



北京京城佳业物业股份有限公司

BEIJING CAPITAL JIAYE PROPERTY SERVICES CO., LIMITED

(A joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code : 2210

CAPITAL JIAYE 2023 ENVIRONMENTAL SOCIAL AND GOVERNANCE REPORT



北京京城佳业物业股份有限公司

BEIJING CAPITAL JIAYE PROPERTY SERVICES CO., LIMITED



CAPITAL JIAYE
2023 ENVIRONMENTAL,
SOCIAL AND GOVERNANCE REPORT

A nationally renowned provider of city service and better life service

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01 / ABOUT THIS REPORT

This report is the environmental, social and governance report (“ESG Report” or the “Report”) issued by Beijing Capital Jiaye Property Services Co., Limited (hereinafter referred to as the “Company”), highlighting the ESG management philosophy, initiatives and achievements of the Company and its subsidiaries (collectively “Capital Jiaye”, “Group” or “We”) in 2023.

■ Basis of Preparation

This Report has been prepared to comply with the relevant standards for sustainable development information disclosure that are common in the industry while highlighting the unique characteristics of the enterprise based on the industry background. The relevant standards as key references in 2023 include:

- 1) The Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) in Appendix C2 of the Main Board Listing Rules of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”);
- 2) The Financial Stability Board (FSB) Task Force on Climate- Related Financial Disclosures (TCFD) Recommendations.

In addition, we actively responded to the Notice on Forwarding the “Research on the Preparation of ESG Special Reports of Listed Companies Controlled by Central Enterprises” issued by the General Office of the State-owned Assets Supervision and Administration Commission of the State Council, and made reference to some indicators in the Reference Indicator System for ESG Special Reports of Listed Companies Controlled by Central Enterprises for disclosure.

■ Reporting Principles

This Report has been prepared in accordance with the reporting principles in the ESG Reporting Guide.

Principles	Response
Materiality:	Capital Jiaye conducted an assessment of material issues in 2023 and invited stakeholders to participate in the assessment. The Board approved and confirmed the results of annual materiality analysis and disclosed the impact and performance of the Group’s material issues in this Report.
Quantification:	The Group has made quantitative disclosures of key performance indicators with historical data in the categories of “Environment” and “Society” in accordance with the requirements of “Key Performance Indicators” in the ESG Reporting Guide.
Balance:	This Report objectively, impartially and truthfully reflects the Group’s achievements and practices on environmental and social affairs in 2023, and truthfully discloses the problems we have encountered and improvement measures we have taken.
Consistency:	Capital Jiaye follows a consistent approach to disclosure statistics, and in the future, we will endeavor to ensure that the ESG Report adopts consistent disclosure principles, and when there is a change in statistics or other relevant factors, we will explain the specific changes and the reasons for them in the Report.

01 / ABOUT THIS REPORT

■ Reporting Scope

The reporting period of this Report is from January 1, 2023 to December 31, 2023 (the “Reporting Period” or the “Year”), with appropriate forward and backward extension for certain contents.

Unless otherwise specified in individual materials, the policy documents, statements, data, etc. in this Report cover the actual business scope of Capital Jiaye. Unless otherwise specified, the monetary amounts involved in this Report are measured in RMB. This Report focuses on disclosing ESG information. Part of the content shall be read together with the 2023 Annual Report of Beijing Capital Jiaye Property Services Co., Limited.

■ Source of Data

The data used in this Report mainly derives from public data, internal statistical reports, third-party surveys, administrative documents and reports and other related documents.

■ Approval of this Report

This Report was reviewed and approved for publication by the Board on March 27, 2024.

■ Access to this Report

This Report is available in both English and Chinese versions for readers’ reference. The electronic version of this Report can be obtained on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.bcjps.com). In case of any discrepancy between the two versions, the Chinese version shall prevail.

■ Feedback

If you have any questions or feedback about the Company’s ESG work or this Report and its content, please contact us at the following email address: Email: jcgy@bcjps.com.

02 / STATEMENT OF THE BOARD

Capital Jiaye attaches great importance to the sustainable development of the Company and pays close attention to other environmental and social factors, including climate changes, resource consumption, community construction, grassroots governance, etc. The Company has a deep understanding of the importance of sustainable development in its daily operation and market management, as well as its valuable contribution to its long-term business development. As a state-owned enterprise under Beijing Municipality, Capital Jiaye takes the lead in fulfilling its primary responsibility for the construction and development of the capital city, firmly positions the capital city as a “red steward” for development, and strives to bring positive influence to the industry.

In terms of supervising sustainable development work, Capital Jiaye has established an effective ESG work structure in accordance with the ESG guidelines of the Stock Exchange to continue to strengthen the supervision and participation of the Board in ESG matters.

In terms of sustainable development management policies and strategies, the Board, as the decision-making body, is responsible for determining the ESG management strategies of the Company, including but not limited to confirming the assessed and identified ESG-related risks and opportunities, confirming the results of internal and external importance assessment, determining ESG management goals, principles, policies and implementation paths, reviewing and approving the annual ESG report of the Company, etc. The Company’s routes and results in products and services, climate change responses, carbon emissions, etc. are all published in the Company’s ESG Report after being reviewed and approved by the Board.

In terms of reviewing the progress of ESG-related targets, Capital Jiaye will collect the quantitative results of previous environmental initiatives after implementation to provide important reference for the Company to formulate new targets and plans. In the future, Capital Jiaye will further formulate phased or medium- to long-term action plans and strive to penetrate into all projects of corporate services to continuously improve the Group’s sustainable development performance.



02 / STATEMENT OF THE BOARD

■ ESG Policies and Strategies

Capital Jiaye adheres to the corporate mission of “valuing trust and promoting profitable businesses, serving the society”, emphasizes both economic benefits and environmental and social benefits, and integrates the concepts and targets of sustainable development into the overall strategy and daily operation. We believe that promoting the sustainable development of the Company is as important as achieving long-term business growth. Therefore, we continue to promote sustainable development plans in areas such as good corporate governance, environmental protection, labor rights, and community development, and maintain positive communication and good relationships with various stakeholders such as customers, investors, governments, suppliers, the public and public welfare organizations.

✓ We value employees, customers and environment

For our employees, we are committed to creating a healthy and safe working environment, building a diversified talent development system, and opening up channels to listen to the voices of our employees; for our customers, we adhere to the value concept of “innovation”, “passion”, “integrity”, “responsibility” and “gratitude”, and we always take providing high-quality services as our core objective, and constantly enhancing our service level to meet the ever-increasing needs of our customers; and for the resources and environment, we adhere to the concept of green development, implement green operations and create a “zero-carbon community”, advocating sustainable production and lifestyle.

👤 We respect the market, operate with prudence and fulfill our responsibilities

We uphold the market-oriented business principles, actively respond to national policies, ensure that operations are in compliance with laws and regulations, protect the rights and interests of investors, maintain good operating capabilities and an effective risk management and control system, ensure continuous creation of value, and fulfill our main responsibility to employees, customers, the public and other stakeholders.

🌱 We serve the community, organize community activities and contribute to the society




We actively participate in social grassroots governance and optimize the order of urban and rural life to build a community relationship of “co-construction, co-governance, and sharing”; by virtue of our rich community service experience and smart technology, we actively organize community activities with good experience and high practicality to create an innovative, diversified and open community culture; in response to the government’s call, we enthusiastically devote ourselves to rural revitalization and charity activities.

02 / STATEMENT OF THE BOARD

ESG Governance Structure

Capital Jiaye has established an ESG governance structure with clear responsibilities, clarifying the division of labor at each level and the decision-making procedures and reporting mechanisms for related matters: The Board, as the highest decision-making level, has the highest authority and ultimate responsibility for the ESG-related matters of the Company; the Strategies and Investment and ESG Committee under the Board, as the supervision and coordination level, is responsible for communicating and coordinating ESG-related affairs, organizing the preparation of the ESG Report, and regularly reporting to the Board on the progress of ESG work; the functional departments and subsidiaries of the Group, as the executive level, are responsible for promoting and implementing the work plan formulated by the Strategies and Investment and ESG Committee, reporting ESG-related work progress and data and fully implementing ESG-related management work.

Table: ESG Governance Structure of Capital Jiaye






ESG working levels	Departmental agencies	Main responsibilities
<p>The decision-making level</p> 	The Board	Supervise and approve the Company's ESG management policies, strategies and risks Responsible for the ESG governance work of the Company Guide the sustainable development direction of the Company Monitor the sustainable development risks of the Company Review the ESG Report of the Company
<p>The supervision and coordination level</p> 	The Strategies and Investment and ESG Committee	Organize the preparation of the ESG Report Coordinate ESG work arrangement Report to the Board on core ESG affairs Supervise and manage the work progress of the ESG working group
<p>The executive level</p> 	The functional departments and subsidiaries	Implement daily ESG work and relevant work plans Collect ESG implementation information and report to the Strategies and Investment and ESG Committee

02 / STATEMENT OF THE BOARD

Communication with Stakeholders

Capital Jiaye attaches great importance to communication with stakeholders, fully listens to the opinions of all parties, and is committed to balancing and meeting the requirements of various stakeholders. At the same time, we continue to optimize the sustainable development strategy of the Company and strive to achieve win-win cooperation. The Group identifies major stakeholders in combination with its business and operational characteristics, including the Company's investors/shareholders, customers/owners, government departments/regulatory authorities, employees, suppliers and other partners, entertainment, sports and non-profit organizations and NGOs, and other third-party organizations and institutions.

Table: Stakeholder expectations and communication

Stakeholders	Communication channels	Major issues concerned
<p>Shareholders and investors</p> 	Annual reports Announcements and notices Meetings Telephone Mail	Compliance operations Risk management Business ethics and anti-corruption Response to climate change
<p>Customers and owners</p> 	Customer service hotline Official website Public account Questionnaire Face-to-face communication	Service quality Information security and privacy protection Customer satisfaction
<p>Government and regulatory authority</p> 	Official correspondence Conference forum Face-to-face communication Telephone	Compliance operations Pollutant emission management Information security and privacy protection Business ethics and anti-corruption Response to climate change Energy management
<p>Employees</p> 	Employee representative meetings Trade union Correspondence Face-to-face communication Training	Employee recruitment and retention Employee career training and development Employee occupational health and safety Employees' rights and interests Employee welfare and remuneration
<p>Suppliers and other partners</p> 	Meetings Official correspondence Face-to-face communication Telephone	Supply chain management Business ethics and anti-corruption Information security and privacy protection Service quality Diversity and equal opportunities
<p>Media and non-profit organizations and NGO</p> 	Website Meetings Telephone Face-to-face communication	Response to climate change Pollutant emission management Service quality Water resources management



02 / STATEMENT OF THE BOARD

Management of Material Issues

Capital Jiaye attaches great importance to the accuracy, timeliness and truthfulness of the ESG Report. We carry out material issue assessment based on the actual situation of the Company and social hot topics in order to fully understand the importance of ESG issues to the Company's business development and stakeholders' attention to material issues. On this basis, we will actively take countermeasures to continuously improve the management level of the Company's ESG information disclosure and related matters to achieve the target of sustainable development.

Assessment Process of Material Issues:



1. Identification of ESG Issues

Combined with the five aspects of national policies, the Company's development, disclosure standards, capital markets and peer benchmarking, and based on the original list of material issues, we identified and sorted out the material issues of the Year from multiple dimensions to form a database of material issues.



2. Communication with Stakeholders

Based on the changes in the Company's internal and external development environment, a total of 20 material ESG issues covering service, environment, employees, governance, community and social welfare were identified, including 4 environmental issues, 10 social issues and 6 governance issues. For these 20 issues, the Company's internal and external stakeholders were invited through questionnaires to evaluate the importance of different sustainable development issues from their own perspectives and express their opinions on the Company's current sustainable development strategy, related performance, reporting methods and disclosure quality.



3. Materiality Analysis of Issues

Through symposiums with internal and external experts, we ranked ESG issues on the dimensions of "Importance to the Company" and "Importance to stakeholders" and compiled a matrix of issue importance.



4. Response and Disclosure of Material Issues

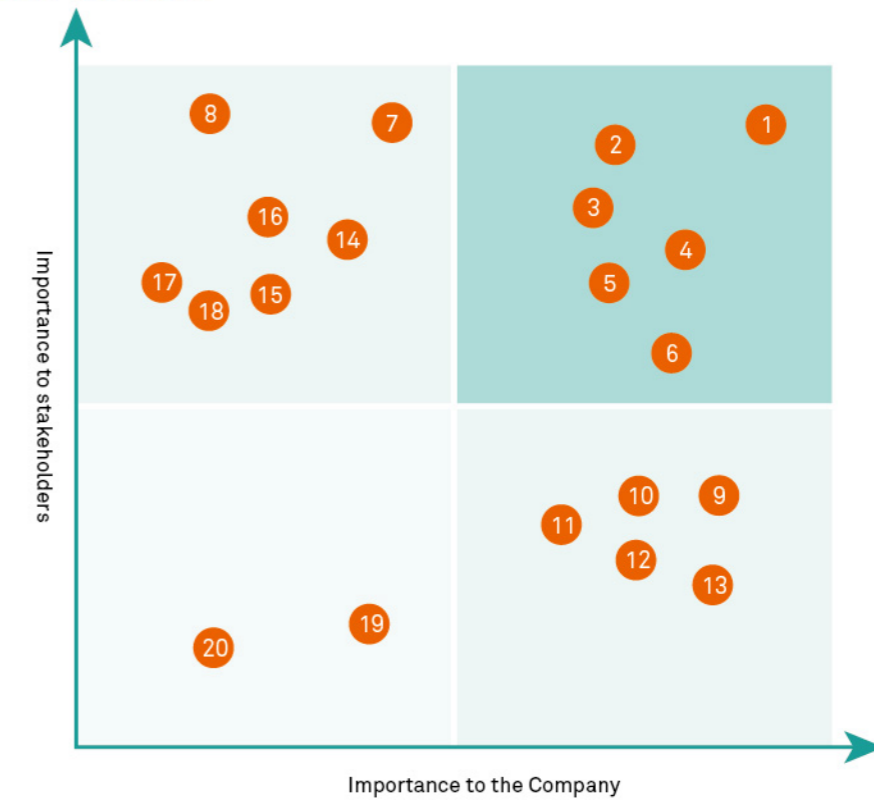
Develop and implement action plans for material substantive issues, and provide key responses and disclosures in the Report.

02 / STATEMENT OF THE BOARD

Matrix of Material Issues

In the matrix chart with the horizontal axis representing the impact on Capital Jiaye and the vertical axis representing the impact on stakeholders, we classified the importance of issues into three levels, with the upper right area indicating highly important issues, the middle area representing moderately important issues, and the lower left area representing low important issues.

Matrix chart of importance



No.	Material Issues	Classification of Issues	Importance level
1	Information security and privacy protection	Social	Highly important
2	Employee welfare and remuneration	Social	Highly important
3	Employee occupational health and safety	Social	Highly important
4	Service quality	Social	Highly important
5	Pollutant emission management	Environmental	Highly important
6	Business ethics and anti-corruption	Governance	Highly important
7	Employees' rights and interests	Social	Moderately important
8	Water resources management	Environmental	Moderately important
9	Employee training and development	Social	Moderately important
10	Intellectual property protection	Social	Moderately important
11	Customer satisfaction	Social	Moderately important
12	Risk management	Governance	Moderately important
13	Compliance operations	Governance	Moderately important
14	Energy management	Environmental	Moderately important
15	Diversity and equal opportunities	Social	Generally important
16	Supply chain management	Governance	Generally important
17	Response to climate change	Environmental	Generally important
18	Intelligent property	Governance	Generally important
19	Value-added service	Governance	Generally important
20	Social welfare	Social	Generally important

03 / ABOUT US

■ Company Profile

The Company was co-founded by Beijing Urban Construction Group Co., Ltd. (“BUCG”, together with its subsidiaries, “BUCG Group”) and Beijing Tianjie Group Co., Ltd. (“Tianjie Group”), a state-owned enterprise in Dongcheng District, Beijing, on December 22, 2020, and was listed on the Main Board of the “Stock Exchange” on November 10, 2021 (stock code: 2210.HK) and is held as to 26.44%, 33.47%, 14.24%, 0.85% and 25% by BUCG and its affiliated Beijing Urban Construction Investment & Development Co., Ltd. (“BUCID”), Beijing Uni.-Construction Group Co., Ltd. (“BUCC”), Tianjie Group and other holders of H shares, respectively.

The Group is engaged in three major business segments, namely, property management services, non-owner value-added services and community value-added services. As of December 31, 2023, the Group has developed businesses in 12 provinces and cities across the country, with a GFA of property under management of more than 41.35 million sq.m., and diversified business types, including office buildings, public constructions, scientific research institutions, socialized service projects for military logistics support, medical and nursing apartments, theatre venues, subway stations, residential buildings, and office buildings of Party and government organs, etc. The representative projects include the National Stadium (Bird’s Nest), Beijing Sub-center office buildings, headquarters of large central enterprises, and Hutongs in east and west of Beijing. In addition to basic businesses, its value-added services cover housing brokerage service, site service, construction site property management, catering service, heating operation service, decoration service and community old-age security service.



03 / ABOUT US

As a professional company engaged in real property service earlier among large state-owned enterprises, the Group has rich experience in property service and asset management, and it has formed a scientific sound management mechanism. The Group is a member unit of China Property Management Association, a vice president unit of Beijing Property Management Association, a member unit of the Listed Companies Association of Beijing, and its affiliated enterprises are member units of the Union International Concierge Organization. The Group was successively awarded the titles of “leading enterprise in social responsibility, featured service, satisfaction and service” issued by China Index Academy, CRIC and China Property Management Research Institution. The Group won the honorary titles of “2023 China’s Socially Responsible Property Management Services Enterprise of the Year”, “2023 China’s Top 100 Leading Property Management Companies in Growth”, “2023 China’s Top 100 Leading Property Management Companies in Satisfaction”, “2023 China’s Leading Property Services Enterprises in Administrative Office”, “2023 China’s Top 10 State-Owned Listed Property Management Companies” and “2023 China’s Leading Property Management Companies in Growth”.

Known as the “red steward” of Beijing with strong support, accurate operation and maintenance, as well as pursuit of excellence, the Group actively integrates itself into the national development strategies, and keeps a foothold in Beijing and provides services for the whole country. By seeking in-depth regional business development and characteristic services, the Group aims to build itself into “a nationally renowned provider of city service and better life service”, contributing to the country’s construction of a better life in the new era!



03 / ABOUT US

Key Performance for 2023

Financial performance



Total revenue
RMB 1,829.4 million



Profit for the year
RMB 115.7 million



Total assets
RMB 2,367.4 million



Total equity
RMB 855.2 million

Business performance



Contract area
43.32 million sq.m.



Area under management
41.35 million sq.m.



Number of contract projects
274



Number of projects under management
260

03 / ABOUT US

Environmental performance



Integrated energy consumption
500,425.18 MWh



Total greenhouse gas emissions
146,694.96 tons



Total water consumption
2,401,888 tons

Staff development



Total number of trainees
11,731 persons



Average time length of training
3.91 hours



Training rate
100%

Social responsibility



Charity donation
RMB 50,000



Time invested in volunteer activities
7,650 hours



Number of people involved in volunteer activities
255 persons



03 / ABOUT US

Awards

Awards/Certificates	Awarding Institution
The National Women Pacesetter of May 1	All-China Federation of Trade Unions
Capital Labor Award	Beijing Federation of Trade Unions Beijing Municipal Human Resources and Social Security Bureau
Improving City Service and Better Life Service was honored as an Outstanding Case in the "Governance" Section	Research Team of the "Environmental, Social and Governance (ESG) Blue Book of Beijing State-owned Listed Companies"
Excellent Solutions for Digital Application Scenarios in 2023	Zhongguancun Digital Economy Industry Alliance
The first prize of the 36th Beijing Enterprise Management Modernization Innovation Achievement	Beijing Enterprise Management Modernization Innovation Achievement Approval Committee
2023 China's Top 100 Leading Property Management Companies in Satisfaction	China Index Academy
2023 China's Socially Responsible Property Management Services Enterprise of the Year	China Index Academy
2023 China's Socially Responsible Property Management Services Enterprise of the Year	China Index Academy
2023 China Top 100 Property Services Enterprises (19th)	China Index Academy
2023 China's Leading Property Management Companies in Growth	Cric Property Management, China Property Management Research Institution
2023 China's Leading Property Services Enterprises in Administrative Office	Cric Property Management, China Property Management Research Institution
2023 China's Leading Property Enterprises in ESG Sustainability	Cric Property Management, China Property Management Research Institution

03 / ABOUT US



The National Women Pacesetter of May 1



Capital Labor Award



Improving City Service and Better Life Service was honored as an Outstanding Case in the "Governance" Section



2023 China's Outstanding Property Services Enterprises in ESG Development



2023 China's Socially Responsible Property Management Services Enterprise of the Year



2023 China's Leading Property Enterprises in ESG Sustainability



03 / ABOUT US



2023 China's Top 100 Leading Property Management Companies in Satisfaction



2023 China's Top 100 Leading Property Management Companies in Growth



2023 China's Top 100 Property Services Enterprises (19th)



2023 China's Top 10 State-Owned Listed Property Management Companies (9th)



2023 China's Top 20 State-Owned Property Management Companies in terms of Comprehensive Strength



2023 China's Leading Property Management Companies in Growth

03 / ABOUT US



2023 China's Top 4 Listed Property Management Companies in terms of Investment Potential



Excellent Solutions for Digital Application Scenarios in 2023



2023 China's Top 5 Listed Property Management Companies in terms of Growth Rate



The first prize of the 36th Beijing Enterprise Management Modernization Innovation Achievement



2023 China's Leading Property Services Enterprises in Administrative Office



AAA Credit Enterprise



 北京京城佳业物业股份有限公司
BEIJING CAPITAL JIAYE PROPERTY SERVICES CO., LTD.

04

环境友好

ENVIRONMENTALLY FRIENDLY

04 / ENVIRONMENTALLY FRIENDLY

Capital Jiaye attaches great importance to environmentally friendly construction. We systematically manage and coordinate the environmental protection measures of each project, and organize internal units at all levels to share practical results and experience on environmental protection measures. We strive to communicate and coordinate resource and environmental issues with the industry, upstream and downstream enterprises and customers, gradually expand feasible measures to different service projects, so as to achieve the sustainable development goals of Capital Jiaye.

■ Response to Climate Change

Climate change is a global issue of widespread concern to the international community today. We are deeply aware that climate change risks are an important part of the overall risk management of enterprises, and that proactively identifying risk factors such as climate warming and energy use structure have a significant impact on our business development. Therefore, we carry out the identification of climate-related risks and opportunities in accordance with the framework recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), and have formulated response strategies and goals to better avoid the potential impact of climate change on business operations and promptly seize the opportunities presented by climate change to promote the transformation of ourselves and our customers to a more sustainable and low-carbon economy.



Governance

Capital Jiaye is constantly improving its sustainable development governance structure, and gradually incorporates issues related to climate change into supervision, and regularly reports the results of discussions to the Board. The Board of the Company is responsible for overseeing the effectiveness of the Company's major risk control systems, including climate change, and conducting comprehensive risk management at the strategic level to match the growth objectives under long-term sustainable development and the current business operational needs of the Company.

04 / ENVIRONMENTALLY FRIENDLY

The Board of the Company has authorized the Strategies and Investment and ESG Committee to be fully responsible for the management and guidance of the Company's climate change-related matters, to provide decision-making advice to the Board on the Company's strategies, goals, risks and opportunities in response to climate change, and to regularly review the Company's responsible investment strategies, plans and the publication of important reports in connection with the climate change; and supervise the Company's implementation of climate change matters and the progress towards the completion of goals. The functional departments and subsidiaries of the Company are responsible for the specific promotion of the implementation of climate change strategies and goals, organizing the identification and assessment of climate change risks and opportunities, and establishing response mechanisms.

Strategies

Capital Jiaye has incorporated the "double carbon" goal into the overall development of the Group. In the process of providing high-quality services to different scenarios such as cities, communities, buildings, etc. and customers, we have continued to promote energy conservation and emission reduction, and have achieved stable and controllable carbon emissions, thus contributing to the realization of the national "double carbon" goal as scheduled.

In the short term, climate change has tested our service capabilities in dealing with extreme weather, so we have continued to strengthen the emergency response capabilities of front-line employees in the face of extreme weather, and strive to effectively protect the lives and properties of owners under extreme weather; In the medium term, climate change may put pressure on our operating costs and remind us to strengthen our awareness of cost management and improve our sustainable development capabilities; in the long term, climate change may have a far-reaching impact on the service model, business ecology and customer needs of the property management industry to which we belong, which in turn put forward new requirements for the innovative development of Capital Jiaye, and at the same time bring new opportunities for business growth.



04 / ENVIRONMENTALLY FRIENDLY

Table: Response measures to climate change-related risks and opportunities faced by Capital Jiaye

Category	Description of risks/opportunities	Main financial impact	Business and strategic impact	Time frame and degree of impact	Response measures
Severe natural factors	Extreme weather will cause varying degrees of damage to the infrastructure and fixed assets of the projects served by the Company, and affect the overall service quality.	Increase in direct and indirect operating costs	Emergency service capabilities building and improvement.	Short term/high	Strengthen safety production training and formulate emergency plans to deal with extreme weather. For example, we have formulated the Emergency Management Measures for Emergency Accidents (Trial) and the Emergency Plans for Extreme Weather.
Long term natural factors	The future temperature and sea level rise caused by global climate warming will make the Company's service projects more difficult.	Increase in indirect operating costs	Adjustment of business operation direction and service content.	Long term/low	When expanding its projects and planning its regional layout, the Company takes into account the actual impacts of rising temperature and sea level.
Emerging regulatory risks	Policies and regulations have tightened requirements for property management companies in terms of waste classification and energy conservation and emission reduction, and the risk of administrative fines has increased.	Increase in direct and indirect operating costs	Strengthen compliance operation and service capacity building.	Short term/low	Strictly implement policies and regulatory requirements, and strengthen project management compliance.
Technology innovation	The application of smart technology provides innovative solutions for the Company's green operation, cost reduction and efficiency improvement.	Increased capital expenditures with potential cost reduction and efficiency improvement.	Increase investment in smart technology software and hardware.	Short term/high	Evaluate the financial impact of energy consumption costs every year, promote the smart operation of projects, and communicate with businesses to replace and eliminate high-energy-consuming equipment in a timely manner.

04 / ENVIRONMENTALLY FRIENDLY

Risk Management

We are well aware that climate change and the resulted extreme weather may have a certain negative impact on our production and operation, and the safety of customers' lives and property, which will in turn affect the business operation and financial performance of the Company; we are also well aware of the importance of the participation of our employees, customers, suppliers and the general public in taking climate action. We strive to explore feasible solutions in energy conservation and emission reduction, use of resources, extreme weather prevention, and standardized climate information disclosure. We dare to be the first and practice what we do, and strive to set a role model for the capital's property service enterprises in addressing climate change.

Carry out Risk Assessment

According to the classification of the Task Force on Climate-Related Financial Disclosures (TCFD), there are two main types of risks associated with climate change: ①physical risks caused by extreme weather or rising temperature; ②transition risks brought about by changes of market, supervision and policies in response to climate change. We proactively identify, analyze and address the risks and opportunities posed by climate change, and effectively and comprehensively integrate climate-related risk management into all aspects of the Company's risk management systems.

Table: Climate-related risk identification and assessment process of Capital Jiaye

Identification	Assessment	Substantive impact assessment
The headquarters of the Company collects, evaluates and categorizes information related to climate change, including laws, regulations, policies and systems, extreme weather, etc. every year, and reports it to the leaders of relevant department for discussion.	By benchmarking against international standards, corporate practices, stakeholder communication, etc., the Company has determined the significance of risks and opportunities for 17 sustainable development goals of the United Nations, including climate change issues. The level and significance of risks and opportunities arising from climate change depend on the frequency, significance and time urgency of risks and other relevant factors affecting financial performance. The Company reviews its energy conservation and emission reduction performance every year and assesses climate-related risks based on the performance, taking into account the risks under short, medium and long-term time frames.	Since the listing of the Company, we have continued to intensify our review of energy conservation and emission reduction performance and assess climate-related risks based on the performance. Most of the greenhouse gases of Capital Jiaye are generated from business practices, so our response to climate change mainly starts from the efficient use of energy, mainly electricity, and evaluates energy consumption costs from a financial perspective. When an impact exceeds a specific threshold related to cost, it's defined as a substantial impact.

Formulate Response Strategies

Based on the identification and assessment of risks and opportunities related to climate change, Capital Jiaye has further analyzed the potential impact of each risk on the Company's financial and operational development, fully considered relevant impact factors in the Company's development strategy, and, taking into account the intensity and persistence of risks cycle, has formulated short-term (0-1 year), medium-term (1-3 years) and long-term (3-5 years) response strategies to effectively manage climate-related physical and transition risks and seize related opportunities.

04 / ENVIRONMENTALLY FRIENDLY

Table: Response measures to climate change-related risks of Capital Jiaye

Cycle	Strategy	Expected results
Short term	Incorporate the indicators of energy conservation, emission reduction and low-carbon operation into the performance appraisal scope of the Company's key leaders.	Accurately identify climate-related risks and opportunities. Strengthen the awareness of energy conservation, emission reduction and low-carbon operation.
Medium term	Energy conservation and environmental protection will be comprehensively and systematically integrated into the Company's business assessment and evaluation system, and directly linked to the remuneration and promotion of relevant responsible persons.	Enterprise development resonates with low-carbon environmental protection. Energy consumption per unit of revenue continues to decrease.
Long term	Target the national "double carbon" strategic goal to carry out business innovation practices and technology upgrading in a timely manner.	Create a "zero-carbon community". Implement sustainable development.

Capital Jiaye organically integrates the identification, assessment and management processes of climate-related risks with the overall risk management system of the organization. For example, this year we have tried for the first time to incorporate the indicators of energy conservation, emission reduction and low-carbon operation into the performance appraisal scope of the Company's key leaders to organically integrate climate-related risks with corporate governance risks; we are gradually integrating energy conservation and environmental protection into the Company's business assessment and evaluation system in a comprehensive and systematic manner and directly linked them to the remuneration and promotion of relevant responsible persons; our long-term strategy is to target the national "double carbon" strategic goal to upgrade the projects we serve into a "zero-carbon community" through technology upgrading and business practices. In the future, we will work with customers, suppliers and the general public to achieve the sustainable development of the whole society.

Metrics and Targets

Capital Jiaye attaches great importance to the data statistics of quantitative carbon emissions and energy consumption indicators, but due to the actual development of the industry and the specific conditions of service projects, we still face certain difficulties and challenges in the collection of climate-related quantitative indicators. However, with the joint efforts of our customers and suppliers, Capital Jiaye has achieved consistency in data collection, calculation and analysis, which allows for meaningful comparisons of our corporate data indicators. After carefully reviewing our carbon emissions and energy consumption performance in the past few years, we have attempted to plan and set targets for future emission reductions, and break down relevant targets to each management level and project to regularly assess the completion status.

In 2023, the total greenhouse gas emission of Capital Jiaye was approximately 146,694.96 tons of carbon dioxide equivalent, a year-on-year decrease of approximately 5,884.31 tons of carbon dioxide equivalent, or approximately 3.9%; at the same time, the Group's greenhouse gas emission intensity was approximately 3,547.64 tons of carbon dioxide equivalent per million square meters, a record low for the Group.

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Table: Greenhouse gas¹ emissions of Capital Jiaye (2021-2023)¹

Indicator	Unit	2023	2022	2021
Total greenhouse gas emissions	tons of carbondioxide equivalent	146,694.96	152,579.27	130,262.09
Greenhouse gas emission intensity	tons of carbon dioxide equivalent per million square meters	3,547.64	4,137.18	4,117.01
Direct carbon dioxide emissions (scope 1)	tons of carbon dioxide equivalent	74,581.30	75,395.90	69,961.54
Direct carbon dioxide emissions (scope 2)	tons of carbon dioxide equivalent	72,113.66	77,183.37	60,300.55

¹Note: 1. The scope of environmental performance indicators collection included the Company's headquarters, subsidiaries and their office areas (the same below); 2. The greenhouse gas emitted by the Group is mainly carbon dioxide, and other greenhouse gas emissions are not applicable. The total greenhouse gas emissions are equal to the sum of direct greenhouse gas emissions and indirect greenhouse gas emissions; 3. Scope 1 carbon dioxide includes direct emissions generated from gasoline, diesel and natural gas; 4. Scope 2 carbon dioxide includes indirect emissions generated from purchased electricity and purchased heat; 5. The greenhouse gas emission intensity was calculated using 41.35 million square meters, the total area under management of Capital Jiaye at the end of 2023, as the denominator.

When measuring and managing climate-related risks and opportunities, the Group mainly uses total greenhouse gas emissions and intensity indicators, and also comprehensively considers energy consumption intensity, total water consumption and other indicators. It's our plan that in the future, the Group's total greenhouse gas emissions of scope 1 and scope 2 will be generally controllable, and that by 2025, the greenhouse gas emission intensity will be reduced by about 10% from the baseline value in 2023. No target has been set for scope 3. The public energy consumption intensity of projects under management will be reduced year by year on the basis of the data in 2023. For the total water consumption indicator, taking into account the actual business situation, we do not set specific goals for the time being, but the Group will strictly control the loss of water resources pipe network while carrying out water-saving activities.

Table: Energy saving and emissions reduction target plan of Capital Jiaye

Indicator	Target
Greenhouse gas	The total greenhouse gas emissions of scope 1 and scope 2 will be generally controllable; By 2025, the greenhouse gas emission intensity will be reduced by about 10% from the baseline value in 2023.
Energy consumption	The public energy consumption intensity of projects under management will be reduced year by year on the basis of the data in 2023.
Total water consumption	Strictly control the loss of water resources pipe network; Achieve a 10% reduction in water intensity in 2025 on the basis of that in 2023.



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In order to achieve the above targets, the Company intends to take the following measures, including but not limited to use of energy saving equipment, and upgrading of high-energy-consuming old equipment, aiming to reduce energy consumption and cost savings while ensuring the normal operation of equipment. At the same time, the Company promotes the intelligent and energy-saving upgrading of the heating supply system. The projects with conditions attempt to add the time-division and zoning control system, and promote the household-based metering of heating and terminal intelligent control, gradually achieving on-demand heating supply and targeted heating supply.

The Company also continues to improve energy efficiency, optimize operational control measures, and enhance energy effectiveness. The Company makes efforts in strengthening the maintenance of the system, and enhancing the inspection and monitoring over the operation process of the system, to identify energy-saving opportunities in a timely manner. The Company makes research on the improvement of operation methods and processes in key energy-consuming links, processes and equipment with high energy consumption and low efficiency.

By improving the deployment and management of energy metering instruments, the Company strengthens the supervision over energy metering equipment, and improves the accuracy and reliability of energy-saving data. The Company identifies opportunities for energy savings through statistical analysis of energy use data, energy-saving analysis of energy-consuming equipment and distribution and transmission facilities, and analysis of energy balance.

The Company carries out greening renovation, increases the area of green space, grows plants that adapt to local climatic conditions, improves green coverage, and reduces indoor and outdoor temperature differences, so as to reduce the load of air conditioning, and use rainwater collection systems to collect, filter and water green plants, and reduce the amount of tap water.

For a long time, the Group has been actively practicing the concept of green and sustainable development, and has incorporated it into the Company's strategy for a deep integration with the Group's operation and development. At present, major climate-related issues are gradually included in the performance appraisal policies. At the level of the Board, in 2023, the Group incorporated the energy conservation and ecological environment protection into the operating performance appraisal system of the person in charge; at the execution level, the Group's subordinate units and project departments at all levels have incorporated energy conservation, emission reduction, ecological protection and other tasks into their work assessment plan, and has carried out theme training for relevant staff to strengthen the awareness of energy conservation and environmental protection and enhance their willingness to work in a green manner.



Environmental protection publicity in campus

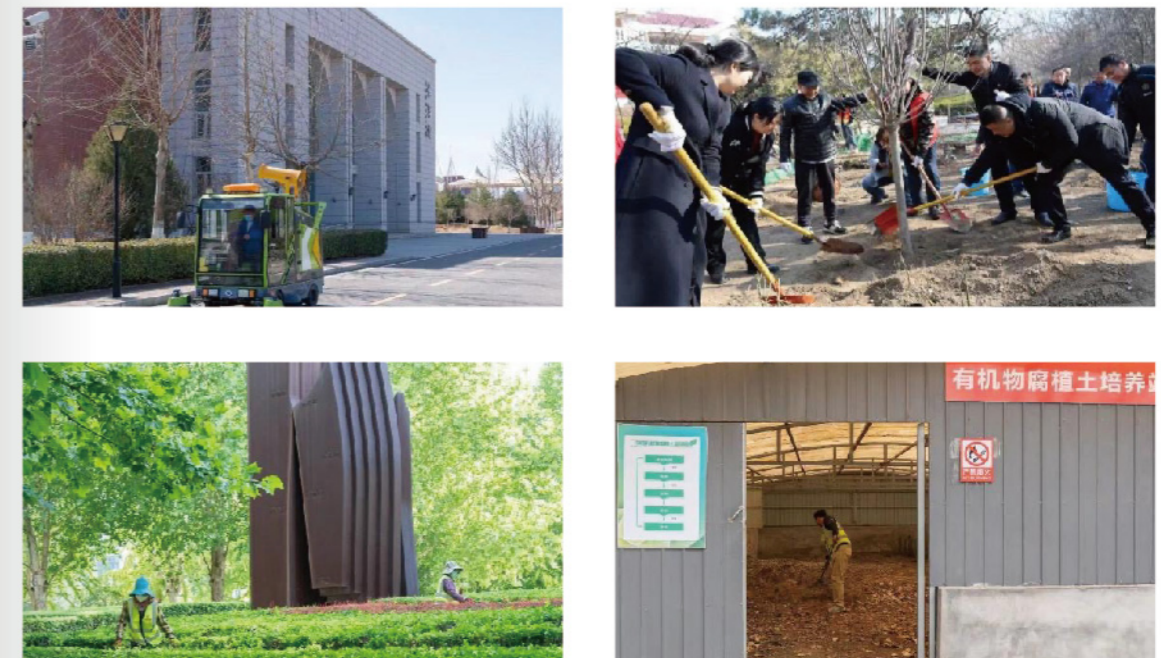
Case:Beijing Institute of Fashion Technology and Beijing College of Political and Law, which are both served by Capital Jiaye, have successively passed the acceptance of Beijing Green School Creation Standard, which marks that the Company's university business has achieved good results in the construction of resource-saving and environment-friendly green ecological campuses. At the beginning of starting the university business, the Company has actively promoted and practiced the ecological civilization publicity in campus, integrated the content of cherishing ecology, protecting resources and caring for the environment into all aspects of school services and built a full-network, all-round and full-coverage green service system, so as to implant the seeds of ecological civilization in the hearts of teachers and students, and jointly protect the beautiful campus.

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Green and Low-carbon Operation

Strictly abiding by the Environmental Protection Law of the People's Republic of China, the Energy Conservation Law of the People's Republic of China and other laws and regulations, we continue to improve the internal environmental management systems of the Company. Capital Jiaye has passed the ISO14001 environmental management system, and also obtained the ISO50001 energy management system certification and ISO9001 quality management system certification. We strive to strengthen the identification and evaluation of environmental impact factors and risks throughout the entire process of business activities by organizations at all levels from the Company's headquarters to subsidiaries, and formulate corresponding environmental policies, goals and operational control measures. We continue to improve the energy, resource and carbon emission management indicator system. To assess the management of energy, resource and carbon emissions of each unit, we need to strengthen system construction, improve the management system, clarify management responsibilities, and promote the green and low-carbon transformation of the Company centering on the energy development strategy of giving priority to conservation.

Case:During publicity events such as the Arbor Day, Learning from Lei Feng Day and World Environment Day, each project of the Company has extensively carried out a series of ecological civilization education activities such as "garbage classification, energy conservation and environmental protection" to allow owners to experience, practice, explore and understand the connection between human beings and the nature, and implement the concept of ecological civilization of respecting the nature, adapting to the nature and protecting the nature in all aspects, so as to cultivate a healthy and positive green lifestyle, thus continuously improving the level of green operation and management, firmly upholding the concept of green development, and contributing to the green development of the capital in the new era and the realization of the national "double carbon" goal.



Practicing the concept of green development in the projects under management

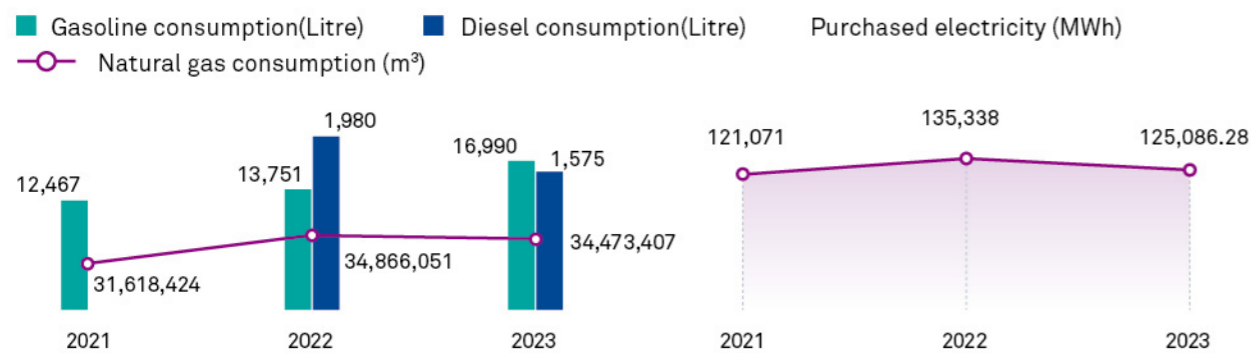
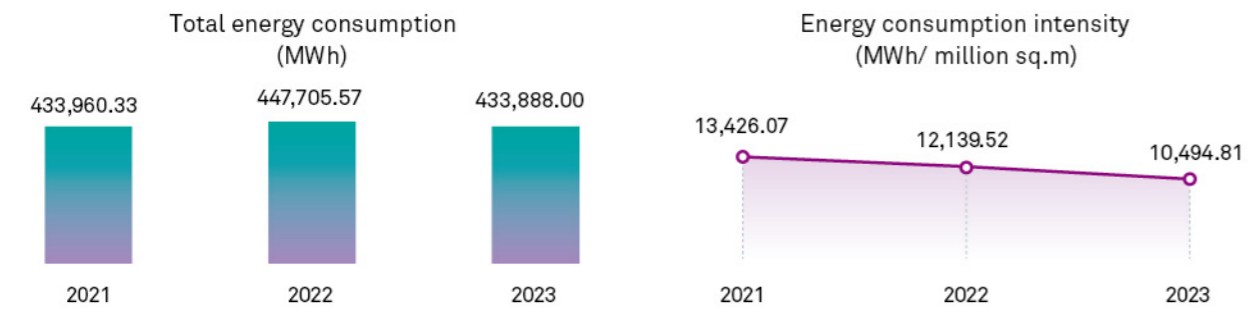


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The total energy consumption of Capital Jiaye in 2023 was approximately 500,425.18 MWh, and the energy consumption intensity of the Company has declined steadily for two consecutive years from 13,426.07 MWh/ million sq.m. in 2021 to 12,139.52 MWh/ million sq.m. in 2022, and further declined to 12,102.18 MWh/ million sq.m. in 2023.

Table: Energy consumption² of Capital Jiaye (2021-2023)²

Indicator	Unit	2023	2022	2021
Total energy consumption	MWh	500,425.18	447,705.57	433,888.00
Energy consumption intensity	MWh/ million sq.m.	12,102.18	12,139.52	13,426.07
Gasoline consumption	Litre	16,990	13,751	12,467
Diesel consumption	Litre	1,575	1,980	/
Natural gas consumption	m ³	34,473,407	34,866,051	31,618,424
Purchased electricity	MWh	125,086.28	135,338	121,071
Purchased heat	Million kJ	7,055	/	/



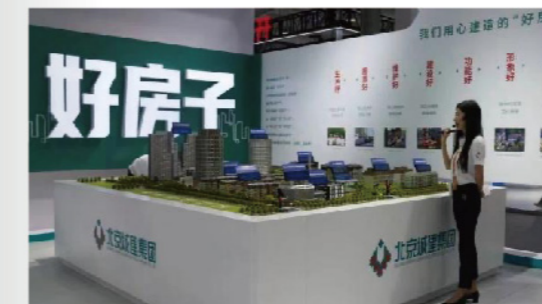
²Note: 1. Total energy consumption equals to the sum of the consumption of gasoline, diesel, purchased electricity and purchased heat; 2. The calculation of total energy consumption is based on the Chinese standard of General Principles of Comprehensive Energy Consumption Calculation GB/T 2589-2020; 3. The energy consumption intensity was calculated using 41.35 million square meters, the total area under management of Capital Jiaye at the end of 2023, as the denominator.

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Zero-carbon community

Capital Jiaye has accelerated its transformation to green and low-carbon operations through business practices. We have proposed the concept of “future zero-carbon community”. “Zero-carbon community” refers to a community that applies zero-carbon building renovation technologies and ultra-low energy-consuming building materials to achieve zero energy consumption and zero emissions. As an operation service provider, Capital Jiaye is committed to providing greener, more environmentally friendly and smarter comprehensive services to the communities under its operation. We plan to continue to rely on the advantages of collaborative development of the whole industry chain of the Group to continuously innovate in green property service models, improve the level of green property operation with the power of science and technology, and make unremitting efforts to realize the grand blueprint of “zero-carbon community” and implement the national strategic goal of “double carbon”.

Case:At the 2023 China International Fair for Trade in Services, China International Silver Industry Exhibition, and China International Property Management Industry Exhibition, Capital Jiaye and related parties jointly introduced the operation concept of “future zero-carbon community”, which attracted the attention of many exhibitors and media. In previous exhibitions, focusing on the corporate positioning of “a nationally renowned provider of city service and better life service”, we brought the National Tennis Center, Evergreen Senior Apartment, Chenguang Senior Care Station and self-developed comprehensive intelligent management system to the booths. Capital Jiaye is committed to actively integrating itself into the construction and development of the capital city and the daily life of residents by greener, more low-carbon and smarter means.



The Company's booth at China International Fair for Trade in Services



The Company's booth at China International Silver Industry Exhibition



The Company's booth at China International Property Management Industry Exhibition

04 / ENVIRONMENTALLY FRIENDLY

By means of scientific management, technological transformation and other methods, Capital Jiaye endeavors to lower energy consumption in property operation and reduce carbon emissions caused by property operation to ensure that energy systems and equipment are in the best energy-saving state. In 2023, we carried out energy-saving renovation work on the infrastructure of some residential projects, with focus on the consumption-reducing renovation of lighting systems in public areas and the energy-saving renovation of water pumps and elevator equipment, and continued to make efforts to improve the energy efficiency of facilities and equipment and pursue the unification of environmental and economic benefits.

Commercial Enterprise Energy Management

As “a nationally renowned provider of city service and better life service” serving Beijing’s “four centers”, Capital Jiaye has undertaken a large number of high-quality headquarters office service projects. We actively promote energy conservation and emission reduction in projects under management through various management methods, proactively identify opportunities for energy conservation and consumption reduction in office spaces, and strive to strengthen energy management of commercial enterprises from aspects such as digital empowerment, equipment transformation and optimized management to help customers save energy and reduce consumption. In addition, by virtue of our exploration of the Group’s industrial chain and professional service capabilities, we have gained operational experience in some high-quality green buildings in the capital city, and helped benchmark projects make full use of the advanced functions of low carbon, energy saving, environmental protection and health of their buildings and facilities and equipment during the period of design, installation, operation and use.

Case: LEED (Leadership in Energy and Environmental Design) and other green building certification processes impose strict requirements for the design, construction and operation of the building projects, and to be able to serve LEED certified green buildings puts forward high requirements for the green operation capabilities of property companies which focus on energy management. The Asia Financial Center served by Capital Jiaye has obtained LEED Platinum certification and domestic green building three-star certification, and the project has been awarded the title of “Centennial Building” designed in accordance with the standards for “monumental and particularly important buildings”.



LEED Platinum certification and domestic green building three-star certification of Asia Financial Center

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Case: Technological transformation

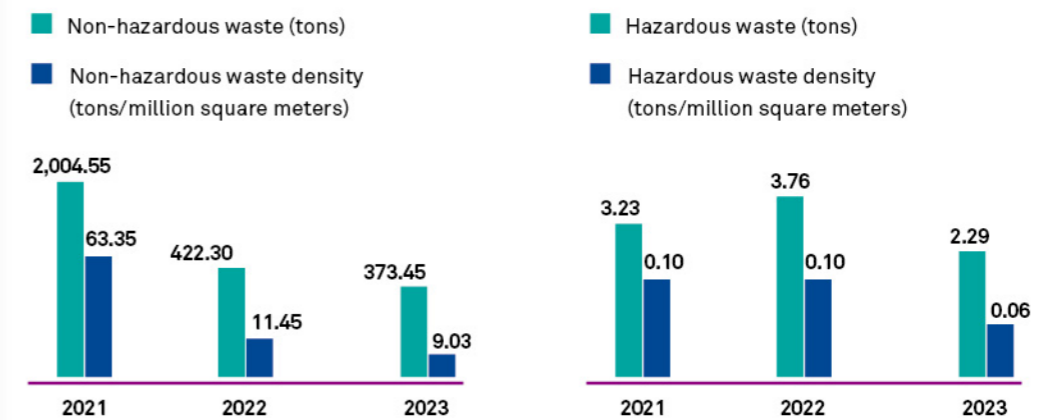
In 2023, Capital Jiaye carried out energy-saving and emission reduction renovation for the underground garage of Beitou Investment Building that it serves. On the one hand, we technically upgraded the lighting system by adopting advanced radar lighting technology, which automatically adjusts the brightness according to the usage of the garage, making the garage lighting smarter and more environmentally friendly, thus reducing energy consumption; on the other hand, we have installed a time-controlled switch on the diversion fan in the garage, which can automatically turn on and off the diversion fan system according to the pre-set time and demand, not only achieved the goal of energy conservation and emission reduction, but also improved the intelligent management level of the entire project system.

Waste Management

Capital Jiaye actively cooperates with local governments in implementing garbage classification in the residential, commercial and urban spaces it serves, while trying to negotiate and cooperate with recycling companies to launch appointment-based door-to-door “pickup” services for some residential communities in the capital city, so as to enable owners to enjoy meticulous and thoughtful services, promote the circulation and disposal of idle and discarded items, and continuously improve the garbage classification and waste management level in the residential communities.

Table: Waste discharges³ of Capital Jiaye (2021-2023)³

Indicator	Unit	2023	2022	2021
Non-hazardous waste	tons	373.45	422.30	2,004.55
Non-hazardous waste density	tons/million square meters	9.03	11.45	63.35
Hazardous waste	tons	2.29	3.76	3.23
Hazardous waste density	tons/million square meters	0.06	0.10	0.10



³Note: 1. The scope of environmental data collection in 2022 included the corporate headquarters and office areas of subordinate companies; 2. The total amount of hazardous waste included discarded lamps, batteries, discarded toner drum, cartridges, hazardous paints, etc.; 3. The total amount of non-hazardous waste included domestic waste, kitchen waste, recyclable waste, decoration waste, etc.; 4. The density of non-hazardous and hazardous waste were calculated by using 41.35 million square meters, the total area under management of Capital Jiaye at the end of 2023, as the denominator.



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In 2023, Capital Jiaye achieved remarkable results in waste management. A total of 373.45 tons of non-hazardous waste was generated throughout the year, a year-on-year decrease of 48.85 tons or a decrease of 11.57%, and the density of non-hazardous waste was 9.03 tons per million square meters, a year-on-year decrease of 21.13%; a total of 2.29 tons of hazardous waste was generated throughout the year, a year-on-year decrease of 1.47 tons or a decrease of 39.10%, and the density of hazardous waste was 0.06 tons per million square meters, a year-on-year decrease of approximately 40%. It's the future goal of Capital Jiaye to further reduce the waste emissions during the Company's business development and improve the waste recycling efficiency. We will gradually achieve the goal of reducing the overall waste emissions of the Company in a way of pilot projects followed by regional rollout.

Case: Waste classification

During the Reporting Period, 27 projects we served were recognized as "Domestic Waste Sorting Demonstration Communities" by the authorities of Beijing municipality. We strictly implement the urban domestic waste recycling management system, and have organized subordinate units to set up a total of 754 assorted dustbin booths for domestic waste recycling, of which 754 booths leveraged technology, accounting for 100%; a total of 2,056 employees took part in the waste sorting patrol, 150,717 households were visited with the coverage rate reaching 100% and 5,690 times of door-to-door notifications.



Waste classification publicity series activities

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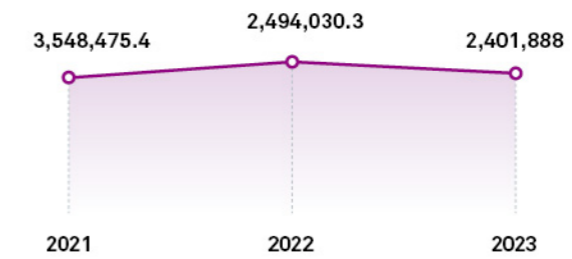
Water Resource Management

Capital Jiaye attaches great importance to the daily inspection and monitoring of water equipment in the projects it serves, and carries out renovation for water-saving equipment such as water pumps and faucets in an orderly manner to minimize leakage and seepage due to aging and damage of equipment, and actively adopts highly efficient water equipment. For example, we actively promote the use of water-saving appliances and rationally process relevant wastewater generated during operations to pursue efficient use of water resources. In 2023, the total water consumption of Capital Jiaye decreased from approximately 3,548,500m³ in 2021 to 2,494,000m³ in 2022, and further to 2,401,900m³ in 2023. At the same time, the water density also showed a rapid downward trend.

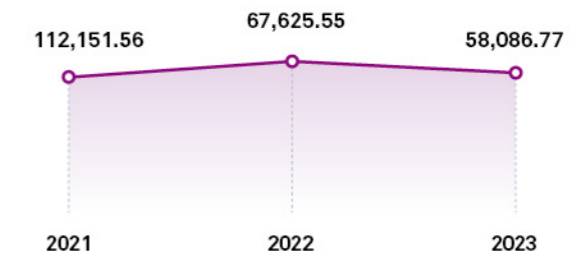
Table: Total water consumption⁴ of Capital Jiaye (2021-2023)⁴

Indicator	Unit	2023	2022	2021
Total water consumption	m ³	2,401,888	2,494,030.3	3,548,475.4
Water consumption intensity	m ³ /million square meters	58,086.77	67,625.55	112,151.56

Total water consumption(m³)



Water consumption intensity



⁴Note: 1. The reason for the substantial decrease in the total water consumption of the Company for two consecutive years are as follows: on the one hand, the Company has achieved significant results in water resources management, and on the other hand, some of the collection and payment items during the statistical cycle have not deducted the value of the previous year, leading to this statistical result; water density is calculated using 41.35 million square meters, the total area under management of Capital Jiaye at the end of 2023, as the denominator.

04 / ENVIRONMENTALLY FRIENDLY

■ Green Office

Capital Jiaye actively encourages employees to carry out green office, physically implements energy conservation and low carbon in the office, and pursues efficient recycling of resources. We firmly implement green responsibilities through refined measures and intelligent means. We focus on improving the level of “low-carbon services”, strengthen employees’ awareness of energy conservation and environmental protection, and guide employees to provide opinions and suggestions on energy conservation, emission reduction and low-carbon services, for example, for areas where lighting is not frequently used, such as basements and equipment rooms, and areas where lighting facilities are frequently used, such as elevators and garages, they should be treated separately. Taking into account the factors such as the high energy consumption of ordinary lighting lamps and the large single investment of LED lamps with good energy saving and lighting effects, we reasonably select lighting fixtures according to the requirements for lighting facilities in different areas, and encourage employees who have made great contributions to energy conservation through rational suggestions.



Responsible action I: Energy saving in offices

From time to time, the administrative department of Capital Jiaye would check if all computers, projectors, all-in-one printers, water dispensers, and other office facilities were turned off or in a standby in the offices. In daily management, the Company attaches great importance to the monitoring of energy consumption. Under the premise of ensuring the safety of equipment operation, the Company carries out timely control of the operation and use of equipment and facilities such as public lighting and central air-conditioning through the intelligent building automatic control system, so as to effectively save energy. Through the energy-saving retrofit of the heat exchange station, it predicts and automatically adjusts the demand flow in advance according to the historical data combined with the changes of the environment and weather as well as the changes of the load in the building, so as to achieve the fully automatic intelligent operation while effectively ensuring the comfort of the office area, in pursuit of energy saving and consumption reduction in the office through subtle actions.

04 / ENVIRONMENTALLY FRIENDLY



Responsible action II: Green paper

Employees were urged to practice paperless office, not to print if unnecessary. The Company also reasonably standardized the processes of using printers, commended double-sided printing, and encouraged employees to properly recycle paper. Having established its own electronic labor contract platform through “i BUCG” (“i 城建”), the Company phased the electronic means in for signing, renewing, amending, cancelling, and terminating labor contracts, and thus launching functions such as signing labor contracts by mobile terminal and forming a management mode characterized with “online signing, blockchain-based management, and big data application”. In this way, the Company was able to reduce the cost of operations and employee management and make paperless labor contract management a reality. In 2023, our total paper consumption was 21.45 tons, which represented a marginal downward growth rate as compared with the actual situation of our fast-growing business.



Responsible action III: Green travel

We had the Administrative Measures for Use of Business Vehicles in place. Employees were encouraged to use public transportation as far as possible when travelling and share a ride if their destinations were along the same road; we implemented the approval system for use of business vehicles as well. Affiliated units and employees are encouraged to purchase vehicles that meet new energy standards and some offline meetings were switched to teleconference or video conference.



05

社会担当

SOCIAL RESPONSIBILITY



05 / SOCIAL RESPONSIBILITY

As a state-owned enterprise, Capital Jiaye always bears its mission in mind and has made its contribution by participating in social grassroots governance, getting involved to social welfare and contributing to rural revitalization. Taking the demands of the country and the society as its own responsibilities, Capital Jiaye has done its best to be the “red steward” of the capital city.

■ Participate in Grassroots Governance

Capital Jiaye continues to explore effective ways for Party building to lead grassroots governance, and strives to extend the red fortress and Party building to the grassroots. Relying on service projects, we actively communicate and cooperate with the communities and streets where the projects are located, and promote participation in community governance by establishing community residents’ meeting halls and holding project manager reception days. Guided by Party building, we have improved the organizational system with vertical and horizontal coverage and grid linkage, so that the Party’s work can effectively cover residents in the jurisdiction, form a work force under unified leadership, overall planning and coordination, and build a bridge of “co-construction, co-governance and sharing” among the government, owners and property, giving full play to the collaborative power of social grassroots governance.

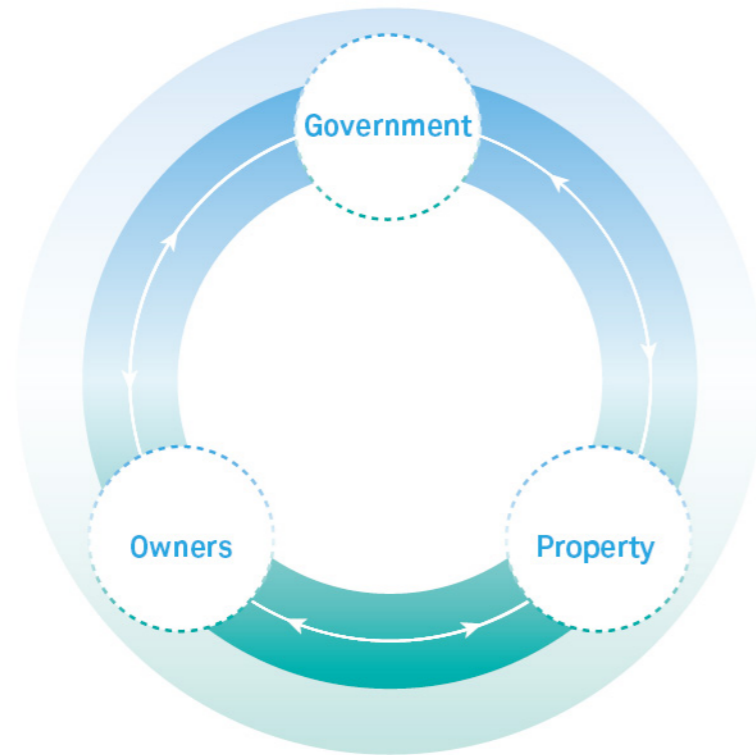


Illustration of tripartite collaboration

We have taken the integration of property management into community governance as a key element of corporate service reform, continuously explored and improved the property management system under the framework of Party building leading community governance, given full play to the role of the “red belt”, established and improved property management consultation and common governance, and cracked the pain points and difficult problems in community governance. During the Reporting Period, Capital Jiaye achieved 100% coverage of Party organizations and work in its service projects, and 100% coverage of its consultation and co-construction mechanism.

05 / SOCIAL RESPONSIBILITY

Case:

Taking the opportunity of serving the capital's hutong properties, we have explored the mechanism of joint party building through the grassroots Party branches of the enterprise and actively participated in grassroots governance. We carry out mutual promotion activities with the local street working committee and community Party committee where the projects are located, and organize special co-construction activities such as love donation, residents symposiums, fire drills, etc. from time to time, so as to gather regional Party building efforts; we provide residents with special property services on a point-to-point basis by means of setting up a “one-stop” property service center in the neighborhood, issuing resident service cards, and setting up a hutong butler, and cooperate with the government to carry out grassroots governance, and as a result, the residents’ sense of well-being has been enhanced and the brand influence of the property has been strengthened.



Fire drills with the communities

■ Undertake Social Responsibility

While creating high-quality services, we advocate improving people’s livelihood and well-being through public welfare actions to highlight the industry’s value logic of connecting people and lighting up people with people. We seek to complement our business development with the actual needs of our employees, customers and the public, and advocate mutual respect, assistance and love among all members of society to jointly build a civilized home for mankind.



05 / SOCIAL RESPONSIBILITY

Emergency rescue and flood fighting

On the basis of preserving and increasing the value of state-owned assets, Capital Jiaye seeks to assume more social responsibilities. Especially in the face of emergencies such as public health incidents and natural disasters, Capital Jiaye, under the role of the city's "red steward" gene, has stepped forward at the first time and rushed to the front line, going all out to rescue and provide disaster relief to safeguard the safety of people's lives and property.



Flood fighting and emergency rescue

Case: At the end of July 2023, affected by Typhoon Doksuri, Beijing suffered heavy rainstorms. The rare extreme weather had a great impact on the lives and property safety of the people in the capital. Capital Jiaye responded immediately by dispatching 50 elite soldiers to form a volunteer team and rushed to the front line of rescue and flood fight in Fangshan. In addition, Beiyu Catering Service, a subsidiary of Capital Jiaye, undertook on the task of providing food security for the people affected by the disaster in Fangshan District. In this race against time, Beiyu Catering Service fought continuously, with employees sleeping less than three hours a day. As of the evening of August 7, 2023, a total of nearly 20,000 meals were provided to the resettled people, which demonstrated the responsibility of a state-owned enterprise with practical actions.



Providing food security for the resettled people

05 / SOCIAL RESPONSIBILITY

Volunteer activities

In order to thoroughly study and implement the spirit of the important instructions of General Secretary Xi Jinping and fulfill the mission and responsibility of state-owned enterprises, all units affiliated to Capital Jiaye have organized cadres and employees, especially young cadres and employees, to carry out extensive volunteer service activities based on their own work, and closely integrated "volunteer service" with "I do practical things for the people", turning the pursuit of lofty ideals, beliefs and moral character into practical actions to promote the construction of a harmonious and livable city of Beijing, which is reflected in the daily work and life of the "red steward" property services of the capital. Adhering to the integration of youth volunteer services with corporate center work, we have mobilized more than 200 youth league members to actively participate in volunteer services, focusing on key tasks such as garbage classification, community services and subway volunteer services.



"Learning from Lei Feng" activity

Case: In March 2023, the Company routinely carried out volunteer service activities with the theme of "Volunteer for Lei Feng, strive to be a good youth of the times". 14 youth league members went to the project department to carry out volunteer activities such as community environment beautification, household cleaning, giving condolences and assistance to the empty-nest elderly, which won the unanimous praise from the owners.

05 / SOCIAL RESPONSIBILITY

Elderly services

In response to the strategic demand of “actively responding to the aging population” of the country, Capital Jiaye has researched and explored the community elderly care model. We established an elderly care service station in Xijiekou Hutong in Beijing to take the initiative to assume social responsibility while implementing the Group’s “property management + asset management” double-wheel-driven development goal. As a key scenario for the Company’s elderly assistance and care services, Capital Jiaye has made the elderly care station a venue for providing certain public welfare services for the elderly, such as public welfare lectures and volunteer activities.



Anti-fraud public welfare lecture for the elderly

Case:In February 2023, the affiliated units of Capital Jiaye joined hands with China Life to hold a financial knowledge lecture at the elderly care station of the service projects, bringing the risk awareness and safety awareness of preventing financial fraud to community residents. During the activity, combined with real cases, the staff conducted reverse analysis from the aspects of fraud methods and words used by criminals, revealing the recent new scams targeting the elderly, and explained various scam identification techniques in an easy-to-understand manner. Through explanations, questions, games, lucky draws and other activities, we popularized financial knowledge, revealed the means of committing financial fraud, analyzed potential risk identification methods, and helped the elderly enhance their anti-fraud awareness and self-protection capabilities.

05 / SOCIAL RESPONSIBILITY

Case:At the site of free clinic by the affiliated unit of Capital Jiaye, doctors took the pulse of the elderly, made inquiries through the traditional Chinese medicine method of “looking, listening, asking and feeling the pulse”, listened carefully to their past medical history, answered the questions related to the health status of the elderly, put forward the suggestions for improvement of the diet, and provided reasonable diagnosis and treatment suggestions and programmes from the perspective of traditional Chinese medicine. In order to enrich the sports and cultural life of the elderly and create a harmonious atmosphere of mutual support and assistance, we held the fun sports meeting for the elderly. There were long queues of people eager to try their skills at such popular sports as table tennis, ring roping and diabolo. The elderly were very immersed in playing these games, as if they had reverted to childhood, and the shouts and cheers of the spectators were endless. The whole sports meeting was in a lively atmosphere, with laughter surrounding the park.



Free clinic and fun sports meeting for the elderly

■ Implement Rural Revitalization

We actively implemented rural revitalization and poverty alleviation. In 2023, we purchased poverty alleviation products totaling RMB585,000 and donated RMB50,000 to Beijing Experimental Middle School in Lhasa to help improve and transform the campus environment, successfully completing the poverty alleviation task indicators throughout the year; in addition, we implemented the deployment of Beijing’s counterpart assistance to Xinjiang and actively organized the majority of youth league members to participate in the activity of 2023 “Good Books to Accompany Growth” Mandarin Books into Campus, and donated nearly 500 books on social sciences and natural sciences.



“Rural Revitalization”, Assistance for the Poor and Farmers



06

品质筑基

BUILDING QUALITY FOUNDATION





06 / BUILDING QUALITY FOUNDATION

High-quality services are the vitality of a property management company, while high-quality and stable services are an important foundation for the sustainable development of an enterprise. By adhering to the Civil Code of the People's Republic of China, the Property Management Regulations and other laws and regulations, Capital Jiaye focuses on new changes, demands and trends in customer services. Specifically, we actively explore service modes that keep pace with the times, optimize every service scenario to the smallest detail, and establish a lean property management and service system to provide more diversified and high-quality property services for our customers.

■ Improve Craftsmanship Quality and Pursue Excellent Service

Capital Jiaye has built a national craftsman-based quality service system featuring the pursuit of craftsmanship, the refinement of skills, and the making of history. We are committed to combining skills, quality and products to promote our growth, innovation, and influence. We strive to provide excellent services for our customers and take "creating a healthy environment and providing satisfactory services" as our quality policy to advocate green, low-carbon and environmentally-friendly development, striving to provide professional, efficient and high-quality services.

Improve the quality management system

In 2023, Capital Jiaye successfully obtained the certifications of quality, environment, occupational health and safety, energy and information security, further improving our quality management system.

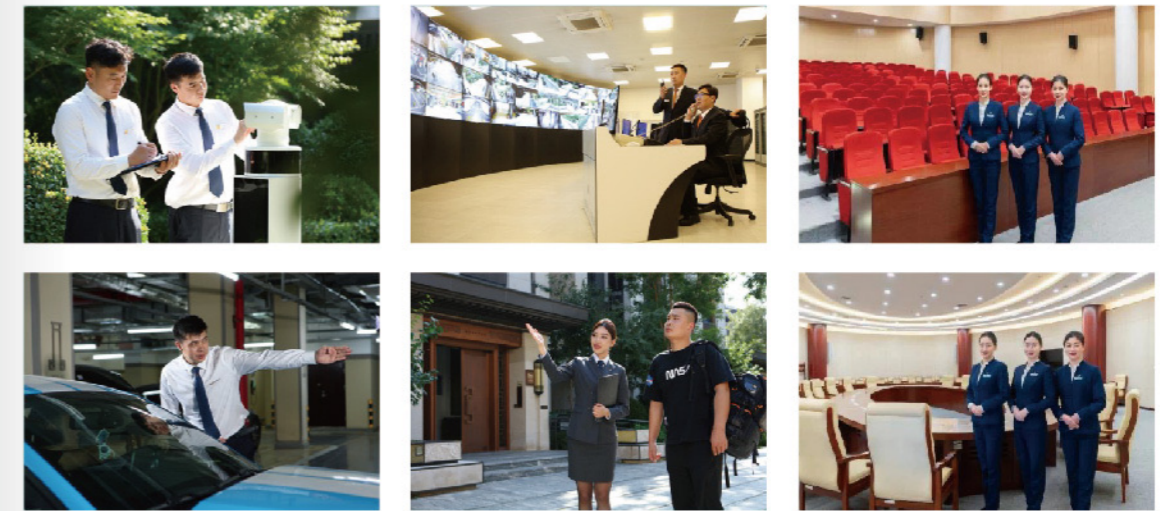


Certifications of Capital Jiaye

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Launch quality improvement campaigns

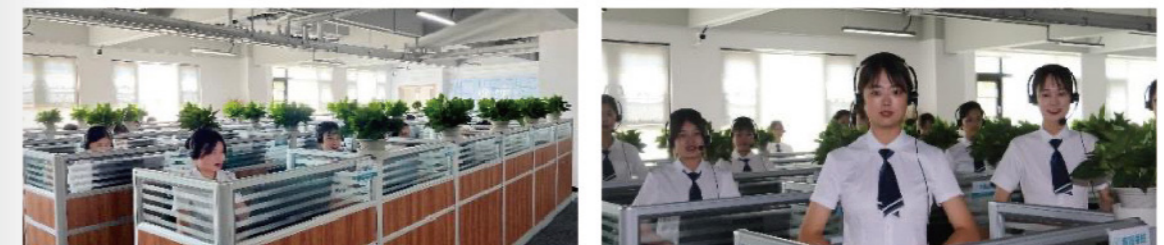
In 2023, we continued to launch special campaigns to improve service quality. Specifically, 12 series of trainings on service standards, customer service, equipment and facilities training were organized, promoting the implementation of our service standards. We also promoted quality improvement by several measures including selecting benchmarks to play a leading role, and investing special funds for quality improvement in old projects.



Examples of Standard Services

Launch the 400 centralized control center

In 2023, Capital Jiaye's 400 Centralized Control Center covered all projects under its management other than confidential projects, further streamlining the channels for receiving customer demands and solving problems more quickly. Starting from the second half of the year, we undertook the night and holiday duty services in the Petition and Stability Maintenance Office of our related party, starting the new page of serving the related parties.



Site of the Centralized Control Center



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Launch the quality control platform

In the second half of 2023, the Group's quality control platform was put into trial operation, gradually realizing the online quality inspections at all levels, which facilitates timely identification, recording and rectification of issues and helps improve the service quality. With the quality control platform and other technological products, we have not only streamlined the communication with customers and handled complaints in a fine-tuned manner, but also implemented the 24/7 service mode, ensuring complaint tracking, handling, supervising and recording as required. In 2023, the Company did not receive any major complaints about products and services, maintaining a high level of customer satisfaction.

■ Diversify Service Products and Innovate Business Layout

We adhere to diversified business layout, focus on governments' public buildings, socialized service projects for military logistics support and the projects of scientific research institutions, and maintain our core advantages in serving governments' public buildings. In 2023, the Company was awarded the contract for six plots including C03, C05 and 165 in the Beijing Municipal Administrative Center, making it the property management company with the largest service scale in the Beijing Municipal Administrative Center.

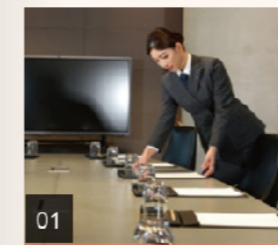
We always believe that providing diversified service products are the key to maintaining the vitality of a property management company. Specifically, we focus on new changes and new demands in customer service, introduce new service products to accurately improve the quality of service, and provide service throughout the entire life cycle of the products, exploring the ability to provide management services for the entire industry, over the full lifecycle and in all scenarios.



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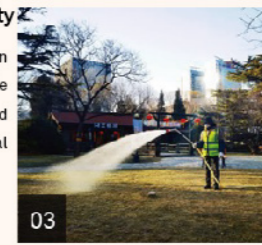
Basic property services

In response to consumers' demand for high quality life, on the basis of the existing high-quality services, Capital Jiaye continuously upgrades its basic property service products for residential housing by improving the quality of service at basic positions such as steward-like customer service, landscaping and cleaning, order maintenance and security and repair service. In addition, the Company continued to improve the manual for standard residential property services. Based on the analysis of the frequent touchpoints of owners and our employees in the community, we identify scenarios that have a significant impact on service perception, make efforts to build a high-quality service system for residential housing, and reshape customer experience with innovative scenario-specific service products.



Order maintenance & security

Maintain order and ensure security in public areas, fire facilities and vehicle management in the community based on personnel, physical and technical protection.



Repair service

Develop proper professional maintenance programs for different supporting facilities and equipment in the community, so as to prolong the life of houses and facilities and provide quick household maintenance to help owners in daily life.

Steward-like customer service

Offer affectionate and timely customer service which was guided by the owners' evaluation, and allow owners to oversee, track and evaluate the service.



Landscaping and cleaning

With standard operations, we create green residences for our customers and provide them with a clean, tidy and comfortable community environment.



Basic Services

Value-added community services

In the areas served by Capital Jiaye, we not only provide the traditional property services such as security, cleaning, maintenance, and landscaping to maintain the safety and good living environment of the community, but also help our customers realize the value preservation and appreciation of their housing assets based on asset maintenance and living services, enabling them to enjoy a more convenient community life. Based on the needs of community life and the lifecycle of the houses in the community, we provide our customers with services such as second-hand home transaction, existing home remodeling, home maintenance and community retailing.



Home Rental & Transaction Center



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Services for commercial and public buildings

We provide integrated service solutions to our business customers, including basic property services and general facility management, ensuring the comfort, safety and efficiency of business office space. We have rich experience in serving high-end commercial and public buildings, including property management, operation and maintenance of facilities and equipment, conferencing, cleaning, order maintenance, and landscaping for Asia Financial Center, Zhongguancun Capital Tower, and Chenjian Tower. We also provide cleaning, security, fire control, operation and maintenance of central air-conditioning system, operation and maintenance of wastewater treatment stations, operation and maintenance of HV distribution rooms, and general maintenance for the Preparation Center of Guang'anmen Hospital, China Academy of Chinese Medical Sciences and the Peking University Health Science Center.

Services at construction sites

Relying on the industrial chain of BUCG Group, we also provide property services at construction sites, providing safe and healthy catering services and a good living environment for the construction workers to improve their quality of life. In the property service project of Beijing Investment Group Co., Ltd., where more than 4,000 people live and stay on average per day, we maintain the construction and living environment at the construction site, and provide safe and healthy catering services for the workers to accommodate their living needs.



Service Scenarios at Construction Sites

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Hutong property services

During the Reporting Period, Capital Jiaye managed 129 hutongs covering about 3 million m², making it a leader and standard-setter in hutong property management services. As the property management organization of the cottage areas within the scope of its project, Capital Jiaye fully cooperates with the government in the comprehensive renovation plan to solve the problems of environmental health and refuse collection in Nanluoguxiang. The "one-stop service", "alley steward package" and other special mechanisms are integrated into hutong property management to improve the experience of residents and tourists. New measures are taken to protect the continuity of the hutong culture, help with urban renewal, and revitalize the historical quarters.



The scene photos of the Hutong project under management of the Company



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Urban renewal services

People's wellbeing is no trifling matter, and everything is a matter of concern. The new atmosphere of the city is not only reflected in the elegant and attractive high-rise buildings, but also in the cozy old residential compounds and well-organized old alleys. The Fahua Nanli residential compound for which Capital Jiaye provides property services was included in the list of the first batch of old residential compounds to be renovated in Beijing. The Company attached great importance to the renovation. During the period from the start of the renovation project in September 2022 to the completion at the end of 2023, the Company actively assisted the municipal government authorities in the service and security upgrade in the old residential compounds. To ensure the smooth development of this livelihood project which concerns people's well-being, we adhered to the "result-oriented" concept and adopted the "1+1+1" working mode of "old residential compound renovation + overall neighborhood improvement + property area management", providing quality service experience for the owners of Fahua Nanli.



Comparison of Fahua Nanli before and after Renovation

Integrated public services

We pursue the provisioning of integrated public services. This means in addition to the necessary basic services, we actively develop other service businesses based on the actual needs of customers, such as tenant solicitation and management, housing brokerage, property management at construction sites, catering, heating, project operation and maintenance and parking space operation. We will continue to explore and seek new business and development modes, and enrich our management modes to cover schools, hospitals, industrial parks, commercial complexes and international event venues and other business scenarios.

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Adhere to the Bottom line of Risks and Implement Safety Responsibilities

Capital Jiaye attaches great importance to safety. Specifically, we strictly fulfill the primary responsibility for workplace safety, continuously improves the safety management system, fulfill the safety management responsibilities at each level, and emphasizes creating a comfortable and safe environment with a high sense of responsibility and a sense of mission.

Workplace safety management

We build a safety management system and fulfill the workplace safety responsibilities. The Company strictly adheres to the requirement that "those managing service and business must also be responsible for safety", constantly improves the organization of workplace safety management, and actively fulfills its primary responsibility for workplace safety. The Company has issued the system documents such as the System for Workplace Safety Responsibility of All Employees, and sorted out information on the safety management system and safety-related rules and regulations by virtual of the statistics of safety management information in the whole industrial chain organized by BUCG Group. It also sorted the directory of the safety system personnel to facilitate management. The Company has signed the Workplace Safety Responsibility Statement with the key leaders of its affiliates, and urged these units to sign the safety responsibility statement at each level.

The Company convenes safety committee meetings on a quarterly basis and workplace safety meetings on a monthly basis to convey and publicize the work requirements of the Beijing Committee of the Communist Party of China, the People's Government of Beijing Municipality, relevant government authorities and the Group, and to make decisions and arrangements for key safety work, ensuring that all policies and requirements are conveyed and implemented promptly. The leaders of the Company take the lead in completing workplace safety training every year to improve safety concepts and raise the awareness of law, laying a solid foundation for eliminating safety risks.



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Identify and publicize safety hazards

The Company provides safety reminders during holidays, important festivals and major events, and conducts the "Four Don'ts and Two Directs" safety inspections, urging all projects under its management to strengthen the inspection and governance of hazards and improving the safety management in projects. Each project department actively organizes the workplace safety publicity and consulting activities, and invites representatives of households in the property management areas to participate in the campaign Safety Publicity by Videos, thus providing publicity and education through the safety education videos played on computers, televisions, or projectors.



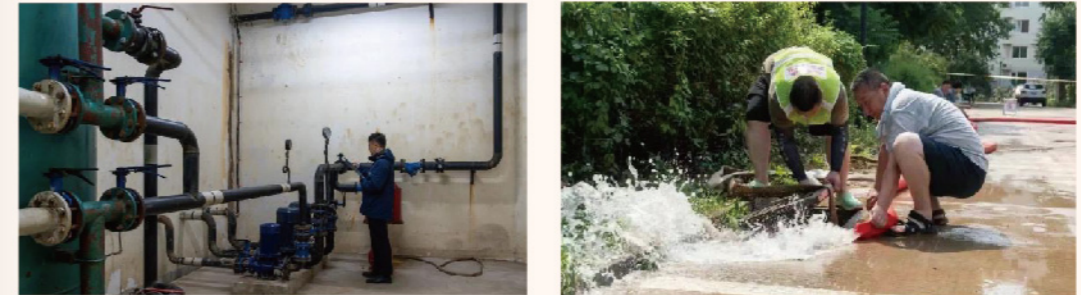
Sites of Safety Publicity Events

In view of the characteristics of property safety management, we focus on risk and hazard identification in terms of fire safety, electrical safety, electric vehicle management and hazardous work safety in the projects under our management. The three-level safety inspections are strictly implemented, effectively promoting the in-depth implementation of hazard identification and management. During the year, 7,262 hazards in workplace safety and fire safety were identified, with 7,218 items rectified, accounting for 99.4% of the total.

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Case 1: To thoroughly implement the instructions of the Beijing Committee of the Communist Party of China, the People's Government of Beijing Municipality and the Beijing Municipal Commission of Housing and Urban-Rural Development on the identification and rectification of workplace safety and fire hazards, to strictly implement the requirements of the Group's Special Action for the Identification and Rectification of Workplace Safety and Fire Hazards, and to ensure the realization of the workplace safety objectives of this year, Capital Jiaye organized and carried out a joint inspection of workplace safety hazards from August 12 to August 31, 2023, covering the workplace safety in the Company's 54 key residential and commercial building projects in Beijing.

Case 2: Beijing issued a red rainstorm alert on July 29, 2023. The Company immediately held an emergency deployment meeting for flood control, conveying the instructions of the Group's flood control work conference, understanding the preparedness for flood control of each affiliate, and making detailed arrangements for the Company's emergency preparedness for flood control and rescue. The flood control was conducted based on the characteristics of the properties, with focuses on key areas and locations. The project manager of each project was on duty in their respective area, and organized the staff to re-check roof drainage outlets, grates, low-lying areas, underground space and other key areas of flood control, as well as other key locations of flood control, materials, on-duty rescue personnel.



Site of Safety Inspection



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Safety publicity and education

Publicity and education play an important role in workplace safety. As a "red steward" of Beijing, Capital Jiaye has always put the workplace safety publicity and education in the first place. In 2023, safety education and training sessions were organized for all organizations and projects under the management of Capital Jiaye, covering 31,101 persons, and 1,832 drills for general and special scenarios such as emergency, confined space operations and evacuation in fire were carried out based on the characteristics of property management, effectively preventing and reducing the occurrence of accidents. In 2020, 2021, 2022 and 2023, the Group recorded zero work-related fatalities. In 2023, the lost work days due to work-related injuries counted 299 days. The Group will continue to carry out safety education and publicity to raise the safety awareness of employees.



Fire Safety Talks

Case 3:Capital Jiaye has organized and carried out a series of campaigns for the "119 Fire Prevention Month" for many consecutive years against the backdrop of the Fire Prevention Day, so as to promote fire safety knowledge, foster the concept of "prevention first, life first", strengthen the awareness and capabilities of workplace safety, and build up a solid line of defense for workplace safety, creating a sound safety environment for our high-quality development. In 2023, we carried out fire safety emergency evacuation drills, and organized our staff to distribute fire safety leaflets at the gates of the residential compounds, guiding the owners to pay attention to fire safety, participate in fire safety activities, and learn fire safety knowledge, further expanding the coverage of fire safety publicity and raising the fire safety awareness of the majority of the owners in a subtle manner.

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Fire and Emergency Evacuation Drill



Distribution of Fire Safety Leaflets



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Protect customer information

Capital Jiaye attaches great importance to the customer information security management. We build a strong and reliable protection barrier for information security and privacy protection of customers in accordance with the laws and regulations related to our operation and information security protection, including the Administrative Measures on Internet Information Services, the Administrative Provisions for Electronic Bulletin Services on the Internet, the Interim Provisions on the Administration of Internet Websites' Engaging in News Publication Services, the Measures on Ensuring Security of Internationally Connected Computer Information Networks, the Guidelines for the Grading of the Security and Protection of Computer Information Systems, and the Principles for the Classification of Specialized Products for the Security and Protection of Computer Information Systems.

Internal information security

To protect the information security in the Company's network, we have formulated and implemented a series of information management systems, such as the Information Systems Management System, which includes the Information Security User Manual and the User Account Management Measures. These regulations clearly specify the code of conduct for the employees related to the information security in their work, preventing the possible leakage of internal information.

Separate account

Only the unique account provided by the Company can be used to access the system, and the use of personal accounts is prohibited; The account privileges must match the job responsibilities, and the account shall not be lent to others at will;

Standard maintenance

The Company's internal network equipment, servers, computers and other hardware equipment shall be kept properly, and may not be disassembled or modified without authorization. In case of any equipment failure, it shall be reported to the Quality Management Department for repair in time;



Anti-virus software

All networked devices must be installed with anti-virus software, and the virus database shall be updated regularly to ensure the software is always running properly. It is prohibited to download and install unknown software without authorization. Firewalls shall be set up between the Company's internal network and external network to control network access and stop unauthorized access;

Data backup and security training

The data in the information system shall be backed up on a regular basis to avoid the risk of data loss or damage; All employees must receive network security training, understand and abide by the Company's network security regulations.

Extract of the Information Systems Management System

We ensure the smooth implementation of our information technology projects in accordance with the Management Measures for Information Technology Projects, which covers project planning, project approval, bidding and procurement, contract management, quality management, risk management, acceptance and delivery. We have developed appropriate management measures to improve the overall planning, supervision and management of information technology projects, and improve the project management and the efficiency of the fund use, realizing the sharing and utilization of public information resources. In addition, we regularly conduct internal data evaluation and audit to better understand the current status of data security management on our official website and accurately identify existing risks and problems, and generate evaluation reports to develop corrective actions for risks.

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Colorful Festival Activities to Enrich Community Life

Capital Jiaye attaches great importance to cultural construction in communities. We have prepared the documents such as the Outline of Culture Planning for Community and the Guidelines for Cultural Construction in Community to guide the development of cultural construction in community and strengthen the adhesion with owners. We listen to the voices of owners, think what they think, enrich their community life with humanistic services, actively organize and carry out various forms of offline activities around traditional festivals, and provide multi-level and multi-type cultural services for owners of different ages and needs, so as to enhance our emotional connection with owners, create a harmonious neighborhood, and continue to give warmth in the urban community.



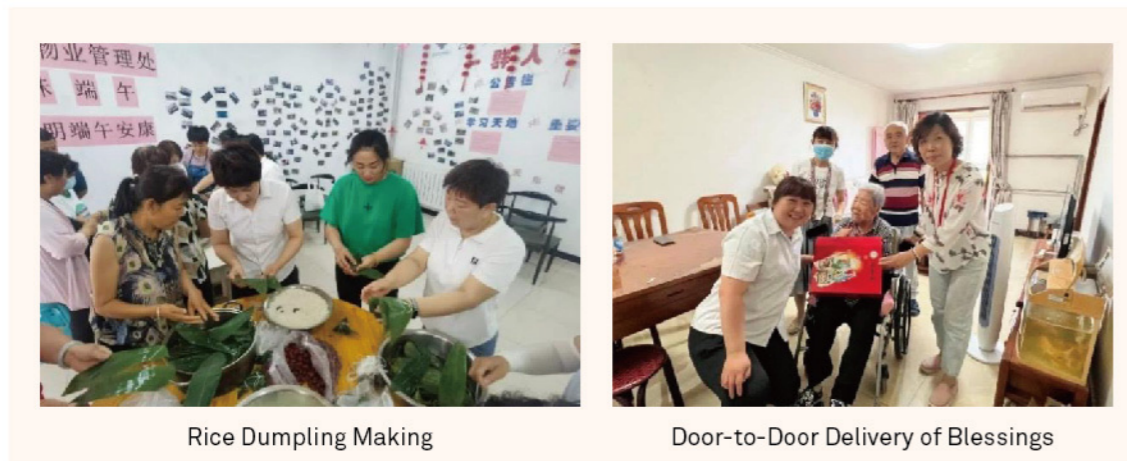
Community Activities



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Case: Dragon Boat Festival

To carry forward the excellent traditional culture of the Chinese nation and enrich the cultural life of the owners and customers, all affiliates of Capital Jiaye have organized and carried out a series of activities themed on the Dragon Boat Festival to celebrate the Dragon Boat Festival with the owners. Different "dumplings" activities such as making rice dumplings, hanging moxa over the doors, wearing five-color silk, art exhibitions and cultural performances let every owner feel a strong festive atmosphere. At the site, people sat around together, took a few pieces of bamboo leaves to make a cone-like shape, filled it with glutinous rice and dates, and then wrapped, bundled and tied it to form a rice dumpling. For the elderly who could not arrive at the site to participate in the activities, we arranged for the staff to make a special trip to the door to deliver them holiday blessings.



Rice Dumpling Making

Door-to-Door Delivery of Blessings

Case: Children's Day

To further promote the construction of harmonious communities, strengthen the adhesion between the Company and the owners, enhance the satisfaction of the owners, and expand the brand recognition and influence of "Red Steward" of Capital Jiaye, on the occasion of International Children's Day, the Company organized all its affiliates to carry out colorful cultural activities themed on "Happy" and "Moving" to share the joy of the Day.

According to statistics, all affiliates of Capital Jiaye carried out 36 community activities of various types around June 1, 2023. These activities not only enriched the children's recreational life, but also further enhanced the relationship between us and the owners. We were well received by the community and residents. In the future, Capital Jiaye will continue to uphold the mission and responsibility of "Red Steward" in the capital, and bring more quality services to owners, striving to build a harmonious and beautiful home with them.

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Children's Day Activities



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The Company adheres to the people-oriented concept. The employees are the intrinsic motivation of our sustainable development, and the key to a property management company to provide quality services. In compliance with the Labor Law of the People's Republic of China, the Contract Law of the People's Republic of China and other applicable regulations, Capital Jiaye has established its human resources management system, optimized the management systems of salary, benefits and performance assessment, and created a healthy and safe working environment for employees. The Company has also established and improved the employee training and promotion system to protect the legitimate rights and interests of the employees.

■ Talent Attraction and Retention

Capital Jiaye regards employees as the most valuable development resources. We are committed to establishing multi-level and diversified talent teams with a sense of responsibility and a sense of mission. We attract and retain all kinds of outstanding talents and potential talents suitable for our strategic development, and provide employees with career opportunities for achieving self-growth and social value.

Widely recruit talents

Capital Jiaye optimizes its talent recruitment system, innovates internal and external recruitment methods and channels, makes recruitment plans based on the characteristics of the positions, comprehensively coordinates the campus recruitment, and hires excellent talents from labor market to lay a strong talent foundation for development. During the Reporting Period, we recruited 120 new employees, including 22 fresh graduates and 98 talents from labor market, through various channels such as campus recruitment, online recruitment, internal referral and ground promotion. In addition, in order to retain talents, we customized training contents for new employees based on their positions, and gave talents opportunities to transfer to other positions, so that we can recruit, use and retain talents.

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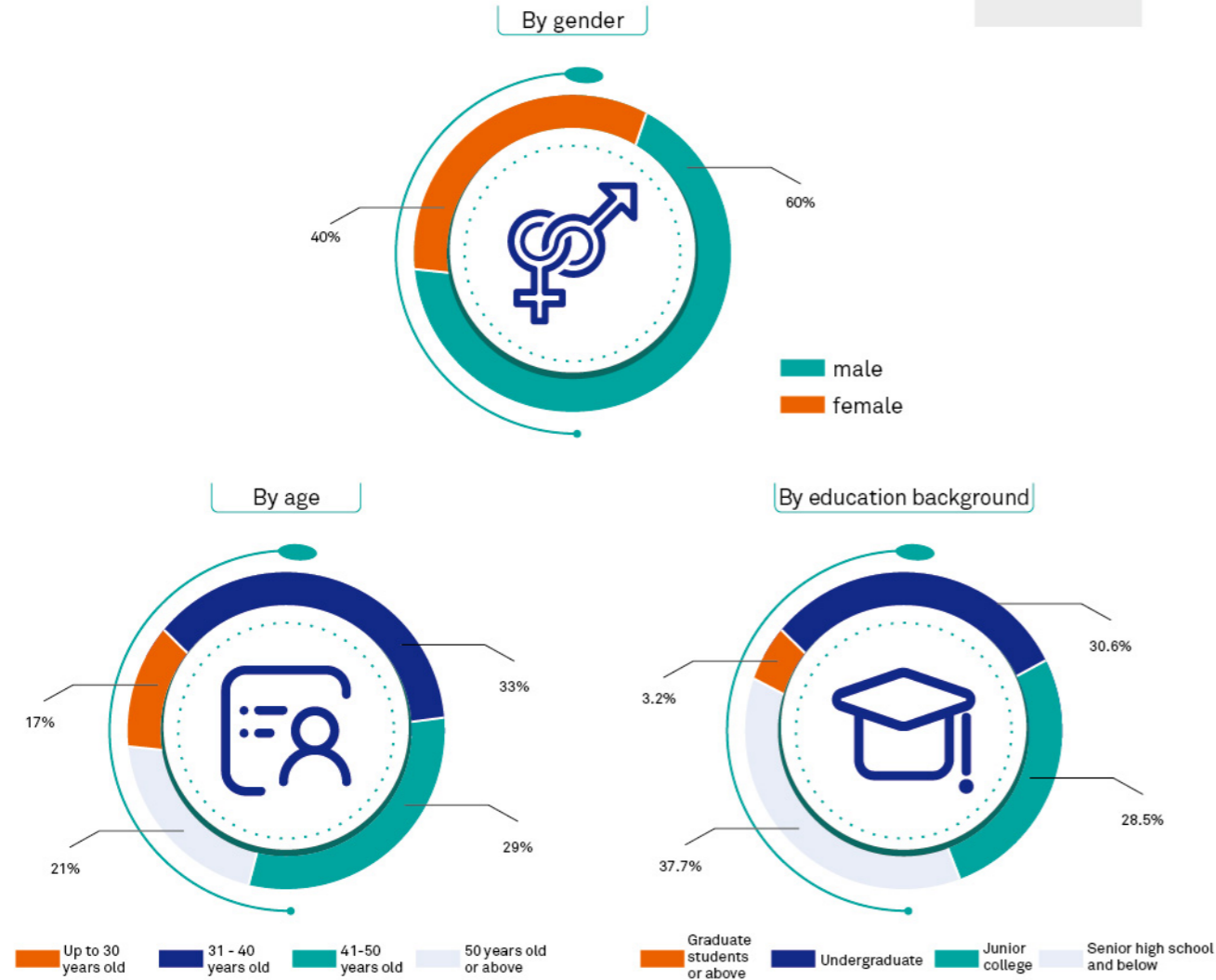
Recruitment	Description
Campus Recruitment	We attach great importance to campus recruitment to reserve talents for our development. In 2023, we have recruited a total of 22 fresh graduates, including 2 with a master's degree, 10 with a bachelor's degree and 10 college graduates.
Online Recruitment	We use well-known online recruitment platforms, short videos, Wechat Official Account and other Internet recruitment channels to reach out to a wide range of talents in the labor market, and attract the attention of outstanding talents to Capital Jiaye.
Internal referral	We encourage our employees to recommend talents for the Company, and conduct assessment and interviews following the principles of meritocracy and fair competition.
Ground promotion	We actively coordinate in the military recruitment of the local government and social job fairs to carry out the local recruitment in administrative areas.

Open and diverse

Diversity is part of Capital Jiaye's principle of human resource construction. It is adopted throughout the entire process of recruitment, employment and promotion. We are committed to providing open, diversified and non-discriminatory job opportunities to our employees, and we do not discriminate against employees on the basis of age, gender, sexual orientation, geography, ethnicity, religious beliefs, marital status, family status, disability and other differences.

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Capital Jiaye provides certain special care to veterans and the disabled in the recruitment and training. Pursuant to the Law of the People's Republic of China on the Protection of Persons with Disabilities and the Regulations on the Employment of Persons with Disabilities, we take the initiative to recruit a certain percentage of employees with disabilities, and provide them with the necessary special training to help them better adapt to their workplaces and realize their own values. We follow the "veteran is plus" principle based on the actual situation.



■ Protect the Rights and Interests of Employees

In compliance with the Labor Law of the People's Republic of China, the Contract Law of the People's Republic of China and other laws and regulations on labor and social security systems, Capital Jiaye has established a sound internal management system for employment and a salary and benefits system. We make efforts to promote equal employment, value and protect human rights, care about employees' health, and set up communication channels to effectively protect the legitimate rights and interests of employees.

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Compliant employment

We strictly abide by the relevant laws and regulations on compliant employment, ensuring that we follow the principles of equality and voluntariness in all aspects of labor and employment, such as recruitment, cooperation and termination of contracts. The Company selects talents following our perfect recruitment system, and promises that the entire recruitment and hiring process is fair, open and transparent. We formally sign employment contracts with all employees, and specify their working hours and paid leaves in the contract to effectively protect their legitimate rights and interests.



Prohibit child labor and forced labor

Capital Jiaye prohibits the employment of workers under the legal working age, and resolutely rejects forced labor, harassment, abuse and other improper behaviors, striving to create a harmonious, inclusive and friendly working environment. In the event of any violation of the labor code, we will immediately carry out investigations and initiate appropriate procedures to avoid any employment violations.

Remuneration and benefits

Capital Jiaye strictly abides by the relevant laws and regulations on employment and labor, and continuously improves its internal salary and benefit management systems based on its business development needs, ensuring that the employees are remunerated in accordance with the law for their work and entitled to the legitimate rights and interests, such as social insurance, working hours and paid leaves, as required by the State. In terms of salary, the Company improves the salary management system based on job value, personal skills and performance results, ensure the fairness, rationality and incentive role of employees' salaries, and striving to provide employees with more competitive salaries. In terms of benefits, we provide our employees with the five social insurances and housing fund, paid leaves, supplementary medical insurance and other benefits in accordance with the law, and provide female employees with breastfeeding leave, maternity leave and other leaves.



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Democratic consultation

We emphasize on the democratic consultation with employees. Specifically, we improve the two-way communication between management and employees, vigorously remove the obstacles of communication within and across departments, and develop multi-channel employee consultation mechanisms. Through Labor Union, Staff and Workers' Representative Congress and other platforms, we make it possible for employees to get timely feedback and fair solutions to their demands and expectations, improving the employee satisfaction. At the same time, the Company deepens democratic governance, regularly conducts supervision & inspection, employee satisfaction surveys and opinion collection, safeguarding the employees' rights to information, participation, expression and supervision.

Occupational Health and Safety

Capital Jiaye attaches great importance to the health and safety of employees, and is committed to creating a safe and comfortable working environment for them. We have formulated a series of management standards and measures for occupational health and safety. For example, we have provided detailed descriptions and specifications for the safety management in the operation and office areas in the properties under our management, and we have organized several work safety training and drills to raise the awareness of occupational health and safety among our employees. In addition, we provide employees with necessary PPE and regularly identify and control potential risks in the workplace of each business to ensure the health and safety in the work environment.

In the past three years, we did not encounter any work-related fatalities. In 2023, the lost work days due to work-related injuries counted 299 days, representing a decrease of 42 days or approximately 10.7% from 2022.

Empower Employee Development

Capital Jiaye is committed to expanding the career development channels for its employees and building efficient career development platforms for them, helping them achieve self-worth while the Company develops. We have established a training system conducive to employee development, provided diversified career development channels and learning opportunities, and paid attention to the overall development of our employees to cultivate outstanding citizens for the society.

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Talent development

The Company follows the rules and regulations of talent selection and position management, and its requirements and promotion conditions for each grade cover all grassroots employees. In addition, dual promotion channels for management and professional personnel have been established. The Company assesses and scores the employees on an annual basis based on their performance, attitude, skills and other aspects in work in accordance with performance assessment rules and regulations, and the scoring results are used as the basis for the annual awards and subsequent promotions of employees.

We have built up an appropriate talent development assurance system through talent review, mentor-apprentice mode and internal talent transfer, maximizing and optimizing the distribution and use of human resources. In addition to focusing on the steady development of key technical experts and core management talents, the Company also pays great attention to the overall development of frontline employees, and helps them to exceed and accomplish themselves through diversified training and practical accumulation.

We coordinate and optimize the whole chain of "selection, training, management and use", select leaders with a clear orientation, train them with diversified measures, and improve the mechanism for reserving talents. We adhere to the personnel orientation of emphasizing practical work and performance, examine and identify leaders on the front line of major tasks, and vigorously cultivate and select outstanding talents with outstanding performance and excellent work style. We have pushed forward the reserve talent training program, promoted the rotation and exchange, and held training courses for senior and young leaders, strengthening the ability to promote leader-based high-quality development.

Diversified training

We have established a multi-level, multi-system and multi-form training system covering all departments and employees, and select training contents in line with the development of the Company to improve the ability of managers and staff at all levels to adapt to the new era, goals and arrangements through specialized and systematic training. During the Reporting Period, the training sessions covering over 10,000 persons were conducted, with an employee training coverage rate of 100%.

Employee training data in 2023	 Employees trained	 Employee training coverage rate	 Average training time per employee
	11,731 persons	100%	3.91h



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Capital Jiaye's employee trainings are extensive in content and diversified in form, mainly covering policies and regulations, management ability and technical expertise (skills). The Company provides training on leadership, decision-making ability, team building, communication and coordination for managers at all levels, and provides knowledge and skill training on industry development trends, policies and regulations, standards and norms, expertise, skills and practical operations for professionals and technicians of various lines of business. Customized training courses are provided to improve the special business skills of employees, creating a high-quality and professional team for the Company.



Case: Property project manager training session 2 of Capital Jiaye

The property project manager training session 2 of Capital Jiaye was officially launched in April. The course covered the role positioning and leadership enhancement of project managers in the new era, cost and operation management of property management companies, financial management and cost control from the perspective of project economy, crisis management and public opinion response, improvement of property service satisfaction and customer relationship maintenance. This training allowed the trainees to gain an in-depth understanding of the new situation and new demands of property service management. They learned the management ideas and practical experience in project management, and improved their management and professional skills, promoting the high-quality development and enhancing the core competitiveness of the Company.



Sites of project manager training

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Case: Professional training for improving the quality of personnel of Beijing Urban Construction Group Properties Co., Ltd. ("Beijing Urban Construction Properties")

In 2023, to accelerate the building of professional talents and improve the overall quality and skills of employees, Beijing Urban Construction Properties carried out a series of training, covering negotiation skills, etiquette and recruitment risks, improving the professional skills of employees and boosting the development.



Sites of professional training

Case: Beijing Uni.-Construction Beiyu Property Service Co., Ltd. ("Beiyu Property") carried out training based on its own development needs

To accommodate its own development, promote reserve talent training and implement professional operation of the asset operation business system, Beiyu Property carried out the New Force training program and asset operation business system training for the reserve talents to cultivate composite talents with the sentiment, management qualities, and professionalism Beiyu requires, preparing solid force for Beiyu's high-quality development in future.



Sites of professional training



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Case: Beijing Chengcheng Property Management Co., Ltd. ("Chengcheng Property Management") actively promoted the integration of new employees

To further improve the overall quality of interns and make them better integrated into the Company, Chengcheng Property Management carefully organized the onboarding training titled Special Training Camp for New Recruits for the first batch of interns in 2023. The training was carefully planned and organized, with rich content and diverse forms, aiming to help interns fully understand the Company's development course, cultural heritage, rules and regulations, as well as the actual working environment. In this way, the interns can fully understand the Company, and significantly improve their theoretical knowledge and practical experience, laying a solid foundation for their future careers.



Sites of new employee orientation training

Case: Beijing Zhuolian Property Management Co., Ltd. ("Zhuolian Property Management") promoted internal talent cultivation to accommodate its development needs

Zhuolian Property Management prepared talent training programs and course plans based on its actual situation. In 2023, it carried out a series of trainings to accommodate the needs of employees, including onboarding training for new employees, project manager training program, training on safety knowledge, first aid training, and skill training for specific jobs.



Sites of job skills training

Awards

We actively promote the group construction and lead the employees to build up their performance in their positions. We give awards to employees and teams with outstanding performance in a timely manner, encouraging employees to achieve greater results through individual efforts and teamwork.

07 / PEOPLE ORIENTED

Case:

In March 2023, Capital Jiaye held the talks to celebrate the Woman's Day. Specifically, the Company honored the advanced teams and individuals with outstanding performance in the past year, highlighted the Company's concern for the work and life of female employees, and effectively safeguarded their rights and interests. Seven teams and 11 individuals received the pace setter honor, 8 individuals won a nomination for the pace setter honor and 8 received the "better half" honor. They all received the certificates and trophies.



Woman's Day Activities



07 / PEOPLE ORIENTED

■ Give Care to Employees

We adhere to the people-oriented concept, put the welfare of employees in the first place, and actively provide employee care. We advocate work-life balance, actively organize diversified employee activities, and provide psychological guidance for employees to relieve their psychological and work pressure. We take the opportunity of traditional festivals to express our condolences to front-line and special employees, and deliver warmth and care in time, improving the sense of belonging and cohesion of the employees. In addition, the Company actively organizes activities to help employees in difficulty, provides financial assistance and necessities as much as we can, conveying our warmth and enhancing the employees' cohesion and sense of happiness.

Diversified activities

We organize diversified employee activities around the three themes of sports, healthy life and group festivals to create a healthy and upward working atmosphere and enhance the sense of happiness of employees. The Company advocated and organized a variety of fun groups, as well as special competitions such as basketball, badminton, table tennis and billiards competitions, helping employees balance their work and life. In addition, we encourage employees to practice by competitions, and vigorously promote labor competitions and vocational skill competitions. We pay attention to the needs of youth groups, organize thematic youth forums and youth fellowship activities, and build a social platform for youth, striving to encourage the youth to build up their achievements at work.

07 / PEOPLE ORIENTED

Case:

For the first time, Capital Jiaye participated in the sports day of BUCG Group, and organized a chess competition. We participated in more than 20 events in 9 categories and received 6 gold medals, 2 silver medals, 2 bronze medals. The Company was awarded the Special Contribution Award and a number of Outstanding Organization Awards, becoming a winner in both sports performance and spiritual civilization. The Company also won the "Special Contribution Award" and a number of "Excellent Organization Award", realizing the sports performance and cultural and ethical progress. This sports day included 26 events of 9 categories, including athletics, rope skipping, swimming, table tennis, badminton, tug-of-war and chess. Each event represented a battle of wisdom and physical strength, and the process was fun and challenging.



Staff in the Competitions



07 / PEOPLE ORIENTED

Express sympathy and pay visits to the needed

Every year, in addition to the regular employee care activities such as sending coolness in summer, warmth in winter and gifts for guards during the Spring Festival, we also express special sympathy to the retired, disabled and unemployed workers. Every Spring Festival and important festivals, the leaders of the Company will actively visit the front-line guards in the projects and special workers (including retired ones), effectively providing the care of the employees.

Case: Delivering warmth on the New Year's Day of 2023 At the beginning of the New Year, the leaders of the Company came to Beijing Xiaotun Project and Chengyu Jiayuan Project to express sympathy to the leaders and staff who were sticking to the front line, and delivered them souvenirs and holiday greetings. The leaders urged the project staff to protect themselves well and alternate work with rest. They hoped that the staff would do their best with a high sense of responsibility and full of work enthusiasm, and be prepared to deal with emergencies at any time to ensure the smooth operation of the project.



Paying Visits

07 / PEOPLE ORIENTED

Case

In the summer of 2023, the number of hot days in Beijing equaled the record high, with the highest observed temperature reaching 41.3°C, breaking the record of the highest observed temperature. Under such weather, our staff still stood firm at their posts, contributing their strength to the life service of owners and customers. The Company's leaders came to Beijing Fahua Nanli Project and Tiantanfu Project to visit the leaders and employees who stick to the front line under the high temperature, and delivered them heat-prevention and cooling supplies. The leaders requested to provide more care and concern for the front-line employees, protect employees working under the high temperature, and provide necessary protection and heat-prevention and cooling supplies, minimizing the negative impact of the hot weather on the staff and ensure their safety under the high temperature.



Paying Visits

Employee support

We provide the necessary support to employees in difficulty at the first time, and use the power of the Company to solve the unexpected situations faced by individual employees, so that the employees can feel our care and concern and sufficient security.

Case: January 2023 was the last solar term of the Renyin year of tiger, the Great Cold. On this day, the leaders of Capital Jiaye led a team to the Beijing Qianhe Jiayuan Project to deliver warmth to the front-line employees. After learning that some employees in the project were facing difficulties in their families, the leaders prepared offerings and condolence payments in advance and gave them in the name of the Company, hoping to help the employees overcome difficulties and improve their lives.



Expressing Sympathy on Site



08

责任管治

CORPORATE GOVERNANCE



08 / CORPORATE GOVERNANCE

Capital Jiaye firmly serves the development strategy of the State and the capital, and hopes to implement sustainable development goals through being people-oriented. We pursue excellent governance and use our services to protect the people's livelihood; we attach importance to corporate compliance and risk control; we are committed to building a win-win partnership, improving the supply chain management system and seeking sustainable development with suppliers; we attach importance to the protection of intellectual property rights as well as information security and privacy; and we participate in the construction of industry, promote multi-party cooperation and work with partners for common growth.

■ Standardize Corporate Governance

Scientific and effective corporate governance is the cornerstone of our development. We firmly believe that good corporate governance is crucial to our sustainable development and steady growth. The Company has adopted the principles and code provisions set out in the Corporate Governance Code contained in the Appendix to the Exchange Listing Rules since November 10, 2021. For details of the Company's compliance with the Corporate Governance Code, please refer to the section headed "Corporate Governance Structure" of "6. Corporate Governance Report" in the 2023 Annual Report of Beijing Capital Jiaye Property Services Co., Limited

The General Meeting of Shareholders, the Board of Supervisors, the Board of Directors and its special committees of the Company have established a clear governance structure in accordance with the relevant laws, the Articles of Association of the Company and their respective terms of reference. The Board of Directors reports to the General Meeting of Shareholders and is responsible for the overall management in the Group. Specifically, it develops the strategies and development directions for the business and management of the Group. Under the Board, there are Nomination Committee, Salary and Assessment Committee, Audit Committee, Risk Compliance Management Committee, and Strategies and Investment and ESG Committee. These committees operate on the basis of division of responsibility and provide effective supervision to improve the Company's corporate governance. As at December 31, 2023, the Company's Board of Directors consisted of nine members, including four executive directors, two non-executive directors and three independent non-executive directors, all of whom have rich industry experience or professional skills in finance, law, investment or financing.

■ Integrated Development of State-owned Assets

Capital Jiaye resolutely implements the development strategies of the State and the capital, implements the reform of state-owned enterprises through resource integration, and uses its services to safeguard the national economy and people's livelihood. The Company maintains its sensitivity to the market at all times, and improves the securitization of state-owned assets by injecting high-quality assets, making the Company as a state-owned enterprise bravely take up its mission in the industry. It resolutely maintains its reputation as the "Red Steward" and makes efforts to become a "Property Service Pioneer", striving for the strategic goal of becoming a "nationally renowned provider of urban services and good living services".

08 / CORPORATE GOVERNANCE

Excellence in governance

Capital Jiaye strives to build a professional platform for centralized operation of Beijing's state-owned property service enterprises, aiming to realize professional, large-scale and market-oriented management of property service resources. We have initially built an internal control, compliance and risk management system that meets the supervision requirements for state-owned assets and listed companies, creating a large security pattern to effectively prevent and control all kinds of security and operational risks. We actively practice the concept of sustainable development. In 2023, the Company was selected as an excellent case in the Blue Book on ESG of Centrally Administered Listed State-owned Enterprises, further strengthening our foundation of corporate governance. In addition, our share incentive plan has been formally approved by SASAC and by the General Meeting of Shareholders, and the relevant grant plans will become effective once this plan takes effect.

Seize opportunities

Capital Jiaye is determined to implement the reform of state-owned enterprises. Specifically, the Company strives to seize the opportunities arising from the reform of logistics socialization and the State's policy of encouraging the participation of social capital in the investment and operation of public services, so as to consolidate the development pattern covering all business modes, scenarios, and fields.



Some projects under management of Capital Jiaye (from left to right: Anzhen Hospital, Guang'anmen Hospital)



Some projects under management of Capital Jiaye (from left to right: Peking University Health Science Center, Beijing Institute of Fashion Technology, Beijing College of Politics and Law)

08 / CORPORATE GOVERNANCE

Integration-based management

As a "young" listed company co-founded by BUCG and Tianjie Group, a state-owned enterprise in Dongcheng District, Beijing, Capital Jiaye has a number of corporate legal entities under its jurisdiction, including Beijing Urban Construction Properties, Chengcheng Property Management, Beiyu Property, Chongqing Property Service, and Zhuolian Property Management. There are obvious differences in the distribution of projects, business structure and service advantages of different affiliates. To realize the goal of healthy and sustainable development, we attach great importance to the integration-based management.

We strengthen the unified strategic deployment within the organization, and improve the relevance of business practices of different corporate organizations for integrated development. We also strengthen the effective integration with enterprises inside and outside the industry, define the objectives of cooperation, expand the areas of integration, combine high-quality resources and service experience, and give full play to our own strengths to achieve synergistic growth in business efficiency and operation management, thus providing strong support for the sustainable development of the Company.

■ Sustainable Supply Chain

We are committed to establishing a fair, transparent and sustainable supply chain, continuously improving the supply chain management system, and building a standard procurement system and open and transparent competition mechanisms. During the Reporting Period, we had 1,130 suppliers. We regularly evaluated the suppliers, pushed suppliers with problems to make continued improvements, and eliminated unqualified suppliers in a timely manner. We encourage our suppliers to provide environmentally-friendly products and services, and urge them to work with us to improve corporate governance and fulfill their social responsibilities, continuously promoting the sustainable development of our supply chain.

In selecting suppliers, we will take into account their environmental and social performance, require suppliers to furnish relevant reports, qualification certificates and other documents, and select suppliers with good environmental and social performance, if possible. Meanwhile, when entering into the contract, we specify the environmental and social standards that suppliers are required to follow, and ask them to sign integrity commitment letters, which clearly set out the integrity obligations of suppliers, and specific penalties for violations of commitments, so as to ensure that our supply chain meets the requirements of relevant regulations and standards. In addition, we regularly organize training on integrity for our employees to raise their awareness of integrity, which will help prevent employees from accepting bribes or engaging in improper behavior in the procurement process.

We urge material suppliers to offer environmentally preferable products, require them to provide environmental impact assessment reports, such as using environmentally less harmful detergents when cleaning exterior walls, and encourage suppliers to adopt environmentally preferable production methods and packaging materials.

System construction

Capital Jiaye has formulated the Supplier List Management Measures and the Supplier Grading Management Rules to regulate the supplier management process. We are committed to implementing a transparent, fair and efficient procurement environment by carrying out detailed management in supplier accreditation, inspection and performance assessment.

Case: To improve our dynamic management of suppliers and to ensure the performance of suppliers, Capital Jiaye has formulated the Supplier List Management Measures in light of the actual situation, specifying detailed regulations on the qualification, routine management and evaluation of qualified suppliers. The penalties for the affiliates violating the Management Measures are also set out: If an affiliate employs suppliers out of the supplier list to engage in security, cleaning, civil engineering and waterproofing projects without permission of the Company, the Company will order it to make rectifications and criticize it, with a fine between RMB10,000 and RMB50,000 to be imposed at the discretion of the Company.

08 / CORPORATE GOVERNANCE

Select high-quality suppliers

We tend to select suppliers with good reputation and credibility in the market. Specifically, we screen suppliers based on the information provided by the suppliers and the data available in the National Enterprise Credit Information Publicity platform or third-party independent data platforms, strictly examine their qualifications, and improve the list of cooperation alternatives on this basis, strengthening cooperation with more high-quality suppliers to enhance our reputation.

Growth by trainings

Capital Jiaye regularly provides special training for employees involved in bidding, aiming to improve their professionalism, help them reasonably avoid possible risks and select high-quality suppliers; on the other hand, we attach great importance to communication and dialogue with suppliers, and organize and carry out training activities for suppliers based on the needs of business development.

Process optimization

Capital Jiaye continues to optimize the process of cooperation with suppliers based on the needs of business development and the actual situation of suppliers. For example, we classify the procurement into three categories, namely material, property services and construction; we distinguish the specific matters of the construction category in detail, and properly adjust the procurement amount limits, so as to improve the process and ensure that high-quality suppliers are selected.

■ Intellectual Property Protection

We strictly abide by laws and regulations, including the Civil Code of the People's Republic of China, the Copyright Law of the People's Republic of China, the Trademark Law of the People's Republic of China and the Patent Law of the People's Republic of China, and have developed a series of management measures and regulations to protect intellectual property within the Company. In addition, we have established an intellectual property leading group to coordinate the management of intellectual property, avoid infringement disputes, monitor the use of the Group's trademarks in real time, and search for infringements by third parties to safeguard the legitimate rights and

Protect our intellectual property

We actively safeguard our trademark rights and interests and other intellectual property rights. For our commercial secrets and intellectual property rights, Capital Jiaye arranges employees to sign non-disclosure agreements, requiring the employees involved in such secrets to strictly implement the relevant internal rules and regulations and not to disclose them without permission. At the same time, we encourage the employees to monitor and report intellectual property infringement issues involving the Company. During the Reporting Period, Capital Jiaye owned 14 patents and copyrights, 9 domain names and 14 trademarks authorized for use.



08 / CORPORATE GOVERNANCE



Some Intellectual Property Items of Capital Jiaye Pertaining to Computer Software

Respect the intellectual property rights of others

Capital Jiaye fully respects the intellectual property rights of others, encourages and protects fair competition, and prevents and prohibits any form of infringement. We optimize the preventive mechanism against the risk of infringing the intellectual property rights of third parties, and regularly provide training on intellectual property protection for our employees, safeguarding the legitimate rights and interests of ours and those of others from being infringed upon.

Strengthen Risk Management and Control

Scientific and effective risk management and internal control is a necessary and indispensable part of achieving long-term business growth and sustainable development of an enterprise. Capital Jiaye has initially built an internal control, compliance and risk management system that meets the supervision requirements for state-owned assets and listed companies, and has continued to improve and optimize its internal management documents such as the Management Manual for Internal Control and the Guidelines for Key Areas of Compliance Management. In addition, the Company makes unrelenting efforts in risk control. In 2023, in accordance with the requirements of state-owned assets supervision and the Hong Kong Listing Rules, the Company focused on the construction and improvement of the systematic internal control and compliance system, further defined the organizational structure of risk, internal control and compliance management and the responsibilities of all parties, sorted out the Company's system in all respects, identified various risks, incorporated risk control measures and compliance management requirements into the internal control procedures, promoted the construction and improvement of the risk, internal control and compliance system, and facilitated the synergy and integration of the above management systems, striving to avoid or mitigate enterprise risks through effective management and control measures.

In 2023, Capital Jiaye carried out regular safety inspections and special actions to collect accounts receivable, and accelerated the building of a mechanism for exiting loss-making and inefficient projects, supporting the safe, healthy and sustainable development of the Company.

08 / CORPORATE GOVERNANCE

Adhere to Business Integrity

Capital Jiaye attaches great importance to the integrity of the employees in work, always maintains a zero-tolerance attitude toward business corruption, and makes anti-corruption a long-term mission and bottom line of the Company. Capital Jiaye actively implements sunshine service and sunshine decision-making. In addition to strictly following the Company Law of the People's Republic of China, Anti-Money Laundering Law of the People's Republic of China, the Law of the People's Republic of China against Unfair Competition, the Interim Provisions on Prohibiting Commercial Bribery and other legal and regulatory requirements, the Company has formulated a relatively perfect system and countermeasures for the prevention, discovery, and stopping of corruption and other violations.

Capital Jiaye reviews the contents of its integrity-related systems every year and revises them when necessary, ensuring that the relevant systems comply with the existing laws and regulations and the Company's business development, and effectively regulating non-compliant actions within the Company. In 2023, the Company promoted the normalized, procedural and standard discipline and integrity inspections through internal talks, publicity and supervision. For example, at this year's leader training course, the Company invited Yang Qi, Secretary of the Discipline Inspection and Supervision Committee of Beijing Municipal Organs, to provide integrity warning training for the leaders attending the course on risk prevention and control by party members and leaders in state-owned enterprises. As of December 31, 2023, Capital Jiaye was not involved in any corruption-related case.



Integrity training

The Company has set up reporting channels, including a website and hotline, encouraging all employees, suppliers and other related parties to report suspected violations. We keep the personal information of the whistleblower confidential within the scope of laws and regulations, and take appropriate measures to protect the whistleblower, witnesses and investigators from retaliation. For those whose identity really need to be verified, there are appropriate protection measures to protect the whistleblower and keep the case confidential.

Complaint hotline: +86- 010-56302693

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APPENDIX

■ APPENDIX I ESG KEY PERFORMANCE DATA

List of environmental performance indicators

ESG indicators	Unit	2023
A1 Emissions		
A1.1 Types of emissions and respective emissions data		
NOx	kg	25,423
SOx	kg	1,230
Inhalable particulate matter	kg	471
A1.2 greenhouse gas emissions and intensity		
Greenhouse gas emissions	tCO2-e	146,694.96
Greenhouse gas emission intensity	tCO2-e /million sq.m.	3,547.64
Direct greenhouse gas emissions (Scope 1)	tCO2-e	74,581.30
Indirect greenhouse gas emissions (Scope 2)	tCO2-e	72,113.66
A1.3 Total hazardous waste produced and intensity		
Total hazardous waste	tons	2.29
Hazardous waste intensity	ton/million sq.m.	0.06
A1.4 Total non-hazardous waste produced and intensity		
Total non-hazardous waste	tons	373.45
Non-hazardous waste intensity	ton/million sq.m.	9.03

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List of environmental performance indicators

ESG indicators	Unit	2023
A2 Use of Resources		
A2.1 Direct and/or indirect energy consumption by type in total and intensity		
Total energy consumption	MWh	500,425.18
Energy consumption intensity	MWh/million sq.m.	12,102.18
Direct energy consumption	MWh	373,380.62
Gasoline consumption	Liter	16,990
Diesel consumption	Liter	1,575
Natural gas consumption	m ³	34,473,407
Indirect energy consumption	MWh	127,044.56
Purchased electricity	MWh	125,086.28
Purchased heat	Million KJ	7,055
A2.2 Water consumption in total and intensity		
Water consumption	m ³	2,401,888
Water consumption intensity	MWh/million sq.m.	58,086.77

Notes:

- 1) The collection scope of environmental performance indicators includes: the corporate headquarters, subordinate companies and their respective office areas;
- 2) Scope 1 carbon dioxide includes direct emissions from gasoline, diesel and natural gas;
- 3) Scope 2 carbon dioxide includes indirect emissions from purchased electricity and purchased heat;
- 4) Total hazardous waste includes waste lamp tubes, batteries, waste printer toner drum, cartridges and hazardous paints, etc.;
- 5) Total non-hazardous waste includes the amount of domestic waste, kitchen waste, recyclable waste and decoration waste produced;
- 6) Total energy consumption includes the sum of consumption of gasoline, diesel, natural gas, purchased electricity, purchased heat, etc.

Reference standard for data calculation

- 1) The direct carbon dioxide emissions generated from gasoline, diesel, natural gas, etc. is calculated with reference to the Guidelines for Accounting and Reporting Greenhouse Gas Emissions from Public Buildings Operating Entities (Enterprises) (Trial) (《公共建築運營單位(企業)溫室氣體排放核算方法和報告指南(試行)》) issued by the General Office of the National Development and Reform Commission;
- 2) The total energy consumption is calculated with reference to the General Principles of Comprehensive Energy Consumption Calculation GB/T 2589-2020;
- 3) The greenhouse gas emission intensity, hazardous waste intensity, non-hazardous waste density, energy consumption intensity, and water consumption intensity in 2023 were calculated by using 41.35 million square meters, the total area under management of Capital Jiaye as at the end of 2023, as the denominator.

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List of social performance indicators

ESG indicators	Unit	2023
B1 Employment		
B1.1 Total workforce by gender, employment type, age group and geographical region		
Total workforce	person	1,865
By gender		
Male	person	1,112
Female	person	753
By employment type		
Full-time	person	1,862
Part-time	person	3
By post type		
Management post	person	943
Operation post	person	922
By age		
Aged 30 or below	person	317
Aged 31-40	person	615
Aged 41-50	person	546
Aged 50 or above	person	387
By geographical region		
Beijing	person	1,642
Outside Beijing	person	223

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List of social performance indicators

ESG indicators	Unit	2023
B1 Employment		
B1.2 Employee turnover rate by gender, age group and geographical region		
Employee turnover rate	%	10.84%
By gender		
Male employee turnover rate	%	9.95%
Female employee turnover rate	%	12.13%
By age		
Aged 30 or below	%	20.22%
Aged 31-40	%	9.44%
Aged 41-50	%	9.44%
Aged 50 or above	%	6.51%
By geographical region		
Inside Beijing	%	9.69%
Outside Beijing	%	18.08%

Note: Employee turnover rate = Number of employees leaving under a given category during the Reporting Period / (Number of in-service employees under the category as at the end of the Reporting Period + Number of employees leaving under the category during the Reporting Period) * 100.

ESG indicators	Unit	2023
B2 Health and Safety		
B2.1 Number and rate of work-related fatalities		
Number of work-related fatalities	person	0
Rate of work-related fatalities	%	0
B2.2 Lost days due to work injury		
	day	299

Notes:

- 1) Number of work-related fatalities do not include fatalities caused by non-work-related reasons, such as traffic accidents or sudden illnesses on the way to/from work;
- 2) Rate of work-related fatalities = Number of work-related fatalities / Total workforce * 100.

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List of social performance indicators

ESG indicators	Unit	2023
B3 Development and Training		
B3.1 The percentage of employees trained by gender and employee category		
Percentage of employees trained	%	100%
By gender		
Percentage of male employees trained	%	100%
Percentage of female employees trained	%	100%
By employee category		
Senior management,	%	100%
Middle management	%	100%
Ordinary employees	%	100%
B3.2 The average training hours completed per employee by gender and employee category		
Average training hours completed per employee	hour	3.91
By gender		
Average training hours completed per male employee	hour	3.63
Average training hours completed per female employee	hour	4.56
By employee category		
Senior management,	hour	4.72
Middle management	hour	4.13
Ordinary employees	hour	3.83

Note: Training data includes both online and offline training.

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List of social performance indicators

ESG indicators	Unit	2023
B5: Supply Chain Management		
B5.1 Number of suppliers by geographical region		
Total number of suppliers	individual	1,130
By geographical region		
North China	individual	1,088
East China	individual	18
Central China	individual	2
South China	individual	2
Southwest China	individual	20
B6 Product Responsibility		
B6.2 Number of products and service related complaints received		
Total number of (product and service related) complaint from customers	case	No material complaint

Notes:

- 1) Total number of complaints from customers includes the complaints received by Company through service hotlines in the course of providing residential property services and non-residential property services;
- 2) Customer complaint handling rate = Number of complaints handled/Total number of complaints from customers * 100.

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List of social performance indicators

ESG indicators	Unit	2023
B7 Anti-corruption		
B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period		
Legal cases involving corruption, bribery, extortion, fraud and money laundering	case	0
Number of cases involving antitrust conduct	case	0
Number of cases involving unfair competitive conduct	case	0
B7.3 Anti-corruption training		
Number of members of the Board of Directors and senior management participating in anti-corruption training	person	127
Total number of hours of anti-corruption training	hour	1,016

Note: Training data includes both online and offline training.

ESG indicators	Unit	2023
B8 Community Investment		
B8.2 Resources contributed to the focus area		
Charitable donation	RMB0'000	5
Number of people engaging in volunteer activities	person	255
Number of hours of volunteer activities engagement	hour	7,650

Note: The number of people engaging in volunteer activities and the number of hours of volunteer activities engagement are incomplete.

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■ APPENDIX II CONTENT INDEX OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE OF HONG KONG STOCK EXCHANGE

Issues	Requirements of the Guide	Disclosure section
A . Environmental		
	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.	Environmentally friendly
A1: Emissions	A1.1: The types of emissions and respective emissions data.	Appendix I ESG Key Performance Data
	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).	Environmentally friendly and Appendix I ESG Key Performance Data
	A1.3: Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix I ESG Key Performance Data
	A1.4: Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmentally friendly and Appendix I ESG Key Performance Data
	A1.5: Description of emissions target(s) set and steps taken to achieve them.	Environmentally friendly
	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.	Environmentally friendly

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Issues	Requirements of the Guide	Disclosure section
A. Environmental		
	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials.	Environmentally friendly
A2: Use of Resources	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).	Environmentally friendly and Appendix I ESG Key Performance Data
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmentally friendly and Appendix I ESG Key Performance Data
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmentally friendly
	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.	Environmentally friendly
	A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable to the Company's business
A3 : Environment and Natural Resources	General Disclosure: Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmentally friendly
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmentally friendly
A4: Climate Change	General Disclosure: Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Environmentally friendly
	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.	Environmentally friendly

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Issues	Requirements of the Guide	Disclosure section
B. Social		
	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the listing company relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	People oriented
B1: Employment	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Appendix I ESG Key Performance Data
	B1.2 Employee turnover rate by gender, age group and geographical region.	Appendix I ESG Key Performance Data
	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.	People oriented - Protect the Rights and Interests of Employees
B2: Health and Safety	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	People oriented - Occupational Health and Safety
	B2.2 Lost days due to work injury.	Appendix I ESG Key Performance Data
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	People-oriented - Occupational Health and Safety
	General Disclosure: Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	People oriented - Empower Employee Development
B3: Development and Training	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix I ESG Key Performance Data
	B3.2 The average training hours completed per employee by gender and employee category.	Appendix I ESG Key Performance Data
	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.	People oriented - Protect the Rights and Interests of Employees
B4: Labor Standards	B4.1 Description of measures to review employment practices to avoid child and forced labour.	People oriented - Protect the Rights and Interests of Employees
	B4.2 Description of steps taken to eliminate such practices when discovered.	People oriented - Protect the Rights and Interests of Employees

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Issues	Requirements of the Guide	Disclosure section
B. Social		
B5: Supply Chain Management	General Disclosure: Policies on managing environmental and social risks of the supply chain.	Corporate Governance - Sustainable Supply Chain
	B5.1 Number of suppliers by geographical region.	Appendix I ESG Key Performance Data
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Corporate Governance - Sustainable Supply Chain
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Corporate Governance - Sustainable Supply Chain
B6: Product Responsibility	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Corporate Governance - Sustainable Supply Chain
	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Building Quality Foundation
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Company's business
	B6.2 Number of products and service related complaints received and how they are dealt with.	Building Quality Foundation - Improve Craftsmanship Quality and Pursue Excellent Service
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	Corporate Governance - Intellectual Property Protection
	B6.4 Description of quality assurance process and recall procedures.	Not applicable to the Company's business
B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Building Quality Foundation -Adhere to the Bottom line of Risks and Implement Safety Responsibilities	
B7: Anti-corruption	General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Corporate Governance Appendix I ESG Key Performance Data
	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Appendix I ESG Key Performance Data
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Corporate Governance - Adhere to Business Integrity
	B7.3 Description of anti-corruption training provided to directors and staff.	Appendix I ESG Key Performance Data
B8: Community Investment	General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Social Responsibility
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Social Responsibility
	B8.2 Resources contributed (e.g. money or time) to the focus area.	Appendix I ESG Key Performance Data

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■ APPENDIX III CONTENT INDEX OF THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

TCFD Recommended Disclosures	Page No. of Disclosure
Governance: Disclose the organization's governance around climate-related risks and opportunities.	
a) Describe the board's oversight of climate-related risks and opportunities	23-24
b) Describe management's role in assessing and managing climate-related risks and opportunities	23-24
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	
a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	24-25
b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	24-25
c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	24-25
Risk Management: Disclose how the organization identifies, assesses, and manages climate-related risks.	
a) Describe the organization's processes for identifying and assessing climate-related risks.	25-27
b) Describe the organization's processes for managing climate-related risks.	25-27
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	25-27
Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	27-28
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas emissions, and the related risks.	27-28
c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	27-28



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■ Appendix IV Feedback Form

Dear reader,

Thank you for reading the 2023 ESG Report of Capital Jiaye. The Group welcomes your feedback on this Report.

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

Subject: Capital Jiaye 2023 ESG Report Feedback Form

Name _____

Company _____

Position _____

Telephone _____

Email _____

Your comments on this Report: (please mark "√" in the corresponding box

	Excellent	Good	Average	Poor	Very Poor
Do you think this Report highlighted key ESG information for the Group?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you think the information and indicators disclosed in this Report were clear, accurate and complete?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you think the content layout and style design of this Report were reader-friendly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Which part of this Report were you most interested in?

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

What suggestions do you have on the Group's future ESG reports?
