



2021 ESG

Environmental, Social
and Governance Report



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ABOUT THE REPORT

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

Duration

This report involves a period from 1 January to 31 December 2021 (the "Reporting Period"). Part of its content is beyond this duration to enhance the comparability of the report.

Release Cycle

This report is an annual report.

Scope of the Report

This report involves China Jinmao Holdings Group Limited and its wholly-owned subsidiaries around the globe. Unless otherwise specified, the scope is consistent with that of *China Jinmao Holdings Group Limited 2021 Annual Report*.

References

To facilitate the presentation and reading, "China Jinmao Holdings Group Limited" in this report is referred to as "China Jinmao", "the Company", or "we". Jinmao's development sector region or city companies are referred to as "Jinmao + the region/city".

Data Source

Unless otherwise specified, information and data cited by this report are mainly from the Company's official documents, statistical reports, and financial statements, as well as ESG information collected, summarised, and reviewed by the Company. Unless otherwise specified, the monetary used in this report is Renminbi.

Basis of Preparation

This report is prepared mainly with reference to Appendix 27 *Environmental, Social and Governance Reporting Guide* to the Listing Rules of the Hong Kong Exchanges and Clearing Limited (HKEX), the *Chinese Corporate Social Responsibility Report Preparation Guide* (CASS-CSR4.0) issued by the Chinese Academy of Social Sciences, the *SDG Compass: The guide for business action on the SDGs*, the *GRI Sustainability Reporting Standards (GRI Standards)* issued by the Global Sustainability Standards Board, and the standard for the real estate industry of the Sustainability Accounting Standards Board (SASB).

Preparation Process

With reference to the requirements of the above standards, this report is prepared in a process of peer benchmarking, a questionnaire survey, stakeholder interviews, information collection, information review, report writing, and review by the ESG Committee and the Board, so as to ensure the completeness, substance, truthfulness, and balance of the content of the report.

Access

This report is available in traditional Chinese and English for readers. Please visit the Company's official website (www.chinajinmao.cn) or HKEX's website (https://www.hkexnews.hk) for the electronic version of this report.

THE COMPANY'S MESSAGE

The year 2021 was a landmark year for both the Communist Party of China and the People's Republic of China. The Party celebrated its centennial and the government inaugurated the 14th Five-Year Plan. In the same year, Sinochem Group and ChemChina reorganised and merged into Sinochem Holdings. While the COVID-19 pandemic continued raging, the market is fluctuating, and the industry was severely challenged. Also, in 2021, upholding the development concept of "Insisting on City Operation and Insisting on In Science We Trust", China Jinmao grew steadily, advanced against the headwind, and achieved high-quality development, setting new records in sales and performance. Meanwhile, the Company continued to focus on sustainability and was committed to maximising comprehensive economic, environmental, and social value to empower a bright future for cities.

We enhance the responsibility management from the top management. The year 2021 was a watershed moment for China Jinmao in terms of sustainability. The Company established a science-based and professional ESG governance structure and management system that covers all levels of the Company hierarchy, based on our business development needs. At the Board level, an ESG Committee has been established to increase directors' engagement. An ESG Working Group was formed for the Company's functional centres, individual departments, offices, and subordinates. This has improved our ESG governance in all aspects, promoted the comprehensive integration of ESG concepts into the Company's development strategies and business decision-making process, and effectively delivered our commitment to customers, the environment, employees, the community, and other stakeholders.

We vitalise cities with our artistic quality. As a city operator, China Jinmao is always dedicated to the mission of "Unleashing Future Vitality of the City" and promotes high-quality urbanisation through advanced planning, the introduction of quality industries, and the diversification of business forms. In 2021, the Company deployed six city operation projects in Shanghai, Changsha, Nanchang, Guiyang, Huzhou, and Langfang, adding up to a total of 33 city operation projects. Adhering to the philosophy of "Build Quality for Better Life", we have driven product upgrades with technological innovation, built high-quality, reliable, and long-term service systems, and aimed to realise people's yearning for a better life. In 2021, we upgraded our quality delivery assurance mechanism and put it into operation. 65,000 residences were successfully delivered, and our residential customer satisfaction rose to 86%.

We contribute to environmental protection through low-carbon development. Adhering to the "Ever Green Quality" strategy, we have actively responded to China's strategic goals of peaking carbon dioxide emissions and carbon neutrality, built a carbon-neutral city operation model comprised of "People-centric, Two Driving Forces, Three Dimensions, and Five-scenarios", and integrated the green concept into the whole lifecycle of buildings. We have taken measures to adapt to and mitigate climate change, incorporated climate-related risks and opportunities into the Company's business development plans and strategies, and set targets for greenhouse gas (GHG) emission reduction. We have increased investment and practices in smart energy research and development and have invested in, built, and operated 75 energy stations at city, regional and project-level, with a total energy supply area of about 40 million m² and an estimated annual carbon emission reduction of more than 380,000 tonnes. In 2021, Qingdao China-Europe Science and Technology Innovation Park achieved carbon neutrality in its trial operation, and so did the core area of Oriental Eden in its construction, which supported the low-carbon transition with practical actions. By the end of 2021, China Jinmao ranked first among China's Enterprises in Green Real Estate Development, receiving a total of 262 green building certifications and labels.

We shape a better community with people at its centre. China Jinmao fulfils missions, assumes responsibilities, and joins forces with employees, customers, partners, and other social sectors to build a harmonious and better community. In 2021, the Company continued to create a diverse and inclusive workplace and a positive and enterprising culture with the employee philosophy of "Creation, Sharing, and Growth Together". Fully leveraging our resources and business advantages, the Company built the J-SPEED open innovation platform and an industry ecosystem for win-win cooperation. Upholding the principle of "Enlightenment and Inspiration", we have focused on improving rural educational conditions and increased investment in constructing Dream Building Public Welfare Libraries. We have consolidated poverty alleviation achievements and steadily advanced undertakings under the national Rural Revitalisation Strategy to convey the power of love to the community. We have strongly defended our employees, customers, and the community against COVID-19 and joined forces to safeguard our home.

China Jinmao will brave the waves and sail toward a brighter future. Continuing to adhere to the position of "City Operator", the philosophy of green development, and the original aspiration for quality and responsibility, we will promote product and service upgrading based on customers' needs, seek paths for innovation and transformation, and accelerate the construction of an ESG system with Jinmao's characteristics. With resolution and confidence in the sustainable development of China Jinmao, we will fulfill our commitment to a better life and unleash the future vitality of the city.

FIGURES FOR JINMAO

Total assets	Operating revenue	City operation and property development contracted sales
RMB 412,002.3 million	RMB 90,059.9 million	RMB 235,603 million
Pre-tax Profit	Owned city operation, property development, commercial lease, retail, and hotel operation projects	New city operation projects
RMB 12,714.3 million	334	6
Resident satisfaction rate	Commercial customer (tenant) satisfaction rate	Commercial customer (patron) satisfaction rate
86 %	99 %	96 %
Satisfaction rate for office buildings	Average score of on-site third-party measurement	Total land reserve over
99 %	95.47 points	93,230,000 m²
Comprehensive energy consumption per unit of area	GHG emissions (Scope 1)	GHG emissions (Scope 2)
0.0046 tonnes of standard coal/m²	18,577.66 tonnes of CO₂ equivalents	194,602.22 tonnes of CO₂ equivalents
GHG emission intensity	Obtained green building certifications or labels in total	Projects obtained green certifications or labels in total
18.63 kg of CO₂ equivalents/m²	262	212
Total project floor area that meets green label design requirements:	Invested, constructed and operated urban, regional and project-level energy stations	Total environmental protection investment:
25,876,000 m²	75	RMB 151.1 million
Science and technology investment	Signing rate of labour contracts	Work-related death for three consecutive years
RMB 307 million	100 %	0
Average training time per person	Number of suppliers	Total public welfare donation over
45.4 hours	16,894	RMB 3.48 million

OUR HONOURS

Issuer	Award or Rating
MSCI	BB
Hang Seng Corporate Sustainability Index	China Jinmao was included in the Hang Seng ESG 50 Index and the Hang Seng Corporate Sustainability Benchmark Index
商道融绿 SunTao Green Finance	A-
The 19th China's Financial Annual Champion Awards, initiated by Hexun.com and jointly hosted by Stock Exchange Executive Council of China and other institutions	China Jinmao was recognised as an ESG Leading Example in the Real Estate Industry
Golden Bee	China Jinmao 2020 Sustainable Development Report received the Evergreen Award of the Golden Bee Excellent CSR Report 2021
China Real Estate Top 10 Research Team	China Jinmao was ranked 14th among the 2021 Top 100 Real Estate Companies in China, as well as among the 2021 Top 10 Real Estate Companies by Profitability in China, the 2021 Top 10 Real Estate Companies by Growth in China, and the 2021 Top 10 Real Estate Companies by Financing in China, and received the 2021 Excellent Real Estate Company by Product Capabilities in China
World Brand Lab	China Jinmao was ranked 179th in the China's 500 Most Valuable Brands in 2021
The Economic Observer	China Jinmao was ranked among Top 10 in Steady Development, Top 100 Blue Chip Enterprises, Top 10 with Excellent Products, and 2021 Brand Value Model of the 18th Real Estate
The 7th China Industrial Park Conference	China Jinmao was recognised as the Innovative City Operator
E-House China-CRIC	China Jinmao was ranked among 2020 – 2021 Top 10 Real Estate Companies in China in Digital Capability
China International Real Estate & Architectural Technology Fair (CIHAF)	China Jinmao was recognised as No. 1 among the 2021 Top 10 Enterprises in Green Development Competitiveness
China National Radio (CNR)	China Jinmao was recognised as the City Operation Benchmark of the Year
AHF Asia Hotels and Hospitality Forum	Jinmao Hotel was recognised as China's Best Hotel Owner of the China Hotel Starlight Awards 2021
Guandian Index Institute	Jinmao Retail Business was recognised as 2021 Growing Commercial Property Company of the Year
4th Building Integrated PV (BIPV) Conference of China	Jinmao Green Building was recognised as 2020 Innovative Product Award in the PV Green Building Industry
Beijing China Index Academy	Jinmao Capital was recognised as 2021 China's Benchmark Investor in Urban Renewal
China Index Academy and China Real Estate Top 10 Research Team	Sinochem Jinmao Services (Beijing) Co., Ltd. received six awards, including the 2021 China's Top 20 Property Service Companies and the 2021 China's Leading Smart City Service Company

ABOUT CHINA JINMAO

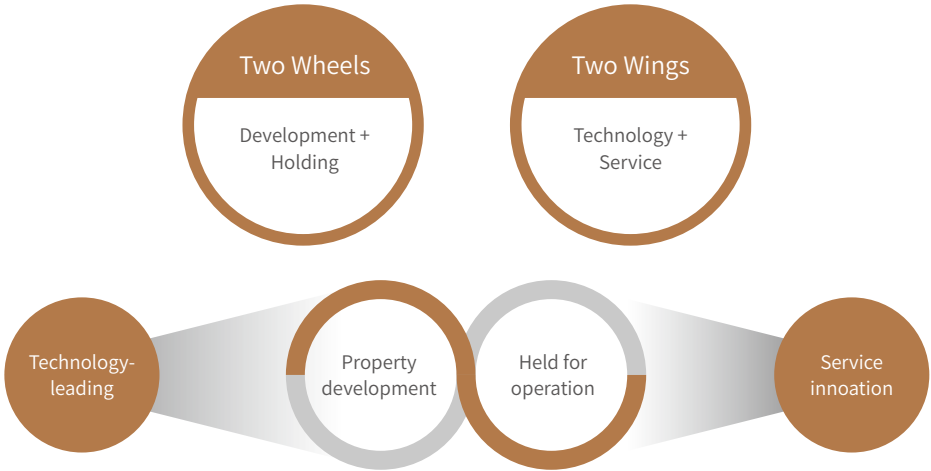
China Jinmao Holdings Group Limited (hereinafter referred to as "China Jinmao") is the city operation platform of Sinochem Holdings Corporation Ltd. ("Sinochem Holdings"), a Fortune Global 500 company. On 17 August 2007, China Jinmao was listed on the Main Board of the Hong Kong Stock Exchange (Stock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

Upholding the vision of "Unleashing Future Vitality of the City" and insisting on its adherence to top positioning and premium quality, China Jinmao has focused on the city operation model of "Two driven forces and Two upgrades" based on its strategy of "Two-Wheel and Two-Wing Driven" strategy anchoring on leading quality, with an aim to be a leading city operator in China.

"Jinmao" is a well-known trademark in China. Since 2005, the brand "Jinmao" has been included in the "China's 500 Most Valuable Brands" on 17 consecutive occasions. In 2021, "Jinmao" ranked the 179th with a brand value of RMB 42.139 billion.

Business Presence

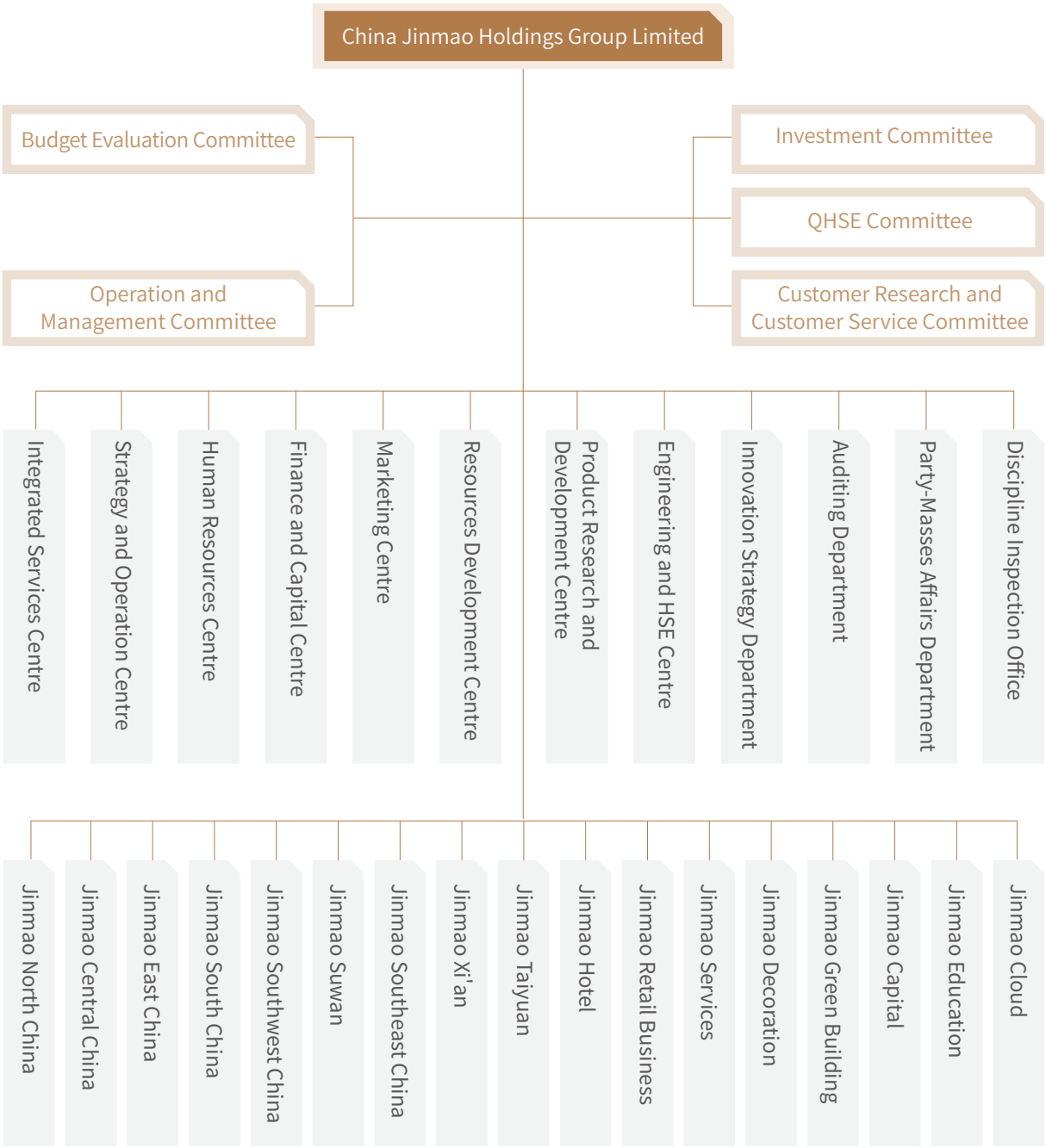
Based on the foresight of cities' potential, China Jinmao integrates the world's leading high-quality resources and introduces a rational and complementary urban planning philosophy to comprehensively improve regional functions and urban vitality. By 31 December, 2021, we have set footprints in more than 50 core cities and established a high-end series of products with the brand "Jinmao" as the centre.



The "Two-Wheel and Two-Wing Driven" strategy

Organisational Structure

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



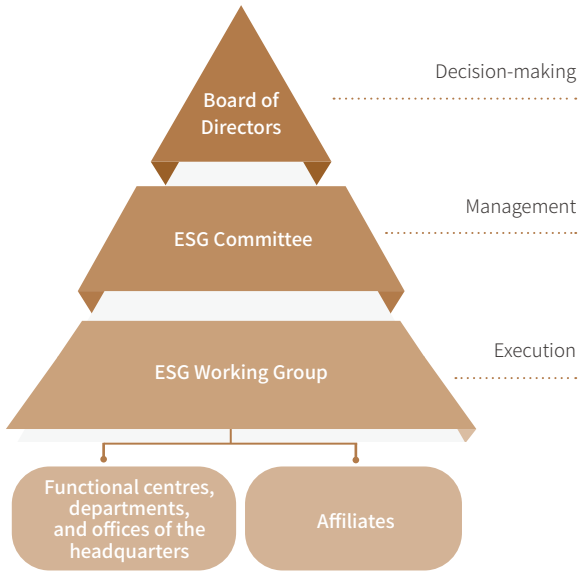
China Jinmao's organizational structure

SUSTAINABILITY MANAGEMENT

China Jinmao is committed to practicing sustainability and fully integrating ESG standards into corporate management. Based on the needs of business development, we have built a scientific and professional ESG governance structure and management system that encompasses all levels of the Company. In the long term, we will continue to strengthen the engagement of the Board, improve the ESG management system, and formulate ESG development strategies, committed to comprehensively integrating ESG concepts into the Company's development strategies and business decision-making.

ESG Management

We have established an ESG governance structure with the Board as the highest decision-making body. An ESG Committee has been established under the Board's authorisation, which is composed of directors and senior executives. The committee is chaired by Mr. Li Congrui, executive director and chief executive officer of China Jinmao, and consists of Mr. Zhong Wei, an independent non-executive director, and Mr. Tian Jiupo, vice president and chief technology officer, who serve as members. The ESG Committee assists the Board in overseeing and steering the Company's ESG management. It is responsible for setting and regularly reviewing the ESG vision, goals, strategies, and policies; overseeing all aspects of ESG risk management, material topics, and progress of goals; reviewing the Company's annual ESG reports; and regularly reporting ESG matters to the Board. An ESG Working Group, which reports to the ESG Committee, has been established. The ESG Working Group is composed of liaison personnel from the functional centres, departments, and offices of the Company's headquarters and subsidiaries' relevant departments. It is responsible for following up and ensuring the progress of ESG matters.



China Jinmao's ESG governance structure

Board

The Board oversees ESG-related matters of the Company, reviews the vision, goals, strategies, and policies of ESG, assesses and determines ESG risks and opportunities related to the Company's business, and monitors and reviews the Company's ESG performance.

ESG Committee

The ESG Committee assists the Board in steering and overseeing the Company's ESG management. It is responsible for setting and regularly reviewing the ESG vision, goals, strategies, and policies; overseeing all aspects of ESG risk management, material issues, and progress of goals; reviewing the Company's annual ESG reports; and completing other matters upon the Board's authorisation.

ESG Working Group

As the executive body of the Company's ESG structure, the ESG Working Group, supervised and guided by the ESG Committee, sets ESG goals and follows their progress, formulates and improves ESG policies, and carries out information management and disclosure as well as internal and external communication. The working group follows up on and ensures the progress of ESG matters.

The Board attaches great importance to the identification and determination of ESG risks, establishes various communication channels to improve stakeholder engagement among shareholders, customers, the environment, employees, partners, and communities, and identifies, evaluates, and manages material ESG issues that are of stakeholders' concern and important to the Company's development. The Board will continue to pay attention to domestic and international sustainability trends, improve ESG materiality assessments, discuss and update the Company's ESG risks and opportunities, and prioritise the management and improvement of key ESG issues as an annual strategic task for sustainability.

We have formulated and issued the *Environmental, Social and Governance Management Standards of China Jinmao* and the *Management Manual of China Jinmao for Environmental, Social and Governance Information*, which define the responsibilities and management processes at all levels of the Company. They serve as the institutional basis for the Company's ESG governance, stakeholder communication, and ESG information disclosure, and ensure the standardisation and continuity of the Company's ESG work. We have incorporated ESG information collection, implementation of ESG management issues, and ESG work participation into the departmental performance appraisal, effectively promoting the integration of ESG management with the Company's daily operations and employees' merit pay. We regularly organise special meetings and training on ESG management to enhance employees' sustainability awareness and duty performance, thus advancing the implementation of ESG matters.

In 2021, the Company set GHG emissions reduction targets and other environmental targets and carried out energy conservation and emissions reduction campaigns. The Board monitors and regularly reviews the progress of ESG targets to continuously enhance the Company's sustainability performance.

The Company values information disclosure work. The Board reviews the annual ESG report to ensure the information disclosed is authentic and effective. This report discloses the detailed progress and effectiveness of China Jinmao's ESG work in 2021. It was reviewed and approved by the Board on May 2022.

Sustainability Strategies

China Jinmao cares for stakeholders' demands and expectations. Guided by the United Nations' Sustainable Development Goals (SDGs), we have full leveraged our advantages of "City Operator" and developed targeted sustainability strategies with the sustainable development vision of "Unleashing Future Vitality of the City". We are committed to maximizing comprehensive economic, environmental, and social value for all key stakeholders, and creating a harmonious, and win-win future of sustainability.

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

Communication with Stakeholders

China Jinmao attaches great importance to communication and collaboration with stakeholders. We increase communication channels, maintain an unblocked mechanism for the communication with stakeholders such as shareholders, government/regulatory authorities, customers, employees, the environment, suppliers and partners, communities, and media. We listen to their expectations and demands and respond in a timely manner.

Stakeholders	Expectations and Demands	Communication and Response
Government/ Regulatory authorities	<ul style="list-style-type: none">• Operation in compliance with laws and regulations• Paying tax in accordance with the laws• Boosting economic growth• Supporting local development	<ul style="list-style-type: none">• Strengthening compliance management• Paying tax in full and on time• Implementing national policies• Actively undertaking social responsibilities
Shareholders	<ul style="list-style-type: none">• Enhancing profitability• Improving organisational structure• Performing information disclosure• Preserving and increasing the value of state-owned assets	<ul style="list-style-type: none">• Holding general meetings• Enhancing corporate management• Transparent information disclosure• Roadshows/Reverse roadshows
Customers	<ul style="list-style-type: none">• Integrity cooperation• Information disclosure• Premium quality• Considerate services	<ul style="list-style-type: none">• Performing contracts• Optimising customer communication platforms such as Jinmao Luxuriance• Enhancing building construction quality• Innovating customer service• Customer satisfaction survey
Employees	<ul style="list-style-type: none">• Protecting the rights and interests• Career development and training• Work environment• Humane care	<ul style="list-style-type: none">• Paying wages and social security in full and on time• Improving career development paths• Organising employee training• Safeguarding occupational health• Carrying out cultural and sports activities
Environment	<ul style="list-style-type: none">• Reasonable use of resources• Ecological restoration• Energy conservation and emission reduction• Advocating green lifestyle	<ul style="list-style-type: none">• Integrating green concepts into management and operations• Expanding in ecological cities• Responding to climate change• Promoting utilisation of new energy• Disclosing environmental information• Organising environmental protection campaigns
Suppliers and partners	<ul style="list-style-type: none">• Honouring commitments• Just, fair, and open procurement• Win-win cooperation• Promoting industry development	<ul style="list-style-type: none">• Performing contracts in accordance with the law• Practicing transparent tendering and procurement• Carrying out government-enterprise, university-enterprise, and inter-enterprise cooperation• Participating in industry communication• Supplier evaluation
Communities	<ul style="list-style-type: none">• Community engagement• Promoting employment• Public welfare	<ul style="list-style-type: none">• Dedication to public welfare• Participating in community services• Supporting rural revitalisation• Volunteering
Media	<ul style="list-style-type: none">• Good cooperative• Compliance in promotion	<ul style="list-style-type: none">• Improving the media release system• Conducting news reporting

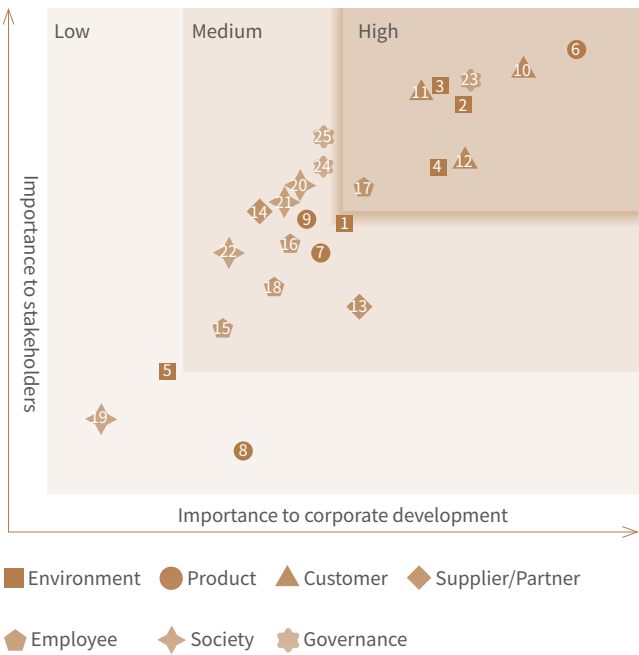
Determination of Material Issues

In order to continuously improve the Company's ESG management and effectively respond to stakeholders' expectations and demands, China Jinmao regularly determines material ESG issues. In 2021, we reviewed and adjusted major topics following four steps, namely, identification, survey, analysis, and confirmation, and reported the results of topic identification to the Board.

Process of Determining Material Issues

Identification	We identify topics that are highly relevant to China Jinmao according to HKEX's <i>ESG Reporting Guide</i> , the <i>SDG Compass</i> , Global Sustainability Standards Board's <i>GRI Standards</i> , and the SASB Standard for the Real Estate Industry, and with reference to the concerns of the capital market and ESG rating indexes, industry sustainability trends, internal interviews, and corporate development strategies. In 2021, we re-collated and summarised the topics and identified a total of 25 issues.
Survey	Through a public questionnaire, we surveyed more than 500 internal and external stakeholders, including the Company's executives, employees, customers, investors, partners, the media, government regulators, research institutions, industry associations, and non-profit organisations, on their concerns and expectations of China Jinmao's ESG work. In addition, we asked the Company's executives about their views on the importance of ESG issues.
Analysis	According to the substance principle, we used the weighted sum method to analyse and prioritise the survey results from two dimensions, importance to corporate development and importance to stakeholders, and formed the materiality matrix of the year.
Confirmation	We submitted the identification and analysis results of material issues to the Board for deliberation and focused on the disclosure of highly important issues in this report.

China Jinmao's materiality matrix



Issues of high importance

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

Issues of medium importance

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

Issues of low importance

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



SOUND GOVERNANCE FOR BUSINESS INTEGRITY AND COMPLIANCE

A good level of governance is the basic guarantee for the Company to achieve stable operation and high-quality development. China Jinmao has a sound corporate governance structure, and continuously optimizes and improves the Board's operational efficiency, and promotes the implementation of the Company's strategy and compliance management and strengthens the construction of risk management mechanisms, enhancing the Company's risk resistance capability and ensuring its sustainability.

The HKEX ESG indicators responded in this chapter:

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

The SDGs indicators responded in this chapter:



SOUND GOVERNANCE

China Jinmao strictly complies with the *Hong Kong Companies Ordinance* and all applicable laws and regulations, and adopts the HKEX's Listing Rules' Appendix 14 *Corporate Governance Code* as the Company's governance code. As a result, the Company's governance is improved, and the interests of the Company and all shareholders are effectively safeguarded.

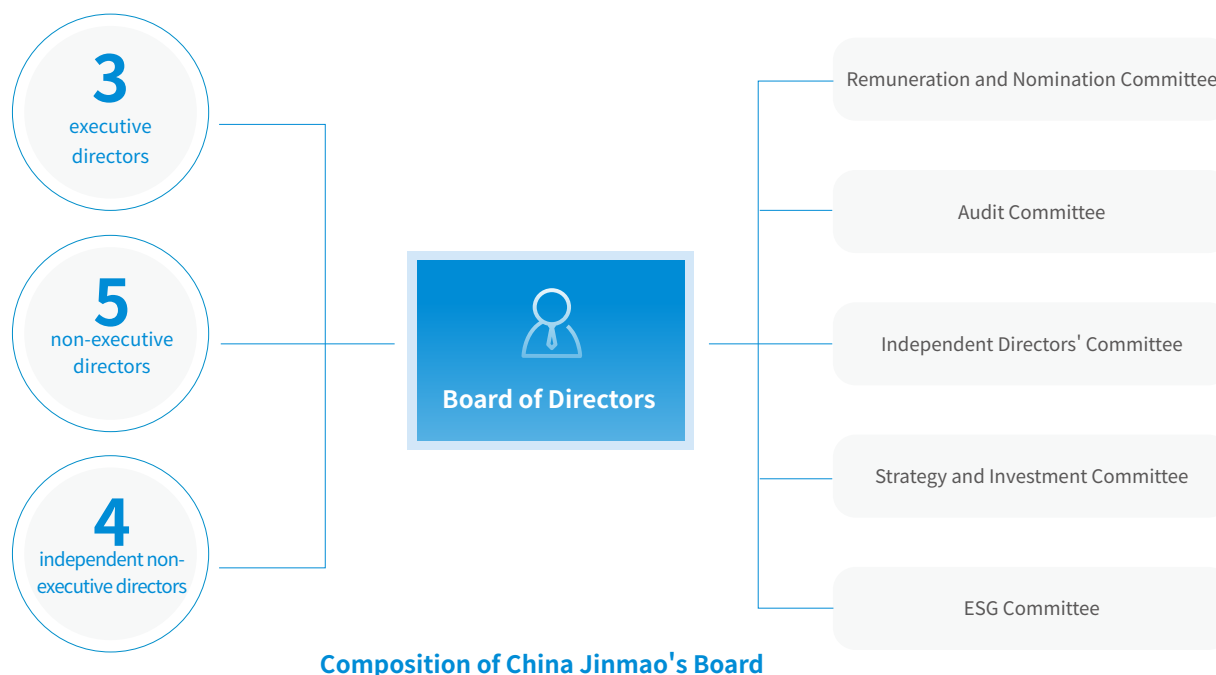
The Board is responsible for the Company's overall strategy, regular business management, internal control and risk management systems, and supervises its specialised committees in exercising their corresponding functions. In the reporting period, the Board consists of twelve directors, including three executive directors, five non-executive directors, and four independent non-executive directors. As of today, the Board has established five specialised committees, namely the Audit Committee, the Remuneration and Nomination Committee, the Strategy and Investment Committee, the Independent Directors' Committee, and the ESG Committee.

In 2021, the Board and its subordinate professional committees made decisions by holding meetings and written resolutions, a total of 88 times. Among them, the Board of Directors organised 5 meetings and passed 11 written resolutions, the Remuneration and Nomination Committee passed 11 written resolutions, the Audit Committee organised 3 meetings, the Independent Board Committee passed 2 written resolutions, and the Strategy and Investment Committee passed 63 written resolutions.

Membership diversification is vital to reaching strategic goals and maintaining sustainability for the Board, so it is actively promoted. We have a diverse selection criterion that takes into account factors including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, and length of service. During the reporting period, the Remuneration and Nomination Committee made recommendations to the Board of Directors on the re-election of directors after fully considering the above diversity requirements. In the future, the Remuneration and Nomination Committee will also make recommendations on the appointment of directors as required by the Company's diversity policy to promote gender diversity on the Board, appoint at least one director of a different gender no later than December 31 2024, so as to further meet the goal of a diverse Board membership and the overall best interests of shareholders.

For details of the Company's corporate governance and the operation of the Board of Directors during the reporting period, please refer to the section headed "Corporate Governance Report" on pages 112 to 129 of the Company's 2021 Annual Report.

We maintain and facilitate communication between shareholders and the Board through general meetings, announcements, and shareholder circulars. We also pay attention to inquiries from shareholders, investors, analysts, and the general public. The unblocked communication mechanism is maintained with stakeholders to ensure compliance, accuracy, and completeness in information disclosure and the access of all stakeholders to the Company's latest dynamics in a fair, just, and comprehensive manner. In 2021, the Company hosted 2 earnings conference calls, 16 non-deal roadshows, and attended 21 investor relations meetings.



RISK MANAGEMENT AND CONTROL

To strengthen the risk management system, China Jinmao created and upgraded a full-cycle and multi-dimensional risk control system. It effectively transforms operational compliance capability into a continuous modernisation of the corporate governance system and capabilities.

Risk Management

China Jinmao has formulated comprehensive risk identification, assessment, and management policies, which the Company continue to revise and update. Our risk management system is always being enhanced. The Board is responsible for risk and internal control management for ESG and other areas, as well as reviewing and evaluating the Company's risk management timeliness and effectiveness. In addition, we prepare annual risk assessment reports as well as quarterly tracking and monitoring reports on major risks in order to review and establish whether the nature and scope of risks are consistent with the Company's strategic objectives and risk tolerance.

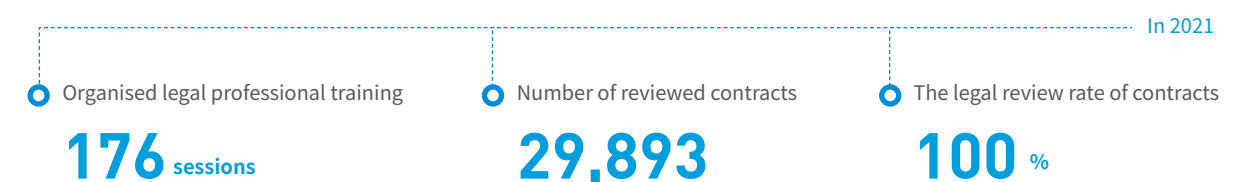
In 2021, based on the seven primary risks identified, namely, policy, strategic/investment, operational, financial capital, legal, human resources, and professional ethics and integrity risks, as well as the possibility and impact of risks, we identified major risks for the year and specified the risk causes, countermeasures, and responsible departments. We regularly tracked the risks and achieved systematic and on-going risk management. We also prioritised ESG risk management by incorporating the professional ethics and integrity risk, HSE risk, supply chain risk, customer service risk and product quality risk into the company's risk management system, regularly monitored key indicators, followed up on risk events, and developed a risk response mechanism, effectively improving our response capabilities.

For city operation projects with difficult acquisition, a long development cycle, and numerous risky portions, China Jinmao adopts strategic management for the whole process, starting from project operation and investment promotion to primary partners, post-investment construction, and project operation. We investigate, collate, and analyse risks involved in city operation partnership models and have developed the *City Operation Risk Control Manual* that covers cooperation models, key points in risk control, key regulations, and contract templates, thereby improving the risk management in project operations.

Business Compliance

China Jinmao follows three guiding principles: legal compliance, listing compliance, and state-owned asset monitoring. We revised and released the *Manual of Information Disclosure and Compliance Management* and the *Management Red Line Manual of China Jinmao*, strengthened the red-line management and control of investment, marketing, tendering and procurement, capital, quality, and human resources and established a sound corporate compliance risk and legal risk prevention mechanism.

In 2021, guided by operational compliance, we carried out 14 audit projects focusing on major management risks, prominent development problems and the Company's main strategies. We saw to it that the problems identified by the audits should be rectified. All the 248 problems found in the 2020 audit had been rectified. We advocated for digitalised audit risk management and control, developed big data audit models for marketing and financial management, and screened the major audit risks. Our online big data audit platform, which is capable of problem screening, internal control oversight, and risk surveillance, has finished the trial operation. It has upgraded the Company's audit risk management and control capabilities by transforming audit from "feedback management and control" to "concurrent management and control". As a strategy to foster an internal compliance culture in the Company, we conducted six lectures on listing compliance and board governance rules and practices for investment, finance, and legal personnel at regional companies. The legal review rate of contracts was 100%, and there was no serious risk event.



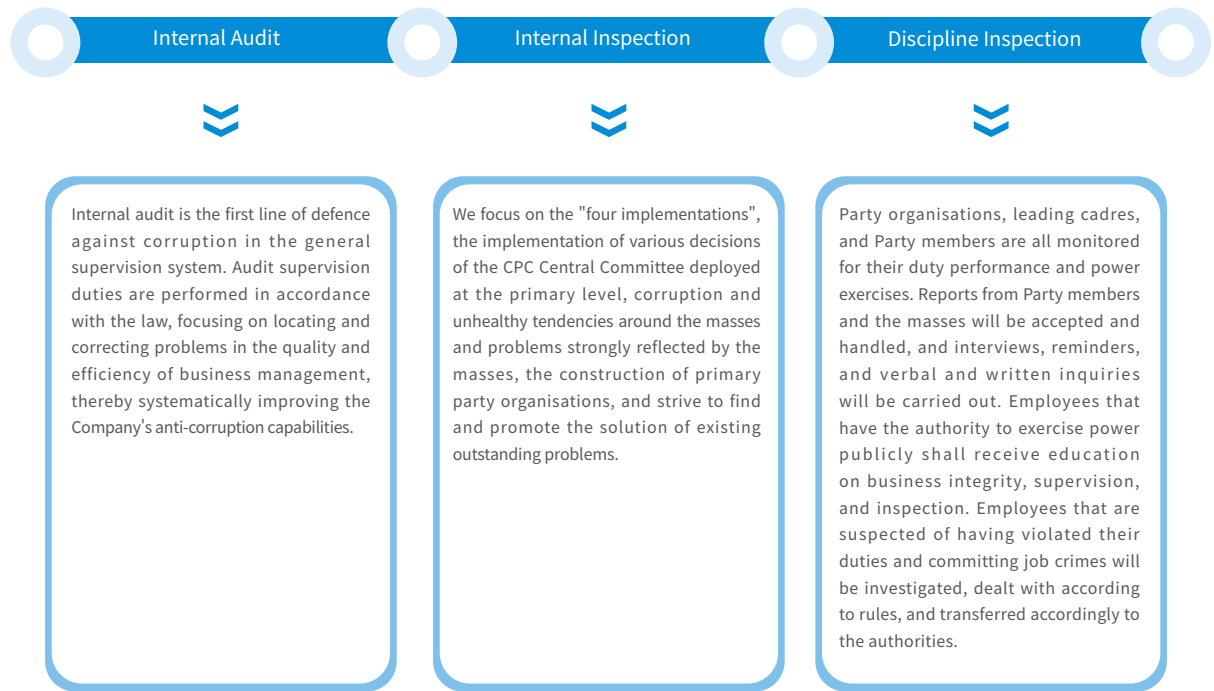
ANTI-CORRUPTION

China Jinmao observes the business ethics of honesty, faithfulness, integrity, and self-discipline and adopts a zero-tolerance approach towards corruption and fraud. We have established a sound general supervision system and continuously improve our organisational construction, policies, and systems so as to maintain the Company's complaint and whistleblowing channels unblocked and strictly protect whistle-blowers. Anti-corruption has been part of the Company's regular management.

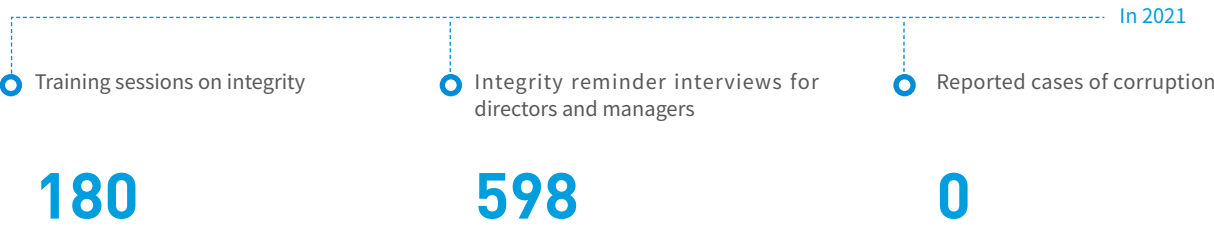
Business Integrity

China Jinmao strictly abides by the *Oversight Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, and the *Anti-Unfair Competition Law of the People's Republic of China*. We ensure that all employees follow anti-corruption, anti-monopoly, anti-unfair competition, and anti-money laundering policies, and that corporate governance rules and procedures are strictly followed by the law.

We have developed and implemented the *General Supervision System of China Jinmao*, the *Administrative Measures for the Supervision and Enforcement of Discipline Inspection Commission of China Jinmao*, and the *Implementation Measures for the Supervision Work of Discipline Inspection Commission of China Jinmao (for Trial Implementation)*. We abide by and support the *Ten Principles of the UN Global Compact and the United Nations Convention Against Corruption*, and joined the China Enterprise Anti-fraud Alliance in 2017. In order to standardise, professionalise, and systemise the Company's internal supervision system and constantly regulate the Company's operations and management, we have established the General Supervision System and are continuously improving it. At the company level, we have set up a working group to oversee the implementation of the General Supervision System. The working group has integrated specialised supervision functions into the Company, which includes internal inspection, discipline inspection, and internal audit. It results in a fully supervised system that covers the leadership of the Communist Party of China, Party building, full and strict governance within the Company, and the supervision and inspection of corporate governance, production, and business activities. As such, the Company's supervision quality and level have improved.



The Company is focused on standardisation, enhancing inspection, supervision, and integrity education, and carries out a company-wide audit covering anti-fraud and anti-corruption every five years. Every year, the management of the Company, including all senior executives of the Company headquarters and its subordinates, are required to sign the *Letter of Responsibility for Improving the Party's Style of Work and Upholding Integrity*. All employees of the Company are required to sign the *Sinochem Holdings Letter of Responsibility for Compliance* (the specific content has been announced on the [official website of Sinochem Holdings](#)). All directors and employees have received training on business ethics, integrity, and compliance. In 2021, the Company hosted more than 180 training sessions on integrity and held 598 integrity reminder interviews for directors and managers. There were no reported cases of corruption in the year.



China Jinmao's Measures to Ensure the Company with Integrity in 2021

Inspection and Supervision	Integrity Education
<ul style="list-style-type: none">The <i>Inspection Manual of CPC China Jinmao Committee</i> was developed, which includes 31 systems, procedures, templates, and other specifications. The manual formalises systems and processes for inspection.The professional competence of the inspection team was improved. A total of 286 people in 20 professional inspection teams were established.Supervision and inspection were strengthened in tenders and procurement, investment, marketing, and other key aspects. The general supervision system effectively plays its role and enhances integrity risk prevention and control in major aspects.Revised the integrity risk points on a rolling basis.	<ul style="list-style-type: none">Regular anti-corruption communication and training were conducted for all employees of the Company, including full-time employees, contract workers, and interns. Employees in key positions, new employees, and others were given training and tests on business integrity. Employees' anti-corruption awareness was enhanced by enriched methods of education activities, such as reminders on major festivals, Integrity Culture Education Month, specialised courses for Party members, similar-themed micro-movies, warning videos, and visits to integrity education institutions.The Management Red Line application was launched on Maixin, the Company's mobile office platform. The application regularly posted requirements on compliance, marketing, and tenders and procurement processes to all employees. It strengthened employees' awareness of rules and self-discipline and helped create a clean and upright workplace.

Whistleblowing Mechanism

China Jinmao continuously improves its whistleblowing mechanism. We strictly abide by the requirements of the *Sinochem Holdings Convention on Compliance Obligations* on the supervision mechanism for compliance whistleblowing and protect complainants and whistle-blowers and strictly prohibit retaliatory action against them. We have developed and implemented the *Administrative Measures for Discipline Inspection, Petition and Whistleblowing of China Jinmao* to encourage internal and external complaints and whistleblowing concerning bribery, corruption, abuse of power, and other violations of discipline, law, or business ethics in the Company.

The Company's Sunny and Fair Procurement Platform has launched a Whistleblowing section as a special channel to report any wrongful activities. It is meant as a channel to collect information on any misdemeanour and to prevent and combat job-related crimes. In order to accept supervision from employees, customers, suppliers, and other stakeholders, we have established a variety of public whistleblowing channels, including telephone, mail, and e-mail. We analyse and judge the reported incidents and ensure that the reported information is handled in a timely and effective manner. We also supervise the rectification of the verified problems. On the other hand, the whistle-blower protection mechanism is strictly implemented. As required by law, all reported matters, including the handling of the report and the identity of whistle-blowers, are strictly kept confidential. We also implement a work avoidance system to effectively protect whistle-blowers' rights.



INTELLECTUAL PROPERTY RIGHTS

China Jinmao attaches great importance to the management and protection of intellectual property rights. We strictly abide by the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Copyright Law of the People's Republic of China*. We have formulated and released the *Trademark Management Standards of China Jinmao*. We ensure that we fully respect the intellectual property rights of others while safeguarding our legitimate rights and interests.

We effectively protect the Company's intellectual property rights through trademark registration, patent filing, and software copyright registration. In order to defend the Company's brand image and intellectual property rights from infringement, we continuously monitor our trademarks and file lawsuits against infringements. In 2021, we registered 393 trademarks and 9 software copyrights, filed 185 patents, and obtained 81 patent authorisations in the Chinese mainland. We filed lawsuits against 13 trademark infringements and won and closed all of them within the year.

SUPERIOR QUALITY FOR A BETTER LIFE

As the "second curve" for efficient development, city operations endow China Jinmao with the internal impetus to go beyond the industry cycle and sustain high-quality growth. As a city operator, we grow together with the city. With insights into the unique development genes of different cities, we constantly upgrade and innovate our product systems under the philosophy of "People Clustered by City and Industry Promoted by City" in city operations. We satisfy people's yearning for a high-quality life with consistent and sustainable service quality.

The HKEX ESG indicators responded in this chapter:

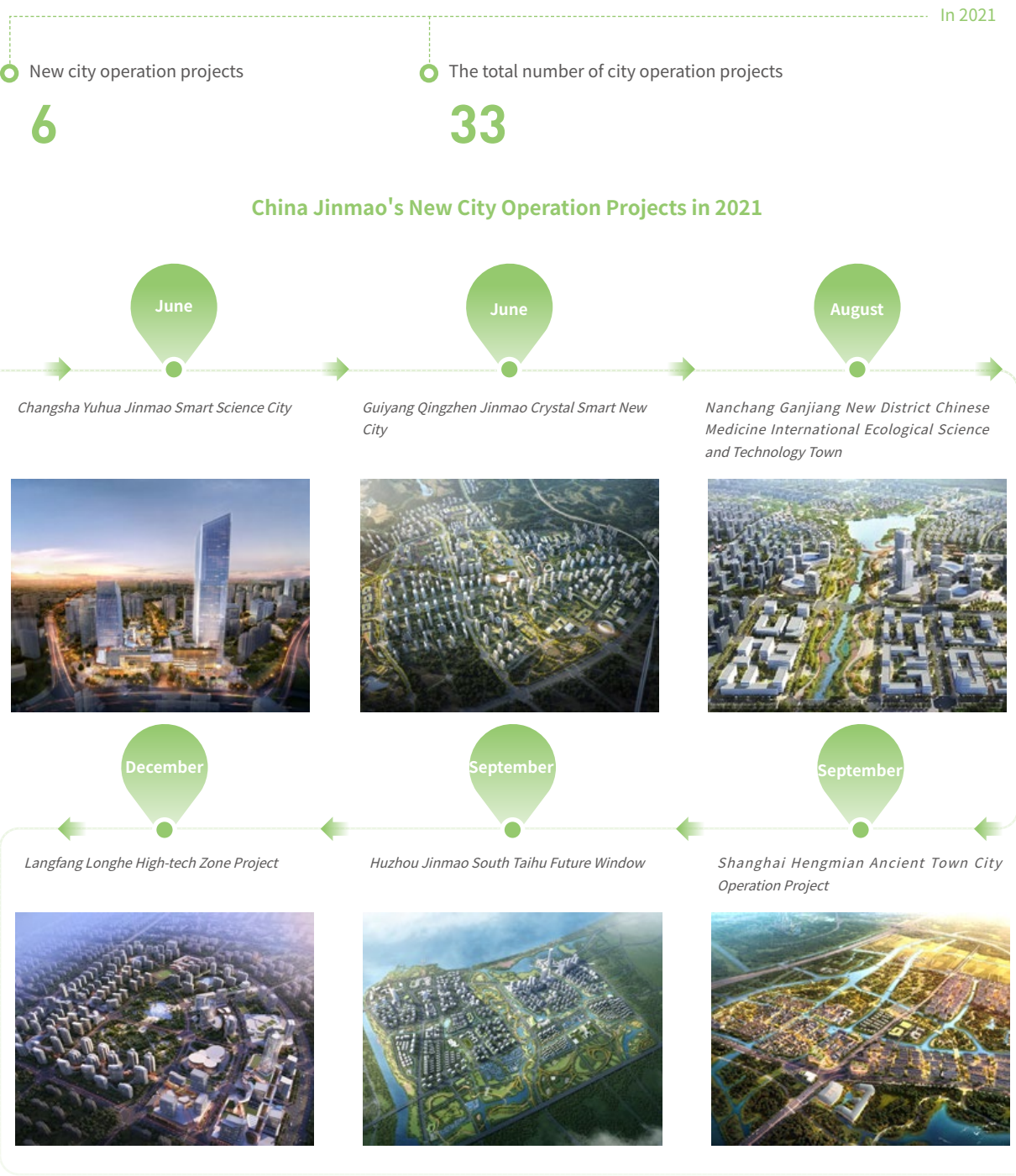
B6.2/B6.4/B6.5

The SDGs indicators responded in this chapter:



CITY RENEWAL

As China's real estate industry enters the era of land stock, the transformation of stock assets has become a common feature of urban development. China Jinmao practices the idea of "People's Cities Built by the People and Built for the People", which revitalises the value of land and enriches and improves urban functions. In accelerating city transformation and upgrading, the Company strongly believes in humanistic value, focusing on reconstructing the living environment, driving city renewal and upgrading service units to promote the orderly revitalisation and development of cities.



City renewal in the waterside ancient town—creating a benchmark for a sustainable city for residents and tourists

In September 2021, China Jinmao officially became the main operator of the Hengmian Ancient Town urban village project in Pudong New Area, Shanghai. The project focused on restoring the historical and cultural features of Hengmian Old Street to form a cultural experience area that integrates the leisurely atmosphere, cultural experience, and ecological life of ancient towns. New technologies such as smart city and technological housing were applied in the town, improving the quality of local living conditions and promoting the optimisation of the regional city interface. More importantly, the project managed to combine the goals of material, cultural, and economic revitalisation and achieved an organic balance between urban development and cultural heritage preservation.



Current conditions of Hengmian Ancient Town



Rendering of the revitalized Hengmian Ancient Town

Expanding property services to empower urban development

As urbanisation speeds up, many cities have an increased need to improve urban ecology and promote industrial upgrading. Jinmao Services continuously deepens its urban property service strategy and improves its urban property service model. It provides integrated public service solutions for cities with refined, digital, and intelligent management services to support the improvement of comprehensive urban governance. In 2021, Jinmao Services signed city operation contracts with Jiashan Economic Development Zone, Zhoushan East Port, and Xinyao City in Nanjing. The Company was shortlisted among the "2021 Top 10 City Service Companies" issued by E-house China-CRIC and the title of "China's Leading Smart City Service Company" issued by the China Index Research Institute.

In May 2021, Jinmao Services and Zhoushan East Harbour Group signed a strategic cooperation agreement. Based on the features of Zhoushan East Harbour New Town, Jinmao Services will employ smart technologies and fully exert the platform's "service" positioning and rich experience in community activity operations to manage the cityscape, public buildings, civic squares, and industrial blocks, among other fields, in a centralised manner. As property services are integrated with the improvement of people's well-being and innovation in primary-level social governance, Jinmao Services will provide a one-stop solution for a better life in the city.



Diverse business experience that unleashes city vitality

As early as 2004, when the national Rise of Central China Plan was launched, the Sixin area in the south of Wuhan's Hanyang was planned as a new ecological demonstration area and positioned as one of the sub-administrative centres of Wuhan. After more than ten years of development, the Sixin area has seen infrastructure improved and taken on a new look, but is still encumbered by inadequate support facilities and industry resources. In March 2020, China Jinmao acquired the Wuhan Fangdao Jinmao Smart Science City project. By creating a headquarters economic demonstration zone, a healthy and high-quality living area, and a regional industrial and digital upgrading cluster, we have supported the comprehensive upgrading of city functions and industries in Sixin.

In July 2021, the J-LIFE Commercial street of the Fangdao Jinmao Smart Science City's demonstration area officially opened. Excelling in style, appearance, fashion, content, and the environment, the street has cooperated with cultural, creative, technological, smart, and health brands to create innovative business scenarios, vitalise the area, and increase the value of the Sixin area.



In addition, NIO's second-generation battery swap station in Fangdao Jinmao Smart Science City has been officially put into operation. NIO's second-generation battery swap station is the world's first mass-produced battery swap station capable of automatic parking. The station has improved the efficiency of battery swaps, promoted green and low-carbon travel, and created a community life that is green, smart, and convenient.



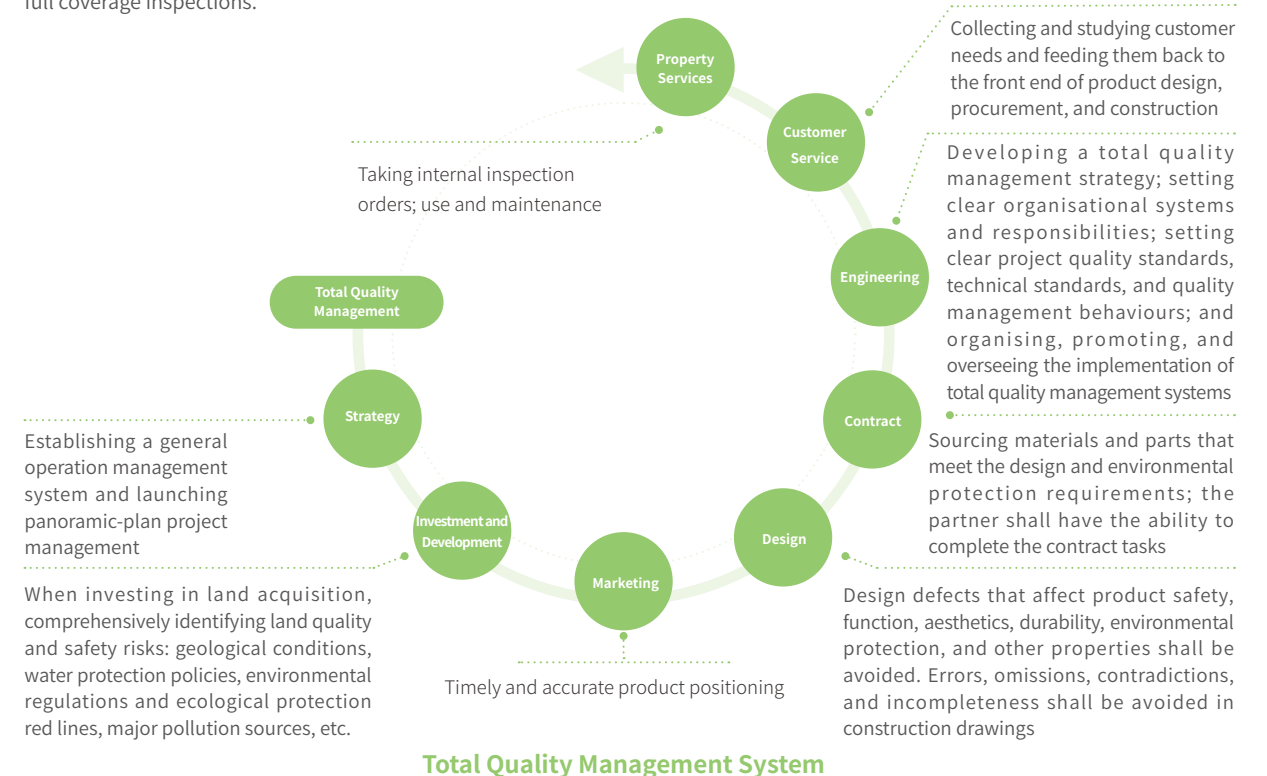
PREMIUM PRODUCTS

China Jinmao took on the quality genes of Jinmao Tower and Palace series products under the mission to "Build Quality for Better Life". The Company implemented a comprehensive quality management system that includes the entire construction cycle and pursues excellence throughout product design, construction, delivery, and operation. We also promote product iteration with new technologies to create healthy and safe products for customers.

Quality Management and Control

China Jinmao strictly abides by the *Construction Law of the People's Republic of China*, the *Product Quality Law of the People's Republic of China*, the *Regulation on the Quality Management of Construction Projects*, and other relevant laws and regulations and industry specifications, and has developed the *Management System of China Jinmao for Engineering Quality* and the *Guidelines of China Jinmao for Key Process Acceptance*, among other internal management documents. The Company's QHSE Committee coordinates, oversees, and assesses project quality management and regulates the project quality inspection process, the quality incident handling process, and the project quality reward and punishment management mechanism. We have established an overarching and all-engaging quality management system covering the whole process, from investment to product delivery. Focusing on customer experience and needs, we systematically improve product design quality, material quality, engineering quality, and delivery operation and maintenance quality through total quality management. We complete all projects to 100% qualification for acceptance and deliver safe, healthy, and quality products to customers. At present, 100% of Jinmao Services and Jinmao Decoration have obtained ISO 9001 quality management system certification, and some businesses of Jinmao Green Building have obtained ISO 9001 quality management system certification.

We encourage contractors and subcontractors to obtain and provide third-party quality management system certification (such as ISO 9001, etc.). The company conducts quarterly random inspections on the quality management system, quality management technology and behaviour of development projects, supervisors and construction units, and hires a third party to conduct quarterly full coverage inspections.



We released the *White Paper of China Jinmao on the Digital Transformation of Engineering Management*. To optimise traditional engineering project management methods, we rationally apply intelligent technologies in construction project management. We also empower engineering quality management with digital transition. We have built "Smart Home Construction", a digital project management platform, and implemented smart construction sites. Intelligent construction was piloted to meet the needs of actual measurement, exterior wall painting, and automatic monitoring in engineering construction to drive quality upgrading with digital means.

The intelligent platform facilitating project quality upgrading

China Jinmao independently developed "Smart Home Construction", a digital project management platform. The platform uses big data, the Internet of Things, and AI to present comprehensive information about key links in project quality and safety management and control, highly dangerous projects, hidden dangers investigation, actual measurements, sample reviews, acceptance of major processes, and progress management, and give early warnings. The platform has established a customer satisfaction-oriented project management system to ensure that the project quality, safety, progress, and cost targets are met. Moreover, the platform integrates online training, video surveillance, weather warning, smart construction sites, smart communities, business intelligence, the customer relationship system, and property IBA. It realises the whole-process management of engineering and HSE. It also guarantees that engineering construction, delivery, and operation in the whole life cycle are completed with high quality and efficiency.



"Smart Home Construction", a digital project management platform

We strictly follow the guiding principles for quality management, upgrade the "6-3-1" quality delivery guarantee mechanism, and implement the "1-3-6" quality improvement mechanism. In 2021, we carried out 125 in-process quality inspections, 64 delivery planning examinations, 56 delivery planning reviews, and 79 delivery assessments, with a one-time pass rate of 73.1%. Troubleshooting was conducted on a total of 108 parcels across 70 delivered projects, with 99.30% of the identified problems rectified.

The "6-3-1" quality delivery guarantee mechanism	Comprises of a planning examination 6 months before delivery, a progress review 3 months before delivery, and a delivery assessment 1 month before delivery.
The "1-3-6" quality improvement mechanism	Refers to rectifying quick-repair problems 1 month after delivery; reporting unrefereed processes and including them in anomaly management 3 months after delivery; and joining other parties to inspect project quality and examining the inspection report 6 months after delivery.

We carry out the "Golden Shield Operation", the "Benchmark Setting Operation", and project quality assessment and improvement. These operations adopt the model of online-offline dual assessments and are linked to the quality of assessment performance, focusing on solving customers' pain points and continuously optimise delivery quality. In 2021, our third-party actual measurement score was 95.47. No major product quality or safety incidents occurred throughout the year.

To strengthen the professional technical capabilities of quality managers, training sessions and activities for the year are organised for project engineering technicians, construction managers, and contractors. In 2021, the headquarters organised 22 online and offline training sessions, including 9 online "Rock Campaign" training classes. The company held 2 quality delivery themed trainings for all employees, and analysed and explained the pre-delivery quality inspection and control, quality delivery mechanism and other content. At the same time, we coordinated different parties to hold cultural activities such as the "Quality and Safety Skill Competition" to enhance quality awareness.

The Golden Shield Operation	Refers to China Jinmao's housing leakage-resistance operation, which includes measures such as design review, construction, management, and control of leakages.
The Benchmark Setting Operation	Exerts the benchmark role of high-quality projects through comparison between different projects and gap filling, to promote the all-round qualification of projects.

Product Innovation Management

China's 14th Five-Year Plan emphasises innovation as being at the heart of China's modernisation and aims to accelerate China's transition into a scientific and technological powerhouse. Technology empowerment has become a key focus of real estate transformation and upgrading. Technological innovation has always been central to China Jinmao's development, and it is also the source of power that allows us to continuously drive product evolution and high-quality urban development. 2021 was China Jinmao's "Year of Digital Technology". Relying on the "One Vertical, One Horizontal, and One System" technological innovation plan, we have established a sound innovation management system and a company-wide innovation management structure. According to the *Innovation Development Management Standard of China Jinmao*, the *Management System China of Jinmao Innovation for Incubation Projects*, and the *Management System of China Jinmao for Innovation Research Projects*, we improved the management processes of innovation incubation and innovation assessment to boost the research and development of innovative products.

We have established a three-dimensional innovation system that includes "multi-level innovation actors, multi-category innovation methods, and a multidimensional innovation culture" to stimulate scientific and technological innovation enthusiasm among employees. The *Implementation Opinions of China Jinmao on Encouraging Mass Innovation* and the *Management System of China Jinmao for Technology Innovation Rewards* were disseminated to provide prizes as incentives for innovative business organisations and individuals. We have set up an innovation incubation fund and a private equity investment fund with an initial funding of RMB 500 million and RMB 1.5 billion, respectively, to incubate team projects of technological innovation and expand the Company's technological ecosystem. In 2021, the Company's technology investment was RMB 307 million, providing financial support for product research and development innovation.

In 2021, China Jinmao integrated the technological capabilities of multiple scenarios, such as digital marketing, smart home, and smart community, and formally established Jinmao Cloud Technology Services (Beijing) Co., Ltd. ("Jinmao Cloud"). As a digital service platform, Jinmao Cloud will explore the AIoT sector and promote business intelligence for all scenarios of city operation.

AIoT empowers a better life

China Jinmao is committed to building high-value smart communities. We have built a stable smart community construction system and proposed a "6+X" standard scenario matrix for Jinmao smart communities. As a result, our living environments are more convenient, touchable, and warm and foster a liveable people-oriented space for customers.

6+X Refers to smart footpaths, smart roads, smart security, the smart environment, smart buildings, smart life, and the X scenario.

As an integrated data centre for smart communities, the Jinmao Community Integrated Operation Centre (IOC) uses big data and AI dynamic analysis to display an overview of smart community management and operations on "one diagram", "one screen", and "panoramic". It facilitates management's decision-making and AIoT communities' operational service capabilities. Managed by data-based devices and facilities, IOC makes timely warnings of potential safety hazards in the community and monitors key community utilities at all times.



A "panoramic" view of the community

A highlight in Jinmao's smart community scenario matrix is intelligent robots. With vision sensors and upgraded algorithms, the robots are able to take the elevator, avoid obstacles, and create maps. These robots can provide automated, contactless, intelligent, and convenient services through parcel delivery, food and beverage distribution, and garbage disposal.



A security robot in Changan Jinmao Palace



A delivery robot in Changan Jinmao Palace



A sweeping robot in Changan Jinmao Palace

Jinmao Life Laboratory explores future life scenarios

In 2021, Jinmao Life Laboratory was officially established. It focuses on the changing needs of customer groups and the trend of future life scenarios and boosts product innovation, research, and development and the application of research findings by building a demand and technology connection platform. The first phase of the project, "Research on New Life Models in the Young Era", obtained insights into the needs of customers born after 1995 and launched a number of innovative products that include the "All-electric Kitchen" responding to China's goals of carbon emission peaking and carbon neutrality; the "KOL Ultimate Storage Space" that combines storage experts' perspective and customers' actual needs; the modular social space "Mini Cabin" that can be easily switched between multiple scenes; the retractable and portable multi-purpose dining table "Magic Changeable Table"; and the digital "Multi-screen Era" home designed by Jinmao Cloud, hence, creating a new residential experience for customers.



QUALITY EXPERIENCE

Adhering to the service philosophy that "Customers' Demand is Our Pursuit", China Jinmao places importance on customer experience. The Company listens attentively to customer demands and responds promptly to them. Customer satisfaction is continuously improved by building a high-quality and reliable service system. Moreover, we enhance customer information and privacy security to ensure that customers receive more transparent and accurate marketing information, thus establishing trust between the customers and the Company.

Improving Service Management

China Jinmao always delivers reliable and high-quality services. To raise and standardize our customer service management standards, we have developed the *Management System of China Jinmao for Customer Experience in the Whole Cycle of Project Development*, the *Management System of China Jinmao for Customer Evaluation in the Whole Cycle of Project Development*, the *Management Standards of China Jinmao for Customer Relationship Maintenance*, and the *China Jinmao 400 Reporting Guidelines*.

Based on customer needs, we continuously upgrade our service standards and improve service quality in all aspects, which include delivery, maintenance, and operation. In delivery and maintenance, we ensure that our service team and professional maintenance engineers are adequately equipped for a timely response to any potential anomaly. Moreover, in order to enhance owners' engagement and satisfaction, we maintain clear communication channels with the owners and seek their feedback on property services, which will be our work focus. We also hold different themed events to provide customers with a rich and beautiful life.

We are constantly improving our customer service platform, expanding customer communication channels, and improving our feedback mechanism. To gather our customers' voices, China Jinmao has the 400 call centre, the Jinmao Luxuriance platform, the Go Home mobile application, and in-depth interviews with the owners. In 2021, Jinmao Luxuriance's official WeChat account was upgraded to act as a multi-channel and one-stop platform for communication with owners. This platform can be used for purchase, delivery, contract signing services, mortgage services, owner events, open construction sites, making complaints, and maintenance services. It has added functions such as service follow-up, online surveys, and satisfaction surveys for a more diverse and flexible way to reach customers.

Featured Customer Service Measures by Jinmao in 2021

Quality Delivery

Open construction sites: We held 145 "Open Construction Site" events, which received a total of 1,088,720 online views.

Digital delivery: Agreement signing, fee payment, delivery appointment, and problem tracking can all be completed online on our mobile application, Jinmao Luxuriance, which provides customers with an efficient, safe, and convenient experience.

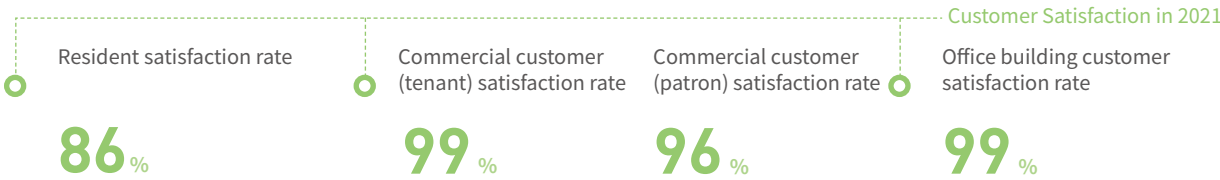
Attentive Listening

Customer communication: We have conducted 5,785 home visits and 738 face-to-face communications for 99 projects in 34 cities.

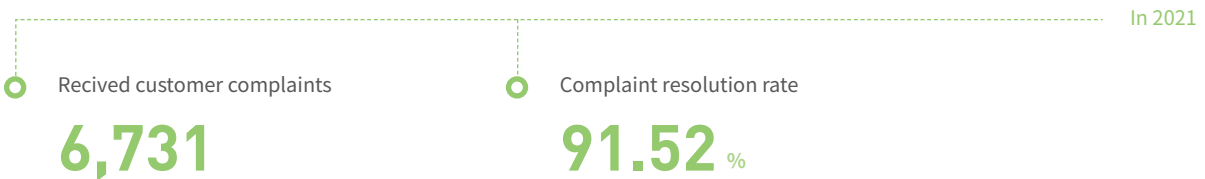
Online surveys: We carried out 76 online questionnaire surveys, which received 28,469 responses in total.

Property visits: We recruited 881 owner connoisseurs recommended and voted by owners and hosted 56 appreciation events, where the connoisseurs visited and inspected project sites and gave suggestions. We fully adopted their suggestions and met customers' needs.

In 2021, we conducted an online satisfaction survey for the first time on Jinmao Luxuriance's official WeChat account, and added new surveys to prospective owners at the three time points of signing the contract for one month, six months, and one year. The survey, which covered eight major points in the process of contract signing, delivery, and stay, including three points for prospective owners, was conducted on customers at different stages in their lives to understand the real experiences and feelings of all customers.



We have improved our customer communication and complaint handling mechanisms and developed and issued the *Guidelines for Handling Complaints of China Jinmao*. The operational procedures for handling complaints, classifying and handling complaints and suggestions received from various platforms such as the customer service hotline, social media, complaint visits, internal channels, and public platforms were standardised, so as to improve the initiative and timeliness of complaint handling. In order to further optimise the handling process and improve the handling efficiency, we have launched the 12315 Operation for customer complaint management. We maintain an unblocked collaboration and coordination mechanism among the project/city, the headquarters, and the relevant departments, to listen to, respond to, and resolve customer requests promptly, and ensure that every customer complaint is responded to. In 2021, we received a total of 6,731 customer complaints, of which 91.52% were resolved.



A 24-hour response mechanism for customer complaints has been established.

General complaints must be handled and closed within 48 hours.

A 3-level collaboration among project/city-region-headquarters has been established.

As the key department to handle complaints, the Customer Relationship Department performs the duty of "whistle-blower" and promptly transfers problems to the relevant departments.

Five highly relevant departments/ companies, namely the Marketing Centre, the Engineering and HSE Centre, the R&D Centre, Jinmao Services, and Jinmao Green Building, work together.

The 12315 Operation for Customer Complaint Management

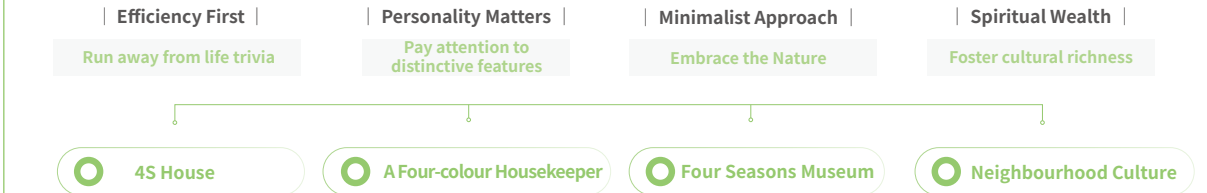
Improving Service Experience

On the basis of standardised management and services, we strive for personalised and refined service requirements and characteristics. We have created the MOCO high-end residence service system and the GOLDEN high-end commercial office service system to bring a high-quality service experience with our ingenuity and perseverance.

The MOCO Featured Service

MOCO (Moments of Connection) means connecting wonderful moments. The system features 12 key service highlights. Based on common property service scenarios, it provides owners with one-stop housekeeping services under the "4S House" service system, builds customised service settings with the "Four-colour Housekeeper", enriches owners' life experiences with the "Four Seasons Museum-themed" services, and creates a harmonious and friendly community with "Neighbourhood Culture" community activities. At the end of 2021, the MOCO service system was implemented in 34 projects across 20 cities in China.

The MOCO Featured Service



4S House



Four-colour Housekeeper



Four Seasons Museum-"Hope farm" planting activities



Neighbourhood Culture-Chinese Jinfu Festival

The GOLDEN Featured Services

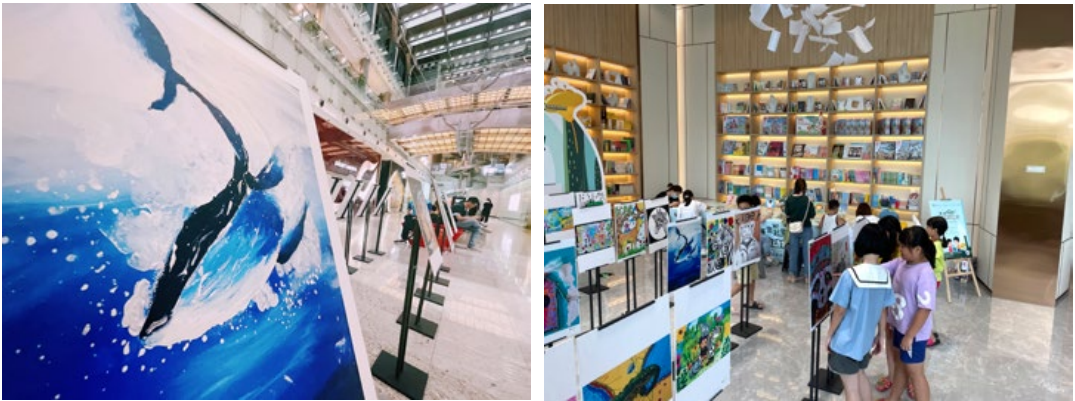
We have a strong understanding of the characteristics and needs of commercial and office building customers, optimise our office building use and property service scenarios, and refine our service standards to provide customers with supreme and considerate services.

Grow: Growing Technologies	Efficiency: intelligent robots, intelligent packstations, and contactless face recognition Visualisation: the visualisation of matter handling progress, inquiries into public facility occupancy, and public information about office buildings Security: information, personnel, and engineering security Support: service staff calling and making appointments, the one-button calling centre for emergencies, and the Information Island data support centre
Owner: Jinmao VIP Services	The Platinum Director programme, exclusive reception, and excellent conference services, and premium customer service
Lobby: Jinmao Five-Dimensional Service Office	Stylish and special, serving owners with convenience and efficiency and even going beyond owners' expectation
Detail: Jinmao Details	Assurance in every detail in security, maintenance, and cleaning
Ecology: Jinmao Oasis	Vast open space, comprehensive energy management, environmental protection, and ecological circulation
N ^o : The N-power Magnetic Matrix	Resource lease and supply services, convenience utilities, community activities, exclusive summits for high-end tenants



Feeling connected in a friendly community operation system

Based on the deep insight into the emotional and social needs of different customers, in order to provide customers with more space for thought collision and emotional exchange, and to create a cultural community with good neighbourliness and profound cultural heritage, we continue to strengthen the construction of the community operation system to create a "Golden Neighbourhood" community brand, with the community as a link to create a warm neighbourhood relationship. In 2021, we held 3,312 community activities, 48 theme evenings, and established 192 characteristic societies. Through activities with various forms and rich themes, we built a diverse platform for neighbourhood social interaction.



At the 2nd "Children's Paintings of Love" Jinmao Little Owners Charity Art Exhibition, the animal-themed paintings aroused people's attention and protection of this ecological environment



Jinmao Beijing's "Tonight in the Garden" Garden Party



Jinmao Yueyang's "Yangtze Finless Porpoise Tour by Dongting Lake"



Jinmao Wuhan's "Mao Sports Games"



Jinmao Chengdu "Children's Dream Season" Parent-Child Activity

Jinmao Hotel completed service support for the Beijing Winter Olympics

After the Beijing 2008 Summer Olympics, the Jinmao Westin Beijing Chaoyang was again contracted as a service support hotel for the 2022 Winter Olympics. In order to provide high-quality reception services for the Winter Olympics, the hotel developed the *COVID-19 Prevention and Control Plan of Jinmao Westin Beijing Chaoyang for the 2022 Winter Olympics Reception*. The hotel established a closed loop of management and carefully investigated pandemic risk points. The medical and pandemic prevention teams allocated pandemic prevention supplies and zoned protective areas in strict accordance with the standards of the Olympic Organising Committee and conducted various training sessions and emergency drills in accordance with pandemic prevention requirements to improve their service capabilities.

During the Winter Olympics, the hotel received more than 300 guests from 13 countries and regions. A total of 225 people from the hotel staff and the event service support team devoted themselves to the work. The meticulous and thoughtful security and service support were praised by all representatives.

"Jinmao Hotel met the capital's standards with enthusiasm and thoughtfulness. They demonstrated their will and ability in supporting the Winter Olympics and the Winter Paralympics."

—by the Winter Olympics Organising Committee's Event Service Support Team in Jinmao Westin Beijing Chaoyang

"Thank you very much for your perfect and kind service. We felt friendliness and warmth. We will visit China again!"

—by the Swiss Broadcasting Team

"Thank you very much for your perfect and kind services to good care of our ice hockey team. We will come back to China some day!"

—by the US Ice Hockey Team



Customer Privacy Protection

China Jinmao stresses customer privacy protection and information security. We strictly abide by the *Personal Information Protection Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Cybersecurity Law of the People's Republic of China*, and other applicable laws and regulations. We formulated relevant system requirements such as the *China Jinmao Network Security Management Rules* and the *China Jinmao Network Security Incident Emergency Response Plan*, and effectively enhanced the Company's cybersecurity, protecting customer privacy through both management and technology.

Access to customer information is strictly managed and data traces of any access are kept to avoid the theft and leakage of customer information. In 2021, there was no leakage of customer data.

We have established a Cybersecurity Leadership Group to carry out classified security protection, account authentication, endpoint security, and security audits for the Company's network. As such, a sound corporate cybersecurity protection mechanism was established to safeguard customer information and data security. By 31 December, 2021, many of our information systems for customer privacy and security had obtained classified protection certification.

Cybersecurity Class of China Jinmao's Systems for Customer Information

System	Protection Class
The unified identity authentication system	II
The Mingyuan ERP system	II
Jinmao Services' master data system	II
Jinmao Services' Jinxiaomao system	II
Jinmao Hotel's central reservation system	III
China Jinmao's exclusive direct sales platform	III

China Jinmao's Data Protection Measures

Systems and Procedures:

- We have created an internal security management system and operating procedures to rigorously manage identity authentication and authorisation
- A sound monitoring and evaluation system for critical information infrastructure security has been established, in which potential risks and hidden dangers are promptly detected, evaluated, and rectified
- A complaint and reporting system for network information security has been established to handle complaints and reports concerning network information security and data protection promptly

Management Structure:

- We set up a specialised security management organisation with a security management director and conducted detailed background checks on the directors and other key personnel to ensure reliability

Technical Measures:

- We take technical measures to monitor and record network operation status and network security events, and keep such logs
- Measures such as data classification, important data backup, and encryption authentication are taken

Training and Drills:

- We regularly conduct cybersecurity training, technical training, and skill assessment
- We have developed a contingency plan for cybersecurity incidents and regularly conduct drills

Responsible Marketing

China Jinmao strictly abides by the *Urban Real Estate Administration Law of the People's Republic of China*, the *Regulatory Measures on the Sale of Commercial Houses*, and other applicable laws and regulations. We have developed the *Sales Management System of China Jinmao*, and the *Guide of China Jinmao for Marketing Compliance Management*. Standardisation documents that cover the whole marketing process, from project positioning, sales pricing, sales promotion, sales contract signing, to project delivery, have been prepared. As a result, a responsible marketing system with rules, supervision, and checks and balances is in place. In addition, false undertakings and descriptions in the sales process are strictly prohibited to protect the legitimate access of consumers to official and transparent information.

Standardising Public Information On-site

We insist on transparent disclosure on sales sites. We fully disclose the unfavourable factors of the project, energy efficiency of the building, the service supervision call, licenses, contracts, delivery standards, sales statements, and charging standards.

Reviewing Marketing Materials

The sales process of China Jinmao is strictly regulated, and information is fair and transparent. We meticulously review all sales materials and props, mainly published information, sales contracts and annexes, sales statements, brochures, videos, and advertisements.

Checking Marketing Risks

We carry out regular and special supervisions on marketing and implement self-inspection and inspection of marketing risks in the form of three-level authorisations that comprise the headquarters, regions and cities. We regularly check marketing risks, including publicity material review, verbal commitment risks, delivery standards, and quality risks. For risks identified, we offer suggestions and track the rectification of problems. Special campaigns are also conducted to cover self-inspection and self-correction of marketing practices that fail to meet the standards.

Training for Marketing Teams

We have formulated and released the marketing standardisation system, set standards for the entire marketing profession and the whole project cycle. One month after the formation of each marketing team, all marketing personnel must undergo standardised education, business training, and assessment. This move ensures marketing compliance and promotes responsible marketing awareness within the marketing team.



GREEN AND LOW-CARBON DEVELOPMENT FOR ECO- FRIENDLY HOMES

As a city operator with green genes, China Jinmao follows the "Ever Green Quality" Strategy, committed to building eco-friendly cities and ensuring the harmonious coexistence of humans and nature. We actively respond to the national strategic goals of carbon emission peaking and carbon neutrality and focus on the eco-city, life buildings, and "zero-carbon" operations in promoting high-quality and sustainable urban development.

The HKEX ESG Indicators responded to in this chapter:

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

The SDGs topics responded to in this chapter:



GREEN BUILDING

As an advocate and practitioner of "green real estate" in China, China Jinmao is committed to creating a green and healthy life using intelligence and technology. We adopt green, low-carbon, and sustainable practices throughout the entire process, from architectural design to selection of building materials, construction, and operation management to set up a model of green and healthy residence.

In 2021, 100% of our new projects met green building standards, and 36 projects obtained 37 green building certifications and labels¹, including:



By the end of 2021, China Jinmao had obtained a total of 262 green building certifications and labels, including:



212 of our projects received green labels or certifications.

Our total project floor area that meets green label design requirements reached **25.876** million m², making us the real estate company with the largest number of BREEAM and LEED certifications in the Chinese mainland.

¹ In 2021, we obtained a total of 43 green building certifications and labels, six of which were issued after delay and thus were not included in the new additions in 2021.

In 2021, we released the revised *Green Strategic Management Standards of China Jinmao*, put efforts in the development of green building development, operations, and management, and continued to increase the proportion of certified green building projects to lead the evolution of green living.

Green Building Targets:

- 100% of our new residential and office buildings shall meet the basic requirements of Green Buildings of China (or equivalent internationally renowned standards such as the LEED/BREEAM certification).
- 100% of our newly developed and self-owned hotel projects, 5A and Class A office buildings, and business complex projects shall obtain the one-star China Green Building label (or equivalent internationally renowned standards such as the LEED/BREEAM certification).
- Application for high star levels (equivalent to two-star China Green Building, BREEAM Excellent, and LEED Gold, or above) is encouraged, and the proportion of high-star-level green projects in development shall increase year by year.

Creating a green and healthy business space with sustainable design

The comprehensive development project of the HK322-01 plot in Tilanqiao Sub-district, Hongkou District, Shanghai is situated at the core of the North Bund in Hongkou. The project features eco-friendliness and health in its design. With sectional power supply, an all-air system, solar energy, rainwater reuse, lobby heating, system turnstiles connected with the destination floor, and a 24-hour tenant cooling water system, the project has built an office space that is green, intelligent, and futurist in both software and hardware, fulfilling the commitment to building a vibrant urban micro-complex office space that integrates international upper-scaled offices, commercial, and cultural venues. The project was awarded three international authoritative green and health certifications, namely the three-star China Green Building, LEED Gold, and WELL Gold.



Rendering of the project

Wuhan Fangdao Jinmao Smart Science City project selected a pilot for the Low-carbon Demonstration Project

In 2021, the Wuhan Fangdao Jinmao Smart Science City project was selected as one of the first batch of pilots for Wuhan's Low-carbon Demonstration Project for its industry-city integration planning framework and outstanding performance in eco-friendliness, low-carbon, and circular development practices.

- Green energy supply: The technology of sewage-source heat pump coupled with ground-source heat pump is applied. Three centralised energy stations and four independent energy stations are planned to be constructed to provide green and clean energy for various buildings. Once in full operation, these energy stations are expected to reduce carbon dioxide emissions by 15,678 tonnes per year.
- Green industries: The project has signed green industry strategic cooperation agreements with six companies and introduced a number of green new energy industry projects, including regional centralised energy stations, NIO Automotive Experience Hall, and battery swap stations for electric vehicles.
- Green buildings: Several plots of the project have obtained the WELL Community Gold intermediate certifications.
- Green transportation: The project has created a three-dimensional slow-traffic system to encourage green and healthy travel for residents. Battery swap stations and charging piles are set up in the car parks of residential and commercial projects to facilitate green transportation.



A real view of the demonstration area of the Fangdao Jinmao Smart Science City project

China Jinmao receiving the BREEAM Most Valued Partner Award for its continuous efforts in creating sustainable buildings

At Building Research Establishment (BRE)'s BRE China Awards & BREEAM 30th Anniversary held in Shanghai in March 2021, China Jinmao received the BREEAM Most Valued Partner Award for its outstanding performance in healthy residence. On the same occasion, Wenzhou Jinmao Palace received the Mutual-Recognition Award, the Qingdao Eden Project received the BREEAM Innovation Award, and the China-Europe International City C-10 Plot received the Your BREEAM Award.



BRE China Awards Ceremony



Green Design and Technologies

China Jinmao has created a practical, economical, and widely-applicable green building technology system in line with the *Assessment Standard for Green Building* (GB/T 50378-2019) and domestic and international green building design standards. Our design aims for sustainability and upholds the design principle of "Implementing Measures in Line with Local Circumstances and Prioritising Passivity with a Focus on Efficiency and Health". We optimise building envelopes and improve the thermal performance of buildings, thereby reducing the energy consumption of building operations. On the other hand, relying on platforms such as Jinmao Green Building and Jinmao Building Technology, we pursue technological innovation and continue to optimise the efficiency of building energy, promote the application of renewable energy in buildings, and explore and develop green building materials. The Company is committed to harmony and unity among people, buildings, and the environment.

Ultra-low-energy-consumption and high-quality buildings under the concept of green design

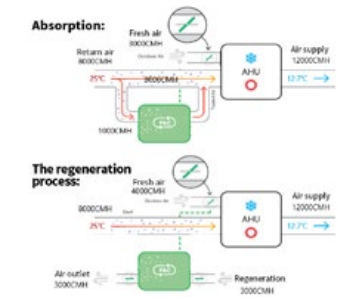
Jing'an Tianyue is an ultra-low-energy-consumption building demonstration project co-developed by China Jinmao. It is Shanghai's first project with a building height of nearly 100 meters using a thermal insulation system of prefabricated concrete and reverse-produced silicon graphene. It is also the first project in Jing'an, Shanghai that adopts photovoltaic renewable energy and has passed the review of ultra-low energy consumption scheme. According to Shanghai's current energy-efficient design standards, once completed, the project can save 2,043,700 kWh of electricity and 103,300 m³ of natural gas every year, which are equivalent to 715.00 tonnes of standard coal.



Rendering of the Jing'an Tianyue project

Jinmao Green Building contributing to the development of carbon dioxide adsorbent and its regeneration technology

Jinmao Green Building cooperates with Peking University to develop the regenerative carbon dioxide adsorption technology based on porous materials. With this technology, indoor carbon dioxide, ozone, VOCs, formaldehyde, benzene, and other air pollutants will be adsorbed, desorbed, recycled, and purified. The technology can improve indoor air quality, and indirectly reduce the demand for ventilation with indoor air circulation and purification, so as to reduce the energy consumption of ventilation.



The technology of CO₂ adsorbent and its regeneration

"Electricity-generating houses" using the cutting-edge BIPV technology

China Jinmao boosts the development and application of building-integrated photovoltaics (BIPV) technology. We have developed photovoltaic building material series such as photovoltaic roofs, photovoltaic walls, and photovoltaic stools, and integrate new green technologies such as the roof thermal insulation power generation system, the roof PV-LED technology, and the photovoltaic wall colorisation technology. We increase the share of green photovoltaic power applications without impacting the original functions of the building. In 2021, we applied the BIPV technology in Beijing Jinmao Eastern Garden Hotel, the photovoltaic roof project for Jinhua City Exhibition Hall, the photovoltaic wall project for energy stations in Qingdao China-Europe International City, and the Wangjing Jinmao Palace Project, with a rollout area of 6,170 m² and a total installed capacity of BIPV of 1,022.73 kW. For its outstanding performance in the BIPV technology, Jinmao Green Building was invited to the "4th China BIPV Industry Leading Innovation Forum & Investment Conference" in 2021, where it was awarded the "Innovative Product of the Photovoltaic Green Building Industry for 2020". In July 2021, our self-developed BIPV products were selected into the *List of Recommended Technologies and Products for Renovation and Innovation of Old Residential Communities in China* issued by the Green Community Professional Committee of China Association of Building Energy Efficiency, to provide technical and product support for the renovation of old residential communities and city renewal.



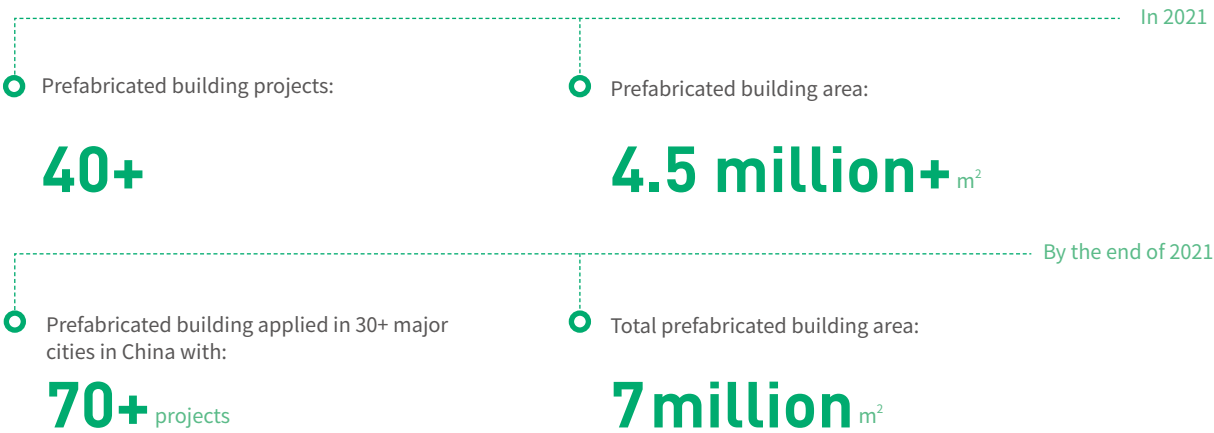
Beijing Guangqu Jinmao Palace uses the grey photovoltaic wall product and the hidden-framed photovoltaic wall system, with an installed capacity of 3.4 kW



Jinmao Ritz-Carlton Sanya uses the grey photovoltaic tile product, REC batteries, and our self-developed photovoltaic tile system, with an installed capacity of 4.6 kW



As an active response to the government's call to vigorously develop prefabricated buildings, China Jinmao steadily advances the prefabricated construction (PC) system, develops prefabricated construction and recycling models, and provides one-stop prefabricated building solutions for the industry. We focus on the innovation of standardised PC engineering technology and management systems, conduct innovation research on the construction and management of standardised PC engineering, and prepare PC engineering management guidelines. We integrate prefabricated applications into the ultra-low-energy-consumption building technology system for Shanghai for integrated exterior insulation. Ceilings, floors, and walls for kitchens and bathrooms are designed together and produced using new materials in standardised manufacturing. These kitchens and bathrooms are standardised and can be quickly assembled by professionals on-site, providing an overall solution for prefabricated kitchen and bathroom installations. We adopt industrialisation thinking and standardised design to create a prefabricated sales centre to solve the problem of the low utilisation rate of traditional sales centres. Each of these sales centres can be reused three to five times.



Applying prefabrication technologies to provide prefabricated whole-house finishing solutions

As a response to China's industrialised building initiative, China Jinmao consistently improves the Company's integrated service capabilities of prefabricated design, research and development, production, and construction. In 2021, Jiaying Jiahe Jinmao Palace completed a prefabricated finishing model room, which was the first time the prefabricated technology had been applied to the Company's prefabricated whole-house finishing solution in the Palace series. The model room made full use of the outstanding advantages of prefabricated technology, that is, ultimately efficient and environmentally friendly, to meet the diverse needs of occupants. We used BIM technology to perform integrated prefabrication design, import parts into the production side for industrialised production, and perform dry construction in multiple spaces and multi-parts at the same time. 100% of the model room was assembled. In just 10 days, wall keel installation, ceiling assembly, overhead floor laying, pipeline fixing and connection, integrated kitchen and bathroom construction, and storage system installation were completed.



A sample sketch of Jinmao Decoration's prefabricated whole-house finishing solution

While exploring and researching green and smart technologies, we organised and participated in industry exchanges and standard formulation. At these exchanges, we exerted our green influence and promoted sustainability in the industry.

Industry conferences we attended	<ul style="list-style-type: none"><i>The 10th International Building Industrialisation of Construction Exhibition Asia</i> In 2021, Jinmao Building Technology was invited to the 10th International Building Industrialisation of Construction Exhibition Asia to share the experience of the research and development on construction Industrialisation and interior finishing Industrialisation.<i>2021 China Urban Renewal Innovation Development Summit</i> In April 2021, China Jinmao was invited to the "2021 China Urban Renewal Innovation Development (Shenzhen) Summit and the 14th Five-Year Plan and Urban Renewal Operation". At the summit, Mr. Tian Jiupo, the Company's vice president and CTO, delivered a speech entitled <i>Operating the Future of the City in Green and Science-based Development</i>, and discussed with the guests city renewal and operation in the new era.<i>The 17th International Conference on Green and Energy-efficient Building & New Technologies and Products Expo</i> In May 2021, China Jinmao was invited to the 17th International Conference on Green and Energy-efficient Building & New Technologies and Products Expo to share the Company's practice in green development and reflections under the new situation. The Company also hosted a parallel forum on "zero-carbon" city operation practices under the theme of "Carbon Neutrality Led by Technology and Empowered by Digital Transition".
Standards we jointly set	<ul style="list-style-type: none"><i>1 national standard: Determination of Light Transmittance for The Photovoltaic Glass Module Used in Building GB/T 40415-221</i><i>4 industry group standards: Power Generation Materials and Equipment for Photovoltaic Buildings, Testing Standard for Photoelectric Building Application Systems, The Intelligent Photovoltaic Cloud Platform: System Integration Solutions, and Technical Specifications for Intelligent Transformation of Building Door Locks</i><i>1 enterprise standard: Technical Standard for Regional Energy</i>
Patents and awards we received	<ul style="list-style-type: none">In 2021, Jinmao Green Building obtained 10 invention patents, 35 utility model patents, 11 design patents, and 1 software copyright in green and smart technologies. Jinmao Building Technology obtained 1 invention patent and 7 utility model patents in prefabricated buildings.

Green Construction

China Jinmao strictly abides by the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Environmental Impact Assessment*, the *Evaluation Standard for Green Construction of Building*, and the *Management Specification of Green Construction*, and executes the *Administrative Guidelines of China Jinmao on Environmental Protection*, the *Environmental Protection Accountability Management System of China Jinmao*, and the *Project Management Standards of China Jinmao*. We take into account all the demands of the environment and communities near the construction site and manage noise, dust, wastewater, and solid waste in construction as required. We apply many green construction technologies and prioritise environmentally-friendly facilities, equipment, and building materials to minimise resource consumption and impact on the environment and create green construction sites. In 2021, China Jinmao had no general or major environmental incidents.

We value the healthy and harmonious co-existence of humans and the environment. We always follow through on our greenfield development commitment and do our best to avoid clearing farmland and greenfield. If construction activities need to be carried out on such plots, we will obtain approval from the relevant departments before using the land. Ecological protection and restoration will also be carried out in accordance with the departments' specifications for farmland and greenfield development to minimise the negative impact of development on greenfield and the surrounding ecosystem. Moreover, for rational land use, we have established the "102030" standard, which sets the standard requirements for the initial opening cycle, the cash flow return cycle requirements, and the delivery cycle requirements. We have also set up a special reward and punishment system to urge projects to quickly locate, start construction, come on the market, and deliver on the premise of ensuring quality and safety, so as to avoid idle land.

China Jinmao's Green Construction Management Measures

Noise Management	<ul style="list-style-type: none">The finished and semi-finished products' processing and manufacturing processes that generate loud noises will be completed in the processing workshop as much as possible to minimise the noise caused by processing and manufacturing on the construction site.A management system and noise reduction measures were developed to strictly control man-made construction noise and minimise disturbance to nearby residents.Monitoring of environmental noise over a long time at the construction site is strengthened based on the principle of "specially-designated personnel for monitoring and management".A nuisance coordination working group is established to receive and resolve complaints from nearby residents.
Sewage Management	<ul style="list-style-type: none">To control the flow of sewage, drainage ditches for on-site roads and material storage sites are planned centrally. Also, a sedimentation tank will be set up so that the sewage will be sedimented before being discharged into the municipal sewage pipeline.Oil filter tanks are set up so that the waste oil produced on the construction site can be degreased before being discharged into the sewage pipeline.An anti-leakage treatment is applied to warehouses storing oil and chemicals to prevent oil leakage and contamination of soil and water.On the construction site, the rainwater pipe network and the sewage pipe network will be set up separately. Discharging water that is not rainwater into the rainwater pipe is strictly forbidden.
Air Pollution Management	<ul style="list-style-type: none">In new projects, measures to control dust pollution will be developed. Current projects under construction and new projects will be equipped with spray dust suppression systems.The construction site will be under closed-off management, and continuous and closed enclosures will be set up around the construction site.The floors of material processing areas, large formwork storage areas, living areas, and office areas will be hardened, and fine-grained building materials will be sealed or covered.During earthwork transportation, excavation, and backfilling, water will be sprinkled to prevent dust pollution, and operations will be stopped when there is Scale-4 wind.

Solid Waste
Management

- At the construction site, a closed garbage station will be set up; construction and domestic garbage shall be classified and stored separately; transportation and consumption shall comply with applicable regulations; the transportation contract shall specify the environmental protection management provisions for the project.
- Hazardous wastes shall be managed according to the provisions of the *Directory of National Hazardous Wastes*.
- On the construction site, only qualified transport agencies and vehicles will be used to transport earthwork and construction wastes.
- Advanced waste management technologies, processes, equipment, and management measures are encouraged; construction waste should be reduced at the source, and a construction waste recycling system will be established.

Besides green construction in the construction process, we emphasise environmental protection in the finishing process. We have compiled and released the *Implementation Guide of China Jinmao Construction & Decoration for the Green Construction Management System*. Using scientific management methods, we improved the efficiency of resource and energy consumption in the finishing stage and created a healthy and environmentally friendly finish.

Utilisation and
Conservation of
Building Materials

- A material utilisation plan will be developed, and electronic technology is used to simulate the construction process to accurately calculate the quantity of materials.
- A material procurement plan and transportation routes will be developed; local materials will be used as much as possible; transportation routes will be reasonably controlled to reduce material wear and secondary transportation risks.
- 100% building material packaging shall be recycled and a waste disposal list will be created.

Utilisation and
Conservation of
Water

- Metering devices will be installed for the water-saving system to enhance on-site water-saving control and to detect leaks in water appliances and pipe networks.
- Water-saving appliances will be installed; it is required that all on-site appliances shall be water-saving.
- Water recycling devices and mobile rainwater collectors will be used to recycle water.

Utilisation and
Conservation of
Energy

- Science-based construction energy consumption standards will be developed to control temperature, humidity, and the operation efficiency of indoor air conditioning and heating devices.
- Priority shall be given to energy-saving lighting fixtures at the construction site; more than 80% of the lamps shall be energy-saving lighting fixtures.
- Corrective and preventive measures for electricity consumption will be developed, and electricity consumption will be inspected and corrected at any time.

GREEN OPERATIONS

Energy consumption and GHG emissions from building operations account for more than 70% of those throughout a building's entire lifecycle². China Jinmao implements green development strategy, seeks to meet the national and regional targets of saving energy and water as well as recycling and reusing waste proposed by the 14th Five-Year Plan, and takes this opportunity to unlock the energy saving and emissions reduction potential in building operations. We promote the conservation and utilisation of resources and energy with measures such as energy substitution, energy efficiency improvement, and green offices, and waste recycling. We are now making detailed company-wide mid-term targets and roadmaps on saving energy and water and reducing waste discharge. To encourage tenants to engage in sustainable measures, we are also considering developing green lease agreements and an incentive mechanism to jointly promote green operations.

Environmental Performance of Resources and Energy in 2021³

Indicator	2019	2020	2021
Energy Utilisation			
Petrol (L)	248,169.28	248,665.46	257,032.96
Diesel (L)	57,336.65	46,731.32	47,717.23
Natural gas (10,000 m ³)	652.04	696.31	826.71
LNG (L)	2,880	2,880	2,880
Purchased electricity (10 MWh)	16,891.92	21,457.66	33,230.11
Purchased heat (GJ)	14,185.39	11,146.14	13,956.99
Comprehensive energy consumption (10,000 tonnes of standard coal) ⁴	3.03	3.64	5.26
Comprehensive energy consumption per unit area (tonnes of standard coal/m ²)	0.00457	0.00438	0.00460

² <https://www.tsinghua.edu.cn/info/1662/89125.htm>

³ Using operational control method, we collated the statistical boundaries of the environmental data. Unless otherwise specified, the statistical methods of all environmental indicator are consistent. The data collection scope includes: (1) administrative offices of China Jinmao's headquarters and subsidiaries; (2) public areas of residential, office building, and commercial projects; (3) some hotels and extended-stay apartments; and (4) Jinmao Green Building's energy projects.

⁴ The comprehensive energy consumption conversion factor refers to *General Rules for Calculation of the Comprehensive Energy Consumption* (GB/T 2589-2020).

Indicator	2019	2020	2021
Water Consumption⁵			
Total water consumption (tonnes)	830,130.00	874,994.00	2,587,571.57
Water consumption intensity (tonnes/m ²)	-	-	0.23
Solid Waste Discharge⁶			
Non-hazardous waste discharge ⁷ (kg)	-	-	5,619,901.16
Non-hazardous waste discharge intensity (kg/m ²)	-	-	0.87
Hazardous waste discharge ⁸ (kg)	-	-	57,442.41
Hazardous waste discharge intensity (kg/m ²)	-	-	0.01

⁵ In 2021, the statistical scope of water consumption data was expanded based on that in 2019 and 2020 to be consistent with the overall statistical method and scope of environmental indicators, therefore the data fluctuated significantly compared to previous years.

⁶ In 2021, the statistical scope of wastes was adjusted and expanded based on that in 2019 and 2020, therefore the waste discharge data was different from that in previous years.

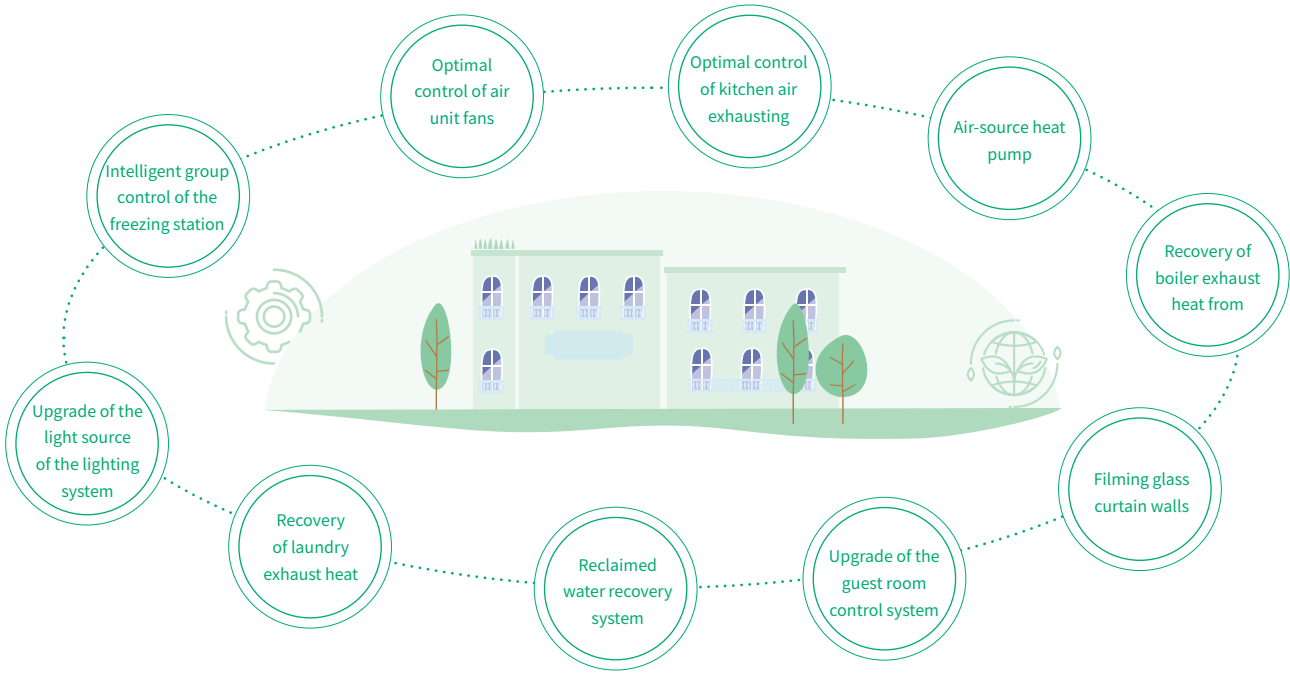
⁷ The statistical scope of non-hazardous wastes includes (1) kitchen wastes and paper generated in the administrative offices of China Jinmao's headquarters and subsidiaries; and (2) domestic wastes, kitchen wastes, garden wastes, and other non-hazardous wastes and paper generated in the services and operations of Jinmao Hotel; and (3) kitchen wastes and paper generated in the public areas of residential, office building, and commercial projects of Jinmao Service.

⁸ Hazardous wastes include mercury-containing fluorescent lamps or energy-saving lamps, waste toners and cartridges, waste electrical and electronic devices, waste batteries, coating buckets, and other hazardous wastes.

Energy Management

China Jinmao actively responds to the national strategies of carbon emission peaking and carbon neutrality and the *Comprehensive Work Plan for Energy Conservation and Emission Reduction for the 14th Five-Year Plan Period* and strictly observes the *Energy Conservation Law of the People's Republic of China* and the *Energy Conservation Management System of China Jinmao*, and bases its work on energy conservation and consumption reduction in building operations on various systems. Our basic management in 2021 included regular energy consumption measurement, consumption quota setting, and statistical analysis for self-owned key projects such as hotels and commercial and office buildings. We applied energy-efficient technologies to new facilities and built energy management platforms to improve energy management efficiency. The use of clean energy and renewable energy in daily operations was also vigorously promoted to reduce energy consumption in operations from the source.

In hotel operations, we focus our energy conservation work on management energy conservation, technical energy conservation, and the evaluation and assessment of energy consumption indicators. We encourage reasonable energy use, introduce contract-based energy management, and systematically apply energy-efficient technologies to continuously improve the energy efficiency of our hotel projects.



Major Energy Conservation Technologies Applied in Jinmao Hotel

In commercial operations, we have built intelligent management platforms and energy consumption monitoring systems for centralised supervision and real-time remote monitoring of building energy consumption, environmental quality, intelligent lighting, and other subsystems. We have formulated targeted energy-conservation plans based on the results of data analysis to improve our automated operations and reduce energy consumption in project operations. In 2021, the Jinmao Harbour Shopping Centre project in Qingdao piloted an intelligent property monitoring platform for energy conservation and consumption reduction through intelligent and IT-enabled management.

In property operations, we have established an evaluation mechanism for energy conservation and emission reduction and promote the certification of energy management systems. Jinmao Services focuses on the energy-conservation upgrade of existing equipment and intelligent energy-efficient control, strengthens the pilot application of energy conservation and consumption reduction, and carries out energy-conservation upgrades for air-source heat pumps, lighting systems, and air-conditioning systems.

Some of Jinmao Services' Energy Conservation Upgrade Measures

Beijing

Measures

In 2021, the air-source hot water systems of Blocks 23, 25, and 66 of Wangjing Jinmao Palace and Guangqu Jinmao Palace were upgraded, reducing gas consumption by 189,900 m³ during the year.

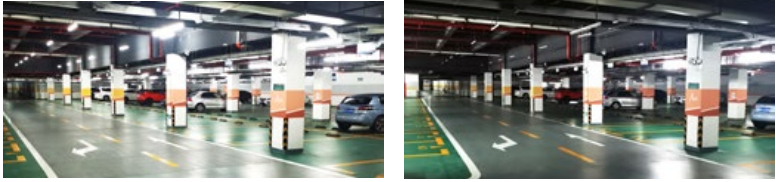


Air-source heat pump water heaters

Guangzhou

Measures

In 2021, the lighting systems of the underground car parks of the Pearl River Jinmao Palace, Tianhe Jinmao Palace, and Nansha Jinmao Harbour projects underwent energy-conservation upgrades, which reduced the energy consumption of lighting equipment by up to 30%.



Before and after the upgrade

Changsha

Measures

In 2021, in the air-conditioning unit on the LG floor of Jinmao Plaza, single air conditioners were replaced by a central air conditioner, and air conditioner coils were installed to reduce the operating energy consumption of the air conditioning system and improve users' perception. After the upgrade, about 170,000 kWh of electricity can be saved every year.

In the underground car park of the second phase of Jinmao Harbour, the arrangement of lighting fixtures was optimised, and LED radar sensors were installed to effectively reduce energy consumption while ensuring owners' perception. After the upgrade, more than 160,000 kWh of electricity can be saved every year.



The construction site of air conditioning upgrade

The lighting fixture upgrade in the second phase of Jinmao Harbour

Chongqing

Measures

In the underground car park of Chongqing Longxing International Ecological New Town, all lighting fixtures were upgraded to radar sensor lighting. After the upgrade, the monthly electricity consumption has dropped by 62.5% and save more than RMB 100,000 in electricity costs.



Radar lighting upgrade in the car park

Smart Energy

China Jinmao is seeking smart energy development models, promoting the development and utilisation of clean energy and exploring new models of low-carbon and smart cities. We launched many regional energy station projects. In an operation model that integrates power supply, power grid, power load, and energy storage, we provide cities with overall energy solutions and full-process services in energy production, transmission, distribution, use, and storage, focusing on user needs such as cooling, heating, and electricity. At the end of 2021, China Jinmao had invested in, built, and operated 75 energy stations at city, regional, and project-level, with a total energy supply area of about 40 million m² and an estimated annual carbon emission reduction of more than 380,000 tonnes.

Hangzhou Tonglu Cloud Computing Centre improving project energy efficiency in an all-round way

The Hangzhou Tonglu Cloud Computing Centre project in the Economic Development Zone of Tonglu County, Hangzhou, Zhejiang province, is developed and constructed by China Jinmao, with a total planned area of 111,824 m². In the project, we plan to install 10,400 cabinets and build three air-conditioning unit buildings, one diesel engine building, and one 110-kV substation. The project will adopt the technical form of water-cooling units and air-conditioning terminals and improve the energy efficiency of the project with air-conditioning systems, electrical systems, HVAC systems, building systems, intelligent management systems, and waste heat recovery systems.



Battery swap infrastructure for electric vehicles supporting the construction of smart new energy cities

In response to China's call to "make China's skies blue again" and the development trend of new infrastructure, Jinmao Green Building has independently developed and invested in the construction of battery sharing/swap stations for commercial vehicles, and provides a complete set of energy supply service solutions for electric commercial vehicles. These measures solve the pain points of long charging time, battery attenuation, short cruising range, and safety hazards in vehicle electrification. In 2021, we completed four battery swap stations for heavy-duty trucks in Qingdao, Zhengzhou, and Yancheng. The projects rely on back batteries plus one-side battery swap technology, which can swap batteries in just five minutes. They ensure the logistics and transportation by electric heavy-duty trucks, promote the construction of green and smart new energy cities, improve urban air quality, boost regional economic growth, support the upgrading of the automobile industry, and further optimise the comprehensive utilisation of urban energy.



The battery swap station in Qingdao Port: Shandong province's first benchmark project of battery swap stations for heavy-duty trucks in demonstration operation



The battery swap station in Xinzheng International Airport

Green Office

China Jinmao firmly advocates for green office. We follow the *Environmental Protection Management System of China Jinmao*, improve the efficiency of energy and resource use in our office through technological transformation, optimised operation, and lean management, consolidate resource conservation and environmental protection awareness, and form a culture of practicing strict economy.

Some Green Office Practices

Improving Energy Efficiency

- An accountability system for turning off lights in the office area is implemented and irregular evening patrols are carried out to check the lights, and the inspection results will be published.
- Energy audits and energy balance tests are carried out to tap energy conservation potential.
- A smart office system is introduced, and office lighting and air-conditioning systems are put under timing switch and partition management with information technology.

Optimising Water Efficiency

- It is encouraged to use reclaimed water to improve water reuse and reduce fresh water consumption.
- Routine inspection and maintenance are increased to eliminate leaking and dripping.

Reducing Wastes

- The Clear Your Plate campaign is carried out to enhance the conservation awareness in everyday meals and reduce kitchen waste.
- It is advocated to bring cups to meetings and disposable paper cups and bottled mineral water are no longer supplied.
- Print paper recycling stations are set up, and print paper is recycled.
- Paperless office is advocated; the amount of printing paper is limited; double-sided printing and copying are encouraged; and colour printing and copying are not allowed unless necessary.
- The electronic seal is fully launched in the tendering and procurement, marketing, HR, and Jinmao Luxuriance systems, covering all secondary units. In 2021, electronic seals were used for 82,445 times for the online sealing of 15,325 tendering, procurement, and contract documents and 153 employee contracts, reducing the use of paper products and packaging materials in printing and logistics.
- The office supplies for new employees are simplified; electronic business cards are encouraged to reduce the production of office supplies.
- Waste toners and cartridges are returned to the supplier for refilling and recycling.

Raising the Green Office Awareness

- A proposal for practicing strict economy has been released.
- Energy saving, water saving and garbage sorting slogans are posted.

Green Conferences

- It is recommended to replace offline meetings with video and teleconferencing.

Green Travel

- Employees are encouraged to take public transportation when going out on business.
- Employees are encouraged to carpool.
- Economic travel is promoted; the number of people on business trips is strictly controlled; and unnecessary business trips are cancelled.

Green Leasing

China Jinmao encourages tenants and patrons to practice sustainability together. We are continuously improving the Company's green leasing system. We regularly revise our *Property Service Agreement*, *Decoration Service Agreement* and *Management Manual for Decoration of Commercial Tenants*, which cover requirements for environmental protection standards for finishing materials, energy management, water management, resource conservation, and garbage classification, and encourage tenants to choose green materials and energy-efficient equipment and technologies. Moreover, we regularly communicate with tenants and patrons, and carry out promotion and education activities on environmental protection to raise sustainability awareness.

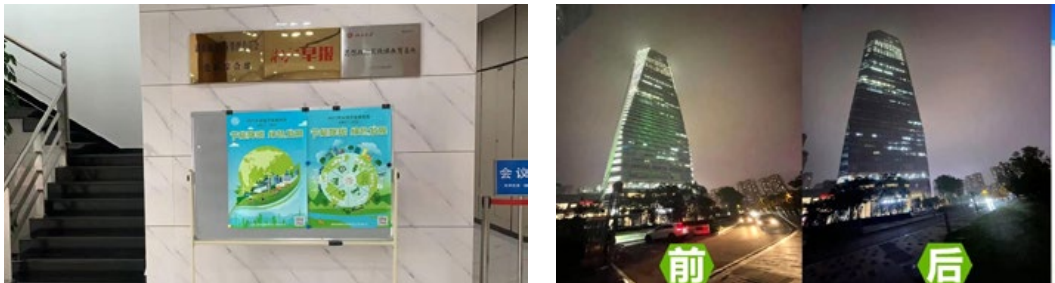
Jinmao Services launching activities for the Energy Efficiency Promotion Week and the National Low-carbon Day

In response to the National Development and Reform Commission's *Notice on Launching Activities for the 2021 National Energy Efficiency Promotion Week and National Low-carbon Day*, Jinmao Services' subsidiaries in capital cities organised their project teams to carry out various promotion and education activities to improve tenants' and property owners' environmental protection and low-carbon awareness.

During the activities, Jinmao Services Nanjing carried out 11 promotion activities in their project communities, where they posted 136 posters, distributed 147 promotion albums, and reposted them 278 times in WeChat Moments.



Jinmao Services Changsha organised their project teams to post a total of 55 posters and 200 energy efficiency signs. The project teams organised the Earth Hour activity. They also produced energy efficiency promotional videos and promoted the idea in other forms.



RESPONDING TO CLIMATE CHANGE

The goals of carbon emission peaking and carbon neutrality, and responding to climate change have become prominent issues affecting corporate sustainability. China Jinmao proactively identifies, manages, and actively responds to major climate-related risks and opportunities. Low-carbon and zero-carbon development are integrated into our strategic plan, set a coordinated low-carbon development path, and contribute to China Jinmao's strength in the global response to climate change and the realisation of the China's goals of carbon emission peaking and carbon neutrality.

Climate-related Risk Management

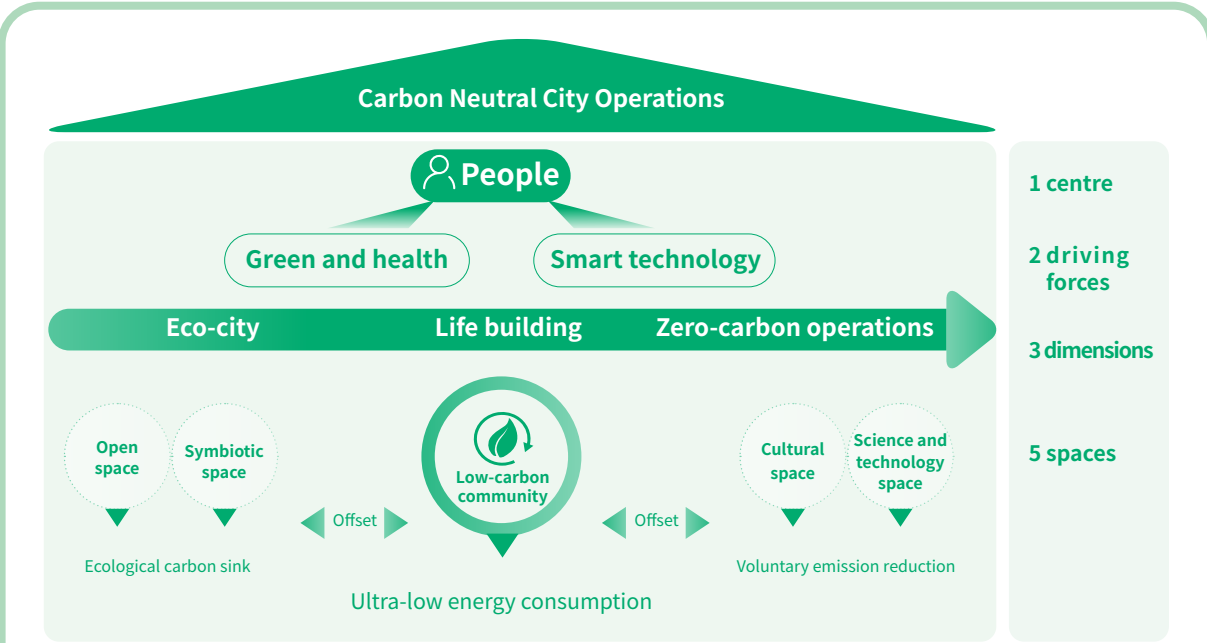
As China Jinmao's highest decision-making body for ESG affairs, the Board is responsible for identifying, assessing, and monitoring ESG risks, including climate-related risks. With reference to the information disclosure framework of the Task Force on Climate-related Financial Disclosures (TCFD), we evaluated the impact of the increasingly strengthened responses to climate change on corporate operations in 2021. Subsequently, we carried out preliminary identification and analysis of climate-related risks and formulated countermeasures.

Category	Description	Countermeasures
Climate-related Transition Risks	We will face many climate-related transition risks, such as increasingly stringent carbon policies and regulations, advancement of industry technology, and more attention from stakeholders on the Company's responses to climate change. This will expose us to greater pressure on compliance and market competition and may also increase technology development, construction, and operating costs.	<ul style="list-style-type: none">We will implement the green building strategy and action plans for energy conservation and emission reduction and set green building targets higher than national and local regulatory requirements.We will continually increase investment in research and development, innovate, and develop new business models for the carbon-neutrality business.We will disclose our environmental and climate change response strategies and carry out low-carbon and environmental protection activities jointly with owners, tenants, and the community, so as to enhance the confidence of stakeholders.
Climate-related Physical Risks	We will face physical risks from climate change, such as an increased frequency of climate disasters and global warming. They will have negative impacts that include increased company operating costs, reduced building performance, and reduced asset value or service life.	<ul style="list-style-type: none">We will adapt to climate change, formulate emergency management plans, and put efforts into extreme weather emergency management.We will carry out planned building maintenance and renovation to increase the resilience of existing buildings to natural disasters.Climate change factors will be fully considered and integrated into building design, construction, and operations to improve the resilience of buildings to climate risks.

While actively managing climate-related risks, we closely follow policies and market trends and seize climate-related opportunities related to our low-carbon development plan. We will continue to improve energy efficiency, explore and apply low-carbon technologies and smart energy, and tap the potential of low-carbon innovative businesses. We will continue to increase the proportion of green buildings and build a green core competitiveness and a low-carbon image for the Company.

GHG Emission Reduction

China Jinmao always regards environmental protection as an advantage for the Company's innovation and differentiated development. We actively respond to the national goals of carbon emission peaking and carbon neutrality. We practice carbon neutrality in city operation planning, actively explore energy-conservation and emission-reduction paths, create ultra-low and zero-energy-consumption buildings, and promote smart energy. We have built a carbon-neutral and people-centric city operation model comprised of "people-centric, two driving forces, three dimensions, and five spaces". We practice green and low-carbon city operations throughout the entire system of urban operation projects, create green and low-carbon scenarios for the whole cycle of city operations, and drive the green and low-carbon transformation of urban construction.



China Jinmao's carbon neutral "1235" city operation model

People-centric and Two Driving Forces:

We are always people-centric and engage the public in carbon emission reduction and forming a green lifestyle. Guided by the values of a green and healthy life, we use the carbon inclusive mechanism and other means to engage the public in energy conservation and emission reduction. We drive and build zero-carbon experience scenarios, including smart homes, smart communities, and smart cities with IoT technology.

Three Dimensions and Five Spaces:

We follow the logic of city-building-operations to plan and achieve urban carbon neutrality throughout the cycle. Specifically, we uphold the urban planning concept that prioritises science and ecology, take green quality buildings as the main means to achieve zero-carbon operations of buildings and complexes, and create zero-carbon demonstration projects.

With low-carbon communities as the core, we develop functional spaces to meet the needs of different customer groups, including ecological, cultural, scientific, and technological innovation functional spaces. We leverage the features and advantages of the spaces aimed at carbon sinks, carbon emission reduction, and ultra-low-energy-consumption buildings to achieve low-carbon urban development in coordination.

The construction industry is an important industry for China to achieve the goals of carbon emission peaking and carbon neutrality due to its long industrial chain, high energy consumption throughout its lifecycle, and large GHG emissions. China Jinmao actively responds to the independent contribution target for China's responses to climate change and accelerates its carbon neutrality cause. In 2021, we collected comprehensive data on GHG emissions and analysed our potential for emission reduction. Based on government requirements, industry trends, and China Jinmao's development, we have formulated science-based short-and medium-term GHG emission reduction targets.

For Scope 1 and 2 emissions in the building operation business, the GHG emission intensity per m² will be reduced by 28.05% in 2025 from the base year of 2019⁹

China Jinmao's Carbon Emissions¹⁰

	2019	2020	2021
Scope 1: direct emissions (tonnes of CO ₂ equivalents)	14,807.42	15,736.98	18,577.66
Scope 2: indirect emissions (tonnes of CO ₂ equivalents)	104,618.02	132,139.27	194,602.22
Total emissions (tonnes of CO ₂ equivalents)	119,425.44	147,876.25	213,179.88
GHG emission intensity (kg of CO ₂ equivalents/m ²)	18.01	17.83	18.63

We continuously improve energy efficiency at the management and technical levels by improving buildings and equipment, recycling energy, and with the support of energy management systems and energy efficiency and emission reduction calls and advocacy. Moreover, we increase the share of new energy and renewable energy, optimise the low-carbon energy structure, and work towards the Company's carbon emission reduction targets.

⁹ The target covers the carbon emissions under Scope 1 (direct emissions) and Scope 2 (indirect emissions) in the operations of China Jinmao's headquarters and its subsidiaries. Considering the comparability with its peers, the carbon emissions from China Jinmao's energy supply business are not included in the target.

¹⁰ Scope definition: The GHG Protocol divides emissions into Scope 1, Scope 2, and Scope 3. Scope 1 refers to direct GHG emissions from sources owned or controlled by China Jinmao, such as boilers' burning natural gas, vehicles' using petrol and diesel. Scope 2 refers to indirect GHG emissions from China Jinmao's purchase or acquisition of electricity, steam, heating or cooling. Calculation standard: Our calculation is based on the formulas and coefficients from the *Guidelines for Accounting Methods and Reporting of GHG Emissions for Public Building Operation Enterprises (for Trial Implementation)*. Scope of calculation: The scope of environmental performance reporting in this report adopts the operational control method from *The Greenhouse Gas Protocol: A corporate accounting and reporting standard* of the World Resources Institute. The statistical scope includes (1) administrative offices of China Jinmao's headquarters and subsidiaries; (2) public areas of residential, office building, and commercial projects; (3) some hotels and extended-stay apartments; and (4) Jinmao Green Building's energy projects. Consistency: The electricity emission factor in 2021 adopts the 0.5810 tCO₂/MWh from the *Guidelines for Accounting and Reporting of Corporate Greenhouse Gas Emissions: Power generation facilities*; those in 2020 and 2019 adopt the 0.6101 tCO₂/MWh in the applicable year from the accounting guidelines.

China Jinmao fully empowering Qingdao in building a low-carbon city

In December 2021, the China Jinmao Carbon Neutrality Conference and Oriental Eden Sustainable Development Forum was held online, with the theme of "Green Qingdao, Carbon Future". At the conference, China Jinmao discussed with domestic and international experts the strategic transformation of enterprises and the sustainable development path of cities under the vision of carbon neutrality. On the other hand, the China-Europe Science and Technology Innovation Park project and the core area of the Oriental Eden project neutralised their GHG emissions during the trial operation period and the construction period, respectively, by purchasing Chinese Certified Emission Reductions (CCERs) and achieved carbon neutrality in the process. For that they received the carbon neutrality certification at the conference.

China Jinmao vigorously supports Qingdao's green city development piloting, and has been involved in the joint development of Qingdao's first carbon-inclusiveness App for all citizens. With the low-carbon rights and interests of citizens as the core, the App quantifies the contribution of citizens to carbon emission reduction through daily step counting, transport QR codes, Qindaotong Card rides, and NFC Card rides. The contributions will be converted into carbon energy/carbon credits, which can be redeemed for rewards such as Eden Seed Blind Boxes, business vouchers, and credit vouchers. This mechanism fully mobilises Qingdao citizens' enthusiasm and initiative to participate in green activities and their environmental protection awareness, and contributes to Qingdao's cause to build a low-carbon city.



The carbon neutrality certificate for the construction period of Oriental Eden and the operation period of the China-Europe Science and Technology Innovation Park in 2021



The carbon inclusiveness platform



China Jinmao Carbon Neutrality Conference and Oriental Eden Sustainable Development Forum

ECOLOGICAL CONSERVATION

China Jinmao always follows scientific logic and ecological harmony in urban planning and meets the people's growing demand for a better ecological environment. We strictly abide by the *Law of the People's Republic of China on Environmental Impact Assessment*, the *Chinese Programme for Natural Protection*, and the *Regulations on the Administration of Construction Project Environmental Protection*, and have formulated and published the *Environmental Protection Management System of China Jinmao*. When building eco-cities, we flexibly utilise urban land resources and carry out rigorous environmental impact assessments and biodiversity conservation. We proactively rehabilitate polluted sites, transform highly degraded brownfields, and minimise potential impacts on biodiversity and the ecological environment caused by our business activities. We are committed to creating environmental and economic benefits for community development and realising the common progress of the Company and the city. In 2021, China Jinmao's total environmental protection investment was RMB151,109,300.

The Oriental Eden project supports construction of an eco-city

The Qingdao Oriental Eden project is located on saline-alkali land by the Jiaozhou Bay. The soil in the project area was so salinised that many plants could not survive. China Jinmao has improved the planting soil by physical and ecological means and adopted the isolation technology of hydraulic salt elimination to provide suitable land for plants to live. Now, various types of landscape plants are able to grow in Oriental Eden, creating an excellent ecological landscape for the area.

In 2021, we completed the *Sustainable Development Framework of Oriental Eden* and the *Implementation Guiding Plan of Oriental Eden for Sustainable Development*, setting a detailed implementation guide plan for biodiversity development. At this stage, Oriental Eden is working on the cultivation, display, and experience of key species in the core area, where it integrates Eastern and Western cultures and aesthetic values and reshapes the common ideal home for humans. In the non-core area, the project is rebuilding the ecological base of the coastal area, conserving and restoring biodiversity, and turning abandoned breeding ponds into an "ecological paradise", to attract key species such as birds. We strengthened monitoring and took appropriate biodiversity conservation and management measures in scenic areas to protect the habitats of endangered migratory birds and marine life.



Aerial view of Oriental Eden

Jinmao Crystal Smart New Town's city operation project that improved brownfield

In June 2021, China Jinmao successfully launched the city operation project of Qingzhen Jinmao Crystal Smart New Town in Qingzhen, Guiyang. The project site used to be an industrial park. We cooperated with the local government on environmental protection and ecological improvement, urban energy level upgrade, and the introduction of innovative industries. We built a smart new city that is an ecologically liveable place, using green energy, intelligent systems, and other green technologies to empower the future development and renewal of Qingzhen City.

The project will be benchmarked against the international construction and operation standards for industrial ruin and old city renewal. It further promotes the ecological management of chemical factory areas and sets a model and benchmark for industrial land redevelopment and ecological improvement.



Guiyang Qingzhen Jinmao Crystal Smart New Town

Practicing the Sponge City design and creating an ecologically-sustainable park

Qingdao Jinmao China-Europe Science and Technology Innovation Park is China Jinmao's first green and ecological industrial office park and China's first BREEAM-certified industrial park. The project integrates and implements the advanced design concept of Sponge City. A rainwater collection pipe network is built in the park to collect rainwater, and rainwater diversion wells and collection pools are set up. After being treated and disinfected, some rainwater will be used in garden irrigation, road cleaning, reclaimed water reuse, landscape water replenishment, and other purposes. This move relieves the pressure from urban rainwater runoff, enhances the city's "water elasticity", and effectively improves the water efficiency of the park.



A real view of Qingdao Jinmao China-Europe Science and Technology Innovation Park



PRIORITISING PEOPLE TO GROW WITH EMPLOYEES

People are the primary force for corporate development. China Jinmao adheres to the talent development strategy of "Creation, Sharing, and Growth Together". By continuously improving our personnel recruitment, management, training systems, and support mechanisms, we create a vast platform for employees' career development, fully exert the shared value between the Company and employees, and grow together.

The HKEX ESG Indicators responded in this chapter:

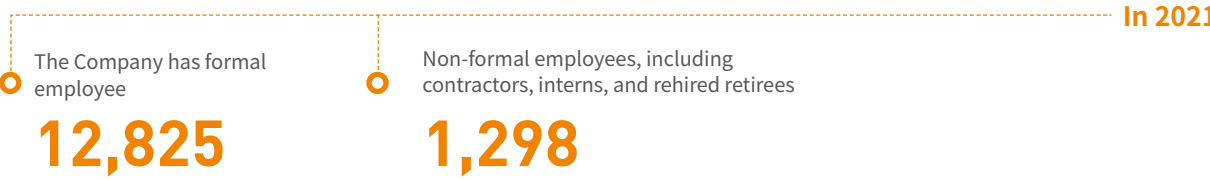
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The SDGs Indicators responded in this chapter:



DIVERSITY AND INTEGRATION

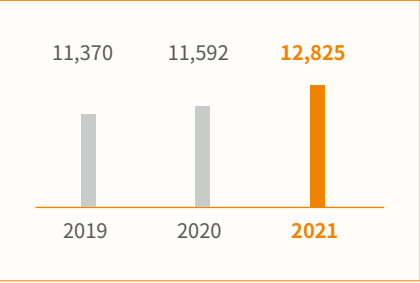
The Company believes that an equitable, diverse, and inclusive workplace will help with innovation and progression. China Jinmao strictly abides by the *Company Law of the People's Republic of China*, the *Labour Law of the People's Republic of China*, and other applicable laws and regulations, and has formulated and implemented the *Labour Management System of China Jinmao*, the *Recruitment Management System of China Jinmao*, *China Jinmao's White Paper on Human Resources*, and *China Jinmao's Operational Manual on Labour Relations Management*, and fully respect and protect our employees' rights and interests. As required by the *United Nations Universal Declaration of Human Rights* and the core conventions of the International Labour Organisation, we insist on equal and diverse employment policy and resolutely eradicate any discrimination based on age, gender, ethnicity, religion, nationality, sexual orientation, and cultural differences. We inspect irregularly to prevent child labour and forced labour, and ensure that all employees meet legal labour requirements, and handle violations in strict accordance with the laws. In 2021, there were no forced labour, child labour, or human rights-related complaints from employees.



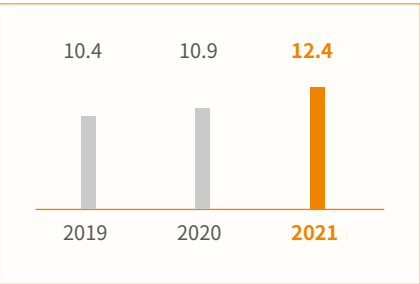
Composition of China Jinmao's Formal Employees in 2021

Category		Number of Employees
Gender	Male	8,344
	Female	4,481
Age	Employees of 30 or below	3,911
	Employees of 31 – 50	8,428
	Employees of 51 or above	486
Region	Employees in the Chinese mainland	12,798
	Employees in Hong Kong, Macao, Taiwan, and overseas	27
Academic qualifications	Postgraduate or above	2,179
	Bachelor's degree	5,861
	Junior college or below	4,785

Number of Formal Employees



Voluntary Turnover Rate (%)



Voluntary Turnover Rate of China Jinmao in 2021

Category		Turnover (%)
Gender	Male	12.14
	Female	13.3
Age	30 or below	11.94
	31 – 50	12.99
	51 or above	1.38
Region	Employees in the Chinese mainland	12.4
	Employees in Hong Kong, Macao, Taiwan, and overseas	10

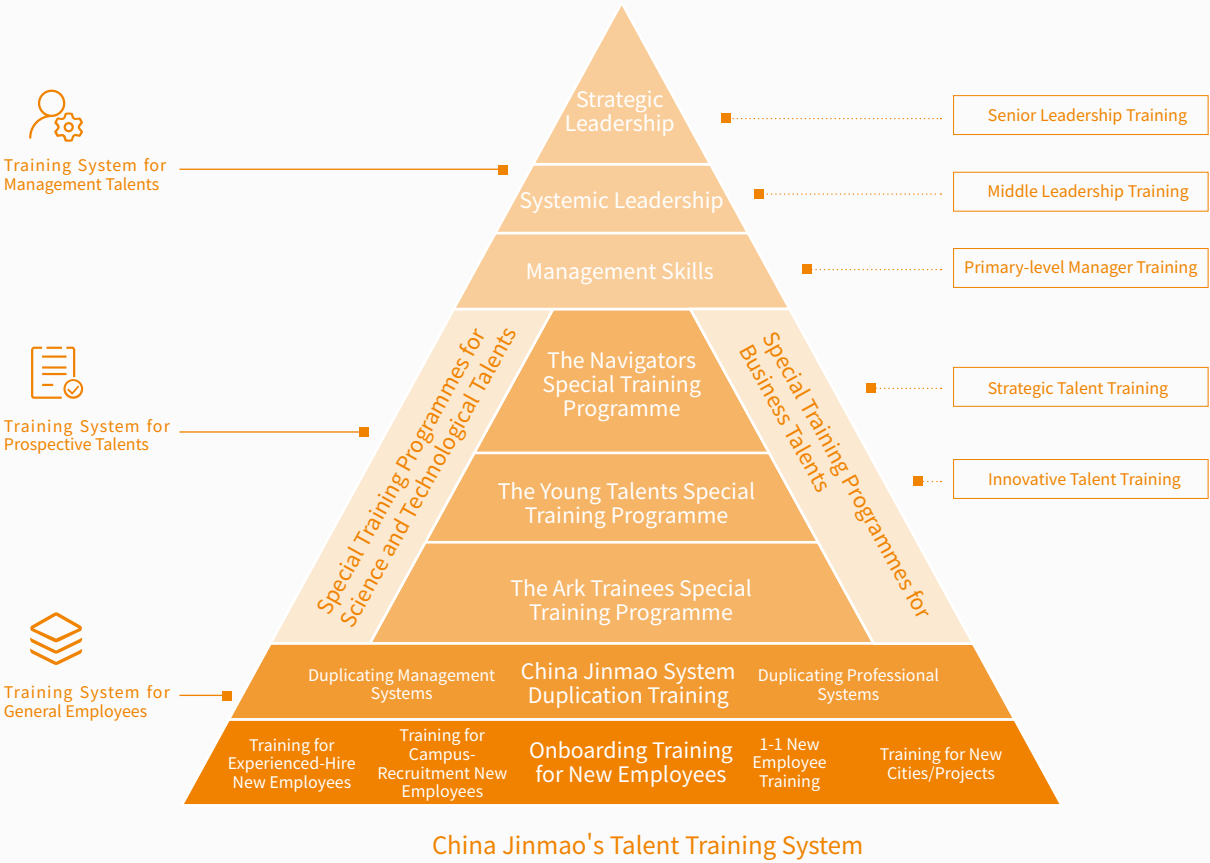
We strictly implement the *Remuneration and Benefits Management System of China Jinmao* and the *Employee Performance Management System of China Jinmao*, and have formulated a sound remuneration and benefit system. In 2021, we optimised the management rules for employee remuneration allocation. A more effective performance management system is established, driven by performance and oriented by high performance. Moreover, we have formulated a guiding remuneration strategy and established medium-and long-term incentive systems. With an incentive mechanism system that is fairer and more equal, we further leverage the value creation-oriented incentive system to drive business growth, hence, ensuring that employees' pay rises together with corporate development and employee performance.

The Company's benefits are continuously improved. Besides basic benefits such as the five mandatory insurance policies, housing provident fund, statutory holidays, and annual leave, we also provide employees with supplementary benefits according to their needs, including union gifts and holiday subsidies. These measures have comprehensively improved employees' senses of happiness and belonging to the Company and stimulated their enthusiasm for work. In 2021, we encouraged employees to celebrate the Spring Festival locally by extending the validity period of their annual leave. We also implemented flexible commuting and working from home in response to the Central and local governments' COVID-19 prevention requirements.

We practise democratic management, emphasise democratic communication, and continuously improve our democratic management system. We have an internal whistleblowing and grievance mechanism, where employees can report directly to the Audit Committee of the Board regarding misconduct in financial reporting, internal controls, or other areas. Moreover, communication channels such as the employee representative meeting, face-to-face with the general manager, and other activities provide engagement and communication platforms for employees and protect their rights to know, participate, and oversee. In terms of performance management, we have established an employee communication management system. Managers at all levels must have one performance appraisal with each subordinate every quarter to fully understand the work progress of employees and provide support. Employees can freely express their opinions during performance appraisal and make appeals against unreasonable situations. Managers shall solve the problems in a timely manner and provide feedback to fully protect employees' rights and interests and promote the concurrent development of employee growth and organisational performance.

EMPLOYEE DEVELOPMENT

We have created a sound talent development training system to provide unblocked growth and development channels for employees, broad space for talent development, and a talent pool and organisational support for business innovation, upgrading, and high-quality development. In terms of talent training, we have formulated the *Professional Sequence Review and Management System of China Jinmao*, the *Training Management Standards of China Jinmao*, the *Management System of Internal Lecturers of China Jinmao*, and the *Implementation Plan for Accelerated Nurturing and Development of Young Talents of China Jinmao*. We coordinate internal and external professional resources, provide employees with personalised training. We have built a management curriculum for all employees and a professional curriculum for professional personnel, both of which are extensive and intensive. We make overall plans for "multi-level training" and provide various types of training programmes for new employees, prospective talents, and management talents, to meet the development needs of employees at different stages and improve their abilities in a targeted manner. In 2021, we enriched our talent training system. Besides existing training programmes such as "Ark Trainees", "Jincai Trainees", and "Jinfan Trainees", we launched the "Jinge Trainees" and "Jinken Trainees" programmes. Systematic training has expanded our young talent pool, strengthened our competitiveness in resource management, and strongly supported the Company's strategy implementation and business development.



China Jinmao's Featured Talent Training Programmes

Target Group	Training System
Employees at all levels	Onboarding Training for New Employees: The company-level training camp for new employees The subsidiary-level training camp for new employees The new employee 1-1 job rotation integration training programme ¹¹
	China Jinmao System Duplication Training: Management system training Professional system training
Prospective talents (for prospective talents, training compound and professional talents)	Ark Trainees: a compound talent training programme based on cross-level and inter-disciplinary job rotation Young Talents: a specialised training programme for management talents and talents in key positions Navigators: training on for general managers of city companies and project general managers
Management talents (for personnel in the management sequence, designed to consolidate basic management capabilities and improve leadership)	Basic Management Skills: for primary-level managers, focusing on task assigning, and the role switching capability Systematic Leadership: for middle managers, focusing on strategic thinking organisation management and problem solving Strategic Leadership: for senior managers, focusing on innovative changes, organisation skills, and leadership
Special talents	Jinge Trainees: tendering and procurement orientation Jinken Trainees: resource development orientation Jincai Trainees: marketing orientation Jinfan Trainees: operational management orientation Retail Business Lingxiu 520: commercial business orientation

¹¹ No less than 30 days of 1-1 job rotation at the headquarters, including one-on-one communication for professional lines, courses of the management system, intensive inter-disciplinary practice, benchmarking project learning.

To implement Sinochem Holdings' core philosophy that "In Science We Trust" and maintain an innovation atmosphere, we have created an enterprise innovation culture of "Innovation by All, Every Day, and Everywhere" to encourage innovation practice among employees. We consolidate the Company's innovative and transformational talent base through talent seeking, team building, and mechanism improvement, and implement the Company's innovation incentive policies. We take the initiative to cooperate with universities and society. Communication and cooperation with external institutions are strengthened, innovative talents are discovered, and scientific and technological literacy are strengthened. We host the Finding Technology FAN innovation competition for all employees from executives and primary-level workers. The competition covers all innovation business scenarios of the Company and fully stimulates employees' innovation enthusiasm. Moreover, we are establishing a knowledge sharing system for innovation empowerment. In the system, technological innovation practices and experience, such as the Robot Construction System, AI-assisted Design, Ultra-low-energy-consumption Buildings, and Prefabricated and Integrated Kitchens and Bathrooms, are converted into standardisation items for internal sharing. It facilitates the promotion of practical innovation experience and supports the improvement of internal business process.

The "Finding Technology FAN" innovation competition stimulates innovation for all

In 2021, China Jinmao organised the "Finding Technology FAN" series of activities to draw on collective wisdom. All employees were encouraged to seek and record forward-looking and feasible innovative solutions for challenges and problems in the Company's business scenarios. In seven months, 612 ideas were collected through 92 activities in various forms, including Meet the Innovation Masters, the Maker Thinking Workshop and the Youth Innovation Competition. In the end, 13 projects were shortlisted for the final roadshow. The competition stimulated innovation in the Company and promoted the piloting and implementation of forward-looking research projects.



The final of "Finding Technology FAN"

Our training is available both online and offline. Training courses and learning materials are launched on the Sinochem Holdings Learning Platform and China Jinmao Knowledge Management Platform so that our employees have unlimited access to training resources. In 2021, we built an online training system that integrates functions such as online learning, online exams, and course surveys, as well as a wealth of training resources and tools. An evaluation mechanism for training courses has been established in order to effectively monitor the effectiveness of training courses. To understand trainees' satisfaction and knowledge mastery, we use satisfaction surveys, tests and examinations, and training interviews.



Training for Formal Employees in 2021

Category		Training Percentage (%)	Average Training Hours per Employee
By gender	Male	65	45.4
	Female	35	45.5
By rank	Senior management	0.16	135.8
	Middle management	1.22	171.5
	Regular employees	98.62	43.9



OCCUPATIONAL HEALTH AND SAFETY

China Jinmao pays close attention to employees' physical and mental health and safety. We strictly abide by the *Work Safety Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*, and other applicable laws and regulations, as well as the GB/T 45001 *Occupational Health and Safety Management Systems*. We implement the occupational health and safety management provisions in the *HSE Management Standards of China Jinmao*, the *Occupational Health Management System of China Jinmao*, the *HSE Responsibility Management System of China Jinmao*, and the *HSE Risk Management System for Contractors of China Jinmao*. We have established a safety and health management system for all employees and contractors.

In 2021, Sinochem Holdings launched the HSE Fore Runner Strategy and the FORUS System, with the commitment to promote health, safety, environmental protection, and sustainability within the company. China Jinmao strictly abides by and fully implements the FORUS System. We provide high-quality products to customers while also creating a safe, healthy, and comfortable workplace for employees and stakeholders by implementing occupational health and safety production accountability systems. We inspect and assess the environment, health, and safety management system and performance of subsidiaries and contractors according to the *Detailed Rules of China Jinmao for HSE Performance Assessment Management*.

Sinochem Holdings' FORUS System

FORUS stands for "for us", which means to ensure healthy and safe work conditions for employees, to provide customers with green and safe products and services, to bring benefits to shareholders, to create greater value for the society, and to achieve sustainable business development. FORUS also refers to the Fore Runner Strategy and the Fore Runner System. The Fore Runner Strategy sets the vision of "global HSE leader" and the goal of "zero loss" for Sinochem Holdings. The Fore Runner System aims to promote the continuous progress of HSE management and to create a beautiful world of harmonious coexistence.

(More details of the FORUS System can be found on the [website of Sinochem Holdings](#))

China Jinmao's occupational health management requirements are clearly stated in the construction and service contracts signed with contractors. Contractors are also strictly required to take occupational health management measures. Temporary employees will be briefed on the possible occupational disease hazards in the workplace and informed in writing of related responsibilities and obligations. In terms of occupational health management, our temporary workers enjoy the same treatment as full-time employees. In 2021, we achieved the goals of "four zeros": zero fatal work safety accidents; zero general or more serious environmental incidents; zero major negative public opinion on HSE; and zero new cases of occupational diseases.

The goals of "Four Zeros"

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

Occupational Health

We continuously strengthen our occupational health management and extend our focus from occupational health to general health. To encourage employees to pay attention to their physical and mental health, we carried out Occupational Health Talent Selection, Occupational Disease Prevention and Control Week, regular health check-ups and treatment, CPR first aid training, occupational health lectures, and special health inspections.

Special Inspections

- We establish a special inspection mechanism for occupational health, organise monthly identification and analysis of places with potential occupational health hazards, strengthen the management of front-line workers exposed to occupational hazards such as noise, dust and vibration, arrange special personnel to patrol, and provide regular physical check-ups for front-line operators.
- The Company conducts air quality testing and treatment in newly-built office areas to ensure a healthy and safe work environment for employees.
- Furthermore, we have established an occupational health inspection mechanism for the finishing process. We carry out environmental protection testing on materials such as woodwork and paint that may threaten occupational health to protect the health of construction workers.

We have developed the *Employee Health Care Plan* and provide employees with a number of occupational health services, including occupational disease prevention and control manuals, free physical examinations for all employees, health diagnosis and treatment, and health knowledge lectures. We care for female employees' health and have launched targeted care activities and protection measures. The headquarters and subsidiaries have established various employee sports clubs, which regularly organise cultural and sports activities to encourage employees to balance work and life. In 2021, all of our employees received physical examinations.



The "Jincai Yuni" Badminton Club



The Jincai Life "Evening Jog Club"



Orienteering



The "Runners' Alliance" Sports Club

Care for health and life and enhancing employees' first aid skills

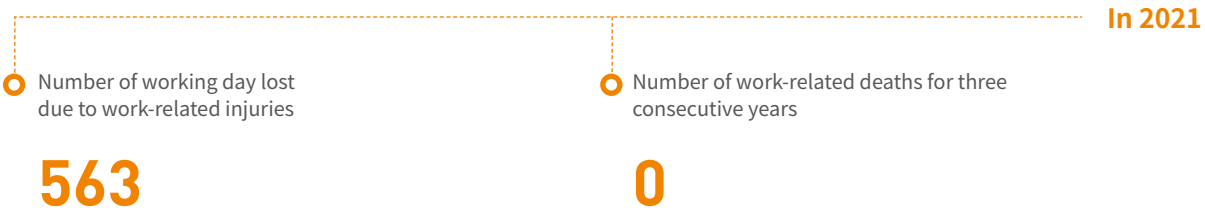
In order to further enhance employees' safety awareness and first aid skills, the Company's headquarters held a two-day first aid training certification sessions in May 2021, including first aid knowledge learning and practice assessment. 20 employees attended the training.



Trainees in practice in the first aid training



In order to protect employees against COVID-19, we practice pandemic prevention for all. We have established a sound pandemic prevention organisational system, and regularly distribute pandemic prevention supplies to employees, such as masks, disinfectants, and protective clothing. As the pandemic re-emerges, we insist on regular pandemic prevention. We carry out pandemic prevention drills, promote vaccination, and improve our emergency response capabilities. In 2021, there was no infection among our employees.



Occupational Health in China Jinmao

Year	Work-related Death Case	Percentage of Work-related Injury and Death (%)	Lost Working Day Due to Work-related Injury (day)
2019	0	0	373
2020	0	0	105
2021	0	0	563

Occupation Health Training in 2021

Occupation health training	session	730
Total duration of occupation health training	hour	62,468
Coverage of occupation health training	%	100%

Work Safety

To improve our safety accountability management, we have established a sound safety management structure with a QHSE Committee. The committee is headed by the president of the Company, and executives and heads of functional departments of the Company headquarters serve as members. The committee steers and oversees work safety, ensure that the primary responsibility for project safety is fulfilled, and provides regular guidance and acceptance of dangerous and major projects. Moreover, in order to ensure that everyone fully assumes their responsibility, we incorporate health and safety into the development strategy and the performance appraisal system of management at all levels as important indicators. Company executives and all employees sign the Responsibility Letter and the Commitment Letter on HSE every year and formulate personal HSE responsibility and safety action plans. The QHSE Committee assesses occupational health and safety performance and gives recognition and incentives, holds relevant parties accountable for safety accidents, and strictly implements safety management requirements.



Contractors must sign the HSE Responsibility Letter when signing a contract with the Company. They must strictly implement applicable national, local, industry, and organisational laws, regulations, and rules on occupational health, safety, and the environment and ensure the input of human, financial, and material resources necessary for work safety.

Health and safety training is conducted for all employees to enhance their occupational health and safety awareness. We stress safety skills training to enhance employees' emergency awareness and practical skills for emergencies, and regularly conduct activities such as "Potential Hazard Identification by Team", "Safety Enhancement in 100 Days", "Annihilation of Violations", "Winter Assurance Operation", "Special Risk Investigation" and "HSE in Team" to improve employees' work safety awareness and operation skills, thereby promoting the safety culture. The Company's project departments are responsible for supervising contractors to carry out company-level, department-level, and shift-level safety education, special work practise assessments, and other HSE education for employees. They should also carry out pre-job training for production positions. Employees can only start working after passing the examination. The operators of special equipment must work with certificates according to the national requirements.

In 2021, we promoted work safety standardisation in all aspects. The Company's subsidiaries all achieved three stars in HSE, and many projects obtained work safety standardisation certifications and 3A construction site certifications. Every year, Jinmao Services, Jinmao Decoration, and Jinmao Green Building pass the audit and certification of the ISO 9001 quality management system, the ISO 14001 environmental management system, and the ISO 45001 occupational health and safety management system. Moreover, Jinmao Green Building has passed the ISO 50001 energy management system and the ISO 55001 asset management system certifications.

In 2021, we strengthened safety risk control and management, investigated and managed hidden dangers, and enhanced emergency support for accidents, thereby comprehensively improving our work safety management.



Strengthening safety risk control and management

Taking "systemic safety management" as the primary principle, we maintained comprehensive good risk management from front to end, pre-control, strengthened supervision, and special actions. We developed the *HSE Risk Management System for Contractors of China Jinmao* and conducted health, safety, and environmental due diligence on potential contractors and acquisition projects. For different risk management scenarios, we used different safety management and control measures, including the OEC (Overall, Everyone, Everything, and Every day; Control and Clear) management, extreme weather and major festival support, the 100-Day Safety Enhancement Action, and the Winter Escort. All departments and posts regularly conduct comprehensive safety inspections based on production and facility operations to identify risks and investigate health hazards.



Investigating and managing hidden dangers

We conducted hidden danger investigations on a regular basis, which were accompanied by seasonal hidden danger management and special hidden danger rectification. In 2021, we completed more than 33,000 hidden danger investigations and rectified 100% of the issues identified.



Enhancing emergency support for accidents

We implemented the management requirements in line with the *Emergency Plan for Production Safety Accidents of China Jinmao* and the *Guidelines of China Jinmao for Engineering Quality Risk Pre-control and Response to Engineering Quality Accidents*. We also improved our emergency plan management and systems and conducted professional emergency management assessments. We put efforts into emergency drills and emergency assessments, including accident alarming education, COVID-19 prevention, and firefighting, and encouraged subsidiaries to report and analyse near-misses. In 2021, we carried out a total of 7,320 emergency education sessions. 130,000 people attended our case-based accident alarming education sessions. We also completed 3,393 emergency drills and 1,436 emergency training sessions. Five subsidiaries completed the internal emergency response capability assessment.

Number of HSE Inspections in 2021 (session)

Project-level joint HSE inspections	6,480
Special investigations (on gas, fire, electrical, disaster prevention, flood prevention etc.)	1,800
Supervision and inspection led by executives	202
Process inspection	177
Delivery assessment	79
Other inspections (pre-holiday inspection, self-inspection referring to accidents etc.)	500

In order to continuously improve the Company's safety capacity building and consolidate work safety awareness, we carry out systematic training on safety regulations and core elements of the safety management system for general contractors and the Company's work safety personnel. We communicate and share internal safety management practises on the Sinochem Holdings' "Micro-Classroom" platform to improve safety management. We also carry out "Work Safety Month", "Fire Protection Promotion" Month, Safety Speech Contest, and other featured safety campaigns to create a comprehensive safety culture.

EMPLOYEE WELLNESS

Guided by the corporate culture and values and the Company's production and operations, we organised a variety of employee wellness activities, including quizzes, family charity events, themed holiday and cultural activities, and employee birthday parties, to promote employees' work-life balance, strengthen team cohesion, and enhance employees' sense of belonging and happiness. We regularly visit the families of financially challenged employees and provide necessary financial assistance and even legal and medical assistance to employees who face major difficulties in life.

Care for female employees and unleashing the power of women

In 2021, the Company and its subsidiaries held various Women's Day activities to advocate caring for and respecting female employees.



"A Healthy Journey of Aroma", an aromatherapy event held by the labour union of the headquarters



"Marth-8 Women's Day Hand-made Leatherware DIY" held by Jinmao Green Building



WORKING TOGETHER TO BUILD A HARMONIOUS SOCIETY

China Jinmao takes on corporate social responsibility and plays an active part in public welfare undertakings. We leverage our business advantages to drive the growth of partners and companies upstream and downstream of the industry. We are also engaged in the joint construction of harmonious communities and contribute to the comprehensive and coordinated development of villages, communities, and cities through kindness and good deeds.

The HKEX ESG Indicators responded in this chapter:

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

The SDGs Indicators responded in this chapter:

1

NO POVERTY

3

GOOD HEALTH AND WELL-BEING

4

QUALITY EDUCATION

8

DECENT WORK AND ECONOMIC GROWTH

10

REDUCED INEQUALITIES

17

PARTNERSHIPS FOR THE GOALS

SUPPLY CHAIN MANAGEMENT

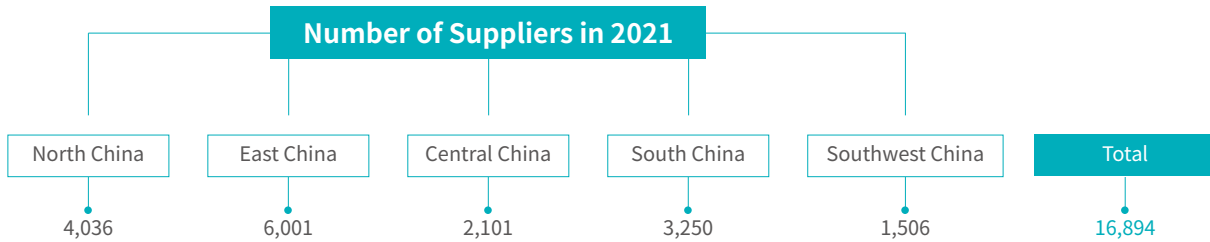
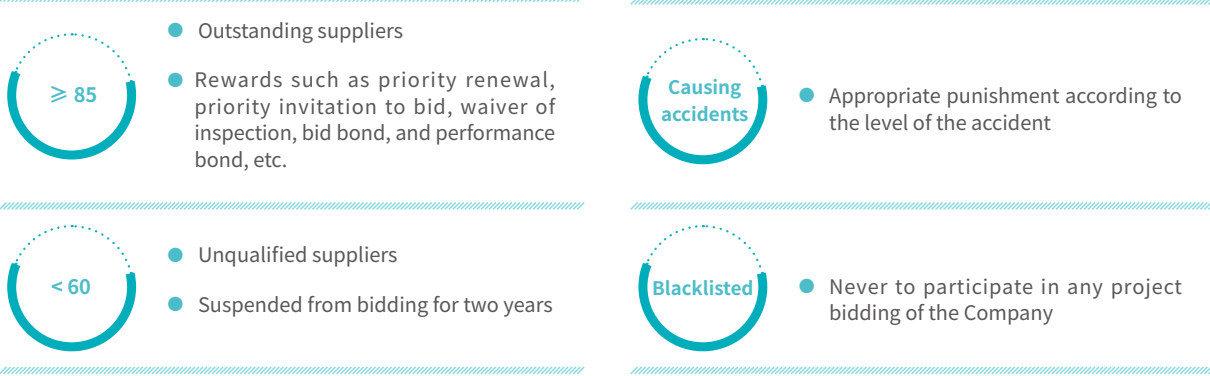
The supply chain is crucial to the sustainability of the real estate industry. China Jinmao is committed to working with its partners to jointly fulfil their social responsibility and build a sustainable supply chain that is honest, lawful, open, transparent, green, and healthy. We comply with the *Bidding Law of the People's Republic of China*, the *Regulation on the Implementation of the Bidding Law of the People's Republic of China*, and other applicable laws and regulations. We have developed the *China Jinmao Tendering and Procurement Management System*, the *China Jinmao Supplier and Contractor Management System*, and the *Management System for Strategic Centralised Procurement of China Jinmao*, and established a sound supplier management system. In 2021, we updated the *China Jinmao Supplier and Contractor Management System* and created sound management and review procedures for supplier admission qualification assessment, risk verification, relationship management, and performance appraisal.

The Company has established a well-designed management system for supplier cooperation and performance, and used the IT-based data platform to follow up on the progress. All our suppliers will have their commercial registration information, business scope, key performance, and their contract fulfilment assessed before they sign up for the Sunny and Fair Procurement Platform. The *China Jinmao Supplier and Contractor Management System* stipulates that suppliers must provide corresponding qualification documents on production, construction, environmental protection, and quality, and employees' professional certificates. They should also arrange for the demand sectors to inspect on-site, check the suppliers' qualifications, corporate capabilities, working environment, and rules-based management of product quality and safety, and ensure potential suppliers' contract performance capability.

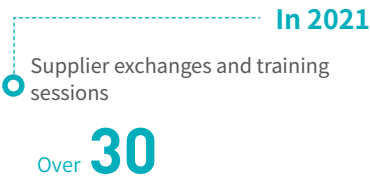
To avoid supplier management risks, the Company refrains from cooperating with suppliers that have a record of being dishonest on Credit China website and China Enforcement Information Public Website. We conduct regular spot check and/or unannounced inspection on the products and services provided by our supplies during the contractual period. For suppliers whose performance is reduced or whose products are of poor quality, the punishment mechanism will be triggered to ensure the supplier's high-quality contractual performance environment. In 2021, all the Company's general construction contractors had passed the environmental management system, quality management system, and occupational health management system certifications.

We insist on fair, just, and open procurement procedures. We practise effective competition in procurement tenders. All parties involved must be subject to checks and balances and must be honest, professional, and keep the information confidential. At different stages of the contractual process, the departments responsible for tendering and procurement of different regions arranges for the engineering, design, and cost departments to evaluate the suppliers via the Supplier Contractual Performance Evaluation Platform of China Jinmao Sunny and Fair Procurement Platform. The Company makes available the supplier search clearance of the Supplier Contract Performance Evaluation Platform of China Jinmao's Sunny and Fair Procurement System and establishes a two-way evaluation system with strategic suppliers with cooperation satisfaction surveys.

To reward or punish suppliers based on their performance, the Company has put in place a supplier project performance and annual evaluation system, as well as a reward and punishment mechanism.



We continue to organise and host supplier exchanges and training, where we communicate with suppliers through multiple channels in areas such as industry innovation and quality assurance. We have built a Procurement Plus platform to share information and resources with suppliers. In 2021, more than 30 exchanges and training sessions were organised for the senior management of headquarters-level strategic suppliers on the topics of innovation and quality.



Green Procurement

We actively promote the green transformation of the supply chain. We fully integrate environmental protection, resource conservation, and safety and health into the procurement process and continuously improve the green procurement management system. The Company's strategic procurement requires suppliers' bids to include environmental, health, and safety assurance measures. When we choose strategic suppliers, one of the necessary conditions is whether they choose green products and apply energy-efficient and environmentally friendly technologies.

Jinmao Decoration has developed the *Jinmao Decoration Green Construction Management System* based on its own situation. The policy requires suppliers to use materials that are environmentally friendly and low-carbon, abolish materials and equipment that are high-polluting, environmentally unfriendly, and high-energy-consumption, and give priority to purchasing and using raw materials, products, and services that are conducive to environmental protection. Environmental protection materials for on-site construction must be classified, undergo self-inspection, and be submitted for re-examination before they can be applied. In 2021, a total of 11 types of environmental protection materials were submitted for re-examination.

ESG Risk Management for the Supply Chain

China Jinmao is committed to building a sustainable supply chain. For the purpose of properly managing ESG risks in the supply chain, we apply the same requirements to suppliers, contractors, and other partners as for the Company in terms of the environment, quality, employment, health and safety, and compliance management. Health, safety, and environmental management requirements and responsibilities for contractors are defined according to the *HSE Risk Management System for Contractors of China Jinmao*. We strictly review the qualifications of contractors and require them to provide HSE-related qualification certificates, HSE commitments, internal HSE management policies, and HSE performance in the past three years, such as work-related fatalities and occupational disease cases. After a cooperative relationship is confirmed, we will clearly inform the contractor of the HSE management requirements and responsibilities and either sign an HSE agreement with them or include HSE clauses in the contract. At project settlement, the contractor's HSE evaluation results will be included in the performance appraisal system. In addition, our supplier qualification review and performance evaluation include the protection of labour rights. Contractors are strictly prohibited from using child labour or forced labour.

We uphold the principle of "Green, Open, Standardised, and Intelligent", and that all of our procurement projects must be completed on the Sunny and Fair Procurement Platform. The tendering and procurement processes and information must be open, fair, and equitable. We have established a mechanism for transparent and honest cooperation and severely cracked down on commercial bribery, unfair competition, and similar misconduct. All suppliers are required to sign the *Transparency Agreement* and are encouraged to develop internal anti-corruption policies and undergo regular audits. An "Integrity Reporting" section has been launched on the Sunny and Fair Procurement Platform, which serves as a website dedicated to reporting fraudulent activities to prevent and combat crimes committed in violation of duties. We will take serious measures in accordance with the Company's regulations to eliminate wrongdoings in the supply chain for companies and individuals who violate the rules.

INDUSTRY EXCHANGES AND COMMON PROGRESS

Adhering to the principle of "Co-Creating Value and Pursuing Win-Win Results", we connect and integrate resources in the value chain and promote the construction of industry resource platforms. Focusing on technological research and development and cooperation with strategic partners, the Company increases interaction with peers and exchanges resources with them, and participates in activities that set national and industry standards and specifications. As a result, the industry benefits from regulated development, innovation transformation, and sustainability.

Building an Innovation Platform

Adhering to the development philosophy that "In Science We Trust" and closely following China's innovation-driven development strategy, we have created the J-SPEED open innovation platform. The platform was created based on collaboration among industrial scenarios, technology companies, and resource synergy. It is open to an abundance of industry scenarios, covers multiple innovation areas, supports small and medium-sized enterprises (SMEs) in innovation development, and serves the technology ecosystem for city operation.

The J-SPEED open innovation platform coordinates industry connectivity, spatial services, and innovation activities. Internally, it introduces quality innovation resources and empowers China Jinmao's existing segments and businesses. Externally, it is fully open to resource provision and support the implementation of innovative technologies with incubation, acceleration, and investment services. At the end of 2021, J-SPEED had gathered more than 200 excellent companies into the ecosystem, forming a pool of high-quality technology resources. It is committed to the exploration and incubation for carbon neutrality, new materials, and smart construction when extending the industrial chain and will use a large number of innovation projects to exert the scale effect and network effect of innovative resources. The platform will also continue to match industrial scenarios with technological resources to establish a business model with core competitiveness and create an innovative platform with strong influence.

As an important part of the innovation platform, we have established the J-SPEED innovation ecological community. It fully opens to resource provision, encourages joint research and development, facilitates two-way talent training, and provides resource support for the incubation of small and medium-sized, and micro enterprises. We have created the "J-SPEED Innovation Space" to provide one-stop solutions such as office space, industrial connectivity, investment and financing for technology SMEs and start-up teams, as well as rent subsidies and rent-free periods. In 2021, "J-SPEED Innovation Spaces" were officially open in Beijing and Shanghai. They are available for many scenarios such as smart construction and digital shopping malls, and make innovation accelerators that empower and accelerate SMEs.



The launching conference of the "J-SPEED Innovation Camp", China Jinmao's innovation ecological community



The site of Jinmao J-SPEED Shanghai Digital-intelligent Shopping Mall Innovation Space



The site of Jinmao J-SPEED Beijing Innovation Space

Promoting Cross-sector Collaboration

We fully leverage our advantageous resources, closely relate social development needs with the Company's strategic development, and continuously deepen cooperation and exchanges with the government, scientific research institutions, financial institutions, universities, enterprises, and other stakeholders.

Joint initiative with the property alliance PropTech Link

In 2021, China Jinmao joined with Huawei, Ming Yuan Cloud, Beijing Science Park Development Group, China Overseas Property Holdings, DeepTech, and other industry peers, officially launched PropTech Link, a property technology alliance. We continue to extend the application scenarios of property technology, PropTech, to accelerate the comprehensive digital transformation of the industry.

PropTech Link is designed to be a PropTech alliance platform connecting the government, academia, industry, and capital. By connecting traditional real estate and innovative technology companies, it promotes technology companies to explore cutting-edge technologies and facilitate the innovative development of new technologies and applications. It also brings innovative solutions for traditional real estate companies to reduce costs, increase efficiency, and promote the digital and intelligent transformation of the pan-real estate industry.



Partnering with iFLYTEK to accelerate smart city construction and digital innovation

In October 2021, China Jinmao and iFLYTEK formally signed an agreement to deepen strategic cooperation. The two parties will carry out all-round and in-depth cooperation and exchanges in city operations, the digital transition of enterprises and future communities, promote the construction of smart cities and digital innovation, and drive the rapid development of the digital industry.

With the joint efforts of the two parties, the iFLYTEK (Jinhua) Digital Technology Innovation Centre project settled in Jinhua. In Jinhua Jinmao Future Science City, the Future Community Research Institute, a Digital Technology Industry Empowerment Centre, a Global Developer Training and Exchange Centre, and a Digital Technology Innovation and Industrial Ecology Centre will be built. In the future, China Jinmao will continue to cooperate with iFLYTEK to leverage its advantages of leading industrial clusters, promote industrial upgrading, and contribute to the generation of new momentum and high-quality leaping development in Zhejiang Province and Jinhua City.



University-enterprise joint research and development

In 2021, China Jinmao's first university-enterprise joint laboratory, the Joint Laboratory for Millimetre-wave Intelligent Perception Technology of Jinmao Green Building and Beijing University of Posts and Telecommunications (BUPT), was officially established. The laboratory focuses on millimetre-wave health vital signs perception, millimetre-wave industrial perception, and mobile millimetre-wave perception. The lab carries out holistic and all-dimensional research and development on core perception algorithms, core health analysis algorithms, embedded software, hardware miniaturisation, and application solutions. The establishment of the laboratory has promoted the development and commercialisation of millimetre-wave technology and its research findings and achieved a win-win cooperation between the university and the Company.

Moreover, Jinmao Green Building has carried out joint research and development projects with many well-known universities. For example, the Magneto-Strictive Intelligent Rheology Technology was jointly developed with Chongqing University and the Regenerative Carbon Dioxide Adsorption Technology was jointly developed with Peking University.



The unveiling ceremony of Joint Laboratory for Millimetre-wave Intelligent Perception Technology

Promoting Progress across the Industry

We actively participate in industry cooperation and exchanges and work closely with industry organisations. In 2021, we were elected as the deputy director of the Smart Building Professional Committee of the China Association of Building Energy Efficiency. We maintain close relations with many technical committees, such as the National Technical Committee 426 on Digital Technique of Intelligent Building and Residence Community of Standardisation Administration of China (SAC/TC426), and have participated in the setting of several industry standards, such as the *General Specifications for Smart Construction Sites* and the *Application Specifications for Smart Construction Sites*. Certified by the ISO Technical Committee 268 on Sustainable Cities and Communities, we participated in the compilation of the international standard *Smart Community Infrastructures - Data framework for infrastructure governance based on digital technology in smart cities*. Therefore, we offer our experience and expertise to promote industry innovation, standardisation, and coordinated development.

Consultation on smart city construction

In August 2021, SAC/TC426 held a seminar with China Jinmao. As the deputy head of SAC/TC426's Working Group on Smart Park Standards, China Jinmao participated in the compilation of the national standards *Smart City—Building and Residence Community Part 1: Smart community construction specifications*, *City Information Modelling (CIM)-based Construction Guide for Smart Parks*, *City Information Modelling (CIM)-based Construction Guide for Smart Communities*, and *Research Report on the Standard System for Smart Industrial Parks*, contributing to the common progress of smart city construction and the industry.



The seminar between China Jinmao and SAC/TC426

PUBLIC WELFARE AND CHARITY

China Jinmao persists in alleviating poverty, actively participating in charity, and promoting social harmony and development. We leverage the city operator's advantages in resources, and encourage employees, partners, and customers to get engaged and actively participate in social welfare undertakings. In 2021, China Jinmao invested more than RMB 3.48 million in charity, education, medical care, and other public welfare undertakings.

Education Assistance

We place a high priority on assisting areas in need. Upholding the principle of "Enlightenment and Inspiration", we are committed to improving the educational conditions in rural areas and providing continuous educational and living support for disadvantaged students. We consistently arrange for employees to participate in the "Dream Fulfilment Campaign" and have established one-on-one paired assistance relationships with disadvantaged students. In 2021, we donated four "Dream Building Public Welfare Libraries" to Pingshan County in Hebei and Ar Horqin Banner in Inner Mongolia, with the aim of bettering local children's lives with knowledge and education. In addition, we organised the "Building Dreams with Welfare – Donating a Book to Pass Love, Donating Books for Da Qaidam in Qinghai Province" campaign. We called on nearly 1,600 Jinmao owners and employees to donate more than 11,000 books to the youth in Da Qaidam in Qinghai, bringing them knowledge and hope.

In 2021

Total public welfare donation over

RMB **3.48** million

As of the end of 2021

Total number of Public Welfare Libraries built in Tibet, Qinghai, Inner Mongolia, Sichuan, and Guizhou, etc

27

In 2021

Books donated to children and adolescents in Da Qaidam, Qinghai over

11,000 books

Participants in the "Dream Fulfilment Campaign"

1,102 people

Raised

RMB **811,000**



Built "Dream Building Public Welfare Libraries" in Pingshan County, Hebei and Donated Books

Community Services

We care about community development and continuously deepen communication with the community, trying our best to create a harmonious and inclusive community culture. We actively carry out community wellbeing and volunteering services. China Jinmao's subsidiaries at all levels cooperate extensively with charity organisations in their operating areas to build volunteer service teams with Jinmao's characteristics. These teams carry out public welfare volunteering activities in the community, conveying care and giving back to the community through practical actions.

China Jinmao assisting Beijing Guang'ai School to help improve students' education conditions

In 2021, we organised a team of about 80, including headquarters employees and 24 Jinmao owners' families, to carry out the "Building Dreams for Guang'ai" event in Beijing Guang'ai School, bringing children the Children's Day gifts.

We hosted the Nanfan Science and Technology City Cup photography, calligraphy, and painting competition for charity. Nearly RMB 70,000 from the charity sale of competing works was used to buy winter supplies, electronic teaching appliances, and other living and education supplies for the students of Guang'ai School to improve their learning and living conditions.



Donation to Beijing Guang'ai School

Enhancing the Green Gold Public Welfare by providing material and cultural assistance

In 2021, China Jinmao Green Building worked with Wenmiao Street Primary School in Tongwei County, Gansu Province to host the "Green Gold Building Dreams" painting and calligraphy exhibition to celebrate the 100th anniversary of the founding of the Communist Party of China. We always respond to the nation's call to "maintain assistance after poverty alleviation", and truly implement both material and cultural assistance.

Since Wenmiao Street Primary School became an assistance target in 2018, Jinmao Green Building's employees have formed "one-on-one" student grant relationships with more than 70 poverty-stricken students, and have donated a total of RMB 248,500. China Jinmao Green Building continuously donates books, audio-visual devices, and sports supplies to the school. It has also established the China Jinmao Green Building Love Centre and Love Book Corner, and organises volunteer teaching, and study tour camps to Beijing, to provide students with resources and spiritual support.



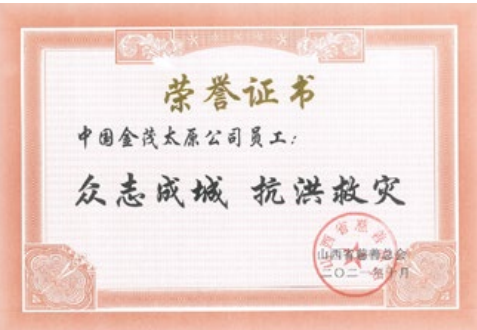
The "Green Gold Building Dreams" painting and calligraphy exhibition to celebrate the 100th anniversary of the founding of the Communist Party of China

Combating COVID-19 and Relieving Disasters

In 2021, when Henan and Shanxi were hit by heavy rainfall, we donated supplies to flood relief organisations and conveyed condolences to the disaster-stricken areas. We also organised volunteers to assist the disaster-stricken communities in carrying relief supplies, so as to help the disaster-stricken people overcome difficulties and rebuild their homes as soon as possible. In addition, during the COVID-19 pandemic, China Jinmao fully assumed social responsibility and the mission of a central enterprise and donated many supplies to support the frontline. The employees of China Jinmao in different cities devoted themselves to the fight against the pandemic with practical actions.

Case Study: Jinmao Taiyuan making donations and conveying condolences for the flood relief in Shanxi

In October 2021, Shanxi was hit by heavy rainfall, which caused serious waterlogging, geological disasters, and floods. In order to help the affected people overcome difficulties and rebuild their homes as soon as possible, Jinmao Taiyuan launched a fundraising initiative. CPC members and managers of the Company played an exemplary and leading role, donating supplies worth more than RMB 100,000 to the disaster-stricken areas and flood relief organisations.



Jinmao Taiyuan's delegate visiting firefighters in Jinci Fire and Rescue Station



"Care and Love for Children": Jinmao Xi'an's donation to Xi'an Children's Welfare Institute



Jinmao Hefei's "Love for Jinzhai" public welfare student grant campaign



Jinmao Suwan's "Charity Day" donation event at the Spring Festival



Jinmao Jinan's Guarding Children from the Stars public welfare activity for children with special needs



Jinmao Xuzhou's employees visiting special education schools on Children's Day



Jinmao Suzhou's "The Most Beautiful Flowers for Mother" public welfare garbage sorting education for special education schools on Mother's Day



Jinmao Zhengzhou's Guarding Beilong Lake environmental protection activity



Jinmao Fuzhou's Earth Day themed activity



Jinmao Chongqing's "Chasing Dreams" education assistance campaign



Jinmao Kunming celebrating Children's Day with students in rural schools



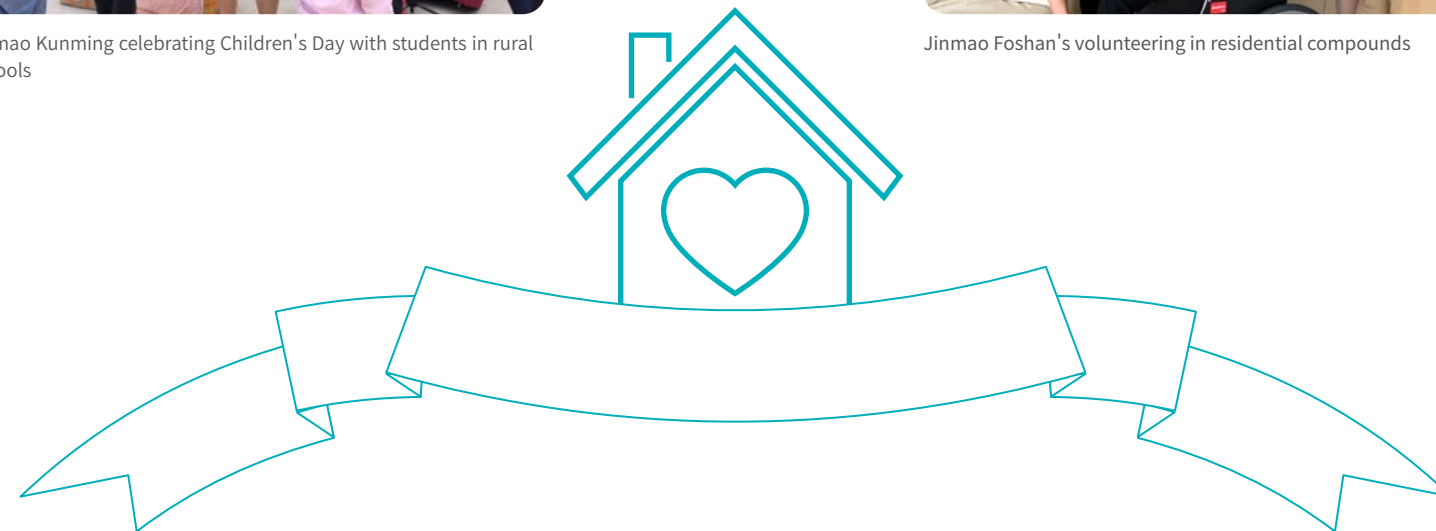
Jinmao Foshan's volunteering in residential compounds



Jinmao Changzhou's Lei Feng Month themed activity and visits to essential workers



Jinmao Hangzhou's "Dream Fulfilment and Love Connection" targeted education assistance campaign



Jinmao Huanhu's "Love on the Chongyang Festival" public welfare volunteering activity for senior citizens

OUTLOOK

2022 is a crucial year for the comprehensive rollout of the 14th Five-Year Plan and the march towards the second centennial goal. Industry changes are picking up pace, and new urbanisation is growing. Under this circumstance, China Jinmao will continue to uphold the philosophy that "In Science We Trust" and adhere to the strategic positioning of urban operators. Based on the strategic foundation of "Two-Wheel and Two-Wing Driven", we utilise our advantages of "smart technology, green health", assume the social responsibility of the central enterprise, and continue to unleash future urban vitality.

We will continue to improve our lean management capabilities. 2022 is the "Year of Engineering Management" for China Jinmao. We will use digital transformation to improve the quality, efficiency, safety of our project management, make breakthroughs in high-quality development, and enhance corporate competitiveness. We will respond to the strategy of carbon emission peaking and carbon neutrality, further enhance and upgrade China Jinmao's green strategy, and strengthen the combination of city operations and the idea and needs of carbon neutrality. We will insist on promoting green development with smart technologies, enhance the low-carbon competitiveness of the Company's products, services, and business models, and open up new development paths for the Company.

China Jinmao will always put people at the top of the priority list and listen to the demands of employees, shareholders, customers, suppliers, partners, and social groups. We will make full use of our platform advantages, crack the sustainable development problems with the spirit of innovation and entrepreneurship, and join hands with key stakeholders to contribute to the healthy and sustainable development of the industry and society.



INDEX OF HKEX ESG INDICATORS

ESG Indicators			Page
Environmental	A1 Emissions	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.	P46,P56-P57,P91
		A1.1 The types of emissions and respective emissions data.	Air pollutant emissions are not a material issue for the Company's business.
		A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P57
		A1.3 Total hazardous waste (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	P49
		A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P49
		A1.5 Description of emissions target(s) set and steps taken to achieve them.	P46-P48,P56-P57
		A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P46-P48
	A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	P46,P48,P50,P54,P91
		A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	P48
		A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P49
		A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	P48
		A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P47-P48,P53,P60
		A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging material generation is not a material issue for the Company's business.
	A3 The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	P53,P59,P72,P91
		A3.1 Description of the significant impact of business activities on the environment and natural resources and the actions taken to manage them.	P39-P47,P53,P59-P60
	A4 Climate Change	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	P55,P91
		A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	P39-P45,P47,P50-P58

ESG Indicators			Page
Social	B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P63,P91
		B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P63
		B1.2 Employee turnover rate by gender, age group and geographical region.	P64
	B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	P69-P70,P92
		B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P71
		B2.2 Lost days due to work injury.	P71
		B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P69-P73
		General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P65-P68,P92
		B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P68
	B3 Development and Training	B3.2 The average training hours completed per employee by gender and employee category.	P68
		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.	P63,P78,P92
		B4.1 Description of measures to review employment practices to avoid child and forced labour.	P63
	B4 Labour Standards	B4.2 Description of steps taken to eliminate such practices when discovered.	P63
		General Disclosure Policies on managing environmental and social risks of the supply chain	P77-P78,P92
	B5 Supply Chain Management	B5.1 Number of suppliers by geographical region.	P77
		B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P77-P78
		B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P78
		B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P78

ESG Indicators			Page
Social	B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P24, P26, P28, P34, P36, P93
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	During the reporting period, the Company had no such phenomenon.
		B6.2 Number of products and service related complaints received and how they are dealt with.	P28-P29
		B6.3 Description of practices relating to observing and protecting intellectual property rights.	P18
		B6.4 Description of quality assurance process and recall procedures.	P24-P25
		B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P34-P35
	B7 Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P15-P17,P93
		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.	P16
		B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P15-P17
		B7.3 Description of anti-corruption training provided to directors and staff.	P16
	B8 Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P93
		B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sports).	P82-P86
		B8.2 Resources contributed (e.g. money or time) to the focus area.	P82-P86

LIST OF ESG POLICIES

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

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

Indicators	Internal Policies	External Policies
B6: Product Liability	<i>Guidelines of China Jinmao for Key Process Acceptance Management System of China Jinmao for Engineering Quality</i> <i>Innovation Development Management System of China Jinmao</i> <i>Management System of China Jinmao for Innovation Research Projects</i> <i>Management System China of Jinmao Innovation for Incubation Projects</i> <i>Innovation-related Information Management System of China Jinmao</i> <i>Reference Guidelines for Preparation and Management of City Operation Business of China Jinmao</i> <i>Sales Management System of China Jinmao</i> <i>Guide of China Jinmao for Marketing Compliance Management</i> <i>Guidelines for Handling Customer Complaints of China Jinmao</i> <i>Guidelines for Standardisation of Jinmao Residence Demonstration Area</i> <i>Standards for Design and Management of Underground Space</i> <i>Precision Management Manual of Office Building Management centre</i> <i>Manual for Standardisation of Project Quality Management</i> <i>Management System of China Jinmao for Customer Risks in the Entire Project Development Cycle</i>	<i>Product Quality Law of the People's Republic of China</i> <i>Consumer Protection Law of the People's Republic of China</i> <i>Advertising Law of the People's Republic of China</i> <i>Trademark Law of the People's Republic of China</i> <i>Patent Law of the People's Republic of China</i> <i>Anti-Unfair Competition Law of the People's Republic of China</i> <i>Urban Real Estate Administration Law of the People's Republic of China</i> <i>Regulation on the Quality Management of Construction Projects</i> <i>Regulations on Administration of Development and Operation of Urban Real Estate</i> <i>Copyright Law of the People's Republic of China</i>
	<i>Inspection Manual of CPC China Jinmao Committee</i> <i>Administrative Measures for the Supervision and Enforcement of Discipline Inspection Commission of China Jinmao</i> <i>Administrative Measures for Discipline Inspection, Petition and Whistleblowing of China Jinmao</i> <i>Working Rules of Discipline Inspection Commission of China Jinmao (for Trial Implementation)</i> <i>Working Procedures for Discipline Inspection Commission of China Jinmao (for Trial Implementation)</i> <i>Implementation Measures for the Supervision Work of Discipline Inspection Commission of China Jinmao (for Trial Implementation)</i> <i>Administrative Measures for Integrity Files of Leading Cadres of China Jinmao (for Trial Implementation)</i>	<i>Criminal Law of the People's Republic of China</i> <i>Oversight Law of the People's Republic of China</i> <i>Company Law of the People's Republic of China</i> <i>Anti-Money Laundering Law of the People's Republic of China</i> <i>Anti-Unfair Competition Law of the People's Republic of China</i> <i>Anti-Monopoly Law of the People's Republic of China</i> <i>Tendering and Bidding Law of the People's Republic of China</i>
B8: Community Investment	<i>Administrative Measures for External Donations of China Jinmao</i>	<i>Charity Law of the People's Republic of China</i>

ESG PERFORMANCE INDICATORS

HKEX ESG Indicator List

Environmental Aspect				
Indicator	Unit	2019	2020	2021
Comprehensive energy consumption	10,000 tonnes of standard coal	3.03	3.64	5.26
Comprehensive energy consumption per unit	tonnes of standard coal/m ²	0.00457	0.00438	0.00460
Petrol	L	248,169.28	248,665.46	257,032.96
Diesel	L	57,336.65	46,731.32	47,717.23
Natural gas	10,000 m ³	652.04	696.31	826.71
LNG	L	2,880	2,880	2,880
Purchased electricity	10 MWh	16,891.92	21,457.66	33,230.11
Purchased heat	GJ	14,185.39	11,146.14	13,956.99
Total water consumption	tonnes	830,130.00	874,994.00	2,587,571.57
Water consumption intensity	tonnes/m ²	-	-	0.23
Total non-hazardous waste discharge	kg	-	-	5,619,901.16
Non-hazardous waste discharge intensity	kg/m ²	-	-	0.87
Total hazardous waste discharge	kg	-	-	57,442.41
Hazardous waste discharge intensity	kg/m ²	-	-	0.01
Mercury-containing fluorescent or energy-saving lamps	kg	-	-	10,308.20
Waste toners and cartridges	kg	-	-	3,137.00
Waste electrical and electronic equipment	kg	-	-	1,712.96
Used batteries	kg	-	-	2,414.61
Coating buckets	kg	-	-	38,420.95
Other hazardous waste	kg	-	-	1,448.69

Scope 1 direct emissions	tonnes of CO ₂ equivalents	14,807.42	15,736.98	18,577.66
Scope 2 indirect emissions	tonnes of CO ₂ equivalents	104,618.02	132,139.27	194,602.22
Total emissions	tonnes of CO ₂ equivalents	119,425.44	147,876.25	213,179.88
GHG emission intensity	kg of CO ₂ equivalents/m ²	18.01	17.83	18.63

Social Aspect				
Indicator	Unit	2019	2020	2021
Patents filed	item	129	166	185
Patents approved	item	129	116	81
Invention patents approved	item	44	11	20
Design patents approved	item	2	12	12
Utility model patents approved	item	83	93	49
Total number of employees	person	11,370	11,592	12,825
Male employees	person	7,447	7,500	8,344
Female employees	person	3,923	4,092	4,481
Employees in the Chinese mainland	person	-	11,578	12,798
Employees in Hong Kong, Macao, Taiwan, and overseas	person	-	14	27
Employees of 30 or below	person	4,105	3,899	3,911
Employees of 31 – 50	person	6,739	7,206	8,428
Employees of 51 or above	person	526	487	486
Percentage of female managers	%	34.5	29.6	23.5
Voluntary turnover	%	10.4	10.9	12.4

Social Aspect				
Signing rate of labour contracts	%	100	100	100
Average training time per person	hour	45	52	45.4
Percentage of male trainees in the total workforce	%	-	-	65
Percentage of female trainees in the total workforce	%	-	-	35
Percentage of senior manager trainees in the total workforce	%	-	-	0.16
Percentage of middle manager trainees in the total workforce	%	-	-	1.22
Percentage of general employee trainees in the total workforce	%	-	-	98.62
Average training time per male employee	hour/person	-	-	45.4
Average training time per female employee	hour/person	-	-	45.5
Average training time per senior management employee	hour/person	120	160	135.8
Average training time per mil-level management employee	hour/person	110	106	171.5
Average training time per general employee	hour/person	42	51	43.9
Work-related deaths	person	0	0	0
Working days lost due to work-related injuries	day	373	105	563
Number of suppliers	unit	9,958	10,507	16,894
Investment in science and technology	RMB 1 million	145	277	307
Investment in public welfare	RMB 10,000	874.69	874	348+

CASS-CSR4.0 Indicator List

Indicator	Unit	2019	2020	2021
Shareholder Responsibility				
Total assets	RMB 1 million	334,881.41	387,756.17	412,002.30
Net assets	RMB 1 million	92,434.35	101,827.08	106,793.63
Equity attributable to owners	RMB 1 million	45,948.36	46,762.06	49,961.35
Operating revenue	RMB 1 million	43,355.94	60,053.88	90,059.93
Pre-tax profit	RMB 1 million	12,853.69	9,644.18	12,714.27
Total profit	RMB 1 million	8,658.66	6,195.12	7,704.83
Net profit attributable to owners of the parent company	RMB 1 million	6,481.75	3,880.99	4,689.94
Gearing ratio	%	72.40	73.74	74.08
Return on equity	%	10.14	6.38	7.39
Return on total assets	%	2.86	1.71	1.93
Value maintenance and appreciation of state-owned assets	%	100.78	105.86	113.15
Property sales area	10,000 m ²	748	1,129	1,321
Revenue of investment properties	RMB 1 million	1,446.78	1,461.35	1,563.35
Area of land reserve at the end of the term	10,000 m ²	8,585	8,267	9,323
Corruption incidence rate	%	0	0	0
Customer Responsibility				
Average score of on-site third-party measurement	point	95.22	95.1	95.47
Technology investment	RMB 1 million	145	277	307
Customer privacy leakage	incident	0	0	0
Customer complaint resolution rate	%	99.53	96.3	91.52
Residential customer satisfaction rate	%	86	85	86
Office building customer satisfaction rate	%	100	100	99
Commercial customer satisfaction rate (patron)	%	92	92	96
Commercial customer satisfaction rate (tenant)	%	91	91	99

Indicator	Unit	2019	2020	2021
Partner Responsibility				
Supplier contract performance evaluation rate	%	100	100	100
Number of potential suppliers rejected for failing to comply with social responsibility	unit	0	0	0
Number of suppliers reviewed during the reporting period	unit	9,958	10,507	16,894
Number of suppliers terminated cooperation for failing to comply with social responsibility	unit	0	0	0
Government Responsibility				
Legal training	session	130	124	176
Total tax payment	RMB 100 million	81.37	92.93	102.2
Number of graduates recruited	unit	246	244	237
Employee Responsibility				
Formal employees	person	11,370	11,592	12,825
Percentage of female employees	%	34.5	35.5	34.9
Percentage of female managers	%	34.5	29.6	23.5
Signing rate of labour contracts	%	100	100	100
Coverage of physical examinations for employees	%	100	100	100
Average annual paid leave day per employee	day	7	7	7
Voluntary turnover rate	%	10.4	10.9	12.4
Average training hours per employee	hour	45	52	45.4
Work Safety				
Emergency drill	session	1,560	2,198	3,393
Emergency education	session	-	1,736	7,320
Work safety training duration	hour	267,250.4	295,089	325,428.3
Occupation health training	session	-	303	730
Occupation health training duration	hour	-	-	62,468
Safety training coverage	%	100	100	100

Indicator	Unit	2019	2020	2021
Incidence of general or more serious work-related injuries	incident	0	0	0
Percentage of work-related deaths	%	0	0	0
Working day lost due to work-related injuries	day	373	105	563
Serious injury rate per thousand people	%	0	0	0
Injury rate per thousand people	%	0	0	0
Work safety incident with a major negative impact on the Company's market and social images	incident	0	0	0
Number of personnel dedicated to safety management	person	-	-	375
Number of registered safety engineers	person	-	-	265
Community Responsibility				
Public welfare donation	RMB 10,000	874.69	874	348+
Number of employee volunteers	person	>600	>1,000	>1,500
Green Production				
Total number of green building certifications and labels obtained	item	170	219	262
Total floor area of projects meeting green label design requirements	10,000 m ²	1,440.62	2,098.36	2,587.6
Comprehensive energy consumption per unit of area	tonnes of standard coal/m ²	0.00457	0.00438	0.00460
Purchased electricity	10 MWh	16,891.92	21,457.66	33,230.11
Petrol consumption	L	248,169.28	248,665.46	257,032.96
Diesel consumption	L	57,336.65	46,731.32	47,717.23
Natural gas consumption	10,000 m ³	652.04	696.31	826.71
LNG	L	2,880	2,880	2,880
Total water consumption	tonnes	830,130	874,994	2,587,571.57
Water consumption intensity per unit area	tonnes/m ²	-	-	0.23
Non-hazardous waste discharge	kg	-	-	5,619,901.16
Hazardous waste discharge	kg	-	-	57,442.41

Indicator	Unit	2019	2020	2021
Total number of energy station projects invested, constructed, and operated on city, regional, and project levels	item	46	54	75
GHG emissions (Scope 1)	tonnes of CO ₂ equivalents	14,807.42	15,736.98	18,577.66
GHG emissions (Scope 2)	tonnes of CO ₂ equivalents	104,618.02	132,139.27	194,602.22
Total GHG emissions	tonnes of CO ₂ equivalents	119,425.44	147,876.25	213,179.88
GHG emission intensity	kg of CO ₂ equivalents/m ²	18.01	17.83	18.63
Investor Relations Management				
Investors' project inspection	session	20	23	21
Results announcement conference	session	2	2	2
Investors' forum	session	21	28	24
Number of executives attending roadshows	person	3	3	3
Number investment institutions attending conferences	entity	>300	>300	>300



ASSURANCE STATEMENT OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

TUV NORD (Hangzhou) Co., Ltd. ('TUV NORD CHINA') has been commissioned by the management of China Jinmao Holdings Group Limited ('China Jinmao') to carry out an independent assurance of the 2021 Environmental, Social and Governance Report ('ESG Report') .

China Jinmao is responsible for the collection, analysis, aggregation and presentation of information within the Report. TUV NORD CHINA's responsibility in performing this work (assurance of the report) is in accordance with terms of reference agreed in the scope of engagement with China Jinmao. China Jinmao is the intended user of this statement.

This statement is based on the assumption that the data and information provided in the report is complete and true.

Assurance Scope

- The Report revealed the accuracy and reliability for key performance, information and management system which happened during year 2021.
- Due to the impact of the epidemic, to avoid people gathering, assurance method is online remote audit.
- We evaluate the collection, analysis, aggregation of the information and data.
- Due to finance data had been audited by the third party, and published in *China Jinmao 2021 Annual Report*, so the correctness of the financial data in the report is not in our assurance scope.

The online assurance of the Report was done on May 6th, 7th, 2022.

Assurance Methodology

Assurance process including following activities:

- Review the document information which provide by China Jinmao;
- Interview the person who collected the report information;
- View the related websites and media reports, verify the data and information through sampling method;
- Refer to CSR requirement of Environmental, social and governance guideline which made by HKEX, we evaluate the report;
- Refer to AA1000AS (V3) Assurance methodology, and ISO 26000 social responsibility standard.
- Assurance activity is based on TUV NORD CSR report assurance management procedure.

Assurance Conclusion

China Jinmao 2021 ESG Report provide an appropriate and objective view of the sustainability & social programs and performances during year 2021.

- Materiality

China Jinmao has conducted material issue survey, disclosed the important objective performance of the enterprise in 2021 in the fields of economy, society and environment from the chapters of "Sound Governance for Business Integrity and Compliance", timely responding to the expectations of investors and other stakeholders.



- Quantitative
In the report, the key environmental and social performance is disclosed in quantitative form in the form of "ESG Performance Indicators" and other forms, which has certain quantification.
- Balance
The report discloses the case and data such as the quantity of complaints, and the lost working hours due to work injury, which has certain balance.
- Consistency
Through sampling verification, the information in the report is reliable and objective, and TUV NORD CHINA does not find systematic or substantive errors.

Suggestion for Improvement

Through assurance and evaluation, we had following improvement suggestion on CSR practice and management:

- It is suggested to use cases or words to explain the data with great changes performance in the report, so that stakeholders can understand the actions taken by the organisation in this field.
- It is suggested that the disclosure of relevant data can be compared with industry data to increase the horizontal comparison of the report.

Special Statement

This statement excluding:

- The activity outside information reveal;
- The position, idea, faith, object, future developing direction, and promise which stated by China Jinmao.

Statement of Independence and Competence

TUV NORD Group is the world's leader in inspection, testing and verification, operating in more than 70 countries throughout the world and providing services which includes management systems and product certification; quality, environmental, social and ethical auditing and training; environmental; social responsibility and sustainability report assurance.

As one of the global branches of TUV NORD Group, TUV NORD CHINA affirms its' independence from China Jinmao and confirms that there is no conflicts of interest with the organisation or any of its subsidiaries and stakeholders when performing the assurance of the Report. TUV NORD CHINA was not involved in any manner with China Jinmao, when the latter was preparing the Report.

TUV Asia Pacific Ltd.

The Authorized person: Mr.Song Haining

Date :May 16, 2022

The team leader: Ms.Huang Li

Date: May 16, 2022

Note: When there is a conflict between the Chinese and English versions of the statement, please refer to the Chinese version.

READER FEEDBACK

Dear Stakeholders,

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

1. As against China Jinmao, your identity is:

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

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

- ☐ Yes
- ☐ No
- ☐ Average

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

- ☐ Yes
- ☐ No
- ☐ Average

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

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

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

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

Contact us:

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