

用心構築美好生活

Build a Better Life with Heart

Grow into a customer —
preferred smart city service brand



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1. ABOUT THIS REPORT

CIFI

Ever Sunshine Services Group Limited (the “Company”) sincerely issues our third environmental, social and governance (“ESG”) report. On the basis of previous years’ ESG reports, the Company will further comprehensively and objectively disclose the vision and practices related to environmental, social and governance of the Company and its subsidiaries during the period from 1 January 2020 to 31 December 2020 (the “Reporting Period”) to promote stakeholders’ understanding of the Company’s sustainable development performance. Unless otherwise stated, the scope of this report is consistent with the Company’s 2020 annual report.



BASIS OF PREPARATION

This report is compiled in accordance with the Environmental, Social and Governance Reporting Guide (“ESG Guide”) as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (“Listing Rules”). The appendix of this report lists the content index of the ESG Guide for quick reference. The disclosure in this report complies with the disclosure requirements of the “comply or explain” as set out in the ESG Guide.

REPORTING PRINCIPLES AND DATA SOURCES

This report follows the principles of materiality, quantitative, balance and consistency of the ESG Guide. The data and cases are all derived from the Company’s statistical reports and related documents. The Company undertakes that this report is free from any false records or misleading statements, and is responsible for the truthfulness, accuracy and completeness of its content. Unless otherwise specified, the currency amounts included in this report are in RMB.

REFERENCE TERMS

For ease of expression and reading, terms such as “CIFI Ever Sunshine Services”, the “Group” and “We” used in this report refer to the Company and its subsidiaries.

APPROVAL OF THE REPORT

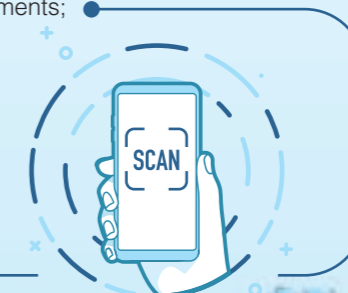
This report has been reviewed, confirmed, and approved for issue by the Board of Directors on 23 July 2021.

ACCESS TO THE REPORT

This report is available in traditional Chinese and English for readers’ reference. The electronic version of the report is available on the Hong Kong Stock Exchange’s website (www.hkexnews.hk) or the Company’s official website (www.cifies.com).

FEEDBACK ON THE REPORT

If you have any questions or feedback on this report and its content, please scan the code to fill in your comments;



You can also contact us through the following means
Email address: IR@ysservice.com.cn

2. THE OPENING REMARKS

Long-termism is the practice philosophy of CIFI Ever Sunshine Services for lean development. 2020 is a year for CIFI Ever Sunshine Services to make branches flourish when the root is firm. In this year, we were advancing with our heads up and were not afraid of challenges. The three business sectors have developed in parallel and in balance. We have intensively focused on the improvement of quality and management, and solidly promoted the diversified business development, while always incorporating the concept of sustainable development in all aspects of business operations, and continuing to create value for shareholders, customers, employees and society.



SINCERE OPERATION AND RESPONSIBLE DEVELOPMENT

We attach great importance to the Company's standardized governance, and we believe that lean operations are the basic driving force for corporate development. Looking back on 2020, we continued to improve the corporate governance structure and further gave full play to the Board of Directors' role in the participation in and management of sustainable development. We have comprehensively sorted out the risk management system and established the "three lines of defense" (三道防線) of the comprehensive risk management system of CIFI Ever Sunshine Services to further consolidate the risk management mechanism. We have strengthened internal control management, optimized internal control management processes, further improved internal control management systems to consolidate control details and form an effective management closed loop. We attached importance to building a clean and honest structure, strengthened integrity management, promoted an integrity culture, and created a clean and upright operating environment for corporate development.

SERVING CUSTOMERS WITH HEART TO BUILD A BETTER LIFE

We always insist on providing ingenious service. We believe that high-quality service is the soft power of enterprise competition. Looking back on 2020, we refined our service standards and built a standardized service process around the "Full-Life Cycle +", "Comprehensive Life Scenes +" and "All-age Community +" service system. We embraced technology, continued to improve the construction of smart properties and to build smart city brains, smart security, smart road, smart resource operations and other smart ports, and provided owners with a better home life experience through smart empowerment. We actively responded to customer needs, regulated safety management standards, enhanced safety service awareness, and paid attention to and followed up customer complaints in a timely manner to continue to provide customers with "satisfying + safe" services. We restructured the service supervision system, focused on the standard of "taking the customer as our teacher, understanding customer needs better than customers, and knowing the problem before the customer is aware of", and continued to improve customer satisfaction. In 2020, we won a customer satisfaction score of 90, which is close to the industry benchmark level.

FOCUSING ON ENVIRONMENTAL PROTECTION TO FACILITATE GREEN SERVICES

We resonate with the development of the times. We believe that green and low-carbon development is an inevitable requirement for the sustainable development of enterprises. Looking back on 2020, we improved our environmental management system, promoted refined energy management, improved resource utilization, reduced greenhouse gas emissions, and facilitated green operations. We actively responded to the call of the country to promote waste classification management in communities under our management, and promoted community environmental protection. We improved the waste management mechanism, paid close attention to waste classification and recycling management, and actively explored the path of green development. We promoted green culture, practiced green office, publicized the concept of green environmental protection, called on employees to participate in green public welfare activities, and strived to promote green and low-carbon development.

WORKING TOGETHER TO CREATE A BETTER FUTURE

We cherish the value of our employees, and believe that a team that works together is the “eternal driving force” for enterprise development. Looking back on 2020, we strengthened the construction of talent echelon, and strived to build a management team that has a shared vision, self-transcendence and long-term hard-working spirit. We provided a wealth of learning platforms and learning resources for employee development, and set up reasonable promotion channels. We valued the protection of employees’ rights and interests, equal employment, provided employees with competitive salaries and benefits, and deepened their sense of belonging. We cared for employees, promoted a management culture based on employees, enriched employees’ spare time, and enhanced their sense of happiness.

HEART-WARMING PUBLIC WELFARE ACTIVITIES, COOPERATION AND WIN-WIN DEVELOPMENT

We maintain a good cooperation relationship with our industry peers. We believe that win-win cooperation is the common expectation of the industry’s common prosperity. Looking back on 2020, we continued to optimize the supply chain management mechanism and practiced the social responsibility of supply chain management. We actively participated in industry exchanges and cooperation and the preparation and formulation of industry standards, and contributed to the development of the industry. We continued to diversify the cooperation models with an aim to work with outstanding enterprises for a win-win situation. We actively cooperated with the government’s grassroots governance work and helped to refine the management of grassroots.

We are grateful to the society and enthusiastic about public welfare activities. We believe that the development and achievements of the Company are inseparable from the support of all sectors of the society. Looking back on 2020, we always stuck to the front line of epidemic prevention and protected the safety and health of our customers with scientific and meticulous property services. We actively assumed social responsibilities, paid attention to and valued the needs of surrounding communities, and carried out community public welfare activities. We joined hands in advocating the launch of the “Tibetan Seedling Hand in Hand Program (藏區青苗牽手計劃)” and actively implemented the “One Catty Bazaar (壹斤市集)” to gather community forces to help targeted poverty alleviation. We encouraged volunteer groups and the Company’s employees to actively participate in social activities, give love to the ones in need, and deliver positive social energy.

Facing the new challenges and opportunities in 2021, we will continue to consolidate our foundation, not be afraid of difficulties, work hard, grow with employees, develop with customers, make progress with the industry, and resonate with the times. The road ahead is obstructive and long, but we firmly believe that we will continue to deliver whole-hearted services and build a better life for you.

3. ABOUT THE COMPANY

CIFI Ever Sunshine Services embraces the philosophy of “Building a Better Life with Heart (用心構築美好生活)” and the smart services concept of “satisfactory + surprising (滿意+驚喜)”, deepens “four-wheel driven (四輪驅動)” strategy, builds a “platform + ecology (平台+生態)” enterprise, and is determined to grow into a customer-preferred smart city service brand.

COMPANY PROFILE

CIFI Ever Sunshine Services, listed on the main board of the Stock Exchange in 2018 (stock code: 01995.HK), is a respected and fast-growing property management service provider in China and has been elected as one of the Top 100 Property Management Companies in China for many consecutive years. After years of hard work, our business covers a board spectrum of properties, including residential properties and non-residential properties (such as office buildings, shopping malls, school campus, government-owned buildings, expressway stations, rail transit, and ferry terminals) and other quality tailor-made services.

As of 31 December 2020, the total contracted GFA of CIFI Ever Sunshine Services exceeded 180 million square meters, among which, total GFA under management amounted to approximately 101.6 million square meters, serving more than 1.2 million property owners in over a hundred cities nationwide. We operate in three major business lines, namely, property management services, community value-added services, and value-added services to non-property owners, offering our clients a comprehensive service portfolio that covers an all-inclusive value chain in property management.

- **Property Management Services**

We provide all types of property management services, and the service type covers residential properties, office buildings, shopping malls, exhibition centers, industrial parks, hospitals and school campus. Service content primarily covers cleaning, security, gardening and repair and maintenance services.

- **Community Value-added Services**

We provide value-added community services to both property owners and residents. These services mainly cover home-living services, parking unit management and leasing services, property agency services, and common area value-added services.

- **Value-added Services to Non-property Owners**

Our provision of value-added services to non-property owners mainly includes (i) sales assistance services, (ii) additional tailored services, (iii) housing repair services, (iv) pre-delivery inspection services, and (v) preliminary planning and design consultancy services.



DATA OF 2020

OPERATION PERFORMANCE

FINANCIAL PERFORMANCE



Total asset (RMB 100 million) <i>Performance of 2020</i> 46.7 <i>Performance of 2019</i> 24.8	Total equity (RMB 100 million) <i>Performance of 2020</i> 30.2 <i>Performance of 2019</i> 12.3	Revenue (RMB 100 million) <i>Performance of 2020</i> 31.2 <i>Performance of 2019</i> 18.8	Profit and total comprehensive income for the year (RMB 100 million) <i>Performance of 2020</i> 4.4 <i>Performance of 2019</i> 2.5	Profit and total comprehensive income for the year attributable to owners of the Company (RMB 100 million) <i>Performance of 2020</i> 3.9 <i>Performance of 2019</i> 2.2
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PRODUCT SERVICES



Cities we serve (number) <i>Performance of 2020</i> 107 <i>Performance of 2019</i> 78	Contracted GFA (000' square meters) <i>Performance of 2020</i> 181,192 <i>Performance of 2019</i> 110,558	Contracted projects (number) <i>Performance of 2020</i> 985 <i>Performance of 2019</i> 609	GFA under management (000' square meters) <i>Performance of 2020</i> 101,625 <i>Performance of 2019</i> 65,151	Projects under management (number) <i>Performance of 2020</i> 638 <i>Performance of 2019</i> 403	Property owners we serve (headcount) <i>Performance of 2020</i> >1,200,000	Customer satisfaction (points) <i>Performance of 2020</i> 90 <i>Performance of 2019</i> 86
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CAPITAL MARKET



Included in MSCI China Small Cap Index, constituent stock of Hang Seng Composite Index, including Hang Seng Composite Index, Hang Seng Stock Connect Hong Kong Index, Hang Seng Stock Connect Hong Kong MidCap & SmallCap Index, Hang Seng Stock Connect Hong Kong SmallCap Index, Hang Seng SCHK Mainland China Companies Index and Hang Seng SCHK ex-AH Companies Index.

SOCIAL PERFORMANCE

EMPLOYMENT COMPLIANCE



The total number of employees (persons)
Performance of 2020
▲ 11,263
Performance of 2019
 7,556

The total number of male employees (persons)
Performance of 2020
▲ 6,257
Performance of 2019
 4,117

The total number of female employees (persons)
Performance of 2020
▲ 5,006
Performance of 2019
 3,439

Percentage of male employees (persons)
Performance of 2020
▲ 55.6%
Performance of 2019
 54.5%

Percentage of female employees
Performance of 2020
▼ 44.4%
Performance of 2019
 45.5%

The number of fresh graduates recruited (persons)
Performance of 2020
173

Labor contract signing rate
Performance of 2020
100%

Social insurance coverage
Performance of 2020
100%

SAFETY AND HEALTH



Medical examination coverage for employees joining the Company more than 1 year
Performance of 2020
100%

Arrangement of various emergency drills (time)
Performance of 2020
920

CARE FOR EMPLOYEES



Donation to needy employees (RMB)
Performance of 2020
120,000

DEMOCRATIC MANAGEMENT



Employees' talk covering projects nearly (number)
Performance of 2020
600

Total of employees' talk held (sessions)
Performance of 2020
1,200

TRAINING AND DEVELOPMENT



The number of employees trained (person)
Performance of 2020
11,147

Total online learning hours on "Xueshenghui" (學升薈) platform over (hours)
Performance of 2020
100,000

Total training investment (ten thousand)
Performance of 2020
262

Average training time for male employees (hours)
Performance of 2020
▲ 89.0
Performance of 2019
 30.6

Average training time for female employees (hours)
Performance of 2020
▲ 84.1
Performance of 2019
 22.8

Employee training coverage
Performance of 2020
99%

3. ABOUT OUR COMPANY

AWARDS OF 2020

2020 All-Asia Best ESG Management Company
Issued by: Institutional Investor



2020 All-Asia Most Honored Companies
Issued by: Institutional Investor






Awards	Issued by
12th of 2020 TOP 100 Property Management Companies in China	China Index Academy
2020 China Property Quality Service Brand	E-House Enterprise Group CRIC
2020 Top 10 Listed Company of Property Management Service	China Property Management Institute China Real Estate Appraisal Center of Shanghai E-House Real Estate Research Institute
2020 Fast Growing Property Management Companies	China Property Management Institute China Real Estate Appraisal Center of Shanghai E-House Real Estate Research Institute
2020 Marketing Operational Leading Brand of China Property Service Companies	China Index Academy
2020 Top 100 Most Valuable Brand of Property Management Service	China Property Management Institute China Real Estate Appraisal Center of Shanghai E-House Real Estate Research Institute
Top Human Resource Management Award 2020	51job
2020 Top 20 Branded Property Management Companies in East China	China Property Management Institute China Real Estate Appraisal Center of Shanghai E-House Real Estate Research Institute
First place in 2020 Shanghai Top 100 Integrated Property Service Enterprises	The Trade Association of Shanghai Property Management
2020 Top 50 Property Enterprises in Service-Yongsheng bowyer steward	E-House Enterprise Group CRIC
2020 National 100 Red Party Building Propaganda Demonstration Units	China Youth Concern Committee Health and Physical Culture Development Center
2020 Top 20 Most Satisfactory Enterprise in Epidemic Prevention	Leju Finance
Top 100 Influential WeChat Public Account in Property Management	China Property Management Media Collaboration
“1000” Index Research Model Enterprises in Shanghai Property Management Industry in 2020 (2020上海市物業管理行業「百企千居」指數研究示範企業)	The Trade Association of Shanghai Property Management
Top 500 Property Management Companies in Terms of Overall Strength	China Property Management Institute China Real Estate Appraisal Center of Shanghai E-House Real Estate Research Institute



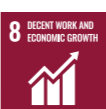




4. SUSTAINABILITY MANAGEMENT



ESG PHILOSOPHY

CIFI Ever Sunshine Services is always committed to the core mission “Build a Better Life with Heart (用心構築美好生活)”, and adheres to the smart service principle of “satisfactory + surprising (滿意 + 驚喜)”. While developing the business, CIFI Ever Sunshine Services also integrates the idea of sustainable development into its ordinary operation and management, establishes its own strategy for sustainable development with the guidance of “United Nations 2030 Sustainable Development Goals (SDGs)”, and takes account of the environmental and social responsibilities. This report actively responds to the United Nations Sustainable Development Goals and discloses the Group’s key actions and performance indicators in respect of ESG for the year.

Reported Chapter	United Nations Sustainable Development Goals (SDGs)	2020 Key Actions and Performance Indicators
Practitioner of responsible development		<ul style="list-style-type: none"> We emphasised integrity management, specify the company management, continuously optimised the corporate governance, enhanced internal control and strengthened risk management and control. In 2020, there were no concluded cases of corruption lawsuits filed against the Group or our employees. We required all employees (including new recruits) to involve in learning integrity and professional conduct, with a completion rate of 100%. We have carried out 57 different trainings regarding to anti-corruption. We signed the “Integrity Instructions”(《廉正須知》) and “Integrity Commitment Letter”(《廉正承諾書》) with cooperative supplier partners to jointly built an anti-fraud defense line and created a transparent working environment.
Advocator of ingenious service		<ul style="list-style-type: none"> We built a standardized service process around the service system of “Full-Life Cycle +”, “Comprehensive Life Scenes +” and “All-age Community +”. We built a professional brand of “Ever Sunshine Yueze Public” targeted for city public services, and provided professional services for various public properties. We have established a “3 + 38” items of service quality system and 57 items of emergency plan management.
Defender of green ecology	 	<ul style="list-style-type: none"> Our environmental management system has passed the external certification of ISO 14001. We conducted energy saving lighting replacement for some projects under management to reduce energy consumption. We actively adopted water-saving measures (such as using water-saving faucets, building the rainwater recovery facilities or system, etc.) in the community under our management, and actively contribute to build “water-saving” community. Performing well in respect of garbage classification and management, multiple projects under our management was awarded “excellent project”(卓越項目) in respect of garbage classification and management and received “demonstration award”(示範獎項).

Reported Chapter	United Nations Sustainable Development Goals (SDGs)	2020 Key Actions and Performance Indicators
Active advocate of talents’ cultivation	  	<ul style="list-style-type: none"> We conducted campus recruitment, social recruitment and other ways of recruitment, strictly complied with equal employment and attract talents by multiple channels. In 2020, we recruited 173 fresh graduates. We attached importance to the communication with employees and conducted activities like employee engagement surveys, employee talks, regular exchange meetings and employee roast, etc. We held a total of 1,200 employee talks in 2020, covering about 600 projects. We paid attention to the safety and health of our employees. Shanghai Yongsheng Property Management Co., Ltd (“Shanghai Yongsheng Property”) was certified under the Occupational Health and Safety Management Systems of OHSAS 18001:2007. For employees on various grassroots business positions in the property, we provided with online video training on production safety in 2020, covering a total of 18,620 participants, and with cumulative learning time of 1,862 hours. We established a diversified employee training system with an average of 87.8 training hours per employee. In 2020, the total online learning time accumulated in the employee online learning platform of “Xueshenghui”(學升薈) was more than 100,000 hours. In 2020, we organized over 200 festival events with nearly 10,000 employee participants.
The co-builder of a harmonious society	   	<ul style="list-style-type: none"> We actively engaged in industry cooperation and enhanced industry exchanges. In 2020, we also participated in the formulation of industry standards, including Community Epidemic Prevention Management Standards (《社區防疫管理標準》) and Community Business Service Standards (《社區經營服務標準》). In 2020, we had a total of 530 volunteers participated in the commonweal activities of communities, providing service for 1,079 hours in total and investing over RMB860,000 in public welfare. In 2020, we conducted a total of 170 activities during the third session of Xulin Festival (旭鄰節), covering nearly 70,000 participants of 164 communities. In 2020, we united with various parties calling for the launch of “Tibetan Green Seedlings Hand-in-hand program”, subscribed for 11 acres of highland barley base, and helped 11 poor children in Tibet grow up healthily. We organized One-catty Bazaar (壹斤市集) and poverty alleviation through community consumption covering a total of 150 projects across the country in 2020, selling a total of 15,000 cattles of agricultural and sideline products online. In 2020, we engaged in the prevention and combat of the epidemic proactively to help the resumption of work and production.

ESG GOVERNANCE STRUCTURE

We've established a governance structure with clear duties, combined with the operational development and regulatory requirements, clarifies the responsibilities and authority of each level of the governance structure which lays a solid foundation to the sustainable development of the Group.

Highest governance body

Board of Directors

- Responsible for formulating the Group's ESG management policies, strategies, priorities and goals;
- Ensure proper and effective ESG management and internal control systems are in place;
- Responsible for reviewing and officially signing and approving the annual ESG report;
- Take full responsibility for ESG strategy and reporting.

ESG Committee level

Coordinated by the Chief Executive Officer of the Company and composed of the heads of the functional departments of the Group's headquarters

- Maintain the operation of the ESG system and enhance employees' awareness of corporate and social responsibility;
- Identify ESG matters related to the main operations of the Group, and/or the shareholders and other important stakeholders of the Group;
- Guide the implementation of ESG work of the Group and evaluate the risks and opportunities faced;
- Promote all departments to implement various environmental, social and governance policies;
- Review and monitor the environmental, social and governance practices of the Group;
- Ensure that the Group complies with relevant legal and regulatory requirements, monitor and respond to the latest environmental, social and governance issues;
- Make relevant suggestions to the Board of Directors in a timely manner to improve the performance of the Group in environmental, social and governance aspects.

ESG Management Executive Level

Executive personnel of relevant functional departments of the headquarters, regional companies, and other business units

- Implement relevant resolutions of the Board of Directors or ESG Committee;
- Implement the collection, recording and reporting of ESG related data and information;
- Implement and improve the Group's ESG concepts, strategies and measures in daily operation and management.

The Company's Board of Directors also has four special committees, each of which performs its duties, effectively assists the Board of Directors in performing their duties and supervising the business operations of the Group, and pays attention to specific issues and practices in the sustainable development of the Group from time to time.

STAKEHOLDER ENGAGEMENT

Maintaining close communication with stakeholders is an important way for the Company to achieve sustainable development. We maintain active communication with stakeholders to fully understand their opinions. We continue to improve the communication mechanism for stakeholders, continue to disclose company information through official websites, WeChat public accounts and other channels, and through activities such as owner satisfaction surveys, employee satisfaction surveys, and supplier meetings, we can timely understand and respond to stakeholders' expectations and demands, and based on this, continue to optimize the Group's sustainable development strategy and planning.



Stakeholders	Major demands	Communication Channels or means
Customers	<ul style="list-style-type: none"> • Professional and comprehensive products and services • Safe and harmonious community culture • Customer relationship maintenance • Customer information protection 	<ul style="list-style-type: none"> • Carry out daily business operations • Set up a customer service center • Conduct customer satisfaction surveys • Customer manager visits • Set up an online service platform
Employees	<ul style="list-style-type: none"> • Protection of legitimate rights and interests • Salary and benefits • Career development and opportunities • Occupational health and safety 	<ul style="list-style-type: none"> • Conduct performance review/assessments • Conduct employee engagement surveys • Carry out employee talks/roast (吐槽會) • Regularly hold employee exchange meetings • Carry out employee activities



Stakeholders	Major demands	Communication Channels or means
Shareholders /investors	<ul style="list-style-type: none"> Financial performance and profitability Protection of rights and interests Information disclosure and transparency 	<ul style="list-style-type: none"> Convene general meetings Complete information disclosure in a timely manner Publish reports regularly Hold investor meetings
Government	<ul style="list-style-type: none"> Legal operation and pay taxes according to the law Implement national policy Comply with laws and regulations 	<ul style="list-style-type: none"> Accept the supervision and management of government departments Participate in government meetings or training Report on policy implementation
Suppliers and business partners	<ul style="list-style-type: none"> Mutual benefit and win-win cooperation Fair and open relationship Promote industry development 	<ul style="list-style-type: none"> Conduct supplier evaluation Hold regular meetings Conduct on-site visits Promote project cooperation
Community or non-governmental associations	<ul style="list-style-type: none"> Develop community charity Support charity activities 	<ul style="list-style-type: none"> Organize community public welfare activities Organize charitable activities Participate in charitable poverty alleviation projects Carry out donations and volunteer activities

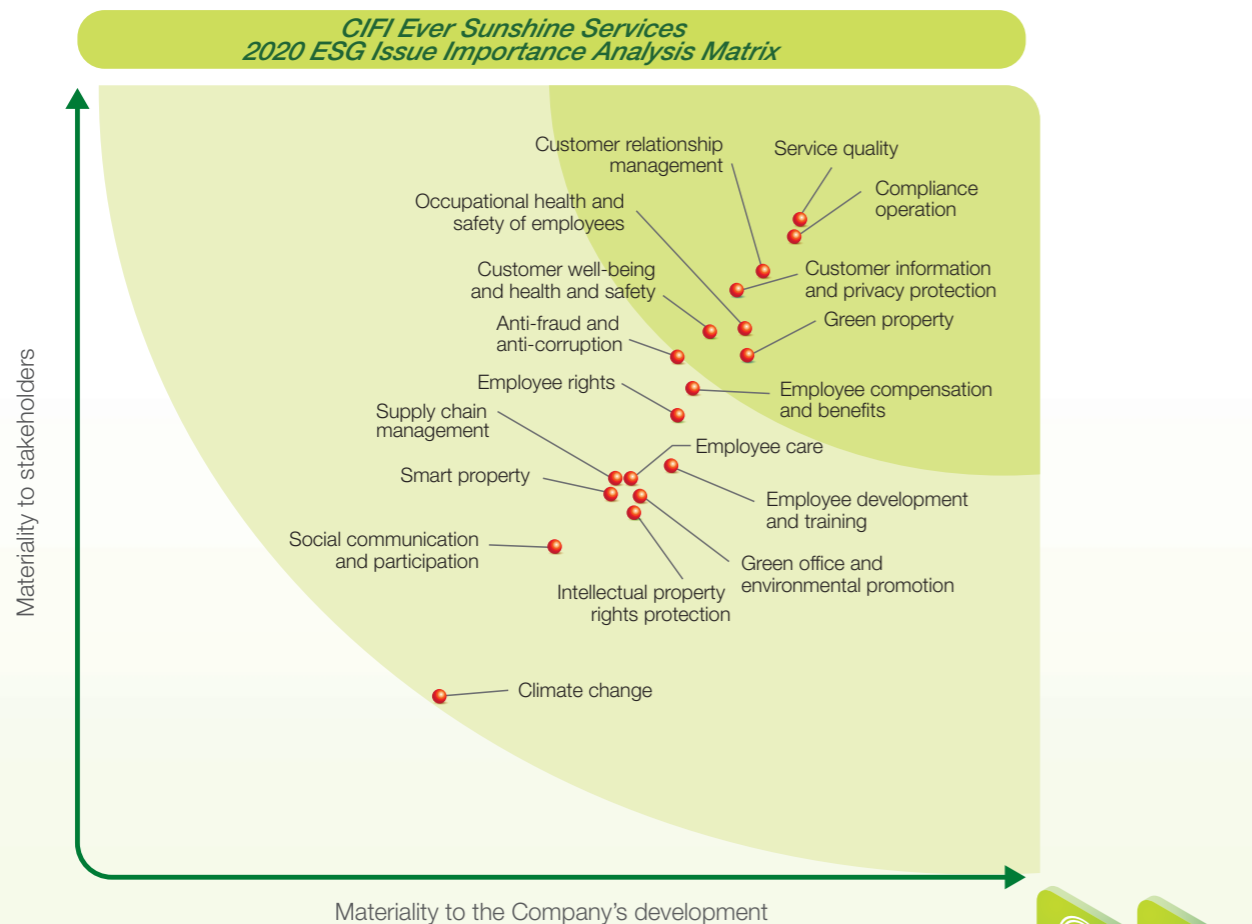
ESG IMPORTANT ISSUES IDENTIFICATION AND ASSESSMENT

In order to enhance the pertinence and materiality of the report, we strictly follow the important issues analysis process, conduct stakeholder questionnaire surveys, select key issues with strong importance, and continue to improve ESG management accordingly to better satisfy stakeholders' expectations and demands.

PROCESS TO ASSESS IMPORTANT ISSUES



4. SUSTAINABILITY MANAGEMENT



Materiality	Serial number	Issues	Scope
High importance	1	Service quality	Social issue
	2	Compliance operation	Governing issue
	3	Customer relationship management	Social issue
	4	Customer information and privacy protection	Social issue
	5	Occupational health and safety of employees	Social issue
	6	Green property	Environmental issue
	7	Customer well-being and health and safety	Social issue
Moderate importance	8	Anti-fraud and anticorruption	Governing issue
	9	Employee compensation and benefits	Social issue
	10	Employee rights	Social issue
	11	Employee development and training	Social issue
	12	Employee care	Social issue
	13	Green office and environmental promotion	Environmental issue
	14	Supply chain management	Social issue
	15	Intellectual property rights protection	Social issue
	16	Smart property	Social issue
	17	Social communication and participation	Social issue
	18	Climate change	Environmental issue

5. PRACTITIONER OF RESPONSIBLE DEVELOPMENT

The Company has always adhered to a comprehensive, balanced and sustainable development. Facing the ever-changing external environment, the Company continues to improve its internal governance, strengthen risk prevention, strengthen integrity governance, attach importance to compliance operations, and improve the Company's overall governance level, thus providing a solid foundation for the Company's sustainable development.

Respond to United Nations SDGs

Material issues responded in this chapter

- Compliance operations
- Anti-fraud and anti-corruption
- Intellectual property rights protection



STANDARDIZING CORPORATE GOVERNANCE

The Company attaches great importance to governance standards, strictly abides by the Listing Rules, the “Articles of Association” and other laws and regulations, and continuously improves and standardizes governance. The Company actively fulfills the obligation of information disclosure, and timely and accurately discloses relevant information to all shareholders, investors and the public, so that investors can fully understand the Company’s financial, operation, and personnel matters. The Company also maintains good communication with investors and the public, establishes multiple communication channels, regulates investor relations management behavior, and respects investors in an honest and responsible way.

STRENGTHENING RISK MANAGEMENT

The Company attaches great importance to risk management and always puts the prevention of major risks in priority. It established a risk management system with three lines of defense, improved the risk management and control process, actively carried out risk management training, and took multiple measures to strengthen risk management. In 2020, the Company further consolidated risk management system to strengthen risk prevention and management, and no major risk liability accidents occurred throughout the year. Meanwhile, the Group enhanced internal control management, optimized internal control management process, improved internal control management system and promoted control details, so as to achieve an effective closed-loop management.

In 2020, the Company held

6 board meetings

and

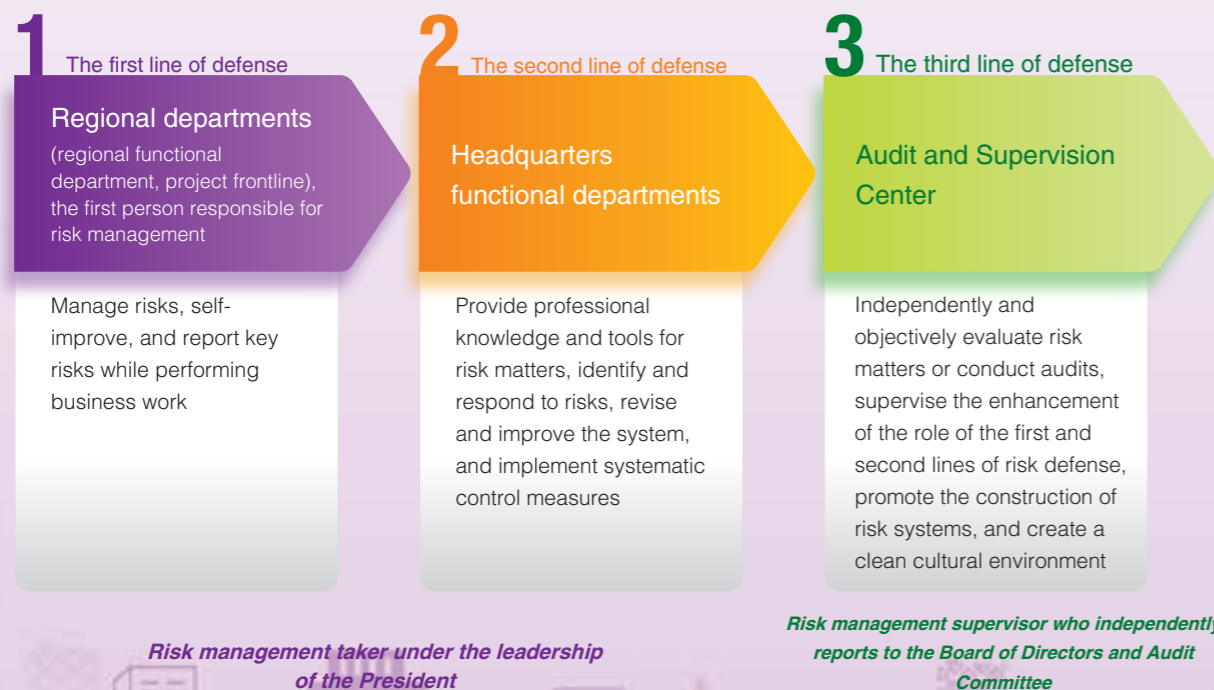
3 general meetings

and conducted

800 investor communications

RISK MANAGEMENT

Risk Management System



Risk Management Process



INTERNAL CONTROL

The Company has established a relatively complete internal control system and working mechanism, and continued to optimize the construction of the internal control system by improving internal control system construction, strengthening internal control self-evaluation, internal review of defect rectification inspection, and special internal control auditing measures.

The Company has formulated the “General Outline for Working Together, Symbiosis and Win-win Cooperation with Supply Sides” (《供方同心同德共生共贏總綱》), “Daily Business Management System of Rental Sales Center” (《租售中心日常業務管理制度》), “Contract Management Measures”, “Guidelines for the Standardization of Market Bidding” (《市場投標工作規範化指引》), “Financial Inspection System” (《財務檢核制度》), “Accounting Information Quality Control System” (《會計信息質量管理制度》), “Employee’s Awards and Punishment Management System” (《員工獎懲管理制度》) and “Seal Management Measures” (《印章管理辦法》) and other series of internal control management regulations and work guidelines involving each business function line, so that we can strengthen internal control management through institutionalization and clarify business operation standards.

The Company continuously optimizes the internal control management process, forming a closed loop of work of internal control through the management and control process of discovering problems, revealing the truth, investigating the cause, finding loopholes of the mechanism and process, assigning responsibilities to people, urging improvement, completing rectification, summarizing the case and conducting case education. The Company further establishes the internal control management system or refines the details of the system through discovering problems to continuously promote and improve internal control management. Moreover, the Company’s Audit and Supervision Center, all business departments of the head office and the management of the Company urge the improvement and optimization of the management system and process, regularly work with business departments and IT department to jointly measure the feasibility of the management and control of the current system, and conduct the front-line management for businesses in advance and during the issue, which can be managed through system management. Thus, the Company keeps the risk events on the front end of the management and control, and achieves more effective internal control management in practice. In 2020, through the problems found in the internal audit, the Company has formulated the “General Outline for Working Together, Symbiosis and Win-win Cooperation with Supply Sides” (《供方同心同德共生共贏總綱》), “Contract Management Measures” (《合同管理辦法》), and has further optimized and improved the “IT Procurement Management Measures” (《IT類採購管理辦法》), “Seal Management Measures” (《印章管理辦法》), and other systems.

In 2020, the Company completed 11 audit projects, covering 7 business functional departments and 7 regions.

In 2020, the Company completed

11 audit projects

covering

7 business functional departments

and

7 regions

ATTACHING IMPORTANCE TO BUILDING AN HONEST STRUCTURE

The Group pursues a corporate culture of integrity, law-abiding, compliance, and transparency, and strictly abides by the “Company Law of the People’s Republic of China” (《中華人民共和國公司法》), “Anti-Money Laundering Law of the People’s Republic of China (《中華人民共和國反洗錢法》)”, “The Anti-Unfair Competition Law of the People’s Republic of China (《中華人民共和國反不正當競爭法》)” and “Interim Provisions on the Prohibition of Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》)” and other laws and regulations. The Group has zero tolerance for corruption, resolutely combats corruption, bribery, extortion, fraud and money laundering in any form, promotes the honesty and trustworthiness of employees, establishes a sense of integrity among employees, continues to improve the integrity rules and regulations, and strengthens the Company’s internal supervision and accountability and reporting system. By continuously strengthening integrity education and training and promoting and living up the anti-corruption concept of the Company, we create a clean cultural environment and a corporate atmosphere that promotes integrity and good governance.

Integrity Management and Advocacy

The Company has established a series of management systems related to the construction of an honest structure, such as the “Eight Military Management Regulations of Ever Sunshine Property” (《永升物業八項軍規管理規定》) and “Administrative Measures for the Declaration of Conflict of Interests of Employees” (《員工利益衝突申報管理辦法》), “Administrative Measures for Bonuses and Gifts in Business Transactions” (《關於業務往來中禮品禮金的管理辦法》) and “Necessary Instructions on Supervision and Reporting” (《監察舉報須知》) applicable to the headquarter, all regions and projects. Through the improvement of system construction, the Company’s internal management and employee’s code of conduct are standardized to prevent the occurrence of fraud and create a clean working environment.

The Group regularly conducts employee integrity training and promotion. Through on-site training or online training, it cultivates employees’ awareness of participating in anti-corruption and promoting integrity work, and strengthens employees’ consciousness of building a probity culture from five aspects, including ideology and ethics, job responsibilities, business processes, systems and mechanisms, and external environment. Besides, the Group delivers our determination and attitudes towards anti-corruption that no one can be corrupted or thinks of committing corruption or dares to commit (不能腐、不想腐、不敢腐) corruption to the employees.

In 2020, the Group has provided

57 anti-corruption trainings to the directors and employees, with participants of

8,814 staff.

Conducting

3 anti-corruption online trainings that cover all employees.

We issued more than

20 accountability announcements, risk violation learning cases, and integrity management notices,

and produced

3 online video courses

- **For new employees**, the relevant integrity training is included in the scope of induction training. They are required to sign the “Commitment to Eight Military Regulations” and complete the “Administrative Measures for the Declaration of Conflict of Interests of Employees” at the time of joining. All new employees shall study “Eight Military Management Regulations of Ever Sunshine Property” online and ensure 100% completion rate, which helps them get to know and familiarize themselves with the Company’s requirements for anti-corruption; and the promotion of “Eight Military Management Regulations of Ever Sunshine Property” is carried out. By explaining the Company’s red line system, sunshine culture and related cases, it helps new employees to integrate into the Company as soon as possible and strengthen self-management awareness;
- **For the management**, it strengthens anti-corruption management by holding regular monthly meetings to explain typical cases of violations, emphasizing the Company’s anti-corruption requirements, and publicizing reporting channels;
- **For suppliers**: All cooperating suppliers are required to sign the “Integrity Instructions” (《廉正須知》) and “Integrity Commitment Letter” (《廉正承諾書》), and external personnel are encouraged to participate in supervision and open the supervision and reporting channels.

In 2020, the Group carried out anti-corruption training and promotion of integrity and self-discipline culture from the aspects of corporate culture construction and employee awareness promotion. A total of 57 anti-corruption trainings have been provided to the directors and employees, covering 8,814 people, and 3 anti-corruption online trainings covered all employees. We issued more than 20 accountability announcements, risk violation learning cases, and integrity management notices, and produced 3 online video courses. CIFI Ever Sunshine Services’ “Eight Military Regulations”(八項軍規) training covered a total of 8,354 people, with a total learning time of 1,253.1 hours.

CIFI Ever Sunshine Services’ “Eight Military Regulations” training covered a total of

8,354 people

with a total learning time of

1,253.1 hours



Propaganda and training of “Administrative Measures for the Declaration of Conflict of Interests of Employees” (《員工利益衝突申報管理辦法》)

In October 2020, CIFI Ever Sunshine Services conducted propaganda and training of “Administrative Measures for the Declaration of Conflict of Interests of Employees” during the morning assembly of the headquarter of the Group with each regional branch. “Administrative Measures for the Declaration of Conflict of Interests of Employees” aims to specify that when an employee is performing his duties, prohibition must be the principle when the Company’s benefits are in conflict with his personal benefits like individual investment, relevant transactions and part-time jobs. Under such an occasion, he should declare special circumstances and wait upon the approval before taking actions. We can effectively help all employees understand and deal with the conflict of interest occurred in the workplace in a correct way, so as to prevent behaviors like obtaining benefits inappropriately and cheating.



◆ Morning presentation on “Administrative Measures for the Declaration of Conflict of Interests of Employees” in the headquarter of the Group

Reporting Channels and Processing Flow

The Company has formulated the "Necessary Instructions on Supervision and Reporting" (《監察舉報須知》) and "Regulations on Reporting Management" (《舉報管理實施細則》), which institutionalize the reporting matters, reporting methods, reporting policies, etc., and hangs or posts "Necessary Instructions on Supervision and Reporting" in prominent locations in the Company headquarters, regional office areas and project property service centers, and encourages internal employees and external personnel to actively report and expose violation behavior and participate in integrity management through a variety of reporting channels, such as phone calls, emails, letters, and websites. To protect the whistleblower, the Group stipulates that regardless of whether the reported issue has been verified, the whistleblower's information is confidential and is strictly prohibited from leaking.

In 2020, the Group's report verification rate is 100%, and follow-up and handling are carried out in accordance with the corresponding work procedures. During the Reporting Period, there were no concluded cases of corruption lawsuits filed against the Group or our employees.

The Group processes the received reports according to the following procedures:



Public channels for anti-corruption reporting

Letter whistle-blowing: Floor 6, South Building, Henderson CIFI Center, No.20, Lane 1188, Shenhong Road, Minhang District, Shanghai, Post Code: 201106, Attention: Audit and Supervision Center

Whistle-blowing email: jubao@ysservice.com.cn

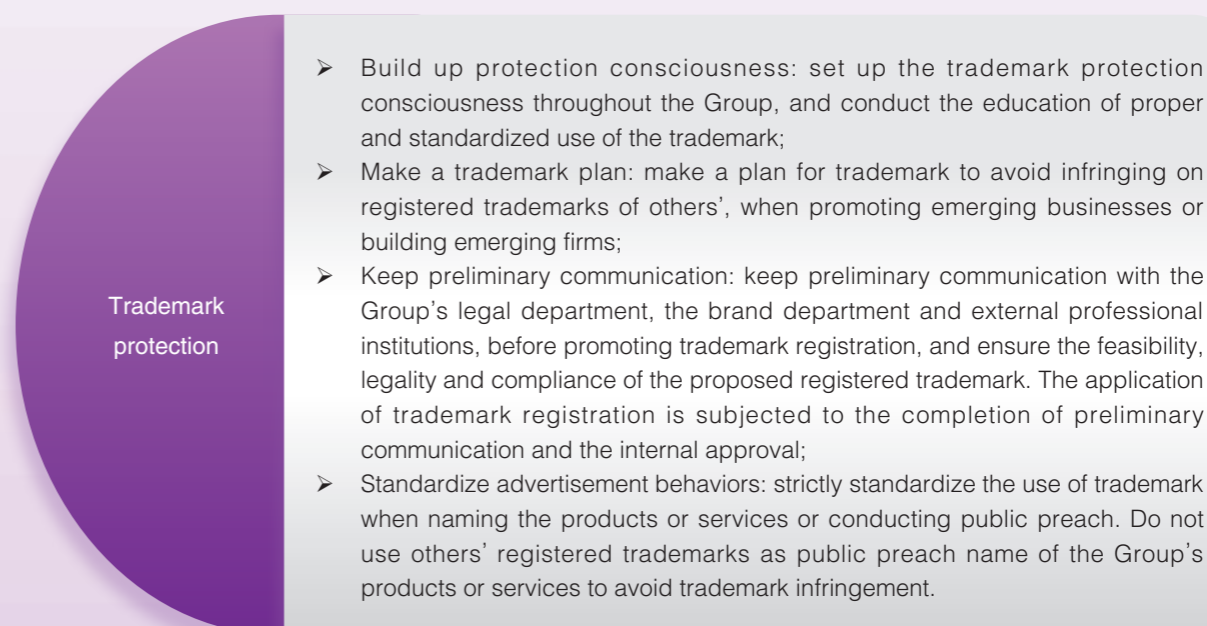
Whistle-blowing hotline: 4000807878 to No. 2 button

PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

The Group complies with the Trademark Law of the People's Republic of China (《中華人民共和國商標法》), the Patent Law of the People's Republic of China (《中華人民共和國專利法》), "The Copyright Law of the People's Republic of China" (《中華人民共和國著作權法》) and other laws and regulations, attaches great importance to the protection of intellectual property rights, and processes and normalizes the work related to the protection of intellectual property rights to escort innovative achievements and brand building. The Company also adheres to internal management principles in respect of protection of intellectual property rights, including centralized management and standardized use. By continuously improving management process, the Company realizes the effective protection of intellectual property rights. In 2020, we launched "VI Management Methods" to specify trademark protection and application.

As of 31 December 2020, the Group held a total of

109 copyrights
and
90 registered trademarks



At the same time, the Group also fully respects the intellectual property rights of the partners, strengthens external publicity and other aspects of intellectual property rights management, strictly uses the partners' intellectual property rights within the scope of authorization, and provides rights protection assistance to fight against acts that infringe on the partners' intellectual property rights.

6. ADHERING TO INGENIOUS SERVICE

Adhering to the core mission of “building a better life with heart”, the Group creates three-dimensional services and continues to provide customers with “satisfactory + surprising” smart services. At the same time, we will strengthen the “four-wheel driven” strategy, drive diversified development with technological innovation, build a “platform + ecology” enterprise, and strive to grow into a customer-preferred smart city service brand.



Respond to United Nations SDGs

Material issues responded in this chapter

- Service quality
- Customer relationship management
- Customer information and privacy protection
- Customer well-being and health and safety
- Smart property

INSISTING ON ARTISAN QUALITY

The Group has built a standardized service process around the service system of “Full-Life Cycle +”, “Comprehensive Life Scenes +” and “All-age Community +”. At the same time, we insist on all-round quality improvement and diversified management operations to continuously improve the quality of customer service. In 2020, Shanghai Yongsheng Property obtained national certifications for quality control system, occupational health and safety management system, environmental management system, energy management system and information security management system.



Shanghai Yongsheng Property was awarded national certifications for five systems



Quality Management System Certificate



Occupational Health and Safety Management Systems Certificate



Environmental Management Systems Certificate



Energy Management System Certificate



Information Security Management System Certificate

SERVICE OF DISPLAY UNITS

The Group has built a full-life-cycle sales office service system, and has formulated the "Display Units Quality Inspection and Mysterious Visitor Inspection Management System" (《案場品質檢查及神秘訪客檢查管理制度》), "Party A of Display Units Satisfaction Investigation Management System" (《案場甲方滿意度調研管理制度》) and 11 service standardization processes. We are rigorously pursuing refined service experience and are committed to bringing customers a high-end, exclusive and innovative multi-service sensory experience.

In 2020, the Group established 5 display units service standardization actions, 3 management standardization actions, and 2 display units quality monitoring actions to shape the display units standards in an all-round way, strengthen and unify the service and management standards of each display units, and help steadily improve quality.

5

Service Standardizations

Covering customer service standardization, visual display standardization, Party A communication standardization, work coordination standardization, service plan standardization, to ensure on-site customer experience;

3

Management Standardizations

Covering internal control construction, supplier collaboration, and quality standard implementation;

2

Quality Monitoring

Covering key indicators, vertical and horizontal performance, effective verification, forging a well-trained and strong property service team that timely responds to customer needs to promote sales conversion rate.

Zhenyi Experience (臻壹體驗), Creating Characteristic and Immersive Display Units Service

In order to create high-end display units service products, CIFI Ever Sunshine Services builds customer-centric immersive services, creates a touch-sensitive active and refined standard of service management model, and launches a Zhenyi experience of steward service. Zhenyi experience innovates 37°C sales service, realizes the matching of resources and customer needs through the five levels of "meeting, acquaintance, familiarity, intercourse, and companionship" to fit the customer's perspective, and creates comfortable and suitable field services.

The Group has built

11 service standardization processes

In 2020, Zhenyi experience display units service has been upgraded to version 4.0, covering three core products:



The number of cities covered

107

The number of display units served

205

The average score of third-party vendor satisfaction survey

97



"The original intention remains the same; the ingenuity is perfect"(初心不變·匠心至臻) display units service training

With the rapid development of real estate and the needs for rapid incubation of talents in display units, the Group launched the "The original intention remains the same, the ingenuity is perfect" training camp for key members of sales office in 2020 to train managers of display units from the aspects of mysterious visitor standards, supplier management standards, and on-site inspection dimensions. The general manager of the Southwest Region shared the management logic of efficient operation, and improved the service and communication skills of sales office managers through MOT touch points (Moment Of Truth) courses, service innovation and emotional intelligence management courses.



"The original intention remains the same, the ingenuity is perfect" 2020 National Training Camp for Key Members of Sales Offices held in Chongqing, Southwest Region

In 2020, the Group carried out two training camps for supervisors and internal trainers, training 98 key members of display units, and certifying 37 Huiyi Instructors (徽壹教官) and Zhenyi Concierge (臻壹禮賓司), with a transfer training assessment coverage of 100%.

Ever Sunshine short story

Strive to make use of every minute to save a life



Though the weather gets cooler, the warmth remained. Every day, many things (no matter minor or essential) happen in the community of CIFI Ever Sunshine Services, which makes clients feel moved in this cooler autumn.

Source: Zhucheng – Times Chun Xiao (築城-時代春曉)

At about 11:00 am on 2 October 2020, Zhucheng – Times Chun Xiao, one of the projects of CIFI Ever Sunshine Services, was holding an on-site event, with many clients participating. A client, Ms. Huang, with a four-year-old child and her grandmother, was also involved. When playing in the children’s play area, the child suddenly suffered from hand cramps, eye-rolling and fainted in the ground. Ms. Huang discovered and felt anxious, then she held the child by hand to seek for onsite property service personnel’s help. As Lin Wenhai, a person responsible for the onsite security maintenance, saw them, he used the intercom to report this matter at once and took the child to the hall where she could sit down, so as to avoid sunlight and ventilate. Zhang Yaxiong, the security maintenance team leader, has arrived at the scene immediately. Considering that calling for emergency vehicle may cause a delay in medical care, he immediately contacted Mr. Liu, the site manager, who drove the child to the hospital together. Once arriving at the hospital, Zhang Yaxiong held the little girl and went straight to the emergency room, and cooperated with the doctor to carry out a series of rescue measures.



The child was finally out of danger. Zhang Yaxiong accompanied the child until her condition was stable and returned to his post. The doctor diagnosed the little girl as acute bronchitis. Fortunately, it only took about 3 minutes for them to get the child in the car since the outbreak of the disease, and the child was treated in time!

STEWARD SERVICE

CIFI Ever Sunshine Services has established a “dual steward” service system composed of Yongsheng bowyer steward (永升铂悦管家) and Yongsheng all-rounded steward (永升全能管家). This service system empowers the steward with standardized business operation management system to be capable to provide services, building development momentum under the talent vitality security system (人才活力保障體系) and creating promotion assistance supported by digitalized tools, with focus on creating a service system of high quality, high satisfaction and high reputation. As of 31 December 2020, this service system has been gradually implemented in more than 100 communities under the management of CIFI Ever Sunshine Services.

Yongsheng all-rounded steward: committed to creating a trustworthy “good helper” for owners in the community

All-rounded steward is a professional steward service brand under the Yongsheng dual steward system, committed to creating a trustworthy “good helper” for owners in the community. Yongsheng all-rounded steward implements the service promise of “active service, intimate care, information transparency, and surprises accompanying”. With the steward as the carrier and the three-force model as the support, it focuses on the service of public areas and neighborhoods and the rapid response to the demands of owners, changing from passive response to predictive service, realizing the transformation from the management of “things” to the service of “people”, and providing customers with a “worry-free, assured and happy” service experience with professional ingenuity.

Yongsheng bowyer steward system manage more than **100** communities

25 full-cycle service operating instructions

Ever Sunshine short story

The streetlight was “lit”.



“Yesterday I happened to see you when I looked outside and found that our streetlight went out. I did not expect that you still carried out the maintenance as it was snowing heavily. You worked so hard, thank you!”

Bai Wenyu, an engineer of Shenyang CIFI Dong Yue City

On 15 February 2020, Shenyang suddenly experienced heavy snow, with strong wind and blizzard, and then three rows of the streetlights of the apartment buildings in the south district, CIFI Dong Yue City, went out unexpectedly ... Bai Wenyu, our engineer, moved swiftly to the troubleshooting, but things didn’t go so well.

On the winter night in Shenyang, the wind was piercingly cold, and he was drenched with snow. It took him nearly an hour to find out the cause of the failure, and the streetlight was lit again. He went backed to the office, being an “iceman”.

Early the next morning, a property owner came to the office to find him and say “Yesterday I happened to see you when I looked outside and found that our streetlight went out. I did not expect that you still carried out the maintenance as it was snowing heavily. You worked so hard, thank you!”



Yongsheng bowyer steward: committed to creating “private” steward for owners

Yongsheng bowyer steward is a high-end steward service brand under the Yongsheng dual steward service system, committed to developing an “all-round care system” in the community. It has established a standard operating procedure covering the entire life cycle of the project and provides “private” steward services covering 10 basic concierge services, 6 personalized services, 10 housekeeping assistant services and 8 value-added services.

永升铂悦管家 服务清单 Yongsheng Bowyer Service Menu			
(I) Basic concierge services	(II) Personalized services	(III) Housekeeping assistant service	(IV) Value-added service
Ticket-booking and hotel room reservation	Carry-on sewing kit	Regular housekeeping	Vehicle service
Travelling-ticket booking	24-hour express service	Purchase of necessities	Pet service
Flowers booking	Convenience barrow service	Doing the laundry	Food delivery
Express collection	Vaccination reservation	Paying bills	Tailored travelling
chauffeured car calling	Making an appointment	Regular house inspection	Household geomancy
Medical box service	Travel tips	Glass surface cleaning	Family banquet arrangement
Caring box service		Hiring nanny	Wedding decoration
Commercial photocopy		Home appliance maintenance	Private banquet planning
lost & found		Installation of TV and Broad Band	
Mobile phone charging		Floor waxing	

Build a Better Life with Heart

2 training and empowerment operating instructions

19 items of process management operating standards

2 quality inspection operating standards

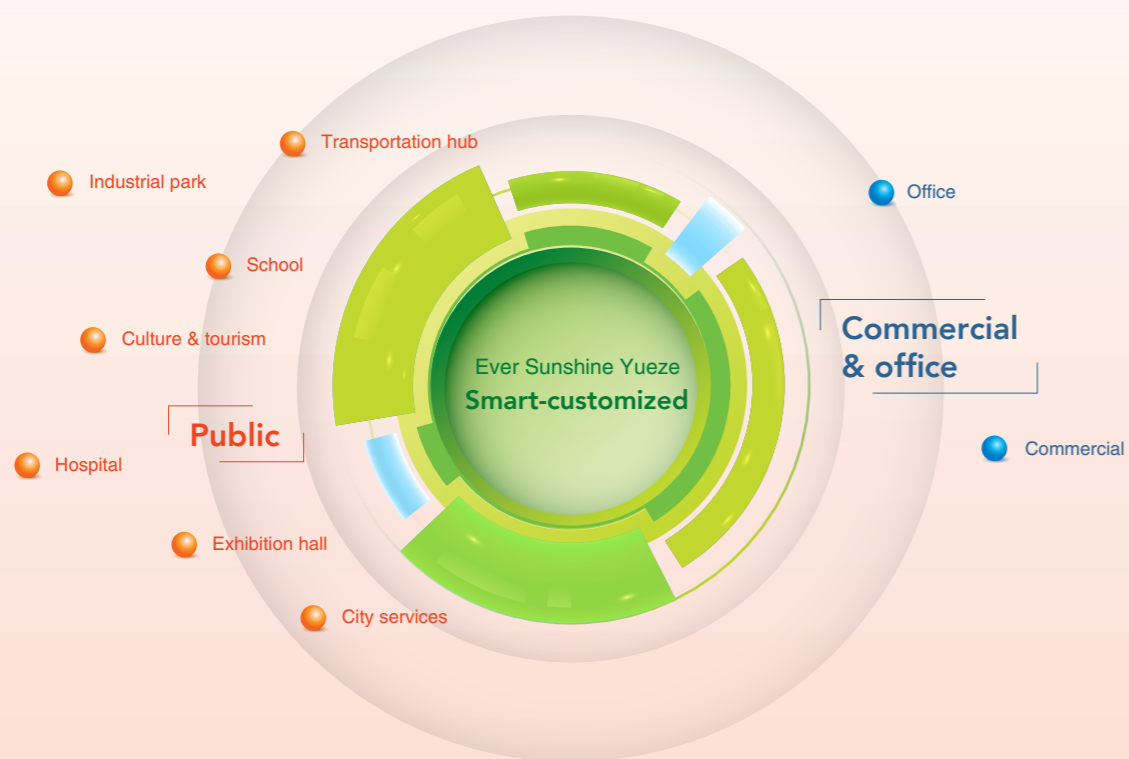
2 major management systems

Yongsheng bowyer steward fulfills the service promise of “free private steward, noble as invisible and free” (YLife), providing customers with Yours, Luxury, Invisible, Free, Exclusive steward service and good life, and fully interpreting Ylife – Yongsheng Life and Your Life. It combines the most advanced technology with the most extreme service to bring customers the new model of future steward service and create more beauty for life.

BUSINESS AND CITY SERVICES

“Ever Sunshine Yueze” (永升悦澤) is a professional service brand launched by CIFI Ever Sunshine Services for commercial office and public properties and so on. Based on rich professional experience, with specialized team, scientific management system, resource integration, technological innovation and other advantages, CIFI Ever Sunshine Services provides professional, systematic and customized full life cycle operation and maintenance solutions for high-end office buildings, shopping malls, hospitals, government agencies, parks, exhibition halls, rail transit, city services, etc. across the country.

With many years of service cases and experience, CIFI Ever Sunshine Services empowers property management services with digital systems and enhances the touch point of active services. CIFI Ever Sunshine Services aims at different cities, different types of business, different communities and different customer bases, creates an “Ever Sunshine Yueze Smart-customization +” (永升悦澤定智+) intelligent property service solution, linking space with services and making services better.



◆ The Ever Sunshine Yueze “Smart-customized” Service

Ever Sunshine Yueze Commercial & Office: technology-enabled, committed to the transformation toward new commercial and office

Ever Sunshine Yueze Commercial & Office (永升悦澤商辦) is a professional service brand for commercial office launched by CIFI Ever Sunshine Services in 2018. With smart properties as its core, Ever Sunshine Yueze Commercial & Office provides professional, systematic and personalized service solutions for high-end office buildings, shopping malls and other types of business. Ever Sunshine Yueze Commercial & Office provides preliminary commercial planning and positioning, office facilities planning, parking lot plan improvement, property management, marketing, asset management, etc., aiming to create a full life cycle of commercial property management services.








Ever Sunshine Yueze Commercial & Office has established 52 service standards to provide professional and standardized management services for different service contents.



◆ Tiandu Building (天都大廈) is one of the landmark buildings in the CBD core area of Suzhou High-tech Zone. This project actively incorporates professional and smart service contents, such as Zeyue Commercial, interactive system of intelligent robot, AI camera, smart patrol, smart entrance guard and smart parking. It is a benchmark landing project serviced by Zeyue Commercial & Office under CIFI Ever Sunshine Services.

Ever Sunshine Yueze Public: growing and innovating together with cities, escorting the development

Ever Sunshine Yueze Public (永升悦澤公眾) provides customers with diversified, customized and exclusive property management services. The service targets cover government agencies, hospital institutions, industrial parks, exhibition venues, transportation hubs and many other types of public property. Ever Sunshine Yueze Public has established a "3+38" items of service quality system and 57 items of emergency plan management, and provides customized service content for different service targets.

<p>Smart-customized hospital service +</p>  <p>Provides intelligent auxiliary management services, medical guidance, hospital medical waste collection, transfer, professional catering, cleaning PVC waxing maintenance and hardstand maintenance, facilities and equipment services EBA, intelligent patrol and other services</p>	<p>Smart-customized campus service +</p>  <p>Provides basic services such as greening, cleaning, and security for the campus, and strives to create services such as smart apartment management and equipment operation management</p>	<p>Smart-customized exhibition hall service +</p>  <p>Through research into the service awareness and service mode of the exhibition halls under the new form and leveraging on the experience of smart property service, we aim to create a professional exhibition hall service system with features of Ever Sunshine</p>	<p>Smart-customized park service +</p>  <p>Improves efficiency through technology empowerment and provides elaborate vehicle management and control, warehousing services, cold storage/cold chain, cleaning services, intelligent monitoring, etc.</p>	<p>Smart-customized cultural tourism service +</p>  <p>Operational services that combine new AI technologies and methods will add new value and reshape the operating system for various tourist attractions, theme parks, resorts and other industries. Promotes the reconstruction of business processes and realizes the innovation of products and business formats through customer data portraits.</p>	<p>Smart-customized traffic hub service +</p>  <p>Focus on the difficulties and pain points of service in transportation hub services with a view to continuously improve passenger service experience through mechanism innovation, process innovation, and service innovation.</p>	<p>Smart-customized city service +</p>  <p>Smart-customized city service +: Provide full-dimensional solutions for smart city services, such as smart road traffic, smart epidemic prevention and control, smart security, smart city brain, smart resource operation, FM/RBA (remote facility/equipment management), etc.</p>
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37°C Community

37°C Community (37°C社區) is a multi-functional community service space CIFI Ever Sunshine Services actively created after gaining an in-depth insight into the life needs of property owners, which integrates diversified property services, personalized social services, convenient distribution services and normal entertainment services. Through the "37°C Community Operation Officer"(37°C社區運營官), it provides property owners with community life services that integrate high-quality property management services, leisure and entertainment, clothing, food, housing and transportation, aiming to encourage community mutual sharing, stimulate community vitality, continue neighborhood warmth, and form a more three-dimensional social ecology circle in the community, thus creating a warmer community living experience for residents.



CIFI Evianbay (旭輝依雲灣) is the first project serviced by 37°C Community

CIFI Evianbay is the first community that uses the 37°C Community services of CIFI Ever Sunshine Services. In this community, CIFI Ever Sunshine Services has established eight service modules of the 37°C Community. Through various activities of the eight modules, connections are formed between the property management party and the property owners and among property owners to create a warm community living experience.

In addition to the implementation of the inherent service modules of the 37°C Community, our service personnel at CIFI Evianbay also innovatively set up a service team for the elderly to provide specific care for the empty-nest elderly. Every afternoon, the community housekeeper will knock on the door of the empty-nest elderly in his responsible area, and will notify their family members or send them to the hospital in time if any abnormality is found.

Eight Modules of 37°C Community at CIFI Evianbay

<p>Rainbow Classroom</p>  <ul style="list-style-type: none"> • Provide after-school care services for property owners in the community • Develop amateur schools with property owners as volunteer teachers • Borrow the Rainbow Classroom to hold birthday parties for the children; 	<p>Child Art Gallery</p>  <ul style="list-style-type: none"> • Provide space in the corridors of each building for children in the community to display their painting talents 	<p>College of Plant</p>  <ul style="list-style-type: none"> • Teach children the knowledge of daily plant maintenance 	<p>Temperature Workshop</p>  <ul style="list-style-type: none"> • Set up a shared kitchen • Conduct baking exchange interaction for interested property owners
<p>Drifting Book Pavilion</p>  <ul style="list-style-type: none"> • Set up book booths to create a platform for community reading enthusiasts to communicate with each other, and property owners can borrow and share books 	<p>Colorful Photography</p>  <ul style="list-style-type: none"> • Organize photography activities to provide an interactive communication platform for community photography enthusiasts • Open up a space for display of property owner's photographic works 	<p>Elderly School</p>  <ul style="list-style-type: none"> • Open interest classes for the elderly • Held health-preserving lectures 	<p>Sunshine Trail</p>  <ul style="list-style-type: none"> • Mark the distance and the number of calories burned on the street signs in the community to arouse residents' enthusiasm for exercise

INTELLIGENCE-DRIVEN SERVICES BY INNOVATION

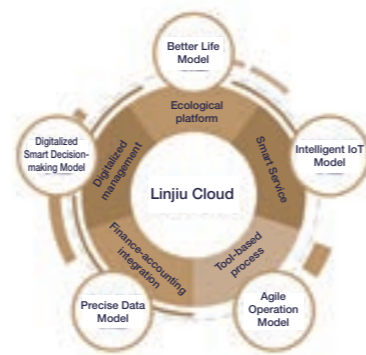
Technology drives the property revolution and leads the reform of the community. The Group has always been focusing on the needs of property owners and enterprises, continuously improving the efficiency of smart city services, continuously deepening the level of intelligent community management, and striving to provide owners with a high-quality all-smart living experience, and to create the customer-preferred smart city service brand.

Smart services

In order to embrace the development trend of the times, implement the national development strategy, and improve the intelligent transformation of our property management services, CIFI Ever Sunshine Services established an intelligent service technology brand, namely Linjiu Technology (霖久科技). Based on new technologies such as mobile Internet, Internet of Things, artificial intelligence, cloud computing, and 5G, Linjiu Technology has built a "platform + ecology" technology platform, which has realized management transparency, service intelligence, digitalized decision-making, ecological platform and processes instrumentalization.

The Group has carried out professional segmentation in the field of comprehensive smart city services and adheres to a diversified development strategy to tap diversified values. Through the construction of smart services, it has now achieved:

- **Smart city brain**
Remote resource dispatching through AI algorithm which enables interconnection with data platforms such as urban traffic management, public safety, emergency management, grid-based prevention and control, medical and health, tourism and environmental protection, so as to improve the city's comprehensive service efficiency, and help the city's refined management goals.
- **Smart security**
The city's integrated intelligent control system for scenes such as video surveillance, abnormal warning and face recognition is realized through AI algorithms, and 24-hour intelligent inspections are carried out through AI cameras to improve security management efficiency.



◆ The Linjiu Cloud(霖久雲)smart community model

- **Smart road traffic**
Through the road intelligent system to realize the operational vehicle management and parking guidance; and through the intelligent monitoring system to make data collection to provide road abnormal warnings, which could optimize the urban order management.
- **FM/RBA (remote equipment/facilities management)**
Based on the IoT platform technology, it realizes remote monitoring of various municipal equipment, provides real-time abnormal warning and diagnosis, and greatly improves the accident monitoring efficiency.
- **Smart resource operation**
Based on mobile Internet and big data technology, it can realize the whole-process online management for urban public resource optimization and operation, and improve efficiency and income.
- **Smart pandemic prevention and control**
Leveraging on the real-time and full city data, the grid-based operation shortcomings can be corrected in real-time, and the trajectory of people from community level to grid level can be fully covered and tracked, which could meet the needs in case of emergencies in pandemic prevention and control.



◆ CIFI Ever Sunshine Services was awarded as one of the "China Real Estate TOP10 Digitalized Property Management Enterprises in 2020"



◆ CIFI Ever Sunshine Services, in collaboration with KONE Corporation, promotes engineering digitalization.

Smart applications

Relying on Linjiu Technology, CIFI Ever Sunshine Services has provided open access to the smart property management platform to integrate the resources of people, places, objects, conditions and things in the community and promote the interconnection of data between different systems, which could create a smooth connection between “people-space-service”, comprehensively improve the service capabilities of smart cities and promote the intelligence and modernization of community management.



Ever Joyful (永小樂) APP

It is a smart operating system for use by the frontline property management employees, which could quickly respond to customer needs and improves work efficiency.



YongShengHuo (永升活) APP

It realizes user scenarios such as smart traffic, online collection, one-click reporting, home improvement, house rental and sales, so that property owners can enjoy warm personal services.



Smart home-living

The deep integration of property management services and smart home-living hardware allows property owners to enjoy more convenient and efficient community services.



Neighborhood social

The online and offline integration of community activities scenes revitalize community resources and create a harmonious community.



Smart-selection mall

We can push high-quality products at competitive prices for property owners, and bring the ultimate service experience to them.



Smart parking platform

In order to strengthen city management and the construction of smart communities, and improve smart parking functions, the Company has developed two major smart parking systems:

- The cloud parking lot subsystem uses mobile APP as the identification carrier and leverages cloud technology to achieve interconnection to create a smart community parking system in the era of mobile Internet. The system could support license plate recognition and mobile phone APP recognition, adapt to various entrance and exit scenarios and realize highly intelligent vehicle entrance and exit control and management, which is helpful in solving the problem in vehicle entrance and exit management in the community.
- With the “unattended, cloud management” construction concept, the robotic parking subsystem, through the combination of “intelligent parking management robot + parking lot visual intelligent control system + vehicle owner mobile APP + property toll collector APP + parking management cloud platform”, could allow car owners to enjoy easily safe and convenient smart traffic. At the same time, through the construction of mobile information technology, the property management enterprise’s control over the parking lots is strengthened, the efficiency of parking traffic is increased, and labor costs are reduced.

RESPONSE TO CUSTOMER’S NEEDS

In 2020, we continued to optimize health and safety management related rules and systems in response to customers’ difficult and painful points, patiently listened to customer complaints and responded in a timely manner, took different strategies and actions to understand customer satisfaction and needs, implemented comprehensive measures to protect customer information and privacy, and has always maintained a harmonious relationship and good interaction with customers.

Health and safety management

CIFI Ever Sunshine Services attaches great importance to safe production management and is committed to providing customers with safe and healthy services. The Company strictly abides by the “Safe Production Law of the People’s Republic of China” (《中華人民共和國安全生產法》), “Fire Protection Law of the People’s Republic of China” (《中華人民共和國消防法》) and other laws and regulations, and formulates and implements more than 20 general systems or guidelines including the Regulations on the Management of Work Safety Responsibility System (General) (《安全生產責任制管理規定(通用類)》), Property Emergency Management (General) (《物業應急管理(通用類)》), Fire Management Regulations (General) (《消防管理規定(通用類)》), Facilities and Equipment Basic Management Regulations (General) (《設施設備基礎管理規定(通用類)》) and Provisions on the Management of Engineering Special Services (General) (《工程特約服務管理規定(通用類)》), nails down the safety service standards, makes a clear division of duties and responsibilities and standardizes safe production and service procedures. Meanwhile, the Company implements regular and strict safety inspections, earnestly carries out safety training and education and adopts the community’s intelligent safety management system to further enhance safety management capabilities and strengthen risk prevention and monitoring.

Improvement of safety management system

CIFI Ever Sunshine Services implements earnestly the safety management policy of “focusing on health and cherishing life” (關注健康,珍視生命), sticks to the safety management principle of “safety first, prevention as main measure” (安全第一,預防為主), implements the “one vote veto system” (一票否決制) for safety management, resolutely carries out the laws and regulations on corporate safety management and prevention, and forms a complete and effective safety management system through continuous improvement of system construction and process management to strengthen safety management.

On the basis of the “who supervises shall be held responsible” (誰主管·誰負責) principle and combining various factors on work safety, we have established a top-down three-level safety management responsibility system and clearly stipulated the management responsibilities of each level:

Management level	Members	Major Responsibilities
Headquarters	Headquarters of the Group Head of Customer Value Division	<ul style="list-style-type: none"> Being the first person responsible for the internal safety production management of the Company Taking full responsibility for the internal safety management of the Company, providing resources for the internal safety management of the Company, and understanding and mastering the internal safety management status of the Company
	Headquarters of the Group Operation Director of Customer Value Division	<ul style="list-style-type: none"> Being the main person responsible for the internal safety management of the Company Assisting the Head of Customer Value Division to establish and being responsible for implementing the Company’s internal safety management responsibility system
	Headquarters of the Group Each department	<ul style="list-style-type: none"> Responsible for implementing the internal safety management responsibility system of the department Responsible for the targeted inspection of the internal safety management of each property company and property service center

Management level	Members	Major Responsibilities
Each property company	Each property company Person-in-charge	<ul style="list-style-type: none"> Being the main person responsible for the internal safety management of each property company Responsible for establishing and implementing the internal safety management responsibility system
	Each property company Each department manager	<ul style="list-style-type: none"> Responsible for implementing the internal safety management responsibility system of the department Responsible for the targeted inspection of the internal safety management of the property service center
	Each property company Customer Value Division	<ul style="list-style-type: none"> Being the person directly responsible for the safety management of each property company Responsible for the supervision and inspection of the internal safety management of each property company
Property Service Centre	Property Service Centre Project Manager	<ul style="list-style-type: none"> Being the person directly responsible for the internal safety management of the property service center Responsible for the implementation of the internal security management responsibility system in the jurisdiction, responsible for the daily management and inspection of the safety management work, and serving as a security officer

We have formulated standardized guideline documents and work standards for the scope of safety management such as fire safety, basic management of facilities and equipment, inspection operation and maintenance of equipment and facilities, safety management of lifts, and management of weak electrical systems. In the “Guidelines for the Reporting of Safety-related Incidents in Engineering Facilities and Equipment” (《工程設施設備安全事件申報工作指引》), we divide the safety risks involved in engineering facilities and equipment into two categories, namely, safety incidents and potential safety hazards, and implement hierarchical management of each category of safety risks, and formulate different workflow requirements and reporting management regulations.

Optimizing safety management measures

We strictly implement various safety management systems and measures, regularly update or optimize safety management plans, regularly overhaul infrastructure, and gradually promote intelligent means to optimize safety management to ensure community safety. We adopt a high-altitude parabolic monitoring system to prevent high-altitude accidents. We use a certified comparison terminal to replace the traditional access control system, and set up a visitor QR code to ensure a safe identity of the personnel entering and exiting the community. An alarm button is installed on the light box to address the emergencies such as medical incidents and robberies. In that event, passers-by can push the alarm button to synchronize the warning at our central control room and connect to the public security system.



◆ Smart access control system



◆ Light box alarm button



◆ High-altitude parabolic monitoring system



Purchase public liability insurance for projects under management

CIFI Ever Sunshine Services purchased public liability insurance for projects under management when necessary. During the insurance period, if an accident occurs due to negligence of the insured when engaging in business activities or its own business within the scope of the project site which causes a third party's life injury or property loss, the insurer shall be responsible for the compensation in accordance with the insurance contract, which provides a more solid guarantee for maintaining the safety of the public.

Strengthening safety supervision and inspection

In order to ensure that customers enjoy a safe and reassuring community life, we create a superior and safe living environment. The Company strictly carries out various safe production inspections, and regularly carries out activities to investigate potential safety hazards in communities, including inspections of fire safety hazards, inspections of hidden hazards on the facades of high-rise buildings and inspections of equipment rooms. The staff make regular patrols every day, and report, rectify and reform the problems quickly after receiving them. In terms of order maintenance, equipment repair, travel management, etc., we conduct strict safety training and assessments on employees, such as water and electricity room management training, to improve their awareness of safety supervision responsibility.



◆ Monitoring the hidden hazards of the facades



◆ Inspecting equipment rooms



◆ Hardware equipment maintenance at communities



◆ Reinforcement and maintenance of public facilities

Conducting safe production trainings

CIFI Ever Sunshine Services always focus on safeguarding safety of property owners, regularly carries out safe production trainings, and stipulates the minimum frequency of annual emergency plan drills and training in the "Property Emergency Management Regulations (General)" (《物業應急管理規定(通用類)》), continuously enhances the safety service awareness of property service personnel and constantly improves safety service capability, with a view to protect personal and property safety of property owners and residents to the most extent. We arrange a number of targeted safety trainings including fire drill activities and exercises for people being trapped in elevators. We also implement corresponding safety service trainings for new employees and transferred employees. In addition, we actively promote safety culture in community such as posting elevator safety knowledge propaganda in public area and so on.

In 2020, CIFI Ever Sunshine Services organized and implemented a total of 710 safe production trainings with over 17,000 participants. An aggregate 920 emergency drills have been implemented with over 21,000 participants.

CIFI Ever Sunshine Services organized a total of

710 safe production trainings

with over

17,000 participants.

An aggregate of **920**

emergency drills with over

21,000 participants.



◆ Work safety month fire drill activity



◆ Firefighting skills competition activity



◆ Publicity of knowledge on elevator safety in community

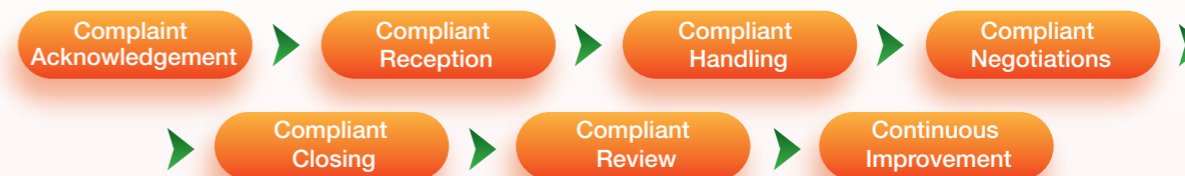


◆ Cardiopulmonary resuscitation learning

Complaint Response

CIFI Ever Sunshine Services always puts customer needs first and opens up feedback channels for customers. Based on the principle of making customers "worry-free, rest assured and happy", we actively respond to customer concerns and handle customer complaints in a timely manner, striving to provide customers with satisfactory solutions. CIFI Ever Sunshine Services has compiled the "Complaint Management Regulations" (《投訴管理規定》), which divides the complaint level into three categories, i.e. general complaint, escalated complaint and major complaint, and clearly defines the control measures for each level of complaint, standardizes the customer complaint handling process, as well as the time and follow-up requirements for complaint handling.

Complaint Handling Process



Complaint Handling Management Mechanism

Multi-channel feedback	Set up multiple channels for property owners to express their opinions, including steward on-site visit, steward work Wechat, YongShengHuo App and national 400 service supervision hotline;
Full process tracking	<ul style="list-style-type: none"> Each complaint will be managed from the regional branch to the steward from top to bottom; Classifying and defining complaints, and requiring the responsible person to deeply investigate and deal with complaints within a limited time;
Efficient Response	<ul style="list-style-type: none"> In 5 minutes after complaint occurs – must pick up work order; In 25 minutes after the complaint – conducting the first round of property owner communication; In 8 hours of the complaint - the record of the entire complaint incident must be uploaded;
Continuous improvement	<ul style="list-style-type: none"> Including the timely response rate and satisfaction of the compliant into the evaluation system; Regularly conducting follow-up reviews of customer complaints and sharing typical complaint cases; Preparing an improvement plan and continuously optimizing the service process.

During the Reporting Period, the Group received a total of 3,782 complaints, all of which were resolved in a timely and reasonable manner.

The closing rate of complaints:

100%

The timely pick-up rate of complaint work order:

95.6%

The timely closing rate of complaint:

93.4%

Improved satisfaction

In 2020, CIFI Ever Sunshine Services took the vision of “learning from customers, understanding the frontline better than the frontline, and knowing where the problems lie before the frontline”. We reconstructed the service supervision system, adopted a combination of online and offline methods, and put forward three major strategies, including an agile and efficient online satisfaction rate survey system, unifying the satisfaction rate analysis tool of “Six-step Approach to Satisfaction” and establishing an offline hierarchical management mechanism “walking management, action management”, with an aim to improve customer satisfaction. In 2020, our customer satisfaction rate scored 90 points, close to the industry benchmark level.

Customer satisfaction rate:



90 points

Three Strategies and Specific Measures

1
Establishing an agile and efficient online satisfaction rate survey system

- Online work order monitoring by order
- Scenario work order real-time monitoring
- Overall monitoring of monthly survey
- Work order evaluation and monitoring by stewards
- Improving the registration rate, reporting rate and evaluation rate

2
Unifying the satisfaction rate analysis tool of “Six-step Approach to Satisfaction”

- Instrumentalize “Six-step Approach to Satisfaction”
- Routinize tool template
- Virtualize tool template

3
Establishing an offline hierarchical management mechanism “walking management, action management”

- Standardize group management actions
- Standardize regional management actions
- Standardize project management actions

Information and Privacy Protection

CIFI Ever Sunshine Services strictly abides by the laws and regulations on information and privacy protection, such as the Cybersecurity Law of the People’s Republic of China and the Personal Data (Privacy) Ordinance of the Hong Kong Special Administrative Region, with an aim to continuously improve the system construction and management standards for customer privacy protection and network security. We have formulated and implemented the “Software Management System” (《軟件管理制度》), “System Development and Change Management System” (《系統開發和變更管理制度》), “Information System Account Password Management System” (《信息系統賬號密碼管理制度》), “Information System Backup Management System” (《信息系統備份管理制度》), “Business Continuity Management System” (《業務持續性管理制度》), the “Information Security Management Measures” (《信息安全管理制度》) and “Ever Sunshine Lifestyle Privacy Policy” (《永升生活隱私政策》) to clarify the responsibilities of each position for data maintenance and the standards for customer information storage encryption, desensitization display, permission control and operation retention in customer information collection, storage and use. We sign the “User Service Agreement” (《用戶服務協議》) with our customers to let them fully understand the usage regulations and information confidentiality measures of the online platform, as well as the risks and countermeasures.

We have implemented a range of measures to improve the operational processes to ensure the security of customer data, information systems and infrastructure. In 2020, there was no information leakage or invasion of customer privacy protection.



Strengthening system management

Hierarchical management by category	<ul style="list-style-type: none"> • Manage and restrict the Company's network, and separate the network environment of tenants and property owners • When building the middle platform of the Internet of Things, put the private data to the lower level to reduce the acquisition of data by the end, such as setting a special code for the face recorded in the door access control
Dedicated management by designated personnel	<ul style="list-style-type: none"> • Set up a dedicated person to develop and operate customer information system and manage customer information • Set access rights to customer information according to the responsibility of the position, and restrict and regularly monitor the functions in use of information
Encryption desensitization management	<ul style="list-style-type: none"> • For ordinary users, the information is kept confidential through technical means such as system watermarking, encryption of key information, desensitization, and isolated storage, and strict authorization management is adopted for data transmission, while the risk of user data security is detected in the background • For suppliers, we use a fortress computer to track users' behavior
Proactive risk prevention	<ul style="list-style-type: none"> • We use third-party security products to identify external risks and prevent information leakage and system intrusion • We set up multiple protection and detection methods to prevent external attacks and ensure network security through "cloud protection", firewalls, Internet behavior management, anti-virus tools, and other auxiliary management and monitoring methods

Strengthening personnel management

In addition to continuously improving the construction of the information security protection system, we also continue to strengthen the management of our internal professional staff to strengthen the information security and customer privacy protection.

Strict confidentiality requirements	<ul style="list-style-type: none"> • We require our employees to sign confidentiality agreements and conduct regular training • For high-risk employees who are in possession of private data, we strengthen their awareness of confidentiality and security
Standardized operational management	<ul style="list-style-type: none"> • We require our employees to keep clear records and regularly check the operation history of database
Setting up an inspection team	<ul style="list-style-type: none"> • We set up an information security inspection expert team to regularly inspect the Company's server room, servers and other hardware equipment
Establishing reward and punishment measures	<ul style="list-style-type: none"> • For employees who cause information distortion, data leakage or malicious attacks, we will punish them with demerits, salary reduction or dismissal according to the severity of the problem



Information Security and Privacy Protection Specialised Training

In 2020, CIFI Ever Sunshine Services invited network information security management experts to carry out information security and privacy protection specialized training. In terms of information security protection, the Company has arranged trainings on server security and database security for its relevant information security maintenance personnel. In terms of privacy protection, the Company has implemented 2 trainings on prevention of privacy leakage. Through specialized trainings, the Company further consolidated the professional skills of information security and privacy protection, delivered and promoted the concept of fulfillment of information security responsibility.



◆ Information Security and Privacy Protection Specialized Training

7. A DEFENDER OF GREEN ECOLOGY

CIFI Ever Sunshine Services is concerned about the harmonious development of man and nature and is committed to providing high-quality property services. The Company strictly follows the laws and regulations such as the Environmental Protection Law of the People's Republic of China, and contributes to carbon neutrality and the construction of an environmentally friendly society by establishing a sound internal environmental management system, strengthening energy control, reducing energy consumption and properly disposing of waste. At the end of the Reporting Period, the environmental management system of Shanghai Yongsheng Property has passed the external certification of ISO 14001.



Respond to United Nations SDGs

Material issues responded in this chapter

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

- Green property
- Green office and environmental promotion
- Climate change

PROMOTING GREEN PROPERTY

CIFI Ever Sunshine Services adheres to the concept of green operation, formulates and implements internal policies such as the “Energy Management Regulations (General)” (《能源管理規定》(通用類)), the “Equipment and Facilities Management Regulations (General)” (《設備設施管理規定》(通用類)), the Wastewater Discharge Management Regulations (General) (《廢水排放管理規定(通用類)》) and the Solid Waste Management Regulations (《固體廢棄物管理規定》), which provide clear guidelines for energy consumption control, water source and waste management during the Group’s business operation, and gradually introduce the application of intelligent equipment to enhance control through real-time monitoring and timely feedback. CIFI Ever Sunshine Services also actively strengthens communication with one of our controlling shareholders, CIFI Holdings (Group) Co. Ltd. and its subsidiaries (“CIFI Group”), by participating in the feedback of the architectural design stage of property projects and making rationalized design or equipment suggestions from the perspective of property management services after project delivery to facilitate green property management.

Energy Management

CIFI Ever Sunshine Services has formulated and followed certain internal systems such as the “Facility and Equipment Basic Management Regulations (General)” (《設施設備管理規定(通用類)》) and the “Energy Management Regulations (General)” (《能源管理規定(通用類)》) to reduce energy consumption through a series of measures such as standardized management, improving the operational efficiency of property equipment and facilities, carrying out energy-saving equipment renovation, and monitoring energy consumption with intelligent means.

Facility and equipment management	<ul style="list-style-type: none"> • Turning off equipment with high power consumption, such as elevators and air conditioners, in a timely manner when no demand is found during inspections; • Adopting central control in the building to keep the air-conditioning operation temperature constant; • Applying energy-saving lighting in substantially all projects and carrying out energy-saving renovation for projects that do not use energy-saving equipment; • Regular inspection of equipment installations and replacement or maintenance of equipment that consumes too much energy.
Intelligent monitoring	<p>Implementing a full range of intelligent systems in the pilot communities, such as AI intelligent security, EBA system, intelligent meter reading, etc. Through EBA system, the functions of different systems, including fire-fighting, higher power, water supply and drainage, are monitored in real-time 24 hours a day and the data is analyzed and fed back to the Group and regional headquarters to realize system linkage.</p>
Encourage the use of new energy	<p>In accordance with the Guidelines for the Construction of Charging Piles for Automobiles (《汽車充電樁建設指引》), we set aside separate charging positions for new energy vehicles in the project park, standardize the construction of charging piles and supporting equipment for new energy vehicles, so as to actively facilitate the use new energy vehicles.</p>





Launching energy-saving renovation for lighting equipment

In 2020, Suzhou Meilan Garden (蘇州美瀾花園) completed the energy-saving renovation of basement lighting equipment, replacing a total of 2,500 LED lamps and saving energy costs of about RMB170,000 per year; the basement of Yinshengtai area had 600 traditional lamp posts replaced with radar induction lamp posts, which is expected to save 52,560 kWh of electricity per year, reducing electricity costs by about RMB30,000.



◆ Renovation of energy-saving lamps in the basement of Yinshengtai area



Smart Ammeter Reading System

Suzhou Lake Mansion smart community uses smart ammeter reading system to replace traditional non-remote ammeters, which analyze the electricity consumption of different areas in real-time. The smart ammeter reading system not only significantly improved the efficiency of the team, but also effectively managed the electricity consumption of the central system scientifically and reduced the electricity usage.



◆ Smart Ammeter Reading System

We have also strengthened our cooperation with CIFI Group by adopting different control measures at different stages of the project to ensure efficient management of energy consumption from the development and design stage to the later operation of the project.

	Management System/Tools	Main Purpose
Development and Design Stage	Assisting real estate development and giving advice on the design and construction of equipment and facilities, public area facilities, and public area design	Implementing efficient and optimal solutions to ensure the lowest energy consumption design within budget
Delivery Stage	Carrying out household inspection work, and conducting inspections, such as on-site measurement, appearance inspection and testing of use functions	Ensuring that the facilities and equipment delivered meet the design expectations
Operation Stage	Standardizing energy management accounts and recording them in our internal PMS system, regularly tracking, analyzing and reporting energy consumption data, and enhancing the environmental safety of project parks by means of technology	Identifying possible problems with facilities and equipment in a timely manner, improving the energy-saving management system plan, and further reducing the energy consumption expenditure of the project

Water Resources Management

During its operation, CIFI Ever Sunshine Services actively promotes water conservation and strengthens the recycling of water resources, and strictly abides by the Water Pollution Control Law of the People's Republic of China (《中華人民共和國水污染防治法》), the Regulation on Urban Drainage and Sewage Treatment (《城鎮排水與污水處理條例》) and other laws and regulations. Based on the operational needs of CIFI Ever Sunshine Services' projects, we formulated the Wastewater Discharge Management Regulations (General) (《廢水排放管理規定(通用類)》) to control the wastewater discharge at property services sites and specify the standard of wastewater discharge and major control indicators of secondary biochemical treatment. We also formulated the Water Supply and Drainage System Operation Management Guide (《給排水系統作業管理指導書》) and other systems to streamline the management of water resources. During the Reporting Period, all the water used by CIFI Ever Sunshine Services came from municipal water, and there were no difficulties in obtaining suitable water sources.

CIFI Ever Sunshine Services focuses on reducing water consumption at source and implemented regular inspection and maintenance of water supply system to avoid waste caused by leakage in the projects under its management. We also actively advocates the concept of water saving, and are committed to promoting and building "water-saving" communities. In 2020, the Suzhou Elegant Garden community (蘇州怡景花園小區) under our management has actively adopted water-saving measures to successfully build as a "water-saving" community through standardized water management. In addition, we have adopted the following measures to strengthen water resources management:

- Using water-saving facilities and equipment: such as the installation of dual-switch smart toilets and faucets with small flow in residential and commercial projects
- Constructing rainwater recycling equipment or systems
- Posting water-saving labels at water-use places
- Identifying daily water management measures



◆ The Suzhou Elegant Garden community has built a "water-saving" community successfully



Intelligent monitoring, fine management

In 2020, we implemented intelligent real-time monitoring of water supply and drainage systems in 13 pilot communities such as Suzhou Lake Mansion (蘇州鉞悅犀湖小區) and CIFI La Baie D'Evian, and traced the water consumption data through the online platform PMS. We would place alert work orders to the responsible departments in the first instance after detecting abnormalities, so as to repair problematic water pipes and other facilities in a timely manner and reduce leakage and waste of water resources from the source.

Waste Management

CIFI Ever Sunshine Services abides by relevant national and local laws and regulations on waste management, such as the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》), and implements the Notice on Comprehensively Carrying out Domestic Waste Sorting in Cities at the Prefectural Level and above in China (《關於在全國地級及以上城市全面開展生活垃圾分類工作的通知》) issued by the Ministry of Housing and Urban-Rural Development. We also formulated the Solid Waste Management Regulations (《固體廢棄物管理規定》). In order to reduce the impact of waste on the environment, we implemented different management standards and adopted different management measures for the waste generated in the course of our operations and the waste generated in the communities we manage.

For hazardous solid waste generated during the operation of the property, such as waste lamps and batteries, we strictly comply with the relevant national and local regulations on disposal, implement separate collection, clear labeling and storage management of solid waste from property management and service sites, and commission qualified recyclers to separately recycle and dispose of hazardous solid waste.

The main non-hazardous waste generated during the operation of the property is domestic waste and food waste. As for the harmless waste, CIFI Ever Sunshine Services performs the role of a community manager and is responsible for the collection and management of the waste generated by the projects, and regularly commissions qualified third-party organizations to carry out the removal of the waste. At the same time, we encourage each property service center to recycle green waste as garden fertilizer to promote the recycling of resources.



Promoting to turn kitchen waste into treasure

CIFI Ever Sunshine Services actively promotes the activity of turning kitchen waste into treasure in the salon projects in Beijing and Shanghai. The kitchen waste is transformed into organic fertilizer after the “24-hour microbial strain fermentation treatment”, which not only reduces waste discharge but also promotes the growth of plants in the community through green fertilization, and forms a good ecological environment.

A brief description of the “waste to treasure” kitchen waste treatment equipment and process



Lifting device

Enclosed treatment during the whole process

- Airtight transport vehicles
- Airtight processing workshop
- Airtight automatic sorting
- Airtight material transportation
- Airtight water and gas treatment
- Airtight decomposition and fermentation



Sorting, crushing and dewatering

Fully automated unmanned operation

Only 1 supervisor, 1 operator and 1 handyman are required for our fully automated processing production line. Only 3 people are required to complete the project



Automatic control system

Automatic sorting function

The system adopts automatic sorting function to separate dry and wet waste, with dry waste being separated separately and wet waste entering the fermentation bin for decomposition



LCD operation screen

Ultra-low operating power consumption

System operation power consumption is about 30 kWh/ton, much lower than the peer industry equipment operation, which saves costs for property owners and significantly improves economic efficiency



Home-made organic fertilizer to promote green waste recycling

In early 2020, the Beijing and Shanghai Salon project managed by CIFI Ever Sunshine Services cooperated with the supplier of green landscape, to crush pruned branches in winter and ferment them into organic fertilizer, which was then reapplied to the park. This not only improved the organic content of the soil, but also reduced the problems of difficult transportation, long retention time and environmental pollution caused by the branch greening waste in the process of dissipating, and enabled the effective recycling of green waste, promoting sustainable development and contributing to green environmental protection.



◆ Crushed branch debris is the main component of organic fertilizer.

In addition to fulfilling our management responsibilities, we actively cooperate with community residents to respond to the promotion of waste sorting. In 2020, we actively encouraged community residents, together with volunteers, property owners' association and neighborhood committee, to strengthen the online and offline publicity of waste sorting. We set waste sorting and disposal points in the communities under our management and assign special personnel to the waste disposal points for guard patrol. We set up a “red and black list” to praise the advanced individuals in waste sorting and expose uncivilized littering behavior.

In 2020, various projects managed by CIFI Ever Sunshine Services received commendation from the regulatory authorities and community subdistrict office due to the excellent waste sorting management.

“Excellent Projects”: Shanghai Jiangwan Mansion project (上海江灣墅項目), Shanghai CIFI Samite Life project (上海旭輝錦庭項目), Guangzhou Dongcheng Villas (廣州東城雅苑) and Qingdao CIFI Xinghe City project (青島星河城項目) achieved outstanding results in waste sorting and management.

“Demonstration Awards”: Suzhou CIFI Park Mansion project (蘇州鉞悅府項目) and Shanghai Shanxin Sunshine City (上海山鑫陽光城) were awarded “high-quality demonstration community for waste sorting in the park with outstanding achievement” and “demonstration residential community for domestic waste sorting”, respectively.



Suzhou CIFI Park Mansion actively advocates garbage classification

Suzhou CIFI Park Mansion actively responds to the call of the local government to be the first batch of pilot communities to conduct garbage classification. For this project, CIFI Ever Sunshine Services publicized garbage classification in a prominent place in the park and posted garbage classification signs and systems, reasonably set up regular and fixed garbage disposal, and conducted garbage classification training for all relevant personnel. It also set up on-site supervisors and the relevant staff to help the owners conduct the garbage classification, and carried out various creative publicity activities, making garbage classification a “new fashion” in the community.



◆ Conducting garbage classification publicity in a prominent place in the community



◆ Setting up regular and fixed garbage disposal



◆ Carrying out various creative publicity activities to raise residents' awareness of garbage classification



Tackling climate change

CIFI Ever Sunshine Services is well aware of the extremely disastrous weather and global warming effects brought about by climate change, which will affect corporate operations. We actively respond to related climate change risks, focusing on effective prevention and meanwhile conducting timely monitoring. CIFI Ever Sunshine Services has formulated the “Property Emergency Management Regulations” (《物業應急管理規定》), which provides specific regulations on emergencies caused by natural disasters in terms of management responsibilities, preparation and modification of emergency plans, emergency drills and training, emergency resource guarantees, and emergency handling. Regarding disastrous weather emergencies handling, such as typhoons, rainstorms and blizzard, CIFI Ever Sunshine Services issued the “Disastrous Weather Handling Plan” (《災害性天氣處理預案》), which provides detailed regulations on the prevention and rescue of disastrous weather, such as checking emergency supplies and first aid kits, inspecting and upgrading public area facilities and equipment, cold currents and blizzard response measures. For earthquake disasters handling, CIFI Ever Sunshine Services released the “Earthquake Disaster Handling Plan” (《地震災害處理預案》), which provides detailed guidelines on emergency plans, rescue precautions and rescue procedures during and after earthquake disasters.



Typhoon and Flood Prevention Work

According to local situation during flood seasons, regional branches of CIFI Ever Sunshine Services nationwide had carried out flood prevention preparations, drills, practices and summary works orderly since 1 March 2020. Each project safety management team was the leading emergency response organization, and the first person in charge organized the following teams, such as engineering protection team and aftermath service team, to complete a series of work in an orderly manner, including collecting meteorological information, early warning and reporting, and activating the corresponding emergency response plan according to the risk level to ensure that all preparations were made within one hour of the occurrence of disastrous weather, so as to ensure that all considerations were taken into account at the beginning and all follow-up processing was appropriate.



◆ Hefei Hushan Yuanzhu (湖山原著) Project Flood Control Drill

7. A DEFENDER OF GREEN ECOLOGY

PRACTICING GREEN OFFICE

It has been our practice that environmental protection starts from ourselves, therefore, we always advocate low-carbon and green offices in our daily office work. We set ourselves as an example, and spread the awareness of green environmental protection to our employees' daily work and life.

Reduce fuel consumption

Monitoring the use and energy consumption of the Company's vehicles for business use to reduce unnecessary fuel consumption



Conduct regular vehicle inspections

Conducting regular inspections of vehicles for business use to ensure normal operation of all parts and improve the efficiency of fuel usage



Use LED lighting system

Each office area is equipped with an independently controlled LED lighting system to encourage employees to turn off unnecessary lighting



Promote energy conservation

Maintaining the air conditioning temperature at a reasonable 26°C and promoting energy conservation



Save electricity

It is recommended to turn off the power when leaving the office area to save electricity



Promote paperless office

Promoting electronic contracts, and issuing daily notices and announcements through the electronic office system, etc



Advocate saving paper

Reducing unnecessary printing, and recycling used paper as much as possible



Online video conferences

Encouraging employees to conduct online video conferences and reduce unnecessary business trips



Advocate green travel

Encouraging employees to take public transportation to reduce exhaust emissions from private cars



Green office

Posting labels such as saving water and electricity to remind employees of green office at all times



Waste recycle

Strictly abiding by the regulations on the disposal of hazardous waste and entrusting qualified recyclers to separately recycle hazardous waste



8. ACTIVE ADVOCATE OF TALENTS CULTIVATION

As a property management service provider, CIFI Ever Sunshine Services always believes that employees are the key to consistently deliver quality and reliable services. Therefore, under the background of rapid expansion of organization scale, rapid growth of diversified businesses and drastic changes in external environment, on the basis of "Ecology + Platform" First Five-Year strategic objective of Ever Sunshine, we extend all efforts to build an organization with high vitality, a system with high motivation, a talent pool with high energy and a culture with high identity". In 2020, we continued to advance reconstruction of teams and organizational innovation, and increase the supply of high-quality talents to achieve organizational reform.

Respond to United Nations SDGs

Material issues responded in this chapter



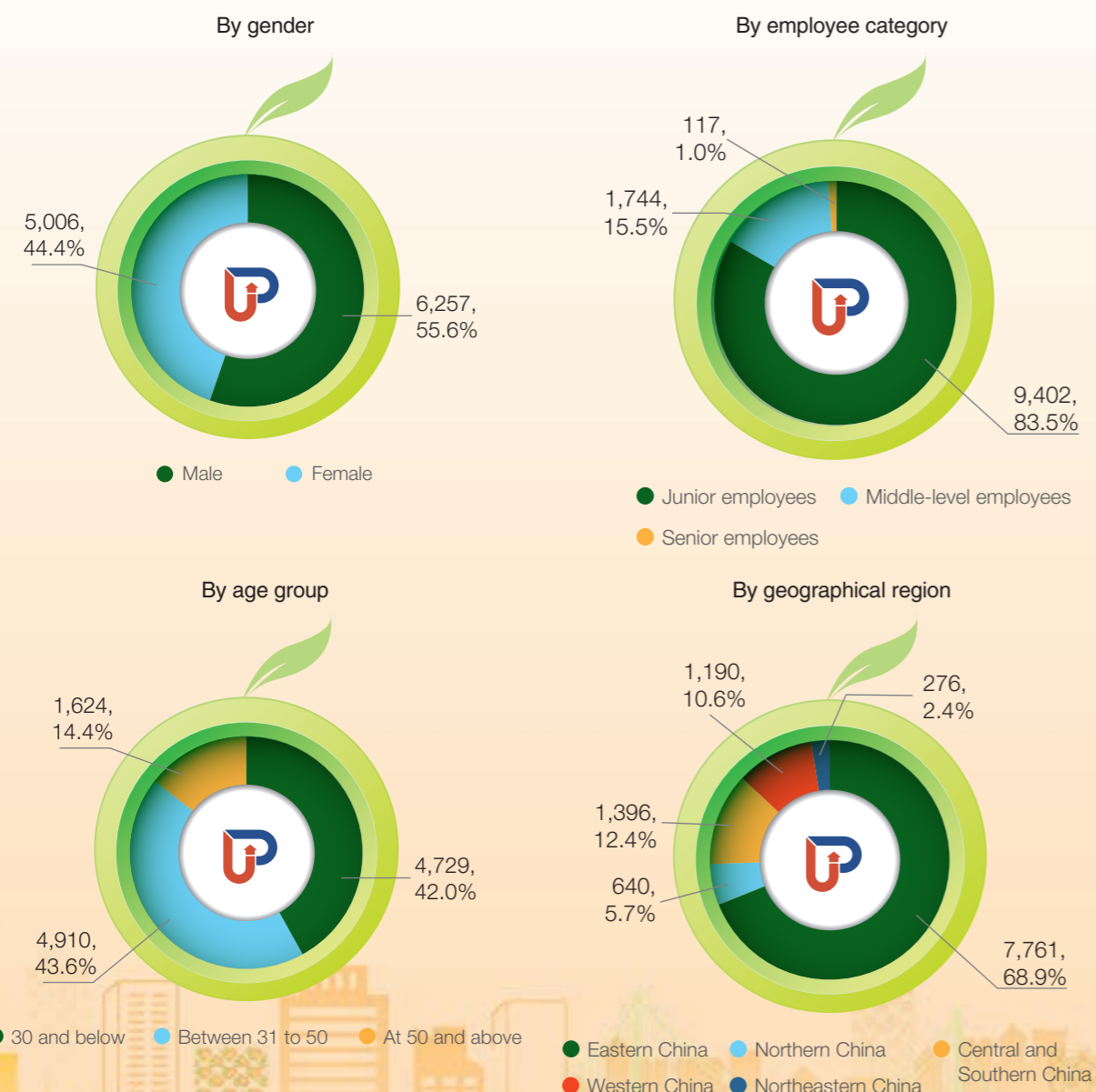
- Occupational health and safety of employees
- Employee compensation and benefits
- Employee rights
- Employee development and training
- Employee care



PROTECT THE RIGHTS AND BENEFITS OF EMPLOYEES

The Group strictly adheres to the “Labor Law of the People’s Republic of China” (《中華人民共和國勞動法》), the “Labour Contract Law of the People’s Republic of China” (《中華人民共和國勞動合同法》), the “law of the People’s Republic of China on the Protection of Minors” (《中華人民共和國未成年人保護法》), “Provisions on Prohibition of Child Labour” (《禁止使用童工規定》) and other laws and regulations related to labour and employment. In 2020, we added the “Management System in Organization” (《組織管理制度》) to unify the management of organizational management and the standardized post settings within the organization. We also convey our requirements to our employees through our “Employee Handbook” (《員工手冊》), including remuneration and benefits, trainings and development, performance management, staff relations, reward & punishment mechanisms, code of conduct, health and safety, and anti-bribery and anti-discrimination. As of 31 December 2020, the Group has a total of 11,263 employees. A breakdown of our employees by gender, employee category, age group, and geographical region is shown below:

As of 31 December 2020,
the Group has a total of
11,263
employees



During the Reporting Period, the Group was not aware of any non-compliance with relevant laws and regulations relating to remuneration and dismissal, recruitment and promotion, hours of work, rest periods, equal opportunities, diversity, anti-discrimination, other benefits and welfare, child labour prevention or compulsory labour.

Equal Employment

CIFI Ever Sunshine Services carries out the recruitment principle of “open recruitment and fair selection” to select talents in an open and transparent way. We treat all candidates alike and prohibit any differential treatment towards employees due to factors like gender, age, nationality, race, religion, marriage and health condition. The Group establishes a standardized recruitment system and issues internal documents like “Social Recruitment Management System” (《社會招聘管理制度》), “Guidance on Procedures of Interview Reception” (《面試接待流程指引》) and “Interview Evaluation Form” (《面試評估表》) which cover recruitment processes like hiring needs management, recruitment channel management, internal referral, interview selection and assessment, determination of salary and approval on hiring, entry guidance, return of resigned employees and recruitment appraisal system, embodying our good corporate culture and improving the corporate image of CIFI Ever Sunshine Services. We also formulate internal documents such as “Form of Remuneration Comparison” (《薪酬對比表》), “Remuneration Notice” (《薪酬通知單》) and “Offer Letter” (《供職信》) that clarify employees’ job positions and remuneration, making recruitment processes more open and transparent.

We also conduct strict background investigation to prospective employees, and verify their identities and require them to complete the “Application Information Registration Form” (《應聘信息登記表》) and sign the “Notarial Certificate of Non-criminal Punishment” (《無犯罪記錄承諾書》) so as to avoid hiring those under the age of 18, those who fail medical examinations, those who submit false personal information when applying for employment, those who have not terminated their labor relations with other companies, and those with criminal records. At the same time, the Group relies on the human resources information system and the Dayee Recruitment Management System (9.0 version) to proactively identify and prevent compliance risks related to employment such as child labor and non-renewal of labor contracts upon expiration, and to standardize the recruitment process. In 2020, the Group will conduct a recruitment inspection program to monitor recruitment management, reduce compliance risks related to employment so as to achieve compliance and equal employment.

The Group considers the Board diversification as the key to achieving sustainable development. In order to ensure the consistency and diversity of board members in terms of experience, skills and perspectives, we have adopted the “Board Diversification Policy” (《董事會成員多元化政策》), based on the principle of meritocracy, and fully considered the prerequisites for diversity when selecting board members, to strengthen the effective function of the Board and maintain a relatively high level of corporate governance.

Staff Communication

By setting up diversified communication channels, CIFI Ever Sunshine Services attaches high importance to the communication between staff, encouraging them to voice their opinions, listening to their valuable suggestions and opinions, and giving timely feedback. The Company continuously enhances employees' satisfaction and sense of belonging; at the same time, it also advocates a corporate culture and atmosphere of respect, trust, equality and openness, all of which contribute to the healthy growth of the Group.

- **Employee engagement survey:** we commissioned a third-party organization to conduct an annual engagement survey covering all employees of the Group, followed by focus group interviews. 7,324 participants participated in the engagement survey in 2020, we got a score of 77, an increase of 5 points as compared to the previous year, which shows a trend of steady increase. Based on the data results, we then conducted regional focus group interviews to summarize problems related to individuality and commonality, and finally formed an improvement plan that integrated the results of objective data and subjective interviews, and promoted the implementation of the improvement plan.
- **Communication meetings of the CPC Party branch:** we conduct communication meetings of the Party branch regularly. With a main focus on reviewing and discussing Party-building activities and directions, we actively communicate with Party members and are committed to building the "red property". In 2020, the Party branch considers party building activities of street and community and the 100th anniversary of the founding of the Party within the Company as the top priorities in next year.

The score of employee engagement is

77

As compared with the previous year, representing an increase of

▲ 5 Points

Employee engagement survey

Participants

7,324



◆ Poster of employee engagement survey in 2020

- **Employee talks:** the leadership team communicates with the frontline employees sincerely, listens carefully to the employees' feelings and problems found at work, records the employees' feedback, and solves the problems within a limited time, signs the "Employees' Talks Feedback Form" (《員工懇談會回饋表》) and posts it publicly. In 2020, the employee talks covered 11 regions and nearly 600 projects and were held every six months, with a total of about 1,200 sessions held and face-to-face exchanges with about 5,000 persons.
- **Regular exchange meetings:** according to the management calendar, holding monthly joint meetings of general managers, quarterly joint meetings of management teams, semi-annual and annual cadre meetings, with strategic reports, cultural sharing, functional business sharing, regional work reports, and external teacher learning to discuss culture, strategy and business together; organizing a cadre meeting every six months and an all-staff meeting at the end of the year.
- **Employee roast:** employees can provide their opinions and suggestions on corporate management and daily work.

Employee talks
Cover a total of

11 regions

Cover nearly

600 projects

Carry out one time for every six months, and have carried out a total of approximately

1,200 sessions

Communicate face to face with

5,000 people



◆ Employee talks of CIFI Ever Sunshine Services in North China region

REMUNERATION AND WELFARE

We continue to improve the remuneration and welfare system, and are committed to providing employees with reasonable and market-competitive remuneration packages to stimulate their vitality. The Group's remuneration and welfare structure are composed of "salary + bonus + commission + equity incentive + welfare", and the performance part is composed of two parts: organizational performance and individual performance. We uphold the principle of "fairness and justice", conduct performance evaluations and ratings for employees twice a year, apply the results to annual salary adjustments, bonuses, promotion, etc., to stimulate their enthusiasm. At the same time, the Group determines remuneration with reference to the remuneration policies of the industry and the current market standards to attract and retain talents. In order to ensure the fairness of salary accounting, we make good use of the salary sharing function in the human resource information system to unify the salary calculation rules of the Group and eliminate the difference in the calculation of salary in various regions. In addition, we implement the "undertaking strategy" (承接戰略) and set performance targets to undertake horizontal (functional departments) and vertical (group, region, city, project) overall strategic goals of the Company, decompose them level by level, and finally implement them to individuals, and work with employees and the Company to grow together.

In terms of remuneration of the management, we have established a Remuneration Committee, which is responsible for reporting to the Board of Directors on the remuneration policy and structure of the directors and senior management of the Group and the establishment of a transparent system for formulating remuneration policies, reviewing and approving remuneration proposals of the management with reference to corporate goals and objectives, and providing recommendations on the remuneration packages of directors and senior management.

The Group's welfare system has been stipulated in the "Employee Handbook" (《員工手冊》) and "Employee Holiday Management System" (《員工假期管理制度》), which mainly covers three parts: statutory benefits, basic benefits, and special benefits.

Statutory benefits	Basic benefits	Special benefits
<p>According to national or local regulations, we provide employees with:</p> <ul style="list-style-type: none"> • statutory holidays • social insurance, including basic pension insurance, medical insurance, unemployment insurance, work injury insurance and maternity insurance. • housing provident fund • supplementary commercial insurance • other legal employee benefits 	<p>Employees can enjoy:</p> <ul style="list-style-type: none"> • holidays other than statutory holidays, including sick leave, work-related injuries leave, causal leave, official leave, marriage leave, bereavement leave, antenatal examination leave, maternity leave, paternity leave, breastfeeding leave and annual leave • holiday bonuses or gifts for traditional festivals such as Spring Festival and Mid-Autumn Festival • employee birthday bonuses or gifts • employee health plans, including irregular health lectures and paid medical leave • annual special activities or welfare for corporate ceremony and listing commemoration 	<p>Employees who meet special conditions can enjoy:</p> <ul style="list-style-type: none"> • staff dormitory • housing subsidies • high/low temperature allowances • wedding benefits • condolence money

PROTECTING EMPLOYEES' HEALTH

As a responsible corporation, employees' health and safety at work are of the utmost importance in our business operation. We strictly abide by "the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases" (《中華人民共和國職業病防治法》), "the Law of the People's Republic of China on Work Safety" (《中華人民共和國安全生產法》), "the Regulations on Supervision and Administration of Occupational Health in Workplace" (《工作場所職業衛生監督管理規定》), "the Regulation on Work-related Injury Insurances" (《工傷保險條例》) and "the Occupational Safety and Health Ordinance (《職業安全及健康條例》) of the Hong Kong Special Administrative Region and other relevant laws and regulations. Shanghai Yongsheng Property, a subsidiary of the Group, was certified under the "Occupational Health and Safety Management System Requirements" (《職業健康安全管理体系要求》) [GB/T 28001-2001/OHSAS 18001:2007].

We strictly comply with the Labour Law of the People's Republic of China (《中華人民共和國勞動法》) and the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), formulate and implement the "Business Administration Guide" to protect the health and safety of employees. In terms of production safety, our employees must strictly abide by labor discipline, safety production rules and regulations, operating procedures, and wear labor protection equipment. In terms of office environment protection, we conducted uniform disinfection and air purification after decoration. During the pandemic, to promote the smooth resumption of work and production, we carried out the disinfection of public office areas, provided employees with masks and other anti-pandemic materials necessary for the resumption of work and production, and issued special work subsidies for on-duty employees. In addition, we regularly arrange free medical examinations for all employees who have joined the Company for more than one year, and purchase employee accident insurance for all employees. While preventing accidents, we also provide accidental medical protection, accidental hospitalization allowance protection and hospitalization medical protection. In the event of major accidents, such as accidental death/disability, death from illness, or natural death, the Company's employee accident insurance docking person will take the initiative to contact the employee's family and the insurance company as soon as possible to inform the employee's family members of the information needed for compensation and assist in the settlement of insurance fees.

During the Reporting Period, the Group was not aware of any non-compliance with any relevant laws and regulations regarding the provision of a safe working environment and protection of employees to avoid occupational hazards, and 1,393.5 days lost due to injuries caused by work accident involving our employees. All the work injuries have been properly handled.

Shanghai Yongsheng Property has passed "Administrative System Requirements on Occupational Health and Safety" (《職業健康安全管理体系要求》)

GB/T 28001-2001/OHSAS 18001:2007 Certificate

For each property basic business position
The number of people trained by online video of safety production type

18,620

Accumulated learning hours reach

1,862 hours

The Group also promotes the importance of occupational safety to employees in order to enhance their occupational safety awareness and enhance their ability in accident prevention and emergency response. In 2020, we provided employees with online video training on production safety, such as "Explanation of Fire Safety Knowledge" (《消防安全知識講解》) and "Safe Operation Guide for Engineering Line Workers" (《工程條線人員安全作業指導書》) for various business positions in the property. A total of 18,620 people participated in the study, and the cumulative learning time was 1,862 hours.

PAYING ATTENTION TO EMPLOYEE DEVELOPMENT

High-quality talents are the driving force behind the sustainable development of CIFI Ever Sunshine Services. We provide employees with a wide range of career development opportunities to build a flexible team of employees. The human resource information system also enables managers to understand the team's talent structure, subordinates' growth and development history and other information in real-time to conduct team analysis faster and in a timely manner and to pay attention to employee growth.

RECRUITING TALENTS

We uphold the principle of "quality first" and insist on hiring high-quality talents. CIFI Ever Sunshine Services pays attention to the quality skills, development potential and values of applicants in addition to work ability. According to the CIFI Ever Sunshine Services competence model, the "Competence and Quality Interview Question List" (能力素質面試問題清單) is formulated according to the characteristics and needs of each position, so as to achieve the goal of "employing talents who have both work ability and integrity" (德才兼備, 用人所長) and "matching people with posts based on future needs" (人崗匹配, 立足未來). In addition, we adopt a recruitment management system, standardize the recruitment process, and improve the talent selection mechanism.

We also continue to diversify the talent source channels and adopt internal channels first and then external channels to recruit talents, in order to achieve the balance between recruitment quality, recruitment speed and recruitment costs and strengthen the Group's talent supply chain. At the same time, we evaluate the effectiveness of the human resource management system through the recruitment strategy evaluation system to improve management efficiency.



Internal channels	External channels
<p>Internal talent pool Screen suitable candidates from all resumes from different recruitment channels in the online resume system;</p> <p>Internal competition Regularly (usually once every quarter) release information about vacancies, and for vacancies to be selected internally by competition, a "competition notice" (《競聘通知》) must be publicly released to all employees;</p> <p>Internal recommendation Set up an internal recommendation and reward mechanism to encourage the Group's employees to actively recommend outstanding talents to join CIFI Ever Sunshine Services; after the referees become a regular employee, talent recommendation bonuses will be issued along with referrer's salary.</p>	<p>Social recruitment Formulate "Social Recruitment Management System"(社會招聘管理制度) to improve social recruitment management;</p> <p>Campus recruitment "Eternal Power" (永動力) campus recruitment plan to train future leaders in batches;</p> <p>Online recruitment The Group will purchase uniformly and allocate resources according to the recruitment needs and recruitment volume of each region;</p> <p>Headhunting/RPO recruitment The signing, recording and evaluation of headhunters/RPO suppliers are managed by the Group's headquarters, and they can be used after each area reports to the Group. In order to ensure the fairness and justice of the introduction of talents, the "Yongsheng Headhunting Cooperation Guidelines" (《永升獵頭合作指引》) was formulated to regulate the access, assessment and rating of headhunting partners, and to prevent dishonest behaviors;</p> <p>Other channels According to the principle of "diversified channels", regions are allowed to open up localized recruitment channels on their own to increase the diversity of recruitment channels.</p>



"Eternal Power" (永動力) campus recruitment strategy

The "Eternal Power" campus recruitment brand was first launched in 2013. It is a campus recruitment strategy developed by CIFI Ever Sunshine Services to cultivate middle and senior management talents. Through systematic training programs and scientific methods, it helps new Yongsheng people to quickly integrate and grow, and accelerates the training of a group of soldiers who agree with Yongsheng's cultural values and possess excellent professionalism.



◆ 2021 campus recruitment of CIFI Ever Sunshine Services in southwestern region

As an important strategic layout of Yongsheng's human resource management, its scale has been continuously expanding every year since 2016. In 2020, it recruited 173 fresh graduates and introduced nearly 400 people in total, covering 7 major functional positions, such as project management, marketing, operation, human resources, finance, IT product manager and front agency. During the year, we held more than 40 campus presentations, the number of clicks on website advertisements exceeded 40,000, and a total of 4,600 resumes were obtained. At the important moment of the Group's first five-year strategy, the Group put forward a plan to recruit 500 fresh graduates in 2021 to help business development and build an internal talent supply chain.

Adhering to the concept of "cooperation for win-win situation", CIFI Ever Sunshine Services continues to work with universities to promote talent incubation and to provide stable and continuous talent guarantee for the rapid development of the Group. By cooperating with many universities, focusing on the cultivation of innovative service concepts, such as the Yongsheng dual steward service model, we promote the construction of an internship and employment platform, realize the precise transportation of talents, and create a long-term talent platform for a win-win situation for universities, enterprises, and students. 2020 was a year for CIFI Ever Sunshine Services to carry out school-enterprise cooperation pilots and search models. In 2020, CIFI Ever Sunshine Services carried out school-enterprise cooperation with 3 universities in total. In 2021, we plan to gradually expand the scale of school-enterprise cooperation based on historical recruitment. The historical recruitment situation can reflect the matching of school talents, employer brand trust and the foundation of school-enterprise cooperation, which is conducive to our in-depth cooperation on the selection of suitable talent granaries and improving the quality and efficiency of school-enterprise cooperation.

The aggregate number of universities cooperating with CIFI Ever Sunshine Services is **3**



Entered into Strategic Cooperation Framework Agreement with Chongqing College of Architecture and Technology to Jointly Promote Talent Cultivation and Development

On 28 September 2020, CIFI Ever Sunshine Services entered into the Strategic Cooperation Framework Agreement with Chongqing College of Architecture and Technology in respect of development positioning of talent cultivation and synergy of advantageous resources. Both parties will initiate intensive cooperation in setting of professional standards, establishment of curriculum system, the setup of the faculty, development of practical training centers, resources sharing and coordination education and other fields to work together for strengthening professional construction.



◆ Signing ceremony of CIFI Ever Sunshine Services in southwestern region and Chongqing College of Architecture and Technology in respect of cooperation in talent cultivation

Diversified Training

CIFI Ever Sunshine Services places great emphasis on talent cultivation and staff development. The Group has established a comprehensive training management system, which is able to provide new employees and managerial staff at all levels with corresponding online and offline trainings, ranging from professional skills to corporate cultures.

We retain strict control over training quality. By establishing a training management system, we specify training operational process, training function and instructor responsibilities, as well as set up a sound training management system. According to the system, standard courses are subject to review and approval and instructors are subject to qualification authentication. In addition, we will conduct a course satisfaction assessment through interviews, survey questionnaire, performance tracking and other ways after the training courses, which mainly involves various sections, including course offerings, instructor giving lessons, trainees' Q&A and class interaction. The assessment results will provide reference for instructors to optimise their courses.

Upholding the training management principle of "training by levels and categories and giving specific guidance"(分層分類,揚長補短), our training courses have been designed based on the responsibilities of different staff positions and the career development stages, such as Additional Incentives Program for new employees (新員工-原動力計劃), Yongsheng Steward-Online School (永升管家-線上學院), Leadership Workshop for the management (高層-領導力工作坊) and Professional Functions Training Camp for professional functions (專業職能-專業職能訓練營). In 2020, the Group provided different levels of trainings to its employees and had basically achieved full staff coverage. We have provided the following trainings:

Training category	Training format	Details of training
New employees – Four steps to integrate quickly into the company (新員工-新員工快速入模四部曲)	Offline + online	We will systematically enhance the new employee orientation training system, which is divided into "Induction Guidebook" study on the date when joining the Company, general study about the job within 3 days after joining the Company, study of job operating skills within 7 days after joining the Company and training camps study of Additional Incentives Program for new employees within 3 months after joining the Company, to help them understand the Company as well as the relevant systems and requirements of their jobs, and to help them adapt quickly into their working environment and integrate into the team. At the same time, new employees can access to online courses through the "New Employees Orientation Training Study Map"(新員工入職培訓學習地圖). In 2020, the Group has organized 43 new employee orientations in total, to provide 2,150 newly-hired employees with systematic integration trainings.
Project manager - Rock-solid Plan (項目經理-磐石計劃)	Offline + online	We will arrange and implement 3-phrase Rock-Solid Plan for 93 internal newly-promoted and newly-hired project managers of CIFI Ever Sunshine Services, providing them with comprehensive training empowerment. Through various formats, including theoretical study, project visit and case studies, they may get improved from "self-management, team management and business management"(管自己、管團隊、管業務). Besides, with the diversified study of pre-training online study and closed training as well as post-training follow up for "project managers' performance on 10 tasks on the job"(項目經理在崗歷練10大任務項), trainings will be more effective.
Leadership Workshop for the management (高層-領導力工作坊)	Offline + online	In September 2020, CIFI Ever Sunshine Services introduced the senior management leadership special training called "Cultivating Capable Executives" brought by the founder of the Chief Organization Officer, Fang Shengtao (房晟陶) for the senior management team. A total of 40 people, including heads of functional departments in the headquarter of the Group, regional general managers of 11 regions and directors of regional human resources administration department, participated in the training.



Training category	Training format	Details of training
Professional Functions Training Camp for professional functions (專業職能-專業職能訓練營)	Offline	<p>The eternal power training camp (永動力集訓營): "You define the future power" (未來動力,你來定義) - The eternal power training camp was held in August 2020, and provided 131 new staff which started in July with multi-dimensional training contents, such as "career mentality transition" (職業心態轉變), "company profile and enterprise culture of Ever Sunshine" (永升企業介紹和永升企業文化), "simple, sincere and professional communication methods" (簡單真誠職業化的溝通方式), "basic overview of property management" (物業管理基本概述) and so on. The eternal power training camp helps people with "eternal powers" (永動力) successfully turn into professionals, recognizes the culture of CIFI Ever Sunshine Services and integrates quickly.</p>  <p>Display units business line training camp (案場條線訓練營): two display units business line training camps (案場條線訓練營) were held in 2020. They were mainly aimed at improving the business skills of display units supervisors and shopping place business line managers in various regions, as well as empowering the teaching method of "one instructor" (壹教官) in regional display units. A total of 98 display units business line professionals were trained in the two training camps.</p>

During the Reporting Period, offline learning activities decreased due to the epidemic, and the level of participation in online learning increased significantly. In response to changes in learning needs, we changed all offline training courses that can be online, standardized and streamlined to online training courses. Based on the theoretical basis of "7-2-1" learning model¹, we created an online learning platform "Xueshenghui" (學升薈), covering all employees. At present, there are more than 300 online courses on the platform, covering various business lines such as property general, engineering, laws and regulations, market development, business development and financial management. 80% of the courses are independently developed by CIFI Ever Sunshine Services.



◆ "Xueshenghui" online learning platform

During the year, with a total of more than 100,000 hours of online learning platform of "Xueshenghui" (學升薈), the per capita online learning was more than 10 hours. Among them, the corporate culture course taught by the president was the most popular among staff, and more than 8,000 staff attended the course.

The reasonable promotion

In order to encourage employees to develop themselves and ensure orderly and efficient promotion, we formulated Promotion and Internal Competition Management System (《晉升及內部競聘管理制度》) to clarify the processes, standards and management procedures for debriefing, promotion and competition. Adhering to the principle of "openness and transparency", we hold human resource planning meetings twice a year to collectively discuss and decide the employees' performance results and clarify employees' development and promotion resolution in the next stage, and ensure fair decision making and open promotion. In addition, the Promotion and Internal Competition Management System (《晉升及內部競聘管理制度》) sets out the directions and principles of promotion to ensure that promotion opportunities are skewed towards high-performing employees and that employees are promoted gradually in accordance with the guide so as to ensure the rationality of promotion. In 2020, 85 project managers were promoted within the Group.

¹ "7-2-1" learning model consists of 70% of post practice, 20% of learning from others and 10% knowledges and skills training.

Online learning platform "Xueshenghui" (學升薈) covering **10,500 staff** with online courses over **300**

80% of the courses are independently developed by CIFI Ever Sunshine Services

During the year, the total hours of online learning in "Xueshenghui" (學升薈) were over **100,000 hours**

CARING ABOUT EMPLOYEES' LIFE

CIFI Ever Sunshine Services is committed to the perspective of "people orientation" and cares about the quality of work and life of each employee. In 2020, the Group continued to carry out a series of caring activities for employees to help those in need and enhance their happiness and a sense of belonging to the Company.

Caring about employees

We also provide employees with a series of caring activities, holiday gifts during major traditional festivals, employee birthday bonuses or gifts, employee health plans and other basic benefits to promote work-life balance. To meet the needs of employees in different job positions and work situations, the Group enrolls in various social welfare programs for the employees, and provides dormitory as well as special benefits such as high and low temperature allowances, wedding red envelopes and condolence money to show our care towards our employees. In 2020, We organized over 200 festival events covering approximately 20 festivals and nearly 10,000 employees, bringing warmth to every corner of the CIFI Ever Sunshine Services.

Festival events organized by CIFI Ever Sunshine exceed

200

Covering festivals of approximately

20

Covering employees of nearly

10,000



◆ Employee birthday party of CIFI Ever Sunshine Services in Jiangsu Region



◆ Afternoon tea activity on the Mother's Day of CIFI Ever Sunshine Services in Jiangsu Region



◆ Team building activity of CIFI Ever Sunshine Services in SouthEast Region



Human resource information-based system contributes to caring activities of CIFI Ever Sunshine Services

During the construction of informationalization, both speed and warm interaction are necessary. In order to build a connection between employees and the Company, and enhance a sense of organizational cultural identity, we have combed dozens of interaction scenarios through the human resource information-based system for our cute mascot Ever Joyful (永小樂) to interact with each employee in various scenarios on behalf of us. On the first day of employment, Ever Joyful will welcome employees by a welcome letter from the President; it will never forget momentous moments of everybody, such as the full employment of employees and birthday, etc., and express best wishes from CIFI Ever Sunshine Services and all our partners at the first moment.

Helping those in need

In order to practice the human resource philosophy and the strategy of "caring"(高關懷) of CIFI Group, help employees prevent themselves from risks such as serious diseases, personal injury and property loss in an effective way, relieve our employees' worries, give them a sense of caring from the Group and enhance the corporate cohesion, the Group set up an Employees Caring Fund. Our staff can apply for the caring fund when they and their direct families suffer from the above-mentioned issues. The Employee Caring Fund Commission will respond quickly once receives the application to shorten the approval cycle, thus the payment can be made on the same day to meet the urgent needs of our staff. In 2020, four employees were given the Employee Caring Fund.

After the outbreak of the COVID-19 epidemic, front-line staff left their families to take care of everyone, stuck to their posts, worked hard and were not afraid of hardships. The logistics support team of the Group contacted the manufacturers of epidemic prevention and control supplies as soon as possible to centrally purchase protective supplies such as masks, disinfectants, protective clothing, goggles, etc., to send epidemic prevention guarantee to front-line staff. In addition, for first-line partners of projects or shopping places that had outstanding performance in epidemic prevention and control, we appropriately provided anti-epidemic incentive subsidies of RMB100 to RMB500 according to the "Timely Incentive Management System" (《及時激勵管理制度》). At the same time, each region summarized the advanced deeds weekly and circulated a notice of commendation. This incentive measure was also applicable to first-line outsourcing partners who serve CIFI Ever Sunshine Services. First-line outsourcing partners and us worked together to overcome the difficulties. For items that are inconvenient for meals, we adopt a variety of ways to solve the problem of dining difficulties for partners, such as arranging for special assigned people to purchase and cook in the short term as well as reserving appropriate fast foods or ready-to-eat foods.

9. THE CO-BUILDER OF A HARMONIOUS SOCIETY

As a leader of the industry, CIFI Ever Sunshine Services actively develops its own business and regularly conducts industry exchanges to deepen industry cooperation. Meanwhile, it actively responds to the call of the country, strives to fulfill its social responsibilities, works together to achieve win-win development and contributes to charities to build a beautiful home.



Respond to United Nations SDGs

Material issues responded in this chapter

- Supply chain management
- Social communication and participation

WORK TOGETHER FOR DEVELOPMENT

CIFI Ever Sunshine Services attaches great importance to the establishment of a wide range of strategic alliances and close cooperation with all sectors of society, upholds the principle of arm's length transaction and win-win cooperation, focuses on the standardization and professionalism of supplier management processes, pays attention to the fulfillment of suppliers' social responsibilities and continuously promotes the sustainable development of supply chain.

As of 31 December 2020, CIFI Ever Sunshine Services has **786** suppliers

Supplier management

The establishment of a sustainable supply chain is the foundation of the Company's stable and healthy development. CIFI Ever Sunshine Services implements a strategy of achieving synergies, observes the principles of transparency, fairness and impartiality in tenders and procurements, and establishes a standardized supplier management system to further consolidate the supplier management process.

As of 31 December 2020, CIFI Ever Sunshine Services has 786 suppliers.



Improving the management system

CIFI Ever Sunshine Services strictly abides by the requirements of the Law of the People's Republic of China on Tenders and Bids (《中華人民共和國招標投標法》) and other laws and regulations, establishes and improves the procurement management system. The Group has formulated certain management system and guidelines, including the General Outline for Working Together, Symbiosis and Win-win Cooperation with Supply Sides (《供方同心同德共生共贏總綱》), the Management System for Tender and Procurement (《招採管理制度》), the Service Supplier Management Policy (《服務供方管理制度》), the Operational Guidelines for the Introduction of Suppliers and Contract (《供貨商引入及合同簽訂操作指引》) to regulate the recruitment, screening, review and admission of suppliers in order to ensure the quality of supplied products and services.

The Group has established a group and regional-level procurement and selection team to carry out management and decision-making for its group and regional procurement plans from various aspects including procurement objectives, requirements, procurement methods, supplier shortlisting criteria, proposed shortlist supplier selection, tender evaluation methods, procurement plans, etc.

A procurement and selection team	Members
The Group's procurement and selection team	Head of the Company (or the authorised person), the person-in-charge of various functional departments including the customer value business department, corporate development department, accounting department and demand department
The regional procurement and selection team	Head of the regional companies, the person-in-charge of various functional departments including the operation department, accounting department and demand department

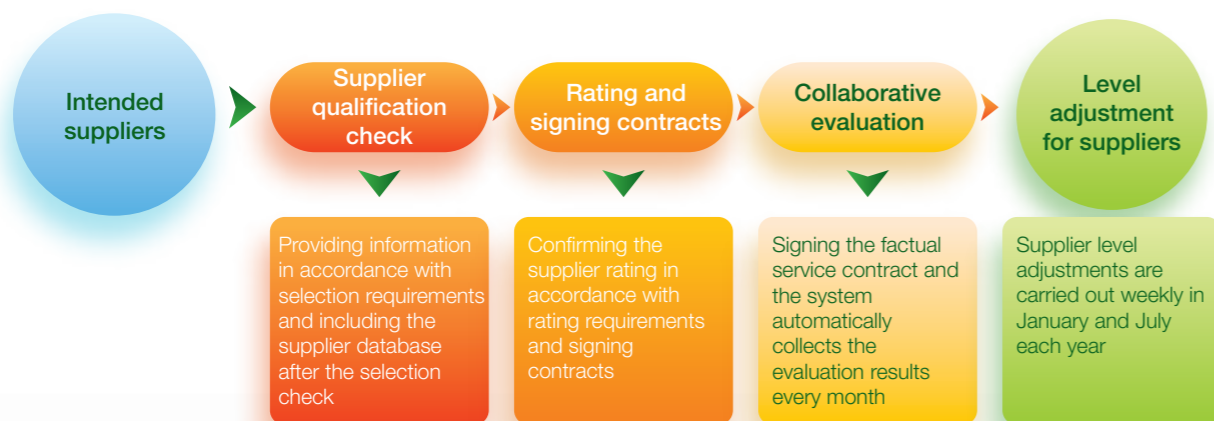
Optimizing the management process

CIFI Ever Sunshine Services adopts a classified and hierarchical management mode for supplier management, and confirms procurement modes according to the different modes and risks of the procurement of products and services, including strategic procurement, centralized procurement, particular procurement, etc. According to different procurement modes, it also adopts hierarchical management, formulates different management procedures and applicable conditions through procurement methods such as bidding, negotiation, and direct entrustment, and implements strict screening, fair review and dynamic supervision.

The main procedure of CIFI Ever Sunshine Services' supplier management:

- Selection standards:** Establish strict selection standards. Suppliers are required to have well-established enterprise qualifications, qualified professional qualifications or service capabilities, financing capabilities and relevant operational experience, etc., and fill in and submit the Application for New Supplier Storage (《新增供貨商入庫申請》).
- Selection check:** Conduct on-site inspections and professional evaluations. Effectively collect suppliers' information through multiple channels such as professional markets and communication media, and conduct on-site inspections and professional evaluations of their business premises based on application materials submitted by suppliers to ensure the authenticity of suppliers' qualification information and improve the accuracy of the review process.
- Cooperation access:** Confirm qualified suppliers and their ratings upon the completion of the tender process, and sign a contract with the supplier that meets the internal regulations of tender and procurement and requirements of laws and regulations.
- Performance assessment:** Conduct monthly evaluation and annual review. Put forward evaluation requirements for suppliers in terms of product quality, service, cooperation, and price, to ensure the high-level and high-quality supply of the Group's suppliers. For service outsourcing providers, the Company conducts follow-up management throughout the entire process including introduction evaluation, comprehensive evaluation, rating, elimination and withdrawal in accordance with the Service Supplier Management Policy (《服務供方管理制度》). For all types of community value-added service providers, inspections and evaluations will be conducted in terms of the supplier's business philosophy, brand image and reputation, service system, market competitiveness and other aspects.
- Update and adjustment:** Supplier database adjustment. In January and July each year, the performance evaluation results are collected to adjust the supplier rating, and the elimination and withdrawal management mechanism is established for suppliers that do not meet the requirements.

The main process of CIFI Ever Sunshine Services supplier management



Fulfilling Social Responsibility of Supply Chain

CIFI Ever Sunshine Services is committed to promoting the supply chain to improve its ability to fulfill its responsibilities. We abide by industry norms and business ethics, specify in some supplier contracts the responsibilities in respect of the labor rights of suppliers in part of the business and continuously improve the anticorruption mechanism of the supply chain, advocate open, safe and green procurement, and practice the social responsibility of supply chain management.

Sunshine procurement

CIFI Ever Sunshine Services formulated "Integrity Instructions" (《廉正須知》) and "Integrity Commitment Letter" (《廉正承諾書》), clarifying the integrity standards and procedures that suppliers and employees are required to comply with the procurement, explicitly prohibiting bribes, kickbacks, fraud and other unfair competition behaviors, and regulating the behaviors of procurement personnel and suppliers. In addition, we set up reporting channels for suppliers in the tender and procurement system, which can reduce the occurrence of black-box operations and illegal transactions, and is conducive to promote the openness and legalization of the bidding process of the Group and suppliers, and improve transparency of the transaction and procurement process to protect the benefits of both parties. As of 31 December 2020, all suppliers of the Group have signed the "Integrity Instructions" and the "Integrity Commitment Letter".

On 27 September 2020, a training session for the Operational Supplier Conference was held at the headquarter of the Group. The conference promoted and explained to suppliers a series of anti-corruption systems and requirements including the "Eight Military Management Regulations of Ever Sunshine Property" (《永升物業八項軍規管理規定》) and "Administrative Measures for Bonuses and Gifts in Business Transactions" (《關於業務往來中禮品禮金的管理辦法》), to achieve a open, transparent, clean and self-disciplined operating environment.



The first integrity training on strategic procurement for suppliers

In September 2020, the Group's Audit and Supervision Center conducted integrity training for suppliers in the first kick-off conference on strategic procurement for suppliers. Focusing on promotion of transparent procurement, illustration of the "Eight Military Management Regulations of Ever Sunshine Property" (《永升物業八項軍規管理規定》) and warning of relevant violations, the training advocates suppliers to comply with the integrity commitment and join hand with us to build a transparent and self-discipline operation environment.



Venue of the first kick-off conference on strategic procurement for suppliers

Green procurement

Green procurement is a cornerstone for a sustainable supply chain of the Group. In 2020, the Company took into account ISO 9001 quality management system, ISO 14001 environmental management system and OHSAS 18001 occupational health and safety management system certifications in the process of selecting suppliers, so as to strengthen the assessment of suppliers' environmental and social factors.

Strengthening supplier training and communication

CIFI Ever Sunshine Services holds a high-quality supplier conference every year to enhance mutual understanding, strengthen collaborative relationships based on mutual benefit and trust, summarize the year's issues and look forward to the cooperation mode and progress in the coming year.

At the regional level, the Group holds an exchange meeting with the senior management of the supplier at the end of each month, during which the sales completion status of the previous month will be reviewed, and the summary and issues will be refined. In this premise, discussions and plans will be made on the product promotion from online to offline activities next month, and the promotion methods will be adjusted in time to improve service quality.



◆ Supplier Conferences in Yinshengtai (銀盛泰) Region



◆ Supplier Product Promotion Conferences in Southwest Region



◆ On-site inspections on suppliers



◆ Offline Supplier Conferences in Anhui-Jiangxi Region

Industry empowerment

With the development of property management industry and service innovation demand, as the pioneer of industry development, CIFI Ever Sunshine Services jointly explores industry potentials with industry partners by participating in formulating industry norms, expanding industry cooperation and strengthening industry exchanges, and practices innovative cooperation mode.

Participating in formulating industry norms

CIFI Ever Sunshine Services actively participates in formulating industry norms and helps the professional development of the industry. The Company has participated in formulating industry management regulations including High-end residential service management standards (《高端住宅服務管理標準》) and Asset management service standards (《資產管理服務標準》). In 2020, CIFI Ever Sunshine Services actively participated in the formulation of industry standards, such as Community epidemic prevention management standards (《社區防疫管理標準》) and Community business service standards (《社區經營服務標準》).

Expanding diversified cooperation channels

CIFI Ever Sunshine Services actively develops diversified cooperation channels, works together to promote industry practice and optimizes industry development layout to establish reputation in the property service industry market and greatly build smart city service brand.

Government-enterprise cooperation towards urban services

In 2020, twelve government departments jointly issued a document advocating that property service companies actively participate in grassroots social governance; property services have had a transition to broader urban services beyond the boundary of traditional property services, serving more public areas and subdivisions. The Group is keenly aware that property services shall not only serve the community, but also strengthen the leadership of party building and build a communication bridge between the government, the community, the property and the property owners.

In 2020, CIFI Ever Sunshine Services went beyond the traditional boundary to actively explore urban services, and established strategic partnership with Siyang Economic and Technological Development Zone, Suqian, Jiangsu (江蘇宿遷泗陽經濟技術開發區), Shanghai Lingang New City Investment and Construction Co., Ltd. (上海臨港新城投資建設有限公司) and Wuxi Huishan state-owned Investment Holding Group Co., Ltd. (無錫市惠山國有投資控股集團有限公司) and was committed to jointly exploring the business model of resource sharing and building a smart city.





Re-upgrading of urban services and working together with the People's Government of Jining District, Ulanqab to make innovations

In April 2020, Shanghai Yongsheng Property and the People's Government of Jining District, Ulanqab, Inner Mongolia Autonomous Region reached a strategic cooperation. The two parties launched in-depth exploration and cooperation on urban services in Jining District, Ulanqab. Shanghai Yongsheng Property will be an urban service provider in Jining District, to manage and operate the investments and constructions of the government in Jining District, property management services for renovation of old residential quarters, property management services for urban public buildings (such as government houses, parks, venue and exhibition centers), the construction of reconstruction projects of old urban residential quarters as well as infrastructure of other projects' properties invested and developed by the government supporting the urban development.



◆ Signing ceremony

Since its establishment, CIFI Ever Sunshine Services has steadily promoted corporate party building, adhered to "system leadership, external liaison leadership and internal improvement leadership" (制度引領、外聯引領、內伸引領), strengthened party building as the basic guarantee, committed to charities and actively fulfilled social responsibilities.



Red Property-Party building alliance and harmonious community

- In 2020, the Company held a multi-project film event with the theme of "Celebrating the 99th Anniversary of the Founding of the Party, Relining the Red Footprints", actively interacting with party members and property owners in the community, telling party building stories to students, and inviting party members and business committees to participate in community building.
- On the occasion of welcoming the 100th anniversary of the founding of the Party, the Group launched a series of activities of "Seven Ones" (七個一) in the communities under the theme of the "Hundred Years of Struggle, Start for a New Journey" (奮鬥百年路啓航新徵程), which is to carry out a community Red Army care and interaction, a community donation activity, a lecture on the history of the Party, a photography activity for the property owners, a community renewal discussion, a drawing competition on the Party members in the hearts of children, and a community clean-up activity.



◆ CIFI Ever Sunshine Services was awarded the 2020 "National Red Party Building Propaganda Demonstration Unit".

Cooperation within the industry and diversified development

CIFI Ever Sunshine Services has a strong alliance with many enterprises, complementing each other's advantages and rapidly advancing the diversification strategy, highlighting the scale effect centered on the region, and building a benchmark for quality community service in various regions. In 2020, the Company reached strategic cooperation with Qingdao Yinshengtai Group Limited (青島銀盛泰集團有限公司), Guizhou Guangna Real Estate

Development Co., Ltd. (貴州廣納房地產開發有限公司), Sino Grand China (Holdings) Group Limited (華廈偉業中國(控股)集團有限公司) ("Sino Grand"), Wuxi Huishan State-owned Investment Holding Group(無錫市惠山國有投資控股集團), XINYI CITY INVESTMENT & DEVELOPMENT CO., LTD. (新沂市城市投資發展有限公司), Guangxi Wenjing Real Estate Development Co., Ltd.(廣西文景房地產開發有限公司) and TONLY GROUP.



The strategic cooperation between CIFI Ever Sunshine Services and Sino Grand

In September 2020, CIFI Ever Sunshine Services and Sino Grand reached a strategic cooperation. The two parties would give full play to their respective advantages and focus on the investment and operation and property management sectors of the Downtown China's City Outlets Strategy (大堂中國城市奧萊戰略), providing investors, operators and consumers of the Downtown China's Outlets malls across China more standardized and high-quality services. In view of this cooperation, based on the rich experience accumulated by CIFI Ever Sunshine Services over many years and a complete set of smart community management schemes, a better urban operation environment and investment and business environment for future projects jointly operated by both parties will be created, which brings "a better life" to every property owner and customer.



◆ Strategic cooperation signing ceremony

Actively participating in industry exchanges

CIFI Ever Sunshine Services actively participates in and plays an important role in industry exchanges, makes a summary of current issues with peers and carries out in-depth discussions on the future development of the industry.



Participating in "New Gravity" Property Management Forum

In 2020, Mr. Zhou Hongbin, President of CIFI Ever Sunshine Services, delivered a speech at the "New Gravity" Property Management Forum hosted by CRIC under E-House (China) Enterprise Holdings Limited, proposing that "Service innovation is the real service force", and it would speed up the innovation of the Group and even the industry in the future and provide better service to customers.



◆ Mr. Zhou Hongbin, President of CIFI Ever Sunshine Services, proposed that "Service innovation is the real service force" at the "New Gravity" Property Management Forum

BUILDING A COMMUNITY TOGETHER

"To spread the love of Ever Sunshine and inherit the spirit of CIFI", CIFI Ever Sunshine Services actively participates in society co-construction, carries out rich community activities, enthusiastically participates in community charities, builds a harmonious and friendly neighborhood environment of the community, and extensively participates in supporting underprivileged students and charities and other social charity undertakings, builds a better life with kindness and passes on the spirit of CIFI with kind deeds. In 2020, a total of 530 volunteers from CIFI Ever Sunshine Services participated in the public welfare activities of communities, providing service for 1,079 hours in total and investing over RMB860,000 in public welfare.

Community service

Community convenience activities

CIFI Ever Sunshine Services carries out community cultural activities, which benefit multiple groups in various regions of the country, provides rich community life, strengthens interconnection and communication with property owners, and strives to create a warm and friendly community environment. In 2020, CIFI Ever Sunshine Services carried out diversified community convenience services such as house decoration, housekeeping, and community group purchases in various projects across the country.

CIFI Ever Sunshine Services has established "Xulin Festival" (旭鄰節) jointly with CIFI Group, which is set to be held exclusively for property owners of CIFI Ever Sunshine Services on the third Saturday of September every year, to provide rich community activities, enhance neighborhood relations and create a warmer community. In 2020, the theme of the third Xulin Festival (旭鄰節) was "Joyful life·Joy with Passion", which hopes that residents of communities can not only enjoy their life, but also be passionate about life. This time, we conducted more than 170 activities, including "Mid-autumn Festival Bo Bing" (中秋博餅), "Xulin Bazaar" (旭鄰市集), etc., covering nearly 70,000 participants of 164 communities in 32 cities across the country.

CIFI Ever Sunshine Services has carried out a total of

170
community activities

and invested accumulated public welfare of over

RMB 860,000



We Live, We Love! CIFI Ever Sunshine Services launches the 3rd “Xulin Festival” series of activities



◆ Community environmental charity sale of “Xulin Festival” of CIFI Ever Sunshine Services in Southeastern Region



◆ Community Artistic Performance of “Xulin Festival” of CIFI Ever Sunshine Services in Northern China



◆ Performance by the community dance team of “Xulin Festival” of CIFI Ever Sunshine Services in Eastern China



◆ Mid-Autumn Festival Fair of “Xulin Festival” of CIFI Ever Sunshine Services in Southern China

Community charity

The community is the basic unit of the city. CIFI Ever Sunshine Services reaches deeply into the urban community and actively organizes charities such as employment assistance for the disabled, charity donations and charity hiking to help the city develop positively.

Promoting employment assistance for the disabled

CIFI Ever Sunshine Services actively assists in providing employment assistance for the disabled, gives full play to its own resources and platform advantages, and builds a distinctive “Four things and one (四有一化)” project (with standards, goals, characteristics, substantial results, and Platformization) to assist the disabled in employment, and plans to build various employment centers for the disabled nationwide to help them strive for a well-off life. In 2020, CIFI Ever Sunshine Services actively connected social resources, and worked with local governments to jointly develop innovative pilots which can create jobs for the disabled nearby based on the regional characteristics, innovated to open ecological environment management and protection jobs, provided jobs and actively hired disabled employees; explored the platform-based construction of employment services for the disabled to formulate a “one-stop” solution.

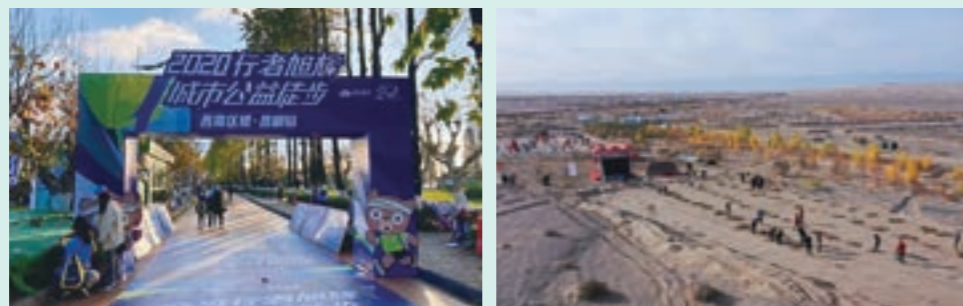
Advocating charity hiking

CIFI Ever Sunshine Services cooperates with CIFI Group to strengthen the charity linkage of “CIFI + Ever Sunshine” double brands, and actively participates in and promotes the “CIFI Forest (旭輝林)” charity project. CIFI Ever Sunshine Services actively advocates employees, customers and partners to participate in “CIFI City Charity Hiking”, and helps “CIFI Charity Fund” to be involved in “CIFI Forest” charity planting project. According to the rules of city charity hiking, for successful applicants, CIFI Group will plant three haloxylon ammondendron trees in the “CIFI Forest” in the name of the contestants, and if the competition is successfully completed, CIFI Group will plant an additional poplar tree for the contestants.

In 2020, CIFI Ever Sunshine Services also actively participated in the “Hikers Without Borders Cup (行者無疆杯)” Gobi Desert hiking challenge organized by CIFI Group, organizing participants to accumulate green energy through hiking, so that every step taken during the competition was regarded as a “tree”. A total of thousands of poplar trees were donated in this event.



Green public welfare starts with a single step



◆ City charity hiking activity

◆ "Hikers Without Borders Cup (行者無疆杯)" gobi hiking challenge



Donations to the children of migrant workers for their study

In 2020, CIFI Ever Sunshine Services carried out community charity sales activities on International Children's Day in Jiangsu, and all the money raised would be donated to outstanding students of the school for migrant workers' children in the high-tech zone to help them study.



◆ Charity donation activity of CIFI Ever Sunshine Services in Jiangsu

Poverty alleviation

2020 is the closing year for poverty alleviation. Since its application to be the governing unit of China Community Poverty Alleviation Alliance in 2018, CIFI Ever Sunshine Services has been a pioneer in the industry and has taken the lead in responding to national advocacy and industry calls, promoting special actions of poverty alleviation through consumption. CIFI Ever Sunshine Services established poverty alleviation channels in many communities across the country. And it called on residents to actively participate in poverty alleviation through consumption with the theme of "community power" through various online and offline channels to support poverty-stricken areas.



Tibetan Green Seedlings Hand-in-hand program



Established in March 2020, the "Tibetan Green Seedlings Hand-in-hand program" is a "Community Power" (社區力量) special charity action jointly initiated by the China Property Management Institute, Social Participation in Poverty Alleviation and Development of China and Eju-lenong (易居樂農), and led by the China Social Poverty Alleviation Union. Precisely targeted on Tibet region of the "three regions and three prefectures" (三區三州), this program is a sustainable special poverty alleviation action for the development of the Tibetan highland barley industry.



In July 2020, CIFI Ever Sunshine Services united with Tibetan areas, participated in the "Tibetan Green Seedlings Hand-in-hand program", assumed social responsibilities, subscribed for 11 acres of highland barley base, and helped 11 poor children in Tibet grow up healthily. CIFI Ever Sunshine Services hopes to realize targeted poverty alleviation by the subscription for the highland barley fields in Tibetan areas, to solve poor children's existing difficulties including financial difficulties and their shortage of necessities, and to exchange for a new dress and a box of new stationery for children in Tibetan areas, which can be the access to realize their dreams and meanwhile provide a green and healthy life for the community owners of CIFI Ever Sunshine Services.

CIFI Ever Sunshine Services, as one of the historical units of the China Social Poverty Alleviation Union, actively participates in the "Tibetan Green Seedlings Hand-in-hand program". Through the subscription for the highland barley fields in Tibetan areas, it combines with community consumption needs and accurately connects consumption poverty alleviation.

CIFI Ever Sunshine Services participated in the "Tibetan Green Seedlings Hand-in-hand program" subscribed for

11
acres of highland barley base

helped

11
poor children in Tibet



The charity visit of "To grow with you- Tibetan Green Seedlings Hand-in-hand program" to Tibet for helping students in their study and poverty alleviation

In October 2020, CIFI Ever Sunshine Services participated in the charity visit of "To grow with you- Tibetan Green Seedlings Hand-in-hand program" to Tibet for helping students in their study and poverty alleviation organized by China Property Management Institute, China Poverty-alleviation Promotion of Volunteer Service and Eju-lenong. CIFI Ever Sunshine Services delivered charitable highland barley products, books and various stationery supplies to 43 children in Class 1, Grade 3, Qudang Township Central Primary School, Shigatse City, Tibet (西藏日喀則市曲當鄉中心小學).



◆ CIFI Ever Sunshine Services distributes charitable supplies for students

One-catty Bazaar (壹斤市集)

One-catty Bazaar aims to use community resources, with the concept of "bring one catty home", through property service companies to mobilize the participation of thousands of property owners' families by way of "buy in lieu of donations" so as to build a poverty alleviation platform which connects the agricultural and sideline products in poverty-stricken areas and the community households.



◆ Vanguard of Poverty Alleviation by Consumption of "Community power" ◆ "One-catty Bazaar" Online Activities

As an active keeper of community charity, CIFI Ever Sunshine Services organized One-catty Bazaar (壹斤市集) and poverty alleviation through community consumption covering a total of 150 projects across the country in 2020, and accurately connected the charity chain of "Community Supporting Agriculture". In 2020, "One-catty Bazaar" mainly carried out activities online. Approximately more than 3,000 employees and 5,000 property owners of CIFI Ever Sunshine Services participated in One-catty Bazaar, selling a total of 15,000 catties of agricultural and sideline products, ranking top 50 in terms of its contribution nationwide, and was awarded the Vanguard of Poverty Alleviation by Consumption of "Community power" by China Property Management Institute, China Poverty-alleviation Promotion of Volunteer Service, Social Participation in Poverty Alleviation and Development of China and E-House Finance jointly.

CIFI Ever Sunshine Services organized

150

"One-catty Bazaar" events

Over **3,000**

employees participated in the One-catty Bazaar

5,000

property owners participated in the One-catty Bazaar

15,000
catties

of agricultural and sideline products were sold

contribution nationwide

TOP50



Combat COVID-19 with love and care

CIFI Ever Sunshine Services started the Group's highest-level emergency plan at the early stage of the outbreak, set up an epidemic prevention command center headed by the Group president and the general manager of each regional business division, started a three-level prevention and control mechanism, and cooperated with each regional unit to actively implement the prevention and control policies at the level of community, building and family (入網、入格、入家庭). In order to ensure the standardization of anti-epidemic, CIFI Ever Sunshine Services has also issued a number of epidemic prevention and control standards, including "Code for Prevention and Control of CIFI Ever Sunshine Services Residential Project (《旭辉永升服务住宅專案防控規範》)" and "Code for Epidemic Prevention and Control in CIFI Ever Sunshine Services Commercial/Office Buildings (《旭辉永升服务商業/辦公樓疫情防控制規範》)", etc.

Every day in China

approximately
2,640
security guards
are on duty



approximately
3,030
cleaners are cleaning and
disinfecting



more than
7,000
Ever Sunshine employees
protect Ever Sunshine rather
than their own families



Residential anti-epidemic guards ten thousand homes

The community is the basic unit of the city, also being at the forefront of epidemic prevention and control, and is the first line of defense against the epidemic. All property service employees of CIFI Ever Sunshine Services always stay at the forefront of epidemic prevention and control, and guard their homes by providing a full range of services.



◆ Door-to-door nucleic acid testing of CIFI Jin Court Project



◆ Community disinfection service



◆ The staff of Hangzhou Olympic and International Expo Center Project stick to their posts during the holidays

Adequate anti-epidemic supplies	<ul style="list-style-type: none"> Strictly selecting suppliers and tracking material consumption Actively developing procurement channels to ensure the reserve of emergency supplies for epidemic prevention
Comprehensive disinfection	<ul style="list-style-type: none"> Conducting multiple comprehensive daily disinfection of the community on time Setting up a unified collection point for discarded masks to effectively block the spread of the virus
Strict access management	<ul style="list-style-type: none"> Strict closed management of the community Measuring the body temperature of passersby, conducting personnel information investigation and registration
Timely information reminder	<ul style="list-style-type: none"> Promptly conveying real-time information about the epidemic through the WeChat official account, the property owners' WeChat group, the community notice bulletin board and other ways
Combating COVID-19 with love and care	<ul style="list-style-type: none"> Joining with Dr. Chun Yu to carry out community public health service activities Cooperating with Ping An Insurance to launch supporting services of the disease insurance during the epidemic Paying attention to special groups, such as widowed elderly, family members of medical staff, etc., and providing caring services Providing material procurement, express delivery, assistance in hospitalization and other services

Attentive efforts in pandemic prevention to contribute to resumption of work and production

CIFI Ever Sunshine Services designed special prevention and control management methods for special enterprises, commercial offices, hospitals, exhibition halls and other venues that still need to operate before and during the Spring Festival, so as to implement measures in strict accordance with the anti-pandemic standards by business segments, take all-round prevention and control without any omissions, and protect the safety of every customer.



◆ Xi'an CIFI Centre Project received a letter of commendation from the Xi'an Economic Development Zone Epidemic Prevention and Control Headquarters Office



Strengthen pandemic prevention propaganda: For companies which need to maintain business operation during the pandemic, strengthen pandemic prevention propaganda and registration;

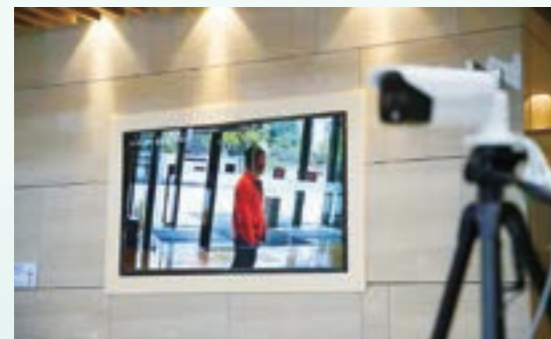
Sufficient protective materials: prepare adequate stock of anti-pandemic materials, such as masks, hand sanitizer, etc.;

Comprehensive disinfection coverage: comprehensive disinfection coverage, multi-detail coverage, such as elevator buttons, intelligent traffic equipment, etc.;

“Smart-customized +” service: With the help of smart technology, the advantages of the smart model of Yueze commercial & office could be brought into full play, such as using smart robots for disinfection, smart temperature measurement, and contactless delivery.



◆ Shanghai Ciyuan Rehabilitation Hospital (上海慈源康復醫院)| Comprehensive and regular disinfection



◆ Shanghai Henderson CIFI Center Smart Infrared temperature measurement equipment



◆ Xi'an CIFI Centre Smart Access area disinfection



◆ Shanghai Henderson CIFI Center The robot can take the elevator autonomously and call the front desk to inform the customer to pick up the meal. The robot has its own smoke disinfection function, which can carry out full-automatic disinfection.



◆ Shunde Industrial Development Exhibition Hall Smart Body Temperature Detection

ANTI-PANDEMIC STORIES

DON'T WORRY BECAUSE I AM HERE

A package's "adventure" in the community

A means of pandemic prevention by delivering in a "non-contact way" was praised by the prevention and control social visit team (防控社防組) of Suzhou Industry Park in public after undercover inspection and investigation and was listed as a reference model of other projects.



Suzhou Lake Mansion Project

During the pandemic, CIFI Ever Sunshine Services innovated to use three-color cards to strengthen the supervision of the entrance and exit of Suzhou Lake Mansion Project. The three-color cards are red, yellow and blue, respectively. The red card is for permanent residents, while the yellow card is for external visitors, including essential personnel such as housekeeping, repair and maintenance staff, staff from food stores and other shops selling fresh products, and the blue card is for non-resident owners and out-of-town owners returning to Suzhou.

The three-color card control of personnel and vehicles not only greatly improves the management efficiency, but also clearly records the flow of personnel, which becomes a weapon for community pandemic prevention. So how should the owner's packages and takeout be guarded in the last 200 meters of the community to ensure safety? The property service personnel of CIFI Ever Sunshine Services Suzhou Lake Mansion Project pulled out all the stops to launch a "non-contact way" for delivery.

◆ 1 Goods and materials are delivered to the entrance of the community



◆ 2 The entrance guard is responsible for reception and disinfection

◆ 3 The property personnel classify the packages in designated places



◆ 4 The "courier" for the last 200 metres

◆ 5 The steward delivers to the door





A folk hero in the community

"Don't worry. I used to be a soldier, so I am in a good physical condition. It is the second time that I have given blood and I can do it."

Wu Xiaodong, the project manager of Hefei Huaxia Cuiming Bay (翠茗灣)

Wu Xiaodong was a soldier when he was young. As a veteran, he has a strong sense of responsibility in his heart. Since the fourth day of the first lunar month, this has been the 35th day that he has stuck to the project. Every day from the park to the gate and from the property service center to the corridor of the community, people could always see him. He said, "The staff may feel a little more secure in my presence."

During the lock-down period, he acted as a "courier", a "volunteer", a "firefighter" and other roles, and he was there wherever needed. He led the team to fight against the pandemic. With his firm sense of responsibility and mission and professional service performance, he was praised by the community residents committee in public.

He is not only reliable and responsible but also humanitarian. During the pandemic, the blood bank was in a hurry, and he was the first to voluntarily sign up for voluntary blood donation. The nurse knew that he had been on his post for nearly a month and asked him to donate only 200cc of blood; however, 60% of the people who donated blood that day did not meet the requirements, he insisted on applying for donating 400cc of blood and gave comfort to the nurse by saying "Don't worry. I used to be a soldier, so I am in a good physical condition. It is the second time that I have given blood and I can do it."



6,690 access cards

In order to deliver 6,690 access cards to the owners as soon as possible, Hua Hua, the steward of Lan Yue Yuan (澜悦苑), together with her co-workers worked overtime for two days ...

Hua Hua, the steward from Shanghai Lan Yue Yuan

CIFI Ever Sunshine Services Lan Yue Yuan community, which has implemented closed management of strict entry and exit, began to produce and issue "temporary access permits during the pandemic". Based on the number of residents and card classification, Hua Hua, the steward, together with her co-workers, worked overtime for two days to produce 6,690 handmade access cards for the entire community.

The stewards' hands were blistered because of longtime handwork, and the wound was repeatedly scabbed over and bleeding. Though the open wounds were painful, they stuck to it through until the end.

To avoid cross-infection caused by personnel gathering, the property management personnel decided to refuse gathering and deliver the card to the door after communication with the community residents committee. The property service personnel, the community residents committee and more than 30 volunteers delivered the permits to over 2,000 households from door to door ... Our volunteers said that "True friendship stands out in difficult times and we believe that with concerted efforts, we will be able to ensure our health!"



10. APPENDIX

APPENDIX I 2020 ESG KEY PERFORMANCE INDICATORS

Scope	KPI	Unit	2020
A Environmental			
A1 Emissions	A1.1 The types of emissions and respective emissions data		
	NOx	Kilogram	0.97
	SOx	Kilogram	0.03
	PM	Kilogram	0.07
	A 1.2 Direct (scope 1) and energy indirect (scope 2) GHG emissions and intensity		
	Total GHG emissions	Tonnes of carbon dioxide equivalents (CO ₂ e)	336.85
	Direct GHG emissions (scope 1)	Tonnes CO ₂ e	4.96
	Indirect GHG emissions (scope 2)	Tonnes CO ₂ e	331.89
	GHG emissions intensity	Tonnes CO ₂ e/m ²	0.02
	A 1.3 Total hazardous waste produced and intensity		
	Total hazardous waste produced	Kilogram	783.57
	Hazardous waste produced intensity	Kilogram/m ²	0.05
	Waste ink cartridges/toner cartridge	Kilogram	234.49
	Waste tube	Kilogram	16.28
	Waste battery	Kilogram	75.03
	Waste electric product	Kilogram	457.76
	A 1.4 Total non-hazardous waste produced and intensity		
	Total non-hazardous waste produced	Kilogram	34,094.25
	Non-hazardous waste produced intensity	Kilogram/m ²	2.21
	Office and domestic garbage	Kilogram	34,094.25
A2 Use of Resources	A2.1 direct and/or indirect total energy consumption and intensity by type		
	Total energy consumption	kWh	393,507.82
	Direct energy consumption	kWh	79.11
	Energy consumption intensity	kWh	393,428.71
	Energy consumption per square meter	kWh/m ²	25.54
	Total diesel consumption	kWh	26.24
	Total petrol consumption	kWh	52.87
	Total acquired electricity	kWh	393,428.71
	A2.2 Total water consumption and intensity		
	Water consumption in total	Tonnes	2,511.00
	Water consumption intensity in total	Tonnes/m ²	0.16

Scope	KPI	Unit	2020	
B. Social				
B1 Employment	B1.1 Total workforce by gender, employment type, age group and geographical region			
			Number of employees	Percentage (%)
	Total number of employees	Headcount	11,263	
	By gender²			
	Number of male employees	Headcount	6,257	55.6
	Number of female employees	Headcount	5,006	44.4
	By employment type²			
	Number of full-time employees	Headcount	11,263	100
	Number of part-time employees	Headcount	0	0
	By employees category²			
	Number of junior employees	Headcount	9,402	83.5
	Number of middle employees	Headcount	1,744	15.5
	Number of senior employees	Headcount	117	1.0
	By age group			
	Number of employees under the age of 30	Headcount	4,729	42.0
	Number of employees aged 31-50	Headcount	4,910	43.6
	Number of employees aged 50 or above	Headcount	1,624	14.4
	By geographical region²			
	Number of employees in Mainland China	Headcount	11,263	100
	Number of employees in Eastern China	Headcount	7,761	68.9
	Number of employees in Northern China	Headcount	640	5.7
	Number of employees in Central and Southern China	Headcount	1,396	12.4
	Number of employees in Western China	Headcount	1,190	10.6
	Number of employees in Northeastern China	Headcount	276	2.4

² The scope of data of the total number of employees of CIFI Ever Sunshine Services in 2020 and the number of employees by gender, employment type, employees category, age group and geographical region only include the number of full-time employees.

Scope	KPI	Unit	2020
B. Social			
B2 Health and Safety	B 2.2 Lost days due to work injury		
	Total lost days due to work injury	Day	1,394
B3 Development and training	B 3.1 Percentage of employees trained by gender and employee category		
	Total employees trained	Headcount	11,147
	Percentage of employees trained	Percentage	99.0
	By gender		
	Male employees trained	Percentage	55.5
	Female employees trained	Percentage	44.5
	By employee category		
	Junior employees trained	Percentage	83.8
	Middle employees trained	Percentage	15.3
	Senior employees trained	Percentage	0.9
	B3.2 Average training hours of employees by gender and employee category		
	Average training hours per employee	hour	87.8
	By gender		
	Training hours of male employees	hour	89.0
	Training hours of female employees	hour	84.1
	By employee category		
	Training hours of junior employees	hour	87.3
	Training hours of middle employees	hour	88.7
	Training hours of senior employees	hour	113.1

Scope	KPI	Unit	2020
B. Social			
B5 Supply chain management	B5.1 Number of suppliers by geographical region		
	Number of suppliers in Eastern China		331
	Number of suppliers in Northern China		109
	Number of suppliers in Central and Southern China		213
	Number of suppliers in Western China		101
	Number of suppliers in Northeastern China		32
B5.2 Number of suppliers where the practices relating to engaging suppliers are being implemented			
	Number of suppliers signing "Integrity Commitment Letter" (廉正承諾書)		786
B6 Product Responsibility	B6.2 Number of products and service-related complaints received and how they are dealt with		
	Number of products and service-related complaints received	Time	3,782
	Rate of closed complaints	%	100
B7 Anticorruption	B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period		
	Number of legal cases regarding corrupt practices		0
B8 Community investment	B8.2 Resources contributed to the focus area.		
	Total amount invested in public welfare	RMB	860,000
	Total serving hours of employee volunteers	hours	1,079

Scope of data statistics:

Out of environment data disclosed in 2020 ESG report of the Group, statistics scope includes the administrative head office of CIFI Ever Sunshine Services and the administrative offices of the Group in Eastern China, Northern China, Central South China, Western China and Northeastern China.

Data Calculation Description:

- GHG emissions (scope 1) are mainly from the use of gasoline and diesel, while GHG emissions (scope 2) are mainly generated from the use of acquired electricity, with the data being sourced from payment bills of related fees and the administrative statistical ledgers. The GHG emissions factors of direct energy refer to "the Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Operating Units (Enterprises) of Public Buildings (Trial)" (《公共建築運營單位(企業)溫室氣體排放核算方法和報告指南(試行)》), while the GHG emissions factors of acquired electricity refer to "China Regional Grid Baseline Emission Factors 2017" issued by the Ministry of Ecology and Environment.
- In 2020, the energy types consumed by the Group include gasoline and diesel. The data was sourced from payment bills of related fees and the administrative statistical ledgers. Energy consumption factors refer to the conversion factors provided by the International Energy Agency and the "General Principles of Comprehensive Energy Consumption Calculation (GB/T 2589-2008)".
- The water supply of the Group mainly comes from municipal water supply network, with the data being sourced from payment bills of water fee, financial reimbursement records and administrative statistical ledgers records.

APPENDIX II ESG REPORTING GUIDE INDEX

Aspect, General Disclosure and KPIs	Description	Disclosure status	Paragraphs disclosed
Aspect A1:Emissions			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	disclosed	7 A DEFENDER OF GREEN ECOLOGY
KPI A1.1	The types of emissions and respective emissions data.	disclosed	7 A DEFENDER OF GREEN ECOLOGY APPENDIX I DATA LIST
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity.	disclosed	7 A DEFENDER OF GREEN ECOLOGY APPENDIX I DATA LIST
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	disclosed	7 A DEFENDER OF GREEN ECOLOGY APPENDIX I DATA LIST
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	disclosed	7 A DEFENDER OF GREEN ECOLOGY APPENDIX I DATA LIST
KPI A1.5	Description of measures to mitigate emissions and results achieved.	disclosed	7 A DEFENDER OF GREEN ECOLOGY
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	disclosed	7 A DEFENDER OF GREEN ECOLOGY

Aspect, General Disclosure and KPIs	Description	Disclosure status	Paragraphs disclosed
Aspect A2:Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	disclosed	7 A DEFENDER OF GREEN ECOLOGY
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	disclosed	7 A DEFENDER OF GREEN ECOLOGY APPENDIX I DATA LIST
KPI A2.2	Water consumption in total and intensity.	disclosed	7 A DEFENDER OF GREEN ECOLOGY APPENDIX I DATA LIST
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	disclosed	7 A DEFENDER OF GREEN ECOLOGY
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	disclosed	7 A DEFENDER OF GREEN ECOLOGY
KPI A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	N/A	N/A
Aspect A3:The Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	disclosed	7 A DEFENDER OF GREEN ECOLOGY
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	disclosed	7 A DEFENDER OF GREEN ECOLOGY

Aspect, General Disclosure and KPIs	Description	Disclosure status	Paragraphs disclosed
Aspect B1:Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	disclosed	8 ACTIVE ADVOCATE OF TALENTS CULTIVATION
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	disclosed	8 ACTIVE ADVOCATE OF TALENTS CULTIVATION APPENDIX I DATA LIST
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	undisclosed	
Aspect B2:Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	disclosed	8 ACTIVE ADVOCATE OF TALENTS CULTIVATION
KPI B2.1	Number and rate of work-related fatalities.	undisclosed	
KPI B2.2	Lost days due to work injury.	disclosed	8 ACTIVE ADVOCATE OF TALENTS CULTIVATION APPENDIX I DATA LIST
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	disclosed	8 ACTIVE ADVOCATE OF TALENTS CULTIVATION

Aspect, General Disclosure and KPIs	Description	Disclosure status	Paragraphs disclosed
Aspect B3:Development and Training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	disclosed	8 ACTIVE ADVOCATE OF TALENTS CULTIVATION
KPI B3.1	The percentage of employees trained by gender and employee category.	disclosed	8 ACTIVE ADVOCATE OF TALENTS CULTIVATION APPENDIX I DATA LIST
KPI B3.2	The average training hours completed per employee by gender and employee category.	disclosed	8 ACTIVE ADVOCATE OF TALENTS CULTIVATION APPENDIX I DATA LIST
Aspect B4:Labour Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	disclosed	8 ACTIVE ADVOCATE OF TALENTS CULTIVATION
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	disclosed	8 ACTIVE ADVOCATE OF TALENTS CULTIVATION
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	disclosed	8 ACTIVE ADVOCATE OF TALENTS CULTIVATION
Aspect B5:Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	disclosed	9 THE CO-BUILDER OF A HARMONIOUS SOCIETY
KPI B5.1	The number of suppliers by geographical region.	disclosed	9 THE CO-BUILDER OF A HARMONIOUS SOCIETY APPENDIX I DATA LIST
KPI B5.2	Description of practices relating to engaging suppliers, the number of suppliers where the practices are being implemented, how they are implemented and monitored.	disclosed	9 THE CO-BUILDER OF A HARMONIOUS SOCIETY

Aspect, General Disclosure and KPIs	Description	Disclosure status	Paragraphs disclosed
Aspect B6:Product Responsibility			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	disclosed	6 ADHERING TO INGENIOUS SERVICE
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A	N/A
KPI B6.2	The number of products and service-related complaints received and how they are dealt with.	disclosed	6 ADHERING TO INGENIOUS SERVICE APPENDIX I DATA LIST
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	disclosed	5 PRACTITIONER OF RESPONSIBLE DEVELOPMENT
KPI B6.4	Description of quality assurance process and recall procedures.	N/A	N/A
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	disclosed	6 ADHERING TO INGENIOUS SERVICE

Aspect, General Disclosure and KPIs	Description	Disclosure status	Paragraphs disclosed
Aspect B7:Anti-corruption			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	disclosed	5 PRACTITIONER OF RESPONSIBLE DEVELOPMENT
KPI B7.1	The number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	disclosed	5 PRACTITIONER OF RESPONSIBLE DEVELOPMENT APPENDIX I DATA LIST
KPI B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored.	disclosed	5 PRACTITIONER OF RESPONSIBLE DEVELOPMENT
Aspect B8:Community Investment			
General Disclosure	Policies on community engagement to understand the needs of communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	disclosed	9 THE CO-BUILDER OF A HARMONIOUS SOCIETY
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	disclosed	9 THE CO-BUILDER OF A HARMONIOUS SOCIETY
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	disclosed	9 THE CO-BUILDER OF A HARMONIOUS SOCIETY APPENDIX I DATA LIST



旭辉永升服务集团有限公司

CIFI EVER SUNSHINE SERVICES GROUP LIMITED

