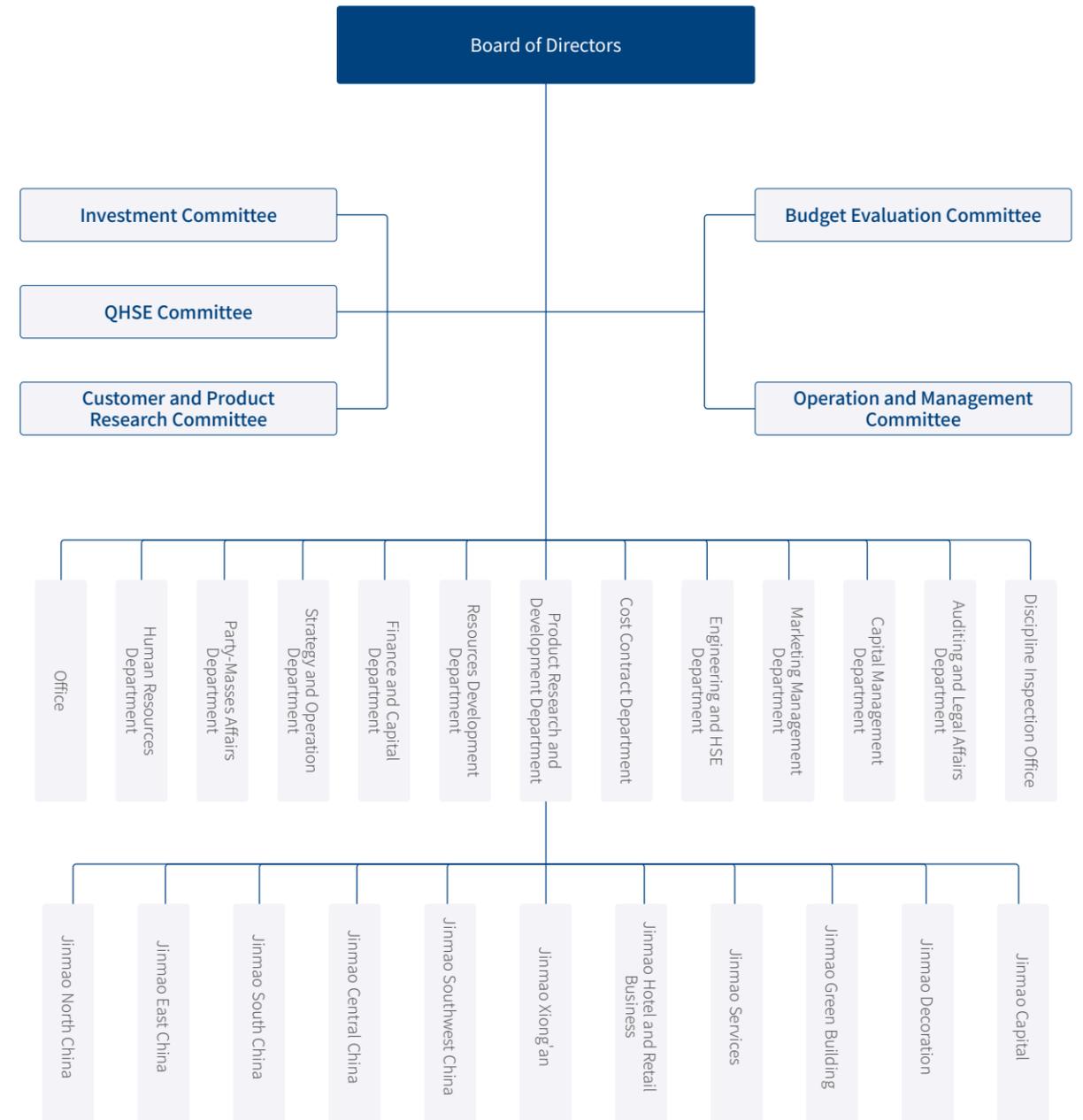
Based on the foresight of cities' potential, China Jinmao integrates the world's leading high-quality resources and introduces a rational and complementary urban planning philosophy to comprehensively improve regional functions and boost urban vitality. By December 31, 2023, we had developed projects in 56 core cities and established a series of high-end products featuring "Jinmao" brand.



China Jinmao's "One Core · Three Focuses" Strategy

## Organizational Structure

China Jinmao has established a listed company corporate governance structure in compliance with the HKEX's regulatory requirements. We continuously upgrade our organizational structure, build a shared service center, and run a service-oriented headquarters. We uphold a three-level structure and two-level management and control, continuously optimize our regional and professional platforms, and build a flat organization.



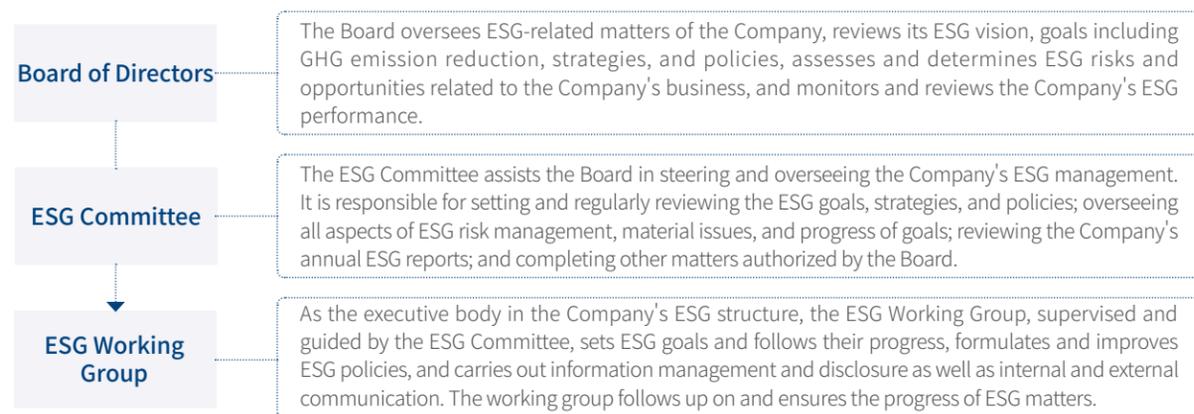
China Jinmao's Organizational Structure

# Sustainability Management

China Jinmao consistently upholds the principles of sustainability and places great emphasis on ESG governance. We have put in place a scientific and professional ESG governance framework and formed a three-tier control mechanism consisting of decision-making, management, and execution. We also persist in strengthening participation from the Board of Directors. The Company is committed to continually enhancing its ESG governance and performance by comprehensively and thoroughly embedding sustainability considerations into its business strategies and decisions.

## ESG Governance

China Jinmao has established and continuously optimized its ESG governance framework and enhanced its ESG governance capabilities. The Board of Directors is the highest decision-making body responsible for overseeing all ESG matters. An ESG Committee has been established under the Board's authorization. The committee is chaired by Mr. ZHANG Zenggen, Chairman and Executive Director of China Jinmao, with other members including Mr. ZHONG Wei, an independent non-executive director, and Mr. TIAN Jiupo, the vice president and chief technology officer. The ESG Committee assists the Board in overseeing and steering the Company's ESG management and ensuring the independence and effectiveness of ESG decision-making. An ESG Working Group under the ESG Committee is comprised of liaison personnel from the functional departments and offices of the Company's headquarters and subsidiaries' relevant departments. As the executive body of ESG work, the group is responsible for following up and ensuring the progress of ESG matters.



China Jinmao's ESG Management Structure

**Strengthen participation from the Board.** The Board of Directors is responsible for reviewing the Company's sustainability strategy to ensure consistency with the Company's development strategy; continuously monitoring ESG risks and opportunities and ensuring that the Company has response plans for major risks; formulating and regularly reviewing ESG plans and goals and assessing their progress and the Company's ESG performance. The Board has authorized the ESG Committee to provide comprehensive guidance and supervision of ESG management and to communicate timely with the Board on ESG issues. During the Reporting Period, the Board held one meeting related to ESG issues with a participation rate of 100%. The Company has incorporated ESG quantitative targets and performance in safety management, environmental management, occupational health, energy conservation and carbon reduction, and emergency management into the assessment scope. We link the compensation of directors and executives with their ESG performance to continuously strengthen the participation of ESG management from the Board. This Report discloses the detailed progress and effectiveness of China Jinmao's ESG work in 2023. It was reviewed and approved by the Board in April 2024.

**Enhance ESG management.** China Jinmao continuously standardizes and deepens its ESG management work by establishing documents such as the *China Jinmao Environmental, Social and Governance Management Standards* and the *China Jinmao Environmental, Social, and Governance Information Management Handbook*. These documents clarify the responsibilities and processes at all levels in ESG management and provide a policy basis for the ESG governance, stakeholder communication, and ESG disclosure of the Company. Furthermore, we collaborate with internal and external stakeholders and effectively regulate all aspects of sustainability. To this end, we have formulated and released eight sustainability policies, including the *China Jinmao Environmental Protection Policy*, the *China Jinmao Human Rights Policy*, the *China Jinmao Supplier Code of Conduct*, the *China Jinmao Sustainable Procurement Policy*, the *China Jinmao Health and Safety Policy*, the *China Jinmao Code of Business Ethics*,

the *China Jinmao Community Management Policy*, and the *China Jinmao Responsible Marketing Policy*. These policies provide guidance and guidelines for the management and implementation of key sustainability issues.

The Company continuously strengthens the standardization of information collection and data statistics through the ESG information management system to ensure the completeness, authenticity, and accuracy of information disclosure. This approach also lays the foundation for further enhancing our sustainability management capabilities. Moreover, the Company incorporates ESG information collection, implementation of management of ESG material issues, and participation in ESG work into annual performance appraisal, with the evaluation results tied to the performance-based compensation of various functional departments and units. These measures have effectively promoted the integration of ESG management with the Company's daily operations.

**Improve Awareness of ESG Capabilities.** To continuously enhance awareness and accountability for sustainable development, the Company has been strengthening its ESG capacity building. We organized 7 ESG training sessions for employees at all levels, professional staff, external partners, and suppliers. With a total duration of approximately 132 hours, the training sessions covered topics such as domestic and international ESG trends and policies, response to climate change, and green finance. Furthermore, we set up the "ESG Vision" column on our mobile office platform, which shares basic ESG knowledge and news. Through this platform, all employees can exchange ideas on ESG-related topics and foster a corporate culture of sustainability. Our goal is to empower every employee to promote the sustainable development of the Company.

## Sustainability Strategies

China Jinmao places great emphasis on addressing the demands and expectations of our shareholders. Guided by the United Nations' Sustainable Development Goals 2030 (SDGs) and leveraging our strengths, we have developed targeted sustainability strategies to maximize economic, environmental, and social benefits for all key stakeholders and create a harmonious and win-win future of sustainability.

<b>Creating value with shareholders</b>	China Jinmao has established sound investor relations, strengthened the system to safeguard shareholders' interests, and operated business in adherence to business ethics and in compliance with the laws and regulations, while strengthening risk management and insisting on innovative development to maximize the returns to shareholders with sustainable operating results.	
<b>Sharing quality with customers</b>	Committed to the mission of "Build Quality for Better Life", China Jinmao executes its undertaking towards each customer to provide customers with more diversified and comprehensive products and services in an effort to achieve the dream of future habitat and city.	
<b>Co-depending with the environment</b>	Taking the "green" strategy as one of the Company's key strategies, China Jinmao continues to upgrade three areas namely "eco-city", "life building", and "zero-carbon operations" to build the "Ever Green Quality" living model covering the whole process from design, construction to operation with a view to establishing itself as a model of green city operation in China.	
<b>Progressing together with employees</b>	China Jinmao regards employees as the Company's most valuable asset and respects their rights while ensuring their safety and health, creating a fair and open environment for employees and providing them with comprehensive career development channels and broad development potential for their growth in an effort to achieve enhancement in both corporate value and employee value.	
<b>Achieving win-win results with partners</b>	In pursuit of achieving win-win results with partners, China Jinmao takes a righteous and credible stance as the foundation of business and strives to achieve mutual benefits and win-win results through cooperation while safeguarding an open, fair, and just marketing environment in an effort to build a win-win chain of sustainable development.	
<b>Building harmony with the community</b>	As part of the community, China Jinmao actively engages in community development and contributes to public welfare by upholding the development philosophy of "what is taken from society is used in society" to contribute to the building of a harmonious community.	

## Communication with Stakeholders

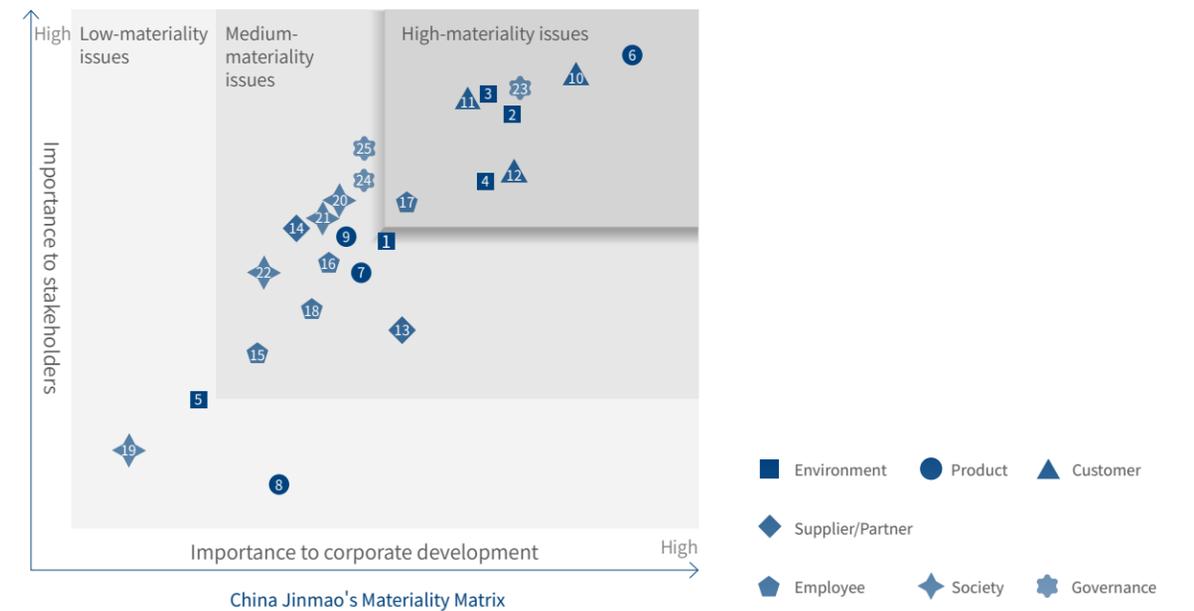
China Jinmao highly values communication and collaboration with stakeholders. We make active efforts to expand channels to engage different stakeholders, such as shareholders, government/ regulatory authorities, customers, employees, the environment, suppliers and partners, communities, and media. We listen to their expectations and demands and respond in a timely manner.

Stakeholder communication of China Jinmao

<b>Government/ Regulatory authorities</b>		Operation in compliance with laws and regulations Paying tax in accordance with the laws Boosting economic growth Supporting local development	Strengthening compliance management Paying tax in full and on time Implementing national policies Actively undertaking social responsibilities
<b>Shareholders</b>		Enhancing profitability Improving organisational structure Performing information disclosure Preserving and increasing the value of state-owned assets	Holding general meetings Enhancing corporate management Transparent information disclosure Roadshows/Reverse roadshows
<b>Customers</b>		Integrity cooperation Information disclosure Premium quality Considerate services	Performing contracts Optimising customer communication platforms such as Jinmao Luxuriance Enhancing building construction quality Innovating customer service Customer satisfaction survey
<b>Employees</b>		Protecting the rights and interests Career development and training Work environment Humane care	Paying wages and social security in full and on time Improving career development paths Organising employee training Safeguarding occupational health Carrying out cultural and sports activities
<b>Environment</b>		Reasonable use of resources Ecological restoration Energy conservation and emission reduction Advocating green lifestyle	Integrating green concepts into management and operations Expanding in ecological cities Responding to climate change Promoting utilisation of new energy Disclosing environmental information Organising environmental protection campaigns
<b>Suppliers and partners</b>		Honouring commitments Just, fair, and open procurement Win-win cooperation Promoting industry development	Performing contracts in accordance with the law Practicing transparent tendering and procurement Carrying out government-enterprise, university-enterprise, and inter-enterprise cooperation Participating in industry communication Supplier evaluation
<b>Communities</b>		Community engagement Promoting employment Public welfare	Dedication to public welfare Participating in community services Supporting rural revitalisation Volunteering
<b>Media</b>		Good cooperative Compliance in promotion	Improving the media release system Conducting news reporting

## Determination of Material Issues

To continuously enhance ESG, ensuring the alignment of corporate sustainability with the expectations of stakeholder, China Jinmao makes regular reviews and assessments of the materiality of ESG issues. We identified 25 ESG issues and ranked them in terms of priority according to the four steps of identification, survey, analysis, and confirmation and reported the results to the Board. In 2023, we reviewed and assessed the identified issues in light of the actual development of our business as well as the expectations and demands of our stakeholders, and the results were not significantly updated and changed.



### Issues of high importance

- |   |                          |  |
|---|--------------------------|--|
| 6 Product quality and safety            | 2 Green buildings        | 12 Customers' privacy and information safety |
| 10 Service quality                      | 3 Green operations       | 4 Energy conservation and emission reduction |
| 23 Operational integrity and compliance | 11 Customer satisfaction | 17 Occupational health and safety            |

### Issues of medium importance

- |                                |                            |   |   |
|--------------------------------|----------------------------|---|---|
| 25 Anti-corruption             | 21 Rural revitalisation    | 16 Employee training and development    | 18 Employee benefits and care             |
| 24 Risk management             | 7 Technological innovation | 14 Industry cooperation and development | 22 Community construction and integration |
| 1 Responding to climate change | 9 Responsible marketing    | 13 Sustainable supply chain             | 15 Equal employment and diversity         |
| 20 Charity and public welfare  |                            |   |   |

### Issues of low importance

- |                |  |                                   |
|----------------|--|-----------------------------------|
| 5 Biodiversity | 8 Protection of intellectual property rights | 19 Boosting local economic growth |
|----------------|--|-----------------------------------|

# Integrity and Compliance for Robust Development



Corporate Governance	13
Risk Management and Control	14
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## The SDGs responded



## The HKEX ESG Indicators responded

B6.3/B7.1/B7.2/B7.3



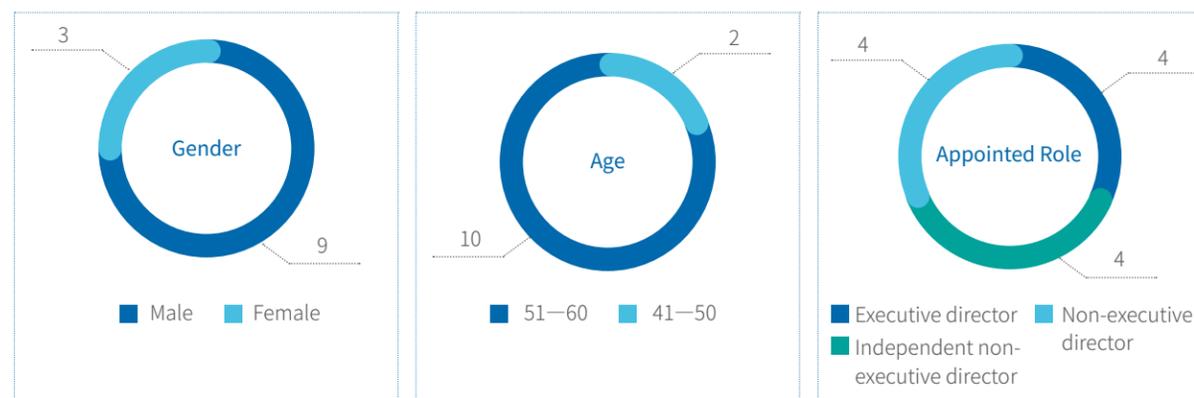
## Corporate Governance

China Jinmao strictly adheres to the *Company Law of the People's Republic of China* and other laws and regulations, as well as the *Corporate Governance Code* contained in Appendix 14 to the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*. We have established a sound and efficient corporate governance structure and continuously improved governance with sustainability.

As the highest governance body, the Board of Directors is responsible for the Company's overall strategy, internal supervision, and risk management system, and supervises the exercise of corresponding functions by each subordinate specialized committee. During the Reporting Period, the Board was composed of 12 directors, including 4 executive directors, 4 non-executive directors, and 4 independent non-executive directors. There are 5 standing special committees under the Board, namely the Audit Committee, the Remuneration and Nomination Committee, the Strategy and Investment Committee, the Independent Directors' Committee, and the ESG Committee.

In 2023, the Board and its specialized committees made decisions by holding meetings and passing written resolutions. They discussed matters such as major investment and financing transactions, compensation and incentives, and information disclosure of listed companies and reviewed and jointly made decisions on major matters of the Company. Specifically, the Board held 4 meetings and passed 21 written resolutions, the Remuneration and Nomination Committee passed 7 written resolutions, the Audit Committee held 3 meetings and passed 1 written resolution, the Independent Directors' Committee passed 3 written resolutions, the Strategy and Investment Committee passed 37 written resolutions, and the ESG Committee held 1 meeting and passed 1 written resolution.

The Company regards the increasing diversification of the Board members as a key factor to support the realization of its strategic goals and maintain sustainability. In pursuit of sustainable and balanced development, we fully consider the diversity requirements when selecting Board members. The Company selects candidates based on a range of considerations, including but not limited to gender, age, culture, educational background, professional experience, skills, knowledge, and length of service. During the Reporting Period, the Remuneration and Nomination Committee, after fully considering the aforementioned diversity requirements, proposed recommendations to the Board regarding the re-election of directors. The Board is committed to promoting gender diversity among its members. In 2023, the Company appointed 3 female directors and continued to meet the goals of diversity among Board members and the overall best interests of shareholders. For male and female employees with the experience, skills, and knowledge required for operations and business, the Company provides comprehensive training, including but not limited to operations, management, accounting, finance, and compliance. The Board believes that the strategy above can provide the Board with opportunities to select capable female employees to be nominated as members of the Board in the future, which in the long run can further promote gender diversity among the Board members.



Diversification of Board Members of China Jinmao

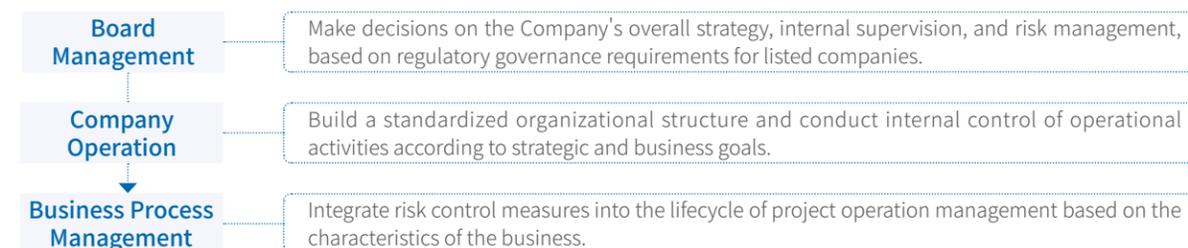
China Jinmao places great emphasis on communication and engagement with shareholders and stakeholders. We actively establish diversified communication channels. In accordance with our shareholder communication policy, we maintain efficient and regular communication with shareholders through general meetings, announcements, shareholder circulars, and other communication methods. We also do our utmost to listen to, understand, and respond to shareholders' feedback and protect shareholders' rights and interests. We also attach importance to communication with existing and potential investors, analysts, and other stakeholders, maintain a smooth communication mechanism with all stakeholders, and ensure compliance, accuracy, and completeness of information disclosure. In 2023, the Company organized 2 earnings calls and 18 investor relations roadshows attended by senior management, attended 12 investor relations meetings, and published 124 announcements, shareholder circulars, and other information on the HKEX news website.

## Risk Management and Control

China Jinmao makes active efforts to promote comprehensive risk prevention and management and steadily improves its risk management system. We also strive to effectively transform compliance management capabilities into a continuous driving force for the modernization of the Company's governance system and governance capabilities.

### Risk Management

China Jinmao regularly updates its internal management systems and continuously improves its comprehensive risk management system to safeguard the stable operation of the Company. Meanwhile, we constantly optimize the organizational structure, clarify the division of responsibilities for risk control, and further enhance the risk response and management capabilities. The Board of Directors, as the highest governing body for risk management, is responsible for overseeing ESG risks and other risks, conducting internal control as well as reviewing and evaluating the timeliness and effectiveness of risk management. In 2023, the Company established the Auditing and Legal Affairs Department and set up the positions of General Counsel and Chief Compliance Officer. The Auditing and Legal Affairs Department is responsible for coordinating risk management, internal control, internal audit, compliance management, and other work. Moreover, the department comprehensively implements the daily operational risk control, conducts special risk control for abnormal incidents, and regularly prepares risk assessment reports and quarterly reports on the monitoring of major risks. It also aims to assess the Company's risk capacity and the impact on its strategic goals and ensure that potential problems are promptly identified and control measures are taken promptly.



China Jinmao's Risk Management Structure

In 2023, focusing on the Company's strategy and business goals and taking into consideration the changes in the external environment as well as the likelihood and impact of these risks, we assessed 5 major risks for this year. They were market competition risk, public opinion risk, cash flow risk, policy risk, and macroeconomic risk. We analyzed the causes of the risks, formulated response plans, clarified the responsible departments, and adopted other relevant measures. In addition, we systematically and regularly managed the identified risks, and promptly responded to and regularly tracked the risk situation to effectively maintain the Company's stable operation.

China Jinmao regards ESG risks as a category of major risks in its comprehensive risk management system. We also refer to various frameworks such as the Risk Management Framework of the Committee of Sponsoring Organizations (COSO), the knowledge framework of the Financial Risk Manager (FRM), and the information disclosure framework of the Task Force on Climate-Related Financial Disclosure (TCFD). Through procedures such as risk identification, assessment, and scenario recognition, we evaluated ESG risks such as bribery, corruption, business ethics, product quality and safety, occupational health and safety in terms of their significance in finance, reputation, legal compliance, operation, and other aspects. We also regularly monitored key indicators, closely tracked ESG risk events, and established systematic and routine risk response mechanisms to effectively enhance our abilities to address ESG risks.

### Business Compliance

China Jinmao strictly adheres to the three bottom lines of legal compliance, compliance with listing rules, and state-owned assets supervision. We have implemented various policies such as the *Internal Audit Management Standards of China Jinmao* and the *Handbook of Management Redlines of China Jinmao* to continuously improve our compliance risk and legal risk prevention mechanisms. In 2023, the Company issued the *Internal Control System Optimization and Enhancement Work Plan of China Jinmao* and set up a working group responsible for optimizing internal control systems. We actively organized internal control self-assessments, focused on key risks, and continuously improved the Company's internal control management.

Guided by the principles of "assisting business, strengthening platforms, and enhancing capabilities", we have closely adhered to our management strategies and strategic priorities. In 2023, we completed 35 audit projects and conducted special audits on marketing management and tender procurement. Moreover, we proposed targeted improvement measures to enhance the

Company's compliance in marketing, procurement, and other areas as well as the effectiveness of internal control management. The Company further optimized the online big data audit platform with the addition of 18 specialized audit models for tendering, procurement, and other processes. We established an information-sharing center and a risk pre-control database to conduct audits in advance and reduce operational compliance risks.

The Company actively fostered a compliance culture and conducted compliance risk assessments for various business operations. We organized over 140 specialized training sessions on legal compliance for management at all levels, business units, and legal compliance professionals. Besides, all employees have signed the *Compliance Responsibility Statement* and committed to fulfilling compliance obligations and assuming responsibilities in 17 aspects including protection of state-owned assets, compliance with tax regulations, compliance with employment regulations, anti-corruption, anti-monopoly, anti-unfair competition, and protection of intellectual property rights. In 2023, the Company did not experience any significant risk events.

## Anti-Corruption

China Jinmao adheres to the business ethics code of honesty, trustworthiness, integrity, and self-discipline and maintains a zero-tolerance attitude towards bribery, corruption, fraud and other misconducts. We continuously optimise our supervision system and policy mechanism, provide channels for reporting and complaints, enforce strict protection of whistleblowers, and make anti-corruption an integral part of our regular management.

## Business Integrity

China Jinmao strictly adheres to Chinese laws and regulations, including the *Oversight Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China*. It follows international initiatives such as the Ten Principles of the UN Global Compact and the *United Nations Convention against Corruption*. The Company formulated the *China Jinmao Code of Business Ethics*, which establishes the anti-corruption, anti-bribery, anti-monopoly, anti-unfair competition, and anti-money laundering obligations that all employees must adhere to. The Company has also established a policy to protect whistleblowers and channels for reporting, prohibits all forms of political donations, and communicates and cooperates with all stakeholders with the highest standards of business ethics.

**Organisational structure.** The Board is responsible for the Company's risk management and internal control systems and for reviewing the effectiveness of the systems. The Audit Committee under the Board is responsible for reviewing the internal control system, discussing with the Company's management on the effectiveness of the risk management and internal control systems, including business ethics and corruption, and conducting research on results of important investigations and management responses regarding risk management and internal control matters and reporting to the Board when necessary. In line with the requirements of organisations at higher levels and authorities in charge of state-owned assets, we have continued to improve the supervision system and established a working group at the company level with the Secretary of the Discipline Inspection Commission serving as the head and the heads of the Discipline Inspection Office and Auditing and Legal Department as the deputy leaders, that integrates supervisory resources, bringing together the functions of internal inspection, disciplinary inspection, and internal audit to achieve full coverage of supervision and inspection for corporate governance, production and operation, and all employees.

**Management system.** The Company has established 10 internal management policies and standards to coordinate supervision and ensure that internal supervision within the Company is conducted in a standardized and systematic manner. These management policies and standards are the *Work Management Standards for Supervision and Enforcement of the Discipline Inspection Commission of China Jinmao*, the *Work Management Standards for Discipline Inspection, Petition and Whistleblowing of China Jinmao*, the *Work Management Standards for the Discipline Inspection Commission of China Jinmao*, the *Working Procedures for the Discipline Inspection Commission of China Jinmao*, the *Work Management Standards for Supervision of the Discipline Inspection Commission of China Jinmao*, the *Work Management Standards for Inspection of the Discipline Inspection Commission of China Jinmao*, the *Management Standards for the Inter-Level Coordination in Inspections of China Jinmao*, the *Administrative Measures for Integrity Files of Leading Cadres of China Jinmao*, the *Management Rules for the Nomination and Inspection of Secretary and Deputy Secretary of Discipline Inspection Commissions of Subsidiaries of China Jinmao*, and the *Measures of the Discipline Inspection Commission of China Jinmao on Implementing Key Measures for Supervising the Person in Charge and Leadership Team*.

**Supervision and inspection.** The Company conducts anti-corruption and business ethics audit inspections covering all subsidiaries at least once every three years. These inspections cover critical procedures involving integrity risks such as fund management and procurement. The aim is to effectively prevent and address commercial bribery, corruption, fraud, unfair competition, and other violations of business ethics. In 2023, we conducted audit inspections on 8 subsidiaries, formulated rectification plans for high-risk issues, and strictly implemented them. Furthermore, the Company targeted corruption-prone areas such as procurement, marketing, and equity transactions in the real estate industry. We rigorously cracked down on behaviors such as abuse of power, embezzlement, and favoritism for personal gain. After receiving feedbacks from the Central Inspection Team, the Party Committee of China Jinmao conducted self-reflection and identified 45 issues during the year. Additionally, we formulated 174 measures to address these issues and moved forward with the rectification work. By implementing rectification based on the inspection results, we facilitated the high-quality development of the Company and achieved a rectification rate of 91%.

All employees of the Company strictly adhere to the *Sinochem Holdings Convention on Compliance Obligations* and commit to resolutely opposing corruption, bribery, fraud, and unfair competition. In addition, the executives of the Company and its subsidiaries are required to sign the *Statement of Responsibility for Improving Party Conduct and Upholding Integrity* annually, pledging to take overall responsibility for improving Party conduct and upholding integrity in the respective areas or operating units under their charge. In 2023, the Company initiated 861 integrity interviews that focused on potential weak spots in business operations and areas susceptible to corruption risks, thus preventing corruption incidents. We incorporated integrity requirements into our talent recruitment process. During the year, we issued 297 integrity opinions and conducted 1,627 integrity reviews.

**Integrity education.** The Company makes continuous efforts to foster an integrity culture by promoting and implementing ethical practices and providing integrity training for the Board of Directors, management, and employees in various formats and ways. During the Reporting Period, we organized over 360 training sessions on ethical practices, business ethics, and internal control audits, with a total attendance of more than 24,000 and a cumulative duration of over 5,000 hours, covering 100% of directors and employees.

## Whistleblowing Mechanism

China Jinmao has established a working mechanism featuring the mutual coordination and restriction of supervision and inspection, review and investigation, case management, and case handling. We have set up the Discipline Inspection Office staffed with positions for handling complaints, case supervision and management, and case handling. In addition, the Company released the *Work Management Standards for Discipline Inspection, Petition and Whistleblowing of China Jinmao*. Any report submitted through the designated channels will be handled through the procedures including case analysis and assessment, formation of investigation teams, investigation, and issuance of investigation reports. Stern actions will be taken where fraud and corruption are involved.

The Company encourages internal and external complaints and reports on bribery, corruption, abuse of power, and other misconducts or violations of business ethics that may occur during the operation process. We also ensure open and unobstructed channels for reporting and petitioning. A dedicated "Whistleblowing" section has been added to the official website of the Company. The telephone hotline, mailbox, and email address of the headquarters and subsidiaries are published. Moreover, the Company has set up a "Whistleblowing" section on its Sunny and Fair Procurement Platform as a dedicated channel for reporting job-related misconduct. The *China Jinmao Code of Business Ethics* outlines a whistleblower protection system. We welcome reports from employees, customers, suppliers, and other partners, as well as from the public. The Company ensures the strict confidentiality of personal information and reported content related to whistleblowers. Access to the reported information is restricted and it is strictly prohibited to disclose relevant information to the reported persons and unrelated personnel. The Company strictly forbids threatening, attacking, or retaliating against whistleblowers, and provides legal support and protection when necessary, thereby effectively ensuring that whistleblowers' rights and interests are not infringed upon.

In 2023, we received a total of 309 reports on various types of misconduct, handled 304 reports, and filed 78 cases. During the Reporting Period, no corruption lawsuits occurred.

**China Jinmao's petition and whistleblowing channels**

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## Intellectual Property Rights

China Jinmao strictly abides by the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, and other relevant laws and regulations. We released the amended the *Trademark Management Standards of China Jinmao* to enhance the management of intellectual property such as patents, copyrights, and trademarks, ensuring the full respect for the legitimate rights and interests of others while safeguarding our own.

In 2023, the Company registered 29 trademarks and 26 software copyrights in China. We filed 152 patent applications, including 66 invention patents, and obtained 63 patent authorizations. In addition, Jinmao Green Building was awarded the title of Intellectual Property Advantage Unit by the Beijing Municipal Intellectual Property Office. To defend the Company's brand image and intellectual property rights from infringement, we continuously monitor our trademarks and file lawsuits against infringements. In 2023, we filed lawsuits against 31 trademark infringements and won and closed 12 of them.

<b>In 2023</b>	including		
Number of authorised patents	number of invention patents	number of design patents	number of utility model patents
<b>63</b>	<b>16</b>	<b>7</b>	<b>40</b>

# Top Quality for a Great Life

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## The SDGs responded



## The HKEX ESG Indicators responded

B6.2/B6.4/B6.5



## Empower Cities

As Chinese cities embrace high-quality development, urban construction is shifting from the large-scale development of new projects to the enhancement of existing projects and structural adjustment of new projects. Upholding the vision of "Unleashing Future Vitality of the City", China Jinmao has actively taken part in reshaping urban functions and exploring urban renewal models according to local conditions to deliver optimized urban structure, improved functionality, and enhanced quality, helping to unleash the new vitality of the city.

## City Renewal

In 2023, China Jinmao actively promoted city renewal. By enhancing urban functions, revitalizing urban landscape, restoring urban ecology, and preserving urban heritage, we continuously kept up the momentum and core competitiveness of urban development. Through these measures, we contributed to the construction of human-oriented cities that are safe, livable, and efficient.

### Case Jinhua Jinmao Future Science City

In 2023, Jinhua Jinmao Future Science City was selected as a provincial pilot area for city renewal in Zhejiang Province. It was also awarded the "2023 Urban Co-Construction Grand Prize" at the China (Zhejiang) Urban Renewal Conference. After over two years of organic renewal and comprehensive renovation, Jinhua Jinmao Future Science City was transformed from the Dongmei area which was characterized by abandoned factories and old neighborhoods into an ecological green space suitable for business, living, travelling, learning, and preserving health.



Before the Project

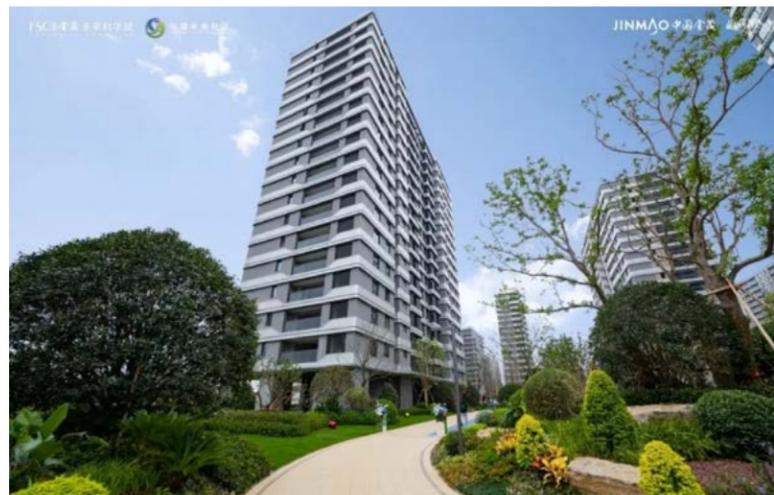


Rendering of the Project



Site of 2023

As an integral part of Jinhua Jinmao Future Science City, Dongmei Future Community is a low-carbon demonstration area developed by China Jinmao. Based on the local climate characteristics and natural conditions, the project can remarkably reduce the energy consumption of buildings. Photovoltaic power generation systems are also installed to create a green and healthy living space. The project is scheduled to be completed and delivered in 2024.



Site of Dongmei Future Community

In terms of infrastructure, the project has initiated the construction of 8 municipal roads, with 5 already put into use. The construction of Dongshi South Street, one of the north-south main roads, has been completed and serves as the grand avenue welcoming the Asian Games. An "urban ecological chain" has been formed in Jinhua, connecting Dongmei Park, Central Green Valley Park, Tantoushan Ecological Green Space, and Chishan Park. The 3,200-square-meter Elf Bird Paradise aims to become a kid-friendly urban nature haven that provides high-quality leisure space for community residents.



Site of Dongmei Park



Site of Central Green Valley Park



Site of Elf Bird Paradise

In addition, the Jinmao Science and Technology Innovation Park was opened and hosted leading enterprises such as iFLYTEK, Tiger Industrial Cloud, and Shangyi Yunlian. The Smart Mansion, as a landmark building, is near completion and will be planned to function as the "Smart City Center", the "Industrial Internet Center", and the "Digital Agriculture Innovation Center". These projects aim to continuously inject momentum into the economic growth of Jinhua through a cluster of digital technology industries.



Site of Jinmao Science and Technology Innovation Park



Site of Smart Mansion

### Case Shanghai Hengmian Urban Renewal

The Shanghai Hengmian Horizon Yards Urban Renewal Project covers an area of approximately 600,000 square meters, with a planned total floor area of around 540,000 square meters. The project includes residences, commercial properties, hotels, and historical heritage conservation areas. Adhering to the principle of "minimal intervention and functional transformation", this project aims to protect historical buildings and inherit cultural elements while combining the old and the new through the use of new construction techniques, technologies, and materials.

The project aims to preserve and restore traditional buildings and revitalizing historical spaces in Hengmian Ancient Town. Through maximizing the transformation and utilization of old buildings, we ensure efficient resource usage while safeguarding the cultural heritage of the ancient town. In the design of new buildings, we incorporated green and smart technologies and concepts while seamlessly blending the unique charm of the water town with distinctive architectural styles. Through these efforts, we achieved a harmonious coexistence between old and new structures.



Demonstration Area Transformed from a Cement Factory in the 1980



Community Centers



Supporting Kindergartens

Case **Ningbo Life Science City**

Upholding the concept of "prioritizing ecological protection, supporting facilities, and industrial development", Ningbo Life Science City integrates urban renewal with population influx and the healthcare industry. 24 livelihood-supporting projects, including the Central Green Valley Park, Ningnan Cultural and Sports Center, Ningbo Experimental School Affiliated to Shanghai Normal University, Elf Bird Paradise, and Ningbo Jinmao Plaza, are underway to build a livable new city.

As the first TOD urban complex in the area, Ningbo Jinmao Plaza comprises the Jinmao Place, Grade-A office buildings, and Ningbo Jinmao Jiayue Hotel. It has easy access to the Ningbo Rail Transit Line 3, leisure parks, Ningbo First Hospital Affiliated to the Medical School of Ningbo University (Fangqiao branch), and high-end residential areas to create a "15-minute boundary-free life circle".



Site of Ningbo Jinmao Plaza



Site of Central Green Valley Park



Site of Hospital



Site of School

## Affordable Housing

China Jinmao actively responds to the national decisions for the "Three Projects", namely affordable housing, urban village transformation, and the construction of public infrastructure for both normal and emergency use. We are actively promoting the projects aimed at safeguarding and improving people's livelihood, continuously participating in the construction of the housing security system, and protecting the housing rights and living conditions of original residents and low-income groups. Through these efforts, we have facilitated the development of local livelihood. In 2023, we completed 77,740 square meters of government-subsidized housing projects, including relocation housing, low-rent housing, affordable housing, and talent apartments, with a delivery area of 215,879 square meters.

Affordable housing completed

**77,740** square meters

Delivery area

**215,879** square meters

## Top Quality

China Jinmao adheres to the mission of "Build Quality for Better Life" and continuously delivers premium products and services from a long-term perspective. We persist in improving our quality management and product standardization systems. By leveraging innovative and intelligent technologies, we consistently upgrade our products to provide customers with high-quality living experiences that are healthy, safe, and comfortable.

### Product Quality Control

China Jinmao strictly adheres to applicable laws, regulations and industrial standards, such as the *Construction Law of the People's Republic of China*, the *Product Quality Law of the People's Republic of China*, and the *Regulations for Quality Management of Construction Projects*. We have established nine internal management policies including the *Project Management Standards of China Jinmao*, the *Engineering Quality Inspection Management System of China Jinmao*, and the *Engineering Quality Acceptance Inspection and Delivery Management Rules of China Jinmao*, which apply to all development and non-development projects as well as the technological systems of the company. They cover the entire process of engineering quality management and control, including survey, design, supervision, construction, quality inspection, and delivery acceptance of construction projects.

**Quality management structure.** The Company has established a QHSE<sup>1</sup> Committee. The Chairman serves as the Director of the Committee, and executives and department leaders are the members. The committee is responsible for supervising and assessing the engineering quality management work as well as standardizing quality inspection processes, quality incident handling procedures, and engineering quality reward and punishment mechanisms. The QHSE Committee has been established at all levels of China Jinmao's subsidiaries. As the highest decision-making body for quality management, the committee ensures the effective implementation of various management measures.

**Quality management system.** The Company has established a sound quality management system that covers the entire process from investment to product delivery, with all systems and all employees involved. Starting from customer experience and requirements, the Company implements comprehensive quality management to promote systematic improvement in product design quality, material and component quality, engineering quality, and delivery and operation quality. We ensure that engineering quality is 100% qualified and deliver safe and healthy products to customers.

As of the end of 2023, approximately 60%<sup>2</sup> of China Jinmao's subsidiaries had obtained ISO 9001 Quality Management System certification. We clearly require contractors and suppliers involved in surveying, design, supervision, construction, materials, and equipment to obtain certifications for engineering quality management systems. In this way, we enhance the quality management of the Company and our partners.



<sup>1</sup> QHSE refers to quality, health, safety, and environmental management.

<sup>2</sup> Professional companies refer to technology and service companies of China Jinmao, including Jinmao Retail Business, Jinmao Services, Jinmao Green Building, Jinmao Decoration, and Jinmao Capital. Among them, Jinmao Services, Jinmao Green Building, and Jinmao Decoration have obtained the certifications for their quality management systems.

**Digital control.** China Jinmao conduct digital quality control throughout the lifecycle of construction projects in a visualable, quantifiable, and manageable manner, as part of our efforts to advance digital and intelligent transformation and upgrade.. We strictly monitor the quality of raw materials, manage the material and equipment acceptance process online as well as achieve traceable management throughout the process. In addition, we ensure controllable and traceable material usage in projects. Besides, the Company has iteratively upgraded the "Smart Construction and Living" digital management platform. By utilizing digital methods such as AI+IoT<sup>3</sup>, we conduct key process inspections, process checks, and online delivery assessments. 100% of ongoing projects achieve intelligent quality monitoring, including comprehensive display and timely warnings of key quality control issues. Intelligent detection equipment is applied on-site, and online assessments are regularly conducted through video inspections to ensure the normal operation of quality management. Additionally, the Company automatically collects and uploads measured data through intelligent hardware, calculates potential non-conformities, rapidly identifies and analyzes quality deficiencies, as well as forms a virtuous cycle of quality management. At the same time, we promote construction visualization to enhance quality management. In 2023 6 projects adopted realistic visualization at the opening stage.

**Case Visualized Construction**

In 2023, China Jinmao furthered its visualization campaign, allowing customers to witness the construction process firsthand and honoring its commitment to "what is seen is what is delivered". We set up a dedicated hall to display technological systems and construction techniques and processes in a visual and tactile manner. We also launched "Golden Craft Workshop on Construction Techniques and Processes", during which professional engineers explained product details and received inspection by customers.



Explanation of Construction Process by Engineers on Site



Display of Building Structure By Layers



Display and Explanation of Basic Treatment and Backfill of Same-layer Drainage



**Case Intelligent Actual Measurement for Quality Control Improvement**

We continuously optimize digital technologies for construction to improve the efficiency of quality control. During actual measurement, we utilize robotic laser scanning digital equipment and AI-driven automatic measurement to ensure the accuracy of measurement results. Meanwhile, we set up mobile and PC-based information platforms for automatic data collection, uploading, and recording. A variety of technologies such as AI analysis are used to generate data forms, conduct three-dimensional BIM modeling of spaces based on data, make comparisons with predefined thresholds, and promptly correct deviations. Through these efforts, we continuously improve quality control.



Platform Automatic Data Upload by Actual Measurement Robots

<sup>3</sup> AI+IoT refers to the Artificial Intelligence (AI) and the Internet of Things (IoT).

**Quality assessment and inspection.** To ensure the quality of product deliveries, the Company conducts quarterly checks, online assessments, and unannounced inspections at the levels of the headquarters, subsidiaries, and projects. We also entrust third-party institutions to conduct quality assessments. The Company increases the frequency of process inspections and follows it up. If any quality issues are identified, we will urge for prompt rectification. Furthermore, the Company conducts targeted inspections of past defects to eliminate related risks before delivery. We also regularly review the content of quality inspections, holds meetings for satisfaction improvement, and ensure that any remaining issues from quality inspections are properly addressed. During the Reporting Period, the third-party actual measurement<sup>4</sup> score was 97.2. No major product quality or safety incidents occurred during the year.

Number of quality inspections conducted by the headquarters in 2023	Coverage of projects under construction	
<b>284</b>	<b>100%</b>	
Third-party actual measurement score	Coverage of projects under construction	
<b>97.2</b>	<b>100%</b>	
Number of model acceptance	Customer satisfaction score for housing quality	Satisfaction score for maintenance services
<b>214</b>	<b>86.4</b>	<b>90</b>

We have consistently conducted assessment checks on our project deliveries in accordance with the "6-3-1" quality delivery guarantee mechanism<sup>5</sup> and the "1-3-6" quality improvement mechanism<sup>6</sup>. Through this endeavor, we implement quality inspections during the entire lifecycle.

<b>Delivery planning and review</b>	Assessed the quality, progress and delivery risks, developed special measures, and followed up persistently to prevent delivering projects with problems.	Conducted delivery planning and review for <b>65 projects</b>
<b>Delivery assessment check</b>	Focused on quality shortcomings, conducted strict evaluation management, strengthened redline inspection for point deduction, and achieved a first-time pass rate of 91%	Delivery assessment checks <b>76 times</b>
<b>Quality follow-up check</b>	Inspected the operation and maintenance quality of the projects after 6 months of delivery, established the regular inspection mechanism and improved the operation and maintenance management quality	Delivered conducted quality follow-up checks <b>43 projects</b>

<sup>4</sup> Actual measurement refers to a method of obtaining data that reflect real product quality through on-site testing and measurement using measurement tools.

<sup>5</sup> "6-3-1" quality delivery guarantee mechanism: This mechanism comprises a planning examination 6 months before delivery, a progress review 3 months before delivery, and a delivery assessment 1 month before delivery.

<sup>6</sup> "1-3-6" quality improvement mechanism: This mechanism refers to rectifying quick-repair problems 1 month after delivery; reporting unreported processes and including them in anomaly management 3 months after delivery; and joining other parties to inspect project quality and examining the inspection report 6 months after delivery.

**Quality training.** The Company continuously organizes various quality training sessions and activities for employees, contractors, suppliers, and other stakeholders. We launch the "Golden Craft Workshop" series of courses and hold the "Rock Action" competition to ensure that both internal and external engineering personnel possess high-level expertise and skills for quality management. Furthermore, through activities such as the Engineer Culture Month and training camps for leak prevention, deluxe decoration, and science and technology systems, we aim to raise the quality awareness of all employees and foster a culture of quality and safety.

"Golden Craft Workshop" Training Courses	
Deluxe decoration	3 courses on deluxe decoration, with a total attendance of 33
Leakage prevention treatment	6 courses on leakage prevention, with a total attendance of 46
Landscape training	4 courses on leakage prevention, with a total attendance of 65
Science and technology systems	6 courses on science and technology systems, with a total attendance of 52

**In 2023**



**Case "Rock Action" Skills Competition**

In order to continuously improve lean construction, the Company has held the "Rock Action" skills competition for seven consecutive years. In 2023, we mobilized employees and contractors to organize various activities of engineering quality and safety (including civil engineering, actual measurement, safety, plumbing, electromechanical, and deluxe decoration). Relevant activities included theoretical knowledge competitions, on-site practical competitions, hazard inspections, sharing of safety technologies and experience, and fire drills. These activities aimed to enhance the quality and safety skills and awareness of employees and contractors.



**Product Innovation Management**

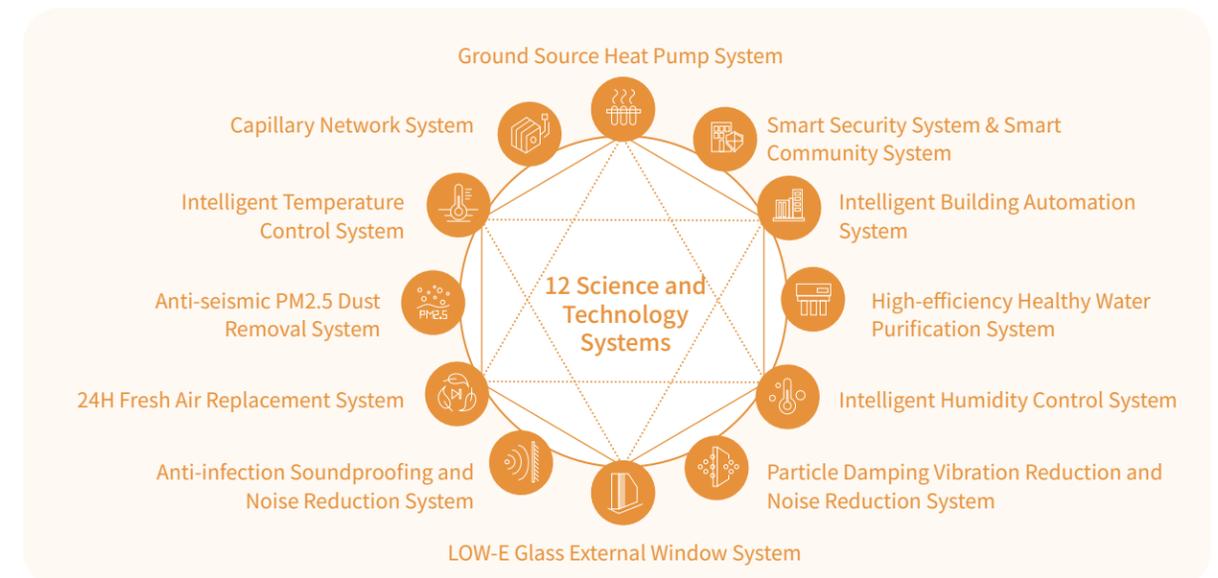
China Jinmao consistently explores the path of technological innovation to contribute to improving products and services and supporting high-quality urban development. The Company has formulated a series of management policies such as the *Innovation Development Management Standards of China Jinmao* and the *Rules for Innovation R&D Project Management of China Jinmao*. These policies aim to improve the efficiency of R&D resource utilization, continuously refine innovation incentives and assessment mechanisms, as well as standardize the Company's R&D innovation system. Through product empowerment and service innovation, we have consistently strengthened technological competitiveness. During the Reporting Period, the Company focused on architectural technology with an annual investment of RMB 335 million in technology, providing financial support for product R&D innovation. In 2023, the Company had 2 new "Little Giant Enterprises" and owned a total of 11 "National High-tech Enterprises" and 4 "Little Giant Enterprises".

New "Little Giant Enterprises" **2** **Jinmao Cloud Technology Service (Beijing) Co., Ltd.**  
**Xiamen Huanji High-tech Co., Ltd.**

**Product Innovation and Iteration**

China Jinmao always puts customers first and continuously improves product quality and customer experience. Since the launch of Beijing Guangqu Jinmao Palace over a decade ago, China Jinmao has created a beautiful life with green health and smart technology for over 250,000 homeowners of 71 Jinmao Palace projects in 29 cities. In 2023, the Company kept upgrading its products and services and launched the all-new Palace 3.0 series to support customers' pursuit of a better life. This series has evolved from Palace 1.0, "a home that can breathe", to Palace 2.0, "a home that can think", and now to Palace 3.0, "a naturally growing community". Upholding the philosophy of green health and smart technology, China Jinmao enhances the residential experience across ten dimensions, namely "One Core, Five Beauties, Two Facilities, and Two Services".

**One core:** The core technology system of the Palace series has been upgraded in terms of people-oriented philosophy, energy consumption, operation and maintenance, and material quality. Through the optimization of architectural design, ventilation shafts and pipes are relocated to public areas. Innovative fresh air equipment with heat recovery technology is applied to create a quieter and more energy-efficient living space. Energy and fresh air equipment rooms are equipped with visual monitoring systems, making health technology more transparent and reassuring.



**Five beauties:** The upgrades are reflected in facade, landscape, layout, deluxe decoration, and underground garage. Light curtain facades of public buildings not only improve the image quality of communities and cities but also enhance the insulation, waterproofing, and sound insulation performance of buildings. Based on the concept of micro-vacation design, the landscape garden can create a relaxed and pleasant natural environment. Multi-functional composite spaces are built to meet the diverse demands of family customers. Public areas and interior decoration are designed with high-quality craftsmanship, achieving multiple upgrades in living quality and aesthetics. The entrance, ramp, ramp vestibule, driveway, parking spaces, and car halls of the garage are upgraded.



Site of Sunken Courtyard of Tianjin Tabei Jinmao Palace



Rendering of Architectural Facade of Xi'an Keji Road Jinmao Palace

**Two facilities:** The clubhouse is equipped with an executive lounge, private banquet hall, tea room, gym, children's activity area, library, and other functional spaces, thus catering to the diverse needs of homeowners of all ages. The supporting business street offers various business formats to create a more convenient and colorful community life.



Site of Business Street of Tianjin Tabei Jinmao Palace

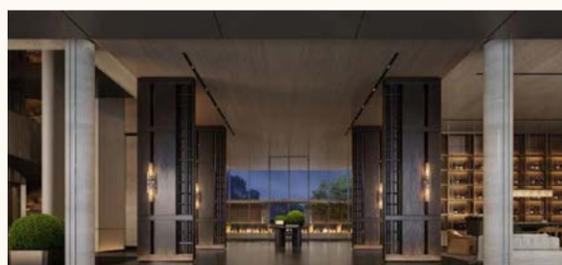


Rendering of Shanghai Zhonghuan Jinmao Palace Clubhouse

**Two services:** A wide diversity of hotel-style lifestyle services and customized services create a friendly atmosphere of neighborhood community.



Site of Drop-off Area at the Gate of Tianjin Tabei Jinmao Palace



Rendering of Xi'an Keji Road Jinmao Palace Hotel-style Homecoming Lobby

## Premium Services

China Jinmao has always adhered to the service philosophy that "Customers' Demand is Our Pursuit". We are committed to providing customers with transparent, proactive, and considerate service experiences. Furthermore, the Company attaches great importance to customer information protection, upholds responsible marketing, and maintains positive and sustainable customer relationships.

## Sound Service Management

China Jinmao has formulated a series of internal management policies, including the *Management System of China Jinmao for Customer Experience in the Whole Cycle of Project Development*, the *Management System of China Jinmao for Customer Evaluation in the Whole Cycle of Project Development*. Moreover, we revised the *Management Standards of China Jinmao for Customer Risks in the Whole Cycle of Projects* to continuously improve the customer service system and promote the enhancement of service capabilities.

**Customer satisfaction.** In 2023, the Company conducted customer satisfaction surveys throughout the customer lifecycle. The survey conducted through the Customer Relationship Management (CRM) system covered six types of customer touchpoints, namely subscription, signing, maintenance, site opening, delivery, and complaint handling. Additionally, satisfaction surveys were conducted among homeowners of delivered projects via the Jinmao Luxuriance mini-program and SMS. In 2023, we distributed a total of 223,190 customer questionnaires through various channels. Their opinions, suggestions, and demands were solicited. To ensure the authenticity of the data reflecting customer satisfaction, the Company established satisfaction management red lines and implemented a reverse spot-check mechanism. The Company strictly prohibited behaviors such as data falsification, solicitation of positive reviews, and omission of complaints. Through satisfaction surveys, we gained deeper insights into customers' real needs, diagnosed problems, and made targeted improvements.

Survey Content	Survey Form	Satisfaction Score
 Homeowners <ul style="list-style-type: none"> <li>Post-signing communication and services, delivery services, home quality, maintenance services, home design, landscaping, overall community planning and environment, property services, complaint handling, technological systems, member services, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Combining online and telephone surveys;</li> <li>Combining node surveys with touchpoint surveys;</li> <li>100% coverage for all types of homeowners.</li> </ul>	<ul style="list-style-type: none"> <li>90 points</li> </ul>
 Commercial lessees <ul style="list-style-type: none"> <li>Merchants: Image and positioning, business formats and brand, hardware facilities, decoration management services, property services, maintenance services, response to emergencies</li> <li>Customers: Mall surroundings, transportation and parking, mall interior environment, hardware and maintenance, mall services, membership program, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Random questionnaires</li> <li>On-site surveys</li> </ul>	<ul style="list-style-type: none"> <li>Commercial lessee satisfaction score of 92.5 points</li> <li>Customer satisfaction score of 91.5 points</li> </ul>
 Hotel guests <ul style="list-style-type: none"> <li>Location, payment convenience, hotel environment, room experience, dining experience, amenities, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Guest satisfaction survey</li> <li>Guest experience survey</li> </ul>	<ul style="list-style-type: none"> <li>Overall hotel guest satisfaction score of 89.8 points</li> <li>Self-operated hotel satisfaction score of 91.5 points</li> </ul>

To continuously improve customer satisfaction, we have developed satisfaction enhancement plan and followed up on corrective measures. We have also offered refined services for customers at different stages of their lifecycle.

**Prospective home buyers** We improve service quality, fulfill sales promises, as well as engage in customer communication and care.

**Transitional period** We engage engineering, design, marketing, and other personnel in conducting customer perspective inspections at model rooms during delivery. We ensure both delivery progress and quality in alignment with delivery assessment standards. After project delivery, we hold quality improvement meetings, follow up on inspections and rectification in public areas, improve maintenance efficiency and quality, and urge for improvements in low-scoring areas.

**Existing homeowners** Starting from property services, we conduct regular inspections of basic property management quality, urge for improvements in property services, and integrate property services with community culture building.

Customer Satisfaction Enhancement throughout the Lifecycle

**Customer complaint management.** The Company continuously enhances its ability and speed in responding to customer complaints. We have formulated various management policies such as the Rules of China Jinmao for Complaint Management, the Customer Complaint Handling Procedures, and the Customer Complaint Handling Operations Standards. Complaints are classified for disposal, and the complaint handling process is standardized in terms of principles, procedures, follow-up evaluations, and performance appraisals. We receive customer complaints and feedback through various platforms such as customer service hotlines, letters, emails, online media, internal channels, and public platforms to improve responsiveness and timeliness. In 2023, we received a total of 13,506 customer complaints, with a resolution rate of 84.31%.

The Company has improved its service warning and risk prevention mechanisms and continuously strengthened management of customer complaints and hotspot events. The Company has improved its service warning and risk prevention mechanisms. We continuously strengthen customer complaint and hotspot event management. We also put in place a management mechanism for complaint events and achieve linkage at the levels of headquarters, regions, and cities. Furthermore, we conduct on-site inspections and implement corrective measures on schedule to promptly respond to and properly address customer demands. Through complaint satisfaction surveys, telephone interviews, and other means, the Company follows up on 100% of customer complaints. Metrics such as complaint satisfaction, closure rate, and timely response rate are incorporated into performance appraisals, and quarterly reviews and evaluations are also carried out. In 2023, China Jinmao had zero significant public relations incidents.

Through complaint satisfaction surveys, telephone interviews, and other means, the Company follows up on

**100%**

of customer complaints



## Improving Service Experience

China Jinmao is dedicated to delivering an all-encompassing service experience to its customers across the project cycle and diverse lifestyle scenarios. We have a comprehensive suite of solutions including the integrated membership system, property services, and commercial services, all of which are designed to improve service quality.

**Integrated membership system.** Since its launch one year ago, the Jinmao Integrated Membership System has issued a total of 100 million Jinbei points in various formats, with 6.86 million members enrolled. Through member-driven activities such as the "88 Gold Joy Festival", summer parent-child activities "Golden Summer", and special New Year event "Golden Ceremony", we provide members with diverse immersive life experiences and surprising benefits.

**Case "88 Gold Joy Festival" for Integrated Jinmao Membership**

As the first cooperative event following the comprehensive upgrade of the Jinmao integrated membership system, the "88 Gold Joy Festival" featured a crossover digital art exhibition, "88 Gold Joy Officers" meet-and-greet, and a variety of activities with local cultural characteristics. These activities provided customers and the public with immersive experiences in art, culture, and trendy music, while also bringing upgrades and vitality to the community. Moreover, by leveraging the synergy of the residential, hotel, commercial, and property ecosystem, we offered customers various benefits such as hotel trial stays, public-welfare cultural and creative gifts, and multiple Jinbei points. Our aim is to maximize customer satisfaction and enhance service experience.



Flash Mob during the "88 Gold Joy Festival"



Snack Night Market



"88 Gold Joy Officers" Meet-and-greet

**Property services.** As the "last mile" of community services, property services are closely related to homeowners' daily lives. China Jinmao has established a three-tier service system, and based on standardized management and refined services, we continuously expand the service boundaries to improve community quality and meet the diverse needs of customers.

**Case Jinxiang Service Season**

In 2023, we launched the "Jinxiang Service Season" of 98 projects in 39 cities nationwide. This event aimed to provide customers with convenient services such as door-to-door repairs, household appliance cleaning, and free health check-ups. We also conducted inspections, maintenance, and quality improvements on community facilities such as fitness equipment, fire-fighting facilities, garages, and landscaping. Through these efforts, we comprehensively enhanced the residential experience for customers and created a pleasant community atmosphere.



Carpet Cleaning



Community Parent-child Activities



Door-to-door Repair



Air Pipe Cleaning

Case "Mao Lin Li" Community Activity

Leveraging the "Mao Lin Li" community platform for homeowners, Jinmao Services has presented four theme activities, namely the Jinlin Cup Sports League, the Jinyi Plan, the Xiaojinlin Growth Camp, and the Mid-Autumn Jinlin Festival. These activities aimed to enhance interaction with homeowners and foster harmonious neighborhood relationships. In 2023, Jinmao community established 301 interest groups and organized 475 themed parties, with a total of 168,681 homeowner participants.



"Mid-Autumn Golden Neighbor" Activity



Public Welfare Themed Activity

**Commercial services.** The Company consistently innovates in commercial scenarios, format creation, and the introduction of cultural and artistic elements. These measures not only provide residents with diverse and high-quality lifestyles but also inject new vitality into cities and communities.

Case Jinmao Retail Business's "Spring Breeze Action"

In 2023, Jinmao Retail Business launched the "Spring Breeze Action" to enhance customer satisfaction. Through third-party satisfaction surveys, the company gained deeper insights into customer needs. It also formulated an action plan and long-term operation mechanisms for research, interpretation, rectification, and assessment.

Nanjing Jinmao Mall of Splendor responded to the customer demand for diverse shopping experiences. Focusing on "youth energy" and "shared life +", the mall added new commercial formats, introduced beauty, fashion, and internet-famous dining brands, and further improved the speed and variety of new product launches. This effort gathered diverse consumer scenarios, alongside members' days and discounts such as Jinbei point exchanges and flash sales. Additionally, the "Mall of Splendor Night Market" was opened. Local internet celebrities were invited to enjoy authentic Nanjing snacks with customers. In this way, a one-stop commercial scene for social gatherings has been formed. During the reporting period, commercial properties such as Qingdao Jinmao Harbour, Zhangjiagang Jinmao Mall of Splendor and Qingdao Jinmao Mall of Splendor took corrective measures, thus effectively enhancing the customer experience.



Diverse Activities and Experiences



Well-equipped Baby Care Room



Improved Customer Service Standards with Shade Equipment



Optimized Shopping Environment with Shade Equipment

**Green leasing.** China Jinmao consistently promotes the concept of green leasing and joins hands with merchants and lessees to practice sustainable development through a green leasing system. In addition to formulating and promoting the *Lessee Decoration Handbook*, the Company also specifies requirements for eco-friendly decoration materials, energy management, water resource management, resource conservation, and waste classification in the *Property Service Agreement* and the *Decoration Service Agreement*. We encourage lessees to choose green and healthy materials, install energy-saving and water-saving equipment, and reduce the use of disposable plastic products in their daily operations.

The Company implements an independent energy billing system for its commercial and office projects. We have formulated clear terms in property agreements to separate property service fees from energy usage fees. Lessees are required to pay for energy consumption based on usage, which encourages the use of energy-efficient equipment and technologies. Besides, we regularly organize green and low-carbon publicity campaigns and explore pathways to sustainability with lessees and merchants.

Case "World Earth Day" Activity

Nanjing Jinmao Plaza hosted a "World Earth Day" activity featuring a green and recyclable market. An environmental conservation initiative was also launched to encourage lessees to:

- Prioritize using recycled or renewable green materials during renovation and decoration
- Adopt measures such as opening windows or adjusting indoor temperatures according to the season to reduce air conditioning energy consumption
- Promote water conservation and recycling and reduce the provision of disposable bottled water
- Save office paper, encourage double-sided printing, and reuse single-sided paper



Environmental Protection Activity Themed "Green Action in Nanjing"

Case "World Environment Day" Activity

In 2023, on "World Environment Day", a series of activities under the theme "Guarding Green Buildings, Practicing Low-Carbon Agreements" were carried out at the office buildings of the Changsha Jinmao ICC (North Tower). Lessees were encouraged to participate in the "Reducing Plastic, Picking Up Plastic" campaign. They also learned knowledge on waste classification through the "Shooting for Environmental Protection" activity. The initiative aimed to promote green and low-carbon office habits among lessees.



Environmental Protection Campaign Themed "Guarding Green Buildings, Practicing Low-Carbon Agreements"

## Customer Privacy Protection

China Jinmao places a high emphasis on customer privacy protection and information security. We strictly abide by relevant laws and regulations such as the *Cybersecurity Law of the People's Republic of China* and the *Data Security Law of the People's Republic of China*. The Company has formulated and implemented relevant policies, such as the *Rules of China Jinmao for Cybersecurity Management*, the *Cybersecurity Emergency Response Plan of China Jinmao* and the *Standards of China Jinmao for Confidentiality Management*, to safeguard the security of data and information for customers, partners, and the Company itself. To continuously enhance data security management and system capabilities, the Company has set up a leadership team responsible for coordinating and overseeing data security efforts. The team is led by the Chairman as the first responsible person, with other members including relevant leaders and departmental representatives. In 2023, the Company did not have any customer personal information leakage incidents.

**Information security management.** We disclose our privacy policies through public channels, such as the Company's official website, the customer service platform Jinmao Luxuriance app, and the property purchase service platform "Jinmao Fans" mini-program. We release the relevant regulations on the collection, storage, circulation, and use of customer information. Meanwhile, we strengthen account authority management for marketing systems, smart sales office apps, and the Customer Relationship Management (CRM) system that involve customer privacy, encrypt customer information such as names, phone numbers, and ID numbers, and require approval for viewing and exporting customer information, with all export and approval records kept in the system. Our sales personnel contact customers by using virtual numbers to prevent the leakage of customer information and protect customer privacy. Moreover, we require employees, partners, and suppliers to sign non-disclosure agreements and strictly prohibit the disclosure or leakage of customer information and privacy to the public. In 2023, the signing rate of non-disclosure agreements for employees was 100%, and there were no incidents of customer information security breaches.

**Information security certification.** The Company continuously optimizes and adjusts its system security protection strategy to further enhance information security protection certification. In 2023, we completed the information security certification of 8 application systems. Several key systems involving customer information, including Jinmao Luxuriance, the Integrated Membership System, the Customer Relationship Management (CRM) system, and the Transparent and Fair Procurement Platform, have all passed the annual certification of grade III security protection.

**Cybersecurity check.** To improve our cybersecurity management efficiency and resistance capacity, we regularly carry out cybersecurity drills and vulnerability checks and assessments. We also focus on in-depth defense, defense of key systems, and active defense to effectively respond to cybersecurity threats and enhance cybersecurity management capabilities. In 2023, we organized 74 cybersecurity management personnel to participate in the "Blue 2023" network attack and defense drill, and no system vulnerabilities were found.

**Information security training.** The Company seeks to enhance employees' awareness and ability to protect information security through such means as Cybersecurity Week and information security knowledge training. We conduct the "IT Service Month" campaign and the "Cybersecurity Awareness Week" campaign themed "Cybersecurity for Everyone" across the Company to enhance the information security and cybersecurity awareness of employees through cybersecurity lectures and other activities. Furthermore, to enhance the expertise of the Company's information security and cybersecurity personnel, the Company organized specialized training on "data compliance" and cybersecurity protection. Through these measures, we manage to facilitate data security governance work at all levels. More than 200 employees participated in the training, which covered 100% of relevant professional personnel. In 2023, we achieved 100% coverage of employees for information security and privacy protection training.

### Case Cybersecurity Awareness Week

In September 2023, we carried out the "Cybersecurity Awareness Week" campaign throughout the Company. Through such means as network security exhibitions, information security awareness training, knowledge contests, and simulated phishing emails, we informed and educated all employees about cybersecurity and data security and continuously enhanced their awareness and skills in protecting cybersecurity and data security. The campaign had a total attendance of more than 6,000.



"Cybersecurity Awareness Week" Campaign

## Responsible Marketing

China Jinmao strictly abides by the *Urban Real Estate Administration Law of the People's Republic of China*, the *Advertising Law of the People's Republic of China*, the *Regulatory Measures on the Sale of Commercial Houses*, and other relevant laws and regulations. We have implemented a series of internal policies, including the *Responsible Marketing Policy of China Jinmao*, the *Sales Management Standards of China Jinmao*, the *Marketing Compliance Management Handbook of China Jinmao*, and the *Marketing Risk Inspection Reference Guidelines of China Jinmao*. Moreover, we strictly control sales compliance risks, further standardize marketing management processes, and establish a closed-loop management system covering review of promotional materials, sales site management, and internal and external audit inspections.

**Standardized marketing management.** The Company strictly controls the review of advertisements and promotional materials and formulates relevant policies such as the *Standards of China Jinmao for Management of Press Releases and Public Relations Crisis Responses* and the *Rules of China Jinmao for New Media Management*. We have established a review mechanism of promotional contents to ensure that externally distributed contents are based on true information and accurate data. The Company has formulated the Rules of China Jinmao for Supporting Information Release Management of Development Projects to strictly review the information related to supporting facilities such as education, commerce, roads, venues, and medical care for development projects before releasing the information.

We conduct strict reviews of all sales materials and tools, including disclosure documents, sales contracts and attachments, promotional brochures, videos, and advertisements, and fully disclose unfavorable factors of the project, phone numbers for service supervision, delivery standards, sales prices, and fee standards at the sales site.

**Strict supervision and inspection.** The Company adheres to the redlines of marketing management and requires 100% of marketing personnel to sign the *Employee Integrity Agreement*. We also foster a marketing team culture that is "passionate, transparent, and standardized". We maintain the traceability of the reception process for customer visits and regularly conduct spot checks to ensure compliance with marketing management redlines and the quality requirements of reception services. We promise that there will be no concealment, exaggeration, or deception during the service process and ensure the delivery of effective, accurate, and true product information to customers.

### Marketing Management Redlines (Partial)

- ⊗ Prohibit collecting payments for properties before obtaining the pre-sale permit; publicly announce the projects with pre-sale permits received and the regulatory documents on site
- ⊗ Strictly prohibit unauthorized modification of the sales floor price; require property sales in line with the approved floor price
- ⊗ Strictly prohibit making any false promises, verbal or written, to customers during the sales process
- ⊗ Strictly prohibit concealing or falsifying sales performance data and sales expenses

The Company has established a responsible marketing inspection mechanism through internal and external audits, which combine self-examinations by marketing departments and regular external audits. In 2023, the Company conducted two comprehensive inspections of new media marketing with the aim of inspecting and rectifying any content that violated the redlines on new media platform. We also carried out irregular inspections of marketing departments and supervised areas such as marketing control and compliance management. Meanwhile, we put in place a third-party risk audit mechanism, whereby third parties are invited to supervise sales sites, to continuously optimize our marketing environment.

**Strengthened training and publicity.** The Company regularly provides employees with the training on responsible marketing. We also promote the systems related to responsible marketing, strengthen marketing compliance, and raise the awareness of fair marketing. In 2023, we organized 162 training sessions on responsible marketing, which covered 8,022 employees.

# Green and Low-Carbon for Harmony

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## The SDGs responded



## The HKEX ESG Indicators responded

A1.2/A1.3/A1.4/A1.5/A1.6/A2.1/A2.2/A2.3/A2.4/A3.1/A4.1



## Green Building

China Jinmao follows the "Ever Green Quality" Strategy, continuously exploring the path of urban operations featuring smart technology and green health. The Company is committed to integrating the concept of sustainable development into the entire lifecycle of building development and design, material selection, construction, operations, and management. We insist on exploring and practicing in ultra-low-energy-consumption buildings, zero-carbon buildings, and energy efficiency improvements to existing buildings, promoting a comprehensive green transition of the economy and society, and creating a beautiful urban life together.

### Green Building Opportunities

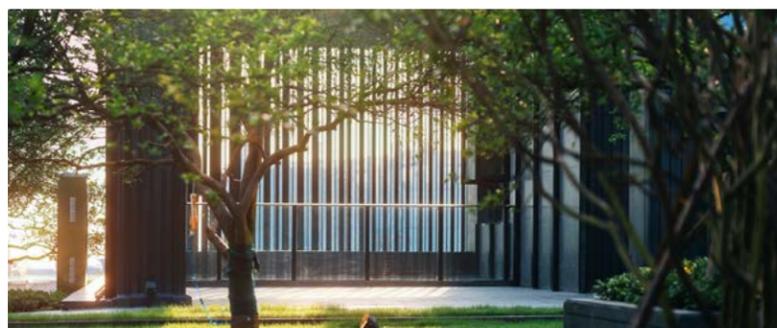
China Jinmao has formulated the *Green Strategic Management Standards of China Jinmao*, advancing the development and operational management of green buildings.

The Company has clearly defined green building objectives for various sales property development projects and self-owned property projects as well as continuously increased the proportion of various green-building-certified projects.

#### Green Building Targets:

- 100% of our new residential and office buildings shall meet the basic requirements of Green Buildings of China (or equivalent internationally renowned standards such as the LEED/BREEAM certification).
- From 2023 to 2025, we shall obtain no less than 15 high-star-level green building certifications and labels.<sup>7</sup>
- 100% of our newly developed and self-owned hotel projects, 5A and Class A office buildings, and business complex projects shall obtain the one-star China Green Building label (or equivalent internationally renowned standards such as the LEED/BREEAM certification).
- Application for high-star-level green building certifications and labels is encouraged, and the proportion of high-star-level green projects in development shall increase year by year.

China Jinmao continues to explore passive low-energy building buildings and apply ultra-low-energy consumption buildings, net-zero energy consumption buildings, etc., to various sectors such as residential, office buildings, commercial, schools, etc. In 2023, our annual operating revenue in green business fields such as green building consulting, green building technology, and smart energy was about RMB 1.317 billion, injecting green technological vitality into the industry's low-carbon transition.



<sup>7</sup> High-star-level green building certifications and labels refer to two-star China Green Building or above, LEED Gold or above, BREEAM Excellent or above, WELL Gold or above, ultra-low-energy consumption building, near-zero energy consumption building, zero energy consumption building, and other green building certifications and labels.

In 2023

9

New green certification projects

11

Green building certifications and labels

100%

High-Star-Level certifications and labels

1.355 million m<sup>2</sup>

Green building certification area

100%

New projects met the green building standard

As of the end of 2023

we have obtained a total of

308

green building certifications and labels

With the total project floor area that meets green label design requirements reaching

30.994 million m<sup>2</sup>

China Green Building labels

185

BREEAM certifications

60

LEED certifications

40

WELL Gold certifications

11

Healthy Building Label of China

1

HQE (France) five-star certifications

4

Provincial green building labels

4

Passive low-energy building design certifications

2

Zero-carbon building

1

#### Case Sinochem Holdings headquarters building as a green and low-carbon model in Xiong'an

The Sinochem Holdings headquarters building is the first super-high-rise project in North China that will obtain the China Green Building and the US LEED platinum certification. It employs a fixed shading design with structural components for shading on the south side. While demonstrating architectural aesthetics, it also provides shading to reduce heat gain on the curtain wall in summer and lower the air conditioning load.

The building is currently the tallest super high-rise building in China that applies BIPV technology to curtain walls on a large scale. The project has a photovoltaic product application area of about 5,000 m<sup>2</sup>, including over 3,500 m<sup>2</sup> of BIPV curtain walls, and 1,400 m<sup>2</sup> of the photovoltaic area on the roof and corridors, achieving a renewable energy utilization rate of 45.53%. The building is designed with a large-scale data center, which recycles some of the heat generated during its operation for heating in the winter.

The project also prioritizes the use of green and healthy building materials, which while reducing the concentration of substances such as benzene and formaldehyde indoors, effectively lowers the embodied carbon in building materials. At the same time, we use mostly electric construction machinery on the project site, significantly reducing carbon dioxide emissions and air pollution caused by the use of fuel-powered machinery.

#### Case The first net-zero carbon building in education

The Dongmei Future Community Kindergarten<sup>8</sup> of China Jinmao, with its green, low-carbon, healthy, and environmentally friendly design, has adopted multiple energy-saving and low-carbon measures such as ultra-low-energy consumption building technology, rooftop photovoltaic, air source heat pumps, and heat recovery ventilation. It won the "Global Zero-Carbon City Innovation Model Award – Gold Award for Innovative Solutions" at the Global Science and Technology Innovation Conference from the United Nations Industrial Development Organization. In November 2023, the kindergarten became the first project to receive "Net Zero Carbon Building (School) Certification" in China at the annual award ceremony for sustainable buildings and parks held by TÜV Rheinland Greater China and the Building Research Establishment (BRE).



<sup>8</sup> "Dongmao Huafu D1 Plot for Kindergarten" is allocated for "Jinmao Dongmei Future Community Kindergarten".

## Green Design and Technologies

China Jinmao constructs the ecological foundation for urban development with the concept of a green and livable city. We integrate green design and technology into the entire lifecycle of project development. From building material selection, envelope design, and passive and active technology application to renewable energy use, we minimize the energy demand for building operations.

### Sponge City Construction

China Jinmao upholds the ecology-oriented development (EOD) model, formulates guidance plans such as the *Sponge City Landscape Design Guideline Manual* and employs ecological design concepts and strategies like sponge cities and green stormwater infrastructure (GSI). We integrate rainwater recycling and ecological community construction, advancing urban green development. In 2023, we launched 12 new sponge city projects, applying the sponge city concept to 128 projects nationwide.

#### Qingdao Jinmao Palace

After setting up the permeable paving and rainwater modules, the comprehensive runoff coefficient<sup>9</sup> reaches about 0.71, and the total annual runoff control rate<sup>10</sup> reaches about 70.9%.

#### Xiamen Huandong Jinmao Residence

We set up a regulating reservoir, with an annual total solid suspended matter (SS) removal rate of 50.31%, and the annual runoff control rate of the Project A-1 plot is not less than 75%.

#### Chengdu Jinjiang Jinmao Palace

We carry out the sponge city special design, where the area of sunken green space accounts for 30% of the total green space area, and we set up a system to effectively reuse rainwater.

#### Wuxi Lihu Jinmao Palace

Green belts are enhanced with sponge facilities and bio-retention facilities, and a design of concave green space for water storage layers effectively absorbs and slows the release of rainwater, controlling 60% of the total annual runoff control rate and reducing non-point source pollution by 50%.

### Case Sinochem Holdings Tower sponge city design

The Sinochem Holdings Tower project in China applies five sponge city design principles, with a rainwater drainage system that controls the total runoff by combining "source, process, and end" methods. It includes sponge facilities such as sunken green spaces and rainwater storage ponds to ensure that surface runoff is preliminarily purified through source facilities.

The rainwater runoff from the building roofs is directly channeled into the end rainwater storage pond through pipelines to reduce the peak runoff. The collected rainwater is used for irrigation of greenery and road sprinkling. After the project is completed, the annual runoff control rate is 99%, the annual runoff pollution reduction rate is about 81.9%, and the rate of sunken green spaces is 97.8%.



<sup>9</sup> Runoff coefficient: The ratio of runoff depth R to precipitation depth P within any given time period.

<sup>10</sup> Total annual runoff control rate: The proportion of total annual rainfall on the site that is controlled throughout the year through natural and artificially enhanced infiltration, storage, utilization, evaporation, transpiration, etc.

### Case Jinhua Jinmao Future Science City sponge city design

The Jinhua Jinmao Future Science City project adopts measures such as ecological dry creeks, sunken green spaces, rain gardens, permeable paving, and roadside grass planting ditches to reduce the overall comprehensive runoff coefficient of rainfall, fully advancing the construction of a sponge city that covers 16 urban roads, 2 major parks, and 1 waterfront green corridor. In 2023, the north section of Dongmei Park, the west section of Central Green Valley Park, and the new construction project on Dongshi South Street (from Huancheng South Road to Haitang East Road) received the honor of "Excellent Demonstration Project for Sponge City Construction" from Jinhua City. The "Dongshi South Street" project was rated as a national typical example of sponge city construction for the year 2023.



The sponge city before and after transformation

### Renewable Energy Application

**Photovoltaic technology.** As the Company's subsidiary, Jinmao Green Building keeps exploring the field of photovoltaic building materials and has accumulated a total of 70 photovoltaic-related patents. It has participated in the drafting of more than 20 international, national, industry, local, and group standards. It has published 5 high-level papers domestically and internationally and has cooperated with well-known domestic universities, research institutes, and relevant upstream and downstream enterprises for R&D work, implementing 60 BIPV projects.

In 2023

The installed photovoltaics (PV) capacity of our self-owned projects was

**2,397.38<sub>kW</sub>**

With an annual power generation of

**1,476,000<sub>kWh</sub>**



**Case** PV technology application

Taiyuan Longcheng Jinmao Palace has installed rooftop photovoltaic systems to serve as the power source for the fresh air system. The annual power generation capacity is about 150,000 kWh, which can save 60 tonnes of standard coal equivalent (tce) and reduce 149 tonnes of carbon dioxide, 4.5 tonnes of sulfur dioxide, and 40.8 tonnes of "carbon dust" every year.



The Sanya Jinmao Bay Urban Reception Lounge project is equipped with 196 photovoltaic modules of cadmium telluride on its roof, with a total installed capacity of 20.58 kWh, from which all the green electricity generated is consumed by the outdoor distribution boxes of air conditioners. Over the entire lifecycle of the rooftop photovoltaic system, the project is estimated to save 8.69 tce annually, reduce carbon dioxide emissions by approximately 26.51 metric tons, sulfur dioxide emissions by 176.7 kilograms, and nitrogen oxide emissions by 59.85 kilograms.



Tianjin Jinmao Place has installed photovoltaic galleries in the West Square, with solar photovoltaic panels mounted on top. It has an annual power generation capacity of 80,000 kWh, which can reduce carbon dioxide emissions by 76.8 tonnes every year.



The Muzi School in Jinmao Changsha International Community has built a photovoltaic power station with an installed capacity of 38 kW on the rooftops of its teaching and office buildings, with an annual power generation capacity of about 40,000 kWh.



**Case** Exploring low-carbon beauty and seizing new opportunities for renewable energy

In 2023, Jinmao Green Building delivered the BIPV skylight roof project for the Shanghai Lingang Dingke Hotel, which is a national key project. The metal roofs of the exhibition area and the daylighting atrium roof of the hotel were covered with 14,000 m<sup>2</sup> of photovoltaic panels, and over 2,200 m<sup>2</sup> of photovoltaic power generation glass was used on the facade. It can provide nearly 130,000 kWh of clean electricity, reducing carbon dioxide emissions by nearly 70 tonnes every year.



Shanghai Lingang Dingke Hotel skylight roof

**Integrated energy services.** We steadily roll out integrated energy services, utilizing renewable energy sources (such as geothermal energy, solar energy, and waste heat from factories) in accordance with local conditions, optimizing the energy use structure of buildings, and supporting the green and low-carbon transition of cities.

By the end of 2023

City-, region-, and project-level energy station projects that we have invested in, built, and operated:

**73**

Total energy supply area about

**27.29 million m<sup>2</sup>**

Clean energy utilization rate

**100%**

Estimated carbon emission reduction every year: about

**180,000 tonnes**

Equivalent to planting

**10.04 million trees**

Renewable energy utilization rate

**80%**

**Case** Creating a benchmark regional energy project tailored to local conditions

The New City Energy Station of Chengdu Tianfu International Airport is the first "regional energy + green data center" coupling project in the southwest, providing clean centralized cooling and heating services for 2.8 million m<sup>2</sup> of buildings in the area. Through the use of efficient machine rooms, free cooling, photovoltaic power, and a smart management platform, the project recovers and transfers the excess heat generated by the data center to the civil heating system, achieving efficient heating. The data center also uses the energy station's cold storage and cooling towers to enhance the utilization rate of equipment and natural cooling sources. Once completed, the clean energy utilization rate will reach 100%, the renewable energy utilization rate will exceed 30%, saving about 8,000 tce and reducing carbon dioxide emissions about 20,000 tonnes annually, equivalent to planting 1.08 million trees.



Rendering of Chengdu Eastern New Area Energy Center

**Case** Wuhan Sixin Square Island Energy Station

The Sixin Square Island Energy Station is one of the first pilot projects among Wuhan's low-carbon demonstration projects. It employs primarily sewage source heat pumps and certain supporting ground source heat pumps, with a utilization rate of urban raw sewage exceeding 80%. Through efficient utilization of waste heat from sewage, it provides 24-hour centralized cooling and heating services to approximately 1.3 million m<sup>2</sup> of residential, office, and commercial users in the Sixin Ecological New Town of Hanyang, Wuhan, with a renewable energy utilization rate exceeding 80%.

In 2023, the energy station has been put into operation, and it is expected to save 6,367 tce annually, reduce carbon dioxide emissions by 15,678 tonnes, sulfur dioxide emissions by 105 tonnes, and nitrogen oxide emissions by 99 tonnes.



Wuhan Sixin Square Island Energy Station

**Case** Nanjing Jiangbei New Area Energy Center + Cloud Computing Center Project

The project adopts a multi-technological coupling process system of "heat source tower heat pump + reclaimed water source heat pump + pumped-storage hydroelectricity + chiller unit + electric boiler + waste heat recovery system," which can provide clean, high-quality cooling and heating resources for the surrounding 2.2 million m<sup>2</sup> of office, residential, and commercial buildings. After being put into operation, it will save 9,095 tce, and reduce emissions by 23,829 tonnes of carbon dioxide, 77 tonnes of sulfur dioxide, and 68 tonnes of nitrogen oxides each year, equivalent to planting 1.28 million trees.

In August 2023, this project became the first in Nanjing to be approved for energy storage pricing. By storing energy in storage tanks, it balances the load curve of the electric grid and enhances the grid's adjustment capacity, becoming a model example of energy conservation and carbon reduction.



Nanjing Jiangbei New Area Energy Center + Cloud Computing Center Project

## Green Construction

China Jinmao strictly abides by applicable laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on Environmental Impact Assessment*, as well as national and local standards including the *Evaluation Standard for Green Construction of Building* and the *Management Specification of Green Construction*. We have formulated documents including the *Environmental Protection Management Standards of China Jinmao*, the *Project Management Standards of China Jinmao*, and the *Reference Rules for Well-Organised Construction Management on Construction Project Sites of China Jinmao* to minimize the impact of project construction on the surrounding environment at all stages, including material selection, construction, and completion.

## Green Building Materials

China Jinmao promotes and prioritizes the comprehensive use of green building materials to reduce the impact on the ecological environment. In the decoration process, by replacing conventional wooden flame-retardant boards with gypsum-based boards and reinforced boards, and promoting the use of new materials such as the Magic Wall System (partition keel system), we have reduced pollution sources from the base materials and air pollution generated by on-site welding operations.

The Company has also established a strict material environmental management process, rigorously reviewing the environmental test reports of materials before they enter the site, and after entry, focusing on inspecting the sealing conditions of volatile materials, their use on site, etc. to ensure that the entire process of material use meets the requirements of green construction.

**Case** Creating a new dining environment with new materials and technologies

The restaurant of the homeowners in Langfang Jinmao Longhe New Town adopts a composite structure, constructed by combining steel and wood components. The steel structure was prefabricated in factories, which shortened the on-site construction period and reduced the environmental impact of construction. The new green material used in the steel-wood structure, named Bamboo Steel, is a reconstituted bamboo product made by defibering, impregnating, drying, and hot pressing Omei Mountain Bamboos. It is the world's first high-strength bamboo-based fiber composite material, featuring five characteristics: environmental friendliness, ultra-high strength, strong weather resistance, high flame retardancy, and processability, all of which enhance the natural beauty of the architecture.



## Green Construction Process

The Company, in accordance with the policy requirements of the project location, strictly carries out the environmental impact assessment and approval procedures before construction and publishes the approval documents on the relevant government websites for supervision. We fully consider the surrounding environment of the construction site and the needs of the local community, identify and analyze major environmental impact factors, and establish a construction site environmental protection working group to monitor and manage dust, noise, water pollution, and solid pollutants, as well as report on environmental protection matters on a regular basis.

In 2023, no general environmental impact incidents or above occurred in China Jinmao.

Green Construction Management Measures

### Dust Control and Management

- In new projects, measures to control dust pollution are developed. A system of watering and sweeping or fogging measures are introduced to reduce dust. Current projects under construction and new projects shall be equipped with spray dust suppression systems.
- The construction site is under closed-off management, and continuous and closed enclosures are set up around the construction site.
- Temporarily stored mounds are covered with dust nets or plants.
- The floor of the entrances, exits, and main roads of the construction site is hardened, and fine-grained building materials are sealed or covered.
- During earthwork transportation, excavation, and backfilling, water is sprinkled to prevent dust pollution. Operations will be stopped when there is Scale-4 wind.
- Vehicle washing facilities and ancillary drainage and slurry sedimentation facilities are available for washing vehicle troughs, wheels, and other parts of the vehicle that are prone to carry sediment.

### Noise Control and Management

- The finished and semi-finished products' processing and manufacturing processes that generate loud noises are completed in the processing workshop as much as possible to minimize the noise caused by processing and manufacturing on the construction site.
- A management system and noise reduction measures are for man-made construction noise to ensure the noise within the factory area is up to standards and minimize disturbance to nearby residents.
- Monitoring of environmental noise over a long time at the construction site is strengthened based on the principle of "specially-designated personnel for monitoring and management."
- A nuisance coordination working group is established and communication channels with nearby residents are maintained unblocked to receive and resolve complaints from nearby residents.

### Water Pollution Control and Management

- To control the flow of sewage, drainage ditches for on-site roads and material storage sites are planned centrally.
- A sedimentation tank is set up so that the sewage is sedimented before being discharged into the municipal sewage pipeline.
- Oil filter tanks are set up so that the waste oil produced on the construction site is degreased before being discharged into the sewage pipeline.
- An anti-leakage treatment is applied to warehouses storing oil and chemicals to prevent oil leakage and contamination of soil and water.
- On the construction site, the rainwater pipe network and the sewage pipe network are set up separately. Discharging water that is not rainwater into the rainwater pipe is strictly forbidden.

### Solid Waste Pollution Control and Management

- On the construction site, a closed garbage station is set up; construction and domestic garbage shall be classified and stored separately; transportation and consumption shall comply with applicable regulations; the transportation contract shall specify the environmental protection management provisions for the project.
- Hazardous waste is placed under classified management according to the provisions of the *Directory of National Hazardous Wastes*.
- On the construction site, only qualified transport agencies and vehicles are used to transport earthwork and construction waste.

For the interior finishing construction phase, we formulate documents such as the *Green Building Management System of Jinmao Decoration*, which specify requirements for material selection, indoor air pollution control, and the application of new materials, new technologies, new processes, and new equipment. These documents help regulate the management of resources, the environment, and personnel health throughout the construction process.

### Prefabricated Buildings

China Jinmao is exploring prefabricated construction methods. We aim to reduce energy consumption in the industrial chain and advance the modernization of China's construction industry through standardization, digitalization, and launching them as products. Based on the practice of technological innovation in the prefabricated building industry chain, we use new technologies in diverse ways and are building an integrated prefabrication service system and ecosystem.

In 2023

Prefabricated building projects

14

Area of prefabricated buildings exceeding

1.54 million m<sup>2</sup>

By the end of 2023

Prefabrication business launched over

150 projects

More than

50 core cities

With a total area of

16.5 million m<sup>2</sup>

#### Case Putuo Jinmao Palace prefabricated building

Shanghai Putuo Jinmao Palace is the first prefabricated building project to adopt double-sided precast sandwich insulation wall panels. Employing a double-layer design of "reinforced concrete + rigid polyurethane foam + cavity + reinforced concrete," it effectively prevents heat from being conducted through the walls, achieving high insulation performances. This technology increases the proportion of heat-preserving exterior and integrated structures by more than 80%, meeting the design requirements for energy-saving in ultra-low-energy consumption buildings and effectively reducing energy consumption and carbon dioxide emissions.



Putuo Jinmao Palace

#### Case Prefabricated construction of Nanfan Science and Technology City

Prefabricated concrete components are utilized in the Nanfan Science and Technology City Global Animal and Plant Germplasm Resource Identification, Evaluation, and Rights Exchange Center's scientific research building project, with a prefabrication rate exceeding 50%. By reducing the need for formwork and simplifying the installation process, not only the building structure is optimized, but also its seismic performance and service life are improved. Additionally, the prefabrication of the superimposed slabs reduces on-site concrete mixing and transportation, which lowers noise pollution and effectively minimizes construction debris, contributing to the construction of a "waste-free city".

#### Case Tianjin Tabei Jinmao Palace prefabricated building

The Tianjin University of Sport West Project, following the *Standard for Assessment of Prefabricated Building (GB/T 51129-2017)*, applies prefabricated building technology in areas such as composite floor slabs, prefabricated staircases, non-masonry internal partition walls, floors, integrated kitchens, and integrated bathrooms. The project allows factory processing of prefabricated components and on-site installation, effectively improving construction efficiency and reducing pollution.

## Green Operations

China Jinmao practices green development. We continue to innovate and improve our green operations and management, optimize the use of resources and energy, enhance waste management, and reduce pollution emissions. By the end of 2023, 60% of our professional companies have obtained the ISO 14001 Environmental Management System certification.<sup>11</sup>

### Water Management

China Jinmao follows the laws, regulations, and management systems related to water resources, building a water utilization and management model aligned with the Company's industrial scale and operational types. We strengthen the research and application of water-saving technologies, leverage technological means such as smart water meters and smart management platforms to carry out monitoring, promptly detect abnormal water use and leaks, and reduce water waste. In addition, we promote the application of comprehensive water management systems, expand the use of reclaimed water, and promote the recycling of urban water resources. By the end of 2023, we have achieved the use of reclaimed water in multiple scenarios such as garage washing and landscape water use in various places including Beijing, Changsha, Nanjing, Qingdao, and more.

#### Case Recycling reclaimed water for innovative water management

During the construction of the Qingdao Oriental Eden project, wastewater and rainwater were collected, treated, and recycled to improve the utilization rate of water resources. In 2023, we signed the *Reclaimed Water Supply Agreement* with the local sewage treatment plant, allowing us to use treated reclaimed water that meets standards for project landscaping irrigation and flushing. It is estimated that this will save 300,000 m<sup>3</sup> of fresh water every year, providing a new solution for urban water environment management.



<sup>11</sup> Those professional companies that have obtained the environmental management system certification are Jinmao Services, Jinmao Green Building, and Jinmao Decoration.

#### Case Building a water-saving community with a water recycling system

Chengdu Yuehu Jinmao Residence employs a rainwater reuse system and a landscape water circulation and purification system to collect and purify rainwater for uses such as greenery irrigation and landscape decoration. In addition, the project is equipped with a building automation system (BAS) that can monitor the water supply and drainage data in real time, further enhancing water use efficiency.



Performance of China Jinmao's Water Use in 2023<sup>12</sup>

Total water consumption  
**1,702,798.52 tonne**

Water consumption intensity  
**0.08 tonne/m<sup>2</sup>**

### Energy Management

China Jinmao strictly complies with the *Energy Conservation Law of the People's Republic of China* and has formulated the *Energy Conservation Management System of China Jinmao* to clarify responsibilities for energy management. We have introduced a number of energy-saving and emission-reduction measures, improving the operation and management of project facilities and equipment to achieve energy-saving, emission reduction, and lean operation and maintenance.

In 2023, four carbon-emitting enterprises completed a total of 136 low-carbon renovation and energy-saving initiatives. It is estimated that these initiatives will reduce carbon dioxide emissions by 6,800 tonnes annually after the renovations.

#### Energy Conservation and Emission Reduction Practices in 2023

Hotel Operations	<ul style="list-style-type: none"> <li>The Jinmao Purelax Mountain Hotel Lijiang has carried out an air source heat pump renovation, reducing the use of natural gas by 108,700 m<sup>3</sup>.</li> <li>The photovoltaic project of Beijing Jinmao Easter Garden Hotel generated 1,300,000 kWh of power in 2023, reducing carbon dioxide emissions by 959.36 tonnes and saving 133.33 tce.</li> </ul>
Commercial Operations	<ul style="list-style-type: none"> <li>The Jinmao Mall of Splendor projects in Zhangjiagang, Changsha, and Nanjing adopt an external shading design for the atrium to lower the temperatures, reduce the use of air conditioning, and save 450,000 kWh of electricity.</li> </ul>
Energy Operations and Maintenance	<ul style="list-style-type: none"> <li>Special actions for energy conservation and management are implemented, with a total investment of RMB 5.106 million.</li> <li>Refined management throughout the entire process before, during, and after the operation of energy projects is conducted, and special actions are carried out to improve energy efficiency according to the seasonal characteristics of the energy in the project area.</li> </ul>
Property Operations	<ul style="list-style-type: none"> <li>Energy management platforms are applied in projects such as the Sinochem Holdings Tower.</li> <li>Shanghai Daning Jinmao Palace has completed the transformation of its domestic hot water system, which can reduce carbon dioxide emissions by 1,500 tonnes every year.</li> <li>Various property projects in Qingdao have completed 13 energy-saving renovations, with energy consumption per unit<sup>13</sup> of area decreasing by 16.32% year-on-year.</li> </ul>

<sup>12</sup> China Jinmao's water use is municipal water consumption. The data collection scope covers: (1) administrative offices of China Jinmao's headquarters and subsidiaries; (2) public areas of residential, office building, and commercial projects; (3) some hotels and extended-stay apartments; and (4) Jinmao Green Building's energy supply and data center services as well as Jinmao Services's operation and maintenance services for its high-tech systems.

<sup>13</sup> Consumption per unit means the amount of energy consumed per unit area or per unit time.

**Case** Comprehensive energy management platform for carbon assets

Jinmao Green Building's comprehensive energy management platform for carbon assets, based on IoT technology, conducts real-time monitoring and analysis of building photovoltaic power generation, floor lighting electricity usage, fresh air electricity usage, cooling and heating supply, natural gas consumption, and carbon asset data through self-developed electric energy monitoring products, smart capture systems, intelligent gateways, and other hardware. This approach aims to achieve clear carbon assets, effective carbon control, reasonable carbon allocation, and efficient carbon trading for the company.



Comprehensive energy management platform for carbon assets

**Case** Jinmao Purelax Mountain Hotel Lijiang heat pump demonstration project

The Jinmao Purelax Mountain Hotel Lijiang employs the double-stage vortex heat pump independently developed by the Jinmao Green Building. This system uses mechanical energy to convert low-temperature heat into high-temperature heat, replacing traditional LNG heating, and reducing energy consumption and carbon emissions. The heat pump can stably produce heat in ultra-low ambient temperatures of -40° C, effectively solving the challenges of natural gas transportation and safety risks in use, ensuring the hotel's heating and domestic hot water supply.



Double-stage vortex heat pump

Environmental Performance of Resources and Energy in 2023

Indicator	Total <sup>14</sup>	Building Operations and Administrative Office Work <sup>15</sup>
Petrol (L)	167,316.07	167,316.07
Diesel (L)	51,743.86	46,623.71
Natural gas (10,000 m <sup>3</sup> )	1,402.80	526.51
LNG (L)	5,820.00	5,820.00
Purchased electricity (10 MWh)	55,317.49	20,946.79
Purchased heat (GJ)	72,225.00	72,225.00
Comprehensive energy consumption (10,000 tce) <sup>16</sup>	8.94	3.55
Comprehensive energy consumption per unit area (tce/m <sup>2</sup> )	0.00426	0.00270

Waste Management

China Jinmao follows the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention, the Directory of National Hazardous Wastes*, and other laws and regulations, carrying out waste management based on the principles of reduction, recycling, and harmless treatment as strict standards on waste discharge and treatment.

Waste Management Measures

**For the construction phase**, we develop waste management plans to regulate the generation, collection, storage, transportation, utilization, and disposal of construction waste. We have a sound construction waste recycling system in place and encourage projects to adopt advanced technologies, techniques, equipment, and management measures during the construction process to reduce construction waste from the source.

Waste Discharge Performance in 2023

Indicator	Performance Data
Non-hazardous waste discharge <sup>17</sup> (kg)	1,484,731.53
Non-hazardous waste discharge intensity (kg/m <sup>2</sup> )	0.12
Hazardous waste discharge <sup>18</sup> (kg)	16,985.07
Hazardous waste discharge intensity (kg/m <sup>2</sup> )	0.0013

**For office work and operations**, we promote waste classification and recycling, paperless offices, and the reuse of resources. We handle waste in compliance with laws and regulations. All waste from our office operations is handed over to licensed and qualified organizations for disposal. Waste toner cartridges and ink cartridges are collected by our suppliers, refilled with powder, and reused. In this way, we strive to reduce the environmental impact of our waste. In addition, we encourage owners and users to engage in waste management. We continuously promote waste management, strengthen the awareness of waste classification, and join forces to build national zero-waste cities.

<sup>14</sup> The data collection scope covers: (1) administrative offices of China Jinmao's headquarters and subsidiaries; (2) public areas of residential, office building, and commercial projects; (3) some hotels and extended-stay apartments; and (4) Jinmao Green Building's energy projects.

<sup>15</sup> Excluding Jinmao Green Building's energy supply and data center services as well as Jinmao Services's operation and maintenance services for its high-tech systems.

<sup>16</sup> The comprehensive energy consumption conversion factor refers to the *General Rules for Calculation of the Comprehensive Energy Consumption (GB/T 2589-2020)*.

<sup>17</sup> The statistical scope of non-hazardous wastes includes (1) kitchen wastes and paper generated in the administrative offices of China Jinmao's headquarters and subsidiaries; (2) domestic wastes, kitchen wastes, garden wastes, and other non-hazardous wastes and paper generated in the services and operations of Jinmao Hotel; and (3) kitchen wastes and paper generated in the public areas of residential, office building, and commercial projects of Jinmao Services.

<sup>18</sup> Hazardous waste includes mercury-containing fluorescent lamps or energy-saving lamps, waste toners and cartridges, waste electrical and electronic devices, waste batteries, coating buckets, and other hazardous waste.

## Green Office

China Jinmao insists on promoting the green transition of office practices, optimizing the energy and resource management of office spaces, comprehensively promoting the application of digital office platforms, strengthening energy conservation and environmental protection, and advocating for all employees to practice green office and low-carbon commuting.

- The Company fully implements paperless office operations and achieves nearly **100%** coverage across all secondary companies, effectively reducing the use of paper products and packaging materials in printing and logistics.
- The electronic seal is promoted and applied. In 2023, a total of about **305,000** electronic seals were stamped for about **270,000** receipts and **19,500** contracts.
- Approximately **54,000** electronic files were used for financial reimbursement, reducing paper document printing.
- Electronic files are launched in a comprehensive way. The online archiving of about **482,000** accounting files and **14,900** tendering and procurement files was completed, reducing the logistics and printing of paper documents.

### China Jinmao's Green Office Practices

Improving Energy Efficiency	<ul style="list-style-type: none"> <li>• An accountability system for turning off lights in the office area is implemented and evening inspections are conducted to enhance energy-saving awareness.</li> <li>• A smart office system is introduced, and office lighting and air-conditioning systems are put under timing switch and partition management with information technology.</li> </ul>
Optimising Water Efficiency	<ul style="list-style-type: none"> <li>• It is encouraged to use reclaimed water to improve water reuse and reduce fresh water consumption.</li> <li>• Construction well pumps reserved in the project are used for landscape water to save tap water consumption in the park.</li> </ul>
Waste Reduction	<ul style="list-style-type: none"> <li>• It is advocated to bring along self-used cups. Disposable paper cups and bottled mineral water are no longer supplied to reduce the consumption of disposable products.</li> <li>• Office supply-sharing sites are set up to reduce office supply waste.</li> <li>• The use of ballpoint pens with replaceable refills is promoted to reduce waste generation.</li> <li>• Double-sided printing is advocated, print paper recycling stations are set up, and print paper is recycled.</li> <li>• Idle assets and office furniture within the area are allocated and utilized to make full use of old resources.</li> </ul>
Green Travel	<ul style="list-style-type: none"> <li>• Employees are encouraged to take public transport.</li> <li>• It is advocated to replace on-site meetings with online video and conference calls.</li> <li>• The number of people traveling on business trips is controlled and unnecessary trips are eliminated.</li> </ul>
Green Office Publicity	<ul style="list-style-type: none"> <li>• Slogans promoting energy conservation, water conservation, and waste sorting are posted.</li> <li>• Green office-themed events are organized.</li> <li>• The "Clear Your Plate Campaign" is implemented to strengthen the awareness of thrift and frugality among all employees.</li> </ul>

## Responding to Climate Change

China Jinmao actively responds to the national strategy of "carbon neutrality and carbon peak," and continuously strengthens its ability to respond to climate change. By improving the management system, and identifying and addressing the risks and opportunities of climate change, we constantly promote the intelligent low-carbon transition of the industrial structure and enhance the climate resilience of the industrial chain. We also utilize green financial instruments to provide lasting momentum for sustainable development.

### Climate Change Management

Based on the *National Climate Change Adaptation Strategy 2035* and the management recommendations and disclosure framework of TCFD, China Jinmao carries out work on addressing climate change risks from four dimensions: climate governance structure, climate strategy, climate risk, and opportunity management, and indicators and targets.

### Governance Structure

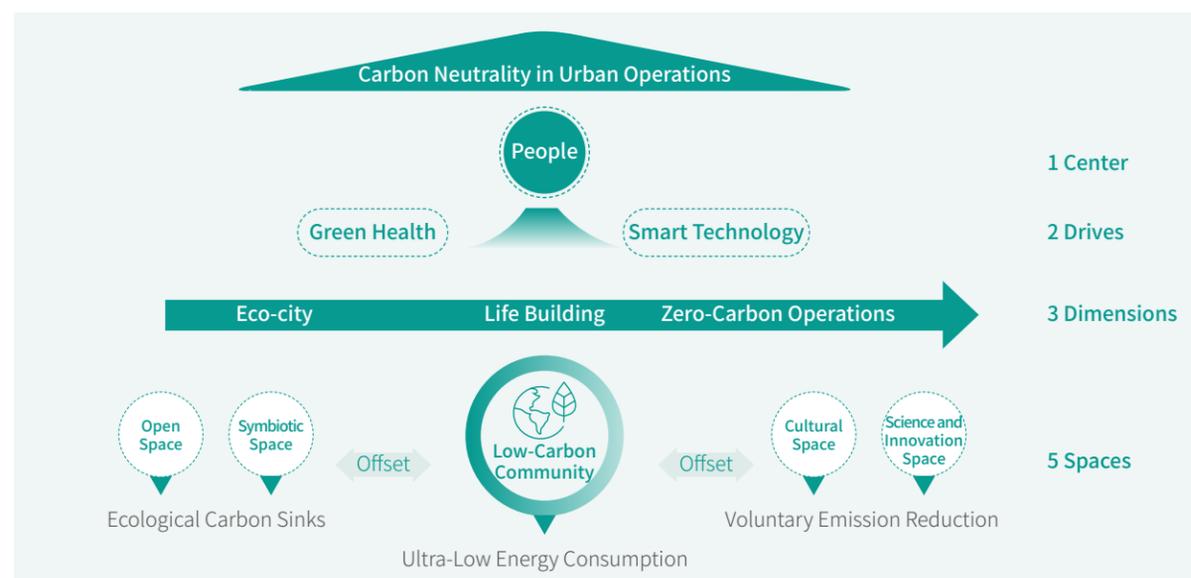
China Jinmao refines and clarifies the responsibilities of each level in responding to climate change on the basis of the ESG governance structure and improves it for addressing climate change.

#### China Jinmao's Climate Change Governance Structure



## Climate Strategy

China Jinmao actively explores green and low-carbon development models, aligning with the dual-carbon policy direction, and has formulated documents such as the *Green Strategic Management Standards of China Jinmao and the Low-Carbon Development Plan and Implementation Plan of China Jinmao*. We fully leverage our resources and those of the upstream and downstream of the industrial chain, relying on the carbon neutrality model for urban operations. Driven by both "green health and smart technology," we start from three dimensions of eco-city, life building, and zero-carbon operations to create five spaces centered on low-carbon communities. We design climate strategies that fit our business characteristics, thereby effectively responding to the challenges of climate change and promoting sustainable urban development.



China Jinmao's carbon neutrality model for urban operations

## Climate Risk and Opportunity Management

China Jinmao is fully aware of the impact of climate change on the industry and the Company's business operations and integrates climate factors into its overall risk management. In 2023, based on the HKEX's *Guidance on Climate Disclosures*, the TCFD Guidance, and the actual situation of our business, we summarized the geographical location, asset value, and energy consumption structure of asset projects such as hotels, office buildings, commercial, and residential properties to determine the appropriate risk assessment asset boundaries. We also established a climate scenario database that includes both physical risks and transition risks, clearly defined the analysis time scale, gradually selected climate scenarios, orderly carried out climate risk management and financial quantification work, and developed corresponding work plans to mitigate the impact of climate change on the Company based on the characteristics of the risks.

Category	Description	Countermeasures
Transition risks	Policy and legal risks	<ul style="list-style-type: none"> <li>• Policies and regulations are becoming increasingly strict, and higher building standards and energy usage efficiency requirements may lead to increased costs in existing development, construction, and operations.</li> </ul>
	Technical risks	<ul style="list-style-type: none"> <li>• The investment cost of developing green, low-carbon new technologies may increase.</li> <li>• The uncertainty of new technologies and materials may lead to project delays or incur additional development costs.</li> </ul>

Category	Description	Countermeasures
Transition risks	Market risks	<ul style="list-style-type: none"> <li>• Natural disasters and land loss may exacerbate the issue of land scarcity in the industry, increasing the cost of land acquisition and development.</li> <li>• Increased raw material costs may lead to a decrease in operating revenue.</li> <li>• Regions affected by severe climate extreme events may face the risk of depreciation in real estate-related products and services.</li> </ul>
	Reputational risks	<ul style="list-style-type: none"> <li>• If proactive actions to address climate change are not taken, it may have a negative impact on the Company's reputation.</li> </ul>
Physical risks	Extreme weather	<ul style="list-style-type: none"> <li>• The severity and frequency of extreme weather disasters such as extreme rainfall, typhoons, and floods may increase, causing structural impacts on buildings, leading to increased costs for repairing or rebuilding damaged assets, and reducing the value of property assets.</li> <li>• The frequency of temporary closures of hotels, businesses, and cultural tourism sites may increase, leading to reduced revenue.</li> </ul>
	Sea level rise	<ul style="list-style-type: none"> <li>• Increased population migration and reduced volume of business in coastal cities may reduce business revenue.</li> <li>• Buildings in coastal cities may be damaged, with increased property loss.</li> </ul>
	Resource and energy efficiency	<ul style="list-style-type: none"> <li>• Increased population migration and reduced volume of business in coastal cities may reduce business revenue.</li> <li>• Buildings in coastal cities may be damaged, with increased property loss.</li> </ul>
Opportunities	Products and services	<ul style="list-style-type: none"> <li>• Increased recycling rate of building materials.</li> <li>• Optimized energy efficiency of buildings.</li> </ul>
	Market	<ul style="list-style-type: none"> <li>• Promotion of renewable energy applications.</li> <li>• Creating climate-adaptive architectural solutions.</li> <li>• The growth of the green building market.</li> <li>• Supportive policy incentives.</li> </ul>

## Indicators and Targets

China Jinmao, in accordance with documents such as the *Green Strategic Management Standards of China Jinmao* and the *Low-Carbon Development Plan and Implementation Plan of China Jinmao*, has clearly established short and medium-term GHG emission reduction targets, formulated key emission reduction work plans, and regularly followed up and reported on the progress.

### GHG Reduction Targets

For Scopes 1 and 2 emissions in the building operation business, the GHG emission intensity per m<sup>2</sup> will be reduced by 28.05% in 2025 from the base year of 2019.<sup>19</sup>

China Jinmao's Carbon Emissions Data<sup>20</sup>

Category	Unit	Total <sup>21</sup>	Building Operations and Administrative Office Work <sup>22</sup>
Scope 1: direct emissions	tonne of CO <sub>2</sub> equivalents	30,848.70	11,888.24
Scope 2: indirect emissions	tonne of CO <sub>2</sub> equivalents	323,420.37	127,404.31
Total GHG emissions	tonne of CO <sub>2</sub> equivalents	354,269.07	139,292.55
GHG emission intensity	kg of CO <sub>2</sub> equivalents/m <sup>2</sup>	16.88	10.59

## Green Finance

China Jinmao is committed to incorporating sustainable development factors into financing mechanisms. We seize green finance opportunities, fully support the development of green projects, and promote the transition towards sustainable economic and social development. We actively respond to the call of the UN Principles for Responsible Investment (UN PRI) by integrating ESG factors into investment analysis and business decisions, practicing the concept of responsible investment.

### Case China's largest carbon-neutral shelf CMBS<sup>23</sup>

In March 2023, the inaugural product under the shelf registration of the "Jinmao Shenwan – Shanghai Jinmao Building Phases 1-5 Green Asset Support Special Program (Carbon Neutral)" – the "Jinmao Shenwan – Shanghai Jinmao Building – Xin Yue Green Asset Support Special Project (Carbon Neutral)" was issued on the Shanghai Stock Exchange. It was issued with a shelf size of RMB 10 billion, an initial single issuance size of RMB 3 billion, and a term of 10+8 years, making it China's largest shelf carbon-neutral CMBS.

<sup>19</sup> The target covers the carbon emissions under Scope 1 (direct emissions) and Scope 2 (indirect emissions) in the operations of China Jinmao's headquarters and its subsidiaries. Considering the comparability with its peers, the carbon emissions from China Jinmao's energy supply business are not included in the target.

<sup>20</sup> Scope definition: The *GHG Protocol* divides emissions into Scope 1, Scope 2, and Scope 3. Scope 1 refers to direct GHG emissions from sources owned or controlled by China Jinmao, such as boilers' burning natural gas, and vehicles' using petrol and diesel. Scope 2 refers to indirect GHG emissions from China Jinmao's purchase or acquisition of electricity, steam, heating, or cooling.

Calculation standard: Our calculation is based on the formulas and coefficients from the *Guidelines for Accounting Methods and Reporting of GHG Emissions for Public Building Operation Enterprises (for Trial Implementation)*.

Scope of calculation: The scope of environmental performance reporting in this report adopts the operational control method from the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* of the World Resources Institute.

Consistency: The electricity emission factor adopts the national average power grid emission factor for 2022 of 0.5703 tCO<sub>2</sub>/MWh as released in the *Notice on the Management of Greenhouse Gas Emission Reporting by Enterprises in the Power Generation Sector for 2023–2025* issued by the General Office of the Ministry of Ecology and Environment of the People's Republic of China, which was 0.5810 tCO<sub>2</sub>/MWh in 2021.

<sup>21</sup> The data collection scope covers: (1) administrative offices of China Jinmao's headquarters and subsidiaries; (2) public areas of residential, office building, and commercial projects; (3) some hotels and extended-stay apartments; and (4) Jinmao Green Building's energy projects.

<sup>22</sup> Jinmao Green Building's energy supply, data centres, and operations and maintenance of technology systems are not included.

<sup>23</sup> CMBS: Commercial mortgage-backed securities.

## Environmental Protection

China Jinmao strictly complies with the *Law of the People's Republic of China on Environmental Impact Assessment*, the *Chinese Programme for Natural Protection*, the *Soil Pollution Prevention and Control Law of the People's Republic of China*, and other laws and regulations. We integrate the concept of ecological and environmental protection throughout the process of investment, design, construction, and operation. We practice our commitment to greenfield development and avoid launching development projects in national nature reserves or developing agricultural land and greenfield areas. For any necessary construction activities, we will strictly comply with applicable laws and regulations and obtain approval from competent departments. We will ensure that such projects meet green building standards and that the ecology is properly conserved and restored.

**Biodiversity conservation.** Before project development, China Jinmao will conduct environmental impact identification and assessment and develop environmental risk maps. Based on sufficient consideration of the environmental and economic impacts of the development on the local community, we will make flexible and diversified use of urban land resources. We follow sustainable design principles and reduce or avoid potential impacts on biodiversity and ecosystems through measures such as preserving natural habitats, reducing land reclamation, planting native vegetation, and restoring wetlands.

### Case Urban biodiversity experience site

The South Taihu Lake Jinmao Pastoral Melody is located in the South Taihu New Area of Huzhou City, Zhejiang Province. It is an agricultural, cultural, and tourism project created by China Jinmao and Syngenta Group China. The project covers more than 3,000 mu (200 ha) and includes ecological micro-environments such as ponds, rivers, woodlands, and gardens. Under the premise of strictly maintaining the basic farmland area, we have constructed intelligent greenhouses that demonstrate biodiversity conservation technologies. Additionally, we have undertaken the cultivation and protection of the wild soybean, a national second-class protected wild plant, as well as *Hygroryza aristata*, a globally vulnerable species.



The excellent ecological environment of the project has attracted the yellow-breasted bunting, a national first-class protected wild animal to the rapeseed fields. In May 2023, at the launch ceremony of the "Kunmeng Framework" implementation alliance around the Taihu Lake and the biodiversity conservation-themed event, the South Taihu Lake Jinmao Pastoral Melody was awarded the "2023 Huzhou City Biodiversity Characteristic Experience Site", serving as an excellent example and educational significance for the local area to continue participating in and actively promoting biodiversity conservation actions.



Yellow-breasted bunting, a national first-class protected animal

**Ecological environment management.** China Jinmao focuses on ecosystem health and carries out ecological restoration and reuse of highly degraded brownfields, including contaminated sites, abandoned factories, saline-alkali lands, and other areas. In Guiyang Jinmao Crystal Smart Eco-City, we use modern soil remediation technology to carry out comprehensive ecological management of contaminated soil in the old industrial area; in Qingdao Dongfeng Saltworks, we continuously carry out ecological restoration through measures such as earth replacement, soil improvement technology application, and soil and water conservation, constantly enriching the urban ecological landscape.

**Case Qingdao Oriental Eden project saline-alkali land management**

In an attempt to overcome the unfavorable conditions for plant growth due to high groundwater levels and high salinity in the original topography, Qingdao Oriental Eden adopts different desalination measures according to different locations and terrain elevations. Through comprehensive measures such as hydraulic desalination, desalination ditches, increasing the closure of green spaces, and moisture suppression of salt, the project comprehensively manages the underground saline water conditions, effectively improving the environment for plants to grow. In 2023, Qingdao Oriental Eden completed all the main structures and steel construction of the venues and will advance the planting of large trees in outdoor landscapes.



Qingdao Oriental Eden project

**Case Comprehensive treatment of water environment**

As one of the first "National Green Ecological Demonstration Urban Areas," Changsha Meixi Lake International New City has, through the implementation of water ecological restoration and lake-shore landscape construction projects across an area of about 1.65 million m<sup>2</sup>, established six parks covering an area of more than 8,300 mu (550 ha) and an ecological green axis extending over 15 km. It has also reconstructed the aquatic ecosystem, created a landscape lake of approximately 893 m<sup>2</sup>, initiated the construction of bird habitats, and achieved a harmonious coexistence between humans and nature, as well as between the city and its environment.



The favorable ecological environment of Changsha Meixi Lake International New City attracts wild protected animals such as swans and common moorhens

**Case Building a city in a park**

Leveraging its excellent natural environment, Jinhua Jinmao Future Science City adopts the concept of "building a city in a park" and has constructed the about 300,000 m<sup>2</sup> Central Future Park, consisting of the Central Green Valley Park, Dongmei Park, and Tantou Mountain Park. The project continuously improves the quality of the ecological environment, striving to build an eco-friendly city.



Central Green Valley Park



Jinhua Jinmao Future Science City



Dongmei Park

# People Centricity for Common Progress

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## The SDGs responded



## The HKEX ESG Indicators responded

B1.1/B1.2/B2.1/B2.2/B2.3/B3.1/B3.2/B4.1/B4.2



## Diversity and Integration

China Jinmao strictly abides by applicable laws and regulations such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*. We have formulated a series of policies, including the *Employee Handbook*, the *Labor Management Standards of China Jinmao*, the *Recruitment Management Standards of China Jinmao*, to detail and standardize the employee hiring process. We adhere to employment compliance and protect the legitimate rights and interests of employees and candidates.

**Diversity and Inclusion.** China Jinmao supports and upholds the *United Nations Universal Declaration of Human Rights* and the core conventions of the International Labour Organization (ILO). During the recruitment, onboarding, training, promotion, and rewarding processes, we adhere to the principles of fairness, justice, and transparency in employment. We also ensure that every employee is not subjected to unfair treatment or discrimination on the grounds of factors such as gender, age, ethnicity, region, religious belief, or cultural background. The Company is committed to creating a diverse and supportive workplace and protecting employees from misconduct in their work.

Through specialized talent development programs such as the Navigators and Ark Trainees, China Jinmao enriches the pool of young talent and continuously improves its talent development and training systems. We offer employees smooth channels for career development, provide talents with broad prospects, as well as ensure the talent reserve and organizational safeguard for high-quality business development. We have formulated and implemented the talent development system of China Jinmao, which includes diversified training systems for new employees, professionals, and managers. Through a "multi-level training" approach, we develop training programs to meet the diverse development needs of employees at different stages, thereby comprehensively enhancing their vocational skills and professional competence.

**Prohibiting Illegal Employment.** China Jinmao strictly prohibits child labor and forced labor, and opposes any form of violence, intimidation, bullying, and harassment. The Company is devoted to establishing lawful labor relationships with employees and firmly protecting all employees' legitimate rights and interests. Furthermore, the Company ensures that all employees' rights and interests are protected throughout the value chain. We also eliminate any illegal employment practices in business and supply chain activities. In the event of any illegal employment, the Company will promptly rectify and terminate such actions and impose penalties on the person involved in accordance with the *Employee Reward and Punishment Management Standards of China Jinmao*. In 2023, the Company had no incidents of forced labor, child labor, and other employee complaints about human rights.

Composition of China Jinmao's Employees in 2023<sup>24</sup>

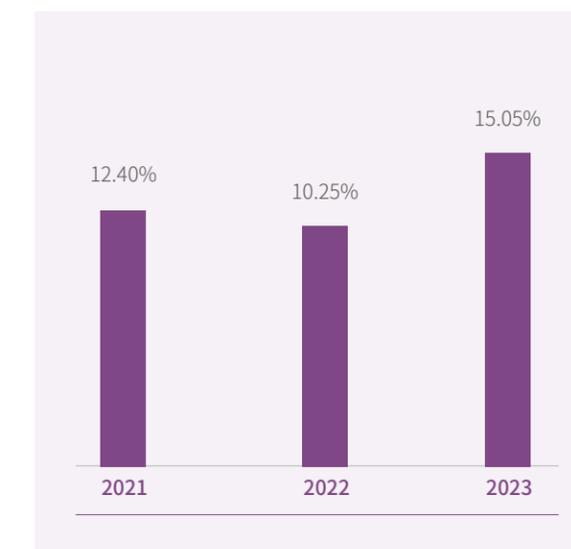
Category		Number of Employees
Number of formal employees		9,488
Number of non-formal employees		1,217
Gender	Male	6,240
	Female	3,248
Age	30 or below	2,212
	31-50	6,718
	51 or above	558
Region	Chinese mainland	9,471
	Hong Kong, Macao, Taiwan, and overseas	17
Academic qualification	Postgraduate or above	1,418
	Bachelor's degree	4,318
	Junior college or below	3,752

<sup>24</sup> Formal employees only.

Voluntary Turnover Rate of China Jinmao in 2023

Category	Employee Turnover Rate	
Gender	Male	14.31%
	Female	16.49%
Age	30 or below	21.80%
	31-50	12.39%
	51 or above	10.35%
Region	Chinese mainland	15.06%
	Hong Kong, Macao, Taiwan, and overseas	12.50%
	Postgraduate or above	14.03%
Academic qualification	Bachelor's degree	12.82%
	Junior college or below	18.50%

Voluntary Turnover Rate (%)



**Remuneration and Benefits.** The Company has formulated and implemented management standards such as the *Remuneration Resource Management Standards of China Jinmao*, the *Remuneration and Benefits Management Standards of China Jinmao*, and the *Employee Performance Management Standards of China Jinmao*. These standards aim to incentivize all employees with remuneration. We follow the principle of equal pay for equal work between men and women and promise that pay levels will not vary according to factors that are not related to work experience and performance, such as gender. We ensure equal pay for male and female employees in the same positions and ranks and maintain an average compensation ratio of 1:1.

The Company has established a performance appraisal mechanism and standardized performance assessment grades and criteria for aspects such as positions, compensation, and development. We have also implemented an employee communication management system and required managers at all levels to conduct regular performance interviews with subordinates. Employees can submit their opinions or complaints in performance reports. Managers should address the issues and provide feedback in a timely manner, thus supporting employees' growth and development.

We continuously improve employee benefits. In addition to basic benefits such as five mandatory insurance plans (endowment, medical, unemployment, employment injury, and maternity insurances), the housing provident fund, and statutory holidays, we take into account the needs of our employees and provide them with a wide range of supplementary benefits such as trade union gifts, holiday subsidies, and commercial insurances. The Company places high emphasis on the physical and mental health of all employees. We provide annual medical check-up services and health management consultations by professional physicians.



**Democratic Communication.** The Company practices democratic management and emphasizes democratic communication. We respect employees' freedom of association and their rights to join trade unions, seek representation, attend employee representatives' conferences, and engage in collective bargaining. We continuously improve the corporate democratic management system based on the employee representative conference. Through communication events such as seminars and face-to-face meetings with the general manager, we safeguard employees' rights to information, engagement, expression, and supervision.

In the event of labor disputes, the Company observes the principles of fairness, equity, and transparency. We earnestly listen to employees' opinions, understand their demands, and peacefully safeguard the common interests of the Company and its employees. To further enhance internal governance, we have established a formal internal reporting and complaint mechanism. Employees may report misconduct in financial reporting, internal monitoring, and other aspects directly to the Audit Committee of the Board of Directors.

**Employee Wellness.** Guided by its corporate cultures and values, China Jinmao organizes a wide variety of employee activities and actively provides assistance and support for employees in need. By doing so, we foster a sense of human care, enhance team cohesion, and promote the healthy and sustainable development of the Company.

Employee Wellness Activities of China Jinmao in 2023

Holiday activities	Organize activities for International Women's Day, Children's Day, Father's Day, Mother's Day, Lantern Festival, etc., to enliven the workplace.
Employee support	Regularly visit retired employees, employees in need, and frontline workers.
Team building	Arrange various team-building activities such as sports meeting, mountain climbing, and cultural and artistic events, to enhance team cohesion. Establish clubs for basketball, football, badminton, fitness, ping-pong, and Tai Chi.
Health care	Organize activities such as flu vaccination and mental health seminars to promote employee wellness.

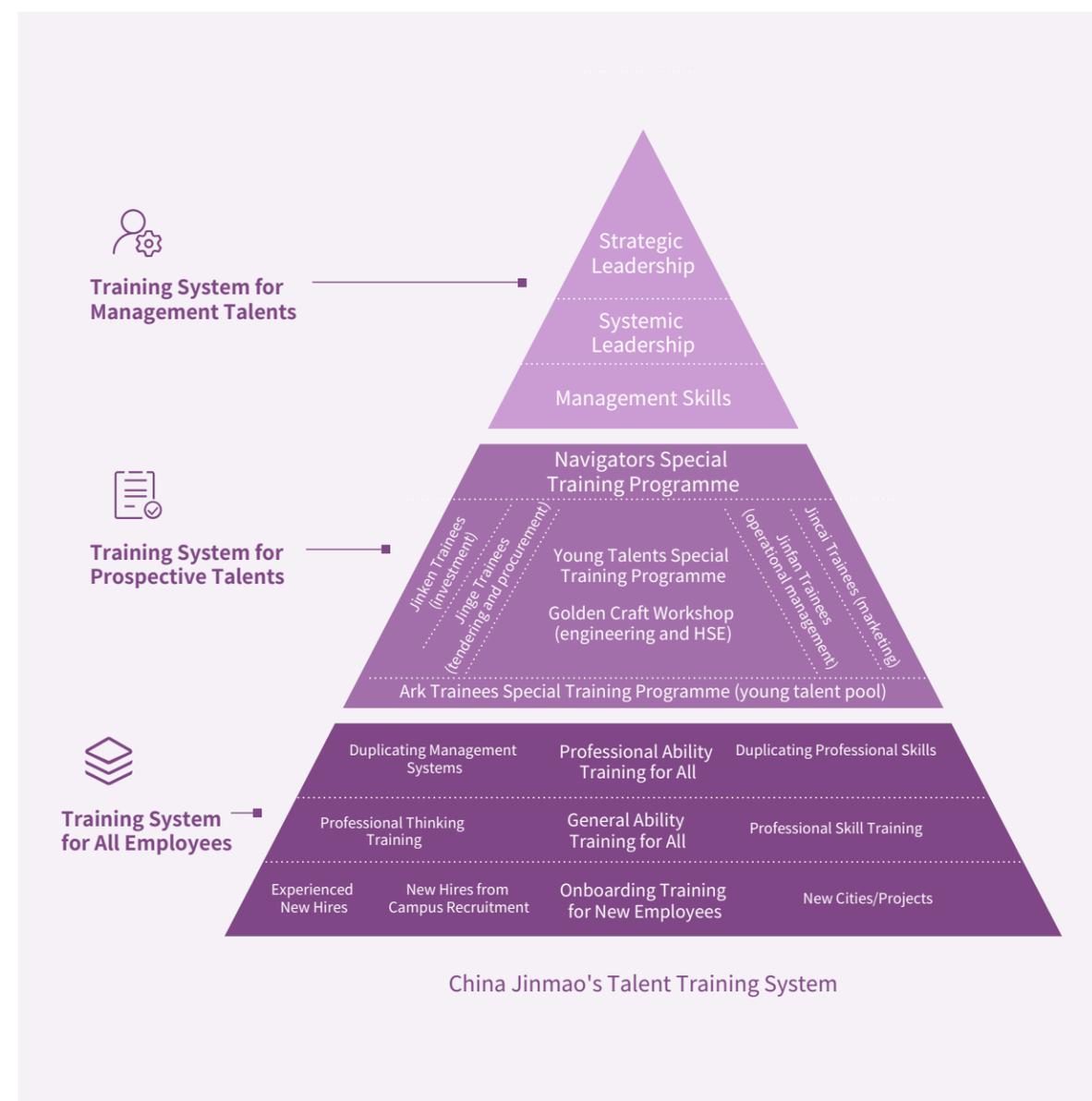


The Company continuously strengthens the protection of women's rights and interests and team building work. We abide by relevant laws and regulations such as the *Trade Union Law of the People's Republic of China* and the *Special Provisions on Labor Protection of Female Employees*. We listen to the demands and feedback of female employees and protect their labor rights with a sound system and a wide range of protection facilities. The Company organizes various activities for International Women's Day and Mother's Day, and conducts health seminars tailored to the needs of female employees. We also hold a variety of cultural and sports activities that cater to the characteristics of female employees, thus facilitating the comprehensive development of female employees in their careers.

## Employee Development

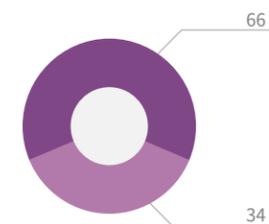
China Jinmao attaches great importance to the all-round development of its employees. By establishing a multi-dimensional, multi-channel, and diversified employee development system, we provide employees with broad development opportunities and build a talent pool for business innovation and high-level development.

We have developed and implemented a series of internal talent training policies, such as the *Training Management Standards of China Jinmao*, the *Management System of Internal Lecturers of China Jinmao*, and the *Implementation Plan for Accelerated Nurturing and Development of Young Talents of China Jinmao*. We have formed a diversified training system for new employees, professionals, and management personnel. We make overall plans for "multi-level training" and provide training programs to meet the development needs of employees at different stages of their careers and enhance their professional skills and competencies in a comprehensive manner.

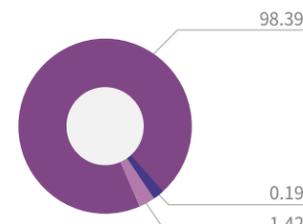


Training Highlights of China Jinmao in 2023

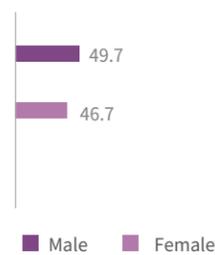
Training Course	Training Effect in 2023
Young Special Training	<p>108 trainees from the Jinge, Jinken, and Ark training programs completed over 160 hours of intensive training across 13 sessions.</p> <p>Jinmao Green Building conducted two sessions of the New Youth Talent Training:</p> <ul style="list-style-type: none"> <li>In the second session, 29 employees entered the second phase of training. Focusing on practical operations and advanced management skills, they have completed training on basic leadership and initially acquired management thinking.</li> <li>In the third session, 27 employees entered the first phase of training. Focusing on action learning and professional enhancement, they have completed the initial training and topic selection.</li> </ul>
Professional Skill Training	The Company conducted training sessions aimed at enhancing the practical skills of various professional personnel, including Quality, Health, Safety, and Environment (QHSE) management training, as well as specialized open courses. There was a total of 46 training sessions, with an attendance of 6,747.
Business Seminar	The Company organized a series of training courses such as important projects and strategic seminars. These sessions aimed to address business challenges through professional guidance and practical learning, ultimately improving the Company's management capabilities.



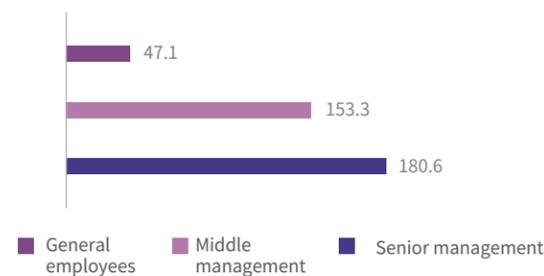
Training Percentage(%)



Training Percentage(%)



Average Training Hours per Employee (Hour/Person)



Average Training Hours per Employee (Hour/Person)

## Health and Safety

China Jinmao attaches great importance to occupational health and safety. We strictly abide by relevant laws and regulations, such as the *Work Safety Law of the People's Republic of China* and the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, as well as the GB/T 45001-2020 *Occupational Health and Safety Management Systems - Requirements with Guidance for Use*. We implement a series of internal policies, including the *HSE Management Standards of China Jinmao*, the *Occupational Health Management Standards of China Jinmao*, the *Management System of HSE Management System Review of China Jinmao*, and the *Job Safety Analysis Management Reference Guide of China Jinmao*. We have established a safety and health management system for all employees and contractors.

**Management System.** China Jinmao has formulated important health, safety, and environment (HSE) management measures and established relevant targets based on Sinochem's FORUS<sup>25</sup> system. The Company conducts internal ratings on HSE performance and implements regular internal audits to assess the health and safety management of its subsidiaries. We also conduct a full-coverage audit every three years to evaluate and verify the effectiveness of the health and safety management system, aiming to continuously enhance the effectiveness of HSE management within the Company.

### The FORUS System – The HSE Policy

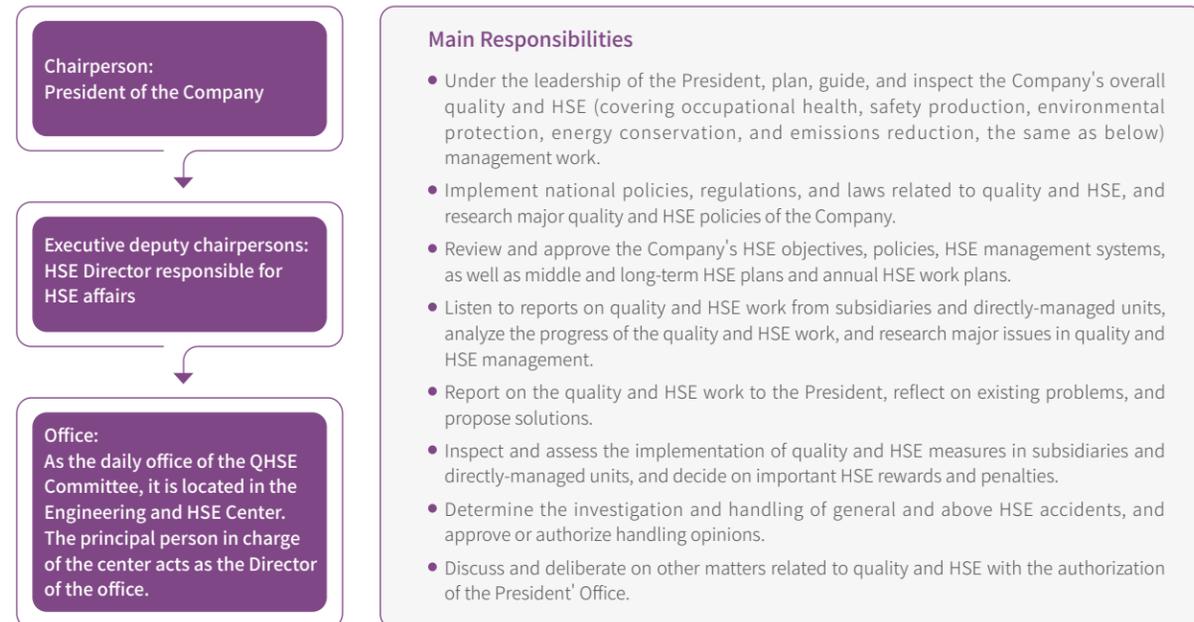
- HSE means productivity, business, and return. HSE shall be prioritized in any decision.
- HSE is everyone's responsibility - the person on business is responsible, the person on site is responsible, and the person on duty is responsible.
- Stay strategy-led and technology-driven, and fully implement loss control methodology to shape HSE as the corporate's core competitive advantage.
- Leadership influence through positive demonstration to create an HSE culture with all persons involved and responsible.
- Proactive compliance to meet or exceed local mandatory requirements and international conventions.
- Eliminate the risks as best as possible and provide a healthy, safe working environment for all employees.
- Minimize environmental impact to the best of our limit, utilize natural resources in the best way, create green products, and propel global carbon emission reduction and carbon neutrality.
- Dialogue with stakeholders and openly communicate HSE performance to gain trust and respect.
- Benchmark with the best management practices, continuously improve HSE standards, and uplift HSE performance to eventually accomplish the goal of "zero loss".

(More details of the FORUS System can be found on the website of Sinochem Holdings: [www.sinochem.com](http://www.sinochem.com))

China Jinmao has established a health and safety accountability system, continuously improved its organizational structure and management system, and clarified the health and safety responsibilities of all levels of subsidiaries, departments, and employees. Through these measures, we ensure that health and safety management responsibilities are implemented at all levels. The Company has established a Quality, Health, Safety, and Environment (QHSE) Committee, with the President serving as the Chairperson of the QHSE Committee. As the Executive Deputy Chairperson of the Committee, HSE Director is responsible for handling the daily affairs. An office is set up under the committee and located in the Engineering and HSE Center. The principal person in charge of the center acts as the Director of the office.

<sup>25</sup> FORUS reflects Sinochem's commitment to providing employees with safe and healthy working conditions, offering customers green and safe products and services, delivering benefits to shareholders, and creating greater value for society to achieve sustainable business development.

QHSE Committee Responsibility Structure



**Performance Appraisal.** The Company incorporates occupational health and safety as a key indicator into the performance appraisal system for managers at all levels in accordance with the FORUS management system, the *HSE Responsibility Management Standards of China Jinmao*, the *Rules for the Management of HSE Performance Appraisal of China Jinmao*, and other relevant regulations. The appraisal consists of the implementation of management responsibilities, environmental protection and health and safety performance. The results directly affect the performance scores of subsidiaries and managers at all levels.

Every year, the management, subsidiaries at all levels, and departments of China Jinmao must sign the *Statement on Health, Safety, and Environmental Protection Responsibilities* and the *Action Plan for Health, Safety, and Environmental Protection*. All employees must sign the *Letter of Commitment to Health, Safety, and Environmental Protection*. These documents clarify the health and safety related responsibilities and performance targets of the subsidiaries, departments, and employees at all levels. On behalf of China Jinmao, the Chairman of the Company signs the *Statement on Health, Safety, and Environmental Protection Responsibilities*, which incorporates the "Four Zeroes" target and key indicators on safety management, environmental management, occupational health, energy conservation, low carbon, and emergency management into annual performance evaluation. The health and safety performance of the Company directly affects the performance of all executives, including the Chairman and President, and is linked to performance-based compensation. In 2023, the Company had no health and safety incidents, and the Four Zeros target was achieved, namely zero fatal work safety accidents, zero general or more serious environmental incidents, zero major negative public opinion on HSE, and zero new cases of occupational diseases.

The Company regularly evaluates its health, safety, and environmental (HSE) performance and analyzes management practices throughout the business lifecycle. Based on the assessment results of health and safety training, risk management, hazard investigation, and workplace protection, we formulate and implement appropriate corrective actions. Additionally, we carry out comprehensive assessment and judgment through four channels, namely leadership interviews, audits and verification, employee interviews, and on-site investigations, to prevent safety accidents.

**Indicator** Four Zeroes Target

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**Target**

- Zero general or more serious environmental incidents.
- Zero new cases of occupational diseases.
- Zero major negative public opinion on HSE.
- Zero fatal work safety accidents.

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In 2023

**the Four Zeroes target was achieved.**

**Project honors**

- 4 project sites won **the learning exchange program for the safety production standardization of construction project sites**

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- 20 project sites obtained **provincial-level safety production standardization certification**

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- Received **54 commendations** at the provincial and municipal levels for safety, fire protection, and energy conservation.

## Occupational Health

The Company has established a sound occupational health management system and continuously improved the environment and conditions of the workplace. By combining "Prevention, Treatment, Management, Education", we strive to raise employees' awareness of occupational health and protect their health and safety. In 2023, China Jinmao obtained ISO 45001 Occupational Health and Safety Management System certification.

To further enhance its capability in preventing and treating occupational diseases, the Company insists on strengthening control over potential hazards such as dust, welding, and noise at the worksite. During the Reporting Period, we conducted 135 special occupational health inspections covering areas prone to occupational hazards such as welding, painting, equipment rooms, and chemical warehouses, thereby continuously reducing health risks in the workplace.

To raise employees' awareness of health and safety and advance the transition from occupational health towards "comprehensive health", the Company consistently organizes activities such as and health check-ups for all employees. In 2023, the Company conducted over 850 training sessions on occupational health, with a total attendance of 30,559.

In 2023

The company conducted **over 850** training sessions on occupational health

With a total attendance of **30,559**



Lecture on Occupational Disease Prevention and Treatment and First Aid for Trauma



Mental Health Counseling



Employees' Occupational Health and Safety of China Jinmao in 2023

Indicator	Unit	Performance in 2023
Total duration of occupational health training	Hour	850
Occupational health training	Session	over 850
Coverage of occupational health training	%	100
Serious work-related injury	Case	0
Lost working day due to work-related injury	Day	0
Lost Time Injury Rate (LTIR) per million work hours	%	0.0042
Employee with occupational Disease	Person	0
Work-related fatality	Person	0

## Work Safety

The Company has formulated a series of policies, including the *Rules for the Management of HSE Risk Prevention and Control of China Jinmao*, the *Rules for Well-Organized Construction Management on Construction Project Sites of China Jinmao*, the *Reference Guidelines for Job Safety Analysis Management of China Jinmao*, and the *Guidelines for Fire and Life Safety System Acceptance and Management of China Jinmao*, to continuously optimize project safety management and audit work.

**Safety risk management.** The Company identifies safety risks for all development, construction, and operational projects. In addition to large machinery and major hazardous projects, we focus on facilities or processes involving significant risks, such as power distribution and transformation, fire systems, and boiler pressure vessels. We have created 748 health and safety risk maps, clarified the risk management responsibilities of various levels of subsidiaries, as well as continuously monitored and promptly responded to various safety risk events.

**Safety risk inspection.** The Company adopts innovative methods such as random selection and online inspection and organizes cross-checks and HSE inspections before the start of new projects. This approach ensures safety inspections and assessments throughout the project cycle. In 2023, the management at all levels conducted 3,467 safety inspections and 4,782 operation safety observations. We also inspected 239 projects and identified and rectified 12,789 hazards, with a rectification rate of 100%.

In 2023, the management at all levels conducted

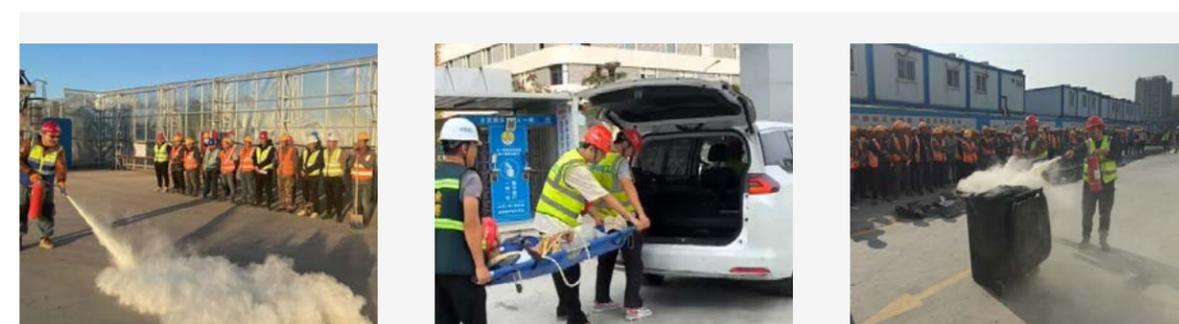
**3,467** safety inspections

**4,782** operation safety observations



Measure	Content	Performance in 2023
Intelligent inspection	Conducted Smart Home Construction video inspections and online assessments of the work safety at construction sites.	Conducted 52 inspections covering 273 projects
Random inspection	Conducted monthly random online inspections for the projects.	Conducted 9 inspections covering 16 projects
Third-party inspections	Conducted semi-annual third-party HSE inspections for development projects; Organized sampling inspections for various professional operation centers based on business types and proportions.	Conducted 2 rounds of inspections of 167 projects
4+N unannounced inspection <sup>26</sup>	Identified the projects with shortcomings and conducted quarterly 4+N unannounced inspections based on findings from third-party inspections, video inspections, and online assessment systems by the headquarters	Conducted 3 rounds of inspections covering 76 projects
Management behavior reviews	Conducted annual management behavior reviews for regional or professional operation centers.	Covered 24 projects of 11 companies in 12 cities
Cross-check	Organized cross-checks of health and safety performance at various stages of projects of different companies.	Covered 20 projects

**Emergency response guarantee.** The Company continuously enhances its classified emergency plans, closely monitors emergency drills held by various departments, and promptly issues extreme weather warnings. We implement a holiday duty system for management at all levels to ensure rapid and effective response to various emergencies. Furthermore, we conduct simulated drills for major accidents by combining online exercises with practical operations to identify problems in emergency management processes and improve emergency response plans. In 2023, we conducted 31 simulated drills for major accident scenarios, with 2,133 special emergency drills and 118 flood control emergency drills completed by various units.



Site of Emergency Drills

<sup>26</sup> The 4+N unannounced inspections: The "4" refers to four fixed management measures, namely Winter Construction Guarantee Action, Safety Enhancement Action, Summer Clearing Action, and Hundred-Day Safety Competition. The "N" represents management measures tailored to specific needs, which may vary in quantity depending on the actual situation. These measures include Special Fire Inspection, Residential Area Inspection, Gas Inspection, and Typhoon and Flood Prevention Inspection.

**Safety training promotion.** To continuously enhance safety culture and capacity building, the Company develops annual health and safety training plans for management and subsidiaries at all levels, employees, and contractors involved in safety production. The execution of these training plans is periodically checked and incorporated into the annual performance appraisal. In addition, we supervise labor subcontractors to organize "three-level" safety education for their employees and practical assessments for special job types.

In 2023, the Company conducted 1,910 training sessions on safety, with a total attendance of 85,282 and a training coverage rate of 100%. We allocated a total of RMB 11.759 million for safety production, with RMB 7.89 million devoted to training on work safety.



Training on Health and Safety

<b>Work Safety Law Training</b>	A total of 919 managers at all levels attended the training.
<b>FORUS Training</b>	All employees studied the course on the FORUS health and safety system.
<b>HSE Risk Management Training</b>	Training on health and safety risk management at the stages of design, construction, and operation & maintenance was organized, with a total attendance of 1,065.
<b>Project QHSE Certification Training</b>	40 project leaders participated in certification training, took closed-book tests, and worked with certificates.
<b>Commercial Project Merchant Training</b>	Over 20 training sessions on health and safety management and decoration period management were conducted for merchants, with a total attendance of over 5,000.

Training on Work Safety in 2023

Indicator	Unit	Performance in 2023
Total duration of safe production training	Hour	198,023
Duration of safe production training per employee	Hours/person	49.6

## Contractors' Health and Safety

The Company conducts health, safety, and environmental compliance reviews of potential contractors and acquisition projects in accordance with the *Supplier and Contractor Management Standards of China Jinmao* and the *Rules for Contractor HSE Risk Management of China Jinmao*. We rigorously review the contractor's documents such as health and safety qualification certificates, commitments, and internal management policies, as well as relevant health and safety performance records in the past three years.

Before partnering with contractors, the Company requires them to sign a statement on health and safety responsibilities. This document sets out health and safety requirements of the same standard as China Jinmao's internal management and communicates to the contractors a health and safety policy that is consistent with that for China Jinmao's employees. It requires partners to strictly implement applicable national, local, industry, and organizational laws, regulations, and rules on occupational health and safety, and to ensure necessary human, financial, and material resources for work safety. Additionally, our temporary workers enjoy the same treatment as our regular employees in terms of health and safety management. We make clear to our temporary workers the occupational disease hazards that may exist in the workplace and inform them in writing of their relevant responsibilities and obligations.

We conduct regular safety inspections and audits on contractors and optimize the supplier assessment and evaluation system. We also set Health, Safety, and Environment (HSE) assessment criteria for our contractors and conduct semi-annual full-coverage inspections of all project contractors. Additionally, we engage third-party agencies to conduct regular assessments and unannounced inspections to ensure that contractors implement health and safety management measures. In 2023, we organized 167 third-party safety assessment inspections, covering 100% of our projects under construction.

To further ensure construction safety, the Company also carries out a full-process assessment for contractors, including preliminary investigations, team interviews, technical standard reviews, and interviews with HSE personnel. Specialized HSE training is organized for contractors, covering 100% of key positions related to supervision, general contracting, and subcontracting. In 2023, the Company conducted 63 team training sessions for contractors, with a project leader attendance of 167 and a management and operator attendance of 66,878.



Contractors' Health and Safety Performance in 2023

Indicator	Unit	Performance in 2023
Employee with occupational disease	Person	0
Lost working day due to work-related injury	Day	0
Serious work-related injury	Case	0
Work-related fatality	Person	0
Lost Time Injury Rate (LTIR) per million work hours	%	0
Coverage rate of health and safety training	%	100

# Public Welfare for a Better Society



Supply Chain Management	75
Promoting Industry Development	78
Integration with Communities	80

## The SDGs responded



## The HKEX ESG Indicators responded

B5.1/B5.2/B5.3/B5.4/B8.1/B8.2



## Supply Chain Management

China Jinmao strictly adheres to relevant laws and regulations such as the *Bidding Law of the People's Republic of China* and the *Regulation on the Implementation of the Bidding Law of the People's Republic of China*. We have formulated policies such as the *Tendering and Procurement Management Standards of China Jinmao*, the *Management Standards for Strategic Centralized Procurement of China Jinmao*, the *Rules of China Jinmao for Procurement Management of Headquarters Functional Departments*, and the *Supplier and Contractor Management Standards of China Jinmao* to regulate the management of various stages such as supplier admission, evaluation, communication, and exit. Furthermore, we review suppliers' sustainability performance to effectively identify and prevent supply chain ESG risks. Through these measures, we aim to create a sustainable supply chain of integrity and compliance that is open, transparent, green, and healthy.

### Sustainable Management of the Supply Chain

China Jinmao applies the same ESG management standards as those of the Company for quality, environment, health and safety, employment, and business ethics to its suppliers, contractors, and other partners. In accordance with the *China Jinmao Supplier Code of Conduct*, the Company has established a supplier lifecycle management process to strengthen supply chain ESG risk management and maintain the stability and sustainability of the supply chain.

The Company implements a "multi-source procurement and safety stock strategy", which is applied to the procurement of critical raw materials and components. This strategy ensures that at least two suppliers are capable of meeting the procurement needs for a critical category and that there is sufficient inventory to meet production demands and avoid delays in delivery due to supply chain risks. During the Reporting Period, there were no significant risks or impacts in the supply chain.

#### Admission Management

- All suppliers must register on the Sunny and Fair Procurement Platform for admission. We will examine suppliers' business registration information, business scope, key performance, contract fulfillment, and other qualifications, and strictly prohibit the admission of suppliers with records of defaulted executors on Credit China and China's Enforcement Information Disclosure Network.
- We conduct ESG performance reviews of suppliers and disqualify those with negative information related to environmental protection, occupational health and safety, labor and human rights, and business ethics from the pool and bidding. In 2023, we screened 100% of our suppliers using ESG standards, with a total of 9,958.
- All contractors must provide the documents of production, construction, environmental, and quality qualifications, the professional qualifications of practitioners, and HSE policy and performance. We also arrange site visits for the departments with procurement needs.
- All suppliers must sign the Transparency Agreement and commit to complying with our prohibition of corruption and bribery, transfer of benefits, and falsification. We require our suppliers to have an internal anti-corruption policy and undergo regular audits.

#### Assessment & Review

- We have a supplier project performance and annual review system for the assessment of supplier performance and project outcomes.
- We have set up a performance evaluation platform under the Sunny and Fair Procurement System. We organize multi-departmental evaluations of suppliers' compliance at the stages of the performance process, such as pollutant discharge, work safety management, and labour rights protection. In 2023, we achieved 100% coverage for our supplier performance evaluation.
- During the contract performance process, we rigorously review suppliers' use of labour, labour contracts and relations, social security payment, and wage payment. In addition, we organize centralized checks of strategic suppliers nationwide to ensure that no employers are in arrears of migrant workers' wages.

#### Classified Management

- We adopt a classified management model, under which our suppliers are classified into "national strategic suppliers", "regional strategic suppliers", and "conventional suppliers" in terms of their strategic importance. We further classify them into Tier-1 suppliers ("general contractors"), Tier-2 suppliers ("subcontractors"), and Tier-3 suppliers ("raw material suppliers") based on the type of procurement. Suppliers at all levels undergo multidimensional evaluation and management in areas such as procurement, site access, briefing, inspection, safe and well-organized construction, and progress tracking. This approach effectively identifies and controls risks. Additionally, we conduct quality inspections on products such as foundation pits, scaffolding, large equipment, and construction machinery supplied by subcontractors to strengthen process supervision and management.

#### Punishment Mechanism

- We strictly implement the blacklisting mechanism for suppliers and remove suppliers with major ESG risks and negative events, including those with significant negative environmental impact, major safety incidents, and hidden quality hazards. The removal will be notified within the Company. During the Reporting Period, 15 suppliers were blacklisted.

#### Communication Mechanism

- We regularly communicate with suppliers through surveys and feedback collection. In 2023, the Company organized discussions for over 140 centralized procurement suppliers, covering topics such as product quality, business collaboration, innovation, and supply chain management.
- We have opened up access for supplier enquiries in the performance evaluation platform under the Sunny and Fair Procurement System and established a two-way evaluation system with strategic suppliers, in which we conduct cooperation satisfaction surveys.

In 2023, all our general construction contractors were certified with the environmental management system, the quality management system, and the occupational health management system.

#### Case "Genuine Gold Operation" for Quality Assurance

In 2023, the Company organized the "Genuine Gold Operation" for quality assurance. We conducted sampling inspections on materials used in 58 projects across 28 cities. The inspections covered 35 sub-categories of materials under 8 categories including paint, waterproofing materials, and cable trays. Samples were confirmed on site by personnel and sent to third-party institutions for testing. The test focused on harmful substances such as radioactive elements in artificial stone, vinyl chloride, formaldehyde, and volatile organic compounds. A total of 214 batches were inspected, with an overall pass rate of 96.91%. Suppliers found with problems were fined and required to complete rectification within a specified time frame, achieving a rectification rate of 100%.

Distribution and Number of China Jinmao's Suppliers in 2023

<b>Total number of suppliers</b>	<b>9,958</b>
North China	3,252
East China	2,563
Central china	1,587
South China	1,539
Southwest China	1,017

## Supplier Communication

The Company has implemented a regular communication mechanism to maintain long-term friendly exchanges and cooperation with upstream and downstream enterprises. Moreover, we provide training for suppliers on quality, health and safety, and environmental protection. In this way, we promote the internal principles and requirements for sustainability. In 2023, the Company conducted over 600 supplier exchange and training sessions on quality, with a total attendance of over 10,000. The training covered 100% of "national strategic suppliers" and "regional strategic suppliers", thereby comprehensively enhancing the sustainability of the value chain.

In 2023,

The Company conducted over <b>600</b> supplier exchange and training sessions on quality	With a total attendance of over <b>10,000</b>	The training covered <b>100%</b> of "national strategic suppliers" and "regional strategic suppliers"
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## Green Procurement

The Company is committed to building a green and low-carbon supply chain. We have formulated the Supplier and Contractor Management Standards of China Jinmao to continuously optimize the green procurement process. We also integrate ESG performance factors such as environmental protection, resource conservation, product quality, health and safety, and compliant employment into procurement requirements. While selecting strategic suppliers, we make it a necessary condition to use green products and apply energy-efficient and environmentally-friendly technologies and require bids to include environmental protection, health, and safety assurances. In addition, the Company takes into account safety, green, economy, and other factors in project development. We classify, screen, and strictly test building and decoration materials, parts, and components to ensure that the materials meet the requirements of environmental protection, energy conservation and low carbon, quality, and safety performance. If some materials fail to pass the inspection, the responsible party must take corrective measures or withdraw from the site.

## Promoting Industry Development

Upholding the principle of "co-creating value and pursuing win-win results", China Jinmao integrates and coordinates resources throughout the value chain and promotes inter-industry collaboration to boost the industry's progress. We focus on technological innovation and green development and play an active role in industry exchanges and cooperation. Through the endeavor, we drive our own development, contribute to the progress of the industry, and create a better life experience for our customers.

**Exchange and cooperation.** The Company actively engages in industry cooperation and exchanges. We participate in the formulation and development of standards related to green buildings. We also leverage our green influence in sustainability to promote the collaborative, standardized, and sustainable development of the industry.

### Conference exchange

- 17th China IDC Industry Annual Ceremony**

In February 2023, China Jinmao attended the 17th China IDC Industry Annual Ceremony (IDCC2022). We engaged in in-depth discussions on the high-quality development of the data center industry in areas such as computing power deployment, carbon neutrality, artificial intelligence (AI), and the digital economy. Jinmao Green Building's Cloud Computing Center in the Nanjing Jiangbei New Area Industrial Technology Research & Innovation Park was highly praised by industry experts and judges for its outstanding performance and significant contribution to green computing power data centers. It was honored with the China IDC Industry Green Computing Power Data Center Award.

- 2023 International Green Zero Carbon Festival and 2023 ESG Leaders Summit**

In June 2023, China Jinmao attended the 2023 International Green Zero Carbon Festival and the 2023 ESG Leaders Summit. Together with outstanding ESG enterprises from various industries, we explored new models of green development and pathways to achieve dual carbon goals. The "Photovoltaic Wall and Lightweight Photovoltaic Components" of China Jinmao won the 2023 Outstanding Green Manufacturing Award.

- 2023 China Listed Companies Summit**

In November 2023, China Jinmao participated in the 2023 China Listed Companies Summit. At the sub-forum themed "Embracing ESG: The Path to Development for Listed Companies – Low-carbon Integration Innovation", we shared extensive experience in long-term investment and brand operation in the field of sustainability. Jinmao Services won the title of 2023 Outstanding ESG Practice Enterprise.

- Global Hotel ESG NUO Summit**

In December 2023, China Jinmao was invited to attend the Global Hotel ESG NUO Summit. The summit focused on the construction of the ESG ecosystem and the sustainable development of the hotel industry. During the event, China Jinmao delivered a keynote speech, shared the core concept of corporate sustainability with industry peers and upstream and downstream supply chain partners, and showcased its achievements in ESG management practices.

### Standard formulation

- Participated in the formulation of 2 national standards, 1 international organizational standard, and 7 industrial group standards.**

## Cross-industry Cooperation

The Company leverages its resource advantages to closely align the demands of social development with its strategic development. We continuously deepen cooperation and exchanges with research institutions, financial institutions, enterprises, governments, universities, and other relevant parties.

**Case** Advancing Smart Transportation through Cross-Industry Cooperation

Jinmao Green Building, in collaboration with SAIC Hongyan, Shaanxi Dechuang, FAW Jiefang, Sinotruk, Xiamen King Long, and other partners, developed over 300 electric and battery-swappable heavy-duty trucks. We also cooperated with CATL, EVE, CALB, and other partners to advance the upgrade of battery-swapping technology. To date, the Company has actively deployed new energy vehicle battery-swapping stations in cities such as Fengcheng, Yulin, Rizhao, Qingdao, and Yancheng. We leveraged our operational experience, technological advantages, and R&D capabilities to provide better solutions for urban development. As of the end of the Reporting Period, the battery-swapping stations had completed 73,700 swaps, serving heavy-duty truck users with a total mileage of 7.22 million kilometers and reducing carbon emissions by 13,000 tonnes.



Battery-swapping Stations for Heavy-duty Trucks

**Case** Deepening University-Enterprise Cooperation

In 2023, Jinmao Green Building hosted the fifth University Innovation Competition, attracting over 60 innovative projects from more than 30 universities including Zhejiang University, Beihang University, Southeast University, Beijing University of Technology, and Shanghai Jiao Tong University. Six innovative projects in the fields of smart energy and building technology made it to the finals and signed memorandums of cooperation with the company. It also laid the foundation for further collaboration in the future.

In addition, Jinmao Green Building has established the "Jinmao Green Gold Science & Technology Scholarship" at the Institute of Smart City and Intelligent Transportation at Southwest Jiaotong University. This initiative aims to support the cultivation of high-level, interdisciplinary talents in universities and deepen the industry-university-research integrated development.



## Integration with Communities

China Jinmao, as a city operator, is committed to boosting social harmony and common prosperity for communities by giving full play to its resources. We fulfill our social responsibility by continuously engaging in intensive practices in rural revitalization, educational assistance, green public welfare, and community engagement. In 2023, China Jinmao donated RMB 5.9 million to public-welfare projects. 3,472 employees participated in volunteer activities, with a total duration of 20,305 hours.

### Rural Revitalization

2023 was the first year for fully implementing the guiding principles from the 20th National Congress of the Party and a crucial year for advancing rural revitalization and accelerating agricultural and rural modernization. China Jinmao diligently implemented the important instructions from General Secretary Xi Jinping and the decisions of the CPC Central Committee on rural revitalization. The Company focused on poverty alleviation through consumption, promoted rural revitalization, supported the improvement of rural education, and comprehensively accelerated the construction of agricultural and rural modernization. In 2023, the Company purchased agricultural products worth RMB 3.27 million from the assisted areas and achieved a sales volume of RMB 710,000 for these areas.

**Case** Supporting Sales of Specialty Agricultural Products in Remote Areas

By leveraging our unique commercial sectors and resources, we helped to sell farming products through the Jinmao Retail Business's Lijiang J-LIFE Valley Town's Selection online platform. In 2023, we achieved a sales volume of nearly RMB 700,000 through the online platform. Through this campaign, we helped to open up sales channels for remote areas and contributed to rural revitalization and development.



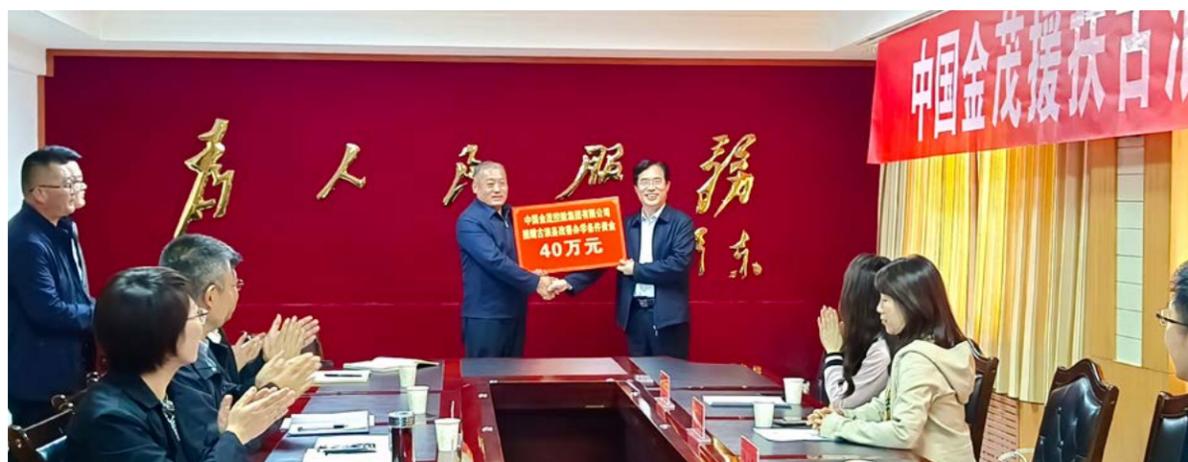
The Valley Town's Selection E-commerce Platform

In 2023, the Company continued its "Green Gold Public Welfare" education assistance campaign and donated scholarships to 50 financially disadvantaged students. In addition, we moved forward with the "Dream Building Public Welfare Libraries". To date, we have funded the construction of 32 public welfare libraries in regions such as Tibet, Qinghai, Inner Mongolia, Sichuan, and Guizhou to change the fate of children through knowledge and education.

**Case** **Creating a Better Future for Gulang County with Technology**

In October 2023, we visited Gulang County in Gansu Province to better understand the local education development, progress of skills training programs, and industrial development. We visited local residents in need and donated RMB 400,000 to the county. This donation aimed to enhance local educational conditions by upgrading campus facilities and teaching equipment and improving the school environment.

In addition, Jinmao Capital, together with its invested company Haosi Biotech and the National Institute for Nutrition and Health of Chinese Center for Disease Control and Prevention, visited Gulang County. They conducted a survey on vitamin deficiency among students and organized popular science activities in five primary schools. Over 2,500 health questionnaires were collected, and personalized reports regarding health status and nutrition deficiency were provided for each student. This initiative aimed to help students improve their dietary structure and nutritional status.



**Case** **Public-welfare Art Exhibition**

In July 2023, Jinmao Changsha Community, in collaboration with the Changsha Jinmao Public Welfare Education Foundation, organized the "Jinmao Dream Building Public Welfare Art Exhibition" in Changsha. This exhibition provided children of different ages with the opportunity to showcase their artworks. The proceeds from the sale of the artworks were fully donated to the Jinmao Public Welfare Education Foundation to support the educational development and personal growth of underprivileged children.



**Case** **Supporting Educational Development of Dacaidan**

In 2023, Jinmao Services launched the "Jinyi Program" and called on community homeowners to donate books to the Cultural and Sports Activity Center in Dachaidan, Haixi Mongolian and Tibetan Autonomous Prefecture, Qinghai Province. A total of 4,733 books were donated by 211 community homeowners.



**Case** **Charitable Educational Assistance**

In 2023, Jinmao East China held the "Loyal to the Party: Charitable Education Assistance" campaign for six consecutive years. A total of 226 employee volunteers donated educational funds and supplies to 43 students from Wuyi Xilian Elementary School and Wuyi No. 2 Middle School. The total donation exceeded RMB 80,000.



## Public-welfare Service

China Jinmao leverages its resource advantages to actively engage in various public welfare and charitable activities. Through diverse initiatives, we encourage internal and external stakeholders to participate in social welfare, promote green development, and educate the public about the concept of sustainability.

### Case 9th Season of China Jinmao-Green Run

In 2023, the 9th season of China Jinmao-Green Run China kicked off in cities including Shanghai, Xi'an, Qingdao, Hangzhou, Kunming, Suzhou, and Chongqing. As one of the Company's brand IPs, "China Jinmao-Green Run" aims to promote a green and healthy lifestyle through sports, convey the brand's philosophy to more people, and foster a sense of vitality and progress.



Before the kickoff in Suzhou, a charity donation ceremony was held jointly with non-profit organizations. Participants were encouraged to donate funds to support education in impoverished areas.



### Case Tree Planting Activity

On the Tree Planting Day in 2023, Jinmao Services launched the "Spring of Hope" tree planting and "Hope Farm" activities. More than 40 programs were carried out in 20 cities, covering Shanghai Xijiao Jinmao Palace, Wuxi Lihu Jinmao Palace, Beijing Wangjing Jinmao Palace, and Chengdu Wuhou Jinmao Palace. This event aimed to raise the environmental awareness of homeowners and tenants and advocate for a green and low-carbon lifestyle.



### Case Ecological and Environmental Protection Education

Qingdao Oriental Eden project promoted a multi-level and all-round ecological and environmental education system during the construction process. The "Popular Science on Campus of Oriental Eden" program, aimed to share knowledge about nature, ecology, and sustainable development with students. In 2023, 24 popular science activities were organized and 15 original courses were offered to enhance the ecological awareness of local community residents.



"Popular Science on Campus of Oriental Eden" Program

Furthermore, we actively engage in community public welfare undertakings. By organizing various activities such as public art exhibitions, voluntary blood donations, Lei Feng volunteer services, and legal education lectures, we contribute to the construction of a harmonious society.

### Case The 3rd Jinmao Luxuriance "Together for Children" Charity Art Exhibition

Through our "Together for Children" brand public-welfare IP, we collected children's artwork from our homeowners' families and promoted charity with the creativity of children. In 2023, the 3rd Jinmao Luxuriance "Together for Children" Charity Art Exhibition themed "Bright Future, Building Dreams for Science" was held to showcase children's artwork. The proceeds from the exhibition were donated to the China Green Foundation's special public welfare initiative for animal protection.



## Community Relations

The Company is committed to maintaining harmonious community relations. We strictly adhere to applicable laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Noise*. In the process of project development and construction, we devote resources to promoting the coordinated development of community culture and economy. Each project team establishes daily communication mechanisms with local authorities, such as environmental protection bureaus, housing and construction bureaus, and sub-district offices, to seek professional advice on engineering construction and environmental protection. Besides, we have offered open communication channels, such as disclosing the phone number for environmental dust control outside construction sites and regularly communicating with residents of the local community. Moreover, we explain and elaborate on the environmental dust control measures during the project construction period to the community residents. Through these measures, we jointly promote the implementation of dust and noise control measures, as well as environmental protection efforts.

Adhering to the mission of "Building Quality for Better Life", the Company actively participates in improving the quality of community life while developing its own business. Embracing the concept of community-friendly development, we engage in enhancing infrastructure, improving the ecological environment, providing accessible facilities, and enriching cultural activities for surrounding communities. Our goal is to create a harmonious and inclusive community relationship.

### Case Building an Eco-friendly and Kid-friendly "Meow Adventure Valley" Park

The "Meow Adventure Valley" park in the Changsha Jinmao International Community is designed to be a kid-friendly park that integrates children's play, popular science education, and nature exploration. The park incorporates animated intellectual property (IP) to create a diverse range of gaming areas and interactive scenes. This park not only enhances the entertainment and interaction of the space but also enriches outdoor activities for children.

The park preserves the original pond and wetland on the site while strictly controlling the water depth to ensure children's safety. Through ecological restoration efforts, the water quality has been improved from level 5 to level 2. The clean pond is filled with aquatic plants, and jungle exploration facilities are integrated into the existing wetlands. This design provides community residents with a space to get close to nature and explore the natural environment.



### Case Improving Infrastructure to Enhance Urban Image

Over the past five years, Ningbo Life Science City has completed the construction of more than ten municipal roads. The project has improved the quality of the urban interface and created a more convenient living environment for community residents with better infrastructure. Hengxing East Road, as an important road in the area, pioneers a unique "3+1" planting pattern in Ningbo. This design features three interconnected tree pits, thus enriching the planting hierarchy and increasing the greening content on the street. Moreover, we have set up caring stations along the road. Equipped with toolboxes for sanitation workers and vending machines, the facilities provide convenient services for pedestrians and raise residents' sense of happiness.



### Case Legal Education Salon in Communities

In 2023, Ningbo Life Science City collaborated with the Fangqiao People's Court of Fenghua District, Ningbo, to organize a series of "Ningbo Life Science City Community Legal Education Salons". The event consisted of lectures on addressing common legal issues faced by residents and businesses in the surrounding community. The initiative aimed to enhance citizens' legal awareness and elevate the overall quality of development in the area.



Legal Education Salon on "Construction Projects and Construction Enterprises Legal Risk Prevention"



Legal Education Salon on "Protection of Women and Children's Rights"



Legal Education Salon on "Common Legal Issues and Cases in Agriculture"



Legal Education Salon on "Prevention of Telecom Fraud"

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ESG Indicators	Page Number
<b>Environmental</b>	
<b>A1 Emissions</b>	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P44, P46 P50, P55
A1.1 The types of emissions and respective emissions data.	Air pollutant emissions are not a material issue for the Company's business.
A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P55
A1.3 Total hazardous waste (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	P50
A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P50
A1.5 Description of emissions target(s) set and steps taken to achieve them.	P40-45, P50-51, P53, P55
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.	P50
<b>A2 Use of Resources</b>	
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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).	P50
A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P48
A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	P47-51
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.	P47-48
A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging material generation is not a material issue for the Company's business.
<b>A3 The Environment and Natural Resources</b>	
General Disclosure: Policies on minimising the issuer's significant impacts on the environment and natural resources.	P56
A3.1 Description of the significant impact of business activities on the environment and natural resources and the actions taken to manage them.	P56-58
<b>A4 Climate Change</b>	
General Disclosure: Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	P52
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.	P52-55
<b>Social</b>	
<b>B1 Employment</b>	
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B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P61
B1.2 Employee turnover rate by gender, age group and geographical region.	P62
<b>B2 Health and Safety</b>	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P66-69

ESG Indicators	Page Number
B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P69
B2.2 Lost days due to work injury.	P69
B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P66-72
<b>B3 Development and Training</b>	
General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P64
B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P65
B3.2 The average training hours completed per employee by gender and employee category.	P65
<b>B4 Labour Standards</b>	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	P61
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B4.2 Description of steps taken to eliminate such practices when discovered.	P61
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B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P75-77
B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P75-77
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<b>B6 Product Responsibility</b>	
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B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	During the reporting period, the Company had no such phenomenon.
B6.2 Number of products and service related complaints received and how they are dealt with.	P29
B6.3 Description of practices relating to observing and protecting intellectual property rights.	P16
B6.4 Description of quality assurance process and recall procedures.	P22-25
B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P33
<b>B7 Anti-corruption</b>	
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B8.2 Resources contributed (e.g. money or time) to the focus area.	P80

# GRI Content Index

<b>Statement of use</b>	China Jinmao has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.
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GRI 306: Waste			
306-1	Waste generation and significant waste	Green Operations	P50
306-2	Management of significant waste	Green Operations	P45-46, P50
306-3	Waste generated	Green Operations	P50
GRI 308: Supplier Environmental Assessment			
308-1	New suppliers that were screened using environmental criteria	Supply Chain Management	P75-77
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management	P75-77
Social			
GRI 401: Employment			
401-1	New employee hires and employee turnover	Diversity and Integration	P61-62
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Diversity and Integration	P62-63
401-3	Parental leave	Diversity and Integration	P62
GRI 403: Occupational Health and Safety			
403-1	Occupational health and safety management system	Health and Safety	P66-67
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety	P69-70
403-3	Occupational health services	Health and Safety	P68

Disclosure Item	Disclosure Title	Location	Page Number
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety	P68
403-5	Worker training on occupational health and safety	Health and Safety	P68, P71
403-6	Promotion of worker health	Health and Safety	P66-72
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety	P66-72
403-8	Workers covered by an occupational health and safety management system	Health and Safety	P66-68, P72
403-9	Work-related injuries	Health and Safety	P69, P72
403-10	Work-related ill health	Health and Safety	P68-72
GRI 404: Training and Education			
404-1	Average hours of training per year per employee	Employee Development	P65
404-2	Programs for upgrading employee skills and transition assistance programs	Employee Development	P64
404-3	Percentage of employees receiving regular performance and career development reviews	Diversity and Integration	P62
GRI 405: Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	Diversity and Integration	P61
GRI 406: Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	Diversity and Integration	P61
GRI 413: Local Communities			
413-1	Operations with significant actual and potential negative impacts on local communities	Integration with Communities	P80-86
GRI 414: Supplier Social Assessment			
414-1	New suppliers that were screened using social criteria	Supply Chain Management	P75-76
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management	P75-76
GRI 417: Marketing and Labeling			
417-1	Requirements for product and service information and labeling	Premium Services	P34
417-2	Incidents of non-compliance concerning product and service information and labeling	Premium Services	P34
417-3	Incidents of non-compliance concerning marketing communications	Premium Services	P34
GRI 418: Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Premium Services	P33

## List of ESG Policies

Indicators	Internal Policies	External Policies
A. Environmental		
A1: Emissions	Environmental Protection Management Standards of China Jinmao	
A2: Use of Resources	Environmental Protection Management Standards of China Jinmao Energy Conservation Management System of China Jinmao	Environmental Protection Law of the People's Republic of China Environmental Impact Assessment Law of the People's Republic of China Law of the People's Republic of China on Prevention and Control of Environmental Noise Pollution Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution Water Pollution Prevention Law of the People's Republic of China Marine Environmental Protection Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste Administrative Regulations of the People's Republic of China on the Prevention of Pollution and Damage of Marine Environment by Terrigenous Pollutant Outline of Natural Protection of the People's Republic of China Opinions of the Central Committee of the Communist Party of China and the State Council on Comprehensively Strengthening Ecological and Environmental Protection and Firmly Winning the Battle of Pollution Prevention and Control National Hazardous Waste List Evaluation Standards for Green Building Administrative Measures for Transfer of Hazardous Wastes
A3: The Environment and Natural Resources	HSE Management Standards of China Jinmao Environmental Protection Management Standards of China Jinmao China Jinmao's Environmental Protection Accountability Management System (for Trial Implementation) Guidelines for Ecological City Construction of China Jinmao Administrative Guidelines on Environmental Protection of China Jinmao	
A4: Climate Change	Environmental Protection Management Standards of China Jinmao Energy Conservation Management System of China Jinmao	
B. Social		
B1: Employment	Recruitment Management System of China Jinmao Remuneration and Benefits Management System of China Jinmao Remuneration and Resource Management Standards of China Jinmao Employee Performance Management System of China Jinmao Labour Management System of China Jinmao Management System of Performance Remuneration and Business Expenses of the Person-in-Charge of China Jinmao Management System for Assignment of China Jinmao Rotation Management System of China Jinmao Reward and Punishment Management System for Employees of China Jinmao Attendance and Leave Management System of China Jinmao e-HR System Management System of China Jinmao Management System for Evaluation of Employees on Probation of China Jinmao	Labor Law of the People's Republic of China Labor Contract Law of the People's Republic of China Social Insurance Law of the People's Republic of China Minimum Wage Regulations Provisions on the Prohibition of Using Child Labour

Indicators	Internal Policies	External Policies
B2: Health and Safety	Management System of HSE Organization and Staffing of China Jinmao HSE Responsibility Management System of China Jinmao HSE Management Standards of China Jinmao HSE Training Management System of China Jinmao Supplier and Contractor Management Standards of China Jinmao Fire Safety Management System of China Jinmao Occupational Health Management System of China Jinmao Management System for Punishment of Persons Responsible for Accidents of China Jinmao Management System of HSE Management System Review of China Jinmao Rules on HSE Performance Evaluation of China Jinmao Rules for the Management of Accident Emergency Management of China Jinmao Occupational Health Self-Assessment Form of China Jinmao China Jinmao Health and Safety Policy Rules for the Management of HSE Risk Prevention and Control of China Jinmao Rules for the Management of HSE Hazard Investigation of China Jinmao Unannounced HSE Inspection Reference Guidelines of China Jinmao	Labour Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Occupational Diseases Work Safety Law of the People's Republic of China Fire Prevention Law of the People's Republic of China Emergency Response Law of the People's Republic of China Regulations on the Safety Management of Hazardous Chemicals Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents Interim Provisions on the Investigation and Treatment of Hidden Dangers of Work Safety Accidents Regulation of the People's Republic of China on Work-Related Injury Insurance Provisions on the Supervision and Administration of Occupational Health at Work Sites Classification and Catalogue of Occupational Diseases
B3: Development and Training	Employee Health Care Plan Management System of China Jinmao for Technology Innovation Rewards Training Management System of China Jinmao Management System of Internal Lecturers of China Jinmao Management System for Key Positions of China Jinmao Management System of Directors and Supervisors of Subsidiaries of China Jinmao Professional Sequence Review and Management System of China Jinmao Implementation Plan for Accelerated Nurturing and Development of Young Talents of China Jinmao	
B4: Labor Standards	Recruitment Management System of China Jinmao Labour Management System of China Jinmao Management System for Key Positions of China Jinmao	Universal Declaration of Human Rights Labour Law of the People's Republic of China Provisions on the Prohibition of Using Child Labour
B5: Supply Chain Management	Tendering and Procurement Management Standards of China Jinmao Management Standards for Strategic Centralised Procurement of China Jinmao Supplier and Contractor Management Standards of China Jinmao Project Contract Management Standards of China Jinmao Supplier Code of Conduct of China Jinmao China Jinmao Sustainable Procurement Policy	Construction Law of the People's Republic of China Tendering and Bidding Law of the People's Republic of China Government Procurement Law of the People's Republic of China Regulation on the Implementation of the Tendering and Bidding Law of the People's Republic of China Regulations on Construction Projects Subject to Tender The Ministry of Housing and Urban-Rural Development - Regulation on Strengthening the Safety Control at Construction Sites of Dangerous and Major Projects

Indicators	Internal Policies	External Policies
B6: Product Liability	<i>Project Management Standards of China Jinmao</i>	<i>Construction Law of the People's Republic of China</i> <i>Product Quality Law of the People's Republic of China</i> <i>Regulations for Quality Management of Construction Projects</i> <i>Cybersecurity Law of the People's Republic of China</i> <i>Data Security Law of the People's Republic of China</i> <i>Urban Real Estate Administration Law of the People's Republic of China</i> <i>Advertising Law of the People's Republic of China</i> <i>Regulatory Measures on the Sale of Commercial Houses</i> <i>Consumer Protection Law of the People's Republic of China</i> <i>Patent Law of the People's Republic of China</i> <i>Regulations on Administration of Development and Operation of Urban Real Estate</i> <i>Copyright Law of the People's Republic of China</i>
	<i>Engineering Quality Inspection Management System of China Jinmao</i>	
	<i>Engineering Quality Acceptance Inspection and Delivery Management Rules of China Jinmao</i>	
	<i>Innovation Development Management Standards of China Jinmao</i>	
	<i>Rules for Innovation R&amp;D Project Management of China Jinmao</i>	
	<i>Management System of China Jinmao for Customer Experience in the Whole Cycle of Project Development</i>	
	<i>Management System of China Jinmao for Customer Evaluation in the Whole Cycle of Project Development</i>	
	<i>Management Standards of China Jinmao for Customer Risks in the Whole Cycle of Projects</i>	
	<i>Rules of China Jinmao for Complaint Management</i>	
	<i>Customer Complaint Handling Procedures</i>	
	<i>Customer Complaint Handling Operations Standards</i>	
	<i>Lessee Decoration Handbook</i>	
	<i>Rules of China Jinmao for Cybersecurity Management</i>	
	<i>Standards of China Jinmao for Confidentiality Management</i>	
<i>Responsible Marketing Policy of China Jinmao</i>		
<i>Sales Management Standards of China Jinmao</i>		
<i>Marketing Risk Inspection Reference Guidelines of China Jinmao</i>		
<i>Standards of China Jinmao for Management of Press Releases and Public Relations Crisis Responses</i>		
B7: Anti-Corruption	<i>the Work Management Standards for Supervision and Enforcement of the Discipline Inspection Commission of China Jinmao</i>	
	<i>the Work Management Standards for Discipline Inspection, Petition and Whistleblowing of China Jinmao</i>	
	<i>the Work Management Standards for the Discipline Inspection Commission of China Jinmao</i>	
	<i>the Working Procedures for the Discipline Inspection Commission of China Jinmao</i>	
	<i>the Work Management Standards for Supervision of the Discipline Inspection Commission of China Jinmao,</i>	
	<i>the Work Management Standards for Inspection of the Discipline Inspection Commission of China Jinmao</i>	
	<i>the Management Standards for the Inter-Level Coordination in Inspections of China Jinmao</i>	
	<i>the Administrative Measures for Integrity Files of Leading Cadres of China Jinmao</i>	
	<i>the Management Rules for the Nomination and Inspection of Secretary and Deputy Secretary of Discipline Inspection Commissions of Subsidiaries of China Jinmao</i>	
	<i>the Measures of the Discipline Inspection Commission of China Jinmao on Implementing Key Measures for Supervising the Person in Charge and Leadership Team</i>	
B8: Community Investment	<i>Administrative Measures for External Donations of China Jinmao</i>	<i>Charity Law of the People's Republic of China</i>

## ESG Performance Indicators

Environmental Aspect				
Indicator	Unit	2023	2022	2021
Comprehensive energy consumption	10,000 tonnes of standard coal equivalent	8.94	6.96	5.26
Comprehensive energy consumption per unit	tonne of standard coal equivalent/m <sup>2</sup>	0.00426	0.00463	0.00460
Petrol	L	167,316.07	232,720.59	257,032.96
Diesel	L	51,743.86	126,712.52	47,717.23
Natural gas	10,000 m <sup>3</sup>	1,402.80	1,272.65	826.71
LNG	L	5,820.00	6,227.00	2,880.00
Purchased electricity	10 MWh	55,317.49	41,676.69	33,230.11
Purchased heat	GJ	72,225.00	30,048.46	13,956.99
Total water consumption	tonne	1,702,798.52	2,961,432.35	2,587,571.57
Water consumption intensity	tonne/m <sup>2</sup>	0.08	0.20	0.23
Total non-hazardous waste discharge	kg	1,484,731.53	2,972,361.17	5,619,901.16
Non-hazardous waste discharge intensity	kg/m <sup>2</sup>	0.12	0.35	0.87
Total hazardous waste discharge	kg	16,985.07	19,621.36	57,442.41
Hazardous waste discharge intensity	kg/m <sup>2</sup>	0.0013	0.0023	0.0089
Scope 1: direct emissions	tonne of CO <sub>2</sub> equivalents	30,848.70	28,383.13	18,577.66
Scope 2: indirect emissions	tonne of CO <sub>2</sub> equivalents	323,420.37	240,987.49	194,602.22
Total GHG emissions	tonne of CO <sub>2</sub> equivalents	354,269.07	269,370.61	213,179.88
GHG emission intensity	kg of CO <sub>2</sub> equivalents/m <sup>2</sup>	16.88	17.91	18.63
Social Aspect				
Indicator	Unit	2023	2022	2021
Patents filed	item	152	190	185
Patents approved	item	63	105	81
Invention patents approved	item	16	10	20
Design patents approved	item	7	16	12
Utility model patents approved	item	40	79	49
Total number of employees	person	9,488	11,534	12,825
Male employees	person	6,240	7,530	8,344

# Assurance Statement of Environmental, Social and Governance Report

Social Aspect				
Indicator	Unit	2023	2022	2021
Female employees	person	3,248	4,004	4,481
Employees in the Chinese mainland	person	9,471	11,516	12,798
Employees in Hong Kong, Macao, Taiwan, and overseas	person	17	18	27
Employees of 30 or below	person	2,212	3,244	3,911
Employees of 31-50	person	6,718	7,695	8,428
Employees of 51 or above	person	558	595	486
Percentage of female managers	%	22.2	22.9	23.5
Voluntary turnover	%	15.05	10.25	12.40
Signing rate of labour contracts	%	100	100	100
Average training time per person	hour	48.6	42.8	45.4
Percentage of male trainees in the total workforce	%	66	65	65
Percentage of female trainees in the total workforce	%	34	35	35
Percentage of senior manager trainees in the total workforce	%	0.19	0.17	0.16
Percentage of middle manager in the total workforce	%	1.42	1.41	1.22
Percentage of general employee trainees in the total workforce	%	98.39	98.42	98.62
Average training time per male employee	hour/person	49.7	43.0	45.4
Average training time per female employee	hour/person	46.7	42.3	45.4
Average training time per senior-level management employee	hour/person	180.6	180.8	135.8
Average training time per middle-level management employee	hour/person	153.3	159.7	171.5
Average training time per general employee	hour/person	47.1	41.1	43.9
Integrity training rates	%	100	100	100
Work-related fatalities of employees	person	0	0	0
Lost working days due to work-related injuries of employees	day	0	0	563
Number of suppliers	unit	9,958	20,715	16,894
Investment in science and technology	RMB 1,000,000	335	354	307
Public welfare donation	RMB 10,000	590	471	348+
Number of volunteers	person	3,472	3,368	1500+

## TÜVNORD

Verification Statement Number: CN-202404-CSR-04

### Verification Statement of ESG Report

TÜV NORD (Hangzhou) Co., Ltd. (hereinafter referred to as 'TNHZ') has been commissioned by the management of China Jinmao Holdings Group Limited (hereinafter referred to as "China Jinmao") to carry out an independent third-party verification of China Jinmao's 2023 Environmental, Social and Governance (ESG) Report (hereinafter referred to as 'Report').

China Jinmao is responsible for the collection, analysis, aggregation and presentation of information within the Report. TNHZ carries out this work (verification of the report) within the terms of reference agreed in the agreement with China Jinmao. China Jinmao is the designated user of this statement.

This statement is based on the 2023 Environmental, Social and Governance (ESG) Report prepared by China Jinmao. China Jinmao is responsible for the integrity and authenticity of the information and data in the report.

### Verification Scope

- ✦ The Report discloses key environmental, social and governance performance and related information that happened in 2023.
- ✦ We evaluated the management process of collection, analysis, inspection of the information and data.
- ✦ Due to the economic data had been audited by the third party, we did not do double audit this time.

The verification was done on 02~03.04.2024.

### Verification Methodology

The verification process includes the following activities:

- ✦ Review the document information which is provided by China Jinmao.
- ✦ Interview the person who collected the report information.
- ✦ View the related websites and media reports, verify the data and information through sampling method.
- ✦ Referring to the Hong Kong Stock Exchange's Environmental, Social and Governance Reporting Guidelines (HK-ESG) for reporting on the importance, quantification, balance and consistency requirements, we evaluate the report.
- ✦ Refer to AA1000 Assurance Standard (V3).
- ✦ Verification activity is based on TNHZ Rules for the Implementation of Report Verification.

### Verification Conclusion

The 2023 Environmental, Social and Governance (ESG) Report prepared by China Jinmao Holdings Group Limited comprehensively disclosed the actions and performance of China Jinmao in fulfilling its environmental, social and governance in 2023. The data in the Report is reliable and objective and TNHZ found no systemic or substantial errors.

- ✦ **Materiality:** China Jinmao evaluated the substantive issues, disclosed its important objective performance of 2023 in the field of the environmental, social and governance with the 25 substantive issues such as "green building", "integrity and compliance management" and "sustainable supply chain", and timely responded to the expectations of investors and the rights and interests of other equity holders.
- ✦ **Quantitative:** the Report discloses some key economic, environmental and social performance, such as business revenue, comprehensive energy consumption per unit area, and scientific and technological investment amount, in the form of "Digital Jinmao" and "ESG Data Indicator Performance Table", which is of certain quantification.
- ✦ **Balance:** the Report discloses the data such as the number of customer complaints and work-related

deaths etc., with a certain degree of balance.

- ✦ Consistency: The ESG Working Group of China Jinmao is responsible for collecting, recording, arranging and analyzing the information and processes used in the Report. The sampled data in the assurance process can be traced with good consistency.

**Recommendation for Improvement**

Through verification and evaluation, we have following improvement suggestions on ESG practice and management:

- ✦ Clarify the statistical caliber, statistical method, statistical frequency, responsible department, etc., for the relevant sustainable development performance indicators, so as to facilitate the rapid and accurate collection of relevant data during the project.
- ✦ Increase the disclosure of negative performance indicators in reporting to improve the balance of reporting.
- ✦ Compare the ESG reports of foreign outstanding peers and domestic outstanding cross-industry enterprises, learn from their excellent practical experience, and comprehensively improve the company's sustainable development (ESG) management level.

**Special Statement**

This statement excludes:

- ✦ The activity outside information reveal.
- ✦ The position, ideas, beliefs, goals, future development direction and commitment stated by China Jinmao.

**Statement of Independence and Competence**

TÜV NORD is the world's leading Certification Body in inspection, testing and verification, operating in more than 100 countries throughout the world and providing services which includes management systems and product certification; quality, environmental, occupational health and safety, social responsibility auditing and training; environmental, social responsibility and sustainability report verification.

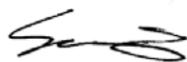
TÜV NORD (Hangzhou) Co., Ltd. is an independent organization registered and established by TÜV NORD in China and ensures that there are no conflicts of interest with China Jinmao or its branches and stakeholders during the implementation of the verification process of this report. All information in this report was provided by China Jinmao, and TNHZ was not involved in the report preparation process.

TÜV NORD (Hangzhou) Co., Ltd.



The team leader: ZHU Helen

Date: 19.04.2024



The authorized person: SONG Haining

Date: 19.04.2024

Note: In case of conflict between the Chinese and English versions of this statement, please refer to the Chinese version.

## Reader Feedback

Dear Stakeholders,

Thank you for reading this report during your busy time. The purpose of this survey is to have a better understanding of your expectations and needs for China Jinmao's work on ESG management and information disclosure and to continuously improve our ESG performance. We sincerely invite you to participate in the survey and your views and opinions are of utmost importance to us. We sincerely thank you for your valuable opinions and suggestions.

1. As against China Jinmao, your identity is:

- Employees
- Consumers
- Suppliers
- Regulatory authorities
- Other government departments
- Media
- Others

2. Are you satisfied with this annual report as a whole?

- Yes
- No
- Average

3. Is the information you are concerned about reflected in this annual report?

- Yes
- No
- Average

4. What are your expectations for our ESG Report to be prepared and published next year?

- Innovative report topics
- Innovative structure and ideas
- Clear logical subjects
- Expansion of the application scope of ESG management standards
- More reader-friendly interface
- More intimate linguistic style
- Others (please specify)

5. What are your suggestions or expectations for our work on ESG management?

- Formulate long-term ESG management plans
- Strengthen the establishment of ESG management organizations
- Carry out external communication with multiple parties
- Plan new influential welfare projects
- Others (please specify)

2023

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