



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)

Stock Code: 6989



# 2024

ENVIRONMENTAL, SOCIAL AND  
GOVERNANCE REPORT

# ABOUT THE REPORT

This report is the fifth 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 and consistency to comprehensively illustrate the Company’s management approach and work performance in ESG aspects during the period from 1 January 2024 to 31 December 2024, and focuses on the concerns of stakeholders. Unless otherwise stated, the information presented in the Report represents data performance in 2024.

## 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 Code (the “ESG Reporting Code”) set out in the Appendix C2 of the Main Board Listing Rules of 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;

**Balance:** The disclosure in this report endeavours to achieve objectivity, fairness and truthfulness in reflecting the effectiveness of the Company’s work and practices in environmental and social matters in 2024, and to disclose the problems encountered and improvement measures in a responsible manner.

**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. For the initial disclosure, 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 ESG performance of the Company, please email us at [IR@exceam.com](mailto:IR@exceam.com).

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# ABOUT US

## COMPANY PROFILE

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).

## RESULTS FOR THE YEAR

For the year ended 31 December 2024, our contracted GFA was approximately 83.32 million sq.m., representing an increase of approximately 8.6% as compared to those as at 31 December 2023, with the GFA under management of approximately 72.2 million sq.m. As of 31 December 2024, our business has expanded from Shenzhen to 69 cities. 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 Area<sup>1</sup>, the Yangtze River Delta Region<sup>2</sup> and other regions<sup>3</sup> accounted for 34%, 30% and 36% of the GFA under management, respectively.

Contracted GFA	83.32 million sq.m.
GFA under management	72.2 million sq.m.
Business coverage	2 countries and 69 cities
Proportion of the GFA under management in the Greater Bay Area	<b>34%</b>
Proportion of the GFA under management in the Yangtze River Delta Region	<b>30%</b>
Proportion of the GFA under management in other regions	<b>36%</b>
Operating income in 2024	RMB4,232.24 million
Proportion of commercial properties <sup>4</sup>	64.6%
Proportion of public properties	16.4%
Proportion of residential properties	19.0%

- 1 Cities in which we provided property management services to properties in the Greater Bay Area including Shenzhen, Guangzhou, Zhuhai, Huizhou, Dongguan and Zhongshan, etc.
- 2 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.
- 3 Cities in which we provided property management services to (i) properties in 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.
- 4 The proportion of commercial, public and residential properties are the percentage calculated on the basis of income from basic property services.

# ABOUT US

## AWARDS AND ACCOLADES

No.	Title of the Awards and Accolades	Awarding Unit	Certificates of Honor
1	2024 Top 20 of China Property Management Companies	CRIC Property Management/ China Property Research Association	
2	2024 TOP 20 Enterprises with High-end Property Management in China	CRIC Property Management/ China Property Research Association	
3	Leading Enterprise in FM Facilities Management in China in 2024	CRIC Property Management/ China Property Research Association	
4	China Leading Enterprise in terms of Office Property Services in 2024	CRIC Property Management/ China Property Research Association	
5	2024 ESG Pioneer Award	Gelonghui	
6	2023-2024 Excellent Enterprise in the Property Management Industry of Guangdong Province	Guangdong Property Management Industry Institute	

\* Please see Appendix for all the Company's awards and accolades for 2024.

## STATEMENT OF THE BOARD OF DIRECTORS

As a leading property company in China, Excellence CM has always adhered to the fundamental principle of “assisting customers in achieving their visions” to drive the Company’s sustainable development. In 2024, the Company fully leveraged its core competitive advantages in the commercial property sector, focusing on cultivating the commercial property segment, while continuing its efforts in third-party business development to maintain resilient business growth. The Company continued to cultivate strategic customers, actively responded to regional market reforms, broadened business channels and enhanced the concentration of urban business. We have always insisted on the customer-first principle, attaching great importance to customer experience and needs, and continuously optimising internal operational efficiency, in order to provide customers with better services.

Excellence CM will continue to build up diversified business segments, fully leveraging its professional operational capabilities in the commercial property sector to strengthen market competitiveness and enhance its overall risk resistance.

The Board is highly concerned about the all-round development of the Company’s Environmental, Social and Governance (ESG), and has fulfilled its duty to oversee and promote the Company’s strategy and ESG-related matters. The Company has established a comprehensive risk identification and assessment mechanism, and regularly reviews and updates ESG issues to ensure the effective implementation of corporate social responsibility, continuously improve management efficiency and customer experience, and promote the efficient development of the Company.

In the future, Excellence CM will continue to adhere to its customer-oriented development philosophy, implement the development strategy of “focus on growth” and “enhancement in organisational efficiency”, and deeply integrate environmental and social concepts into all aspects of business development to contribute to the sustainable development of the Company and the society.

This Report discloses in detail the progress and effectiveness of the ESG task of Excellence CM in 2024. 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.



# ABOUT US

## CHAIRMAN'S MESSAGE

Dear shareholders, partners, customers, employees and friends from all sectors:

In 2024, in the face of the profound reforms in the global economic landscape, Excellence CM Group continued to take professionalism as the foundation and responsibility as the anchor, put the concept of sustainable development into strategic practice, demonstrate corporate resilience in stable operation, and fulfil social responsibility in innovative breakthroughs. On behalf of the Board, I would like to share our growth and thoughts with you.

### I. Strategic Cultivation: Building on Expertise, Developing with Resilience

We continue to consolidate our strengths in the core commercial property sector, deepen our presence in key regions across the country, and build a full lifecycle asset management system through digital platforms and intelligent technologies to significantly enhance our service efficiency. With respect to compliance management, we have built up our risk control defences with a zero-tolerance attitude and improved the risk prevention and control mechanism along the entire chain, thereby winning the continued trust of the capital market.

### II. Responsibility and Coexistence: Humanistic Care, Ecological Co-Prosperity

We always take customer experience as the core, and create a high-quality service ecosystem through diversified thematic activities and intelligent service matrices. In terms of employee growth, we have built a training system that covers the entire career cycle, and stimulated the organisation's internal vitality through cultural empowerment and mental health support. In respect of community feedback, we focus on education revitalisation and ecological protection, and facilitate sustainable development with commercial good deeds, thus forming a win-win model of public welfare practices.

### III. Green Transformation: Low-Carbon Practices, Innovation Leadership

We have been deeply involved in green building practices, promoting a number of benchmark projects to obtain international authoritative certification, and optimising energy management efficiency through technological innovation. In the face of climate challenges, we have systematically improved emergency plans and enhanced operational resilience through forward-looking technological transformation, with the aim of providing samples of green transformation for the industry.

### IV. Future Outlook: Value Creation and Responsibility

In the new journey, we will focus on three major directions: deepening the integration of the governance system and promoting the organic synergy between ESG concepts and business strategies; accelerating the application of digital technologies to build an intelligent and low-carbon management ecosystem; expanding public welfare activities to create a sustainable community empowerment model. The Board is committed to increasing its responsible efforts on an ongoing basis and joining hands with all sectors of the society to draw up a blueprint for high-quality development.

*Chairman of the Board of Excellence Commercial Property & Facilities Management Group*

**Li Xiaoping**

April 2025

## ESG GOVERNANCE

The Board of the Company has been actively promoting ESG-related matters and ensuring the effective implementation of various measures. On 19 April 2022, the Board formally established the Strategy and ESG Committee as a special committee under the Board, which comprises the Chairman of the Board, executive directors, non-executive directors and independent non-executive directors. Its core responsibility is to oversee, actively implement and strictly enforce the Company's strategic planning and ESG related matters.

The main responsibilities and powers of the Strategy and ESG Committee of the Board in relation to ESG include:

- Assist the Board in defining ESG strategy objectives, formulate detailed implementation plans, and coordinate and lead the ESG working group to commence work at the business level;
- Continuously monitor the implementation of the Company's ESG strategy, track the progress of goals, and assess the potential impact of the ESG efforts on the Company's business models and related risks, while collecting internal and external feedback on the ESG work, and making practical recommendations for improvement of the ESG work in the future;
- Regularly assess the effectiveness and impact of the Company's ESG governance, actively promote the construction and publicity of an ESG culture within the Company, and rigorously review the Company's ESG reports;
- Review and evaluate the implementation of the above tasks and propose reasonable adjustments in a timely manner in light of the actual situation to ensure that the ESG work always meets the needs of the Company's development.

At the same time, the ESG working group has assumed the important function of ESG supervision and coordination, and is responsible for implementing the resolutions of the decision-making level, coordinating and communicating ESG related matters, organising the preparation of the ESG report, and reporting the implementation of the related work to the Board on an annual basis.

In addition, all functional departments and subsidiaries of the Company, as implementing organisations, are responsible for the implementation of the plans formulated by the ESG working group, recording and reporting ESG-related data, promoting the effective implementation of ESG management in all aspects, and jointly assisting the Company in making continuous progress in ESG.

# ESG SUMMARY

## STAKEHOLDER ENGAGEMENT

The Company's stakeholders in terms of environmental, social and governance (ESG) include internal personnel, suppliers, customers, shareholders and investors, governments and the communities in which we operate. Through practical actions, we actively work closely with these parties to contribute to the development of society.

In stakeholder engagement, we place particular emphasis on establishing an open and transparent communication mechanism. This not only helps stakeholders understand the Company's development strategy and operational guidelines, but also ensures that we listen to their demands in a timely and effective manner. We adhere to the principle of taking into account the interests of all parties, and fully integrate the reasonable demands of stakeholders into the corporate decision-making process. Through this proactive approach, we continue to strengthen our cooperation with our stakeholders, promote continuous progress in the Company's ESG practices, create greater value for stakeholders, and work together to achieve joint development.

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

The Company understands that effective communication with shareholders is the key to strengthening investor relations and assisting investors in gaining a precise insight into the Company's business deployment, operational performance and strategic plans. We have always adhered to the criteria of truthfulness, accuracy, completeness, timeliness and fairness in the disclosure of information of the Company, so as to provide shareholders and investors with a solid and reliable cornerstone for decision-making, and help them make prudent and wise investment choices.

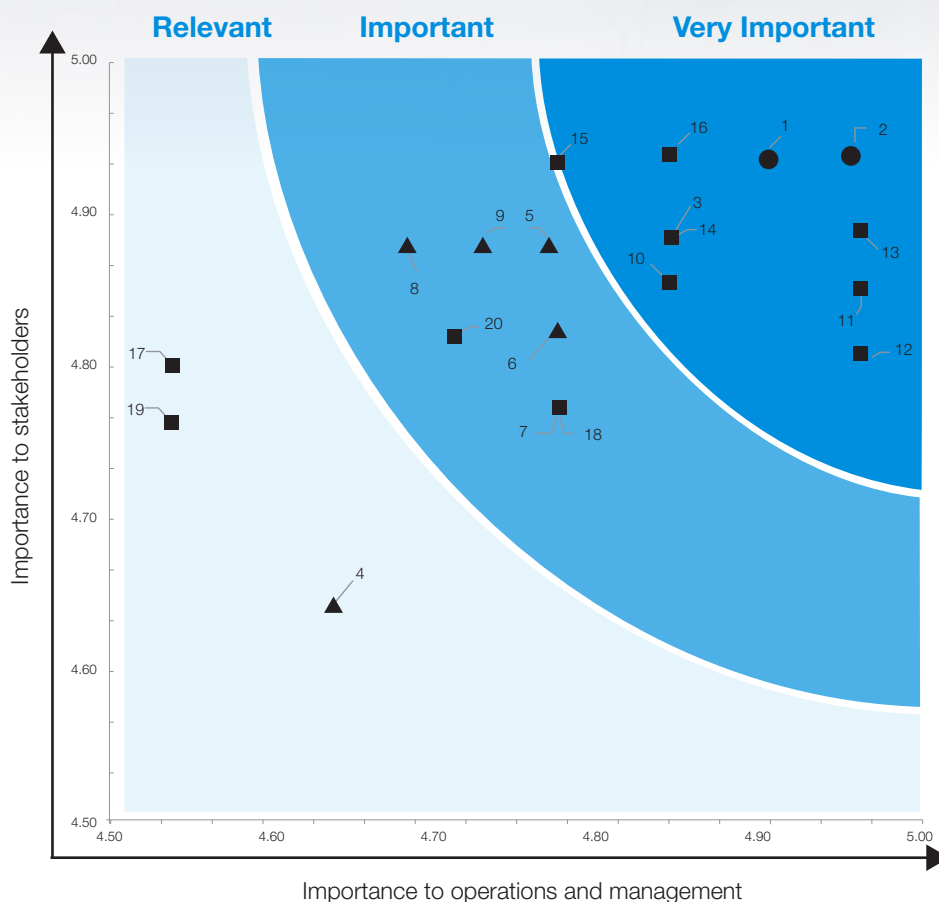
## IDENTIFICATION AND ASSESSMENT OF MATERIAL ISSUES

We continued to promote cooperation with various stakeholders in order 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 ESG. As there have been no material changes in the Company's operations, our materiality issues for 2024 are the same as that in 2023.

Based on the Company's business model and the trend of ESG disclosure in the industry, we have fully considered the principle of double materiality. After comprehensive evaluation, we have ranked the ESG issues and formed a materiality matrix of issues. Based on the results of the materiality assessment, we have made targeted efforts to emphasise these issues in our ESG management work.

Based on the key concerns of stakeholders over our business operations and ESG, and according to the Environmental, Social and Governance Reporting Code, we identified a total of 20 issues, and mainly focused on social aspects such as customer complaints and service quality. The Company has identified the following material issues as the focus of our work.

# ESG SUMMARY



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

No.	Issue	No.	Issue	No.	Issue
1	Corporate governance	8	Green property management	15	Customer service quality management
2	Commercial ethics	9	Addressing climate change	16	Information security and privacy protection
3	ESG governance	10	Diversity and equality of opportunity	17	Smart service construction
4	Greenhouse gas emissions	11	Protection of employees' rights and interests	18	Suppliers management
5	Waste management	12	Employee development and training	19	Community communication and integration
6	Water resources management	13	Labour standards	20	Customer health and safety
7	Use of energy	14	Employee occupational health and safety		

# 1. OPERATIONAL COMPLIANCE, INTEGRITY AND HONESTY

## 1.1 CORPORATE GOVERNANCE

As the foundation of the Company's culture, corporate governance plays a vital role in the Company's steady development. The Company has fully incorporated the Corporate Governance Code contained in Appendix C1 to the Listing Rules into its own governance system, and carried out all governance work in compliance with the Code. Excellence CM has established a clear corporate governance structure with clear authority and responsibility, and has established the Board, the Audit Committee, the Remuneration Committee, the Nomination Committee, and the Strategy and ESG Committee. Each of these committees performs its duties and responsibilities in an orderly manner in strict accordance with the Listing Rules and their respective terms of reference, thereby achieving efficient and synergistic operation and building an outstanding governance structure. For details on corporate governance, please refer to the Corporate Governance Report in the Company's 2024 Annual Report.

In 2024, the Company fully updated the information disclosure management system in accordance with the Articles of Association, the SFO, the Listing Plan and other relevant documents, which further strengthened the management of information disclosure affairs, improved the quality and transparency of information disclosure, and protected the legitimate rights and interests of the Company, shareholders, creditors and other stakeholders.

## 1.2 RISK MANAGEMENT

The Senior Management is responsible for managing the risk management procedures of the Company. With due consideration to the changes in the environment and the Company's risk appetite, the senior management ensures that the Company's business operations are in strict compliance with the established risk management policies. At the same time, the Company has promulgated the Information Disclosure Management System for internal use, which aims to strengthen the awareness of information disclosure among the employees and management of the Company and to regulate the management of information disclosure practices.

In the risk management process, the senior management performs the following key duties:

- Statistically analyse relevant data on the characteristics of the industry and the Company's operations and risk structure, and review and update the risk management policy in a timely manner to ensure its relevance and adequacy.
- Ensure that the Company's risk management procedures are closely in line with the annual strategic and business planning procedures, so as to achieve the complementarity.
- Design and develop a sophisticated and scientific risk management methodology to provide appropriate tools for identifying, evaluating and managing business risks.
- Establish a company-wide reporting system to ensure that the Company's senior management, the Audit Committee and the Board are kept informed of all material risk matters and business risks in a timely manner.
- Ensure that the necessary management control and monitoring procedures are in place to oversee the implementation of risk management policies and risk management methodologies.
- Approve and control the positioning and trend of major risks, risk management strategies and risk management priority rating.
- Review and discuss the Company's overall risk structure, risk management activities and key business strategies and plans through regular senior management risk seminars to assess their impact on the Company's overall risk positioning.

For details on the risk management of corporate governance, please refer to the Corporate Governance Report in the Company's 2024 Annual Report.

# 1. OPERATIONAL COMPLIANCE, INTEGRITY AND HONESTY

## 1.3 COMMERCIAL ETHICS

The Company is firmly committed to the concept 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. It maintains a zero-tolerance attitude towards corruption and is determined to combat all forms of corruption and bribery. The Company has formulated the 10 Red Line Rules of Excellence CM as a guideline to ensure the integrity of its operations. The Company continues to strengthen the risk management system construction, improves corporate internal control, and has developed the Audit Management Measures, which is revised and implemented annually in line with business development. It combats corruption, bribery, extortion, fraud and money laundering on all fronts. On major holidays and festivals, internal emails have been sent to remind the content of corruption and anti-corruption, with 100% employee coverage. In 2024, A Letter to Suppliers was sent to 2,581 suppliers in six batches through the audit whistle-blower mailbox to promote integrity, covering all suppliers we have worked with in the last three years, with a 100% coverage rate.

At the end of 2024, the Company updated and improved the Reward and Punishment Management Measures to further clarify the duties and responsibilities of departments and positions and the application of reward and punishment results, as well as add the decision-making process of the Rewards and Punishments Assessment Committee, so as to improve the Company's internal control system.

After receiving a whistle-blower's report, the Audit Department will strictly follow the established procedures for investigation and handling of reports and commence investigation and verification of the whistle-blower's report. If it is verified that there is a suspected violation of laws and regulations, it will be reported to the management or the Board for approval and proper handling. The Company actively encourages real-name whistleblowing and gives priority to real-name whistleblowing cases. In order to protect the rights and interests of the whistleblowers, the Company has clearly stipulated in the Whistleblowing Management Measures that the information of the whistleblowers shall be kept strictly confidential. At the same time, the Company solemnly declares that any unit or individual should not discourage or suppress the reporting of a whistleblower, or retaliate against a whistleblower. Those who retaliates against a whistleblower will be seriously dealt in accordance with the relevant regulations of the Company once verified. In 2024, the Company received a total of 12 whistleblowing cases of fraud, and 3 of which were verified to be true after the investigation and verification. All cases involving violation of the Company's red line were handled in strict accordance with the Company's regulations and were announced.

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

# 1. OPERATIONAL COMPLIANCE, INTEGRITY AND HONESTY

**Training activities:** In 2024, the Audit Department re-recorded the video on anti-corruption publicity. All new employees were required to receive training on the 10 red line rules arranged by the Human Resources Department in order to implement business integrity, with 100% coverage rate of training for new recruits. During the year, the Company held an employee meeting to read out the 10 red line rules. All new employees were required to receive training on the red line integrity system.

## **Case: Keeping the 10 Red Line Rules in Mind**

The Audit Department promoted the Company's 10 red line rules in the form of classroom lectures for all members of the Business Department and the Company's procurement staff in order to reduce the possibility of corruptions by virtue of their duties, and further build an honest and fair business environment.



## **Internal audit monitoring:**

In our daily work, we identify potential corruption through various means. On the one hand, we conduct in-depth analyses of collected information such as financial statements and procurement records, and carefully examine documents such as reimbursement vouchers; on the other hand, we carry out interviews with relevant employees, customers, suppliers and other related parties. During this process, we focused on common corruption scenarios such as false expense claims, acceptance of rebates and transfer of benefits.

Based on the results of the risk assessment, spot checks were conducted on individual items with higher risks. At the headquarters level, human resources, procurement and other functional departments conduct regular inspections of each region. At the same time each region organises self-inspection. In view of the large number of projects of the Company, the Audit Department conducts project risk inspections on a random basis, carries out comprehensive analyses of the Company's financial and other data, combines the results of the inspections of the abovementioned functional departments, and targets projects with higher audit risks for focused examination through the project risk assessment procedures. During the year, no significant audit risk project was identified upon audits.



## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### 2.1 ENHANCEMENT IN QUALITY AND SERVICES

#### Quality Customer Services

The Company attaches great importance to quality management. It has been implementing the world's leading ISO 9001 quality management system, ISO 14001 environmental management system, ISO 45001 occupational health and safety management system and ISO 50001 energy management system for many years, and has adapted the system locally after taking into account actual operating conditions. On this basis, a comprehensive and detailed integrated management system has been established, covering all key aspects of property management services, including quality customer services, meticulous environmental operations, rigorous facility maintenance, and strict safety and security initiatives, etc.

In order to ensure the effective implementation of the system, the Company further clarifies the specific responsibilities and corresponding authority of each department and each position in management work. From frontline project staff to the Company's senior management, each employee is clear about their role and tasks in the management system, achieving clear operational regulations and responsibilities for each task. For the integrated management system established by the Company consists of professional procedure documents, professional rules and regulations documents, and systematic professional forms formulated by the headquarters as the core framework, supplemented by the localised operation documents and standard operating procedures (SOPs) of the project for synergistic operations. In terms of the design of the professional system documents for the customer service line, it focuses on the three core aspects of customer property, customer relationship and customer service. From the macro professional planning of the headquarters it clarifies the overall quality objectives and strategic direction; with respect to the regional supervision and control, it ensures the effective implementation of various systems and standards in the region, and identifies and rectifies deviations in a timely manner; finally in terms of the specific implementation of the localisation of the project, it flexibly applies the requirements of the system to provide customers with personalised and standardised quality services based on the unique characteristics of each project and the needs of the customers. This three-tier control and implementation mechanism is able to ensure accurate and efficient operation of the customer service system, enable every customer to enjoy quality and standardised property services, and continuously enhance customer satisfaction and loyalty.

In order to continuously optimise service quality, we regularly conduct internal audits of our operations in accordance with the system standard and the requirements of the locally adapted system. The audit process is rigorous and meticulous, covering document review, on-site inspection, customer feedback survey and other aspects. At the same time, management review meetings are organised to assess the overall effectiveness of the comprehensive management system together with the management and department heads. Through internal audits and management reviews, we are able to gain timely insight into the gap between service quality and advanced standards, and then formulate targeted improvement measures to promote the continuous improvement of the Company's service quality and remain at the forefront of the industry.

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

In order to provide customers with convenient and diversified communication channels, and ensure that customers' opinions can be heard in a timely manner, the Company has set up a variety of channels through which customers can make enquiries and feedback suggestions:

- Call Excellence Group on 400 0086 000;
- Call the Excellence Commercial PM Sunshine Hotline on 4001116989;
- Complaints are accepted directly over the phone or face-to-face at the project front desk, or through all project staff;
- Customers can report incidents and repairs or make complaints and suggestions through the Company's Zhuopin online platform;
- Email to [zy400@excegroup.com](mailto:zy400@excegroup.com).

The complaint mechanism adopts the "11530" mechanism to ensure an efficient and timely response. That is to say, the follow-up process will be activated within 1 hour upon receipt of a complaint, an initial reply will be given to the customer within 24 hours, and the complaint will be resolved and closed within 5 days in principle, with a maximum of 30 days for special cases. The result will be provided to the customer. Complaint information will be classified calculated according to professional categories. The daily, monthly and quarterly data reporting system will be implemented to provide the Company with timely feedback, so as to continuously optimise the quality of service.

In 2024, the Company implemented operational strategy adjustments and switched to evaluating the effectiveness of its operations through a comprehensive sampling of unannounced inspection performance indicators on the overall status of regional and project operations. The unannounced assessments were conducted on an annual basis. The scope of the unannounced review covered customer satisfaction survey and rectification, as well as customer complaints and rectification.

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

With respect to customer complaints, the Company has established a strict and efficient process to protect the interests of customers and continue to improve service quality. We require 100% completion of contact, follow-up and reply within the time limit for each project. To this end, we have established a WeChat group for feedback on national project complaints to follow up on the progress of customer complaints. We also insist on releasing a daily report on customer complaints in order to accurately follow up the progress of the work. For complaints that cannot be closed in time, the middle office at a higher level of the project will be responsible for in-depth investigation of the background and reasons of the events, and report them to the Company to ensure that the customer's needs are met to the greatest extent possible within the scope of legal, compliant and reasonable services, and that the customer is reassured.

A total of 1,892 complaints were received via 400-hotline, and 2,613 complaints were recorded on the customer online platform FMC for 2024. These complaints mainly focused on daily engineering maintenance, public cleanliness, safety management, customer service attitude, housing quality maintenance and third party value-added services. The Company previously set the indicators for complaint closure rate of 85% and complaint response satisfaction of 85%. It also monitors the customer complaint rate indicators. In actual operation, the Company achieved complaint closure rate of 98%, sampling response satisfaction rate of 98.2%, and customer complaint rate of 0.3% per 1,000 customers, all of which were in line with the pre-set targets for the year.

Every quarter, each region is required to report on the management and operations (including customer complaint handling), and report on the complaint closure rate and satisfaction rate. A rectification plan has been formulated for the common problems that arise from customers' requests. We inform owners and customers in the form of a real-time commitment to ensure that problems are effectively followed up and rectified, with an aim of continuously improving customer service quality and satisfaction.

Measures taken by the Company include:

- Reviewing and refreshing customer service line professional system documents in a timely manner;
- Implementing unannounced inspections at company level, incorporating it into complaint management sampling, and linking it to the performance management of each operating unit;
- The regional operating units inspect projects under their jurisdiction and follow up on the issues until closure;
- Establishing a self-managed project management department and strengthening the assessment of professional skills of customer service positions.

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### Customer Satisfaction of Excellence CM

In order to enhance customer satisfaction, the Company planned a variety of festive themed activities in 2024 to increase interaction with customers and enhance customer experience.

#### I. “She Who Is Not Defined”

On 8 March, an office activity with the theme of “She Who Is Not Defined” was held to provide a platform and opportunity for female white-collars to tear off their defined labels and be their unique selves, as well as to send wishes to them through the “Sending You a Little Red Flower” and the spring handmade crafts experience. The number of participants in the offline activity reached more than 1,000 people. The online official account of [Excellence Life Circle] launched the “You Look Good When You Smile” most beautiful smile gift activity, with more than 1,600 participants in online browsing and interaction.



#### II. “city Chinese Valentine’s Day, Summer E-Party”

On 9 August, a Chinese Valentine’s Day activity with the theme of “city Chinese Valentine’s Day, Summer E-Party” was held with six soulmate art toys to provide single white-collars with a dating platform to meet their crush. At the same time, the event invited Shenzhen’s popular Yi Yi Band to kick off an electrifying summer party, with a cumulative of more than 5,000 participants online and offline.



## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### III. *Mid-Autumn Festival Theme Campaign: “Moonlight Tracing, Elegant Gathering”*

In order to inherit traditional Chinese culture, promote charity culture, cultivate and practice the core values of socialism, and continue to enrich the spiritual and cultural life of the community, we organised activities such as lantern riddles, game of pitch-pot, mooncake tasting during the Mid-Autumn Festival of 2024, enabling everyone to experience the fun and artistic charm of traditional culture.



### IV. *“Happy Christmas, Best Wishes in 2025” Christmas and New Year’s Eve Activity*

From 23 to 25 December, a Christmas and New Year’s Eve activity with the theme of “Happy Christmas, Best Wishes in 2025” was held as the last community cultural activity in 2024 for the start of a new chapter. Excellence CM’s brand activity choir brought an audio-visual feast through the melody and created a joyful and fun experience for white-collar workers to embrace the new year with happiness. This activity was participated by a cumulative of more than 3,800 people online and offline.



## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

The Company's ongoing customer satisfaction surveys cover the Group's residential, commercial, property asset management projects and third-party property development projects. In terms of the survey method, for the Group's development projects, residential owners and business customers participate in the survey by scanning the code online, and the frequency of the survey is once every six months; for third-party property development and asset single-customer projects, the survey is conducted in accordance with the performance evaluation or comprehensive satisfaction rating by party A, and the frequency of the survey is on a monthly or quarterly basis in accordance with the requirements specified by party A.

In terms of the formulation of satisfaction indicators, the Group's business divisions set performance management indicators for the Group's development projects according to the type of projects; for third-party and asset management projects, the indicators are based on the standards and evaluation agreements required by party A or as stipulated in the contract.

According to the results of the headquarters survey in 2024, the satisfaction rating of the Group's own residential units was 94 points, with a survey rate of approximately 52%; the satisfaction rating of the Group's own commercial units was 100 points, with a survey rate of 100% coverage. The average monthly satisfaction rate of third-party projects was 98.08%.

In response to the performance low ratings by party A or the openness of satisfaction surveys, we have adopted different response measures. For our own projects, we ensure that we will address and respond to 100% of the problems within 1 day, and follow up and solve the problems by giving explanations, implementing corrective measures, and reassuring customers, etc. within 30 days; in the event of low ratings in a third-party project, the N+1 unit of the project will visit party A and follow up the case until the problem is properly closed.

In addition, in 2024, we also invited a third-party consulting organisation to conduct a survey on the overall service satisfaction of office buildings in Shenzhen (covering 6 office projects in Shenzhen). Excellence CM's office sector has recorded a property service satisfaction rate of over 99% for eight consecutive years, representing its benchmark position in the commercial property service industry, and highlighting Excellence CM's advantages and reputation as the No. 1 brand of commercial property services.



The overall service satisfaction rate of Excellence Property, the office sector under Excellence CM, continued to increase to 100% from 2023, significantly ahead of the industry average.

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### Protecting Customer Health and Safety

The Company has established a comprehensive EHS management system in strict accordance with ISO45001/safety production standardisation and other system certification requirements. The system covers 6 major management directions of emergency and response, operational safety, EHS integrated management, risk identification, safety responsibilities, and special event management. We have established a total of 115 management system documents and standards to provide comprehensive guidance for EHS management.

On this basis, the Company further deepened its safety management work. On the one hand, the Company optimised the special safety inspection system and updated the standards for special safety inspections to ensure the scientificity and accuracy of the inspections; on the other hand, the Company launched tailored safety empowerment training for staff at different levels and positions to enhance their safety awareness and professional skills. Through this series of measures, the Company has promoted the commencement of hazards investigation and risk identification at project sites, reduced the possibility of various safety accidents such as fires, falling objects and gas accidents, and safeguard the safety of our customers' lives and properties.

In addition, leveraging on FMC smart inspection platform, the Company has incorporated daily inspection management into the scope of information control. With the support of the platform, safety issues can be managed online, which improves the closure and follow-up efficiency of safety hazards, and thus significantly strengthens on-site safety management capabilities of projects.

#### ➤ **Safety Month Activity:**

① Special inspections: Special inspections on fires and gas incidents have been launched for all regional projects in an active manner. After a comprehensive investigation, a total of 944 safety hazards were identified, including 112 high-risk issues, with a rectification rate of 100%. After the identification of the problems, we swiftly organised forces to carry out rectification to ensure that there were no safety blind spots at the project sites, effectively ensuring a safe production environment for the projects.

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

② Practical drills: We organised a wide range of practical drills, including 283 fire emergency drills, 35 gas leakage emergency drills and 284 other drills in various subjects. These drills were well actively attended by property staff and customers, with a total of 30,156 participants. Through these drills, the participants were able to sharpen their emergency response skills in practice. At the same time, the effectiveness and operability of the emergency response plans were comprehensively examined, accumulating valuable experience in responding to actual safety emergencies.



③ “One Minute Rapid Risk Assessment for Safety” Competition: A total of 50 teams participated in the competition. The teams carried out in-depth risk assessments on daily operations and submitted more than 60 high-quality entries.

### ➤ Fire Safety Month Activity:

① Knowledge empowerment: The Technical and Operation Support Centre (COE) of the headquarters meticulously designed and launched five thematic courses, including Practical Knowledge on Fire Safety. During the training, a total of 12,652 participants were attracted to attend the courses. Through the systematic learning of these courses, frontline staff gained a deeper understanding of fire safety knowledge, laying a solid foundation for better fire safety work.

② Special safety inspection knowledge contest: Each project attached great importance to this contest and organised staff to learn the relevant standards and training materials for special fire safety inspection. On the basis of learning, we seriously launched the special fire safety inspection work, truthfully reported the list of inspections, and continued to follow up on the closed-loop handling of the problems. In this activity, a total of 316 projects launched special fire safety inspection and identified 930 issues, including 92 high-risk issues, with 100% completion rate of rectification. All staff actively participated in the “Special Fire Safety Inspection Knowledge Contest”, with the number of participants accounting for 88.02% of the total number of employees.



## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### Technology Empowerment and Smart Properties

At present, the Company is accelerating the construction of the digital corporate services, continuously upgrading the level of platformisation and productisation, strengthening supply chain and resource integration capabilities, enhancing online and offline synergistic operation capabilities, striving to improve the value chain of the full scenario corporate services, and vigorously expanding traffic to enhance customer stickiness.

In 2024, the Company fully promoted its online customer acceptance platform – E+FM platform – and online Zhuopin Business Mall in all of its own projects. Through these two platforms, customers can conveniently perform various functions, including online reporting, filing complaints, evaluating service satisfaction, completing payment, handling visitor-related matters, and enjoying the rich services provided by the value-added mall, thus enhancing customer experience and service efficiency.

On 10 May 2024, the Company embraced the eighth “China Brand Day”. On this special day, the brilliance of Chinese brands has become the common pride of the world. As China’s leading commercial property service operator, the Company celebrated its 25th anniversary. Every step towards the future is imbued with the essence of high-end services and technology. In this regard, we are proud to present the brand image film “We Move Forward”, which pays tribute to the great forces that have driven the remarkable achievements of Chinese brands.



In addition, we have replaced the hardware service given the fact that excellent office service is based on hardware. According to the needs of customer service and evaluation, each project of Excellence CM has carried out targeted rectification and enhancement of issued focused by building customers. The completion of office lobbies, building facades and car park upgrading and renovation projects have enhanced the overall business nature of the office buildings and improved the business service environment.

In recent years, digitalisation and talent development have been the key focus of Excellence CM’s core competency development. The Company is determined to push forward the process of digitalisation, to enhance the efficiency of business decision-making by means of digitalisation, to provide strong support for the diversified business model, and build up its core competitiveness. At present, digitisation has become an inevitable choice for modern property service enterprises to achieve long-term development. Excellence CM’s digitalisation journey is aimed at achieving lean management, starting with online business, progressing towards deep digitalisation, and ultimately achieving a high-level transformation to digital intelligence.

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### ➤ Three platforms to empower new office dynamics

The Company has been unwaveringly promoting digital construction, enhancing the efficiency of business decision-making through digital approaches, empowering the diversified business model, and forging its core competitiveness. Zhuopin Business, a subsidiary of Excellence CM, has meticulously built three digital platforms, namely, the Enterprise Service Centralised Procurement Platform, the Campus Life Service Life Mall, and the Employee Welfare Platform. With years of in-depth understanding and precipitation of needs in the process of customer service, Zhuopin Business has strictly screened the supply chain and carefully developed quality operations. Leveraging on its strong digital capabilities, Zhuopin Business provides all-round assistance to corporate administrative work, as well as the operation of offices, industrial parks and residential projects, fully unleashing the value of its services in various aspects, such as staff welfare provision, office supplies centralised procurement, outsourcing of administrative services, supplier management optimisation and business vitality promotion.



### ➤ E+FM smart management information platform

We are committed to integrating new technologies into the practice of commercial property management services. These new technologies have brought about disruptive changes to the traditional labour-intensive property management industry, using data as the driver to enhance the efficiency of property operation and management and significantly optimise service quality. For example, our E+FM platform, a smart management information platform based on the IoT technology, has achieved a leap in equipment maintenance efficiency with the assistance of advanced IoT technology, which has greatly improved customer satisfaction.



## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### ➤ Towards the IoT era of buildings

Excellence CM integrated hundreds of different sub-systems, hundreds of millions of data nodes, and hundreds of millions of sensors into a unified digital platform for millions of square meters of property under its management, and gradually realised the digital transformation from traditional assets to smart assets through the lightweight twin digital cloud platform (EMOP).



### ➤ Smart robots



Excellence CM makes full use of its profound experience in industry management to reasonably optimise and adjust redundant staff and positions on the premise of ensuring consistent service quality. In terms of smart machines, we have continued to explore “smart property” and made a large number of attempts to invest in a great number of smart robot vacuums, reception robots, takeaway and delivery robots, and smart security equipment, further enhancing service quality and reducing reliance on manpower.

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### Intellectual Property Rights

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 2024, the Company had 5 utility model patents, namely, power distribution cabinet for property management, dangerous area alert device for property management, vegetation pruning device for gardening, sprinkler devices for gardening, video monitoring devices for firefighting engineering, and 20 software copyrights, of which 9 patents were newly issued in 2024. In the future, we will continually strengthen our intellectual property reserves and enterprise competitiveness.



(Patent Certificates)

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### Information Security and Privacy Protection

As to customer privacy protection, in 2024, the Company amended the *Regulations on Confidentiality Management of Information Assets*. The amendment focused on refining the specific contents of the system at the operational level of implementation, supervision and audit, clarifying the strict requirements of the Company in the area of information security for the confidential management of information assets, effectively regulating the use of information by employees, ensuring that the Company's information assets can be properly protected and shared within a reasonable range, practically safeguarding the smooth commencement of the enterprise's business operations, and maintaining the good reputation of the enterprise.

The Company clearly stipulates that managers at all levels (i.e., the highest supervisors of departments, regions and organisations) are the first person responsible for information security in their own departments, and that the person responsible for the demand side of the information assumes the same management responsibility for the information assets acquired as the person responsible for the generation side of the information.

Since 2024, the Company has been actively implementing information security upgrading actions. All systems have been successfully switched to the HTTPS protocol to enhance the security and stability of information transmission. The Company's core business systems have been smoothly migrated to the Tencent Cloud platform. A more comprehensive information security defence system has been constructed by relying on multiple technical means such as cloud firewall, web application firewall (WAF), host security protection and intranet and extranet segregation, in order to effectively resist various types of network security threats.

In 2024, the Company established a fault reporting mechanism in the BPM system, which covers information security related content. The specific process is as follows:

- Fault initiation: Once a fault occurs, the fault report process is initiated by the fault discoverer.
- Process flow to IT department and leaders: The initiated process will be automatically sent to IT department, and then forwarded to relevant leaders.
- Verification process: Leaders verify the fault information. After confirming that it is correct, the process is returned to the initiator.
- Fill in the processing status: After receiving the returned process, the initiator is required to fill in the process of troubleshooting and the related situation in detail.
- The process is ultimately returned to the IT department: After the initiator has completed filling in the process, the process is automatically transferred back to the IT department to enable the IT department to carry out follow-up and archiving.

In 2024, the Company issued the *Customer Domain Master Data Operation Management Regulations* to further standardise the construction and management of customer master data and continue to improve data quality and security.

When customers use the services provided by Zhuopin, Zhuopin clearly introduces to customers the handling of personal information by Zhuopin through the privacy agreement, so as to improve customers' privacy protection and personal data security. Customers are required to sign a user privacy agreement in line with relevant national Internet laws and regulations before registering for the platform. Users can access the platform only after agreeing to the agreement.

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

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.

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.

In respect of employee privacy protection, the Company made reference to the *Reward and Punishment Management Measures*. For those who report information security violations, we will give verbal and written commendations, cash rewards, etc., and strictly keep their personal information confidential. The Company refers to the punishment process of the relevant violation levels in the *Employee Handbook* to impose penalties on the violations.

We have established the channels for employees to report information leakage. When identifying a risk of information leakage, employees can reflect it to their department supervisors or the Audit Department. Employees can report to the Audit Department immediately in the event of any theft or leakage. Reporting phone number: 18128857565, reporting e-mail: wyjubao@exceam.com. No information leakage incidents occurred during the year.

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### 2.2 GREEN PROCUREMENT TO ACHIEVE HARMONY AND WIN-WIN RESULTS

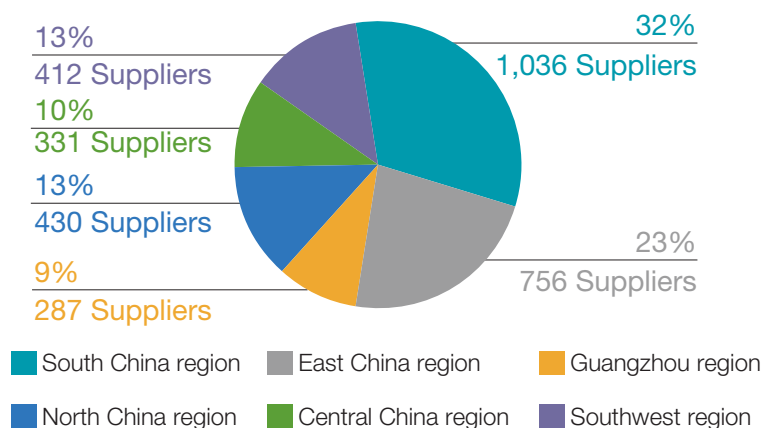
#### Introduction of Suppliers

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. Suppliers of the Company are categorised into level 1 and level 2 (according to the amount of cooperation and the degree of impact of operational risks, such as cleaning, security, elevator and fire protection).

The Company has a total of 3,252 domestic suppliers, an increase of 747 suppliers from 2023. The distribution of suppliers by region is illustrated in the chart below:

**Distribution of the Number of Suppliers by Region (3,252)**



## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### Suppliers' Access

The Company is committed to creating a more open, fair and collaborative ecological supply chain platform. We have introduced more quality and competitive suppliers to improve service quality, reduce costs and increase efficiency. In line with our direction of business development and our development plan, we reserve the sourcing of supplier resources, create stringent inventory standards of suppliers, 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 procurement of services, such as water treatment, garbage removal, green maintenance, security and cleaning services, and fire protection maintenance, etc., will be carried out locally and resources will be developed according to local conditions. Before suppliers are admitted, both parties are required to sign the *Environmental Occupational Health and Safety Protection Agreement*, which specifies the following:

- Jointly comply with the requirements of national laws and regulations and related systems regarding environmental protection and occupational health and safety.
- Insist on not employing child labour and not arranging underage workers to engage in dangerous work.
- Equip employees with necessary personal protective equipment.
- Both parties shall take effective measures to minimise the adverse impact of the operation process on the jurisdiction and the surrounding environment and make every effort to protect the health and safety of the workers. The procuring party shall comprehensively identify the sources of danger and environmental factors that may cause environmental pollution and serious safety accidents at the construction site, formulate practicable control measures, and supervise the implementation of such measures.

### Supplier Contractual Performance and Post-performance Assessment

In 2024, we implemented a series of adjustments to our supplier management system in order to better adapt to business development trends and industry regulations, as described below:

- **Adjustment of assessment standards:** The assessment standards for suppliers have been optimised and improved to establish a more scientific and reasonable assessment system to comprehensively and accurately measure the comprehensive performance of suppliers.
- **Optimisation of project introduction qualifications:** The requirements for project introduction of suppliers have been optimised to keep abreast with the direction of business development and the latest industry regulations, so as to ensure the quality and suitability of the introduced suppliers.
- **Revision of the standard form for on-site inspection:** The standard form for on-site inspection of suppliers has been revised to refine the inspection indicators and improve the assessment details, aiming to more comprehensively and accurately assess the actual operating conditions and capability level of suppliers, and lay a solid foundation for cooperation.

We have established a strategic procurement supplier performance assessment and grading system, which is based on the *Excellence CM Procurement Management System* to specify the assessment indicators and standardised procedures, and regularly assess strategic procurement suppliers to accurately monitor the effectiveness of their services and promote the continuous optimisation and upgrading of the cooperation between the two parties. At the same time, we have set up a comprehensive supplier incentive mechanism and formulated special incentives for supplier satisfaction assessment. When a supplier's satisfaction assessment score exceeds the contractual score, the supplier will be rewarded in accordance with the pre-set incentive rules according to a certain percentage of the contracted amount for that month, which will fully stimulate the supplier's service motivation and enhance the depth and breadth of cooperation.



## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### Supplier Performance Assessment

We have established a procurement supplier performance assessment rating system, which aims to monitor the effectiveness of supplier services in a refined manner and promote continuous and deepened cooperation. In each project, there is a performance assessment form, which is classified in multiple aspects according to the characteristics of the procurement business to ensure that the assessment is accurate and practically oriented.

When grading the contractual performance, in order to ensure the professionalism and fairness of the assessment, we invite experts to participate in the assessment and set up weighted subtraction items. We adopt a comprehensive scoring mechanism that combines professional scores with the degree of procurement performance, so that the evaluation results can better reflect the real level of suppliers. In the course of the contract, if the supplier puts forward proposals for more advanced equipment or innovative ideas, the Company will respond actively and fully assist the supplier in promoting and improving the equipment, so as to jointly enhance the benefits of the project.

At the same time, we also pay attention to the comprehensive record of supplier behaviour. The integrity behaviours, safety incidents, and negative impacts of suppliers will be recorded in detail, which will be used as the assessment results of the plus and minus items, in order to make the assessment results more objective and fairer. The procurement department will organise regular communication meetings based on the monthly assessment to closely follow up on the rectification and improvement of suppliers, forming a closed-loop management and promoting suppliers to continuously optimise their services.

### Post-performance Assessment

- **Post-performance comprehensive assessment:** Comprehensive assessment will be conducted after the completion of the contract. The average of the results of the various stages of performance assessment during the contract period will be used as the basic assessment data, and the final evaluation score will be calculated by taking into account the satisfaction level provided by the Party A or a third party.
- **Output and application of grading results:** Based on the scores obtained from the comprehensive assessment, the grading results of the suppliers will be determined. The grading result will be directly applied to the decision of contract renewal and subsequent supplier selection process, providing a key basis for the continuation and expansion of the partnership.
- **Hierarchical management of assessment results:** The assessment results are managed in a hierarchical manner, taking into account the life cycle factors of suppliers. We have set 75-score as the baseline of qualified suppliers. Among the qualified suppliers, we further rank them according to the scores from high to low: excellent suppliers (20%), good suppliers (20%), and qualified suppliers (50%). For the bottom 10% of suppliers, we will set restrictions in subsequent cooperation. Suppliers with a score of less than 75 will be recognised as unqualified suppliers. We conduct timely evaluations and assessments of our suppliers prior to payment or at regular intervals. The results of these evaluations are used as the basis for payment and as an important part for post-performance assessment.
- **Grading report and blacklisting mechanism:** The procurement centre is required to submit an annual supplier grading report and complete the internal approval process. During the assessment process, if a supplier has safety risks, causes adverse social impacts, touches the ethical bottom line, or violates regulations such as bid-rigging and bid-scrambling, it will be put on the blacklist and prohibited from any form of cooperation with the Company within 3 years.

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### Inspection and Evaluation of Suppliers' Environmental and Social Factors

In respect of the inspection of suppliers' social responsibility and environmental protection, we are equally concerned about suppliers' environmental and social factors. The Company prefers to select green and sustainable suppliers, such as selecting the strategic suppliers for long-term cooperation in the implementation of strategic procurement, in order to achieve mutual benefit and realise a win-win situation for both parties.

In 2024, the Company hired a total of 747 new suppliers. We conducted audits and evaluations of new suppliers, with an audit rate of 100%.

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 performance:

- Whether suppliers' passing certification standards, performance evaluation standards, performance inspection standards or 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 (requirements on agency certificates, business licenses) in the certification process, and make purchases from those with regular brands. Products and materials are inspected on test reports and qualification certificates 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.

## 2. SERVICE-ORIENTED AND WIN-WIN RESULTS

### ➤ **Honest Procurement**

We uphold the concept of honest and transparent cooperation in strict compliance with the core concepts of laws and regulations, strive to maintain an honest environment, abide by professional ethics, create a strict and sustainable win-win cooperation atmosphere. We have taken a number of efficient measures to implement this philosophy in our cooperation with suppliers.

On the one hand, we have established a convenient channel for reporting non-compliance directly to the auditing department by setting up a special reporting phone and mailbox to ensure that any non-compliance leads to the auditing department in a prompt and accurate manner, thus facilitating the supervision of all parties. Meanwhile, during the reporting period, the purchasing department took the initiative to launch in-depth self-inspection and self-correction work for projects in various regions across the country, and conducted a detailed streamlining of each business segment to ensure that all businesses were carried out in strict compliance with laws and regulations and the Company's internal regulations.

On the other hand, we attach great importance to controlling the integrity of supplier cooperation at source. All suppliers are required to sign the Sunshine Cooperation Agreement before entering the warehouse, which covers a comprehensive scope and includes all suppliers.

### ➤ **Supplier Training**

Excellence CM launched the material procurement mall system in 2022, which was fully utilised and extensively recognised in the past two years. During these two years, we have been listening to our customers and upgraded the system to version 2.0. On the mall system, we regularly invite suppliers to conduct testing and training on the mall system. Suppliers have provided feedback on the problems they encountered in the course of using the mall system.

In addition, we continue to promote integrity building among suppliers. From time to time, we organise integrity training activities for suppliers to strengthen their awareness of integrity. During the holidays, we send integrity reminder letters to suppliers, which not only explain the importance the Company attaches to honest cooperation, but also include detailed reporting methods, encouraging suppliers to actively participate in honest supervision, and jointly maintain an honest environment during the cooperation, so as to ensure that the cooperation is always on the track of compliance and fairness.

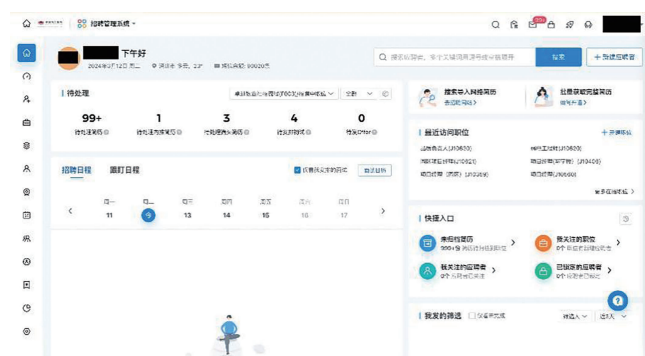
## 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

### 3.1 EQUAL EMPLOYMENT AND PROTECTION OF RIGHTS AND INTERESTS

#### Employment and Rights Protection

The Company has always strictly followed national laws and regulations in recruitment and employment. The relevant system is comprehensive and clear. During the recruitment process, the Company strictly abides by the *Labour Law of the People's Republic of China*, verifies the identity, age and other key information of the applicants at the first time, and resolutely eliminates the recruitment of child labourers. The Company adheres to the principles of openness and transparency, comprehensive investigation and selection of the best candidates, and constantly regulates the recruitment process to ensure that the recruited employees fully meet the employment standards and requirements, so as to inject quality talents into the enterprise in a timely manner, and continuously improve the overall level of human resources.

In 2024, the Company established a special recruitment delivery team for external recruitment, which is aimed at optimising the allocation of recruiting manpower to maximise the effective use of resources. The Company utilised the Beisen Recruitment Management System to control the whole process of recruitment, and synchronise the launch of the system in all regions. With social recruitment channels, we have carried out in-depth cooperation with Liepin, 51job.com, Zhaopin and BOSS Zhipin.



(Beisen Recruitment Management System)

In 2024, we updated our internal referral incentive system. The Company implemented hierarchical and cumulative rewards for general staff referral fees, and additional rewards for internal referral during special periods or for new projects, aiming to encourage employees to get more rewards for recommending general employees to join the Company.

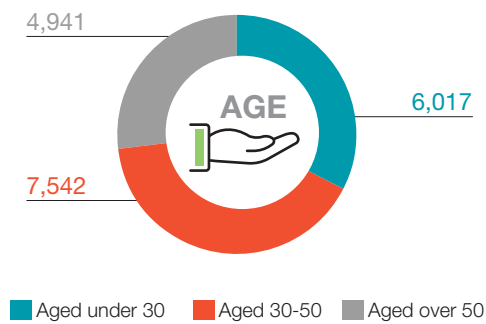
In 2024, the Company focused on investing in the internal talent vitality plan to open up channels for the mobility of employees, strengthen the mobility and exchanges between employees and projects, enrich the work experience of employees, stimulate their passion for work, provide more development opportunities and space for employees, and satisfy the diversified career development needs of employees.

### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

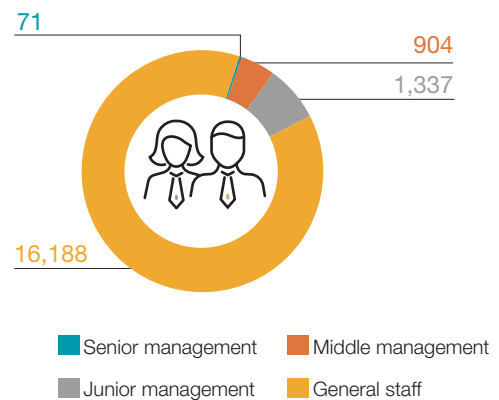
In terms of school-enterprise cooperation, the Company has continued to make in-depth efforts. As of the end of 2024, the Company had established in-depth cooperation with 6 universities and institutes, including Guangdong Ocean University, Nanchang Institute of Science and Technology and other universities. Through close collaboration with the universities and institutes, the Company has further expanded its talent selection channels, laying a solid foundation for the long-term development of the enterprise.

During the year, the total number of full-time employees was 18,500. In terms of gender composition, 10,640 were male and 7,860 were female. The Company actively recruited student interns. In 2024, we recruited a total of 279 student interns, 156 of whom were retained after graduation, with the retention rate of 56%. Details on breakdown and turnover rates of employees are as follows.

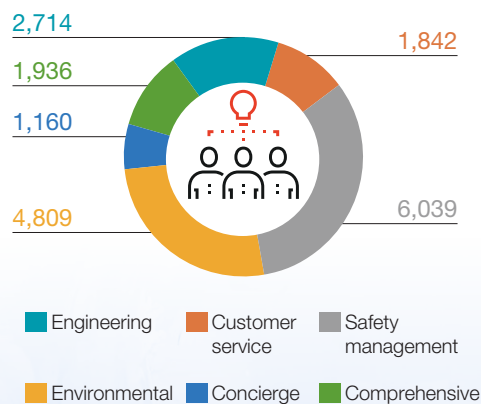
**Breakdown of Employees by Age**



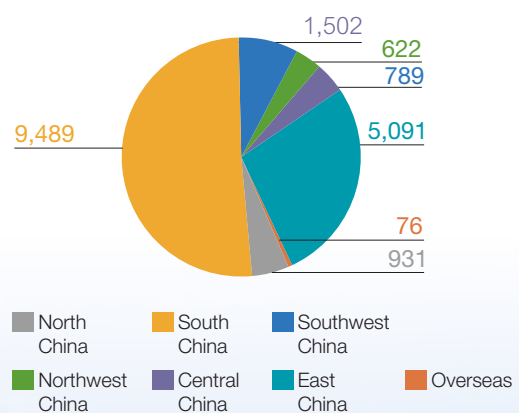
**Breakdown of Employees by Level**



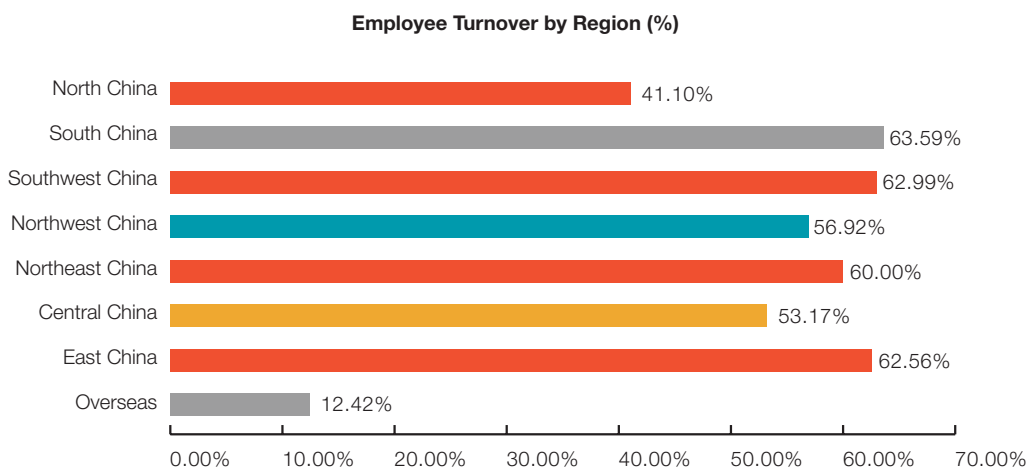
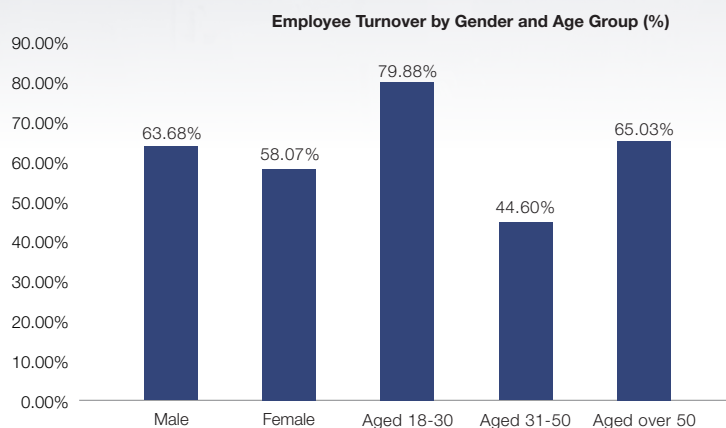
**Breakdown of Employees by Function**



**Number of Employees by Region**



### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE



### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

We promote diversity and 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 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 2024, 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. 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. We provide employees with competitive remuneration packages, including but not limited to salaries, salary, variable bonus, special incentives, allowances, benefits, etc., and pay for social insurance such as pension insurance, medical insurance, work injury insurance, maternity insurance and unemployment insurance, as well as housing provident fund for employees.

#### **Employee Benefits and Care**

The Company is committed to providing employees with generous compensation and benefits, and enhance their sense of happiness and sense of belonging.

In 2024, various cultural and sports activities such as quarterly employee birthday parties, employee appreciation days, Company celebrations and festival events were held at all levels of the headquarters and branches.

With regard to employee holiday benefits, in addition to the holiday subsidies and benefits covering all employees, the Company also distributes gifts to employees on the Women's Day, Dragon Boat Festival and Mid-Autumn Festival. The Company provides annual physical examination for all employees, and the coverage rate reaches 100%. The Company has set up and announced employee care hotlines to help employees solve problems in their work and life. With respect to employee care in the future, the Company 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.

### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE



Annual birthday parties



Mid-Autumn Festival

In addition, in 2024, we cooperated with a psychological counselling organisation in Beijing to active an EAP employee assistance programme, and launch a “More Healthy” platform. The EAP employee assistance programme is a company-purchased welfare and care project covering all employees (all own employees, providing mental health counselling benefits six times a year, and employees and their families can participate in the programme, regardless of category). It will provide the warmest care for every employee in the long term. Through the “More Healthy” EAP platform, employees can make appointments for psychological counselling, watch live courses, participate in psychological assessments, experience meditation counselling and acquire psychological knowledge. In addition to the online platform, the Company has also launched going frontline group counselling courses.

#### Case: Building an Employee Benefit Platform to Facilitate Employee Development



During the year, the employee satisfaction survey was conducted in conjunction with the corporate culture assessment. Through a customised system solution, the assessment of the degree of culture practice was carried out based on the three basic points of management culture implementation, collaboration and motivation. The assessment adopts a 360 model, covering first-line managerial staff and above + all staff in the headquarters function + all staff in the middle office of business units at level 3 and above. The personal report and an organisational report of the assessment serves as an important reference for individual and organisational improvement.



### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

In the third quarter, we combined the results of the management culture assessment with the theme of “Management Culture Co-creation and Improvement”, in which each organisation made full use of the tools and methods of culture co-creation to position management pain points and co-create improvement plans, and ultimately outputted 135 improvement actions, which have become an important guideline for the improvement of each organisation’s management culture in the second half of 2024.

The final assessment was launched in November with a satisfaction rate of 89.8%. Based on the results of the assessment, 17 “going frontline” 2024 Management Culture Assessment Report Interpretation Empowerment and Improvement Co-creation Sessions were held, in which the project team entered the frontline organisations to interpret the reports and lead the business units to jointly discuss management improvement, and ultimately outputted the improvement plans for 2025.

**Employee seminar:** The “talk with leaders” seminar was held for school-recruited students, with 47 participants, to promote communication and understanding between executives and school-recruited newcomers. The leaders were not only able to provide valuable career guidance and suggestions for the newcomers, but also helped them better integrate into the corporate culture.

For corporate culture activities, the Company launched quarterly cultural activities in frontline projects, adopting three forms of meetings (project supervisors and above), bare-heart meetings (all frontline staff) and praise meetings, with projects choosing the forms of activities in the light of their organisational realities, and launching the activities in accordance with the toolkit under the headquarters. During the year, 14,666 people participated in the activities, with a total coverage rate of 95.40% and a satisfaction rate of as high as 97%, demonstrating the broad coverage and deep nourishment of the management culture. In 2024, the praise meeting, as a representative of the “motivation” culture of management culture, became a “favourite” of the frontline project, with a total of 207 meetings held.



## 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

### 3.2 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 and conducts training on professional and technical skills for employees at different levels every year, as well as promotes the improvement of the Company's business performance. 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. On the other hand, our steady expansion in scale and business expansion have led to higher requirements for talent cultivation and reserve. The Company has long attached great importance to talent cultivation and reserve. Through the cultivation of key talents such as the New Wing management trainees, Excellent Talent – project managers, and Excellence Performance – facility managers, the Company has been able to comprehensively support the rapid expansion of its business and continue to enhance the core competitiveness of the Company.

In order to create a high-quality internal control environment for human resources, the Company has been making continuous efforts to carry out annual training on knowledge and professional and technical skills for employees at different levels. Through a systematic and targeted training system, we not only help employees to improve their personal capabilities, but also effectively promote the steady increase in business performance.

In terms of employee development and training management, the Company has set clear goals and strived to promote the implementation of corporate strategy. On the one hand, the Company focuses on developing and improving the leadership of managers to build a management team with excellent decision-making and execution capabilities; on the other hand, the Company actively cultivates key talents and accurately focuses on the core positions required for the development of the enterprise.

#### Employee Promotion

In terms of employee promotion, the Company implements the *Management Measures for Talent Development* and the *Promotion Management Measures*. In 2024, the Company carried out a rank system reform, dividing the system into operation sequence, professional sequence, and management sequence, which further broadened the career development path of employees. In addition, the Company has continuously enriched the talent cultivation projects according to the career development channels: New Employee Training System, New Wing Plan – Management Trainee Cultivation, Potential Talent Plan – Reserve Supervisor Cultivation, Outstanding Talent Plan – Reserve Manager Cultivation, Excellent Talent – Reserve Project Manager Cultivation, and Pilot Plan – Reserve Senior Management Cadre Cultivation.

In 2024, based on business needs, the Company conducted a scientific inventory of talents in each organisation, and classified them into the categories of high potentials, talents to be promoted, echelon, reserve B roles, turnover risk, incompetence and replacement. Subsequently, we implemented a series of targeted talent management measures, such as setting up promotion and cultivation plans for high potentials and talents to be promoted; activating retention plans for employees with a turnover risk; formulating differentiated salary adjustment and cultivation plans for potential employees; implementing a replacement plan to clear unsuitable personnel; and launching recruitment based on the results of the stock-taking and business needs, so as to optimise the talent structure and safeguard the Company's development. We optimised the allocation of talents and enhanced the effectiveness of our team by accurately identifying different categories of talents and implementing corresponding management measures, so as to ensure the sustainable and steady development of the Company's business.

### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

In 2024, the Company established the “Internal Supply Rate of Key Positions” appraisal indicator, aiming to increase the proportion of internal talent supply, reduce external recruitment costs and enable internal staff to have more promotion opportunities. At the same time, under the “Talent Vitality”, “Talent Cultivation Project” and “Promotion Project”, each organisation has actively started to appoint, reserve and cultivate talents in key positions. In the end, the internal supply rate of key positions reached 58.3%, which was significantly higher than the previous internal supply level of less than 30% per annum, and has effectively promoted the construction of the Company’s echelon and the development of internal talents.

#### Staff Training

In 2024, under the guidance of excellent employment philosophy and profound management culture, the Company focused on business expansion and talent development goals, relying on the *Promotion Management Measures 2.0*, the *Talent Vitality Policy* and the *Talent Management Measures 2.0* to precisely define the basis and criteria for talent development and management, and regulate the implementation and operation process of talent activities in an all-round manner. The Company has always been adhering to the promotion concept of “maximising opportunities for employees”, and has made every effort to build a stable, healthy and sustainable internal talent supply chain, so as to build a solid foundation for the Company’s long-term development.

At the same time, in line with the Company’s latest talent development and cultivation strategy, the Company implements unified and standardised management for the entire process of training. From accurate insight into training needs, to the careful design and development of courses, and to the efficient implementation of training and scientific evaluation of the results, each link has built up a standardised and refined management mechanism. Moreover, from the strict selection of lecturers, professional training and enhancement, to a reasonable incentive assessment, the Company has further optimised its lecturer system, is committed to building a professional and experienced lecturer team, in order to provide strong intellectual support and professional protection for talent training.

No.	Training Program Name	Training Category
1	2024 Pilot Leadership Development Programme	Talent Development
2	Excellent Talent Scheme Project Manager Training Camp	Talent Development
3	Excellence Performance Facility Manager Training Camp	Talent Development
4	2024 New Wing Talent Development Program	Talent Development
5	Joyful Workplace Energy Station	General Force Training
6	Cloud Academy Online Learning	General Force Training
7	2024 New Staff Training Programme	Talent Development
8	Compliance and Risk Control Training	Professional Training

\* Only some of the training cases are shown.

The Company has achieved systematic management in talent training, and has implemented the programs in an orderly manner according to the project system. Trainer management direction: including reserve supervisor and reserve manager. Through the creation of a unified talent portrait for each level of talent and the use of competency modelling, employees are able to meet the job requirements of each level to ensure that they are able to demonstrate performance stability in daily workplace scenarios.

### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

**Company-level talent development programmes:** School Enrolment – New Wing, Reserve Manager – Excellent Talent (Project Manager) + Excellence Performance (Facility Manager) and other three classic projects have been conducted as usual annual as scheduled. In addition, the Pilot Leadership – Senior Management Talent Development Programme was successfully incubated in 2024 and the inaugural programme was delivered.

**Staff-wide learning programme:**

- (1) For existing employees, the Company operated the Joyful Workplace Energy Station Programme, which completed the selection of 12 monthly learning themes and recommendation of learning resources in 2024. Compared with 2023, the number of courses recommended through the Joyful Workplace Energy Station increased by 84.6% in 2024, and the proportion of courses developed in-house and delivered in the form of online live streaming increased by 17%.
- (2) For incremental new employees, the Company has upgraded the orientation training for new employees, which is organised by the headquarters in order to make training courses more standardised.

In 2024, the total investment in employee training amounted to RMB2.105 million, and the investment in employee training amounted to RMB536 per million revenue.

Training Indicator		2024	2023
Number and percentage of trained employees by gender	Total number of male employees trained (persons)	10,834	7,928
	Total number of female employees trained (persons)	7,904	6,141
	Percentage of male employees trained	100%	100%
	Percentage of female employees trained	100%	100%
Number and percentage of trained employees by level	Total number of senior management trained (persons)	72	63
	Total number of middle managers trained (persons)	931	817
	Total number of general employees trained (persons)	17,735	13,049
	Percentage of senior management trained	100%	100%
	Percentage of middle managers trained	100%	100%
	Percentage of general employees trained	100%	100%
Training hours per employee	Average training hours per male employee <sup>1</sup> (hours)	49.47	64.6
	Average training hours per female employee (hours)	49.42	68.8
	Average training hours per senior management (hours)	9.31	5
	Average training hours per middle manager (hours)	9.18	11
	Average training hours per general employee (hours)	51.73	52

<sup>1</sup> Training hours per employee by gender does not include senior management.

### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

Talent is the driving force of enterprise development. Excellence CM has established a strategic blueprint for talent cultivation and reserve, continued to build its core competitiveness in the medium and long term, and put an emphasis on manpower modelling.

#### ***Management Trainees through Campus Recruitment:***

- **New wings talent cultivation project:** It is aimed at creating more high quality and professional young managers through systematic and all-round training. For personnel, we extract the portrait of successful management trainees, produce the core competency model, and refine the output talent portrait; for instructors, we expand the instructor pool, strengthen the screening efforts, follow up on the effectiveness of the teaching, conduct regular instructor-enabling visits, and iteratively optimise the content of the teaching; for the projects, we target 5 phases of cultivation, launch mixed project learning experience, and enrich the course systems and aspects; for the development, we reshape the development path management trainees, reorganise the structure of position assessment, and strengthen the application of the assessment results.



### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

#### Reserve Manager:

- **Excellent Talent Scheme:** In 2024, Excellence CM successfully launched the “Excellent Talent Scheme” Facility Manager Training Camp. During the camp, trainees adopted an innovative learning model that combined online and offline learning to achieve an in-depth transformation from a technical mindset to a management mindset. The trainees put what they learnt into practice, empowering their teams and applying it to their daily work and customer service.



- **Excellence Performance Scheme:** It focuses on the project management life cycle of the various key scenarios, with the integration of “researching + learning + practicing + doing” as an innovative training model. All course materials and case materials are 100% developed by us. Students are required to put them into practices directly within the project.



### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

#### ➤ Senior Management Talent Development Programme - Pilot Leadership Training

In order to improve the whole life-cycle learning and development system of employees, Excellence CM launched the first Pilot Leadership Programme in 2024. The programme focused on the enhancement of core leadership qualities, covering in-depth modules such as self-awareness and leadership style shaping, strategic mindset and decision-making ability, team building and motivation strategy. Taking the director-level competency model as an outline, the core management independently developed professional courses, opened up the internal training channel for senior management talents through the 3D model of “learning + practicing + examination + counselling + evaluation”, and fulfilled the career development commitment of growing together with employees.



### 3.3 PROTECTING AND CARING FOR EMPLOYEE HEALTH AND SAFETY

#### Employee Occupational Health and Safety

The Company set up the EHS Operation Department in the Technical and Operation Support Centre (COE) of the Headquarters, employed full-time EHS management personnel, established a company-level Safety Production Committee consisting of the Company’s management, heads of all business divisions, heads of all functional departments, heads of all directly supervised areas, heads of the COE EHS section, and representatives of employee health and safety, and formed a decision-making mechanism for reviewing and approving EHS accidents. Through the *EHS05R01 Special Incident Management Measures*, *HR05R04 Reward and Punishment Management Measures*, *HR05R01 Performance Management System* and other systems, quality accidents were linked to the performance and remuneration of the responsible persons at the corresponding level. In 2024, the Company achieved the annual EHS targets without any EHS accidents of Type 1 and above<sup>2</sup>.

<sup>2</sup> Type 1 EHS incident refers to a work day loss of 30 days and property damage of RMB30,000 or more

### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

The concept of the Company's employees health and safety construct a safety protection barrier. The Company carries out the EHS "ten guidelines" policy and insists on zero tolerance for the "safety red line", and implements the "Excellence 123 Safety Management Mindset". This year, the Company released the *Major Safety Incident Reporting System* and the *Special Incident Management Measures*, revising the grading of importance of special events and optimising the reporting rules for special events, in order to build up the practice of safety culture together. The Company continues to pay attention to the occupational health and safety of its employees, organising regular occupational safety training and taking out commercial insurance for its employees.

We organise and launch one monthly self-inspection of the special position certificates. Each region of each project calculates the changes in the certificate rate and take corresponding control measures.

The Company attaches great importance to production safety and takes active actions. In early 2024, the Company elaborately formulated the *2024 Production Safety Targets and Responsibilities*, and organised all the relevant personnel to sign it to ensure that the responsibilities for production safety are implemented at all levels. At the same time, the Company also prepared the *Annual EHS Management Plan*, which was approved by the Safety Committee of Excellence CM. In 2024, the Company worked strictly in accordance with the established programme and made every effort to promote the implementation of various safety measures, successfully accomplished the targets set in the *Annual EHS Management Plan*, which strongly ensured the safe operation of the Company and created a good safety environment for production.

#### **Daily occupational health and safety work is strengthened in the following aspects:**

1. Training on daily occupational health and safety, such as training on work-at-height safety, training on hazardous source identification assessment and control, training on marking and locking operation safety, training on traffic safety, and training on fire safety;
2. Configuration and supervision of the use of personal protective equipment, such as helmets, safety belts, electrical insulation safety shoes, protective earplugs, protective masks, gas masks;
3. Supervision of the safety of daily maintenance and repair operations of employees, and the approval system for high-risk operations;
4. Development of safety culture activities, occupational health and safety leadership;
5. The Company provides physical examination for employees every year, covering all areas, departments and all positions of the Company, so that the Company can fully understand the health status of employees and the direction of improvement;
6. The COE department has prepared more materials on EHS production safety. In the organisational assessment, incidents are graded and are related to the staff's performance. A safety incident (special event) will affect employee performance and the scores of the project.



### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

During the year, the Company actively deployed the annual safety risk assessment work and successfully organised all regions to fully complete this work, with a completion rate of 100%. Through the systematic and in-depth assessment, potential safety risks were accurately identified, laying a solid foundation for the formulation of subsequent targeted preventive and control measures.

In terms of special safety inspections, the Technical and Operation Support Centre (COE) of the headquarters has updated the *Special Safety Inspection Management System*, further clarifying the safety inspection process at project, regional and headquarters levels, including the issuance of notification of inspection, the formulation of training plans, the formulation of inspection plans, sample checking at headquarters regions, the reporting of problems, the rectification and closure of problems, the review and validation of problems, and the notification of penalties. Specific work items, responsible persons, time points and output requirements for each section are clearly stipulated. Based on the experience of safety management in the industry and the cases of safety production accidents, 10 types of high-risk issues in project operation, such as fire safety, swimming pools, elevators, electricity, the body of the building, gas and inclement weather, etc., have been formulated as the corresponding 10 types of *Implementation Standards for Special Safety Inspections*.

In 2024, the Company carefully compiled the comprehensive and detailed *2024 Company-level Special Safety Inspection Plan*. The Company carried out 15 types of company-level special inspections, 50 regional special inspections and 4,320 project-level special inspections. By the end of 2024, 100% of inspection tasks had been completed.

	2024	2023	2022
Number of employees who died at work (person)	0	0	3
Percentage of employees who died at work	0	0	0.20%
Work days lost due to work-related injuries (hours)	3,979.2	3,616.75	3,150.25

In 2024, the work days lost due to work-related injuries were 3,979.2 hours (497.4 days). The Company had no violations in terms of occupational health and safety

### 3. CARING FOR EMPLOYEES AND WORK TOGETHER FOR THE FUTURE

The Technical and Operation Support Centre (COE) of the headquarters has made full use of the Think Tank Management Platform, Cloud Learning Hall and other information-enabled manners to develop and launch a series of professional training courses, such as “COE Lecture Hall”, “Safety Weekly Class”, “Safety Knowledge Sharing”, “Excellent Practice Experience Sharing”, “Common High Risk Hidden Hazards and Solutions”, etc. At the same time, we also actively organise online and offline teaching and training courses, in order to enhance the safety inspection capabilities at all levels and effectively promote zero occurrence of high-risk problems.

In terms of safety culture construction, we have planned and organised a series of safety culture activities in various forms, such as “safety photo shooting”, “safety risk assessment skills competition”, “fire emergency response competition”, etc. to attract wide participation of junior staff and create a strong safety culture atmosphere.

We have achieved tangible results in the collection of good practices. During the year, 17 excellent cases of EHS management were successfully collected and voting activities were organised on the Think Tank Management Platform. In addition, 6 excellent cases of swimming pool safety management were also collected, making a total of 23 cases for the year. These cases provide valuable references for the Company to further optimise its safety management.

#### **Case: Knowledge Competition on Special Fire Safety Inspection**

The COE of the headquarters designed and launched five thematic courses, including *Practical Knowledge of Fire Safety*, *Emergency Operation of Fire Fighting Equipment*, *Regulations on the Operation and Management of Fire Fighting Facilities*, *Key Points on Response to and On-site Disposal of Emergency Incidents* and *Emergency Pre-planning and Emergency Response Plan*, which were attended by a total of 12,652 participants. Through systematic learning and knowledge competitions, the fire safety awareness and professional skills of frontline staff were effectively enhanced.

#### **Case: “One Minute for Safety” Rapid Risk Assessment**

June 2024 marked the 23rd National Work Safety Month. In order to further create an atmosphere of safety culture and enhance the level of safety production, Excellence CM launched a series of special safety inspections and emergency drills under the theme of “Everyone Talks about Safety, Everyone Knows How to Respond to Emergencies – Smooth the Life Channels”, and launched a special EHS management tool with company characteristics – *One Minute for Safety, Rapid Risk Assessment*. At the same time, it organised an application case competition.

## 4. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### COMMUNITY COMMUNICATION AND INTEGRATION

Excellence CM is not only committed to creating maximum value for its clients through its professional services, but also continues to implement the concepts of social responsibility and sustainable development around ESG governance, building a corporate public welfare ecosystem and social return value, and realising the harmony and unity of corporate value, client value and social value. We have always been concerned about the construction of a community charity ecosystem, striving to create a good community charity atmosphere and public welfare ecosystem, and construct a social governance commonwealth of common building, governance and sharing. Through the active development of Excellence “Community Welfare”, the expansion of Excellence “Public Welfare Volunteers” and the establishment of the “Shenzhen Excellence Group Charity Foundation – Excellence CM Special Fund”, we are actively exploring sustainable public welfare models and helping to promote the development of social welfare to a higher level and in a wider range of areas.

### CREATING DIFFERENT VOLUNTEER ACTIVITIES

In September 2023, the Company formally set up the Excellence Volunteer Team, which is connected to the Shenzhen volunteer system. Members of the team are also volunteers of Shenzhen volunteers and have their own Shenzhen volunteer number. The number of activities they have participated in and the points they have earned are included in the Shenzhen volunteers system for cumulative statistics. As of 31 December 2024, the cumulative number of registered volunteers of Excellence has reached 159 persons.

In order to encourage employees to actively participate in public welfare activities, the Company has formulated a humane policy. If an employee participates in a charity activity during working hours, the activity time will be treated as normal working hours; if an employee participates in a charity activity during his/her spare time, the Company will convert the corresponding working hours into overtime pay. Employee participation in public welfare activities is based on the principle of voluntarism. The Company does not make mandatory requirements and fully respects the willingness of employees.



## 4. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### 4.1 CARING FOR THE COMMUNITY AND DELIVERING WARMTH

Since its establishment in 1996, Excellence Group has aspired to be a socially responsible organisation, and this commitment is embedded in every aspect of its business decision-making. Since its establishment in 1999, Excellence CM has followed in the footsteps of the Excellence Group in public welfare, and has actively participated in Excellence's public welfare endeavours and assumed corporate social responsibility.

Over the years, Excellence Group and Excellence CM have worked hand in hand to achieve remarkable results in charity. They have donated RMB680 million and participated in more than 473 charitable projects. Looking back on the journey of Excellence in public welfare, from the early days of its establishment with the simple intention of "dedication to charity, pay back to the society" to a close focus on the government's central work of donations and assistance, the Company is now actively exploring new models of industrial revitalisation with enterprise management mindset and forward-looking strategic vision, and developing in public welfare development with unique and outstanding characteristics.

Since the launch of the "20 Years of Goodness" campaign, Excellence CM Group and the Shenzhen Excellence Group Charity Foundation have been supporting and cultivating the community public welfare and the culture of Excellence volunteers by launching a series of "interesting and beneficial" cultural activities that meet the needs of the public, to achieve its public welfare philosophy of "Public Welfare for Excellence".

In 2024, the Company embarked on a series of thematic activities such as the World Book Day and the Mangrove Wetland Conservation Visit.

#### I. Book Day Activity

In April 2024, we held a book reading day activity with the theme of "Read the Blossom in Spring" featuring Mr. Zhao Yanji, "first person of Chinese Zodiac Calligraphy" to launch calligraphy souvenirs, and invited white-collars to unlock reading blind boxes through online reading check-ins. At the same time, Excellence CM joined hands with the Excellence Charity Foundation to organise the "Building Dreams Together, Warmth of Books" activity, lighting a lamp for children in underdeveloped areas and organising book donations, with more than 3,000 online and offline participants during the activity period.



## 4. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### II. Parent-Child Green Discovery Tour

On 31 August 2024, Excellence CM, in collaboration with the Excellence Group Charity Foundation, invited adults and children from the Excellence Community of Shenzhen Huizhou City to Futian Mangrove Ecological Park in Shenzhen to start a unique parent-child public welfare green exploration trip. Through visiting the exhibition halls, close contact and looking through telescopes, adults and children learned more about mangrove protection, raised awareness of mangrove protection, understood the mysteries of the ocean and the natural ecology, and witnessed the beauty of environmental protection.



### 4.2 CARING FOR LIFE AND SERVING THE SOCIETY

#### Red Action:

Up to 2024, the Company has successfully organised 15 charity blood donation campaigns. In terms of blood donation benefits, the standard of gratuities received by employees who participated in blood donation remained the same as that in 2023, i.e. RMB100 per person per donation.

As a co-organiser of the Shenzhen Red Cross blood donation programme, Excellence CM actively promoted blood donation in 2024. In the whole year, the accumulated blood donation activities were held for 6 days and 5 sessions were organised, attracting 224 participant employees. The total blood donations amounted 72,500 ml, contributing to the social welfare undertakings with practical actions.



## 4. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### “Welfare + E” Public Welfare Activity

Excellence CM’s “Welfare + E” activity aims to enhance the public’s first aid skills and promote the concept of “First Aid for Everyone”. On the World First Aid Day, the Company will popularize the knowledge of first aid among customers of the commercial buildings it serves nationwide, and cooperate with professional organizations to carry out training on CPR and the use of AEDs, so as to enhance the ability of self-rescue and mutual rescue. The “Welfare + E” public service activity not only provides 66 CPR and AED training certificates for frontline staff, but also opens up first aid training to the clients and employees of the enterprises it serves.

In 2024, there were 16 AED first-aid training events. AED activities covered six regions in Shenzhen and Dongguan, with 938 participants, 765 people receiving first-aid completion certificates, and attracting the participation of 158 volunteers with 949 volunteer hours to serve 10 enterprises or building employees.



## 4. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### 4.3 PUBLIC SERVICE ACTIONS TO CREATE HARMONY

#### Rural Revitalisation Work

In 2024, under the guidance and support of Shenzhen Rural Revitalisation Bureau, Shenzhen Xinjiang Support Command, Bureau of Civil Affairs of Shenzhen Municipality and other units, Excellence Charity continued to fulfill its corporate social responsibility and the power of social organisations by supporting Xinjiang and Jiangxi Xunwu with Shenzhen as the base to help the regions in need and set up a demonstration point for rural revitalisation, aiming to provide accurate assistance and facilitate rural revitalisation work.

As a core professional company under the listed Excellence CM Group, Zhuopin Business is deeply aligned with the ESG strategy of its parent company in rural revitalisation. Zhuopin Business empowers rural revitalisation and builds brand value through good business practices. Integrating the online and offline sales network, it takes good deeds with Zhuoyue Shanxing to promote the specialty agricultural products from remote areas to the national market, solves the problem of slow-moving agricultural products, and increases the income of thousands of farmers. At the same time, it invests human resources to provide a full range of professional support for Zhuoyue Shanxing's product development, supply chain management, financial management, and specialised marketing to establish a deeper emotional connection with consumers.

Excellence Charity has invested a cumulative of over RMB6 million in funds organised and led more than 100 people in 13 batches to Kashgar and Tashkurgan County, Xinjiang, and Xunwu County, Jiangxi to carry out research and implement various projects. It launched a total of 19 public welfare projects, and served more than 20,000 villagers, the elderly, women, disabled children, students, teachers and educators, achieving outstanding results in its charity business.

#### Revitalising Dreams in Baldir Township, Tashkurgan County

Excellence Charity cooperated with 72 Excellence landmark promotional projects to increase the scale of Baldir buckthorn to 7,000 mu, with about 180 tons of buckthorn harvested.



## 4. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### “Excellence Baldir” Social Worker Station and Health Station (Lucky Mother Programme)

We held 4 cultural and entertainment, health knowledge activities, visited 6 households of the elderly and pregnant women, and 3 newborn babies. The Pregnant Mothers Volunteer Team won the second place in the Second Community Micro-Community Project Competition in Tashkurgan County.



### Professional Talent Training Programme in Tashkurgan County

We have continued to train 3 professional talents, including rehabilitators, social workers, and disabled staff of the Tashkurgan County Disabled Persons Federation. The rehabilitators have provided 1,364 times of rehabilitation services for children with disabilities.





## 4. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### Kashgar “Beautiful Gardeners” Educational and Cultural Project

Since the launch of the project until 2024, the “Beautiful Gardener” education and culture project in Kashgar was continuously promoted, training 625 teachers and education managers in Kashgar and Tashkurgan County, launching more than 120 livestreaming online activities, recording more than 350 hours of online courses, visiting the region 38 times for research and guidance, reaching 22,000 trainees and benefiting 33,892 people.



### “Excellence School” in Xunwu

In 2024, the Xunwu “Excellence School” programme focused on developing 10 “Mu Chuanhui Critical Learning” Teacher Workshops with 100 member teachers. About 40 activities were held, benefiting more than 1,500 people, receiving more than 10 awards and establishing 3 projects.



## 4. CARING FOR THE COMMUNITY AND GIVING BACK TO SOCIETY

### “Excellence Heart • Longnan Trip” Returned Visit Donation and Summer Camp

The Company jointly launched one Wenchuan Earthquake Excellence School Returned Visit Donation and Summer Camp activity, donating funds and material in an amount of approximately RMB100,000. The activity lasted for 5 days and benefited more than 700 teachers and students.



### Donation to the Green Development Futian Fund to Facilitate Ecological Construction

In November 2024, Excellence CM Group actively responded to the national call and made a donation to the establishment of the Green Development Futian Fund. It has been working closely with various parties to encourage and motivate employees to participate in ecological protection and restoration work, facilitate ecological construction and green development of Guangdong, and contribute wisdom and strength to achieve the national “carbon peaking and carbon neutrality” target.



## 5. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

The Company has always taken high-quality development as its core sustainable development goal and has upheld the guidelines for “profession and standardisation, all staff participation, innovation for sustainability, and creation of a bright future together”. It has strived to establish a standardisation system management model in order to provide customers with professional, smart, and full-cycle high-quality services.

In the management practice, the Company has issued the Annual Targets Responsibility Letter regarding quality, occupational health, environment and energy, which specifies the annual work objectives and tasks of each department and each position in the relevant areas, and breaks down the high-quality development target into specific work sections to ensure that the responsibilities are realised by individuals. Through the signing of the Responsibility Letter by 100% of the persons in charge of each business unit and the position safety Responsibility Letter by 100% of the frontline employees, the Company has strategically integrated quality improvement, environmental protection, energy saving and emission reduction into its daily operation, laying a solid foundation for the sustainable development of the Company.

At the same time, the Company has implemented the quarterly review mechanism. The Company regularly conducts a comprehensive review and conclusion of the progress of all aspects of its operations and management on a quarterly basis. During the review process, we analyse in detail the achievement of goals and objectives, as well as the problems and deficiencies in our work. Focusing on the problems identified, we will formulate and implement timely and targeted improvement measures to ensure that all work is always pushed forward towards the pre-set goals. Through the dynamic management mechanism, the Company is able to flexibly adjust its work strategies according to changes in the internal and external environments, continuously optimise its management processes and deepen its ESG initiatives.

### 5.1 EMISSIONS CONTROL TO PROTECT THE ENVIRONMENT

Excellence CM has always been adhering to the strategies of low-carbon environmental protection and sustainable development, and has consistently applied them to the whole process of its operation. In strict compliance with the operating standards of ISO 14001 environmental management system and ISO 50001 energy management system, the Company proactively and persistently implements the national low-carbon environmental protection policies, and contributes to the realisation of the national carbon peaking goal as well as the implementation of its own sustainable development strategy.

With respect to system construction, the Company has formulated a series of sound management systems, including *Waste Management Rules*, *Resource and Energy Management Rules*, *Evaluation and Control of Environmental Factors* and other management systems to strictly control various types of emissions. In order to ensure that these systems can be put into practice, the Company promotes the implementation of the system in an all-round way through special inspections, QPI inspections, weekly inspections and daily training.

## 5. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

Excellence CM will further deepen its sustainable development strategy, actively respond to the call of national policies, and continuously increase its efforts in air treatment and pollutant emission control, so as to fulfil its social responsibility of low-carbon environmental protection and green property development. During the reporting period, the Company did not commit any non-compliance in the area of emissions management that would exert an impact on the enterprise, thereby laying a solid foundation for the sustainable and steady development of the enterprise.

### 5.2 WASTE AND GREENHOUSE GAS EMISSIONS MANAGEMENT

Our projects under management are mainly commercial office buildings, residential building and a few logistics parks. The direct sources of greenhouse gas emissions are natural gas and liquefied petroleum gas. The indirect sources of emissions are those caused by the use of electricity. Diesel consumption from power generators usually occurs only in emergencies and monthly tests during power interruptions, and the emissions are basically 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 Gas<sup>3</sup> Emissions and Intensity**

Category	Unit	2024 Emissions	2023 Emissions
Sulphur dioxide	kg	19.88	18.25
Nitrogen oxides	kg	195.06	179.1
Particulate matter	kg	26.24	24.09
Exhaust pollutants emissions	kg	241.18	221.44
Exhaust pollutants emission intensity	kg per 10,000 m <sup>2</sup> of properties under management	0.033	0.035
Direct greenhouse gas emissions	tonnes of carbon dioxide equivalent	259.01	239.07
Indirect greenhouse gas emissions	tonnes of carbon dioxide equivalent	100,045.58	81,633.13
Total greenhouse gas emissions	tonnes of carbon dioxide equivalent	100,304.59	81,872.20
Greenhouse gas emission intensity	tonnes of carbon dioxide equivalent per 10,000 m <sup>2</sup> of properties under management	13.89	12.79

- ① 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 *China Energy Statistical Yearbook*.
- ② 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 the Report and Verification of Greenhouse Gas Emissions for Some Enterprises in Key Industries from 2023 to 2025* published by the Ministry of Ecology and Environment.
- ③ Total greenhouse gas emissions: Sum of direct and indirect greenhouse gas emissions.

## 5. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

### Discharge Management

The Company complies with the environmental protection requirements and has formulated the *Garbage and Waste Management Guidelines and the Waste Management Regulations*, closely cooperates with the implementation of waste reduction programs, and requires relevant parties to participate in relevant initiatives. We advocate paperless offices, reuse of single-sided paper, and reduce the use of disposable tableware/plastic bags to reduce waste generation.

The main hazardous waste involved in the scope of the Company's business activities are: waste toner cartridges, waste ink cartridges, waste lamps, waste paint solvents and other waste. Waste toner cartridges and waste ink cartridges are directly recycled by the supplier. Waste lamps and waste paint solvents are recycled by the institution with hazardous waste disposal qualification or disposed of by party A in compliance with laws and regulations. The COE of the Company reviews the list of hazardous wastes each year and updates it according to the National Catalogue of Hazardous Wastes.

- A special hazardous waste warehouse has been set up to collect and store hazardous wastes generated from project operations;
- Priority is given to the procurement of non-mercury LED light fixtures to replace old ones, and to the procurement of environmentally friendly non-hazardous paints and coatings such as water-based paints.

The Company's non-hazardous waste is mainly domestic waste, which is categorized according to the requirements of the local government. We actively cooperate with the local government to launch the publicity of "waste classification" and other related environmental protection contents. 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.

The Company takes the following measures to facilitate residents to carry out waste classification:

- 1) The property service centre should suggest to the real estate company the allocation of separated bins prior to the entry of new projects, and make effective suggestions on the location, quantity and style of the bins.
- 2) Non-recyclable, recyclable and hazardous waste collection devices should be set up in public areas, the number of which should be based on the standard of convenience for customers. Classification signs should also be clearly labelled.
- 3) Each management office should influence and guide property owners and other staff to put solid waste according to the classification standard through environmental protection publicity activities, and encourage property owners to put hazardous waste in special collection bins.

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. In 2024, wastewater was 2.7192 million tonnes.

## 5. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

The Company has actively launched waste training. At present, systematic documents such as *Garbage and Waste Management Guidelines and Waste Management Requirements* have been incorporated into the annual training program of each project. Waste management has been included in the assessment criteria of performance appraisal. Training and QPI assessment have been adopted to enhance the skills of the basic units.

In 2024, the total amount of hazardous waste discharged by the Company was 7.72 tonnes, and the total amount of non-hazardous waste discharged was 98.3 tonnes

Category	Unit	2024 Emissions	2023 Emissions
Total hazardous waste	tonnes	7.72	4.25
Waste lamps	tonnes	5.12	1.81
Waste paint solvent	tonnes	1.50	2.45
Other hazardous waste	tonnes	1.10	–
Non-hazardous waste	tonnes	98.30	89.73

### 5.3 RESOURCE CONSERVATION, ENERGY SAVING AND CONSUMPTION REDUCTION

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*, and the *Energy Cost Savings Guidelines*, 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. In addition, the Company has established a special effectiveness project to set efficiency targets for each region each year, with 100% coverage. The overall efficiency targets for 2024 met expectations. 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.

In response to the call for green development and to enhance the proportion of renewable energy use, the Company plans to gradually carry out the construction of photovoltaic power generation projects in 2025. It will make full use of the project's rooftop, unused vacant land and other resources to deploy the distributed photovoltaic power generation facilities, so as to provide new green momentum for the Company's sustainable development.

4 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. In addition, in 2024, the Company expanded the scope of hazardous waste statistics to include new hazardous waste such as pesticides and expired pharmaceuticals.

5 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 non-hazardous waste include those generated by owners or tenants of the projects under management.

## 5. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

### Energy Management

The Company has launched an efficiency program that includes energy efficiency targets, incorporating efficiency indicators into the performance assessment of corresponding individuals, departments, projects and regions, and has set up special incentive funds to enhance the enthusiasm of the relevant personnel in carrying out their work. At present, energy management has covered all the relevant stock project operating sites. Key energy saving projects include: lighting energy saving, air-conditioning system energy saving, wind turbine and pump energy saving and elevator energy saving, etc.

In terms of energy management, Excellence CM has responded to customer needs by further strengthening the management of time and equipment usage standards, deploying digital platforms and energy facilities renovation, continuously enhancing the optimisation of energy consumption use in buildings, and promoting the renovation of energy-saving facilities in buildings, in order to achieve the goal of reducing costs and increasing efficiency for customers.

Through building a high-end office management model, we have established a sustainable operation and management system for commercial properties in terms of indoor air quality, light, odour, smart building management, waste management, energy management and operation, and employee health and safety. The Company will build an information management platform to 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 excellent contributions to the reduction of energy resources.

#### The Company's Resource and Energy Consumption and Intensity

Category	Unit	2024	2023	2022
		Consumption	Consumption	Consumption
Electricity consumption	kWh	175,426,239*	143,140,672.23	119,723,186.05
Natural gas	Nm <sup>3</sup>	110,844*	101,775	100,782
Liquefied petroleum gas	kg	5,104*	5,081	8,013.00
Integrated energy consumption	'000 kWh	176,697.94	144,312.94	120,925.61
Integrated energy consumption intensity	'000 kWh/10,000 m <sup>2</sup> of property under management	24.47	22.55	29.35

\* The increase in the number and GFA of projects under management in 2024 resulted in an increase in electricity, natural gas and liquefied petroleum gas consumption.

## 5. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

In terms of property project management, the Company requires each of its project to set energy-saving targets each year and to carry out energy-saving renovation tasks in phases. At the same time, the Company continues to implement effective management and energy saving measures such as optimising equipment operating hours, optimising fresh air volume, optimising central air-conditioning operation strategies, in order to reduce energy wastage and effectively control greenhouse gas emissions.

We are committed to green property development. As at the end of the reporting period, Excellence CM's 8 projects under management has been awarded 11 LEED/WELL green building international gold certificates, among which Excellence City of Shenzhen has been awarded the first LEED Gold certification in South China, and Shenzhen One Excellence has been awarded the first WELL Gold certification in Shenzhen. We have not only helped corporate customers achieve the goal of high performance operation strategy and corporate cost control in workplaces, but also responded to the call of the government, social organisations and experts from all sectors to lead the industry and achieve sustainable urban development, green and low-carbon operations.

Excellence CM has always made it a goal to continuously satisfy customers' needs, advocating the harmonious development of man and the environment, man and nature, responding to and leading enterprises to participate in green and healthy building operation, energy conservation and emission reduction, low-carbon operation, and introducing an international sustainable management system by virtue of the profound experience accumulated in commercial property management, office management and integrated facilities management. Our main service sites are certified to "ISO14001:2015 environmental management system" and "ISO50001:2018 energy management system".

In the process of management, we do our best to use more energy-efficient equipment, such as LED lights, smart lighting, inverter motors, etc. Every year, the headquarters collects energy-saving programmes from subsidiaries through the region. At the same time, the headquarters coordinate the implementation of energy-saving and cost-reduction programmes in conjunction with on-site verification to assist the regions in further exploring energy-saving potentials and contributing to the achievement of the efficiency targets. For example, in 2024, under the guidance of policies, the headquarters organised 5 projects to participate in and respond to the Shenzhen Virtual Power Plant, alleviating the pressure of power supply and demand, promoting the green transformation of the city's power system, and assisting Shenzhen in building a new energy system by integrating distributed resources and realising accurate load regulation with advanced technology.



## 5. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

### Case: Implementing Earth Hour to contribute to low-carbon initiatives

“Earth Hour” is a global energy saving initiative proposed by the World Wide Fund for Nature (WWF) in response to global climate change. On 23 March 2024, Excellence CM Group joined hands with its 13 projects and more than 30 high-end office buildings in 6 cities to implement energy saving actions. By switching off lights on building facades and non-essential lighting and equipment in public areas, we achieved the goal of reducing electricity consumption during the initiative.



### Water Resources Management

The Company complies with the *Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste*, the *Water Pollution Prevention and Control Law of the People’s Republic of China*, the *Water Law of the People’s Republic of China* and other relevant laws and regulations, and has formulated management systems such as the *Resource and Energy Management Rules*, the *Energy Management Guidelines for Residential Projects of Excellence Property*, the *Water Landscape Maintenance Management Guidelines*, and the *Engineering Equipment and Facilities Maintenance Management Guidelines*, which control the water resources from the perspective of resource management, water-saving measures, as well as leakage prevention and discharge reduction, respectively.

Category	Unit	2024	2023	2022
		Consumption	Consumption	Consumption
Water consumption	m <sup>3</sup>	3,397,251.74*	2,394,036.99	3,605,747.63
Water consumption intensity	M <sup>3</sup> /each m <sup>2</sup> of property under management	0.05	0.04	0.17

\* The increase in the number and GFA of projects under management in 2024 resulted in an increase in water consumption.

## 5. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

The water supply of the Company is mainly municipal water. We advocate the use of reclaimed water, water conservation, etc. to reduce the waste of water resources. 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 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. Excellence CM's operations team enhances energy efficiency by significantly promoting the use of water-saving equipment such as nighttime ice storage air conditioners, crossflow cooling towers, water-saving cleaning equipment, sensor-activated and quick-open faucets, drip irrigation, rainwater harvesting, and other water-saving devices. During the year, the Company did not have any problems in sourcing water that is fit for purpose.

### 5.4 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. The Company describes the efforts and the future direction in response to climate change based on governance, strategy, risk management, 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. For the risks of climate change identified, the Company has formulated management measures and contingency plans. The Company has formulated the Identification, *Evaluation and Control of Environmental Factors*, the *Energy Evaluation Management Rules*, and other relevant control measures in response to climate change, and has passed the systems of the *Integrated Emergency Response Plans*, the *Emergency Response Plans for Blizzard and Cold Wave*, the *Emergency Response Plans for Typhoons and Floods*, etc. Through risk management and control, the Company has reduced the incidence of risks arising from climate change to the operating process in advance, and ensured the rapid handling of risks through emergency response plans to minimise the impact on operations.

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.

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.

## 5. GREEN AND LOW CARBON OPERATION FOR ENVIRONMENTAL PROTECTION

Risk Category		Climate-related Risks	Response Measures
<b>Physical Risks</b>	Acute	Extreme rainfall, snowstorms, cold wave, etc. may affect the Company's ability to provide property services. The provision of property services to property owners is directly affected by extreme weather events on residential communities, office buildings, industrial parks, etc.	Establish contingency plans for natural disasters, and regularly inspect and maintain property facilities to enhance disaster prevention and resilience.
	Chronic	Longer-term changes in climate patterns, such as gradual changes in temperature and rainfall, sea level rise, etc.	
<b>Transformation Risks</b>	Policy and Law	With the gradual improvement and implementation of the policy, regulators are bound to implement more stringent greenhouse gas emission limitation measures and enhance the transparency of emission disclosure requirements.	It is required to keep a close eye on policy developments and regulatory changes, and flexibly adjust strategies to address the challenges.
	Technology	The introduction of new technologies or equipment may encounter problems such as inadequate technology, equipment failure and high maintenance costs.	Establish a solid relationship with technology suppliers to obtain timely technical support and product updates; and conduct regular maintenance and inspection of the equipment to ensure stable operation.
	Market	As a result of policy and market guidance, and the growing public awareness of environmental protection, the market tends to choose more environmentally friendly products and services.	Formulate relevant procurement policies to reduce the consumption of relevant resources in order to reduce the procurement of relevant resources.
	Reputation	With the growing concern over climate change, the Company's reputation will be at risk if it fails to meet the expectations of the stakeholders.	Pay close attention to changes in stakeholders' expectations, and actively respond to and initiate activities related to climate change.

## 5. 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. For the risks of climate change identified, the Company has formulated management measures and contingency plans. Through risk management and control, the Company has reduced the incidence of risks arising from climate change to the operating process in advance, and ensured the rapid handling of risks through emergency response plans to minimise the impact on operations. 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)

### 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. 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. 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, formulate energy KPI reward and punishment standards annually, motivate projects and employees to achieve the Company's annual targets, and regularly review the implementation of the goals.

Appendix

# APPENDIX

## 2024 AWARDS AND ACCOLADES

No.	Title of the awards and accolades	Awarding unit
1	High Quality Development Contribution Award	Futian District Property Association
2	Shenzhen Centre – Outstanding Property Management Project	Futian District Property Association
3	Benchmarking Demonstration Base (Commercial) – Excellence City of Shenzhen	Shenzhen Property Management Association
4	2024 Outstanding Performance of Property Service Enterprises	Guardian Index Academy
5	2024 Outstanding Service Performance of Property Service Enterprises	Guardian Index Academy
6	2024 Outstanding Digital Performance of Property Service Enterprises	Guardian Index Academy
7	2024 Outstanding Innovation Performance of Property Service Enterprises	Guardian Index Academy
8	2024 Outstanding Brand Value Performance of Property Service Enterprises	Guardian Index Academy
9	2024 Outstanding Management Capability of Property Service Enterprises	Guardian Index Academy
10	2024 TOP 100 Property Management Companies in China (TOP12)	CMI Research Institute
11	2024 China IFM Service Outstanding Enterprise (TOP2)	CMI Research Institute
12	2024 China Office Property Management Exceptional Companies (TOP2)	CMI Research Institute
13	2024 China Property Community Value-added Service Excellent Enterprise (TOP3)	CMI Research Institute
14	2024 International Property Management Services Sustainable Development Excellence Enterprise (TOP3)	CMI Research Institute

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No.	Title of the awards and accolades	Awarding unit
15	2024 TOP 100 Business Performance of Property Management in China (TOP10)	CMI Research Institute
16	2024 Top 20 Listed Property Management Companies in China (TOP 11)	China Real Estate Association\ E-House China R&D Institute\ E-House CRIC
17	Top 100 Property Service Companies in 2024	CRIC Property Management/China Property Research Association
18	2024 TOP 20 Enterprises with Office Property Management in China (TOP 2)	CRIC Property Management/China Property Research Association
19	2024 TOP 20 Enterprises with High-end Property Management in China (TOP 5)	CRIC Property Management/China Property Research Association
20	Leading Enterprise in Property FM Facilities Management in China in 2024 (TOP 3)	CRIC Property Management/China Property Research Association
21	2024 China TOP 100 Property Service Companies	CRIC Property Management/China Property Research Association
22	2024 Top 30 Property Management Service South China Brand Enterprise	CRIC Property Management/China Property Research Association
23	2024 Top 100 Property Service Providers in China	China Property Think Tank
24	2024 China Property Service Office Property Service Sample Benchmarking Enterprise	EH Consulting, EH Property Research
25	2024 China Property Service Industry Park Service Sample Benchmarking Enterprise	EH Consulting, EH Property Research
26	2024 China International Property Services Excellent Brands	EH Consulting, EH Property Research
27	2024 China Property Management Companies (TOP11)	CRIC Property Management/China Property Research Association

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No.	Title of the awards and accolades	Awarding unit
28	China Leading Enterprise in terms of Office Property Services in 2024 TOP2	CRIC Property Management/China Property Research Association
29	Leading Enterprise in Property FM Facilities Management in China in 2024 TOP2	CRIC Property Management/China Property Research Association
30	2024 Leading Property Service Providers in Industrial Parks in China (TOP 4)	CRIC Property Management/China Property Research Association
31	2024 Leading Hospital Property Services Company in China	CRIC Property Management/China Property Research Association
32	2024 Leading Property Value-added Services Operator in China	CRIC Property Management/China Property Research Association
33	2024 Excellent Benchmark Project of Property Management in China – Excellence City of Shenzhen (Office Building)	CRIC Property Management/China Property Research Association
34	2024 Excellent Benchmark Project of Property Management in China – Shenzhen Excellence Times Square (Office Building)	CRIC Property Management/China Property Research Association
35	2024 Excellent Benchmark Project of Property Management in China – Sky City of DJI (Office Building)	CRIC Property Management/China Property Research Association
36	ESG100 Green Development Awards for Listed Companies in the Greater Bay Area – Most Promising Award of the Year	Guangdong-Hong Kong-Macao Greater Bay Area Industry and Commerce Federation
37	ESG Pioneer of the Year	Gelonghui
38	Top 100 Property Service Companies in Guangdong-Hong Kong-Macao Greater Bay Area in 2024 (TOP9)	CRIC Property Management/China Property Research Association
39	2024 Enterprises with Office Property Management in the Guangdong, Hong Kong and Macao Greater Bay Area (TOP 1)	CRIC Property Management/China Property Research Association

No.	Title of the awards and accolades	Awarding unit
40	2024 Enterprises with Industrial Park Management in the Guangdong, Hong Kong and Macao Greater Bay Area (TOP 2)	CRIC Property Management/China Property Research Association
41	2024 Guangdong, Hong Kong and Macao Greater Bay Area Property Value Preservation Power Top 4	CRIC Property Management/China Property Research Association
42	2024 Top 4 Hospital Property Serviceability in Guangdong, Hong Kong and Macao Bay Area	CRIC Property Management/China Property Research Association
43	2024 Residential Benchmark Project with Property Management in the Guangdong, Hong Kong and Macao Greater Bay Area – Shenzhen Baidu International Building	CRIC Property Management/China Property Research Association
44	2024 Industrial Park Benchmark Project with Property Management in the Guangdong, Hong Kong and Macao Greater Bay Area – Shenzhen Ali Centre	CRIC Property Management/China Property Research Association
45	2024 Guangdong-Hong Kong-Macao Greater Bay Area Property Service Power Industrial Park Benchmarking Project – Vipshop	CRIC Property Management/China Property Research Association
46	Outstanding Enterprises in the Property Management Industry of Guangdong Province in 2023 and 2024	Guangdong Property Management Industry Institute
47	2024 Guangdong Property Services Enterprise with Comprehensive Development Strength TOP10	Guangdong Property Management Industry Institute
48	2024 Top 10 Property Service Brands in the Greater Bay Area	Guangdong Property Management Industry Institute
49	2024 Top 10 Property Enterprises for Social Employment Excellence	Guangdong Property Management Industry Institute
50	2024 New Media Operation Excellence Property Enterprise	Guangdong Property Management Industry Institute



# APPENDIX

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

Environmental, Social and Governance Reporting Code		Report contents
<b>Subject Area A. Environment</b>		
<b>Aspect A1: Emissions</b>		
A1	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	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). [Deleted on 1 January 2025]	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

Aspect A2: Use of Resources		
A2	<p>General Disclosure</p> <p>Policies on efficient use of resources including energy, water and other raw materials.</p>	Resource Conservation, Energy Saving and Consumption Reduction
A2.1	<p>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).</p>	Resource Conservation, Energy Saving and Consumption Reduction
A2.2	<p>Water consumption in total and intensity (e.g. per unit of production volume, per facility).</p>	Resource Conservation, Energy Saving and Consumption Reduction
A2.3	<p>Description of the energy use efficiency targets set and the steps taken to achieve them.</p>	Resource Conservation, Energy Saving and Consumption Reduction
A2.4	<p>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.</p>	Resource Conservation, Energy Saving and Consumption Reduction
A2.5	<p>Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.</p>	N/A
Aspect A3: The Environment and Natural Resources		
A3	<p>General Disclosure</p> <p>Policies on minimising the issuer's significant impact on the environment and natural resources.</p>	Green and Low Carbon Operation for Environmental Protection
A3.1	<p>Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.</p>	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> <p>[Deleted on 1 January 2025]</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> <p>[Deleted on 1 January 2025]</p>	Evaluating and Addressing Climate Change

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Subject Areas B. Social		
Aspect B1: Employment		
B1	<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 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	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Equal Employment and Protection of Rights and Interests
B1.2	Employee turnover rate by gender, age group and geographical region.	Equal Employment and Protection of Rights and Interests
Aspect B2: Health and Safety		
B2	<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 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	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	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

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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>	Enhancement in Quality and Services
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.	Enhancement in Quality and Services
B6.4	Description of quality assurance process and recall procedures.	Enhancement in Quality and Services
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Enhancement in Quality and Services
Aspect B7: Anti-corruption		
B7	<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 bribery, extortion, fraud and money laundering.</p>	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	<p>General Disclosure</p> <p>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.</p>	Caring for the Community and Giving Back to Society
B8.1	<p>Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).</p>	Caring for the Community and Giving Back to Society
B8.2	<p>Resources contributed (e.g. money or time) to the focus area.</p>	Caring for the Community and Giving Back to Society
Part D: Climate-Related Disclosures		
D-I Governance	<p>The governance body(s) responsible for oversight of climate-related risks and opportunities</p>	Evaluating and Addressing Climate Change
D-II Strategy	<p>Climate-related risks and opportunities</p>	Evaluating and Addressing Climate Change
D-III Risk Management	<p>Financial condition, financial performance and cash flow</p> <p>Greenhouse gas emissions</p>	Evaluating and Addressing Climate Change
D-IV Indicators and Targets	<p>Climate-related transformational Risks</p> <p>Climate-related physical risks</p>	Evaluating and Addressing Climate Change

# 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?  

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

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

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## More opinions and feedback methods

For details of investor relations, please contact the Information Disclosure Compliance and Investor Relations Department of Excellence CM [IR@exceam.com](mailto:IR@exceam.com)

For any violation of the Code of Professional Ethics by employees or organisations, please contact the Audit Department of Excellence CM [wjyubao@exceam.com](mailto:wjyubao@exceam.com)

For details of sustainable development management and ESG report, please contact the Information Disclosure Compliance and Investor Relations Department of Excellence CM [IR@exceam.com](mailto:IR@exceam.com)