



Excellence

卓越商企服務集團有限公司

EXCELLENCE COMMERCIAL PROPERTY & FACILITIES
MANAGEMENT GROUP LIMITED

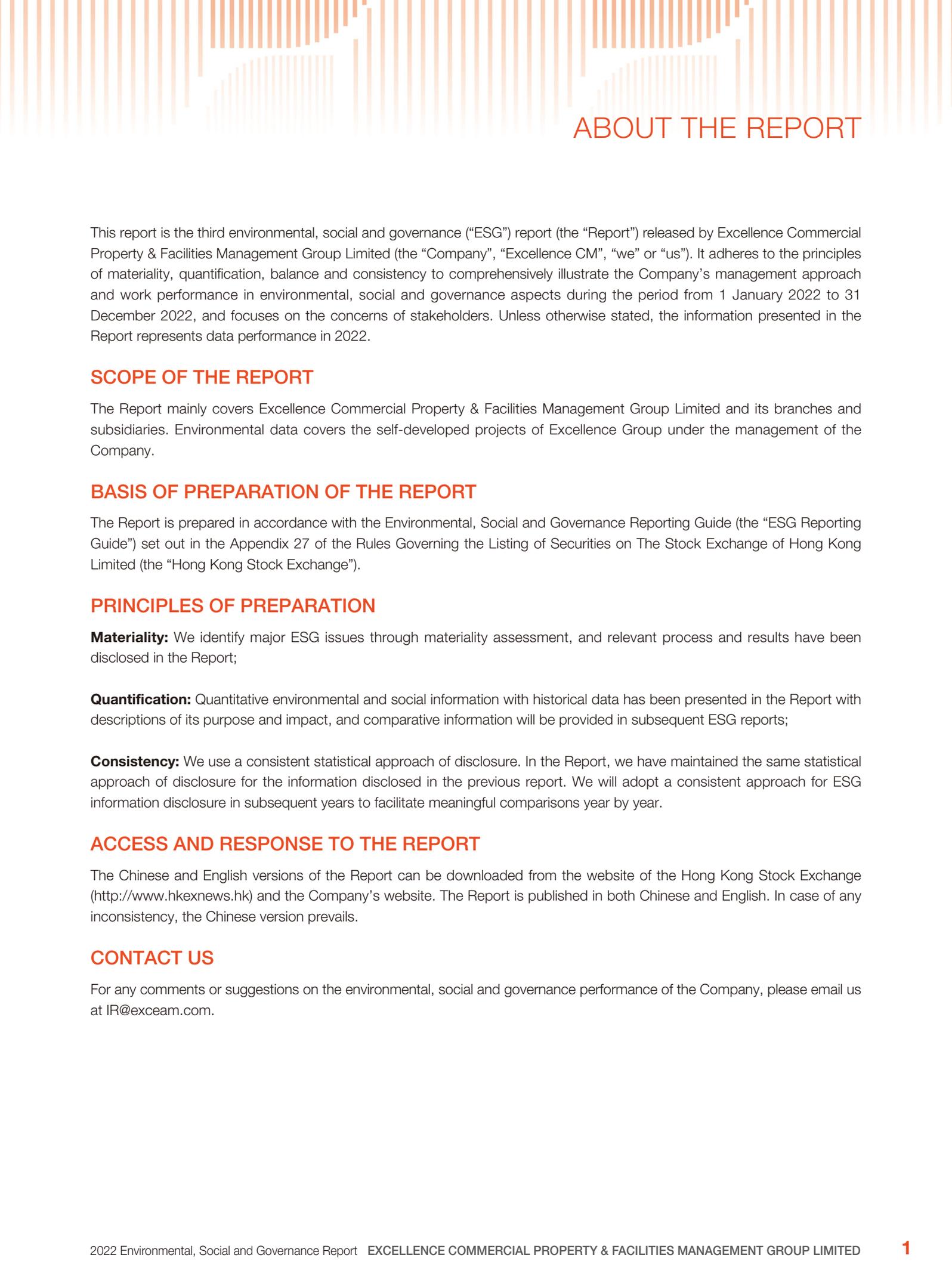
(Incorporated in the Cayman Islands with Limited Liability)

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ENVIRONMENTAL,
SOCIAL AND GOVERNANCE REPORT



ABOUT THE REPORT

This report is the third environmental, social and governance (“ESG”) report (the “Report”) released by Excellence Commercial Property & Facilities Management Group Limited (the “Company”, “Excellence CM”, “we” or “us”). It adheres to the principles of materiality, quantification, balance and consistency to comprehensively illustrate the Company’s management approach and work performance in environmental, social and governance aspects during the period from 1 January 2022 to 31 December 2022, and focuses on the concerns of stakeholders. Unless otherwise stated, the information presented in the Report represents data performance in 2022.

SCOPE OF THE REPORT

The Report mainly covers Excellence Commercial Property & Facilities Management Group Limited and its branches and subsidiaries. Environmental data covers the self-developed projects of Excellence Group under the management of the Company.

BASIS OF PREPARATION OF THE REPORT

The Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) set out in the Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”).

PRINCIPLES OF PREPARATION

Materiality: We identify major ESG issues through materiality assessment, and relevant process and results have been disclosed in the Report;

Quantification: Quantitative environmental and social information with historical data has been presented in the Report with descriptions of its purpose and impact, and comparative information will be provided in subsequent ESG reports;

Consistency: We use a consistent statistical approach of disclosure. In the Report, we have maintained the same statistical approach of disclosure for the information disclosed in the previous report. We will adopt a consistent approach for ESG information disclosure in subsequent years to facilitate meaningful comparisons year by year.

ACCESS AND RESPONSE TO THE REPORT

The Chinese and English versions of the Report can be downloaded from the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the Company’s website. The Report is published in both Chinese and English. In case of any inconsistency, the Chinese version prevails.

CONTACT US

For any comments or suggestions on the environmental, social and governance performance of the Company, please email us at IR@exceam.com.

CONTENTS

ABOUT THE REPORT	1
Scope of the Report	1
Basis of Preparation of the Report	1
Principles of Preparation	1
Access and Response to the Report	1
Contact Us	1
INTRODUCTION OF THE COMPANY	4
About Excellence CM	4
Results for the Year	5
Awards and Accolades	6
STATEMENT OF THE BOARD OF DIRECTORS	8
CHAIRMAN'S MESSAGE	9
ESG OVERVIEW	10
ESG Governance	10
Stakeholder Engagement	10
Identification of Material Issues	12
1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS	13
1.1 Concept of Quality and Comfortable Lifestyle	13
Digital reform for internal management	17
Intellectual property rights and customer privacy protection	20
1.2 Listening Carefully to Solve Customers' Problems	22
Quality Customer Service	22
Customer Satisfaction of Excellence CM	24
1.3 Green Procurement to Achieve Harmony and Win-win Results	26
Introduction of suppliers	26
Suppliers' access	27
Supplier contractual performance and post-performance assessment	27
Inspection and evaluation of suppliers' environmental and social factors	28

CONTENTS

2. RECRUITING TALENTS FOR COMMON GROWTH	31
2.1 Equal Employment and Protection of Rights and Interests	31
Employment	31
Employee benefits and care	33
Employee rights protection	35
Employee communication	35
Employee diversity and prevention of child labour and forced labour	36
2.2 Employee Training for Development and Advancement	36
Employee promotion	36
Staff training	37
2.3 Protecting and Caring for Employee Health and Safety	40
Occupational health and safety	40
3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION	41
3.1 Emissions Control to Protect the Environment	41
Management of exhaust gas and greenhouse gas emissions	42
Waste discharge management	42
Wastewater management	43
3.2 Energy Conservation and Consumption Reduction by Green and Low Carbon Operation	44
Energy saving and consumption reduction	45
Water resources management	48
3.3 Evaluating and Addressing Climate Change	49
Governance	49
Strategy	49
Risk management	50
Indicators and goals	51
4. OPERATIONAL COMPLIANCE, INTEGRITY AND HONESTY	52
5. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY	54
Establishment of Excellence Group Charity Foundation	54
Rural revitalisation work	55
Community public welfare activities	58
APPENDIX	59
2022 Awards and Accolades	59
Index of Environmental, Social and Governance Reporting Guide of the Hong Kong Stock Exchange	61
COMMENTS AND FEEDBACK	68

INTRODUCTION OF THE COMPANY

ABOUT EXCELLENCE CM

Established in October 1999, Excellence Commercial Property & Facilities Management Group Limited is a leading commercial real estate service operator in China, which is dedicated to the provision of customised one-stop comprehensive operation and management services for customers and offers full-life cycle asset maintenance and full-chain overall service solutions.

With its management experience accumulated over two decades, the Company has formed a well-established comprehensive commercial property service model: focusing on commercial properties as its primary development path to achieve a diversified combination of full range of businesses covering high-end commercial office buildings, commercial complexes, high-tech industrial parks, government buildings and residential apartments. The Company offers real estate consulting, asset operation and management, equipment and facilities management, comprehensive administrative logistics and other services. The Company has expanded value-added businesses to boost profit growth, innovated high-end business services, focused on the development and practice of commercial real estate, and developed a complete business chain of real estate life-cycle operation and management services, in order to achieve the management goal of preserving and increasing the value of its assets. The Company has also established new pilot projects for medical services, urban services and government building services, in an effort to enhance overall competitive edges and accelerate business development by promoting the Company's large-scale operation through merger and acquisition and cooperation.

Excellence CM is a holder of the national first-class property management qualification, and a standing director unit of China's property management industry. As a leading enterprise in the field of commercial property services in China, the Company has been intensively developing the field of commercial property services for over two decades, and has continuously innovated intelligent means through its in-depth understanding of the major market areas of property services and customer needs. While providing customers with professional basic management services, it offers customers with overall solutions for customised real estate full-life cycle services and full-chain comprehensive facility management services so as to achieve users' comprehensive value expectations. At present, the Company provides services for a number of Fortune 500 companies including many well-known high-tech, Internet and financial enterprises, and has successfully established itself as an international high-end business enterprise real estate operation service provider, which has been well received and unanimously recognised by the industry.

With years of successful experience in the field of high-end commercial property services, the Company has developed a well-established comprehensive commercial property service operation model. The Company has also been certified with ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, ISO 50001 Energy Management System and Other Management System Certification successively. Its standardised workflow, well-established management system and solid precipitation of management provide strong support and assurance for the daily operation of existing projects and the undertaking of new projects. The Company introduces advanced service concepts constantly to dock with international standards. The Company has been successively certified as a platinum member of the International Building Owners and Managers Association (BOMA), a member of the International Facility Management Association (IFMA) and a member of the Royal Institute of Chartered Surveyors (RICS).

INTRODUCTION OF THE COMPANY

RESULTS FOR THE YEAR

For the year ended 31 December 2022, our contracted GFA was approximately 70 million sq.m.¹, representing an increase of approximately 23% as compared to those as at 31 December 2021, with business coverage spanning 2 countries, 17 provinces; the GFA under management amounted to approximately 54 million sq.m.², with 587³ projects under management, representing an increase of approximately 30% and 13%, respectively, as compared to those as at 31 December 2021. As of 31 December 2022, our business has expanded from Shenzhen to 53 cities in China. Most of these cities are located in the most economically developed area, such as the Greater Bay Area, the Yangtze River Delta Region and regional key cities in China. Among them, the Greater Bay Area⁴, the Yangtze River Delta Region⁵ and the other regions⁶ accounted for 43.5%, 19.7% and 36.8% of the GFA under management, respectively.

Contracted GFA	70 million sq.m.
GFA under management	54 million sq.m.
Number of projects under management	587
Business coverage	2 countries, including 17 provinces, and 53 cities in China
Proportion of the GFA under management in the Greater Bay Area	43.5%
Proportion of the GFA under management in the Yangtze River Delta Region	19.7%
Proportion of the GFA under management in the other regions	36.8%
Operating income in 2022	RMB3,527.40 million
Proportion of commercial properties	77%
Proportion of public properties	7.5%
Proportion of Residential Properties	15.5%

1 included the 5.8 million sq.m., which was managed by the Company for most of the year and was terminated on 22 December 2022 as a result of disposal of subsidiaries, for comparison.

2 included the 4.6 million sq.m. (5.0 million sq.m. is calculated according to the Company's management timeweighted), which was managed by the Company for most of the year and was terminated on 22 December 2022 as a result of disposal of subsidiaries, for comparison.

3 included 115 projects, which was managed by the Company for most of the year and was terminated on 22 December 2022 as a result of disposal of subsidiaries, for comparison.

4 Cities in which we provided property management services to properties in the Greater Bay Area including Shenzhen, Guangzhou, Zhuhai, Huizhou, Dongguan and Zhongshan, etc.

5 Cities in which we provided property management services to properties in the Yangtze River Delta Region including Shanghai, Nanjing, Hangzhou, Suzhou, Jiaxing, Yangzhou, Nantong, Wuxi and Taizhou, etc.

6 Cities in which we provided property management services to (i) properties in the other regions in China, including Beijing, Xi'an, Qingdao, Zhengzhou, Chongqing, Chengdu, Wuhan, Tianjin, Jinan, Shijiazhuang, Changsha, Fuzhou, Nanchang, Jinjiang; and (ii) projects in India.

INTRODUCTION OF THE COMPANY

AWARDS AND ACCOLADES

No.	Title of the Awards and Accolades	Awarding Unit
1	TOP100 Property Management Companies in China for fifteen consecutive years (TOP13)	Beijing CMI Information Technology Research Institute
2	2022 China Office Property Management Exceptional Companies	Beijing CMI Information Technology Research Institute
3	China Property Service Outstanding Enterprise in terms of ESG Development in 2022	Beijing CMI Information Technology Research Institute
4	Top 100 Property Service Companies in 2022	CRIC China
5	2022 China TOP 20 Office Property Service Enterprises	CRIC China
6	2022 Top 20 of China Property Management Companies	CRIC China, China Property Research Association
7	2022 Top 30 Property Management Service South China Brand Enterprise	CRIC China, China Property Research Association
8	China Leading Enterprise in terms of Office Property Services in 2022	CRIC China, China Property Research Association
9	Leading Enterprise in Property Services for Industrial Parks in China in 2022	CRIC China, China Property Research Association
10	Top 100 Property Service Companies in Guangdong-Hong Kong-Macao Greater Bay Area in 2022 (TOP13)	CRIC China, China Property Research Association
11	2022 Office Property Service Enterprises in Guangdong-Hong Kong-Macao Greater Bay Area (TOP1)	CRIC China, China Property Research Association
12	2022 Office Property Service Brand Enterprises in Guangdong-Hong Kong-Macao Greater Bay Area (TOP9)	Guangdong Property Management Industry Association

INTRODUCTION OF THE COMPANY

AWARDS AND ACCOLADES



Please see Appendix for the rest part of the Company's awards and accolades for 2022.

STATEMENT OF THE BOARD OF DIRECTORS

As a leading property management company in China, Excellence CM's major development goal is to assist customers in achieving their visions. In this regard, the Company keeps abreast with the industry trends and market dynamics to further implement its sustainable development goals. With solid and comprehensive facility management capabilities as well as rich experience in serving commercial properties, we have developed a set of sustainable business models in the field of commercial property services, aiming to help customers to realise their great visions through the achievements we have accomplished over the years.

The Board is responsible for all aspects of environmental, social and governance of the Company and is able to identify, assess and determine the relevant risk factors in relation to environmental, social and governance. It is responsible for overseeing, promoting and implementing the Company's strategy and ESG issues. The Board regularly reviews and examines ESG issues, keeping in mind corporate social responsibility and striving to build a better community environment.

With its systematic operation capability and high-end commercial service quality, Excellence CM has strategically focused on the 2+X business model in the non-residential sector, continued to strengthen the advantageous FM and PM business models, established a competitive barrier of full-lifecycle asset maintenance and full chain comprehensive services to achieve remarkable expansion achievements.

After 23 years of cultivation, Excellence CM has developed a set of relatively mature high-end commercial property and enterprise comprehensive facility management service solutions that can better meet the customers' needs in administration.

In the future, Excellence CM will continue to better integrate social and natural environment factors into the business development (including facility management, service innovation, management innovation and digital upgrade) in the process of high-quality growth and achieving sustainable development goals, in an attempt to achieve social sustainable development goals.

This Report discloses in detail the progress and effectiveness of the ESG task of Excellence CM in 2022. The Board and all directors of Excellence CM assure that this Report contains no false information or misleading statements or material omissions and that they are jointly and severally responsible for the truthfulness, accuracy and completeness of its content.

CHAIRMAN'S MESSAGE

Dear stakeholders,

As a leading commercial real estate service operator in China, Excellence CM provides customers with full-lifecycle asset maintenance and full chain service solutions. Excellence CM has always been concerned about the basic needs and growing value experience of each stakeholder to continuously enhance their understanding of the Company's development and operating policies, and provide timely and effective feedback on their demands to ensure the cooperative relations and common development of the two parties.

Excellence Group, Excellence CM and its affiliated companies have long been committed to charity undertakings with the vision of "caring for the public welfare with common efforts to build a life of excellence", building a brand of public welfare with the characteristics of excellence – Excellence Charity. Donations from Excellence Charity cover education, rural help, healthcare, ecological protection, post-disaster aid and construction, rural revitalisation, etc.

We value the health and safety of our employees, protect their rights and interests, and create a comfortable office environment. In our daily operations, we continue to cultivate employees' awareness of environmental protection, actively fulfill our social responsibility and green low-carbon development, and strive to realise the sustainable development of the community and the property.

In 2022, we have continued to strengthen our investments in all aspects of ESG. The Intelligent Community of Excellence CM upholds the "people-oriented" principle. With years of experience in office services, we continue to demonstrate our achievements in administrative support, employee welfare, space value-added and other segments, empower traditional industries to drive industry upgrades and improve efficiency and experience through service innovation and technology innovation, and strive to strengthen the quality of property services, thereby establishing a long-term mechanism for property quality management.

We uphold the business philosophy of "pursuing excellence and striving for transcendence", and actively cooperate and exchange with various stakeholders to build digital solutions for the full lifecycle of properties and facilities, such as operation and maintenance management, project management, space management and energy consumption management through a standardised and intelligent information system, which has greatly improved management efficiency and achieved cost reduction and efficiency enhancement while safeguarding service quality.

Driven by both technology and talent, Excellence CM is committed to becoming "a leading commercial real estate service operator in China". In the next three years, Excellence CM will aim to achieve substantial growth in turnover, strengthen internal development, and formulate a "moat creation plan". We will build our core competitiveness with the main focus on the three major aspects of team building, business building and competence building to provide support in pursuit of our strategic goals.

We will continue to uphold the philosophy of sustainable development by maintaining communication with stakeholders, deepening corporate development strategy and the social environment, sharing information on major sustainable development issues, and creating excellent value with stakeholders in meeting social needs and overcoming common challenges.

Chairman of the Board and Chairman of the Strategy and ESG Committee

Li Xiaoping

April 2023

ESG OVERVIEW

ESG GOVERNANCE

The Board of the Company has always maintained a supportive attitude towards ESG matters, and has actively promoted and responded to the implementation of relevant measures. On 19 April 2022, the Board of the Company established the Strategy and ESG Committee, which is one of the committees under the Board. It consists of the Chairman of the Board, executive directors, non-executive directors and independent non-executive directors, and is responsible for supervision, promotion and implementation of the strategic and ESG matters of the Company. The ESG-related responsibilities and powers of the Strategy and ESG Committee under the Board are as follows:

- to assist the Board in setting ESG strategic goals and implementation plans, and also lead the ESG task group at the operational level;
- to supervise the Company's implementation of ESG strategy and the progress of objectives, to evaluate the potential impact of ESG work on the Company's business model and related risks, listen to internal and external feedbacks on ESG work, and put forward improvement suggestions for the subsequent ESG work;
- to evaluate the effect and impact of the Company's ESG governance, promote the establishment of ESG culture, review the ESG report of the Company;
- to inspect and evaluate the implementation of the above matters, and to make timely recommendations for adjustment.

Meanwhile, the ESG working group is responsible for ESG supervision and coordination, implementing decisions of the decision-making organisation, communicating and coordinating ESG related affairs, organizing the preparation of ESG reports and reporting to the Board on the implementation of relevant work on an annual basis.

In addition, as executive organisations for specific works, the Company's various functional departments and subsidiaries implement the ESG plan formulated by the task group, effectively record and report ESG-related data, and fully put the ESG-related management work into practice.

STAKEHOLDER ENGAGEMENT

The Company's ESG stakeholders mainly include internal employees, suppliers, customers, shareholders and investors, the government, and the communities where it operates. We take practical actions to contribute to social development with our stakeholders, focus on establishing a smooth and transparent communication mechanism with our stakeholders to enhance their understanding of the Company's development and operational policies, listen to the stakeholders and provide timely and effective feedback on their demands. We are committed to taking care of various stakeholders, providing stakeholders with suggestions, and incorporating their demands into our corporate decision-making.

ESG OVERVIEW

Stakeholder	Government	Shareholders and investors	Employees	Customers	Suppliers	Community
Community	<ul style="list-style-type: none"> Respond to national policies Operate according to laws and regulations Pay taxes according to laws Promote employment 	<ul style="list-style-type: none"> Business strategy and financial performance Protect shareholders' rights and interests Business sustainability Corporate transparency 	<ul style="list-style-type: none"> Remuneration and benefits Protection of rights and interests Career development Safety and health Corporate culture 	<ul style="list-style-type: none"> Timely service Safety of residents Privacy protection Continuously improve service quality 	<ul style="list-style-type: none"> Abide by commercial ethics and state laws and regulations Be transparent and fair Accomplish commitments, and achieve mutual benefits and win-win cooperation 	<ul style="list-style-type: none"> Host community events Participate in community building Invest in community charity Promote community development
Method of Communication	<ul style="list-style-type: none"> Participate in discussion for formulation of relevant policies Contribute corporate experience Guide and influence public policies actively Dialogue with the local government 	<ul style="list-style-type: none"> Enhance information disclosure Board meeting, shareholders' meeting and investors' meeting Direct communication among shareholders Roadshows Telephone conference 	<ul style="list-style-type: none"> Employee representative of the board of supervisors Staff union Employee representative meeting Employee survey and feedback Enhance information disclosure 	<ul style="list-style-type: none"> Communication during the process of service activities Owner survey and feedback Complaint hotline Enhance information disclosure 	<ul style="list-style-type: none"> Announce the management rules of the suppliers Contract negotiation Daily business communication Enhance information disclosure 	<ul style="list-style-type: none"> Dialogue with the local government and organisations Community visits and communication Enhance information disclosure
Key Actions	<ul style="list-style-type: none"> Implement national policies, abide by state laws and regulations Accept supervision and check-ups Create more labour positions to promote employment Cooperate with government to guide garbage classification File tax returns in a timely manner 	<ul style="list-style-type: none"> Convene shareholders' meetings regularly Convene Board meetings regularly Convene investors' meetings Disclose statutory issues in a timely manner 	<ul style="list-style-type: none"> Enhance trainings for employees in respect of culture and skills Improve employees' working and living environment Guarantee employees' rights and interests, and improve their benefits and welfare Guarantee for employees' health and safety Establish a staff union 	<ul style="list-style-type: none"> Normalised and standardised services Conduct regular satisfaction surveys Respond to customer complaints and provide them with feedback in a timely manner Practically protect customer privacy 	<ul style="list-style-type: none"> Set up an open and transparent tendering system Set up a communication platform for suppliers Perfect the supplier selection system Offer equal opportunities to suppliers 	<ul style="list-style-type: none"> Regularly host activities to benefit the community Encourage good deeds Be passionate about public welfare, and give back to society Conduct volunteer activities for employees

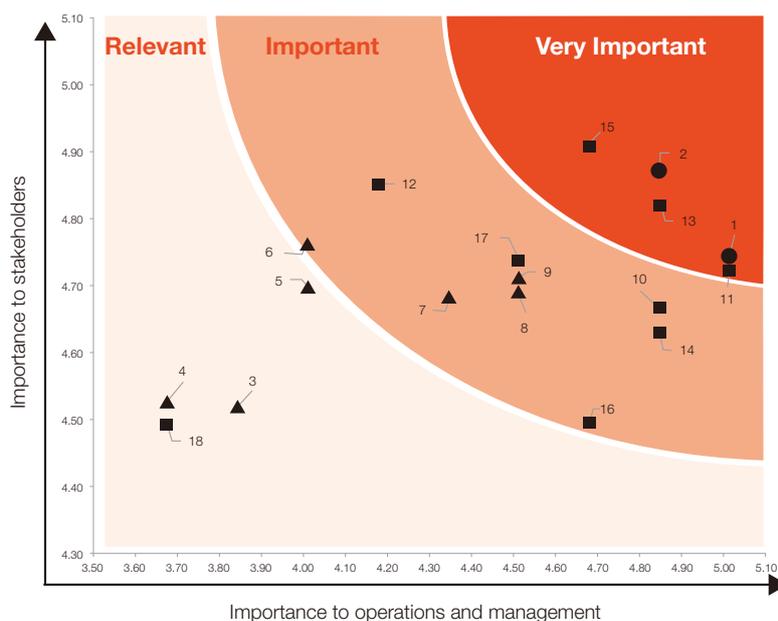
ESG OVERVIEW

IDENTIFICATION OF MATERIAL ISSUES

In the 2022 ESG report, we obtained the materiality assessment from internal and external stakeholders through questionnaires. We will also continuously pay attention to all stakeholders, and review and update the materiality assessment, so as to achieve a more accurate and thorough understanding of the demands of various parties, and to provide guidance and direction to the enterprise's business operations and works related to environmental, social and governance.

We have fully considered the importance of each key performance indicator to the operation and the stakeholders. After comprehensive evaluation, we have selected the following indicators as the major influential aspects of the Company's sustainable development. While taking all environmental and social responsibilities into consideration, the Company has paid more attention to the following areas.

Based on the analysis and summary of the results of the materiality assessment from all stakeholders, we have formed the following materiality assessment matrix. Based on the key concerns of stakeholders over our business operations, environment, society and governance, and according to the Environmental, Social and Governance Reporting Guide, we mainly focus on social aspects such as customer complaints and service quality, as the Company mainly provides property management services.



Among which, ▲ refers to environmental; ■ refers to social; ● refers to governance

No.	Issue	No.	Issue	No.	Issue
1	Corporate culture	7	Water resources management	13	Employee occupational health and safety
2	Anti-corruption	8	Use of energy	14	Customer service quality management
3	Greenhouse gas emissions	9	Addressing climate change	15	Customer privacy management
4	Air emissions	10	Protection of employees' rights and interests	16	Smart community
5	Waste management	11	Employee development and training	17	Suppliers management
6	Wastewater management	12	Anti-child labour and forced labour	18	Social public welfare activities

1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

1.1 CONCEPT OF QUALITY AND COMFORTABLE LIFESTYLE

The Company has always taken high-quality development as its sustainable development goal and has established a standardised system management model. Pursuant to its principle for quality governance of “Profession and Standardisation, All Staff Participation, Innovation for Sustainability, Building a Bright Future”, the Company issues the Annual Targets Responsibility Letter regarding quality/occupational health/environment/energy, and implements the quarterly review mechanism. In 2022, the Company was awarded the “Comprehensive Sustainable Value Enterprise”, “Annual Sustainable Development Achievement – Outstanding Award”, which indicated that the continuing efforts of the Company has been making in quality construction for the long term was recognised by the industry. In the future, the Company will vigorously promote the digital transformation and high-quality operation model and reorganize the business processes, to improve its delivering capabilities.

- **Community Cultural Activities for Office Buildings:** In 2022, the life circle activities of the business project of Excellence CM covered 19 office buildings and 100,000 white-collar customers, where Excellence CM have held over 100 activities for the whole year. In 2022, Excellence CM carries out the brand upgrading of the community culture of office buildings, launches four series of customer IP activities including the “Enterprise Alliance”, “Excellent Club”, “Self-pleasure Party” and “Light, Shadow, Sound and Color”, builds a healthy urban lifestyle and spiritual territory that connects people to people, people to buildings, and people to cities.
- **Community Cultural Activities for Residential Properties:** Apart from undertaking the Life Circle IP of Four Seasons of Excellence Group, carrying out series of activities including “Excellence Happiness Season, Excellent Health Season, Excellent Growth Season, Excellent Thanksgiving Season” and traditional holidays, it also combines outdoor sports, community handicrafts, film festivals and public welfare activities, etc., starting from the needs of the property owners, paying more attention to the highlights and content of the activities, and creating a harmonious and beautiful life for the neighbors.

Case: Excellence Friendship

In 2022, Excellence CM continued to carry out community cultural activities for residential properties, covering more than 40 cities, over 100 communities and hundreds of thousands of property owners across China, and jointly holding over 100 community cultural activities each year; at the same time, we launched a series of activities, namely “Happiness Season, Health Season, Growth Season and Thanksgiving Season”, with the “Excellence Friendship” lifestyle IP, to create an ideal living atmosphere for healthy community operation and harmonious neighborhood that integrate the interests of citizens nowadays.



1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Case: Four major series of customer IP activities

We start with the beginning and end with the development of the city as an important factor in putting people first. In the construction of urban commercial life, Excellence CM always focuses on the people. We give full play to the role of bridge to break the barriers between communities and cities, enabling customers, property owners and partners to be involved in the “Excellence Life Circle” so as to meet a higher level of diversified mental needs in the process of participation, interaction, joint construction, joint governance and sharing, while passing on and inheriting humanistic spirit of cities.

- **Aesthetics of light and shadow:** Create an amazing aesthetics of workplace space and share love and hope to all excellent hard-working people.
- **Joyfulness:** Provide a rich, diversified, open, sharing, energetic and healthy Excellence WELL commercial ecosystem experience, bringing humanistic spirit to business space and community activities.
- **Enterprise Alliance:** Connect enterprises, employees and industry services, promote efficient corporate offices, and create a new workplace culture.
- **Excellence Club:** Satisfy a higher-level growth and self-fulfilment needs of white-collar workers, enabling them to grow and achieve self-fulfilment through activities.

Aesthetics of light and shadow

Excellence CM successfully held the GOART international exhibition to bring together oil paintings and sculptures by artists from all over the world to the business space, shortening the gap between white-collar workers and the world of art.



Joyfulness

Excellence CM held “Excellence Dating Party” at the Shenzhen CBD and the High-tech Park.



1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Enterprise Alliance

A number of office projects under management of Excellence CM held super administration Mall pop-up activities simultaneously, with nearly 1,500 customers with corporate procurement needs participating in the experience.



Excellence Club

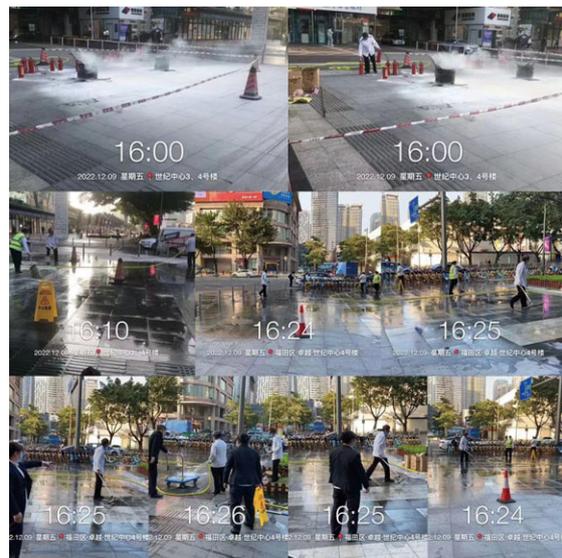
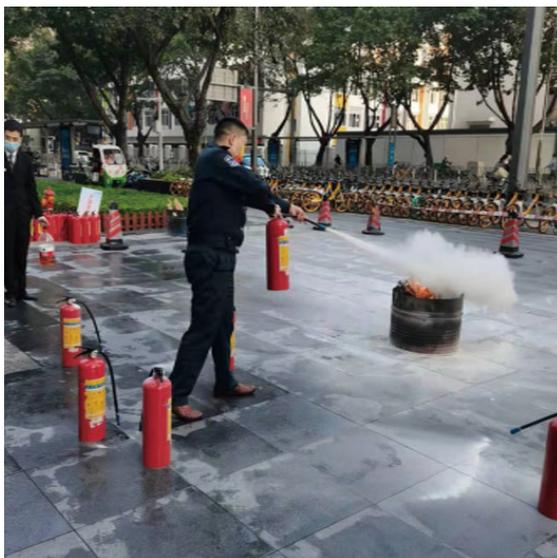
Excellence CM's Red wine tasting served as a professional quality platform for white-collar workers.



1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Fire drills:

In 2022, Excellence CM conducted fire drills for various property service projects, involving 10 regions, such as Beijing, Qingdao, Wuhan, Changsha, Southwest, South China FM region, South China PM region, South China residential region, East China commercial region and East China residential region, with 502 drills and 84,695 participants in total.



1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Digital reform for internal management

With respect to digitalization, Excellence CM applies IoT, big data, AI and other advanced technologies to create and promote an E+ smart two-pronged platform. Leveraging on digital operation management technology, the Company establishes digital solutions for the full-life cycle of properties and facilities such as operation and maintenance management, project management, space management, and energy consumption management to greatly enhance project management efficiency and safeguard service quality, while achieving costs reduction and efficiency enhancement. Service innovation and technology innovation are the fundamental internal driving force for long-term economic growth. Through the service innovation and technology innovation, Excellence CM empowers traditional industries to upgrade and improve efficiency and experience.

The Company uses the management platform of “integrating industry and finance” to conduct one-stop digitalised management of all financial and business procedures. Through the digital system that connects the whole business procedures, business data can be collected and timely analysed to generate statistical reports so as to quickly support the management to carry out business analysis and decision-making, and improve the risk control capability throughout the full-life cycle of projects from the stage of investment and expansion to operation. The Company has developed a knowledge management platform called “Think Tank” to realise centralised management and real-time sharing of professional knowledge, project experience, classic cases and other knowledge, improve knowledge collaboration, and achieve the inheritance and sharing of business management experience through the knowledge platform, in a drive to help improve the professional capabilities of our teams.

E+ smart two-pronged platform

As a solid supporter of digitalization and intelligence in the property management industry, Excellence CM is one of the companies in the property management industry that has made more investment in digitalization, technology and intelligence. Its E+ smart two-pronged platform leverages on digital operation management technology to establish digital solutions for the full-life cycle of properties and facilities such as operation and maintenance management, project management, space management, and energy consumption management to greatly enhance project management efficiency and safeguard service quality. Through the continuous implementation and application of the E+FM smart management information platform, Excellence CM has been constantly improving the level of intelligent operation, continuously reducing costs and enhancing efficiency while ensuring service quality, and promoting sustainable smart city operation with intelligent buildings.

E+ “Zhuopin” smart platform is an intelligent platform for commercial property service operation developed independently by Excellence CM. Excellence CM integrates intelligent and interconnected property service products with full-scenario commercial services to create a smart platform, smart business, smart community and smart life in connection with the operation of smart space via technology empowerment. Since its launch in 2015, the platform has gradually improved nearly 100 smart building functional scenarios, providing a smart office service platform for the commercial property service industry. Zhuopin smart platform is able to provide three terminals, namely APPs, public accounts and mini programs, based on customers’ needs, to reach customers in a convenient manner with smart communication and smart property service scenarios, gather key traffic resources by relying on two major functional scenarios of core high-frequency people-based and vehicle-based traffic, and provide supporting smart applications such as park service, administrative service, space service, property service, value-added service and customer service, so as to provide enterprise customers and park operations with an one-stop smart service platform.

1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

E+ smart two-pronged platform is composed of “E+FM” and Zhuopin platforms, empowering smart operations of commercial properties and city services by “professional services + service integration capability”. E+FM utilises “twin digital construction” and IOT technology to achieve the fundamental missions of “costs reduction and efficiency enhancement” of smart community and smart city services. At the same time, Zhuopin platform provides customers with simple and accurate comprehensive services as well as more valuable asset management operation services and commercial ecosystem services based on the diversified needs of users, with details to highlight service quality and innovative services to offer sustainable value enhancement for customers, thereby creating a win-win commercial space.

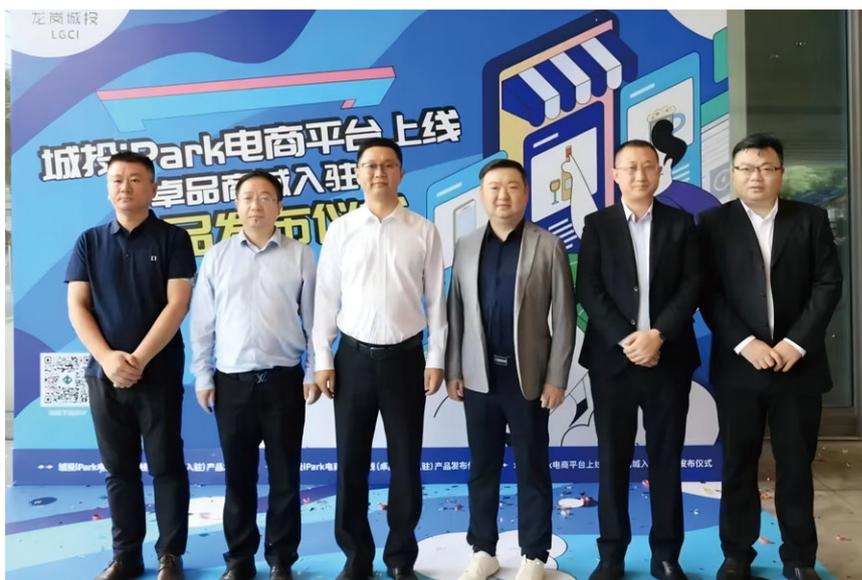


1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Zhuopin life Mall

Recently, Liu Songting, General Manager of Shenzhen Longgang City Investment Industry Development and Operation Co., Ltd. (龍崗區城投產業發展運營有限公司) and Liu Yang, Assistant General Manager of Excellence CM & General Manager of Zhuopin Business jointly cut the ribbon at the Longgang Venture Capital Building (龍崗創投大廈) to announce the launch of “Zhuopin life Mall” on the “City Investment iPark Platform” of the Longgang Park smart management system, and attended the City Investment Park Good Product Carnival.

The cooperation strengthens the progress of the all-round collaboration between both parties in the areas of property management and city services. Shenzhen City Investment Zhuoyue City Service Co., Ltd. (深圳城投卓越城市服務有限公司) was jointly established by Excellence CM and the Longgang City Investment Group to leverage on the resources in the respective areas, jointly expand a wider scope of cooperation, and strive to build a brand of city operation services. The launch of the City Investment iPark Platform and Zhuopin life Mall achieve in-depth integration of the value-added service platform of Excellence CM and the industry ecosystem, and provide park customers with diversified, multi-level, full-chain and full-lifecycle industry innovation ecosystem services.



1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Intellectual Property Rights and Customer Privacy Protection

With respect to intellectual property management, the Company follows the principle of central management in intellectual property and aims to make intellectual property a valuable asset and enhance corporate competitiveness. As at the end of 2022, the Company had 3 utility model patents, namely, power distribution cabinet for property management, dangerous area alert device for property management, and vegetation pruning device for gardening. In the future, we will continually strengthen our intellectual property reserves and enterprise competitiveness.



Patent Certificates

As to customer privacy, the Company has formulated *the Guidelines Governing Data Security on the Zhuopin Intelligent Platform* to set out the policy governing encryption requirements for server data on and login access to Alibaba Cloud. Customers who log in to the registration platform are required to sign an online user privacy agreement that complies with China's relevant Internet laws and regulations. Users can access the platform only after agreeing to the agreement. The platform system carries out hierarchical management of all users' data permissions. Zhuopin Intelligent Comprehensive Open Platform respects the protection of users' personal information. When customers use the services provided by Zhuopin, Zhuopin clearly introduces to customers the way Zhuopin manages personal information through the privacy agreement to improve customers' privacy protection and personal data security.

1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

We take the following measures to protect customer privacy:

- Storing the information of customer identification in database in the form of ciphertext, and the sensitive customer information is also transmitted in the form of ciphertext.
- Using two or more combined identification technologies such as dynamic password, digital certificate, encrypted USB-Key, biotechnology and device fingerprint to the operation and maintenance hosts to detect user's identity.
- Applying the identity logos and identification to the logged-in users, the identity logos are unique, while the identification information involves complex requirements and is regularly replaced.
- Handling functions for login failure are set in place, and relevant measures such as ending sessions, limiting the times of illegal logins, automatically logging out when the login connection times out should be placed and applied.
- Applying the SSL protocol to ensure the confidentiality of important data during transmission.
- Using the auditing function for the database, protecting the audit records, and scheduling regular backups.
- Passing the national security protection level 3 standard.

As to customer privacy protection, we will continually optimise the management system on operation and maintenance, regularly check the data, regularly scan the system, check for security loopholes, improve the operation and maintenance management system, and strengthen the supervision on data operation.

1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

1.2 LISTENING CAREFULLY TO SOLVE CUSTOMERS' PROBLEMS

Quality Customer Service

The Company is accelerating the construction of the digital corporate services, continuously evolving the platform, product, supply chain and resource integration capabilities as well as online and offline integration operation capabilities, and continuously improving the value chain of the full scenario corporate services to increase the traffic and customer stickiness. We have established a customer service system consisting of a quality manual, professional procedure documents, professional operation SOPs and localisation, together with professional support documents of the headquarters. Professional design includes customer relationship, customer service, decoration management, house delivery and other management systems, implementing a three-tier management and implementation mechanism covering professional planning of headquarters, follow-up of regions and project localisation. In 2022, the Company fully explored strategic cooperation by establishing the strategic customer business department, and carried out in-depth cultivation so as to enlarge the customer business. The Company also significantly optimised the strategic customer development mechanism, established the exclusive strategic customer business department, allocated the dedicated strategic customer middle platform team, and carried out key support and pull-through management for strategic customers. This has forged a more sophisticated service cultivation capability that better meets the needs of major strategic customers, and has also highlighted the value-added and personalized services.

Customers can make enquiries and suggestions or provide feedback in the following ways: Excellence Group Hotline: 400 0086 000; Excellence CM Hotline: 0755-23989106 and commercial line call centre, residential project front desk and Zhuopin online platform to collect complaints and suggestions. Email: zy400@excegroup.com also accepts all kinds of complaints, inquiries and suggestions from customers. We use the 115-mechanism for response timeliness, which means to follow up within 1 hour, reply within 24 hours and close the case within 5 days in principle, with the processing results obtained within 30 days. Complaints are classified by specialty and daily, monthly, and quarterly data reports are included in performance appraisal. In the norms of complaint handling, customer complaint management methods and complaint handling procedures are clearly defined. We regulate the complaint handling requirements and time limits, and link them to performance. To provide feedback to customer complaints quickly, we have established a nationwide customer complaint feedback WeChat group for immediate follow-up, and publish a daily customer complaint notification. If customers are dissatisfied with our services, the project's property service centre will be primarily responsible for taking the lead in contacting the customers and communicating with them, and gradually escalate to the district and headquarters for follow-up, so as to meet customers' needs within the legal, compliant and reasonable scope of services.

We divide complaints into categories such as comprehensive customer service, engineering, safety, environment, and third parties. In 2022, Excellence CM received 1,078 complaints in total via 400-hotline, and a total of 1,609 complaints were received from the smart cloud platform and the project reception, with the complaint closure rate and the effective complaint return visit of 100% and 100%, respectively. The primary demands of the owners for property management services come from the housing repair progress regarding product quality, and the service attitude and the timeliness of the response of the property management services to the customer's demands. During the year, there were no liability violations involving the health and safety, advertising, trademark and privacy of products and services provided, and no recalls of sold or delivered products for safety and health reasons.

1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Since entering the areas of commercial property and IFM full scenario services in 2006, Excellence CM has secured a cumulative of over 500 service projects and over 15,000 corporate customers' recognition with its core commercial property scenarios such as corporate headquarters buildings, office/R&D/logistics parks and workplace properties, creating a number of high-tech industry benchmark projects such as Shenzhen • Tencent Building, Guangzhou • Vipshop Global Headquarters Building, Shenzhen • DJI Headquarters, Guangzhou • XPENG Motors Headquarters, Suzhou • Huawei Suzhou Research Institute, Chengdu • JD.com Southwest Headquarters, Shenzhen • Alibaba Centre, and OPPO/VIVO workplaces across China. In addition, through intensive expansion in recent years, we have formed a matrix of quality clients, mainly leading Internet companies, renowned corporate headquarters, technology companies, Fortune 500 companies and unicorns.



1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Case: Excellence CM was invited to attend the “Work&Wow! Office Experience Festival”

“Work&Wow! Office Experience Festival” an annual grand festival of the corporate administration office sector, was held in Shenzhen. Excellence CM was invited to attend the event. Based on the premise of “constructing a common office”, Excellence CM provided insightful and referenceable opinions and suggestions on the popular topics such as service boundary changes, relationship between management and services, costs reduction and efficiency enhancement, etc., demonstrating the benchmark projects and operational strength of the capital management of Excellence CM to more than 600 distinguished guests in the area of corporate administration.



Customer Satisfaction of Excellence CM

In 2022, the Company obtained customer satisfaction for the year through an external satisfaction survey. The satisfaction survey target of the Company was set by Excellence Group, divided by headquarters, regions and projects and assessed quarterly and annually to realise the target, which are mainly reflected in three aspects:

- Survey results through third-party questionnaire telephone interviews: 79 points for self-owned properties, the 2022 industry average is 71, and its third-party test results are above the peer industry average
- Survey results through third-party questionnaire visits: 99 points for self-owned commercial properties
- Results provided by Party A's contract performance: 91 points for the annual satisfaction of external project performance

In 2022, we actively cooperated with communities, sub-district offices and owners' associations in the prevention and control of the pandemic, organized effective door posts, buildings and customer convenience services, which have won the recognition and trust of the property owner groups. We have developed and launched the data platform in an all-around way, implemented online collection, input and reply of customer orders, complaints and suggestions, and processed them within a time limit and included them in appraisal.

The Company is very concerned about customer feedback to further improve our quality services to customers. In 2023, the Company set up a satisfaction survey target to understand the concern of customers and the direction of operations and services by understanding customer satisfaction. Through internal support activities and external industry benchmarking, we provide products and brand support for properties and build a good service brand image of properties in the market.

1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Double Driver for Main Business and Diversified Growth of Value-added Service Business

One of the core fundamentals of Excellence CM is “professionalism”. Excellence CM focuses on commercial properties and develops a wide range of value-added services to meet customers’ needs, including asset services, corporate services and specific value-added services on top of the traditional basic property management services. We continue to maintain high growth momentum through double driver for main business. In 2022, all regions received recognitions from customers.



Changsha Blue City State Project
Outstanding Co-resident and Co-construction Unit



Wuhan Twin Crest Centre
Recognition for Problem Solving Capability and Responsible Services



South China Qidi Xiexin Project
Warm and Caring Tournament Services



Beijing Xiyue Qingcui Project
Customer-oriented and High-end Services

Note: Only some of the items are listed for recognition.

1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

1.3 GREEN PROCUREMENT TO ACHIEVE HARMONY AND WIN-WIN RESULTS

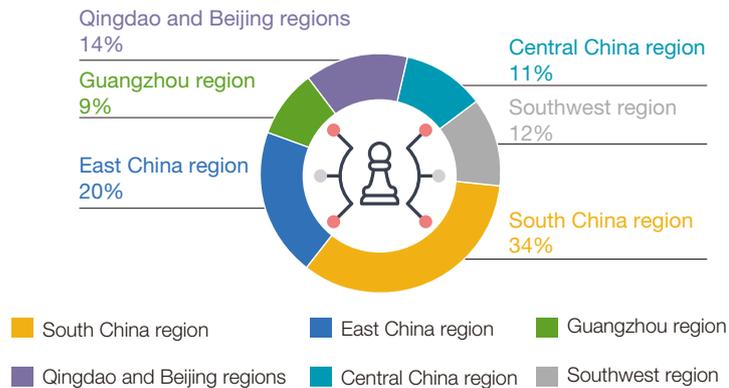
Introduction of suppliers

The Company exercises stringent controls over the selection of suppliers for materials procurement and service outsourcing, and clearly specify the selection of suppliers, procurement process, and certification of purchased products and services in its procurement control procedures. Moreover, the Company continues to consolidate and expand the partnership with its suppliers through good communication to keep supply channels stable and assure the quality of supply.

The categories of our suppliers mainly include property – material, property – engineering, repair and maintenance, property – service and labour outsourcing, insurance and insurance brokerage, IT (information and technology), brand design and event planning, supply chain and others, and Shenghengda EE, Shenghengda Elevator, Zhuopin Business Service business and E Butler business, etc.

The Company has a total of 2,112 certified domestic suppliers in our supply chain. The distribution of suppliers by region is illustrated in the chart below:

Distribution of the Number of Suppliers by Region (2,112)



Note: Guangzhou region is shown separately and is not included in the statistics of South China region.

1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Suppliers' Access

In line with our direction of business development and our development plan, we reserve the sourcing of supplier resources, and comprehensively evaluate suppliers' price levels, quality assurance, delivery capability, reputation risk and collaboration intention. These suppliers will be preliminarily reviewed and certified by our procurement staff. The preliminary review and certification will conduct a veto review on the corporate reputation, corporate qualifications, basic corporate information, financial conditions, and cooperation risks etc. of the suppliers. Our procurement staff will organize our professional and business departments to form an inspection team to conduct comprehensive evaluation, on-site inspections, case studies, and sample tests on the suppliers who have passed the preliminary review. The procurement staff will arrange on-site inspections, formulate plans, organize projects in need and professionals to conduct on-site inspections of suppliers, verify the information provided, inspect on-site operations, production, and services, take photos and related records, and complete the "Suppliers on-site Inspections Report". The suppliers under review will be included in the pool of qualified suppliers only after passing a test upon approval and examination by the staff in charge of procurement respectively. All of our suppliers follow this process for access. According to the procurement requirements of each project, we will select suppliers that meet environmental and safety requirements and have similar project implementation experience from the pool of qualified suppliers to confirm the selection of suppliers through price comparison, and execute the contracts after approval.

Supplier Contractual Performance and Post-performance Assessment

Performance Assessment:

- Project users and relevant personnel conduct timely evaluation and assessment before payments or on a regular basis. The assessment results are used as the basis for payment and constitute the data for post-performance assessment.
- According to the assessment standards agreed in the contract, after completing the evaluation, the evaluation results are submitted for review and approval by the responsible person.
- Satisfaction data will be counted for suppliers with third-party satisfaction survey data in cleaning, greening, and sterilization, and the evaluation results will be assessed as agreed in contracts.
- The integrity behaviors, safety incidents, and negative impacts of suppliers will be recorded to add or subtract points on the evaluation results according to assessment standards; the procurement centre will organize communication meetings to track supplier rectification and improvement based on the mid-month assessment.

1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Post-performance Assessment:

- Suppliers that complete a one-year contract period will be evaluated comprehensively after the performance of the contract, and the average value of the performance evaluation results during the contract period will be recorded as the evaluation result. We will also take into account the satisfaction scores given by Party A or third parties.
- The supplier rating result comes from the average value, and will be applied in contract renewal and supplier selection.
- **Hierarchical management of assessment results:** According to the rating result, with 75-score as the acceptance line, 20% of qualified suppliers will be rated as excellent suppliers, 20% as good suppliers and 50% as qualified suppliers, the remaining 10% will be used under restricted conditions, and those scoring below 75 will be unqualified suppliers.
- Those suppliers that touch the red line in terms of safety risks, social impact, breach of contract in anti-corruption and bid rigging and collusion will be blacklisted and will not be able to collaborate with us within 3 years. The procurement centre submits the hierarchy report every year to complete the review and approval.

Inspection and Evaluation of Suppliers' Environmental and Social Factors

In respect of the inspection of suppliers' social responsibility and environmental protection, we assess the suppliers' quality, health and environmental systems during the suppliers' access process, and conduct on-site inspection of the operation of these systems. During the performance of the contract, we conduct spot checks and assessments on the performance of the contracts, with regard to but not limited to the following: ① quality rendering; ② employment legality/salary benefits/insurance; and ③ whether the use of chemical materials conforms to national regulations, whether they have certificates of conformity, and whether inventory management meets EHS requirements. The Company will propose rectification requirements or deal with breach of contract based on the results of the spot checks and assessments.

In the technical proposal of the tender, the tender supplier is required to provide energy conservation and emissions reduction, staff optimisation and other solutions in the technical tender. The score will affect the result of the tender.

1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

We have adopted the following measures to identify the environmental and social risks associated with the supply chain involved in the process of suppliers' access and subsequent performance:

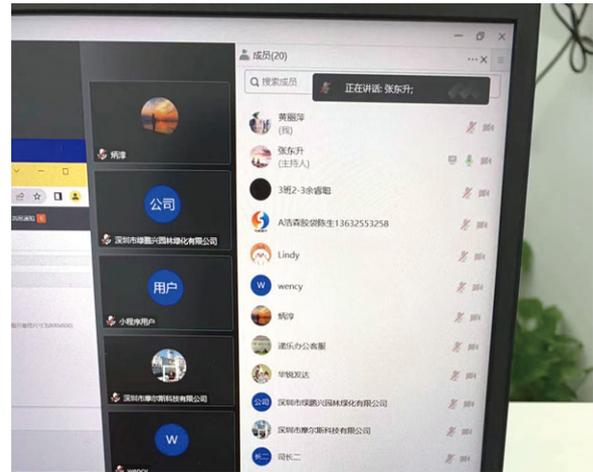
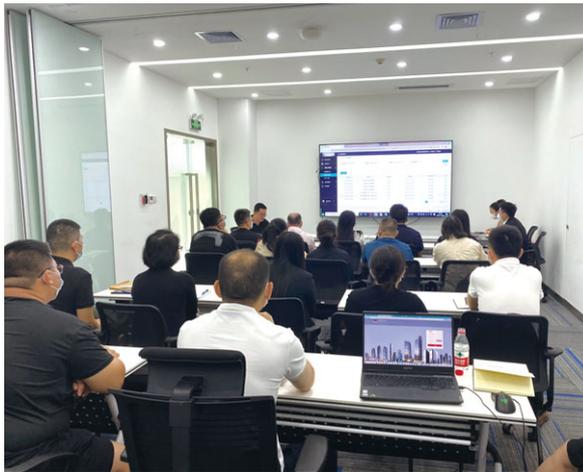
- Whether suppliers' passing certification standards, performance evaluation standards, performance inspection standards and post-performance ratings in the entire process meets the judgment of compliance with the performance of the contract; there is a timely reporting mechanism if a supplier touches the red line;
- Suppliers are reserved for planned development, with headquarters' central procurement covering the whole country, regions or city territories; 3-5 suppliers of each type in each city are reserved to make sure suppliers are reserved for selection in case of defaults;
- For subcontracting and engineering suppliers, before providing cleaning and greening services, they are required to provide employee health certificates; before providing exterior wall and engineering services, they are required to provide high-rise work certificates; and before carrying out high-risk operations, they are required to provide a certificate of insurance that covers special positions. The procurement centre strictly inspects the equipment for safety construction, inspect the construction materials to see if they pass standards, and supervise and conduct pre-job training for safe construction and safe operation guidance prior to construction or service.

In the process of purchasing materials, the Company chooses environment-friendly products based on the cost budget when selecting specifications and brands for various materials. Environment-friendly products are the preferred choices in selecting decoration materials, cleaning materials, security materials and other materials (for example, we purchase more environment-friendly natural resin paint as decoration materials, etc.). We review the qualifications of materials suppliers in the certification process, and make purchases from those suppliers with agency certificates, business licenses and other relevant certificates, and regular brands. Products and materials are inspected after they arrive. Sub-standard products will be returned and exchanged. Moreover, we will determine the warranty period and free replacement or repair during the warranty period.

1. SERVICE-ORIENTED AND JOINT ACHIEVEMENTS

Supplier Training:

Excellence CM launched the material procurement mall system in January 2022. After the launch of the mall system, we immediately invited our suppliers to conduct testing and training of the mall system. The suppliers provide us suggestions based on some problems identified in the mall system. Meanwhile, the suppliers will follow our new system operating guidelines subsequently.



We hold regular communication meetings for our core suppliers and strategic procurement suppliers in the level 1 category. Suppliers with outstanding performance will be recognised. In addition, we hold a supplier meeting in the first quarter of each year.

2. RECRUITING TALENTS FOR COMMON GROWTH

In terms of human resources management, the Company abides by national laws and regulations for enterprises such as *the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China, Tax Law of the People's Republic of China*, etc.

With respect to the human resources management, the Company established *Management Measures for Induction, Management Measures on Recruitment, Operating Guidelines for Employee Labour Contracts, Employee Labour Contract, Management Measures on Compensation and Benefits, Management Measures on Attendance*, etc., covering all the contents of the six aspects of human resources to improve reasonable management and realise the lean and efficient human resources; the Company's human resources management-related systems are amended and updated in line with the updates of national laws and regulations, local policies and company changes.

2.1 EQUAL EMPLOYMENT AND PROTECTION OF RIGHTS AND INTERESTS

Employment

The Company strictly follows the national laws and regulations in recruitment and dismissal. Internally, we establish *Recruitment Management Measures, Recruitment Incentive Operating Guidelines, and Management Measures for Induction* for reference and implementation. The system is comprehensive and clear.

The Company has a clearer description of the employee resignation process in the system according to the *Management Measures for Induction*, which is conducted online to facilitate the control of employee resignation across the country. The resignation process requires supervisors to conduct interviews with employees to determine the resignation related issues and gain a better understanding of the reasons for the employee's resignation. We interview the employees who intend to resign, and HR also pays attention to the situation from time to time for employees who intend to return. The Company also welcomes returning employees. The Company has established the *Attendance, Overtime and Leave Management Regulations*, which covers the leave regulations for all statutory holidays. The working hours also strictly comply with the national labour laws and regulations.

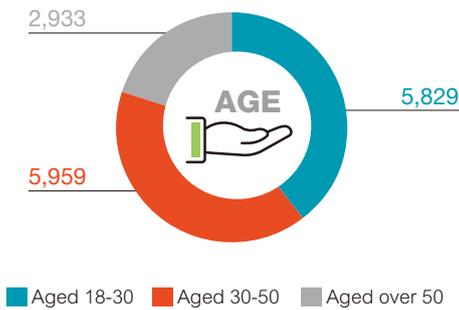
In terms of the remuneration system, the Company has formulated relevant *Management Measures on Compensation and Benefits, Operating Guidelines for Remuneration Adjustments*, and other relevant systems. The Company will reward the employees with excellent performance, and provide the opportunity of salary adjustment every year. In addition to the national benefits, the Company provides employees with additional commercial insurance, holiday subsidies, travel expenses, birthday expenses, childbirth compensation, etc.

In 2022, the Company's human resources goal was to increase timely recruitment rate, equip the Company with high quality talent in a timely manner, reasonably save the costs, improve the employee retention rate, strive for talent development and motivation system, and improve employee satisfaction.

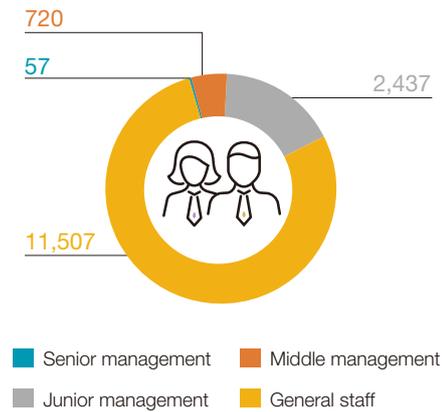
2. RECRUITING TALENTS FOR COMMON GROWTH

This year, the Company had a total of 14,721 employees (excluding employees of joint venture companies), all of whom are full-time employees, including 8,628 males, 6,093 females, and 40 disabled people. The proportion the disabled increased by 37.5% compared to last year. There were 119 student interns, 79 of whom were retained after graduation. The breakdown and turnover rates of employees are as follows:

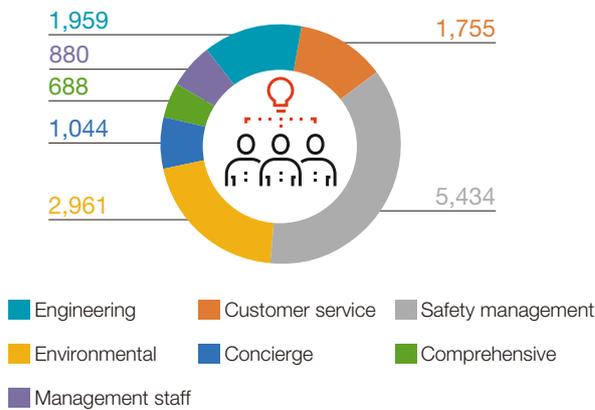
Breakdown of Employees by Age (persons)



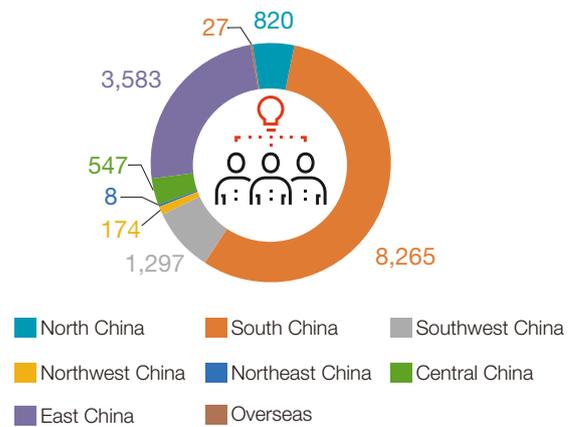
Breakdown of Employees by Level (persons)



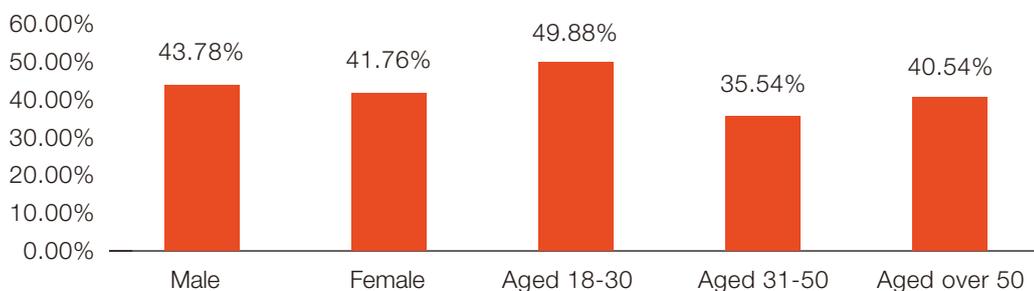
Breakdown of Employees by Function (persons)



Staff Area Distribution (persons)

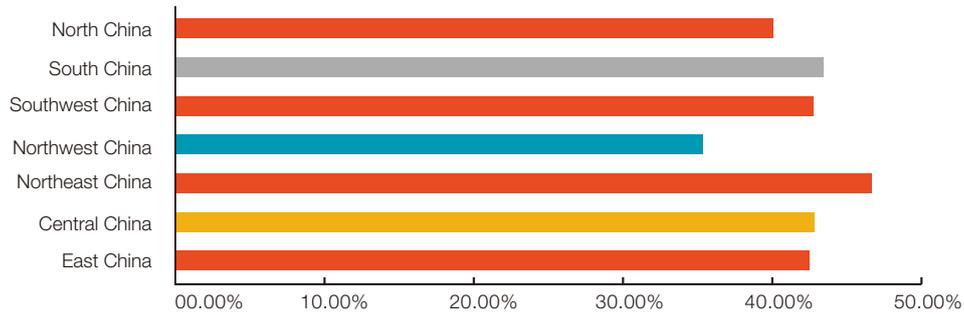


Employee Turnover by Gender and Age Group (%)



2. RECRUITING TALENTS FOR COMMON GROWTH

Employee Turnover by Region (%)



Note: Staff turnover rate: number of departures / (total number of employees + number of departures)

Employee benefits and care

The headquarters, regional companies and professional companies have set up and announced employee care hotlines to help employees solve problems in their work and life. In 2022, various cultural and sports activities such as quarterly employee birthday parties, employee appreciation days, Company celebrations and employee basketball tournaments were held at all levels of the headquarters and branches.



Employee basketball tournaments



Company celebrations



Dragon Boat Festival events



High temperature subsidies

2. RECRUITING TALENTS FOR COMMON GROWTH

From simplicity to sense of ceremony and to care, with regard to employee holiday benefits, in addition to the holiday subsidies and benefits covering all employees, we also distribute gifts to employees on the Women's Day, Dragon Boat Festival and Mid-Autumn Festival. During the year, a total of around 37,000 gifts were distributed to project employees throughout China. In 2023 and in the future, Excellence CM will carry out focused and in-depth employee care in the areas of employment, employee development, employee workplace improvement, female worker protection, organisation vitality, and employee corporate social responsibility, thereby further improving employee welfare policies and enhancing care.

In 2022, in addition to regular employee activities and employee care programs, the Company focused on pandemic protection, health protection and consolations, organized the purchase of pandemic prevention supplies such as medicines, testing reagents and masks, provided living supplies to employees in need, paid attention to the pandemic needs of employees at all times, set up a special award for outstanding pandemic prevention efforts, and granted incentives to employees in active cooperation with the pandemic prevention during the outbreak. For example, the Company commenced the allocation of pandemic prevention materials and disinfection work in the staff dormitories, distributed gifts, daily necessities and food for the staff on duty for pandemic prevention and control, recognised the heroes of pandemic prevention, and promoted the photography exhibition of moving moments of "Excellent Pandemic Prevention Staff", etc.

Excellence CM demonstrated a high-level sense of social responsibility and local awareness by actively cooperating with the government and providing meals for the government teams and volunteers. Excellence CM also deployed 960 people to fight against the pandemic, and stepped up its efforts to safeguard the city at the front line.



2. RECRUITING TALENTS FOR COMMON GROWTH

Employee rights protection

The Company has been committed to providing employees with generous treatment and benefits, fully protecting their rights and interests, and enhancing their sense of belonging. The Company provides annual physical examination for all employees, and the coverage rate reaches 100%. At the same time, in order to reflect the Company's humanistic care, advocate solidarity, love and goodwill and promote the spirit of love to help the needy and helpers, the Company will provide all-round support to help its employees to overcome difficulties and send warmth to them when they deal with unexpected events. These initiatives further protect the physical and mental health of our employees as well as the safety of our property, enabling them to better integrate into our family of Excellence. We believe that the health, safety and well-being of our employees is the cornerstone of our success. In 2022, the Love Foundation of Excellence CM launched 56 projects to assist employees, directly granting RMB288,228.354 with a total of 154 recipients. In addition, the Company provided about 790 dormitories for employees to fully safeguard their rights and interests, so that employees can feel the Company's uncompromising care.

Employee communication

➤ Arranging organisation vitality survey to increase employee engagement

In 2022, we launched a survey on Excellence CM's organisation vitality for all employees, listened to their voices, and improved their happiness, sense of achievement, and performance from all aspects of employee dedication and dynamics.

NEED YOUR VOICE

**从优秀到卓越
需要你的心声**

欢迎参加
卓越商企服务2022
组织活力度调研

参与时间
Time
5/16 - 5/27
2022 - 2022

参与人员
Participant
卓越商企服务总部、区域
及子公司全体 (截止3月
31日在职正式员工)

参与方式
Method
请查收调研短信或调研邮
件发送的链接或二维码
等, 凭此登录完成调研

*本次调研将花费不超过10分钟时间, 调研完全匿名; 由第三方
国际知名咨询公司美世执行, 您的参与信息将严格保密。

卓越商企服务
EXCELLENCE CM
服务 · 品质 · 共赢

2. RECRUITING TALENTS FOR COMMON GROWTH

Employee diversity and prevention of child labour and forced labour

In terms of holidays and working hours, the Company abides by relevant national laws and regulations. For employees working overtime, we will compensate them with overtime pay or compensatory leave. In terms of employee diversity, we respect differences and do not impose restrictions on age, gender, origin, religion, etc. as long as employees are competent to do their jobs.

In terms of preventing child labour and forced labour, the Company strictly abides by the national labour laws and regulations, and strictly prohibits the employment of child labour. We conduct relevant verification for all employees when they join the Company, verify the identity and age against original identity cards provided by each job applicant during the recruitment process, and regularly review the database every month to check whether the age of personnel meets the requirement before recording in the HR system. The headquarter and regional companies also conduct quarterly compliance checks on projects to prevent child labour and forced labour. The Company's working hours are in compliance with the *Labour Law of the People's Republic of China*, and does not force employees to work overtime.

In 2022, there were no violations in relation to recruitment and dismissal, compensation and promotion, working hours, rest periods, equal opportunity, diversity, etc., nor were there any incidents concerning child labour, forced labour or other violations of employment and labour rules of the Company.

2.2 EMPLOYEE TRAINING FOR DEVELOPMENT AND ADVANCEMENT

In order to ensure that the Company has an internal control environment with good human resources, it conveys knowledge to employees at different levels every year. Through organising training for employees, the Company meets the needs of corporate development for competent employees. Employees will be put into their posts upon receiving training and improving their professional and technical capabilities, which will improve the operating results of the Company. The Company's management goals in employee training and development are to promote the implementation of corporate strategy, develop and enhance managers' leadership, cultivate key talents, integrate training resources, and spread corporate culture.

Employee promotion

In terms of employee promotion, the Company implements *the Management Measures for Talent Development and the Promotion Management Measures*. Based on business developments and the readiness of employees, each business department submits a list of personnel for promotion on a monthly basis, which is subject to approval according to the level of promotion. The Company clearly defines the responsibilities of the parties involved in promotion management and the pre-requisites for employee promotion. We carry out evaluation mainly through internal competition for positions, recommendation of supervisors, mid-term and final evaluation of new recruits (management trainees), etc. During the year, the Company introduced the SHL talent evaluation system to analyze the potential of project managers and assist the employing departments to pay attention to the potential and advantages of their subordinate employees. During the year, the Company had 341 newly promoted mid-level management staff members (managers and above positions), including 91 internally promoted mid-level management staff members and 250 externally engaged mid-level management staff members.

2. RECRUITING TALENTS FOR COMMON GROWTH

In 2022, according to the promotion management regulations of the Company, a total of 227 people were promoted to “supervisor + manager + director level” internally throughout the year, accounting for 11.8% of the total number of employees in service. Among them, 139 people were promoted to supervisor level, with a promotion rate of 12%; 80 people were promoted to manager level, with a promotion rate of 11%; 8 people were promoted to director level, with a promotion rate of 14%.

In 2023, the Company will focus on the three aspects for promotion mechanism enhancement as follows:

- Cultivation before promotion, which focuses on targeted B role reserve for key positions, and the provision of adequate training and counseling for the B roles to ensure sufficient reserve talents within the organisation.
- Evaluation at promotion, which strengthens the evaluation of key position personnel promotion, such as 360 evaluation, assessment, competitive interview and other means to ensure the professionalism, fairness and reasonableness of the promotion.
- Follow up after promotion. After promotion, as the requirements of the position have changed, it is necessary to strengthen the training and counseling of the new position to ensure effectiveness. At the same time, we pay attention to the internship period after the promotion to identify incompetent personnel.

Staff training

The Company has achieved systematic management in talents training, and has carried out in an orderly manner according to the project system. In 2022, Excellence CM focused on the training and development of talents in key positions, and made great efforts in the training of management trainees and project managers to reserve strategic talents. We conducted organisational culture training and workshops, diagnosed the current situation, stimulated organisational vitality, and ensured the coverage and operational quality of daily training projects, such as new employee training and core competency training for project operation and management personnel.

Excellence CM has built a strategic blueprint for talent cultivation and reserve. The Company has established a comprehensive talent echelon cultivation system and continued to implement the personnel cultivation plan. Its Excellence Talent Academy focuses on improving the system organisation and promoting the capability cultivation of teams at all levels to continuously export strategic talents and professional project teams with excellent characteristics to fully support the rapid development of business. It has formed a value-matching mechanism that integrates personal value and corporate value internally, as well as a clear talent echelon and career path, providing a continuous supply of new talents for the strategic goals of the Company.

2. RECRUITING TALENTS FOR COMMON GROWTH

- New recruits (management trainee) talent development project: With the ultimate development goal of reserving strategic talents and cultivating project managers of the Company, we cultivate professional and general skills of management trainees through a series of training and evaluation means, such as online and offline mixed training, large project coaching, double selections of positions, coaching by fixed instructors and mid-term evaluation. At present, 67 management trainees in 2022 have completed the rotation and fixed position training of each state, and the mid-term promotion assessment, with the retention rate over 50% throughout the year.



- “Excellent Talent Scheme” project manager training camp: Through the integrated training model of learning, practicing, researching and doing, the scheme aims to train frontline commanders with excellent characteristics who can support the sustainable development of business. The scheme integrates workplace scenarios, takes the full-life cycle of property project development as the main topic, accumulates key scenarios for discussion, and covers 53 project managers and high potential project managers through immersive discussions, interactive instructor comments, and topic practices. The scheme has completed the team management module training in the fourth quarter of 2022.



2. RECRUITING TALENTS FOR COMMON GROWTH

- Organisational talent empowerment: In the second half of 2022, the Company launched a talent inventory project to accurately understand the current status of its own talent team by taking stock of the organisation's current talent situation, and design and implement follow-up management measures. During the implementation of the inventory, the training covered more than 600 people, held more than 40 talent calibration sessions, and commenced 3 empowerment meetings so as to fully communicate the inventory tools, processes, methods and results, which was conducive to reaching a consensus and promoting the application of the results.

Training Indicator		2022 Data
Number and percentage of trained employees by gender	Total number of male employees trained	8,628
	Total number of female employees trained	6,093
	Percentage of male employees trained (%)	100%
	Percentage of female employees trained (%)	100%
Number and percentage of trained employees by level	Total number of senior management trained	64
	Total number of middle managers trained	754
	Total number of general employees trained	12,262
	Percentage of senior management trained (%)	62%
	Percentage of middle managers trained (%)	100%
Training hours per employee by gender and hierarchy	Percentage of general employees trained (%)	100%
	Average training hours per male employee ⁷ (hours/person)	49
	Average training hours per female employee ⁷ (hours/person)	49
	Average training hours per senior management (hours/person)	22
	Average training hours per middle manager (hours/person)	10
	Average training hours per general employee (hours/person)	52

In 2023, the Company will continue to focus on the key people, strengthen the training experience at each stage in the new recruit talent development program, improve the quality of mentorship, optimise the career development path of key positions, etc., to improve the retention and job competency of management trainees. In the potential talents scheme, we will optimise the implementation plan to cultivate supervisory and managerial talents. In the Excellent Talent Scheme, we will launch three modules of training and build front-line commander echelon. At the same time, we will carry out an internal training program to enhance the comprehensive soft skills and vitality of employees through three-dimensional models of offline, live, and cloud academy courses.

2. RECRUITING TALENTS FOR COMMON GROWTH

2.3 PROTECTING AND CARING FOR EMPLOYEE HEALTH AND SAFETY

Occupational health and safety

The Company has issued the *Provisions on the Administration of Occupational Hygiene* and the *Classification Catalogue of Occupational Disease Hazard Factors*. Each project and relevant departments need to refer to the catalogue to comprehensively identify potential hazard factors, formulate the “List of Occupational Hazard Factors and Positions”, and keep it updated. We have adopted the following measures to improve the occupational health and safety of the employees:

1. Develop daily occupational health and safety training, such as high-altitude operation safety training, hazard identification assessment and control training, LOTO procedure safety training, traffic safety training, fire safety training, etc.;
2. Allocation and supervision of the use of personal protective equipment, such as helmets, safety belts, insulated safety shoes, ear plugs, protective masks, gas masks, etc.;
3. Supervision of the safety of employees' daily maintenance and repairing operations, and permission and approval system for high-risk operations;
4. Organisation of safe and cultural activities, and occupational health and safety leadership activities.

The Company provides employees with body checks on an annual basis, covering employees from all regions, departments and positions of the Company. The medical examination agencies will issue a professional physical examination analysis report based on the comprehensive analysis data of the employees' annual physical examination results, including basic information, statistics on abnormal conditions identified in physical examination, analyses and evaluations on employee's health issues, which allow the Company to fully understand the health status of employees and the direction for improvement.

	2022	2021	2020
Number of employees who died at work	3	3	0
Percentage of employees who died at work	0.20‰	0.22‰	0
Work days lost due to work-related injuries	3,150.25	1,427	2,082.5

During the year, the Company had no violations in terms of occupational health and safety.

3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

Upholding a responsible attitude towards the society and the environment, the Company is well-aware of its environmental responsibility as a corporate citizen. In the course of daily operations and development, we constantly place emphasis on the importance of environmental protection, and actively implement the green and low carbon development strategy to reduce the negative impact of business development on the environment and exert a positive impact.

The Company strictly abides 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 that have a significant impact on the Company's development, and continuously improve the awareness of environmental protection by taking a series of practical measures to achieve the expected outcomes.

In terms of the environmental management system, the principal places of business of the Company have passed the ISO 14001:2015 environmental management system certification and ISO50001:2018 energy management system certification. We vigorously promote the implementation of environmental management system by establishing a rigorous structure with a clear division of labour. The functions and duties of these positions are reasonably set in respect of the planning, implementation, inspection, and improvement of the environmental management system, and being measured, examined, and improved in real-time. Currently, the environmental management system is running well.

At present, Excellence CM has been awarded 11 LEED/WELL green building international gold certificates for 8 projects under management, which not only helps corporate customers achieve the goal of high performance operation strategy and corporate cost control in workplaces, but also responds to the call of the government, social organisations and experts from all sectors to lead the industry and create sustainable urban development, green and low-carbon operations.

3.1 EMISSIONS CONTROL TO PROTECT THE ENVIRONMENT

Excellence CM has always been adhering to the strategies of low-carbon environmental protection and sustainable development. The Company has passed the requirements of ISO 14001 environmental management system and ISO 50001 energy management system, and is actively and continuously implementing the national low-carbon and environmental protection policies, contributing to the national carbon peak requirements and the Company's sustainable development strategy. We have established *Waste Management Rules*, *Resource and Energy Management Rules*, *Evaluation and Control of Environmental Factors* and other management systems to control emissions, which have been implemented through special inspections, QPI inspections, weekly inspections and daily training. The direct sources of greenhouse gas and exhaust are mainly exhaust from employees' private cars, exhaust from generator maintenance and testing, as well as grease emissions from a small number of residential canteens, and indirect emissions from electricity consumed by the operation of facilities and equipment. Every year, the Company conducts publicity on energy saving and consumption reduction in properties to raise the awareness of energy saving and consumption reduction among employees. We advocate green travel, and our projects are basically located in urban areas with convenient transportation. Our employees mostly use subway and bus to travel, thus minimizing the emission of vehicle exhaust. Each property management project of the Company is required to set annual energy-saving targets, carry out special tasks for energy-saving transformation in phases, and continue to implement energy-saving measures such as "table clearing and five shutdowns", so as to gradually reduce power waste and control greenhouse gas emissions. In the future, the Company will also develop a sustainable development strategy in response to the call of national policies, step up efforts in air pollution control and pollutant discharge control and take the social responsibilities of low-carbon environmental protection and green properties.

3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

Management of exhaust gas and greenhouse gas emissions

Our projects under management are mainly commercial office buildings, residential building and a few logistics parks. The direct sources of greenhouse gas emissions are diesel emissions from generators and exhaust emissions from employees' private cars; the indirect source of emissions is caused by using electricity. The diesel consumption of generators generally only occurs during power outages and monthly tests, so the exhaust gas emissions therefrom are negligible. The Company advocates green travel. Our projects are mostly located in urban areas with convenient transportation, and our employees mostly commute by subways or buses, thereby reducing exhaust gas and greenhouse gas emissions from cars to minimal levels.

The Company's Exhaust Gas and Greenhouse Gas⁸ Emissions and Intensity

Category	2022 Emissions	2021 Emissions	Unit
Sulphur dioxide	18.08	19.88	kg
Nitrogen oxides	177.35	195.02	kg
Particulate matter	23.86	26.24	kg
Direct greenhouse gas emissions	246.20	255.39	tonnes of carbon dioxide equivalent
Indirect greenhouse gas emissions	69,559.17	59,762.24	tonnes of carbon dioxide equivalent
Total greenhouse gas emissions	69,805.38	60,017.62	tonnes of carbon dioxide equivalent
Greenhouse gas emission intensity	12.93	14.57	tonnes of carbon dioxide equivalent per 10,000 m ² of properties under management

Waste discharge management

The Company complies with environmental requirements, closely cooperates with the implementation of waste reduction initiatives, and requires relevant parties to participate in such initiatives. In the course of business, we classify waste into recyclable, non-recyclable, and hazardous waste. In each property under management, we set up garbage bins for these three types of waste and continuously publicize garbage classification knowledge to property owners and residents on bulletin boards and through online and other channels, to remind them to classify waste before dumping. We advocate paperless offices, reuse of single-sided paper, and reduce the use of disposable tableware/plastic bags to reduce waste generation.

For office and domestic garbage generated daily, we first separate the recyclable garbage and have them disposed of by the contracted qualified suppliers. Domestic garbage will be collected in a garbage room, transported, and disposed of by the sanitation department, and registered in terms of quantity. During the process, no secondary pollution such as splashing and scattering is allowed. All decoration waste is cleared and transported by the construction entity.

⁸ Calculation method of greenhouse gas emissions:

Direct greenhouse gas emissions: The Company's gasoline and natural gas consumption is multiplied by the corresponding emission factor. For the emission factor, please refer to ① *China Energy Statistical Yearbook* and ② *IPCC 2006*;

Indirect greenhouse gas emissions: The amount of electricity purchased by the Company is multiplied by the corresponding emission factor. For the emission factor, please refer to the *Notice on Doing a Good Job in the Management of Corporate Greenhouse Gas Emissions Reporting in 2022* published by the Ministry of Ecology and Environment;

Total greenhouse gas emissions: Sum of direct and indirect greenhouse gas emissions.

3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

The quality management department of the Company reviews the list of hazardous wastes each year and updates it according to the National Catalogue of Hazardous Wastes. For each project, a special hazardous waste warehouse has been set up to collect and store hazardous wastes generated from project operations, including waste fluorescent tubes, waste paint, waste chemical solvents, and their containers. In accordance with the national requirements for environmental technology upgrading, we are gradually replacing them with LED lamps, water-based paint, and mercury-free batteries and eco-friendly pens to reduce the generation of hazardous waste at the source. Our copiers are leased, and the hazardous wastes generated by them such as ink and toner cartridges are replaced and disposed of by the supplier regularly. Other hazardous wastes are temporarily stored in a separate place on the premise of taking measures for isolation and leakage prevention, and a hazardous waste recycler certified by the environmental authority is contracted to transfer and dispose of such wastes from time to time.

In 2022, the total amount of hazardous waste⁹ discharged by the Company was 2.35 tonnes, and the total amount of non-hazardous waste¹⁰ discharged was 82,827.9 tonnes.

Category	Unit	2022 Emissions	2021 Emissions	2022 Discharge per 10,000 m ² of properties under management (kg)
Hazardous waste	tonnes	2.35	4.44	0.44
Waste lamps	tonnes	0.95	2.67	0.24
Waste paint solvent	tonnes	1.08	1.77	0.2
Non-hazardous waste	tonnes	82,827.9	53,278.00	15,338.5
Domestic waste	tonnes	82,827.9	53,278.00	15,338.5

In the future, Excellence CM will start from the sound and refined system of waste management, strengthen training and promotion, special inspection, assessment and other means, as well as cooperate with professional companies to create non-hazardous property service scenarios and low-carbon sustainable development strategy.

Wastewater management

The Company's projects generate domestic sewage (but no industrial wastewater) mainly for domestic sewage from toilets and tea rooms, cleaning and tool cleaning water, air conditioning condensate, etc. Sewage from toilets and tea rooms and cleaning wastewater are treated in Level III septic tanks and then discharged into municipal sewage pipes for centralised treatment in urban sewage plants, and the Company pays wastewater treatment fees as required. Air conditioning condensate is recycled instead of being discharged.

⁹ Due to the business nature, the hazardous waste of the Company and those generated by owners of the projects under management are hard to differentiate, therefore, the total emissions of hazardous waste include those generated by owners or tenants of the projects under management. Among which, the waste toner cartridges and waste ink cartridges are not included in the statistics as they are replaced and recycled by suppliers.

¹⁰ Due to the business nature, the non-hazardous waste of the Company and those generated by owners of the projects under management are hard to differentiate, therefore, the total emissions of nonhazardous waste include those generated by owners or tenants of the projects under management.

3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

3.2 ENERGY CONSERVATION AND CONSUMPTION REDUCTION BY GREEN AND LOW CARBON OPERATION

In terms of energy use, the Company has established a complete and sound management system. The relevant management measures in effect include: *the Resource and Energy Management Rules, the Energy Evaluation Management Rules, the Regulations on Control of Energy Benchmarks and Performance Parameters, the Regulations on Operation of Diesel Generator Equipment, the Regulations on Repair and Maintenance of Diesel Generator, the Procedures for Identification, Evaluation and Control of Environmental Factors* and etc. Since the establishment of our energy management system in 2019, the Company has set annual responsibility targets for certified areas and projects (headquarters office area, Tower 1 of Excellence Century Centre) every year, and such targets have been successfully completed. The Company's goal in energy and water resources management is to improve the effective utilisation of energy and water resources and maximise the environmental and economic benefits of energy and water resources on the premise of satisfying business activities. By establishing an effective energy management system that is integrated with the latest technology in our daily operations and maintenance activities, the Company strives to continuously improve energy efficiency and pursues excellent energy performance based on the full life cycle of our equipment. The Company's business does not involve the use of packaging materials for our products.

The Company's Resource and Energy Consumption and Intensity

Category	2022 Consumption	2021 Consumption	Unit
Electricity consumption	119,723,186.05	102,860,995.00	kWh
Natural gas	100,782.00	110,819.00	Nm ³
Liquefied petroleum gas	8,013.00	3,980.00	kg
Water consumption	3,605,747.63	5,730,783.00	m ³
Water consumption intensity	0.07	0.14	m ³ /each m ² of property under management
Paper	2,538.20	1,480.00	tonnes
Integrated energy consumption	120,925.61	104,115.77	'000 kWh
Integrated energy consumption intensity	29.35	25.27	'000 kWh/10,000 m ² of property under management

3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

Energy saving and consumption reduction

Each property management project of the Company is required to set annual energy-saving targets, and carry out special tasks for energy-saving transformation in phases. The Company has prepared Energy Management Manual, which provides detailed descriptions of energy management and consumption.

The Company attaches great importance to energy efficiency and conversion rate. In this year, we have launched a series of energy saving and emission reduction projects, such as the lighting energy saving retrofit program at Century Centre No. 1 and the energy saving retrofit program at Century Centre No. 1. We promoted environmental awareness among property owners, and actively cultivated awareness and habits of energy conservation among property owners and users, all property staff, and subcontractors. In addition, for the 30 new projects in 2022, the Company will strengthen the supervision and control of electricity in these projects in 2023 to improve the efficiency of integrated electricity utilization.

Notes:

- 1) The electricity consumption of 49 projects in 2021 and 79 projects in 2022 has increased due to the increase in the number and area of projects, resulting in an increase in electricity consumption in 2022.
- 2) As the statistics for 2021 are for 5 canteens using LPG, increasing to 12 canteens in 2022, the increase in the number of canteens leads to an increase in total LPG usage.
- 3) In 2022, the increase in combined energy consumption and combined energy consumption intensity is mainly due to the increase in the number and area of projects in the current year, resulting in an increase in electricity.

3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

The Company has developed a specific implementation plan to achieve the targets:

- In terms of technical energy saving, the planned implementation projects include LED energy saving lamp renovation, building maintenance structure renovation, air conditioning system energy saving renovation, etc.;
- In terms of management energy saving, we control the temperature of air conditioning settings, promote paperless office, and promote online management system, etc.

By building an information management platform, the Company will realise online analysis and control of energy resources for each project at the company level, promote process control with data management, achieve the goal of green, low-carbon and sustainable operation, and make outstanding contributions to the reduction of energy resources.

Case: Excellence CM led the establishment of the International Green and Clean Alliance in Shenzhen

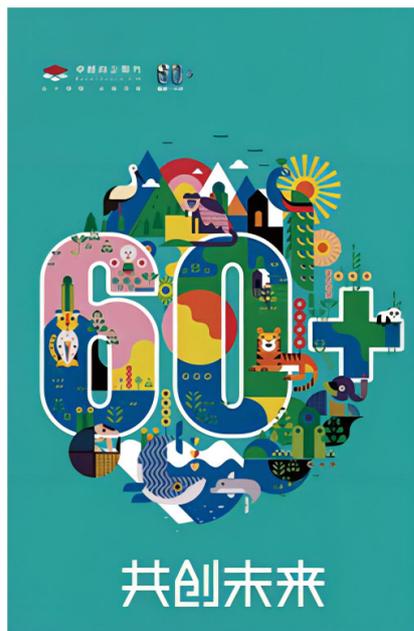
In December 2022, GCN International Green and Clean Alliance, King MICE Environment Academy and Zhuoyi Environmental under Excellence CM joined hands to establish the King MICE Environment Academy Shenzhen Headquarters and the International Green and Clean Alliance in Shenzhen, which were officially opened in Shenzhen Zhuoyue Qianhai Yihao, aiming to promote the green transformation and upgrade of China's property management industry and explore the sustainable green and clean development.



3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

Case: Creating green building space with excellent services

The services provided by Excellence CM range from office buildings to communities, from corporate headquarters buildings, intelligent industrial parks to commercial buildings, etc. We are concerned about energy saving and environmental protection issues, which are in line with the “Earth Hour” public welfare philosophy. Excellence CM has been deepening the learning of new technologies and methods for energy conservation and environmental protection of buildings, including the optimisation of management of lighting systems, elevators, air conditioning systems, building automation systems, and intelligent monitoring systems in building power distribution rooms, in order to achieve energy conservation and environmental protection, costs reduction and efficiency enhancement through practicing the philosophy of low-carbon and energy-saving green living.



We have set up 151 waste battery recycling bins in 51 office buildings and residences and collected 43.7 tonnes of waste batteries in 2022, all of which were handed over to qualified recycling units for disposal. At the same time, we set up 85.5 recycling bins for used books and paper in 20 properties under management, collecting 245.2 tonnes of used books and paper; 91.0 recycling bins for used clothes in 25 properties under management, collecting 18.2 tonnes of used clothes.

3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

➤ Beijing region

By balancing the illumination of the work area, Tianjin Kuaishou's workplace optimise the lighting, while saving energy and reducing consumption. It has implemented a small-size renovation for the lighting fixtures to reduce energy consumption for customers (approximately RMB40,000 per year). The project is scheduled to be completed by mid-August of 2022.

Through the shut down of unnecessary equipment and lighting during weekends, safety control staff's participation in simple, compliant and small-scale repair work, local material waste utilisation, refurbishment of the collapsed tables, refurbishment of parts to extend the life of accessories, and reduction of the replacement costs, the OPPO project had saved a cumulative of approximately RMB100,000 for customers during the year.

Water resources management

The Company implements water-saving measures internally and sets annual water conservation targets. We adopt water-saving measures such as the reuse and transformation of reclaimed water and the use of water-saving toilets. We conduct continuous inspections in daily operations, repair damaged faucets in a timely manner, and prevent wasting water. During the year, the Company did not have any problems in sourcing water that is fit for purpose. In response to the government's call for water conservation, we expanded water sources suitable for the property management projects in numerous ways, in an effort to achieve energy conservation and environmental protection. The total water consumption of the Company for the year amounted to 3,605,747.63 m³.

Case: North Plaza Municipal Ring Pipeline Leakage Treatment

The municipal ring pipeline at the Century Centre has been in use for over 13 years. The foundation sinking, pipeline interface and other problems caused the waste of water. Through daily water monitoring, we timely found the problem and dealt with it as soon as possible to avoid the waste of water resources.



3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

3.3 EVALUATING AND ADDRESSING CLIMATE CHANGE

The Company actively responds to the national carbon peaking goal and carbon neutrality vision, and uses corporate strength to deal with climate change, build ecological civilization, and promote high-quality development. By making reference to the recommendations of TCFD (Task Force on Climate-related Financial Disclosures), the Company describes the efforts and the future direction in response to climate change as required by the reporting framework of governance, strategy, risk management, and indicators and targets.

Governance

Focusing on the governance of climate-related risks and opportunities, according to the ESG governance structure formulated by the Company, the Company has clarified that on climate change issues, and the Strategy and ESG Committee under the Board has clarified the Company's operation goals and long-term development strategies, made recommendations for major issues, and suggest and supervise the implementation of annual operation plans and proposals. At the same time, the Company has set up an ESG working group to clarify the responsibility for climate change management and target implementation, and to report to the Board on a regular basis.

Strategy

Climate-related risks include transition risks associated with a low-carbon economy and physical risks associated with the impacts of climate change.

In terms of transition risks, the policy and regulatory risks, with the deepening of the society's understanding of climate change and the implementation of relevant policies, the operating locations may increase energy prices, set energy use caps, expand the coverage of paid greenhouse gas emissions or improving other environmental regulatory requirements will lead to an increase in our operating costs. In this regard, we actively respond to the national strategy, and implement innovative measures to get prepared for the risks brought about by climate change.

In terms of acute physical risks, we focus on the impact of extreme weather on production operations, and identify various natural disasters, extreme weather or adverse weather conditions that operations may face, which are mainly shown on:

- When extreme rainfall, blizzard, cold wave and other conditions which may affect the Company's provision of property services occur, the provision of property services for owners is directly affected by extreme weather events on residential communities, office buildings, industrial parks, etc.;
- In the case of a sudden drop in temperature due to cold weather, due to thermal expansion and contraction, water pipes in residential communities, office buildings, and industrial parks may be at risk of bursting, which may increase the cost of property services we provide.

3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

Risk management

Based on the characteristics of the industry in which the Company operates and the actual situation, we have identified and assessed the management process for climate-related risks. The Company identified that environmental and climate risks may lead to operational and financial risks. In response to the identified climate-related risks, we continue to improve our risk response processes and systems, and conduct safety awareness promotion activities to prevent climate change.



Active response to typhoon

3. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

Indicators and goals

In order for the climate change process to be measurable, it is crucial to select appropriate parameters and indicators, and to set responsive targets. Combined with the actual situation, the Company has clarified the climate-related risk indicators related to energy use efficiency, water resource efficiency, waste discharge and greenhouse gas emission management. At the same time, the Company will continue to promote the formulation of relevant quantitative targets and regularly review the implementation of the goals.

Case: “See Us and See the Future” SDG environmental poster exhibition

“See Us and See the Future” SDG environmental poster exhibition, instructed by the Guangdong Environmental Protection Promotion and Education Centre, and organized by Excellence CM and the Duckgaga Creative Philanthropy Centre was launched at the Excellence Century Centre.

The remarkable 48 works on display were selected from the 353 award-winning works of the “See the Power” Youth Public Welfare Project, reflecting issues such as climate change crisis and biodiversity conservation, etc. Each work echoes an environmentally relevant Sustainable Development Goal (SDG).



4. OPERATIONAL COMPLIANCE, INTEGRITY AND HONESTY

The Company is committed to the implementation of business integrity and strictly abides by *the Criminal Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, the Audit Law of the People's Republic of China* and other laws and regulations. We adopt zero tolerance policy for corruption and are determined to combat any form of corruption, bribery, extortion, fraud and money laundering. The Company continues to strengthen the risk management system construction, improves corporate internal control, and has developed a set of measures, including *the Audit Management Measures, the Whistleblowing Management Measures, and the Reward and Punishment Management Measures*, etc. Each year, we review and revise such measures based on business development needs. In 2022, the Company updated the *Reward and Punishment Management Regulations* and adjusted the reward for reporting from "5% to 10%" to "10% to 50%" in an attempt to enhance internal employee reporting and enable the Company to carry out the anti-corruption and integrity work in an orderly manner.

The Company has also formulated an employee handbook and ten red lines on employee code of conducts to regulate employee acts.

- Red Line Rule 1: Employees are prohibited to use their positions to misappropriate the property of the Company or customers.
- Red Line Rule 4: Employees are prohibited to directly or indirectly solicit or accept benefits from customers or business affiliates in any name or form.
- Red Line Rule 9: Fraudulent acts are prohibited, including providing false personal information (documents, certificates, etc.), making false claims for reimbursement, falsifying attendance, privately carving company seals, forging valuable documents and bills, etc.

ORDERLY COMMENCEMENT OF ANTI-CORRUPTION TRAINING:

During the year, we conducted more than 200 anti-corruption training sessions for our employees. All new employees were required to receive training on the red line integrity system. More than 13,000 employees participated in the anti-corruption training, with a total of over 1,000 training hours. The anti-corruption training coverage rate for employees reached 50%.

Case: The Company launched internal control audit training activities



4. OPERATIONAL COMPLIANCE, INTEGRITY AND HONESTY

In August 2022, the risk management department audit team provided internal control audit training to the employees of property E Butler in the form of classroom lectures to raise their awareness of risk control. The audit department introduced the cases regarding the 10 red lines of property companies in the training to reduce the possibility of corruption by taking advantage of their duties and further build a clean and fair business environment.

We also pay particular attention to the education of directors and supervisors on the business integrity. In 2022, the Company conducted 1 anti-corruption training for the management with the coverage rate of 50%, and 1 anti-corruption training for directors and supervisors with the coverage rate of 100%.

In May 2022, the Company launched training on anti-corruption themes for the Board of Directors, which included a presentation on the *Prevention of Bribery Ordinance*, clarifying the roles and responsibilities of directors, adhering to clean and honest practices, adopting a zero-tolerance approach to corruption, and ensuring that the Board of Directors and senior management set the right direction from the top. Ensure that the Company complies with all applicable laws and regulations, as well as relevant standards and professional codes.

EFFECTIVE INTERNAL REPORTING MECHANISM:

Any employee of the Company or anyone who finds corruption, bribery and other illegal activities within the Company may report such activities by letter, telephone, fax or email, through our website, or by paying a visit to us. We have dedicated personnel to handle whistleblowing matters. We encourage and give priority to real-name whistleblowing, and we keep the information of whistle-blowers strictly confidential, and have provisions in the *Whistleblowing Management Measures* to protect the rights and interests of whistle-blowers. After receiving a whistle-blower's report, we will investigate and verify the reported clues according to the report investigation process. If it is confirmed that there is any suspected violation of laws and regulations, we will report it to the management or the Board for approval before deciding how to deal with it. We encourage whistleblowing, but prohibit malicious whistleblowing, defamation and false accusations. For those who are involved in malicious whistleblowing, defamation and false accusations by virtue of deliberate fabrication of facts, forged evidence, false confession in collusion, dissemination of false information, etc., once verified by the risk management department audit team of the Company, will be treated in strict accordance with the relevant provisions of the *Reward and Punishment Management Measures*, and cases involving offences or crimes will be transferred to judicial organs. The Company has the right to submit employees' violations of discipline and law to the Enterprise Anti-Fraud Alliance (反舞弊聯盟協會). The Company received **3 cases of corruption-related violations of laws and regulations** in 2022. **3 cases were effectively reported and handled, with a 100% handling rate.**

Measures for whistleblowing	Whistleblowing Hotline: 18128857565 Handling Department: property internal control audit team Email Address: wyjubao@exceam.com Contact Address: 38A Floor, Tower 4, Excellence Century Centre, Fuhua Third Road, Futian District, Shenzhen, Guangdong Province Postal Code: 518000
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5. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

Since its inception in 1996, Excellence Group has been committed to becoming a socially responsible company, and has been accomplishing this commitment in its business decisions for a long time. Excellence CM follows the example of Excellence Group and has been participating in charity undertakings since 1999 to live up to its corporate social responsibility.

Excellence Group teamed up with Excellence CM to donate a total of RMB659 million and participate in more than 400 charity projects. Along the way, Excellence Charity has started from the simple motive of “doing charity from the bottom of the heart and giving back to the society” to “donation support focusing on the central work of the government” and further to “exploration of the industrial revitalisation model with the corporate operation mindsets and forward-looking perspectives”, through which we have embarked on a path towards public welfare with the characteristics of excellence. Over the past two decades, Excellence CM has been actively engaged in philanthropy and corporate social responsibility, continuing to devote its love to education, rural help, environment, culture, health and public facilities.

ESTABLISHMENT OF EXCELLENCE GROUP CHARITY FOUNDATION

On 20 May 2022, the Shenzhen Excellence Group Charity Foundation, initiated by Excellence Group, was inaugurated at the Excellence Century Centre. The establishment of the Excellence Group Charity Foundation marks a brand-new stage for the Excellence Charity. Wang Dou, representative of the Excellence Group that initiated the Foundation, said in his speech that “building a life of excellence” is always the mission of Excellence Group and the long-term goal of Excellence Charity. Since its establishment in 1996, the Company has been actively fulfilling its social responsibilities. The scope of public welfare covers various aspects such as rural help, providing financial support for poor students, disaster relief, the elderly support, and medical treatment support. The Excellence Charity is constantly innovating our charity model and practicing each charity project. The establishment of the Excellence Group Charity Foundation better fulfills Excellence Group’s original intention of “taking from the society, giving back to the society”.

Based on the new stage of the charity undertakings, we look back on the various public charity actions that Excellence CM has taken over the years to adhere to the leadership of the Party, follow the call of the government and keep abreast with the national strategy, and establish the Excellence Group Charity Foundation in order to better fulfill the original intention of “taking from the society, giving back to the society”. We believe that with the concern and support of partners from all sectors, and with the goal of being a “5A” class social organisation, the Excellence Group Charity Foundation will achieve solid development in flourishing Shenzhen, forge ahead towards success and make contributions to the society!



5. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

RURAL REVITALISATION WORK

Excellence Assistance to Xinjiang 2.0

From 2017 to 2022, a number of groups of Excellence volunteers have stationed in Kashgar and Tashkurgan County, completing our own dedicated rural help projects with an investment of RMB12 million. It has successively worked with Tiznap and Baldir to build a 100-mu snow chrysanthemum base, attracting a total of more than 400 households in the two townships to plant the crop. In 2018, it promoted the creation of “Baldir Pamir Snow Chrysanthemum” brand and expand its production scale to 200 mu. As of now, Excellence Group has built “Excellence rural revitalisation industrial base” with two brands of “snow chrysanthemum” and “buckthorn” in Baldir.

After the completion of the industrial base, the expansion of special agricultural products and the increase of production are obviously enhanced. According to the data, in 2022 only, the whole township of Baldir added more than 1,000 mu of artificially planted buckthorn, accumulating more than 6,000 mu, and the total area of snow chrysanthemum planting reached 231 mu. On this basis, the Excellence Group Charity Welfare Foundation has provided technical support and prepared the “Manual of Baldir Pamir Snow Chrysanthemum Planting” to strengthen the promotion of the “garden economy” of snow chrysanthemum. At the same time, Excellence Group also led Post Baldir to establish the Ruiguofeng Agricultural and Forestry Products Professional Cooperative, and completed two projects of buckthorn ecological origin certification and organic certification.

According to the statistics of Post Baldir, the villagers have increased their income by selling buckthorn seedlings, snow chrysanthemum and harvesting buckthorn. In 2022, a total of more than RMB170,000 was paid to villagers for buckthorn seedlings. In 2022, snow chrysanthemum was included in the 7th China-Eurasia Expo. The planting of snow chrysanthemum only can increase the collective income of local villages by more than RMB100,000, simultaneously driving the income of villagers.



5. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

In order to facilitate the development of Tashkurgan County, we have made a number of efforts to help the disabled children in Tashkurgan County, including medical treatment support, education support, product consumption support, tourism support, etc, as well as initiated volunteer medical consultation. These initiatives have brought significant assistance to the local villagers in Tashkurgan County, especially the volunteer medical consultation, which has changed the destiny of many children. Children with disabilities who were once unable to receive good assistance due to medical conditions have recovered and regained the hope for life with the help of Excellence Group.

Medical treatment support to the disabled:



Education treatment support to the disabled:



Product consumption support:



Tourism support:



5. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

Case: Excellence CM x 99 Public Welfare Day | Donation of “One Dollar” to Revitalise the Village

In 2022, Excellence Charity once again joined hands with Tencent 99 Public Welfare Day, hoping to unite the power of caring enterprises, charity organisation partners, caring individuals and other social sectors to facilitate the growth of buckthorn industry in Baldir with “One Dollar”, and assist local villagers in planting more buckthorn seedlings to improve their lives and build a better future together.



Excellence Charitable Stores

In 2022, the first “Excellence Charitable Store” was unveiled in Shenzhen Excellence Century Centre. The innovative model of “public welfare + convenience store” of Excellence Charity will serve as an “innovative model” for the national consumption support work by taking Shenzhen as the first demonstration standard, facilitating rural revitalisation, solidly promoting common prosperity, and gathering a wide range of social support.



5. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

COMMUNITY PUBLIC WELFARE ACTIVITIES

Excellence good deeds and blood donations

Excellence CM and the Excellence Group Charity Foundation took the initiative to carry out a public welfare blood donation activity in the central office of Shenzhen, gathering the warmth during the winter. The public blood donation week not only shared the great love of blood donation heroes, but also gathered the selfless dedication of the Shenzhen Blood Centre, volunteers of the Lions Clubs and members of the Excellence Charity Group who stayed for 4 days on site and provided sufficient manpower and service support during this event.



“Internet + Education” Assistance Scheme

In 2022, Excellence Charity teamed up again with Jiangxi Xunwu to provide charity education. The Excellence Group Charity Foundation launched the Xunwu “Excellence School” Scheme, introducing famous teachers from Shenzhen through an innovative education support model, seeking reforms in classroom teaching and innovation in learning styles with new teaching philosophy and methods, and using the “Excellence Sile Classroom • Judgmental Learning Studio” as a carrier to train backbone teachers for Xunwu County and benefit the teachers and students in Xunwu.



2022 AWARDS AND ACCOLADES

No.	Title of the awards and accolades	Awarding unit
1	Leader of Urban Humanism	Economic Observer
2	Advanced Enterprise	Futian District Bureau of Statistics
3	2022 China Leading Property Management Companies in terms of Characteristic Service – FM Business	CMI Research Institute
4	2022 China’s Excellent Property Management Companies with Diversified Operations – Shenzhen Zhuopin Business Service Co., Ltd.	CMI Research Institute
5	Shenzhen Renowned Brand	Shenzhen Famous Brand Evaluation Committee
6	2022 Service Power Benchmark Project (Digital Intelligence Hundsun Centre)	CRIC China
7	Enterprises with Excellent Investment Values	Economic Observer
8	Comprehensive Sustainable Value Enterprise	Economic Observer
9	Leading of the Year “Guo Ying”	Economic Observer
10	2022 TOP 100 Blue-chip Property Management Companies	Economic Observer
11	Sustainability Achievement of the Year – Outstanding Award	RICS
12	Facility Management Team of the Year – Outstanding Award	RICS
13	Commercial Project of the Year – Outstanding Award	RICS
14	2022 China TOP 100 Property Service Companies	CRIC China, China Property Research Association
15	Service Office Benchmark Projects in the Greater Bay Area 2022 – Shenzhen Excellence Century Centre	CRIC China, China Property Research Association

Appendix

No.	Title of the awards and accolades	Awarding unit
16	Service Office Benchmark Projects in the Greater Bay Area 2022 – CES Building	CRIC China, China Property Research Association
17	Service Residential Benchmark Projects in the Greater Bay Area 2022 – Shenzhen Blue Coast	CRIC China, China Property Research Association
18	2022 China TOP 30 Property Enterprise with Digital Power	CRIC China
19	Best Shareholder Relations Award	Roadshow China
20	Best Investor Relations Project	Roadshow China
21	Annual ESG Practice Model Award	2022 The 12th Public Welfare Festival
22	2022 Guangdong Property Services Enterprise with Comprehensive Development Strength (TOP 9)	Guangdong Property Management Industry Association
23	2022 Guangdong Property Service Enterprises “Commitment to Social Responsibility – Facilitating Social Employment” Outstanding Contribution Award (TOP 9)	Guangdong Property Management Industry Association
24	2022 Guangdong Top 50 New Media Construction and Operation in Property Management Industry in (TOP 19)	Guangdong Property Management Industry Association
25	2021 Best CEO of Listed Companies in Guangdong Property Management Industry – Guo Ying	Guangdong Property Management Industry Association
26	Mid-to-small Market Value Corporate Social Responsibility Award of Year	GELONGHUI
27	Top 1 Property Operation Power of the Year	Sohu Focus, 2022 Real Estate Industry Value 100 Companies
28	2022 Outstanding Performance of Property Service Enterprises	Guandian
29	2022 Brand Value Outstanding Performance of Property Service Enterprises	Guandian
30	2022 Outstanding Financial Performance of Listed Property Service Enterprises	Guandian
31	2022 Outstanding Innovation Performance of Property Service Enterprises	Guandian
32	2022 Outstanding Service Performance of Property Service Enterprises	Guandian

INDEX OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE OF THE HONG KONG STOCK EXCHANGE

Environmental, Social and Governance Reporting Guide		Report contents
Subject Area A. Environment		
Aspect A1: Emissions		
A1	<p>General Disclosure Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p>	Green and Low Carbon Operation for Environmental Protection
A1.1	Types of emissions and the respective emissions data.	Emissions control to protect the environment
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).	Emissions control to protect the environment
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions control to protect the environment
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions control to protect the environment
A1.5	Description of the emission targets set and the steps taken to achieve them.	Emissions control to protect the environment
A1.6	Description of how hazardous and non-hazardous wastes are handled, and description of the waste reduction targets set and the steps taken to achieve them.	Emissions control to protect the environment

Appendix

Aspect A2: Use of Resources		
A2	General Disclosure Policies on efficient use of resources including energy, water and other raw materials.	Energy conservation and consumption reduction by green and low carbon operation
A2.1	Direct calculated 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).	Energy conservation and consumption reduction by green and low carbon operation
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Energy conservation and consumption reduction by green and low carbon operation
A2.3	Description of the energy use efficiency targets set and the steps taken to achieve them.	Energy conservation and consumption reduction by green and low carbon operation
A2.4	Description of whether there is any issue in sourcing water that is fit for the purpose, and water efficiency targets set and the steps taken to achieve them.	Energy conservation and consumption reduction by green and low carbon operation
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A
Aspect A3: The Environment and Natural Resources		
A3	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.	Green and Low Carbon Operation for Environmental Protection
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green and Low Carbon Operation for Environmental Protection

Aspect A4: Climate Change		
A4	<p>General Disclosure</p> <p>Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.</p>	Evaluating and addressing climate change
A4.1	<p>Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.</p>	Evaluating and addressing climate change
Subject Areas B. Social		
Aspect B1: Employment		
B1	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to compensation and dismissal, recruitment and promotion, working hours, vacations, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.</p>	Equal employment and protection of rights and interests
B1.1	<p>Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.</p>	Equal employment and protection of rights and interests
B1.2	<p>Employee turnover rate by gender, age group and geographical region.</p>	Equal employment and protection of rights and interests

Appendix

Aspect B2: Health and Safety		
B2	<p>General Disclosure</p> <p>Information on:</p> <p>(a) the policies; and</p> <p>(b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.</p>	Protecting and caring for employee health and safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Protecting and caring for employee health and safety
B2.2	Lost days due to work injury.	Protecting and caring for employee health and safety
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Protecting and caring for employee health and safety
Aspect B3: Development and Training		
B3	<p>General Disclosure</p> <p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p>	Employee training for development and advancement
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Employee training for development and advancement
B3.2	The average training hours completed per employee by gender and employee category.	Employee training for development and advancement

Aspect B4: Labour Standards		
B4	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.	Equal employment and protection of rights and interests
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Equal employment and protection of rights and interests
B4.2	Description of steps taken to eliminate such practices when discovered.	Equal employment and protection of rights and interests
Aspect B5: Supply Chain Management		
B5	General Disclosure Information on policies on managing environmental and social risks of the supply chain.	Green procurement to achieve harmony and win-win results
B5.1	Number of suppliers by geographical region.	Green procurement to achieve harmony and win-win results
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Green procurement to achieve harmony and win-win results
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Green procurement to achieve harmony and win-win results
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Green procurement to achieve harmony and win-win results

Appendix

Aspect B6: Product Responsibility		
B6	<p>General Disclosure Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.</p>	Quality concept, comfortable life
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A
B6.2	Number of products and service related complaints received and how they are dealt with.	Listening carefully to solve customers' problems
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Service-oriented and Joint Achievements
B6.4	Description of quality assurance process and recall procedures.	Service-oriented and Joint Achievements
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Service-oriented and Joint Achievements

Aspect B7: Anti-corruption		
B7	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.	Operational Compliance, Integrity and Honesty
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.	Operational Compliance, Integrity and Honesty
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Operational Compliance, Integrity and Honesty
B7.3	Description of anti-corruption training provided to directors and staff.	Operational Compliance, Integrity and Honesty
Aspect B8: Community Investment		
B8	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.	Caring for the Community and Giving Back to Society
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Caring for the Community and Giving Back to Society
B8.2	Resources contributed (e.g. money or time) to the focus area.	Caring for the Community and Giving Back to Society

COMMENTS AND FEEDBACK

Dear readers,

Thank you for reading the Report. In order to continuously enhance and improve the sustainable development management of the Company, we sincerely hope to hear opinions and suggestions from you on the Report.

Selective questions

1. What is your opinion about this Report as a whole?

Very good Good Normal

2. How do you think of the clearness, accuracy and completeness of the information and data disclosed in this Report?

Very good Good Normal

3. How do you think this Report reflects the Company's significant impact on the economy, society and environment?

Very good Good Normal

4. How do you think of the Company's performance in safeguarding the interests of stakeholders?

Very good Good Normal

Open questions

1. What part of this Report are you most satisfied with?

2. What information would you like to know more about?

3. Your opinions and suggestions on the sustainable development management and "Social Responsibility and Environmental, Social and Governance Report" of the Company:

Feedback on the questionnaire

Please complete this page and provide us with your feedback through one of the following methods.

Email Address: ir@exceam.com

Address: 38A Floor, No.4 Building, Excellence Century Center, Fuhua 3rd Road, Futian District, Shenzhen, Guangdong Province

More opinions and feedback methods

For details of investor relations, please contact the Investors Relations and Securities Department of Excellence CM

For any violation of the Code of Professional Ethics by employees or organisations, please contact the Audit Department of Excellence CM

For details of sustainable development management and sustainability report, please contact the Investors Relations and Securities Department of Excellence CM