

# 2023 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT



# CONTENTS

Preparation Instructions for the Report 01

**1** **Focusing on High-quality Development**

Company Profile	04
Business Layout	04
Honors and Awards	07

**2** **Emphasizing ESG Management**

ESG Governance Structure	10
Communication with Stakeholders	11
Materiality Analysis	12

**3** **Safeguarding Ecology**

Environmental Management System	14
Energy and Water Resources Management	16
Emissions and Wastes	18
Addressing Climate Changes	19

**4** **Elaborating Quality Services**

Technology-Empowered Services	24
Optimizing Customer Experience	27
Guaranteeing Service Quality	33
Valuing Information Security and Customer Privacy	37

**5** **Creating a Vibrant Workplace**

Employee Recruitment and Employment	40
Employee Rights and Benefits	41
Occupational Health and Safety	43
Employee Training and Development	44

**6** **Contributing to a Better Society**

Participating in Community Governance	48
Practicing Social Responsibility	51

**7** **Enhancing Governance Effectiveness**

Corporate Governance	54
Compliance Operation	55
Anticorruption and Anti-Bribery	59

ESG Data Performance Tables 60

Benchmarking Index Table 66



# Reporting Instructions

The Report is the fourth *Environmental, Social and Governance Report* released by Xinyuan Property Management Service (Cayman) Ltd. (hereinafter, "Xinyuan Service" or "the Company"), which discloses to all stakeholders the concepts, management methods, efforts, and achievements of the Company on ESG issues in its operations

## Scope of the Report

The Report covers Xinyuan Property Management Service (Cayman) Ltd. and its subsidiaries (collectively, "Xinyuan Service" or "the Company"). The scope, unless otherwise specified, is consistent with that of the consolidated financial statements of Xinyuan Service (stock code: 01895.HK) for the same reporting period.

## Reporting Period

The Report covers the period from 1 January 2023 to 31 December 2023. The data shown in the Report are for this period unless otherwise specified.

## Basis of Preparation

The Report was prepared in accordance with the Environmental, Social and Governance Reporting Guide (which became effective from 31 December 2023) issued by The Stock Exchange of Hong Kong Limited (hereinafter, "the HKEX").

## Reporting Principles

### Materiality

The Company identified the operation-related material issues to the concern of stakeholders, which are highlighted in the Report. During identification and evaluation of the material issues in the Report, the Report also focuses on the industrial features of the Company's operation and the geographical features of the region where it operates. For the analysis process and results of the material issues, please refer to the "Analysis of Material Issues" section hereof for details. In addition, the Report highlights matters related to environmental, social and governance issues that may have a significant impact on investors and other stakeholders.

### Accuracy

The information in this Report is provided as accurately as possible. In particular, the quantitative information has been calculated with the data dimensions, calculation bases and assumptions explained to ensure that the calculation errors fall within a range that will not mislead information users. Quantitative information and notes are detailed in the "ESG Data Performance Table" section of the Report.

### Balance

The Report reflects the objective facts and discloses all positive and negative information impartially. With regard to the objects covered by the Report, no negative incident was found to occur during the Reporting Period that ought to be disclosed while not.

### Clarity

The Report is published in both Simplified Chinese and English. If there is any discrepancy between the English and

Chinese versions, please refer to the Simplified Chinese version. The Report contains tables, model diagrams and other information to facilitate stakeholders to have a better understanding of the textual contents of the Report. In order to facilitate stakeholders' faster access to information, the Report provides Contents and KPIs for ESG standards.

## Quantification and Consistency

The Report discloses the key quantitative performance indicators in separate sections and discloses the historical data wherever possible. The Report collects statistics of and discloses the same indicators for different reporting periods in a consistent manner. Whenever the statistics or disclosure manner changes, such changes will be explained clearly in the notes to the Report, so that the stakeholders are allowed to conduct a meaningful analysis and thereby evaluate the ESG performance level and trend of the Company.

## Completeness

The scope of disclosure of the Report is consistent with that of the Company's consolidated financial statements, and inconsistencies, if any, will be explained where relevant information is.

## Timeliness

The Report is an annual report. The Company endeavors to publish the Report as soon as possible after the end of the reporting year to provide stakeholders with timely information reference for their decision-making.

## Verifiability

The cases and data in the Report come from the original operation records or financial reports of the Company. The Company adopts the HiESG performance management system to manage the quantitative ESG performance for previous years. The sources and calculation processes of the disclosed data can be traced back and used to support inspections for the purposes of external verifications.

## Data Description

The data and cases in the Report come from the formal operation records. All the financial data in the Report are dominated in RMB. If such financial data does not match the Company's annual financial report, the latter should prevail.

## Access to the Report

The Report is published electronically on the platforms including the Company's official website (<https://www.xyprm.hk/>) and the HKEX's website (<https://www.hkex.com.hk>).

1

## Focusing on High-quality Development



### ► Company Profile

Xinyuan Property Management Service (Cayman) Ltd. was founded in Zhengzhou in 1998. As the first property company in Central China listed on the HKEX, the Company focuses on customer needs, refreshes service system, iterates service capabilities with the help of technology empowerment. The Company innovates and explores Xin Meta service platform, takes the lead in breaking through the technical problems of zero-code 3D modeling, and has three business segments of property management services, multi-economic services, and scientific and technological services. Xinyuan Service is committed to becoming a leading meta-ecological service provider in the large property management industry.

#### Basic information of Xinyuan Service

<b>Full name of the Company</b> 鑫苑物业服务集团有限公司		<b>Name in English</b> Xinyuan Property Management Service(Cayman) Ltd.	
 <b>Stock Code</b> 01895.HK	 <b>Headquarters</b> 18 Xinyuan Road, Jinshui District, Zhengzhou	 <b>Main Operation Location</b> China Mainland	 <b>Number of Employees</b> 1,741

### ► Business Layout

#### Regional layout

Xinyuan service has been deeply engaged in the service industry for 26 years, from Zhengzhou to the whole country. The Company has carried out a nationwide regional layout around the five core regions of Central China, Yangtze River Delta, Southwest China, Pearl River Delta and Bohai Rim by establishing 50 branches in Beijing, Shanghai, Tianjin, Guangzhou, Chengdu, Sanya, Zhengzhou, Suzhou, Jinan, Xi'an, Henan and other places.

<b>8</b> service formats	<b>50</b> branches in different cities	<b>34.35</b> million square meters in total under management	<b>200,000</b> families being served
-----------------------------	---	---	---

**Business sectors**

Based on residential property management, Xinyuan Service has extended its business to cross-formats and multi-business service spaces. With property management services as the cornerstone, the Company has constructed a pattern of diversified development for the three major business tracks of “property management services + diversified services + technology services.”

**Property management services**

With the traditional residential business as the core, Xinyuan Service has extended its business to commercial office buildings, public buildings, industry parks, industrial estates, hospitals, schools, public venues and urban services, gradually forming eight formats in the three spaces of residence, non-residence and urban services.



Urban services:  
“Two-Better” urban bookstores in Xinyang



College services:  
Zhengzhou University of Light Industry



On-site sales services:  
Xinyuan Fu



High-end residential services:  
Zhengzhou International New Town



Office building services:  
Global Dream Building in Guangzhou



Residential services:  
Xinyuan Ming Jia in Zhengzhou



Industry park services:  
Xinyuan Huzhou Silk Town



Public building services:  
Henan Museum

**Diversified services**

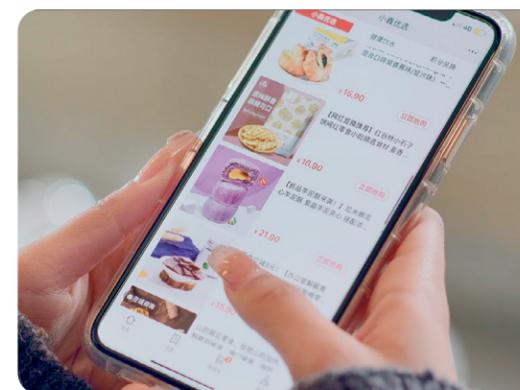
The Company is committed to creating comprehensive and diversified service experiences for owners by conducting diversified value-added business and achieving service digitalization and online scenes.



Rental and sales services



House beautifying services



Retail services



Home-based services



Purified water services



Xin's fairs

## ► Honors and Awards

In 2023, Xinyuan Service was successively awarded the “2023 Top 100 Property Management Companies in China (TOP15)” and “Excellent Brand Enterprises in China in Property Service Satisfaction” by China Index Academy; “2023 Top 100 Property Management Companies in China (TOP14)”, “2023 Top 100 Brand Influential Property Management Companies in China”, “2023 China Property Smart Property Service Leading Enterprise”, “2023 China Red Property Service Leading Enterprise”, “2023 China Property Service Enterprises in Central China TOP2” by China Property Management Think Tank; “2023 Top 100 Enterprises in China Property Service Force” by CRIC and China Property Management Research Association and other honors, the brand influence continues to improve.

**2023中国物业服务综合实力百强企业**  
2023 Top 100 Property Management Companies in China  
第14名  
鑫苑科技服务集团有限公司

TOP 14 among the 2023 Top 100 Property Management Companies in China

**证书**  
CERTIFICATE  
2023中国上市物企锐意创新企业  
2023 Innovative Companies of China Property Management Service  
鑫苑服务 (01895.HK)

2023 Innovational Companies of China Property Management Service

**證書**  
CERTIFICATE  
2023中国物业服务百强企业  
2023 TOP100 Property Management Companies in China  
“鑫苑科技服务集团有限公司”  
荣获2023中国物业服务百强企业

TOP 15 among the 2023 Top 100 Property Management Companies in China

**500**  
2023中国物业服务城市服务领先企业  
2023 Leading Companies of China in City Service  
鑫苑科技服务集团有限公司

2023 Leading Companies of China in City Service

**2023中国物业服务品牌影响力百强企业**  
2023 Top 100 Brand Influential Property Management Companies in China  
鑫苑科技服务集团有限公司

2023 Top 100 Brand Influential Property Management Companies in China

**100**  
CERTIFICATE  
2023中国红色物业服务领军企业  
2023 Leading Property Management Companies of China in Red Community Service  
鑫苑科技服务集团有限公司

2023 Leading Management Companies of China in Red Community Service

**20**  
2023中国物业服务华中品牌企业20强  
2023 Top 20 Branded Property Management Companies in Central China  
鑫苑科技服务集团有限公司

2023 Top 20 Branded Property Management Companies in Central China

**100**  
CERTIFICATE  
2023中国物业智慧物业服务领军企业  
2023 Leading Property Management Companies of China in Smart Property Service  
鑫苑科技服务集团有限公司

2023 Leading Property Management Companies of China in Smart Property Service

## 2

## Emphasizing ESG Management



## ► ESG Governance Structure

Xinyuan Service attaches great importance to and actively practices ESG management by integrating it into daily operations and strategic planning to achieve sustainable development, reduce environmental risks and enhance social value and governance effectiveness.

The Company has established a three-level ESG governance structure, which consists of the Board of Directors, the Management, and the ESG Working Group. As the decision-making body, the Board of Directors is responsible for the ESG management, formulates and confirms the policies and KPIs of the Company. The Management is responsible for promoting and implementing the ESG management plans. As the executive group, the ESG Working Group is responsible for collecting data and information and comprehensively implementing ESG indicators.

### ESG Governance Structure of Xinyuan Service

#### Board of Directors

- Developing and confirming the Company's ESG-related policies and KPIs, and monitoring the completion of ESG targets; and
- Participating in the deliberation and decision-making of major ESG issues, supervising and assuming overall responsibilities for the Company's ESG-related work.

#### Management

- Communicating ESG requirements to functional departments through internal policies, and setting quality, environment and safety objectives;
- Identifying the material ESG issues within the Company, developing the overall ESG targets and strategies for the Company, following up on the achievement of such targets, and giving recommendations on the actions required to achieve such targets; and
- Reporting the progress of ESG-related work to the Board of Directors on a regular basis.

#### ESG Working Group

- Composed of functional departments and key business personnel, and implementing and executing the Company's ESG management policies and related indicators; and
- Collecting ESG information and preparing ESG reports, continuously coordinating communication on internal/external ESG issues; and coordinating and promoting the practice of ESG systems.

## ► Communication with Stakeholders

Xinyuan Service has established multi-channel communication mechanisms at different levels. Based on its own business formats and development, Xinyuan Service has identified seven main stakeholders including shareholders and investors, customers, government and regulatory agencies, suppliers and partners, employees, communities, and industry organizations. Xinyuan Service manages to understand the priorities of the stakeholders and promptly responds to their demands.

### Main Stakeholders, Issues, and Communication

Main stakeholders	Issues to their concerns	Communication methods
<b>Shareholders and investors</b> 	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Compliance operations and risk management</li> <li>Anticorruption and anti-bribery</li> </ul>	<ul style="list-style-type: none"> <li>Holding shareholders' meetings</li> <li>Publishing announcements and circulars</li> <li>Holding results conferences</li> <li>Hotlines and emails for investors</li> <li>Xinyuan Service's official website</li> <li>Establishing risk management systems</li> <li>Conducting anticorruption training</li> <li>Setting up anti-fraud reporting mailboxes</li> </ul>
<b>Customers</b> 	<ul style="list-style-type: none"> <li>Responsible marketing</li> <li>Guaranteeing service quality</li> <li>Optimizing customer experience</li> <li>Information security and customer privacy protection</li> <li>Technology-empowered services</li> </ul>	<ul style="list-style-type: none"> <li>Conducting customer satisfaction surveys</li> <li>400 customer center communication channels</li> <li>User Agreement and Privacy Notice</li> <li>Property services and community activities</li> </ul>
<b>Government and regulatory agencies</b> 	<ul style="list-style-type: none"> <li>Compliance operations and risk management</li> <li>Anticorruption and anti-bribery</li> <li>Addressing climate changes</li> <li>Energy management</li> <li>Environmental management system</li> </ul>	<ul style="list-style-type: none"> <li>Accepting supervision and management from government authorities</li> <li>Policy implementation</li> <li>Developing emergency plans for extreme weather and conducting emergency drills</li> <li>Obtaining relevant ISO certifications</li> </ul>
<b>Suppliers and partners</b> 	<ul style="list-style-type: none"> <li>Supply chain management</li> <li>Intellectual property rights protection</li> </ul>	<ul style="list-style-type: none"> <li>Supplier assessment and audit</li> <li>Exchange visits</li> <li>Intellectual property rights filing and renewal</li> </ul>
<b>Employees</b> 	<ul style="list-style-type: none"> <li>Employee recruitment and employment</li> <li>Employee rights and benefits</li> <li>Occupational health and safety</li> <li>Employee training and development</li> </ul>	<ul style="list-style-type: none"> <li>Conducting social and on-campus recruitment</li> <li>Democratic communication meetings</li> <li>Establishing channels for employee complaints</li> <li>Conducting employee satisfaction surveys</li> <li>Providing training to employees</li> </ul>
<b>Communities</b> 	<ul style="list-style-type: none"> <li>Water resource management</li> <li>Emissions and wastes</li> <li>Community governance and construction</li> <li>Public welfare, charity and volunteer services</li> </ul>	<ul style="list-style-type: none"> <li>Xin Yi Jia (《鑫一家》)</li> <li>Publicity and guidance on garbage classification</li> <li>Activities for promoting environmental protection</li> <li>Volunteer activities</li> <li>Community culture and public welfare activities</li> </ul>
<b>Industry organizations</b> 	<ul style="list-style-type: none"> <li>Technology-empowered services</li> </ul>	<ul style="list-style-type: none"> <li>Participating in the development of industry and group standards</li> </ul>

## ► Materiality Analysis

The material issues are the key for Xinyuan Service in its ESG management and information disclosure. In 2023, in accordance with the HKEX information disclosure requirements, ESG-related policy requirements, industry concerns, and its actual operations, the Company conducted the evaluation and ranking of material issues, and particularly disclosed and managed highly material issues.

### Process of Materiality Analysis of Xinyuan Service



### Materiality Matrix of Xinyuan Service



# 3 Safeguarding Ecology



## ► Environmental Management System

As a property management enterprise, Xinyuan Service adheres to the concept of low-carbon and environmental protection, endeavors to reduce the negative impacts of project operation and office work on the environment, and makes contribution to green development. During the reporting period, the Company's current operations had no significant impact on the environment and natural resources.

The Company strictly abides by the *Law of the People's Republic of China on Environmental Protection*, the *Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution* and other laws and regulations. Based on its own business form, the Company has formulated systems related to environmental management, established an environmental management system, and specially set up an environmental protection operation team to fulfill duties together with specific departments within the Company, so as to promote the implementation of environmental management. During the reporting period, the Company did not have any incidents of violating laws and regulations related to environmental protection.

Environmental Management System of Xinyuan Service

Types	System names	Main contents
Energy and water resource management	<i>Energy Consumption Control Operation Guides</i>	<ul style="list-style-type: none"> <li>The Company should standardize energy use, set up the position responsible for energy consumption management, and standardize the electricity consumption by equipment in public areas; and</li> <li>The Company should clearly standardize water management, including monitoring and analyzing water consumption amount and formulating and implementing plans for auditing and rectification for an abnormal amount of water consumption.</li> </ul>
	<i>Energy Conservation and Consumption Reduction Plan for 2023</i>	
Emission management	<i>Household Waste Classification Management Guides</i>	<ul style="list-style-type: none"> <li>According to the requirements of this Guides, the Company should divide waste into the four categories of recyclable household waste, kitchen waste, hazardous waste, and other waste, and assign a position responsible for waste classification to recycle and transport waste according to regulations.</li> <li>According to the principles of classified collection, comprehensive utilization and reasonable disposal, the Company should implement different disposal measures for different emissions to reduce their impacts on the environment.</li> </ul>
	<i>Management System for the Prevention and Control of Wastewater, Exhaust Gas, Dust, Solid Waste and Noise Pollution</i>	



Organizational Structure for Environmental Management of Xinyuan Service

Departments	Responsibilities
Business Management Centre	<ul style="list-style-type: none"> <li>Identifying, evaluating and updating the environmental protection factors and environmental protection requirements at the Company level;</li> <li>Planning, implementing and supervising the environmental protection management process of all projects;</li> <li>Standardizing pollution prevention measures and system control methods, with technical support provided by the Engineering Management Centre.</li> </ul>
Environmental Protection Operation Group	<ul style="list-style-type: none"> <li>Identifying, evaluating and updating the environmental protection factors and environmental protection compliance obligations of the Company and the region/city where it is located;</li> <li>Ascertaining the details of pollution prevention measures and systematic control methods and reporting the results to the Operation Management Centre.</li> </ul>
All Departments	<ul style="list-style-type: none"> <li>Cooperating to implement specific measures according to the pollution prevention measures and systematic control methods, under the supervision and inspection of the Operation Management Centre.</li> </ul>
Audit and Supervision Department	<ul style="list-style-type: none"> <li>Reviewing the adequacy and appropriateness of the compliance obligations of the Company and the region/city where it is located and conducting environmental compliance evaluations.</li> </ul>

In 2023, in order to improve the effectiveness of environmental protection, the Company set performance objectives for such aspects as greenhouse gas emissions, energy management, water consumption, and waste discharge, and it also tracked the progress of these objectives, aiming to achieve deep and refined environmental management in multiple dimensions.

Environmental Management Performance Objectives and Progress of Xinyuan Service

Types	Objectives for 2023	Progress
Greenhouse gas emissions	<ul style="list-style-type: none"> <li>To minimize the emission of greenhouse gas from operation and keep greenhouse gas emission per unit area at a lower level</li> </ul>	<ul style="list-style-type: none"> <li>The Company continuously strengthened the management of the lighting in the public areas of residential communities and the management of the air conditioning of office areas in summer and adopted highly efficient energy-saving equipment to reduce CO<sub>2</sub> emission, and regularly held public welfare activities on green and environmental protection to owners.</li> </ul>
Energy consumption management	<ul style="list-style-type: none"> <li>To decrease the electricity bill of public areas in the projects under management by 2% year-on-year compared to 2022</li> </ul>	<ul style="list-style-type: none"> <li>The electricity bills of public areas in the projects under management for 2023 decreased by 4.8% compared to that for 2022, saving electricity by 2,262,018.89 kWh.</li> </ul>
Water resource consumption	<ul style="list-style-type: none"> <li>To decrease the water bill of public areas in the projects under management by 5% year-on-year compared to 2022</li> </ul>	<ul style="list-style-type: none"> <li>The water bill of public areas in the projects under management for 2023 decreased by 8.09% compared to that for 2022, saving water by 84,972.52 m<sup>3</sup>.</li> </ul>
Waste discharge	<ul style="list-style-type: none"> <li>To gradually improve the identification and statistics of waste sources and continuously take reduction measures to keep hazardous and non-hazardous waste at a lower level</li> </ul>	<ul style="list-style-type: none"> <li>The Company promoted waste recycling and advocated paperless office and double-sided photocopying.</li> </ul>

In 2023, the Company carried out supervision and audit of environmental management systems and was certified by the ISO 14001:2015 - environmental management systems, which is valid until 17/08/2025.



Energy and Water Resources Management

Energy management

The major types of energy consumed by Xinyuan Service are outsourced electricity, gasoline for self-owned vehicles and natural gas. The Company has formulated institutional documents such as the *Energy Consumption Control Operation Guides* and the *Energy Conservation and Consumption Reduction Plan for 2023*, regularly analyzed the energy saving of its office and project operation, and promoted the effective implementation of energy-saving and cost-reducing measures.

In 2023, the Company focused on the establishment of practical and long-term mechanisms and made efforts of energy-saving and cost-reducing centering on project operation and office operation, so as to improve the efficiency of energy use.

The Company was certified by the ISO 50001:2018 - energy management systems, which is valid until 1 November 2024.



### Energy-saving and Cost-reducing Measures of Xinyuan Service in 2023

Aspects	Contents
Project operation	<ul style="list-style-type: none"> <li>Strengthening the adjustment of the temperature control system, and carrying out all-round measures in temperature, time, automatic data monitoring, equipment procurement, performance assessment and organizational training;</li> <li>Management of public equipment: The control timers in the zone were promptly adjusted with seasonal and weather changes or were changed to photoresistors for control, such as street lights, garage lights, fountains and office equipment;</li> <li>Management of shared supporting facilities in residential communities: The lighting fixtures were turned off after completing the maintenance and inspection of the elevator equipment rooms; elevators and supporting equipment were turned off during non-working hours at night; and the operating temperatures of air conditioners were stipulated in elevator machine rooms; and</li> <li>Management of lighting and heating facilities: The circulating pumps in the pump rooms of heating system were transformed to operate in variable frequency; the lighting fixtures in the basement were adjusted on the basis of "lighting every two", and all the lighting equipment were transformed with LED lamps; corridors were equipped with lighting fixtures controlled by timers; and lighting fixtures were prohibited from operating around-the-clock in equipment rooms.</li> </ul>
Office operation	<ul style="list-style-type: none"> <li>R&amp;D and training activities were held on energy-saving technology;</li> <li>The energy-saving lights was promoted and daily supervision and inspection were conducted in terms of the use of lighting equipment and office electronic equipment, etc.; and</li> <li>The signs of energy-saving and cost-reducing were posted in offices.</li> </ul>

### Water resources management

The water resources consumed by Xinyuan Service during operation mainly comes from municipal water supply, and there is no problem of seeking suitable water sources. The Company strictly abides by the *Water Law of the People's Republic of China, the Henan Province Water Conservation Management Regulations* and other laws and regulations, and it also follows the norms of the *Energy Consumption Control Operation Guides* on water management. The Company avoids waste of water resources by monitoring and analyzing water consumption amount and conducting audit and rectification of abnormal amount of water consumption and other measures.

The Company sets and allocates monthly and quarterly water consumption objectives, saves water and improves the efficiency of water resources utilization by purchasing and renovating water-saving equipment, carrying out regular inspection and maintenance of the equipment, recycling rainwater, using water-saving irrigation technology, etc., and strengthens the staff's training and incentive assessment of water conservation, so as to promote the realization of water consumption targets.

### Water-saving Measures by Xinyuan Service

Aspects	Measures
Project operation	<ul style="list-style-type: none"> <li>The daily water exchange and the water drainage in winter of the water system of residential projects were utilized for community greening;</li> <li>For cleaning operation in the zone, high-pressure scrubbers were used, which can evenly spread water on the ground and can achieve the purpose of cleaning with only a small amount of water; and the sewage from the cleaning was recycled through the ground sewage collector to avoid the waste of water resources and achieve efficient water consumption; and</li> <li>Rainwater was stored to irrigate green plants, flowers and trees.</li> </ul>
Office operation	<ul style="list-style-type: none"> <li>Installation of smart water meters, carrying out equipment inspections, and strictly checking the tap water leakage;</li> <li>The toilet flush valves were inspected regularly;</li> <li>Regularly conducting water consumption analysis using an automated monitoring system; and</li> <li>Prioritizing the procurement of water-saving appliances, etc., such as water-saving water tanks and water-saving faucets.</li> </ul>

## Emissions and Wastes

The emissions produced by Xinyuan Service during operation mainly include wastewater, exhaust gas and dust, solid wastes, etc., and the waste produced during office work mainly includes paper cartons, selenium drums, toner cartridges, waste electrical products and accessories, as well as packaging materials, etc.

The Company strictly abides by the *Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution, the Law of the People's Republic of China on Circular Economy Promotion and other laws and regulations*, as well as national and local policies on waste classification. The Company has formulated the *System for Management of the Prevention and Control of Wastewater, Exhaust Gas, Dust, Solid Waste and Noise Pollution*, and taken multiple measures to dispose of waste on the basis of classified collection, comprehensive utilization, and reasonable disposal, striving to reduce the environmental impacts of waste produced during project operation and office work.

### Emission Management Measures of Xinyuan Service in the Projects

Types	Emission management measures
Wastewater	<ul style="list-style-type: none"> <li>After being tested to meet the <i>Comprehensive Sewage Emission Standards</i>, the sewage produced from park and catering areas was centrally discharged into the official pipelines of municipal sewage.</li> </ul>
Exhaust gas	<ul style="list-style-type: none"> <li>In response to the exhaust gas, smoke and dust produced from park and catering areas, negative-pressure exhausting devices were installed to ensure that there was no obvious disorganized emission source, and they were tested to meet the amount values stipulated in the national <i>Comprehensive Emission Standards for Air Pollutants</i>.</li> </ul>
Dust	<ul style="list-style-type: none"> <li>In response to the dust produced from park and catering areas, dust removal equipment and facilities were equipped, with exhaust fans installed and filter cotton used, and smoke and dust emission should be monitored regularly every year to meet relevant national standards; and</li> <li>In response to the dust produced from construction, <i>Safe Production and Civilization Commitments</i> were signed with the outsourcing parties, and wet operation was adopted during construction.</li> </ul>
Noise	<ul style="list-style-type: none"> <li>In response to the noise produced from the owner's decoration and construction, it was clearly stipulated that no decoration or construction can be carried out at night without approval.</li> </ul>
Solid waste	<ul style="list-style-type: none"> <li>National and local waste classification policies were strictly implemented, by establishing clearly labeled waste classification and disposal points and encouraging owners and tenants to classify and dispose of waste as recyclables, hazardous wastes, kitchen waste and other wastes;</li> <li>Special garbage cans with clear labels were placed in the zone to contain hazardous wastes, and the labels included but are not limited to used lamps, used electronic products and toxic and harmful substances; and</li> <li>All the hazardous waste from residential communities was collected by the Company centrally and then transferred by a qualified entity entrusted.</li> </ul>

### Emission Management Measures of Xinyuan Service at the Office

Types	Contents
Solid waste	<ul style="list-style-type: none"> <li>Recycling points were set up for waste batteries and employees were prohibited from casually discarding them;</li> <li>Printers (including selenium drums, ribbons, toner cartridges, etc.) were handed over to a qualified third party for uniform disposal;</li> <li>Plans of recycling recyclable items, such as paper, plastic bottles, and metals, were promoted, and recyclable waste was converted into raw materials for reproduction and reducing the burden on the environment by cooperating with professional recycling institutions; and</li> <li>Paperless office and double-sided photocopying, such as pasting invoices to the back of wastepaper, were advocated for.</li> </ul>
Wastewater	<ul style="list-style-type: none"> <li>Drainage pipelines, sewage treatment facilities and related equipment were regularly inspected and maintained, and leakage and blockage was promptly solved to ensure smooth emission of wastewater.</li> </ul>

## ► Addressing Climate Changes

Xinyuan Service attaches great importance to climate change issues, and actively responds to and grasps the risks and opportunities related to climate changes. With reference to the climate-related information disclosure framework of the International Financial Reporting Standards No. 2 - Climate-related Disclosures (“IFRS S2”) issued by the International Sustainability Standards Board (ISSB), the Company has taken corresponding measures to mitigate and adapt to the impacts of climate changes on the Company’s operation and business from the four aspects of governance, strategy, risk management as well as indicators and objectives.

### Governance

The Company prioritizes the construction of a climate-related governance system, and has established an effective three-level management structure of “Board of Directors – the Management – the Execution” to clarify the responsibilities of each level for the supervision and management of climate-related risks.

Climate Risk Management Structure of Xinyuan Service



### Strategy

Fully based on the layout and characteristics of its own business development and with reference to external expert opinions, the Company has evaluated the materiality of various climate change risks and opportunities from the dimensions such as occurrence probability and impact degree, identified 4 climate risks and 3 climate opportunities, and taken actions to address climate risks and opportunities.

Climate-related Risk Analysis and Countermeasures of Xinyuan Service

Climate-related risks	Risk description	Potential financial impact	Countermeasures
<b>Acute physical risks</b>	<ul style="list-style-type: none"> <li>Violent climate changes will result in extreme weather or natural disasters such as typhoons and floods, which could have an impact.</li> </ul>	<ul style="list-style-type: none"> <li>Decreased revenue</li> <li>Decreased fixed assets</li> </ul>	<ul style="list-style-type: none"> <li>Setting up an extreme weather emergency plan.</li> </ul>
<b>Chronic physical risks</b>	<ul style="list-style-type: none"> <li>Long-term shifts in natural patterns such as rising sea levels and persistent high temperatures pose challenges to the safe operation of property facilities and equipment, building durability, and residents’ lives.</li> </ul>	<ul style="list-style-type: none"> <li>Increased operating costs</li> <li>Decreased fixed assets</li> </ul>	<ul style="list-style-type: none"> <li>Facilities and equipment are regularly inventoried.</li> <li>Emergency supplies stockpile.</li> </ul>
<b>Policy and legal risks</b>	<ul style="list-style-type: none"> <li>If the Company fails to promptly get adapted to such requirements and meet new environmental standards for green buildings, energy saving and emission reduction, etc., the Company may face the risk of non-compliance and loss of market competitiveness.</li> </ul>	<ul style="list-style-type: none"> <li>Decreased revenue</li> <li>Increased R&amp;D costs</li> </ul>	<ul style="list-style-type: none"> <li>The Company paid close attention to the potential adverse effects of carbon peaking and carbon neutrality policies on its own business, and took timely countermeasures; and</li> <li>The Company enhanced staff training and the awareness of green development of all staff.</li> </ul>
<b>Reputation risks</b>	<ul style="list-style-type: none"> <li>If carbon emission is not effectively managed and reduced, it may affect the Company’s brand image;</li> <li>Failure to comply with environmental policies may result in fines, penalties or damaged reputation.</li> </ul>	<ul style="list-style-type: none"> <li>Decreased revenue</li> <li>Increased operating costs</li> </ul>	<ul style="list-style-type: none"> <li>The Company actively participated in social public welfare activities, publicized, and showcased its environmental protection measures and achievements; and</li> <li>The Company regularly released ESG reports and publicly disclosed the progress of its environmental protection endeavors.</li> </ul>

### Climate-related Opportunity Analysis and Countermeasures of Xinyuan Service

Climate-related opportunities	Opportunity description	Potential financial impact	Countermeasures
<b>Market opportunities</b>	<ul style="list-style-type: none"> <li>The Chinese government actively promotes green development by introducing a series of policies, providing the Company with the opportunities for transformation and upgrade. Meanwhile, customers' demand for environmentally friendly and low-energy-consumption properties is rising, which is beneficial for the Company to build a green property management brand.</li> </ul>	<ul style="list-style-type: none"> <li>Increased revenue</li> </ul>	<ul style="list-style-type: none"> <li>The Company followed policy guidance closely and actively applied for various subsidies of energy saving and emission reduction; and</li> <li>The Company investigated market demands and launched value-added service products themed with greening and intelligence.</li> </ul>
<b>Technological innovation and service upgrading</b>	<ul style="list-style-type: none"> <li>The advancement of new energy technology, Internet of Things (IoT), big data and other technologies has provided technical support for the Company's greening and intelligence.</li> </ul>	<ul style="list-style-type: none"> <li>Increased revenue</li> <li>Increased R&amp;D costs</li> </ul>	<ul style="list-style-type: none"> <li>The Company increased R&amp;D investment, introduced advanced energy-saving technologies and management systems;</li> <li>The Company explored smart property management services under the "Internet +" model, and improved management effectiveness and service quality.</li> </ul>
<b>Resource efficiency</b>	<ul style="list-style-type: none"> <li>It helps reduce the Company's resource expenses by improving the efficiency of the use of energy, water resources, materials, and other resources during the Company's operation.</li> </ul>	<ul style="list-style-type: none"> <li>Reduced operating costs</li> </ul>	<ul style="list-style-type: none"> <li>Office were equipped with water-saving and energy-saving appliances;</li> <li>Paperless office and operation were implemented; and</li> <li>Large-sized trash cans were placed to reduce the use of plastic bags.</li> </ul>

### Risk management

During the project operation, the Company pays attention to the opinions and suggestions given by internal and external stakeholders, and fully identifies and understands climate change-related risks based on its own industry and business characteristics.

In the course of risk assessment and project execution, the Company incorporates climate-related risks into its risk management systems and carries out risk management in the four steps of risk identification and assessment, risk analysis, risk prevention and risk response.

### Climate-related Risk Management Process of Xinyuan Service

**Risk identification**

- The Company analyzes the sensitivity of the property's geographical location to climate changes, such as extreme weather events, rising sea levels, floods and droughts.
- Through historical data, model-based forecasts and professional meteorological services, the Company identifies potential climate-related risks and their impacts on its business, such as physical risks (damages to physical assets) and transformation risks (changes in policies and regulations, adjustments in market expectations, etc.).

**Risk assessment**

- By taking technological means such as big data and cloud computing, the Company conducts stress tests and simulates the degree and likelihood of losses under different climate scenarios.
- The Company builds empirical models to estimate potential economic losses and consider long-term and short-term risk exposures.

**Risk prevention**

- In response to physical risks such as extreme weather, the Company formulates the Flood Control Emergency Plan and the Three Levels of Early Warning Measures for the Rainstorm Emergency Plan.
- The Company conducts flood control drills, prepares flood control supplies, makes inspections of buildings, equipment and facilities, pays attention to weather forecasts, gives early warning on rainstorm information at any time, and promptly activates the flood control plan.

**Risk response**

- The Company promptly informs owners of rainstorm warning information through internet, customer visits and other communication channels.
- The Company should ensure the protection of mechanical and electrical equipment in each project, as well as the personal safety of employees during high temperatures and flood seasons.

### Metrics and targets

The Company has set performance targets for energy management, water resource management and emission management, clarified specific measures to achieve these targets, and followed up in real time on the progress towards these targets (as detailed in the "Safeguarding Ecology" section). Meanwhile, the Company continues to disclose the emission data of greenhouse gas and continuously enhances the disclosure and transparency of environmental information.

#### Greenhouse Gas Emissions of Xinyuan Service between 2021 and 2023

Indicators	Unit	2021	2022	2023
Total greenhouse gas emissions	Ton CO <sub>2</sub> e	25,962.23	26,961.96	28,053.15
Scope 1 greenhouse gas emissions	Ton CO <sub>2</sub> e	1,066.63	1,087.28	1,116.80
Scope 2 greenhouse gas emissions	Ton CO <sub>2</sub> e	24,895.60	25,853.38	26,875.61
Scope 3 greenhouse gas emissions	Ton CO <sub>2</sub> e	—	21.30	60.74
Greenhouse gas emissions per unit area (scope 1 and scope 2)	Ton CO <sub>2</sub> e/10 Thousand m <sup>2</sup>	14.07	13.77	14.55

# 4

## Elaborating Quality Service



### ► Technology-empowered services

Adhering to "data-driven operation and technology-empowered business" as its core concept, Xinyuan Service is committed to creating digital construction of large-scale real estate and big property management and of intelligent urban service operations. The Company has innovatively built the "Xin (鑫) Meta" industrial metaverse community platform to complete the integration of digital twin with platforms and continuously promoted the iteration and upgrading of application systems in the context of big property management and deeply integrated digitalization into business to empower cost reduction and efficiency increase of its business.



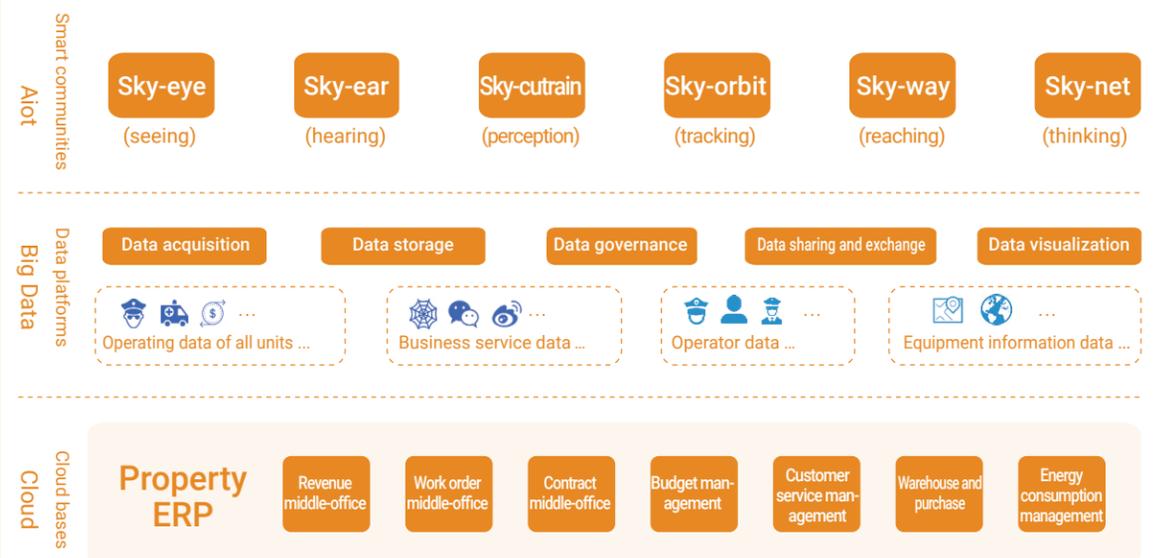
#### "Xin (鑫) Meta" big property management industry metaverse platform

Themed with people, residence, and places, the zero-code 3D modelling platform independently developed by the Company has projected safeguarding, human and vehicle travel, property management services, equipment operation and maintenance, personnel management, asset operation, owner services and other real-world activities to the virtual world. It forms a spatial asset database with spatial computing capability, and allows data to interact in the platform, thus generating more efficient management behaviors and more accurate service experiences, and helping to reduce costs and increase efficiency and upgrading the industry.



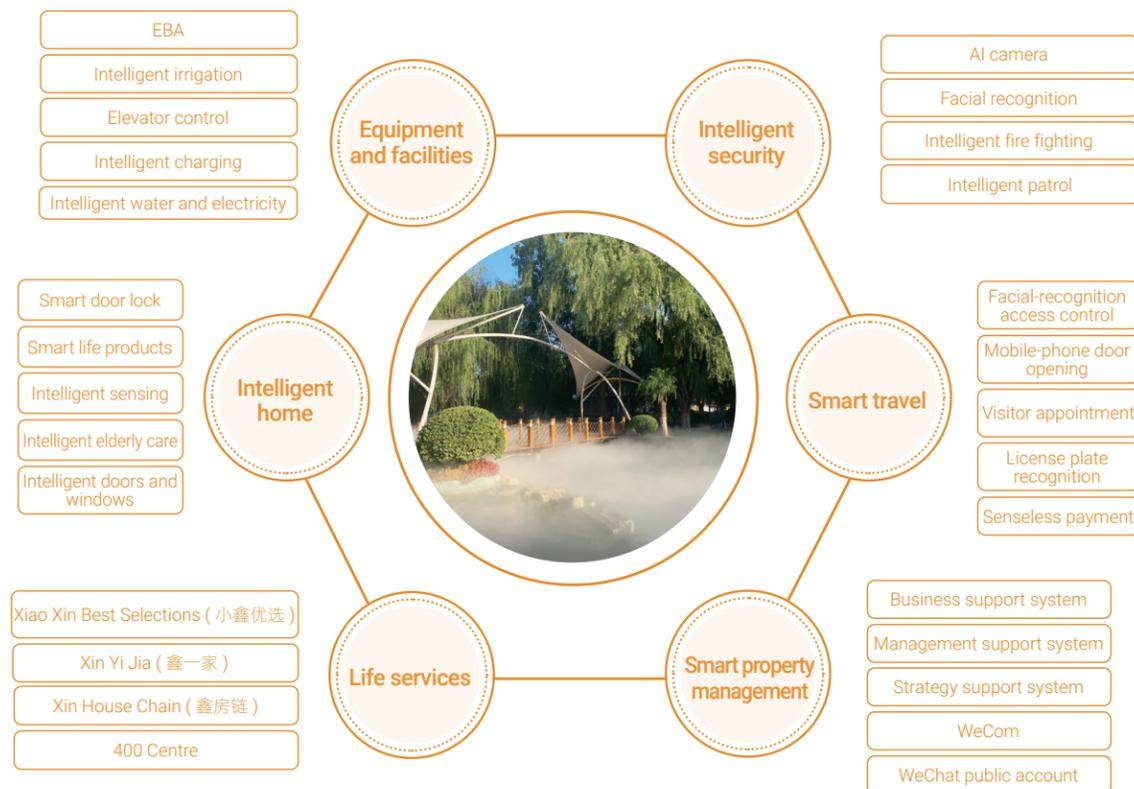
#### Smart Property

The Company fully adopts the "Xin (鑫) Meta" big property management industry metaverse technology to innovatively construct a digital and intelligent property operation system that centers on overall customer perspectives, entire employee careers, full strategic loops, whole asset cycles, all business processes and comprehensive financial aspects, allowing smart services to cover all life dimensions.



### Digital and intelligent communities

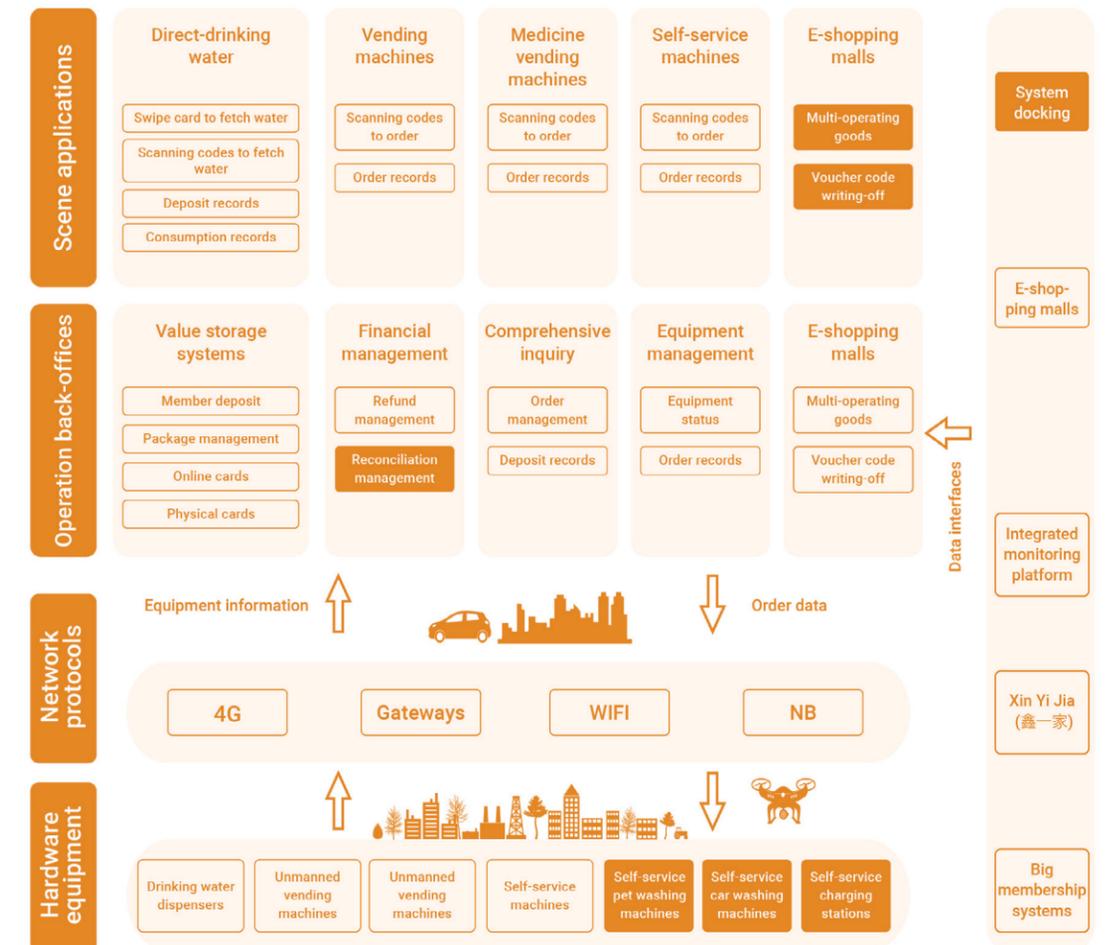
Focusing on community scenes and owner needs, the Company has conducted in-depth research on product touchpoints, explored owners' perceptions and experiences of better life scenes. The Company independently developed digital and intelligent communities, and conducted diversified value-added business such as community commerce, housekeeping services, leasing intermediaries, community childcare, community health care and smart life through smart data platform services to achieve service digitalization and scene virtualization.



Panorama of Digital and intelligent communities

### Enjoying smart life

The Company's intelligent value-added service platform integrates many life service systems to provide one-stop community life service and support for owners in a data-driven manner of rapid response, high-quality service and cost-efficiency.



➤ In 2023, the Company completed the research, development and launch of direct-drinking water and launched **17** smart parking renovation projects, **11** smart meter renovation projects and **31** charging station projects, with income from charging increased by **31%** year on year and income from temporary parking increased by **17%** year on year; and

The Company has built its core technological capabilities. It has been certified with qualifications such as innovative SMEs, national technology-based SMEs, dual software certification (software product evaluation and software enterprise evaluation) and high-tech enterprises. It has also been awarded **13** software copyrights and **20** invention patents by China National Intellectual Property Administration.



## ► Optimizing customer experience

### Meeting customer needs

Xinyuan Service has developed from the initial "Xin Service" 1.0—Six Heart service concept, to "Xin Service" 2.0—building professional service capabilities, to "Xin Service" 3.0—the dual-wheel drive of focusing on customer experience and activating employee potential, and then to the current "Xin Service" 4.0—focusing on comprehensive urban services. The Company has laid a solid foundation for its development, expanded property management services, focused on customers, deeply cultivated quality, upgraded innovation, and built whole lifecycle management systems.

In 2023, the Company implemented the whole-lifecycle management by conducting quality improvement activities themed with "spring, summer, autumn and winter" around safety, environment, engineering, customer service and other aspects. Continuously focusing on services, the Company strengthened the bonding between property management companies and owners by addressing the multi-level needs of owners, improving owners' comfort, satisfaction, sense of well-being, and belonging, in order to create beautiful and harmonious communities.

### Quality Improvement Activities of Xinyuan Service in 2023

Types of the themed quality activities	Contents
Spring	<ul style="list-style-type: none"> <li>Basic work such as on-site blanket scanning of customer touchpoints, facility painting, seedling replanting, water system and fog spray maintenance as well as special improvement.</li> </ul>
Summer	<ul style="list-style-type: none"> <li>Actions such as flood prevention for rainy seasons, firefighting for hot weather, safety inspections of water supply and drainage and power supply and other equipment, emergency drills, as well as heatstroke prevention and cooling for employees.</li> </ul>
Autumn	<ul style="list-style-type: none"> <li>Efforts such as greening maintenance, appearance cleaning initiatives, painting and maintenance, equipment maintenance and overhaul, as well as creating holiday highlights creation.</li> </ul>
Winter	<ul style="list-style-type: none"> <li>Enhancing touchpoint services for owners to warm them in winter, making early deployment for snow removal, conducting pipeline insulation and equipment maintenance, and organizing the "100 days of safety activities."</li> </ul>

### Spring



Painting, maintenance and quality improvement

Replanting and maintenance in Spring



Maintenance of water systems, fog spray, etc.

### Summer



Flood prevention and fire-fighting drill in Summer: 1 drill per month

Safety inspections of water supply and drainage and power supply and other equipment; cleaning up debris in hallways

Autumn



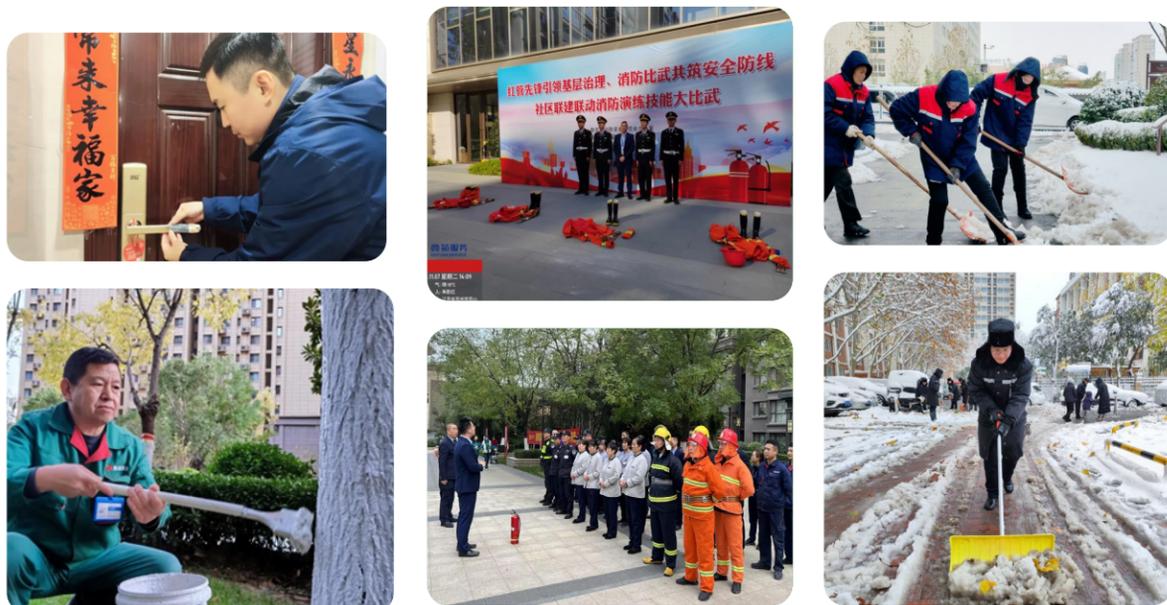
Repair: More than 500 items of painting and maintenance, facility repair and road paving



Festival decoration: 355 high-lights created for the National Day and the Mid-Autumn Festival

Environment: Creating highlights of greening landscape, with appearance cleaned once a week

Winter



Facility insulation for winter, tree whitewashing, installation of unit doors and amusement facilities, and other improvement activities

"100 days of safety activities" and Fire Prevention Day (9 November) publicity activities

Winter response: Removal of snow from the park and snow removal services for owners' vehicles

Performance highlights in 2023

- Xinyuan Service provided 1,340 free medical consultations and 1,140 free scissor services.
- Xinyuan Service delivered housewarming wishes to nearly 3,500 households throughout the year.
- Xinyuan Service provided 3,300 services of cleaning floor mats, cars and electric cars.
- Xinyuan Service provided 3,120 summer and winter tea services.



Free medical consultations



Free scissor services



Wedding/Golden Wedding Blessing



Winter tea services



Mats/car cleaning



### Improving customer satisfaction

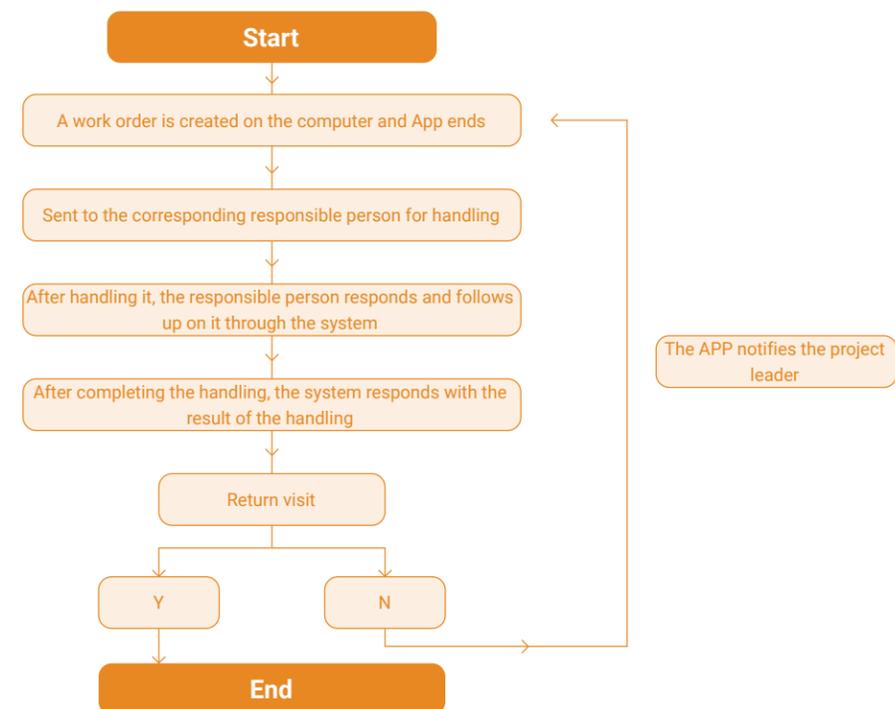
Xinyuan Service is committed to improving service quality, keeping active communication with customers, understanding their needs, helping them obtain the desired property management service experience, and continuously improving customer satisfaction. The Company has formulated the *400 Customer Centre Training Manual* and the *Customer-Reported Information Management Measures* to clarify the specific processes for customers to call for help and report for maintenance, complaints and suggestions, etc. The Company has also set a series of objectives in customer relationship management (CRM) and tracked the progress toward these objectives.

#### CRM Objectives and Progress of Xinyuan Service

Indicator	CRM Objective for 2023	Progress
Satisfaction with property management services	85%	93.2%
Owner information handling rate	90%	92.2%
Overdue information handling rate	80%	89.5%
Satisfaction with handling	90%	93.4%
Complaint handling rate	98%	100%

In order to achieve zero-distance communication with customers, Xinyuan Service actively listens to their opinions and suggestions through multiple online and offline channels, and uses their opinions and suggestions as the direction and impetus to improve and continuously optimize the Company's operation and customer service quality. The Company has set up a 400 customer service centre which is responsible for collecting and following up on customer communication and feedbacks. The centre obtains various information from customer feedback through channels such as incoming calls, emails, websites, WeCom and the "Xin Yi Jia (鑫一家)" applet, and inputs such information into the reporting system, follows up on their completion and conducts satisfaction return-visits after the reporting is closed.

#### Handling Process of Customer Complaints and Reports



## ▶ Guaranteeing Service Quality

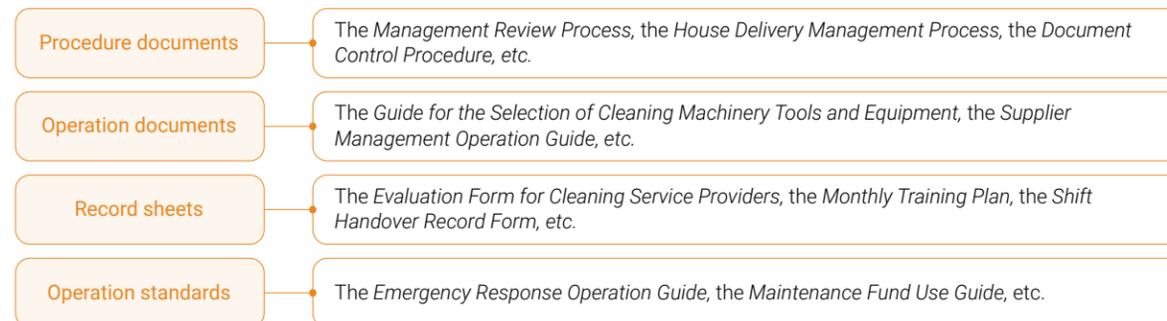
### Service quality management

Xinyuan Service controls quality based on standardized management systems, and establishes a standard system of customer service quality management to standardize service processes and operation details. By the end of 2023, the Company's standardization manual consisted of a total of 640 operational documents and 636 sheets; and its service system consisted of a total of 172 templates and 1,259 service points, covering contents such as cleaning, service etiquette, greening and equipment overhaul.

In 2023, the Company passed the review under the ISO9001:2015 - service quality management system, which is valid until 17 August 2025.



### Standard System of Customer Service Quality Management of Xinyuan Service



Between May and July 2023, the Company organized skill competitions for such posts as cleaning, safety, customer service and maintenance, ranging from competitions participated in by all employees of each module to group competitions of regions and cities at the Company level, to comprehensively improve employees' service level.

### Vigorously improving the business skills and service capabilities of its staff

In 2023, the Company organized skill competitions for employees from all business sectors to actively enliven the team atmosphere and create a work spirit of competing with, learning from, helping and surpassing others.

Safety skills competition

Maintenance skills competition

Cleaning skills competition

Customer service skills competition

### Responsible marketing

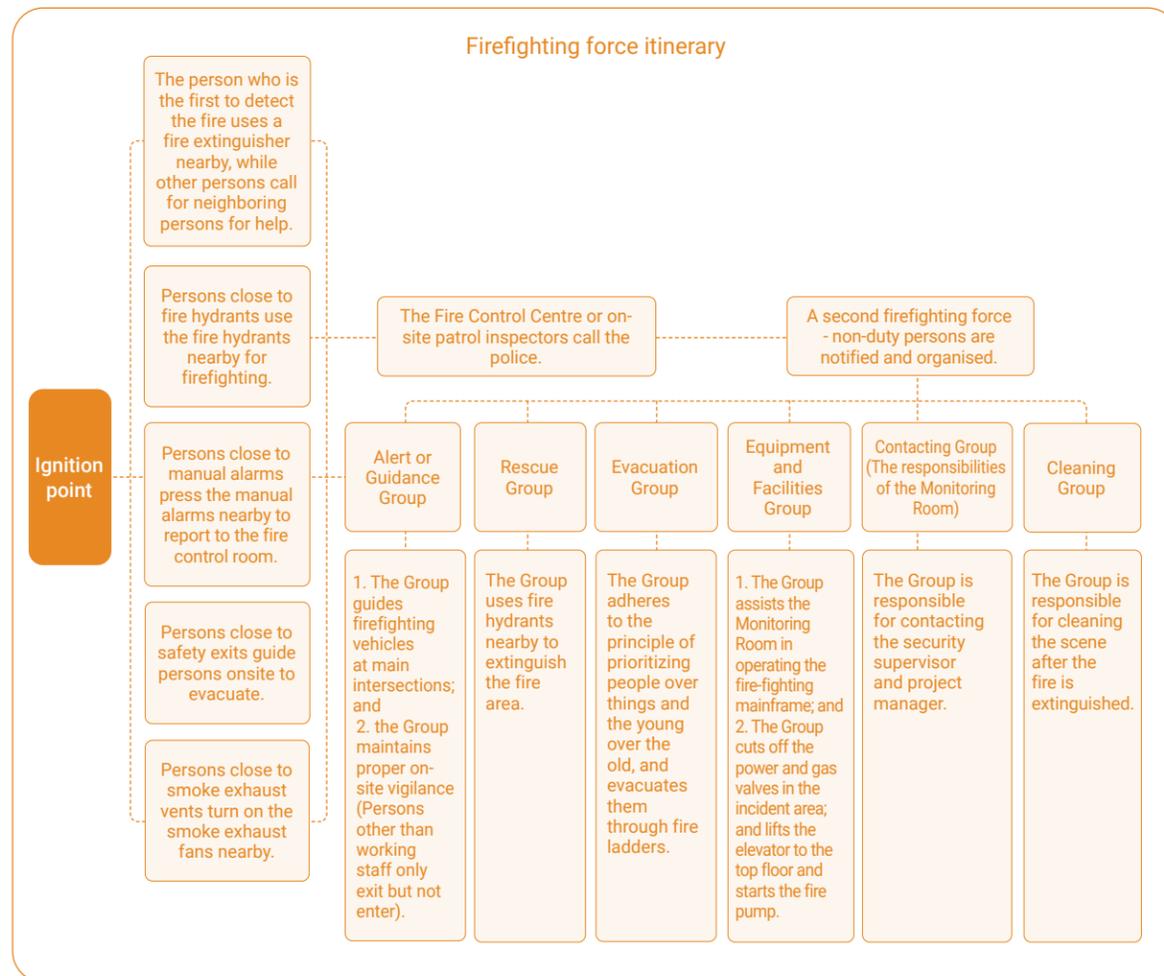
In accordance with the Advertising Law of the People's Republic of China, the Trademark Law of the People's Republic of China and other laws and regulations, Xinyuan Service has formulated its own Brand Management System and Public Opinion Management Measures to standardize media publicity and ensure the legality, accuracy and authenticity of external information.

In 2023, the Company committed no violation of laws and regulations in marketing promotion such as advertising, publicity and marketing.

### Valuing Customer Safety

Xinyuan Service attaches great importance to the life and property safety of customers by strictly abiding by the Safe Production Law of the People's Republic of China, the Fire Protection Law of the People's Republic of China and other laws and regulations. The Company has established a three-level safety management system of "Company - Project - Shift Team", formulated systems such as the Emergency Plan Process, the Form for Identification of the Daily Management Risk Sources for Property Projects and the Form for Identification of the Maintenance Risk Sources of Park Facilities and Equipment, and established relevant risk management plans. The Company regularly conducted overhauls of facilities and equipment, identification of hazard sources in public areas and emergency drills to improve the safety of property management services.

### Emergency Rescue Response Procedure of Xinyuan Service



### Safety Management Measures of Xinyuan Service in 2023

Types	Measures
Fire safety inspection	The Company conducted inspections that focused on aspects such as fire-fighting equipment, fire-fighting exits, fire hydrants and fire extinguishers.
Shop inspection	The Company checked if natural gas and gas tanks were safe to use.
Facility and equipment overhaul	The Company checked equipment such as water pump rooms, fire-fighting pump rooms and elevators to ensure the normal operation of all facilities and equipment.
Cleaning up debris in the hallways	In high temperature weather, each park will carry out weekly cleaning of debris in the corridor, and effectively clean up one place when found.
Flood control drill	The Company prepared sufficient flood control supplies, conducted proper overhaul of flood control equipment, and cleared sediment from drainage pipelines before and after raining.
Fire drill	The Company invited owners to participate in fire-fighting drills and simulated persons' evacuation from emergency situations.
Fire safety training	The Company invited firefighters to instruct staff and owners on the correct use of different fire extinguishers and how to wear gas masks and firefighting suits.



The Company ensures personal and asset safety of customers by actively introducing intelligent security systems and installing AI monitoring and management equipment such as panoramic monitoring, anti-rollover occupation, high-altitude throwing, water system monitoring, black light cameras and fish-eye monitoring, on public roads, amusement parks, water system perimeter areas and other areas to prevent and detect potential risks such as theft and fire through "AI+IoT."

### Smart Security Measures of Xinyuan Service

- Perimeter safeguarding** - Persons entering the monitoring range can be automatically identified and accurately tracked; and an alarm will be given when they enter the alert areas, and they will be precisely snapshot and their snapshots will be sent to the Monitoring Centre.
- Intelligent patrol** - QR codes are adopted in electronic patrols for daily security and are combined with mobile phone positioning during scanning upon patrols to ensure the effectiveness and completeness of patrols.
- Home alarm** - An automatic alarm system is installed in owners' home, making it easy for the elderly and children to report an emergency with just one click.
- Ladder control application** - It can be used to monitor the scenes of trapped persons, obstructed doors, electric scooters entering elevators, pets entering elevators, elevator leftovers, etc.

## ▶ Valuing Information Security and Customer Privacy

Xinyuan Service attaches great importance to information security and customer privacy protection by strictly abiding by the *Law of the People's Republic of China on Personal Information Protection*, the *Cybersecurity Law of the People's Republic of China*, the *Regulations of the People's Republic of China on the Security Protection of Computer Information Systems* and other laws and regulations, and establishing comprehensive information security and customer privacy management systems to strictly prevent information leakage. In 2023, the Company committed no incident of customer information leakage or infringement upon customer privacy.

### Division of Responsibilities for Information Security Management of Xinyuan Service

Departments	Responsibilities
Science and Technology Division	<ul style="list-style-type: none"> <li>Being responsible for the security and inspection of owner information at the technical level on owner information-related systems and platforms operated and maintained by it;</li> <li>Protecting the security of owner information on the systems under its management, and establishing and implementing management systems and detailed rules;</li> <li>Organising third parties to sign confidentiality agreements, enhancing operational management, etc.;</li> <li>Standardizing the security technology standards and access processes of owner information on the systems and platforms affiliated to it, and assisting the competent department in investigating and handling leakage of owner information.</li> </ul>
400 Centre	<ul style="list-style-type: none"> <li>Standardizing the post roles and responsibilities of business persons accessing owner information;</li> <li>Protecting the security of owner information on the systems under its management, and establishing and implementing management systems and detailed rules;</li> <li>Formulating the explanation criteria and complaint handling processes for complaints about owner information leakage.</li> </ul>
Human Resources Centre	<ul style="list-style-type: none"> <li>Being responsible for developing punishment measures against information leakage by business partners and implementing such measures;</li> <li>Organizing relevant employees to sign confidentiality commitments, promptly releasing information on job changes and sending the resignation information to the account management department;</li> <li>Assisting in completing market investigations on information leakage;</li> <li>Participating in the investigation and handling of owner information leakage.</li> </ul>
Regional/City Company/Project	<ul style="list-style-type: none"> <li>Standardizing the post roles and responsibilities of businesspersons accessing owner information;</li> <li>Protecting the security of owner information on the systems under its management, and establishing and implementing management systems and detailed rules;</li> <li>Regularly organizing special audits on owner information security;</li> <li>Collecting and summarizing owner information leakage;</li> <li>Leading and organizing the investigation and handling of owner information leakage;</li> <li>Being responsible for the criteria for the interpretation of owner information security incidents.</li> </ul>

▶ In 2023, the Company conducted a total of **two** special IT audits on various aspects such as process compliance, information security, network security and system security.

## Information security management

The Company has formulated institutional documents such as the *Information Security Management System*, the *Information System Authority Management System*, the *Information System Security Emergency Plan* and the *Owner Information Security Protection Management System*, and continuously improves the information security management systems.

### Information Security Management Measures of Xinyuan Service

Categories	Measures
Encryption technology	<ul style="list-style-type: none"> <li>Encryption technology was used to transmit and store sensitive data, ensuring that data would not be stolen by unauthorized third parties during transmission and when stored on servers.</li> </ul>
Access control and authority management	<ul style="list-style-type: none"> <li>Strict access control and authority management systems were implemented to allow only authorized persons to access and process data.</li> </ul>
Security updates and fixes	<ul style="list-style-type: none"> <li>The Company promptly installed security patches for systems and applications and fixed known security vulnerabilities to prevent hackers from exploiting vulnerabilities to invade the systems.</li> </ul>
Safety awareness training	<ul style="list-style-type: none"> <li>Staff were regularly trained on data security and privacy protection to enhance their security awareness and sense of responsibilities for protecting user privacy.</li> </ul>
Security audit and monitoring	<ul style="list-style-type: none"> <li>The Company regularly conducted security audits, monitored system logs and network traffic, and promptly detected and handled security incidents and potential risks.</li> </ul>
Emergency response plans	<ul style="list-style-type: none"> <li>A comprehensive emergency response plan was developed so that effective measures could be quickly taken in the event of data leakage or other security incidents to reduce losses and risks.</li> </ul>

▶ In 2023, the Company conducted a total of **two** training sessions on data security and privacy protection, which covered all staff.

## Protecting customer privacy

In the course of providing services to owners, Xinyuan Service mainly comes into contact with such customer information as personal identity information, family members and domiciles. In order to enhance the confidentiality and management of customer information, the Company has formulated systems such as the *Customer Information Confidentiality Mechanism* and the *Customer Information Management Operation Guide* to standardize personal information processing activities, promote the reasonable use of personal information and reduce the risk of illegal use and dissemination of owner information.

### Measures to Protect Customer Privacy of Xinyuan Service

Minimizing customer privacy data	<ul style="list-style-type: none"> <li>Only the minimum amount of data required to achieve business purposes was collected and stored, avoiding excessive collection and storage of users' personal information.</li> </ul>
Authority settings	<ul style="list-style-type: none"> <li>The authority for accessing and exporting customer information in the business system was set based on positions.</li> <li>The authority of employees was promptly when they resigned or transferred.</li> </ul>
Information encryption	<ul style="list-style-type: none"> <li>Electronic documents were encrypted; and paper documents were uniformly placed into the household data filing cabinets and kept locked.</li> </ul>
Signing confidentiality agreements	<ul style="list-style-type: none"> <li>The Company required new employees to strictly follow the processes of signing confidentiality agreements, which clearly prohibited any form of external dissemination and disclosure of customer data.</li> </ul>

## 5

## Creating a Vibrant Workplace



## ► Employee Recruitment and Employment

Xinyuan Service strictly abides by the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China* and other laws and regulations. The Company formulates the *Employee Recruitment Management System* to clarify the candidate selection standards and processes of recruitment and employment, sets up multiple channels for recruitment, establishes efficient channels for talent supply, and creates a diverse and inclusive talent team. In 2023, the Company encouraged employees to actively recommend talents by revising its *Internal Recommendation Reward System* in combination with its needs for business development and talent reserve.

During the reporting period, the Company committed no violation of laws and regulations related to employee recruitment and dismissal, working hours and holidays, promotion and equal opportunities, anti-discrimination and diversification as well as labor standards. The Company was not involved in child labor or forced labor.

### Employee Recruitment and Employment Management Measures of Xinyuan Service

#### Recruitment principles

- The Company adheres to the principles of meritocracy, open selection, merit-based recruitment, and gender equality;
- The principle of localization;
- The principle of avoiding relatives;
- No discriminatory conditions such as race, religion, ethnicity, sex or household registration shall be imposed.

#### Recruitment channels

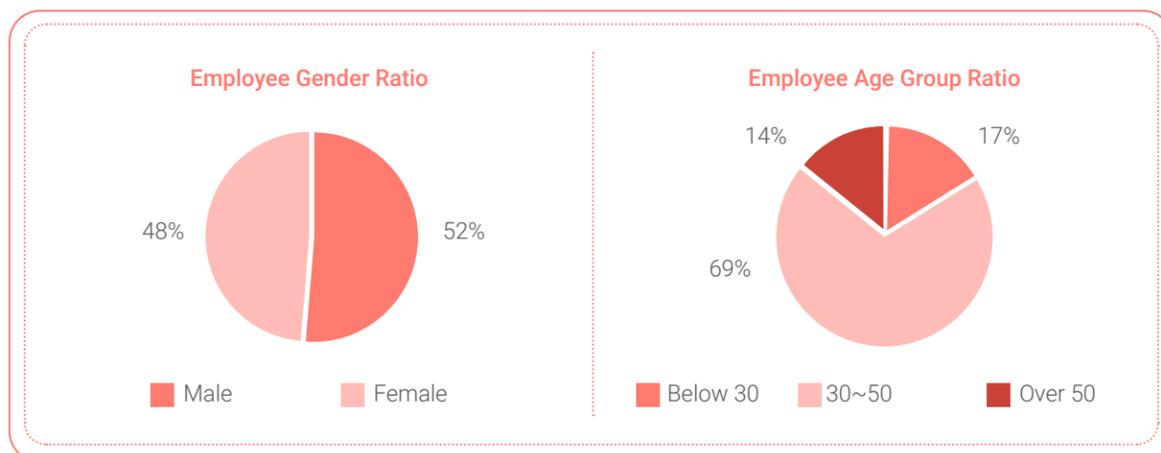
- External recruitment: Third-party recruitment, online recruitment, offline job fairs, on-campus recruitment, etc.; and
- Internal cultivation: Recommended by internal employees.

#### Preventing child labour and forced labour

- The information and employment qualifications provided by new employees are subject to two reviews, and individuals under the full age of 18 are strictly prohibited from joining the Company;
- Employee files are inspected on a quarterly basis by checking the personal information records of employees to prevent child labor; and
- The Company clarifies the application process for overtime work, regularly checks labor intensity and prohibits forced labor.



### Employee Performance of Xinyuan Service for 2023



## Employee Rights and Benefits

### Employee remunerations and welfare

In accordance with the requirements of the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China* and other laws and regulations, Xinyuan Service has formulated the *Employee Welfare Management System* and the *Employee Commendation Management System*, and signed labor contracts with all its staff to effectively protect their rights.

### Employee Remunerations and Welfare of Xinyuan Service

Main aspects	Main components
Remunerations	<ul style="list-style-type: none"> <li>Remunerations include basic salaries, job allowances, overtime pay, welfare and bonuses.</li> </ul>
Working hours and holidays	<ul style="list-style-type: none"> <li>Working hours: 5 working days per week, up to 40 hours per week; and</li> <li>Holidays: Employees were entitled to statutory holidays, annual leave, marriage leave, prenatal leave, maternity leave, paternity leave, breastfeeding leave, personal leave and other holidays.</li> </ul>
Statutory benefits	<ul style="list-style-type: none"> <li>Pension insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing provident funds were contributed to the staff promptly.</li> </ul>
Other benefits	<ul style="list-style-type: none"> <li>Commercial insurance for its staff, welfare and gift packages for holidays and employee medical examinations;</li> <li>Labor protection devices, cold-proof supplies and heatstroke prevention and cooling products;</li> <li>Cultural activities for staff, such as employee birthday parties, holiday celebrations and team building;</li> <li>Special sports welfare funds and sports venues, sports equipment, etc.; and</li> <li>An employee assistance fund to help employees in need.</li> </ul>

In 2023, the Company further improved its mechanism for supporting employees by revising the *Employee Support Foundation Management System* to provide financial aid to employees and their immediate family members whoever experienced accidents or unfortunately suffered from major illnesses. In 2023, the Company consoled employees who were hospitalized or whose families changed for the worse for 35 times, with a total consolation amount of RMB 46,000.

### Mechanism of Supporting Employees in Need of Xinyuan Service

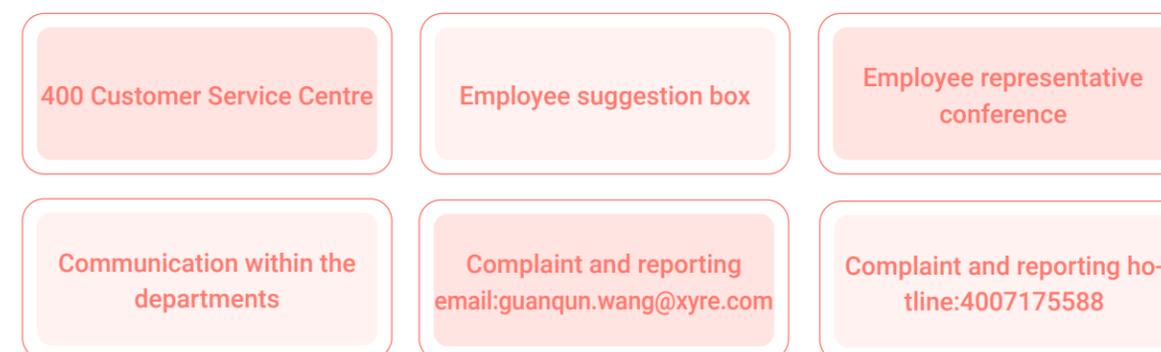
Assistance circumstances	Support amount
Employees or their immediate family members (parents/children/spouses) whoever suffered from major illnesses	An assistance aid of RMB 1,000-3,000 is granted to the employee.
Employees or their immediate family members (parents/children/spouses) passed away	A consolation fund of RMB 500 is granted to the employee.

### Employee communication

Employee communication serves as a bridge for establishing good relationships between corporations and their employees. Xinyuan Service has set up multiple communication channels and regularly holds democratic meetings to encourage employees to feel free to express their opinions. Each month, department heads have personal talks with their subordinates to listen to their demands. The Company promptly responds to reasonable demands from employees and continuously improves their satisfaction and sense of belonging.

The Company has established a labor union, which holds meetings aperiodically according to the situation to mediate such conflicts as problems in employee relations or remuneration, in order to promote democratic participation and opinion communication.

### Channels for Employee Communication of Xinyuan Service



The Company conducts an annual employee satisfaction survey by using information technology to send employee satisfaction questionnaires that cover corporate culture, incentives and care, communication mechanisms, organizational support and other content, so as to fully understand the opinions, suggestions and diverse needs of employees. Based on the satisfaction survey results, relevant departments make targeted improvements to create an efficient, positive, and healthy working environment. In 2023, 1,165 employees participated in the satisfaction survey, with a satisfaction score of 91.4 points, an increase of 2.3% compared to 2022.

### Employee care

The Company encourages employees to focus on the balance between their work and life, and has developed employee care plans and held a series of employee care activities and diverse team building activities to help employees enhance their physical and mental health, facilitate communication, and further intensify team cohesion, combativeness, sense of belonging and commitment.



XinBA basketball tournament



Women's Day



Employee Birthday Party



Employee Travel

### Occupational Health and Safety

As a property management enterprise, Xinyuan Service involves no occupational disease hazards. The Company strictly abides by the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases* and other laws and regulations. The Company formulates institutional documents such as the *Employee Occupational Health and Safety Management System*, identifies dangerous and hazardous factors in aspects such as environment, engineering equipment and fire safety, formulates contingency plans for emergencies and clarifies the process of work-related injury declaration to safeguard the occupational health and safety of employees.

In 2023, the Company passed the review under the ISO 45001:2018 occupational health and safety management system, and the certificate is valid until 17 August 2025.



### OHS Management Framework of Xinyuan Service

Departments	Responsibilities
Human Resources Centre	<ul style="list-style-type: none"> <li>Developing and implementing occupational safety education and training plans at the Company level, and supervising and managing the implementation of safety education by branches/projects;</li> <li>Organizing and coordinating the purchase of labor protection supplies, heatstroke prevention and cooling, and cold-proof supplies for the Company; and</li> <li>Following up on the handling of employees' work-related accidents.</li> </ul>
Branches	<ul style="list-style-type: none"> <li>Organizing occupational safety education and training for projects under the management of the branch, developing the occupational safety education plans for the branch and implementing the Company's training plans;</li> <li>Organizing the purchase of labor protection devices, heatstroke prevention and cooling, and cold-proof supplies for the projects under the management of the branch; and</li> <li>Supervising the process of handling employees' work-related injuries.</li> </ul>
Projects / Departments	<ul style="list-style-type: none"> <li>Implementing occupational safety education and training at the Company and branch levels and giving feedback on training effectiveness, training needs or suggestions;</li> <li>Supervisors of all modules are responsible for the safe operation guidance before on-site operation and the supervision and inspection of in-process standard operation;</li> <li>Cooperating with the Company and the branch to sort out the needs and suggestions for purchase related to labor protection; and</li> <li>Following up on the whole process of employees' work-related injuries and providing relevant data of the reimbursement for work-related injuries.</li> </ul>

The Company has actively conducted OHS training that covers OHS policies and regulations, emergency response, safe operation norms, fire prevention and firefighting knowledge, project safety management precautions, etc., with total participants of 496 employees. In 2023, the Company provided comprehensive safety education and training mainly for new employees by organizing a total of 8 training sessions with 62 participants in each session.

In 2023, the Company was not involved in employees' injuries or deaths caused by work-related injuries.

### Employee Training and Development

#### Employee training

In order to cultivate and motivate business management talents who meet the Company's strategic objectives, Xinyuan Service has formulated institutional documents such as the *Employee Training Management System*, the *Employee Certification Incentive Management Measures* and the *Xin Rui (鑫锐) Youth Mentor Management Measures* and established a tiered talent training mechanism to facilitate employees to grow together with the Company in an all-rounded manner at multiple levels.

The Company has established the "Xinyuan College" and a series of systems which consist of talent cultivation, mentor, training and post certification, and adopted a training method combining the online "Xin Academy" cloud platform and offline training camps to provide employees with multi-form training activities at multiple levels in multiple fields through multiple channels, improving their professional competence and skills.

### Tiered System of Talent Cultivation of Xinyuan Service

Training program	Trainee
Xin Chun Flying (鑫春飞扬)	Fresh college graduates employed through on-campus recruitment
Xin Jiang Quality (鑫匠品质)	Group leaders at the grassroots level
Xin People Growth (鑫人成长)	Management personnel who have joined the company for two months
Xin Talent Advance (鑫才进阶)	Newly promoted supervisors or above
Xin General Melting (鑫将熔炼)	Management personnel promotable to the project manager level within next year
Xin Commander Excellence (鑫帅卓越)	General managers and above of branches, regions and management centers
Xin Sergeant Training (鑫士培训)	Functional line personnel of the business
Special training	Personnel related to the business topic
External training	Employees dispatched to learn for organizational development needs

In order to achieve its talent development strategy and ensure the effective implementation of its training systems, the Company made relevant training efforts in 2023, effectively promoting the coordinated development of talents and organizations.

### Main Training Efforts of Xinyuan Service in 2023

**Developing training plans**

- All systems and business units developed their annual training plans for business needs, and developed monthly training sessions against business challenges and ensured strict implementation of the plans.

**Implementing training programs**

- The Company mainly organized the training programs of Xin People Growth (鑫人成长), Xin Talent Advance (鑫才进阶), Xin General Melting (鑫将熔炼), the training of new managers and the training camps authorized by internal trainers.

**Giving professional lectures**

- The content covered corporate culture, legal knowledge, property appreciation, corporate systems, red property, flood control deployment, occupational safety, winter heating deployment and handling of common problems.

**Building an online training platform**

- 30 sessions of SOP video courses were created for basic business modules; and
- Online learning tasks were distributed through the Company's Xin Academy cloud platform to help persons under new projects and new employees quickly master standard operating norms.



Internal trainer training



Xin Talent Advance (鑫才进阶) training

- 5 sessions of Xin People Growth (鑫人成长) training camps and 9 sessions of training for new management were organized, with a training coverage rate of 100%.
- In order to improve the comprehensive capabilities of the management, a total of 12 professional training sessions were organized, with total participants of 4,200 employees.

### Employee development

Xinyuan Service adheres to the talent development concept of symbiosis and win-win with employees, actively cultivates reserve talents through talent incentive mechanisms and talent development management, provides high-quality talent resource support for the sustainable development of the Company and promotes the personal career planning and growth of employees.

### Talent Growth Path of Xinyuan Service



In the meantime, Xinyuan Service takes performance as the direct embodiment of employees' value, based on the Company's strategic planning and annual business strategy, formulates annual target responsibility letters and monthly plans for each department at each level, clarifies the performance appraisal management system, to ensure full-cycle control of business and full-process management of targets through the means of planning and assessment, operation supervision, mechanism improvement and information technology support, and directly links employee performance appraisal with bonuses, seniority and salary growth to motivate employees to focus on value creation. In 2023, the Company's employee performance appraisal totaled 13 times, and the overall appraisal results for the year were excellent.

The Company stimulates the true motivation of employees through multi-system income distribution, multi-dimensional honor awarding, diversified spiritual incentives and all-round contribution incentives.

### Diversified Talent Incentive Models of Xinyuan Service

- Honor awards** - Annual/semi-annual awards for teams and individuals
- Spiritual incentives** - Honor incentives, achievement incentives, competition incentives, participation incentives, etc.
- Contribution-based incentives** - Performance contribution, service contribution, service duration contribution and social contribution

# 6

## Contributing to a Better Society



### ▶ Participating in Community Governance

#### Construction of red property led by Party building

Property management services is an important livelihood industry. Guided by national policies, Xinyuan Service has deeply promoted the integration of the Party and property management industry, launched the innovative “Xin Fire (鑫火)” red property management model, focused on the pain points and difficulties of community governance, and collaborated with the local communities of projects on the basis of enhanced basic quality services to conduct Party building and co-construction, and used “Xin Fire (鑫火) Community” as a carrier to build harmonious and beautiful neighborhoods.

The Company established the “Tong Xin Yuan (同鑫园)” community co-development mechanism, created the co-development model of “supervision by governments, domination by communities, participation of property management enterprises and diversified collaboration,” and implemented the four red projects of “Green Sprout Plan,” “Warmth for the Elderly,” “Enjoying Happiness with Xin,” and “Enjoying Smart Life.” The Company built a Xin Fire (鑫火) service team with the three-post linkage of “Connected Households Posts, Grid Demonstration Posts and Property Pioneer Posts of Party members,” and created six community activity platforms such as “Tong Xin Xuan (同心轩)” stations, “Run Xin Pavilion (润心堂)” and “Hong Xin Pavilion (红心亭).” The Company focused on solving the difficulties and problems of residents by operating the “Xin Lian Xin (鑫连心)” People’s Mediation Room well. With all such efforts, the Company has built beautiful communities.

#### “Tong Xin Yuan (同鑫园)” community co-construction mechanism

Subdistrict offices, communities, property/building heads, Party members, Party group leaders, and owners who are Party members





Xin Huo (鑫火) station



Tong Xin Xuan (同心轩) stations

In 2023, the Company actively explored a new path for smart party-building community governance. For the “Xin (鑫) Meta” community metaverse management platform, the Company built five core modules of “digitalization of the Party building service mode, digitalization of Party organization management, digitalization of Party member education, digitalization of Xin Huo (鑫火) Lecture Hall, and digitalization of dispute mediation.” Focusing on the six elements of community governance, i.e., people, places, objects, things, conditions and organizations, the Company conducted fine management of key groups such as the elderly living alone, left-behind children and the disabled by achieving simultaneous monitoring from both online and offline ends and consultation of demands inside and outside the buildings, thus constructing a new path of grid-based grassroots social governance featured with “multiple networks in one, and one network for unified management.”

In 2023, the Company had its Party branch coverage increased by **68%**, established **200** Party member demonstration posts, set up **1,000** Party member responsibility zones, provided paired assistance for more than **8,000** elderly people living alone, offered **11,000** volunteer services and held red cultural activities for **12,000** participants.

**Community operation and diversified services**

Xinyuan Service is committed to providing more valuable and beautiful life experiences to owners to satisfy their diverse interests, hobbies and needs.

At the level of community building, the Company has actively guided the elderly owners to establish model teams, choirs, book clubs, dance teams, chess communities, etc., to promote their physical and mental health and social interaction. The Company attaches importance to the needs and interests of young and middle-aged owners by assisting them in establishing communities such as basketball clubs, volunteer groups and bicycle-riding teams. The Company pays attention to the growth of children and the cultivation of parent-child relationships by helping projects establish many communities such as parent-child handicrafts, fun movie-watching, basketball and badminton playing.

At the level of diversified services, the Company has provided multi-dimensional value-added services for communities both online and offline by fully using WeCom, “Xiao Xin Best Selections (小鑫优选)” mall, “Xin Yi Jia (鑫一家)” applet, etc., to provide owners with a variety of diversified value-added services such as leasing and sales, retail, house beautifying, housekeeping, water delivery, etc.



“Xiao Xin Best Selections (小鑫优选)” applet



“Xiao Xin Best Selections (小鑫优选)” mall

In addition, the Company has actively responded to the government policies on projects of completing community construction and renovating stock houses by actively carrying out renovation and maintenance of community facilities and equipment, construction of convenient living service circles in communities, and installation of elevators in old communities and other services to provide a more liveable environment for residents.



Elevator installation project

### Spiritual and cultural construction of communities

The Company focuses on the cultivation and development of community culture. It organized a variety of diversified community activities, both online and offline, with the core concept of “surprises for festivals, harmonious neighborhoods for communities, novelty for communities, monthly convenience activities, and public welfare by everyone.”



Hundred-family banquets for Mid-Autumn Festival



Celebrating the Lantern Festival



“Sharing Happiness” convenient services



“Eagle Plan” summer camp

➤ In 2023, the Company organized a total of **4,246** diversified community activities, attracting the active participation of **312,800** residents.

### ▶ Practicing Social Responsibility

Firmly abiding by its original intention, Xinyuan Service deeply understands that the power of an enterprise is reflected not only in economic benefits, but also in its social contribution and influence. Always adhering to the business philosophy of “putting love first and serving the society”, the Company has taken public welfare and charity as an important part of its development and continuously expands the coverage of public welfare and charity by linking resources from all sectors of the society to benefit more people, fulfilling its social responsibilities with practical actions.

In 2023, the Company continued to innovate by creating the “1 + 3” volunteer service model and giving full play to the pioneering and exemplary role of Party members with Party members from communities as the center. By gathering the three forces of “property management + communities + volunteer services”, the Company also established diversified volunteer teams for helping the weak and the needy, psychological counselling and legal aid, etc. The teams organized more than 100 public welfare activities around themes such as the loving agriculture, warmth for the elderly, green sprout plan, caring for sanitation workers, and the “Xin Escort (鑫护航)” assistance for the examinations.

📄
Loving agriculture: Delivering happiness, and going through the difficult times together

Some farmers were having difficulties in selling their cabbages in the season of cabbage harvest in early winter. The Company quickly responded by mobilizing all parties available to conduct more than 30 actions of helping the farmers. The Company purchased over 100,000 kgs of unsold turnips and cabbages from them as an alternative form of donation. This action has been reported by multiple media outlets such as CCTV and China.org.cn, with a total of more than 20 times of attention from social media.



Loving agriculture activity

📄
Green Sprout Plan: Guarding children in their growing up safely

In December 2023, the Company launched the Green Sprout Plan - a Training Camp for Children’s Safe Survival for the children of owners, aiming to enhance the children’s awareness of self-protection and ability to respond to emergencies through six safety courses. This action has not only enabled children to learn safety knowledge in a happy way, but also enhanced the safety awareness of their entire families, effectively reducing the occurrence of safety accidents.



Green Sprout Plan

📄
Visiting the pension apartment: Conveying warmth, and showing respect and love to the elderly

In May 2023, the Party members and volunteers of the Company visited Yongyi Pension Apartment in Jinshui District, Zhengzhou, delivering daily necessities to the elderly and organizing cultural and recreational activities to convey warmth and care to them through practical actions. This activity has not only promoted the spirit of volunteer services, but also further created a good social atmosphere of loving and helping the elderly.



Visiting the elderly in the pension apartment

# 7

## Enhancing Governance Effectiveness



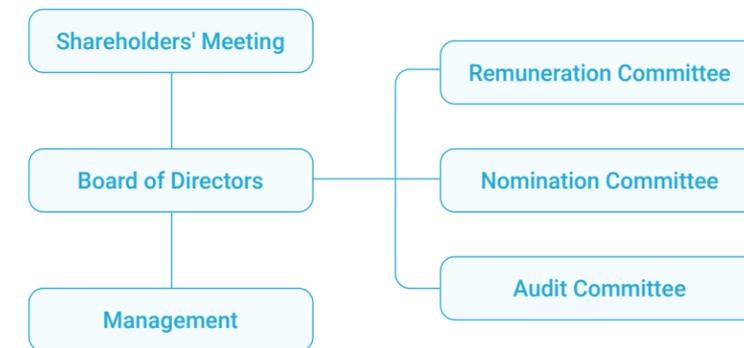
### ▶ Corporate Governance

#### Corporate governance structure

Xinyuan Service strictly abides by the *Listing Rules of The Stock Exchange of Hong Kong Ltd.*, the *Appendix XIV Code on Corporate Governance* and other document requirements and formulates its internal rules and regulations such as the *Memorandum and Articles of Association and the Corporate Governance System* to establish a corporate governance structure with clear rights and responsibilities for Shareholders' Meeting, Board of Directors and the Management and standardized operation, and continuously improve the effectiveness of its corporate governance.

The Board of Directors is the top governing body of the Company, responsible and reporting to the Shareholders' Meeting and has subordinated committees including the Nomination Committee, Remuneration Committee and Audit Committee. The Company has formulated management documents such as the *Terms of Reference for the Committees under the Board of Directors*. All such committees perform their own duties and functions to provide strong support for the sustainable governance of the Company.

Corporate Governance Structure of Xinyuan Service



The Company seeks to diversify its Board members by establishing a Board membership diversity policy, by considering various factors when selecting candidates for Board members, including but not limited to professional experience, skills, knowledge, gender, age, cultural and educational background, race and years of service, in order to achieve diversity in board members. By the end of 2023, the Board of Directors consisted of 7 directors, including 3 independent non-executive directors.

In 2023, the Company conducted one training session for all members of the Board of Directors, which included the latest requirements for disclosure of business valuation in transactions, conflicts of interest and duties of directors, announcement of transactions, investment and financial products, and proposed amendments to the listing rules relating to treasury shares, in order to continually improve the level of scientific and rational decision-making by directors.

### Composition of the Board of Directors of Xinyuan Service and Relevant Meetings held in 2023



### Investor relationship management

Information disclosure is a key link in establishing transparent communication between the Company and investors, and also the foundation for maintaining market fairness and protecting investor rights. Xinyuan Service has established information disclosure systems such as the *Information Disclosure Management System* and the *Transaction Management System to be Disclosed* to standardize its information disclosure affairs and ensure timely and transparent disclosure of information.

The planning center of Office of the Board of Directors, external professional organizations and internal professional departments shall jointly undertake the external information disclosure of the Company to ensure the truthfulness, accuracy and completeness of the information disclosed by means such as promptly responding to inquiries from the HKEX, regularly holding Board meetings, updating resumption of trading progress, and promptly disclosing insider information such as related party transactions.

The Company attaches great importance to investor relationship management through diversified channels and methods such as daily roadshows, daily communication with investors, annual and semi-annual reports, annual and semi-annual performance conferences, shareholder meetings, investor databases' establishment, maintenance and update, maintaining relationship with core investors, and coordinating with core investment institutions, so as to enhance communication and exchange with investors.

➤ In 2023, the Company effectively released the regular and irregular announcement and disclosed annual information, major issues, special information, etc., through a total of **29** announcements.

## Compliance Operation

### Compliance and internal control system

In accordance with the *Company Law of the People's Republic of China*, the *Listing Rules of The Stock Exchange of Hong Kong Ltd.*, the *Appendix XIV Code on Corporate Governance* and other relevant regulations, Xinyuan Service has formulated the *Audit and Supervision Management System and the Corporate Governance System*, established and improved its own audit and supervision management system centered on internal control management and guided by standardized business, so as to identify its operational and financial risks.

The Company has established an audit and supervision management system consisting of Senior Management, Audit and Inspection Department, functional departments, and projects to supervise, improve and inspect the operational control processes of the organizations and systems within the Company. The system formulates internal audit procedures and conducts internal control audits. The functional departments and projects rectify the findings disclosed in audit reports item by item and report the rectification results to the Audit and Legal Department in writing to ensure the Company's compliant operation in its business.

In 2023, the Company conducted five internal control audits and organized units involved in problems to rectify them, tracked and implemented the rectification throughout the process.

### Audit and Supervision Management System of Xinyuan Service

Responsible organisations	Responsibilities
Senior Management	<ul style="list-style-type: none"> <li>Reviewing and approving institutional documents of audit management, audit plans, audit reports, etc.</li> </ul>
Audit and Inspection Department	<ul style="list-style-type: none"> <li>Establishing and improving an internal audit system for the Company and improving audit workflows and methods;</li> <li>Developing audit work plans and organizing the implementation of specific audit;</li> <li>Receiving complaints and reports from inside and outside of the Company and issuing audit opinions; and</li> <li>Organizing rectification of audit findings, tracking the operation of audit results and evaluating the effectiveness.</li> </ul>
Functional departments and projects	<ul style="list-style-type: none"> <li>Actively cooperating in audit work and providing necessary conditions for the implementation of audit; and</li> <li>Promptly responding to audit rectification requirements and providing feedback on the progress of rectification.</li> </ul>

### Risk management

To improve its risk management systems, Xinyuan Service has formulated management systems such as the *Legal Risk Prevention Guide and the Litigation Case Management Measures*, and continuously improves the internal monitoring systems. The Board of Directors supervises the implementation of internal monitoring measures and reviews their effectiveness, hires independent internal monitoring consultants to assist in the work of the internal monitoring systems, fully leverages the control role of risk management in key aspects of the Company's operation and finance, and comprehensively improves the risk response and management capabilities of the Company.

### Risk Management System of Xinyuan Service

Responsible levels	Responsibilities
Board of Directors	<ul style="list-style-type: none"> <li>Discretion over risk management.</li> </ul>
Audit Committee under the Board	<ul style="list-style-type: none"> <li>Supervising the Company's financial monitoring, internal monitoring and risk management system.</li> </ul>
Directors	<ul style="list-style-type: none"> <li>Supervising the implementation of internal monitoring measures and evaluating their effectiveness.</li> </ul>
Independent internal monitoring consultants	<ul style="list-style-type: none"> <li>Assisting the Company in evaluating the internal monitoring system and giving improvement suggestions.</li> </ul>

The types of risks identified by the Company in its business include project operation risks, vehicle management risks, fire management risks, equipment risks, internal risks, etc. In order to enhance the ability to deal with risks, the Company has carried out four steps of risk identification, risk evaluation, risk prevention and risk response, and formulated risk prevention checklists, and made targeted plans for all key aspects of its operation, such as risk avoidance, elimination of hazardous sources, seeking opportunities and delaying risks, so as to promote the achievement of risk control objectives.

**Risk Management Measures of Xinyuan Service**

Risks	Contents	Countermeasures
<b>Project operation risk</b>	<ul style="list-style-type: none"> <li>Risks of losses caused by the inherent defects of the property, the contradiction between developers and owners or owner committees, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Keeping proper communication between developers and owners.</li> </ul>
<b>Legal risk</b>	<ul style="list-style-type: none"> <li>Contract risk, labor and employment risk, administrative penalty risk, tort risk due to property management negligence, and litigation (arbitration) risk.</li> </ul>	<ul style="list-style-type: none"> <li>Standardizing contract text, contract signing process;</li> <li>Standardizing management of the whole life cycle of employees, clear legal risk inspection and prevention points of labor and employment;</li> <li>Clarification of administrative penalty risk checking and prevention points, legal remedies for administrative penalties;</li> <li>The Legal Department provides consultation and advice on dispute events; the project leader is responsible for coordinating and resolving disputes and avoiding litigation procedures; in case of litigation procedures, the Legal Department issues opinions on project management optimization or project assessment rewards and punishments.</li> </ul>
<b>Vehicle management risk</b>	<ul style="list-style-type: none"> <li>Damage to the car body, including scraping and smashing by falling objects.</li> </ul>	<ul style="list-style-type: none"> <li>Taking out parking insurance;</li> <li>Signing parking lot usage agreements; and</li> <li>Obtaining legal operating rights of the parking lots.</li> </ul>
<b>Fire management risk</b>	<ul style="list-style-type: none"> <li>Damage to the public interests of the owners caused by fire.</li> </ul>	<ul style="list-style-type: none"> <li>Clarifying management responsibilities in fire maintenance contracts;</li> <li>Signing a responsibility statement for public security and fire safety with owners; and</li> <li>Establishing contingency plans and enhancing personnel training and drills.</li> </ul>
<b>Equipment risk</b>	<ul style="list-style-type: none"> <li>Personal and property losses of owners due to elevator failure and faulty public and entertainment facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Clarifying the responsibilities of relevant parties in elevator maintenance contracts; and</li> <li>Strengthening inspections of public facilities such as elevators.</li> </ul>
<b>Internal risk</b>	<ul style="list-style-type: none"> <li>Risks caused by internal management and labour disputes, unsafe production, and illegal operation.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening the construction of corporate culture; and</li> <li>Forming a good promotion and incentive mechanism.</li> </ul>

**Intellectual property rights protection**

Xinyuan Service attaches great importance to Intellectual Property Rights Protection and strictly abides by the *Copyright Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China* and other laws and regulations. The Company formulates the *Intellectual Property Management System*, registers its own software copyrights and trademarks, protects the intellectual achievements produced by its technological R&D and business innovation, protects its own IPRs in accordance with laws and avoiding infringing upon the IPRs of others.

**Software Copyright Registration Certificates of Xinyuan Service [partial]**



**Application, Registration and Authorization of the IPRs of Xinyuan Service in 2023**

<b>Software copyrights</b>	24 new software copyright registrations were added.
<b>Patents</b>	20 new invention patent applications were added.

**Supply chain management**

The major types of suppliers involved in the Company's operation include engineering construction, supplies and equipment, service outsourcing, activity planning and information technology. The Company adheres to the principle of fair trade, is committed to common development with suppliers and other partners and continuously promotes supply chain management.

The Company strictly abides by the *Tendering and Bidding Law of the People's Republic of China* and other laws and regulations, and formulates the *Supplier Management Guide* to promote cost reduction and efficiency increase, standardize the tendering-based purchase management mechanism. The Company prefers suppliers that use environmentally friendly products, conducts reviews that focus on the social and environmental performance of suppliers from the assessment dimensions such as purchase objectives, purchase needs, purchase methods, suppliers' service quality and suppliers' comprehensive strength, and further refines the full lifecycle management of the introduction, review and exit of suppliers.

In 2023, the Company collaborated with 340 suppliers, and 100% of the new suppliers were screened under the environmental standards.

**The Full Lifecycle Assessment on Suppliers of Xinyuan Service**

Stages	Assessment systems	Assessment contents
Preliminary period	<i>Summary Table of Supplier Shortlisting Information and Background Investigation and the Supplier Inspection Report</i>	Information review
During performance	<i>Supplier Performance Evaluation Form and Outsourced Comprehensive Service Rating Form</i>	Performance evaluation
After performance	<i>Supplier Level Classification Table</i>	Achievement acceptance

## Major Work of Supplier Management of Xinyuan Service

Fields	Contents
Supplier environmental management	<ul style="list-style-type: none"> <li>Before a new tendering, the Company conducts an on-site inspection of new entities, including the inspection items of business license, cooperation performance, office space, in-cooperation projects, whether it is subject to environmental penalties, etc.</li> <li>The Company conducts a process evaluation on a newly enrolled supplier for the first three months, including the evaluation items of service responsiveness, whether on-site production management is in line with environmental protection and occupational health and safety, 400 reporting, etc.</li> </ul>
Supplier integrity management	<ul style="list-style-type: none"> <li>Before the bid opening, the Company reads out the integrity declaration to all entities concerned;</li> <li>A supplier with more than 3 labor disputes will not be included in the supplier pool;</li> <li>Purchase personnel are regularly trained on anticorruption;</li> <li>Suppliers are required to sign the Bidder Declaration to ensure the legality, compliance, rationality and seriousness of the bidding and tendering; and</li> <li>Supplier certification is made by establishing an inspection team for on-site inspection certification and supervision certification.</li> </ul>
Supplier pool management	<ul style="list-style-type: none"> <li>In combination with its business planning and needs, the Company supplements and improves the supplier pool and updates and perfects the supplier pool; and</li> <li>The Company is responsible for the pre-qualification and on-site inspection, certification, enrolling, performance evaluation of suppliers and supplier grading management.</li> </ul>

## ► Anticorruption and Anti-bribery

The Company strictly abides by the *Criminal Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China* and other laws and regulations, and formulates the *Audit and Supervision Management System* to standardize the Company's anticorruption and anti-bribery construction, clarify the supervisory functions of audit posts within departments. The Company conducts audit intervention in possible cases of favoritism, fraud, corruption, and bribery, and seriously handles major disciplinary violations of employees such as bribery and fraud to continuously improve the Company's anticorruption and anti-bribery systems and enhance internal control and supervision.

In 2023, the Company was not involved in any corruption-related litigation case against the Company and its employees.

## Anticorruption Measures and Complaint Reporting Channels of Xinyuan Service

Fields	Contents
Anticorruption training	<ul style="list-style-type: none"> <li>One session of anticorruption training was provided to Board members, with a total of 7 participants;</li> <li>One special session of anticorruption training was provided to managers and above, with a total of approximately 100 participants; and</li> <li>3 sessions of onboarding training were provided to new employees, covering issues such as anticorruption, law-abiding and integrity, with a total of 200 participants.</li> </ul>
Complaint and reporting channels	<ul style="list-style-type: none"> <li>A complaint hotline and email are set up in the customer service center to receive various complaints and reports; and</li> <li>An anti-fraud email (jubao@xyym.hk) is created and launched online.</li> </ul>

## ESG Data Performance Tables

## Economic performance

Indicators <sup>1</sup>	Unit	2021	2022	2023
Revenue	RMB 10 Thousand	82,400.00	68,649.75	74,960.60
Total Management Area	10 thousand m <sup>2</sup>	4,341.10	3,139.90	3,434.50

Note 1: The scope of economic statistics is consistent with the scope of the company's consolidated financial statements.

## Environmental performance

Indicators		Unit	2021	2022	2023
Direct energy	Gasoline usage for owned vehicles <sup>1</sup>	L	10,000	9,500	13,000
	Natural gas consumption <sup>1</sup>	m <sup>3</sup>	480,000	490,000	500,000
Indirect energy	Total electricity consumption <sup>1, 5</sup>	MWh	43,653.52	45,332.95	47,125.39
Combined energy consumption		Tce	6,018.15	6,237.45	6,475.01
Combined energy consumption per unit area		Tce/10,000 m <sup>2</sup>	3.26	3.19	3.36
Total greenhouse gas emissions <sup>2, 5</sup>		Ton CO <sub>2</sub> e	25,962.23	26,961.96	28,053.15
Of which, scope I GHG emissions <sup>2, 5</sup>		Ton CO <sub>2</sub> e	1,066.63	1,087.28	1,116.80
Of which, scope II GHG emissions <sup>2, 5</sup>		Ton CO <sub>2</sub> e	24,895.60	25,853.38	26,875.61
Of which, scope III GHG emissions <sup>2</sup>		Ton CO <sub>2</sub> e	—	21.30	60.74
GHG emissions per unit area (Scope I + Scope II) <sup>5</sup>		Ton CO <sub>2</sub> e/10,000 m <sup>2</sup>	14.07	13.77	14.55
Total water consumption <sup>1, 5</sup>		m <sup>3</sup>	993,677.13	1,050,670.45	965,697.93
Water Consumption Density <sup>5</sup>		m <sup>3</sup> /10,000 m <sup>2</sup>	538.44	536.78	501.01
Water recycling volume		m <sup>3</sup>	1,300.00	1,600.00	1,580.00
Total wastewater discharge <sup>3</sup>		m <sup>3</sup>	26,313.00	25,212.00	27,343.00
Total non-hazardous waste (office) <sup>4</sup>		Ton	1,901.00	1,952.80	1,959.00

Indicators	Unit	2021	2022	2023
Of which, non-hazardous waste: domestic waste	Ton	--	380.00	382.00
Of which, non-hazardous waste: food waste	Ton	--	1,568.00	1,572.00
Of which, non-hazardous waste: waste paper	Ton	--	4.80	5.00
Non-hazardous waste per unit area (office)	Ton/m <sup>2</sup>	841.15	887.64	816.25
Total hazardous waste (office) <sup>4</sup>	Ton	0.57	1.85	1.84
Of which, hazardous waste: waste batteries	Ton	--	0.50	0.48
Of which, hazardous waste: electronic products	Ton	0.05	0.08	0.10
Of which, hazardous waste: waste lamps	Ton	0.02	0.04	0.05
Of which, hazardous waste: toner cartridges	Ton	--	0.50	0.40
Of which, hazardous waste: carbon cartridges	Ton	0.10	0.13	0.16
Of which, hazardous waste: other	Ton	0.40	0.60	0.65
Hazardous waste per unit area (office)	Ton/m <sup>2</sup>	0.25	0.84	0.77
NO <sub>x</sub> emissions <sup>6</sup>	kg	45.61	39.66	10.91
PM emissions <sup>6</sup>	kg	4.30	3.74	0.80
SO <sub>2</sub> emissions <sup>6</sup>	kg	0.15	0.13	2.15

Note 1: The statistical caliber of electricity consumption, water consumption and natural gas related data is the office area of the Zhengzhou headquarters of Xinyuan Services, the office area of the regional companies as well as the public area and office area of the projects under the jurisdiction of the regional companies under the management of the regional companies; the statistical caliber of the gasoline consumption of the own vehicles is the gasoline usage of the official vehicles of the Zhengzhou headquarters of Xinyuan Services.

Note 2: Total GHG emissions include Scope I, Scope II and Scope III GHG emissions. Scope I GHG emissions include direct GHG emissions from natural gas and gasoline from own vehicles. The calculation coefficients of GHG emissions from natural gas combustion refer to the Guidelines for the Preparation of Provincial Greenhouse Gas Inventories (for Trial Implementation) (2011) and the China Energy Statistics Yearbook (2022) of the National Bureau of Statistics (NBS), and the calculation coefficients of GHG emissions from gasoline refer to the Guidelines for Accounting Methods and Reporting of GHG Emissions by Land Transportation Enterprises (for Trial Implementation) (2015) of the National Development and Reform Commission (NDRC), and the China Energy Statistics Yearbook (2022) of the National Bureau of Statistics; Scope 2 GHG emissions from purchased electricity, with the calculation coefficients referenced to the Ministry of Ecology and Environment's Notice on the Management of Greenhouse Gas Emission Reporting by Enterprises in the Power Generation Industry for the Period of 2023-2025; and Scope 3 GHG emissions include GHG emissions from employees' business trips. Data calculations are based on the GHG Protocol-A Corporate Accounting and Reporting Standard and the GHG Protocol-Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Note 3: The statistical caliber of total wastewater discharge is the office area of the Zhengzhou headquarters of Xinyuan Service, the office area of the regional companies and the public area and office area of the projects under the jurisdiction of the regional companies, which mainly includes the domestic sewage and the sewage discharge of the canteen.

Note 4: The company started counting the amount of subdivided non-hazardous waste in 2022. The statistical caliber of non-hazardous waste and hazardous waste is the office area of the Zhengzhou headquarter of Xinyuan Services, the office area of regional companies and the office area of projects under the jurisdiction of each regional company. All types of hazardous waste are estimated based on the purchasing volume. Other hazardous waste includes empty pesticide bottles and paint buckets.

Note 5: [Information restated] Due to the change in statistical caliber, the data on electricity consumption, water consumption and density, and the data related to greenhouse gas emissions in 2021 have been updated in this report.

Note 6: The calculation and coefficients of the Company's 2023 emissions of NO<sub>x</sub>, PM and SO<sub>2</sub> refer to the Guidelines on Reporting of Environmental Key Performance Indicators issued by the Stock Exchange of Hong Kong Limited, and the calculation of 2021 and 2022 can be found in the Xinyuan Services 2022 Environmental, Social and Governance Report.

## Employee employment and training performance

### Employee employment performance

Indicators		Unit	2021	2022	2023
Total number of employees <sup>1</sup>		Person	1,741	1,543	1,741
By gender	Male	Person	920	789	900
	Female	Person	821	754	841
By employment type	Labour contract	Person	1,741	1,543	1,741
	Labour dispatch	Person	0	0	0
	Part-time	Person	0	0	0
	Other employment types	Person	0	0	0
By age group	Under 30 years old	Person	612	251	290
	30 to 50 years old	Person	1,070	1,065	1,203
	Over 50 years old	Person	59	227	248
By rank	Grassroots	Person	1,472	1,302	1,449
	Middle management <sup>2</sup>	Person	194	174	231
	Senior management	Person	75	67	61
By region	Chinese Mainland	Person	1,741	1,543	1,741
	Hong Kong, Macau, Taiwan and Overseas	Person	0	0	0
Employee turnover <sup>3</sup>		%	4.89	3.69	3.27
By gender	Male	%	--	3.04	2.67
	Female	%	--	4.38	3.92
By age group	Under 30 years old	%	--	7.97	7.59
	30 to 50 years old	%	--	3.29	2.74
	Over 50 years old	%	--	0.88	0.81
By region	Working in the Chinese Mainland	%	--	3.69	3.27
	Working in Hong Kong, Macau and Taiwan and Overseas	%	--	0	0

Note 1: The statistical caliber of the number of employees is consistent with the company's consolidated financial statements.

Note 2: Due to the growth in management scale and the need to carry out new business layout, the number of middle management recruitments increased, thus the number of middle management employees in 2023 increased compared to 2022.

Note 3: The Company started to count the employee turnover rate by category in 2022. Employee turnover rate by category = Number of employees in the category turned over during the year / Number of employees in the category at the end of the year \* 100.

## Employee training performance

Indicators		Unit	2021	2022	2023
Employee training coverage <sup>1</sup>		%	100.00	100.00	100.00
By gender <sup>1</sup>	Male staff training coverage	%	52.98	51.13	51.69
	Coverage of training for female employees	%	47.02	48.87	48.31
By level <sup>1</sup>	Coverage of grassroots staff training	%	84.55	84.38	83.23
	Training coverage for middle management staff	%	11.14	11.28	13.27
	Training coverage for senior management staff	%	4.31	4.34	3.50
Total hours of training received by employees		Hour	143,218.00	148,157.00	154,726.00
By gender	Total hours of training received by male employees	Hour	72,366.00	78,595.00	84,079.00
	Total hours of training received by female employees	Hour	70,852.00	69,562.00	70,647.00
By level	Total hours of training received by senior management	Hour	4,670.00	4,870.00	5,122.00
	Total hours of training received by middle management	Hour	14,640.00	14,984.00	15,301.00
	Total hours of training received by grassroots staff	Hour	123,908.00	128,303.00	134,303.00
Average length of time employees received of training <sup>2</sup>		Hour	82.26	96.02	88.87
By gender <sup>2</sup>	Average length of training received by male employees	Hour	78.66	99.61	93.42
	Average length of training received by female employees	Hour	86.30	92.26	84.00
By level <sup>2</sup>	Average length of training received by grassroots employees	Hour	84.18	98.54	92.69
	Average length of training received by middle management	Hour	75.46	86.11	66.24
	Average length of training received by senior management	Hour	62.27	72.69	83.97

Note 1: Coverage rate of training for each category of employees = Number of employees in that category who received training / Total number of employees who received training \* 100.

Note 2: Average number of hours of training for each category of employees = Total number of hours of training for that category of employees / Number of employees in that category.

## Employee rights performance

Indicators		Unit	2021	2022	2023
Total number of employee discrimination cases		Case	0	0	0
Number of labour dispute cases <sup>1</sup>		Case	1	0	0

Note 1: In 2021, the Company had one incident of labor dispute and has completed the settlement of the dispute.

## OHS performance

Indicators		Unit	2021	2022	2023
Number of employees dying from work		Person	0	0	0
Number of occupational injuries <sup>1</sup>		person-time	1	2	1
Lost working days due to work-related injuries		Day	47	85	80

Note 1: In 2021, there was one work-related injury in which an employee fell during work resulting in a fracture; in 2022, there were two work-related injuries in which one person cut his finger during work and one person smashed his foot while carrying an object; and in 2023, there was one work-related injury in which an employee was involved in a traffic accident on his way to and from work.

## Product and service performance

Indicators		Unit	2021	2022	2023
Number of complaints about products and services		Case	--	225	213
Complaint handling rate		%	--	100	100
Customer Satisfaction		Score	92.4	93.2	93.2

## Supplier management performance

Indicators		Unit	2021	2022	2023
Total number of suppliers		No.	431	280	340
By region	Chinese Mainland	No.	420	271	330
	Hong Kong, Macau, Taiwan and Overseas	No.	11	9	10
Number of suppliers conducting environmental and social impact assessments		No.	--	271	330
Number of suppliers passing environmental and social impact assessments		No.	--	271	330
Percentage of new vendors screened using environmental criteria		%	--	100	100

## Anticorruption performance

Indicators	Unit	2021	2022	2023
Number of anticorruption trainings	Time	20	19	17
Total hours of anticorruption trainings received by directors	Hour	56.00	62.00	60.00
Total hours of anti-corruption training received by employees <sup>1</sup>	Hour	1,120.00	580.00	600.00
Proportion of directors covered by anti-corruption training <sup>2</sup>	%	100	100	100
Proportion of employees covered by anti-corruption training <sup>3</sup>	%	68.9	87.5	75.8
Number of corruption cases brought and concluded against the issuer or its employees during the reporting period	Case	0	0	0

Note 1: The Company mainly conducts anti-corruption training for new employees, and there will be fewer new employees in 2022 and 2023, so the number of hours of anti-corruption training received by employees in 2022 and 2023 will decrease compared to 2021.

Note 2: Percentage of directors covered by anti-corruption training = Number of directors participating in anti-corruption training / Number of board members \* 100.

Note 3: Proportion of employees covered by anti-corruption training = Number of employees participating in anti-corruption training / Total number of employees \* 100.

## Community and public welfare performance

Indicators	Unit	2021	2022	2023
Amount of community public welfare investment	RMB 10 Thousand	9.57	10.30	10.50
Amount of charitable donation	RMB 10 Thousand	2.93	3.50	3.60
Total duration of employee volunteer service <sup>1</sup>	Hour	364,221.00	501,166.00	282,042.00
Per-capita duration of employee volunteer service <sup>1</sup>	Hour	209.20	324.80	162.00

Note 1: In 2022, the increase in the total number of hours of employee volunteering was mainly affected by the epidemic, with most of the employees stationed at the project providing an average of over 6 hours of support services per week for public health prevention and control. After the epidemic passed, employees no longer use a large area to provide supplies delivery, epidemic prevention and isolation and other volunteer services, etc., so the total employee volunteer hours and employee volunteer hours per capita decreased in 2023 compared to the previous year. Per-capita duration of employee volunteer service = Total duration of employee volunteer service / Total number of employees.

## Benchmarking Index Table

### ► Index Table to the HKEX's *Environmental, Social and Governance Reporting Guide* (effective from 31 December 2023)

Part B: Mandatory Disclosure Requirements	
Mandatory disclosure item	Report section
Governance structure	Emphasizing ESG Management
Reporting principles	Preparation Instructions for the Report
Reporting scope	Preparation Instructions for the Report
Part C: "Comply or explain" Provisions	
Subject areas, aspects, general disclosures and KPIs	Disclosure section
Subject Area A. Environmental	
Aspect A1: Emissions	
A1. Emissions General disclosure	Emissions and Wastes
KPI A1.1	Environmental Performance
KPI A1.2	Environmental Performance
KPI A1.3	Environmental Performance
KPI A1.4	Environmental Performance
KPI A1.5	Environmental Management System
KPI A1.6	Environmental Management System
Aspect A2: Use of resources	
A2. Use of resources General disclosure	Energy and Water Resources Management
KPI A2.1	Environmental Performance
KPI A2.2	Environmental Performance
KPI A2.3	Environmental Management System
KPI A2.4	Environmental Management System
KPI A2.5	As the Company provides property management services, this KPI is not applicable.

<b>Aspect A3: The environment and natural resources</b>	
General disclosure	Environmental Management System
KPI A3.1	Environmental Management System Energy and Water Resources Management Emissions and Wastes
<b>Aspect A4: Climate Change</b>	
Aspect A4: Climate Change General Disclosure	Addressing Climate Change
KPI A4.1	Addressing Climate Change
<b>Subject Area B. Social</b>	
<b>Employment and labour practices</b>	
<b>Aspect B1: Employment</b>	
B1. Employment General disclosure	Employee Recruitment and Employment
KPI B1.1	Employee Employment and Training Performance
KPI B1.2	Employee Employment and Training Performance
<b>Aspect B2: Health and safety</b>	
B2. Health and safety General disclosure	Occupational Health and Safety
KPI B2.1	Employee Employment and Training Performance
KPI B2.2	Employee Employment and Training Performance
KPI B2.3	Occupational Health and Safety
<b>Aspect B3: Development and training</b>	
B3. Development and training General disclosure	Employee Training and Development
KPI B3.1	Employee Employment and Training Performance
KPI B3.2	Employee Employment and Training Performance
<b>Aspect B4: Labour standards</b>	
B4. Labour standards General disclosure	Employee Recruitment and Employment
KPI B4.1	Employee Recruitment and Employment
KPI B4.2	Employee Recruitment and Employment
<b>Operating practices</b>	
<b>Aspect B5: Supply chain management</b>	
B5. Supply chain management General disclosure	Compliance Operation
KPI B5.1	Supplier Management Performance

KPI B5.2	Compliance Operation Supplier Management Performance
KPI B5.3	Compliance Operation
KPI B5.4	Compliance Operation
<b>Aspect B6: Product responsibility</b>	
B6. Product responsibility General disclosure	Improving Customer Experience Guaranteeing Service Quality
KPI B6.1	The Company provides property management services and does not involve product recycling.
KPI B6.2	Guaranteeing Service Quality Product and Service Performance
KPI B6.3	Compliance Operation
KPI B6.4	The Company provides property management services and does not involve product recycling.
KPI B6.5	Focusing on Information Security and Customer Privacy
<b>Aspect B7: Anticorruption</b>	
B7. Anticorruption General disclosure	Anticorruption and Anti-bribery
KPI B7.1	Anticorruption Performance
KPI B7.2	Anticorruption and Anti-bribery
<b>Aspect B8: Community investment</b>	
Aspect B8. Community invest- ment General disclosure	Participating in Community Governance Practicing Social Responsibility
KPI B8.1	Participating in Public Welfare Industries
KPI B8.2	Community and Public Welfare Performance



**XINYUAN PROPERTY MANAGEMENT SERVICE (CAYMAN) LTD.**

Email: [ir@xypm.hk](mailto:ir@xypm.hk)

Tel.: 86 (371) 6537 5336