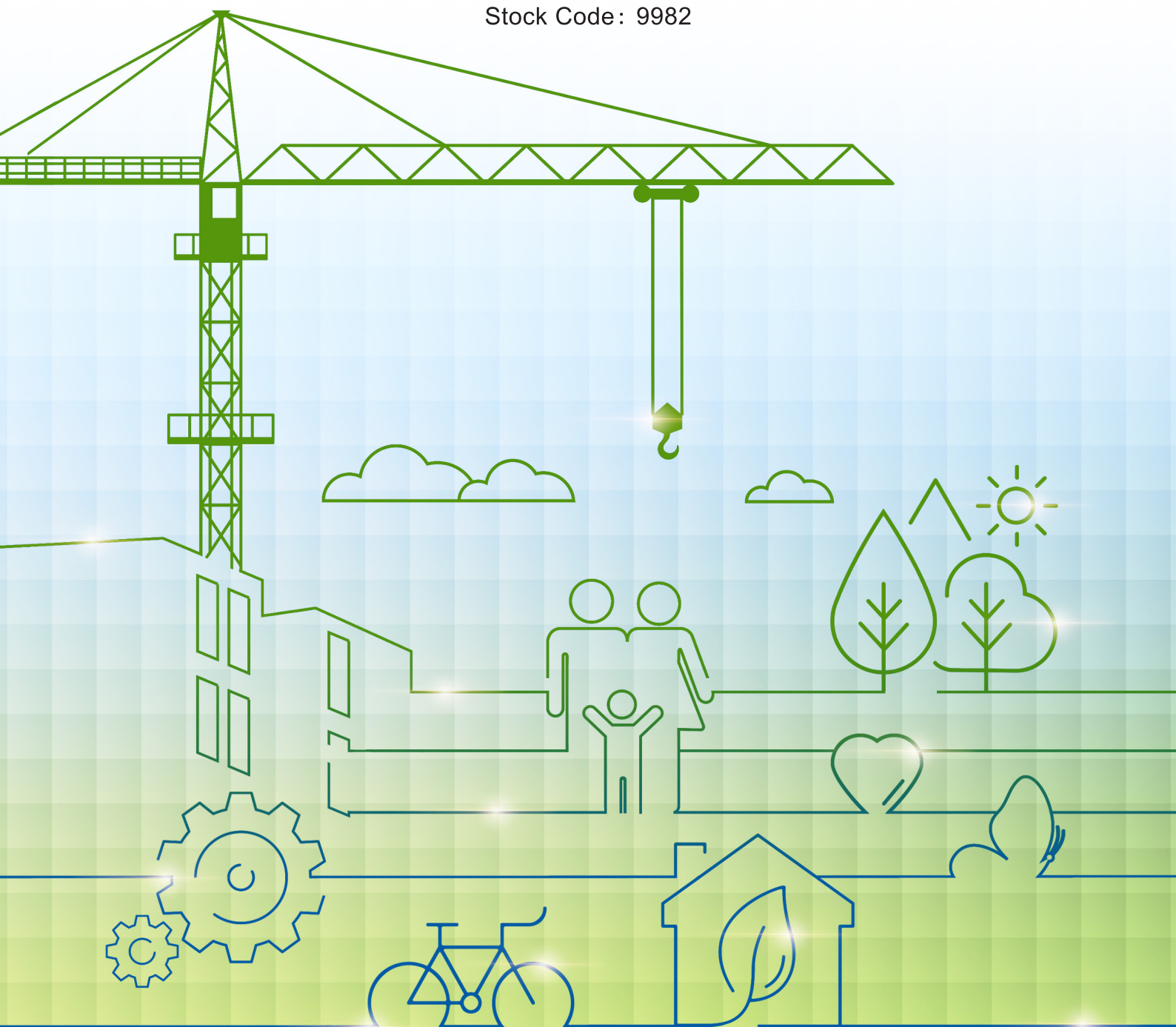




中原建業有限公司
CENTRAL CHINA MANAGEMENT COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

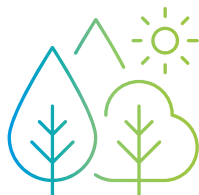
Stock Code: 9982



ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT 2021

CONTENTS

ABOUT THIS REPORT	2
CHAIRMAN'S STATEMENT	3
ABOUT CCMGT	4
SUSTAINABLE DEVELOPMENT MANAGEMENT	7
FEATURED STORIES: UNITED EFFORTS IN FLOOD CONTROL AND DISASTER RELIEF	13
ENHANCED MANAGEMENT TO ENSURE COMPLIANCE OPERATIONS	16
QUALITY PRODUCTS AND SERVICES TO CREATE HAPPY HOMES	19
TEAM BUILDING TO ENABLE EMPLOYEE DEVELOPMENT	28
PROTECTING THE ENVIRONMENT FOR GREEN DEVELOPMENT	35
INHERITING TRADITIONAL CULTURE AND GIVING BACK TO SOCIETY VIA CHARITY ACTIVITIES	41
APPENDIX I: INDEX OF ESG REPORTING GUIDE	45
APPENDIX II: INDEX OF KPIS	52



ABOUT THIS REPORT

INTRODUCTION

The Environmental, Social and Governance Report 2021 of CENTRAL CHINA MANAGEMENT COMPANY LIMITED (the "Report") is the first Environmental, Social and Governance ("ESG") Report published by CENTRAL CHINA MANAGEMENT COMPANY LIMITED (the "Company" or "CCMGT", and together with its subsidiaries, the "Group" or "we"). The purpose of the Report is to respond to the expectations of stakeholders and demonstrate CCMGT's philosophy, management, actions and results in environmental, social and governance areas in 2021.

REPORTING SCOPE

The Report covers the progress and performance of the Group on ESG issues from 1 January 2021 to 31 December 2021 (the "Reporting Period"). The key performance indicators (KPIs) in the Report cover the core businesses of the Group in China, including commercial project management, government project management, capital project management and special management consulting services. Economic KPIs and social KPIs cover all the entities within the scope of the Group's financial statements, while environmental KPIs cover 17 office premises of the Group. If otherwise stated in the Report, the statement shall prevail.

REPORTING STANDARDS

The Report is prepared in accordance with all the "mandatory disclosure requirements" and the "comply or explain" provisions set out in the Environmental, Social and Governance Reporting Guide (the "Guide") in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules") published by The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The index of subject areas, aspects, general disclosures and KPIs under the Guide is set out in detail in "Appendix I: Index of ESG Reporting Guide" and "Appendix II: Index of KPIs" for quick reference.

REPORTING PRINCIPLES

The Report upholds the following principles for reporting:

Materiality: The Company invited internal and external stakeholders to engage in the assessment of the importance of issues, and a materiality analysis was conducted on sustainability issues, as a response to the principle of "materiality". A total of 20 material issues were disclosed in the Report. The board (the "Board") of directors (the "Directors" and each a "Director") has ultimate responsibility for the outcome of the materiality assessment.

Quantitative: Where appropriate, the Report provides a quantitative analysis of the Group's environmental and social performance for effective assessment. Quantitative information disclosed in the Report is accompanied by a narrative, explaining its purpose and impacts.

Balance: With an unbiased picture of the Group's performance, the Report avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.

Consistency: The Report adopts consistent disclosure and statistical methodologies for the Reporting Period and subsequent periods to allow for meaningful comparisons of data over time.

SOURCE OF INFORMATION

All data and materials disclosed in the Report are derived from the Group's statistical reports and internal documents. The Board is responsible for supervising the contents of the Report to ensure no false representations or misleading statements contained in, or material omissions from the Report, and is responsible for the truthfulness, accuracy and completeness of its contents.

ACCESS TO THE REPORT

The Report is prepared in both Chinese and English and published in electronic form on the HKExnews website at www.hkexnews.hk and the Company's official website at www.centralchinamgt.com. In the event of any discrepancy between the Chinese and English versions of the Report, the Chinese version shall prevail.

CHAIRMAN'S STATEMENT

Looking back to 2021, with the improvement of global pandemic situation and the gradual recovery of the world economy, the Chinese economy recovered steadily with the sound growth momentum consolidated. Under the continuous regulation, the real estate industry has undergone big changes. The industry has entered into the era of "management dividend". With the "asset-light" transformation of the real estate industry, the project management industry booms under the operation model of "management output".

CCMGT has been adhering to the principle of "Good People and Good Land" and the cooperation philosophy of "Alignment in Culture, Strategy, Standard and Execution". The Company utilises comprehensive advantages of the brands, customers and unique business models under the corporate culture underpinned by "honesty, responsibility, integrity and focus". The Company is capable of sharing advantageous resources, risks and benefits with partners and gains unanimous recognition from partners and industry players.

The shares of CCMGT were listed on the Main Board of the Stock Exchange on 31 May 2021. After listing, in strict accordance with the requirements of the Listing Rules of Hong Kong, the Company enhanced communication with stakeholders, raised the work standards, standardised the corporate governance practices, and performed full process fine project management. The Company provides commercial project management service for project owners and expands into government project management, capital project management and special management consulting services. Guided by the "Greater Central China" strategy, we expanded business in the Greater Central China region and enhanced product competitiveness while consolidating our overwhelmingly leading position in Henan province, aiming to promote high-quality development and contribute to sustainable social and economic development.

The Company prioritised sustainable development management in daily business operation decisions in 2021. Upholding the principle of "stressing both integrity and competence, putting integrity first", the Company established an open and win-win talent system. The Company adhered to the working standard of "ensuring the satisfaction of each partner, ensuring the success of each project, and ensuring sustainability of cooperation", and worked with partners to provide better services. The Company continuously improve the satisfaction of customers and "pursue excellence with perseverance" to provide customers with the perfect living environment. The Company pursued the environmental awareness of "creating green buildings and environment that coexists in harmony with nature", continuously promoted the concepts of green building, green construction, green operation and green office, and procured project owners to participate in and obtain green building-related certification, striving to improve the quality of living conditions and achieve a win-win situation between environmental quality and green ecology.

CCMGT remains true to the original aspiration in the long journey and assumes the mission regardless of difficulties and obstacles. In an era full of changes, the trust and recognition of customers, employees and the stakeholders has always been the source of motivation. The Company will shoulder corporate social responsibility, devote ourselves to community construction, actively promote the development of public welfare undertakings, and contribute to the construction of a harmonious society. The Company will work with more partners to create living spaces and offer heart-warming services, and stick to the original intention to provide customers with high-quality products and a better life.

Wu Po Sum
Chairman

31 May 2022

ABOUT CCMGT

COMPANY PROFILE

The newly contracted gross floor area (GFA) in 2021 **rose 16.7%** year on year to **10.022 million sq. m.**

The Group had **87** newly contracted projects in 2021, a year-on-year **increase of 8.8%**

The projects under management had an aggregate GFA of **30.974 million sq.m.** in 2021, a year-on-year **increase of 21.3%**

The Group had 24 projects under management outside Henan in 2021, with an aggregate GFA of **2.586 million sq.m.**

CCMGT (stock code: 9982.HK) got listed on the Main Board of the Stock Exchange on 31 May 2021. Currently, the Company mainly provides commercial project management service, and is expanding in government project management, capital project management, and special management consulting services.

Since 2021, we have expanded our businesses to the Greater Central China region with Zhengzhou as the centre and a radius of 500 kilometres. The Greater Central China region with a broad market has brought many opportunities for the development of the Group. Guided by the "Greater Central China" strategy, the Group improved its core competitiveness and expanded its businesses in external provinces while consolidating its leading position in Henan. The Group's projects under management cover several provinces and autonomous regions outside Henan, including Anhui, Shanxi, Shaanxi, Hebei, Xinjiang and Hainan.

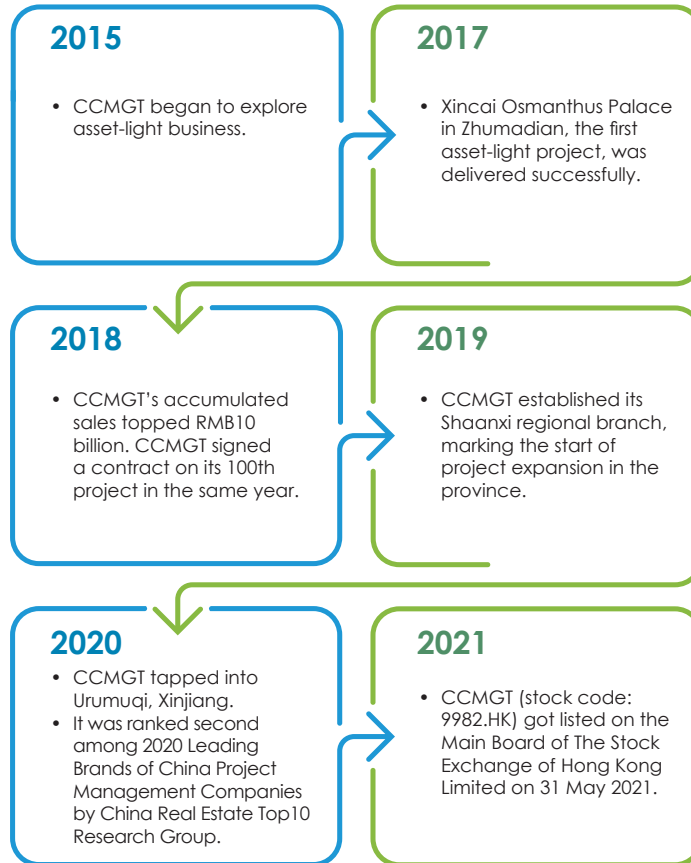
The Group, which adheres to its core value of "Rooted in Central China and confer benefit on the people", constantly offers first-class products and services for customers in the Greater Central China region with high working standards and standardised corporate governance. We have expanded business in various regions and worked with local partners to improve the construction level of cities, which has won the unanimous recognition of the society and partners. As an outstanding enterprise in China's project management industry, the Group aims to transform itself into an industry leader.

DEVELOPMENT HISTORY

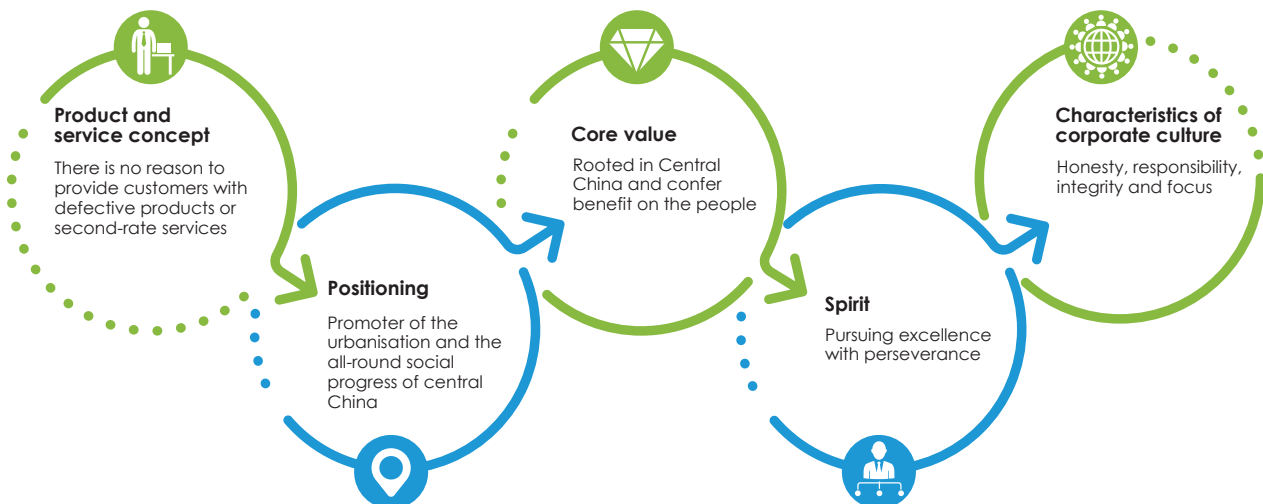
Operating revenue for 2021 was **RMB1.301 billion**, a year-on-year **increase of 13.0%**

Net profit for 2021 amounted to **RMB770 million**, a year-on-year **increase of 13.0%**

Total assets for 2021 amounted to **RMB2.895 billion**, a year-on-year **surge of 72.8%**



CORPORATE CULTURE



ABOUT CCMGT

BNP Morningstar initiated
coverage of
CCMGT with
“BUY” rating in
October 2021

HONOURS AND RECOGNITIONS

Most Promising IPO in 2021

- With its excellent performance and strong development potential, the Company was awarded the title of the Most Promising IPO in 2021 by Caijing.com.cn in December 2021.

Listed Enterprises of the Year 2021 of Bloomberg Businessweek/Chinese Edition

- The Company was named Listed Enterprises of the Year 2021 at the sixth Listed Enterprises of the Year 2021 campaign held by Bloomberg Businessweek/Chinese Edition on 1 December 2021.

ListCo Excellence Awards 2021

- The Company was awarded the ListCo Excellence Awards 2021 by iFeng.com in November 2021.

2021 Leading Brand of China Real Estate Project Management Companies

- In September 2021, the Company was named 2021 Leading Brand of China Project Management Companies by China Enterprise Evaluation Association, Institute of Real Estate Studies of Tsinghua University and Information Technology Research Institute of Beijing China Index Academy (“China Index Academy”).

2021 China Outstanding Project Management Operation Real Estate Companies

- The Company was honoured as one of the 2021 China Outstanding Project Management Operation Real Estate Companies by China Enterprise Evaluation Association, Institute of Real Estate Studies of Tsinghua University and China Index Academy in March 2021.

8th Civil Construction Science and Technology Award of Henan Province

- Zhengzhou Tongxin Industrial Co., Ltd. was granted 8th Civil Construction Science and Technology Award of Henan Province by Henan Civil Construction Society in September 2021.

Safety and Civilisation Standardisation Demonstration Site

- Dragon City House, an urban complex of Zhengzhou Tongxin Industrial Co., Ltd., was honoured as a Construction Engineering Safety Civilisation and Standardisation Demonstration Site in Henan in the First Half of 2021 by Department of Housing and Urban-Rural Development of Hunan Province.
- Yucheng Jianye Chinoiserie Palace was rated as a Safety and Civilisation Standardisation Demonstration Site in Shangqiu in the First Half of 2021 by the Bureau of Housing and Urban-Rural Development of Shangqiu.
- Huaiyang Jianye City II and Dancheng Jianye Project were rated as Construction Engineering Safety Civilisation and Standardisation Demonstration Sites in Zhoukou in the First Half of 2021 by the Bureau of Housing and Urban-Rural Development of Zhoukou.

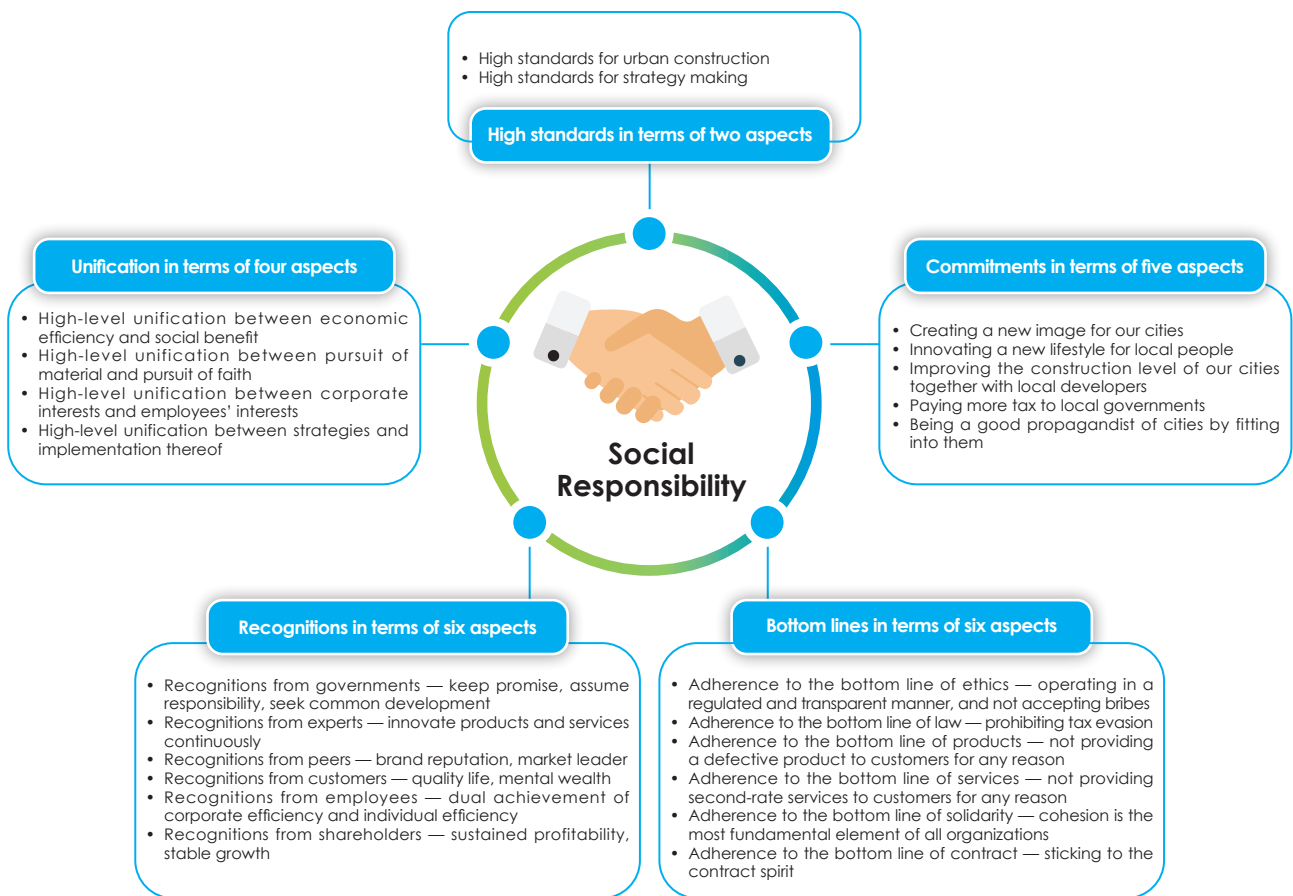
SUSTAINABLE DEVELOPMENT MANAGEMENT

Since the implementation of “Greater Central China” strategy, CCMGT has provided high-quality products and services with its well-known brand Jianye. We believe that promoting sustainable development and achieving long-term business growth are of equal importance. We are committed to integrating sustainable development into our operations to achieve harmonious development with society and the environment.

governance requirements of the Stock Exchange to continuously improve the ESG governance structure and enhance the governance level. We attach importance to sustainable development management in our business operation decisions and fulfil social responsibility based on sustainability. Adhering to our core value of “Rooted in central China and confer benefit on the people”, we incorporate environmental, social and corporate governance performance into the management of daily business activities, striving to promote the urbanisation and the all-round social progress of Central China.

SUSTAINABLE DEVELOPMENT STRUCTURE

We are fully aware that ESG governance is the key for CCMGT to seize opportunities, resist risks, and enhance business resilience. We follow the ESG



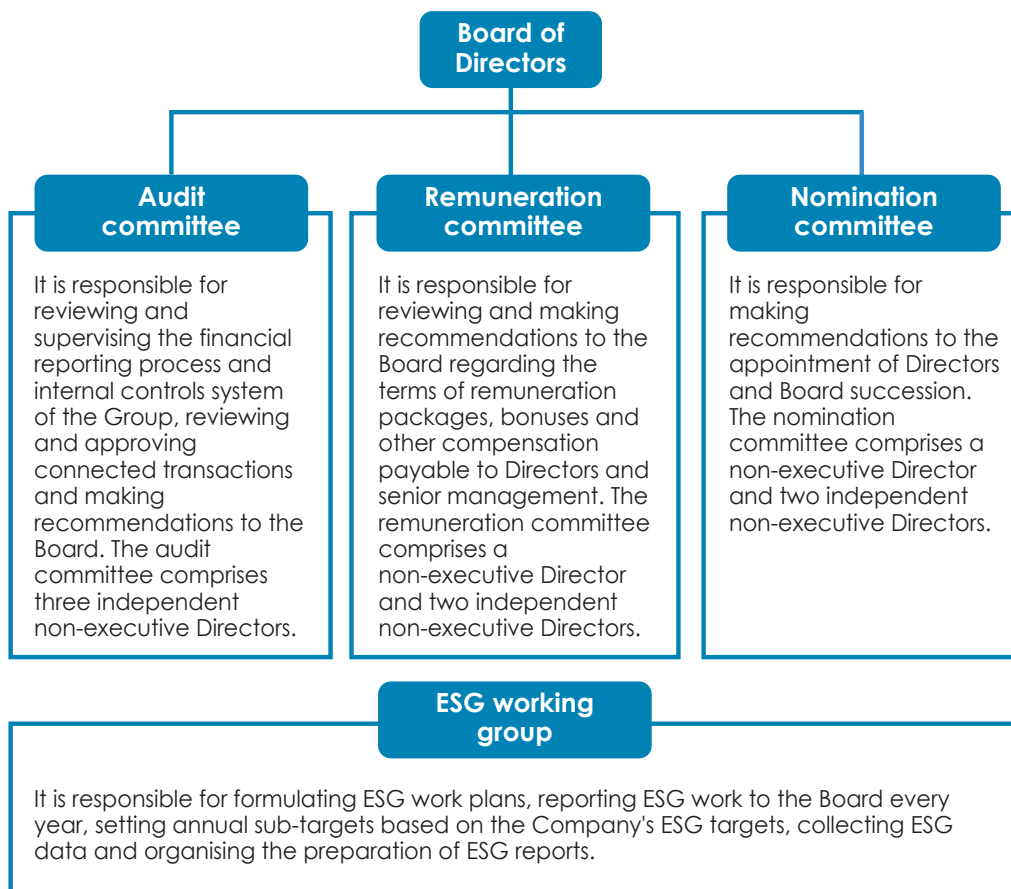
Social Responsibility of CCMGT

SUSTAINABLE DEVELOPMENT MANAGEMENT

The Group has established a scientific and modern corporate governance structure, and is convinced that good corporate governance is crucial to its sustainable development and stable performance growth. Through continuous improvement of corporate governance, we build a corporate culture of trust and responsibility to protect the legitimate rights and interests of stakeholders and enhance corporate value. The Board of the Group coordinates its ESG matters as a whole, which is responsible for assessing and determining the Group's ESG-related risks and opportunities; ensuring that appropriate and effective ESG risk management and internal control systems are in place; formulating the Group's annual ESG management approach, strategies, priorities and objectives; regularly reviewing the Group's performance against ESG-related objectives; and approving disclosures in the Group's ESG report. In the meantime, the Board has established three

committees in accordance with the requirements of the Hong Kong Listing Rules. The committees select candidates for directors based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. The nomination committee will continuously oversee the implementation of the board diversity policy.

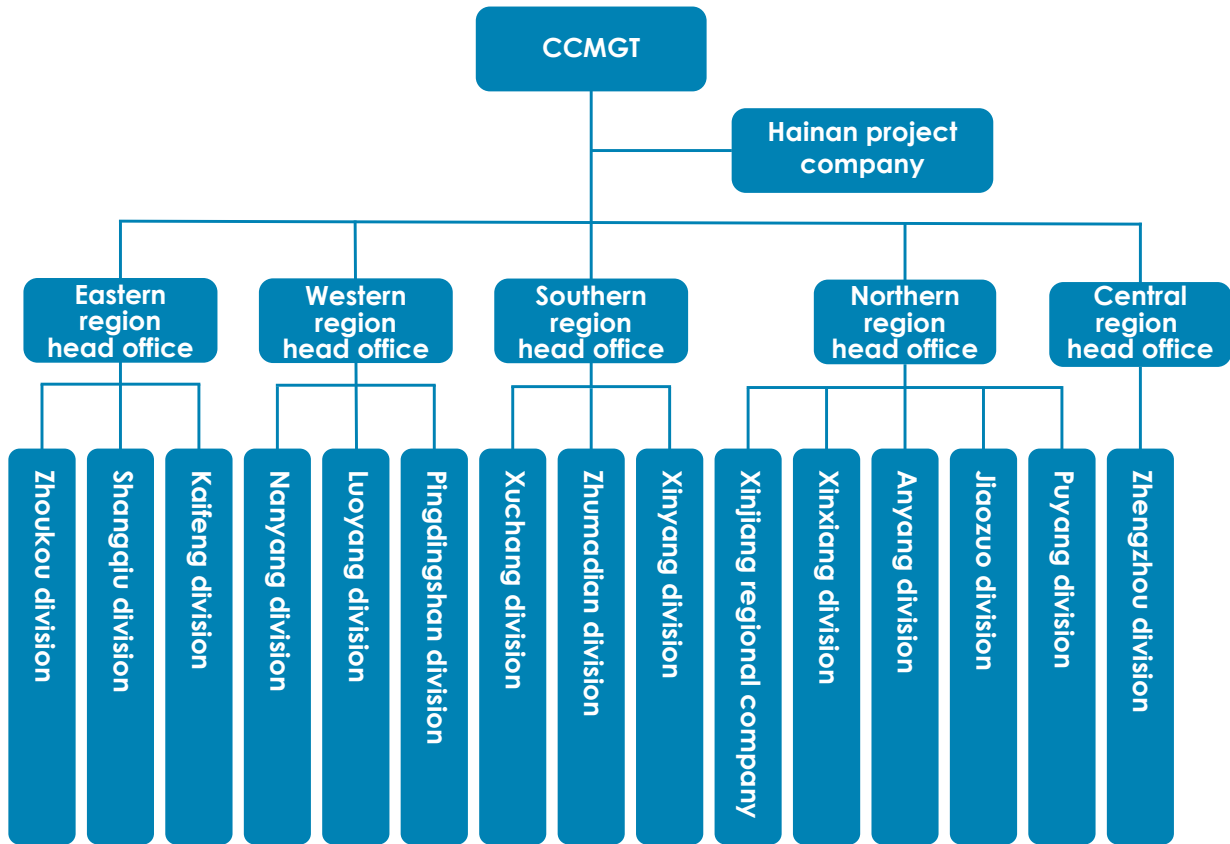
Since listing, we have established an ESG working group with the authorisation of the Board to coordinate, manage and report ESG matters. The ESG working group is responsible for ensuring that the Group has appropriately skilled people, policies and measures to manage ESG matters, and for regularly reporting to the Board on the management effectiveness of the Group's ESG strategy and related measures.



CCMGT ESG governance structure

SUSTAINABLE DEVELOPMENT MANAGEMENT

Under the “Greater Central China” strategy, we established a three-level structure of “Group’s headquarters-region head office-division”. We have established 5 region head offices in Henan, with 13 divisions. Among the 2 region head offices outside Henan, the Xinjiang division is supervised by the northern region head office, and the Hainan project company is directly managed by the Group’s headquarters.



CCMGT’s organisation chart

SUSTAINABLE DEVELOPMENT MANAGEMENT

STAKEHOLDER ENGAGEMENT

CCMGT is keenly aware that communication with stakeholders is an important part of sustainable development management. Great importance has been attached to the suggestions and feedback of stakeholders, which are used as an important basis for us to improve our operation management and sustainable development levels. In order to maintain active and effective communication with stakeholders, the Group has set up a variety of communication channels to ensure that information is open and transparent, and the communication process is efficient.

Stakeholders	Expectations and demands	Communication and response
Employees	Equal employment Compensation and welfare protection Career development and promotion Healthy working environment Protecting the legitimate rights and interests of employees	Ensuring employment compliance Offering competitive compensation Optimising employee development and promotion mechanism Carrying out safety education for employees Establishing barrier-free communication channels for employees
Investors/ shareholders/capital markets analysts	Protecting shareholders' rights and interests Getting returns on investment Disclosing important information	Holding general meetings of shareholders Improving the continuous profitability of the Company Daily information disclosure
Customers/property owners	Product and service quality Customer service experience Information security Business integrity Compliance operations	Continuously improving the quality of products and services Carrying out customer communication and survey Strictly following the requirements on customer information confidentiality Reasonable publicity and promotion Optimising risk and internal control management
Suppliers/ contractors/partners	Fair competition Win-win cooperation	Standardising supplier bidding process Improving supplier evaluation and communication mechanism
Local communities/ neighbourhood committees	Protecting community environment Devoting to social welfare undertakings Creating a harmonious community Promoting community development	Comprehensively practicing green operation Carrying out public welfare projects Actively participating in community building Optimising community infrastructure
Industry associations/ public welfare organisations	Industry experience exchange Intellectual property protection Paying attention to disadvantaged groups Charity and philanthropy	Participating in industry seminars Applying for patent protection Volunteer services Carrying out public welfare projects
Governments/ regulators authorities	Compliance with laws and regulations Paying taxes in accordance with law Promoting employment Upholding anti-corruption and integrity practices	Legal operation and compliance management Actively paying taxes Creating employment opportunities Conducting anti-corruption supervision and training

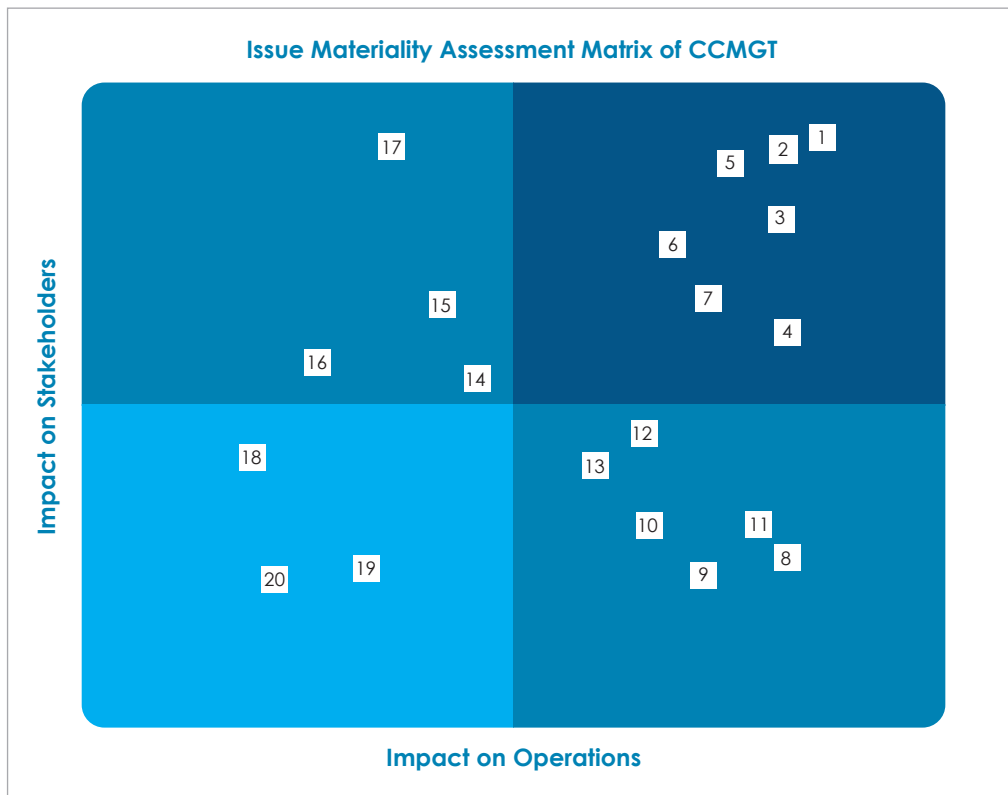
SUSTAINABLE DEVELOPMENT MANAGEMENT

MATERIALITY ASSESSMENT

We combined our own development, industry characteristics and national policy environment with the expectations of stakeholders. We comprehensively assessed and prioritised material issues in 2021 through close communication with stakeholders, their feedback, industry analysis, etc. The steps taken to conduct a materiality assessment in 2021 are as follows:

✦ Assessment of material issues	Identification of material issues	Stakeholder engagement	Assessment of material issues	Response to material issues
	The Group identified 20 material issues according to the Guide of the Stock Exchange and in combination with its business development and the policy environment.	Through communication with stakeholders through different channels, the Group collected their feedback and expectations on its ESG performance in 2021.	Based on the assessment of the analysis results, material issues were prioritised and a materiality matrix was developed.	Based on the opinions of stakeholders and the results of materiality analysis, the Group determined the focus of disclosure of the Report and made a response in the Report.

Based on the results of a survey on stakeholders, the Group has developed a materiality matrix of ESG issues to reflect the importance of each issue to stakeholders and the Company's businesses, and prioritised the identified issues.



SUSTAINABLE DEVELOPMENT MANAGEMENT

Important	Moderately important	Less important
<ul style="list-style-type: none"> 1 Brand value and service quality 2 Customer feedback and satisfaction management 3 Product quality control 4 Employee training and development 5 Anti-corruption and integrity building 6 Employee health and safety 7 Product research & development capability building 	<ul style="list-style-type: none"> 8 Employee compensation and welfare protection 9 Employment management and compliance 10 Employees' rights and interests and diversity 11 Information security 12 Responsible Marketing 13 Promoting green operation 14 Green and sustainable supply chain 15 Development of green buildings and green communities 16 Promoting community development 17 Energy conservation, emission reduction and response to climate change 	<ul style="list-style-type: none"> 18 Water resources and water use efficiency 19 Charity & philanthropy and volunteer service 20 Waste management

The results of the materiality assessment in 2021 showed that stakeholders were most concerned about “brand value and service quality”, “customer feedback and satisfaction management”, “product quality control”, “employee training and development”, “anti-corruption and integrity building”, “employee health and safety”, and “product research & development capability building”. In the Report, we will accordingly enhance the disclosure of our work and performance in these aspects, and highlight the top-ranked issues. We will use the results as an important reference for next year’s sustainable development plan to enhance our management capabilities in environmental, social and governance areas and deepen our sustainable development practices.

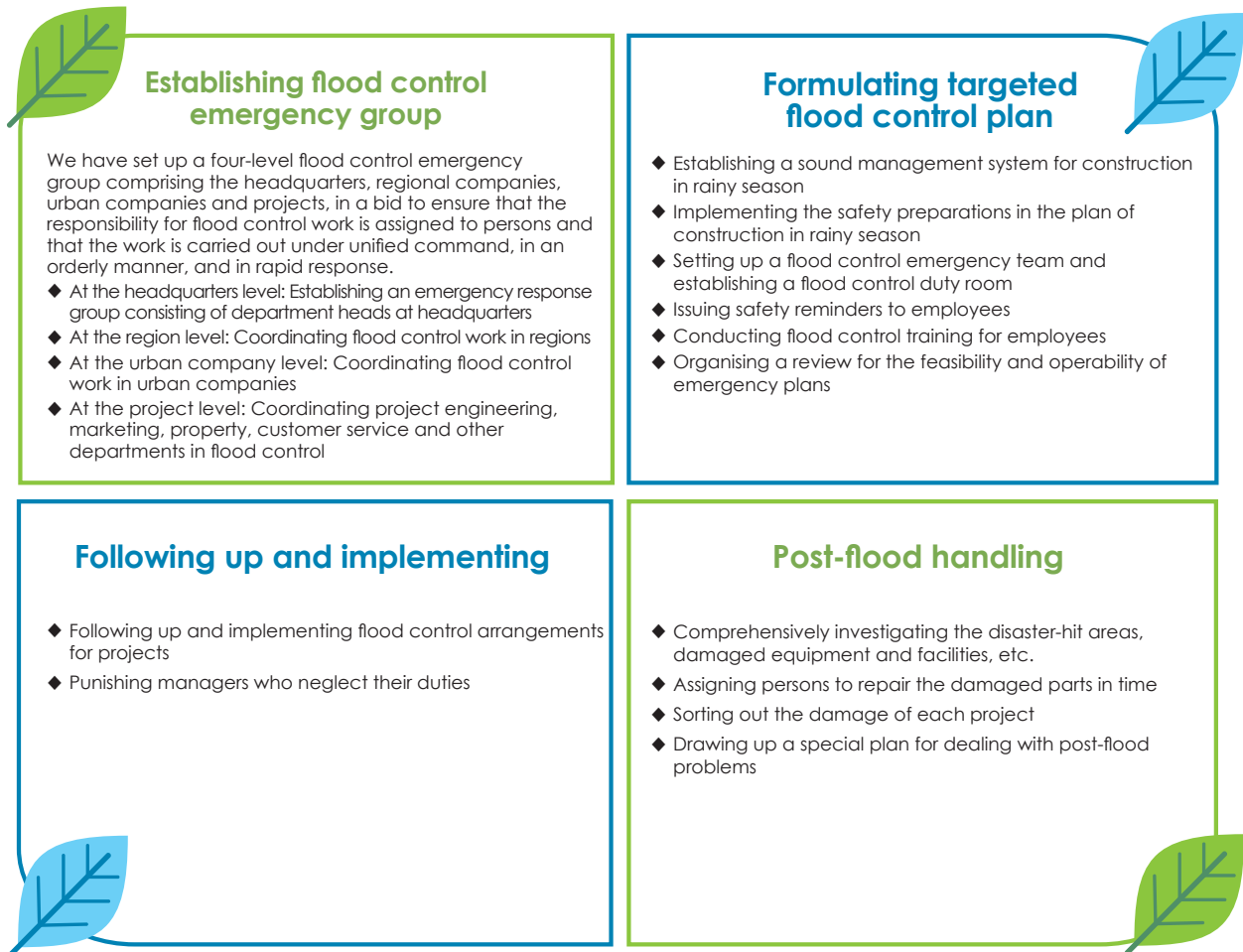
FEATURED STORIES

UNITED EFFORTS IN FLOOD CONTROL AND DISASTER RELIEF

Starting from 17 July 2021, many places in Henan Province were hit by extremely heavy rainstorms, causing damage to infrastructure, leaving heavy casualties and resulting in serious economic losses. The flood affected the hearts of people across the country. On the one hand, CCMGT actively carried out self-rescue and escorted various projects with responsibilities; on the other hand, its employees quickly rushed to the front line and carried out donation activities in various forms to overcome the difficulty together with citizens.

MAKING A QUICK RESPONSE TO TURN THE TIDE

In the face of the extreme heavy rains in Henan, the Company made a quick response and formulated the Flood Control Emergency Plan. The Company took actions in all aspects, including inspecting flood control materials and drainage facilities, cleaning up pipes and basements, in a bid to eliminate potential safety hazards, ensure the safety of communities, and actively fulfil the social responsibility as a large enterprise.



CCMGT's Flood Control Plans and Measures

FEATURED STORIES

UNITED EFFORTS IN FLOOD CONTROL AND DISASTER RELIEF

RUSHING TO THE FRONT LINE TO GUARD A CITY

The heavy rainfall caused varying degrees of impacts on production and life in various places. CCMGT charged ahead, organised all rescue forces and disaster relief materials, and rushed to the front line. In the process of post-disaster reconstruction, we participated in the resettlement of the affected people, assisted in the donation and transportation of materials, and worked with people in the disaster-hit areas to rebuild their beautiful homes.

Uniting to guard Yanjin



On the evening of 21 July 2021, the rainfall in Xinxiang exceeded the record, leading to an emergency in Wenyan Canal in Yanjin. Jianye City and Chinoiserie Palace in Yanjin immediately provided disaster relief materials for flood control and emergency rescues. As an active response to the government's call, projects led all male employees, Party members and veterans to join the fight against the disaster, in order to protect the property of people.

Going to Huaxian County to fight floods

On 25 July 2021, due to long-term heavy rain, a large amount of floodwater poured into Dagong River in Huaxian County, causing the embankment near the Sanhewan segment of Dagong River to be washed away. Jianye Chenhe Mansion in Huaxian County, Anyang dispatched all employees to the front line to fill sandbags to close breaches together with staff from various entities and caring people from all walks of life. In the event of a shortage of excavators, Jianye Chenhe Mansion immediately transferred an excavator to the front line of flood fighting. After floodwaters receded, Jianye Chenhe Mansion donated RMB60,000 to help people in disaster-stricken areas in Huaxian County rebuild their homes.

FEATURED STORIES

UNITED EFFORTS IN FLOOD CONTROL AND DISASTER RELIEF

Showing love to the flood-affected people in Henan



When Weishi County, Kaifeng was hit by floods, workers of China Villa donated urgently needed materials and funds for disaster relief totalling more than RMB240,000 three times. As of 18pm on 28 July 2021, project teams and partners of CCMGT made donations of RMB5.22 million to support the flood relief, living security and post-disaster reconstruction in the disaster-stricken areas.

Despite the floods and lockdown due to the pandemic, each project team sent employees to raise donations to purchase daily necessities, actively contacted all parties for resources, inquired about the situation of the affected people, and spontaneously established a volunteer service team to cheer for the affected people, reflecting CCMGT's social responsibility.



ENHANCED MANAGEMENT TO ENSURE COMPLIANCE OPERATIONS

CCMGT strictly complies with the laws and regulations of the country and regions where it operates, including the Company Law of the People's Republic of China, and abides by the manuals of the Group, including the Measures for Accountability of Violations of Rules and Regulations, the Supervision and Management System and the Employee Conflict of Interest Declaration and Filing System. We established and improved the internal control mechanism to deepen the compliance operation system. In December 2021, we established the Audit and Supervision Department and set up a unified reporting platform to receive clues about integrity risks. Efforts were stepped up to build the culture of compliance through training, in a bid to enhance compliance awareness and ability of the Group's employees and create an atmosphere of integrity. In the meantime, the Healthy Cooperation Agreement

is required to be attached to all contracts, with an aim to eliminate malpractices, such as bribery, untrustworthy cooperation and conflict of interest. Moreover, we strengthen information security and improve information protection level internally, and ensure the accuracy, legality and authenticity of publicity information, and improve the level of operation and management in compliance with laws and regulations externally.

Material issues in the section:

Anti-Corruption and Integrity Building and Information Security

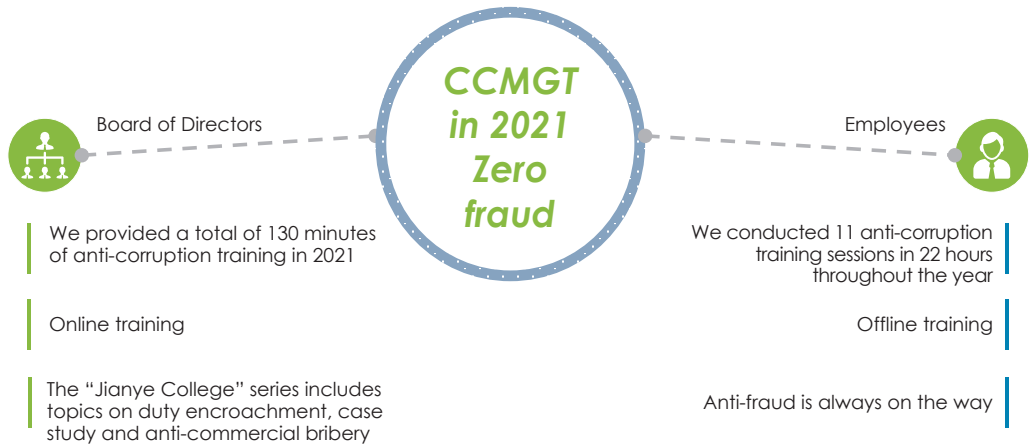
KPIs covered in the section:

B7.1/B7.3

ANTI-CORRUPTION AND INTEGRITY BUILDING

There were 0 concluded legal cases regarding corrupt practices brought against the Group or its employees in 2021

CCMGT makes continuous efforts to promote the building of healthy corporate culture. We guide employees to practice the corporate spirit of "honesty, responsibility, integrity and focus", and carry out various forms of healthy culture-related activities, such as integrity-themed education and publicity of institutional culture, from time to time, in order to create an honest, trustworthy and upright internal environment. All employees of CCMGT are required to declare conflicts of interest in order to strengthen their self-discipline. We require management to set an example and take the lead in fulfilling our commitment to integrity.



Outcome of CCMGT's anti-corruption training in 2021

ENHANCED MANAGEMENT TO ENSURE COMPLIANCE OPERATIONS

We promote "corruption-free and honest" cooperative relationships with external partners, sign an integrity cooperation agreement with them, give or accept no bribes, and cooperate with them in good faith, in a bid to jointly purify the business environment. In the course of cooperation, we jointly build an honest cooperation mechanism, strengthen prevention and control of corruption risks, and plug management vulnerabilities in a timely manner.

In accordance with the Basic Norms for Enterprise Internal Control and in light of its actual situation, the

Group has formulated the Anti-Fraud and Reporting System in order to prevent fraud, strengthen corporate governance and internal control, and safeguard the legitimate rights and interests of the Company and shareholders. The office of the Board is responsible for managing the hotline and e-mail for reporting fraud cases, and receiving real-name or anonymous reports from employees and external third parties. In assisting investigations, we will protect complainants and whistleblowers from any unlawful discrimination or retaliation or hostile actions against employees involved in the investigations.

International Anti-Corruption Day-themed campaign

The International Anti-Corruption Day is observed on 9 December 2021, on which the Audit and Supervision Department of the Group held an anti-corruption campaign with the theme of International Anti-Corruption, We Are in Action. It pushed posts, put up a poster of anti-corruption, encouraged people to forward posts at WeChat Moments, etc. The Group promoted the belief of building of a business environment about "combatting corruption, advocating integrity". At the same time, various reporting channels, including mailbox and hotline, were made public to encourage the employees of the Group to combat corruption and advocate integrity from their start.



CCMGT's propaganda poster for International Anti-Corruption Day

In 2021, CCMGT was not aware of any legal cases regarding corrupt practices brought against the Group or its employees.

ENHANCED MANAGEMENT TO ENSURE COMPLIANCE OPERATIONS

INFORMATION SECURITY

CCMGT strictly complies with information security-related laws and regulations of the country and regions where it operates, including the Personal Information Protection Law of the People's Republic of China, and implements the Management Measures for Digital Intelligent Intellectual Property Rights it formulated. On the basis of formulating and implementing its information security policies and standards, management systems and system plans, the Group implemented information security projects and organised training in 2021 to oversee and inspect information security work, so as to strengthen and standardise its information security work and improve the information security management level, with a view to keeping information security controllable and under control, and ensuring the effective protection and safe operation of important information.

01

Building a digital marketing management system and making full use of the system to manage customer information and business information by level and permission, and prevent malicious leakage through system watermarks

02

Signing a confidentiality agreement with an external information system contractor

03

Carrying out information security inspections to verify the permission allocation mechanism and redundant accounts, etc.

04

Setting up a leading group for digital intelligence and launching an overall digital intelligence plan to promote online business processes and online business data, and ensure the security of business data

CCMGT's efforts in information security in 2021

In order to better manage the Group's maintenance and protection of information security, we classify information security incidents that may lead to loss and damage of information assets, affect the normal operation of information systems and even cause business interruption, including four levels: extraordinarily serious accident (Class I), major accidents (Class II), serious accidents (Class III) and ordinary accidents (Class IV). Penalties are imposed in accordance with the Measures for Accountability of Violations of Rules and Regulations of the Group and the consequences of the accidents.

In the future, we will conduct information security risk assessments periodically or in the event of major or special events. The assessments will mainly include scope determination, risk identification, risk analysis and control measures to ensure information security and meet application and business needs.

QUALITY PRODUCTS AND SERVICES TO CREATE HAPPY HOMES

CCMGT has always adhered to the product and service concept of "There is no reason to provide customers with defective products or second-rate services". The Company strictly monitors product quality and R&D quality, leads citizens to experience a new lifestyle through carefully crafted architectural works and perfect and considerate services, and strives to cooperate with suppliers and partners to create sustainable, fair and honest sustainable partnerships.

Material issues in the section:

Brand value and service quality, Customer feedback and satisfaction management, Product quality control, Product research & development capability building, Responsible marketing, Green and sustainable supply chain

KPIs covered in the section:

B5.1/B5.2/B5.3/B5.4/B6.2/B6.3/B6.4/B6.5

DEEPENING QUALITY CONTROL AND R&D INNOVATION

CCMGT, which adheres to its core value of "Rooted in Central China and confer benefit on the people", realises residents' desire for a better life, strictly controls the quality of project management, and constantly seeks R&D innovation and breakthrough.

Strengthening project quality control

CCMGT has established a complete project quality and safety assessment system, including inspections of underground projects, acceptance of model guides, quality assessment, safety and civilisation assessment and delivery assessment. Through the combination of self-assessment and external assessment, we conduct top-down supervision to avoid defects and ensure the quality of projects.

At the Group level

Third-party evaluation agencies are appointed to carry out process evaluation and delivery evaluation on projects under construction and projects to be delivered. Based on relevant systems, the Company conducts special inspection and acceptance for specific projects. Experience of excellent projects is promoted.

At the region head office level

It organises and carries out monthly comparative evaluation on projects, conducts special inspection and acceptance for specific projects based on relevant systems, and urges and supervises the rectification and improvement of all projects.

Project quality and safety assessment system

QUALITY PRODUCTS AND SERVICES TO CREATE HAPPY HOMES

In 2021, there were **no** accidents

A total of **289** employees participated in training activities on sharing of delivery quality experience in 2021

A total of **402** employees participated in training activities on fire safety management in 2021

According to the Project Inspection Management System and based on process standards, CCMGT tightens control over quality risks regarding projects and safe and civilised operation via special inspections by the headquarters and regions, quarterly evaluation of third parties, visits in excellent construction sites and so forth. It saw "0" accidents throughout the year. We have formulated and implemented internal systems, including the Implementation Standards for 'Must-check Points of Projects' and the Implementation Standards for Project Quality Model Guides to inspect the must-check points of projects. We conduct inspections on projects to be delivered according to the Delivery Standards, and require each project to make rectification and improvement within a time limit according to the rectification suggestions. We issue shutdown or rectification warnings to projects in accordance with the Measures for Traffic Lights-like Management for Projects and the results of evaluation by third parties, as efforts to strictly control product quality and safety. Moreover, we, along with regional companies and project companies, organised training activities on sharing of delivery quality experience online and offline in 2021, with 289 participants. Together with regional head offices and project companies, we carried out training activities on fire safety management online and offline, and 402 employees participated in the training activities.

CCMGT has formulated and strictly implemented the Management Measures for Emergency Response Plans in order to strengthen its ability to handle emergencies, speed up its response and improve emergency coordination and handling level, and ensure the rapid and effective handling of various emergencies. The headquarters is led by CEO, and all branches can establish a leading group for emergency response to minimise emergencies and the damage to human, property, material and brand image caused by them. We uphold the principle of "proper handling according to law, unified command of action, coordinated rapid response" to deal with emergencies. In the event of emergencies, we immediately report them to the competent department which will then report them to the leading group for emergency response after summarising the information. The leading group for emergency response initiates emergency plans, formulates emergency measures, and directs emergency response work. After emergencies are brought under control, we will promptly find vulnerabilities in our work and sum up experience and lessons to continuously improve the emergency system and enhance our ability to deal with similar incidents.

In the future, we will continuously strengthen inspections on the process of projects and dynamically control benchmarks and key projects. We plan to hold training sessions on "bulge prevention", "anti-cracking", "seepage of outer walls", "safety production management", etc. in 2022. In the meantime, efforts will be stepped up on risk assessment and management. We will update quality and safety risk assessment tools such as the Measures for Traffic Lights-like Management for Projects, conduct assessments on safe and civilised operations for all projects on a quarterly basis, and check major risk points in the construction process and the implementation of safety management systems. We will insist on appointing professional third parties to conduct scientific assessments and supervise improvement around different risk points at various stages of construction and delivery, so as to create perfect architectural works.

QUALITY PRODUCTS AND SERVICES TO CREATE HAPPY HOMES

CCMGT project receives certificate of Henan provincial quality projects

CCMGT's Xinye Forest Peninsula I received the certificate of "Zhongzhou Cup" (provincial quality projects) construction projects of Henan from the Department of Human Resources and Social Security and Department of Housing and Urban-Rural Development of Henan Province in 2021. It has contributed to carrying forward the spirit of craftsmanship, giving play to the demonstration and leading role of a high-quality project and enhancing the innovation and competitiveness of a construction enterprise.



It receives the certificate of "Zhongzhou Cup" construction projects of Henan

Guaranteeing the quality of R&D and innovation

Relying on Central China Group's nearly 30 years of product research and development experience, community service experience and resource integration advantages, CCMGT creates "trusted brands, solid houses, smart residences, friendly communities, and rich experience" for customers, constantly expands the connotation and meaning of "homes" and creates a humane and warm happy scene.

CCMGT gave top priorities to product research and development and innovation in 2021. With leading by the headquarters and coordination by regions, CCMGT optimised its product system in stages, We have established a management mechanism to classify and manage projects, and define innovation benchmarks according to project characteristics, conduct innovation and research and development

based on projects, and promote existing innovations. We have applied for special funds for product R&D and innovation, seek more high-quality resources to promote R&D and innovation, and improve the quality and forward looking of innovation results. Detailed R&D plans and assessment requirements have been established to assign R&D work to persons and ensure the orderly progress of R&D and innovation. We fully mobilise the resources of design units in the library, enhance the innovation awareness of design units, and provide strong technical support for R&D and innovation work. Keenly aware of the development trends in the industry, we strengthen communication with external enterprises to ensure the market adaptability of R&D and innovation results, and follow up the implementation of R&D and innovation results, regularly review innovation projects, and make optimisation and adjustment if problems found to ensure the feasibility of R&D and innovation results.

QUALITY PRODUCTS AND SERVICES TO CREATE HAPPY HOMES

In addition, CCMGT controls all stages of the design process to ensure the quality and efficiency of the design scheme, and at the same time improve the innovation of the scheme. In view of the current market changes, "reducing cost, improving quality and increasing efficiency" has become a new proposition for property developers. Combining the front-line practices and the scientific and rigorous demonstration, the Group continuously makes efforts to reduce costs, improve quality and increase

efficiency for projects, and to make CCMGT's businesses healthier, more efficient and more professional. In the future, we will regard "reducing cost, improving quality and increasing efficiency" as a normal work in project innovation. Guided by a systematic and institutionalised long-acting management mechanism, we will centre on the continuous innovation in the full-process fine management of projects, and constantly improve our core competitiveness.

Competition stimulates employees' enthusiasm for innovation

CCMGT has always been adhering to the concept of "design creates value, innovation changes life". The Group held competitions on "cost reduction, quality improvement and efficiency increase" and on "design innovation" in November and December 2021, respectively, in a bid to further stimulate the passion for product innovation both internally and externally, enhance employees' awareness of product innovation, and maintain the vitality of product innovation. The purpose is to continuously improve the product influence of CCMGT and enhance the recognition and support of partners on product innovation work.



CCMGT's competition on "cost reduction, quality improvement and efficiency increase"



QUALITY PRODUCTS AND SERVICES TO CREATE HAPPY HOMES

The Group was involved in **no** major disputes or lawsuits related to infringement of intellectual property rights in 2021

Meanwhile, we established a trademark protection mechanism for CCMGT in accordance with the Intellectual Property Protection Law of the People's Republic of China, the Patent Law of the People's Republic of China and the Trademark Law of the People's Republic of China, in order to ensure the perfect protection of copyright and patent rights, and avoid or reduce legal risks arising from intellectual property rights. The purpose is to ensure that the Group operates businesses involving intellectual property rights in strictly compliance with national standards and requirements. The Group was not involved in any major disputes or lawsuits related to infringement of intellectual property rights during the Reporting Period.

CONCERN FOR CUSTOMERS' RIGHTS AND INTERESTS AND SATISFACTION

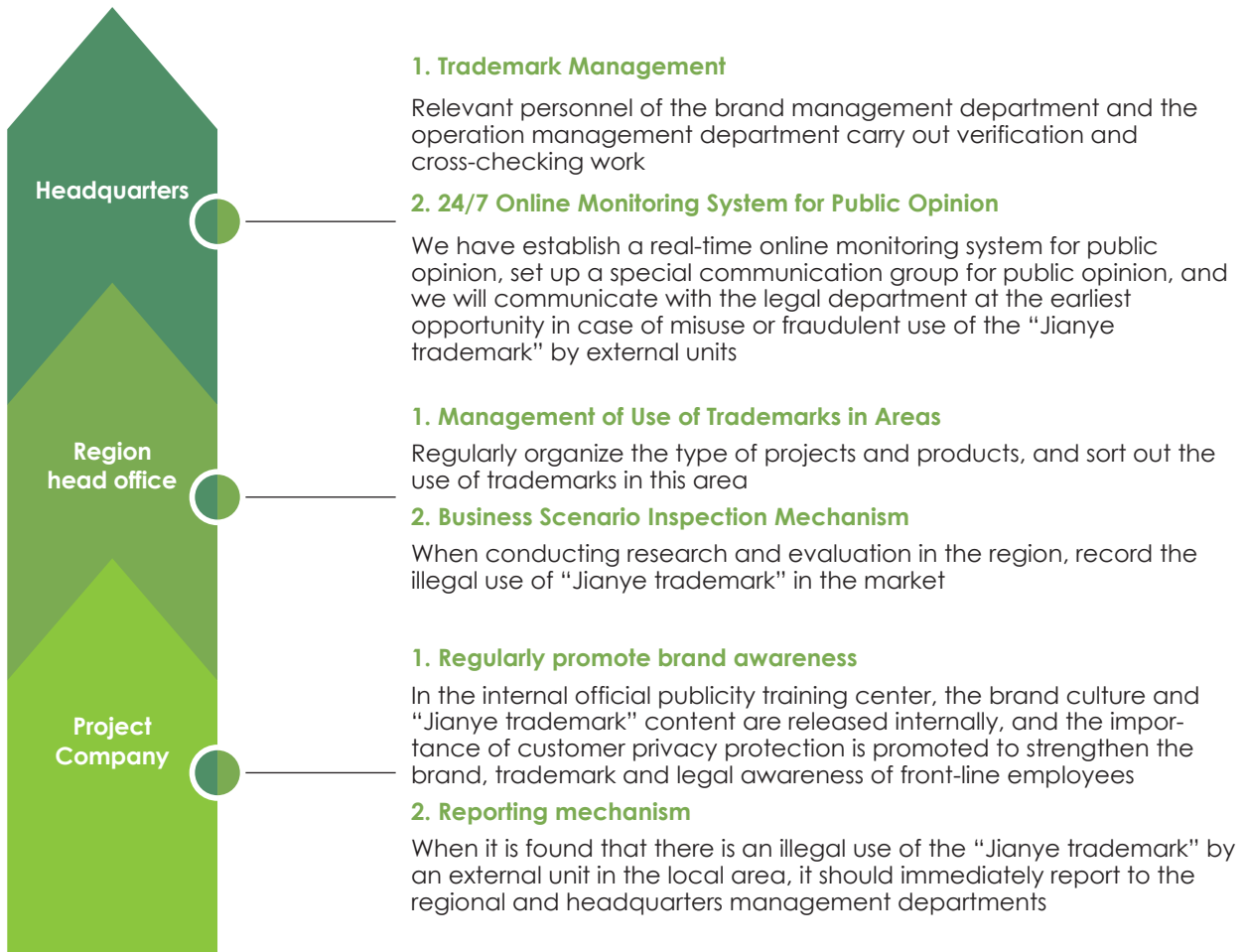
CCMGT pays attention to customer service management, constantly explores customer needs, quickly responds to customer complaints, actively establishes a satisfaction survey system based on the asset-light model, strengthens customer service quality, and provides customers with better services.

Protecting customers' rights and interests

In strict compliance with laws and regulations of the country and regions where it operates, including the Advertising Law of the People's Republic of China, CCMGT has formulated and implemented internal policies, including the Operation Guide for Prevention of Legal Risks in Marketing for Commercial Housing, which clearly regulates the advertising and pre-sale publicity of commercial housing, aiming to ensure the compliance of marketing and continuously improve product standards and customer service standards. In terms of publicity and promotion, we have stipulated in the Notice on Standardising the Use of Templates for CCMGT's Sales Agreements and Contracts that each project must use the templates issued by the Group to carry out publicity and promotion activities, and indicate the terms about developers and entrusted managers in the contracts to avoid the risk of false and excessive advertising for products. In terms of customer privacy and information protection, we keep customer information on the enterprise and user sides confidential, and carry out targeted maintenance. At the same time, anyone is prohibited to get the information of the customers that close transactions with us from the system to protect customer information and privacy.

We have formulated the Regulations on Trademark and Information Protection to ensure the compliant use of our trademarks, in a bid to regulate the uniformity and standardisation of CCMGT's brand identity system, maintain a good brand image, reduce and avoid legal risks arising from brands. We have formulated trademark management measures for the Group's headquarters, regional companies and project companies, as well as monitoring, inspection and reporting mechanisms to ensure the protection of brands. If partners use the "Jianye" trademark for publicity and sales in other companies' projects without authorisation to obtain extra-contractual benefits, we will send them correspondences, such as the Letter of Trademark Infringement and the Lawyer's Letter, to request them stop the infringement. For those who do not stop their acts, we will apply for arbitration or file a lawsuit to protect our intellectual property rights.

QUALITY PRODUCTS AND SERVICES TO CREATE HAPPY HOMES



CCMGT's brand activity management measures

Customer satisfaction management

In order to protect the rights and interests of customers and improve customer satisfaction, we have formulated internal systems, such as the Customer Satisfaction Improvement Manual and the Management Key Points of Customer Satisfaction Survey, to provide guidance for the practical operation of satisfaction in all aspects of front-line projects. In 2021, we strengthened customer satisfaction management by conducting a monthly training. We actively listen to customers and strive to respond to customers' demands in a timely and rapid manner. We have established the Guide for Management and Control of Customer Complaint Risks in Time Points to comprehensively sort out and inspect important time points in a year when customer complaints frequently occur and compile a relevant report, so as to standardise the handling process and service standards of customer complaints, effectively prevent and properly handle customer complaints, continuously improve customer service quality and improve customer complaint handling satisfaction. During the Reporting Period, we received a total of 5,776 complaints about products and services, with the complaint response rate of 100% and the complaint resolution rate of 98%. The average response time to customer complaints was 12 minutes.

QUALITY PRODUCTS AND SERVICES TO CREATE HAPPY HOMES

The Group's customer satisfaction score in 2021 was 83 points, 2 points higher than that in 2020 and higher than the industry average. We set a management goal of getting a satisfaction score higher than the industry average for the next three years on the premise of steadily improving satisfaction. We will hold mid-year and annual customer satisfaction analysis meetings, conduct in-depth analysis of the pain points of regional and urban companies, and classify and manage projects participating in customer satisfaction surveys, striving to create satisfaction benchmarking projects.

Customer satisfaction maintenance activities

During the Spring Festival in 2021, according to the characteristics of projects, region head offices and divisions of CCMGT organised customer satisfaction maintenance activities for projects on sale, projects almost sold up, projects to be delivered, and projects that have been delivered. They held a series of characteristic customer activities from coverage, cost-effectiveness, customer participation, customer satisfaction, etc.

Nanyang Happy Place is delivered ahead of time

In 2021, CCMGT delivered Nanyang Happy Place 8 months ahead of schedule and property owners were awarded a ownership certificate during the delivery period. Nanyang Happy Place, which has always adhered to the concept of being responsible to customers, fully prepared before delivery, carried out a comprehensive and systematic delivery risk investigation, and actively learned from the experience of outstanding projects that have been delivered. It has been recognised and praised by property owners, which improved its customer satisfaction and local reputation.



Nanyang Happy Place wins high praise

QUALITY PRODUCTS AND SERVICES TO CREATE HAPPY HOMES

In the future, we will strengthen cooperation with professional consulting agencies in the industry, establish a satisfaction survey system based on an asset-light model, and further strengthen business management capabilities and improve partners' service level through satisfaction management.

BUILDING SUSTAINABLE SUPPLY CHAIN

In strict compliance with laws and regulations of the country and regions where it operates, including the Tendering and Bidding Law of the People's Republic of China and the Regulations on the Implementation of the Tendering and Bidding Law of the People's Republic of China, CCMGT formulated and optimised the Supplier Management Rules and stipulated three basic principles for the whole process of supplier management.

Principle of objectivity and fairness	Principle of information traceability	Principle of green procurement
During each step of supplier management, relevant participants must review and judge based on objectively presented data and information, evaluate all suppliers equally and independently, and truthfully reflect objective facts.	The supplier resource and information database is subject to supervision by all parties. Relevant data and information throughout the process shall be kept to ensure that the process can be traced back and the results can be scrutinised.	Taking environmental protection-related laws and regulations and national and industry standards as green procurement standards, CCMGT collects information of violations of laws and regulations in relation to environment released by government environmental protection departments, and manages suppliers in accordance with relevant conventions on the green supply chain of real estate.

CCMGT's Supplier Management Principles

In 2021, **100%** of the cooperative suppliers complied with the environmental and social laws and regulations of the country and regions where it operates, and followed ISO 14001 environmental management system and ISO 45001 safety management system

In the selection process of suppliers' scheme, the Group always strives to ensure the full utilisation of land resources and maximise the efficiency of land use considering local planning requirements to avoid waste of resources. In terms of cost control, we use quotas and cost optimisation to reduce the consumption of materials, such as rebars and concrete. During project implementation, with laws and regulations including the Environmental Protection Law of the People's Republic of China and ISO 14001 environmental management system and ISO 45001 safety management system as green procurement standards, we collect information of violations of laws and regulations in relation to environment released by government environmental protection departments, and manage suppliers in accordance with relevant conventions on the green supply chain of real estate. Meanwhile, we actively absorb and promote new materials and new processes, such as ecological stone, new waterproof material called high density polyethylene (HDPE) and ground source heat pump, to reduce the consumption of non-renewable resources.

QUALITY PRODUCTS AND SERVICES TO CREATE HAPPY HOMES

All engineering suppliers are evaluated on the basis of contracts in the performance evaluation of three milestones, i.e. basement structure, top-out of main structure and acceptance check of projects completed, as well as the performance evaluation after the completion of contract performance and acceptance. Supplier evaluation is carried out by professionals from regional companies and project companies. After the evaluation is completed, the engineering department of each project company will send the evaluation results to suppliers via email. The engineering management department of the

Group's headquarters will rank and maintain suppliers for a year according to the performance evaluation results. Supplier evaluation results will be used as one of the important indicators for future tendering and purchasing scores.

CCMGT's suppliers are divided into three types: engineering, cost consulting and design. As of 31 December 2021, our total number of suppliers in the library was 128, all of which are domestic suppliers. The number of suppliers by geographical region is shown in the table below:

Geographical distribution of suppliers	China				
	Northern region	Eastern region	Western region	Southern region	Other regions
Number of suppliers	10	64	22	8	24

The Group will continuously integrate the concept of sustainable supply chain management into the practice of circular economy at the enterprise level in the future. We will support and implement green supply chain actions in the long term, constantly improve product standardisation, strengthen management of ineffective cost and integrate centralised procurement, so as to contribute to environmental protection by reducing waste. While creating value for entrusting parties, we will work with partners to achieve green development of the whole industry more effectively.

TEAM BUILDING TO ENABLE EMPLOYEE DEVELOPMENT

CCMGT is committed to creating a fair and just employment environment and a safe and healthy working environment for its employees. We give sufficient trust to our employees, encourage them to give full play to their strengths, and hope that they can learn at work and make progress in practice, and grow together with us. We respect and protect the basic rights and interests of every employee, implement a diversified talent development strategy, and build a career platform for employees to show their talent and creativity on the premise of complying with laws and regulations of the country and regions where we operate, including the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China and the Law on the Protection of Minors of the People's Republic of China.

Material issues in the section:

Employee training and development, Employee health and safety, Employee compensation and welfare protection, Employees' rights and diversity

KPIs covered in the section:

B1.1/B1.2/B2.1/B2.2/B2.3/B3.1/B3.2/B4.1/B4.2

EMPLOYMENT MANAGEMENT AND COMPLIANCE

In 2021, **no** child labour or forced labour was found in the Group

CCMGT adheres to the value concept of "honesty, responsibility, integrity and focus" and upholds the employment principle of "stressing both integrity and competence, putting integrity first", aiming to create an open and win-win talent system. We strictly comply with laws and regulations of the country and regions where we operate, including the Labour Law of the People's Republic of China and the Law on the Protection of Rights and Interests of Women and Children of the People's Republic of China. We insist on recruiting employees legally and abide by relevant laws and regulations, and there is no child labour or forced labour. Before employees join the Company, we take the initiative to check the identity documents of the candidates. If the candidates hired are found to provide false information, the registration procedures will be terminated immediately and the candidates will be disqualified. In principle, we do not encourage employees to work overtime. The current working time system is eight hours a day, five days a week. In case of voluntary overtime work due to emergency, we will give employees certain days off or overtime pay.

In the meantime, the Group advocates the concept of openness and inclusiveness, and selects and appoints talents through an equal, fair and transparent manner. Regardless of skin color, gender, age, nationality, language, religious belief and physical condition, we provide equal employment opportunities. Any form of discrimination and unfair treatment is prohibited. The Group signs a labour contract with each employee, provides employees with statutory benefits in accordance with laws, and provides additional benefits, such as employer's liability insurance.

TEAM BUILDING TO ENABLE EMPLOYEE DEVELOPMENT

As of 31 December 2021, the Group had **1,238** full-time employees

In order to realise the standardisation and planning of talent introduction, the Group has formulated and implemented internal policies, such as the Recruitment Management System, the Labour Contract Management Rules, the Personnel Change Management System and the Attendance Management Rules, which are applied to employee recruitment, promotion, compensation, benefits, evaluation, training, employee relations and communication, etc., to ensure the compliance and fairness of employment, and to provide process guidance for each branch. Our Human Resources Department formulates a scientific and reasonable talent introduction plan at the beginning of each year according to the annual business development plan, and makes dynamic adjustments based on the actual business development of the departments that need talents to standardise the employee recruitment process and improve the talent selection mechanism. In the process of recruitment, we make full use of shared recruitment platforms, online recruitment, headhunting and other channels to ensure the introduction and flow of outstanding talents through information release, resume screening, invitation, written tests and interviews. We regularly analyse employee turnover, deal with the potential management blind spots reflected by the resignation of employees in a timely manner, and improve the stability of employees by setting up long-term service awards, bonus incentives, interviews and other ways.

As of 31 December 2021, the Group had 1,238 full-time employees. The number of employees by gender, employee category, age group and geographical region is shown in the table below:

	Total number of employees by gender, employee category, age group and geographical region	Number (Unit: person)
Total number of employees	Total	1,238
By gender	Male	877
	Female	361
By employee category	Senior management	28
	Middle management	684
	Ordinary employees	526
By age group	Under 30	299
	30-50	930
	Over 50	9
By geographical region	Mainland China	1,234
	Hong Kong, Macao and Taiwan	4

TEAM BUILDING TO ENABLE EMPLOYEE DEVELOPMENT

Employee turnover rate by gender, age group and geographical region		Employee turnover rate	Number of resigned employees (Unit: person)
Total employee turnover rate		11.47%	142
By gender	Male	10.95%	96
	Female	12.74%	46
By age group	Under 30	17.73%	53
	30-50	9.46%	88
	51 and above	11.11%	1
By geographical region	Mainland China	11.43%	141
	Hong Kong, Macao and Taiwan	25.00%	1

In terms of employee compensation and welfare protection, the Group has established a multi-level compensation system of “basic salary + performance salary + bonus + allowance” to provide employees with industry-competitive compensation. Considering employees’ performance results and post value, the Group adjusts salary when appropriate to improve employees’ working enthusiasm.

Legal Interest	Work Support	Featured Allowance
<ul style="list-style-type: none"> • Endowment Insurance, Maternity Insurance, Medical Insurance, Employment Injury Insurance and Unemployment Insurance, and Housing Fund • Annual Physical Examination • Statutory Holidays • Paid Leave • Holiday Benefits 	<ul style="list-style-type: none"> • Good Office Environment • Dining Benefits • Team Building Activities 	<ul style="list-style-type: none"> • Age Allowance • Off-site Allowance • Transportation Allowance • Housing Allowance • President’s Allowance
01	02	03

CCMGT’S EMPLOYEE WELFARE SYSTEM

TEAM BUILDING TO ENABLE EMPLOYEE DEVELOPMENT

In order to ensure that the labor output of employees matches their salary, we conduct effective evaluation of employees through a scientific and reasonable talent review. Every year, we evaluate the performance of employees by means of debriefing, performance evaluation, etc. At the same time, the ability of employees is evaluated through professional behavior assessment or professional examination, and the positions of employees are reasonably determined according to the results of performance and ability evaluation. Afterwards, we carry out targeted labour efficiency improvement, talent echelon training and other tasks to help employees improve their personal effectiveness, achieve their value, and lay a solid foundation for the continuous growth of the Group's performance.

EMPLOYEE TRAINING AND DEVELOPMENT

With great importance attached to the training of employees' professional skills and improvement of their personal competence, CCMGT invests a lot of manpower and financial support. A diversified talent training programme has been in place for employees at different levels and sequences to help them improve working skills and working efficiency. For new recruits, we established a "new youth" training system to carry out training on corporate culture, development history, corporate systems, etc. to

enhance employees' awareness of us and help them quickly integrate into us. We established a training system consisting of Star Programme, Vast Ocean Programme, Distant Mountain Programme and Rock Programme for in-service employees to carry out training on professional skills, career competence and so forth, which indicates that we set up a scientific and effective management system and methodologies for employees. The system has covered the leaders at all levels.

On the basis of laying up diversified training programmes, the Group has also developed lecturer resources and enriched training courses by organising a lecturers' competition and other means. An online learning system has been established, through which employees can receive relevant training to enhance the breadth and depth of training.

The Group has set up a three-level training system and evaluation system that runs through "regions-headquarters-Group", in a bid to enhance the effectiveness of training. After each training session, the training evaluation form is filled to evaluate the training effect through offline communication and course satisfaction evaluation. The training programmes are optimised and adjusted according to the evaluation results, so as to ensure the training effect, improve employees and promote the business development of the Group.

TEAM BUILDING TO ENABLE EMPLOYEE DEVELOPMENT



CCMGT's "Regions — Headquarters — Group" three-level training system

TEAM BUILDING TO ENABLE EMPLOYEE DEVELOPMENT

In 2021, the total number of employees trained by the Group was **1,226**, with the percentage of employees trained of **99.03%**

		Percentage of employees trained	Number of employees trained (Unit: person)
Number of employees trained	Total	99.03%	1,226
By gender	Male	70.96%	870
	Female	29.04%	356
By employee category	Senior management	2.37%	8
	Middle management	55.95%	686
	Ordinary employees	41.68%	511

In 2021, the Group's employees received a total of **97,120** hours of training, with the average training hours completed per employee of **78.45** hours

		Average training hours completed per employee (Unit: hour/person)	Training hours (Unit: hour)
Average training hours completed per employee	Total	78.45	97,120.00
By gender	Male	85.63	75,100.00
	Female	61.00	22,020.00
By employee category	Senior management	51.82	1,451.00
	Middle management	39.36	26,919.00
	Ordinary employees	130.70	68,750.00

EMPLOYEE HEALTH AND SAFETY

Employees are the core driving force for development and valuable wealth of companies. CCMGT cares about the physical and mental health and occupational safety of employees, and strives to ensure their physical and mental quality. In accordance with the internal Employee Care Management Rules, we give priority to cooperation with the top hospitals in a region, and organise at least one free physical examination for employees every year. The health examination centre of a hospital provides employees with services such as health report interpretation, health consultation and review suggestions. We have set up a "family aid fund" to help employees who are impoverished due to illness, in order to enhance humanistic care and carry forward the spirit of solidarity and mutual assistance.

TEAM BUILDING TO ENABLE EMPLOYEE DEVELOPMENT

We promote the concept of “healthy work, happy life”, and use sports as the carrier to stimulate the vitality of employees, improve relationship among departments and their employees, and enhance the sense of belonging of employees. The headquarters and regional companies of CCMGT organised 12 varieties of physical exercise activities in 2021, with full participation achieved.

The Group pays great attention to the physical and mental health of its employees. In addition to providing annual physical examinations, we also purchase the employer's liability insurance for employees. In response to emergencies, we have formulated the Management Measures for Emergency Response Plans to ensure that emergencies are handled quickly and effectively, and prevent the situation from expanding or worsening. The Flood Control Plan was formulated to quickly respond to emergencies while enhancing the prevention awareness of each branch, in a bid to eliminate the safety hazards that may be caused by extreme weather. During the Reporting Period, there were neither work-related injuries nor serious injuries or fatalities in the Group. One employee of the Group who was stationed in Xinjiang branch for a long time passed away due to work-related injury in 2020. After the accident, we immediately expressed condolences to the family members of the employee, and received the compensation for a work-related fatality and pensions for the dependents of the employee from the Department of Human Resources and Social Security of Zhengzhou for the employee's family members. Compensation was provided to the family members through the employer's liability insurance as a form of consolation and compensation for the unfortunate incident.

In 2021, there were **no** work-related injuries or lost days due to work injury

	Number of work-related fatalities (Unit: person)	Rate of work-related fatalities*
2021	0	0.0%
2020	1	0.092%
2019	0	0.0%

* Rate of work-related fatalities = number of work-related fatalities/number of employees.

	Number of work-related injuries (Unit: case)	Number of lost days due to work injury (Unit: day)
2021	0	0

PROTECTING THE ENVIRONMENT FOR GREEN DEVELOPMENT

As a new lifestyle service provider, CCMGT always insists on creating green buildings and environments that coexist in harmony with nature. We advocate green operation, trying to minimise all kinds of pollution to the environment and improve the efficiency of resource use. We actively promote the high-quality development of green buildings, and insist on providing the public with green and healthy lifestyle services. Being eco-friendly, we take various effective measures to minimise the adverse impact on the environment while pursuing economic benefits.

Material issues in the section:

Promoting green operation, Energy conservation, Emission reduction and response to climate change, Water resources and water use efficiency, Waste management, Development of green buildings and green communities

KPIs covered in the section:

A1.1/A1.2/A1.3/A1.4/A1.5/A1.6/A2.1/A2.2/A2.3/A2.4/A3.1/A4.1/B5.4

PROMOTING GREEN OPERATION

In 2021, the total emissions of the Group amounted to **705.23 kg**

The total greenhouse gas emissions were **584.52 tCO₂e**

The greenhouse gas emission intensity was **0.47 tCO₂e/person**

CCMGT, which is committed to reducing the resource consumption generated during operations, adheres to the concept of green, clean and low-carbon office, reduces its emissions to the environment, and supervises the green operation of the projects under management, as efforts to take responsibility for environmental protection.

Environmental impact management

CCMGT strictly complies with the laws and regulations of the country and regions where it operates, including the Environmental Protection Law of the People's Republic of China and the Management Measures for the Classification of Urban Domestic Waste in Zhengzhou, and implements the Office Environment Management Measures it formulated, so as to strengthen the energy consumption management and waste management in office areas, and actively promote green operation. The construction schemes for projects were selected in strict accordance to the Operation Directive for Management of Ineffective Cost. The aim is to achieve harmonious and unified development between human and natural environment and between buildings and natural environment. There was not any issue in sourcing water that is fit for purpose in 2021.

PROTECTING THE ENVIRONMENT FOR GREEN DEVELOPMENT

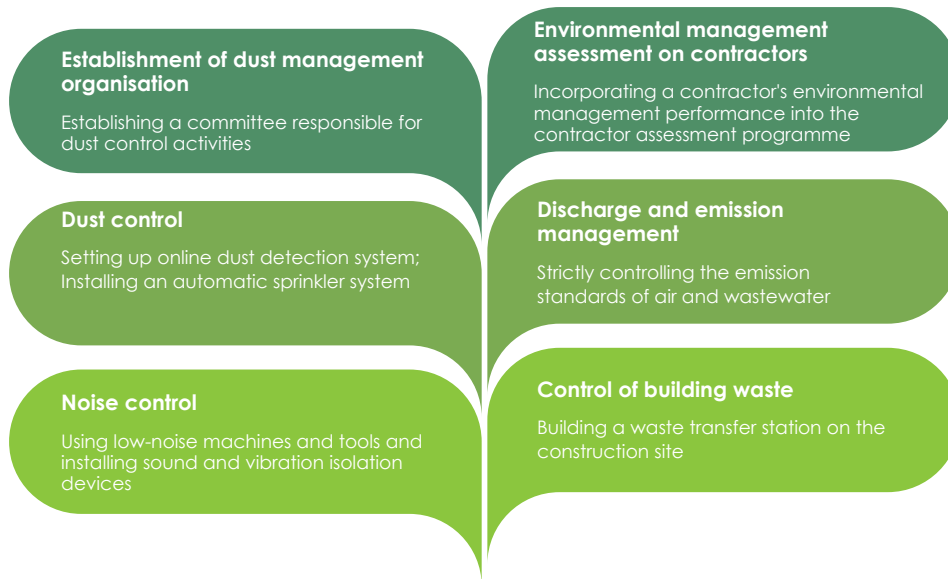
According to the Office Environment Management Measures, we clearly require all employees to save electricity and water. Specifically, employees are required to power off devices when leaving the workplace and never leave lights on and keep water tap running. We encourage paperless office with full use of the Internet to reduce the use of office paper. For documents that need to be printed, we advocate duplex printing to avoid excess printing. In addition, we standardise the production of all kinds of printed matter and strictly prohibit issuing paper invitations and greeting cards within our Group. Sterilised ceramic drinkware is used where there is a visitor, and employees are encouraged to bring their own drinking cups or glasses. As far as kitchen waste is concerned, special containers are used to collect waste edible oils and fats, which shall be kept intact, airtight and tidy. We contact a kitchen waste disposer for regular and unified recycling. All wastes shall be classified and handed over to property management firms for unified disposal. Anyone who violates the Office Environment Management Measures will be criticised within the Group. The misconduct will be included into his/her performance appraisal.

The Management Rules for Company Cars were laid down to regulate the use of company cars of the Group. New company cars can be purchased only after old cars are scrapped or properly disposed of when they meet the national compulsory scrappage standards. We distribute company cars in accordance with the "priority principle" and "transport use principle", and establish a refuelling and driving record management ledger for the use of company cars.

As a project management service provider appointed by project owners, we are responsible for advising project owners on the compliance

requirements related to environmental protection, and supervising and urging contractors to implement proper environmental protection measures during the construction process, although we do not take any responsibility for the projects under management that violate relevant environmental laws and regulations. In strict accordance with the Operation Directive for Management of Ineffective Cost, we opt for reasonable construction technology solutions and determine reasonable construction arrangements, in order to cut the scrap rate. We formulate and implement the laws and regulations of the country and regions where projects under management are located, including the Standards on Safe and Civilised Construction and the Management Measures for Investigation into Constructors, based on the Law on the Prevention and Control of Noise Pollution of the People's Republic of China, the Law on the Prevention and Control of Water Pollution of the People's Republic of China, the Law on the Prevention and Control of Environmental Pollution by Solid Wastes of the People's Republic of China, and the Regulations on Environmental Protection Management for Construction Projects. Project companies managed by us and contractors are required to follow relevant policies, procedures and measures to meet dust control, noise control, air emissions and wastewater discharge control standards and various environmental protection requirements. In the whole life cycle of a building, we try to maximise energy, land, water and material conservation to protect the environment and reduce pollution, in a bid to provide people with healthy, suitable and efficient space to use. As of 31 December 2021, our businesses were in compliance with the applicable national and local environmental laws and regulations in all material aspects, and we were not severely punished due to violations of existing environmental laws or regulations.

PROTECTING THE ENVIRONMENT FOR GREEN DEVELOPMENT



CCMGT's Safe and Civilised Construction Control Measures

The Group actively took measures to save energy and reduce emissions to promote environmental improvement projects, with a view to reducing air and greenhouse gas emissions, reducing waste generation, and improving energy and water use efficiency.

In 2021, the total emissions of the Group amounted to **705.23 Kg**

In 2021, the total greenhouse gas emissions of the Group were **584.52 tCO₂e**, with greenhouse gas emission intensity of **0.47 tCO₂e/person**

Indicators	Unit	2021
Emissions		
Nitrogen oxide emissions	Kg	643.00
Sulphur oxide emissions	Kg	1.70
Particulate matter emissions	Kg	60.53
Greenhouse gas		
Total greenhouse gas emissions	tCO ₂ e	584.52
Direct greenhouse gas emissions (Scope 1)	tCO ₂ e	339.57
Indirect greenhouse gas emissions (Scope 2)	tCO ₂ e	244.95
Greenhouse gas emission intensity	tCO ₂ e/RMB10,000	0.47

PROTECTING THE ENVIRONMENT FOR GREEN DEVELOPMENT

In 2021, the total energy consumption of the Group was **1,568.22 kWh in '000s**, with energy consumption intensity of **1.27 kWh in '000s/ person**

In 2021, the total water consumption of the Group was **33,043.29 Cubic metres**, with water consumption intensity of **26.69 Cubic metre/ person**

In 2021, the total hazardous waste of the Group was **0.002 tonnes**

The hazardous waste intensity was **0.000002 tonnes/ person**

The total non-hazardous waste was **27.23 tonnes**

The non-hazardous waste intensity was **0.02 tonnes/person**

Indicators	Unit	2021
Energy		
Total energy consumption	kWh in '000s	1,568.22
Energy consumption intensity (Total energy consumption/number of employees)	kWh in '000s/ person	1.27
Non-renewable fuel (direct) consumption	kWh in '000s	1,144.99
Piped natural gas consumption	kWh in '000s	79.57
Total petrol consumption	kWh in '000s	1,065.42
Purchased energy (indirect) consumption	kWh in '000s	423.23
Electricity consumption	kWh in '000s	423.23
Water		
Total water consumption	Cubic metre	33,043.29
Water consumption intensity (Total water consumption/number of employees)	Cubic metre/ person	26.69
Municipal water consumption	Cubic metre	33,043.29
Waste		
Total hazardous waste produced	tonne	0.002
Hazardous waste intensity (Total hazardous waste produced / number of employees)	tonne/person	0.000002
Waste battery weight	tonne	0.002
Total non-hazardous waste produced	tonne	27.23
Non-hazardous waste intensity (Total non-hazardous waste produced/number of employees)	tonne/person	0.02
General office waste produced	tonne	10.65
Kitchen waste produced	tonne	16.58

Green Buildings and Environment

We adhere to sustainable development in principle regarding green buildings, implement green balance in concept, focus on scientific design, integrate a large number of concepts of environmental and ecological protection, and subtly convey sustainable development concept to the public through visual and user experience. CCMGT actively implements the development concept of green buildings, promotes the high-quality development of green buildings, and improves the quality of the living

PROTECTING THE ENVIRONMENT FOR GREEN DEVELOPMENT

environment. Where possible in collaboration with project owners, under the guidance of the green building rating standards, we actively apply the Regulations on the Development of Green Buildings of Henan Province and other local laws and regulations to clarify the green building rating of projects, and strictly follow relevant requirements in consulting, design, supervision, quality inspection, etc. For wall materials, insulation materials, door and window system, heating, cooling and ventilation system, lighting equipment, rainwater utilisation and other aspects, we actively use materials, equipment and systems that meet the requirements for star-level green buildings.

Actively promoting the industrialisation of residences

Industrialisation can not only reduce the consumption of building materials and energy, but also effectively shorten the construction period. The development of industrialisation can also continuously improve the practicability of projects and the livability of the environment. In recent years, CCMGT has continuously increased investment in product research and development, and focused on promoting product standardisation and industrialisation, and achieved the target of energy conservation in projects through efficient construction schemes and designs.

Using green building technology

CCMGT incorporates environmental factors into the design during the product development stage, and actively uses green technologies and concepts in the product design process, such as natural lighting, use of building insulation materials, installation of a ventilation system, use of new energy, and expansion of green space, which forms a scientific, environmentally-friendly and healthy design concept. The Company always upholds the people-oriented design philosophy, pays attention to the feelings of building users, and adopts a variety of technical means to create a healthy and comfortable high-quality livable environment.

Building park communities and healthy residences

CCMGT adheres to the integrated design of architecture, landscape and decoration, and breaks through barriers to focus on multi-disciplinary, full-process design, with the overall design based on "green" and "health", with a view to creating a new low-carbon and livable residential community.

PROTECTING THE ENVIRONMENT FOR GREEN DEVELOPMENT

Protection of ancient tree in Mengjin Cloud Mansion in Luoyang

There is an old cypress tree that is over 500 years old at the site of CCMGT's Mengjin Cloud Mansion in Luoyang. In the design stage, the project team, based on a comprehensive analysis of the current situation of the site, creates a participatory landscape centring on the old tree while protecting the tree. We set landscape stones and cultural stones around the ancient tree. Together with lighting and culture description, the stones show the warm memories of the old tree protecting residents for over 500 years. In addition, an anthropomorphic bear sculpture is a bear holding a balloon and seemingly talking with the ancient tree, which is intended to express the scene of the warm dialogue between the bear and the tree. By protecting the ancient tree, we hope to achieve the harmonious coexistence between man and nature in the region.



RESPONSE TO CLIMATE CHANGE

CCMGT pays close attention to global trends and China's national strategy for tackling climate change. It is systematically identifying and evaluating risks related to climate change and formulating coping strategies to enhance its ability to respond to climate change, so as to help achieve the national targets of "peaking carbon dioxide emissions by 2030 and achieving carbon neutrality by 2060".

For potential acute risks such as floods that may have an impact on our operations, we have formulated emergency plans about flood control during the rainy season and heatstroke prevention and cooling in summer to prevent the sudden damage that may be caused by extreme weather events, respond quickly to avoid unnecessary losses, and ensure the orderly work of each project.



In the selection of paving materials, we choose materials with good water permeability, such as pervious concrete and small stones, which can effectively improve the infiltration of rainwater, thereby effectively reducing the loss caused by floods.



In the early planning stage, the site was designed to be 1-1.5 metres higher than the surrounding municipal roads to cope with the impacts of possible extreme weather, such as flood disasters and heavy rainfalls, in the future.



The property management staff cleaned up the drainage facilities, such as ditches and rainwater grates, in the ecological forest land in time to avoid the hidden danger of waterlogging.



A landscape ecological woodland system was established and integrated into the rain garden to effectively collect, store and discharge rainwater during the rainy season. We reduce the impact of extreme weather on residential areas by improving and optimising the microclimate.

CCMGT's Moves to Prevent Extreme Weather

INHERITING TRADITIONAL CULTURE AND GIVING BACK TO SOCIETY VIA CHARITY ACTIVITIES

In the process of continuous business development, CCMGT stays true to its original aspiration and fulfils its social responsibilities. We inherit the traditional culture of the Chinese nation with our original intention, manage public welfare and charity undertakings with sincerity, win the battle against poverty with confidence, facilitate the development of communities with genuineness, and build the rear area for the war against the COVID-19 pandemic with love. While providing high-quality services to customers, we consciously undertake obligations as a corporate citizen and give back to the society with practical actions.

Material issues in the section:

Promoting community development, Philanthropy and volunteer services

KPIs covered in the section:

B8.1/B8.2

FIGHT AGAINST THE PANDEMIC

The Group invested more than RMB2.07 million in participating in public welfare activities and giving back to the society, and allocated more than 1,200 employees to such activities in 2021

Since the outbreak of COVID-19, CCMGT, with a determination to win the war of prevention and control against the virus together with people, has integrated internal and external resources, established a multi-party linkage mechanism consisting of the government, property owners, property management firms and partners, and explored standardised prevention and control system, in a bid to ensure the normal life supply for residents amid the pandemic, and take practical actions to ensure the safety of life and property of property owners and people. While doing our best to prevent the spread of the virus, we have always cared about the staff who work hard on the front line against the pandemic, and arranged project teams to make donations to express our support and gratitude to the anti-pandemic staff, making a modest contribution to the people's war against the pandemic.

Overview of anti-pandemic supplies donated by projects

Projects	Donations
Taihe Mansion	It donated anti-pandemic materials, including masks, disinfectants, alcohol, and Huo Xiang Zheng Qi Shui, to the Comprehensive Law Enforcement Bureau of Queshan County, the Traffic Police General Brigade of Queshan Public Security Bureau and front-line migrant workers.
Dangshan Jianye City	It purchased food and other supplies to visit the staff on duty of the pandemic monitoring stations in Dangshan County.
Zhecheng Spring Time & Metropolis	They purchased and sent anti-pandemic materials and food to red cross association of Chuanhui District, Zhoukou.
Tongbai Central Garden	It donated mineral water, instant noodles, masks and other materials to anti-pandemic outlets in Tongbai.

INHERITING TRADITIONAL CULTURE AND GIVING BACK TO SOCIETY VIA CHARITY ACTIVITIES

Projects	Donations
Zhumadian Elites Town	It sent bread, ham sausage, biscuits, mineral water, bucket noodles and other supplies to the front-line staff, and assigned persons to deliver ice cubes to cool down the medical staff at the nucleic acid testing points in Zhumadian every day.
Anyang Jianye Chenhe Mansion	It donated an "anti-pandemic gift package" worth more than RMB20,000 to the people around the project.
Changege Project	It donated alcohol, masks, protective clothing and other anti-pandemic materials to relevant offices in the jurisdiction.
Zhumadian Shiyue Mansion	It bought 100,000 disposable medical masks for city-wide distribution.
Xiping Jianye City	It sent 100 boxes of mineral water to front-line workers.
Biyang Project	It donated RMB40,000 for the purchase of anti-pandemic materials to the Administration for Market Regulation of Biyang County and donated 200 anti-pandemic packages.

AID TO STUDENTS AND FARMERS

CCMGT extended a helping hand to impoverished students and carried out a series of activities, including giving grants and donating books and materials, to help them realise their dreams. During the national college entrance examination, we set up support outlets to provide examinees with bottled water, expressing our concern and support for them.

Helping impoverished students realise their dreams of attending colleges or universities

In September 2021, CCMGT's Mengjin Cloud Mansion donated RMB20,000 to the government of Chaoyang Town, Mengjin County to help impoverished students whose dreams are to attend colleges or universities, which alleviated the difficulties facing students to some extent and helped them solve practical problems.



In 2021, we invested more than RMB370,000 in rural revitalisation and agricultural assistance activities, and built an agricultural assistance service platform to contribute to the economic and social development of the regions where our projects are located. We request project teams to purchase local unsalable crops and give them away to anti-pandemic staff, property owners and local citizens to express admiration for anti-pandemic heroes and condolences to property owners and citizens. They also can re-sell the crops, and the proceeds will be used to provide breakfast for sanitation workers. It adds warmth to the communities surrounding projects while helping farmers.

INHERITING TRADITIONAL CULTURE AND GIVING BACK TO SOCIETY VIA CHARITY ACTIVITIES

Picking activity helps build a road to help farmers

In 2021, the Group invested more than **RMB370,000** in agricultural assistance and purchased over **46,000 catties** of unsalable crops

On 20 June 2021, CCMGT's Nanzhao Jianye City held a peach picking activity in the industrial agglomeration in Chengjiao Town, Nanzhao County. More than 300 property owners gathered in the peach orchard in Zhuyuangou Village, Chengjiao Town to experience the fun of picking and taste the sweetness of peaches. The property owners picked peaches in the peach orchard to reduce the burden of picking for fruit growers. The activity promotes the local peaches and helps fruit growers go out of the sales dilemma caused by the pandemic. This helps farmers increase income. The trip to help farmers picking peaches not only makes property owners feel the happy and warm atmosphere of Nanzhao Jianye City, but also builds a road for CCMGT to help farmers.

Thanksgiving activity helps farmers increase income

In November 2021, CCMGT's Xichuan Jianye City held a thanksgiving activity to celebrate the 3rd anniversary of setting foot in Xichuan County. It is also a move to solve the problem of sales of local agricultural products and help farmers increase income and get rich. Project staff bought 15,000 catties of wax gourds from local farmers in Xichuan and gave them away to property owners. While solving the problem of sales of agricultural products, they also expressed their first greetings to property owners in the winter of 2021.

INHERITING TRADITIONAL CULTURE AND GIVING BACK TO SOCIETY VIA CHARITY ACTIVITIES

VOLUNTEER SERVICES

CCMGT believes that its responsibility lies not only in building residences, but also in building a harmonious society and creating a humanistic environment. In order to arouse the public's care and respect for the disadvantaged groups and service staff in society, we sent blessings and offerings to the elderly aged over 70, disabled Party members and extremely poor

households. We set up love outlets to provide temporary rest points and serve tea and water for deliverymen, traffic police and sanitation workers. Bearing in mind the traditional virtues of the Chinese nation, we actively responded to the call of Henan Provincial Samaritan Foundation and donated RMB30,000 to the foundation to reward samaritans, contributing to the building of a harmonious society and creating of a good social security environment.

Charity activity themed on "In 1970, we were young"

CCMGT's Pingyu Chinoiserie Palace seized the opportunity from the release of the movie My Country, My Parents to launch a video shooting event themed on the "story of me and my parents", inviting the post-50s and 60s to tell the stories of their parents in their youth. Moreover, we contacted the department of veteran affairs, military nursing homes and veterans' offices, and called on veterans, where we learned about their military life stories in the war years or when they were young. The above stories were released and disseminated via the official Tik Tok account and official WeChat account of Pingyu Chinoiserie Palace and third-party media, in order to call for cherishing the hard-won peace and respecting for the veterans.



Poster of the charity activity themed on "In 1970, we were young"

In the future, we will focus on establishing a social responsibility system to fulfill social responsibilities in rural revitalisation, charity, environmental protection and so forth, and to more systematically assess the impact of our operations on the communities in the regions where we operate and on the interests of stakeholders, aiming to realise our value as a corporate citizen with more targeted participation.

APPENDIX I: INDEX OF ESG REPORTING GUIDE

Indicators	Disclosure	Sections of report	
Area: Environmental			
A1: Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Disclosed	Protecting the Environment for Green Development
A1.1	The types of emissions and respective emissions data.	Disclosed	Protecting the Environment for Green Development
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.	Disclosed	Protecting the Environment for Green Development
A1.3	Total hazardous waste produced and, where appropriate, intensity.	Disclosed	Protecting the Environment for Green Development
A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Disclosed	Protecting the Environment for Green Development
A1.5	Description of emission target(s) set and steps taken to achieve them.	Disclosed	Protecting the Environment for Green Development
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of measures to reduce waste produced and the results achieved.	Disclosed	Protecting the Environment for Green Development

APPENDIX I: INDEX OF ESG REPORTING GUIDE

Indicators		Disclosure	Sections of report
A2: Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	Protecting the Environment for Green Development
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity.	Disclosed	Protecting the Environment for Green Development
A2.2	Water consumption in total and intensity	Disclosed	Protecting the Environment for Green Development
A2.3	Description of energy efficiency programme(s) and the results achieved.	Disclosed	Protecting the Environment for Green Development
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency programme(s) and the results achieved.	Disclosed	Protecting the Environment for Green Development
A2.5	Total packaging material used for finished products and, with reference to per unit produced.	The KPI is not applicable since the Group's operations do not involve the use of packaging materials.	
A3: The Environment and Natural Resources			
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Disclosed	Protecting the Environment for Green Development
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	Protecting the Environment for Green Development

APPENDIX I: INDEX OF ESG REPORTING GUIDE

Indicators		Disclosure	Sections of report
A4: Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Disclosed	Protecting the Environment for Green Development
A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Disclosed	Protecting the Environment for Green Development
Area: Social			
B1: Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Disclosed	Team Building to Enable Employee Development
B1.1	Total workforce by gender, employment type, age group and geographical region.	Disclosed	Team Building to Enable Employee Development
B1.2	Employee turnover rate by gender, age group and geographical region.	Disclosed	Team Building to Enable Employee Development

APPENDIX I: INDEX OF ESG REPORTING GUIDE

Indicators	Disclosure	Sections of report	
B2: Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Disclosed	Team Building to Enable Employee Development
B2.1	Number and rate of work-related fatalities.	Disclosed	Team Building to Enable Employee Development
B2.2	Lost days due to work injury.	Disclosed	Team Building to Enable Employee Development
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	Team Building to Enable Employee Development
B3: Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	Team Building to Enable Employee Development
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Disclosed	Team Building to Enable Employee Development
B3.2	The average training hours completed per employee by gender and employee category.	Disclosed	Team Building to Enable Employee Development

APPENDIX I: INDEX OF ESG REPORTING GUIDE

Indicators		Disclosure	Sections of report
B4: Labour Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Disclosed	Team Building to Enable Employee Development
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Disclosed	Team Building to Enable Employee Development
B4.2	Description of steps taken to eliminate such practices when discovered.	Disclosed	Team Building to Enable Employee Development
B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	Quality Products and Services to Create Happy Homes
B5.1	Number of suppliers by geographical region.	Disclosed	Quality Products and Services to Create Happy Homes
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	Quality Products and Services to Create Happy Homes
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Disclosed	Quality Products and Services to Create Happy Homes
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Disclosed	Quality Products and Services to Create Happy Homes

APPENDIX I: INDEX OF ESG REPORTING GUIDE

Indicators	Disclosure	Sections of report	
B6: Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Disclosed	Quality Products and Services to Create Happy Homes
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The KPI is not applicable since the Group's operations do not involve products subject to recalls for safety and health reasons	
B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	Quality Products and Services to Create Happy Homes
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	Quality Products and Services to Create Happy Homes
B6.4	Description of quality assurance process and recall procedures.	The KPI is not applicable since the Group's operations do not involve recall procedures	
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	Quality Products and Services to Create Happy Homes

APPENDIX I: INDEX OF ESG REPORTING GUIDE

Indicators	Disclosure	Sections of report	
B7: Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Disclosed	Enhanced Management to Ensure Compliance Operations
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Disclosed	Enhanced Management to Ensure Compliance Operations
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	Enhanced Management to Ensure Compliance Operations
B7.3	Description of anti-corruption training provided to directors and staff.	Disclosed	Enhanced Management to Ensure Compliance Operations
B8: Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Disclosed	Inheriting Traditional Culture and Giving back to Society via Charity Activities
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Disclosed	Inheriting Traditional Culture and Giving back to Society via Charity Activities
B8.2	Resources contributed (e.g. money or time) to the focus area.	Disclosed	Inheriting Traditional Culture and Giving back to Society via Charity Activities

APPENDIX II: INDEX OF KPIS

ENVIRONMENTAL PERFORMANCE

KPIs		Unit	2021 ⁽¹⁾⁽²⁾
A1.1	NOx emissions ⁽³⁾	Kg	643.00
	SOx emissions ⁽³⁾	Kg	1.70
	Particulate matters ⁽³⁾	Kg	60.53
A1.2	Total greenhouse gas emissions (Scope 1 + Scope 2) ⁽³⁾⁽⁴⁾	tCO ₂ e	584.52
	Greenhouse gas emissions (Scope 1) ⁽³⁾⁽⁴⁾	tCO ₂ e	339.57
	Greenhouse gas emissions (Scope 2) ⁽³⁾⁽⁴⁾	tCO ₂ e	244.95
	Greenhouse gas emissions intensity (Total greenhouse gas emissions/number of employees) ⁽⁸⁾	tCO ₂ e/person	0.47
A1.3	Total hazardous waste produced ⁽⁵⁾	Tonne	0.002
	Hazardous waste production intensity (Total hazardous waste produced/number of employees) ⁽⁸⁾	Tonne/person	0.000002
	<i>By industry</i>		
	Waste battery weight	Tonne	0.002
	<i>By disposal method</i>		
	Recycling	Tonne	0.002
A1.4	Non-hazardous waste produced ⁽⁶⁾	Tonne	27.23
	Non-hazardous waste production intensity (Total non-hazardous waste produced/number of employees) ⁽⁸⁾	Tonne/person	0.02
	<i>By industry</i>		
	General office waste weight	Tonne	10.65
	Kitchen waste weight	Tonne	16.58
	<i>By disposal method</i>		
	Recycling	Tonne	27.23

APPENDIX II: INDEX OF KPIS

KPIs		Unit	2021 ⁽¹⁾⁽²⁾
A2.1	Total energy consumption⁽³⁾	kWh in '000s	1,568.22
	Energy consumption intensity (Total energy consumption/number of employees)⁽⁸⁾	kWh in '000s/person	1.27
	Non-renewable fuel (direct) consumption⁽³⁾	kWh in '000s	1,144.99
	Piped natural gas consumption ⁽³⁾	kWh in '000s	79.57
	Total petrol consumption ⁽³⁾	kWh in '000s	1,065.42
	Purchased energy (indirect) consumption⁽³⁾	kWh in '000s	423.23
	Electricity consumption ⁽³⁾	kWh in '000s	423.23
A2.2	Total water consumption⁽⁷⁾	Cubic metre	33,043.29
	Water consumption intensity (Total water consumption/number of employees)⁽⁸⁾	Cubic metre/person	26.69
	Municipal water consumption	Cubic metre	33,043.29

Description of Environmental KPIs:

- (1) The time range for the disclosure of environmental KPIs covers 1 January 2021 to 31 December 2021.
- (2) The entity scope of the disclosure of environmental KPIs covers the Group's headquarters, Hong Kong office, and office areas at all levels, public areas under management and non-outsourced staff canteens that were operational throughout the reporting period, including 15 urban companies in five regions.
- (3) Sources of emission factors: when calculating emissions, the emission factors for piped natural gas were applied with reference to the Calculation Methods of Pollutants Discharge Factor and Material Balance for Industries not Classified in Pollutants Discharge Permitting Administration issued by the Ministry of Ecology and Environment, and those for others were applied with reference to the Reporting Guidance on Environmental KPIs of the Stock Exchange; when calculating greenhouse gas emissions, the emission factors for piped natural gas were applied with reference to the Guidance on Accounting Methods and Reporting of Greenhouse Gas Emissions by Public Building Operating Companies issued by the National Development and Reform Commission, the emission factors for electricity in Mainland China were applied with reference to the grid emission factors in the Notice on Key Work Related to the Reporting and Management of Corporate Greenhouse Gas Emissions in 2022 issued by the Ministry of Ecology and Environment, while the emission factors in Hong Kong were applied with reference to the Reporting Guidance on Environmental KPIs of the Stock Exchange; and the conversion factors of energy consumption were applied with reference to the Guidance on Accounting Methods and Reporting of Greenhouse Gas Emissions by Public Building Operating Companies issued by the National Development and Reform Commission.
- (4) The greenhouse gas emissions (Scope 1) in 2021 came from the direct emissions from the combustion of automobile petrol and piped natural gas; and the greenhouse gas emissions (Scope 2) came from the indirect emissions of greenhouse gases from purchased electricity.

APPENDIX II: INDEX OF KPIS

- (5) The hazardous waste is waste batteries.
- (6) The non-hazardous waste represents the office waste generated by administrative offices and kitchen waste generated by non-outsourced staff canteens.
- (7) The total water consumption came from municipal water.
- (8) Greenhouse gas emission intensity, hazardous waste production intensity, non-hazardous waste production intensity, energy consumption intensity and water consumption intensity are calculated with the number of employees of the Group at the end of 2021 as the denominator.

SOCIAL PERFORMANCE⁽¹⁾⁽²⁾

B1 Employment			
Type		B1.1 Number of employees as of year end (Unit: person)	B1.2 Employee turnover rate ⁽³⁾
By gender	Male	877	10.95%
	Female	361	12.74%
By age group	30 and below	299	17.73%
	30-50	930	9.46%
	50 and above	9	11.11%
By employee category	Senior management	28	3.57%
	Middle management	684	10.53%
	Ordinary employees	526	13.12%
By geographical region ⁽³⁾	Mainland China	1,234	11.43%
	Hong Kong, Macao and Taiwan	4	25.00%
Total		1,238	11.47%

APPENDIX II: INDEX OF KPIs

B2 Health and Safety			
Year	Number of work-related fatalities (Unit: person)		Rate of work-related fatalities
2021	0		0.0%
2020	1		0.092%
2019	0		0.0%
Year	Number of work-related fatalities (Unit: person)		Number of lost days due to work injury (Unit: day)
2021	0		0
B3 Development and Training			
Type			Percentage of employees trained ⁽⁴⁾
By gender	Male		70.96%
	Female		29.04%
By employee category	Senior management		2.37%
	Middle management		55.95%
	Ordinary employees		41.68%
Total			99.03%
Average training hours completed per employee ⁽⁴⁾			
			85.63
			61.00
			51.82
			39.36
			130.70
			78.45
B5 Supply Chain Management ⁽⁴⁾			
Type			Number (Unit: supplier)
By geographical region	Northern region		10
	Eastern region		64
	Western region		22
	Southern region		8
	Other regions		24
Total			128
			Percentage
			7.81%
			50.00%
			17.19%
			6.25%
			18.75%
			100.00%

APPENDIX II: INDEX OF KPIS

B6 Product Responsibility	
Number of products and service related complaints received (Unit: case)	5,776
Customer complaint response rate (Unit: %)	100
Comprehensive satisfaction rate of complaint handling (Unit: %)	81
B7 Anti-corruption	
Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period (Unit: case)	0
B8 Community Investment⁽⁵⁾	
Money contributed to the focus area (Unit: RMB)	Over 2.07 million
Manpower contributed to the focus area (Unit: person)	Over 1,200

Description of social KPIS:

- (1) The social KPIS cover all the entities included in the scope of the Group's financial statements.
- (2) Unless otherwise specified, the criteria, calculation methods, assumptions and/or calculation tools used in the social KPIS follow the "Appendix III: Reporting Guidance on Social KPIS" to the "How to Prepare an ESG Report" issued by the Stock Exchange in March 2020.
- (3) During the reporting period, all employees of the Group worked in Mainland China and the Hong Kong Special Administrative Region of the PRC.
- (4) Description of the number of suppliers by geographical region: The Group divides suppliers by region in Henan Province. For the geographical locations of suppliers outside Henan, we uniformly define them as "other regions".
- (5) The data on social investment only includes the quantifiable statistics.



中原建業有限公司
CENTRAL CHINA MANAGEMENT COMPANY LIMITED