



# JY GRANDMARK HOLDINGS LIMITED

*(Incorporated in the Cayman Islands with limited liability)*  
Stock Code: 2231



# 2021

**ENVIRONMENTAL, SOCIAL  
AND GOVERNANCE REPORT**







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# 1. About JY Grandmark

## Overview

This report is the third Environmental, Social and Governance Report (this “Report”) of JY Grandmark Holdings Limited (the “Company” or “JY Grandmark”, together with its subsidiaries, the “Group” or “JY Grandmark Group”), which is intended to give a true picture of the Group’s performance of environmental, social and governance (“ESG”) responsibilities in 2021.

## About JY Grandmark

JY Grandmark is a property developer, operator and property management service provider based in the People’s Republic of China (“PRC” or “State”). It runs four principal businesses, namely (i) property development and sales, (ii) hotel operations, (iii) property management and (iv) commercial property investment. The shares of JY Grandmark were listed on The Stock Exchange of Hong Kong Limited in December 2019 and the Group has been included as a constituent of the MSCI China Small Cap Index since May 2020.





## 1. About JY Grandmark (Continued)

JY Grandmark has land resources in Guangdong, Hainan, Yunnan, Jiangsu and Hunan provinces for its future development. As of 31 December 2021, the Group had a land bank of approximately 4.1 million sq.m. on an attributable basis. The Group positions itself as an “Eco-friendly and People-oriented Property Developer” and acquires land reserves in strategic locations with abundant natural resources, rich culture and potential for growth. The Group takes into account the natural and cultural resources of its project sites in the design of properties to develop homes and communities that the Group considers to be truly liveable for buyers. This accurate positioning differentiates the Group from other property developers in the PRC.

### Corporate Philosophy

#### Ethics

The Group establishes its reputation by constructing properties and providing lifestyle services with business ethics and the spirit of the craftsman, thus building its trustworthiness and brand equity. It goes far with a prudent approach to business.

#### Thoughtfulness

The Group always tries to innovate and actively explore new ways to develop its business in the new era. It makes progress by developing products and services that can improve life dramatically.

#### Integrity

The Group attaches great importance to integrity and remains committed to its original aspirations, and as such, it provides lifestyle services, undertakes urban development and contributes to society’s development with the spirit of the craftsman and kindness.



## 2. About This Report

### 2.1. Reporting Scope

This Report covers the period from 1 January 2021 to 31 December 2021 (the “Year”). Unless otherwise stated, this Report mainly focuses on the ESG management issues related to the core businesses of the JY Grandmark Group.

### 2.2. Reporting Guideline

This Report is prepared by the Group in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) set out in Appendix 27 of the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited. The Group takes “Materiality”, “Quantitative”, “Balance” and “Consistency” principles as the disclosure basis, and responds to the said principles in the preparation, making sure that the Report presents the ESG issues the stakeholders focus on and the content is clear, quantitative and comparative.

Principle		Response of the Group
<b>Materiality</b>	The Report should cover scopes that reflect the significant impact of the entity on the economy, environment and society, or substantially affect the assessment and decision of stakeholders.	The Group identifies current material issues after considering its development strategy as well as industry and business conditions, and communicating with stakeholders.
<b>Quantitative</b>	Key performance indicators of historical information set out in the Report should be measurable to assess and verify the performance. Quantitative data should contain explanatory notes to disclose the purpose and the impact, and provide comparative data when appropriate.	The Group has made quantitative disclosure about the information of key performance indicators of the Year, and provided explanations in writing, to help stakeholders to get a clear picture of the Group’s overall performance.
<b>Balance</b>	The information set out in the Report should reflect positive aspects and negative aspects of the reporting entity, for the reasonable assessment on the overall performance.	The Report elaborates on the achievements the Group has made and the challenges it has faced and discloses the relevant quantitative information, to facilitate the reasonable analysis and comparison.
<b>Consistency</b>	The Report should adopt consistent methods to disclose the information, to help stakeholders to analyse and assess the entity’s performance at different time points. The entity should explain about any change of methods.	The Group discloses the current and historical key performance indicators and information of different scopes, to help stakeholders to make a comparison of the performance.

### 2.3. Access and Response to This Report

This Report is available in Traditional Chinese and English. The electronic version of the Report is available in the “Financial Statements/ESG Information” section of JY Grandmark on the HKEX website and the Group’s website.

We attach great importance to the opinions of stakeholders and appreciate it if readers would contact us through the following methods. Your comments will help us further improve this Report and our ESG performance.

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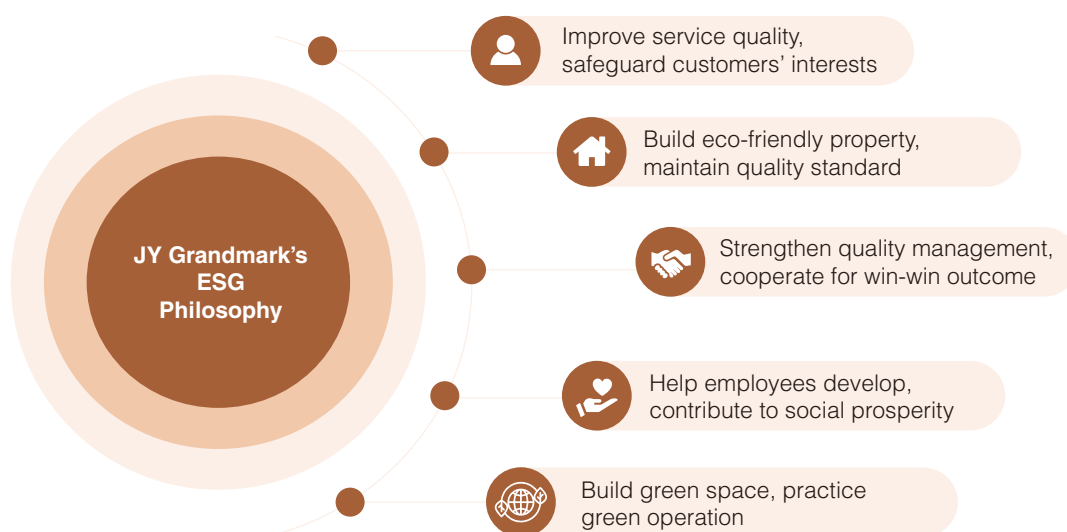
# 3. Sustainable Development Governance

## 3.1. ESG Management Philosophy

In 2021, in the face of the escalating impact and challenges brought by the normalization of the global COVID-19 pandemic, the Group upheld its core philosophy of sustainable development while placing significant emphasis on the resilient and balanced development of the environmental, economic and social values in the course of its operations, striving to grow together with its stakeholders with an admirable corporate image.

During the Year, we managed to maintain a solid financial position while striving to comprehend the government's policy trends, innovate our operating mindset, broaden our business pipeline and enhance the added value of our products and services. As for investment strategy, we maintained our focus on premium land parcels in the Greater Bay Area; in terms of business strategy, we emphasized the linked allocation of resources between the diversified business segments and our various businesses; and from the perspective of product design, we focused on the combination of ecology and health in an aesthetic way, aiming to create unique and quality products.

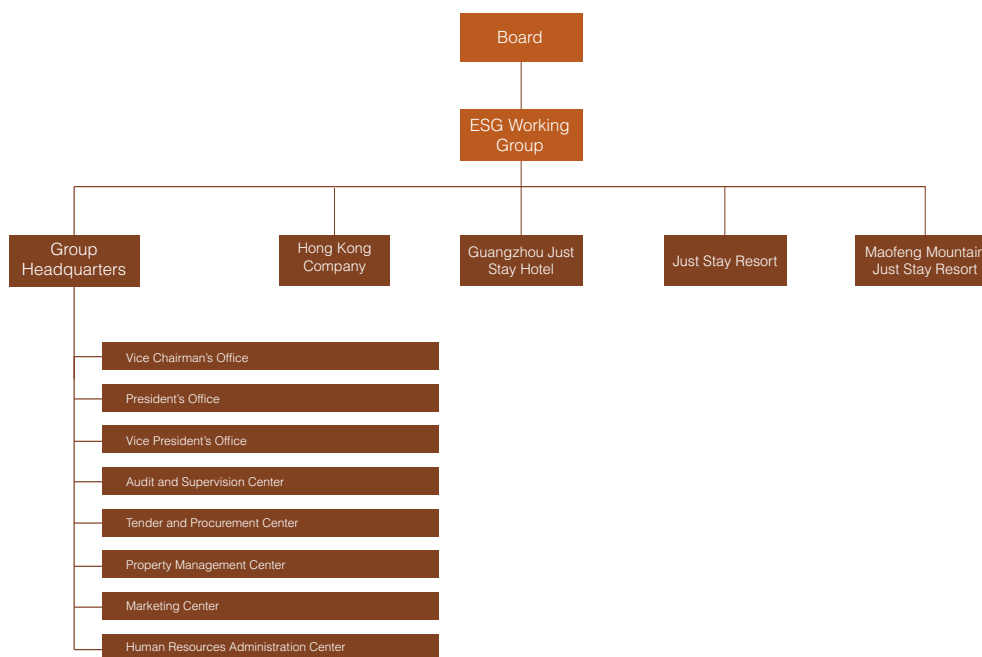
We unwaveringly believe that instilling ESG management concepts into our business operations is a wise and necessary development strategy that will benefit the overall profitability of the Group in both short and long term. Therefore, we make efforts to enhance the superiority of our “eco-friendly and people-oriented properties” and continue to create more value for our shareholders, customers and communities through our commitment to superior product and service quality, constant care of our employees' health and safety as well as their career development, and relentless fulfillment of our environmental, economic and social responsibilities.



### 3. Sustainable Development Governance (Continued)

#### 3.2. ESG Structure and Responsibilities of the Board of Directors

In order to fulfill the Group's commitment and responsibility for sustainable development and integrate the concept of ESG into the Company's strategy and daily operation, the Group has adopted a top-down ESG structure, under which the board of directors of the Company (the "Board") is responsible for controlling and monitoring the Group's overall ESG management strategy and risk identification, with an ESG Working Group set up thereunder to carry out the specific ESG tasks. The ESG Working Group is composed of heads of various business departments who have rich experience in various business scopes such as operations, procurement, finance, human resources, marketing and subsidiary management, and are able to facilitate information exchange among the management, subsidiaries and business departments, identify environmental and social risks related to our businesses, and coordinate ESG risk mitigation measures within the Group. The ESG Working Group and the business units are mainly responsible for implementing ESG work plans, organizing regular communication with our stakeholders, and reporting to the Board on the progress and performance of our ESG management efforts, so as to help them make necessary change of direction in a timely manner.



**The Board**

#### The Board's ESG Responsibilities

- Developing the Group's ESG management approaches, strategies and objectives
- Identifying and making decisions on the Group's ESG issues and associated risks
- Hearing reports on ESG work from the ESG Working Group
- Reviewing the achievement of key annual ESG targets
- Reviewing and approving the information disclosed in the ESG Report of the Group



**ESG Working Group**

#### ESG Working Group's Responsibilities

- Implementing key ESG issues of the Group
- Conducting communication with stakeholders of the Group on ESG issues
- Providing regular reports to the Board on the progress of ESG work and make appropriate recommendations
- Managing the ESG performance



### 3. Sustainable Development Governance (Continued)

#### 3.2. ESG Structure and Responsibilities of the Board of Directors (continued)

During the Year, the Group's ESG Working Group focused on the following:

1. **Compliant Operation** – Compliant and legal operation are the cornerstones of the Group's businesses, upon which we continuously monitor regulatory updates, integrate compliance management into our business processes and update our internal policies in a timely manner in accordance with external policy requirements to ensure strict compliance with policies and regulations.
2. **Quality Management** – While developing projects, managing properties and providing services, quality control is the core strategy of the Group's business development. We are committed to developing and creating high-quality services and products, strengthening the Group's expertise in quality control, to better cater for the needs and expectations of our stakeholders.
3. **Dealing with Climate Change** – To ensure the long-term and sustainable development of our business, it is imperative for the Group to strengthen our resilience in managing climate change. We progressively assess the risks and opportunities associated with climate change and coordinate with the relevant departments to address climate change in a strategic manner.
4. **Responding to Normalized COVID-19 Epidemic** – Amid the complex situation of COVID-19 outbreak, the Group continues to monitor and oversee the implementation of COVID-19 prevention and control measures so as to safeguard the health and safety of its employees and customers.

### 3. Sustainable Development Governance (Continued)

#### 3.3. Stakeholder Engagement and Involvement

We believe that the involvement of our stakeholders is essential in defining and managing sustainability issues related to our business, which will help us achieve a win-win outcome as well as long-term development for all parties. We value communication with our stakeholders, including our employees, government and regulatory authorities, investors, customers, suppliers and community, and are willing to listen to and understand their opinions and, with their support, integrate the Group's ESG management philosophy into every aspect of our business so as to achieve sustainable development and cooperation.

Category of Stakeholders	Concerns and Expectations	Communication and Response	Means of Communication
<b>Government and regulatory authorities</b>	<ul style="list-style-type: none"> <li>Compliance with the laws and regulations in the course of business</li> <li>Implementation of national policies</li> <li>Project strategic cooperation</li> </ul>	<ul style="list-style-type: none"> <li>Responding to the national call for carbon neutrality and urban renewal, actively promoting green building development</li> <li>Implementing the government's management requirements</li> <li>Accepting investigation and supervision</li> </ul>	<ul style="list-style-type: none"> <li>Timely notification</li> <li>Regular inspection</li> </ul>
<b>Investors and shareholders</b>	<ul style="list-style-type: none"> <li>Long-term stable development</li> <li>Protection of shareholders' rights</li> <li>Transparent disclosure of information</li> <li>Risk prevention and control</li> </ul>	<ul style="list-style-type: none"> <li>Improving profitability</li> <li>Convening shareholders' meetings regularly</li> <li>Regular disclosure of operating results and ESG issues and performance</li> <li>Improving risk management measures</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders' meeting</li> <li>Daily communication (by mail, telephone, etc.)</li> <li>Announcements and circulars</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Product and service quality</li> <li>Customer information protection</li> <li>Maintaining effective communication and agreeable relationship</li> <li>Responsible marketing</li> </ul>	<ul style="list-style-type: none"> <li>Integrating high-standard quality control and material and technology innovation to optimize product and service quality</li> <li>Strengthening information security and regulation</li> <li>Improving customer communication mechanism</li> <li>Strengthening marketing management</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Customer service mobile application</li> <li>Property service center and sales office in communities</li> </ul>



#### 3.3. Stakeholder Engagement and Involvement (continued)

Category of Stakeholders	Concerns and Expectations	Communication and Response	Means of Communication
<b>Employees</b>	<ul style="list-style-type: none"> <li>Protection of employees' legitimate rights and interests</li> <li>Providing staff training and development</li> <li>Concerning about employees' health and safety</li> <li>Listening to the voice of employees</li> </ul>	<ul style="list-style-type: none"> <li>Improving the remuneration system and the welfare mechanism</li> <li>Organizing employee training courses and improving promotion mechanism</li> <li>Strengthening employee safety and health management system</li> <li>Establishing a multi-channel communication platform</li> </ul>	<ul style="list-style-type: none"> <li>Various internal and external staff training sessions</li> <li>Employee complaints and feedback</li> <li>Regular team building activities</li> </ul>
<b>Suppliers and partners</b>	<ul style="list-style-type: none"> <li>Fairness and justice</li> <li>Health and safety</li> <li>Ensuring quality of projects and services</li> </ul>	<ul style="list-style-type: none"> <li>Improving supplier review and evaluation mechanism</li> <li>Establishing communication channels with suppliers</li> <li>Creating green supply chain together</li> </ul>	<ul style="list-style-type: none"> <li>Communication during the bidding session</li> <li>Supplier meetings</li> <li>Supplier's code of ethics</li> </ul>
<b>Industrial associations and media</b>	<ul style="list-style-type: none"> <li>Industry exchange and discussion</li> <li>Transparent and open information sharing</li> <li>Joint efforts towards industry advancement</li> </ul>	<ul style="list-style-type: none"> <li>Actively participating in industry seminars</li> <li>Optimizing disclosure and publicity mechanism</li> <li>Promoting industry standardization</li> </ul>	<ul style="list-style-type: none"> <li>Media releases and interviews</li> <li>Regular meetings and field trips</li> </ul>
<b>Community</b>	<ul style="list-style-type: none"> <li>Community charity activities</li> <li>Caring for the poor</li> <li>Supporting urban renewal</li> </ul>	<ul style="list-style-type: none"> <li>Promoting public welfare activities in communities</li> <li>Accelerating construction of supporting facilities</li> <li>Supporting poverty alleviation efforts and helping those in difficulties</li> <li>Powering urban renewal</li> </ul>	<ul style="list-style-type: none"> <li>Charity events</li> <li>Community bulletin board</li> </ul>

### 3. Sustainable Development Governance (Continued)

#### 3.4. Materiality Assessment

##### 3.4.1. Assessment Process of Material Issues

The Group conducted a survey on material ESG issues in 2021 to understand the views of our stakeholders, i.e. shareholders, employees, suppliers and customers, as well as their expectations and concerns for the Group. We believe that receiving useful feedback from different parties will help us improve our ESG management strategy and make targeted corresponding proposals to meet the expectations of our stakeholders. Our process for assessing material issues is as follows:

##### **Step 1 Identify relevant ESG issues**

The Group identified key ESG issues covering operational management, environmental protection, employment and labor management as well as social investment through internal interviews, with reference to and in combination with the ESG governance priorities of the industry peers.

##### **Step 2 Stakeholder survey**

Stakeholders such as the Group's management, employees and investors, are invited to participate in an online survey to collect their ratings on 25 ESG issues so as to obtain their suggestions and expectations for ESG management.

##### **Step 3 Analysis and ranking of material issues**

The results of the survey and interviews are assessed with ESG issues classified into four major categories: operational management, environmental protection, employment & labor management, and social investment, and ranked according to the interest of stakeholders.

##### **Step 4 Prepare ESG issue materiality matrix**

The Group prepared the ESG issue materiality matrix for the year based on the results of the ESG issue materiality assessment and disclosed in this report the key ESG issues of interest to the stakeholders.



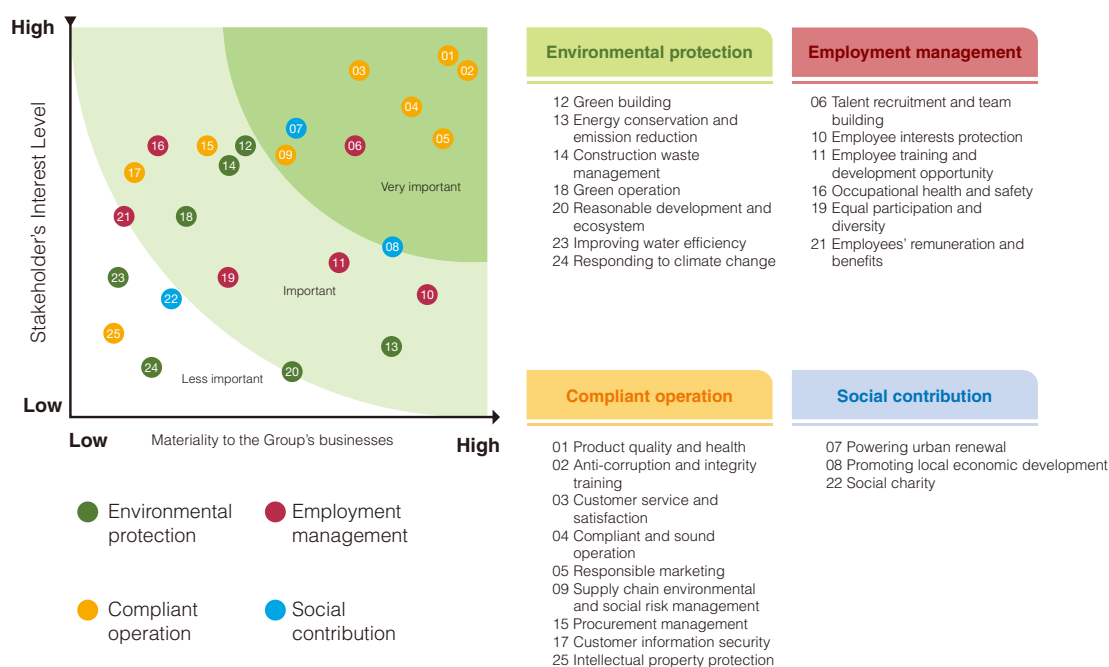
### 3.4. Materiality Assessment (continued)

#### 3.4.2. Results of Materiality Assessment

In 2021, we commissioned a third party to conduct an ESG survey involving six major types of stakeholders, i.e. the management, employees, investors, suppliers, property owners and regulatory authorities, to collect their opinions to help us identify issues essential for the sustainable development of the Group.

The following are the results of our materiality assessment for 2021:



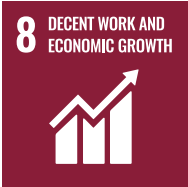

JY Grandmark Group Materiality Matrix



The results of this year's materiality assessment show that our stakeholders are concerned about the Group's efforts in such areas as compliance, environmental protection, employment management and social contribution. In this report, we will further disclose the latest progress of our efforts in these areas and use them as important indicators for future ESG management. At the same time, we will strengthen communication with our stakeholders to continuously improve our performance in these areas.




### 3. Sustainable Development Governance (Continued)

#### 3.5. JY Grandmark’s Contribution to Sustainable Development Goals (“SDGs”)

UN SDGs	Significance to JY Grandmark	JY Grandmark’s Contribution
<p><b>Goal 3</b> <b>Good health and well-being</b></p> 	<p>It is our responsibility to ensure the health and safety of our employees, including their family members.</p>	<p>We care about the physical and mental health of our employees, and organize numerous team building and caring activities so that they can work happily and healthily with us.</p>
<p><b>Goal 5</b> <b>Gender equality</b></p> 	<p>We treat all our employees equally, regardless of gender, and believe that their genders make no impact on their ability and talent.</p>	<p>We insist on the employment principle of equal pay for equal work and diversity, so that our employees can work happily in an equal working atmosphere.</p>
<p><b>Goal 8</b> <b>Decent work and economic growth</b></p> 	<p>We are committed to maintaining good operational performance while providing good job opportunities and an enjoyable working environment.</p>	<p>We focus on creating high quality services and products to power the sustainable development of the industry and provide more job opportunities for job seekers.</p>
<p><b>Goal 9</b> <b>Industry, innovation and infrastructure</b></p> 	<p>We strive to construct green buildings so as to enhance our competitiveness, and make our projects more eco-friendly.</p>	<p>We enthusiastically respond to the government’s call on developing the prefabricated green building model and promoting industrial innovation.</p>



### 3.5. JY Grandmark’s Contribution to Sustainable Development Goals (“SDGs”) (continued)

UN SDGs	Significance to JY Grandmark	JY Grandmark’s Contribution
<p><b>Goal 10</b> <b>Reduced inequalities</b></p> 	<p>We have been striving to ensure equal opportunities and eliminate inequalities.</p>	<p>The starting salaries for our male and female employees are equal and there is no different treatment with regards to age, gender or ethnicity towards employees in terms of promotion.</p>
<p><b>Goal 11</b> <b>Sustainable cities and communities</b></p> 	<p>Our buildings are designed to be enjoyable and safe to live in, especially for women, children and the physically and mentally challenged people.</p>	<p>We actively participate in the transformation of urban villages and strive to make our buildings more livable and cities more beautiful.</p>
<p><b>Goal 13</b> <b>Climate action</b></p> 	<p>We seriously address the risks and opportunities arising from climate change and mitigate and adapt to it by creating green buildings.</p>	<p>We are committed to improving the quality of our construction projects and ensuring green and low-carbon life-cycle management during the construction process.</p>

# 4. Present Eco-friendly and People-oriented Property with Ingenuity

In an industry full of challenges and changes, JY Grandmark Group remains faithful to its values “Excellence, Prudence, and Integrity (卓行、善思、有道)” along every step of its development, while maintaining its commitment to quality and craftsmanship. We have never stopped considering and exploring our industry and practicing our social responsibilities and humanistic care. Based on our motto of “Eco-friendliness and People Orientation”, we are committed to building a corporate brand with warmth and proper attitude with high quality products and services, and making the life of our customers more enjoyable.

## 4.1. Practise Ecological Theory with Green Design

JY Grandmark Group adheres to its development strategy of “Eco-friendliness and People Orientation”. As a city constructor, we are well aware that the development of eco-friendly and people-orientated architecture is an inevitable way to build an environmentally-friendly and resource-saving community and achieve sustainable development. In line with the new idea of healthy living in the post-pandemic era, we actively promote the concept of eco-friendly and people-orientated real estate, while continuously exploring for innovative products and services, pursuing the harmonious coexistence of nature and architecture, and continuously building and upgrading into eco-friendly habitats.

### 4.1.1. Product Design Concept

In terms of product development, JY Grandmark Group adheres to its design concept “Green Ecology, Environment-friendly Technology, Aesthetic Life, and Intelligent Craftsmanship (綠色生態、環保科技、美學生活、智慧匠心)”, which studies different regional markets and demand, and carries out comprehensive optimization and renovation of the design of building facades, floor plan, interior decoration, landscape and supporting facilities from the perspective of customers. The Group strives to create pragmatic and innovative masterpieces with natural art for our customers, bringing them the most comfortable living spaces.



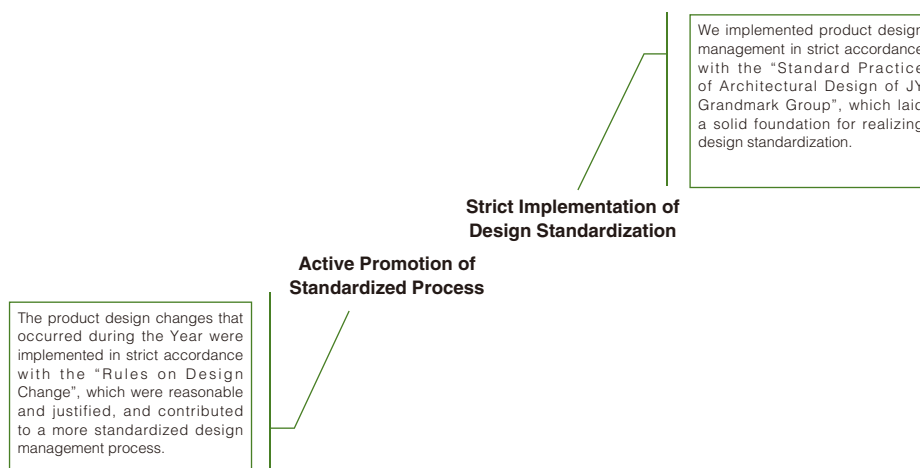
## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.1. Practise Ecological Theory with Green Design (continued)

#### 4.1.2. Strict Control of Product Design Standardization

The Group insists on maintaining a design concept of sophistication and superior quality while carefully maintain the quality of our designs to ensure the overall performance of our projects and enhance the competitiveness of our products. As for product design, we set up key nodes in terms of design scheme, progress, quality and standard based on two design management pillars, i.e. aggressive promotion of product standardization and strict implementation of standard processes, and review the status of such key nodes as an effort to standardize the product design management process.

We concentrate our efforts on “Improving Quality and Enhancing Brand (創質量·鑄品牌)”, striving to achieve standardized product design, utilize the value of eco-friendly and people-oriented products, and build benchmark products under the name of JY Grandmark.



While ensuring a high quality standard of product design, the Group attaches great importance to the management of intellectual property rights and trademarks of itself and its partners, strictly complies with the Advertising Law of the People’s Republic of China (《中華人民共和國廣告法》), the Trademark Law of the People’s Republic of China (《中華人民共和國商標法》) and other relevant laws and regulations, and formulates its own relevant intellectual property rights and trademark management regulations. In order to strengthen the management mechanism of the Group’s corporate intellectual property affairs, the Group explicitly requires the Group’s legal team to regularly monitor for any infringement of the Company’s registered trademarks by external units, and once the use of unauthorized information is detected, the Group will protect its intellectual property interests in accordance with the law. On the other hand, the Group regularly reviews the trademark registration ledger to ensure the completeness of the ledger and pay attention to the timeliness of the trademark term to protect its own legal rights and interests.



## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.2. Promote Prime Projects with the Quality Concept

Superior quality remains the top priority of JY Grandmark Group in the development of its products and services, under which the Group strives to ensure that each of its projects for the entire cycle are of high quality with the use of state-of-the-art technologies and strict implementation of its strategic guideline known as “crafting prime projects for sustainable brand development (鑄精品工程·求品牌發展)”. The Group believes that the key to high quality lies within the strict control of details and safety. We are committed to building our own quality control system and enhancing our employees’ awareness of quality and scientific project management, while maintaining the bottom line of high standard and quality of products.

#### 4.2.1. Quality Control System



##### Optimize system operation for scientific standardized management

The Group strictly complies with the national standards and industry regulations by implementing the Construction Law of the People’s Republic of China (《中華人民共和國建築法》), the Quality Management Ordinance for Construction Projects (《建設工程質量管理條例》) and other relevant laws and regulations. In compliance with construction regulations, the Group insisted on the primary principle of “quality comes first” and formulated and implemented its own quality control system. During the Year, the Group has established 13 new regulatory systems, including the “Quality Management System”, “Construction Technology Management System” and “General Standard Atlas (A02 Edition for Structural and Electrical & Mechanical Specialties)”, aiming at optimizing the Group’s overall quality control system and controlling and regulating its engineering management behaviors in all aspects.



##### Carry out quality inspection with strengthened remediation efforts

The Group attaches great importance to the control of each project during the whole life cycle, covering project quality, progress, safe and eco-friendly construction, use of construction materials, acceptance of key processes, etc., so as to discover hidden dangers in time and prevent them from turning into accidents.

In 2021, the Group carried out three quarterly engineering inspections and conducted quality and risk inspections in strict accordance with the “Technical Inspection Guidelines of JY Grandmark Group”. For the units that need to be rectified, the Group has implemented an accountability system to step up remediation efforts and follow up on rectification.



##### Implement assessment mechanism to ensure project quality

The Group implements a quality accountability system to ensure the quality of its construction projects and upkeeps the principle of “separation of inspection and evaluation, strengthening acceptance, optimizing means and process control” for the acceptance of construction projects and the implementation of a lifelong accountability system. In order to further consolidate quality control, the Group has implemented an assessment and evaluation mechanism, covering the performance of each regional construction unit and project department, which is linked to the performance bonus of their staff, effectively guaranteeing the bottom line standard of quality.

During the year, a total of 188 construction units were evaluated, with three quarterly and one annual assessment of construction units to ensure the safe production and civilized construction of construction units.

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

#### 4.2.2. Quality Training for Everyone

In order to foster and enhance the quality awareness of all its employees, the Group intensified the quality control training, aiming at in-depth learning, exploring and learning the best practices of quality control in the industry. The Group launched a series of special training sessions for its staff who are mainly engaged in engineering quality management to enable them to accumulate new professional knowledge, explore ways to improve work efficiency, prevent engineering quality risks and ensure high quality of the Group's products.

During the Year, the Group organized a total of 10 training sessions on engineering quality control, covering regulation, management and operation.

#### JY Engineers' Training Series – Common Concerns on Engineering Systems

On 16 June 2021, the Group organized a group of its engineers to attend a training session on “Common Concerns of Engineering System”, during which seven major types of risks related to engineering quality were explained in detail, with their causes systematically analyzed and the ways to deal with them provided. A total of 87 engineers attended the training session, who said that the training was very effective, after which they had a deeper understanding of the risks in the engineering system, and knew how to prevent them.



Training on Common Concerns on Engineering Systems

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

#### 4.2.2. Quality Training for Everyone (continued)

##### JY Engineers' Training Series – Consistent Practice for Engineering Process

On 17 November 2021, in order to strengthen and standardize the consistent practice for the Group's engineering process and enhance the efficiency of engineering quality control, the Group conducted on-site and online training sessions for the staff from the Group's headquarters and engineering centers of its branches. The training focused on five standard operating scenarios, including balcony and staircase railing installation, window and door opening installation, bathroom and roof waterproofing installation, roof drainage installation and project certification management system, showing them proven methods concluded in the Group's previous construction projects.



On-site and Online Training Sessions on Engineering Process



## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

#### 4.2.3. Safe and Eco-friendly Construction

The Group is well aware of the importance of safe and eco-friendly construction and strictly follows the laws and regulations such as the Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), the Administrative Regulations on the Work Safety of Construction Projects (《建設工程安全生產管理條例》) issued by the State Council and the Standard for Safety Inspection of Building Construction (《建築施工安全檢查標準》) issued by the Ministry of Housing and Urban-Rural Development. In order to ensure complete implementation of its production safety policy known as “safety comes first, focus on prevention and comprehensive governance (安全第一·預防為主·綜合治理)”, the Group formulated and implemented a new Production Safety Management System during the Year, aiming to consolidate its production safety management system. During the reporting period, the Group did not have any major construction safety incidents nor did it identify any serious violations of the construction regulations or relevant laws and regulations.



Each undertakes his/her own  
security responsibilities

The Group has established the Production Safety Committee, with the legal representative of the Company appointed as its director, the vice president in charge of safe production and the safety director of the Company as its deputy directors, with the members of the committee consisting of persons in charge of production, technology, safety, equipment, cost, finance and other relevant departments. The Production Safety Committee is mainly responsible for supervising and implementing the quality and safety guidelines of the projects, with the relevant departments cooperating and performing their own duties to ensure perfect implementation of the production safety management system and related measures.

In addition, the Group clarifies the responsibilities of constructors, supervisors and project owners in project management. During the Year, the Group revised its “Management System of Project Supervisors” to strengthen the management thereof, aiming to give full play to their supervisory and management roles and the enthusiasm of supervising engineers to create a safe construction environment together.



Exercise strict detail control and  
hold the bottom line of security

The Group's pursuit of high quality is also reflected in its rigid requirements for the construction process, its endeavors to get every detail right and adherence to the bottom line of safety. At the construction site, the Group would meticulously implement the following standardized safety control measures to ensure the safety of the construction environment.

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

#### 4.2.3. Safe and Eco-friendly Construction (continued)

- ✓ **Enclosed site management:** The construction sites of JY Grandmark Group are enclosed and under strict management measures. All the staff must enter the site through gates equipped with access control systems and will only be granted access after being correctly identified with their real names input in the machines, which prevents any unintentional entry of strangers while ensuring the safety of the construction site.



Fully enclosed site management

- ✓ **Installing safety facilities:** Safe passages are installed throughout the construction site, through which workers can reach any building under construction in a safe and fast manner. Those safe passages also serve as a shelter for them that can reduce the probability of safety accidents occurring such as injuries from falling objects.



Safe passages throughout the construction site

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.2. Promote Prime Projects with the Quality Concept (continued)

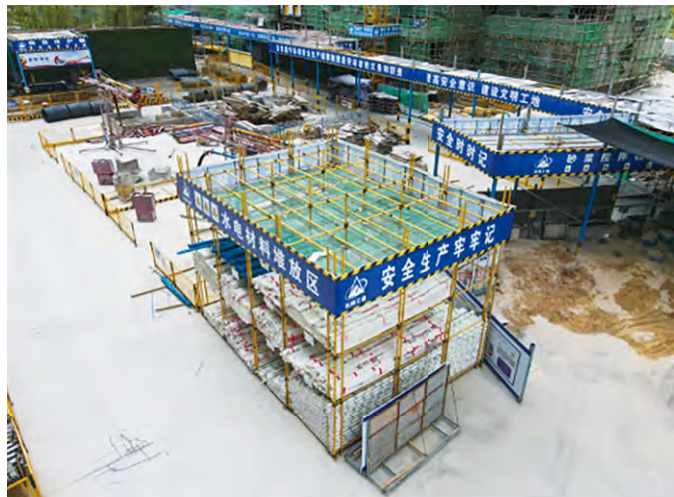
#### 4.2.3. Safe and Eco-friendly Construction (continued)

- ✓ **Guidelines for construction site:** Various guidelines and regulations for safe and eco-friendly operation are displayed across the construction site to remind our workers to maintain safety awareness and vigilance at all times and operate machines in a regulated manner. In addition, before entering the building, our workers are required to visit the production safety experience zone for operation training, which showcases various safety issues during the construction process, such as the operation of electricity, helmet test, use of fire extinguisher, etc., ensuring that they fully comprehend the safe operation requirements and accident handling procedures.



Safe production experience zone

- ✓ **Sorting construction materials in an orderly manner:** To ensure safety on site, our construction sites are divided into well-planned construction material depots. Before entering the site, all construction materials must go through rounds of quality inspection and then be sorted into different categories and batches and placed in designated areas in an orderly manner, so that the construction site appears organized, orderly and safe.



Construction materials are neatly stored



## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

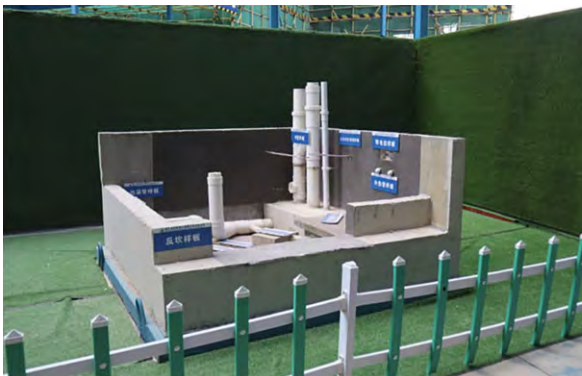
### 4.2. Promote Prime Projects with the Quality Concept (continued)

#### 4.2.3. Safe and Eco-friendly Construction (continued)



Strive for Greater Perfection and  
Insist on Sample Orientation

The Group has formulated a set of “Construction Sample Management Methods” and implemented a “Sample-oriented System” while insisting on building high-standard samples to be followed at construction areas for every project during the construction process, aiming to achieve high-level safety management with “a sample to follow, a template to copy, real experience, and strict quality check (有樣可遵·有板可循·真實體驗·嚴格把關)”. Before entering the site, each construction worker is required to first pay a short visit to the quality sample display area, where all the correct steps and processes such as tying of reinforcing bars, brick laying, plumbing and electrical installation, etc. are shown so that they fully understand the particular technical requirements before carrying out their own work. Such procedures have helped the Group realize standardized operating process, ensure effective safety and quality management at an early stage, and greatly reducing the risk of rework while improving the construction quality from the source. At the same time, all the Group’s fully decorated properties come with “physical samples”, where every process beginning from plumbing and electricity to wall building or from material selection to workmanship, is clearly exhibited to the customers, for which the Group’s provision of “physical sample” is well-recognized in the construction industry.



Samples of construction quality

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

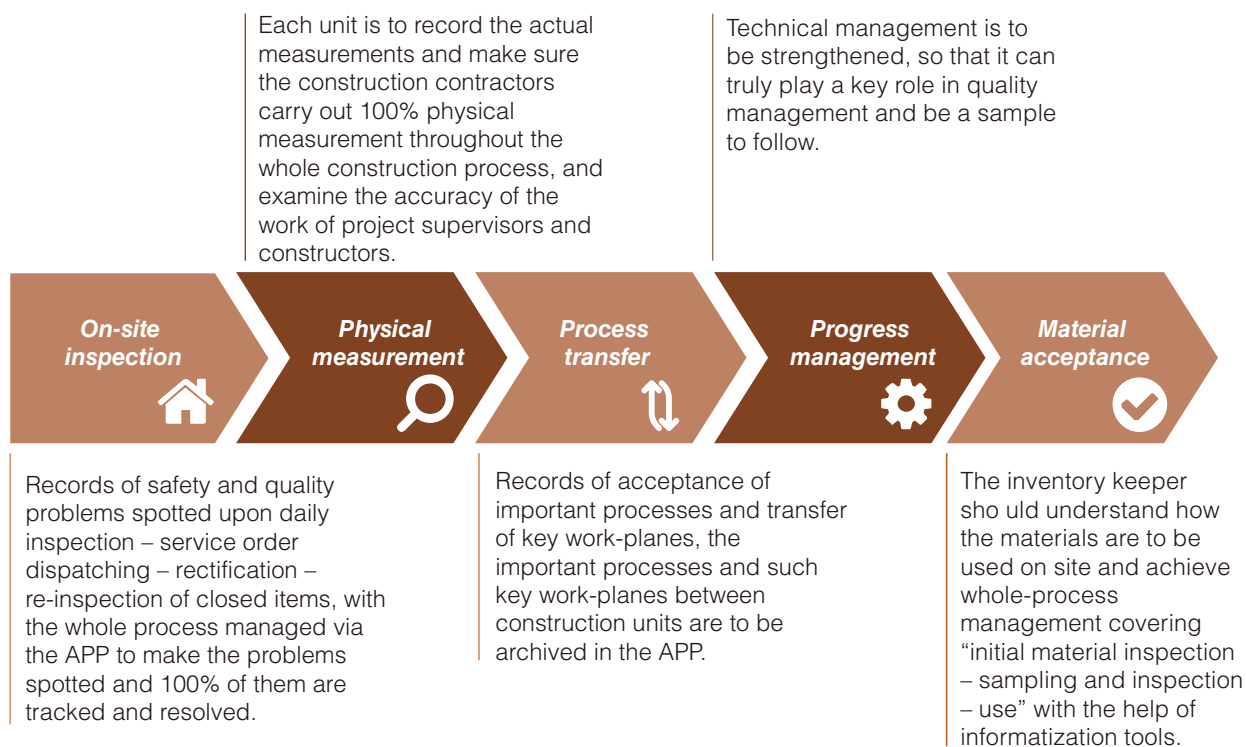
### 4.2. Promote Prime Projects with the Quality Concept (continued)

#### 4.2.4. Digital Empowerment Management

The Outline of the 14th Five-Year Plan (2021-2025) for National Economic and Social Development and Vision for 2035 of the People's Republic of China (the "14th Five-Year Plan") explicitly proposes to accelerate the pace of digitalization while emphasizing the deep integration of digital technology with its real economy. The Group heartily responded to the country's call with emphasis placed on digital empowerment in the process of engineering project management to enhance the efficiency and control of details in engineering management, while maintaining the bottom line of engineering quality and safety.

During the Year, the Group continued to promote the use of mobile quality inspection and mobile construction inspection APP in real-time quality and safety monitoring for all its projects, while revising the "Management Methods for the Application of Mingyuan Mobile Quality Inspection and Mobile Construction Inspection of JY Grandmark Group" (the "APP"), which mainly focused on upgrade and optimization of progress management at the stages of completion and acceptance of certain supporting projects, aiming to enable timely identification and rectification of problems.

In addition, the Group organized two training sessions on the use of the APP in 2021, focusing on the five newly-added core scenarios, including on-site inspection, physical measurement, process transfer, progress management and material acceptance, aiming to enhance its engineers' proficiency in using the APP for safety and quality management on site.



Training on the five core scenarios with the APP

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.3. Urban Renewal to Ignite Urban Vitality

With the acceleration of China's economic development and urbanization process, the old urban areas of most cities can no longer meet the diversified needs of the modernized cities, therefore, urban renewal and old town renovation would be an inevitable road to the sustainable development of a city. The 14th Five-Year Plan clearly states that greater efforts must be made to change the direction of urban development, coordinate the planning and construction management of cities, carry out urban renewal, and promote the optimization of urban spatial structure and quality improvement. In response to the 14th Five-Year Plan, the Group has been actively participating in urban development and old town renovation while preserving the natural resources and presenting the historical heritage of the target cities, aiming to help them achieve prosperity and sustainable development.

**Renovation of Zhujiang Village, Huangpu District, Guangzhou City was carried out with the aim of creating an ecological and humanistic community that inherits the traditional Lingnan culture**

In April 2021, the Group's first urban renewal project, the Zhujiang Village Renovation Project in Huangpu District, located at the core of the central axis of eastern Guangzhou, was successfully launched. The Zhujiang Village Renovation Project is the Group's first urban renewal project to try out a comprehensive redevelopment model. The Group leveraged its strengths in building "eco-friendly and people-oriented properties" and planned to build a waterfront and humanistic community for Zhujiang Village, which perfectly inherits the traditional Lingnan culture.

In terms of environment, our urban renewal plan connects the Pearl River water system with a green ecological network featuring green corridors, and uses the waterfront landscape as the axis to incorporate the living culture and characteristics of a Lingnan waterfront village, so as to create a vibrant community with complete commercial and residential functions. Our designers show respect to the tradition of the villagers living along the river in Lingnan by setting the residential areas on both sides of the river, and using the landscaped green corridors and waterfront leisure trails with a variety of nodes to reasonably divide them, aiming to build a community where people and nature can exist in harmony.

While renovating Zhujiang Village, we reconstructed a number of the surrounding historical and cultural buildings, such as the Pu Ancestral Shrine, Li Ancestral Shrine, Liang Ancestral Shrine, and Zeng Ancestral Shrine as an effort to protect and integrate those buildings with rich historical resources and fully demonstrate the charm of the cultural relics. In addition to preserving the cultural lineage, we gave the village new functions of the cultural and creative nature.

The Group injected its core concepts of sustainable development, i.e. "eco-friendliness" and "people-orientation", into the renovation project of Zhujiang Village, and strove to create a timeless and ecologically livable community for the local residents.



Rendering of urban renewal work on Zhujiang Village in Huangpu District, Guangzhou

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.3. Urban Renewal to Ignite Urban Vitality (continued)

#### JY Grandmark Group won the “China Urban Renewal Enterprise with Brand Value 2021” Award

On 15 July 2021, JY Grandmark Group received the award of “2021 China Urban Renewal Brand Value Enterprises (2021中國城市更新品牌價值企業)” among the China Real Estate Enterprises with Brand Value (2021) at the Grand Ceremony for Celebrated China Real Estate Brands held by China Real Estate Business, which was highly recognized in the industry, once again demonstrating the strength of JY Grandmark Group in the field of urban renewal and renovation.





## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.4. Offer High-quality Services with the Customer-oriented Concept

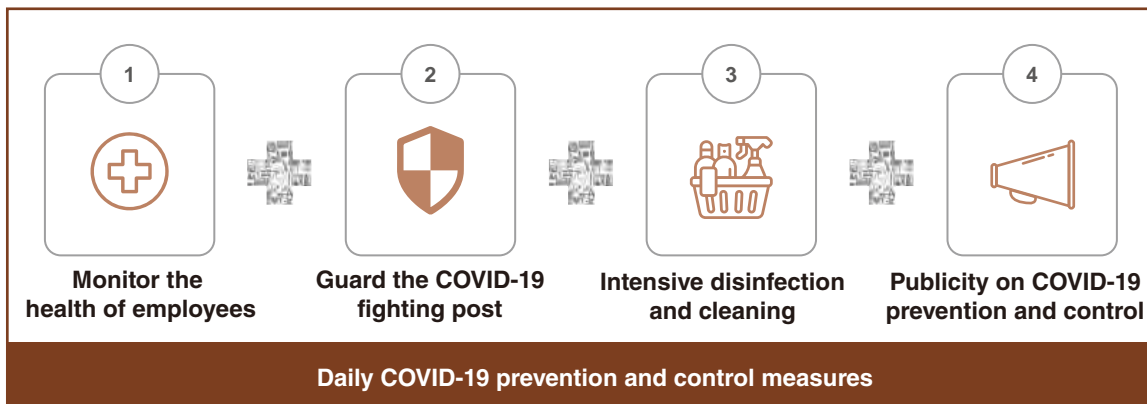
It is a goal that JY Grandmark has been striving to achieve since its establishment to provide its customers and property owners with satisfactory products and services. The Group's property management centers and hotels are the mainstay of its customer service, and we fully understand that the only way to build a good reputation for our quality service is to maximize its value for our customers and property owners and gain greater trust and support from them.

#### 4.4.1. Property Service

Upkeeping the property service concept known as "focus on every degree of life", JY Grandmark Group is committed to understanding its property owners from a deeper level and in more dimensions, so that each of its property owners can truly enjoy the beauty of life.

##### 4.4.1.1. Normalized management of COVID-19

With the gradual normalization of COVID-19 prevention and control efforts, the importance of property management in epidemic prevention and control is increasing, therefore, the Group paid close attention to the development of the epidemic and implemented prevention and control measures in the first instance, doing all it can to protect the safety of the residents of its properties in the community. During the Year, the Group continued to strengthen its daily management measures for COVID-19 prevention and control, and worked closely with the subdistrict and community authorities to enforce staff health status monitoring, access control, public area disinfection, and publicity on COVID-19 prevention, etc.



## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.4. Offer High-quality Services with the Customer-oriented Concept (continued)

#### 4.4.1. Property Service (continued)

##### 4.4.1.1. Normalized management of COVID-19 (continued)

- ✓ **Monitor the health of employees:** The Group keeps track of the health status of its employees with strict enforcement of daily temperature measurement. We also provide medical masks for our employees and conduct regular nucleic acid tests in certain areas. Our employees are required to disinfect themselves, take temperature measurements and wear medical masks at work. As the frequency of using disinfectants increases, they are also reminded to avoid bothering our customers while protecting themselves.
- ✓ **Guard the COVID-19 fighting post:** We maintained strict access control to our communities by setting temperature measurement and registration posts at the main entrances, and requiring the security guards at the gates to carefully measure and register the temperatures of the people entering the communities, so as to keep track of their activities and protect the safety of the residents.
- ✓ **Intensive disinfection and cleaning:** Disinfection has become a regular task of our customer service, who carried out disinfection and cleaning in public areas such as the building entrances, hallways, garbage cans and recreational facilities, etc. with increasing frequency to ensure the effect.
- ✓ **Publicity on COVID-19 prevention and control:** In order to ensure that our property owners protect themselves properly from the virus, our customer service staff in each community organized promotional activities on the latest epidemic prevention and control policies and measures for the residents there.



Access control management implemented at the entrance of the residential area



Comprehensive disinfectant work is carried out in the residential area

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.4. Offer High-quality Services with the Customer-oriented Concept (continued)

#### 4.4.1. Property Service (continued)

##### 4.4.1.2. Improved property owner service

The Group listens carefully to the needs and opinions of its property owners, aiming to improve its service quality with every detail taken into account and provide them with considerate services. In 2021, the Group continued to improve the quality of its property services. During the Year, the improvement measures for the property owner service are as follows:

- ✓ **Training on service quality improvement:** The Group's Property Management Center requires its subordinate units to conduct monthly trainings on service quality improvement in respect of image, manners and handling of special issues in the form of morning meetings, regular meetings and trainings, which has significantly improved the manners, reception skills and efficiency in handling special requests of their property service staff.



Morning meeting work arrangement and etiquette training

- ✓ **Focus on providing convenient services:** The Group's property management center also provides property owners with free services such as furniture cleaning and home appliance repair, which may vary in different communities. In addition, to meet the demand of electric bikes and new energy vehicle owners for charging piles, the Group's property management center has installed four sets of electric bike charging piles with 40 sockets and 20 new energy vehicle charging piles in Donghuzhou Haoyuan (東湖洲豪園) to provide the property owners there with standard charging services, eliminate the chaos of disorderly charging behaviors and regulate the parking of electric vehicles.



Property Owner Service Day



New Energy Vehicle Charging Piles



Electric Bike Charging Piles

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.4. Offer High-quality Services with the Customer-oriented Concept (continued)

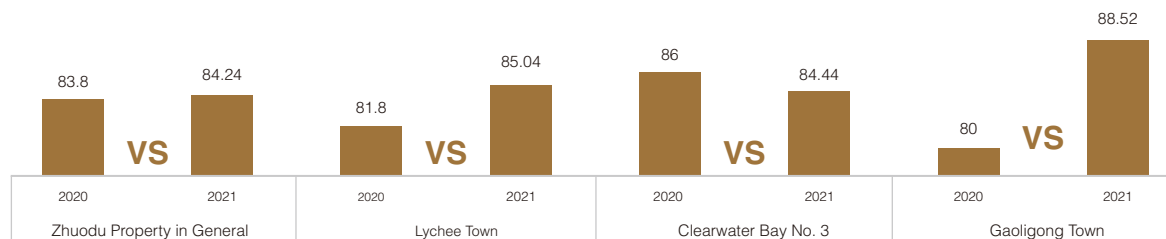
#### 4.4.1. Property Service (continued)

##### 4.4.1.3. Property Owner Satisfaction Enhancement

The Group carefully listens to and studies the requests of the property owners and makes it an important guide for its service improvement. We conduct property owner satisfaction surveys through both random visits and telephone interviews, and use the results of these surveys as the basis for our service quality improvement and supervision.

In the property owner satisfaction survey for the Year, Zhuodu Property, a subsidiary the Group, received the overall score of 84.24 out of 100, representing an increase of 1.6 points compared with the previous year, especially in the areas of safety services, engineering services and environmental services, which have all been steadily improved. As at the end of December 2021, a total of 282 households had given their feedback on normal issues listed in the questionnaire, with the problems of 280 households satisfactorily addressed, representing a completion rate of 99.29% and a call-back satisfaction rate of 95.71%.

Property Owner Satisfaction Scores for Each Project of the Group





## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.4. Offer High-quality Services with the Customer-oriented Concept (continued)

#### 4.4.1. Property Service (continued)

##### 4.4.1.4. Optimize property owner complaint handling

The Group attaches great importance to the feedback and opinions of property owners and has established multiple channels to receive their complaints, including phone calls, physical visits, letters, cell phone app, and the government hotline 12345, with the aim of identifying problems and resolving crises in a timely manner. When we receive a form of requests from a customer, our assistant at the reception desk will first apologize and instantaneously send the request to the responsible department for rectification and resolution, which is expected to be completed within 24 hours. For customer requests that cannot be resolved, we will report it to the director or supervisor at a higher level while making reasonable explanation to the customers until they revoke such requests, after which our staff at the property service center will make a call-back to them to ensure they are satisfied. All the complaints received from property owners throughout the Year have been properly addressed.

In 2021, the Group continued to make efforts to ensure unobstructed communication with customers, and set up a property management booth on the Manager Reception Day to answer and address the questions raised by the property owners on site, with follow-up visits to ensure their satisfaction.



Unobstructed communication with property owners

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.4. Offer High-quality Services with the Customer-oriented Concept (continued)

#### 4.4.1. Property Service (continued)

##### 4.4.1.5. Colorful activities for property owners

The Group regards harmonious relations in the community as an important part of the mission of its property management centers. Through holding regular community activities, we invite property owners to come together for deeper communication with each other by means of games, interaction and other creative ways. We organized various cultural activities on holidays and festivals within the scope allowed for the purpose of COVID-19 prevention and control. The exciting cultural activities were very popular among our property owners and highlighted the charm of our property services.

During the Year, the Group's property management centers organized a total of 45 community activities for our property owners, with over 3,000 people attending, among which, the Chinese New Year celebrations which lasted from January to February 2021 and consisted of activities such as fai chun writing, visiting of the God of Fortune and sweet dumpling making etc., received enthusiastic feedback from the property owners; and the Mid-Autumn Festival and National Day activities, which lasted from September to October 2021 and consisted of children's painting contest, Women's Day celebration, outdoor sports, fun games etc., were also well received and recognized by the property owners.



Making sweet dumplings



Celebrating Spring Festival



Children's Painting Contest

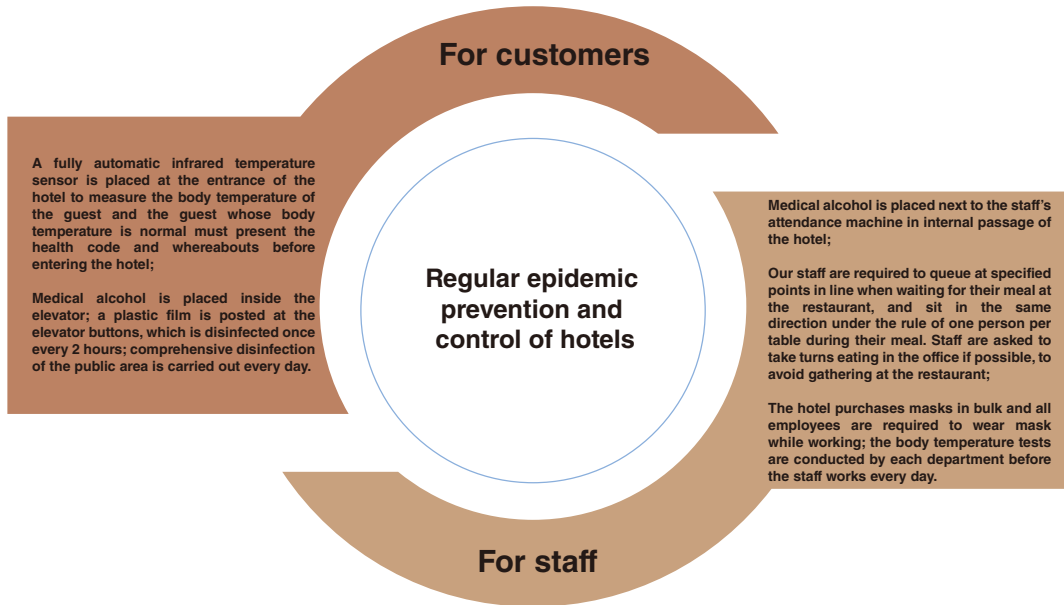
## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.4. Offer High-quality Services with the Customer-oriented Concept (continued)

#### 4.4.2. Hotel Services

##### 4.4.2.1. Epidemic Prevention and Control of Hotels

To safeguard the health and safety of our customers and employees, all hotels of the Group strictly followed the State's epidemic control requirements and implemented strict control measurements under the principle of epidemic normalization. The hotels of the Group held three emergency meetings on epidemic prevention and control throughout the Year, and promoted the relevant national and government requirements on epidemic through various means such as WeChat groups and posters to raise the awareness of our staff. At the same time, in response to the State's call, the Group comprehensively proceeded with the vaccination programme for all staff of the hotel business segment, with the 3rd "booster" vaccination shot rate for staff of the Group's Just Stay Resort (從化卓思道溫泉度假酒店) reaching 95%.



## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.4. Offer High-quality Services with the Customer-oriented Concept (continued)

#### 4.4.2. Hotel Services (continued)

##### 4.4.2.2. Improvement of Customer Service Quality

The Group's hotel operations are committed to providing attentive and sincere hospitality services to our customers, aiming to bring them an excellent and outstanding experience. We are always pursuing better improvement of customer service quality and enhancing our luxury service quality to meet the ever-changing needs of our customers. During the Year, the key initiatives of the Group's Guangzhou Just Stay Hotel and Just Stay Resort in improving customer satisfaction and maintaining customer relationship are as follows:

- ✓ **Instilling the proactive customer service concept:** The human resource administration department of the hotels continuously organizes service quality training for the staff, enabling them to improve their service initiative with an altruistic service model. During the peak check-in period, concierges are arranged to serve at the entrance of the lobby to provide inquiry services to customers, take the initiative to help arriving customers to open the car door and take their luggages, and then accompany customers to their rooms to rest after check-in, making customers feel at home.
- ✓ **Establishing and improving the VIP system:** Establish a VIP customer profile based on customer spending behaviors in the hotel, and provide personalized service according to customer preferences. 24-hour caring front desk, quick check-in, deposit-free and free room-check services are offered. Customer satisfaction of the hotel improved, and customer needs are addressed in a timely, efficient and effective manner, by understanding the needs of the customer.
- ✓ **Designing festive themed activities:** The sales department of the hotel designs activities according to the festival theme to enhance the festive atmosphere, for example, the "Gold Coin Shoveling (鏟金幣活動)", "Popular Band Live (人氣樂隊現場助興)", "Clown Blowing Balloon (小丑吹氣球)", "Guess the Light Riddle (猜燈謎)" with gifts during Mid-Autumn Festival, "Touching Santa Claus (摸出聖誕老人)" and "Catching Santa Claus (捕捉聖誕老人)" on Christmas Eve and Christmas Day, etc., which were interactive and well received by customers.



## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.4. Offer High-quality Services with the Customer-oriented Concept (continued)

#### 4.4.3. Information Security and Privacy Protection

The Group strictly adheres to the relevant laws and regulations such as the Cybersecurity Law of the People's Republic of China (《中華人民共和國網絡安全法》), and formulates and implements management regulations on the protection of customer information to protect the personal information of customers and owners at all times. We define the responsibility for the maintenance of data on units, customers and transactions, by setting out standards on access control and operation log maintenance in all customer data related aspects, including but not limited to its collections, storage and usage.

##### 4.4.3.1. Owner Information Security Protection

Since its establishment, the Group's property service center has paid great attention to the protection of owners' information and privacy. Starting from the development of relevant systems and requirements such as Document Management Measures and the Information Management Guide, it always requires the projects to strictly follow the systems and the property service center is required to check those items during each inspection. It is also stipulated that the project must have a dedicated person to manage the data documents and set up relevant standards and requirements in terms of storage, borrowing, copying and destruction.

- 1) **First Protection Line of Property Service System**  
For the security of owners' information and privacy, we have made protection to the daily used property ERP system of our property service center. Security certificates related to the system are purchased by the property company in accordance with the regulations to ensure that the information or links of the owners involved on both the staff side and the owner side are secure and certified. At the same time, the property service center provides different levels of authorization for different positions in the project to ensure the security of owners' information.
- 2) **Refining the Hierarchical Mechanism for Information Use**  
Basing on the existing mechanism, the center specifies the hierarchy for borrowing, using and copying different types of information, data and documents, and requires employees to use the relevant data according to the different level of approved authority. The information related to owners' privacy must not be borrowed or copied before receiving approvals from both the project leader of property service center and the leader of customer service department.
- 3) **Strengthen the Training on the Management of Owner's Information (Owner's Control Documents)**  
The Group strengthens staff training, project management personnel strengthen supervision, establishes the punishment mechanism, reviews every link in the use of information and document on regular basis, and imposes strict punishments according to the relevant punishment standard once it identifies noncompliance to prevent information leakage.

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.4. Offer High-quality Services with the Customer-oriented Concept (continued)

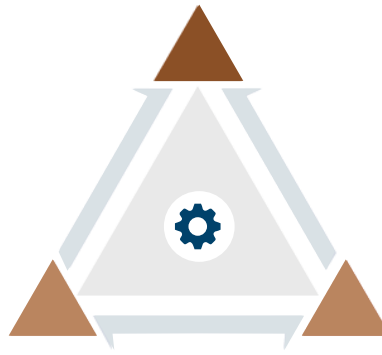
#### 4.4.3. Information Security and Privacy Protection (continued)

##### 4.4.3.2. Protection of Customer Information Security

The Group highly values the protection of customer information security checked in at the hotels to protect the interests of the Company and improve customer experience. Regarding the privacy and security of customer information, the Group implements in-depth customer information security protection measures based on three major principles: system management, authority management and supervision and administration.

#### system management

The Group strictly controls and properly manages documents containing customer information; marketing personnel cannot display the customer information book at will; the Group will impose a fine and investigate once such an act is noticed.



#### authority management

The Marketing Center implements the principle of delegating exclusive administration rights to designated persons, to reduce the access of non-essential personnel on the condition that the execution of operation personnel can be guaranteed. Through multi-level management and systematic processing, it reduces the information flow and the leakage risk caused by paper registration.

#### supervision and administration

The Marketing Center conducts inspections on regular basis, requiring marketing personnel to implement strict system document management; meanwhile, unused materials must be destroyed as soon as possible, and materials related to customer information must not be displayed at will.

## 4. Present Eco-friendly and People-oriented Property with Ingenuity (Continued)

### 4.4. Offer High-quality Services with the Customer-oriented Concept (continued)

#### 4.4.4. Responsible Marketing

The Group strictly complies with relevant laws and regulations such as the Urban Real Estate Administration Law of the People's Republic of China (《中華人民共和國城市房地產管理法》) and the Measures for Regulating the Sales of Commercial Houses (《商品房銷售管理辦法》). Practising responsible marketing and responding to customers' requirements as the bottom line of our services, we make every effort to protect our customers from infringement of their basic rights and interests while deeply building our corporate brand to enhance their brand experience with the Group. The Group continued to improve the marketing management system in the Year, and promoted the system to marketing leaders of each project and after-sales service personnel and offered them relevant trainings. It intervened in the project operation, and reviewed the implementation of each project afterwards, to ensure the implementation of compliant marketing.

At the same time, the Group's Marketing Center organised policy promotion trainings on marketing capability improvement, to further strengthen the professional ability of the marketing team, thus contributing to the rapid business development.

#### Marketing Policy Promotion Training Session

On 31 December 2021, the Group's Marketing Center conducted a comprehensive staff training on the review of its achievements of 2021 and the management direction of the Marketing Center. The training was conducted from six directions: brand integration, customer channel & experience marketing, planning management and empowerment, strict expenses control, sign back orientation (簽回導向), and channel risk control.

Particularly, it indicated in its strategic planning that for the purpose of facilitating the event of next year "Primary Year of Quality (品質元年)" of JY Grandmark, it would need to create its own nodes to strengthen the brand export. This training enabled all the staff of the Marketing Center to understand how to leverage the online "Jingli (景裡)" platform to expand the online customer base and how to create an offline experiential marketing to create a digital and traffic-oriented brand image. In terms of strategy planning and management, it declared that its strategy will be adjusted to one page to efficiently promote its implementation.

The training session effectively helped employees understand the Group's brand and core values, acquired the relevant internal rules and regulations and strategies to promote online marketing brand experience, and to fully execute responsible marketing.



Marketing Policy Promotion Training Session

# 5. Build a Better Future Together with Employees




The Group believes that its long-term and stable growth is rooted in its commitment to attracting and retaining diverse talents and providing a healthy and safe workplace that encourages innovation and inclusiveness for its employees. With the development of digital technology and technological innovation, and the ongoing upgrading of our business operation practices, the Group strives to consistently cultivate our employees to enable them to enhance their capabilities, and acquire the skills needed to achieve the Group's objectives.

In order to grow together with our employees in the sustainable development of the Group's business, the Group has established a series of comprehensive recruitment and employment systems, covering requirements and standards for fair recruitment, training and promotion, remuneration and benefits, and occupational health and safety. At the same time, the Group has established regulations on these requirements and standards to ensure the efficient management of human resources within the Group.

The Group strictly follows and implements the Labor Law of the People's Republic of China (《中華人民共和國勞動法》), the Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》) and other relevant laws and regulations. During the reporting period, the Group was not aware of any material breach of the laws and regulations relating to employment and labour.

## 5.1. Employment Management

The Group prohibits the employment of child labour or forced labour and no such cases occurred during the Year. It will promptly conduct investigations and promote the internal improvement once it notices that a candidate has provided false identity information or misreports his/her age or it discovers the evidence of forced labour. In 2021, the Group revised the Recruitment Management System to strengthen the Group's scientific and efficient recruitment in hiring system to address the Group's continuous demand for talents across its business segments development and to ensure the employment management work is carried out in an orderly manner in the human resources departments of each sector.

 <b>Employment Principles</b> <ul style="list-style-type: none"><li>• The Group in accordance with relevant regulations of the State, builds a standard and effective recruitment system.</li><li>• Respecting human rights, upholding the principles of equality, fairness and openness, the Group absorbs talents via the diversified recruitment model and attracts new members to the team to help the Group realise better and faster development.</li></ul>	 <b>Recruitment Channels</b> <ul style="list-style-type: none"><li>• The Group primarily adopts mainstream recruiting websites, such as liepin.com, Zhaopin.com and 51job.com.</li><li>• Meanwhile, the Group recruits outstanding talents via multiple approaches including internal referral and headhunting.</li></ul>	 <b>Diversified Employment</b> <ul style="list-style-type: none"><li>• The Group emphasizes a diverse and inclusive work environment and adheres to the employment requirements of frontline employee and leadership diversity.</li><li>• Upholding no bias of the leadership, and maintains an atmosphere of equality, unity and aggressiveness.</li></ul>
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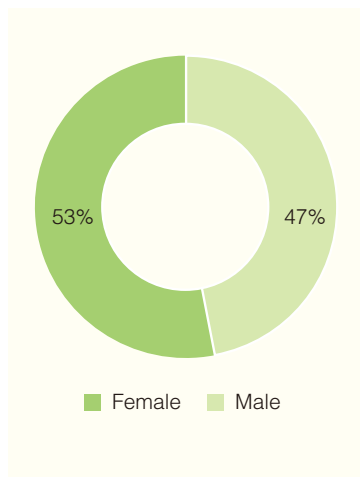


## 5. Build a Better Future Together with Employees (Continued)

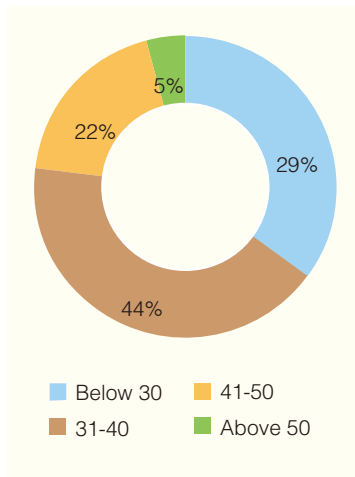
### 5.1. Employment Management (continued)

As of 31 December 2021, the Group had 983 full-time employees in total, with details shown below:

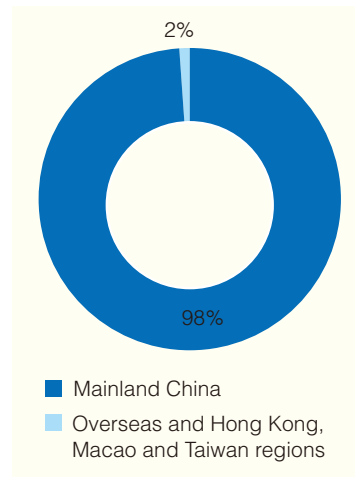
Number of Employees by Gender



Number of Employees by Age Group



Number of Employees by Region



During the Year, the highlights of the Group's major employment management efforts are as follows:

#### Optimization of the Group's organizational structure and personnel establishment

- Establishing, adjusting and optimizing the organizational structure of the Group with a view to enhance the overall management effectiveness

#### Employer's brand and system construction

- Increasing the efforts for corporate brand promotion on recruitment websites
- Implementing follow-up visits and communicating with new employees



#### Recruitment Standardization

- Updating the Group's recruitment system
- Standardizing the assessment system of headhunting suppliers

#### Recruitment management on key positions

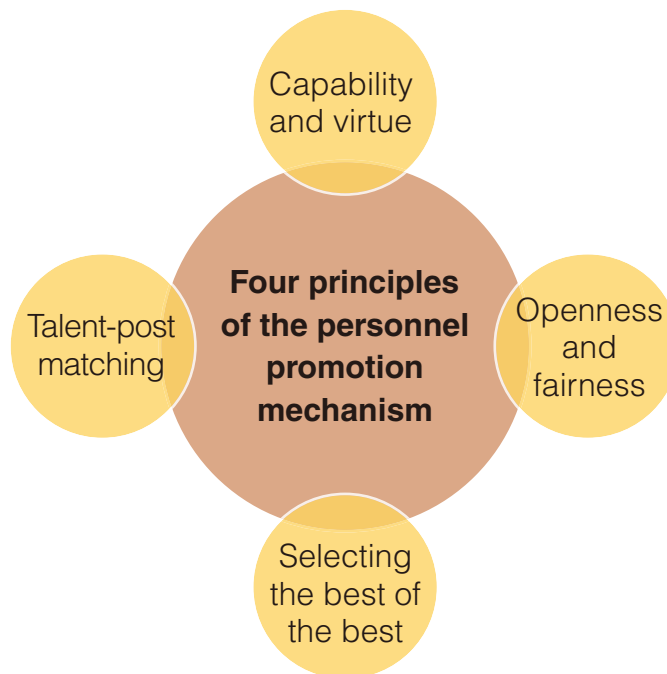
- Recruiting for key positions throughout the Year in line with the Group's business development needs
- Launching a marketing recruitment campaign in 2021 to attract marketing talents

## 5. Build a Better Future Together with Employees (Continued)

### 5.2. Performance Management and Career Promotion

The Group has fully mobilized the enthusiasm and initiative of all employees and established a comprehensive posting system and promotion mechanism within the Group. The Group has formulated and implemented the Administrative Measures for Employee Performance (《員工績效管理辦法》), which provides for a comprehensive assessment of employee performance through the regular compilation of statistics on key tasks, routine tasks and key positions, and uses the assessment results as an important basis for salary incentives and promotions. We attach great importance to the principle of fairness, impartiality and openness in the performance appraisal process, and closely consider the actual performance of each employee to achieve a comprehensive and reasonable evaluation. In addition, the Group focuses on empowering employees according to their needs, continuously optimizes the employee growth and development system, pays attention to the daily guidance of supervisors to employees, and continuously enhances the overall ability of employees to achieve the goal of mutual growth of employees and the Group.

The Group adopts the four major principles of “Capability and virtue, Openness and fairness, Talent-post matching and Selecting the best of the best” in the management of the Group’s personnel promotion mechanism.



## 5. Build a Better Future Together with Employees (Continued)

### 5.3. Talent Cultivation

We understand that the future of the Group depends on attracting and retaining talents. In this regard, the Group has set up various training platforms for our employees and launched various targeted talent cultivation mechanisms, with the aim of helping our employees to create opportunities for continuous growth and broaden their career development paths, so as to provide comprehensive protection for the Group's talent pool and development.

During the Year, the Board of the Group participated in training sessions on ESG regulatory requirements and corporate governance development in real estate, which actively promoting the importance of ESG concept management, risk management and internal control mechanism in the Group's business development. At the same time, in order to facilitate business development and improve the quality of services, the Group has continuously launched 5 sessions of marketing Top sales training, 7 days and 6 nights of excellent service training, as well as the continuous implementation of the Panshi Programme and other talent cultivation activities.

Highlights of training achievements of 2021:



#### Marketing Top Sales Training

- Organized **5** training sessions on marketing Top sales and marketing expansion, with a total of **303** attendees
- **8** learning topics, covering the basis of real estate sales after the epidemic, company development and brand introduction, experience sharing of successful customer expansion, etc.



#### Excellent Service Training Camp

- In order to develop and improve the service skills and self-confidence of the on-site staff, 3 sessions of excellent service training were conducted for **7** days and **6** nights, which trained the first batch of 45 high-end service staff



#### Panshi Programme and Summary of Projects

- In April and May 2021, the Group provided training and learning to the Group's senior management personnel around the operation and management capacity enhancement, mainly including real estate development process and management and real estate construction management



#### Creation Camp

- The Group has recruited diversified talents through the school recruiting activities of "JY Grandmark Creation Camp", and has trained **7** JY talents (景曜生) around business skill enhancement and quality ability
- Conducted **3** special learning sessions through communication and business improvement learning
- In September 2021, an annual review meeting was held to evaluate the growth of JY talents throughout the Year



#### ESG Regulatory Training for the Board

- The Group continued to actively promote ESG-related learning. The Group's Directors attended training on ESG regulatory requirements and the development of corporate governance in real estate, with the aim of strengthening the management and development of the Group's ESG concept.

## 5. Build a Better Future Together with Employees (Continued)

### 5.3. Talent Cultivation (continued)

#### Training Case 1

The Panshi Programme was launched on 1 September 2020 with a training period of one year. As a training project for the Company's executives, the Panshi Programme focuses on cultivating high-quality talents with good management strategies, project operation skills, proficiency in the Company's business and team leadership, aiming to cultivate a group of project general managers who have the courage to assume responsibility, motivation and ability to be successful, and reserve excellent talents for the Company to cope with industry competition and rapid development in the future.

In 2021, we continued to promote the implementation of the programme. By carrying out training related to project general management handbook study, real estate open process and management training, and exchange and sharing of JY engineering management, we have a total of four trainees who have completed key courses and carried out job practice and successfully promoted to project leader.





## 5. Build a Better Future Together with Employees (Continued)

### 5.3. Talent Cultivation (continued)

#### Training Case 2

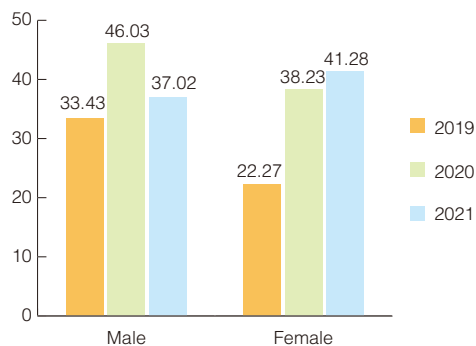
For new employees joined in 2021, we held a total of four new employee training sessions to help them to adapt to the Company rapidly and perform job duties, which recorded over 500 attendees. The training content focuses on the following areas:



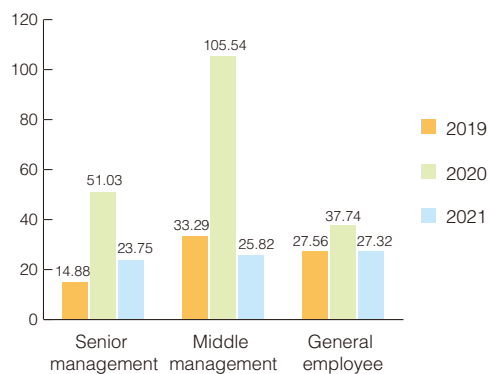
- The Company's history and corporate culture
- Superior project quality
- Product design
- Integrity and legal risks
- The Company's policies and systems
- OA system usage
- Financial reimbursement process
- Professional etiquette

Average training hours of the Group' employees in 2021 are shown below:

Average Training Hours of the Group's Employees  
(by Gender, Unit: hours/year)



Average Training Hours of the Group's Employees  
(by Position, Unit: hours/year)



## 5. Build a Better Future Together with Employees (Continued)

### 5.4. Occupational Health and Safety

It is one of the Group's responsibilities as a competent employer to ensure that our employees work in a healthy and safe manner. The Group believes that a healthy and safe working environment has an impact on employee's satisfaction, productivity and, ultimately, the overall performance of the organization. The Group strictly complies with laws and regulations such as the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》) and Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), advocates a healthy and safe workplace culture, establishes a comprehensive project safety management system, through strict implementation of the Management Methods for Safe and Environmentally Friendly Construction of JY Grandmark Group (《景業名邦集團安全文明施工管理辦法》), that fully implements the responsibility system for safe production, and strengthens safety inspection, supervision and services for the daily operation activities of its properties and hotels. During the reporting period, the Group did not experience any work-related injuries or deaths of employees nor did it have any serious violations of occupational health and safety laws and regulations.

#### **Highlights of the Engineering Center's work in 2021:**

During the Year, we revised the Group's Safety Production Management System (《安全生產管理制度》) and the Project Management Manual of JY Grandmark Group (《景業名邦集團工程管理手冊》) to further define the safety responsibilities of relevant units in project management. We require the engineering department of each project to include safe and civilized construction into the assessment of the construction unit and the engineering department, and organize safety and civilization inspection twice a month, prepare special emergency plans, and organize emergency drills regularly to eliminate safety hazards in a timely manner and improve staff safety awareness and emergency handling ability. At the same time, we include safety and civilized construction standards in the contract, and require project managers of new partners to be interviewed and approved by the Group before taking up the job. In addition, we emphasize safety education and training for supervisory units, implement relevant safety management responsibilities, and require supervisors to stand aside to supervise processes with higher risks. The Group's Engineering Center will organize regular random inspections and conduct accountable inspections of units and individuals who fail to implement the relevant measures.

#### 5.4.1. Epidemic Prevention and Control

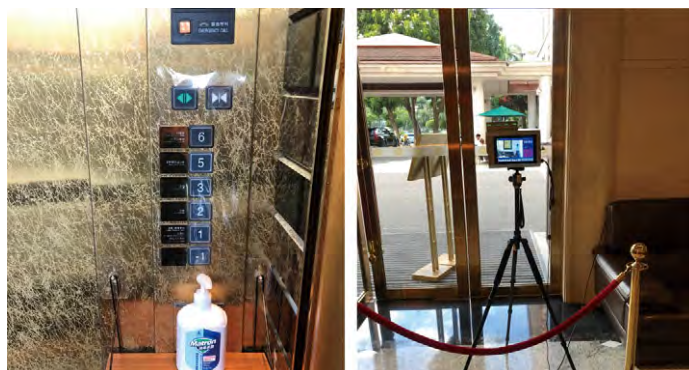
During the outbreak of the epidemic, in order to protect the lives and health of our employees, the Group set up an epidemic prevention and control team, arranged for dedicated staff to be on duty to conduct epidemic prevention and control inspections, and released the latest news and countermeasures related to the epidemic from time to time. We used a combination of online and offline methods to disseminate the latest guidelines on epidemic prevention and control through channels such as OA, corporate WeChat and posters, and requested the human resources administration departments at all levels to do the relevant work in a timely manner according to the local epidemic prevention and control requirements. We are equipped with an electronic temperature measurement system at the entrance of the office building and require all employees to monitor their body temperature and wear masks when entering and leaving the office area; we have a sufficient amount of wash-free disinfectant alcohol, masks and other epidemic prevention supplies in the front desk and executive car for visiting guests, and arrange for regular and comprehensive disinfection of office premises by designated personnel. In addition, we have organized vaccinations for our employees, and 98% of our employees have received at least one dose of the vaccine.

## 5. Build a Better Future Together with Employees (Continued)

### 5.4. Occupational Health and Safety (continued)

The Group issued the Latest Regulations and Guidelines on Working at Home during the Epidemic Prevention and Control Period (《關於疫情防控期間居家辦公的最新規定與指引》) to protect the health and safety of employees and ensure the smooth operation of the Group's businesses during the epidemic prevention and control period, under which employees who meet the conditions for working at home may apply to work online; for employees of the property and hotel segments who are required to be quarantined at home due to the epidemic, the Company will arrange paid leave or personal leave and provide subsidies for living expenses in accordance with local regulations. As our employees are in the front line of customer service, the Group reinforces the care and protection, reminding and supervision of our employees, both in terms of their awareness and active cooperation in work.

At the same time, during the Year, the Engineering Center requested the engineering department of each city company of the Group to clarify the system of responsible persons, ensuring the safety and health of the personnel involved in the construction site, and implementing comprehensive sanitation and disinfection of the construction site, domestic area and office area, establishing and implementing a real-name management system, through strict control of the personnel entering and leaving the construction site, and properly conducting personal registration and body temperature monitoring.



Epidemic Prevention of Just Stay Hotel



Epidemic Prevention Materials of Just Stay Resort

## 5. Build a Better Future Together with Employees (Continued)

### 5.4. Occupational Health and Safety (continued)

#### 5.4.2. Fire Emergency Drills

In order to further strengthen the safety management, raise the awareness of all employees on safe production, and timely identify and eliminate various fire safety hazards, the Group has conducted 21 fire drills throughout 2021 with a total of 397 participants. At the same time, in order to strengthen staff awareness of fire safety, safety precaution and emergency handling ability, Yunnan Branch, Zhuzhou Branch, Qingyuan Branch and Just Stay Resort held a fire drill in November this year. Through careful planning and strict organization in advance, the fire drill team clearly defined the drill steps and evacuation routes, meanwhile, under the guidance of the fire brigade and police station leaders on-site, the branches improved the actual resistance and emergency handling ability, and accumulated valuable experience to escape, self-rescue and mutual rescue in case of danger.

#### Tengchong JY Gaoligong Town Firefighting and Rescue Drill

In order to strictly implement the fire-fighting policy of “prevention first, combined with fire prevention and fighting”, Yunnan Zhuodu Property held a fire-fighting drill on 8 November 2021.





## 5. Build a Better Future Together with Employees (Continued)

### 5.4. Occupational Health and Safety (continued)

#### 5.4.2. Fire Emergency Drills (continued)

##### Fire Emergency Drill for “Risk Prevention and Safety Assurance” in Conghua Hot Spring Hotel

To effectively promote the fire safety management of the hotel, strengthen the ability of staff to escape and self-rescue, and ensure the health and property safety of hotel guests and staff, we launched a fire drill with the theme of “risk prevention and assurance” on 9 November 2021. At the same time, we invited the fire brigade of Conghua Hot Spring to cooperate and guide the drill.



## 5. Build a Better Future Together with Employees (Continued)

### 5.4. Occupational Health and Safety (continued)

#### 5.4.3. Safety and Civilised Training

In 2021, the Group's Engineering Center conducted three training seminars on environmental protection and safety and civilised construction, with a total of 73 attendees.



#### **JY Logan Jiuyun Mansion in Nanjing**

17 April 2021

Engineering Management System Training (Nanjing Project Special Session): The training was carried out in Nanjing Project site, with 30 attendees from Group Engineering Center and Engineering Department of Nanjing Project.



#### **JY Uniworld in Shitan Town, Zengcheng**

22 April 2021

Engineering Management System Training (Shitan Project Special Session): The training was carried out in Shitan Project site, with 20 attendees from Group Engineering Center and Engineering Department of Shitan Project.



#### **JY Egret Bay in Lingao County, Hainan Province**

14 May 2021

Engineering Management System Training (Lingao Project Special Session): The training was carried out in Lingao Project site, with 23 attendees from Group Engineering Center and Engineering Department of Lingao Project.

## 5. Build a Better Future Together with Employees (Continued)

### 5.5. Caring for Employees

The key to the corporate culture advocated by the Group is to be “people-oriented”, treating each employee as a member of the JY Grandmark Group Family, caring and creating a sense of belonging and happiness for each employee. Based on this, the Group regularly organizes various meaningful and interesting employee activities during work and major holidays to enrich the spare time of the Group’s employees and strengthen their solidarity with the Group.

#### 5.5.1. Club Activities

The Group established basketball and badminton associations in April and July 2021 respectively to provide employees with a healthy platform for sports, offline socializing and physical and mental relaxation through regular weekly club activities, and we encourage all employees to pay attention to physical and mental health and a healthy work life.



#### 5.5.2. Health Activities

In May 2021, the Company organized an outdoor hiking trip to Mafeng Mountain (帽峰山) for all employees. By carrying out such health activities, we hope that our employees could get close to nature, inhale fresh oxygen and relax. At the same time, we can raise staff awareness of green environmental protection and make our own contribution to protect the earth.



## 5. Build a Better Future Together with Employees (Continued)

### 5.5. Caring for Employees (continued)

#### 5.5.3. Collective Birthday Celebration

The Company considers all employees as our closest family members, and we thoughtfully organize collective birthday celebrations for all employees whose birthdays fall within that quarter. Through a variety of ways of celebrating birthdays, such as video recordings of wishes from the Company's executives, birthday tea breaks, and gift distribution, this enhances employees' sense of recognition and belonging to the Company, and we leave wonderful memories for all individuals and teams.



#### 5.5.4. Year-end Sprint Care

The Group warmly carried out employee sprint care activities during the year-end performance sprint stage. We demonstrated our care for all employees through a tea break delivery flash, a breakfast delivery flash, and other ways to “energize” our employees.



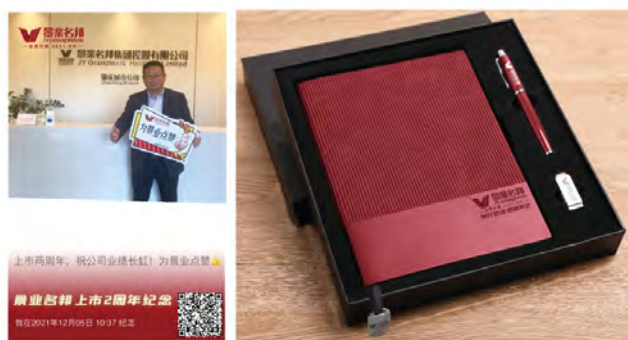


## 5. Build a Better Future Together with Employees (Continued)

### 5.5. Caring for Employees (continued)

#### 5.5.5. Anniversary Online Celebration

On 5 December 2021, the 2nd anniversary of our IPO, the Group launched an online interactive celebration campaign of “Jing devote to going far, the original heart is not 2 (景行致遠·初心不2)” to thank all employees for growing with us and to call on them to contribute to the green environment. All employees can scan the QR code to participate in the Company’s exclusive interactive ceremony online and vote for the best photo of the contest “the most beautiful moment with JY Grandmark”. We offered unique and beautiful souvenirs to the winners.

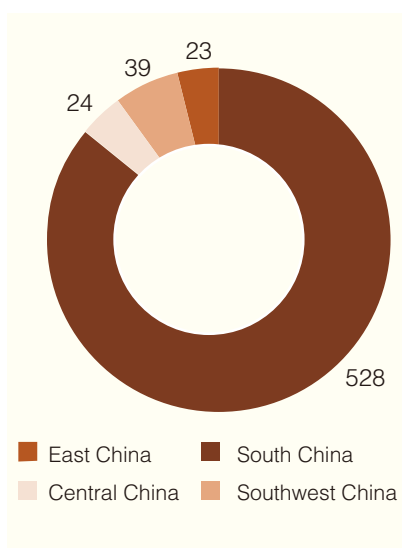


## 6. Stand Shoulder to Shoulder to Achieve Win-win Cooperation

JY Grandmark Group's quality system is inseparable from the close cooperation of its suppliers, therefore the Group strictly controls every quality control checkpoint, and handpicked high-quality suppliers of materials, construction contractors, etc., to jointly promote quality upgrading. The Group strictly abides by the Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》), the Law of the People's Republic of China on Government Procurement (《中華人民共和國政府採購法》) and other laws and regulations while formulating and implementing its own management measures, such as the Supplier Management Specifications and Material Supplier Management System, and is committed to establishing mutually beneficial cooperative relationships based on mutual trust with outstanding suppliers to create a sustainable supply chain environment.

In 2021, the Procurement Center of JY Grandmark Group adhered to the core concept of "Searching for the Best and Using the Best" in the development of business, and chose the best with the highest quality and efficiency, aiming to introduce excellent suppliers that match the Group's development concept. During the Year, the Group had a total of 614 suppliers in the PRC, among which, 271 suppliers have signed the anti-corruption agreement; it had a total of 66 suppliers with environmental and social policies, representing an increase of 12 suppliers compared with that of the previous year.

Number of suppliers (by region)



### 6.1. Supplier Access and Performance Evaluation

The Group conducts procurement in strict accordance with its Supplier Management Measures by standardized management processes, which includes a full-cycle supplier management process consisting of supplier development and admission, supplier performance assessment and supplier performance improvement.

- ✓ **Supplier admission mechanism:** Before new suppliers are introduced, the procurement center must conduct an on-site inspection together with the engineering center, design center and finance center, etc., and investigate whether the supplier has obtained approval for its environmental performance. In addition to obtaining the relevant information, the inspectors need to learn about the suppliers' capacity and product reliability in the real estate industry, with preference given to suppliers with ISO certificates or other quality-related certificates. At the same time, we will also examine and assess the suppliers' performance in safety and health management, labor and human rights management, and business ethics management. We will strive to minimize the environmental and social risks in the supply chain, thus reducing the impact on our products and services quality.

## 6. Stand Shoulder to Shoulder to Achieve Win-win Cooperation (Continued)

### 6.1. Supplier Access and Performance Evaluation (continued)

- ✓ **Supplier assessment mechanism:** During the Year, the Group developed a set of principles for handling capacity and quality problems incurred by the suppliers during their performance of contracts, as per which the Group will hold the defaulting suppliers responsible for the loss and regulate their behavior. In addition, the Group has developed a new system to assess, on an annual basis, the contract performance of the construction contractors. Through comprehensive assessment based on the benchmarks of quality, supplying capacity and economy, those who receive a general score of 85 or above (inclusive) will be rated as high-quality suppliers, those with a score of 60 or above (inclusive) will be rated as qualified suppliers, those with a score less than 60 will be rated as unqualified suppliers and be eliminated. Unqualified suppliers will not be allowed to participate in any of our project biddings for 2 years commencing from the day of the assessment results, and will have to go through the introduction process as a new candidate if they request to participate in our project bidding after 2 years.

### 6.2. Responsible Supply Chain

The Group constantly improves its management mechanism of suppliers based on the principles of justice, fairness, openness, transparency, integrity and adequate competition. By building a transparent procurement process to properly manage the environmental and social risks in the supply chain, we will be able to guarantee the quality and the length of cooperation. We will work together with our suppliers to establish and maintain good business order and fulfill our social responsibilities as corporate citizens.

#### 6.2.1. Integrated Supply Chain

During the Year, the Group strengthened the monitoring of its procurement system to ensure integrity, with an anti-corruption agreement attached to each contracts signed with its suppliers. Violating employees will be subject to serious punishment with the involved suppliers blacklisted and banned from admission forever. In 2021, the Group's Procurement Center reported 0 corruption incidents.

The key initiatives adopted by the Group in 2021 are as follows:

- ✓ **Principle of admission:** The suppliers/construction units are selected with reference to the prevailing industrial practices, i.e. through bidding, with the number of bidders being not less than 2N+1 in principle (N represents bid sections), so as to maintain fair competitive bids.
- ✓ **Bidding process supervision:** The Cost Center is responsible for management of bidders, bidding list and base price, which will assign different teams to handle bidders and base prices, to avoid risks of corruption. In addition, bidders to negotiate prices are required to strictly follow the bidding procedures and prohibited from careless or intentional leakages, so as to avoid risks of corruption.
- ✓ **Corruption report channels:** An anti-corruption agreement as well as the telephone number of the Audit and Supervision Center will be included in the bidding contract, and for any unfair issues that occurred during the bidding process, the bidders can directly report them to the auditors. Bidders conspiring in illegal bidding activities will be deprived of bidding qualifications, and filed at the Group Procurement Center, who will not be allowed to participate in any of the Group's project biddings and quotations for at least three years.

## 6. Stand Shoulder to Shoulder to Achieve Win-win Cooperation (Continued)

### 6.2. Responsible Supply Chain (continued)

#### 6.2.2. Quality Supply Chain

When selecting suppliers, JY Grandmark Group attaches great importance to the review of the suppliers' qualifications, and will urge the suppliers to fulfill their corporate social responsibilities, and jointly explore for sustainable development. In 2021, there were 66 suppliers with ISO certification (including ISO9000, ISO14000 and ISO45000) in the Group's supplier reserve, among which, there were 13 with ISO9001, ISO14001, GB/T28001 certification, representing an increase of 4 compared with that of the previous year. We continuously optimize the quality of the suppliers in the Group's reserve while strengthening the management of the environmental and social risks in the supply chain.

The Group exercises supplier management with eco-friendliness, low carbon, and environment-friendliness as its targets and incorporates the principle of environmental protection into the process of supplier selection. We insist on green procurement, with priority given to local resources, so as to reduce the unnecessary waste and emissions of materials during transportation. In addition, we exercise strict control in the selection of materials, and prefer those suppliers with adequate quality certifications in our procurement of materials such as tiles, elevators, emergency lighting, recreational facilities, and will urge our suppliers to fulfill their environmental responsibilities. The Group actively works with its suppliers to jointly enhance the environmental management level across the whole supply chain, aiming to achieve the sustainable development of the industry supply chain.

##### 6.2.2.1. Improve the supervision mechanism and inspecting system

The Group is well aware of the importance of quality control. Therefore, we require our construction contractors to establish a series of quality control measures and comply with the relevant laws and regulations related to quality management, such as the Construction Law of the People's Republic of China (《中華人民共和國建築法》). During the implementation of the project, we demand regular inspections to be carried out by the contractors to ensure normal progress of the project and strict compliance with our guidelines. We also hold meetings regularly to address serious quality problems in a timely manner and ensure that enough resources are allocated for the on-time completion of the project.

In addition, in order to effectively prevent and resolve environmental and social risks, the Group's Procurement Center and demanding departments will jointly conduct on-site inspections on materials, and establish a strict inspection system for the construction contractors. The inspection will cover five aspects, such as the amount, outer packaging, storage, structure and appearance, use and installation of the materials. The records of material check will be maintained during the inspection and a meeting be held on the project site to summarize the inspection findings, with the relevant records compiled into a report to be confirmed by the relevant personnel. The inspection report will be submitted to the persons in charge of the demanding departments, so as to have the issues that need to be rectified, together with the measures, people responsible and time needed, materialized.



## 6. Stand Shoulder to Shoulder to Achieve Win-win Cooperation (Continued)

### 6.2. Responsible Supply Chain (continued)

#### 6.2.2. Quality Supply Chain (continued)

##### 6.2.2.2. Adoption of environmental protection materials

In 2021, the Group continued to explore and apply environmentally friendly materials to actively promote a green supply chain. The Group has increased the application of Stone Plastic Composite (“SPC”) wallboard in various projects, which is a new type of integrated wallboard that does not require glue in the production process, has zero aldehyde added, and does not contain substances such as benzene and lead, thus solving the problem of formaldehyde from the source. At the same time, SPC wallboard are made of stone crystal substrate, which is easy to install, without shoveling and moving soil, it greatly shortens the construction process, decreases time and cost, and also reduces the problem of environmental pollution that commonly exists in traditional decoration forms, truly realizing the ecology, environmental protection, green, health, and cost-effective.



Application of SPC environmental wallboard

#### 6.2.3. Supplier Communication

The Group strives to communicate closely with our partners and provides open and transparent communication channels for suppliers. We communicate with our partners through on-site visits, seminars, industry exhibitions, emails and phone calls to jointly explore new opportunities for the development of the industry. At the same time, the Group organized a seminar for construction units of special projects, in which the Design Center, Engineering Center, Procurement Center, Cost Center and Engineering Department of our branches participated, analyzed the problems on the construction site and explored the solutions together with the suppliers to ensure the quality of the project.

## 6. Stand Shoulder to Shoulder to Achieve Win-win Cooperation (Continued)

### 6.2. Responsible Supply Chain (continued)

#### 6.2.3. Supplier Communication (continued)

As of 31 December 2021, the Group participated in a total of six forums and exhibitions organized by suppliers, details of which are as follows:

On 15 March 2021, the Group's Procurement Center and suppliers held an exchange meeting with CDN Light, to jointly discuss the design and application of real estate lighting.



Exchange meeting with CDN Light

On 19 April 2021, the Group sent representatives to attend the Foshan International Ceramic & Bathroom Fair ("CERAMBATH") and learn about the latest technology and tiles, as well as to look for business negotiations and cooperation with potential suppliers.



New tile technology displayed at CERAMBATH

## 6. Stand Shoulder to Shoulder to Achieve Win-win Cooperation (Continued)

### 6.2. Responsible Supply Chain (continued)

#### 6.2.3. Supplier Communication (continued)

On 10 May 2021, the Group participated in the 13th China Int'l Integrated Housing Industry & Building Industrialization Expo ("CIHIE") to attend and learn the technology of assembled green building.



CIHIE Site

On 27 September 2021, the Group held a training session with suppliers on tile knowledge, where both sides discussed the quality of tiles in depth.



Tile knowledge training session



## 6. Stand Shoulder to Shoulder to Achieve Win-win Cooperation (Continued)

### 6.2. Responsible Supply Chain (continued)

#### 6.2.3. Supplier Communication (continued)

On 21 October 2021, the Group participated in the introduction meeting of intelligent products of Léwin to gain a deeper understanding of the new products related to intelligent housing and explore the cooperation opportunities with potential suppliers.



Léwin intelligent product introduction meeting

On 9 December 2021, the Group participated in the Guangzhou Design Week exhibition to experience various new building materials and designs on site.



Guangzhou Design Week exhibition

# 7. Maintaining Integrity and Compliance for a New Chapter of Probity

The Group is firmly committed to a culture of integrity and compliance and adopts a zero-tolerance attitude towards any acts or activities that violate the regulations. The Group strictly complies with the laws and regulations such as the Criminal Law of the People's Republic of China (《中華人民共和國刑法》) and the Interim Provisions on Prohibiting Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》). During the reporting period, the Group did not experience any violation of laws and regulations relating to bribery, extortion, fraud and money laundering, and there were no identified incidents of corruption or public legal cases relating to the Group. In order to continuously enhance the awareness of integrity and compliance among all employees of the Group, the Human Resources Administration Center has been conducting anti-corruption training on employee code of conduct, management system and corporate ethics and morality for new employees of the Group, various segments and branches. During the Year, the Group held 6 probity training sessions with an aggregate of 231 training hours, covering 70 employees.

## 7.1. Probity Department Construction

In order to implement integrity and ethical conduct, the Group has established an audit and supervision center, which focused on the following tasks in 2021:





## 7. Maintaining Integrity and Compliance for a New Chapter of Probity (Continued)

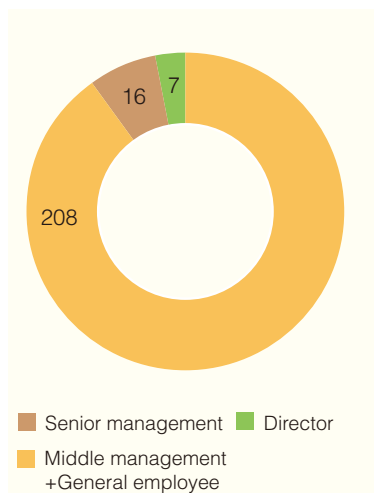
### 7.2. Anti-corruption and Integrity Training

The Group's Human Resources Administration Center held four training sessions for new employees in 2021 on 24 August and 21 October 2021. A total of 146 new employees from the Group, various segments and branches attended the training. The training content was based on the three thematic modules of company development and corporate culture, product introduction and system. The supervisory director of the Group's Audit and Supervision Center provides all new employees with an in-depth explanation and interpretation on the correct concept of integrity, encouraging all new employees to adhere to the ethical bottom line and raise their awareness of corruption and other illegal acts.

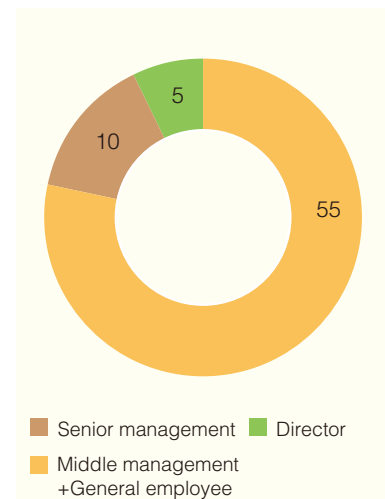


Anti-corruption Training

Training hours by position



Number of attendees by position



## 7. Maintaining Integrity and Compliance for a New Chapter of Probity (Continued)

### 7.2. Anti-corruption and Integrity Training (continued)

#### Highlights of anti-corruption training for 2021

Highlight 1: To improve the risk management capability of the Company and optimize the audit and supervision system, on 11 May 2021, the Group transferred the functions of the Legal Department of the former Human Resources Administration Center to the former Audit and Supervision Department and renamed it as the Audit and Supervision Center in accordance with the “Notice on Group Organizational Restructuring (《關於集團組織架構調整的通知》)” issued by the Human Resources Administration Center. At present, the Group’s Audit and Supervision Center has added legal and risk management functions. In the first half of the Year, we received 7 reports or complaints lines, and after preliminary investigations were conducted, we launched formal investigations into the issues of illegal construction and sales referrals.

Highlight 2: To strengthen the business skills of the staff of the Audit and Supervision Center and enhance the risk management culture and level of the Company, the Group has set up a “JY risk control platform” and organized internal and external training activities from time to time. As of the first half of 2021, we have conducted 10 training sessions, including 4 internal training sessions for the staff of the Audit and Supervision Center and 6 training sessions for other functional departments.

### 7.3. Anti-corruption Whistle-blowing Channel

Currently, the Group’s audit and supervision mainly uses three types of channels, namely daily audit work discovery, telephone whistle-blowing and mailbox whistle-blowing. In order to enhance the operational efficiency of the whistle-blowing channels, the Audit and Supervision Center has strengthened the construction of whistle-blowing channels for the Year, in addition to the existing channels, we have added the production of posters to convey the information of integrity reporting to all subsidiaries, departments, households and suppliers of the Group, so as to raise the awareness of staff to comply with the law, create a comprehensive monitoring environment and implement the upward integrity reporting section.



The Group encourages the reporting of any illegal activities and will ensure that the personal information of whistleblowers is fully protected. In the event of any solicitation of gifts or bribes, employees, customers or suppliers can proactively claim through the following channels:

- **Group Integrity Whistle-blowing phone number: 020-85827683**
- **Group Integrity Whistle-blowing email address: lianzheng@jygrandmark.com**
- **Letter, courier delivery address: Audit and Supervision Center of JY Grandmark Group, No.198 Guanjing Road, Nancun Town, Panyu District, Guangzhou (Postal Code: 511400)**

In 2021, a total of 5 whistle-blowing emails were received by the Group integrity whistle-blowing email, of which 1 was reported in real name and the rest were anonymous. After verification, we have confirmed that 2 of them are valid whistle-blowing, and we have launched in-depth investigations.

# 8. Low Carbon and Environmental Protection for a Green Picture

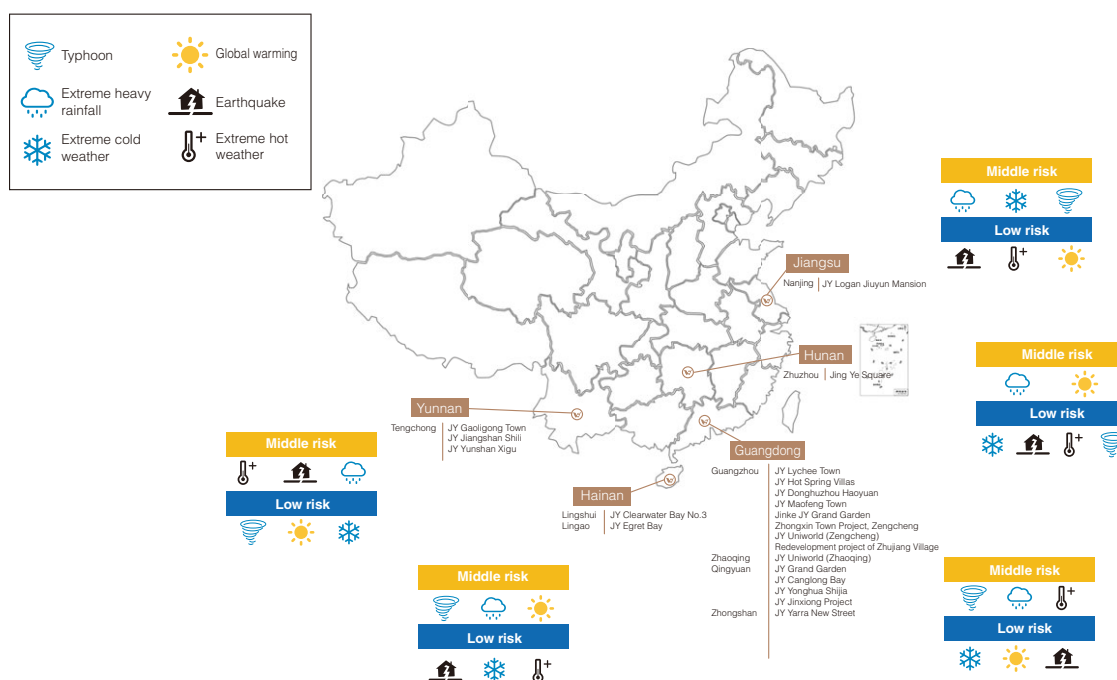
Creating a green and sustainable low-carbon lifestyle is one of the Group's key ESG management concepts, and we fully understand that people and nature are the common denominator of life. At present, climate change is a threat to human life and the health of the planet, and it is closely related to the Group's business, supply chain and customers. The Group is in compliance with the relevant requirements of the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), and integrates green and low carbon concepts into product designs, and promotes the transformation and upgrading of modern living style. At the same time, in order to make our employees understand and practice green concepts, the Group has been strengthening the internal environmental management standards. The Group pursues green development and strives to live in harmony with the natural ecological environment while sustaining its business development.

## 8.1. Tackling Climate Change

Under the guidance of United Nations Framework Convention on Climate Change, the Chinese government is promoting the comprehensive and efficient implementation of the Paris Agreement, striving to achieve peak CO<sub>2</sub> emissions by 2030 and carbon neutrality by 2060.

Based on these trends, the Group is actively responding to national policies and with a view to building a climate-resilient corporate future, we have adopted the Task Force on Climate-Related Financial Disclosures risk list to thoroughly explore and analyze the risks of climate change and the potential impact on the Group's business, and to develop countermeasures.

### 8.1.1. Identifying Risks and Opportunities of Climate Change









JY Grandmark Physical Risk Distribution Map for Climate Change

## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.1. Tackling Climate Change (continued)

#### 8.1.1. Identifying Risks and Opportunities of Climate Change (continued)

The Group has identified a number of climate change risks and has developed corresponding measures as follows:

Physical Risk	Extent of Impact	Measures
<b>Acute risks</b>  <b>Typhoon</b>  <b>Extreme heavy rainfall</b>  <b>Extreme cold weather</b>  <b>Earthquake</b>  <b>Extreme hot weather</b>	<p>The increasing frequency and severity of extreme weather events such as earthquakes, heavy rainfall, heat island effect, etc. leads to an increase in the risk of stranded assets.</p>	<ul style="list-style-type: none"> <li>• Make typhoon emergency plan</li> <li>• Adopt more durable and firm facilities and materials</li> <li>• Test the seismic capacity of the building to ensure earthquake-resistance</li> <li>• Formulate safety risk prevention and control measures to ensure the health and safety of employees</li> <li>• Conduct regular training on emergency plan drills</li> </ul>
<b>Chronic risks</b>  <b>Global warming</b>		

## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.1. Tackling Climate Change (continued)

#### 8.1.1. Identifying Risks and Opportunities of Climate Change (continued)

Transition Risks	Extent of Impact	Measures
<b>Climate-related policy risks</b>	Increasing carbon tax and stricter building standards will lead to higher operating and building costs	<ul style="list-style-type: none"> <li>Regular asset upgrading and improvement work</li> <li>Speeding up the green and low-carbon features and innovation in development projects</li> </ul>
<b>Call on companies to take greater responsibility for their waste production</b>	Improving waste disposal links will lead to increased operating costs	<ul style="list-style-type: none"> <li>Sound waste management in the process of project development</li> <li>Use prefabricated buildings to reduce waste and achieve energy saving and consumption reduction</li> </ul>
<b>Water security risk</b>	<p>The higher demand for water efficiency will lead to the overall operating cost increase of the Group</p> <p>Water shortage and water outage may interrupt the continuity of business of the Group</p>	<ul style="list-style-type: none"> <li>Design the projects to focus on the sustainability of water throughout the life cycle of any asset</li> <li>Continue to explore feasible water management solutions where possible</li> </ul>
<b>Increase in insurance cost of assets</b>	Climate leads to higher insurance premium, lower coverage rate and exposure of uninsurable assets	<ul style="list-style-type: none"> <li>Continue to develop green building design and seek more opportunities for green financing and green bonds</li> </ul>

Trends	Opportunities
<b>Looking forward to the future, the whole society will transform into a green, low-carbon and zero-carbon path</b>	Technological progress provides great opportunities for reducing energy costs and transitioning to a low-carbon economy. Due to the gradual adoption of sustainable materials and building technologies, our business operations are in a favorable position in terms of energy efficiency and low-carbon performance.
<b>Consumer motivation is on the rise</b>	Consumers increasingly express their preference for more environmentally friendly products and brands committed to responsible business practices. This will bring new market opportunities.
<b>China has a strong development trend of green finance</b>	The rapid growth of responsible investment and sustainable finance provides us with an important opportunity to release alternative financing flows. Looking ahead, we will explore business opportunities with sustainable financing and sustainable development features.



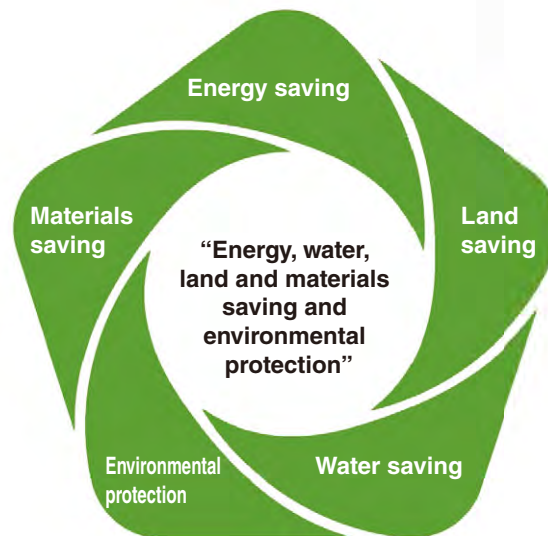
## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.2. Green Building Model

With the goals of achieving carbon peak and carbon neutrality, it is undoubtedly of great significance to promote the development of green buildings and the sustainable development in the field of architecture. JY Grandmark Group actively explores the design scheme of low energy consumption, environmental protection and high efficiency, vigorously promotes and explores the development of green buildings, and is committed to providing healthy, applicable and green living space for people, and realizing high-quality buildings to the maximum extent with harmony between man and nature.

#### 8.2.1. Green Building Design

The Group always advocates for designs conforming to national green building standards, and accelerates the research and development and design of green building system. We take “energy, water, land and materials saving and environmental protection” as the basic underlying theme to design green buildings, follow closely the development of building technology, and integrate high-tech building technologies and concepts such as building industrialization, sponge city, healthy building and building information model into the requirements of green buildings. In addition, through setting technical requirements by taking into consideration the safety, durability, service, health, livability and all age-friendly of the building, this acts as a further guide for the Group in exploring the dimensions of green life, green family, green community and green travel, and so expanding the connotation of green buildings.



The basic underlying theme of green building design

## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.2. Green Building Model (continued)

#### 8.2.1. Green Building Design (continued)

**JY Uniworld (Zengcheng) uses the design features of green buildings to create green residential building, commercial building and public supporting areas**

In 2021, the JY Uniworld project in Zengcheng promoted by the Group applied the characteristics of green building technology, and injected green design elements into residential buildings, commercial buildings and public supporting areas, effectively reducing building energy consumption and providing green and healthy lifestyles for residents and owners.

- ✓ **Improve the thermal performance of enclosure structure:** The external wall of this project adopts aerated concrete block and thermal insulation mortar with expanded and vitrified beads, which meets the requirement that the average comprehensive shading coefficient of external windows is increased by 5% compared with the requirements of “Design Standard for Energy Efficiency of Residential Buildings in Hot Summer and Warm Winter Zones (JGJ75-2012)” (《夏熱冬暖居住建築節能設計標準》JGJ75-2012).
- ✓ **Adopt water-saving appliances:** All water appliances in the project are water-saving, which meet the requirements of “Domestic Water-Saving Devices (CJ-164)” (《節水型生活用水器具》CJ-164) and “Technical Conditions for Water-Saving Products and General Regulation for Management (GB 18870)” (《節水型產品技術條件與管理通則》GB 18870).
- ✓ **Upgrade sound insulation effect:** The air sound insulation performance of household floor is 55.15/55.55dB, and the impact sound insulation performance of bedroom and living room floor is 63dB, far exceeding the sound insulation performance requirement of less than 45dB in the current national standard “Residential Building Code (GB50368-2005)” (《住宅建築規範》GB50368-2005), effectively reducing outdoor noise and neighboring noise.



JY Uniworld (Zengcheng)

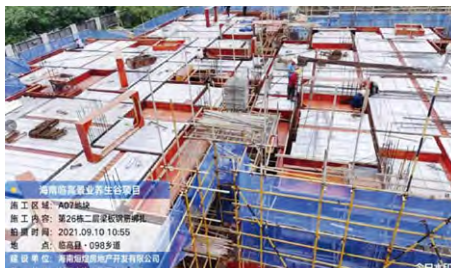
## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.2. Green Building Model (continued)

#### 8.2.2. Further Development of Prefabricated Buildings

The Ministry of Housing and Urban-Rural Development of PRC issued the 14th Five-Year Plan for the Development of Construction Industry (《「十四五」建築業發展規劃》), which clearly stated that by 2025, prefabricated buildings would account for 30% of newly-built buildings, so as to speed up the realization of new building production modes with energy saving, environmental protection and maximization of the whole life cycle value of building products. The Group actively responded to the call, vigorously promoted the development of prefabricated buildings in products, and transferred a large number of on-site operations in traditional construction modes to factories that were manufactured in industrialized forms, then transported, assembled and installed on site by reliable connection methods. This method can not only reduce the labor intensity, but also weaken the influence of weather environment and other factors on construction, and achieve the advantages of energy saving, environmental protection and speeding up the construction progress.

In 2021, among the new projects promoted by the Group, there were buildings constructed in prefabricated mode with integrated design in Zhuzhou Jing Ye Square Phase I, Phase II, Zhuzhou Mountain Lake Gulf project Phase II, Phase III, JY Uniworld project in Zengcheng, Guangzhou, and A04 Land and A07 Land in Lingao, Hainan. We adopt the “prefabricated building design concept” to carry out prefabricated construction with component standardization, modularization, light weight, fewer specifications, more assemblies, easy factory production, easy construction and operation. According to the characteristics of prefabricated buildings, the prefabrication design concept is adopted throughout by the whole design process with the cast-in-place and prefabricated parts are reasonably divided, to reduce the amount of masonry work and realize zero plastering. Meanwhile, we have studied the assembly strategy of these projects, and the main prefabricated components specified and used include laminated floor, prefabricated stairs, prefabricated light-weight interior partition wallboards, etc., so as to simplify the design process, shorten the design cycle and make the design quality more controllable.



Prefabricated construction site for JY Egret Bay in Lingao County, Hainan Province



Prefabricated reusable building components on construction site

## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.2. Green Building Model (continued)

#### 8.2.3. Ecology and Heritage Conservation

The Group emphasizes ecological environment elements and cultural monuments in the construction process of the project, and strictly abides by the Cultural Relics Protection Law of the People's Republic of China (《中華人民共和國文物保護法》), the Regulations for the Implementation of the Cultural Relics Protection Law of the People's Republic of China (《中華人民共和國文物保護法實施條例》), the Regulations of Guangzhou Municipality on Protection of Cultural Relics (《廣州市文物保護規定》) and other laws and regulations. As a city builder, JY Grandmark Group respects local natural resources and cultural history, protects, transforms and utilizes them for rejuvenation in the new era.

In 2021, in the old renovation project of Zhujiang Village, we respected the local cultural habits, carried out special cultural protection design work for local ancestral halls, and made classified design for relocation, reconstruction and repair of different ancestral halls to maximize the protection of local cultural monuments, etc. Meanwhile, the Group invited experts from ancient construction units to conduct on-the-spot evaluation, trying to renovate by bypassing ancestral halls, ancient trees and other historic sites, to avoid destroying historical relics in the development process. When implementing demolition and reconstruction, the Group actively negotiated with the local people with friendliness, took humanistic care and promoted the humanistic integration of the urban redevelopment in local areas.



Old temple protection and renovation



Waterfront ancient tree landscape belt

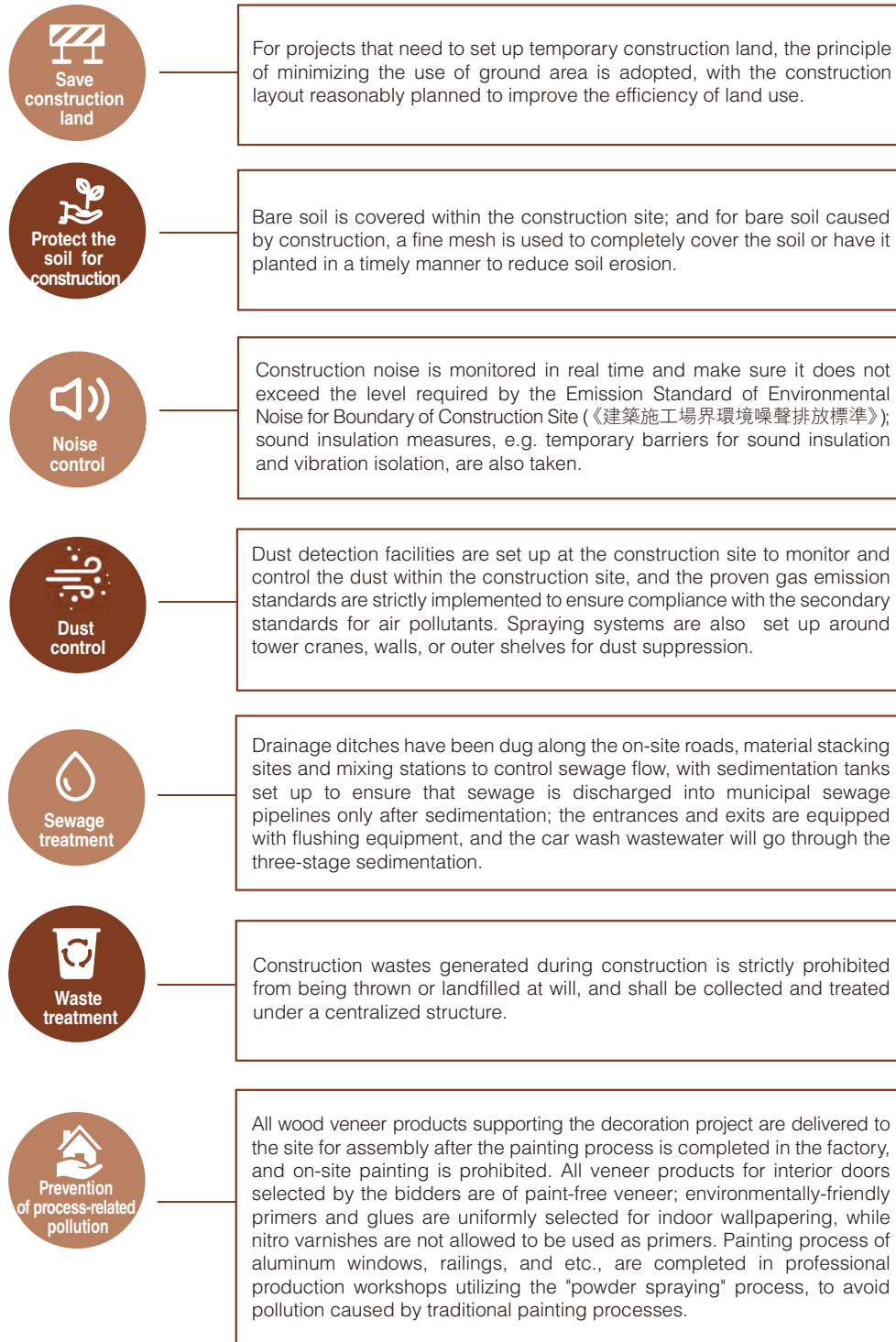
### 8.3. Green Construction Process

The Group actively responds to the call of national policies, follows the Technical Guidelines for Green Construction (Trial) (《綠色建造技術導則(試行)》) issued by the Ministry of Housing and Urban-Rural Development and other related policies, and strives to improve the level of green construction to contribute to the development of green construction methods and the high-quality development of urban and rural development. The Group strictly implements the Management Methods for Safe and Environmentally Friendly Construction of JY Grandmark Group (《景業名邦集團安全文明施工管理辦法》), and actively promotes various environmental protection measures during the construction of the projects. The main focus is on saving construction land, protecting construction soil, noise control, dust control, sewage treatment, waste treatment, preventing process pollution, etc., so as to improve the resources utilization efficiency and minimize the harm of construction emissions to the human body and the environment.

## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.3. Green Construction Process (continued)

The environmental management measures adopted by the Group for green construction sites are as follows:



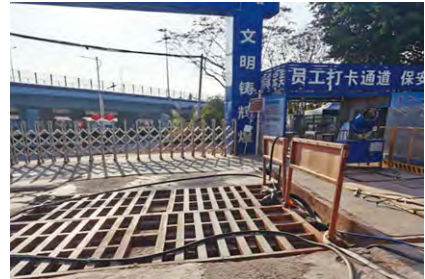


## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.3. Green Construction Process (continued)



Dust detectors are installed at the construction site



Car wash pools are set up at the entrances



The bare soil at the construction site is covered with turf



A dedicated wastewater discharge site is maintained at the construction site

## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.4. Green Operation

The Group is well aware of the importance and urgency of enterprise sustainable development. The Group continues to adopt the concept of environmental protection within its daily operation, and strives to achieve green and low-carbon operation. During the Year, the Group's property and hotel business sector intensified their efforts in energy conservation and emission reduction, and implemented various energy-saving renovation projects, replaced energy-saving LED lights, and gradually adjusted the water consumption of water-saving valves. We continue to manage and make rational use of energy, water resources and wastes, and match the operation demand with the least resource consumption by means of equipment renovation, renewal and recycling, so as to achieve efficient energy saving and consumption reduction results.

#### 8.4.1. Energy Consumption Management

The Group emphasizes the rational use of energy to save energy and reduce the cost of production and operation. In the future, we will continue to explore and apply the latest energy-saving technologies to achieve more efficient energy management, and strive to reduce energy use, thereby reducing greenhouse gas emissions. During the Year, the Group continued to optimize energy consumption management measures on the basis of 2020 as follows:

- ✓ **Renew energy-saving lighting system:** As of 31 December 2021, 800 LED energy-saving lamps have been replaced in all areas of the hotels, with the average monthly electricity consumption reduced by about 1,400 kWh and the cost by about RMB1,000. Meanwhile, the property management centers of various projects debugged the lighting time of street lamps according to seasonal changes in 2021. Among them, the underground garage, high pole street lamp of main road and garden pole lamp of Lychee Town Phase I project realized energy saving and consumption reduction with a total annual saving of 261,396 kWh and RMB159,500.
- ✓ **Control the use of central air-conditioning cooling system:** The central air-conditioning cooling system of Just Stay Hotel, Panyu, Guangzhou, a subsidiary of the Group, has a large power load, which accounts for about 60% of the total power consumption. In order to reduce the excessive energy consumption, the Group reasonably adjusts the outlet temperature of chilled water of the central air-conditioning cooling system according to daily temperature, and installs a time controller in the control panel of the main engine to appropriately reduce the running time. Compared with that of the previous years, the average monthly electricity consumption is reduced by about 3,200 kWh and cost by about RMB2,200, which is remarkable in terms of energy saving and consumption reduction.
- ✓ **Renovate the energy-saving equipment:** All hotels of the Group have launched projects for energy-saving equipment renovation, such as replacing the kitchen energy saving furnace head and air conditioning waste heat recovery tank.

## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.4. Green Operation (continued)

#### 8.4.1. Energy Consumption Management (continued)

##### Guangzhou Conghua Just Stay Hot Spring Resort Hotel – Air Conditioning Waste Heat Recovery Project

In May 2021, Guangzhou Conghua Just Stay Hot Spring Resort Hotel, a subsidiary of the Group, invested more than RMB60,000 for the installation of 10 cubic meters of air-conditioning waste heat recovery water tank and pipeline reconstruction, and recovered 3,098 tons of hot water in the air-conditioning season, saving about RMB20,000 of electricity fees. The air-conditioning waste heat recovery technology recycles the waste energy, which not only reduces the thermal pollution of air-conditioning equipment to the environment, but also saves the energy and cost consumption of electric water heaters and other equipment, which has a dual energy saving significance for the Group in operating the hotel business segment.



Air conditioning waste heat recovery equipment

## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.4. Green Operation (continued)

#### 8.4.2. Water Resources Management

The Group attaches great importance to the water resources management of each business segment in daily operation. We pay attention to the recycling of water resources in the project construction, and improve the efficient utilization of recycled water by applying backwater system, setting water-saving valves and other technologies. We regularly inspect and maintain the water supply equipment and pipelines of various communities and construction projects to avoid the waste of water resources caused by bursting pipelines. Meanwhile, we actively promote the publicity and implementation of internal water conservation, so as to enhance the awareness of all employees in the work process.

In addition, the 3-year data collection enables us to have a comprehensive understanding of water use. We assess the water consumption density and set a baseline as the basis for water-saving target setting, and further reduce the water consumption in the future.

In 2021, Just Stay Hotel, Panyu, Guangzhou, a subsidiary of the Group, gradually adjusts the water output of kitchen faucets and water-saving valves of guest washbasins, and appropriately reduces the water pressure to achieve water-saving effect. With this measure, Just Stay Hotel in Panyu, Guangzhou saved about 10 tons of water per month on average in 2021, or about RMB340 in water fee. The measure showed significant water-saving effect and effectively solved the problem of large water output and water waste.

#### 8.4.3. Waste Management

The Group strictly abides by the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》), the Administrative Measures for Urban Living Garbage (《城市生活垃圾管理辦法》) and other relevant laws and regulations, actively promotes relevant national initiatives by carrying out waste separation at its properties and hotels to avoid pollution of the environment by hazardous substances. We will continue to improve the current data collection work to understand the situation of waste emission. By converting into density measures, we can compare the waste emission performance, so as to make plans and reduce unnecessary waste.

In 2021, under the government guidance, the property company of the Group focused on the improvement of waste separation and trash can watching. On the one hand, the watching and supervision reminded customers of the correct separation methods; on the other hand, we communicated with neighborhood committees to arrange community party members and cadres for trash can watching in the community. The property company also integrated the knowledge of waste separation into the convenience service activities, and invited the Youth Volunteers Association to publicize waste separation together. In 2021, the Group has carried out 12 times of publicity events on waste separation and more than 30 times of publicity events on environmental protection awareness of waste separation in households in different projects from time to time. While continuously enhancing the awareness of waste separation of all employees, we has also actively advocated property owners to participate in the practice of waste separation.

## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.4. Green Operation (continued)

#### 8.4.3. Waste Management (continued)



Waste separation point



Environmental protection awareness publicity in households



Community waste separation publicity event



Waste separation knowledge sharing

In 2021, the hotels of the Group actively managed waste from three dimensions: waste separation management, recycling of consumables and civilized dining.

- ✓ **Hotel waste separation management:** The Group establishes the organizational structure of waste separation, assigns dedicated personnel to collect articles and data, sets up waste separation management regulations and daily management system, and implements daily, monthly and annual registration of waste separation. Meanwhile, we regularly carry out themed conferences and activities, and publicity training on waste separation, so that hotel staff can understand the knowledge and importance of waste separation, thus better promoting and implementing waste separation in an all-round way.
- ✓ **Recycling of hotel consumables:** The hotel attaches great importance to saving and preventing unnecessary waste in the management of disposable products. Discarded toiletries of customers are recycled as hand soap for staff. Discarded toothpaste and toothbrushes are recycled for cleaning corners and stains in the hotel rooms for the recycling of consumables.
- ✓ **Promote civilized dining and reduce kitchen waste:** All hotels in the Group advocate for reducing kitchen waste, and put “Clear your plate” billboards on every table of the hotel restaurants, encouraging customers to save food, and taking leftover food away as the routine.



## 8. Low Carbon and Environmental Protection for a Green Picture (Continued)

### 8.5. Green Office

The Group has always adhered to the concept of green and low-carbon office. On the one hand, it launched a healthy living initiative of “green office and low-carbon life” in the whole group, and on the other hand, it took practical green actions, and made contributions to the environmental protection by these two means. In 2021, the Group’s main practices in low-carbon office are as follows:



## 9. Moistening the Community Home by Warmth of Heart and Actions

At present, the prevention and control of COVID-19 pandemic across the country still faces severe challenges. We are fully aware of the importance of taking measures to put it under control, strictly implementing the national epidemic prevention regulations, and carefully taking the prevention and control measures both inside and outside the Group. The Group and all its employees actively participated in the post-pandemic recovery in China, and took the initiative to discharge its social responsibilities as a corporate citizen. Apart from that, the Group remains true to its original aspirations and is committed to improving the well-being of communities, and participating in various charitable activities to assist disadvantaged groups in need, thereby creating common value for the society and various stakeholders.

### 9.1. Assisting with Anti-pandemic Controls

#### Joint efforts against the COVID-19 pandemic with residents' committee of Agile Garden

- At 7 a.m. on 5 June 2021, the JY Grandmark's party member volunteer team composed of our Directors and department heads as well as employee representatives gathered at a makeshift nucleic acid testing point in Agile Garden, Guangzhou, working orderly on the front line fighting COVID-19 pandemic, in charge of registering appointment codes, on-site guidance on filling out forms for test-takers and other on-site jobs. To ensure that the public would get tested upon arrival, volunteers were working for 13 hours on end. And by 11 p.m. that night, a total of 25,000 test samples were collected. The Group has set a leading example, as it was supposed to do, to contribute to the fight against the pandemic in Guangzhou.
- At 1 p.m. on 7 June 2021, in response to the call of the micro project for civilians by superior party branch, the Group's party branch once again set up a volunteer team of 11 people to get to the designated point for vaccination. The Group's volunteers voluntarily guide the public to vaccinate, actively assisting to keep order on site and ensuring the smooth and orderly completion of vaccination.



Volunteers from the Group's headquarters and Agile Garden participated in an anti-pandemic activity

## 9. Moistening the Community Home by Warmth of Heart and Actions (Continued)

### 9.1. Assisting with Anti-pandemic Controls (continued)

#### Fighting against the COVID-19 pandemic with the village committee of Huangpu District

At 7 a.m. on 8 June 2021, the Group set up a volunteer team to participate in anti-pandemic activity for the third time. With the voluntary experience gained on two previous occasions, employees were actively involved, a total of 24 people made up two teams to help the second round of full-scale nucleic acid testing in Huangpu District.

At one of the testing points, volunteers in protective gear assisted medical staff in the process of sample collection. After working a shift for several hours, volunteers were soaked with sweat, their hands were white and wrinkled because they wore two rubber gloves. Despite physical discomfort, they were determined and dedicated, taking turns to put on protective gear to fight alongside with the medical staff. Thanks to their enormous help, the efficiency has increased and the testings have gone smoothly that day. By 9 p.m. that night, a total of 10,000 samples were collected with 7 medical staff taking tests at the same time, a third more than the expectation of 7500 samples.



The Group's headquarters assisted Huangpu sub-street committee of Huangpu District in the fight against the pandemic

### 9.2. Donations

To actively fulfill the Group's social responsibilities and promote the Chinese traditional virtues, the JY Grandmark Group worked in partnership with governments and subsidiaries in cities to launch a range of donation and public welfare activities, a total of 93 people were involved in activities for donation, disaster relief and anti-pandemic this year, and RMB729,500.5 was donated by the Group.



The Group's headquarters made donations to voluntary activities

## 9. Moistening the community home by warmth of heart and actions (Continued)

### 9.2. Donations (continued)



Our subsidiaries in various cities made donations

On 30 June 2021, the Group was invited to participate in the activity for “Guangdong Poverty Alleviation Day”, performing its social duties through proactively involving in charitable activities for poverty relief, decisively battling against poverty and boosting rural revitalization, and a total amount of RMB200,000 were donated.



“Guangdong Poverty Alleviation Day” donation activity



## 9. Moistening the Community Home by Warmth of Heart and Actions (Continued)

### 9.2. Donations (continued)

On 30 August 2021, to assist poor students from Qushi town in pursuit of their dreams, and to earnestly perform its corporate social responsibilities, the Group responded actively to the government's fundraising and public welfare activity for "helping university students to realize their college dream". The Group sent representatives, together with the mayor of Qushi town and his entourage, to donate a total of RMB28,000 to poor university students in Qushi town.



Visiting poor university students in Qushi town

On 10 September 2021, the Group donated HKD100,000 to Foodlink Foundation, and delivered 500 food bags to grass-root families in Hong Kong as Mid-Autumn gifts.



The Group sponsored the Mid-Autumn gifts for grass-root families in Hong Kong prepared by Foodlink Foundation



# 10. Honors and Awards

Honor/Award	Awarding body
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China Index Academy

In 2021, JY Grandmark Group was awarded “2021 China Top 200 Real Estate Developers”



Guandian Index Academy

JY Grandmark Group was included in “2021 China’s Best Real Estate Enterprises with Greatest Growing Potential”



China Real Estate Business

In 2021, JY Grandmark Group was awarded the “China Urban Renewal Brand Value Enterprises”

## 10. Honors and Awards (Continued)

Honor/Award	Awarding body
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Guangdong Province branches and Guangzhou branches of four major state-run banks (ICBC, ABC, BOC, CCB) and China Creditworthy Property Enterprises Association

JY Grandmark Group was awarded the “Top 20 of the 20th (2021) Creditworthy Property Developers of Guangdong”



Organizing Committee for “Long Cheng Award”

The 5th Chinese Soft Decor Award “Long Cheng Award” – Bronze Award for Model House Design of Professional Group (JY Tengchong T4 model House)

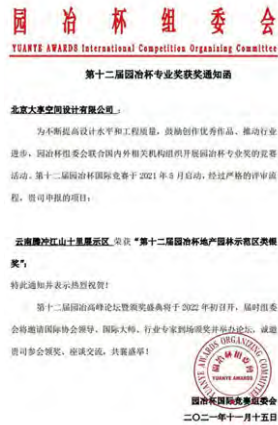


Zhuzhou Construction Industry Association

Zhuzhou Outstanding Construction Award (Buildings 1, 2, 8 and 9 of JY Mountain Lake Gulf Phase I)

## 10. Honors and Awards (Continued)

Honor/Award	Awarding body
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YuanYe Awards International Competition Organizing Committee

The 12th YUANYE AWARDS – Real Estate Garden Demonstration Area Category Silver Award (Jiangshan Shili display area in Yunnan, Tengchong)



China International Architectural Decoration and Design Art Fair





2020–2021 Golden Award of International Environmental Art Innovation and Design Competition (“Huading Award”)



Committee of IIDA Award

Innovation Award of Italy IIDA Award 2021

## 10. Honors and Awards (Continued)

Honor/Award	Awarding body
 <p>2021 香港亚太设计师大赛 HONG KONG ASIA PACIFIC DESIGNER CONTEST 2021 样板间空间 (实景类) 至尊奖 至尊奖</p>	<p>Hong Kong Interior Design Association</p>
<p>Hong Kong Asia Pacific Designer Contest 2021 – Model House Space (Real Scene) – “Supreme Award”</p>	
 <p>2021 香港亚太设计师大赛 HONG KONG ASIA PACIFIC DESIGNER CONTEST 2021 软装设计 (实景类) 金奖 金奖</p>	<p>Hong Kong Interior Design Association</p>
<p>Hong Kong Asia Pacific Designer Contest 2021 – Soft Outfit Design (Real Scene) – “Gold Award”</p>	
 <p>IDA DESIGN AWARDS</p>	<p>Organising committee for IDA</p>
<p>Honorable Mention of International Design Awards in 2021  (“New Moon Over The Pearl River” Exhibition Centre  of Guangzhou Jingye)</p>	
 <p>IDA DESIGN AWARDS</p>	<p>Organising committee for IDA</p>
<p>Honorable Mention of International Design Awards in 2021  (“Embracing Moon Eaves” Exhibition Centre of Yunnan Jingye)</p>	

# 11. Appendix I ESG Key Performance Data Tables for 2021

## Environmental Aspects

	KPI	Unit	2021	2020
<b>Air Emissions</b>	Sulfur dioxide	kg	0.75	0.63
	Nitrogen oxides	kg	449.67	266.43
	Particulate matter	kg	30.54	4.39
<b>Greenhouse Gas Emissions</b>	Greenhouse gas emissions (Scope 1)	tCO <sub>2</sub> e	464.98	672.26
	Greenhouse gas emissions (Scope 2)	tCO <sub>2</sub> e	9,315.98	7,463.25
	Greenhouse gas emissions (Scope 1 + Scope 2)	tCO <sub>2</sub> e	9,780.96	8,135.51
	Greenhouse gas emission intensity	tCO <sub>2</sub> e/million revenue	4.89	3.47
<b>Hazardous Waste</b>		Tonnes	16.61	27.98
<b>Non-hazardous Waste</b>		Tonnes	559.77	453.74
<b>Energy Consumption</b>	Total energy consumption	Thousands of kWh	13,585.34	11,964.02
	Direct energy consumption	Thousands of kWh	2,012.29	3,061.58
	Indirect energy consumption	Thousands of kWh	11,573.05	8,902.44
	Energy consumption intensity	Thousands of kWh/ million revenue	6.79	5.10
	Electricity consumption	Thousands of kWh	11,572.96	8,902.44
	Gasoline	Litre	50,897.67	44,252.04
	Diesel	Litre	0	2,100.00
	Liquefied petroleum gas	kg	0	3,315.00
	Pipelined natural gas	m <sup>3</sup>	159,094.64	268,161.10
<b>Consumption of Water Resource</b>	Water consumption	m <sup>3</sup>	695,519.55	427,167.60
	Water consumption intensity	m <sup>3</sup> /million revenue	347.76	182.00



## 11. Appendix I ESG Key Performance Data Tables for 2021 (Continued)

### Environmental Aspects (continued)

Description of environmental data and indexes:

1. The time span of the environmental data is from 1 January 2021 to 31 December 2021; the data collection scope includes the Group's head office area; the office and sales area of branches in seven cities; the office and sales area of two project companies; the office and public area of seven property management companies; the office and operational area of two hotels.
2. Greenhouse gas emissions (Scope 1) mainly derived from fuel and gas consumption of official vehicles and fixed equipment; while greenhouse gas emissions (Scope 2) derived from consumption of purchased electricity. The relevant data is derived from relevant fee bills and administrative ledgers. Emission indexes of greenhouse gas of purchased electricity are based on the China Regional Power Grid Baseline Emission Factor for 2017 (《2017年度中國區域電網基準線排放因子》) issued by the Ministry of Ecology and Environmental of PRC; and emission indexes for other energy are based on the Reporting Guidance on Environmental KPIs issued by The Stock Exchange of Hong Kong Limited.
3. The types of energy consumed by the Group in 2021 include fuel and gas of official vehicles and fixed equipment, purchased electricity. The relevant data is derived from relevant fee bills and administrative ledgers. The energy consumption indexes are subject to conversion factors provided by the International Energy Agency and the General Principles for Calculation of Total Production Energy Consumption (GB/T 2589-2008) (《GB/T 2589-2008綜合能耗計算通則》).
4. The Group mainly uses municipal tap water and hot spring water, and there is no shortage of water supply. The relevant data is derived from financial record and administrative ledgers.
5. The Group's direct greenhouse gas emissions decreased during the Year. This is because the fuel used in the Company's canteens have been changed from liquefied petroleum gas to natural gas.
6. During the Year, as the number of kilometers and fuel consumption of the Group's vehicles increased significantly, their gas emissions increased accordingly.
7. During the Year, with the development of its businesses and the addition of five entities for data collection, the overall energy consumption, water consumption and greenhouse gas emissions of the Group increased significantly.

## 11. Appendix I ESG Key Performance Data Tables for 2021 (Continued)

### Social Aspects

KPI		2021	
<b>Total workforce by gender, employment type, age group and geographical region</b>			
		<b>Number of Employees (persons)</b>	<b>Percentage (%)</b>
<b>By Gender</b>	Male	465	47%
	Female	518	53%
<b>By Employment Type</b>	Full time	983	100%
<b>By Age Group</b>	Below 30 years old	286	29%
	31-40 years old	428	44%
	41-50 years old	217	22%
	Above 50 years old	52	5%
<b>By Geographical Region</b>	Mainland China	966	98%
	Overseas and Hong Kong, Macao and Taiwan	17	2%
	<b>Total Number of Employees</b>	983	–
<b>Employee turnover rate by gender, age group and geographical region</b>			
		<b>Number of employee turnover (persons)</b>	<b>Turnover rate (%)</b>
<b>By Gender</b>	Male	209	21%
	Female	217	22%
<b>By Age Group</b>	Below 30 years old	221	22%
	31-40 years old	158	16%
	41-50 years old	36	4%
	Above 50 years old	11	1%
<b>By Geographical Region</b>	Mainland China	423	43%
	Overseas and Hong Kong, Macao and Taiwan	3	0.003%
	<b>Health and Safety</b>		
<b>Number of work-related fatalities in the past three years</b>			0
<b>Lost days due to work injury</b>			70

## 11. Appendix I ESG Key Performance Data Tables for 2021 (Continued)

### Social Aspects (continued)

KPI		2021	
<b>The percentage of employees trained and average training hours by gender and employment type</b>			
		<b>Percentage of employees trained</b>	<b>Training hours per employee</b>
<b>By Gender</b>	Male	100%	37.02
	Female	100%	41.28
<b>By position</b>	Senior management personnel	100%	23.75
	Middle management personnel	100%	25.28
	General employee	100%	27.32
<b>Supplier Management</b>	East China		23
	South China		528
	Central China		24
	Southwest China		39
<b>Total number of suppliers (entity)</b>			
Number of suppliers where relevant policies (especially environmental protection and social policies) are being implemented (entity)			66
Number of suppliers signing "Integrity Agreement" (entity)			271
<b>Customer service</b>			
Number of complaints (times)			576
Number of callbacks after complaint processing (times)			308
Number of customer service outbound calls (times)			1,336
<b>Anti-corruption training</b>			
Training times (times)			6
Number of training participants (persons)			70
Total training hours for the year (hours)			234
<b>Community Investment</b>			
Amount invested (RMB)			729,500.5

# 11. Appendix II ESG Guide Content Index

ESG Indicators		Disclosures	Corresponding Sections
<b>A1 General Disclosure</b>	Information on the policies and 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.	Disclosed	Low carbon and environmental protection for a green picture
<b>A1.1</b>	The types of emissions and respective emissions data.	Disclosed	Appendix I
<b>A1.2</b>	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).	Disclosed	Appendix I
<b>A1.3</b>	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I
<b>A1.4</b>	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I
<b>A1.5</b>	Description of emission target(s) set and steps taken to achieve them.	Disclosed	Low carbon and environmental protection for a green picture
<b>A1.6</b>	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Disclosed	Low carbon and environmental protection for a green picture
<b>A2 General Disclosure</b>	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	Low carbon and environmental protection for a green picture
<b>A2.1</b>	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).	Disclosed	Appendix I
<b>A2.2</b>	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Disclosed	Appendix I
<b>A2.3</b>	Description of energy use efficiency target(s) set and steps taken to achieve them.	Disclosed	Low carbon and environmental protection for a green picture
<b>A2.4</b>	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.	Disclosed	Low carbon and environmental protection for a green picture
<b>A2.5</b>	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A (The Group's core business does not involve the use of packaging materials.)	Appendix I

## 11. Appendix II ESG Guide Content Index (Continued)

ESG Indicators		Disclosures	Corresponding Sections
<b>A3 General Disclosure</b>	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Disclosed	Low carbon and environmental protection for a green picture
<b>A3.1</b>	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	Low carbon and environmental protection for a green picture
<b>A4 General Disclosure</b>	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Disclosed	Low carbon and environmental protection for a green picture
<b>A4.1</b>	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Disclosed	Low carbon and environmental protection for a green picture
<b>B1 General Disclosure</b>	Information on the policies and 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.	Disclosed	Build a better future together with employees
<b>B1.1</b>	Total workforce by gender, employment type (for example, full or part-time), age group and geographical region.	Disclosed	Build a better future together with employees Appendix I
<b>B1.2</b>	Employee turnover rate by gender, age group and geographical region.	Disclosed	Build a better future together with employees Appendix I
<b>B2 General Disclosure</b>	Information on the policies and 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.	Disclosed	Build a better future together with employees
<b>B2.1</b>	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Disclosed	Appendix I
<b>B2.2</b>	Lost days due to work injury.	Disclosed	Appendix I
<b>B2.3</b>	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	Build a better future together with employees



## 11. Appendix II ESG Guide Content Index (Continued)

ESG Indicators		Disclosures	Corresponding Sections
<b>B3 General Disclosure</b>	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	build a better future together with employees
<b>B3.1</b>	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	Appendix I
<b>B3.2</b>	The average training hours completed per employee by gender and employee category.	Disclosed	Appendix I
<b>B4 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Disclosed	Build a better future together with employees
<b>B4.1</b>	Description of measures to review employment practices to avoid child and forced labour.	Disclosed	Build a better future together with employees
<b>B4.2</b>	Description of steps taken to eliminate such practices when discovered.	Disclosed	Build a better future together with employees
<b>B5 General Disclosure</b>	Policies on managing environmental and social risks of the supply chain.	Disclosed	Stand shoulder to shoulder to achieve win-win cooperation
<b>B5.1</b>	Number of suppliers by geographical region.	Disclosed	Appendix I
<b>B5.2</b>	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Disclosed	Stand shoulder to shoulder to achieve win-win cooperation
<b>B5.3</b>	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	Stand shoulder to shoulder to achieve win-win cooperation
<b>B5.4</b>	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	Stand shoulder to shoulder to achieve win-win cooperation

## 11. Appendix II ESG Guide Content Index (Continued)

ESG Indicators		Disclosures	Corresponding Sections
<b>B6 General Disclosure</b>	Information on the policies and 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.	Disclosed	Present eco-friendly and people-oriented property with ingenuity
<b>B6.1</b>	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A (The Group's main business does not involve product recalls for safety and health reasons.)	
<b>B6.2</b>	Number of products and service related complaints received and how they are dealt with.	Disclosed	Present eco-friendly and people-oriented property with ingenuity
<b>B6.3</b>	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	Present eco-friendly and people-oriented property with ingenuity
<b>B6.4</b>	Description of quality assurance process and recall procedures.	Disclosed	Present Eco-friendly and people-oriented Property with Ingenuity
<b>B6.5</b>	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	Present eco-friendly and people-oriented property with ingenuity
<b>B7 General Disclosure</b>	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	Maintaining integrity and compliance for a new chapter of probity
<b>B7.1</b>	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.	Disclosed	Maintaining integrity and compliance for a new chapter of probity
<b>B7.2</b>	Description of preventive measures and whistle-blowing procedures and how they are implemented and monitored.	Disclosed	Maintaining integrity and compliance for a new chapter of probity
<b>B7.3</b>	Description of anti-corruption training provided to directors and staff.	Disclosed	Maintaining integrity and compliance for a new chapter of probity

## 11. Appendix II ESG Guide Content Index (Continued)

ESG Indicators		Disclosures	Corresponding Sections
<b>B8 General Disclosure</b>	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities takes into consideration communities' interests.	Disclosed	Moistening the community home by warmth of heart and actions
<b>B8.1</b>	Focus areas of contribution (e.g.education, environmental concerns, labour needs, health, culture and sport).	Disclosed	Moistening the community home by warmth of heart and actions
<b>B8.2</b>	Resources contributed (e.g. money or time) to the focus area.	Disclosed	Moistening the community home by warmth of heart and actions

# 12. Corporation Information

## **Principal Share Registrar and Transfer Office**

Conyers Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
PO Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

## **Hong Kong Share Registrar**

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716  
17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## **Registered Office**

Cricket Square  
Hutchins Drive, PO Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

## **Principal Place of Business in Hong Kong**

Suites 3008-10, 30/F, Tower One  
Times Square, 1 Matheson Street  
Causeway Bay  
Hong Kong

## **Principal Place of Business and Head Office in the PRC**

JY Grandmark Building  
198 Guanjing Road  
Nancun Town  
Panyu District, Guangzhou City  
Guangdong Province, the PRC

## **Company's Website**

[www.jygrandmark.com](http://www.jygrandmark.com)

## **Company's Stock Code**

The Stock Exchange of Hong Kong Limited  
Stock code: 2231



**JY GRANDMARK HOLDINGS LIMITED**