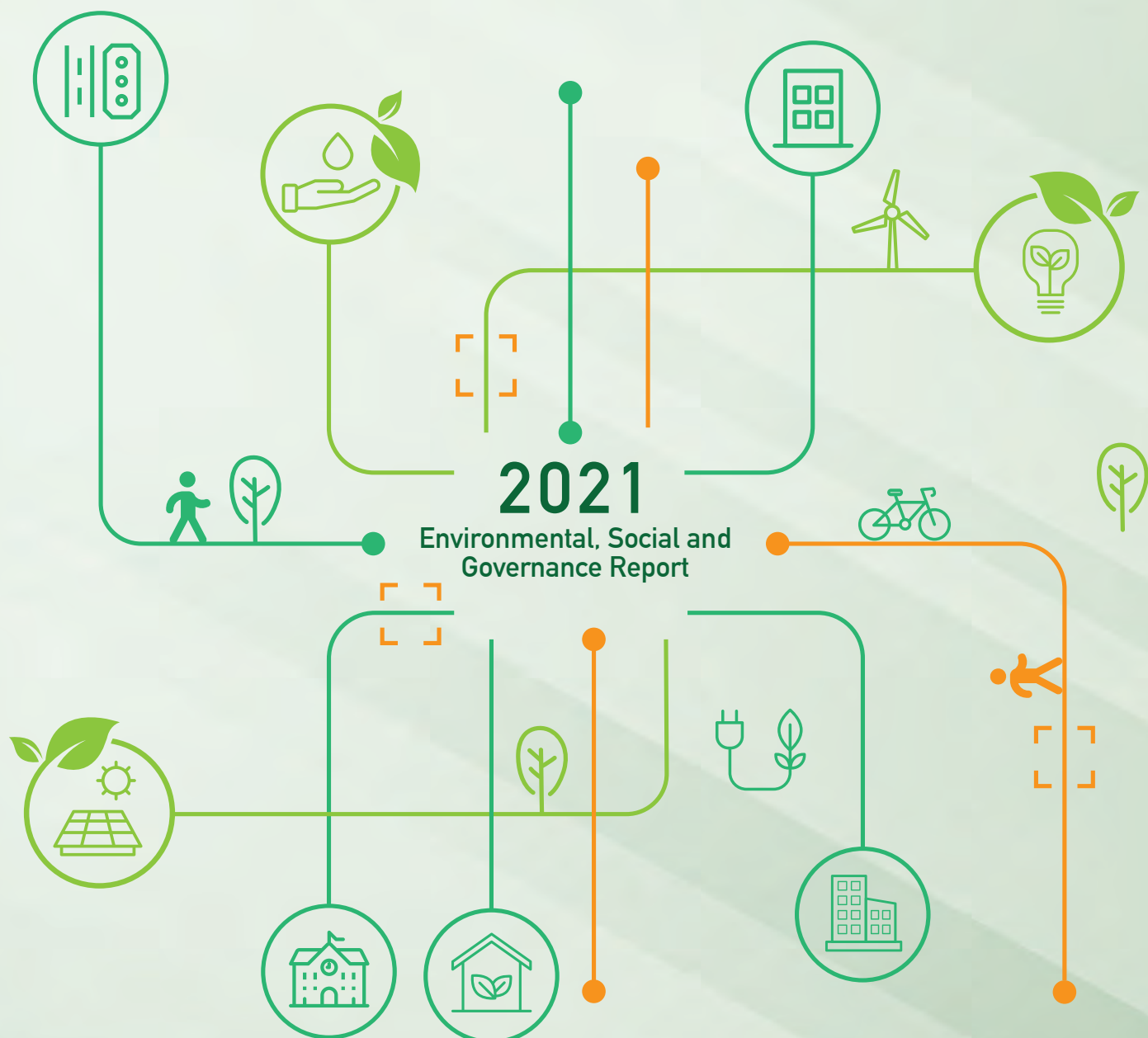


用心構築美好生活

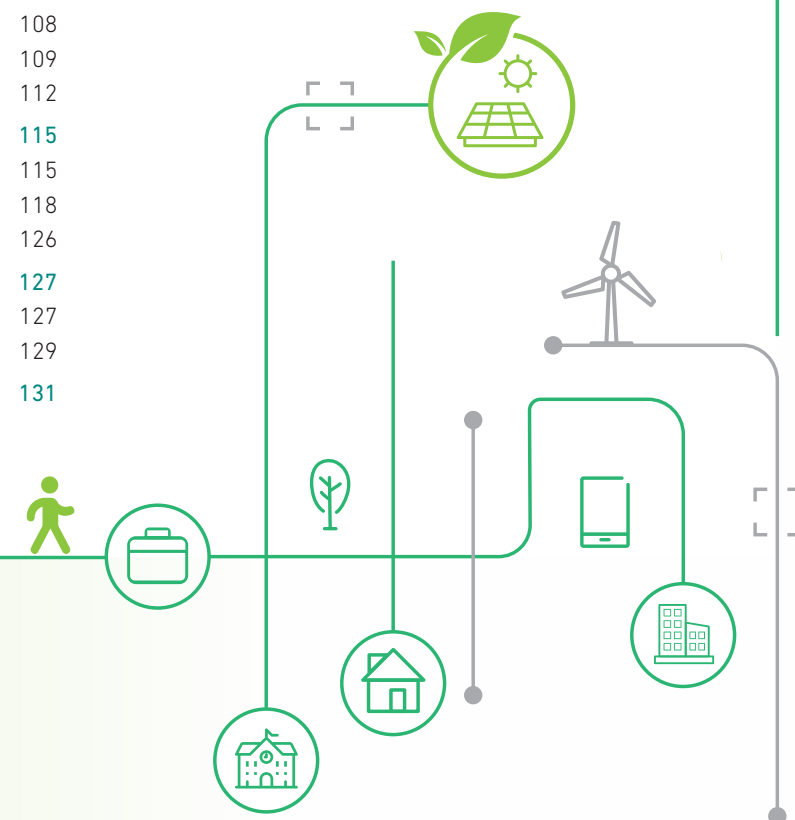
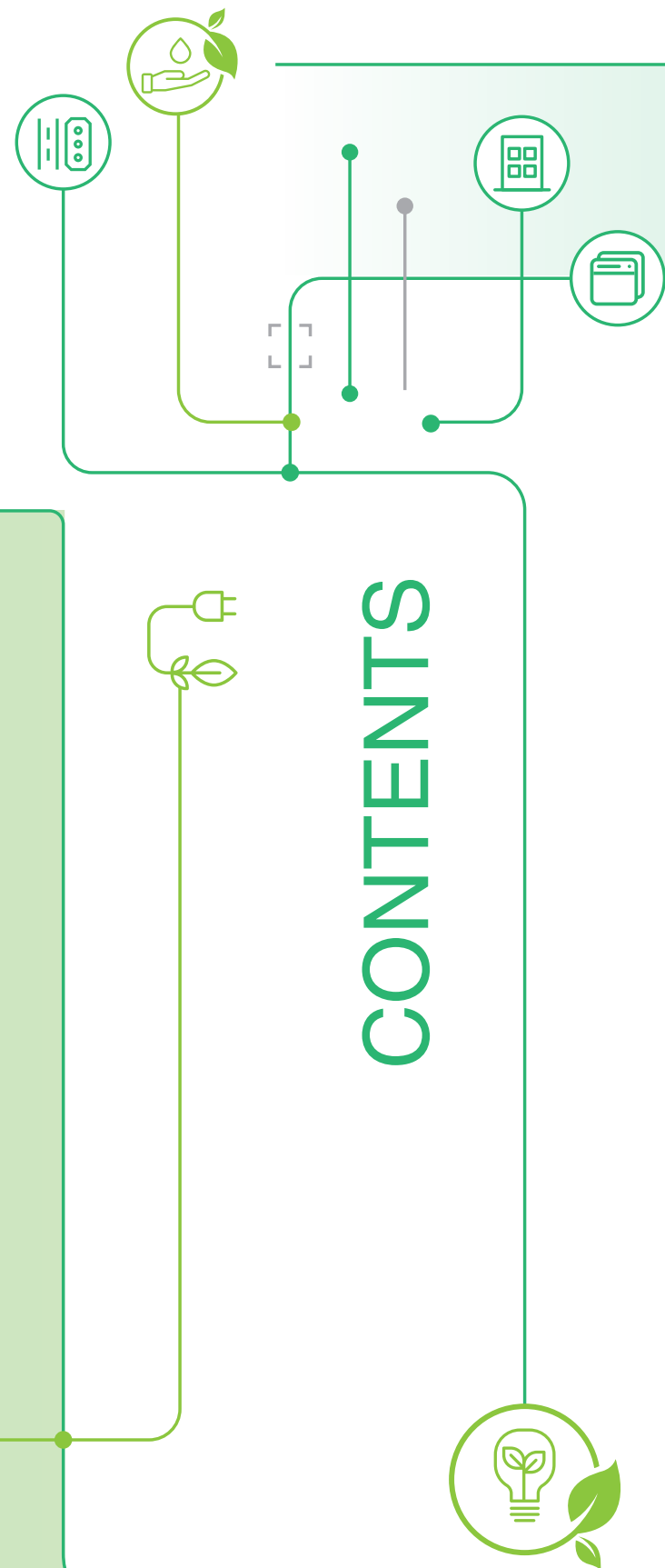
BUILDING BETTER LIVES

Grow into a customer -
preferred smart city service brand



CONTENTS

1.	ABOUT THIS REPORT	2	8.	QUALITY EVER SUNSHINE, INGENIOUS SERVICE	60	11.	RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION	134
2.	THE OPENING REMARKS	4		Insisting on Ingenious Service	62		Create a responsible supply chain	136
3.	ABOUT THE COMPANY	6		Living with Better Life	63		Supplier Management	136
	Company Profile	7		Growing with the City	64		Labour Health and Safety	143
	Responsibility for 2021	8		Share the Future with Technology	69		Management for Suppliers	143
	Awards for 2021	12		Protect Customers Rights and Interests	74		Supplier Communication	144
				Health and Safety Management	74		Sustainable Supply Chain	145
4.	SUSTAINABLE DEVELOPMENT MANAGEMENT	14		Improved Satisfaction	83		Promote Synergy and Cooperation	147
	Statement of the Board	15	9.	LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION	86	12.	KIND EVER SUNSHINE, WARM COMMUNITY	150
	ESG Philosophy	16		Practising Green Operations	88		Community Services	152
	ESG Governance Structure	19		Tackling Climate Change	89		Community Activities	152
	Stakeholder Engagement	20		Greenhouse Gas Management	94		Rural Revitalization	153
	Material Issues Identification and Analysis	22		Energy Management	95		Social Charity	154
5.	RESPONSIBILITY TOPIC: 37°C, THE TEMPERATURE OF A HAPPY COMMUNITY	24		Water Resources Management	99		Warmth against the Pandemic	158
				Waste Management	100	13.	APPENDICES	161
6.	RESPONSIBILITY TOPIC: A COLLECTION OF DIM LIGHT, IN THE SAME BOAT THROUGH WIND AND RAIN	34		Advocating Green Life	102		Appendix I ESG Key Performance Indicators	162
			10.	ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART	104		Appendix II ESG Reporting Guide Index	170
7.	CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION	40		Protect the Rights and Interests of Employees	106			
	Standardizing Corporate Governance	42		Protection of rights and interests	106			
	Focus on Diversity of Directors	42		Diversified Structures	108			
	Strengthening Risk Control Management	42		Democratic Communication	109			
	Risk Management	42		Remuneration and Welfare	112			
	Internal Control	46		Attach Importance to Employee Development	115			
	Attach Importance to Building Integrity	50		Recruiting Talents	115			
	Governance Structure	50		Multidimensional Training	118			
	Governance System	51		Reasonable Promotion	126			
	Management for Reporting	52		Protect Employees' Health and Safety	127			
	Protection for Whistleblower	52		Ensure Occupational Health and Safety	127			
	Integrity Education	54		Focus on Safety Training	129			
	Protection of Intellectual Property Rights	58		Caring about Employees	131			



1. ABOUT THIS REPORT

CIFI Ever Sunshine Services Group Limited (the “Company”) and its subsidiaries (“the Group”, “CIFI Ever Sunshine Services”, “Ever Sunshine” or “we”) sincerely issues our fourth environmental, social and governance (“ESG”) report (hereinafter referred to as this “Report”).

On the basis of previous years’ ESG reports, the Company will further comprehensively and objectively disclose the vision, strategies and practices related to environmental, social and governance of CIFI Ever Sunshine Services during the period from 1 January 2021 to 31 December 2021 (the “Reporting Period”) to promote stakeholders’ understanding of the Company’s sustainable development performance. Unless otherwise stated, the scope of the Report is consistent with the Company’s 2021 annual report.



1. ABOUT THIS REPORT

BASIS OF PREPARATION

This Report is compiled in accordance with the Environmental, Social and Governance Reporting Guide (“ESG Reporting Guide”) as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company has complied with the “comply or explain” provisions set out in Part C of the ESG Reporting Guide.

REPORTING SCOPE

The policy documents, statements, data, etc. in this Report cover the actual scope of the Group’s business, except where individual information is specifically stated.

REPORTING PRINCIPLES AND DATA SOURCES

This Report follows the principles of materiality, quantitative, balance and consistency of the ESG Reporting Guide. The data and cases are all derived from the Company’s statistical reports and related documents. Unless otherwise specified, the currency amounts included in this Report are in RMB.

APPROVAL OF THE REPORT

This Report was considered and approved for publication by the Board of Directors of the Company (the “Board”) on 30 May 2022.

ACCESS TO THE REPORT

This Report is available in traditional Chinese and English for readers’ reference. In case of any inconsistency between the English and Chinese versions, the Chinese version shall prevail. The electronic version of the Report is available on the 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 following QR code to fill in your comments:



You can also contact us through the following channel:
Email address: IR@ysss-service.com.cn

2. THE OPENING REMARKS

2021 is the opening year of the 14th Five-Year Plan for the country and the year of quality improvement for CIFI Ever Sunshine Services. 2021 is the year when CIFI Ever Sunshine Services will start from the heart, and we will work together with approximately 1.5 million property owners in over 100 cities to warmly move forward and keep the community warm and open up the future of sustainable development with quality services.



2. THE OPENING REMARKS

Practising long-termism to create opportunities for lean development

Long-termism is the development strategy practiced by CIFI Ever Sunshine Services, and good corporate governance is the ballast of long-termism development. In 2021, we always adhere to the bottom line of legal and compliant operation, fasten the safety belt of risk control; we abide by business ethics, cast the spirit of integrity and self-discipline, fear the rules, strictly abide by the bottom line, practice the righteous way, develop a goodness, build a clear and upright Ever Sunshine iron army that can win battles.

With the corporate vision of "Grow into a customer-preferred smart city service brand", in 2021, we were committed to building the "Pleasant Heart Service System", "Commercial Service System" and "Technology Service System" to further strengthen the service scenario standards covering the whole life cycle, the whole life scenario and the whole age care; we were deeply committed to city services, refining community management, focusing on smart empowerment, actively improving management standards and creating opportunities for lean development.

Focusing on green and low carbon, leading the way to sustainable development

Low carbon development is the "green gene" of CIFI Ever Sunshine Services' long-termism, we resonate with the national "double carbon" development strategy, promote green operation, fine energy management, promote green development, focus on waste separation and recycling management, advocate green office and green public welfare, focus on corporate green low carbon development. In 2021, we joined hands with CURA (中城聯盟) to organize the "A Little Spark – Community Carbon Reduction Campaign" in the community to further explore community carbon reduction action, and strived to spread the concept of low carbon and environmental protection to more communities, and we are making our own efforts to contribute to the zero carbon goal.

Staff provide solid continuity for corporate sustainable development. Every Ever Sunshine employee, taken together, becomes Ever Sunshine culture. We believe that our staff are the core assets of the Company, and we are committed to creating a fair and equitable employment environment for our staff, opening up communication channels and listening attentively to their real voices. We provide a diversified talent training system for our staff, we respect outstanding talents from different cultural backgrounds and build a free, equal and harmonious working atmosphere.

Promoting kindness and goodness and shouldering the responsibility of harmonious development

Harmony is the measure of our development. We fully respect and actively listen to the views and suggestions from all stakeholders, and join hands with property owners, tenants, shareholders, suppliers and other stakeholders to work together in harmony. We advocate responsible supply chain management, promote multi-dimensional and in-depth cooperation in the property management industry, cultivate city services and contribute to a better life in the city.

Kindness and goodness is the temperature of our ingenious service. In the scene of flooding in Henan Province, in the front line of pandemic prevention and control, in the scene of community building, every Ever Sunshine person, with diligent hands, sweaty smiling faces and attentive care, delivers our warmth and kindness. We actively undertake the responsibility of harmonious development and return trust with responsibility.

In 2022, it will be the year of transformation and upgrading of CIFI Ever Sunshine Services. We will always shoulder the mission of "Building better lives" and continue to make breakthroughs, striving towards the vision of "Grow into a customer-preferred smart city service brand". Thank you to every Ever Sunshine person, for the year of running around, in exchange for 365 days of peace and quiet, and thank you to every property owner's family, together to bring the glowing light, in the home convergence of the star river rolling.

3. ABOUT THE COMPANY

With the core mission of "Building better lives", CIFI Ever Sunshine Services insists on the smart service concept of "Satisfaction + Surprise", deepens the "four-wheel drive" comprehensive layout and builds a "Platform + Ecosystem" enterprise, being devoted to growing into a customer-preferred smart city service brand.

COMPANY PROFILE

CIFI Ever Sunshine Services, the shares of which were listed on the Main Board of the Stock Exchange in December 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 cultivation, CIFI Ever Sunshine Services has become a diversified and innovative property management service company with ten major project types covering residential, commercial, park, office, school, hospital, exhibition hall, transportation hub, city services and cultural tourism.

As of 31 December 2021, the contracted GFA of CIFI Ever Sunshine Services reached approximately 270.8 million square meters, and has successfully entered more than 100 core cities across China, providing beautiful services to approximately 1.5 million property owners nationwide. Looking ahead, CIFI Ever Sunshine Services will continue to uphold the core mission of "Building better lives", insist on "satisfaction + surprise" smart service concept, "four-wheel driven" national layout, technology innovation and diversified development to build a "platform + ecology" type enterprise, aiming to grow into a customer-preferred smart city service brand.

CIFI Ever Sunshine Services has built a corporate culture system that is correctly oriented, logically rigorous, with clear standards. With the vision of "Grow into a customer-preferred smart city service brand" and the corporate mission of "Building better lives", we will continue to create value and share the fruits of development with our peers.

RESPONSIBILITY FOR 2021

ECONOMIC INDICATORS

FINANCIAL PERFORMANCE



<p>Total assets (RMB 100 million)</p> <p><i>Performance of 2021</i></p> <p>72.7</p> <p><i>Performance of 2020</i></p> <p>46.7</p>	<p>Total equity (RMB 100 million)</p> <p><i>Performance of 2021</i></p> <p>46.9</p> <p><i>Performance of 2020</i></p> <p>30.2</p>	<p>Income (RMB 100 million)</p> <p><i>Performance of 2021</i></p> <p>47.0</p> <p><i>Performance of 2020</i></p> <p>31.2</p>	<p>Profit and total comprehensive income for the year (RMB 100 million)</p> <p><i>Performance of 2021</i></p> <p>6.9</p> <p><i>Performance of 2020</i></p> <p>4.4</p>	<p>Profit and total comprehensive income for the year attributable to owners of the Company (RMB 100 million)</p> <p><i>Performance of 2021</i></p> <p>6.2</p> <p><i>Performance of 2020</i></p> <p>3.9</p>
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PRODUCT SERVICES



<p>Cities we serve (number)</p> <p><i>Performance of 2021</i></p> <p>124</p> <p><i>Performance of 2020</i></p> <p>107</p>	<p>Contracted GFA (000' square meters)</p> <p><i>Performance of 2021</i></p> <p>270,767</p> <p><i>Performance of 2020</i></p> <p>181,192</p>	<p>Contracted projects (number)</p> <p><i>Performance of 2021</i></p> <p>1,409</p> <p><i>Performance of 2020</i></p> <p>985</p>	<p>GFA under management (000' square meters)</p> <p><i>Performance of 2021</i></p> <p>171,037</p> <p><i>Performance of 2020</i></p> <p>101,625</p>	<p>Projects under management (number)</p> <p><i>Performance of 2021</i></p> <p>1,032</p> <p><i>Performance of 2020</i></p> <p>638</p>	<p>Number of households we serve (households)</p> <p><i>Performance of 2021</i></p> <p>>600,000</p> <p><i>Performance of 2020</i></p> <p>>380,000</p>	<p>Customer satisfaction (points)</p> <p><i>Performance of 2021</i></p> <p>85.5</p> <p><i>Performance of 2020</i></p> <p>90</p>
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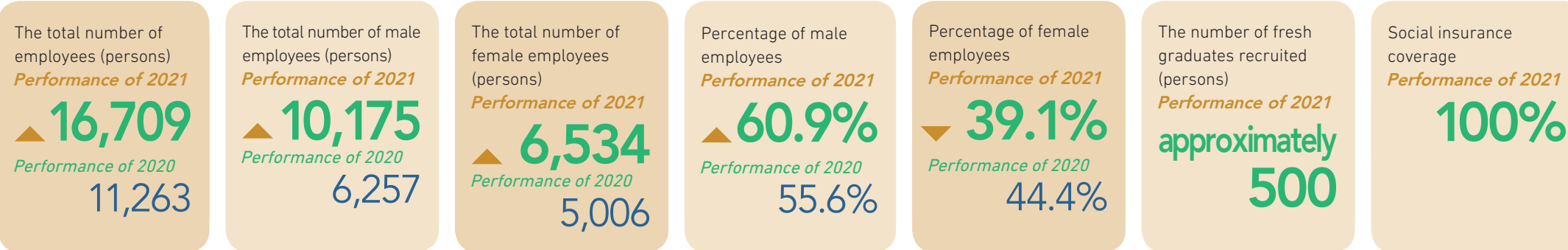
ENVIRONMENTAL INDICATORS



<p>Total greenhouse gas emissions (Tonnes of CO₂ equivalent)</p> <p><i>Performance of 2021</i></p> <p>361.51</p>	<p>Total comprehensive energy consumption (kWh)</p> <p><i>Performance of 2021</i></p> <p>652,444.67</p>	<p>Total electricity (kWh)</p> <p><i>Performance of 2021</i></p> <p>599,322.98</p>	<p>Total water consumption (tonnes)</p> <p><i>Performance of 2021</i></p> <p>2,085.24</p>
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SOCIAL INDICATORS

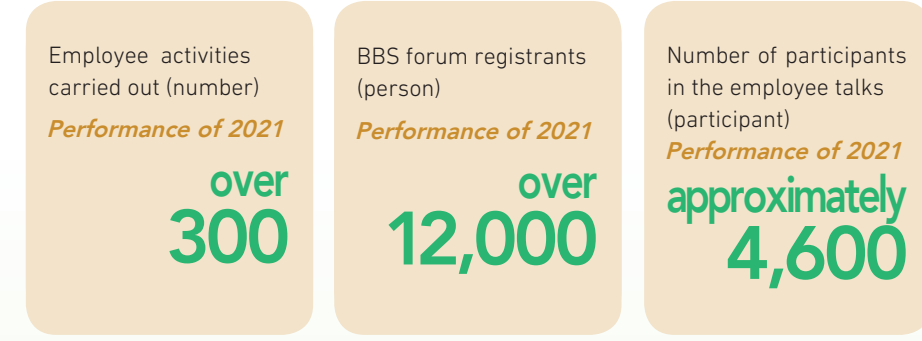
EMPLOYMENT COMPLIANCE



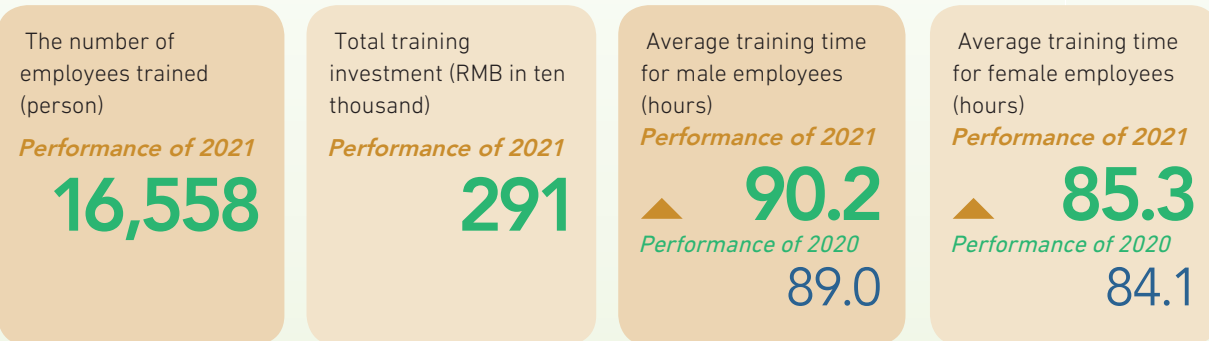
SAFETY AND HEALTH



CARE FOR EMPLOYEES



TRAINING AND DEVELOPMENT



3. ABOUT THE COMPANY

AWARDS FOR 2021



CIFI Ever Sunshine Services participates in MSCI (Morgan Stanley Capital International, i.e., MSCI Inc.) Index rating, with ESG rating upgraded to A in 2021



First place in All-Asia Best ESG Overall Ranking issued by Institutional Investor



First place in 2021 Shanghai Top 100 Integrated Property Service Enterprises



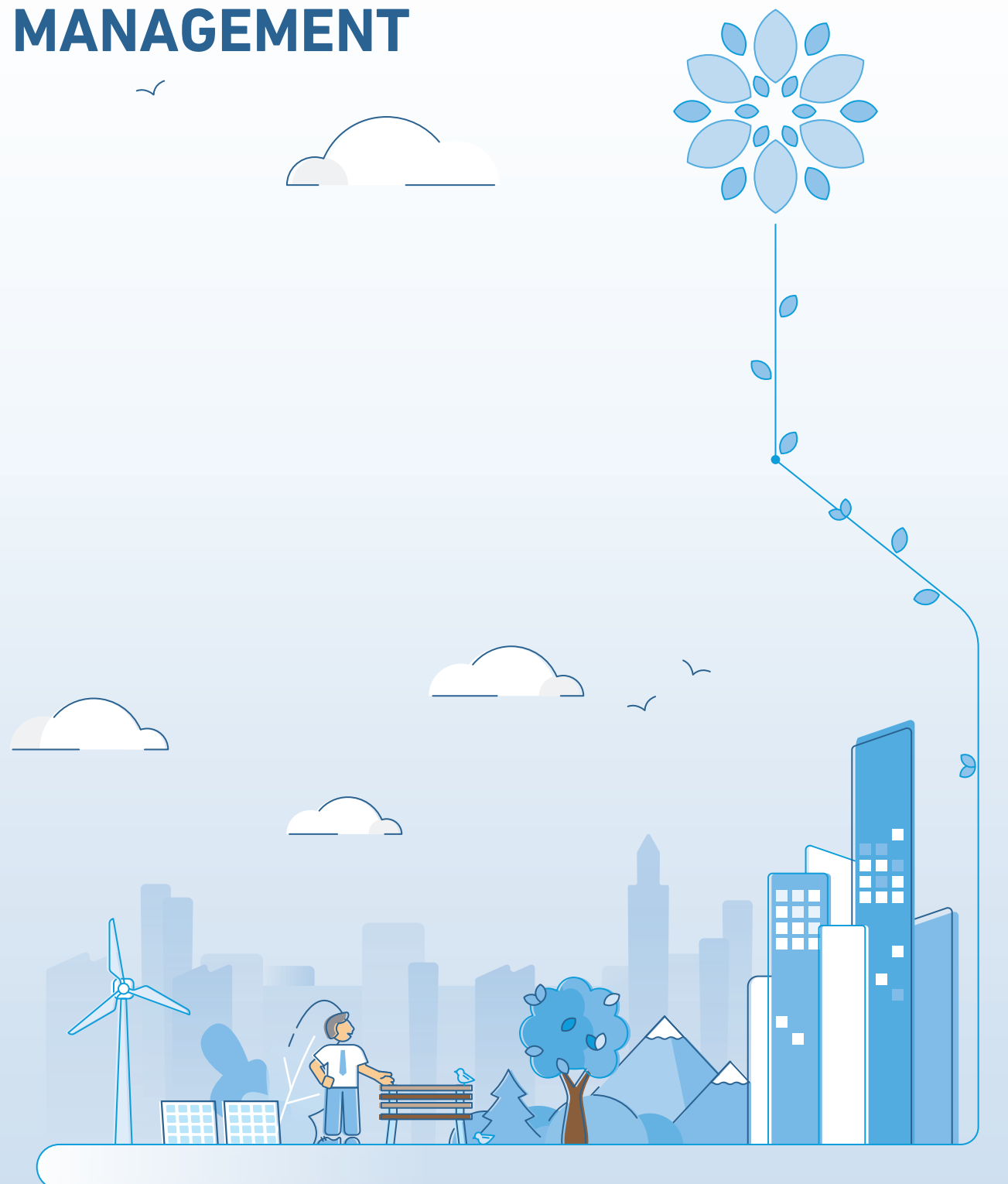
Eleventh place in 2021 TOP 100 Property Management Service Companies in China



3. ABOUT THE COMPANY

Level/Issued by	Awards
Government of Qingpu District, Shanghai	Top 100 Outstanding Corporations in Qingpu District of Shanghai
Property Management Committee of China Association for Campus Management	Top 50 Campus Property Management Service Companies
ZHAOPIN.COM and Peking University's Corporate Social Responsibility and Employer Brand Communication Research Centre	China Best Employer Award – TOP 10 of China's Most Aspiring Employers of the Year, Shanghai
E-House CRIC, China Real Estate Appraisal Center of Shanghai E-House Real Estate Research Institute	Top 100 Property Management Companies by Services 2021
E-House CRIC, China Real Estate Appraisal Center of Shanghai E-House Real Estate Research Institute	TOP10 City Service Corporations 2021
Institutional Investor	All-Asia Most Honored Companies
Institutional Investor	First place in All-Asia Best Investor Relation Projects Overall Ranking
China Index Academy	Eleventh place in 2021 TOP 100 Property Management Service Companies in China
EH Consulting • Jiahe Jiaye Property Management Service Institute	2021 China Property Services Enterprise Red Property Benchmarking Enterprise
EH Consulting • Jiahe Jiaye Property Management Service Institute	2021 China Property Services Enterprise Smart Service Benchmarking Enterprise
EH Consulting • Jiahe Jiaye Property Management Service Institute	2021 Top 10 Chinese Property Service Enterprises for School Property Services
EH Consulting • Jiahe Jiaye Property Management Service Institute	2021 Top 50 Chinese Property Service Enterprises with Exemplary Customer Satisfaction
E-House CRIC, China Real Estate Appraisal Center of Shanghai E-House Real Estate Research Institute	2020-2021 Smart Property Benchmarking Project
Wuhan Property Management Association	Advanced Anti-pandemic Enterprise
Liaoning Province Property Management Association	2021 Advanced Group for Prevention and Control of COVID-19 pandemic

4. SUSTAINABLE DEVELOPMENT MANAGEMENT



4. SUSTAINABLE DEVELOPMENT MANAGEMENT

STATEMENT OF THE BOARD

The Board attaches great importance to sustainable development management. In accordance with the requirements of the Stock Exchange's ESG Reporting Guide, the Company has established a multi-level, efficient and enforceable ESG management system, continuously updates and improves its ESG management structure, and promotes the Board's leading role in participating in and overseeing the Group's ESG affairs.

ESG governance responsibility

The Board is fully responsible for the Group's ESG management policy, strategy and reporting. As the highest body for the Company's ESG governance, the Board is responsible for setting the Group's ESG management policies, strategies and goals, ensuring that appropriate and effective ESG management and internal control systems are in place; identifying and assessing ESG-related risks and opportunities that affect the Group's operations; regularly reviewing the Group's ESG performance and its goals and their achievement; and approving and signing the annual ESG report.

ESG risk management

CIFI Ever Sunshine Services attaches importance to the significant impact that ESG risks may have on the Group, and identifies and manages ESG risks. The ESG Committee of CIFI Ever Sunshine Services is lead by the Chief Executive Officer and comprises the heads of the Company's headquarters and various functional departments. The ESG Committee is responsible for assessing possible ESG risks and opportunities and making timely and relevant recommendations to the Board of Directors to enhance the Company's ESG performance. In order to mitigate ESG risks and guide the direction of ESG management, the Company conducts a stakeholder survey, expert assessments and Board discussions to assess the materiality of ESG issues and prioritises ESG issues. The Board of Directors attaches importance to the potential significant impact of each ESG issue on the Group, reviews and updates the Company's ESG issues database annually, and reviews and confirms the results of the analysis of materiality issues for the year.



ESG target management

CIFI Ever Sunshine Services has set relevant targets for greenhouse gas emissions, waste treatment, energy use and water use in accordance with the requirements of the Stock Exchange's ESG Reporting Guide. During the Reporting Period, the Board has deliberated on the above targets and will continue to review and monitor the progress of achieving the targets.









4. SUSTAINABLE DEVELOPMENT MANAGEMENT

ESG PHILOSOPHY



CIFI Ever Sunshine Services adheres to the Company's mission of "Building better lives (用心構築美好生活)" and insists on the smart city service philosophy of "Satisfaction + Surprise (滿意 + 驚喜)", integrating the ESG philosophy into daily operation management while consolidating the layout of multiple businesses. We are guided by the United Nations Sustainable Development Goals (SDGs) 2030 and the Stock Exchange's ESG indicators in formulating our sustainable development strategy. This report discloses the Group's key ESG actions and performance during the Reporting Period.

Reporting Chapter	United Nations Sustainable Development Goals (SDGs)	Hong Kong Stock Exchange's ESG Indicators	2021 Key ESG Actions and Performance
Conscientious Ever Sunshine, Sincere Operation		B6.3 B7 B7.1 B7.2 B7.3	<ul style="list-style-type: none"> We are committed to corporate responsibility, standardising our corporate governance system, emphasising business ethics and strengthening risk management. Further clarified the 80 prohibitions and sorted out the risk management checklist to strengthen internal controls. Carried out integrity training courses for all employees, and such courses include the "Eight Military Regulations" training, course for occupational ethics and conflict of employee interests. 89 anti-corruption trainings were provided to all employees, with a total of 40,276 participants. The Integrity Commitment Letter was signed by 100% of the suppliers.
Quality Ever Sunshine, Ingenious Service	 	B6 B6.2 B6.5	<ul style="list-style-type: none"> Focused on old communities, aimed to create "new communities for old homes" in 10 pilot areas in five cities across China. Launched the Gravity Service Ecosystem, created a pleasant heart service system, a commercial service system and a technology service system. Guarded the health and safety of customers, improved safety management system, optimized management measures, established management assessments, promoted smart guard and standardize safety supervision and inspection. The overall company satisfaction score was 85.5 points for 2021 out of 100 points. The complaint handling rate was 100%.

4. SUSTAINABLE DEVELOPMENT MANAGEMENT

Reporting Chapter	United Nations Sustainable Development Goals (SDGs)	Hong Kong Stock Exchange's ESG Indicators	2021 Key ESG Actions and Performance
Lean Ever Sunshine, Focusing on Environmental Protection	   	A1 A1.5 A1.6 A2 A2.3 A2.4 A3 A3.1 A4 A4.1	<ul style="list-style-type: none"> Actively coped with climate change risks and opportunities from a governance, strategy, risk response and target setting perspective. Advocated four major directions of green and low carbon development, including green operations, green offices and green communities. Set goals for greenhouse gas emissions, energy use efficiency, water use efficiency and waste management. Joined hands with CURA (中城聯盟) to organize the "A Little Spark - Community Carbon Reduction Campaign" at CIFI Ever Sunshine.
Energetic Ever Sunshine, Development with One Heart	   	B1 B1.1 B2 B2.3 B3 B4 B4.1 B4.2	<ul style="list-style-type: none"> We have formulated and implemented the CIFI Ever Sunshine Services Business Conduct Manual to respect and protect the legitimate rights and interests of our employees, create a diversified and inclusive work environment, and prohibit discrimination and harassment. A full employee engagement survey was carried out and the engagement score was 80 points out of 100 points, up 3 points from 2020 and close to the best employer range. Employee talk is held once every six months, with a total of approximately 530 talks held throughout the year. Provided market competitive remuneration and benefits and long-term equity incentives. Recruited talents, further improved Dayee Recruitment System (9.0 version). We recruited approximately 500 fresh graduates from for campus recruitment in 2021, including more than 70 postgraduate students. We attached importance to the strategic development of talents and have established a comprehensive talent training system, providing dual promotion opportunities for "management sequence" and "professional sequence".

4. SUSTAINABLE DEVELOPMENT MANAGEMENT

Reporting Chapter	United Nations Sustainable Development Goals (SDGs)	Hong Kong Stock Exchange's ESG Indicators	2021 Key ESG Actions and Performance
			<ul style="list-style-type: none"> Established an occupational health and safety management system coordinated by the CEO and set a management target, with 100% employee accident insurance coverage. Over 300 employee activities were held throughout the year, with a total of over 10,000 participants.
Responsible Ever Sunshine, Joint Cooperation		B5 B5.1 B5.2 B5.3 B5.4	<ul style="list-style-type: none"> The Integrity Commitment Letter was signed by 100% of the suppliers. Carried out 7 supplier integrity trainings. Actively promoted city services, explored the new management model of "Party Building + Property" and developed red properties.
Kind Ever Sunshine, Warm Community		B8 B8.1 B8.2	<ul style="list-style-type: none"> Actively carried out community inclusion activities, organized Xulin Festival (旭鄰節) and Xulin Bazaar (旭鄰市集). 12 sessions of Xulin Bazaar were held in 2021, attracting approximately 2,000 citizens to participate. Signed cooperation agreements with the People's Government of Liantang Town, Shanghai, and Longfeng and Shuangmiao Villages in Kunshan to help realize the goals of rural revitalization and urban-rural integration. Invested a total of RMB900,000 in public welfare. Assisted communities and subdistrict offices in their efforts for pandemic prevention and control, responding to emergency pandemic prevention and control for 9,405 times. Helped to combat flooding in Henan.

4. SUSTAINABLE DEVELOPMENT MANAGEMENT

ESG GOVERNANCE STRUCTURE

CIFI Ever Sunshine Services attaches great importance to sustainable development and, while developing its business, has built an ESG governance structure with clear responsibilities and authority in decision-making, execution and supervision. The Company will continue to optimize its ESG management structure and management functions and standardize its corporate governance system, taking into account its business development goals and the regulatory requirements of the Stock Exchange.

Governance level	Personnel composition	Key functions
Highest governance body	Board of Directors	<ul style="list-style-type: none"> Responsible for formulating the Company's ESG management policies, goals and strategies, and prioritizing ESG-related issues; Ensure proper and effective ESG management and internal control systems are in place; Regularly review the Group's ESG performance and its goals and their achievement; Responsible for reviewing and officially signing and approving the annual ESG report; Take full responsibility for the ESG's governance strategy and reporting.
ESG Committee	Coordinated by the president of the Company and comprises the heads of the functional departments of the Company's headquarters	<ul style="list-style-type: none"> Maintain the operation of the ESG system, enhance employees' awareness of environmental and social responsibility; Identify ESG issues related to the main operations of the Company, and/or the shareholders and other important stakeholders of the Company; Guide, monitor and review the implementation of ESG work of the Company, and respond to the latest ESG issues; Ensure that the Company complies with relevant legal and regulatory requirements and promote all departments to implement various ESG policies; Assess the risks and opportunities that the Company may face and make relevant recommendations to the Board as appropriate to enhance the Company's ESG performance.
ESG Management Executive Level	Executive personnel of relevant functional departments of the headquarters, regional companies, and other business units	<ul style="list-style-type: none"> Implement relevant resolutions of the Board of Directors or ESG Committee; Implement the collection, recording and reporting of ESG related documents and data; Implement and optimize the Group's ESG concepts, strategies and measures in daily operation and management.

The Board of CIFI Ever Sunshine Services also has four special committees in respect of strategy, nomination, remuneration and audit, each of which performs its duties, effectively assists the Board of Directors in performing duties and supervising the business operations of the Company, and pays attention to specific issues and practices in the sustainable development of the Company from time to time.

4. SUSTAINABLE DEVELOPMENT MANAGEMENT

STAKEHOLDER ENGAGEMENT

CIFI Ever Sunshine Services believes that maintaining close communication with stakeholders is an important way for the Company to achieve its sustainable development goals. We actively communicate with stakeholders in order to fully understand their aspirations and views. We continue to open up communication channels and disclose company information through our official website, WeChat public accounts and management roadshows and other channels. Through activities such as employee and property owners satisfaction surveys, supplier meetings and investor receptions, we understand and respond to stakeholders' concerns in a timely manner to enhance mutual trust, based on which we continuously optimize the Company's sustainable development strategies and plans.

Stakeholders	Major demands	Communication Channels or means
Customers	<ul style="list-style-type: none"> Professional and comprehensive products and services 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 Occupational health and safety Career development and opportunities 	<ul style="list-style-type: none"> Conduct performance review/assessments Conduct employee engagement surveys Carry out employee talks/Views exchange sessions Carry out caring activities for employees

4. SUSTAINABLE DEVELOPMENT MANAGEMENT

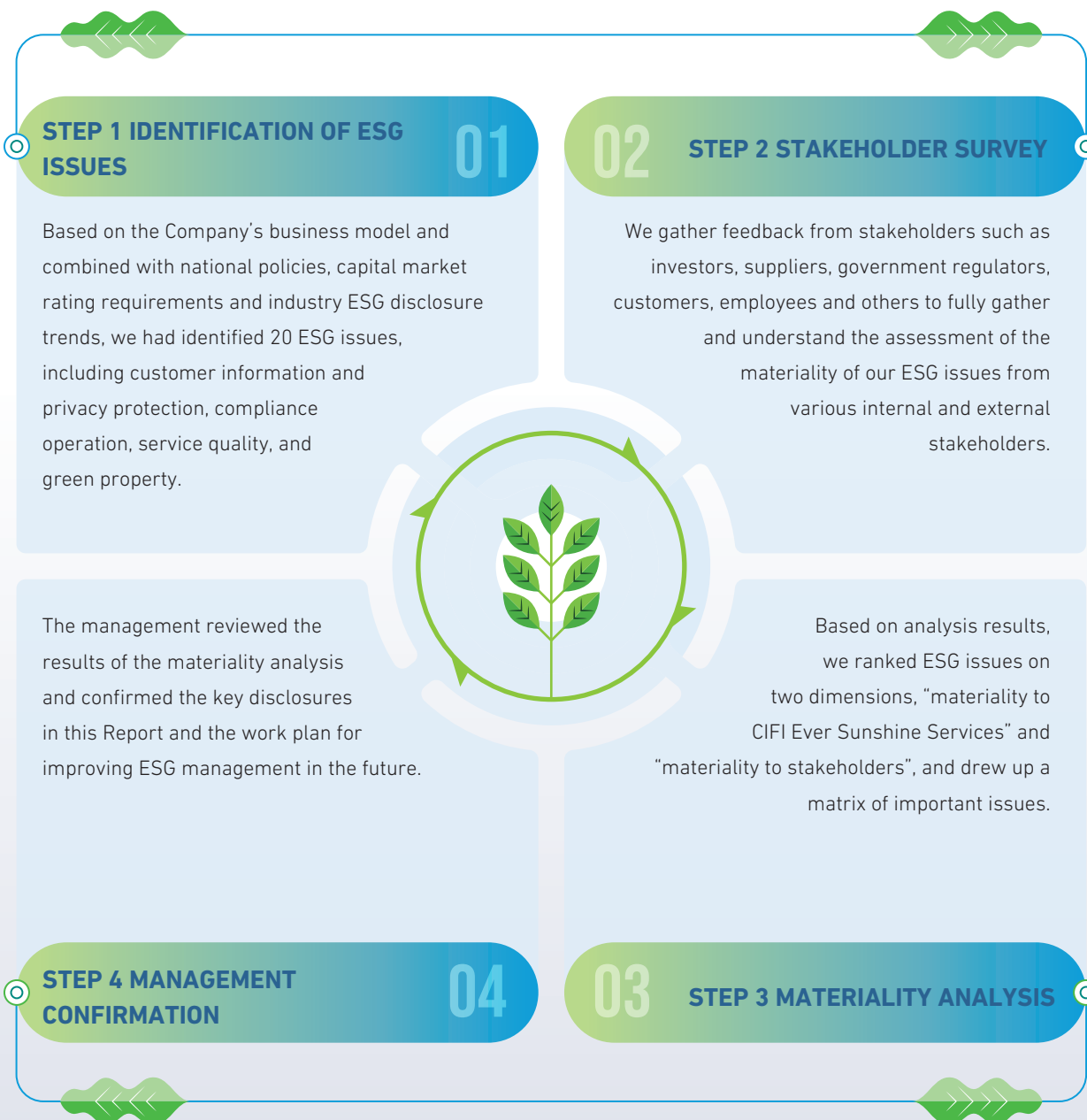
Stakeholders	Major demands	Communication Channels or means
Shareholders/ investors	<ul style="list-style-type: none"> Financial performance and profitability Protection of rights and interests Information disclosure and transparency 	<ul style="list-style-type: none"> Convene general meetings Complete information disclosure in a timely manner Publish reports regularly Hold investor meetings
Government	<ul style="list-style-type: none"> Comply with laws and regulations Legal operation and pay taxes according to the law Implement national policy 	<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"> Protect the community environment Support and carry out charity activities 	<ul style="list-style-type: none"> Control of greenhouse gas and waste emissions Organize charitable activities Participate in charitable poverty alleviation projects Carry out donations and volunteer activities

4. SUSTAINABLE DEVELOPMENT MANAGEMENT

MATERIAL ISSUES IDENTIFICATION AND ANALYSIS

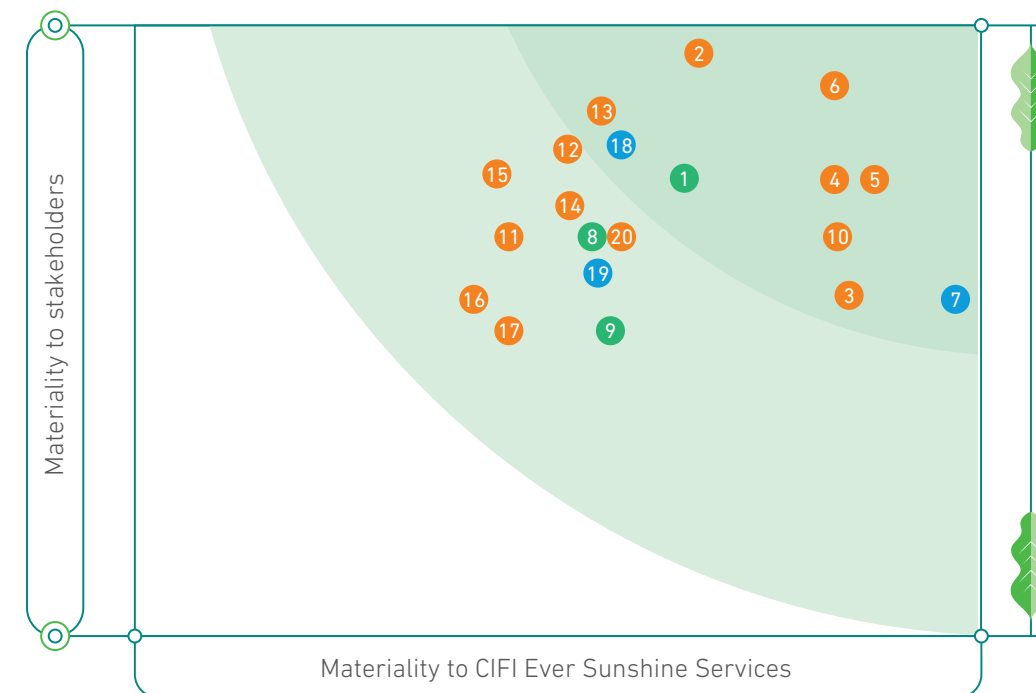
In order to enhance the relevance and materiality of the report, CIFI Ever Sunshine Services strictly follows the materiality issue analysis process, conducts stakeholder survey, selects key issues with strong materiality, and continuously improves ESG management accordingly to better meet stakeholders' expectations and aspirations and achieve sustainable development.

Process to assess important issues



4. SUSTAINABLE DEVELOPMENT MANAGEMENT

2021 ESG Material Issues Matrix for CIFI Ever Sunshine Services



Materiality	Issue No.	Issue	Issue ranking	Scope
High Materiality	6	Service quality	1	Society
	2	Occupational health and safety of employees	2	Society
	5	Customer information and privacy protection	3	Society
	4	Customer well-being and health and safety	4	Society
	7	Compliance operation	5	Governance
	10	Employees employment and team building	6	Society
	13	Employees' rights and care	7	Society
	1	Green property	8	Environment
	18	Anti-fraud and anti-corruption	9	Governance
	3	Customer satisfaction	10	Society
Moderate Materiality	12	Employee development and training	11	Society
	14	Employee compensation and benefits	12	Society
	20	Charity	13	Society
	15	Supply chain management	14	Society
	8	Tackling climate change	15	Environment
	19	Intellectual property rights protection	16	Governance
	11	Avoiding child labour and forced labour	17	Society
	9	Green office and environmental promotion	18	Environment
	16	Smart property	19	Society
	17	Social communication and participation	20	Society

5. RESPONSIBILITY TOPIC: 37°C, THE TEMPERATURE OF A HAPPY COMMUNITY

37°C, a little higher than normal body temperature, is warm and appropriate. It is this right temperature that gives warm companionship to the busy city dwellers. We understand that people crave for warmth more than ever in modern life, and we are committed to creating a place for modern people to live in their hearts amidst the high-rise buildings and steel and concrete of the city, providing a warmer community living experience.

5. RESPONSIBILITY TOPIC: 37°C, THE TEMPERATURE OF A HAPPY COMMUNITY

What is 37°C Community?

A new type of community aims to encourage resident sharing, energizes communities and achieving all-age care, creating a warm community for customers and providing a "satisfaction + surprise" service living experience.

A multi-functional community that combines diversified property services, personalised social services, convenient delivery services and regular entertainment services, with an in-depth understanding of the needs of property owners' community life.

What's different about the 37°C community?

Open up the traditional property office area to create three spaces such as a "living space" for convenient services, an "entertainment space" for parent-child entertainment and a "creative space" for sharing and co-creation.



Upgrade the outdoor public area environment to present "healthy play, pet care and neighbourhood care".



5. RESPONSIBILITY TOPIC: 37°C, THE TEMPERATURE OF A HAPPY COMMUNITY

37°C SPACE

Since 2018, based on "sharing" and with the aim of advocating neighbourhood care, CIFI Ever Sunshine Services has built a community life platform through a series of neighbourhood activities, covering the needs and hobbies of property owners of all ages in the community, so that property owners can truly feel the harmonious atmosphere of "distant relatives are not better than close neighbours".

In 2021, CIFI Ever Sunshine Services focused on old communities, landing 10 pilot communities in five cities across China, taking the lead in designing and renovating old communities, creating "new communities from old homes" and upgrading a number of community care services.

In 2022, the 37°C community of CIFI Ever Sunshine Services is planned to be on site in 233 projects.

CIFI Ever Sunshine Services is offering 6 major outdoor playing areas, and 3 major indoor themed functional areas in the pilot 37°C communities.

Ever Sunshine Energy Charging Hall - a community ecology of sharing and co-creation, where there are infinite possibilities for learning room, salons and reading clubs

Ever Sunshine Living Room - a one-stop solution to the leisure and entertainment needs of residents of all ages



▲ 37°C Property Service Centre

Ever Sunshine Relief Room - as the basic functional area of 37°C, equipped with handy tools and handy equipment, it becomes an "external zone" for family life

5. RESPONSIBILITY TOPIC: 37°C, THE TEMPERATURE OF A HAPPY COMMUNITY

Case

In 2021, CIFI Ever Sunshine Services focused on older communities by renovating 37°C space in 10 pilot communities to bring a new experience to residents and enhance their sense of well-being

Community Museum:

- Gathering community honour, residents' style and community public welfare.
- From the past together to the future: events to keep, children's schooling, heroes and model workers, news reports.



Pleasure Reading Time Gallery:

- A public service collection of unused books to create a shared book bar for all-age community residents.



Idle Fun Athletics Gallery:

- Create a good place for residents to relax and play chess.
- Residents can experience the subtleties of chess culture in an exciting game, with small gifts thoughtfully provided.



5. RESPONSIBILITY TOPIC: 37°C, THE TEMPERATURE OF A HAPPY COMMUNITY

In 2021, CIFI Ever Sunshine Services focused on older communities by renovating 37°C space in 10 pilot communities to bring a new experience to residents and enhance their sense of well-being (continued)

Fun Playground:

- A small playground with limited admission for children.
- CIFI Ever Sunshine Services brings a splash of bright orange memories to the childhood of the young residents.



Wonderful Talent Gallery:

- Create a happy paradise for recreational life and community activities.
- Gather like-minded people, so that residents are not alone.



Refreshing Plant Oxygen Bar:

- Free seedlings and seeds are provided for children to explore and discover the gestation process of life, so that the abundant vitality can wash away the tiredness of city life and the aerobic life can start from now on.



5. RESPONSIBILITY TOPIC: 37°C, THE TEMPERATURE OF A HAPPY COMMUNITY

Case

37°C community provides residents with daily handy tools to warm up their daily lives

Handy Toolbox:

- A wide range of tools are available, such as strong pliers and spanners, and detailed tools such as presbyopic glasses and a 3-port charging cable.
- With a toolbox full of tools that have a variety of uses, Ever Sunshine is prepared to keep residents safe.



Handy Tools Portfolio:

- Flatbeds, loving wheelchairs, pumps, ladders and hand trailers are available 24 hours a day.
- If you don't always have it at home, CIFI Ever Sunshine Services will always have it to meet your emergency needs.



Self-service laundry cabinets:

- Self-service and convenient, professional and efficient, getting your dry cleaning service is as easy as picking up a delivery.



Self-service vending machines

- A 24-hour mini-market for late-night shopping.



Self-service water purifiers

- Safer and healthier, 24 hours a day to keep your water safe.



Case

In 37°C space, hobby clubs carried out new activities to enrich property owners' community life

Folk Music Club:

- The event is a great opportunity to meet the lovers of Folk Music. The soft words of the Wu Longs and the three strings of the lute.



Basketball Club:

- We are looking for basketball enthusiasts, and all we need is a group of like-minded people to enjoy the sport.



Floral Club:

- Recruit floral enthusiasts to share a common interest between the nature and the city.



Rubik's Cube Club:

- Recruit Rubik's Cube Explorers to exercise the strongest brains and help property owners develop physically and mentally.



WARMTH OF 37°C

CIFI Ever Sunshine Services adheres to the core mission of "Building better lives", takes the concept of 37°C as the right temperature, and continues to provide customers with a "worry-free, reassuring and happy" service experience, bringing the warmth of 37°C to thousands of property owners with a high sense of responsibility and a diligent and practical working attitude.

Case

"Overwhelming" cold wave hit Shanghai, maintenance team leader struggled to repair fire hydrant

On the occasion of the New Year 2021, the "Overwhelming" cold wave hit Shanghai, and a fire hydrant in a unit in the Yitai Anbang (藝泰安邦) community burst its pipe due to the cold wave. The water from the fire hydrant kept gushing out and the rooftop had become a large reservoir, with water knee-deep in the area. If not dealt with urgently, the water would have flooded into the residents' rooms and lifts, causing significant damage to the property owners. Maintenance team leader Zhou Haijun waded through the bone-chilling icy water to the fire hydrant, closed the burst fire valve and cleared the drainage outlet with his bare hands, allowing the rooftop water to drain quickly after 20 minutes of extreme cold.



5. RESPONSIBILITY TOPIC: 37°C, THE TEMPERATURE OF A HAPPY COMMUNITY

5. RESPONSIBILITY TOPIC: 37°C, THE TEMPERATURE OF A HAPPY COMMUNITY

Case

CIFI La Baie D'Evian (依雲灣) Community organized 37°C warm community activities to warm the property owners of big and small

In order to enhance parent-child communication among the property owners, Service Centre of CIFI La Baie D'Evian organized a special craft class for children. It made the property owners, who are usually busy with work, spend a happy evening with their children. The new activity was a refreshing experience for the property owners.



Case

Making every property owner feel the love and warmth on Valentine's Day

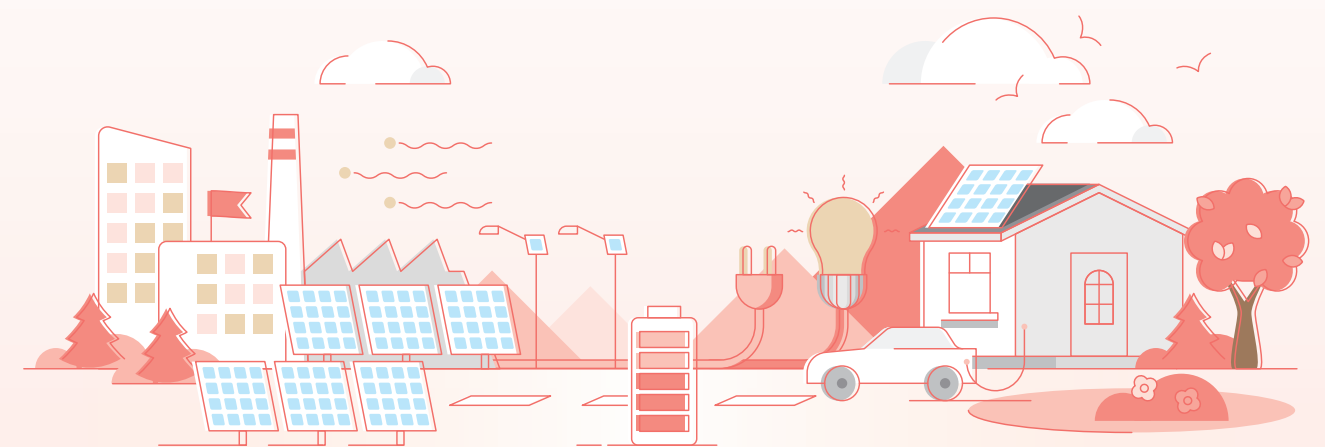
On 2021 Valentine's Day, which fell on the third day of the Lunar New Year, the stewards of CIFI Ever Sunshine, who spent the New Year in the same place, spontaneously delivered Valentine's Day bouquets and exquisite gifts to the unprepared property owners, using their care and warmth to make every property owner feel loved and warm.



Case

Property Stewards solved troubled property owners' problems when they were in a hurry and need them

The property owner of Lintai Garden (麟泰花園) renovated his new home and needed to transport the tiles to the community for installation. Due to logistical problems, the tiles needed to be placed in a remote location outside the community and left overnight. When the property owner was anxious about the safety of the tiles, the property stewards provided a caring service by guiding the vehicle to unload the tiles to an open space in the community and arranged for the security guards to monitor the tiles on a 24-hour basis. In the face of the property owners' minor worries, the stewards lent a helping hand in a timely manner to solve the problems of the residents.

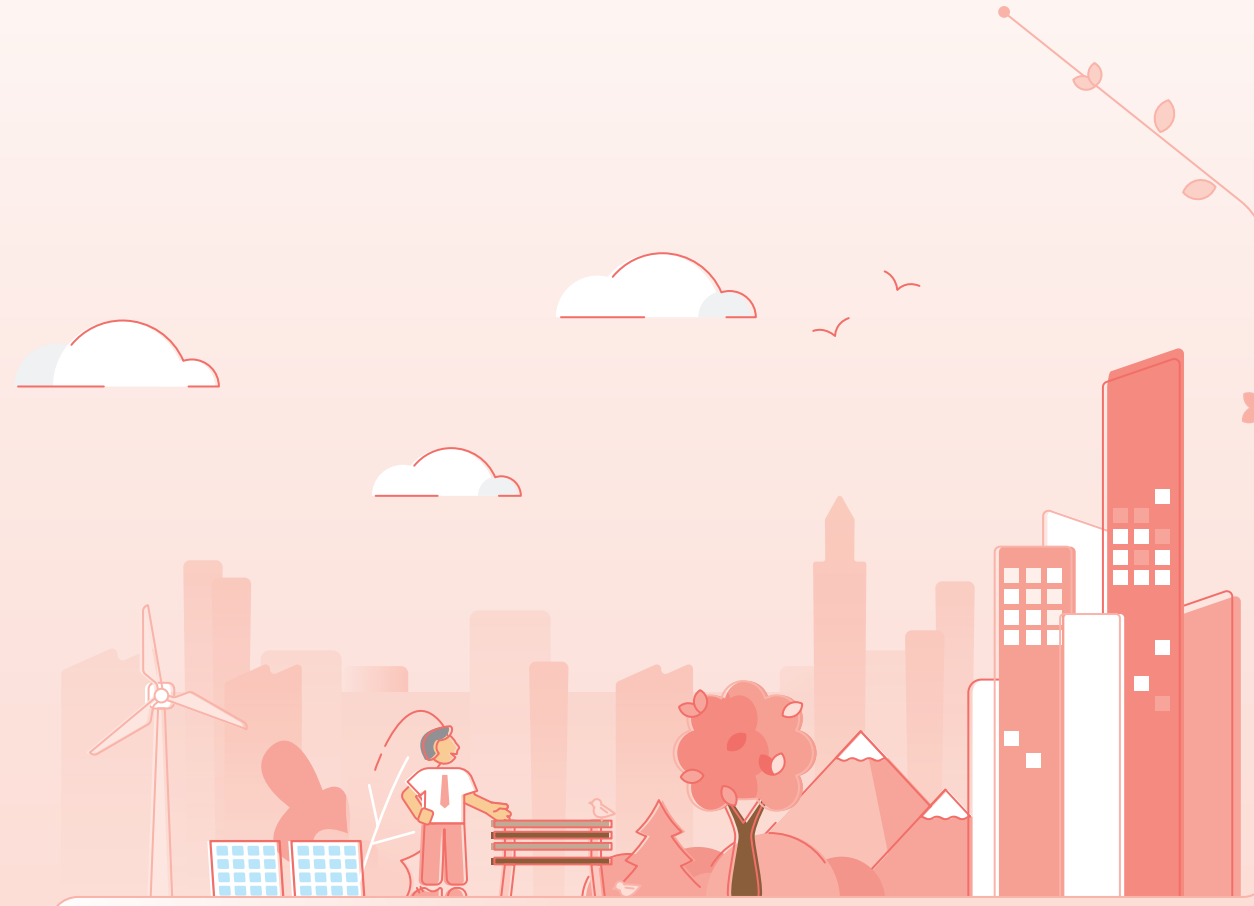


6. RESPONSIBILITY TOPIC: A COLLECTION OF DIM LIGHT, IN THE SAME BOAT THROUGH WIND AND RAIN

In July 2021, Henan Province was hit by extreme heavy rainfall, with rainfall breaking historical extremes since meteorological records.....

In July 2021, typhoon "fireworks" centre arrived in Nanjing, northern Zhejiang, Shanghai, Jiangsu and other places had heavy rainfall, and flood control form should not be underestimated.....

In the face of constant extreme weather disasters, rapid response capability and systematic emergency rescue capability is an important test of the property company's "service force". Relying on a perfect emergency management system and strong emergency management capability, CIFI Ever Sunshine Services always takes up the responsibility to build a better life with a "protective wall" for all property owners, residents, the community, the city and the society !

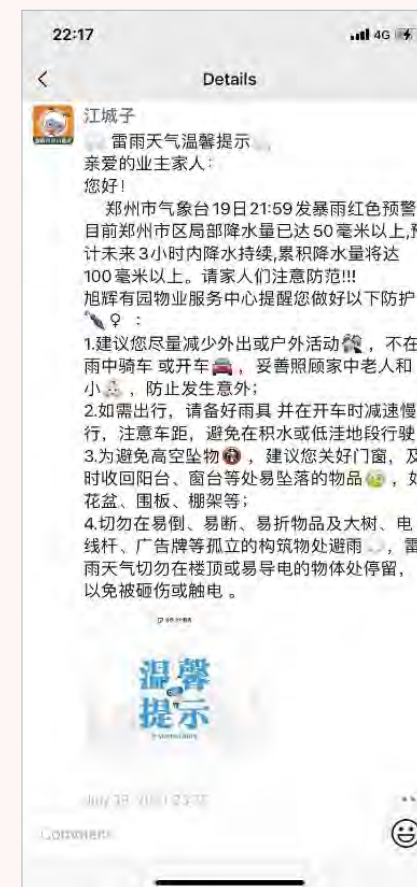


6. RESPONSIBILITY TOPIC: A COLLECTION OF DIM LIGHT, IN THE SAME BOAT THROUGH WIND AND RAIN

PREPARE FOR A RAINY DAY AND GUARD HOMES WITH HEART

Before the arrival of the storm, CIFI Ever Sunshine Services promptly activated its emergency management system and actively deployed flood control arrangements to prepare for a rainy day.

- Activate emergency management procedures and prepare personnel and materials
- Prepare safety hazard inspection for relevant facilities and equipment
- Issue warning notices, keep an eye on property owners



▲ After the rainstorm warning was issued, the steward promptly issued a warning for flood control and flood fighting in the property owners' group

**6. RESPONSIBILITY TOPIC:
A COLLECTION OF DIM LIGHT, IN THE SAME BOAT THROUGH WIND AND RAIN**



▲ Equipped managerial staff with timely flood control materials, with early deployment and enhanced protection



▲ Inspection and unblocking of the facilities and drainage network in the community, building flood control walls at garages and low-lying entrances and stock emergency materials



▲ Helped property owners who were outside to close their windows before the storm arrived

**6. RESPONSIBILITY TOPIC:
A COLLECTION OF DIM LIGHT, IN THE SAME BOAT THROUGH WIND AND RAIN**

QUICK RESPONSE TO KEEP HOMES SAFE AND SOUND

During the floods in Henan in 2021, the employees of Ever Sunshine were on the lookout for the floods, silently guarding the lives and properties of millions of property owners.

- Monitored flood developments in real time and keep an eye on property owners
- Identified potential hazards in the community and completed proper treatment in a timely manner
- Cooperated with the management requirements of the relevant departments to evacuate people and transported goods and materials



▲ Daytime
The employees of CIFI Ever Sunshine were carrying sandbags of materials in the rain



▲ 1:00 am
The employees of CIFI Ever Sunshine were clearing the waterlogged garage

**6. RESPONSIBILITY TOPIC:
A COLLECTION OF DIM LIGHT, IN THE SAME BOAT THROUGH WIND AND RAIN**



▲ 2:00 am
After a busy night, the downpour had finally stopped, so warm up with a cup of hot water, guys!



▲ 4:00 am
The employees of CIFI Ever Sunshine were checking power distribution equipment all night in the community

TRANSFORMED TO HOME RESTORERS AFTER THE STORM

When the flooding situation gradually stabilized, the flood control work of CIFI Ever Sunshine Services did not stop there, the post-disaster restoration and treatments work of related projects in the affected areas were being gradually progressed and deployed:

- Strived to build a better disaster monitoring and response system, compiled statistics on relevant flood control issues and reported them in a timely manner;
- In-depth inspection of areas such as lifts, equipment and plumbing to eliminate potential hazards;
- Disinfection of wet spots such as the community's green belts, sewers, basements and the community's rubbish bins;
- Publicity on disaster prevention and control to help property owners raise awareness of "disaster awareness, prevention and avoidance".

**6. RESPONSIBILITY TOPIC:
A COLLECTION OF DIM LIGHT, IN THE SAME BOAT THROUGH WIND AND RAIN**



▲ Dealt with fallen trees



▲ Reinforced bins




▲ Checked equipment

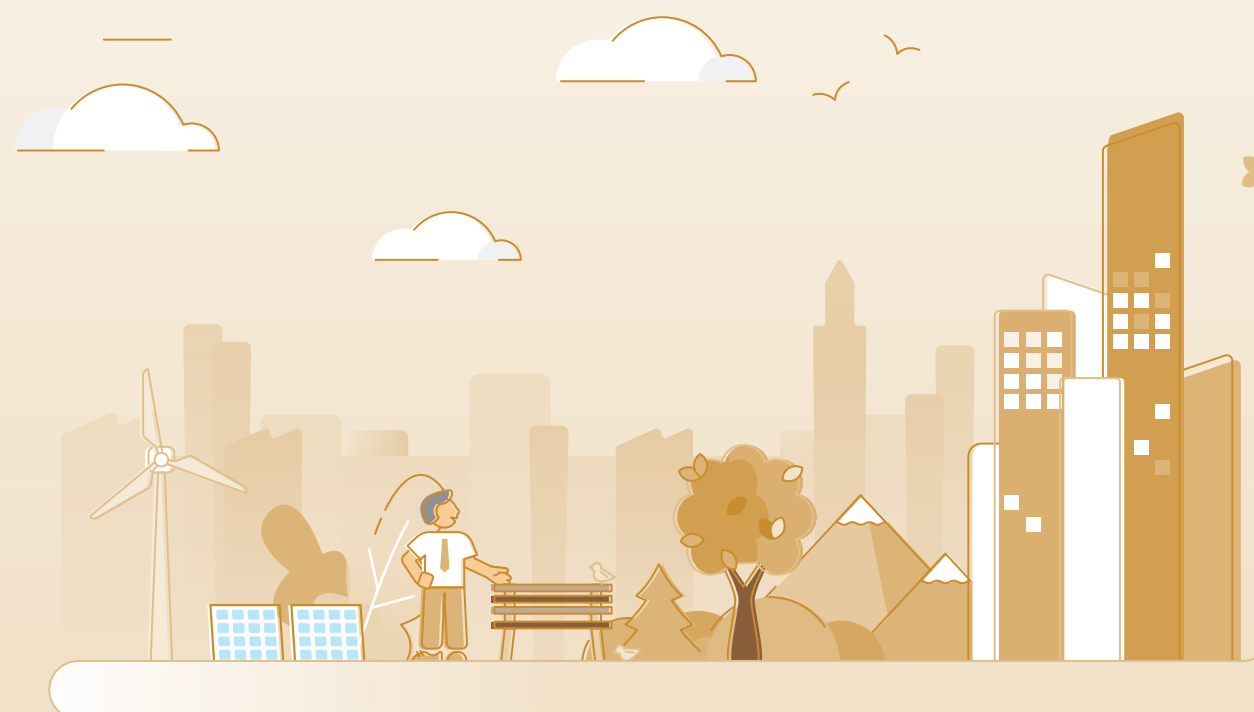
We were touched by every "thank you" from the property owners and the warmth of the takeaway order, which was kindly noted as "Mr. Property".

For those rainy days when you forget your umbrella and feel helpless, we would like to provide you with an umbrella to protect you from the wind and rain

7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

CIFI Ever Sunshine Services always insists on standardising the internal governance system of the Company, strengthening management systems for risk response and internal control, identifying and controlling possible risks, attaching importance to building integrity and protecting the Group and its partners from infringement of legal and compliant intellectual property rights.

Guide indicators responded to in this chapter		Material issues and guide indicators in this chapter
Respond to SDGs Goals	Respond to the ESG Reporting Guide KPIs	Material issues
	<ul style="list-style-type: none"> • B6.3 • B7 • B7.1 • B7.2 • B7.3 	<ul style="list-style-type: none"> • Compliance operations • Anti-fraud and anti-corruption • Intellectual property rights protection



7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

GOAL PROGRESS

Goal setting

- Standardize the Company's governance system
- Establish a sound risk prevention and control system
- Resolve to resist improper business practices such as embezzlement, corruption and fraud
- Protect against infringement of legal intellectual property rights

Progress Review

- Held 9 Board meetings and 2 general meetings
- Further clarified the 80 prohibitions and sorted out the risk management checklist, strengthened internal control, completed 12 audit projects and reported 10 investigations
- Carried out integrity training courses covering all employees, and such courses include training for Eight Military Regulations, courses for occupational ethics and courses for conflict of employee interests
- Provided 89 anti-corruption trainings to employees, with 40,276 participants
- The Integrity Commitment Letter was signed by 100% of the suppliers
- CIFI Ever Sunshine Services held a total of 202 copyrights and 80 registered trademarks

Next plan

- Continue to strengthen communication with stakeholders and open up communication channels
- Strengthen internal control over risk management points to promote sound corporate development
- Continue to strengthen integrity promotion efforts to relevant parties and advocate sunny and honest partnerships
- Improve the Intellectual property rights management system and raise the awareness of independent innovation among employees

7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

STANDARDIZING CORPORATE GOVERNANCE

CIFI Ever Sunshine Services attaches importance to the development of corporate governance norms and strictly complies with Listing Rules of the Hong Kong Stock Exchange and related requirements. We actively fulfill our information disclosure obligations and disclose relevant information to all shareholders, investors and the public in a timely and accurate manner so that stakeholders are fully informed of the Company's material economic, environmental, social and governance issues. We also maintain good communication with our stakeholders, establish diversified communication channels, standardize our investor relations management practices, act with integrity and responsibility, and build a business relationship of equality, mutual benefit and trust.

FOCUS ON DIVERSITY OF DIRECTORS

CIFI Ever Sunshine Services attaches importance to diversity on its Board of Directors. All board nominations and appointments are made on the basis of merit, taking into account the day-to-day business needs and the benefits of a diverse board of directors. Factors taken into account in board diversity include, but are not limited to, gender, age, profession, experience, culture and educational background. As of 31 December 2021, there are seven members of the Board of Directors of CIFI Ever Sunshine Services, of which three are executive directors, one is a non-executive director and three are independent non-executive directors. Three of the Board members have extensive experience in the property management and real estate industry, one non-executive director was the Chief Financial Officer and has professional experience in risk management with functions related to finance and risk management and one independent non-executive director holds the Responsible Investment Essentials qualification from the United Nations PRI Institute.

STRENGTHENING RISK CONTROL MANAGEMENT

Risk management

CIFI Ever Sunshine Services attaches great importance to risk prevention and control, setting up a comprehensive risk management system and escorting risk management with three lines of defence. In 2021, CIFI Ever Sunshine Services continued to strengthen its efforts in risk identification and actively conducted risk management training, with no major risks or systemic risks for the year. We actively improve our risk control process and response measures, carry out annual risk inspections and audits covering all businesses and all regions, strengthen risk management with multiple measures, promote the implementation of internal control and risk management systematization, and promote the effective launch of the digital risk mechanism, strengthening the Group's scientific management and response to risks in all businesses.

In 2021, CIFI Ever Sunshine Services convened:

Board meetings

9

General meetings

2

Carried out investor communications with

907 participants

During the Reporting Period, CIFI Ever Sunshine Services carried out

96 trainings

(including 89 trainings for directors and employees and 7 trainings for external suppliers) in risk management,

Covering

40,276 participants of employees

7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

Three lines of defence of risk management system:

With the principle of "risk management is everyone's responsibility", CIFI Ever Sunshine Services has established a multi-level risk management structure from the regional level to the headquarters, implemented a "three lines of defence" model for risk management, and further strengthened the effectiveness of risk management under the supervision and guidance of the Board of Directors.

Lines of defence of risk	Head/Department	Risk management role	Duties and Responsibilities
<p>The first line of defence</p> <p>Response to risks with the attitude of masters</p> <p>↓</p> <p>The second line of defence</p> <p>Make risk management systematic</p> <p>↓</p> <p>The third line of defence</p> <p>Guarantee with objective Independence</p>	<p>Regional manager (heads of functional department and project frontline)</p> <hr/> <p>Headquarters functional departments</p> <hr/> <p>Audit and Supervision Center</p>	<p>Risk management taker under the leadership of the President</p> <hr/> <p>Risk management supervisor who independently reports to the Board of Directors and Audit Committee</p>	<ul style="list-style-type: none"> Identify, manage and report risks; Use initiatives to anticipate and solve problems and reduce the Group's risk. <hr/> <ul style="list-style-type: none"> Develop, revise and improve internal systems for systematic control; Provide professional knowledge and tools for risk issues, identify and respond to risks. <hr/> <ul style="list-style-type: none"> Independently and objectively identify and evaluate risk issues and regularly monitor and audit; Identify problems and promote fundamental solutions to them; Maintain audit oversight as a deterrent, based on risk prevention and control, to protect business development.

7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

➤ Risks control processes and response measures:

CIFI Ever Sunshine Services has formulated relevant systems such as the "Management Measures for Major Operational Risks" and the "Management Manual for Community Resources Risk", promoted a four-stage risk control process, formulated corresponding control measures, and gradually incorporated ESG-related risk factors into the Company's overall risk assessment and management system, such as labour risks and extreme weather response.

Control phase	Control measures
1st Phase: Risks identification	<ul style="list-style-type: none"> • Discovering and reporting by employees on a spontaneous basis: All employees will report all extraordinary and major incidents in the property management area as soon as possible; • Regional irregular inspection: Proactively discover the existing or potential risks that may exist in the project; • Irregular inspections by the headquarter: Each business function department of the headquarter conducts several inspections and random inspections on each region every year to identify various operational risks and problems and to supervise rectification.
2nd Phase: Risks assessment	<ul style="list-style-type: none"> • The level of risk (high, medium or low risk) is assessed with reference to the classification of the risk (hidden safety incidents, major incidents and extraordinary incidents) and the standards (e.g. nature, amount, etc.).



7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

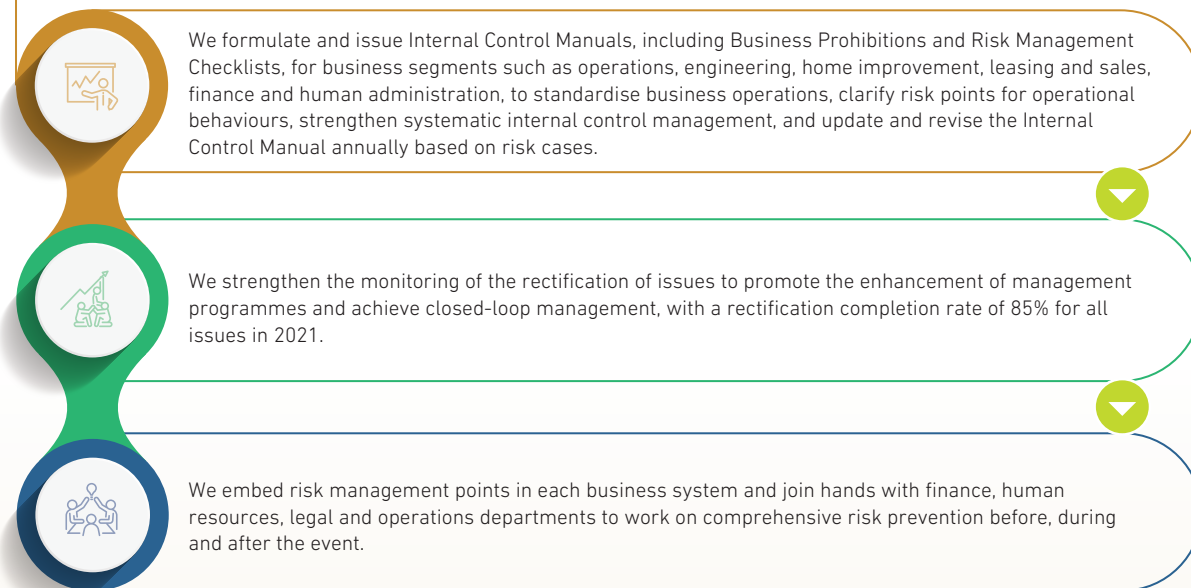
Control phase	Control measures
3rd Phase: Response to risks	<ul style="list-style-type: none"> • Regular regional and headquarters functional inspections: the headquarters function departments sort out the current situation through the inspection, warn of risks in time, analyze and review the problems, identify gaps and remedy them, standardize the business standard; • Response to risks identified by regular audits: the Audit and Inspection Centre conducts regular audits of risk points, designates those responsible for risk rectification, sets deadlines for rectification of risk issues and provides timely feedback to management on rectification measures and results; • Response to major and extraordinary incidents: a special team will be set up by the regional head in collaboration with the Chief Executive Officer and the Group's functional departments in charge to deal with them; • Response to violations: cooperate with the judicial authorities to deal with them.
4th Phase: Supervision and improvement	<ul style="list-style-type: none"> • Identify those responsible: analyse the causes in depth and, according to the "Management Measures for Employees Rewards and Punishments", "Eight Military Management Measures for Ever Sunshine" and other company systems and internal control management requirements, identify those directly responsible and those responsible for management and then pursue responsibility; • Supervision and improvement: the functional inspectors at headquarters and the Audit and Inspection Centre are responsible for following up the rectification process of the responsible departments until the risk matters are rectified, forming a closed loop; • Collaborative transformation: in response to management problems, the Audit and Supervision Centre links up multiple departments to discuss systematic solutions, forming a consensus to improve the risk management system and consolidate risk prevention by further reviewing the management system, optimizing management processes and promoting management implementation; at the same time, each specifies the main elements of rectification of risk problems, and the Audit and Supervision Centre takes the lead in supervising and following up the rectification situation on a monthly basis; • Digital risk control: The Audit and Supervision Centre, in conjunction with the IT department, designs, develops neural network early warning indicators, monitors risks in real time through the information technology system and follows up 100% of the early warning indicators that are already online to promote ex ante and ex post control.

7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

Internal control

CIFI Ever Sunshine Services attaches importance on internal control, regulating business practices and establishing a comprehensive and complete internal control system and working mechanism. We regard the Audit and Supervision Centre as the main body for the preparation of the internal control system. Based on the key risk cases in the industry and the key points of internal control assessed by the review projects, we promote comprehensive self-examination of business departments, risk construction of business systems, development and application of risk early warning indicators at the system and process levels, and propose a comprehensive internal control enhancement plan.

Internal control process:



CIFI Ever Sunshine Services attaches importance on regular self-inspection and supervision, and through comprehensive internal control measures, we integrate the identification and control of key business risks into our management and business processes to form a regular internal control. We carry out risk inspections and audits several times every year and regularly conduct internal control management audits, special audits and investigations for all regions and business function departments within the Group's operations to proactively, comprehensively and systematically identify risks, promote risk control before, during and after the event, and promote the healthy development of the Company.

CIFI Ever Sunshine Services timely update the audit and monitoring tools and output internal control management tools in line with the Company's development, such as the parking revenue enhancement self-inspection tool method, utility bill inventory form, etc. In 2021, we launched four online neural network early warning indicators, improved 10 business internal control management processes, identified business risks online by extracting key business data, promoted the digital transformation of audit and formed a regular risk self-examination initiative.

7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

Type of audit	Content of the audit
Internal Control Management Audit	We develop audit and review procedures, conduct comprehensive risk management and internal control assessments based on the operations of city or regional companies, gain a comprehensive understanding of the organization's risk management. By obtaining information on relevant audits, approvals, contracts and processes, we gain an in-depth understanding of the handling procedures of various activities, identify business risks and problems, and supervise the audit risk unit to carry out rectification until the rectification is completed, forming a closed-loop management. Through the improvement of systems and processes, the overall internal control management level and risk prevention capability of the organization will be enhanced.
Special Audit	Audits are conducted on specific issues, specialized businesses or management departments, focusing on specific areas and moving from point to point to facilitate the resolution of systemic business problems and enhance the management of the business, such as specialized audits on a comprehensive inventory of fees and charges, multiple income and satisfaction surveys, etc.
Resignation Audit	Audits are conducted on the performance of duties, operational performance and personal integrity of former senior management during their tenure of office, to determine the compliance of their management activities, examine whether there are any fraud, work errors, management deficiencies or other adverse operational risks and potential problems, making management recommendations on the above risks and problems.

In 2021, CIFI Ever Sunshine Services completed

audit projects **12**

whistleblowing investigations **10**

Audits throughout the year covered all business sectors and all regions, demonstrating the comprehensiveness, depth and systematization of controls.

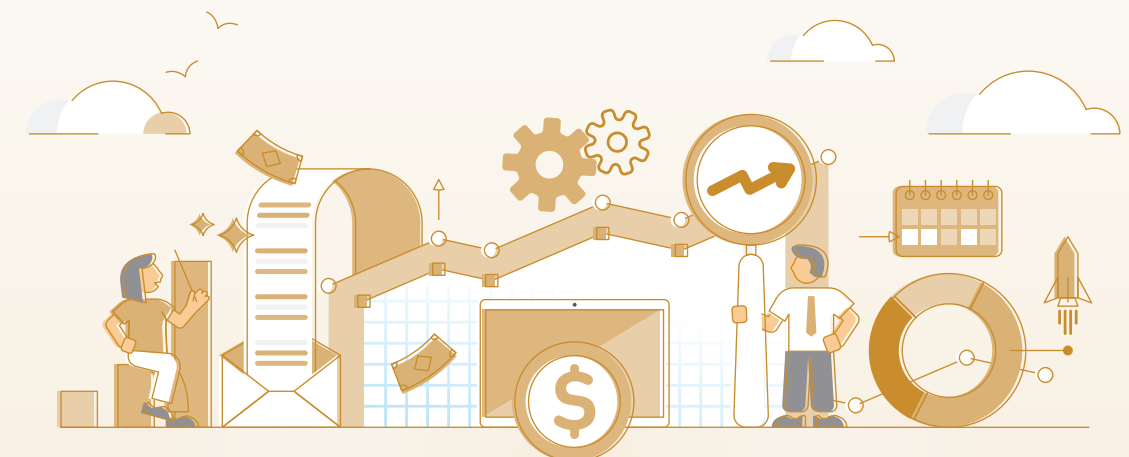
7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

Types of internal controls and systems and measures to response to them at CIFI Ever Sunshine Services:

Type of internal controls	Response system	Response measures
Operation	<ul style="list-style-type: none"> • Eight Military Management Measures for Ever Sunshine • Internal Control Manuals - Business Prohibitions • Internal Control Manuals - Risk Management Checklist • Management Measures for Interest Conflict of Employees • Management Measures for Major Operational Risk • General Outline for Working Together, Symbiosis and Win-win Cooperation with Supply Sides • Fee Collection Guide • Management Measures of Red and Yellow Line Standard for Steward Services • Seal Management Measures • Management Measures for Employees Reward and Punishment • Contract Management Measures • Engineering Professional Safety Management Regulations • Quality Management Measures for Pre-Intervention Services • Procurement Management System 	<p>Eight Military Management Measures for Ever Sunshine are the bottom line of the Company's operation: corruption and bribery, misappropriation of public funds, connected transactions, outside part-time jobs, improper relationships, competition in the same industry, disclosure of confidentiality, and falsification are prohibited;</p> <p>The Audit and Supervision Centre has prepared and issued a comprehensive Internal Control Manuals and Internal Control Manuals – Business Prohibitions, which are further refinements of the Eight Military Rules, and the Internal Control Manuals - Risk Management Checklist, which specifies operational norms and key risk control points to professionalize, legalize, regulate and standardize business;</p> <p>The operation department improves the construction of mechanisms, establishes special risk control mechanisms (monthly special inspections, annual inspections, etc.) and operational risk early warning mechanisms to deal with various internal control risks.</p>

7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

Type of internal controls	Response system	Response measures
Finance	<ul style="list-style-type: none"> • Accounting Information Quality Control System • Tax Management System • Rules Governing Tax Returns • Guidelines on Property Tax File Management Practice • Property Value-added Tax Accounting Manual 	<p>Through comprehensive system construction and improvement, process optimization, authorization system improvement and system risk control enhancement, as well as proactive and comprehensive self-inspection, special inspection for finance and headquarters financial inspection, the Financial Management Centre identifies problems and urges them to rectify and improve the mechanism.</p>



ATTACH IMPORTANCE TO BUILDING INTEGRITY

Governance structure

CIFI Ever Sunshine Services has established a proven integrity building and business ethics governance structure to strengthen business ethics management and integrity building in a comprehensive manner.

Management Level	Members	Key Responsibilities
The Board	Members of the Board	Has overall responsibility for the supervision and management of the Company's overall operational risk
Business Ethics/ Integrity Building Management Team	Executive Director, Head of Audit and Supervision Centre, Head of Human Resources and Administration Centre and other relevant department heads	<ul style="list-style-type: none"> Review and supervise the implementation of business ethics and integrity building and anti-corruption related systems and establish corresponding management mechanisms and processes Promote and train occupational ethics related systems and conduct codes Supervision and leading investigations into suspected fraud and disciplinary offences committed by employees within the Company

Governance system

CIFI Ever Sunshine Services attaches importance to building integrity and business ethics governance, actively eliminating corruption and fraud. We strictly abide by the Company Law of the People's Republic of China, the Anti-Money Laundering Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China, the Interim Provisions on the Prohibition of Commercial Bribery and other laws and regulations, resist any form of corruption, bribery, extortion, fraud, malpractice and money laundering, and have "zero tolerance" for corruption, pursuing a corporate culture of honesty, law-abiding, compliance, sunshine and transparency.

CIFI Ever Sunshine Services has established a series of internal integrity management and business ethics management systems to regulate employee behaviour, prevent corruption and fraud, and create a working atmosphere with integrity and honesty. We comply with and enforce established internal integrity management systems, such as the "Eight Military Management Measures for Ever Sunshine", the Regulations on Reporting Management (舉報管理實施細則), and the Management Measures for the Declaration of Conflict of Interests of Employees (員工利益衝突申報管理辦法) and the "Management Measures for Employees Rewards and Punishments". We have provided our procurement employees with 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) and its details, which clarify the principles of integrity and self-discipline as well as procurement, and prohibit any employee from using their position or authority for personal gain or accepting bribes.

In 2021, we developed and published a comprehensive internal control manual, including the "Business Prohibitions" and "Risk Management Checklist", to clarify prohibited business practices and risk points.

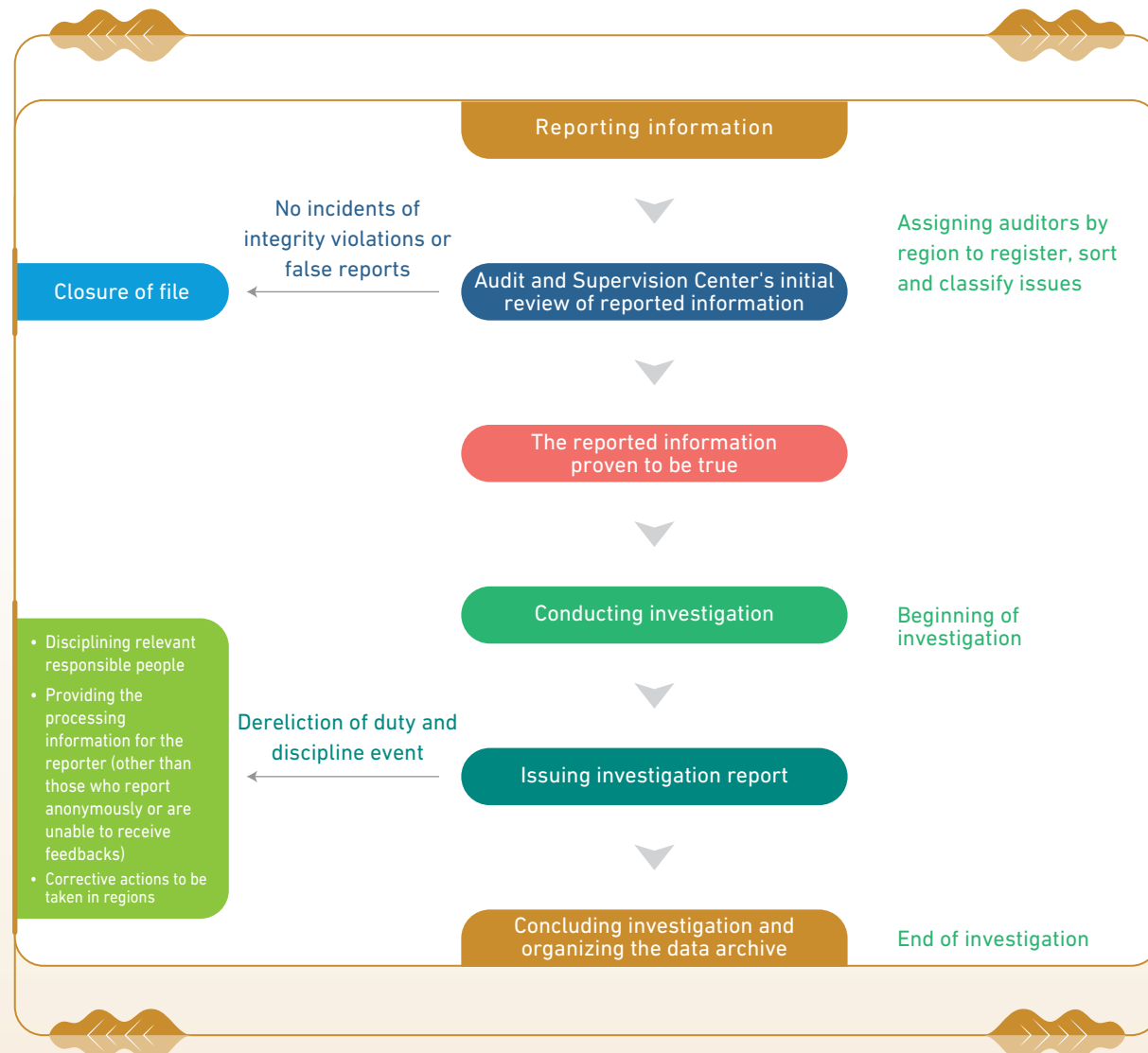
In addition, in 2021, we also publicly published the Corporate Integrity Code(公司廉正準則), which applied to employees of CIFI Ever Sunshine Services and its subsidiaries (including ordinary employees, directors, supervisors and senior management) and to third parties (e.g. customers, suppliers) with whom CIFI Ever Sunshine Services has dealings, as set out at <https://www.cifies.com/contact/monitor.html>.

7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

Management for reporting

In order to detect irregularities on a wider scale, in 2021, we clearly communicated our "zero tolerance" attitude for corruption and fraud to all employees, suppliers/customers, etc. by publishing the Corporate Integrity Code publicly. We comply with the "Regulations on Reporting Management" (《舉報管理實施細則》) and hang or post the "Necessary Instructions on Supervision and Reporting" (《監察舉報須知》) in all regional offices, property service centres, rental and sales outlets and other facing-customer venues to encourage internal employees and external parties to participate in the Company's integrity through multiple channels in real names or anonymously, such as emails, letters and telephone reports, to report illegal and undisciplined behaviour and raise employees' sense of masters.

CIFI Ever Sunshine Services handles reported information received in accordance with the following processes:



7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

Public channels for 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

Company's official website: Supervision and Reporting_CIFI Ever Sunshine Services (www.cifis.com)

Protection for whistleblower

CIFI Ever Sunshine Services protects whistleblowers from infringement of their legitimate rights and interests. We keep the information of whistleblowers strictly confidential, protect them from unfair dismissal, persecution or improper discipline, and deal seriously with retaliation against whistleblowers and witnesses. We provide a comprehensive legal protection system for whistleblowers to protect their legitimate rights and interests.

In 2021, the verification rate of reportings by CIFI Ever Sunshine Services was 100%, all of reportings were followed up and dealt with in accordance with the corresponding work processes.



7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

Mechanism for handling cases of misconduct and non-compliance

In 2021, CIFI Ever Sunshine Services concluded two corruption proceeding cases. These two offences occurred in 2019 and six employees were suspected of misappropriation of duties. The cases were accepted in 2019 and the verdict was delivered in 2021. The employees involved were sentenced to a fixed term of imprisonment and all embezzled funds were recovered. The above case was discovered by the regional and project management staff during their daily inspection and stocktaking and reported to the headquarters for handling in collaboration with the regional companies, fully demonstrating the awareness of risk prevention and the responsibility of anti-corruption and anti-fraud among all employees of CIFI Ever Sunshine Services.



With a "zero tolerance" attitude and determination towards corruption, CIFI Ever Sunshine Services has taken a number of measures to optimize its control measures and prevent risks, including:

- 1 improving the system: clarifying relevant business compliance practices and requiring all property service centres and shops to display them to customers;
- 2 renovating processes: sorting and optimizing business control processes;
- 3 system optimization: sorting and optimizing the logic of the management system and increasing control measures;
- 4 business self-inspection: headquarters and regional self-inspection on a regular basis to enhance project inventory;
- 5 cultural guidance: the case was embedded into the sunny culture presentation, which was carried out in various ways to strengthen the integrity beliefs of the parties concerned and adhere to the moral and legal bottom line.

Integrity education

CIFI Ever Sunshine Services attaches importance to the integrity education of its employees and implements an integrity training system to cover all employees. We use diversified forms on various occasions to educate our employees on integrity in five areas: ideology and ethics, job responsibilities, business processes, systems and mechanisms and the external environment.

Comprehensive integrity training:



These include online training and assessment for all employees on occupational ethics courses, conflict of interests reporting course learning and opening up online reporting channels, integrity training and case presentations for new employees and middle and senior management, as well as specific integrity and risk management training for business functions and regions.

Diversified online integrity promotion:



These include the pushing of specific prohibitions to all employees, the online publication of typical cases, and integrity reminders on holidays to emphasise the Company's anti-corruption requirements, ensure full employees coverage, and emphasise regular promotion and supervision. Our aim is to implement an integrity training system to demonstrate our "zero tolerance" attitude towards corruption and strengthens the Company's integrity culture.

7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

The results of the anti-corruption training provided by CIFI Ever Sunshine Services were significant. During the Reporting Period, a combination of online and offline anti-corruption training was provided by CIFI Ever Sunshine Services, with a total of 89 trainings conducted, including 3 online trainings, covering 40,276 participants, with a 100% employees participation rate. Meanwhile, 30 integrity management notices and reminders were issued to cover all employees and all business sectors, continuously reinforcing the promotion effectiveness of integrity training and raising the risk prevention awareness of all employees.



Integrity building and business ethics management training courses covering the entire workforce

Course Name	Course Content	Course Coverage (%)
Training Course for "Eight Military Regulations"	Prohibition of corruption and bribery Prohibition of misappropriation of public funds Prohibition of using insider information for personal gains Prohibition of disclosure of confidentiality Prohibition of falsification, violation of occupational ethics, etc.	100
Course for Occupational Conduct	including the code of business conduct to be observed in daily activities; "Eight Military Regulations" of CIFI Ever Sunshine Services and Case Interpretation Anti-bribery, anti-unfair competition, anti-money laundering, etc.	100
Course for Conflict of Employees Interests	Proactive identification and resolution of potential conflicts of interests; employees who are related must not be subordinate or superior; supervising and being supervised, and other management requirements.	100

Occupational conduct course

Case

“Doing the right thing, building a good thing(行正道,築美好)” Integrity Presentation

In July 2021, the Audit and Supervision Centre organized an integrity presentation on the theme of “Doing the right thing, building a good thing” at the semi-annual working meeting of the middle and senior management of CIFI Ever Sunshine Services. Through this presentation, all participants were reminded of the Company’s “zero tolerance” attitude towards behaviour that touched the red line, and were reminded to respect the rules and strictly adhere to the bottom line of integrity. All participants also took the “Eight Military Regulations” integrity pledge to further strengthen their sense of personal responsibility.



▲ Employees of CIFI Ever Sunshine Services took the “Eight Military Rules” Integrity Pledge

Case

Integrity Culture Training for New Employees and Newly Promoted Project Managers

In 2021, in order to help new employees adapt to the corporate culture of CIFI Ever Sunshine Services as soon as possible and to remind newly promoted project managers of the risk points in their daily management, the Audit and Supervision Centre assisted in launching a number of integrity culture presentations to establish a corporate image of integrity, openness and transparency for the grassroots team and to shape a active and positive corporate style with integrity.



▲ Integrity training for new employees



▲ Integrity training for project managers



7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

CIFI Ever Sunshine Services attaches great importance to the protection of intellectual property rights and safeguarding the labour achievements of the Group and our partners from infringement. We strictly abide by the requirements of laws and regulations such as the Trademark Law of the People's Republic of China, the Patent Law of the People's Republic of China and the Copyright Law of the People's Republic of China, and implement the provisions of the Group's internal VI Management Measures to process and normalize the protection of intellectual property rights and make specific provisions for the protection and application of trademarks. We also fully respect the intellectual property rights of our partners, use their intellectual property rights strictly within the scope of authorization, and defend and assist against infringement of their intellectual property rights.

As at 31 December 2021, CIFI Ever Sunshine Services held

202

copyrights

and registered trademarks

80

Trademark protection:

- **Establish awareness of protection:** Establish awareness of trademark protection throughout the Group and promote information on the rational and usage norms of trademarks;
- **Make a trademark plan:** make a plan for trademark to avoid infringing on registered trademarks of others', when promoting emerging businesses or building emerging firms;
- **Keep preliminary communication:** keep preliminary communication with the Group's legal department, the brand department and external professional institutions, before promoting trademark registration, and ensure the feasibility, legality and compliance of the proposed registered trademark. The application of trademark registration is subjected to the completion of preliminary communication and the internal approval;
- **Standardize advertisement behaviors:** strictly standardize the use of trademark when naming the products or services or conducting public preach. Do not use others' registered trademarks as public preach name of the Group's products or services to avoid trademark infringement.

7. CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION

CIFI Ever Sunshine Services provides training courses on intellectual property rights protection for its employees to raise their awareness of intellectual property rights protection while encouraging them to innovate on their own.

Case

Protection Training for Intellectual Property Rights



In 2021, Linjiu Technology (霖久科技), the smart service technology brand of CIFI Ever Sunshine Services, organized 2 trainings for all employees on intellectual property rights protection. The trainings focused on the basics of intellectual property rights protection and the skills of writing patents for inventions to protect the Company's research and development achievements and avoid intellectual property rights risks.

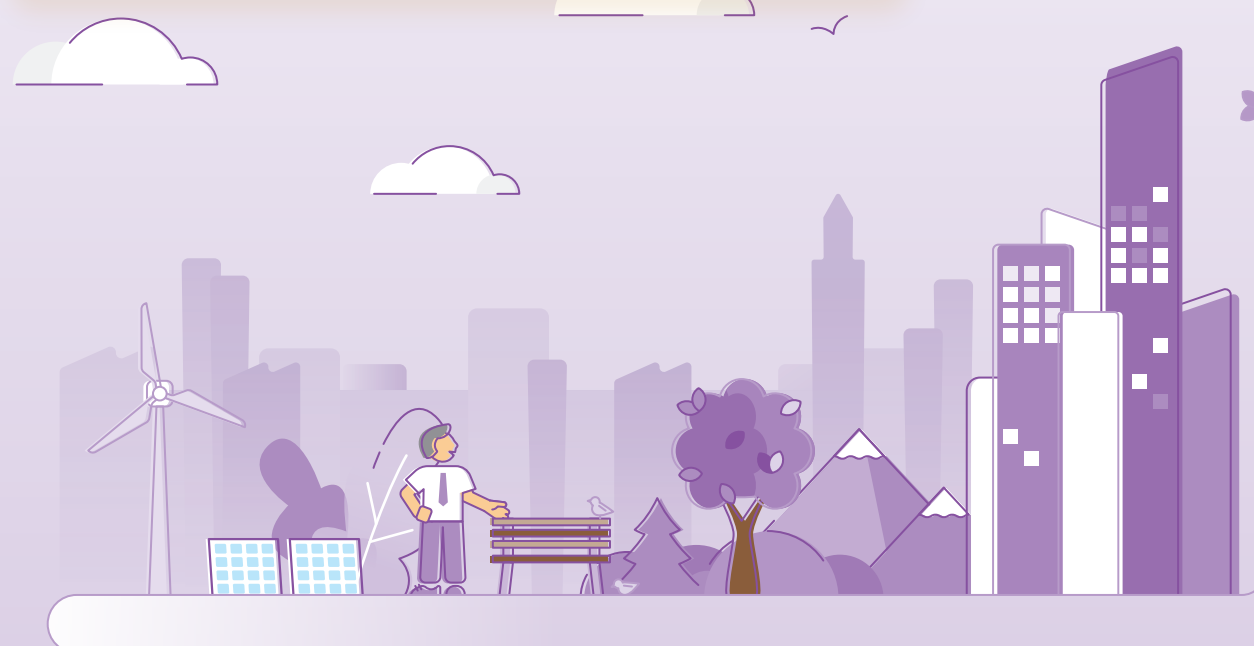


▲ Protection Training for Intellectual Property Rights

8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

With the brand philosophy of "Building better lives", CIFI Ever Sunshine Services creates a "Pleasant-heart Service System" for our customers, being committed to providing them with high-end, privileged, innovative and comfortable multi-services. At the same time, we are committed to providing safe and healthy services to our customers, empowering safety management through our smart safety management system to enhance risk control capabilities.

Guide indicators responded to in this chapter		Material issues and guide indicators in this chapter
Respond to SDGs Indicators	Respond to the ESG Reporting Guide KPIs	Material issues
 	B6 B6.2 B6.5	<ul style="list-style-type: none"> Service quality Customer information and privacy protection Customer well-being and health and safety Customer satisfaction Smart property



8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

GOALS PROGRESS

Goals Setting

- Deliver services with superior quality
- Continuous improvement in service satisfaction
- Improve customer complaint management norms to enhance the efficiency of customer complaint handling

Progress Review

- Focused on old communities, created "new communities for old homes" in 10 pilot areas in five cities across China
- Launched the Gravitational Service Ecosystem, creating a pleasant heart service system, a commercial service system and a technology service system
- An overall company satisfaction score was 85.5 in 2021
- We diverted complaints upwards to facilitate handling progress

Next plan

- To further enhance customer satisfaction**
 Build an expert team to create a team of professional talents from the Group to the front line; establish a pool of experts at the Group level
 Build quality culture, with a new standardized system and the inheritance of the service quality culture of CIFI Ever Sunshine Services
 Recruiting and training work to be carried out, empowerment of team personnel, online and offline teaching to enhance comprehensive services hands-on capabilities of employees of Ever Sunshine
 Establish a real-time quality assessment mechanism, with responsibility assigned to each individual, to raise the quality awareness of all employees
- Continuous optimization of customer complaint management**
 Expand the 400 management team, improve the operation and training system, conduct continuous outbound call satisfaction survey, return 100% of complaints and do a good job for customer management

8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

INSISTING ON INGENIOUS SERVICE

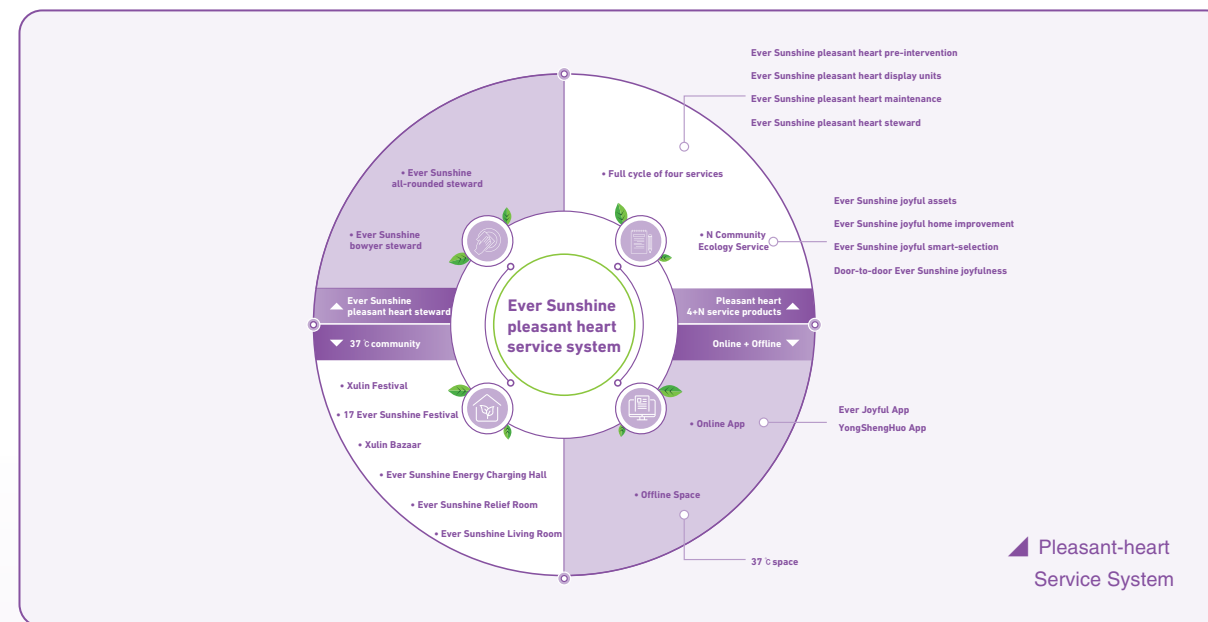
Attaching importance on quality management, with the service system of "Full-Life Cycle +", "Comprehensive Life Scenes +" and "All Ages Care+", CIFI Ever Sunshine Services has proposed the "Gravitational Service Ecosystem" to create a standard of excellent service. At the same time, we insist on all-round quality improvement and diversified management operations to continuously improve the quality of customer services. CIFI Ever Sunshine Services complies with the relevant laws and regulations, and has obtained national certifications for occupational health and safety management system, environmental management system, energy management system, information security management system and quality management system.



8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Living with better life

Based on the pursuit of building a better life together, CIFI Ever Sunshine Services extends its services to the entire lifecycle of residential development, project operation and post-maintenance from the standpoint of customers, mainly including four types of service products: Ever Sunshine Pleasant-heart Pre-Introduction, Ever Sunshine Pleasant-heart Display Units, Ever Sunshine Pleasant-heart Steward and Ever Sunshine Pleasant-heart Maintenance, etc. It has also innovatively developed products such as Six Senses of Aesthetics for Display Units, Pleasant-heart Steward Service and 37°C Space Service, providing customers with all-dimensional solutions and devoting itself to making the service for a better life grow together with the city.



➤ SERVICE OF DISPLAY UNITS

We have carefully built a whole life cycle service system for the display units, have developed a standardized service process such as the "Management System for Quality Inspection and Mystery Visitor Inspection of Display Units" (《售場品質檢查及神秘訪客檢查管理制度》) and "Management System for Satisfaction Survey of Party A of Display Units" (《售場甲方滿意度調研管理制度》), and are committed to providing our customers with high-end, privileged and innovative and comfortable services, so that our services can form a perfect closed loop and accompany property owners in all aspects.

For the front-end display units service, the Company continues to promote the Zhenyi Experience (臻壹體驗) service and continues to upgrade such service to the 4.0 unified service version and bind it into a booklet to build a customer-centric immersive service and create a touch-sensitive service management mode with proactive and refined standards to create a replicable service system standard.

➤ STEWARD SERVICE

CIFI Ever Sunshine Services has established a "dual stewards" service system consisting of Ever Sunshine bowyer steward (永升鉞悦管家) and Ever Sunshine all-rounded steward (永升全能管家), which has been implemented in several communities. Ever Sunshine all-rounded steward is dedicated to building a trustworthy community "good helper" for property owners, while Ever Sunshine bowyer steward is dedicated to building a "exclusive" steward for property owners.

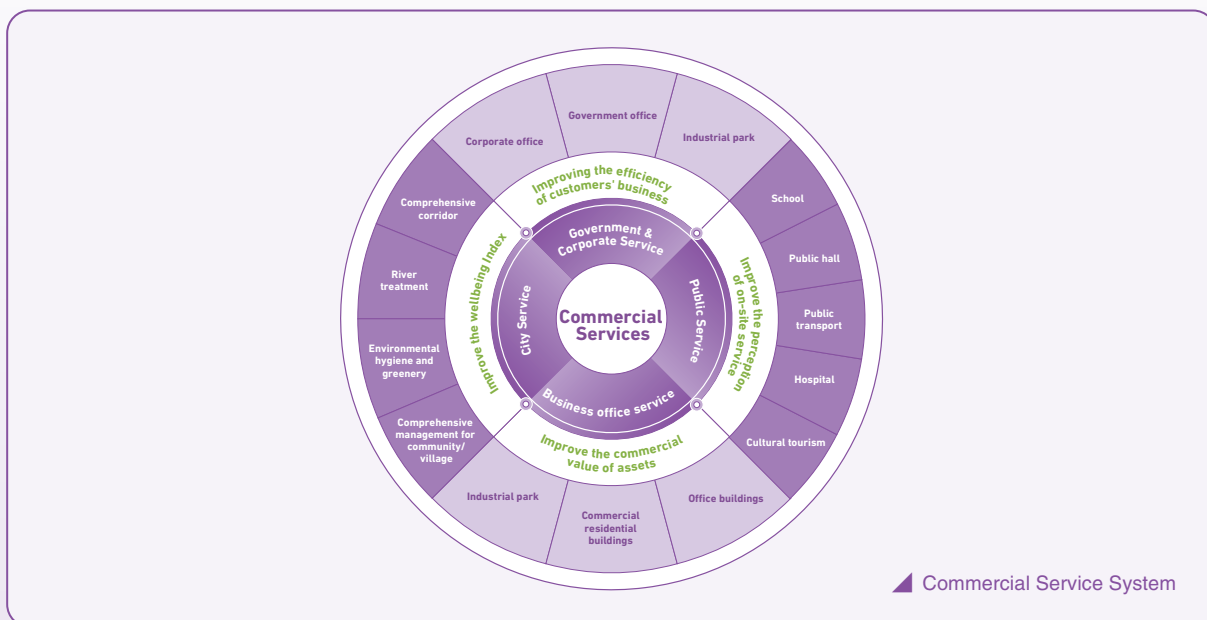
8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

In 2021, we upgraded the “Project Visualisation Sensory Manual” (《项目目视化感官手册》), released the “Red and Yellow Line Standards for Steward Services” and “Operational Standards for Steward Walking Management”, sorted out standard operating procedures for high-incidence service scenarios in the community, developed a methodology for steward WeChat operation and maintenance business and a treasure trove of charges, clarified routine affairs for grid stewards and produced operational guidelines for the establishment of property owners’ interest associations. Through a series of measures to standardize the various processes of management services, stewards are guided to better carry out their services, communicate with property owners in good harmony and ensure customer experience.

We held a number of trainings, including national offline training camps, home education delivery, etc., to empower the dual stewards service model, to help the display units service system on the ground, so that the regional display units have instructors who can do, can teach the ability, to improve the construction of the front-line cadre foreman level training system. The home education delivery is aimed to train the newly promoted display units managers to quickly enter the management role, consolidate the foundation, stabilize quality, develop thinking and implementation methods in discovering customer needs, daily quality management, service innovation, touch-sensitive creation, team management and creating benchmarks, to strive to provide more professional services to customers.

Growing with the city

Commercial Service System of CIFI Ever Sunshine Services provides professional subdivision of commercial services and promotes service upgrading, with our services covering the whole city life scenario, including Ever Sunshine Commercial & Office Service, Ever Sunshine Government & Enterprise Service, Ever Sunshine Public Service and Ever Sunshine City Service, which are four main service products. With our professional team, we provide customers with smart and comprehensive service solutions by navigating diversified development with technological innovation. With years of service cases and rich professional experience, we create customized solutions for different cities, different business sectors, different communities and different customer bases to make services even better.



8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Commercial & office service

Ever Sunshine Commercial & Office Service are aimed at office buildings, commercial, communities and residential buildings to enhance the commercial value of assets through services. Through the “Yueze (悦澤) Commercial & Office” service system, we provide a variety of customized and personalised services to mall tenants and office enterprises. During the pandemic, Yueze Commercial & Office leveraged on smart technology to equip office buildings with smart robotic disinfection, smart temperature measurement and contactless delivery services to make management more efficient and customers’ offices safer.

Case

LCM CIFI Plaza was awarded the “Service Force Benchmark Project 2021”

In 2021, LCM CIFI Plaza was awarded the “Service Force Benchmark Project 2021”, highlighting CIFI Ever Sunshine Services’s core mission of “Building better lives” and its continuous efforts to improve its service quality and meet customers’ expectations for a comfortable business environment in the process of providing commercial & office service.



▲ Actual view of LCM CIFI Plaza

8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Government & enterprise services

Our government and enterprise services are designed to help to improve the operational efficiency of our clients, which include corporate, government and industrial parks. Conference service is an important part of our services. We have independent and professional conference services staff who are always attentive to the needs of conference attendees and provide high-quality and high-standard "one-stop" business conference services to our clients. Strict and standardized actions have been designed specifically for services before, during and after conference, so as to provide our clients with an excellent conference experience.

Case Refined conference services

A large state-owned bank put forward a demand for conference services, and CIFI Ever Sunshine Services provided refined conference services for the client, as shown in:

- Standardised management: development of a conference service manual, precise standards for the placement of conference items and strict service action standards
- Customised services: clear meeting specifications, optimised meeting process, personalised venue layout
- Refinement of arrangements: improving the conference evaluation system

The client was provided clear and distinct standards of the property services, which greatly improved its operational efficiency. Within one year of moving in, we provided services for 752 meetings and received written commendations from the property owner on several occasions. This state-owned bank conference service project won the Diamond Award in the 2021 "Yuechuang Action" innovation competition.



Conference Services

8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Public services

Ever Sunshine Public Services caters to all kinds of public areas, such as schools, public venues, public transport, hospitals, cultural tourism, etc., and is committed to improving the perception of on-site services. We are stationed in schools and other public areas to provide modern, standardised and regulated management, providing our customers with an orderly and safe operation.

Case Quality in university services

Business in university covers a wide range of roles including the university, students and residents, etc. Due to the different positioning and the large number of people involved, the actual operation will generate a large number of detailed needs, and it is important to meet the needs of the customers in a high quality manner.

In 2021, we use our quality management and professional management requirements to provide comprehensive and multi-level comprehensive services to universities, helping to promote a harmonious and healthy campus cultural environment.

We strive to be a good "fill-in" for our university customers. During the pandemic, we assisted the university in packing up the parcels of international student to ensure an orderly campus life, co-ordinated with subdistrict resources to promote campus disinfection services, and actively managed and found effective solutions to the perennial problem of trampled fallen fruits on Ginkgo Avenue. The university service project won the Platinum Award in the 2021 "Yuechuang Action" Innovation Competition.



Letter of Commendation

8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

City services

Ever Sunshine City Services seeks to improve the well-being of residents through dimensions such as integrated management corridors, river training, sanitation and greening, and integrated community/village management. We agree and advocate the philosophy of building a healthy and comfortable city living environment.

Case Jinan Xiaoqing River Maintenance Service

The Xiaoqing River is the "mother river" of Jinan citizens and has witnessed centuries of urban development in the spring city of Jinan. In order to maintain the clear appearance of the Xiaoqing River and achieve the goal of "clear water, smooth river, green shore, beautiful scenery and pleasant to visit" in the Xiaoqing River basin, CIFI Ever Sunshine Services efficiently completed the river cleaning and maintenance by utilizing mobile APP, intelligent detection backstage and other tools in a way of combination of human and aircraft, to ensure the quality of the Xiaoqing River service to the greatest extent.



Diagram of Smart Environmental Hygiene



River Treatment for Xiaoqing River

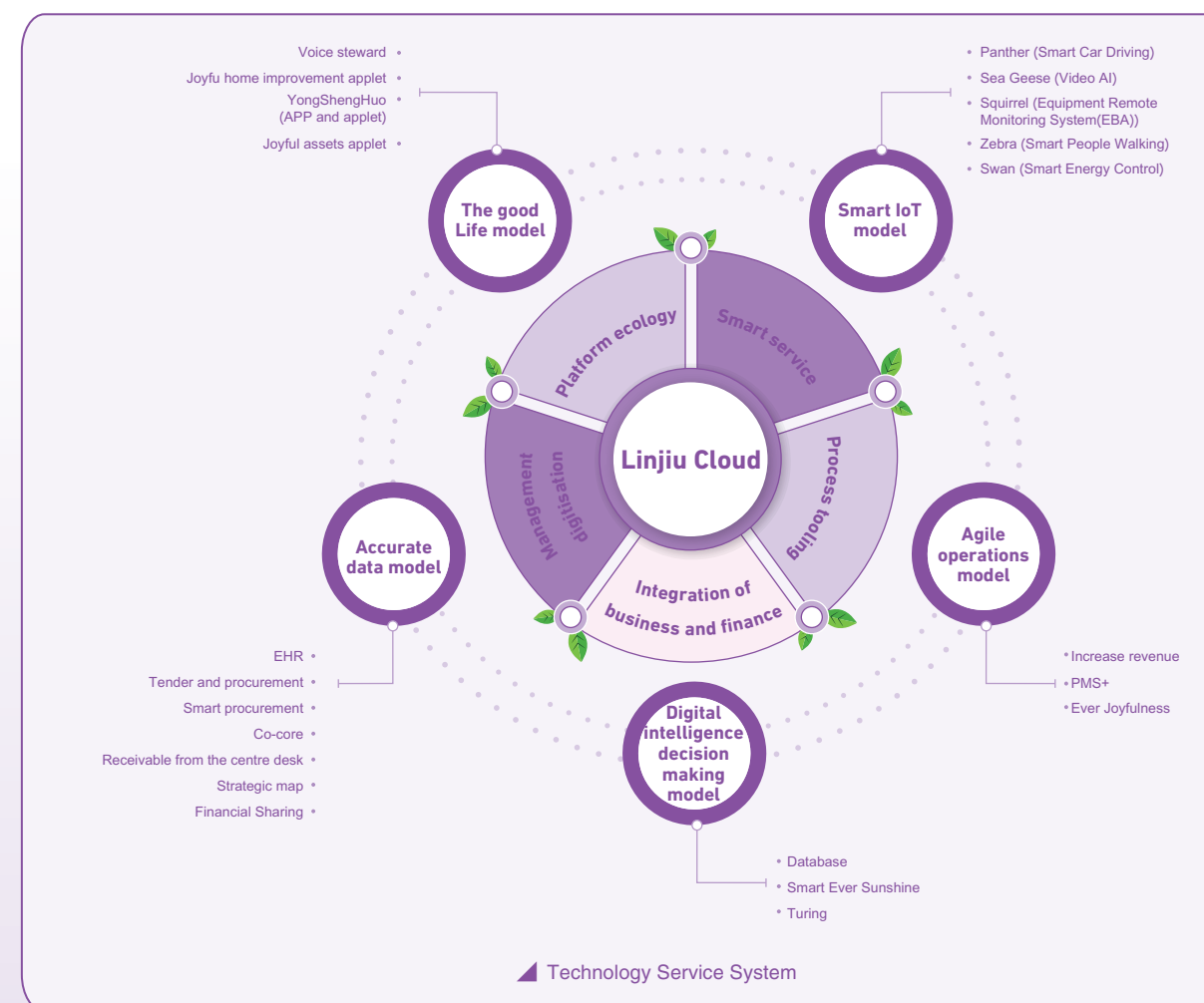
8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Share the future with technology

In recent years, more and more property service companies are focusing on digital specialization, providing technological empowerment to achieve cost reduction and efficiency improvement, and "digital power" is becoming one of the important indicators to measure the overall strength of a property company. By focusing on the changing needs of customers and looking into the future, CIFI Ever Sunshine Services is building a smart community and smart services through the construction of "platform + ecology", guided by smart technology, and empowering smart life.

Smart services

Ever Sunshine technology service system is a platform based on new technologies such as mobile Internet, Internet of Things (IoT), artificial intelligence, cloud computing and 5G. It establishes an open and ecological technology platform to continuously improve the efficiency of smart city services, establish smart communities, realize transparent management, intelligent services, data for decision-making, ecological platform and instrumental processes. Through the construction of the "platform + ecology" system, more than ten smart systems related to the front-end, business platform, IoT platform and data centre will be incorporated into the platform ecology.



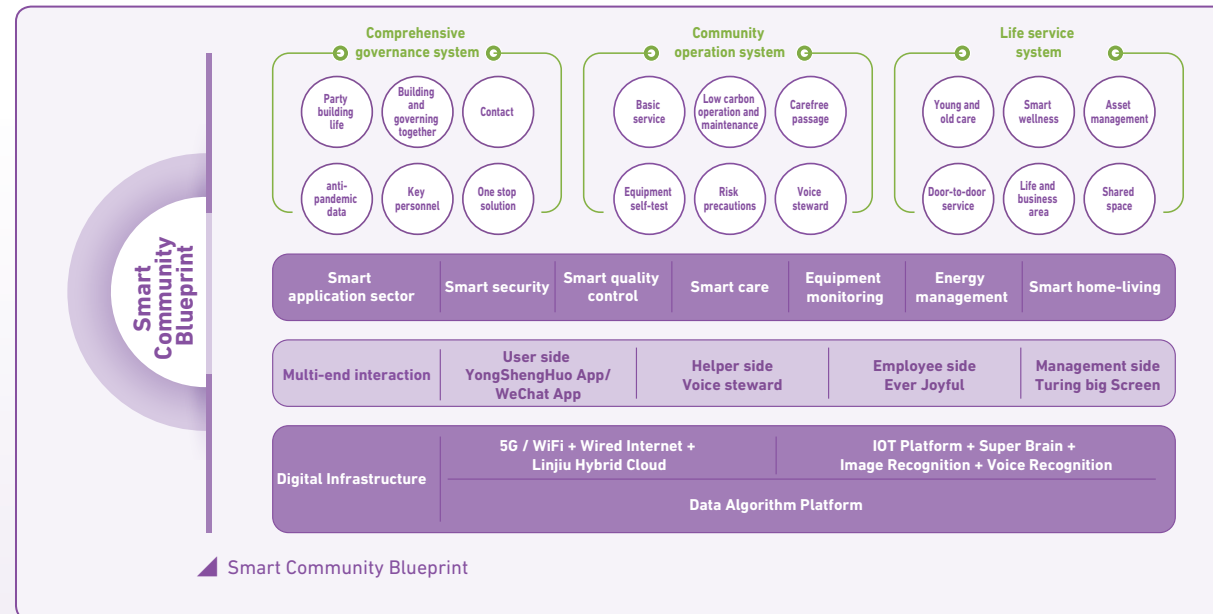
8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

In 2021, we further enhanced our smart services development and expand the extent and application of digital development:

- Core business systems and business processes have been initially realized online and data-based, with initial integration of business and finance, and a comprehensive pull-through of business and financial processes;
- Completed the validation of basic scenarios, the construction of pilot projects in respect of AIoT, and the core smart IoT scenarios have basically been put into use;
- Actively explore the development of smart city services.

Smart applications

CIFI Ever Sunshine Services has integrated the smart property platform into its daily operation and management, effectively integrating comprehensive service system, community operation system and life service system, connecting different smart application modules, with multi-terminal interactive experience, actively empowering smart community management.



8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Smart applications

Smart Security

- **AI smart security system:** it can generate alerts and reports on events such as personnel leaving their posts, personnel sleeping, illegal parking on arterial roads, overflowing rubbish bins, gathering of people, fire lane occupation, one-click inspection, and then automatically pushing such alerts and reports to the corresponding management level.



Smart Quality Control

- **BI big screen:** It has different system functions such as project site problem points and data at a glance to effectively improve site quality.



Smart Care

- **Genie:** It provides multi-scene applications services for community life, such as exclusive steward service, multi-property service, child accompanying service, life tools service, etc.



8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

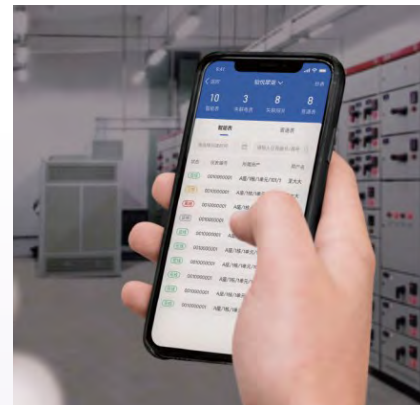
Equipment Monitoring

- Squirrel (EBA)**
 Through the IoT platform, traditional fire-fighting equipment, water supply and drainage equipment, power supply and distribution equipment, water supply tank equipment and environmental monitoring equipment are connected to the "Linjiu Cloud" so that the operation status of the equipment can be monitored remotely and in real time. It realizes automatic equipment inspection, automatic diagnosis, automatic reporting, automatic scheduling, manual intervention, automatic recovery, automatic analysis, and automatic precipitation management specifications. It improves equipment management efficiency, detects hidden faults in a timely manner and improves equipment control precision.



Energy Management

- Swan (Energy Consumption Management)**
 Empowering the integration and digital management of mechanical meters and smart meters. Smart metering products can realize automatic meter reading, automatic apportionment, automatic accounting, automatic closing, SMS notification, independent bill payment, energy consumption analysis, temperature curves, high and low voltage alarms, real-time data visualization, etc., batch by batch, to further realize digital fine management.



Smart Parking

- Smart Parking**
 Relying on AI intelligent algorithms, Internet of Things and other technologies, CIFI Ever Sunshine Services has built an urban smart parking cloud data platform for big data analysis. In terms of roadside parking, it can identify the idle or use status of roadside parking spaces, record the time of vehicles driving in and out, collect parked vehicle information and determine the irregular parking status. The system is equipped with full video forensics and security monitoring functions for parking information to meet the integrity of the evidence chain and contribute to smart city services.



8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Case

Comprehensive upgrade of traditional space services to create a blueprint for smart communities

In 2021, CIFI Ever Sunshine Services completed the primary stage of "Lake Mansion Smart Community", Suzhou, which was dedicated to enabling customers to enjoy healthier, safer and more convenient smart community services through the creation of smart access, video AI applications, EBA management applications, etc., to achieve a comprehensive upgrade of traditional space services.



01. Zebra Smart Pedestrian System
02. Petrel AI Vision System
03. Panther Vehicle Management System
04. Squirrel EBA IoT platform
05. YongShengHuo (永升活), Ever Joyful (永小乐) Mobile Terminal



8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

PROTECT CUSTOMER RIGHTS AND INTERESTS

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 internally formulates general systems or guidelines including the 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 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》), to effectively delineate duties and responsibilities for safety, regulate and manage safety in daily operations. Meanwhile, the Company conduct regular safety hazard checks and inspections, provide daily safety education and training, and empower safety management through an intelligent safety management system to enhance the ability to control risks.

CIFI Ever Sunshine Services adheres 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, firmly implements and enforces laws and regulations relating to corporate safety management and prevention, and forms a complete and effective safety management system through continuous improvement of system construction and process management to enhance safety regulation management.



8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Safety management system

CIFI Ever Sunshine Services has established a three-tier safety management responsibility system to clarify the management responsibilities of the head office, each affiliated property service company and the property service centre from top to bottom.

Security Management

According to the principle of "who is in charge, who is responsible", we have established a three-tier safety management responsibility system from top to bottom, with the Chief Executive Officer of the Company coordinating and managing safety production, occupational health and safety, and clearly specifying the management responsibilities at each level:

Management Level	Members	Key Responsibilities
Headquarters	Headquarters of the Group	To co-ordinate the management of the Group's production safety, occupational health and safety
	Head of Customer Value Department	<ul style="list-style-type: none"> Be the first responsible person for production safety management within the enterprise Take overall responsibility for the internal safety management of the enterprise, provide resources for the internal safety management of the enterprise, understand and grasp the internal safety management status of the enterprise
	Chief Operating Officer of Customer Value Department	<ul style="list-style-type: none"> Be the person primarily responsible for the internal safety management of the enterprise Assist the Head of the Customer Value Department in establishing and implementing an internal safety management responsibility system
	Each department	<ul style="list-style-type: none"> Be responsible for the implementation of the internal safety management responsibility system of the department Be responsible for corresponding inspections on the internal safety management of the property companies and property service centres

8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Safety management system			
Management Level		Members	Key Responsibilities
Each property company	Each property company	Responsible person (e.g. General Manager of a subsidiary company)	<ul style="list-style-type: none"> • Be the main responsible person for the internal safety management of each property company • Be responsible for establishing and implementing an internal safety management responsibility system
	Each property company	Each departmental manager	<ul style="list-style-type: none"> • Be responsible for the implementation of the internal safety management responsibility system of the department • Be responsible for corresponding inspections on the internal safety management of the property services Centre
	Each property company	Manager of Customer Value Department	<ul style="list-style-type: none"> • Be directly responsible person for the safety management of respective property companies • Be responsible for the supervision and inspection of the internal safety management of the respective property companies
Property Services Centre	Property Services Centre	Project Manager	<ul style="list-style-type: none"> • Be directly responsible person for the internal safety management of the Property Services Centre • Be responsible for the implementation of the internal safety management responsibility system for the area under management, responsible for the daily management and inspection of the safety management, and also acts as a safety officer

8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Safety management measures
<p>The guidelines and work standards have been formulated for fire safety, basic management of facilities and equipment, inspection, operation and maintenance of facilities and equipment, safety management of lifts, management of weak electrical systems, and other issues within security management scope;</p> <p>We classify different security incidents and establish of different attention processes and reporting management requirements;</p> <p>We carry out regular inspections and repairs of infrastructure and equipment for grassroots projects to identify potential safety hazards;</p> <p>We strengthen emphasis and reminders on safety in advance of major holidays;</p> <p>We prepare for extreme weather and climate in a timely manner and in advance;</p> <p>We purchase public liability insurance for projects that require it unanimously to provide stronger protection for public safety.</p>
<p>We formulate an annual production safety responsibility assessment plan to assess all subsidiaries in terms of the achievement of production safety responsibility targets, the performance of production safety responsibilities, and occupational health and safety management. At the same time, each year, the headquarters of CIFI Ever Sunshine Services signs a production safety responsibility letter with the first responsible person for production safety of the subsidiary company, specifying the production safety goals, work responsibilities and accountability for the following year. The annual remunerations of responsible persons of all levels for production safety, including the Chief Executive Officer, and those in charge will be linked to the Company's annual production safety performance and other factors through the above internal assessment mechanism.</p>
<p>In addition, we actively promote intelligent management through utilisation of technology to empower safety management and safeguard community safety. AI intelligent security system, EBA system, intelligent access and BI large screen are applied to various projects to provide community safety and health in terms of community order, security and engineering systems.</p>

8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Safety supervision and inspection

We conduct safety inspections in strict accordance with the norms of the safety management system, conduct regular self-inspections to eliminate potential safety hazards in the community, and conduct inspections on fire safety, facility and equipment safety, building facade hangings and other hidden hazard-prone aspects. In addition to monitoring and inspection by intelligent systems, we also arrange staff to make regular patrols every day to check various monitoring equipment and ensure the stable operation. For any identified problems, rectification plan should be formulated and reported to management. Once approval, the safety rectification measures shall be implemented and review shall be conducted after rectification. In 2021, special safety inspections were actively carried out in all areas, including inspections of the project's power supply and distribution equipment, flood control inspections during the storm season, inspections of the car park system and children's recreational and sports facilities. We actively carry out risk identification and strengthen safety management to protect the safety of our customers.

Specialized safety supervision and inspection

- **Inspection of power supply and distribution equipment in our projects:** In May 2021, we initiated the inspection of power supply and distribution equipment for projects in western region, conducting a comprehensive inspection and refurbishment of all power distribution equipment of the projects and tightening the bolts of all power distribution equipment terminals of the projects to ensure the safety of electricity consumption.
- **Flood control inspection during the storm season:** In June 2021, in order to ensure the safety of project properties during the storm season, staff of all projects in western region were arranged to conduct flood control emergency drills, drainage system cleaning and drainage system repair and maintenance, so as to effectively protect property owners' properties before the arrival of the storm season.



▲ Project power supply and distribution inspection



▲ Flood control inspection by Fang Xu during the heavy rain season

8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

- **Car park system inspection:** data clearance and equipment operation inspection of all car park systems were conducted for projects in the northeast region. After inspection, the car park systems in the region were running well and the packet loss rate was tested to be below 1%.



▲ Car park system inspection

- **Inspection of children's recreational facilities:** An inspection of children's recreational facilities was conducted for projects in the western region prior to the National Day holiday. The Engineering Department tightened the screws of all recreational facilities and installed cottony bumper strips to the parts with safety hazards.



▲ Inspection of children's recreational and sports facilities

8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

Regular safety supervision and inspection

- **Eastern region:** organize cold insulation work and inspection to ensure the functional integrity of equipment in winter, and at the same time unify protection plan for the winter cold and frost insulation and carry out frost insulation review to ensure that no case of winter pipe bursting occurs in each project and that there are zero frost damage accidents in the project, reducing the probability of employees carrying out high-risk work in extreme weather and reducing the safety risk of property owners and employees.



▲ The scene of outdoor cold insulation work



8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

- **South central region:** In September 2021, South central region carried out a pre-holiday safety inspection. General managers of cities personally led inspection teams to carry out safety hazard inspection and required projects to rectify hidden problems item by item and formulate rectification plans. A safer property management environment was provided for property owners and employees.



▲ The scene of Safety Inspection by City General Manager in south central region

Safe production trainings

CIFI Ever Sunshine Services understands the importance of safety knowledge for safety management and has set out the minimum frequency requirement of annual emergency plan drills and training in the Property Emergency Management Regulations (General) (《物業应急管理規定(通用類)》). We organise regular safety training, build a safety culture through various activities, enhance the safety service awareness of our staff while improving safety service capabilities, strengthen emergency response knowledge and handling skills in response to safety-related incidents, and are committed to providing protection for the personal and property safety of our customers. We organise various types of safety-specific training activities, such as fire safety drills and lift safety-related incident emergency drills, and actively promote a safety culture to the community by placing safety awareness guidelines in public areas to raise community safety awareness and create an atmosphere of safety awareness for all staff.



▲ Fire Safety Drill

In 2021, CIFI Ever Sunshine Services organized and carried out a total of 1,778 safe production trainings with over 3,000 participants. An aggregate of 600 emergency drills have been carried out with 5,000 participants.

Improved satisfaction

CIFI Ever Sunshine Services upholds the service concept of making customers "worry-free, rest assured and happy", giving priority to customer satisfaction, taking customers' opinions as the driving force to improve service quality, opening up feedback channels, collecting customers' suggestions and feedback, and rectifying service shortcomings in a timely manner.

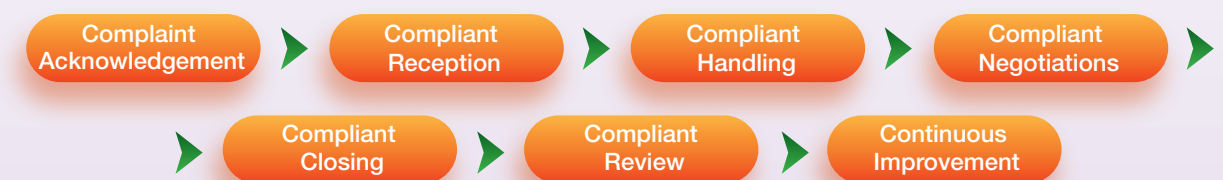
• Satisfaction Management

We adhere to three major strategies focusing on customers, which include 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", and implement detailed approach in each direction. During the Reporting Period, we increased the dimensionality of our survey and improved our survey tools to include high frequency customer needs and important life event scenarios in our evaluation. We continued to optimize our survey channels. Following the pilot online survey channel in 2020, the online satisfaction survey system 2.0 was launched with more realistic survey results, demonstrating our willingness to listen to more property owners' voices and determination to improve quality. In 2021, the overall satisfaction score of the Company was 85.5.

• Complaint Handling

We have 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 category of complaint, standardizes the customer complaint handling process, and formulate the time requirements for complaint handling and follow-up feedback, continuously improving customer satisfaction.

• Complaint Handling Process



8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

• Complaint Management Mechanism

We continued setting up multiple channels for feedback, and carried out full process management of each complaint, so as to ensure efficient response and continuous improvement. In order to optimise the service process, we conduct follow-up reviews on customers' complaint regularly and share typical complaint cases, and prepare improvement plans. In 2021, we piloted the "CEO Direct Access", which allowed the CEO to directly see the property owners' complaints and effectively promote the progress of rectification. In future, we plan to extend the "CEO Direct Access" to more projects to further optimise the complaint management mechanism.

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 have formulated internally 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》), "Ever Sunshine Lifestyle Privacy Policy" (《永升生活隱私政策》) and the "User Service Agreement" (《用戶服務協議》) and other systems to clarify the responsibilities of each position for data maintenance and standardize the operation of different aspects of customer information collection, storage and usage (such as the standards about customer information storage encryption, desensitization display, permission control and operation retention and other aspects). We sign the "User Service Agreement" (《用戶服務協議》) with our customers to ensure them fully understand the usage regulations, information confidentiality measures, as well as the risks and countermeasures of the online platform. In 2021, we formulated the Emergency Response Plan for Information Leakage Incidents (《信息洩漏事件應急預案》) to build an emergency response mechanism in the event of an information leak, striving to protect information security to the maximum extent possible.

8. QUALITY EVER SUNSHINE, INGENIOUS SERVICE

• System management

Hierarchical management by category

- Separate the network environment of tenants and property owners
- Reduce the acquisition of data by the end

Dedicated management by designated personnel

- Develop, operate and manage customer information system by dedicated person
- Set access rights, restrict the usage of function and monitor regularly

Encryption desensitization management

- For ordinary users, encryption of key information, desensitization, isolated storage, strict authorization and detection of data security risks
- For suppliers, we use a fortress computer to track users' behavior

Proactive risk prevention

- We use third-party security products to identify external risks
- Multiple protection and detection methods

• Personnel management

Strict confidentiality requirements

- We require our employees to sign confidentiality agreements and conduct regular training
- For high-risk employees, we strengthen their awareness of confidentiality

Standardized operational management

- Record data clearly
- Regularly check the operation history of database

Setting up an inspection team

- Set up a security inspection expert team
- Regular inspection-

Establishing reward and punishment measures

- Establishment of different levels of penalties

We have implemented a range of measures to safeguard customer data, information systems and infrastructure in accordance with our systems. In 2021, there was no information leakage or invasion of customer privacy protection.

In 2021, we organised three training sessions on information security and privacy protection with a total of 140 participants. These included training for our core technical team by external security experts, training conducted by internal staff and training for data security desensitisation by instructors from law firms. The training enhanced our staff's awareness of information security and privacy protection and improved their knowledge and skills to provide privacy and information security to our customers in a more efficient manner.

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

CIFI Ever Sunshine Services aims to reduce the negative impact on the environment and actively explores green concepts. The Company strictly follows the laws and regulations such as the "Environmental Protection Law of the People's Republic of China", the "White Paper on Responding to Climate Change: China's Policies and Actions" (《中國應對氣候變化的政策與行動》) and other action requirements, and continues to provide high-quality property services by promoting green operations and improving its internal environmental management system. During the Reporting Period, the environmental management system of Shanghai Yongsheng Property has completed the certification of ISO 50001 for energy management system, and maintained the certification of ISO 14001 for environmental management system.

Guide's indicators responded to in this chapter		Material issues and guide's indicators in this chapter
Respond to SDGs goals	Respond to the ESG Reporting Guide KPIs	Material issues
6 CLEAN WATER AND SANITATION	A1	<ul style="list-style-type: none"> Tackling climate change Green property Green office and environmental promotion
	A1.5	
7 AFFORDABLE AND CLEAN ENERGY	A1.6	
	A2	
	A2.3	
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	A2.4	
	A3	
13 CLIMATE ACTION	A3.1	
	A4	
	A4.1	

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

GOALS PROGRESS

Goals setting

- Improve environmental management systems and develop preventive measures and contingency plans for environmental emergencies
- Encourage the application of lean management and energy saving and emission reduction technologies
- Encourage the use of green and renewable energy
- Advocate green and low-carbon community living and green offices

Progress Review

- Set goals for greenhouse gas emissions, energy use efficiency, water use efficiency and waste management
- Shanghai Yongsheng Property completed ISO 50001 certification for energy management systems
- Used smart means to monitor energy consumption, increased the range of energy-saving facilities and equipment for universal use, and developed energy-efficient systems, carried out green energy-saving renovation of office space
- Carried out "water-saving" community renovation
- Advocated paperless office, through the middle platform system technology to achieve paperless office automation support, reduce the consumption of paper and other consumables
- Launched quarterly ESG initiatives for all employees to encourage group travel and green travel
- Launched "A Little Spark - Community Carbon Reduction Campaign", actively linking property owners to carry out green public welfare activities in the community, advocating tree planting, waste separation and other actions to build a green low-carbon community together

Next plan

- Actively cope with the risks of climate change and gradually improve environmental management system
- Further refine the energy saving and emission reduction action plans at the operational level of property projects and strengthen daily supervision and management
- Continue to promote the application of energy saving and emission reduction technologies in facility and equipment management, and actively promote smart property
- Continue to promote initiatives for green and low-carbon community living for all projects and communities under management

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

PRACTISING GREEN OPERATIONS

CIFI Ever Sunshine Services is committed to building green property services, formulates and implements internal policies such as the “Energy Management Regulations” (《能源管理規定》) and the “Equipment and Facilities Management Regulations” (《設備設施管理規定》), which provide clear guidelines for the regulations on energy consumption control, waste discharge and domestic waste treatment and others 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 and exchange with various real estate developers, 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.

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

Tacking climate change

CIFI Ever Sunshine Services has actively referred to the recommendations of the Task Force on Climate Related Financial Disclosures (TCFD) to disclose climate change related priorities and achievements in four key areas: governance system, response strategy, risk management, indicators and goals.

➤ Governance System

CIFI Ever Sunshine Services has established an ESG Committee coordinated by the Board of Directors, with an ESG Management Executive Team to implement ESG governance on an ongoing basis. The Committee is coordinated by the Chief Executive Officer of the Company and comprises relevant responsible persons from various functional departments of the Company’s headquarters to assist the Board in supervising, reviewing and addressing sustainable development related issues, including coping with climate change. The ESG Committee co-ordinates the updating of ESG-related policies and systems, consolidates the annual ESG performance, and reviews the Group’s annual ESG performance and progress in achieving goals and reports relevant information to the Board of Directors to ensure the effectiveness of ESG efforts.

➤ Response Strategies

Risks arising from climate change mainly include physical risks and transformation risks. Physical risk is caused by extreme weather or rising temperatures, while transformation risk is caused by changes in markets, regulation and policies resulting from climate change. CIFI Ever Sunshine Services actively promotes green and low-carbon transformation and sustainable development to proactively cope with the risks and opportunities brought about by climate change and reduce the adverse impact of climate change on business and finance.

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

Climate Change Risk and Opportunity Identification

Major risk/opportunity categories

POLICY AND LEGAL RISKS

•Key elements of potential climate change risks and opportunities associated with CIFI Ever Sunshine Services

With the increasing importance and sensitivity of climate change risks globally, as well as the continuous promotion of China's "Peak Carbon Neutral" and "14th Five-Year Plan" requirements, it is important for enterprises to comprehensively identify their own climate change issues and effectively carry out energy saving and emission reduction in response to the higher level of requirements from external policies. Enterprises need to keep abreast of relevant national policies to reduce compliance risks.

•Response Measures

CIFI Ever Sunshine Services proactively liaises with local government departments to keep an eye on policies and regulatory requirements, organize study and understanding of the latest policies, analyse problems in the locations where the Company operates, identify potential risks and opportunities, regulate management and adjust operations in accordance with the direction of policies, promote green and low-carbon operations and development, and reduce risks.

Major risk/opportunity categories

MARKET AND TECHNICAL RISKS

•Key elements of potential climate change risks and opportunities associated with CIFI Ever Sunshine Services

The promotion of management concepts such as green and low-carbon property management and building carbon management will further enhance the technical requirements for green, low-carbon and smart property management. The promotion and popularity of new low-carbon technology products (e.g. new energy vehicles) will result in the renovation of community hardware to meet the demand for services, which may lead to increased costs; existing energy-intensive equipment and facilities may face early retirement; and energy-saving renovations may incur new costs.

•Response Measures

Continuously improve energy management efficiency and upgrade/renovate facilities and equipment.

Please see the section "Practising Green Operations" in the report.

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

Major risk/opportunity categories

EXTREME WEATHER RISKS

•Key elements of potential climate change risks and opportunities associated with CIFI Ever Sunshine Services

With global warming, there will be an increase in extreme climates such as extreme high temperatures, extreme cold, flash floods, typhoons, etc. CIFI Ever Sunshine Services faces challenges in community safety and health, and employee occupational health and safety protection.

•Response Measures

Effective measures to cope with the risk of climate change, such as the "Property Emergency Management Regulations", the "Disastrous Weather Handling Plan" and the "Earthquake Disaster Handling Plan", are in place. During the operation of each project, emergency plans for various types of weather disasters and emergency equipment will be rehearsed, and a reserve will be set aside for the relevant situation so that it can be activated at the first time when the relevant situation occurs in accordance with the standard, so that it can be used in case of emergency.

Major risk/opportunity categories

GREEN PROPERTY DEVELOPMENT OPPORTUNITIES

•Key elements of potential climate change risks and opportunities associated with CIFI Ever Sunshine Services

The State Council's "Notice on the Comprehensive Work Plan for Energy Saving and Emission Reduction in the 14th Five-Year Plan" clearly states that it will comprehensively promote green planning, green construction and green operation and management of cities and towns, and promote the construction of low-carbon cities, resilient cities, sponge cities and "waste-free cities".

•Response Measures

Please see the section "Practising Green Operations" in the report.



➤ Risk Management

CIFI Ever Sunshine Services places emphasis on risk identification and control. The Company has established three lines of defence for risk management, namely "regional - headquarter function department - Audit and Supervision Center", to comprehensively review and control relevant risks, including climate change, through four risk control processes. The Company implements risk management procedures in accordance with the four-step process of risk identification - risk assessment - risk response - supervision and improvement to continuously reduce the adverse impact of climate change and other risks on business, finance and operations.

➤ Indicators and goals

We have established internal energy usage goals and implemented various energy saving and emission reduction plans to make every effort to promote green and low carbon development and help achieve the dual carbon goals.

Goals and indicators	Management goals for 2022 ¹	Key paths
Energy consumption intensity (kWh/m ²)	3% reduction compared with 2021	Improve energy management efficiency Upgrade/renovate equipment and facilities
Greenhouse gas emission intensity (tonnes of CO ₂ equivalent/m ²)	3% reduction compared with 2021	Explore the use of renewable energy

¹ The operational side of projects under property management

Case Cost-effective regreening of green lawns

During the Reporting Period, there was a special award for environmental greening in our internal "Operation Joy" innovation competition. The "Low-cost and efficient greening of green lawns" in 2021 has been implemented in 18 projects under the management of the Group, saving cost of approximately RMB300,000 and re-greening an area of 129,300 square metres.



Greenhouse gas management

The management of greenhouse gas emissions is one of the most effective means of addressing climate change, and the energy consumption of property management, particularly electricity, is a major source of greenhouse gases generated by property operations.

➤ **Greenhouse gas emission goals**

In 2022, CIFI Ever Sunshine Services plans to reduce greenhouse gas emissions intensity by 3% at the property project management and operational levels compared with 2021.

The majority of greenhouse gas emissions from property companies come from the use of electricity. We will gradually increase clean energy-based power generation equipment and phase out fossil fuel-based power generation equipment; and further strengthen lean management to reduce the consumption of purchased electricity.

Energy management

The use of facilities and equipment in property management services (such as elevators, water pumps, lighting systems, central air-conditioner systems, etc.) generates a large amount of electricity consumption. CIFI Ever Sunshine Services attaches great importance to energy saving and emission reduction at the property operation level by implementing green property management requirements and formulating and following certain internal systems such as the "Basic Management Requirements for Facilities and Equipment (General Category)" and "Energy Management Requirements (General Category)" to further enhance energy management standards and contribute to energy saving and emission reduction.

➤ **Energy use efficiency goals**

In 2022, CIFI Ever Sunshine Services plans to reduce its consolidated energy consumption intensity at the property project management and operation levels by 3% compared with 2021.

In 2021, CIFI Ever Sunshine Services reduced energy consumption by carrying out energy-saving equipment renovation of elevators, air-conditioner and lighting equipment; improved the operational efficiency of property equipment and facilities by refining energy usage plans; and made full use of smart property management measures such as EBA to enhance centralized control of energy consumption, identify and resolve abnormal energy consumption in a timely manner, empowering energy saving and emission reduction.

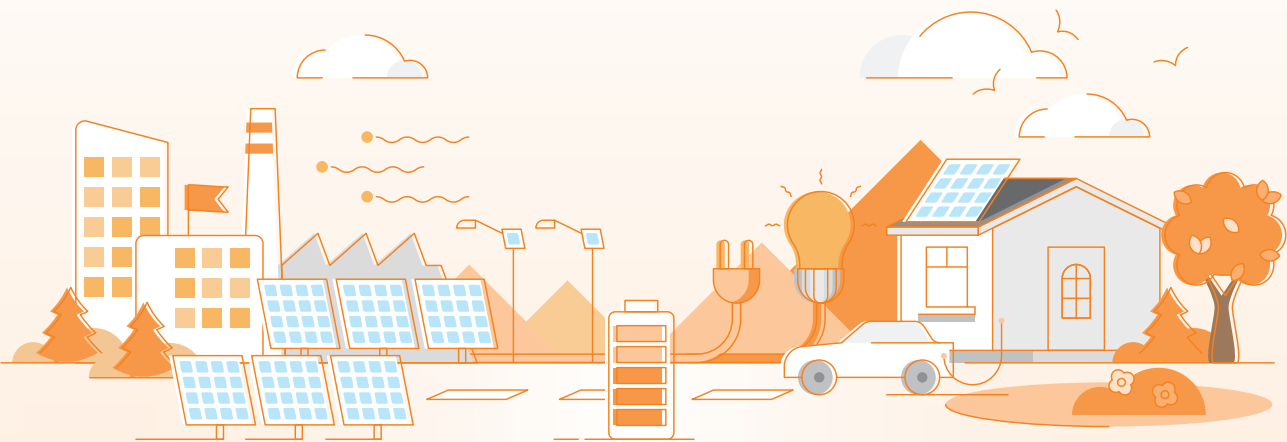
- EBA system: This system enables real-time remote monitoring of the operation of the fire protection, power distribution and water supply and drainage systems, and provides real-time pushing of problems, thereby reducing energy losses caused by equipment problems.



▲ Large Screen for EBA System Statistical Analysis Display

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

- Smart Ammeter Reading System: it replaces the original non-remote ammeter, records electricity consumption in different areas and performs real-time analysis.
- Cloud elevator system: it reduces the control of daily operation risks of elevators, and reduces the corresponding personnel and material consumption while ensuring safety. Real-time elevator monitoring, real-time monitoring of elevator operation status, real-time pushing of elevator information such as overload, congestion, faults and trapped people to maintenance and relevant responsible persons for timely handling.



9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

In 2021, we further controlled energy consumption effectively through refined management requirements and reasonable control of the on and off times of the equipment under management. In addition, we had also upgraded the energy-saving features of the elevator, air-conditioner, lighting and other equipment under management.

Case

Energy saving renovation of lighting system

During the Reporting Period, CIFI Ever Sunshine Services actively launched energy-saving upgrades to the lighting system. In the renovation of Changsha Hushan Fu (长沙湖山赋) project, The staff carried out light control technology renovation on the landscape lighting control system of the community, achieving electricity and energy saving of approximately 18,000 kWh per year.

In the CIFI International Plaza project, we carried out a technical renovation of the light source for the basement lighting system, and this technical innovation and renovation was able to save approximately 60,000 kWh of electricity per year for the CIFI International Plaza project.



▲ Automatic light-sensitive light control device

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

Case Lean Improvement for Xi'an CIFI Centre Lighting Management System

In 2021, Xi'an CIFI Centre project implemented lean management standards and made necessary adjustments to the lighting system's normal lighting hours according to the customers' office hours and cleaning hours. On the premise of safeguarding the service standard of the project, the normal lighting hours of the building lighting system were adjusted from the original 24 hours to 13 hours, and the lighting equipment in the common areas were switched on as required during the remaining non-normal lighting hours, resulting in an annual saving of approximately 14,326.82 kWh of lighting electricity in the public areas.

In addition, through analysis of the usage of the garage, we have also developed and adjusted the number of necessary garage lighting fixtures. Apart from keeping the emergency lighting on, the overall lighting hours of the rest of the lighting equipment have been reduced by an average of 9 hours per day, resulting in a monthly saving of approximately 11,534 kWh of electricity per month.

In addition, we have strengthened our cooperation with CIFI Group and adopted 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
Delivery Stage	Carrying out household inspection work, and conducting inspections, such as on-site measurement, appearance inspection and testing of use functions
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

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

Water resources management

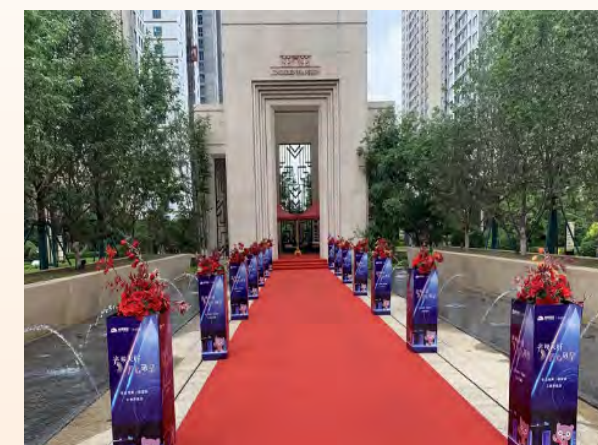
During the course of daily operation of property, the water consumption of CIFI Ever Sunshine Services mainly includes daily service water, property management water and greening water, etc. We constantly improve our water management capabilities, actively build a "water-saving" community, strictly comply with the "Water Pollution Prevention and Control Law of the People's Republic of China", "Urban Drainage and Sewage Treatment Regulations" and other laws and regulations. In addition, we have formulated internal systems such as the "Regulations on Wastewater Discharge Management" and the "Guideline on Operation Management of Water Supply and Drainage Systems". In the course of operation, we continue to advocate and emphasize the concept of water conservation through posting water conservation labels and strengthening daily management, and use water conservation facilities, rainwater recycling equipment and smart watering systems to conserve water resources and achieve recycling.

Water use efficiency goals

In 2022, CIFI Ever Sunshine Services plans to reduce water use intensity at the property project management and operation levels by 2% compared with 2021.

Case Renovation for water supply system

The Jingchen Mansion (璟宸府) project of CIFI Ever Sunshine Services carried out renovation for water supply system in the community in May 2021. After the renovation, the water consumption of the water supply system was reduced to 14 tonnes per day, saving an average of 2,580 tonnes of water per month, which not only improved the efficiency of water recycling but also significantly reduced resource consumption.



▲ water recycling system at the main entrance of the Jingchen Mansion project

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

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.

Waste Management Goals

In 2022, CIFI Ever Sunshine Services plans to reduce the intensity of non-hazardous waste emissions by 2% at the property project management and operation levels compared with 2021.

Hazardous Waste Management

For hazardous solid waste generated during the operation of the property, such as waste lamps, waste batteries, waste ink cartridges and toner cartridges, etc., CIFI Ever Sunshine Services strictly complies with relevant national and local laws and regulations, including 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 formulated and implemented the Solid Waste Management Regulations (《固體廢棄物管理規定》). In the process of waste disposal, we clearly label and classify waste, store and manage waste in a clear location, and commission qualified recyclers to separately recycle and dispose of hazardous solid waste in order to reduce the impact of waste on the environment.

Non-hazardous Waste Management

The main non-hazardous waste generated during the operation of the property are domestic waste and food waste. In respect of non-hazardous 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 removal of the waste.

- **Management by category and regular recycling:** wastes that can be recycled, such as used cartons, paper, books and newspapers, and various types of plastic products, will be managed by category, and we regularly contact the dedicated staff to recycle them.



▲ The PVC pipes used to make the vignettes and landscapes by the Jiangshanyue project(江山閱項目) were highly praised and appreciated by the property owners

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

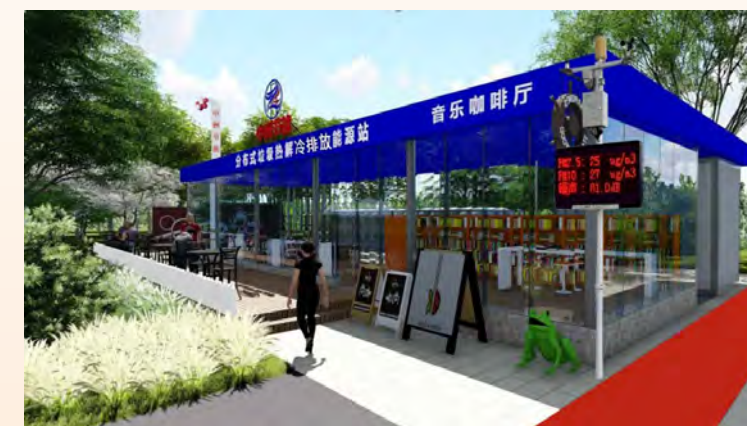
- **Enhance recycling and reuse:** In some of the projects under management, the reuse of waste is being promoted, with waste recyclable materials being used to make community vignettes and landscapes.
- **Strengthen the promotion of waste classification and environmental protection:** We join hands with and encourage community residents, volunteers, property owners' committees and residents' committees to strengthen the offline and online promotion of waste classification, and set up a "red and black list" to recognize the best individuals in waste classification and expose uncivilised littering behaviour.

In 2021, we were also actively developing waste treatment technologies and our subsidiary, Hunan Meizhong Biophysical Environment Technology Co., Ltd. (hereinafter referred to as "Meizhong Environment"), has jointly invested in rural waste treatment projects to achieve the goal of "no rural waste leaving the town". We have developed and completed our independent intellectual property rights in pyrolysis and cold discharge technology, which converts combustible waste, industrial and agricultural waste and farmers' straw, rice husk, fruit tree branches, wood trimmings, household waste and other waste from rural areas into energy through screening, crushing, drying and gasification in a patented gasification equipment to provide hot water, refrigeration, heating and steam. The exhaust gas is cold-discharged through eight process treatments at low temperatures (below 35°C), which basically eliminates dioxin and other pollution, and all emissions are below national emission standards. The hazardous disposal of domestic waste in rural areas actively responds to national strategic planning and is a positive manifestation of CIFI Ever Sunshine Services's tireless efforts in waste management.

Case

Treatment project pilot for pyrolysis and cold-discharge of Lotus Town household waste

Lotus Town's household waste heat treatment centre covers an area of approximately 2800m², using pyrolysis and cold-discharge treatment technology, which can harmlessly treat 30 tonnes of household waste/day, achieving a reduction of more than 90% of the town's household waste, making good use of resources, using of the heat generated by the heat treatment to provide value-added services, such as providing hot water to the surrounding schools, hospitals or residents, and building a hot spring here to promote the development of leisure tourism in Lotus Town.



9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

ADVOCATING GREEN LIFE

CIFI Ever Sunshine Services actively advocates employees to save energy and protect the environment in their daily commute and office, reduce unnecessary consumption, carry out green office actions and achieve effective management.

➤ Green office

Green Office Initiative	Green Office Action
<p>Office paperless</p> <ul style="list-style-type: none"> Promote the use of electronic documents Try to print in black and white on both sides Reducing unnecessary printing, and recycling used paper 	<ul style="list-style-type: none"> Online system for all daily work approval processes Use the electronic office system for Daily notices, issuance of documents, systems and other important documents Employees use electronic communication technology such as DingTalk and email for their daily work
<p>Energy saving and emission reduction</p> <ul style="list-style-type: none"> Advocate employees to turn off the lights when they leave the office Post stickers in public areas reminding you of the air conditioner temperature setting, which is recommended to be no lower than 26 degrees in summer and no higher than 24 degrees in winter 	<ul style="list-style-type: none"> Central control and monitoring system for the office area, water-cooled air conditioner system, using variable speed drives and adjusting the pump and fan system to the actual demand of the air conditioner, reducing emissions Energy-efficient luminaires (LED panel lights, LED downlights) and individually controlled lighting switches for different office areas Posting of electricity saving stickers in public areas
<p>Green Office</p> <ul style="list-style-type: none"> Reduce the use of disposable paper cups It is recommended to carry paper and pens etc. with you in your daily work to reduce the number of releases 	<ul style="list-style-type: none"> Recyclable porcelain cups for daily business receptions Recycling of reusable pens, paper, envelopes and other types of stationery
<p>Green Travel</p> <ul style="list-style-type: none"> Employees should take public transport as far as possible and advocate carpooling and low-carbon travel No company cars and no taxis as far as possible 	<ul style="list-style-type: none"> Company drivers learn about low carbon driving in their daily work Reduce the number of offline meetings, advocate online meetings, reduce employees travel, reduce travel by car and advocate travel by high speed rail, etc.
<p>Green water</p> <ul style="list-style-type: none"> Advocate the use of secondary water 	<ul style="list-style-type: none"> Posting of various water saving reminder stickers Check regularly for hidden leaks

9. LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

➤ Green Community Living

As a leading property management service company, CIFI Ever Sunshine Services also actively advocates green and low-carbon living in the community, contributing to the sustainable development of the society.

Case





A Little Spark - Community Carbon Reduction Campaign

In June 2021, CIFI Ever Sunshine Services joined hands with CURA to organize the "A Little Spark - Community Carbon Reduction Campaign" at CIFI Ever Sunshine in CIFI Lan Yue Yuan (澜悦苑) community in Shanghai. In this campaign, 30 families met to find inspiration for energy saving and carbon reduction in their daily lives and contributed to the community carbon reduction.



10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

Our employees are the partners of CIFI Ever Sunshine Services all the way and the foundation of our success. We always take mutual respect as the principle, fully respect and protect the legitimate rights and interests of employees, provide a broad growth and development platform for employees, create a healthy, safe and green living office environment for employees, always send care and warmth for employees, so that employees and we can better go hand in hand.

Guide indicators responded to in this chapter		Material issues and guide indicators in this chapter
Respond to SDGs Goals	Respond to the ESG Reporting Guide KPIs	Material issues
   	B1	<ul style="list-style-type: none"> Rights and interests of employees and care for employees Employees recruitment and team building Avoid child labour and forced labour Employee compensation and benefits Employee development and training Occupational health and safety of employees
	B1.1	
	B2	
	B2.3	
	B3	
	B4	
	B4.1	
	B4.2	



10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

GOALS PROGRESS

Goals setting

- Optimize the Company's human resource management system, expand recruitment channels and implement a diversified employment policy
- Improve production safety system, strengthen occupational health management and add health and safety management system certification
- Further improve the talent development system and promote a fair promotion environment
- Increase employees care and maintain employees engagement levels at 80 and above

Progress Review

- Completed the update of the Recruitment Management System to standardize the talent recruitment process, including recruitment requirements, recruitment channels, internal recommendations, interviews and selection, background checks and hiring, to strengthen the management of our talent supply chain
- Optimised our employees structure and recruited approximately 500 fresh graduates
- Completed the revision of the Promotion and Recruitment Management System, organized two centralised promotion appraisals during the year and issued promotion announcements for a total of 1,724 employees at all levels
- We optimized the talent inventory tool based on the "Five Talent Standards for Cadres" (五懂幹部人才標準) to classify employees of key positions into "three grades and six categories" (三檔六類) of talents based on performance and ability, and to identify high potential and reserve echelons to promote the long-term sustainable development of our employees
- The number of participants in the 2021 Employee Engagement Survey surpassed 8,360, a record high, and the final score was 80, up 3 from 2020 and close to the best employer range

Next plan

- Optimize and upgrade the recruitment management system and introduce AI interviews to help steward recruit
- Deepen the cooperation between universities and enterprises, and co-operate with them in the form of order classes and other forms to introduce talents beforehand
- Establish an online talent profile system for key positions to improve talent management for core positions
- Optimize issues in the implementation process of promotion and recruitment, with continuous follow-up, organizational arrangements and systematic management
- Maintain a target score of 80 and above in 2022
- Focus on the Eternal Power group, strengthen the communication, care and cultivation of the Eternal Power group of management trainees
- Focus on the standardization and systematisation of frontline tools to promote the launch and implementation of various business systems and improve the efficiency of data management
- Focus on the continuous creation of a cultural atmosphere, provide timely attention and publicity to the achievement of key goals or breakthroughs in each business to create a positive atmosphere

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

PROTECT THE RIGHTS AND INTERESTS OF EMPLOYEES

CIFI Ever Sunshine Services always insists on people-orientation, safeguarding the basic right of employees to have an equal employment relationship, providing sufficient communication channels to understand the voices from employees and allowing them to participate in the management of the company. In 2021, we continued to promote the construction of the "First Five-Year Strategy" to build a talent team of "an organization with high vitality, a system with high motivation, a talent pool with high energy and a culture with high identity".

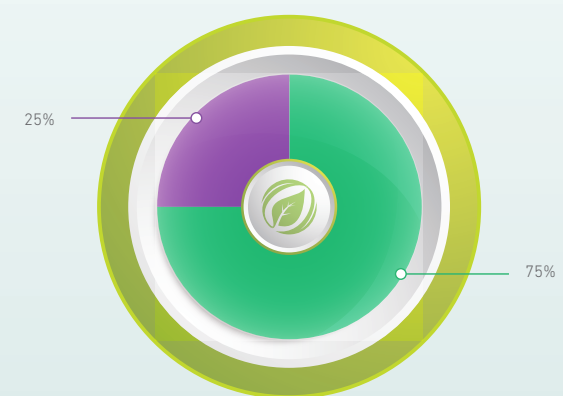
Protection of rights and interests

We adhere to the human rights provisions of the International Labour Organization (ILO) and the United Nations Global Compact and are committed to eliminating child labour and forced labour and to respecting and protecting the basic rights of our employees. In 2021, we formulated and implemented the CIFI Ever Sunshine Business Conduct Manual to further regulate the protection of employees' rights and interests. We actively advocate:

- Make the Company's discipline serious, regulate internal management and employees code of conduct, establish and maintain good ethical standards and occupational standards of the Company
- Respect and protect the legal rights and interests of every employee
- Full consideration of employee diversity, creation of a diversified and inclusive working environment
- Prohibit discrimination and harassment in the selection, appointment, employment and retention of employees
- Uphold the principle of fairness and impartiality, based on the Company's business development needs, job perception standards, the ability and morality of employees, to provide employees with job opportunities

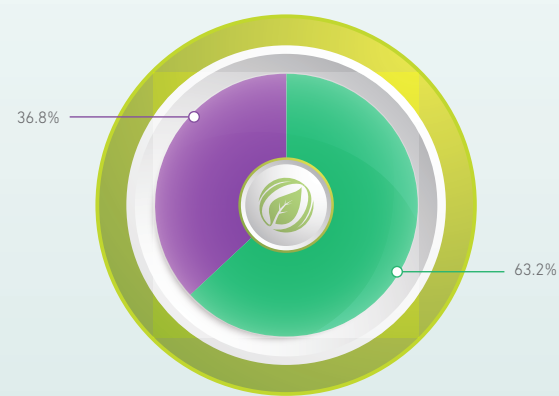
When an employee encounters or becomes aware of a breach of this Code of Ethics, the employee has the right and should complain to their supervisory manager, or to the General Manager of the business departments, or to the Head of Human Resources Administration or to the Audit and Inspection Centre. The person handling the complaint should maintain strict confidentiality for the complainant and give prompt and clear guidance to the complainant and the person concerned.

Percentage of females in senior management



Male employees Female employees

Percentage of females in middle management



Male employees Female employees

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

CIFI Ever Sunshine Services strictly abides by the laws and regulations such as the Labour Contract Law of the People's Republic of China and the Contract Law of the People's Republic of China, adheres to the principle of equal and fair recruitment and promotion, and has formulated the Recruitment Management System to safeguard the equal employment relationship of its employees.

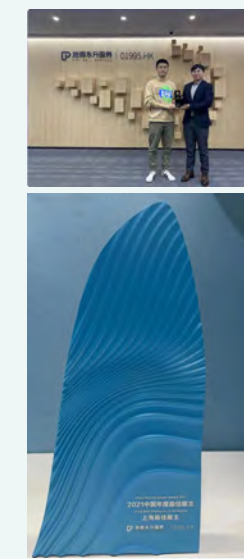
- **Equal Employment**
We uphold the principles of openness, fairness and impartiality in employment and promote joint compliance with the principles of diversity and inclusion among the employees to ensure equal employment and employment opportunities for our employees, strive to promote gender diversity, continuously optimize the structure of our employees, achieve a reasonable distribution of employees by gender, age and geographical region, work to eliminate discrimination or arbitrary dismissal of employees, help special groups such as people with disabilities and veterans to have equal employment opportunities, and encourage effective collaboration among employees in a diversified culture.
- **Anti-discrimination**
We encourage a diversified and inclusive corporate culture. The recruitment and employment process treats all candidates and employees equally, without distinction based on their gender, age, ethnicity, race, nationality, place of origin, religion, sexual orientation, political affiliation, marital status or other different social identities, except for explicit academic requirements.
- **Prohibition of child labour and forced labour**
We strictly abide by the Labour Law of the People's Republic of China, sign employment contracts with all regular employees and conduct background checks on our employees. We strictly prohibit the employment of child labour in any form and prohibit the employment of forced labour of any kind. We enhance human rights training for our employees to make them more aware of their rights and to enable them to prevent their rights from being infringed in a timely and effective manner. In the event of child labour (which has not yet occurred), we will immediately initiate remedial measures: stop the child from working and send him/her to a hospital for a health check. We will also notify the local labour bureau and, with the consent of the labour department, send the child back to his or her place of original residence or school and ask his or her parents or guardians to sign and return the relevant documents to the human resources department for filing after obtaining the seal of the government agency to confirm. As of 31 December 2021, there was no discrimination, forced labour or child labour in any aspect of employment at CIFI Ever Sunshine Services.



▲ In 2019, CIFI Ever Sunshine Services was awarded the 2020 Human Resources Excellence Management Award by 51job(前程无忧)



▲ In 2020, CIFI Ever Sunshine Services was awarded the Best 2020 China Employer of the Year and Shanghai's Most Promising Employer by Zhilian Zhaopin(智联招聘)



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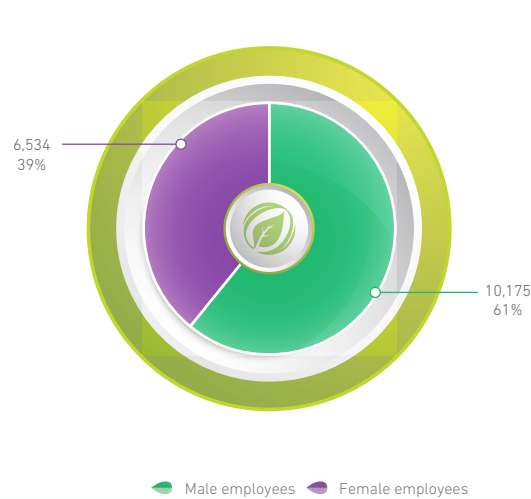


10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

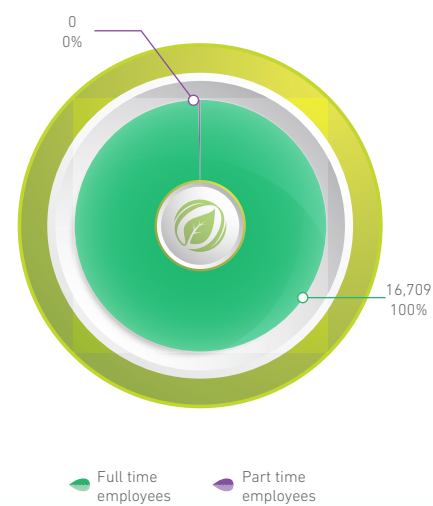
Diversified structures

With a total of 16,709 employees as of 31 December 2021, CIFI Ever Sunshine Services is committed to building a diversified and inclusive workforce to make full use of the "power of talents" in the development process of the Company.

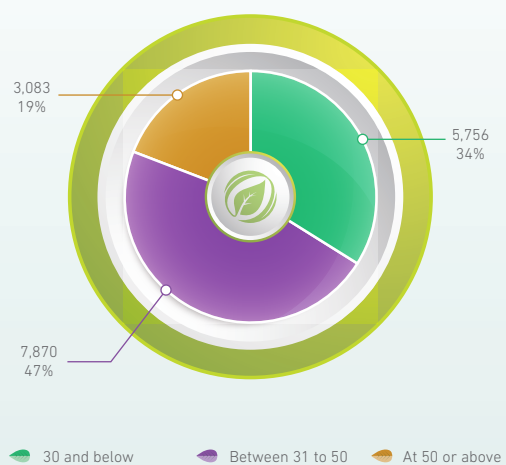
By gender



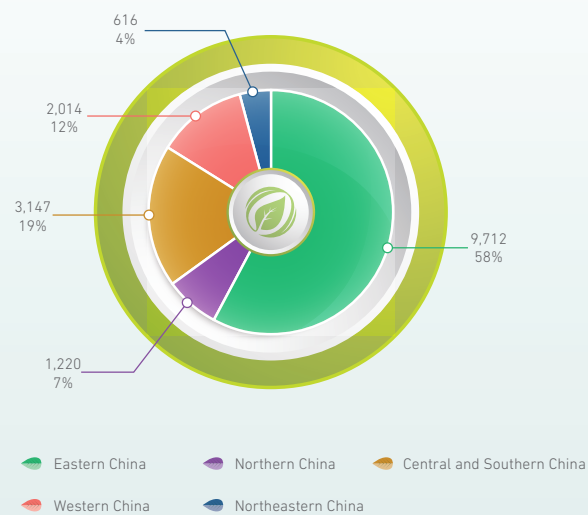
By employment category



By age group



By geographical region



10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

Democratic communication

CIFI Ever Sunshine Services advocates a diverse employee communication atmosphere, respects and fully listens to the voices from our employees and grows together with them. During the Reporting Period, we conducted employee satisfaction surveys to fully understand the problems that employees encounter in their current working environment and the suggestions they provide for the development of the Company. At the same time, we held seven live events with the President this year, allowing the President to give special explanations and feedback on issues of concern to employees, effectively understanding and answering questions that employees are eager to understand, allowing employees to grow and develop with us in a relaxed and calm environment together.

Employee engagement survey

During the Reporting Period, we conducted an engagement survey project organized by the third-party for the third consecutive year, with a total of 8,360 participants and a valid response rate of 86%, resulting in a final score of 80 points, representing an increase of 3 points compared with 2020, which is close to the best employer range. We attach great importance to the survey results, analyse the voices from employees comprehensively, formulate relevant improvement action plans, effectively address the reasonable suggestions and needs of employees, and form improvement plans based on objective data and subjective interviews, and promote the effective implementation and execution of the improvement plans.

Trade unions

We uphold the principle of respecting each employee and established the Employee Union of Shanghai Yongsheng Property Management Co., Ltd on 18 June 2019, which covers all employees within the Company. We held regular employee representative meetings to fully communicate and protect the rights and interests of our employees.

Communication meetings of the CPC Party branch

We continued to communicate with Party members in the way used in 2020, by holding regular communication meetings to review and share the progress and direction of Party building in the Party branch, to understand the thinking of Party members, and to actively communicate with them in our efforts to build a red property.

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" (《員工懇談會反饋表》) and posts it publicly. In 2021, the employee talks covered all regions and nearly 310 projects and were held every six months, with a total of about 530 sessions held and face-to-face exchanges with about 4,600 participants.

An engagement survey project
with participants of **8,360**

with a final score of **80**

In 2021, the employee talks covered **11 regions**

nearly **310 projects**

with a total of approximately **530 talks** held

face-to-face exchanges with **4,600 participants**

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

- 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.

- BBS Forum of Ever Sunshine**

The forum was planned and launched in 2021, with over 12,000 registered employees and over a hundred posts. Employees can share their work experience and stories in the forum; they can also make suggestions and raise questions about the Company's management, processes and mechanisms, as well as initiate discussions and communication on topics; all senior management of the Group are authenticated by their real names and reply to employees' questions in the forum, or interact and discuss with employees online.

- Department satisfaction survey**

We conduct department satisfaction surveys and obtain feedback from frontline and grassroots employees in order to eliminate the selfish departmentalism and formalism that often occurs in internal management, to strengthen communication with grassroots and frontline employees, and to improve operational standards and enhance the work rationalization. We organize department satisfaction surveys twice a year. This survey is open to all functional departments and evaluates them on eight dimensions, including customer perspective, respect for partners, adoption of opinions, departmental structure, innovation, open-minded learning, initiative and group effort, so that each department can understand its own shortcomings and start to correct them, strengthen employees management and communication with the Group and departments, and allow employees to work in better-managed departments to increase their sense of comfort and access to work and promote better collaborative management relationships. In 2021, all participants took part in the department satisfaction survey, and the result score was 3.85, representing an increase from 3.46 in 2020.

Ever Sunshine BBS Forum
has
over
12,000
registered employees

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

Case

Live broadcast with the President

In 2021, CIFI Ever Sunshine Services innovated the employees communication channel by opening a live broadcast with the President, where all employees across the Group can participate in communicating with the President. This year we had carried out seven live broadcasts, each of which is an hour long and had been watched by over 20,000 participants in total. The topics of the live broadcasts include, but are not limited to, industry insights, strategic consensus, business thinking, organizational observations, personal insights, etc., allowing employees to more fully understand the development prospects of the Company and the industry, while the President also answered questions from employees in their normal work, providing full communication with them.

► **Topics for seven live broadcasts with the President:**

- Quality improvement explained for the year(first)
- Quality improvement explained for the year (second)
- Quality improvement explained for the year (last)
- High leverage actions to enhance the customer experience
- Everything for satisfaction
- Build team awareness of customer service
- Share complaint reporting case
- President please reply (BBS hot topic reply)



► Poster for live broadcast with the President



► live broadcast with the President

Remuneration and welfare

We respect and protect the rights of our employees to receive the remuneration they deserve. We strictly comply with the relevant provisions of the Labour Law of the People's Republic of China in relation to the payment of remuneration, and have updated our Remuneration Management System, adhering to the remuneration management principles of encouraging struggle, external competition and internal fairness, and providing reasonable and generous remuneration protection for our employees. We have established a flexible remuneration mechanism based on the principle of stratification and classification. For grassroots employees, we guarantee their fixed income and provide timely incentives, while for senior management, we increase the proportion of variable income to motivate them to work. At the same time, we establish a diversified remuneration and welfare structure, uphold the humanistic care and objective measurement of the value of the employee's contribution, and issue adequate remuneration and welfare.

- **Remuneration structure**

We divide our employee remuneration into short-term remuneration (including fixed and variable components) and long-term remuneration incentives (equity incentives), giving our employees a variety of channels and guarantees of remuneration and welfare, insisting on long-termism and developing together with our employees.

We develop and implement competitive remuneration packages to attract, motivate and retain talents, including a combination of base salary and short-term and long-term incentive plans. For the majority of our grassroots employees, we believe that we need to increase the proportion of fixed salaries so that the majority of grassroots employees can have adequate labour remuneration protection, while we implement a high proportion of performance-based payout mechanism for middle and senior management to fully motivate management and allow employees to realize their individual potential and obtain remuneration commensurate with their abilities.

➤ **Short-term remuneration**

1. **Fixed component:** ensure that employees are paid for their basic work and given adequate wages so that they can feel a sense of gain in their work, which includes employees' basic wages, wages specified for their positions, subsidies (including meal allowance, transport allowance and communication allowance) and allowances (including duty allowance, commander's allowance and high or low temperature allowance), etc.
2. **Floating component:** enable employees to enhance their remuneration levels through their own work motivation and allow them to enhance their happiness at work, which includes monthly performance bonuses, planned overtime fee, timely incentives, half-yearly/annual merit reviews, bonuses (including performance bonuses and annual bonuses), etc.

➤ **Long-term Equity Incentive**

Employees can participate in the scheme so that they can grow together with the Company, share in the Company's gains and move forward together.

In order to attract talent retention and motivate excellent talents to grow with the Company, Best Legend Development (PTC) Limited, one of the controlling shareholders of the Company, adopted a Share Award Scheme on 18 June 2019. Under the Scheme, Best Legend Development (PTC) Limited holds 287,000,000 shares of the Company in trust and the shares held are used to motivate and reward key management of the Group (including directors, senior management and employees) and persons who have made special contributions to the Group by giving them the opportunity to own shares of the Company, thereby contributing to the future development and expansion of the Group.

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

In addition, we also determine and periodically adjust the remuneration by integrating various factors such as market development, industry situation, current situation of enterprise development and personal development of employees, and we clearly define the remuneration fixing mechanism and remuneration adjustment mechanism.

- **Remuneration fixing mechanism:** According to the principle of fairness and impartiality, employees are given fixing remuneration according to the T5 remuneration fixing principle after a strict and objective consideration of their experience and work competency.
- **Remuneration adjustment mechanism:** In order to constantly improve the competitiveness of the remuneration level in the market and give employees a more generous labour remuneration package, a remuneration adjustment window is set up every six months to give all employees adequate opportunities to strive for a higher level of remuneration package.
- **Employees Benefits**
CIFI Ever Sunshine Services offers a wide range of work benefits to our employees, and we provide social and commercial insurance for all employees, as well as various medical coverages for our employees.

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 etc. • housing provident fund • other legal employee benefits • parental leave 	<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 • Meal allowance • Communication allowance • transportation allowance 	<p>Employees who meet special conditions can enjoy:</p> <ul style="list-style-type: none"> • work injury insurance • supplementary commercial insurance • accidental injury insurance • staff dormitory • housing subsidies • wedding benefits • condolence money • Hospital condolences/consolation money • Newborn gift money • Employee housing benefits • Dispatching employee subsidies in different places

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

ATTACH IMPORTANCE TO EMPLOYEE DEVELOPMENT

The development of employees is an important factor for the Company's stability and success. CIFI Ever Sunshine Services fully understands the growth and development needs of its employees, strengthens its talent team, enriches the depth and breadth of its training system, creates diversified promotion channels, creates an atmosphere of eagerness to learn, and gives its employees a broad platform for sustainable development.

Recruiting talents

In 2021, CIFI Ever Sunshine Services updated the Recruitment Management System to standardize and manage the talent recruitment process, including recruitment needs, recruitment channels, internal recommendations, interview selection, background checks and hiring, and to strengthen our talent supply chain management. In order to achieve the development goals of the Company's "First Five-Year Strategy", we updated the Organization Management System to further standardize organisational management, enhance organizational effectiveness and improve organizational agility by clarifying organizational positioning at all levels, organizational structure models, job setting standards and organizational development paths, so that our talent team can better cope with the rapid expansion of the organization's scale and the rapid development of diversified businesses, and achieve healthy, orderly and synergistic development of the organization and business. In 2021, we recruited a total of approximately 500 fresh university graduates.

- **Recruitment system construction:**
During the Reporting Period, CIFI Ever Sunshine Services continuously updated Dayee Recruitment System (9.0 version) and implemented online control of the recruitment process. It allows recruitment to move towards development of standardization and efficiency, enhancing our ability to attract talent and strengthen our talent pool.
- **Talent management function:**
Functions such as the talent map in the system have been defined independently, allowing flexible capture of talent information according to the actual situation, while the system keeps detailed records of internal talent activation information, allowing us to make effective use of the data in the talent pool;

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

- **The function of the presentation:** During this year, we have added the function of online presentation, so that participants can easily register, share, sign in and get the presentation information effectively, and we can also review the presentation data in the background so as to better carry out the recruitment presentation in the future;
- **Interview recruitment function:** full use of One Face AI interview system in 2021 to objectively record and assess candidates' interview performance through big data calculations;
- **Agreement signing function:** We have access to a digital authentication e-signature system on our system to facilitate the signing of relevant agreements online by the hired or candidate to enhance the efficiency of the recruitment process.
- **University-Enterprise Cooperation**
CIFI Ever Sunshine Services attaches great importance to building its own corporate employer brand and exporting its own concept of respecting talents and walking with talents. We actively cooperate with universities in various regions to enhance the working ability of college students through vacation practical training, and export property management services' professional talents for the industry and the country, so that more college students can shine in the industry. During the Reporting Period, we have jointly organized vacation practical training bases with Shenyang Institute of Engineering, Lanzhou Technology and Business College, Fujian Business University and other universities, and assisted universities to train 116 college students in total.



▲ Signing scene of school-enterprise cooperation with Shenyang Institute of Engineering



▲ Signing scene of school-enterprise cooperation with Lanzhou Technology and Business College



▲ Signing scene of school-enterprise cooperation with Fujian Business University

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

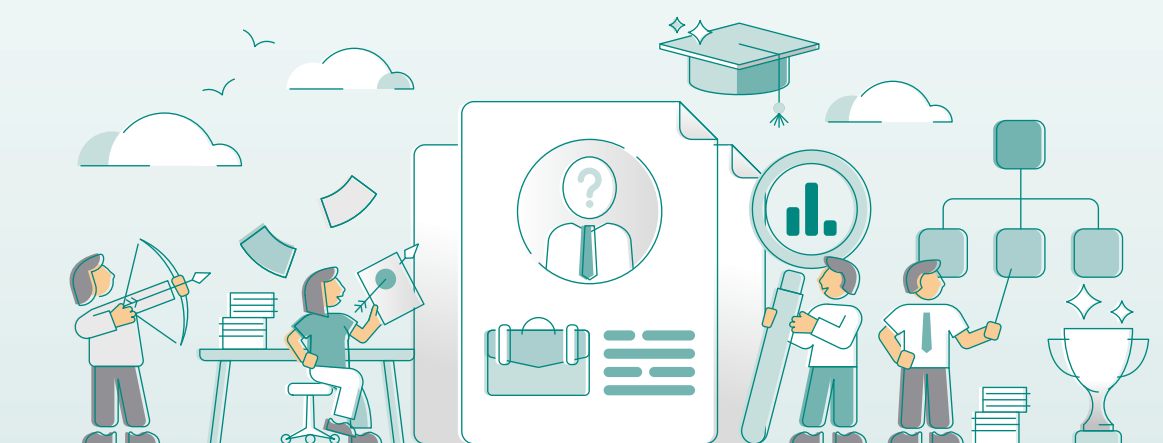
case

"Eternal Power" (永动力) campus recruitment

On 3 September 2021, CIFI Ever Sunshine Services officially launched the "Eternal Power" campus recruitment campaign. We held 1 on-air presentation and 32 offline presentations at various universities, with over 27,000 viewers at peak time at the on-air presentation and over 5,000 graduates participating in interviews. This greatly strengthened our talent pool and gave approximately 500 graduates the opportunity to grow and develop in society.



▲ The "Eternal Power" campus recruitment at various locations



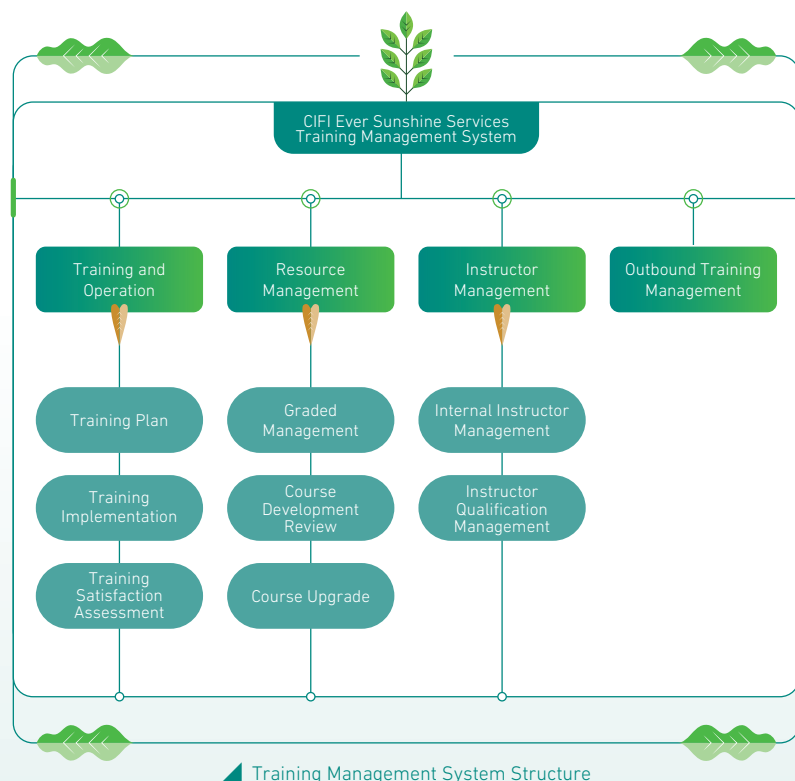
10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

Multidimensional training

CIFI Ever Sunshine Services is committed to creating a comprehensive and diversified training system for our employees. During the Reporting Period, we updated the Training Management Measures to improve our various training systems. We enable our employees to learn job-related knowledge and enhance their working ability, thus promoting their career development. We also provide a variety of general courses for our employees to broaden their horizons and enhance their experience. For fresh graduates of the "Eternal Power" system, we have created the "Eternal Power" training system so that university students can quickly grow into our backbone.

Training Management System

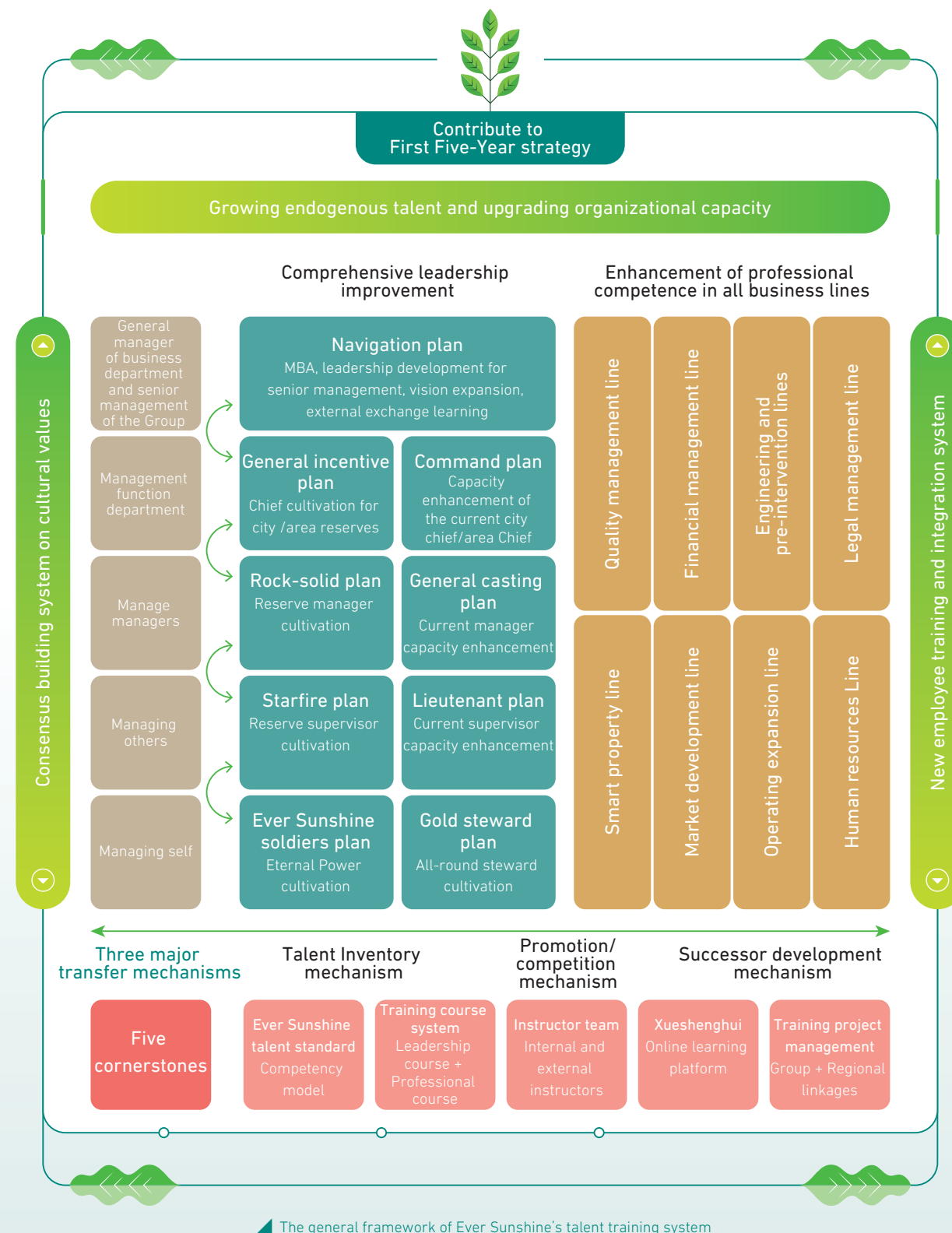
CIFI Ever Sunshine Services has constructed and adopted a targeted talent management system to further strengthen the internal talents team, enhance the strength of gathering talents and improve the core competitiveness of talents.



Talent Training System

Based on the consideration of CIFI Ever Sunshine Services's business and the personal development needs of employees, we uphold the training management principles of "training by levels and categories and giving specific guidance" (分層分類, 揚長補短), "online and offline, diversified forms", "course evaluation and instructor certification", etc. By standardizing the training process involving training planning, implementation, evaluation, development, instructor management and outbound training management, we develop specialized and targeted training courses for stewards, project managers, new employees and the "Eternal Power" system, forming our training system with industry characteristics.

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART



▲ The general framework of Ever Sunshine's talent training system

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

- Specialist line training

Course Type	Course Format	Course content
The four steps to stewardship	online + offline	<p>Regional coaching: issue the "Business Standard Pocket Book for CIFI Ever Sunshine' New Stewards", "2+X Service Minimum Set", "Fee Guidance Book" and other teaching materials; complete the "Online Stewards Academy" "New Stewards Learning Map" course; promote the requirements and business goals for stewards under the dual stewards model</p> <p>Pre-job training: (1) Awareness and attitude: Consensus of corporate culture values of Ever Sunshine, dual stewards service model, Ever Sunshine stewards service standards and interpretation of red and yellow lines for stewards, etc.; (2) Knowledge and skills: interpretation of Ever Sunshine stewards job responsibilities and assessment indicators, basic skills of project customer service maintenance, etc.</p> <p>In-service monthly training: "Complaint Case Analysis", "Online Stewards Academy Push Course", etc.</p> <p>Qualified: Complete "the White stewards to Qualified stewards" learning map</p>
First aid skills training for stewards	online + offline	<p>In order to create a safe community living environment at home and to enhance the service skills of high-end bowyer steward, Ever Sunshine has conducted first aid training courses for bowyer steward through professional first aid courses trainings and knowledge competitions</p>

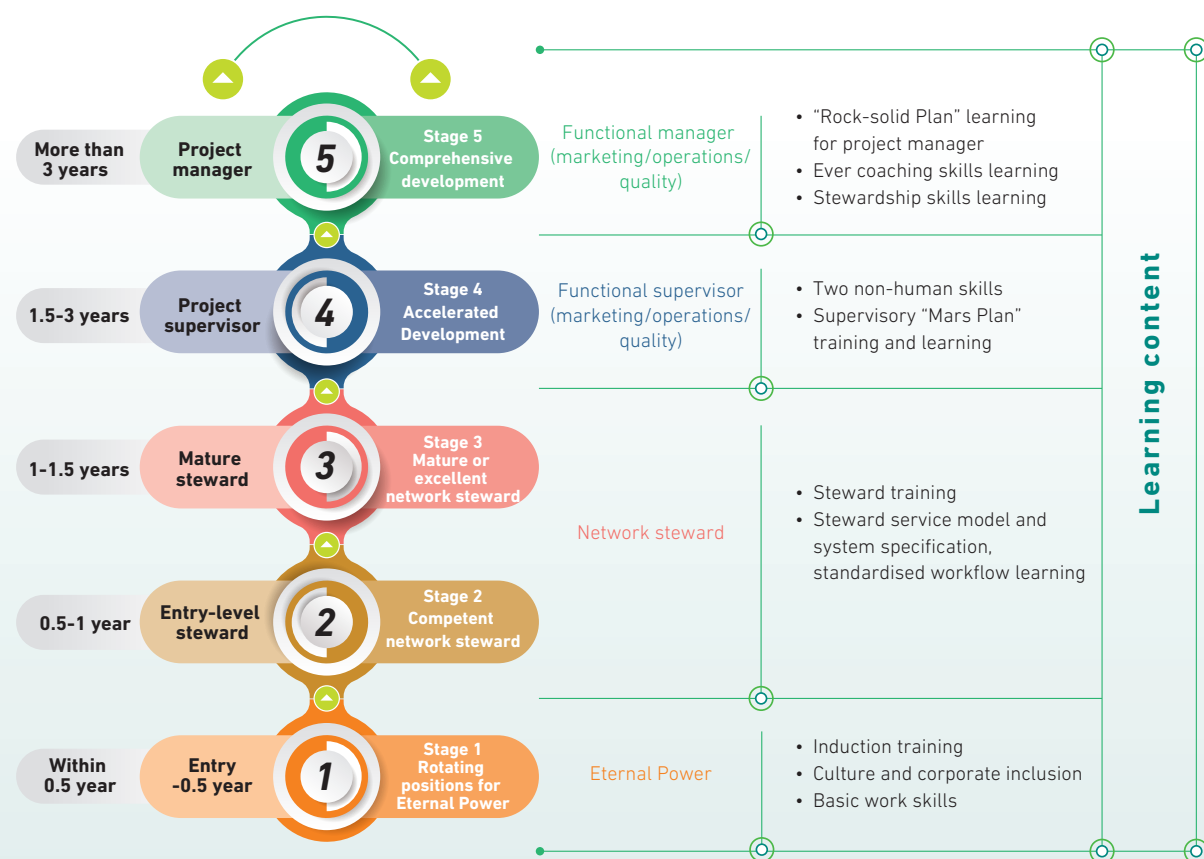
10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

- Comprehensive Competence Training

Course Type	Course Format	Course content
Rock-solid Plan (磐石計劃)	online + offline	<p>A complete training system: training courses are designed according to the dimensions of each competency item of the five knowledgeable cadres' talent standards to enhance the project manager's combat capability in all aspects</p> <p>Combination of training and practice: the "online learning + face-to-face training + benchmarking visit + assignment report + graduation exam + post-training task" approach ensures that the learning is applied</p> <p>High-quality training team: instructors are selected from regional headquarters and Group line leaders to ensure high-quality course</p>
Starfire Project	online + offline	<p>The Starfire Program is a training and development program for supervisors to enhance their overall capabilities, and to provide special training on business knowledge, basic management skills, comprehensive communication and leadership for those who can be reserved as project managers</p> <p>Combining talent inventory, training and job experience, targeting training for targeting potential talents to improve the endogenous capacity of project managers</p>
Original Power Training Programme	online + offline	<p>The Additional Incentives Program (原動力計劃) is a training program for all new employees, based on the "Four Steps for New Employee Integration into the Company (新員工融入四部曲)" and training learning content is designed in steps</p> <p>Combined online and offline, tiered and categorized organization, standardized training courses and program operation model, strong management of training quality</p>

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

- The "Eternal Power" training system**
 Fresh graduates are the backbone of our future development, and CIFI Ever Sunshine Services is committed to gradually training fresh graduates to become our professional talents. We take a 3-5 year cycle to train fresh graduates to become our management cadres and business backbone, gradually building up our internal talent supply chain. We insist on introducing and training a number of "soldiers(子弟兵)" with high quality, high potential and high recognition every year to gradually optimize our internal talent structure.
- "Eternal Power" course training:** In 2021, CIFI Ever Sunshine Services conducted 7 days of intensive training for 156 new "Eternal Power" recruits, continuously guided 53 regional empowerment "Eternal" coaches, and followed up 1,276 participants on the project rotation experience list.



▲ "Eternal Power" course training: "Y" growth path for "Eternal Power"

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

During the Reporting Period, Ever Sunshine continued to invest in the training of "Eternal Power" and incline course resources to raise the high level of attention of the entire Group, and require the Group and regional levels to cooperate with the training and assessment of "Eternal Power" and provide systematic training programs without interruption to ensure the growth of "Eternal Power" in a 3-5 year cycle.

Case

Induction training for "Eternal Power"

From 9 July to 15 July 2021, CIFI Ever Sunshine Services carried out an induction training camp of Ever Sunshine in Jiaxing with the theme of "You define the future power" (未來動力,你來定義). Our training framework consists of cultural integration, workplace transformation, business overview and team integration, allowing the trainees to quickly integrate into the Ever Sunshine, build its own "circle of friends" and adapt to society and work faster, laying a good foundation for future work and study and providing a broader development platform for the trainees.



▲ The scene of "Eternal Power" Training Camp

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

- **“Xueshenghui” (學升薈) online training platform**

CIFI Ever Sunshine Services provides flexible training channels for our employees. In order to enable our employees to become Ever Sunshine talents with outstanding overall quality, we have offered 5 types of courses, including general management, leadership, cultural consensus, functional knowledge, business skills, etc., in our “Xueshenghui” online training platform, offering a total of 386 courses, covering various aspects such as company operation and management, employees occupational safety, integrity building, legal compliance, risk management, etc., to fully empower employees career development.

➤ **Course structure of “Xueshenghui”**

First category of course	Secondary category of Course	Course content
General management category	Strategy and Goal Management	Training courses related to strategy formulation methodology, strategy management tools, goal setting and goal decomposition, goal achievement management, etc.
	Operations Management	Training courses related to the logic and regularity and standards of company operations management
	Quality Management	Training courses related to quality improvement and quality control system
	Creative thinking and competence	Training courses related to creative thinking, awareness and innovation enhancement
	Security Management	Training courses related to employees occupational safety, safe operation and management
Leadership category	Senior Leadership	Senior leadership courses on topics such as coaching leadership, motivating others, decision making and other related topics
	Middle and junior Leadership	Middle and junior leadership courses such as team management, improving communication influence, task planning and execution
Cultural consensus category	Cultural Values	Micro-courses and training courses related to Ever Sunshine’s new corporate culture system, e.g. Interpretation of Ever Sunshine’s mission, vision and values
	Red Line Rule	Eight military regulations, declarations for employee interest conflict and other training courses related to the company’s red line rules

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

First category of course	Secondary category of Course	Course content
Functional knowledge category	Financial Management	Financial management related system interpretation, professional knowledge and rules training
	Human Resource Management Administration	Human resource management related system interpretation, professional knowledge and rules training
	Market Expansion	Administration-related system interpretation and professional knowledge training, e.g. “Interpretation of the archiving system”
	Legal Management	Market expansion related system interpretation, professional knowledge and rules training
	Business Development	Legal and contracting management related system interpretation, professional knowledge and rules training
	Smart Technology	Training on the interpretation of systems, expertise and rules related to business development
		Courses related to intelligent development, such as “Megatrends for Property Companies in the Age of Internet of Everything”
Business skills category	Basic business skills in the residential sector	Stewards model related service and skills, order, cleaning and landscaping courses for grassroots positions
	Basic business skills for the commercial public sector	Training courses on basic service business skills for commercial & office and public sector projects
	Basic Business Skills for other Business sectors	Training courses in basic service business skills for other business projects, such as courses for standard operational procedures for jobs
	Display Units Services	Basic business skills courses related to Zhenyi display units service
	Ex-Introduction and Engineering	Training courses on ex-Introduction operation standards and the relevant standard operational procedures skills
	Value-added services skills for property owners	Skills acquisition courses required to provide value-added services to property owners on projects
	Smart tool operation	Training courses for internal employees on the use of the OFFICE system

- **Academic Enhancement and Skills Certification**

Ever Sunshine supports all employees in their continuous efforts to develop their own prospects. We provide adequate financial support for all employees to pursue re-education and obtain the professional qualifications required for their positions to meet their growth needs.

For management who have the need to upgrade their capabilities, we support them to participate in high-end training and learning programmes such as MBA and EMBA to enhance their knowledge and expand their own development, as well as to better promote our management level.

For our general employees, we support them in obtaining the relevant qualifications. We have compiled a rich list of job-related qualifications for our employees to refer to, and if they attend our designated qualification training and obtain a qualified qualification certificate, we will bear the relevant training and examination fees for the relevant qualification certificate for them. While our employees improve their professional skills and achieve their career goals, we also improve our service to our customers and our own management level, and we work together with our employees to improve and develop, creating a harmonious and friendly employment relationship and atmosphere.

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

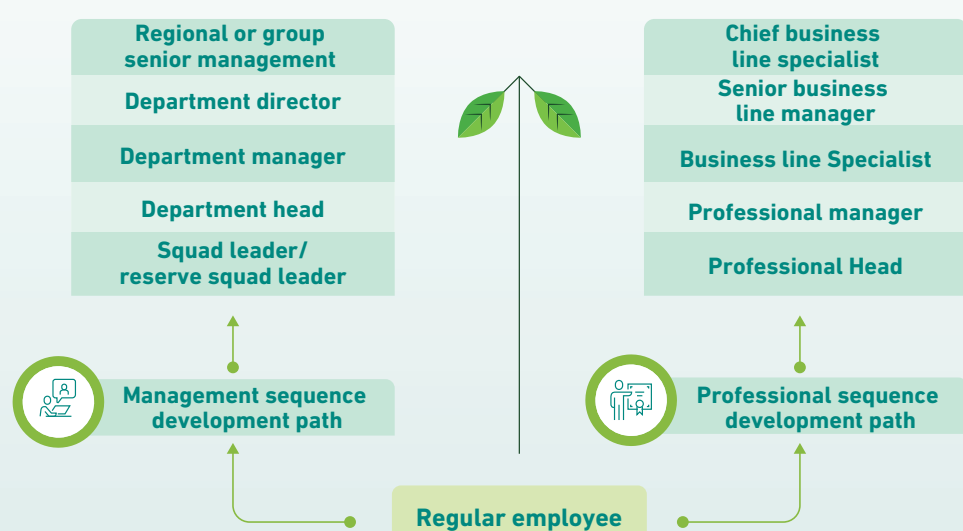
Reasonable promotion

We attach great importance to the development of talents, and use the principle of “objective, comprehensive and long-term” evaluation to reasonably assess the performance and promotion results of our employees. We provide all employees joining the Company with opportunities for growth and development in both the “Management Sequence” and the “Professional Sequence”. The “Professional Sequence” includes a number of property management and functional business lines such as property service steward, security and order service, engineering service and quality management service, which together form a clear development path by combining the different requirements for each job rank. Employee can choose the direction and path that suits their growth according to their own wishes and expertise.

Through bi-annual human resources planning meetings, we carry out promotion planning discussions for employees with outstanding performance. In addition, we continue to observe and evaluate the abilities and qualities of our employees during the bi-annual talent inventory, and identify potential outstanding employees in a timely manner. Through succession development plans and systematic training and development, we help high potential employees to improve themselves and realise their career aspirations and values on Ever Sunshine platform.

In 2021, we completed the revision of the Promotion and Competition Management System and strictly enforced the relevant requirements, dividing the promotion of employees into two standards, namely promotion in rank and promotion in position, to comprehensively assess the performance level of all employees and provide reasonable and fair promotion opportunities for all employees. During the Reporting Period, we organized two centralized promotion appraisals and issued promotion announcements for over 1,724 employees at all levels. The Group’s Human Resources Administration Centre also considered the overall performance results of all employees to ensure fairness in the Group’s promotion results.

CIFI Ever Sunshine Services provides a career development path for employees in both the “Management Sequence” and the “Professional Sequence”



Note: The job titles in the above diagram are simple examples only and do not correspond to the job titles in the job ranking system.

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

PROTECT EMPLOYEES' HEALTH AND SAFETY

We regard the health and safety of our employees as a top priority, strictly abide by the laws and regulations of the People’s Republic of China on Work Safety, the People’s Republic of China on Prevention and Control of Occupational Diseases and other laws and regulations, continuously improve the rules and regulations relating to the management of occupational health and safety in the enterprise, enhance the strength and results of safety inspections, improve the safety and health awareness of our employees, and promote the sustainable development of our employees in a healthy and safe atmosphere.

Ensure occupational health and safety

CIFI Ever Sunshine Services places a high priority on the occupational health and safety of its employees, has established a three-tier safety management system under the control of “headquarters – each property company – property Services Centre”, with the Chief Executive Officer of the Company being responsible for and coordinating occupational safety and health management, under the coordination of Chief Executive Officer, the ESG Committee and relevant management executive departments of Ever Sunshine will guide, monitor and review the work of occupational health and safety, and evaluate the recent performance of occupational health and safety of the Company with a view to safeguarding the occupational health and safety of all employees.

We set management goals for occupational health and safety, assess and evaluate the achievement of such goals in accordance with the internal production safety assessment requirements. In order to implement effective occupational health and safety management, CIFI Ever Sunshine Services actively constructs a smart control platform and implements regular safety inspections to ensure that grassroots employees receive adequate safety protection when using or managing equipment.

CIFI Ever Sunshine Services strictly abides 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 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 and the Occupational Safety and Health Ordinance of the Hong Kong Special Administrative Region and other relevant laws and regulations, and Shanghai Yongsheng Property has passed the OHSAS Occupational Safety and Health Management System certification. We have formulated and implemented the Company’s “Guide for the Management of Work-related Injuries” covering all employees to actively protect the occupational health and safety of our employees from the following perspectives.

- Provides multi-dimensional safety and health protection
 - Provide pre-service workplace safety training for new employees
 - Require employees to strictly observe labour discipline and production safety rules and regulations
 - Regular free medical examinations for all employees who have been employed for at least one year
 - Accident insurance for 100% of our employees provides accidental medical cover, accidental hospitalisation allowance cover and hospital medical cover in addition to accident prevention
 - During the pandemic, to facilitate a smooth resumption of work and production, we carried out decontamination of public office areas, provided employees with masks and other pandemic prevention materials necessary for resumption of work and production, and granted special work allowances to employees on duty

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

- **Provision of post-specific protection**
 - Provide labour protection for jobs with occupational hazards and arrange reasonable rest shifts
 - Staggered working hours for jobs with high temperature hazards, avoiding prolonged work in high temperature environments, and issuing medication to reduce heat stroke
 - Build an online and smart platform to enhance occupational health and safety of employees
- **Build an online smart platform**
By constructing smart scenarios such as equipment EBA system¹, lift management system, BI screen and integrated kiosks in various projects, CIFI Ever Sunshine Services has enabled more grassroots employees in property management to work more efficiently while being free from unsafe factors such as weather, environment and ageing equipment, so as to do their property management work in a safer and healthier environment. During the Reporting Period, the construction of smart community renovation was achieved in all regions, which greatly promoted the occupational health and safety of employees.

Case Create AI smart security system

During the Reporting Period, south central region went live with the AI Smart Security System, which provides comprehensive management of the environment, personnel and equipment safety of various projects, reducing the number of employees working in harsh environments and enabling them to efficiently control the safety of properties and projects in a comfortable environment.



▲ AI Smart Security System for South China Region

¹ EBA system is a remote monitoring and operation management system for equipment

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

Focus on safety training

Safety training is an important measure of CIFI Ever Sunshine Services to safeguard the occupational health and safety of employees. Through conducting safety training and knowledge seminars related to property management and organizing skill knowledge competitions, we enhance employees' own safety awareness and self-rescue ability, create a safe production atmosphere throughout the Group and safeguard the occupational health and safety of employees. In 2021, we carried out 1,778 production safety trainings for all basic business positions in the property.

Case Carry out "Ingenious action - skills competition" Activities

In May 2021, the Northeast Regional Engineering Line organized a skills competition entitled "Ingenious action - skills competition". By allowing employees to deepen their skills and techniques, improve their proficiency in maintenance and equipment operation, reduced the safety risks caused by irregularities in operation, and improve their safety awareness and self-protection ability while enhancing their skills.



▲ The scene of "Ingenious action - skills competition" activity

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

Lift safety training

CIFI Ever Sunshine Services actively organizes comprehensive lift safety training in all regions to enhance employees' ability to protect themselves and property owners in the process of lift management by teaching them professional knowledge of lift self-rescue, safe lift riding, lift maintenance and lift operation safety, so as to reduce the probability of potential safety accidents and effectively safeguard employees safety. During the Reporting Period, we have conducted 1,554 practical exercises for lift trapping in various projects.

Work-related fatalities in 2021

0

Case Carry out Special Lift Trapping Practical Exercise Training

During the Reporting Period, the western region launched special training activities for projects and fire-fighting lifts. We invited technical engineers from lift manufacturers such as Hitachi and KONE and on-site lift maintenance personnel from maintenance companies on site, and conducted a lot of efficient publicity and guidance on improving lift quality management methods, lift emergency drills, customer safety on lifts and other precautions, attracting relevant property owners to participate together and gaining high recognition from property owners and internal employees.



The scene of lift specific training

Fire Drill

Due to the large population in residential property management, fire safety hazards often occur, therefore, Ever Sunshine attaches great importance to the fire safety of properties in all projects. During the Reporting Period, we organized all regions to implement fire safety drills in their projects to raise employees awareness of fire safety and improve their fire safety self-rescue capabilities.

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

Case Carry out Fire Safety Drills

In the fourth quarter of 2021, the Yangtze River Mansion project linked up with the Jianhe community to conduct fire safety drills. By receiving occasional fire pull notices from the community, the project employees were organized to carry out fire pull drills. The Yangtze River Mansion project was notified by the community three times in the middle of the night and responded promptly, first arriving at the pull-out location for a firefighting competition, where items such as the application of the mainframe and the details of the emergency plan were carefully rehearsed. On 26 January 2022, the Yangtze River Mansion project was awarded the Fire Safety Competition Spirit Award by the Jianhe community.



"Spirit Award" Merit Certificate

CARING ABOUT EMPLOYEES

Every Ever Sunshine employee, taken together, becomes Ever Sunshine culture. CIFI Ever Sunshine Services provides a family-like care to our employees. We are concerned about the well-being of our employees and offer a wide range of activities to enrich their lives after work. We are always aware of the living needs of our employees and provide timely assistance to our employees in need.

CIFI Ever Sunshine Services continues to focus on enriching the cultural experience of its employees through a variety of employee activities, enhancing their understanding of the Company's culture and enhancing their sense of identity and belonging to the Company.

In 2021, over 300 employee activities were held in various regions of the Company, ranging from corporate celebrations to seasonal care, employee birthday parties to hiking clubs, with over 10,000 employees participating in various activities.

Carried out over 300

employee activities

Total number of employees participating in employee activities

exceeds 10,000

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

- Festive Greetings**

During traditional Chinese festivals, we distribute festive gifts to our employees, so that those who work and live on the frontline can also experience the warmth we have prepared for our employees. The festive gifts include daily necessities, healthy food are festive presents, so that employees can receive practical material rewards and a sense of ritual for the festival, creating a warm and harmonious working atmosphere in Ever Sunshine and enhancing employees sense of achievement and happiness.



▲ Distribution of employee festive gifts

- Employee birthday party**

In order to create a loving and harmonious working atmosphere for our employees, we had organized a number of birthday parties for our employees in 2021, where we set up a warm and welcoming venue for our employees, provided them with a variety of snacks and offered them a variety of entertainment games to help them relax mentally and physically and release their work pressure. We are committed to the concept of working together with our employees to make memories of birthdays.



▲ The scene of employee birthday party

10. ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART

- “Never forget the original intention, all the way to go” the 3rd Anniversary Activity For the listing of Ever Sunshine**

On 17 December 2021, the 3rd anniversary of the listing of CIFI Ever Sunshine Services, CIFI Ever Sunshine Services held a celebration activity to celebrate the 3rd anniversary of the its listing, joining hands with all employees of Ever Sunshine to walk together with confidence in development, never forgot the original intention of development, and continued to enhance the sense of corporate culture identity.



▲ The scene of celebrating the 3rd anniversary of Ever Sunshine's listing

- “Hiking Club” Activity of CIFI Ever Sunshine Services**


On 9 May 2021, the “Hiker CIFI • City Charity Hiking” activity in Shanghai was successfully held with nearly 5,000 employees from CIFI Ever Sunshine Services and other society persons participating in this charity hiking. We will plant haloxylon ammondendron trees in the name of the participants in CIFI Forest in Dunhuang.

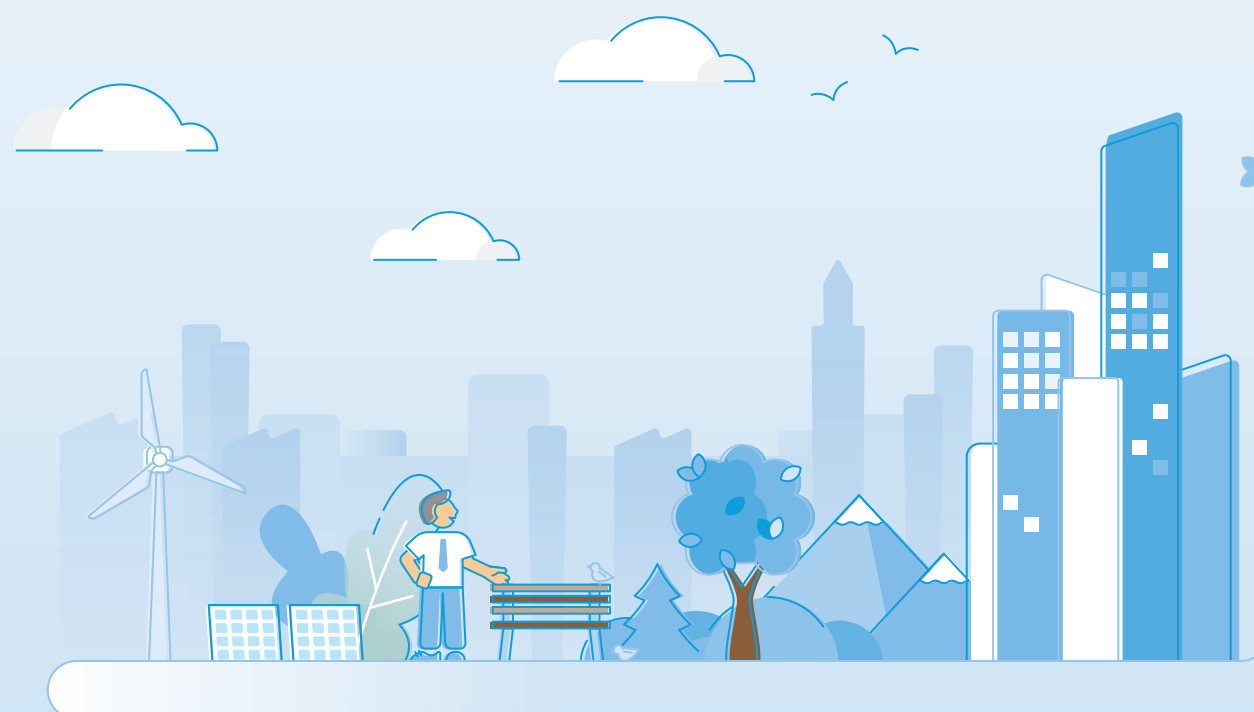


▲ CIFI Ever Sunshine Services “Hiking Club” Activity

11. RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION

CIFI Ever Sunshine Services is committed to building an open, collaborative and win-win partnership platform for the property industry. While enhancing our own development, we hope to contribute our strength and wisdom to the supply chain and the industry, and to fulfill our social responsibility together with more partners to build a better home.

Guide indicators responded to in this chapter		Material issues and guide indicators in this chapter
Respond to SDGs Indicators	Respond to the ESG Reporting Guide KPIs	Material issues
 17 PARTNERSHIPS FOR THE GOALS	B5 B5.1 B5.2 B5.3 B5.4	<ul style="list-style-type: none"> Supply Chain Management



11. RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION

GOALS PROGRESS

Target setting

- Continue to improve the responsible supply chain management system
- Actively promote industry development and cooperation
- Contribute to the development of the industry and make a positive impact

Progress Review

- During the Reporting Period, the Integrity Commitment Letter was signed by 100% of the suppliers
- 7 integrity trainings for suppliers had been carried out, with a 100% integrity training participation rate
- Actively promoted city services, explored the new management model of "Party building + Property" and developed red properties

Next plan

- Further improve the content of the supplier integrity control mechanism, and conduct training and sign-ups before entering the inventory
- Continue to promote supplier communication meetings between suppliers and ourselves at all levels to improve communication between suppliers and ourselves and ensure the quality of suppliers' output
- Optimize the mechanism for the introduction, performance and evaluation of suppliers, and consolidate the rules within the system to realize online management of suppliers
- Strengthen labour health and safety management for suppliers
- Continue to promote industry cooperation and exchange, empowering the development of the industry

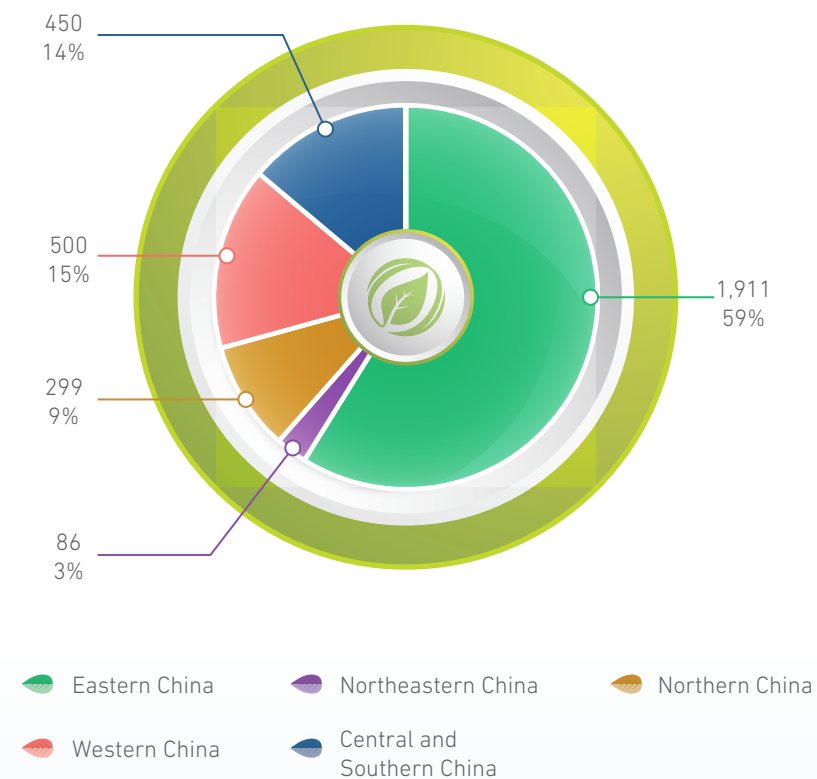
CREATE A RESPONSIBLE SUPPLY CHAIN

CIFI Ever Sunshine Services adheres to the principle of "Working Together, Symbiosis and Win-win Cooperation"(同心同德共生共贏) with its suppliers, and establishes long-term, stable and close cooperative relationships with them. We continue to improve our supply chain management system, standardize our supply chain management chain, provide training and assessment on social responsibility for our suppliers, and take responsibility for the environment and society in our supply chain, in order to continue to promote the steady and sustainable development of our own supply chain.

Supplier management

Regulating the management of suppliers is the basis for creating a fair, just, clean and sustainable supply chain atmosphere. During the Reporting Period, we strictly complied with the provisions of the Bidding and Tendering Law of the People's Republic of China and other laws and regulations, and continued to implement 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》) and the "Management Measures for Project Service Suppliers" and other systems to continuously improve the supplier management system and ensure compliance and fairness in the tender and procurement process.

Supplier distribution



11. RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION

- Supplier Management System

By controlling key aspects such as supplier grading, supplier entry and supplier adjustment, the supply chain is guaranteed to be stable and the quality of products supplied by suppliers are continuously improved.

Supplier Management Principles of CIFI Ever Sunshine Services

The principle of cooperation

Symbiosis and Win-win Cooperation.

First principle

The selection of all business suppliers is based on the principle that the Group's strategic suppliers are the primary suppliers, supplemented by regional collecting suppliers and special suppliers, with all business suppliers selected.

The principle of integrity and self-discipline

All employees involved in the procurement process shall maintain integrity and shall not use their position or authority for personal gain, nor shall any individual use any means to alter or attempt to influence the outcome of a procurement decision.

The principle of fairness and impartiality

We must be fair to all suppliers when selecting shortlisted suppliers, tendering, negotiating and making decisions, and establish and maintain a good reputation and image of the Company.

The principle of open decision-making

There must be full transparency in the procurement process, with active cooperation, full communication and information sharing among departments, eliminating shady deals.

11. RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION

Supplier Management Principles of CIFI Ever Sunshine Services

The principle of separation of three authorities

Procurement operations should follow the principle of separation of three authorities, i.e. the demand function/department is responsible for the development of technical standards and the identification of shortlisted units; the cost function is responsible for/participates in commercial analysis and price negotiations; the procurement manager is responsible for organizing, coordinating and promoting the execution of the procurement process and is responsible for the quality of the procurement process; and the procurement selection team makes the final decision. The procurement process shall be based on the principle of segregation or separation of procurement and inspection, i.e. the procurement personnel shall not be the same person as the user personnel, or if they are the same person, then at least the acceptance personnel shall be included for acceptance, and it shall be prohibited for a single person to complete the procurement process alone from start to finish.

The principle of pre-emptive control

Through the procurement plan report and other means, cross-departmental communications are carried out to reach consensus on the procurement methods and shortlisting criteria, so as to control the quality and improve the efficiency of procurement at source.

The principle of full competition

Adequate market sourcing is required to ensure adequate competition by selecting multiple suppliers who meet the quality requirements and are close in strength to participate in the tenders for procurement businesses.

The principle of confidentiality

All procurement documents are important secrets of the Company and must not be disclosed or improperly promised. Procurement documents include: shortlisted suppliers, tender documents, tender negotiations, decision making process, supplier privacy documents, agreements, contracts, etc.

The principle of traceability

Procurement information, including supplier selection (inspection, shortlisting, evaluation, satisfaction survey, etc.), procurement plans, tender documents, bid documents, tender opening records, tender enquiry records, minutes of relevant meetings, etc., must be collected, collated, filed and stored (or transferred to the archives) in a timely manner, and uploaded to the procurement information system platform if electronic filing is carried out. In principle, all procurement operations must be completed online once the non-engineering procurement information system is online to ensure that procurement operations are traceable online.

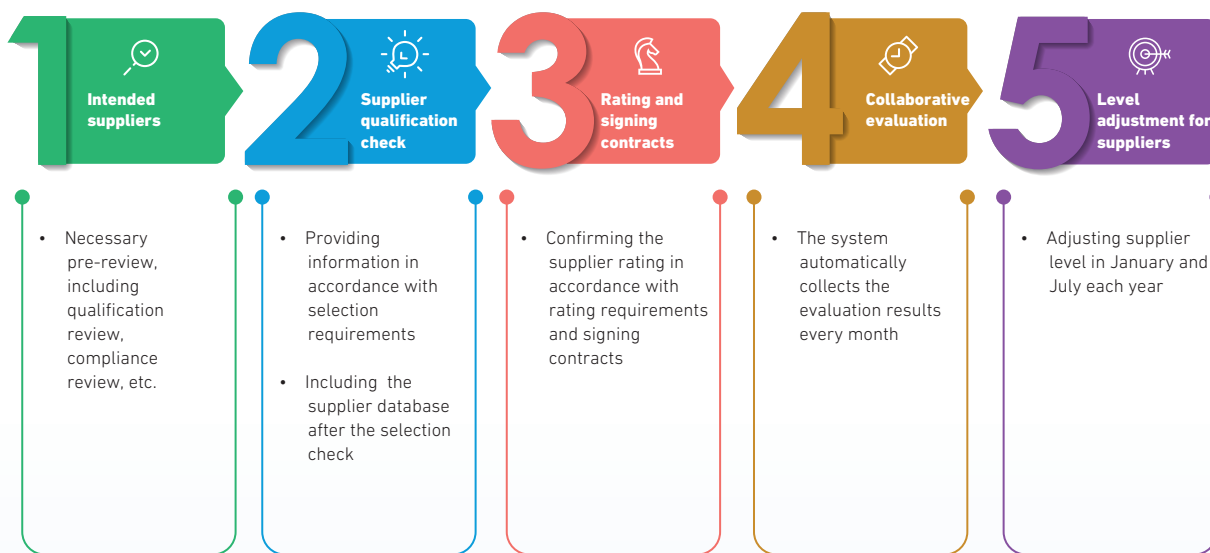
The two-eight principle

Non-engineering procurement operations implement differentiated procurement management actions in accordance with the two-eight principle.

11. RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION

Supplier grading process:

When grading suppliers, CIFI Ever Sunshine Services adopts a strict evaluation and grading process in order to implement grading management. After grading, we will continue to strictly evaluate various behaviours of suppliers to ensure the quality of supplied products, reduce the risk of suppliers' operation and fulfill the social responsibility of suppliers.

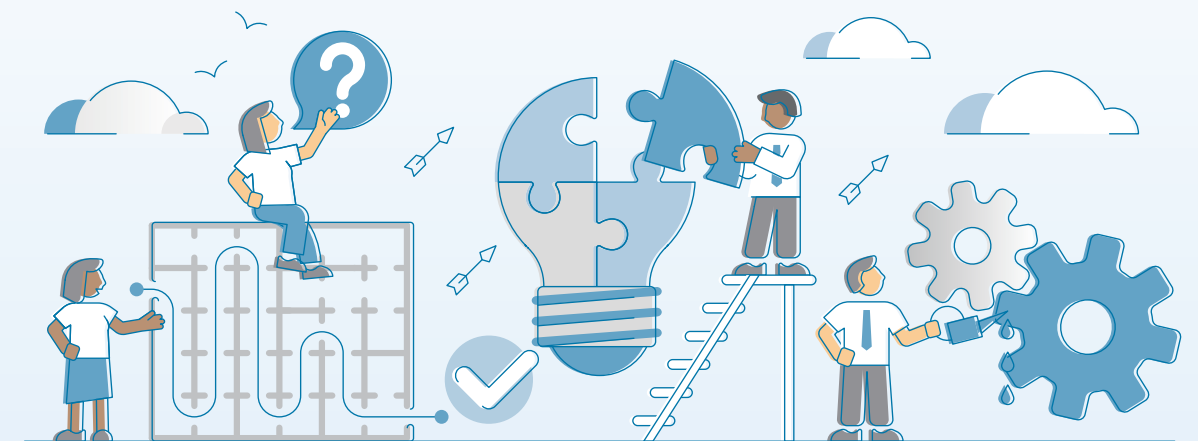


11. RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION

Supplier rating and assessment:

CIFI Ever Sunshine Services rates and assesses all aspects of selection suppliers based on their size, business risk, performance, number of times of cooperation and other factors, and then carries out grading recognition and adopts strategic procurement, centralized procurement and special procurement models for different suppliers, so as to effectively manage suppliers in a graded manner and enhance management efficiency.

Supplier level	Rating Unit	Assessment cycle
Group strategic supplier	The Group's procurement and selection team	Process assessment monthly score collection
Centralized procurement of suppliers	The regional procurement and selection team	Process assessment monthly score collection
Special suppliers	The regional procurement and selection team	Process assessment monthly score collection



11. RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION

- **Procurement plan and bid evaluation:** CIFI Ever Sunshine Services requires each procurement plan to correspond to a customer's service plan, to ensure that the procurement plan is based on demand, and the procurement plan has clear requirements on the scope of demand, cost, pricing method, procurement method, and the rules for determining bids. We will not allow any non-compliance or violation of the principle of fairness and impartiality to occur. Suppliers are bound to fulfil their social responsibility of business ethics and honesty and integrity.
- **Supplier management:** CIFI Ever Sunshine Services adopts daily or irregular supplier file information management, inspection and evaluation management, performance assessment management, relationship maintenance management, supplier complaint management and supervision to provide an objective and comprehensive understanding of supplier behaviour, ensure that suppliers are legally compliant in their daily operations, and reduce our and suppliers' operational risks.

In addition, we also require a Supplier Review Report to be issued for our suppliers, which has clear requirements on the supplier's quality management system, ISO standards, degree of specialization, inventory ledger management, etc. to ensure that the supplier controls product safety and quality.

The image shows a 'Supplier Review Report' form with a table containing various criteria and scores. The table has columns for 'Item', 'Criteria', 'Score', and 'Weight'. The criteria include 'Quality Management System', 'ISO Standards', 'Degree of Specialization', 'Inventory Ledger Management', etc. The scores range from 0 to 100, and the weights are percentages.



Supplier information verification on site

Supplier Review Report

11. RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION

Labour health and safety management for suppliers

By placing emphasis on health and safety awareness, CIFI Ever Sunshine Services hopes to promote occupational health and safety in the supply chain and to drive safety awareness in the industry chain. In order to better manage the occupational health and safety issues of suppliers, we have incorporated important ESG concerns such as supplier labour health and safety into the supplier assessment factors, and are committed to promoting the protection of occupational health and safety of supplier labour.

In service outsourcing contracts, we require suppliers to implement health and safety related policies as specified in the contracts to include contractors in management of health and safety of their labour:

1. Service employees are required to undergo professional knowledge and skills training and pass the assessment before they can take up the service. For order and safety posts, the employee must be certified.
2. The supplier is required to take out appropriate personal accident and medical insurance for the service personnel.
3. Work at height must be carried out in accordance with Safety Procedures for Overhanging Work at height (高處懸掛作業安全規程) and the relevant national and local regulations. The operator must be certified and take the necessary safety precautions.
4. The service supplier is required to provide an adequate amount of labour protective equipment for its employees and to register and count them regularly, and to set up a special dangerous goods store with dedicated management staff.
5. The supplier is required to organize a monthly "Safety Knowledge Training" for all employees.

Supplier communication

CIFI Ever Sunshine Services is committed to growing hand in hand with our suppliers and fulfilling our social responsibilities together. To strengthen suppliers' awareness of anti-corruption and business ethics, we have established a grading communication mechanism with suppliers, forming a grading communication from Group to Group, regional company to regional company, area to area and project to project to ensure timely and frequent contact with suppliers. At the same time, we require 100% of our suppliers to sign the Integrity Commitment Letter to ensure legal and compliant supplier behaviour.

➤ **Supplier communication grading mechanism:**

- Daily morning and evening meetings and weekly meetings between the project manager and the supplier's supervisor to communicate on cooperation and work issues;
- Monthly supplier communication meetings and related training between the area company and the supplier area manager;
- Quarterly supplier-related quarterly training meetings between the regional company and the regional head of the supplier;
- Semi-annual training meetings between the Group headquarters and the supplier headquarters related to the supply side;



▲ The scene of regional company supplier training



▲ The scene of supplier training at business department

➤ **Integrity training:**

We implement supplier integrity culture building to the regions, and each regional company carries out supplier integrity culture building in monthly meetings or annual supplier meetings, explaining and disseminating to suppliers the "Integrity Commitment Letter", "Integrity Instructions" and the "Eight Military Management Regulations of Ever Sunshine Property" (《永升物業八項軍規管理規定》) to enhance suppliers' understanding of our integrity culture, raise their awareness of integrity and honesty, strengthen the construction of our supply chain integrity culture and promote the creation of a clean and positive supply chain relationship atmosphere.



▲ The scene of supplier integrity training

Sustainable supply chain

• **Green Procurement**

Green procurement is an important part of the Group's sustainable supply chain, and in 2021, we continued our management practices from the previous reporting period, with ISO 9001 quality management system, ISO 14001 environmental management system and OHSAS 18001 occupational health and safety management system certification as strict entry requirements to strengthen the assessment of environmental and social factors of our suppliers.

11. RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION

- Sunny and transparent bidding and procurement

CIFI Ever Sunshine Services actively conveys a positive corporate image with integrity to its business partners. We have established a sunny and transparent bidding and procurement eco-management system, urged each region to set up an audit team and standardized supplier management through a systematic process. We provide suppliers with a standard document on our culture of integrity at the same time as they sign the Procurement Contract, ensure that suppliers are aware of the Company's reporting channels, and require all suppliers to review the Integrity Instructions and sign Integrity Commitment Letter. During the Reporting Period, the signing rate of the Integrity Commitment Letter by suppliers of CIFI Ever Sunshine Services reached 100%.

In order to build an honest and sunny partnership with our suppliers, CIFI Ever Sunshine Services provided 7 integrity trainings to our suppliers during the Reporting Period to promote integrity and anti-corruption cases. The trainings were attended by 100% of suppliers and lasted 4.1 hours.

Supplier Integrity Training

7 sessions

Training hours for suppliers

4.1 hours

Case

“Quality First, Symbiosis and Win-Win” Integrity Training for Suppliers

From October to December 2021, CIFI Ever Sunshine Services held the 2021 Annual Service Supplier Conference in various regions across the country, promoting the “Integrity Instructions” to suppliers from all over the country around the theme of “Quality First, Prosperity and Win-Win”, and continuing to build a sunny and open eco-management system for tender and procurement.



Central region of CIFI Ever Sunshine Services promoted the Integrity Instructions to suppliers

11. RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION

PROMOTING SYNERGY AND COOPERATION

CIFI Ever Sunshine Services upholds the principle of openness and sharing, and actively promotes the collaborative development of the industry. We work with companies in the industry to develop the property market, respond to the government's call to strengthen public services, help diversify the industry and promote its progress.

During the Reporting Period, we provided our wisdom in providing property services for government public infrastructure. Through cooperation and joint ventures with state-owned enterprises, we operate property services for public infrastructure projects such as primary and secondary schools, industrial parks, special towns and parks and squares in various regions with the government, providing a good public experience for the aforementioned projects, and the partial projects have become local benchmark projects. At the same time, we actively undertake city municipal management, through the operation and management of infrastructure such as integrated sanitation services, public affairs departments, schools, hospitals, exhibition halls and rail transportation, so that these infrastructure with difficult property management can receive professional services, greatly improving the level of municipal services.

By channelling the wisdom of traditional property into municipal public buildings, CIFI Ever Sunshine Services actively explores the new property management model of “Party Building + Property” to develop red properties, better play the role of the industry and reduce the pressure of government administration. We also explore the pain points of municipal services, fully understand the municipal needs of citizens and provide them with quality municipal services. We have enabled the property industry to expand and transform its function as a city steward, greatly enriching the industry's operational logic and bringing higher quality economic value to the industry, communities and cities.

Case

Red Property Management in Hanshan District

In 2021, the municipal infrastructure services in the old communities were poor, and we took the initiative to understand the needs and undertake municipal property services in the old communities for the local government. Based on our service quality management system, the Handan Hanshan District Red Property Project innovated its management model and targeted the development of refined management applicable to the old communities. By strengthening the quality of the foundation, accelerating the pace of wisdom, enriching community life and promoting open source and cost saving implementation programs, we have provided a safe, harmonious and orderly living environment for the property owners of the old communities in Hanshan District. We have invested a lot of manpower and material resources, such as vehicles and

equipment for road cleaning and waste removal, and a team of professional cleaning services, so that the community's hygiene environment has been greatly improved. At the same time, we renovated and repaired community security facilities, solar street lights, domestic waste sorting bins and sports and fitness facilities to meet the high standard needs of the property owners and create a high-grade property management community.

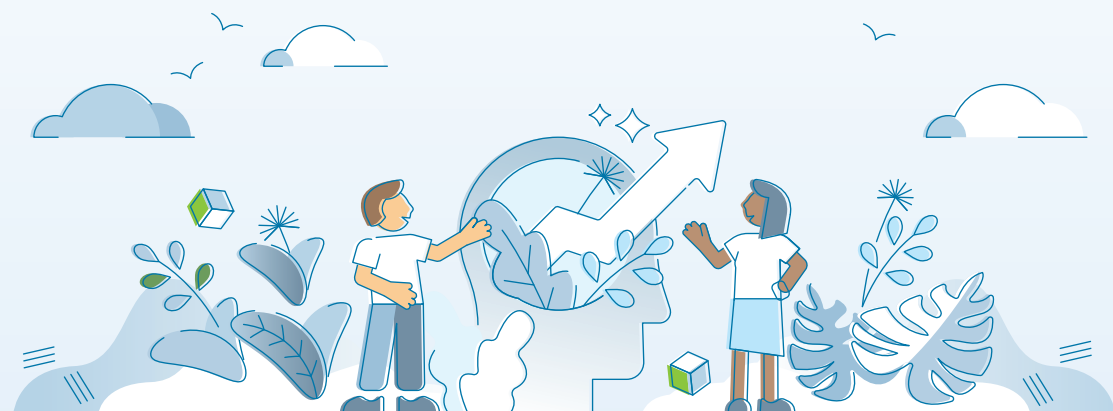


▲ The scene of the red property in the Hanshan district

Case

Acquisition of Meizhong Environment to optimize city services

In 2021, CIFI Ever Sunshine Services completed the acquisition of equity interests in Meizhong Environment to complement each other at the strategic level and to fully synergise on service projects such as city environmental services, community cleaning services and waste separation services to shape a more livable city environment.



12. KIND EVER SUNSHINE, WARM COMMUNITY

CIFI Ever Sunshine Services always puts social responsibility in a prominent position, actively organizes and participates in various community services and community public welfare activities, contributes to the rural revitalization, supports the regular fight against the pandemic with practical actions, defends the safety of employees, property owners, customers and the community, and delivers positive energy to the society.

Guide indicators responded to in this chapter		Material issues and guide indicators in this chapter
Respond to SDGs Goals	Respond to the ESG Reporting Guide KPIs	Material issues
 1 NO POVERTY 2 ZERO HUNGER 10 REDUCED INEQUALITIES 11 SUSTAINABLE CITIES AND COMMUNITIES 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	B8 B8.1 B8.2	<ul style="list-style-type: none"> Charity Social communication and participation



12. KIND EVER SUNSHINE, WARM COMMUNITY

GOALS PROGRESS

Goals setting

- Providing a wealth of community services and promoting community inclusion
- Actively participate in social welfare, fulfill social responsibility and contribute to the development of a harmonious community from Ever Sunshine

Progress Review

- Actively carried out community inclusion activities, organized Xulin Festival (旭鄰節) and Xulin Bazaar (旭鄰市集). 12 sessions of Xulin Bazaar were held in 2021, attracting approximately 2,000 citizens to participate
- Signed cooperation agreements with the People's Government of Liantang Town, Shanghai, and Longfeng and Shuangmiao Villages in Kunshan to help realize the development goals of rural revitalization and urban-rural integration
- Assisted communities and subdistrict offices in their efforts for COVID-19 pandemic prevention and control, responded to emergency pandemic prevention and control for 9,405 times
- Helped to combat flooding in Henan Province

Next plan

- Will further improve and enrich the content of community services and enhance community relations
- Relying on its industrial advantages, the Group will expand the influence of social welfare and promotes positive corporate energy

12. KIND EVER SUNSHINE, WARM COMMUNITY

COMMUNITY SERVICES

Community activities

With the mission of "Building better lives" in mind, CIFI Ever Sunshine Services carries out a variety of community activities in various regions of the country to enhance communication and consensus with the community through the provision of rich community services. We have been organizing the Xulin Festival (旭鄰節) and Xulin Bazaar (旭鄰市集), with diverse activities such as "100-metre scroll", "two people, three feet", "free cinema", etc. to enhance neighbourhood relations and create a warm community atmosphere. In 2021, we held 12 activities under the theme of "Xulin Bazaar", with a total of approximately 2,000 citizens participating.

Case

"Xulin Bazaar" activity carried out by CIFI Ever Sunshine Services

In 2021, CIFI Ever Sunshine Services turned an empty square into a lively neighbourhood through the "Xulin Bazaar" to promote the emotional integration of neighbours. This year's Xulin Bazaar featured a variety of cultural and recreational activities from the senses of taste, touch, hearing and sight, making the community feel at home and contributing to the building of a harmonious community.



▲ The scene of Xulin Bazaar activity



▲ The scene of the 100-metre scroll



▲ Candy mannikind made at the activity



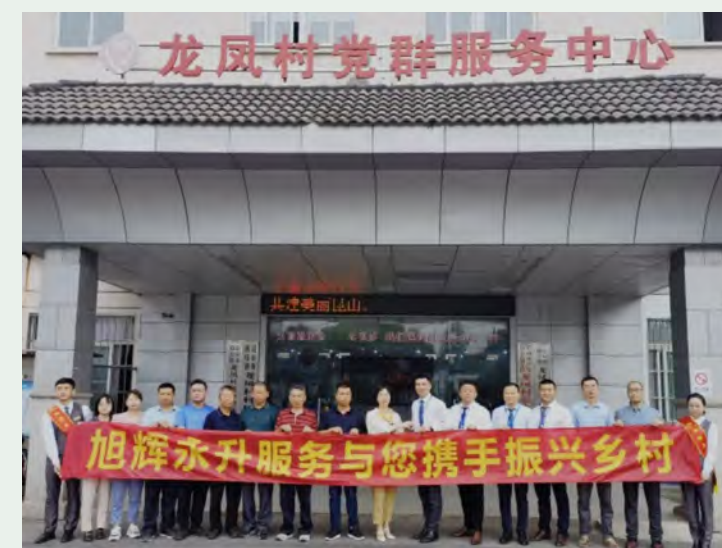
▲ Film viewing activity

12. KIND EVER SUNSHINE, WARM COMMUNITY

Rural revitalization

The year 2021 is the opening year of the "14th Five-Year" Plan of the country, and CIFI Ever Sunshine Services is actively implementing the national rural revitalization strategy with the mission in mind. In line with the spirit of the "14th Five-Year Plan of the National Economic and Social Development of the People's Republic of China and the Outline of Vision 2035", CIFI Ever Sunshine Services is actively involved in various rural revitalization projects. In 2021, we took advantage of our resources, technology and services to sign cooperation agreements with Shanghai Liantang Town People's Government, Kunshan Longfeng Village and Shuangmiao Village to help achieve the goals of rural revitalization and integrated urban-rural development.

In 2021, CIFI Ever Sunshine Services carried out rural revitalization work for **32 times**



▲ CIFI Ever Sunshine Services helped revitalize Longfeng Village

Case

Entering into Cooperation Agreement with Shanghai Liantang Town People's Government

On 11 October 2021, CIFI Ever Sunshine Services and the People's Government of Liantang Town, Qingpu District, Shanghai entered into a framework agreement to deepen the strategic cooperation in the future and build a better "Three Colours Liantang" together. Relying on its industrial advantages, CIFI Ever Sunshine Services will cooperate with Liantang Town in the areas of water system management, public property services and old city renovation management while promoting the development of the Company, so as to contribute "Ever Sunshine power" to the rural revitalization of Liantang Town.



▲ Entering into cooperation agreement with Liantang Town People's Government

SOCIAL CHARITY

Bearing in mind its social responsibility, CIFI Ever Sunshine Services adheres to the philosophy of "Active Devotion" and gives back to the community through practical actions. In 2021, CIFI Ever Sunshine Services continued to organize and hosted various public welfare and elderly care activities, such as assisting property owners stranded in Henan during the rainstorm, organizing the "Shining Red Star Public Welfare Day" and urban public welfare walk, and widely promoting disaster prevention and first aid training in community. We also provided a range of public service activities for community residents, such as free haircut, community voluntary clinics, handy bicycles repair and home appliance repair, to promote community inclusion.



▲ Free haircut



▲ Community voluntary clinics



▲ Handy bicycles repair



▲ Home appliance repair

During the Reporting Period, CIFI Ever Sunshine Services invested approximately RMB900,000 in public welfare, with a total of 4,085 hours of service by employee volunteers in community service and volunteer activities.

In 2021, CIFI Ever Sunshine Services carried out

106

elderly care activities

696

emergency responses to flood control

Case CIFI Ever Sunshine Services co-organized a charity hiking activity

In 2021, CIFI Ever Sunshine Services continued to join hands with CIFI Group to organize the "Hikers CIFI • City Charity Hiking" in Shanghai and the "Hikers Without Borders Cup" (行者無疆杯) Gobi Desert Hiking Competition, in conjunction with the "CIFI Charity Forest" (旭輝公益林) project to devote our love for the desert oasis. Both hikings integrated green development into the charity, planting haloxylon ammondendron trees and poplar trees in the name of the participants in the "CIFI Forest" in western China.

The rules for the CIFI Forest activity are as follows:

- "Hikers CIFI - City Charity Hiking" in Shanghai: For all successful registrants, CIFI Ever Sunshine Services will plant 3 haloxylon ammondendron trees in the CIFI Forest in the name of the participant, and for finishers, we will plant an additional poplar tree for the finisher;
- "Hikers Without Borders Cup" Gobi Hiking Competition: In the spirit of "every step counts as a tree", poplar trees will be planted according to the participants' finish and challenge results.



▲ "Hikers CIFI • City Charity Hiking" in Shanghai



▲ Forest Planting for CIFI Charity Forest Project

Through the two hikings held this year, a total of 15,000 haloxylon ammondendron trees and 26,300 poplar trees have taken root in the southwest of Dunhuang, helping to combat desertification and build a green ecology, and promoting the positive energy of green public welfare.

Case Shining Red Star Day Charity Activity

The year of 2021 is the 100th anniversary of the founding of the Communist Party of China, and CIFI Ever Sunshine Services has launched a public welfare day with the slogan of "the power of public welfare, the new vitality of the community" (公益心力量社區新活力), and has carried out cleaning activities together with community members and residents' committees, spreading the red spirit of love for the Party and the country, contributing to the protection of the community environment and promoting the public welfare dedication.



▲ The scene of Shining Red Star Charity Day activity

12. KIND EVER SUNSHINE, WARM COMMUNITY

WARMTH AGAINST THE PANDEMIC

Against the backdrop of the normalisation of pandemic prevention and control, pandemic prevention and control measures of CIFI Ever Sunshine Services were gradually standardized to build a safe line of defence for pandemic prevention and control. During the Reporting Period, CIFI Ever Sunshine Services continued to comply with the requirements of the "Code for Prevention and Control of CIFI Ever Sunshine Services Residential Project (《旭辉永升服务住宅专案防控规范》)" and "Code for Epidemic Prevention and Control in CIFI Ever Sunshine Services Commercial/Office Buildings (《旭辉永升服务商业/办公楼疫情防控规范》)", improving the pandemic prevention and control system and cooperating with the community and subdistrict offices in disinfection and cleaning, nucleic acid testing, vaccination and temperature measurement to help block the transmission route of the COVID-19. We issued "Anti-pandemic Initiative", "Warm Tips for Pandemic Prevention and Control" and "Self-discipline for Pandemic Prevention and Control" through various channels such as community bulletin boards and the WeChat official account "CIFI Ever Sunshine Services". We used modern means to share our knowledge of pandemic prevention with the public and raise their awareness of self-prevention to build a safe wall of protection for pandemic prevention and control.

In 2021, CIFI Ever Sunshine Services was highly effective in the fight against the COVID-19 pandemic, with projects in Hubei Province and Hunan Province being awarded the title of "Advanced Enterprise in the Fight against the Pandemic".



▲ High frequency of disinfection and cleaning



▲ Assistance in organizing nucleic acid tests, vaccinations



▲ Posters on pandemic prevention and control



▲ Entry and exit registrations and temperature measurement

During the Reporting Period, CIFI Ever Sunshine Services carried out

9,405

emergency responses to pandemic preventions

completed

173,010

community disinfections

153,248,900

temperature measurements

11,784,936

entry and exit registrations.

12. KIND EVER SUNSHINE, WARM COMMUNITY

Guidelines for CIFI Ever Sunshine Services to prevent pandemic

- **Temperature measurement and inspection, strictly guard the pandemic prevention gate:** establish a "community + property + property owners" prevention and control system in the community, strictly register pedestrians and vehicles entering and exiting the community, take temperature measurements, check the health code, and check the 48-hour nucleic acid test report during the severe pandemic, so as to guard the first line of defence for safety.
- **Service is in place, providing courier/takeaway service to your home:** strict but not harsh, service is warm. We provide courier/takeaway services, free home disinfection and hand sanitiser in Entrance & exit to open up the "last mile" of the community.
- **Recreation and culture in community do not let up:** self-help service areas, museums, athletic pavilions, talent pavilions and little paradises are set up to enrich the property owners' recreational life and meet their needs during home isolation.

Case

Helping to prevent and control pandemics without stopping

Since the discovery of positive cases of COVID-19 in Shangyu District, Zhejiang Province on 7 December 2021, the Shaoxing Yaxia-Sunshine Coast project served by CIFI Ever Sunshine Services immediately set up a pandemic prevention team and cooperated with the community where it was located to carry out full nucleic acid testing. At the time of the outbreak, the project employees of CIFI Ever Sunshine Services were stationed in the community all night and worked non-stop for 24 hours, using gate guards, community disinfection and property management as the three lines of defence for the prevention and control of the pandemic, guarding the lives and health of employees and property owners.



▲ Nucleic acid testing assistance from the pandemic prevention team



▲ Good cleaning work by the pandemic prevention team

12. KIND EVER SUNSHINE, WARM COMMUNITY

Case

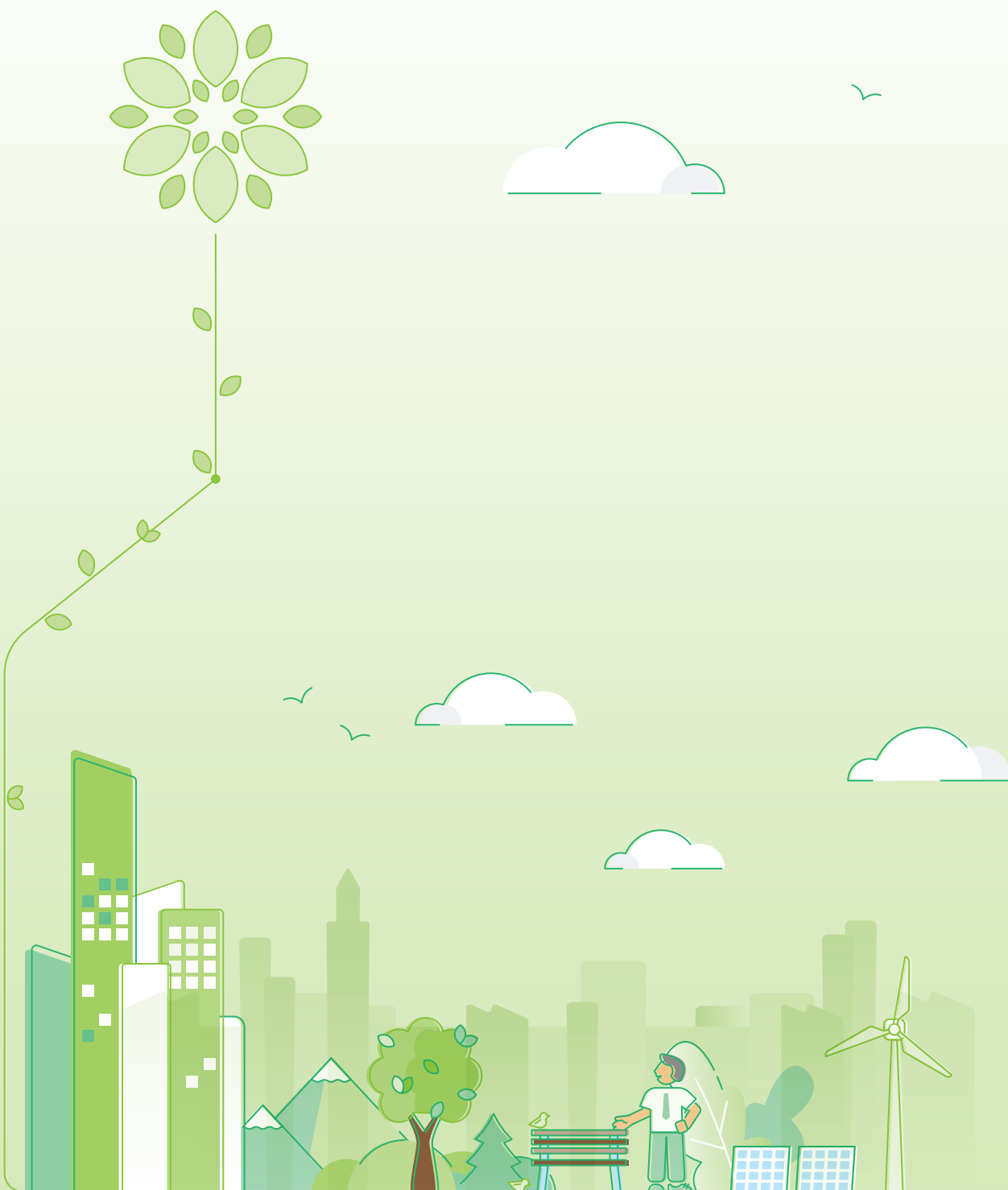
Providing logistical support for pandemic prevention

On 22 December 2021, after CIFI Ever Sunshine Services was informed of the presence of close contacts at Dongguan Landscape (東莞瀧璟花園), all employees were unflappable and provided logistical support. Our employees delivered supplies to home quarantine property owners and went to each floor to notify property owners of nucleic acid testing from the day the community was closed. During the three days of the community closure, our employees made over 1,000 trips to deliver supplies. We also disinfected the public areas at least twice a day and the lifts at least four times a day in accordance with strict disinfection protocols to ensure the safety and pandemic prevention for the community.



▲ Deliver supplies to property owners

APPENDICES



APPENDIX I ESG KEY PERFORMANCE INDICATORS

Aspect	ESG KPI	Unit	2020	2021
A Environmental				
A1 Emissions	A1.1 The types of emissions and respective emissions data			
	NOx	Kilogram	0.97	0.50
	SOx	Kilogram	0.03	0.09
	PM	Kilogram	0.07	0.04
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas (GHG) emissions and intensity ¹			
	Total GHG emissions	Tonnes of carbon dioxide equivalents (CO ₂ e)	281.92	361.51
	Direct GHG emissions (Scope 1)	Tonnes CO ₂ e	4.95	13.30
	Indirect GHG emissions (Scope 2)	Tonnes CO ₂ e	278.81	348.21
	GHG emissions intensity	Tonnes CO ₂ e/m ²	0.018	0.018
	A1.3 Total hazardous waste produced and intensity ²			
	Total hazardous waste produced	Kilogram	783.57	648.91
	Hazardous waste produced intensity	Kilogram/m ²	0.05	0.03
	Waste ink cartridges/toner cartridge	Kilogram	234.49	264.97
	Waste tube	Kilogram	16.28	48.30
	Waste battery	Kilogram	75.03	143.68
	Waste electric product	Kilogram	457.76	191.96
	A1.4 Total non-hazardous waste produced and intensity			
	Total non-hazardous waste produced	Kilogram	34,094.25	60,093.25
	Non-hazardous waste produced intensity	Kilogram/m ²	2.21	3.02
	Office and domestic garbage	Kilogram	34,094.25	60,093.25

Aspect	ESG KPI	Unit	2020	2021
A Environmental				
A2 Use of Resources	A2.1 Direct and/or indirect energy consumption by type in total and intensity ³			
	Total energy consumption	kWh	499,114.13	652,444.67
	Energy consumption intensity	kWh/m ²	32.39	32.81
	Direct energy consumption	kWh	19,229.19	53,121.69
	Total diesel consumption	kWh	6,813.44	0.00
	Total petrol consumption	kWh	12,415.76	53,121.69
	Indirect energy consumption	kWh	479,884.94	599,322.98
	Total acquired electricity	kWh	479,884.94	599,322.98
	A2.2 Water consumption in total and intensity ⁴			
	Water consumption in total	Tonnes	2,511.00	2,085.24
	Water consumption intensity	Tonnes/m ²	0.16	0.10



APPENDICES

Aspect	ESG KPI	Unit	2020	2021
B Social				
B1 Employment	B1.1 Total number of employees by gender, employment type, age group and geographical region			
	Total number of employees	Headcount	11,263	16,709
	By gender			
	Number of male employees	Headcount	6,257	10,175
	Number of female employees	Headcount	5,006	6,534
	By employment type			
	Number of full-time employees	Headcount	11,263	16,709
	Number of short-term contract/part-time employees	Headcount	0	0
	By age			
	Number of employees under the age of 30	Headcount	4,729	5,756
	Number of employees aged 31-50	Headcount	4,910	7,870
	Number of employees aged 50 or above	Headcount	1,624	3,083
	By geographical region			
	Number of employees in Eastern China	Headcount	7,761	9,712
	Number of employees in Northern China	Headcount	640	1,220
	Number of employees in Central and Southern China	Headcount	1,396	3,147
	Number of employees in Western China	Headcount	1,190	2,014
	Number of employees in Northeastern China	Headcount	276	616

APPENDICES

Aspect	ESG KPI	Unit	2020	2021
B Social				
	B1.2 Employee turnover rate by gender, age group and geographical region⁵			
	Employee turnover rate	%	undisclosed	35%
	By gender			
	Male employee turnover rate	%	undisclosed	37%
	Female employee turnover rate	%	undisclosed	46%
	By age group			
	Turnover rate of employees aged 30 and under the age of 30	%	undisclosed	51%
	Turnover rate of employees aged 31-50	%	undisclosed	43%
	Turnover rate of employees over the age of 50	%	undisclosed	13%
	By geographical region			
	Turnover rate in Eastern China	%	undisclosed	43%
	Turnover rate in Northern China	%	undisclosed	36%
	Turnover rate in Central and Southern China	%	undisclosed	33%
	Turnover rate in Western China	%	undisclosed	45%
	Turnover rate in Northeastern China	%	undisclosed	24%

Aspect	ESG KPI	Unit	2019	2020	2021
B2 Health and Safety	B2.1 Number and rate of work-related fatalities occurred in each of the past three years⁶				
	Number of work-related fatalities	Headcount	0	2	0
	Rate of work-related fatalities	%	0.00%	0.02%	0.00%

Aspect	ESG KPI	Unit	2020	2021
	B2.2 Lost days due to work injury			
	Incidents of work injury	Case	undisclosed	41
	Total lost days due to work injury	Day	1,394	1,642

APPENDICES

Aspect	ESG KPI	Unit	2020	2021
B Social				
B3 Development and training	B3.1 Percentage of employees trained by gender and employee category			
	Total employees trained	Headcount	11,147	16,558
	Total employees trained	%	99.0	99.1
	By gender			
	Male employees trained	%	55.5	60.8
	Female employees trained	%	44.5	39.2
	By employee category			
	Junior employees trained	%	83.8	83.4
	Middle employees trained	%	15.3	15.8
	Senior employees trained	%	0.9	0.8
	B3.2 Average hours of training completed per employee by gender and employee category⁷			
	Average training hours per employee	Hour	87.8	88.0
	By gender			
	Training hours of male employees	Hour	89.0	90.2
	Training hours of female employees	Hour	84.1	85.3
	By employee category			
	Training hours of junior employees	Hour	87.3	87.6
	Training hours of middle employees	Hour	88.7	88.9
	Training hours of senior employees	Hour	113.1	113.8

APPENDICES

Aspect	ESG KPI	Unit	2020	2021
B Social				
B5 Supply Chain Management	B5.1 Number of suppliers by geographical region			
	Number of suppliers in Eastern China	Number of suppliers	331	1,911
	Number of suppliers in Northern China	Number of suppliers	109	299
	Number of suppliers in Central and Southern China	Number of suppliers	213	450
	Number of suppliers in Western China	Number of suppliers	101	500
	Number of suppliers in Northeastern China	Number of suppliers	32	86
	B5.2 Number of suppliers for whom the practice of engaging suppliers was implemented			
	Signing rate of suppliers signing "Integrity Commitment Letter" (廉正承諾書)	%	100	100
B6 Product Responsibility	B6.2 Number of products and service-related complaints received and how they are dealt with⁸			
	Number of products and service-related complaints received by the Company's operational department	Case	3,782	11,886
	Rate of handling complaints	%	100	100
B7 Anti-corruption	B7.1 Number of concluded corruption proceedings against the issuer or its employees during the Reporting Period			
	Number of corruption proceedings	Case	0	2
	B7.3 Description of anti-corruption trainings provided to the directors and employees			
	Number of directors attended the anti-corruption trainings	Headcount	undisclosed	4
	Number of employees attended the anti-corruption trainings	Headcount	undisclosed	16,709
	Anti-corruption training hours provided to the directors	Hour	undisclosed	3
	Anti-corruption training hours provided to the employees	Hour	undisclosed	67.5
B8 Community Investment	B8.2 Resources utilised in focus areas			
	Total amount invested in public welfare	RMB in ten thousand	86	90
	Total serving hours of employee volunteers	Hour	1,079	4,085

Scope of Data Statistics:

- 1) The environmental category data disclosed in this Report covers the headquarter offices of CIFI Ever Sunshine Services and administrative offices in the Eastern, Northern, South Central, Western and Northeastern regions of the Group.
- 2) The social category data disclosed in this Report is for the actual scope of business of CIFI Ever Sunshine Services.

Data Calculation Description:

- 1) GHG emissions (Scope 1) mainly come from direct energy consumption generated by business vehicles and employee canteen; GHG emissions (Scope 2) come from indirect energy consumption caused by external purchased electricity, and the data sources are the payment bills of relevant fees and administrative statistics ledgers. The GHG scope includes carbon dioxide; among them, The calculation formula for greenhouse gas emissions from direct energy (Scope 1) refers to the "Accounting Measures and Reporting Guide on Greenhouse Gas Emissions for Enterprises Operating in Public Buildings (Trial)" issued by the National Development and Reform Commission of the People's Republic of China, and the greenhouse gas emission factors for purchased electricity refer to the "Accounting Measures and Reporting Guide on Greenhouse Gas Emissions for Enterprises Power Generation Facilities" (Huan Ban Qi Hou 2021 No. 9).
 - a. Note to "Consistency": To enable meaningful comparison and monitoring of changes in GHG emissions from purchased electricity, this Report uses a consistent and up-to-date coefficient of emissions from purchased electricity to retrospectively revise the historical data on GHG emissions (Scope 2) for 2020, as well as to revise the indicators of total GHG emissions and intensity. We will continue to use a comparable measurement approach and continue to improve our data management, with the new revisions published in the above table.
 - b. Note to "Consistency": in order to allow meaningful comparison of data on the use or emissions of GHG, waste, energy, water resources, etc., the density data for the above indicators have been standardised using the GFA of office area of CIFI Ever Sunshine Services for density calculations, consistent with 2020.
- 2) The excessive increase in the production of hazardous and non-hazardous waste was due to the more stringent management of waste accounts by CIFI Ever Sunshine Services, the increase in the number of recycled or disposed items, and the increase in waste production due to the growth of business and the need for regular pandemic control. In the future, CIFI Ever Sunshine Services will further improve its waste management.

- 3) The types of energy consumed by the Group in 2021 include fuel for official vehicles, fuel for employee canteen and purchased electricity, and the data sources are the payment bills for the relevant expenses and the administrative statistics ledger. Among them, the energy consumption factors are converted with reference to the conversion factors provided by the International Energy Agency and the national "General Rules for Calculating Comprehensive Energy Consumption" GB/T 2589-2020. Of which, the increase in purchased electricity was mainly due to the office relocation, expansion and renovation of CIFI Ever Sunshine Services accompanying the increase in business during the reporting period.
- 4) 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
- 5) The Group's employees turnover rate is calculated as the number of employees lost during the reporting period / (the number of employees at the beginning of the reporting period + the number of new employees during the reporting period).
- 6) In 2020, a work-related fatality occurred at CIFI Ever Sunshine Services, resulting in the deaths of two employees. The accident occurred when these two employees were driving their electric bicycles from work at 18:00 on 23 October 2020. They encountered a heavy-duty tipper truck travelling from south to north and the train collided with the electric bicycle, resulting in deaths of these two employees on the spot. The driver of the truck was found to be responsible for the accident by the traffic police and deaths of two employees were work-related fatalities. After the incident, CIFI Ever Sunshine Services took the matter seriously and contacted the employees' families at the first time, showing timely care and reassuring their emotions, as well as setting up a special follow-up team to follow up on the information related to the compensation for work-related fatalities. The employee accident insurance purchased by the Company for the employee was paid out to both of them, and the Company applied for employee care benefits for the two employees.
- 7) The formula for calculating the average length of training for the Group's employee is the total length of training for a particular category of employee/number of employee trained in that category.
- 8) The main reason for the increase in complaint data in 2021: CIFI Ever Sunshine Services adheres to a customer-centric concept and is closer to the voice of the customer. In 2021, the Group established an online customer monitoring system and added a complaint suggestion channel on the APP. At the same time, the definition of complaints was made more stringent and the granularity of complaint monitoring was made more refined. As a result, the number of complaints increased in 2021.

APPENDIX II ESG REPORTING GUIDE INDEX

KPI	Description	Disclosure status	Paragraphs disclosed
A Environmental			
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. Note: Air emissions include NO _x , SO _x , and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitric oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	disclosed	9 LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION
KPI A1.1	The types of emissions and respective emissions data.	disclosed	APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) GHG emissions (in tonnes) and, where applicable, intensity(e.g. calculated per unit of production, per facility).	disclosed	APPENDIX I ESG KEY PERFORMANCE INDICATORS

KPI	Description	Disclosure status	Paragraphs disclosed
A Environmental			
Aspect A1: Emissions			
KPI A1.3	Total quantity of hazardous waste generated (in tonnes) and, where applicable, density (e.g. calculated per unit of production, per facility).	disclosed	APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI A1.4	Total amount of non-hazardous waste generated (in tonnes) and, where applicable, density (e.g. calculated per unit of production, per facility).	disclosed	APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	disclosed	9 LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled and a description of reduction target(s) set and steps taken to achieve them.	disclosed	9 LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION

KPI	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. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	disclosed	9 LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION
KPI A2.1	Direct and/or indirect energy consumption (e.g. electricity, gas or oil) by type in total (in thousands of kWh) and intensity (e.g. calculated per unit of production, per facility).	disclosed	APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI A2.2	Water consumption in total and density (e.g. calculated per unit of production, per facility).	disclosed	APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	disclosed	9 LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	disclosed	9 LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A	N/A The business nature of the Group does not involve product manufacturing.

KPI	Description	Disclosure status	Paragraphs disclosed
Aspect A3: Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impacts on the environment and natural resources.	disclosed	9 LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	disclosed	9 LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION
Aspect A4: Climate Change			
General Disclosure	Policies on identification and mitigation of significant climate related issues which have impacted, and those which may impact, the issuer.	disclosed	9 LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	disclosed	9 LEAN EVER SUNSHINE, FOCUSING ON ENVIRONMENTAL PROTECTION
B Social			
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	10 ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART
KPI B1.1	Total workforce by gender, employment type (e.g. full-time or part-time), age group and geographical region.	disclosed	10 ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	disclosed	APPENDIX I ESG KEY PERFORMANCE INDICATORS

KPI	Description	Disclosure status	Paragraphs disclosed
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	10 ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART
KPI B2.1	The number and rate of work-related fatalities in each of the past three years (including the reporting year).	disclosed	APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI B2.2	Lost days due to work injury.	disclosed	APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI B2.3	Description of occupational health and safety measures adopted and how they are implemented and monitored.	disclosed	10 ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART
Aspect B3: Development and training			
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	disclosed	10 ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	disclosed	APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI B3.2	The average training hours completed per employee by gender and employee category.	disclosed	APPENDIX I ESG KEY PERFORMANCE INDICATORS

KPI	Description	Disclosure status	Paragraphs disclosed
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	10 ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	disclosed	10 ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	disclosed	10 ENERGETIC EVER SUNSHINE, DEVELOPMENT WITH ONE HEART
Aspect B5: Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain.	disclosed	11 RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION
KPI B5.1	Number of suppliers by geographical region.	disclosed	11 RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	disclosed	11 RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	disclosed	11 RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	disclosed	11 RESPONSIBLE EVER SUNSHINE, JOINT COOPERATION

KPI	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	8 QUALITY EVER SUNSHINE, INGENIOUS SERVICE
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	N/A	N/A The business nature of the Group does not involve product manufacturing.
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	disclosed	8 QUALITY EVER SUNSHINE, INGENIOUS SERVICE APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	disclosed	7 CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION
KPI B6.4	Description of quality assurance process and recall procedures.	N/A	N/A The business nature of the Group does not involve product manufacturing.
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	disclosed	8 QUALITY EVER SUNSHINE, INGENIOUS SERVICE

KPI	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	7 CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and outcomes of the cases.	disclosed	7 CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION APPENDIX I ESG KEY PERFORMANCE INDICATORS
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	disclosed	7 CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION
KPI B7.3	Description of anti-corruption trainings provided to directors and staff.	disclosed	7 CONSCIENTIOUS EVER SUNSHINE, SINCERE OPERATION APPENDIX I ESG KEY PERFORMANCE INDICATORS
Aspect B8: Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration communities' interests.	disclosed	12 KIND EVER SUNSHINE, WARM COMMUNITY
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	disclosed	12 KIND EVER SUNSHINE, WARM COMMUNITY
KPI B8.2	the resources contributed (e.g. money or time) to the focus area.	disclosed	12 KIND EVER SUNSHINE, WARM COMMUNITY APPENDIX I ESG KEY PERFORMANCE INDICATORS



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CIFI EVER SUNSHINE SERVICES GROUP LIMITED

