越秀地產股份有限公司
YUEXIU PROPERTY COMPANY LIMITED
Stock Code: 00123

WHERE GOOD LIVING STARTS

SUSTAINABILITY REPORT 2025

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The Chinese version of this report shall prevail whenever there is a discrepancy between the English and the Chinese versions.

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Mr Lin Zhaoyuan
Chairman of the Board of Directors
Chairman of the Sustainability Committee
Yuexiu Property Company Limited

Navigating the Green Transition, Advancing Long-term Value with Resolve, and Leading the Real Estate Industry Towards High-quality Development with the Responsibility of a State-owned Enterprise

At present, the global sustainable development agenda has deepened, with climate change and ecological preservation emerging as defining challenges for humanity. Capital markets worldwide are imposing increasingly rigorous expectations on ESG governance. As China has entered a new stage of high-quality economic development, the real estate industry has been undergoing a systemic transformation – from scale-driven expansion to quality- and efficiency-oriented growth. Green and low-carbon development, quality and efficiency enhancement, value co-creation, and shared responsibility have become the defining compass points of the industry's high-quality development. As the core real estate platform of the largest municipal state-owned enterprise in Guangzhou and a leading integrated urban operator in the Guangdong-Hong Kong-Macao Greater Bay Area, Yuexiu Property remains steadfast in its founding mission as a state-owned enterprise and is resolute in shouldering the mission of the era. Guided by a sustainability-driven strategy, it helps the industry navigate cyclical fluctuations; with the responsibility of a state-owned enterprise, it leads the industry towards higher quality, greater resilience and stronger sustainability; and through practical action, it fulfils the responsibility and mission of a state-owned enterprise to serve national priorities, empower urban development and enhance public well-being.

"Looking back on the 14th Five-Year Plan period, the implementation of major national top-level strategies – including the carbon peaking and carbon neutrality ("Dual Carbon") goals, the all-around rural revitalisation strategy, the establishment of a circular economy system, and proactive responses to population ageing – has laid a solid foundation for industrial green transformation and high-quality growth, while charting a clear course for Yuexiu Property's sustainable development. As we approach the start of the 15th Five-Year Plan period, green and low-carbon principles are becoming the defining feature of development, while digital and intelligent empowerment is driving improvements in quality and efficiency. Meanwhile, high-quality livelihood services are responding to the expectations of the era, and urban regeneration is unlocking new development momentum. Sustainable development has evolved from a value-added advantage to a core pillar of long-term development, a key dimension for value re-assessment, and an essential indicator of core competitiveness for enterprises. With a profound understanding of national priorities and industry trends, Yuexiu Property has embedded sustainability into its overall corporate strategy, fully integrating it across the entire life cycle – from investment decision-making and product design to construction management, asset operations, and service supply – thereby achieving an organic unity of high-quality corporate development, enhanced social value, and strengthened ecological stewardship."

As a practitioner of the United Nations Global Compact (UNGC), Yuexiu Property fully benchmarks against international standards and closely integrates national strategies, advancing corporate governance in resonance with global sustainable development goals. This report provides a systematic review and transparent disclosure of our sustainability practices in 2025 and stands as a firm declaration of our commitment to deepening our focus on green development, upholding the principle of long-term value, and leading the industry transformation.

Commitment to Action 2025: Setting A Benchmark in Real Estate with Top-tier Performance, Strengthening the Foundations of Development through Systemic Upgrades

In 2025, amid profound adjustments in the global economy and property markets, heightened regulatory oversight, and increasing market differentiation, Yuexiu Property achieved breakthroughs against the tide and pursued innovation with determination. Leveraging a mature governance framework, efficient execution capabilities, and an unwavering commitment to long-termism, we advanced our sustainability agenda into a top-tier position among Chinese Mainland property companies globally, demonstrating the responsibility of a state-owned enterprise through concrete achievements and establishing an industry benchmark.

In governance and ratings, we achieved a qualitative leap. In 2025, Yuexiu Property advanced from a four-star rating to the highest five-star rating in the GRESB assessment, ranking first among mainland-listed real estate enterprises assessed. In the "Management" module, we achieved an exceptional full score of 30, leading comprehensively in leadership, policy formulation, risk management, disclosure, and stakeholder engagement. This accomplishment reflects the maturity of our governance structure, the forward-looking nature of our strategic planning, and the deep synergy of our execution capabilities. Meanwhile, for the second consecutive year, the Company was included as a constituent of the Hang Seng Corporate Sustainability Benchmark Index and was honoured with the "ESG Leading Enterprise Award" from *Bloomberg Businessweek/Chinese Edition*. These recognitions from international authorities underscore capital markets' high regard for our sustainability performance and long-term value, and affirm our steadfast commitment to green transition, social responsibility, and high-quality development.

In systems and standards, we achieved strategic advancement: Proactively responding to the explicit requirements of the *Guidelines for Sustainable Development Reporting of Listed Companies (Trial)* issued by the three major Chinese stock exchanges, and aligning with the evolving trends of the IFRS Sustainability Disclosure Standards issued by ISSB, we conducted our first double materiality assessment covering both "financial materiality" and "impact materiality". This systematic identification of material sustainability topics marks a fundamental shift in the Company's sustainability management from a "compliance-oriented" to a "value-oriented" approach, and from "risk identification" to "opportunity capture". Concurrently, we optimised our governance structure by renaming the "Environmental, Social and Governance Committee" as the "Sustainability Committee", significantly elevating the decision-making level and execution penetration of our sustainability strategy. This lays a solid foundation for future strategic resource allocation, deeper disclosure, and sustainable value creation. Across operational practice, we achieved comprehensive progress:

I. Anchoring on Climate Action to Build a Low-carbon and Resilient Foundation

In alignment with the national "Dual Carbon" strategy, we deepened our climate governance framework and embedded emission reduction targets across asset planning and operational optimisation. In 2025, we completed a systematic screening of Scope 3 emissions, extending carbon management from Scopes 1 and 2 to the entire value chain and achieving comprehensive, systematised emissions control. We also continued to refine our identification mechanisms for nature-related risks and opportunities under the Taskforce on Nature-related Financial Disclosures (TNFD) framework, integrating biodiversity protection with corporate strategy to forge a long-term pathway that balances climate resilience with ecological responsibility.

II. Advancing Circular Economy Practices across the Full Life Cycle

Aligned with national circular economy principles and guided by the core philosophy of "respecting nature, putting people first, ensuring health and comfort, and pursuing intelligent low-carbon development", we established a full life cycle sustainable construction system spanning design, construction, operation, and demolition. We expanded the adoption of prefabricated construction, green building materials, and construction waste reduction mechanisms, while leveraging digital platforms to enhance green operational performance, as well as energy and resource efficiency. We further strengthened green leasing and responsible supply chain management, incorporating environmental and labour standards as baseline entry requirements, thereby fostering coordinated upgrading across the industry value chain and co-creating a green, symbiotic industrial ecosystem.

III. Building Sustainable Community Ecosystems in Alignment with National Strategies

In close alignment with major national initiatives – including all-round rural revitalisation, the "Hundred, Thousand, and Ten Thousand Project", and proactive responses to population ageing – we leveraged our positioning as an integrated urban operator to invest systematically in education, elderly care, and community development. In 2025, we continued to advance our "Sustainable Development Badge" and "Green Living Path" initiatives, guiding residents and customers towards low-carbon lifestyles and responsible consumption, promoting the integration of corporate and social value, and contributing to high-quality urban development and improved livelihoods.

IV. Strengthening the Enterprise through Talent and Cultivating Long-term Momentum

Talent is the cornerstone of stable operations and high-quality growth. In 2025, we strictly adhered to our safety goals of "Four Guarantees, Five Zeros" and "Zero Fatalities", continuously improving our occupational health and safety management system and striving to protect employees' legitimate rights and overall wellbeing. Through systematic training programmes and leadership development initiatives, we established multi-tiered career development pathways and optimised incentive and accountability mechanisms, nurturing a high-calibre workforce characterised by professional excellence, strong responsibility, and green awareness.

V. Fortifying Modern Governance with Institutional Rigour

Adhering to the principles of compliance and integrity, we issued three core internal policies in 2025 – *Anti-corruption and Anti-bribery Policy*, *Code of Business Conduct and Ethics*, and *Information Security Policy* – and revised multiple institutional documents to achieve end-to-end compliance management from project initiation to external disclosure. We incorporated the prevention of greenwashing into our business ethics framework, strengthened data traceability and disclosure review mechanisms, and ensured authenticity and transparency in sustainability practices. We are actively promoting the innovative application of emerging technologies like artificial intelligence, while simultaneously establishing corresponding risk identification and control mechanisms to ensure that technological empowerment operates within clear compliance boundaries.

VI. Unlocking Dual Value through Green Finance

We have established sustainable finance as a core strategic pillar of our green transformation, strictly adhering to international standards and domestic requirements while expanding green financing channels and diversifying financing instruments. As of the end of 2025, approximately 35% of the Company's bonds and loan financing came from green finance, a significant increase from 2024. During the year, we successfully issued green dim sum bonds of RMB2.85 billion, secured a sustainability-linked loan of HKD1.56 billion, and innovatively launched the nation's first building carbon credit product for the wholesale market, pioneering a new market-based mechanism to incentivise emissions reduction in the construction sector. These initiatives forge a closer linkage and synergy between green finance and asset quality, financing costs, and long-term value, achieving a win-win outcome for both environmental and financial benefits.

Striving for 2026: Consolidating Leadership through Six Strategic Actions

The year 2026 marks the commencement of the 15th Five-Year Plan, a pivotal phase in advancing the national "Dual Carbon" strategy, and a critical juncture for Yuexiu Property to progress from industry leadership to industry stewardship, and from system enhancement to value elevation. Building on the strong foundation laid in 2025, we will adopt higher standards, a broader vision, more pragmatic measures, and stronger execution. Focusing on six priorities – upgrading top-level design, accelerating low-carbon transition, advancing green finance, optimising community ecosystems, tightening governance and compliance, and deepening industrial collaboration – we will promote a new stage of systematised, benchmark-driven, and value-oriented sustainable development, fulfilling our mission as a state-owned enterprise and leading high-quality green transformation in the real estate sector.

Looking Ahead: Advancing with Enduring Resolve and Setting a Benchmark for the Era

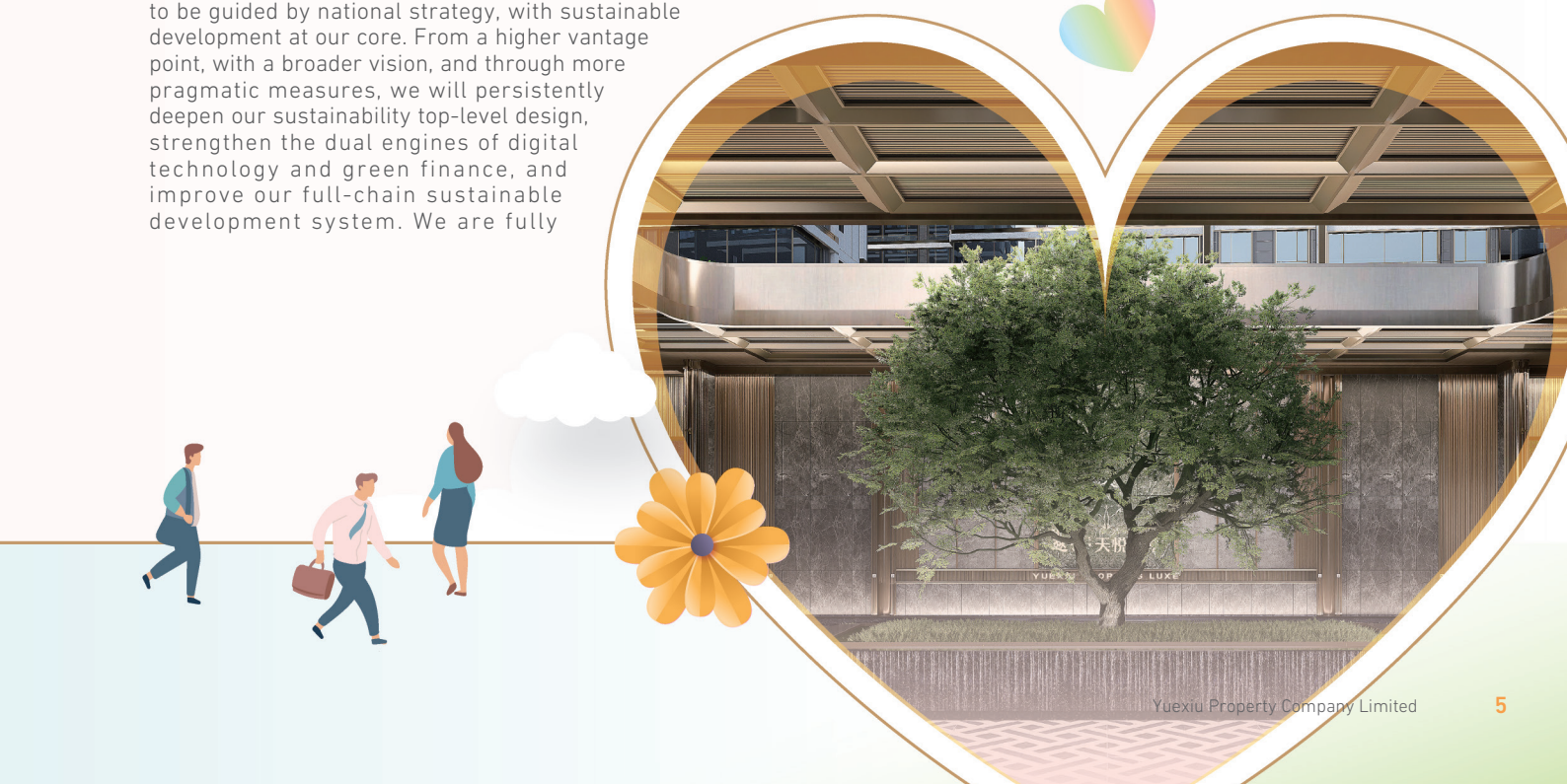
Sustainable development is never a short-term sprint but a long-term commitment. It is not a passive exercise in passing inspections, but an active choice to drive growth, and an inherent requirement for a state-owned enterprise to fulfil social responsibility and serve the national agenda. Yuexiu Property remains steadfast in its mission and social responsibility, positioning sustainability as the defining foundation and strategic cornerstone of our long-term development. Every system refinement, every emission reduction action, every governance upgrade, and every project execution embodies our efforts to solidify the foundation for the Company's resilience and long-term value.

As we embark on the new journey of the 15th Five-Year Plan and stand at the forefront of industry transformation and national development, Yuexiu Property will continue to be guided by national strategy, with sustainable development at our core. From a higher vantage point, with a broader vision, and through more pragmatic measures, we will persistently deepen our sustainability top-level design, strengthen the dual engines of digital technology and green finance, and improve our full-chain sustainable development system. We are fully committed to building Yuexiu Property into a benchmark for sustainable development in China's real estate industry and an active contributor to global sustainable development. We will remain aligned with national priorities, resonate with urban development, and keep pace with global standards – upholding long-termism, deepening green transformation, and strengthening value creation – so as to respond to the call of the times with our responsibility as a state-owned enterprise, repay social trust with tangible results, set a benchmark for industry transformation, and contribute to national progress.

The journey ahead may be long and arduous, but with sustained actions, we will eventually reach our destination and embrace a brighter future. We sincerely invite all stakeholders to join us – with green as our foundation, value as our core, and responsibility as our mission – pooling wisdom, deepening collaboration, and working together to build more resilient, higher-quality, and more sustainable cities. Together, we will make an even greater contribution to advancing Chinese modernisation, achieving the national "Dual Carbon" goals, and writing a new chapter of high-quality development for the real estate industry.

Lin Zhaoyuan
Chairman

March 2026



Sustainable Development Policies

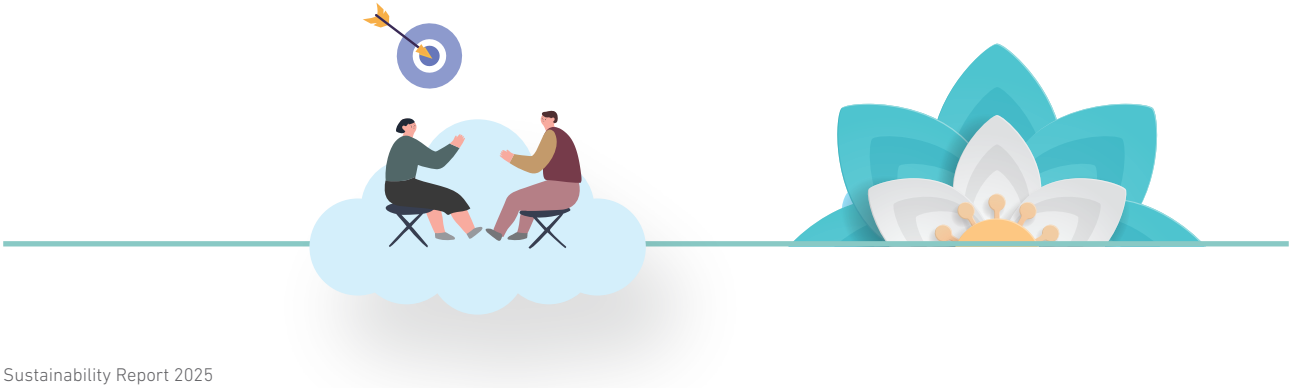
Statement of the Board

Yuexiu Property consistently upholds its corporate mission of "Where Good Living Starts", deeply integrating the concept of sustainable development into the Group's top-level strategic design and embedding it across the entire landscape of the Group's long-term high-quality development. Guided by a clear strategic direction and firm governance resolve, the Group steadily advances the implementation of various sustainable development initiatives. The Board places great emphasis on the development of a sustainable development system, viewing it as a critical pillar for strengthening the foundation for long-term value creation, enhancing integrated operational capabilities, and meeting compliance and regulatory requirements. In order to fully align with the high-standard governance norms of regulatory bodies such as the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) and The Stock Exchange of Hong Kong Limited (HKEX), the Group, under the overall leadership of the Board, has established a sustainable development governance structure characterised by clear accountabilities, alignment across organisational levels, and efficient operations.

As the highest decision-making body for the Group's sustainable development management, the Board assumes the ultimate responsibility for strategy formulation, regular review, and overall supervision, exercising overall control over the strategic direction and implementation pace. This year, the Board officially initiated and fully implemented the principle of double materiality. Based on the two dimensions of impact materiality (the potential impact on the environment and society) and financial materiality (the impact on the Group's operating performance and long-term value), it has established a robust and science-based mechanism for identifying, assessing, and prioritising ESG issues, prioritising core issues for management to ensure that strategy formulation not only meaningfully addresses social and environmental impacts, but also effectively supports long-term value creation. During its regular meetings, the Board conducts dedicated reviews of special reports on various key ESG issues, including climate change, and routinely tracks progress on core management indicators and strategic targets. Relying on the Enterprise Risk Management (ERM) framework, the Board fully integrates sustainability-related risks into the Group's integrated risk control system, strengthening the identification, assessment, and tiered management of material issues to ensure that the Group's business development and sustainable governance progress in a coordinated and stable manner.

The Board has established a Sustainability Committee under its purview, which is directly overseen by the Chairman of the Board. The Committee comprises three executive directors and four independent non-executive directors, who possess solid professional expertise and extensive practical experience in areas such as investment analysis, financial control, and comprehensive operations. The Committee not only conducts forward-looking assessments of the Group's potential sustainability risks and medium- to long-term opportunities based on industry frontier trends, providing professional advice and scientific support for strategic iteration and optimisation, but also assumes the responsibility for the overall governance of business ethics, fully integrating the establishment of business ethics standards into the overarching management of sustainability. At the same time, the Group has established a Sustainable Development Task Force, led by the General Manager and with the collaborative participation of heads of various business divisions, dedicated to refining the internal management system and driving the orderly implementation of various initiatives. This has formally established a three-tier responsibility and control system comprising the "Board – Committee – Task Force", creating a comprehensive governance structure characterised by "strategic decision-making leadership, professional in-depth review, effective implementation at the execution level, and closed-loop supervision throughout the entire process".

To enhance the professionalisation, institutionalisation, and transparency of its sustainability governance, the Group has further clarified the sustainability responsibilities of various levels and positions through a standardised institutional system, standardised work processes across different stages, and ensured that major sustainability matters and progress on core indicators are reported to the Board in dedicated sessions at least twice a year. The Group has established a mechanism linking the remuneration of directors, the Chief Executive Officer, and senior management to sustainability indicators, fully incorporating sustainability performance into the annual performance evaluation system and directly linking it to the compensation of core executives. The evaluation dimensions balance quantitative performance outcomes with qualitative management effectiveness, covering key areas such as customer satisfaction management, energy and resource consumption management, workplace safety and occupational health protection, talent pipeline development and employee growth, and business ethics compliance operations. Through standardised target decomposition and refined process management, the Group aligns the implementation direction of various business units, consolidates the collaborative efforts of all employees, and continuously advances the Group's ESG management standards.



The Board actively responds to the national "Dual Carbon" strategy, having formulated and implemented clear Dual Carbon strategic targets: total Scope 1 and Scope 2 carbon emissions from public and residential projects are targeted to peak by 2030 at the latest, with carbon neutrality targeted by 2060 at the latest; carbon emission intensity per unit area is targeted to be significantly reduced by 2030 compared to 2019. Simultaneously, this year the Group officially initiated the management of Scope 3 carbon emissions across its value chain, which is being advanced in two phases: the first phase focuses on core value chain segments, completing the screening and calculation of carbon emission data in key areas such as suppliers, building materials, and transportation logistics, and establishing a foundational management system; the second phase deepens control across the entire chain, formulating targeted emission reduction measures, promoting low-carbon transformation in collaboration with upstream and downstream partners, and gradually achieving value-chain-wide carbon reduction targets. The Group promotes its low-carbon transformation through a "technology + finance" dual-driver model, implementing zero-carbon and zero-energy ("Dual Zero") building practices and diversifying green financial instruments. It actively utilises green loans, green bonds, ESG-themed investments, and other methods to broaden green financing channels and optimise its financing structure, providing solid financial support for the implementation of low-carbon projects, establishing a full-life-cycle low-carbon management system, and deeply integrating Dual Carbon targets into the entire process of project development, construction, operation, and asset management.

The Board continuously benchmarks against leading domestic and international standards for sustainability governance and industry best practices, routinely reviewing and evaluating the effectiveness of its internal governance system, dynamically assessing potential operational risks and long-term strategic opportunities, and maintaining routine and efficient communication and collaboration with stakeholders including shareholders, customers, employees, communities, and regulatory bodies. This report has been reviewed and confirmed by the Board and approved for official release, and has been prepared in strict accordance with the four guiding principles of "Materiality, Quantitative, Balance, and Consistency" as outlined in the *Environmental, Social and Governance Reporting Code* set out in Appendix C2 to the *Rules Governing the Listing of Securities on the HKEX*. The information contained herein is truthful, accurate, and complete, free from any misleading statements or material omissions, objectively and comprehensively presenting the Group's concrete initiatives and phased achievements in dimensions such as comprehensive sustainability governance, Dual Carbon strategy implementation, integrated business ethics management, green finance innovation, and compliance operations management, thereby upholding the Group's original aspirations and mission and steadily supporting the Group in achieving long-term, stable, high-quality sustainable development.

Directors' Profiles

Executive Directors

Chairman **Mr Lin Zhaoyuan** has previously served as Vice Chairman of the Board and General Manager of the Company.

Vice Chairman and General Manager **Mr Zhu Huisong** has over ten years of senior management experience within the Group. He has held a number of key positions such as the co-general manager of the Company and is responsible for the overall management of the Group, as well as the formulation and implementation of business strategies.

Co-General Manager **Mr Jiang Guoxiong** has over ten years of senior management experience within the Group. He has previously served as Deputy General Manager of the Company and as the chairman of the Board and the general manager of the regional companies of the Group in Central China, Western and Southern China and the general manager of the regional companies of the Group in Central and Western China.

Executive Director **Mr He Yuping** has over fifteen years of senior management experience within the Group, with extensive expertise in corporate management, legal compliance, and risk management.

Executive Director **Ms Chen Jing** has over twenty years of experience in financial and audit management within the Group and has participated in establishing systems to monitor the major risks and finance of the Group.

Executive Director **Ms Liu Yan** has over twenty years of experience in operations and human resources management within the Group. She has led the implementation of multiple initiatives in operations management, organisational and institutional development, and human resources transformation.

Non-executive Directors

Mr Zhang Yibing
Mr Su Junjie

Independent Non-executive Directors

Mr Yu Lup Fat Joseph
Mr Lee Ka Lun
Mr Lau Hon Chuen Ambrose (GBS, JP)
Mr Cheung Kin Sang

For detailed biographies and role descriptions of each Director, please refer to the Company's 2025 Annual Report.

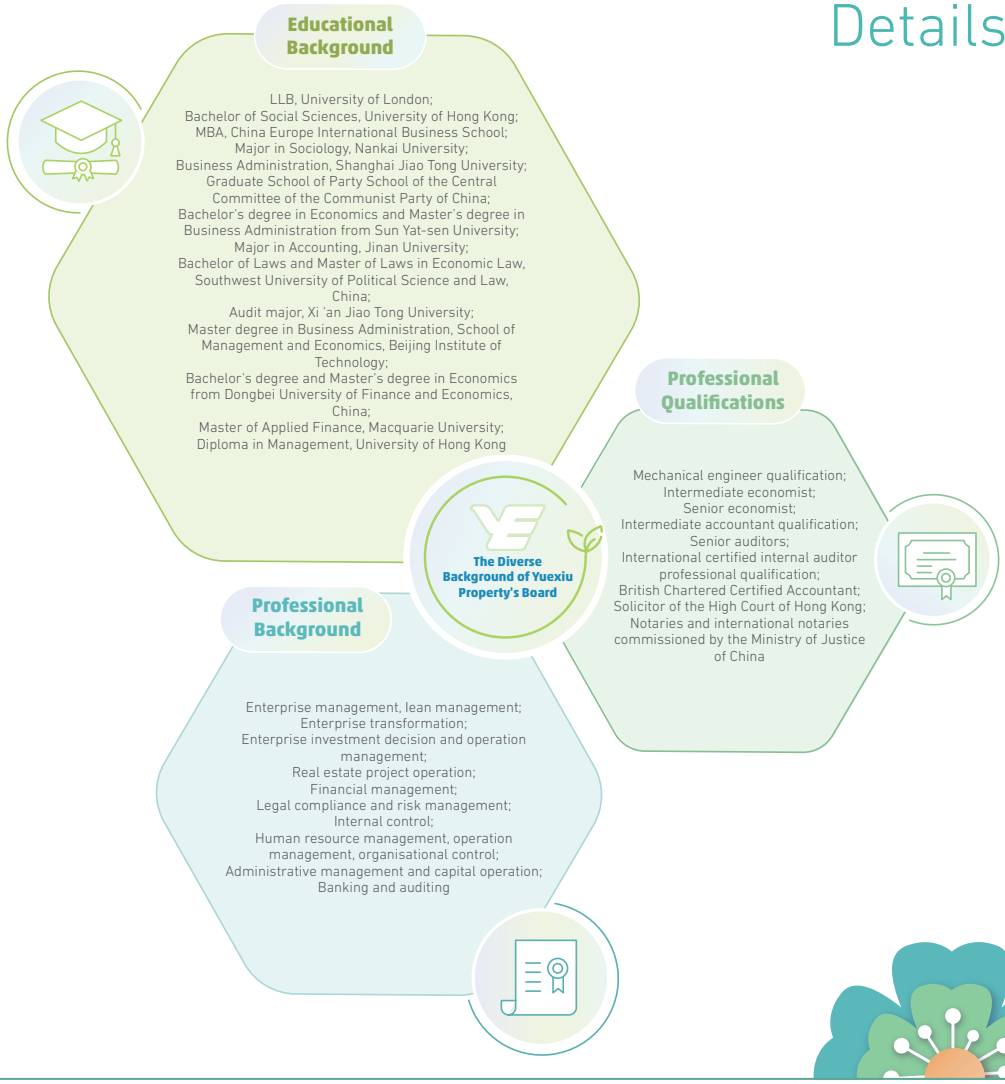
Board Diversity

Our *Board Diversity Policy* underscores the importance of board diversity and recognises that the Board should possess appropriate skills, experience and diverse viewpoints and perspectives to meet business needs.

We will regularly review this policy and introduce several board diversity targets to help monitor the implementation of the *Board Diversity Policy.* These targets will support our strategic efforts to enhance board diversity. Performance against these targets will be disclosed in our annual reports and sustainability reports.

As of the end of 2025, female Board members accounted for approximately 17% of the total board members.

Details of Board Diversity



Sustainable Development Philosophy

Under the overall guidance of the Board and the Sustainability Committee, Yuexiu Property places long-term value creation at its core and deeply integrates sustainability into the Company's development strategy and day-to-day operations. The Company systematically adopts the P-D-C-A (Plan-Do-Check-Act) cycle management model as the core management philosophy and methodology for advancing its sustainability efforts. Through a systematic, closed-loop management mechanism, the Company continuously optimises its sustainability management system, driving coordinated development between the enterprise, society, and the environment through ongoing improvement, thereby achieving long-term, stable, and sustainable value growth.

Plan

Yuexiu Property closely monitors national and global sustainable development policy trends, us important basis for formulating the Company's sustainable development strategy and manage

Global Policy and Initiative Alignment

- Proactively aligns with the United Nations Sustainable Development Goals (SDGs)
- Continuously tracks the development of international sustainability disclosure standards such as ISSB IFRS S1 and IFRS S2
- Responds to the *Paris Agreement* and global climate governance initiatives, promoting corporate low-carbon transformation and climate action
- Fully adheres to the Ten Principles of the United Nations Global Compact (UNGC), integrating the four pillars of human rights, labour, environment, and anti-corruption into strategy and operations

National Strategy Response

- Firmly serves the national "carbon carbon neutrality" goals
- Strictly follows the *Action Plan for by 2030*
- Pays close attention to the strategic d low-carbon development and high-qu outlined in the national "15th Five-Yea
- Implements the *Guiding Opinions the Establishment of a Sound Eco with Green, Low-carbon, and Circul*
- Executes the *Measures for the Ad of the Law-based Disclosure of En Information by Enterprises*
- Complies with the *Measures for the S Administration of Energy Conservatio and Environmental Protection of Cent Enterprises*

Based on the above policy context, the Company has established a comprehensive ESG management system, covering the following specific policies:

- **Policies relating to environmental issues:** *Climate Change Policy, Meteorological Disaster Emergency Response Plan, Sustainable Water Resourc Economy Promotion Policy, Biodiversity Policy, Green Finance Policy, Environmental Policy, Energy Policy, Sustainable Building Policy*
- **Policies relating to social issues:** *Health and Safety Policy, Occupational Health Management Rules, Production Safety Management Appr Rights Protection Policy, Diversity and Inclusion Policy, Human Rights Policy, Board Diversity Policy, Respect in the Workplace Policy, Custor Management Approach, Management Rules for Safety of Related Parties*
- **Policies relating to governance issues:** *Code of Business Ethics, Anti-corruption and Anti-bribery Policy, Supplier Code of Conduct, Sustaina Policy, Whistleblowing Policy, Comprehensive Risk Management Approach, Compliance Management Approach, Tax Compliance Policy, Info Policy*

Based on international, national, and regional policies as well as regulatory requirements, Yuexiu Property regularly formulates specifi management during the Company's development to ensure the implementation of such policies within the organisation.

Act

Based on this continuous review and evaluation, Yuexiu Property consistently refines its sustainability vision, strategy, and management actions:

1. **Conceptual Level**
   - Continuously benchmark against international sustainability concepts and industry best practices to dynamically optimise the Compan management philosophy
2. **Strategic Level**
   - Continuously improve the Company's medium-to-long-term sustainability strategy in light of national requirements for high-quality d green and low-carbon transition
   - Based on a summary of sustainability achievements during the "14th Five-Year Plan" period, actively integrate the direction of the "15th to steadily enhance the Company's sustainability capabilities
   - Continuously benchmark against the United Nations 17 Sustainable Development Goals and industry good practices, and review and op targets on an annual basis
3. **Policy and Management Level**
   - Continuously improve sustainability policies and management systems to enhance institutional and systematic management capabilities
   - In response to areas for improvement identified during reviews, continuously refine management measures and action plans to s Company's standards in sustainability management and disclosure

Do

Under the guidance of established management systems and action plans, Yuexiu Property continues to steadily advance the implementation of its sustainability efforts:

1. **Management Implementation**
   - Systematically advance daily management work in accordance with the established sustainability management plan and special measures
2. **Data Platform**
   - Use a digital ESG performance management system to collect and aggregate key performance data in real time
   - Conduct regular in-depth analyses and produce performance reports for submission to the Board, the Sustainability Committee, and management
3. **Capacity Building**
   - Continuously organise sustainability-themed training for internal staff and management to enhance sustainability awareness across the organisation and foster a sound ESG management culture

Check

The Company regularly reviews and evaluates its sustainability strategy, policies, and performance to ensure alignment with the external policy environment and its stage of development:

1. **Strategic Alignment Assessment**
   - Regularly assess the alignment of the sustainability strategy with external circumstances
2. **Periodic Policy Review**
   - Conduct a comprehensive review of sustainability-related management policies at least once every three years, and update them promptly when necessary
3. **Dynamic Policy Optimisation**
   - Carry out regular inspections of internal sustainability management policies and the effectiveness of special initiatives, and make dynamic improvements based on the findings
4. **Performance Tracking and Control**
   - Regularly review progress against targets and performance to ensure it remains on track
5. **Comprehensive Risk Management**
   - Fully integrate sustainability risks into the Company's overall risk management system
   - Systematically identify and assess sustainability risks across all value chain links using tools such as risk matrices, scenario analysis, and stress testing

Comprehensive Risk Management System

Comprehensive Risk Management System

Risk Identification	Response Mechanism
Policy and Regulatory Risk	• Adjustments in government policies concerning land supply, tax regulation, and housing have a significant impact on the real estate market. The Group maintains a reasonable land reserve and ample cash flow, while actively diversifying funding channels to ensure stable operations.
Strategic Decision making Risk	• Failure to align strategic goals with changes in the market environment, or deviations in execution, may impair corporate value. The Group conducts periodic strategic implementation reviews to dynamically calibrate its development path and effectively manage strategic risk.
Financial and Liquidity Risk	• Inefficient financial management or improper liquidity arrangements may hinder operations or lead to capital tie-ups and reduced utilisation efficiency. The Group continuously monitors key indicators such as the asset-liability ratio, the ratio of cash collected to contracts signed, cash as a percentage of total assets, and total asset turnover to ensure that its financial structure and liquidity remain within a controllable range.
Market Volatility Risk	• Sharp fluctuations in capital and money markets can significantly increase financing and capital costs, thereby affecting corporate value. The Group closely tracks core metrics such as financing costs and price-to-book ratio to proactively address uncertainties arising from changes in the market environment.
Operational Risk	• Deficiencies in the internal control system may lead to unexpected losses. The Group continuously improves its internal control processes, coordinates incident management, and strengthens accountability mechanisms for risk events to effectively mitigate potential operational vulnerabilities.
Interest Rate and Foreign Exchange Risk	• Frequent fluctuations in interest rates and exchange rates may affect the stability and cost of financing channels. The Group actively diversifies its financing channels, optimises asset allocation, and engages in proactive management of interest rate and foreign exchange exposure to sustain investor confidence.
Reputational Risk	• Negative public opinion or customer complaints, if not handled properly, may damage the brand image and corporate value. The Group uses management tools such as customer satisfaction tracking to strengthen its public opinion response mechanisms and prevent reputational losses.
Legal and Compliance Risk	• Non-compliant conduct during operations may lead to penalties, litigation, or other legal consequences. The Group continues to enhance its multi-dimensional internal control system, reinforces compliance awareness, and effectively reduces legal and compliance risk exposure.
Project Management Risk	• Poor project development or management may result in compensation disputes, customer complaints, or public relations crises. Guided by a customer-centric philosophy, the Group continuously improves service quality. At the same time, it strengthens health and safety management to provide a safe and healthy working environment for employees and contractors, fostering a strong safety culture.
Sustainability-related Risk	• Shortcomings in environmental protection, social responsibility, or corporate governance during operations may give rise to long-term impacts. The Group has established a Sustainability Committee and enhanced its governance structure to systematically identify, assess, and address these risks, thereby continuously strengthening its sustainability capacity and internal governance standards.

Sustainable Development Strategy

Strategic Background

Development is an eternal pursuit of human society. Facing global challenges such as climate change, ecological degradation, resource constraints and social inequality, the international community is accelerating the transition towards sustainable development. In 2015, the United Nations adopted the *2030 Agenda for Sustainable Development,* which set out 17 Sustainable Development Goals (SDGs), providing a shared blueprint for achieving inclusive and sustainable development worldwide. At the same time, the United Nations Global Compact (UNGC) proposed ten principles covering four areas – human rights, labour, environment and anti-corruption – advocating that enterprises uphold responsible and sustainable concepts in their operations.

The world is currently undergoing profound changes, with factors such as climate change, geopolitical conflicts and global economic volatility intersecting to create new uncertainties and challenges for sustainable development. In this context, as important participants in economic activity, enterprises need to actively assume environmental and social responsibilities while creating economic value, promoting a more sustainable and resilient development model.

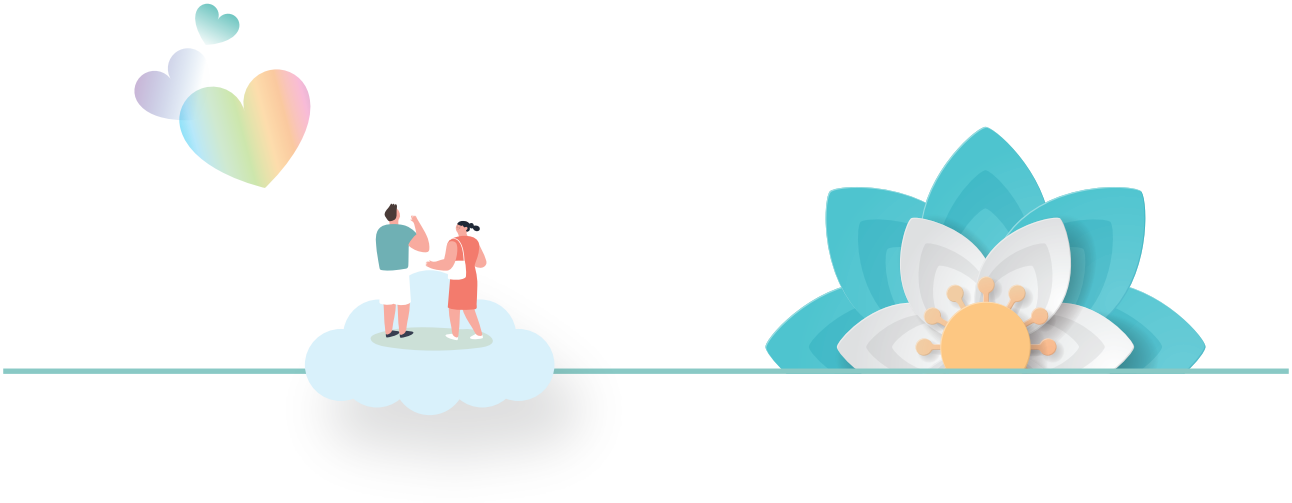
Yuexiu Property, drawing on its own development strategy and core business characteristics, deeply integrates the concept of sustainability into its corporate development strategy and operations. Guided by global sustainability initiatives, the Company continuously enhances its sustainability management capabilities, striving to achieve long-term, stable development while creating broader sustainable value for society.

Strategic Framework

In developing its sustainability strategy, Yuexiu Property adopts the SDGs and the UNGC Ten Principles as important reference frameworks, embedding their concepts and requirements into corporate governance, business operations and value chain management.

The SDGs provide an overarching direction for identifying and responding to global sustainability issues, while the UNGC Ten Principles offer specific behavioural guidelines for businesses in areas such as human rights protection, labour standards, environmental stewardship and ethical operations. By integrating these two frameworks, Yuexiu Property has gradually developed a sustainability strategy that balances environmental responsibility, social value and corporate governance.

Building on this foundation, the Company continuously promotes the implementation of sustainability concepts in its business operations, focusing on key areas such as green and low-carbon development, employee and community wellbeing, supply chain responsibility, and corporate governance transparency, striving to achieve synergistic improvements in environmental, social and economic benefits.



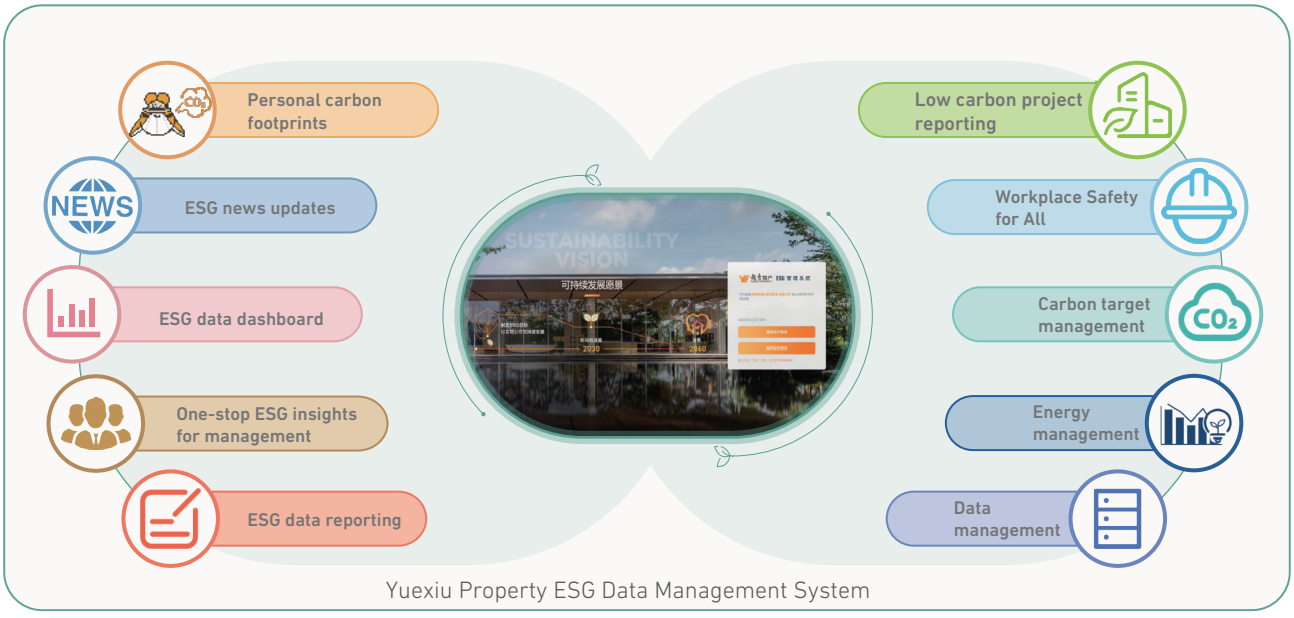
Digital Management for Sustainable Development

In 2023, Yuexiu Property officially launched its ESG management system. By integrating various indicators, reporting rules, parameter presets and standardised templates, the Company established a foundational data management platform to support the enhancement of sustainability performance. Building on this, the Company has continued to deepen the system's application and iterative upgrades, gradually expanding functional modules to create an ESG management ecosystem encompassing core components such as data reporting, personal carbon footprint, ESG news updates, data dashboard, low-carbon project reporting, carbon target management and energy management. This has enabled full-process digital management covering data collection, retrieval and monitoring.

Leveraging its continuously upgraded indicator system, enterprise-level data dashboard and one-stop management platform, Yuexiu Property has achieved the following: in the environmental dimension, high-quality data enables precise management of project environmental impacts and real-time tracking of carbon emission intensity and energy efficiency; in the social dimension, indicators such as employee benefits, community relations and customer satisfaction are incorporated into the system for monitoring, making social responsibility management measurable and traceable; in the governance dimension, the system enhances data transparency and compliance monitoring, effectively improving corporate governance standards. The systematic management of indicator frameworks and the deep application of digital tools have not only enhanced the scientific rigour and operational feasibility of ESG management but also provided strong support for the accurate identification of operational risks and the continuous enhancement of brand value.

In the development of the system, Yuexiu Property innovatively incorporated personal carbon footprint into its management scope. Using digital tools, the Company encourages employees to pay attention to travel-related carbon emissions and proactively choose green travel options. The system provides real-time feedback on individual carbon reduction contributions, effectively motivating employees' intrinsic drive to engage in green initiatives. At the same time, the system aggregates domestic and international ESG news, helping employees stay abreast of industry trends and policy developments, thereby fostering a learning-oriented sustainability culture. The low-carbon project reporting module enables the online management of green building certification data, the carbon target management module supports dynamic tracking of emission reduction pathways, and the energy management module uses digital tools to enhance real-time monitoring of energy consumption in commercial projects, driving green transformation at the operational level.

In 2025, the Company continued to focus on deepening data application and improving management efficiency. On employee engagement, the personal carbon footprint incentive mechanism has been further strengthened, with honorary titles awarded to those with outstanding annual carbon reduction performance, using point-based incentives to promote the adoption of green travel culture. On carbon management, the Company has completed the mapping of its Scope 3 greenhouse gas materiality and, using the system, is progressively collecting and aggregating Scope 3 carbon emissions data, laying the data foundation to prepare for the HKEX's new climate disclosure requirements. On energy management, the Company continues to enhance the real-time energy consumption monitoring function for commercial projects, improving data analysis and early warning capabilities, while the rollout and implementation of the relevant energy management platform is progressing steadily. Leveraging digital tools such as data dashboard, the Company consistently provides data support for management decision-making, driving ESG management towards digitalisation, systematisation and intelligence. Looking ahead, Yuexiu Property will continue to advance the iterative upgrading of its ESG management system, harnessing digital technology to empower green transformation and inject strong momentum into long-term sustainable development.

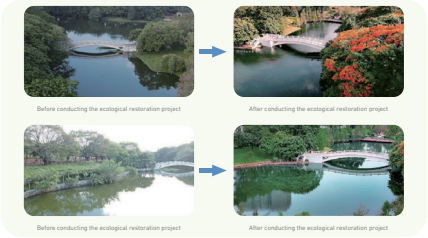


Yuexiu Property ESG Data Management System

Major Achievements and Highlights in 2025

Yuexiu • Naturalistic Mansion Moon Lake Ecological Restoration Case

Successfully selected as a Global Real Estate Sustainability Benchmark (GRESB) Insights Case.



Successful Listing of the First Building Carbon Credit Product for a Specialised Market in China

The building carbon credit product of the Yuexiu Property-operated Zhonggang Leatherware Mall was successfully listed on the China Guizhou Green Finance and Emission Exchange. As the first building carbon credit product for wholesale market buildings in China, this project represents a milestone achievement, marking a "zero-to-one" breakthrough in building carbon credit trading in Guangzhou.

Green Building Certification

Eighteen of Yuexiu Porperty's commercial projects have obtained WELL Building Standard certification. Among these, three landmark projects – Guangzhou International Finance Centre (Guangzhou IFC), Yuexiu Financial Tower, and Guangzhou International Commercial Centre (Guangzhou ICC) – have achieved Platinum-level WELL certification. Guangzhou IFC has now become the first REIT asset in the Asia-Pacific region to hold four major certifications: WELL, LEED, and BOMA China & International.

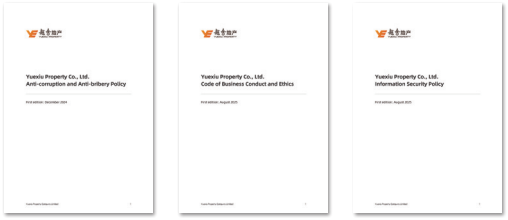
Sustainable Community Development

The Company has established a "Community Champion" model and hosted the inaugural Community Champions Conference. Across 17 projects, it has nurtured 108 community groups, attracting the participation of more than 22,000 homeowners.

Business Ethics Special Initiative

Refined and upgraded three core policies – the *Anti-Corruption and Anti-Bribery Policy, Code of Business Ethics*, and the *Information Security Policy* – while simultaneously enhancing supporting documents to achieve a full-chain compliance closed-loop.

Designed a "Yuexiu Property Business Ethics Training" course aimed at all staff, contractors and suppliers.



Yuexiu Property's Internal Policy on Core Business Ethics for 2025

Sustainability Ratings, Indices and Awards

Wind ESG	Wind ESG Rating: rated "**AA**", ranked **1**st in the industry
GRESB REAL ESTATE	Global Real Estate Sustainability Benchmark (GRESB): awarded a "**Five-Star**" rating, with the highest score among Chinese Mainland property companies participating in the assessment, marking its third consecutive year of rating improvement
A+ SUSTAINABILITY HKQAA 2025-2026 SEHK:0123	Hong Kong Quality Assurance Agency (HKQAA) Sustainability Rating: awarded "**A+**", marking its third consecutive year of rating improvement
S&P Global	S&P Corporate Sustainability: ESG score of "**61**", ranked in the top **8%** of its global peers
Bloomberg Businessweek 彭博商業周刊/中文版	Selected as an "**ESG Leading Enterprise**", only 12 companies with a market capitalisation exceeding HKD12 billion made the list
Hang Seng Corporate Sustainability Index Series	Included as a constituent of the Hang Seng Corporate Sustainability Benchmark Index (**HSSUSB**) for two consecutive years
	The Case "**Dual Zero**" Practices under the "Dual Carbon" Goals was included in the "2025 Outstanding Responsible Competitiveness Practices in Greater Bay Area" case list

Scope 3 Greenhouse Gas Emissions

During the year, Yuexiu Property conducted an inventory of greenhouse gas emissions across six Scope 3 categories.

Financing Instruments Issued

In June 2025, the Company entered into its first sustainability-linked loan, with a total value of HKD1.56 billion.

In November 2025, the Company successfully issued green dim sum bonds with a total size of RMB 2.85 billion.

In 2025, sustainable finance accounted for 35.0% of total bond and loan financing, representing an increase of 3.2 percentage points compared to 2024.

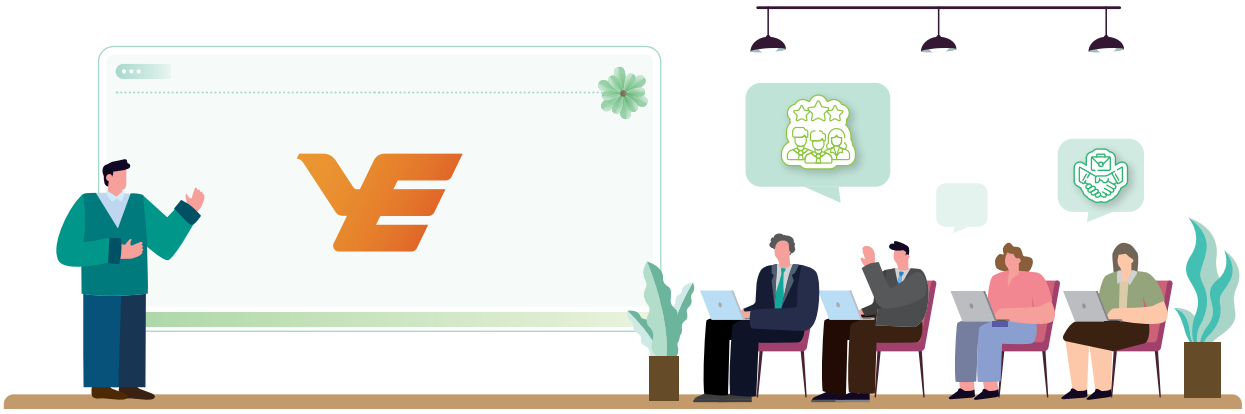
Sustainable Development Priorities Towards 2030: 2025 Annual Highlights

Environmental Benefits	Objectives for 2030	Progress for 2025
"Dual Carbon" Goals	**Public projects:** • Aim to reduce the carbon emission intensity per unit area by 40% as compared to 2019 Residential projects: • Aim to reduce the carbon emission intensity per unit area by 19% as compared to 2019	Public projects: • Reduced the carbon emission intensity per unit area by 33.7% as compared to 2019 **Residential projects:** • Reduced the carbon emission intensity per unit area by 9.4% as compared to 2019
Green Buildings	• Aim to achieve 100% green building 2-star or above certification for all new construction projects	• Among new projects, the proportion of gross floor area meeting green building standards is 100% **Residential Segment:** • As of the end of the reporting period, a cumulative total of 243 projects meeting green building standards have been completed or are under construction, representing a total gross floor area of 41.56 million square metres. During the reporting period, an additional 26 projects meeting green building standards were added, with a total gross floor area of 2.17 million square metres **Commercial Segment:** • As of the end of the reporting period, the ownership area of projects with green building certification reached 1.56 million square metres, representing 90.3% of the total area of operational commercial projects
	• The proportion of projects that adopted prefabricated construction reached 100%	• The proportion of projects that adopted prefabricated construction reached 83.9%
Resource Management	• We will comprehensively strengthen the management of energy consumption in buildings, facilities and equipment • Achieve water neutrality by 2060 • Achieve a 90% or higher coverage rate of operational commercial projects connected to the energy management platform	**Energy:** • Installation of elevator power feedback devices reduced elevator electricity consumption by approximately 9% annually • Retrofitting of air conditioning system terminals reduced equipment energy consumption by 6% • The commercial energy management system covers 79% of the property's owned floor area **Water:** • Condensate water recovered: 15,084 tonnes • Rainwater harvested: 124,146 tonnes • Coverage rate of water-saving taps exceeds 80%
Green Operations	• Achieve a 90% or higher signing rate for the Green Covenant among new long-term tenants (lease term ≥ 12 months) in office buildings and apartment projects	• Achieved a 100% signing rate for the Green Covenant among new long-term tenants (lease term ≥ 12 months) in office buildings

Social Benefits	Objectives for 2030	Progress for 2025
Employee Health and Safety	• Zero production safety responsibility accidents resulting in death among employees and related parties (including contractors) • Related parties (including contractors) should achieve a 5% year-on-year decrease in general-level and above work safety accidents compared to the previous year • Maintain a Lost Time Injury Rate (LTIR) of 1.2 or lower among employees, and continue to monitor the rate of lost working hours due to workplace injuries • Employee health examination coverage: 100%	• Number of work-related fatalities (person): 0 • Employee health examination coverage: 100% • Lost Time Injury Rate (LTIR): 0.21 • Specialised safety education delivered to 26,556 individuals • Approximately 265,560 individuals participated in safety education exams
Employee Rights and Career Development	• Provide employees with competitive compensation and benefits to enhance their personal competitiveness • Continuously update training systems and increase the number of hours of employee participation in training • Zero tolerance for child labour and forced labour	• The Company provided 45 job positions for people with disabilities and the Company's recruitment ratio for people with disabilities is 0.29% • The Company recruited 229 recent graduates with bachelor's degree or above • The training participation rate for all employees is 100% • The average training hours for all employees are 83 hours • 0 child labour and 0 forced labour
Social Responsibility and Public Welfare	• Provide multi-level and multi-dimensional community building and management programmes to promote community building and support residential development	• Educational public welfare donations reached RMB75.20 million • The number of employees participating in public welfare/ volunteer activities is 3,736
Customer Satisfaction	• Provide multi-level and comprehensive categories of liveable and healthy living system products to enrich customers' choices • Continuously improve customer satisfaction to 95 or above	• Residential Customer Satisfaction: 83.0 • Commercial Tenant Customer Satisfaction: 99.7

Governance Benefits	Objectives for 2030	Progress for 2025
Business Ethics & Anti-Corruption	• Conduct annual business ethics audits, achieving a coverage rate of 100% • Achieve a 100% coverage rate for employee anti-corruption training • Ensure a 100% signing rate for new employees' *Undertaking for Personal Integrity* • Achieve a 100% coverage rate for suppliers' anti-corruption training • Ensure a 100% signing rate for suppliers' *Integrity Agreement*	• 0 case of corruption and embezzlement • 100% coverage rate for employees receiving anti-corruption training • 100% signing rate for suppliers' *Integrity Agreement* • 100% signing rate for new employees' *Undertaking for Personal Integrity*
Supply Chain Management	• Build a digital supply chain and optimise ESG management in the supply chain	• Refined the Company's requirements regarding suppliers' business ethics
Sustainable Finance	• Attain at least 50% of bond and loan financing from sustainable finance	• The proportion of financing from bonds and borrowings attributable to sustainable finance reached 35.0% • Green loans obtained totalled RMB30.746 billion, accounting for approximately 49.1% of total loans • Green bonds issued totalled RMB4.54 billion

Established in 1983 and listed in Hong Kong in 1992 (stock code: 00123.HK), Yuexiu Property is one of the first comprehensive real estate enterprises in China, a pioneer of the country's first-generation commercial housing, and the first red-chip real estate company. It owns the world's first Hong Kong-listed real estate investment trust (REIT) investing in properties in Chinese Mainland – Yuexiu Real Estate Investment Trust ("Yuexiu REIT") (00405.HK) – and holds a controlling stake in Yuexiu Services Group Limited ("Yuexiu Services") (06626.HK), a top-100 national property services enterprise with the largest scale of integrated TOD property management services.



Year Established

1983

Listed in Hong Kong in 1992 (stock code: 00123.HK)
A real estate development enterprise controlled by Guangzhou Yue Xiu Holdings Limited and headquartered in Guangzhou International Finance Centre

Core Businesses include:

Residential, commercial, services, elderly care, long-term rental, services for education, entrusted construction

Number of Full-time Employees

Approximately **14,000** employees

Core Cities with Presence

Guangzhou, Beijing, Shanghai, Shenzhen, Hangzhou, Chengdu

Total Land Reserve

Approximately **18.55** million sq.m.

Market Capitalisation

HKD15.94 billion

Operating Revenue

RMB**86.46** billion

Profit Attributable to Equity Holders for 2025

RMB0.06 billion

Core Net Profit for 2025

RMB**0.26** billion

(All figures are as at 31 December 2025)
For further details regarding the Company's business strategy, operations and financial performance, please refer to Yuexiu Property's 2025 Annual Report.

Our Vision and Mission

Corporate Vision

Build the Company with "Quality Products, Quality Services, Strong Brand, Capable Service Team" to become a leading pioneer of good urban life

- Quality Products: high quality, warm, and common growth
- Quality Services: professional, excellent experience, and shared happiness
- Strong Brand: keep promises, build value, and win good reputation
- Capable Service Team: strong competency, responsible, and high internal drive

Create and lead future urban life

With "residential and commercial properties" serving as twin growth engines, we aim to build a diversified layout that comprehensively covers the entire chain of TOD, urban renewal, elderly care, long-term rental, and services for education to create a new ecology for future urban development.

Create and lead quality urban life

Use high-standard technologies and introduce intelligent technologies to create "healthy + intelligent" high-quality residential products and commercial products, and explore and improve the "Yue + (越+)" service system for a quality urban life.

Corporate Mission

"Where Good Living Starts"

Make good living for customers

With a customer centric approach, we provide customers with healthy living products and high-quality full-process services; help customers achieve success and satisfaction, so that they can live a good and happy life because of Yuexiu Property.

Make employees' beautiful dreams come true

Provide open and fair opportunities and development platforms for employees, make progress and grow together with employees; respect employees and help employees realise the value of life.

Fulfil the good expectations of shareholders

As a state-owned enterprise, we shoulder the important task of maintaining and increasing the value of state owned assets, creating bright prospects for Guangzhou and Yuexiu; improving asset quality and operational performance, paying back our shareholders' long-term trust and support with an excellent return on assets, and enhancing value for investors.

Make a better future for society

Actively assume social responsibilities, create good urban life solutions for the country, region and society, and adhere to national strategies to create a better and harmonious society.

Scope of Business

For 43 years, Yuexiu Property has upheld its brand mission of "Where Good Living Starts", pursued a development strategy that places equal emphasis on residential and commercial properties, and leveraged the competitive advantages of its unique "development + operation + finance" business model. With a deep presence in China's most dynamic economic belts, the Company has formed a nationwide strategic footprint spanning the Guangdong-Hong Kong-Macao Greater Bay Area, East China, Central and Western China, and Northern China, with a strategic focus on core first- and second-tier cities such as Guangzhou, Beijing, Shanghai, Shenzhen, Hangzhou and Chengdu. It has developed over 300 large-scale residential projects, served more than one million homeowners, and owns over 50 large-scale commercial properties, including Guangzhou International Finance Centre.

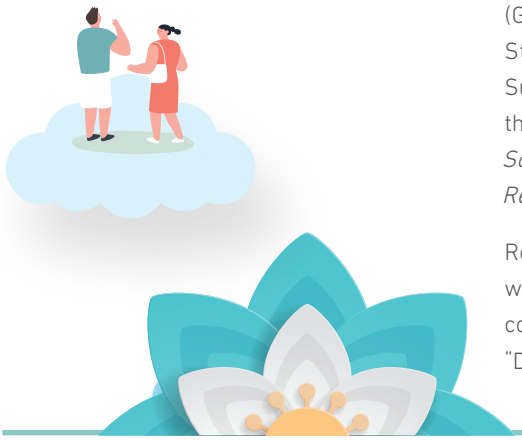
The Company implements diversified business deployment, involving diverse service offerings across sectors, including residential, office buildings, retail malls, hotels, apartments, wholesale markets, property services and entrusted construction, comprehensively and multi-dimensionally meeting the diverse needs of the people for a better life.

Overview

This report is the 16th annual *Sustainability Report* (formerly known as the *Environmental, Social and Governance Report*) published by Yuexiu Property Company Limited. The reporting period is from 1 January 2025 to 31 December 2025, and the content primarily covers the sustainability practices and performance of Yuexiu Property and its subsidiaries in 2025. For ease of presentation and readability, in this report, "the Company" and "Yuexiu Property" refer to Yuexiu Property Company Limited, while "the Group" and "we" refer to Yuexiu Property Company Limited and its subsidiaries. This report was published in April 2026.

Scope of the Report

Unless otherwise specified, this report covers the actual business scope of Yuexiu Property Company Limited and its subsidiaries. Yuexiu Services Group Limited (Yuexiu Services, stock code: 06626), a subsidiary of Yuexiu Property, also publishes an independent sustainability report. For details on Yuexiu Services' ESG performance for the year, please refer to its 2025 Sustainability Report. Unless otherwise stated, the currency used in this report is Renminbi (RMB).



Compilation References

This report has been prepared in accordance with the *Environmental, Social and Governance Reporting Code (ESG Reporting Code)* set out in Appendix C2 to the *Main Board Listing Rules of the HKEX*. It also references other reporting standards and guidelines, including the United Nations Sustainable Development Goals (SDGs), the Global Reporting Initiative (GRI) Sustainability Reporting Standards, the Sustainability Accounting Standards Board (SASB) Real Estate Sector Standard, the International Sustainability Standards Board (ISSB) IFRS S2 Climate-related Disclosures, the International Organization for Standardization's *ISO 26000: Guidance on Social Responsibility (2010)*, and the *Reference Indicator System for ESG Reports of Central State-owned Listed Companies*.

Regarding the climate disclosure section, it was disclosed in accordance with the "comply or explain" principle. For an explanation of the non-compliance with certain code provisions in this report, please refer to the "Disclosure Section" in the Appendix.

Reporting Principles

We adhere to the reporting principles set out in the HKEX's *ESG Reporting Code*, including materiality, quantification, consistency and balance, as well as the requirements of the Global Reporting Initiative (GRI) Sustainability Reporting Standards regarding accuracy, clarity, comparability, completeness, timeliness, verifiability and sustainability context. The table below sets out our application of each of these reporting principles.

Principle	Response
Materiality	We reassessed the significance of various sustainability issues to the Group through stakeholder engagement surveys, and provided detailed responses to the material issues of concern to stakeholders.
Quantification	The data disclosed in this report are presented on a year-on-year basis to illustrate annual performance changes, and the calculation standards and methodologies for key data are specified in the report. We also set annual targets for certain key indicators and disclose annual progress and achievements.
Balance/Accuracy	This report is based on objective data and facts, and presents the Group's ESG performance in a fair and comprehensive manner, avoiding any presentation or format that may influence readers' decisions or judgments.
Consistency/ Comparability	Unless otherwise stated, the Group's disclosure methodologies are consistent with those of previous years, and ESG performance metrics for which statistical methodologies have changed are presented on a year-on-year comparative basis.
Clarity	The report uses concise language, clear tables and diverse graphical presentations to facilitate readers' quick understanding of Yuexiu Property's sustainability performance.
Completeness	The information disclosed in the report is sufficient and complete, and provides a detailed description of the Group's review and plans regarding sustainability matters.
Timeliness	The reporting period is from 1 January 2025 to 31 December 2025. Any content outside this period is specifically noted.
Sustainability Context	This report discloses the Group's sustainability-related information in the context of the growing importance of sustainable development.

Accuracy of content

The Board of Directors of Yuexiu Property assumes full responsibility for the sustainability strategy and reporting, and confirms that the content of this report contains no false records, misleading statements or material omissions.

Access to this report and explanation

Unless otherwise specified, the monetary amounts presented in this report are denominated in Renminbi. This report is published in both Chinese and English. In the event of any discrepancy between the Chinese and English versions, the Chinese version shall prevail. This report is available in printed and electronic formats. For the electronic version, the Chinese and English versions of this report can be accessed via the Company's website at https://www.yuexiuproperty.com/sustainability/. Should you have any questions or suggestions regarding the Group's sustainability performance, please feel free to contact us by email at sustainability@yuexiuproperty.com.

Stock Code : 00123

Chapter 1

Strengthening Governance Foundations and Driving Strategic Leadership

Management Approach

1.1 Carbon Reduction Blueprint and Objectives

1.2 Sustainability Governance

1.3 Double Materiality Assessment

Our actions support the following United Nations Sustainable Development Goals (SDGs)

Management Approach

In 2025, the sustainable development of Chinese enterprises is showing signs of deepening across multiple dimensions. Against the backdrop of a continuing global green transition, companies are also facing a complex and volatile international environment. At the same time, nature-related issues are gaining increasing attention, and the push for collaborative climate governance alongside biodiversity is gradually becoming a social consensus. For real estate companies, this means fully integrating natural and climate risks into core decision-making processes, in order to achieve synergies between environmental protection and economic development. From the "14th Five-Year Plan" to the unfolding "15th Five-Year Plan", China has maintained the strategic resolve to "follow one blueprint through to the end", providing a solid foundation for the continuity and progressive evolution of national development strategies.

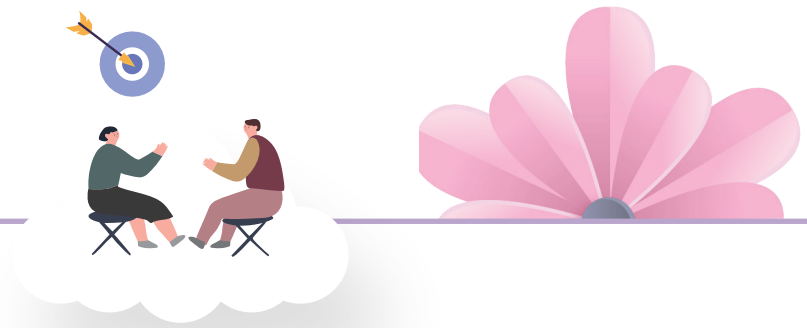
Under the guidance of this national strategy, the real estate sector, as a major consumer of energy and emitter of carbon emissions, bears significant responsibility for driving green transformation. Yuexiu Property deeply recognises that the industry's development model is shifting from "incremental expansion" to "stock quality improvement", and that building safe, comfortable, green and intelligent "Quality Homes" has become critical to shaping a new development paradigm for the sector. This requires companies to deeply embed green and low-carbon principles into their development strategies, achieving systematic innovation from top-level governance to the full project lifecycle.

To this end, Yuexiu Property has established sustainable development as a core corporate strategy, systematically integrating the concept of sustainability into various stages such as investment decisions, capital allocation, and product design. To ensure effective implementation of this strategy, the Company has established a four-tier governance structure directly overseen by the Board. During the reporting period, the Board resolved to officially rename the "Environmental, Social and Governance Committee" as the "Sustainability Committee" (the "Committee"), marking a deeper integration of sustainability into the Company's overall strategy. In addition, the Company has established clear "Dual Carbon" goals: striving to achieve peak Scope 1 and Scope 2 carbon emissions for public and residential projects by 2030 or earlier, and committing to achieving carbon neutrality by 2060 or earlier. At the same time, we actively align with international standards, deeply integrating the Task Force on Climate-related Financial Disclosures (TCFD) and the Taskforce on Nature-related Financial Disclosures (TNFD) frameworks into our management system, proactively identifying and managing environmental risks and opportunities.

1.1 Carbon Reduction Blueprint and Objectives

Progress and Outlook on the United Nations Sustainable Development Goals

Yuexiu Property deeply recognises the responsibility and mission of the Company in advancing the global sustainable development process. It firmly supports the Ten Principles of the United Nations Global Compact (UNGC) and fully integrates the Sustainable Development Goals (SDGs) into its corporate strategy and business operations. In 2025, guided by its mission of "Where Good Living Starts", the Company systematically advanced five strategic pillars: climate resilience and nature positivity; green construction and digital empowerment; social responsibility and public welfare; compliance, risk control and prudent operations; and green finance and value synergy – achieving substantial progress towards the UN Sustainable Development Goals. From rural education support to whole-life health care; from zero-carbon building innovation to biodiversity conservation; and from supply chain due diligence governance to sustainable finance practices, Yuexiu Property has taken concrete actions to uphold the principles of human rights, labour, environment and anti-corruption advocated by the UNGC. The Company is committed to leveraging the power of business to promote the coordinated development of the economy, society and environment, contributing corporate wisdom and responsibility to the realisation of the 2030 Agenda for Sustainable Development.



UN SDGs	Progress in 2025	Outlook
	• Implemented a rural revitalisation model combining educational support with industrial empowerment, carrying out public welfare initiatives in Bijie, Guizhou Province, to cultivate endogenous momentum for rural communities • Built a community education and health care service system covering all ages, and provided internship and housing support for young people from Hong Kong and Macao	• Long-term continuous advancement of rural revitalisation and empowerment of vulnerable groups
	• During the "Spreading the Fragrance of Books in Bailidujuan" rural public welfare initiative, the Company coordinated with food enterprises under Yuexiu Group to donate nutritional supplies, paying attention to the nutritional status of rural schoolchildren	• Continuously carry out public welfare initiatives, focusing on the health of rural children
	• First introduced "10+N healthy living system", systematically enhancing residential health and comfort • Realised "peace of mind upon delivery" for homeowners through the "near-zero pollution furnished" system • The refurbishment project of Four Seasons Hotel Guangzhou introduced green construction techniques and acoustic isolation technologies	• Continuously promote the dissemination of healthy building technologies to enhance residents' health and wellbeing
	• Cooperative education initiatives have introduced 25 high-quality public schools, providing over 38,000 school places, and established the Research Institute of Yuexiu Education • Innovated the "integrated medical-education" inclusive childcare model, Yuemeile Childcare Centre has been rated as a "Guangzhou Five-Star Childcare Facility" • Launched the "distinguished principals leading programme" and continued to support the "Hundred Enterprises, Thousand Talents" internship programme for Hong Kong and Macao university students for three consecutive years	• Continuously expand the coverage of high-quality educational resources and promote educational equity

UN SDGs	Progress in 2025	Outlook
5 GENDER EQUALITY	• Implemented the women's empowerment special programme to foster exemplary female managers and professional leaders • Explicitly prohibited gender discrimination, ensuring equal treatment in recruitment, promotion, compensation and other benefits, and establish a women employees' committee	• Sustaining long-term gender equality in the workplace and continuously enhancing female leadership
6 CLEAN WATER AND SANITATION	• Rainwater recycling volume: 124,146 tons, condensed water recovery: 15,084 tons, water-saving faucet coverage rate over 80%, 100% compliance rate for wastewater discharge • Projects such as Pazhounan TOD have achieved 24-hour intelligent water quality monitoring and advanced treatment • No pollutant leakage incidents have occurred	• Achieve water neutrality by 2060 or earlier; maintain 100% compliant wastewater discharge with zero leakage in the long term
7 AFFORDABLE AND CLEAN ENERGY	• Cumulatively purchased 1,200,000 kWh of green electricity, with commercial energy management system covering 79% of property ownership area • Nansha iPARK Industrial Park Building D6# achieved a 47.7% reduction in building energy consumption, 100% integrated energy efficiency, and 108% renewable energy utilisation rate • Promoted ground-source heat pumps and air-source heat pumps in projects in Hefei, Nanjing, and other locations	• Purchase over 1,000,000 kWh of green power certificates by 2050; achieve over 90% coverage of energy management platforms in commercial projects by 2030
8 DECENT WORK AND ECONOMIC GROWTH	• Issued RMB2.85 billion green dim sum bonds and signed HKD1.56 billion sustainability-linked loan • The proportion of sustainable finance in bond and loan financing reached 35.0%, representing an increase of 3.2 percentage points compared with 2024 • Strictly adhered to fair employment principles and created job opportunities for new graduates and persons with disabilities	• Sustainable finance will account for no less than 50% by 2030 and reach 100% by 2060

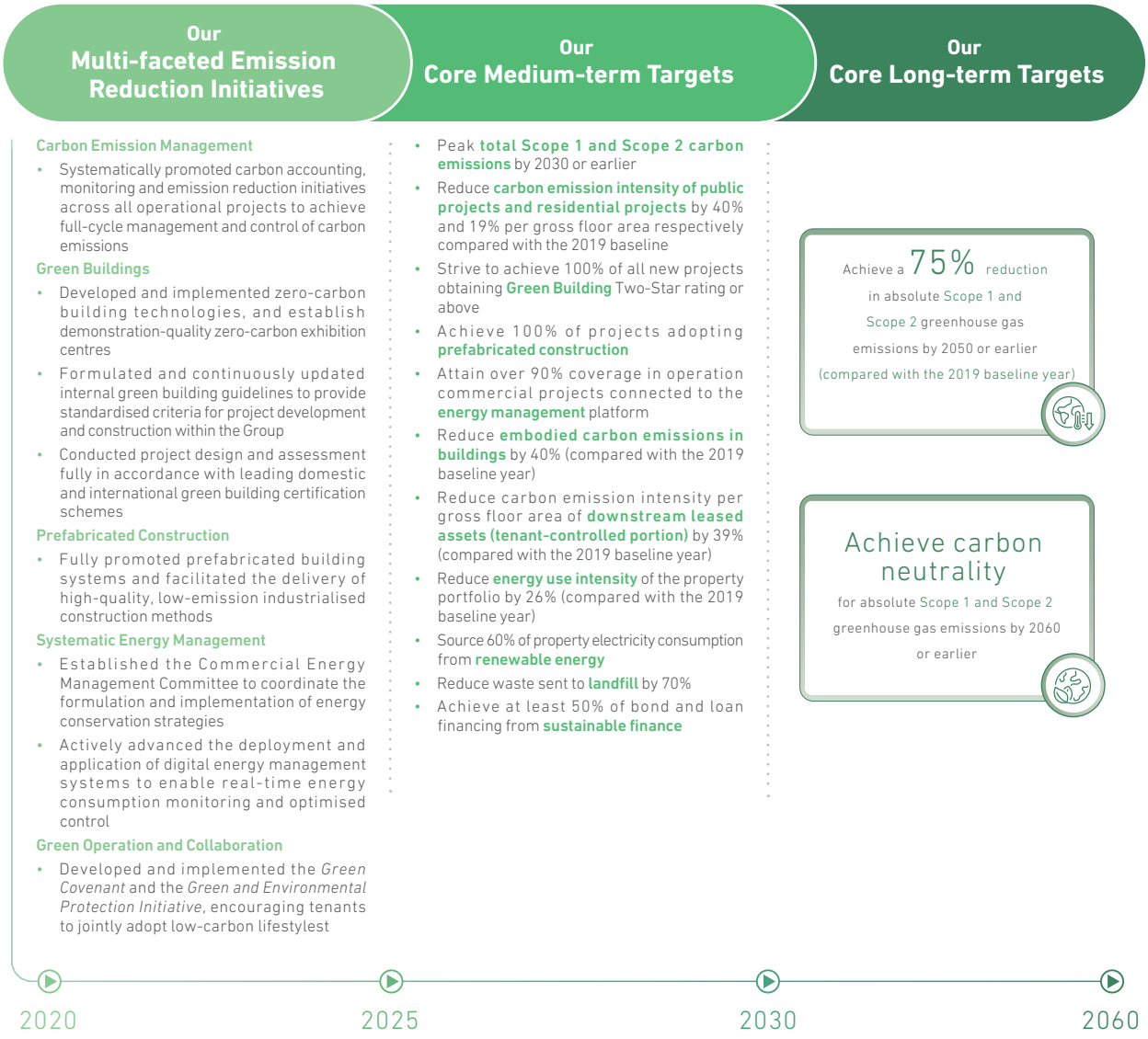
UN SDGs	Progress in 2025	Outlook
	• Comprehensively advancing AI-driven digital transformation, established the "AI Centre of Excellence", developed nearly 90 AI agents, and received multiple industry awards. • The Xi'an Zunyue project implemented an intelligent construction system, introducing technologies such as AI robots • Independently developed the "Yuezhi AI Platform", reducing design time by 60%; the "Yueju Code" system saved rework costs by RMB1 million per project • Yuehui City has introduced the "cold station AI intelligent control system", reducing cold station energy consumption by 18.1%	• Continuously promote the application of AI and intelligent construction technologies, achieving 100% prefabricated construction projects by 2030
	• Provision of a substantial number of school places through joint education programmes and inclusive schools to narrow the gap in educational resources • Established a comprehensive age-inclusive care system, providing accessible childcare, senior education programmes, and integrated medical and elderly care services • Focused on groups including young people from Hong Kong and Macao as well as rural children, with support such as internship accommodation guarantees and educational assistance	• Long-term commitment to reducing social service and opportunity inequality
	• All newly constructed projects achieved 100% compliance with green building standards, with a cumulative total of 243 projects completed and under construction that meet green building standards for residential projects • Moon Lake at Yuexiu • Naturalistic Mansion selected as GRESB "insights case study" • Pazhounan TOD created an AI-empowered, sustainable humanistic community • Liren Village's urban village renewal was driven by collaboration among government, enterprises, and residents • Commercial projects received 18 WELL certifications, with three flagship projects achieving Platinum-level certification	• Maintain 100% green building standards continuously by 2030; achieve over 90% coverage of energy management platforms in commercial projects by 2030
	• The green leasing strategy was fully implemented, with a coverage rate of 100% for newly signed office building for Green Covenant • Prefabricated construction projects accounted for 83.9%, with the Four Seasons Hotel Guangzhou renovation reducing construction waste by 80% • Electronic signature coverage rate: 37%, saving 7,193 thousand sheets of paper and reducing carbon emissions by 240 tons, with 100% standardised waste treatment rate • Donated 35,967 books in public welfare action "Spreading the Fragrance of Books in Bailidujuan"	• Achieve a Green Covenant signing rate by office buildings of over 90% by 2030 • 100% coverage of electronic signatures by 2030 • Maintain 100% compliant waste treatment over the long term

UN SDGs	Progress in 2025	Outlook
13 CLIMATE ACTION	• Carbon intensity of public buildings and residential buildings decreased by 33.7% and 9.4%, respectively, compared to 2019 • Completed the estimation of Scope 3 greenhouse gas emissions across 6 categories for the first time, with total emissions amounting to 1,042,709.70 tonnes • The carbon credit product for the Zhonggang Leather City was listed, marking the first professional market-related building carbon credit product in the country • Incorporated climate performance into senior management remuneration evaluations • Transforming climate targets into financing actions through green finance	• To reduce carbon intensity of public buildings and residential buildings by 40% and 19%, respectively, by 2030 • Achieve carbon neutrality in the value chain by 2060
14 LIFE BELOW WATER	• Yuexiu • Naturalistic Mansion Moon Lake Ecological Restoration Project established a clear-water ecological closed loop, creating a healthy habitat for native aquatic organisms	• Maintain long-term ecological restoration and aquatic life conservation to achieve net zero loss of biodiversity
15 LIFE ON LAND	• Continuously optimised the *Biodiversity Policy* and refrain from development within protected areas • Guangzhou Pazhou Yue Project implemented "One Tree, One Plan" to protect 20 ancient trees • Conducted nature-related risk analysis for 10 priority disclosure cities in accordance with TNFD • Established a supply chain risk screening mechanism for natural forest deforestation	• Achieve 0% deforestation rate in natural forests/high conservation value forests by 2050 • Zero violation of ecological protection regulations

UN SDGs	Progress in 2025	Outlook
	• Established a systematic compliance governance framework and integrated compliance into strategic decision-making • Zero tolerance for corruption, issuing anti-corruption policies, and improving whistleblower protection • Established an information security system, with core systems certified at level 3 of the cybersecurity protection scheme, and zero customer complaints regarding privacy • Incorporated prevention of greenwashing into business ethics governance and established a review mechanism for green marketing • Built a diversified crisis emergency management system	• Maintain zero corruption case, zero major information security incident, and zero ecological violation over the long term
	• Engaged Hong Kong Quality Assurance Agency to provide third-party opinions on the Company's *Sustainable Finance Framework* • Participated in the "2025 International Zero-Carbon City, Rural and Zero-Carbon Building Conference" to share low-carbon practices • Yuexiu • Naturalistic Mansion Moon Lake ecological restoration project selected as GRESB "insights case study" • Established a "government-enterprise-community" collaboration mechanism with government, rural villages, and communities • Established strategic collaboration and data sharing with core suppliers through the "Allies Programme"	• Continuously deepen international cooperation and cross-sector partnerships to advance green transformation in the industry

Our Carbon Reduction Blueprint

In 2025, Yuexiu Property comprehensively updated its decarbonisation roadmap. Building on its proactive alignment with China's "Dual Carbon" strategy and the construction industry's transition towards high-quality green development, the Company has further restructured its medium- to long-term emissions reduction pathway based on the principles of scientific rigour, systematic planning, and measurability. Compared with the previous framework, the updated roadmap places greater emphasis on deeply embedding low-carbon requirements into core management processes across project development, construction, and operations. Through clearly defined medium- and long-term quantitative targets, the roadmap systematically guides business units to continuously optimise carbon performance in areas such as product design, construction methods, energy utilisation, and tenant engagement. As a newly introduced long-term strategic target under this updated roadmap, the Company has further advanced its ambition to reduce absolute Scope 1 and Scope 2 greenhouse gas emissions by 75% from the base year by or before 2050, thereby establishing a clear pathway towards deep decarbonisation.



To actively respond to stakeholder and market concerns, we have established a systematic carbon management framework: conducting comprehensive carbon inventories every two to three years and dynamically adjusting our emission reduction targets based on the latest operational data. Through this iterative management approach, we continually refine our assessment systems to ensure our sustainability strategy evolves in tandem with market changes, enabling timely identification of risks and opportunities in the low-carbon transition and strengthening the long-term foundation for the Company's green development. Insights derived from comprehensive carbon inventories will also serve as critical references for future product portfolio planning and low-carbon technology pathway selection, supporting the continuous optimisation and upgrading of our green product offerings.

Measures to achieve our targets for 2030 and enhance climate resilience

Aspect	Key Initiatives	Specific Measures and Progress
Strategic Goals and Planning	Establish clear "Dual Carbon" goals and pathways	• Actively respond to national strategies, establish and disclose the Company's "Dual Carbon" goals, and implement regular carbon inventories and goal review mechanisms • The R&D centre adheres to the philosophy of "passive design first, active optimisation, and renewable energy utilisation", formulating "2+3+11" technical system
Architectural Design and Buildings	Green design and benchmark project development	• Comprehensively optimise building design by adopting green technologies such as integrated insulation systems, triple-glazed double-cavity windows, and rooftop photovoltaic systems to establish a sustainable "zero-carbon product ecosystem" • Two "zero-carbon, zero-energy" dual-zero buildings have been successfully implemented. Among them, the Yuexiu Property R&D Centre has an annual operational carbon emission intensity of -13.27 $kgCO_2/(m^2 \cdot a)$, achieving a carbon reduction rate of up to 125% and realising a carbon negative target
Building Operations and Management	Establish a full life-cycle energy consumption management system	• Systematically improve energy efficiency, apply intelligent management systems, and expand the use of renewable energy • Establish a closed-loop energy consumption management system covering "research and planning – construction – pre-opening – operation", and promote mature energy-saving technology systems in newly built commercial office projects
Policy and Market Mechanisms	Participate in carbon trading and standard development	• Select ongoing projects as pilot cases for listing building carbon credits • Actively participate in the development of industry guidelines such as the *Technical Code for Low-Carbon Office Buildings* and the *Evaluation Standard for Zero-Carbon Office Buildings*, promoting the advancement of industry standards
Employee and Tenant Engagement	Enhancing internal awareness and promoting external collaboration	• Enhance employees' awareness of carbon reduction through internal training and outreach, and encourage staff to adopt low-carbon practices • Promote low-carbon operational practices in commercial projects, guiding and incentivising tenants to jointly participate in energy conservation and carbon reduction
Supply Chain Management	Promoting green and low-carbon transformation of supply chains	• Encourage tenants to promote supply chain decarbonisation through green procurement, low-carbon installation, and usage practices • Collaborating with suppliers to promote the application of low-carbon steel, cement, and other materials, and signing the *Cooperation Agreement on Low-carbon Emission Steel for China's Real Estate Sector*
Monitoring and Evaluation	Improve the carbon management closed-loop mechanism	• Establish and implement a regular carbon inventory mechanism, rigorously review progress toward carbon targets, and ensure the effective implementation of all carbon reduction measures

Medium-term targets

To achieve our long-term carbon reduction goals and to effectively implement the *Yuexiu Property "Dual-Carbon" Action Plan*, we have established the following mid-term targets:

- Reduce carbon emission intensity of public projects and residential projects by **40%** and **19%** per gross floor area respectively compared to the 2019 baseline level
- Reduce electricity intensity by **26%** based on the 2019 level
- Reduce water intensity by **11%** based on the 2019 level
- Use of low-carbon materials: In new projects, the utilisation rate of low-carbon buildings materials reaches **40%** or above
- Conduct climate risk and nature-related risk assessments for selected new construction projects
  100% of newly constructed projects obtain green building certification
- Utilise renewable energy to achieve a share of over **40%** of renewable energy in total energy consumption
  Precise management of waste during the construction process of ongoing projects
- Achieve broad participation of employees and tenants in carbon reduction initiatives, and ensure that employee awareness of carbon reduction reaches over **100%** through training and outreach campaigns
- By 2030, at least **50%** of bond and loan financing will come from sustainable finance

Long-term targets

Our emissions reduction pathway aims ultimately to "peak Scope 1 and 2 emissions by 2030 and achieve carbon neutrality across the value chain by 2060". Looking ahead to 2060, we will steadily advance emissions reductions by scaling up existing initiatives and supporting the application of innovative technologies. Building on this foundation, we will rely on a comprehensive emissions reduction strategy, continuously adopting innovative approaches and technologies to pragmatically expand the scale of our actions, ultimately moving toward a sustainable future of carbon neutrality across the value chain.

1.2 Sustainability Governance

Yuexiu Property Full Life Cycle Management

Yuexiu Property has embedded a "full life cycle" mindset as the core principle of its low-carbon and quality management, covering six critical stages from land acquisition, design, construction, sales and operation to end-of-life reuse. This has formed a closed-loop system that extends "horizontally to the full scope and vertically to full implementation". Our strategies are detailed as follows:

Construction Phase	Key Sustainability Factors	Specific Measures
Land Acquisition Phase	Biodiversity and Ecological Conservation	• All newly acquired projects must undergo a rigorous environmental impact assessment to ensure they do not cause adverse impacts on surrounding areas.
	Climate-related Risks and Opportunities	• Conduct project research and calculations for the target site, incorporating environmental indicators and climate change indicators into the assessment criteria; • We have identified the extent of physical risk exposure across various business areas and the impact of climate transition risks on the investment expansion process, enabling the swift development of more effective response strategies.
	Business Ethics	• Uphold the principle of fair competition in the processes of land bidding, auction, listing, and land reservation, and strictly prohibit corruption and fraudulent practices during land acquisition.
	Green Development Commitment	• Comply with the greenfield development commitment to ensure that green spaces and farmland will not be developed.
Design Phase	Green Building	• Actively design projects in accordance with certification standards such as the *Green Building Evaluation Standard*, LEED, and WELL, integrating design elements focused on sustainability, low carbon, and health.
	Zero-carbon Building	• Actively research and apply ultra-low energy building technology systems, nearly zero-energy building technology systems, and zero-carbon building technology systems to further reduce carbon emissions and energy consumption over the entire building life cycle.
	Sponge City Construction	• Implement sponge city design in residential communities based on water risk stress assessment results and actual needs, to optimise the water ecosystem within and around the communities and alleviate water resource stress.
	Climate-related Risks and Opportunities	• Based on the Task Force on Climate-related Financial Disclosures (TCFD) risk identification results, designs are carried out considering elements such as building layouts and ventilation corridors, while actively integrating the design of ultra-low energy consumption building technology systems.
	Innovative Community Space	• Carry out innovative design of public areas to meet the current needs of residents.
	Product Quality and Safety	• During the design phase, fully consider the building's durability, safety, and fire protection performance, and establish standardised procedures.

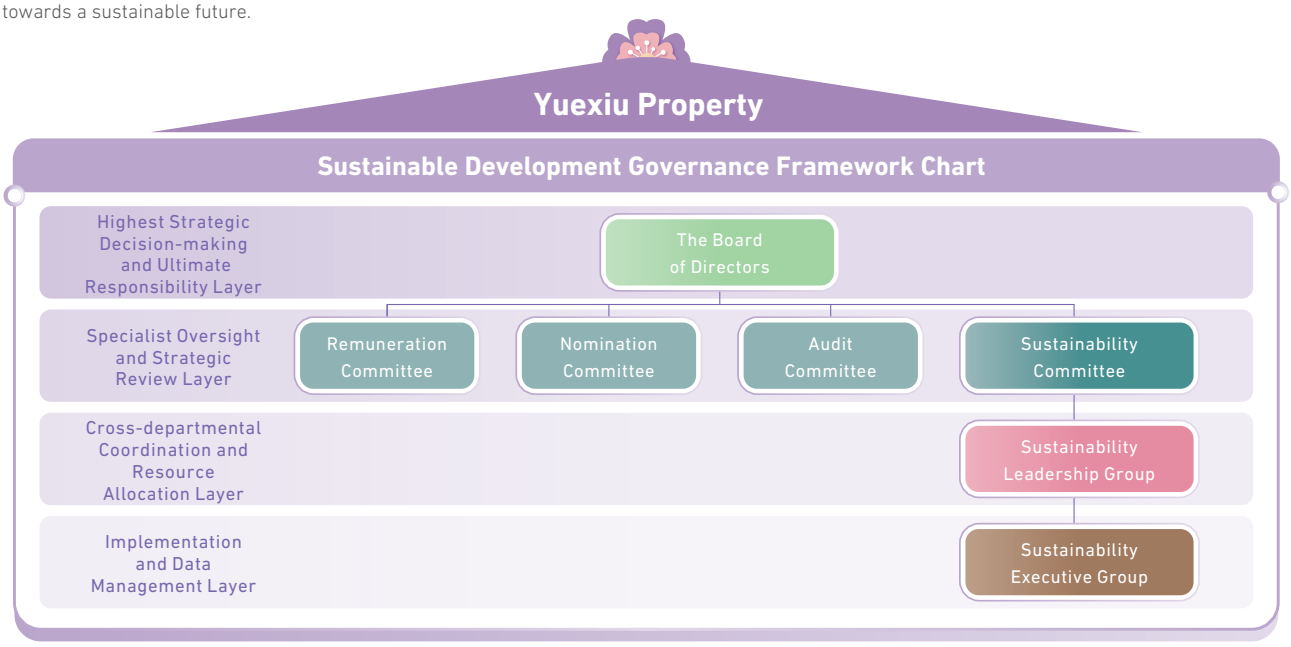
Construction Phase	Key Sustainability Factors	Specific Measures
Construction Phase	On-site Standardisation System	• Continuously optimising the on-site standardisation system and gradually improving the level of standardisation.
	Prefabricated Construction	• Continuously increase the coverage rate of prefabricated buildings and raise the prefabrication ratio of projects to improve resource utilisation efficiency.
	Green Construction	• Guided by circular economy principles, improve resource efficiency, reduce environmental impacts of emissions, and implement comprehensive project environmental management (dust, noise).
	Water Resource Conservation and Resilience	• Implement water resource conservation management and adjust water usage strategies in construction based on the results of water risk stress analysis.
	Energy Management	• Promote end-use electrification, actively increase the proportion of electricity consumption in development projects, identify energy use risk points, and reduce unnecessary energy consumption. Facilitate the adoption of renewable energy during project development.
	Climate-related Risks and Opportunities	• We have identified physical climate risks degree in each business area and carried out climate risk management.
	Health and Safety	• Require the contractor to implement safe construction and safe production practices, and to provide necessary safety facilities and management measures; • Prevent health and quality issues in the product during the construction phase.
	Green Supply Chain	• Actively procure and use green building materials, and encourage suppliers to adopt green construction materials; • Implement effective resource management, reduce the purchase of non-essential products, conserve resources, and promote a circular economy.
Sales Phase	Responsible Marketing	• Establish management guidelines, such as the *Marketing Business Risk Control Management Guidelines* and the *Management and Operation Guidelines of Sales Documents*, to clarify the principles and requirements for responsible marketing.
	Green Brand	• Use eco-friendly materials in the sales process and encourage customers to participate in environmentally sustainable consumption.
	Business Ethics	• Engage in fair competition with surrounding properties, ensuring compliance and transparency in the unit selection and purchase process, thereby safeguarding consumer rights.
	Digital Management	• Promote the execution of online real estate purchase contracts, implement paperless signing, and carry out digital management of purchase agreements.
	Project Site Circular Economy	• Implement recycling practices at sales sites, carrying out lifecycle management at marketing centres. After the sales phase, these sites are repurposed for office, commercial or clubhouse use, avoiding construction waste; • Promote the reuse of marketing materials to reduce waste of resources.

Construction Phase	Key Sustainability Factors	Specific Measures
Operation Phase	Carbon Emission Management	• Actively carry out carbon emissions management for operational projects through a sustainable development management system, striving to achieve a 40% reduction in carbon emission intensity per unit area for public projects compared to 2019 by 2030, and a 19% reduction for residential projects compared to 2019 by 2030.
	Energy Management	• Strengthen energy governance during the operational phase, improve the energy management framework, and implement the P-D-C-A (Plan-Do-Check-Act) cycle for energy consumption management to reduce overall energy intensity and carbon emission intensity of operational projects.
	Water Resources Management	• Conduct water risk stress testing to assess water risk stress for the pilot project; • Implement targeted water conservation and recycling measures based on the assessment results of commercial projects.
	Circular Economy	• Waste is managed through a graded sorting system and transferred to licensed professional agencies for treatment and disposal; • Promote resource recycling and reuse, and reduce waste at the source; • Actively use green building materials and encourage contractors to use green building materials.
	Green Operations	• Carry out asset appreciation renovations on existing buildings and encourage to acquire green building certifications for operational projects.
	Green Lease	• Promote the integration of green management and tenants by advancing green leasing, advocating green procurement, and encouraging low-carbon lifestyles, thereby fostering environmental synergy between Yuexiu Property and its tenants.
	Product Quality	• Conduct regular inspections for building safety to ensure the stability of electricity, water resources, and structural integrity.
	Human Capital	• Enhance service personnel's efficiency, improve residents' quality of life and the working environment for office tenants, thereby promoting overall public wellbeing.

Construction Phase	Key Sustainability Factors	Specific Measures
Management Phase	Organisation and Innovation	• Implement comprehensive corporate governance to promote anti-corruption, enterprise risk management (ERM) systems, and crisis management capabilities.
	Human Capital	• Effectively safeguard employees' rights and interests regarding occupational health and safety, working environment, human rights, and career development; • Continuously enhance employees' comprehensive capabilities and work motivation to improve the efficiency of human capital within the organisation.
	Green Office	• Continuously advance the construction of paperless office initiatives, ensuring paperless operations are implemented across various internal management processes such as office work and procurement.
	Sustainable Finance	• Develop the *Green Finance Policy* and the *Sustainable Finance Framework* to shift financing channels toward green transition, promoting stable capital flows.
	Physical and Mental Health	• Ensure employees' workplace safety by establishing a safety production risk management system and advancing the development of the ISO 45001 occupational health and safety management system; • Promote employee wellbeing by developing long-term strategies and measures in accordance with the ISO 45003 standard on psychological health and safety, aiming to enhance mental health management and establish a PDCA cycle for mental health management.
	Customer Satisfaction	• With the core objective of achieving 100% customer satisfaction, enhance customer experience across multiple dimensions, strengthen complaint management and issue resolution, and foster long-term, harmonious, and inclusive relationships between customers and Yuexiu Property.
Demolition Phase	Positive Social Impact	• Strengthen development in rural revitalisation, urban layout optimisation, elderly care services, and inclusive education, and actively engage in public welfare initiatives.
	Environmental Management	• In the event of building demolition, strict compliance with relevant regulations will be ensured to avoid any negative impacts on surrounding residents, such as noise and dust emissions.
	Circular Economy	• Conduct crushing and recycling treatment on construction waste from demolished buildings, and carry out sorting treatment on other waste materials to ensure reduced resource wastage.
	Urban Renewal	• Carry out diversified urban renewal practices, identify and protect ancient trees, historic buildings, and key ecosystems within demolition sites, and strike a balance between the social benefits of optimising urban spatial layout and the value of preserving the original ecological environment.
	Health and Safety	• Actively conduct environmental monitoring of the site prior to development to prevent potential health and safety risks to future residents due to land contamination or brownfield conditions; • Minimise noise and dust impacts from demolition on surrounding residents.

Governance Structure and Processes

Yuexiu Property has established sustainable development as the core engine driving the Company's long-term value and high-quality growth, and has proactively built a four-tier governance structure characterised by clear responsibilities, well-defined levels, and efficient collaboration. This system systematically integrates sustainability principles – encompassing climate and nature-related topics – from the strategic top-level design of the Board through to the day-to-day operations and frontline practices of each business unit. It achieves a closed-loop management of "strategic deployment – efficient execution – dynamic oversight – continuous improvement", providing a robust governance foundation for the Company to steadily advance towards a sustainable future.

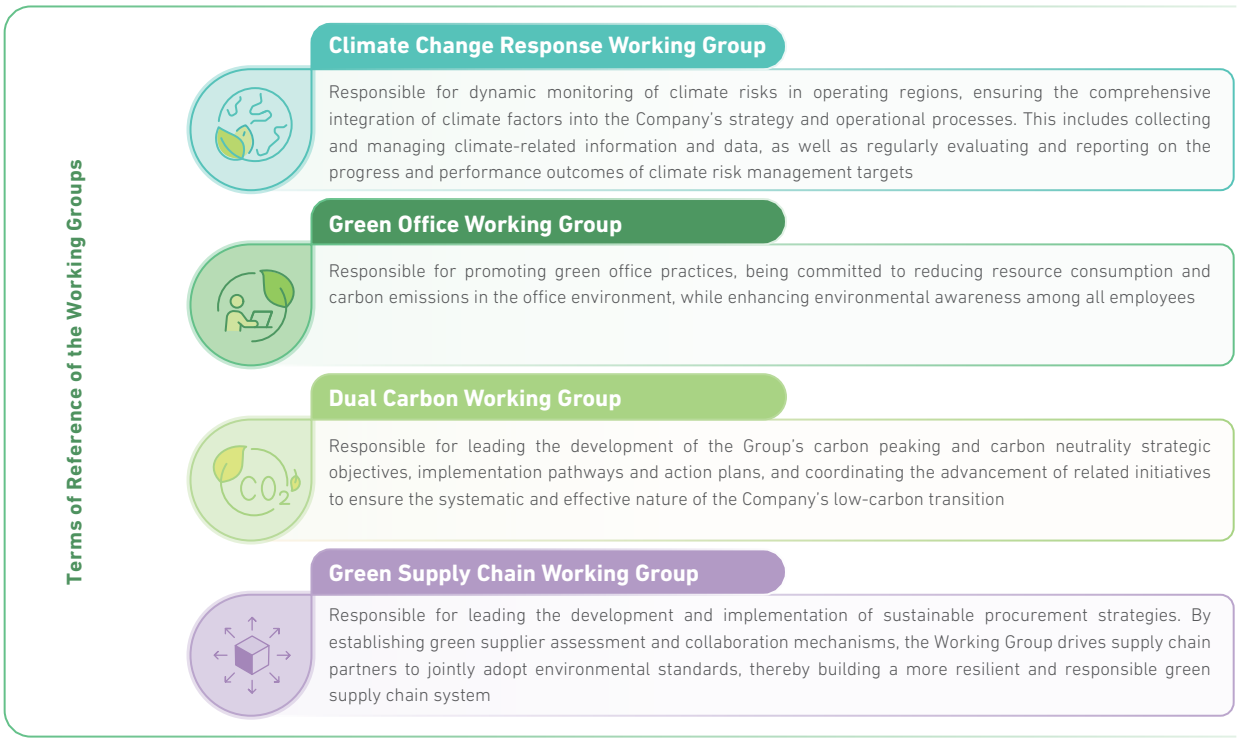


Governing Body	Personnel Composition	Terms of Reference
The Board of Directors	• Board Members	• Oversee the sustainability direction and strategy of Yuexiu Property • Regular review and assessment of sustainability risks and opportunities • Set targets for greenhouse gas emissions, waste management, and energy and water usage, and conduct reviews, discussions, and progress assessments
Sustainability Committee	• Three executive directors (the Chairman of the Board serves as the Chairman of the Committee) • Four independent non-executive directors	• Review, formulate, and approve the Group's vision, objectives, core strategies, and management policies related to sustainability, and provide professional advice to the Board accordingly • Review and assess the adequacy and effectiveness of the sustainability management framework at the Group level • Regularly review and continuously monitor the Group's sustainability policies to ensure compliance with applicable laws and regulatory requirements • Research and assess significant international sustainability legislation and regulatory trends, identify and analyse the related risks and opportunities they present to the Group, and regularly report findings to the Board
Sustainability Leadership Group	• The General Manager serves as the group leader • Functional line leaders or regional leaders serve as group members	• Coordinate and oversee the implementation of sustainability management initiatives across departments • Regularly report sustainability-related performance to the Committee
Sustainability Executive Group	• Headquarters functional departments • Subsidiaries' business units	• Develop and implement sustainability projects to ensure the realisation of sustainable development goals • Responsible for the collection and analysis of data related to sustainability • Regularly report work progress to the Sustainability Leadership Group and the Committee

To ensure the effective implementation of the accountability mechanism for sustainability-related risks, the Company has integrated health and safety management performance into a systematic performance management framework. Key indicators have been incorporated as a critical component of the annual performance assessment for senior management and are directly linked to remuneration and reward mechanisms. By deeply tying core ESG indicators to performance and compensation, the Company translates its long-term sustainability targets into clearly binding management actions, thereby driving the closed-loop operation and continuous improvement of risk management. Building on this foundation, the Company is progressively incorporating additional key sustainability performance indicators into the performance management and remuneration linkage framework, systematically driving commitment and contribution to the Company's overall sustainability targets across all levels of management.

Under the leadership of the Board and the Sustainability Committee, Yuexiu Property has established a four-tier execution structure with focused functions and efficient collaboration. At the operational level, four core task forces have been set up: the Climate Change Response Working Group, the Green Office Working Group, the Dual Carbon Working Group, and the Green Supply Chain Working Group. This structure not only reflects the Company's in-depth deployment in specialised areas but also demonstrates its governance commitment to systematically integrating sustainability strategies across the entire value chain. Each working group focuses on its specific responsibilities while strengthening horizontal coordination, ensuring that every environmental and climate-related issue receives targeted resources and professional execution.

Through this system, the Company has achieved comprehensive coverage – from addressing external climate risks and compliance requirements, to driving internal low-carbon operations and technological innovation, and further to leading collaborative transformation across the industrial chain. The four pillars support each other and work in synergy, continuously translating sustainability commitments into concrete actions that are measurable, manageable, and capable of creating long-term value, fully demonstrating Yuexiu Property's deep strategic positioning in building industry resilience and shaping future competitive advantages.



For information on climate-related governance processes, please refer to 2.2 *Climate-related Framework and Policy* of this report; for details on Yuexiu Property's management and specific practices regarding sustainable supply chains, please refer to 5.7 *Responsible Supply Chain Governance* of this report.

Board Diversity

As the highest decision-making body for the Company's governance and strategic direction, the Board's forward-thinking, professional, and diverse structure is a core assurance to navigate complex environments and achieve long-term sustainability. Yuexiu Property firmly believes that a Board with broad vision, deep experience and diverse composition can more accurately identify trends, assess risks and stimulate innovation, thereby providing solid strategic guidance and governance balance to support the Company's stable and sustainable development.

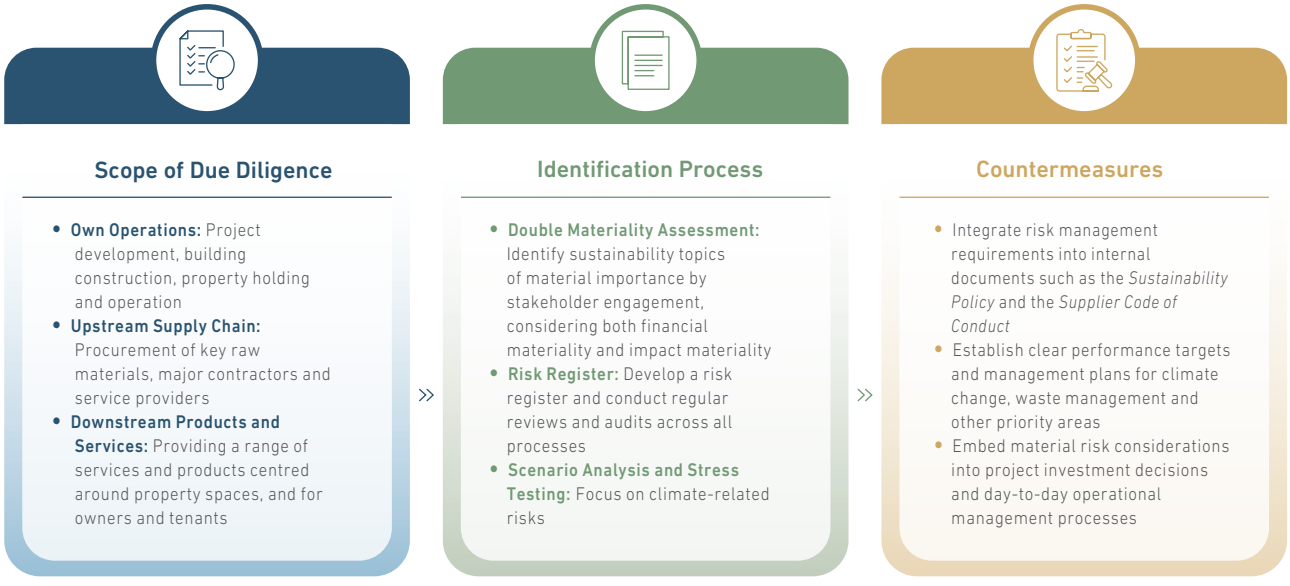
To this end, the Company continuously strives to optimise the composition of the Board, pursuing a balance across dimensions such as gender, age, professional background, cultural perspective and industry experience. We strictly comply with the guidance set out in the HKEX *Corporate Governance Code* and relevant listing rules. As at 31 December 2025, the Board comprised twelve members, including two female directors. Six executive directors possess extensive experience across specialised fields such as finance, financial management, capital operations, engineering, real estate development, human resources management and operations management. In addition, two non-executive directors and four independent non-executive directors bring to the Board rich professional perspectives and practical expertise in areas including legal compliance, mergers and acquisitions, capital operations and finance. This diversified Board composition ensures that when reviewing the Company's strategy, overseeing risk management and evaluating sustainability issues, the Board can fully integrate multi-dimensional professional insights, avoid blind spots in decision-making, and fundamentally enhance the resilience of the Company's governance and the quality of its decisions, thereby establishing a solid leadership foundation for the Company to seize opportunities amid change and progress steadily.

Sustainability Due Diligence

Yuexiu Property has established a systematic due diligence mechanism for sustainability-related risks. The Board bears ultimate responsibility for the mechanism, reviewing and approving relevant management policies, risk appetite, and overall strategies, ensuring alignment with the Company's development strategy. To strengthen leadership and execution effectiveness, the Sustainability Committee under the Board is responsible for directly overseeing the execution of this mechanism, ensuring that due diligence work is advanced in a normal and systematic manner.

During the year, the Company leveraged Double Materiality Assessment as a key tool (please see section 1.3 *Double Materiality Assessment* for more detail) to systematically deepen the implementation of sustainability due diligence practices. Across three key dimensions – the Company's own operations, upstream supply chain, and downstream products and services – we conducted extensive questionnaire surveys and interviews with key internal and external stakeholders. This enabled us to systematically identify, assess and validate the priority of various sustainability issues, providing a scientific basis for risk identification, management boundaries clarification, and subsequent resource allocation.

Yuexiu Property recognises that sustainability due diligence is a systematic endeavour requiring continuous iteration and dynamic optimisation. Going forward, the Company will further refine the scope, methodological depth, and result application mechanisms of due diligence in alignment with evolving business developments and external regulatory requirements, thereby establishing a more robust governance foundation for stable operations and sustainable growth.



1.3 Double Materiality Assessment

In 2025, Yuexiu Property conducted its first Double Materiality Assessment, marking a strategic leap for the Company's sustainability management from compliance-driven to value-driven. This assessment strictly aligned with the specific requirements of the *Guidelines for Sustainability Reporting by Listed Companies* issued by China's three major securities exchanges, and considered the latest international trends and industry best practices, ensuring the scientific rigour and forward-looking nature of the methodology.

The Company has established a regular stakeholder engagement mechanism since 2022 (conducting systematic assessments every three years), but at that time the evaluation framework had not yet incorporated the "double materiality" perspective. This year, we have formally advanced our assessment to encompass two dimensions: "financial materiality" and "impact materiality". This means we not only focus on the financial implications of sustainability issues for corporate value creation, but also systematically examine the external impacts of our operations on the environment and society. This transition marks a deepening of Yuexiu Property's understanding of sustainability, moving from one-way risk management to a systemic recognition of two-way value co-creation. In the future, should the Company's business structure undergo significant changes, we will update the assessment in a timely manner, ensuring that materiality judgment remain aligned with strategic priorities and the external environment.

The results of this year's Double Materiality Assessment will directly guide the allocation of resources for the Company's sustainability strategy, prioritise key issues, and inform the depth of information disclosure, serving as the core basis for targeted actions in low-carbon transition, social responsibility, and governance enhancement.

This year's Double Materiality Assessment follows the following process to ensure the objectivity and representativeness of the results:

In addition to the triennial systematic materiality assessment, Yuexiu Property maintains regular communication with key stakeholders through diverse channels to dynamically capture their evolving concerns and trends, ensuring that the Company's sustainability strategy remains aligned with stakeholder expectations. The table below summarises the primary communication mechanisms between the Company and each stakeholder group, along with their key areas of interest. Feedback from stakeholders serves not only as a critical basis for operational optimisation but also provides essential input for the triennial materiality assessment:

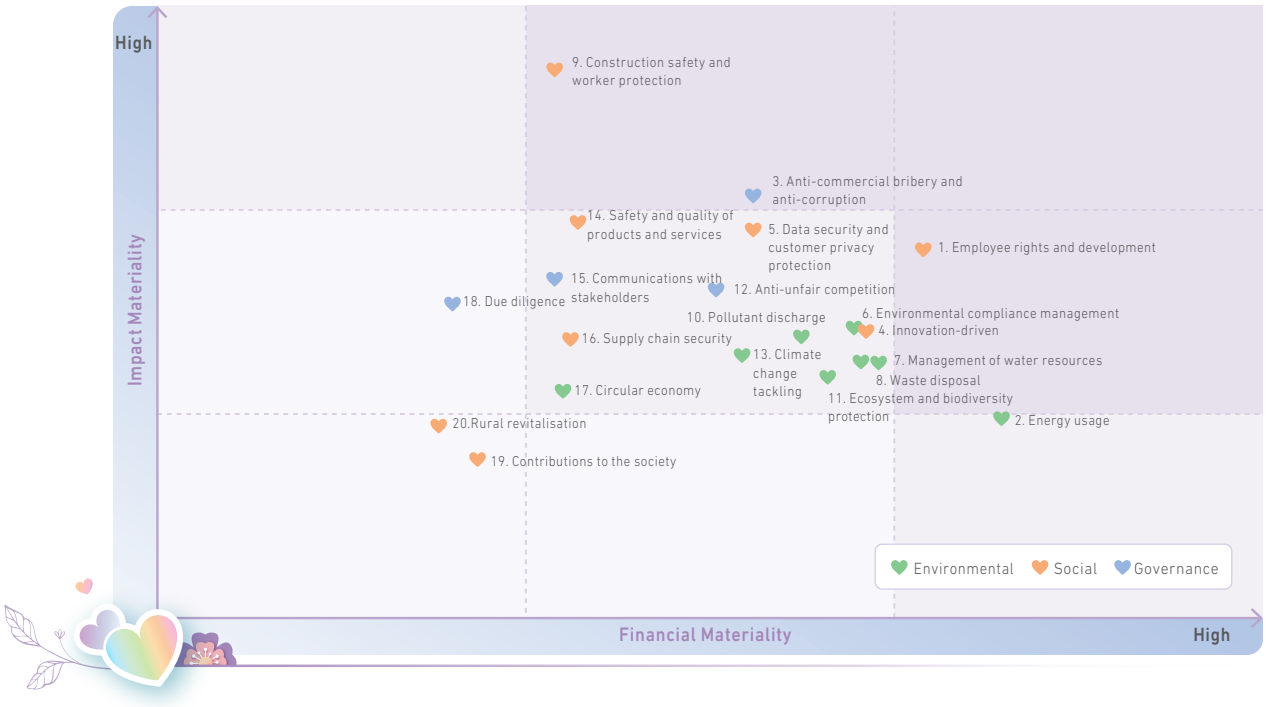
Stakeholder Group	Main Focuses	Our Response	Communication Channels
Residents	• Geographic location • Internal environment • Property service quality • Supporting facilities	The satisfaction of homeowners and residents with the Group's residential products and property services is the fundamental cornerstone for achieving long-term, stable development	• Regular visits • Satisfaction surveys • Complaints hotline • Resident property manager
Customers	• Geographic location of office buildings/ shopping malls • Internal environment of office buildings/ shopping malls • Property service quality • Security facilities • Rental level	The Group is committed to providing users of office buildings, shopping malls and health and wellness projects with a safe and comfortable spatial experience and service quality	• Complaints mailbox • Routine inspections • Complaint hotlines • Satisfaction surveys

Stakeholder Group	Main Focuses	Our Response	Communication Channels
Employees	• Compensation package • Room for development • Employee benefits • Promotion policy • Training system • Internal communication channels	A continuously growing team of capable employees is the core driving force behind the Group's sustainable development	• Direct communication • Employee mailbox/hotline • Training programmes
Governments	• Comply with local laws and regulations • Tax payments according to law • Promote local economic growth • Boost local employment	Government support is a solid guarantee for the Group to create broader social value	• Routine visits • Communication about policies
Shareholders and Investors	• Stock price and dividend • Financials • Business prospects • Future development plan	The capital support provided by investors is a crucial foundation for the Group's development. Creating long-term, stable, and sustainable returns for shareholders is also our core mission	• Information disclosure • General meeting • Investor meetings and roadshows • Investor hotline/mailbox
Partners	• Procurement policy • Supplier management policies • Fair trade • Timely payment	Partners provide critical resources and collaborative support for the Group's operations. We adhere to relevant guidelines together with our partners to achieve stable and mutually beneficial long-term cooperation	• Supplier review • Regular visits
Media	• Business and product • Financial performance • Future development directions • Corporate social responsibility	As an important bridge for the public to understand the Group, media coverage and oversight serve as a key driving force for us to continuously enhance operational transparency and credibility	• Press conferences • Interviews • Regular seminars
Local Communities	• Community development • Public services • Cultural & sports activities and facilities	The Group actively participates in community development and is committed to meeting the educational resource needs of local communities	• Community public welfare activities • Complaints hotline

Yuexiu Property's 2025 Double Materiality Matrix

Based on the first ever Double Materiality Assessment conducted this year, Yuexiu Property completed a systematic evaluation and quantitative analysis of the 20 material sustainability topics identified, resulting in the double materiality matrix. The matrix presents the potential impact of each topic on the Company's financial performance on the horizontal axis, and the extent of its impact on the environment and society on the vertical axis, intuitively illustrating the comprehensive materiality level of each topic and providing a scientific basis for the Company's subsequent resource allocation and information disclosure.

2025 Double Materiality Matrix



Overall, the 20 key topics all received high scores across different stakeholder groups, reflecting a strong consensus among all parties on the critical topics of the Company's sustainable development. Among them, "Employee rights and development", "Energy usage", "Anti-commercial bribery and anti-corruption", "Innovation-driven", and "Data security and customer privacy protection" are the top five topics in terms of overall materiality, highlighting the Company's core focus areas in human capital management, resource efficiency, corporate governance, and technology application.

- "Employee rights and development" ranks first, reflecting that human capital management has become a fundamental pillar of corporate sustainable development. This topic ranks high in all three categories – financial materiality, impact materiality, and overall materiality – demonstrating that employees' career development pathways, health and safety protection, and equitable employment environments not only profoundly affect organisational stability and operational efficiency, but also play an irreplaceable role in attracting and retaining key talents and supporting long-term sustainable growth.
- The high ranking of "Energy usage" indicates that, under the guidance of the "Dual Carbon" strategy, energy efficiency has become a key measure of corporate operational resilience and cost competitiveness. Ranked first in financial materiality, this topic highlights the direct impact of energy management on operating costs, compliance risks, and capital market performance, driving the Company to continuously enhance the application of energy-saving and emission-reduction technologies, transforming green and low-carbon practices into tangible competitive advantages.
- "Anti-commercial bribery and anti-corruption" and "Data security and customer privacy protection" both entered the top five, highlighting stakeholders' strong emphasis on corporate governance transparency and the foundation of trust. The former reflects the central weight of compliance standards and business ethics in capital market evaluations, while the latter demonstrates that in the digital age, customer information security has become a dual lifeline for corporate brand reputation and legal compliance.
- "Innovation-driven" ranks fourth, confirming that technology empowerment has evolved from an "optional strategy" to a necessity for enterprises to build long-term competitive advantages. This topic stands out in terms of financial materiality, indicating that innovative practices such as green construction, intelligent operations, and digital transformation are progressively translating into measurable cost advantages, product premiums, and financing capabilities, becoming a core driver of high-quality development.

Stock Code : 00123

Chapter 2

Climate Resilience and Symbiosis with Nature

Management Approach

2.1 Annual Progress and Highlights

2.2 Climate-related Framework and Policy

2.3 Biodiversity-related Disclosure

2.4 Resource Circularity and Waste Reduction

2.5 Ecological Protection and Practice

Our action supports the following United Nations Sustainable Development Goals (SDGs)

Management Approach

Addressing climate change and preserving the ecological environment have become an urgent common agenda and framework for action worldwide. At this critical juncture—marked by profound adjustments in the international climate governance landscape and the deepening advancement of Chinese-style modernisation—China, with its "dual carbon" goals as the core strategic driver, is systematically propelling a sweeping transformation across all sectors of the economy and society. As a responsible major country, China has elevated green, low-carbon development and ecological civilisation to the level of national strategic priority, making the solemn commitment to "peak carbon emissions by 2030 and achieve carbon neutrality by 2060". This commitment is not only essential for addressing resource and environmental constraints and ensuring the nation's sustainable development, but also represents a key strategic choice to drive economic restructuring and forge new sources of international competitive advantage.

During the 14th Five-Year Plan period, China achieved historic progress in its green and low-carbon transition, laying a solid foundation for high-quality development during the 15th Five-Year Plan period. Looking ahead to the 15th Five-Year Plan, the state has clearly set out its commitment to promoting a comprehensive green transformation of economic and social development, ensuring that the carbon peak target is met as scheduled, and initially establishing a new energy system that is clean, low-carbon, safe, and efficient. Green development has become the defining feature of Chinese-style modernisation, and advancing the pursuit of carbon peak and carbon neutrality in a proactive yet prudent manner is the responsibility that our era demands we shoulder.

As a pillar industry of the national economy, the green and low-carbon transition of the real estate sector is not only essential for the industry's own high-quality development, but also a critical component in supporting the fulfilment of the country's 14th Five-Year Plan targets and ensuring a smooth start to the 15th Five-Year Plan period. Guided by the corporate mission of "Where Good Living Starts", Yuexiu Property recognises that embedding climate action and ecosystem protection into its corporate strategy and across its entire business operations is an inevitable choice for the industry to navigate market cycles and forge a new development model. The green and sustainable development principles upheld by Yuexiu Property are deeply integrated into a full lifecycle review to the built environment—from planning and design, to construction, operation and maintenance, and ultimately to renewal and repurposing. We view the green and low-carbon transition as both the core engine and the essential pathway for achieving high-quality development.

In active response to the global climate governance framework established by the Paris Agreement, and in deep implementation of the national strategic initiative to "achieve carbon peak and carbon neutrality", Yuexiu Property has adopted a *Climate Change Policy*, through which it makes a solemn commitment to continuously reduce greenhouse gas emissions across its operations and value chain via targeted emissions reduction actions, thereby fulfilling its corporate responsibility to address climate change. Since 2024, we have systematically integrated climate-related risks into our management and disclosure frameworks in full alignment with the requirements of IFRS S2 and the HKEX's Guidance on Climate Disclosure. By conducting forward-looking assessments of physical and transition risks, and quantitatively analysing their potential financial implications, we have not only clearly identified the key risks and opportunities facing the Company in the course of its low-carbon transition, but also established a data-driven decision-making foundation to inform the planning and execution of our green development strategy.

Building a Beautiful China is one of the core objectives for the 15th Five-Year Plan period. Yuexiu Property recognises deeply that a healthy ecosystem is the fundamental foundation for sustainable social development, and has consistently placed ecological civilisation construction at the heart of its corporate strategy, viewing it as a critical engine driving high-quality development. Our commitment to the ecological environment runs through the entire process—from land acquisition and planning and design, to development and construction, and ultimately to asset operation—with its starting point grounded in a deep respect for the vitality of the land and a prudent approach to site selection. To translate this commitment into scientific and effective action, we actively lead industry practice by fully embracing internationally advanced frameworks. We clearly recognise that nature presents both risks that demand serious attention and valuable opportunities that can drive innovation. Since 2024, drawing on the recommended framework of the "Taskforce on Nature-related Financial Disclosures" (TNFD) and applying its core "LEAP" methodology, we have conducted systematic nature and biodiversity strategy reviews across our business portfolio. Building on this foundation, we achieved a key milestone in 2025: the first quantitative analysis of the financial impacts associated with nature-related risks. This marks a significant advancement in the Group's biodiversity management, enabling a shift from qualitative control to deep integration with financial decision-making. It allows us to anticipate risks with greater precision, allocate resources more effectively, and plan responsive measures, thereby transforming natural capital into a lasting source of competitive advantage and development opportunity.

The blueprint for the 15th Five-Year Plan period has now been drawn up. With the "nation's overarching priorities" firmly in mind, Yuexiu Property will pursue its mission with unwavering resolve and sustained action, continuously exploring new pathways and models for high-quality, sustainable development within the real estate industry.

Laws, Regulations and Standards Adhered to by the Group in Climate and Ecological Management

- *The Paris Agreement*
- *The Baku Climate Unity Pact*
- *The Action Plan for Carbon Dioxide Peaking Before 2030*
- *China's Policies and Actions for Addressing Climate Change*
- *Guiding Opinions of the State Council on Accelerating the Establishment of a Sound Economic System with Green, Low-carbon and Circular Development*
- *Measures for the Administration of the Law-based Disclosure of Environmental Information by Enterprises*
- *Measures for the Supervision and Administration of Energy Conservation and Ecological and Environmental Protection by Central Enterprises*

Climate Change	*Climate Change Policy, Meteorological Disaster Emergency Response Plan*
Biodiversity Conservation	*Biodiversity Policy*
Environmental Protection	*Sustainable Water Resources Policy, Environmental Policy, Energy Policy, Sustainable Building Policy*
Green Development	*Circular Economy Promotion Policy, Green Finance Policy*

2.1 Annual Progress and Highlights

Key Initiatives in 2025

Yuexiu • Naturalistic Mansion Moon Lake Ecological Restoration Case

Successfully selected as an **Insight Case** by the Global Real Estate Sustainability Benchmark **(GRESB)**

Successfully listed the nation's first specialised market carbon credit

In September 2025, the building carbon credit product of Zhonggang Leatherware Mall under Yuexiu Property, was successfully listed on the Guizhou Green Finance and Low-Carbon Exchange, with an initial listing price of **RMB66/tCO$_2$e**. As the nation's first building carbon credit product in the specialised market category, this project marked a **"zero-to-one"** breakthrough in building carbon credit trading for Guangzhou

Scope 3 greenhouse gas emissions

During the reporting period, Yuexiu Property systematically quantified and disclosed scope 3 emissions in phases for the first time. This disclosure was based on the ***Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004 Edition)*** and involved a comprehensive mapping of value chain emissions in alignment with business relevance. It marks a significant shift in the Company's carbon management from an operational focus to full value chain coverage, laying a solid foundation for its long-term decarbonisation strategy

Performance Highlights in 2025

Key Pillars	Targets for 2030	Progress in 2025
"Dual Carbon" Goals	Public projects: • Aim to reduce the carbon emission intensity per unit area by **40%** as compared to 2019 Residential projects: • Aim to reduce the carbon emission intensity per unit area by **19%** as compared to 2019	Public projects: • Reduced the carbon emission intensity per unit area by **33.7%** as compared to 2019 Residential projects: • Reduced the carbon emission intensity per unit area by **9.4%** as compared to 2019
Energy Management	• Comprehensively strengthening energy consumption management for buildings and facility equipment • Achieve a **90%** or higher coverage rate of operational commercial projects connected to the energy management platform	• Installation of elevator energy recovery devices led to **9%** of reduction in elevator electricity consumption each year • The renovation of the terminal air conditioning system has lowered equipment energy consumption by approximately **6%** • The commercial energy management system covered **79%** of the property area under its ownership • Utilize renewable energy to ensure that it accounts for more than **12%** of total energy consumption
Water Resources Management	Achieve **water neutrality** in or before 2060	• Recovered **15,084** tons of condensate water in 2025 • Rainwater recovery volume reached **124,146** tonnes • Coverage rate of water-saving faucet exceeded **80%** • Wastewater discharge compliance rate: **100%**
Ecological Conservation	Maintain **0** incident of violating ecological conservation regulations each year over the long term (note: including destruction of ancient trees and famous trees, disturbance of ecologically sensitive areas and impacts on habitats)	**No violations** related to ecological conservation in 2025

2.2 Climate-related Framework and Policy

Climate-related Governance Structure

The risks posed by climate change and the green development opportunities it gives rise to have become key strategic issues affecting the long-term value and resilience of enterprises. Yuexiu Property firmly believes that effectively addressing climate-related risks and seizing the opportunities of low-carbon transition require the deep involvement of the highest decision-making body, supported by a systematic, multi-tiered governance structure that spans strategy and execution.

In line with this, Yuexiu Property has elevated climate-related issues to the Board level for oversight and accountability. As the highest governing body for climate governance within the Group, the Board is responsible for reviewing and approving climate objectives, policies and major action plans that are aligned with the Group's overall strategy, and regularly monitoring their implementation progress and effectiveness. To ensure professional and focused ongoing management, the Board has established the Sustainability Committee, chaired by the Chairman of the Board and supported by two executive directors and four independent non-executive directors, ensuring independence and expertise in decision-making. The Sustainability Committee is directly responsible for guiding the systematic assessment of climate-related risks and opportunities, formulating and implementing management strategies, and designating and overseeing related business planning. The Board and the Sustainability Committee discuss and review the management of climate-related issues at least once a year.

At the execution level, the Company has established a two-tier working structure comprising the Sustainability Leadership Group and the Sustainability Execution Group. The Leadership Group is primarily responsible for coordinating cross-departmental climate response efforts, overseeing the advancement of key projects, and allocating necessary resources for relevant initiatives. The Execution Group, composed of headquarters functions and business units, operates through cross-departmental collaboration to develop, implement and deliver climate change response strategies and targets. This Group also undertakes the systematic collection, integration and analysis of climate-related data, and regularly reports climate-related risks and opportunities to the Leadership Group and the Sustainability Committee, and is subject to the supervision and management of the Board and the Sustainability Committee. This systematic governance structure—spanning the Board, management and business units—ensures that climate considerations are deeply embedded into the Group's strategic decision-making, risk management and day-to-day operations, laying a solid governance foundation for achieving a high-quality, sustainable green transition.

To strengthen accountability and incentives, we have incorporated climate-related key performance indicators into the performance evaluation and remuneration assessment systems for senior management and relevant business leaders, ensuring that climate issues receive due attention at the strategic level and driving the Group's overall transformation towards a low-carbon, climate-resilient development model.

Yuexiu Property Climate Governance Structure

The Board of Directors	Exercises comprehensive oversight over the Company's climate change response efforts, bears ultimate responsibility for related decisions and performance, and monitors the work of the Sustainability Committee while receiving reports from it.
The Sustainability Committee	Assists the Board in providing comprehensive guidance and oversight over the Company's climate change response related matters, is responsible for reviewing and approving relevant policies and procedures, and formulates and oversees the Company's sustainable development strategy.
The Sustainability Leadership Group	Coordinates and drives climate change response efforts across departments, oversees the execution of relevant projects, and coordinates resources to support sustainable development initiatives.
The Sustainability Executive Group	Responsible for formulating and implementing the Company's climate change response efforts, ensuring the achievement of all relevant targets. The Execution Group is also responsible for collecting and analysing climate-related data, and regularly reporting progress to the Sustainability Leadership Group and the Sustainability Committee.
Climate Change Response Working Group	Monitors climate risks in the cities in which we operate, ensuring that climate factors are fully integrated into the Company's strategy and operational activities. It is also responsible for collecting and organising climate-related information and providing timely feedback on the achievement of performance indicators related to climate risk.

Climate-related Training and Capacity Building

The members of Yuexiu Property's Board bring a diverse range of professional backgrounds and extensive industry expertise, establishing a solid governance foundation for the effective oversight of climate-related risks and opportunities. To continuously deepen the Board's understanding of climate issues and maintain its keen awareness of relevant policies, market dynamics and industry best practices, we have established a systematic and targeted climate capacity building mechanism.

The Company regularly organises thematic training sessions for the Directors, with content closely aligned with domestic and international sustainability disclosure standards and requirements, the national "dual carbon" policy pathway, and the latest trends and solutions in low-carbon transformation within the real estate industry. In addition, we periodically invite external experts in climate science, green finance and low-carbon technologies to share insights, ensuring that the Board continues to benefit from forward-looking and independent professional perspectives. In November 2025, the Company convened a sustainability-focused training session at Board level, conducting an in-depth discussion on the newly added "Part D—Climate-related Disclosures" requirements of the HKEX's Environmental, Social and Governance Reporting Code. The training covered the four-pillar framework of the new climate rules and its alignment with international standards, the Board's core responsibilities and recommended actions in climate governance, as well as potential challenges that may arise during the implementation of new rules. The session also deeply explored strategic pathways for integrating climate risk management into the Company's overall enterprise risk management framework. Board members demonstrated a strong focus on the Company's governance responsibilities following the implementation of the new rules and engaged in active discussions on how to effectively incorporate climate considerations into decision-making processes, reflecting the Board's strategic commitment to climate issues and its dedication to fulfilling its responsibilities.

Through this ongoing and targeted approach to knowledge enhancement, Yuexiu Property ensures that the Board is equipped with a more comprehensive perspective and more professional judgement to guide and oversee management in developing and implementing climate strategies that are scientifically sound, ambitious, and aligned with the Group's long-term interests.

2.2.1 Strategy

On 24 September 2025, building on the solid foundation of the national "dual carbon" goals, China for the first time set out a series of more ambitious climate change targets, calling for economy-wide net emissions reductions that cover all greenhouse gases. This marks the beginning of a new phase in climate governance, one characterised by systematic deepening and comprehensive action[2]. This national strategic upgrade not only charts a clear green trajectory for economic and social development, but also imposes more profound transformation requirements on the real estate industry—a key pillar of the national economy.

Yuexiu Property recognises that this new climate journey demands corporate actions that go beyond point-source emissions reductions and instead pivot towards a deep integration that runs through the entire value creation process. We will treat climate factors as a core decision-making variable, embedding them comprehensively into every business segment—from land acquisition and planning and design, to green procurement and smart construction, and through to long-term asset operation. At the same time, we acknowledge our responsibility as a key node in the industrial chain, and are committed to leveraging instruments such as green finance tools and energy management platforms to drive the coordinated transformation of upstream and downstream partners across design, construction, materials and services. More importantly, we will actively build a low-carbon community with our customers and tenants, empowering and incentivising users to participate in emissions reduction efforts, thereby expanding our corporate climate actions into a positive force that guides the evolution of both the industrial ecosystem and societal consumption patterns towards a greener direction.

Yuexiu Property's decarbonisation strategy focuses on the following six key areas:

Green Building

Yuexiu Property's decarbonisation strategy is aligned with the *Paris Agreement* and the national "dual carbon" goals, with its core focusing on advancing green buildings. We embed low-carbon principles throughout the entire building life cycle: during the planning and design phase, we integrate energy efficiency, natural lighting and the use of renewable energy; during the construction phase, we implement green construction practices and prioritise environmentally friendly building materials to reduce resource consumption and emissions; and during the operational phase, we leverage smart management systems and clean energy to continuously optimise energy performance.

Energy Management

Yuexiu Property has established a comprehensive energy management system, leveraging smart platforms to monitor and optimise energy efficiency, while upgrading high-energy-consumption equipment such as air conditioning and lighting to reduce energy use. At the same time, we actively integrate renewable energy sources such as solar power and explore green electricity procurement, systematically reducing carbon emissions and strengthening the foundation for sustainable development.

Water Resource Management

Yuexiu Property regards water resource management as a key component of sustainable operations, striving to enhance water efficiency and promote circular utilisation in order to reduce environmental impact and strengthen resource resilience. We have established a comprehensive management system to identify water-saving potential and formulate corresponding strategies, and are gradually introducing water recycling and rainwater harvesting systems across our projects to reduce reliance on municipal water supplies. At the same time, we promote water conservation awareness and best practices through community engagement and collaboration.

Sustainable Finance

Yuexiu Property regards sustainable finance as a key enabler of its green transition, actively utilising a range of instruments to channel capital towards climate-friendly business activities, thereby achieving a deep integration of environmental performance with financial arrangements. Key initiatives include: listing of the nation's first specialised market carbon credit, unlocking the market value of carbon assets; issuing green dim sum bonds to secure dedicated low-cost funding; and entering into sustainability-linked loans that tie financing terms to predetermined key performance indicators, strengthening both the incentives and accountability mechanisms for achieving environmental targets.

Engagement of Property Owners and Tenants

We actively build decarbonisation partnerships with property owners and tenants, embedding environmental practices into the day-to-day management of our buildings through transparent communication, contractual guidance and collective action. To this end, we have launched a *Green Covenant for Tenants*, which sets out clear responsibilities for energy efficiency, emissions reduction and waste sorting within lease terms, while also regularly hosting environmental workshops to share knowledge on resource circularity and low-carbon living. At the same time, we promote sustainable practices at the community level, creating a convenient low-carbon living environment through advocacy initiatives and the development of supporting facilities.

Driving the Industry Toward a Low-Carbon Economy

Yuexiu Property regards driving the green transformation of the industry as an extension of its own strategy. Through open collaboration, standard setting and ecosystem co-creation, we are steering the value chain towards a low-carbon future. Our specific actions include: participating in the development of green building standards and promoting technically proven solutions that have been validated; enhancing the environmental performance of the industrial chain through green procurement and supplier collaboration; and systematically consolidating experience in areas such as energy management and carbon asset development, leveraging knowledge sharing to enhance the capabilities of the industry as a whole.

2 On 24 September 2025, China announced its 2035 Nationally Determined Contributions (NDCs), starting a new journey to address climate change.

Case

Yuexiu Property leads the industry's low-carbon transition through its "dual zero" project initiatives

From 23 to 25 July 2025, the "2025 International Zero Carbon Urban and Rural Areas and Zero Carbon Buildings Conference & Technology and Equipment Expo" was held in Beijing. Jointly organised by authoritative institutions including the China Building Energy Efficiency Association, the China Real Estate Association, and China State Construction Engineering Corporation, the conference was themed "'Good House' Empowered by 'Dual-Carbon' Goals: Green, Comfortable Living Pioneering Low-Carbon Urban Renewal". It aimed to bring together cutting-edge low-carbon technologies from around the world to promote the building industry's transition towards carbon neutrality and sustainable development.

Recognised for its solid practices and notable achievements in the zero-carbon and zero-energy building sectors, Yuexiu Property was invited to attend as a model of low-carbon practice in the industry. Representing Yuexiu Property, Yuexiu Commercial presented a special report titled "Exploration and Practice of Energy Conservation and Carbon Reduction in Commercial Real Estate" at the "Low-Carbon/Zero-Carbon Office Building Research and Practice" sub-forum. The report systematically elaborated on key initiatives and practical pathways for carbon reduction across the entire lifecycle of commercial real estate, garnering widespread attention and recognition from the participants.

Climate-related Risks and Opportunities

As the world progresses towards a low-carbon future, climate-related issues have been deeply embedded into Yuexiu Property's strategic planning and day-to-day operations. Through a dynamic and forward-looking perspective, we systematically examine the dual dimensions of climate change: on the one hand, physical risks and transition risks present tangible challenges to the Company's asset security, operational costs and compliance pathways; on the other hand, clear low-carbon policy directions and market trends open up distinct opportunities for innovative business models, enhanced resource efficiency and the cultivation of differentiated competitive advantage.

The climate risks we focus on primarily fall into two categories: physical risks and transition risks. In response to physical risks, we enhance asset resilience by strengthening project site selection assessments, raising building design standards and developing business continuity plans. At the same time, in addressing transition risks driven by increasingly stringent carbon regulations both domestically and internationally, as well as the growing trend towards green consumption, we internalise policy direction as a driver of development. We continue to advance green building innovation, supply chain decarbonisation and energy structure optimisation, proactively transforming compliance requirements into market-leading green products and services.

Scenario Analysis

Since 2023, the Company has established a systematic climate risk assessment mechanism, utilising structured questionnaires distributed to the Board and senior management to evaluate climate-related risks through a combination of quantitative and qualitative approaches. The assessment aims to gain a comprehensive understanding of each department's exposure and vulnerability to climate risks, thereby providing a basis for formulating science-based response strategies. During the assessment process, business unit heads systematically analysed the drivers of risks and opportunities, including existing and planned control measures, and evaluated their potential financial implications. The relevant assessment results have been integrated into actuarial risk models to predict the likely magnitude of impact from climate-related risks, enabling risk prioritisation and supporting resource allocation and management decisions.

Furthermore, drawing on the recommendations of the TCFD, the Company has established a dual-track climate scenario analysis framework to systematically assess the Group's business resilience and operational robustness under different climate pathways. This framework draws upon authoritative publicly available scenarios from the Intergovernmental Panel on Climate Change (IPCC) and the Network for Greening the Financial System (NGFS), integrating multi-dimensional variables spanning political, environmental, economic and social factors. By setting differentiated parameters for population, economic growth, technology, energy and policy, it generates forward-looking data projections extending to 2050. Through this analysis, we are able to identify the potential impacts of climate change on the Group's assets, with the assessment covering the entirety of our land bank and operational assets across 229 projects in 29 cities across China.

Scenarios and Risks	1.5 ℃ Scenario	3.0 ℃ Scenario
Physical Risks	NGFS | 1.5℃ | Orderly	NGFS | 3℃ | NDC
Transition Risks	NGFS | 1.5℃ | Orderly	NGFS | 3℃ | NDC IPCC | 3℃ | SSP42-4.5
Time Horizon	Present - 2050	
Geographic and Project Coverage	• All assets within the scope of operations • Covering 29 cities across China, with 229 projects in the land bank	

Physical Risk Identification and Assessment

In physical risk assessments, chronic and acute climate risks introduce significant structural uncertainty to the decarbonisation pathway. By identifying, evaluating and projecting the future impacts of key uncertain factors, we lay the groundwork for developing climate resilience strategies. Through a science-based approach and the incorporation of eight core physical climate variables, we strive to enhance the accuracy and reliability of our risk assessments, thereby supporting data-driven decision-making and enabling the development of targeted mitigation measures.

01 Collect and integrate diverse climate data, covering historical observational data from dynamic climate models as well as future scenario projection information

02 Based on the integrated climate data, an assessment was conducted on the exposure and vulnerability to various climate variables across 229 projects located in 29 cities

03 By assessing the severity and likelihood of physical risks to selected assets, we accurately identify the key physical risks that have a material impact on the Group's operations

Physical Risk Identification		Risk Description	Impact Level	
			1.5 ℃	3.0 ℃
Chronic Risks	Annual Average Temperature Increase	Long-term recorded annual average temperatures have continued to rise compared with the historical baseline		
	Sea Level Rise	Driven by the thermal expansion of seawater and the melting of land-based glaciers resulting from climate warming		
Acute Risks	Extreme Heat	Refers to an extreme heat event in which temperatures in a given location significantly exceed the historical normal range for the same period, characterised by prolonged duration and high intensity		
	Rainfall Flooding	Refers to a disaster event in which extreme heavy rainfall within a short period exceeds the capacity of natural or artificial drainage systems, leading to surface waterlogging or river flooding		
	River Flooding	A natural disaster in which river water levels exceed the carrying capacity of the channel due to persistent heavy rainfall, extensive snowmelt in the catchment area, or the failure of upstream dams, resulting in flooding of surrounding areas		
	Typhoons	An intense cyclonic weather system that develops over tropical or subtropical oceans, with maximum sustained wind speeds near the centre reaching a specific intensity threshold		
	Extreme Cold	Refers to an extreme cold weather event in which temperatures in a given location significantly fall below the historical normal range for the same period, characterised by prolonged duration and high intensity		
	Extreme Snowfall	A weather event in which the amount, intensity or duration of snowfall within a specific period significantly exceeds the historical normal range		

High Impact Medium Impact Low Impact

Transition Risk and Opportunity Identification and Assessment

Through a dual-scenario analysis framework that combines quantitative and qualitative approaches, alongside qualitative assessments of policy and government trends, we evaluate the potential impacts of different climate scenarios on our business and value chain. During the year, we also conducted cross-departmental interviews and surveys to gather extensive input from various business units, enabling a more comprehensive understanding of value chain resilience and ensuring that transition risk assessments are closely aligned with business objectives and strategic direction.

01 By integrating authoritative scenario data from sources such as the IPCC and the NGFS, and combining it with qualitative research, policy analysis and feedback from business units, we ensure that the assessment is both practical and actionable

02 By utilising the integrated data, we assess the risk exposure of selected business operations and their upstream and downstream value chains

03 By assessing the magnitude and likelihood of impact from transition risks across the entire value chain, we accurately identify the transition risks that have a critical impact on Yuexiu Property

Transition Risk Identification		Risk Description	Impact Level	
			1.5℃	3.0℃
Policy and Legal Risk	Stricter "3060" Strategy National Policies and Regulatory Requirements	Under the "3060" dual carbon goals, tightening policies and regulations introduce multiple transition risks for the real estate industry, including rising compliance standards, changes to cost structures, and adjustments to asset valuations		
	Stricter Green Building Standards	The continuous elevation of green building certification standards places compliance and competitive pressures on the real estate industry, manifesting in stricter design regulations, rising construction costs and higher thresholds for project certification		
	Implementation of Carbon Pricing in the Markets Where We Operate	The implementation of carbon pricing in the markets where we operate will increase operational costs, raise investment thresholds, and intensify valuation pressure on high-carbon assets		
	Public Disclosure	The increasingly mandatory requirements for ESG and climate-related disclosures directly increase compliance costs and data management pressures		
Technology Risk	Development of Green Building Technologies	The advancement of green building technologies brings about cost pressures and technical risks, while simultaneously creating strategic opportunities for product differentiation and long-term asset appreciation		
	Energy Sector Technological Advancements	Technological advancements in the energy sector, while increasing transition costs and technical uncertainty, also open up a critical window for significantly reducing energy expenditure and creating new business models		
Market Risk	Changing Investor Preferences for Green Investments	Investor preference shifts towards green assets, raising financing thresholds and costs for non-green projects		
	Shift in Customer Preferences for Low-Carbon Consumption	Market acceptance of traditional high-energy-consumption projects may decline, while properties that meet green and health standards can significantly enhance product competitiveness and potential premium		
Supply Chain Risk	Widespread Adoption of Low-Carbon Materials	The widespread adoption of low-carbon materials across the industry directly leads to higher construction costs and increased supply chain complexity		
	Limited Availability and Rising Prices of Resources	Limited availability and rising prices of resources directly squeeze project profit margins and heighten the risk of supply chain volatility		
Reputational Risk	Reputation, Litigation, and Negative Publicity	The direct reputational and legal risks arising from negative incidents may lead to damage to brand value, customer attrition, and a sharp increase in compliance costs		

High Impact Medium Impact Low Impact

Based on a comprehensive analysis of the risks and opportunities arising from climate factors across the entire value chain, we have carefully assessed the impacts on both the value chain and our financial performance. The following list sets out the assessment conclusions for material climate-related issues, along with the corresponding management strategies and response measures.

Yuexiu Property's Definition of Short-term, Medium-term and Long-term[3]

Short-term	Medium-term	Long-term
2025-2026	2027-2030	2031-2060

Identification, Impact Analysis and Response Measures for Climate-related Risks and Opportunities of Yuexiu Property

	Risk Category	Risk Description	Time Horizon Mainly Affected	Value Chain Mainly Affected	Impact on Business Model	Impact on Financial Performance	Response Measures of Yuexiu Property
Physical Risks	Chronic Risks	Annual Average Temperature Increase	Medium-term Long-term	Upstream suppliers Own operations Downstream customers	• High-temperature construction environments may directly lead to project delays and quality standard risks, increasing the challenges faced by engineering works • The real estate sales market may consequently be affected, with market demand (absorption capacity) potentially shifting in response to seasonal changes and climatic conditions	• **Operating expenditure:** increased electricity costs resulting from higher energy consumption of air conditioning and cooling equipment • **Maintenance budget:** increased routine and special maintenance costs due to accelerated wear and tear on buildings • **Insurance costs:** the repricing of climate-related physical risks in the insurance market is directly reflected in higher risk premiums and premiums upon policy renewal	• **Risk management mechanisms:** regularly assess climate impacts, enhance safety management, and develop the Climate Change Policy and the Meteorological Disaster Emergency Response Plan in support • **Green technology leadership:** extensively promote green building technologies to drive the overall enhancement of building environmental performance and resource efficiency
		Sea Level Rise		Upstream suppliers Own operations Downstream customers	• Poses a direct threat to infrastructure and real estate in coastal areas, thereby elevating the overall risk profile and increasing long-term operating costs • Leads to higher maintenance and repair costs for coastal properties, with the complexity of related work also increasing	• **Asset valuation:** market demand and asset valuations face downward pressure, potentially leading to asset impairment and extending sales cycles • **Holding costs:** increased risk pricing for such assets by the insurance industry, combined with higher maintenance expenditures driven by accelerated environmental erosion, together erode the full-cycle investment returns of projects	• **Specialised risk assessment:** conduct detailed geographical and climatic assessments to perform targeted analysis of sea level rise risks in specific areas • **Risk protection planning:** collaborate with insurance companies to establish tailored insurance solutions, ensuring adequate coverage for projects

3 The definition of time horizons is primarily based on Yuexiu Property's decarbonisation targets, while also taking into account the national dual carbon goals, to ensure a comprehensive and effective identification and assessment of the impacts of climate risks and opportunities that are highly relevant to us.

Identification, Impact Analysis and Response Measures for Climate-related Risks and Opportunities of Yuexiu Property

Risk Category		Risk Description	Time Horizon Mainly Affected	Value Chain Mainly Affected	Impact on Business Model	Impact on Financial Performance	Response Measures of Yuexiu Property
Physical Risks	Acute Risks	Extreme Heat	Short-term Medium-term	Upstream suppliers Own operations Downstream customers	• Impacts the scheduling and quality control of construction works, while increasing the complexity and uncertainty of the construction process • Increases operational energy consumption associated with cooling equipment • Has a direct impact on buildings, manifesting as accelerated material ageing and component damage	• **Operating revenue:** project delays directly affect final delivery and payment milestones, potentially leading to delayed cash flow and deferred revenue recognition • **Operating expenditure:** increased energy consumption and maintenance costs for air conditioning and cooling equipment in response to high temperatures directly raise the Company's fixed operating expenses	• **Equipment efficiency enhancement:** comprehensively upgrade and replace with energy-efficient air conditioning and cooling equipment • **Building energy efficiency optimisation:** apply design features such as insulation materials and energy-efficient windows and doors to reduce cooling energy consumption • **Heat hazard protection:** strengthen safety management procedures in high-temperature environments to safeguard employee health and safety
		Rainfall Flooding		Upstream suppliers Own operations Downstream customers	• May have a dual impact on construction sites and existing properties, including delaying project progress and causing structural damage and water leakage to buildings • May cause direct physical damage to the structure of existing properties	• **Capital expenditure and operating costs:** increased risk of property damage leads to higher long-term maintenance budgets • **Insurance costs:** premiums are adjusted in response to the heightened physical risks faced by properties, resulting in higher property insurance expenses	• **Planning and deployment:** formulate and deploy flood control emergency plans in advance • **Dynamic risk monitoring:** conduct regular rainfall and flood risk assessments • **Resilience design at source:** incorporate sustainable design features in new projects, increasing green space and stormwater management facilities to mitigate flood risk at the source
		River Flooding		Upstream suppliers Own operations Downstream customers	• May cause operational disruptions, including damage to construction sites and delays in project schedules, ultimately extending the construction period required • River flooding may lead to damage to riverside buildings, resulting in a direct reduction in the value of related assets	• **Maintenance costs:** routine and emergency maintenance expenses will increase in response to flood damage and subsequent erosion issues • **Insurance costs:** the increased physical risk to assets directly leads to higher property insurance premiums • **Asset valuation:** the valuation of riverside assets held by the Company faces downward pressure due to the associated climate risks	• **Risk monitoring and planning:** conduct regular flood risk assessments and develop corresponding emergency response plans • **Risk transfer protection:** negotiate with insurance companies to establish comprehensive insurance solutions to cover related risks • **Resilient infrastructure:** strengthen and optimise the drainage systems and flood protection facilities of projects

Identification, Impact Analysis and Response Measures for Climate-related Risks and Opportunities of Yuexiu Property

	Risk Category	Risk Description	Time Horizon Mainly Affected	Value Chain Mainly Affected	Impact on Business Model	Impact on Financial Performance	Response Measures of Yuexiu Property
Physical Risks	Acute Risks	Typhoons	Short-term Medium-term	Upstream suppliers Own operations Downstream customers	• The strong winds, heavy rainfall and storm surges associated with typhoons may pose a serious threat to the structure and integrity of coastal buildings • May trigger secondary disaster risks in the surrounding environment, such as landslides, flooding or falling debris • Causes operational disruptions at construction sites, leading to project delays and schedule setbacks	• **Asset value and capital expenditure:** strong winds and flooding from typhoons may directly cause physical damage to buildings and ancillary facilities, leading to asset impairment and generating capital expenditure for emergency repairs • **Operating profit:** operational disruptions, temporary relocations, additional labour and energy consumption in response to typhoons will increase period expenses, thereby eroding operating profit • **Risk mitigation costs:** the insurance market incorporates higher climate risks into its pricing models, resulting in increased risk premiums and premiums upon policy renewal, thereby raising fixed risk transfer costs	• **Structural reinforcement:** strengthen building structures, enhance wind resistance, and optimise drainage system construction • **Emergency planning:** develop relevant emergency plans to respond to extreme weather events • **Risk financing arrangements:** seek collaboration with insurance companies to ensure that relevant risks are adequately covered
		Extreme Cold		Upstream suppliers Own operations Downstream customers	• Extreme low-temperature weather not only reduces construction efficiency and increases heating energy consumption, but may also cause structural and maintenance issues such as frozen pipes and snow accumulation on roofs • May have a potential impact on building materials, reducing their long-term durability and thereby compromising structural safety • As a significant climate stressor, it increases the operational complexity of the wellness and elderly care industry, presenting multiple challenges to the health protection system for the elderly, including higher demands for heating reliability, health monitoring and emergency response	• **Capital expenditure:** reduced construction efficiency due to weather conditions and project delays not only generate additional direct costs, but may also affect project cash flow by postponing payment milestones • **Operating costs:** significantly increases the heating demand of buildings, with the associated energy costs acting as a variable expense that directly drives up annual period expenses	• **Material and quality control:** select materials suitable for low-temperature environments and strengthen quality controls to ensure the safety of building structures • **Promotion of energy-efficient buildings:** develop and promote energy-efficient building designs and technologies to reduce heating demand • **Emergency plan for freeze damage:** develop emergency plans specifically targeting low-temperature disasters such as freeze damage

Identification, Impact Analysis and Response Measures for Climate-related Risks and Opportunities of Yuexiu Property

	Risk Category	Risk Description	Time Horizon Mainly Affected	Value Chain Mainly Affected	Impact on Business Model	Impact on Financial Performance	Response Measures of Yuexiu Property
Physical Risks	Acute Risks	Extreme Snowfall	Short-term Medium-term	Upstream suppliers Own operations Downstream customers	• Impacts construction schedules through a combination of on-site operational disruptions, reduced construction efficiency and obstructed material transportation, thereby delaying project handover • May cause damage to properties • Extreme snowfall poses an external threat, significantly increasing the risk of injury to employees during commuting and outdoor work, presenting challenges to the Company's occupational health and safety management	• **Maintenance costs:** property damage triggers unplanned capital expenditure for repairs, increasing cash flow pressure • **Project costs:** adjustments to construction methods and the pre-purchase and stockpiling of materials generate additional direct project costs and warehousing management expenses • **Operating costs:** workplace accidents not only result in direct medical and insurance claim expenses, but may also lead to significant indirect operational losses due to labour shortages, replacement training and reduced productivity	• **Planning and drills:** develop a dedicated emergency response plan for snowfall and organise related drills • **Snow management:** promptly clear snow from roads and facilities to ensure accessibility and reduce safety risks
Transition Risks and Opportunities	Policy and Legal Risk	Stricter "3060" Strategy National Policies and Regulatory Requirements	Short-term Medium-term Long-term	Own operations	• The dynamic evolution of national emission reduction policies is steering the industry towards a low-carbon transition, while continuously raising the entry barriers for new projects through stricter technology and emission standards • An increasingly stringent and detailed regulatory framework exposes enterprises to higher compliance costs and operational complexity in fulfilling reporting obligations, meeting disclosure standards and managing data	• **Capital expenditure:** to meet mandatory energy efficiency targets, the Company must allocate dedicated funds for technological upgrades, which directly increases capital expenditure and affects investment cash flow • **Compliance costs:** non-compliance constitutes a regulatory risk that may immediately translate into penalty expenses, which are recorded as additional losses in financial terms and may affect the Company's credit standing	• **Policy adherence and compliance:** strictly comply with government decarbonisation policies to ensure full project compliance • **Policy engagement and advocacy:** actively participate in the policy formulation processes of government and industry organisations to advocate for sustainable development

Identification, Impact Analysis and Response Measures for Climate-related Risks and Opportunities of Yuexiu Property

	Risk Category	Risk Description	Time Horizon Mainly Affected	Value Chain Mainly Affected	Impact on Business Model	Impact on Financial Performance	Response Measures of Yuexiu Property
Transition Risks and Opportunities	Policy and Legal Risk	Stricter Green Building Standards	Short-term Medium-term Long-term	Upstream suppliers Own operations	• Stringent green building standards raise compliance thresholds, subjecting projects to more rigorous financing scrutiny at the early stage and imposing higher requirements on design and construction • Design optimisation, material procurement and administrative reviews required to meet certification requirements	• **Compliance costs:** increasingly stringent regulations and certification requirements related to green buildings lead to higher costs for compliance management, certification applications and monitoring reporting in the Company's daily operations • **Capital expenditure:** to bring existing managed assets into compliance with new environmental regulations, necessary energy-saving retrofits or system upgrades must be undertaken, directly adding additional capital investment projects	• **Policy adherence and compliance:** strictly comply with government decarbonisation policies to ensure full project compliance • **Policy engagement and advocacy:** actively participate in the policy formulation processes of government and industry organisations to advocate for sustainable development
		Implementation of Carbon Pricing in the Markets Where We Operate		Upstream suppliers Own operations	• The Company being included within the scope of local carbon trading markets, and the regulatory obligation to fulfil quota compliance, incurs direct compliance costs and management efforts • Regulatory requirements for corporate environmental information transparency mandate that the Company establish systems to accurately account for and periodically disclose carbon emissions and related data	• **Operating costs:** the implementation of carbon taxes and carbon pricing mechanisms directly adds to the Company's compliance-related expenditure, leading to a sustained increase in operating costs	• **Policy monitoring:** closely track the development of local and regional carbon market policies • **Emissions reduction actions:** enhance energy efficiency and increase the share of renewable energy to reduce carbon footprint and associated tax liabilities
		Public Disclosure Requirements		Own operations	• Increases the Company's costs in environmental data collection, accounting and management, introducing new compliance burdens and operational complexity • Requires the implementation of a range of response measures, including conducting specialised staff training, upgrading data management systems, and engaging third-party audits	• **Operating expenditure:** enhancing transparency and reputation represents a strategic investment, the direct financial impact of which is reflected in increased operating expenses	• **Data governance:** establish a robust data governance system • **Internal controls:** strengthen internal monitoring and management mechanisms • **Information disclosure:** optimise external disclosure processes • **Capacity building:** continuously enhance sustainable development management capabilities

Identification, Impact Analysis and Response Measures for Climate-related Risks and Opportunities of Yuexiu Property

	Risk Category	Risk Description	Time Horizon Mainly Affected	Value Chain Mainly Affected	Impact on Business Model	Impact on Financial Performance	Response Measures of Yuexiu Property
Transition Risks and Opportunities	Technology Risk	Development of Green Building Technologies	Short-term Medium-term Long-term	Upstream suppliers Own operations	• The introduction of advanced construction technologies and intelligent equipment helps to optimise processes, shorten project timelines and achieve efficiency gains • Technological advancements continue to drive innovation in design concepts, enabling buildings to become more innovative in terms of space utilisation, energy management and material application, thereby enhancing their liveability and sustainability	• **Capital expenditure:** the procurement, deployment and system integration required to introduce new technologies (including green technologies) entail higher initial capital investment • **Operating costs and long-term profitability:** the successful application of green technologies leads to improved energy efficiency and reduced maintenance requirements, which continuously lower energy expenses and maintenance costs during the operational phase	• **Promote low-carbon construction methods:** increase the adoption of prefabricated construction to reduce carbon emissions generated during construction and transportation • **Strengthen cross-sector R&D collaboration:** cooperate with government bodies and research institutions to accelerate the R&D and practical application of green building technologies
		Energy Sector Technological Advancements		Upstream suppliers Own operations	• Integrating renewable energy systems such as solar and wind power into building design provides core technological enablement for the development of green buildings • The application of innovative technologies shifts the focus from passive energy conservation to active optimisation, significantly improving building energy efficiency and reducing operational energy consumption, while also enabling more refined and intelligent management processes	• **Capital expenditure and short-term profit:** the higher upfront investment required for new technologies increases capital expenditure and may impact short-term cash flow and profit margins • **Long-term operating costs and profitability:** over the long term, improved energy efficiency significantly reduces operating expenses such as energy costs, thereby enhancing sustainable profitability. At the same time, the adoption of advanced energy technologies increases project appeal, helping to attract more customers or generate premium pricing, thus unlocking potential revenue streams	• **Technological innovation and collaboration:** increase investment in research and development of cutting-edge energy technologies, or collaborate with external institutions to introduce advanced technologies • **Strategic adaptation and compliance:** closely monitor changes in energy policies and promptly adjust corporate strategies to align with new requirements and market trends

Identification, Impact Analysis and Response Measures for Climate-related Risks and Opportunities of Yuexiu Property

	Risk Category	Risk Description	Time Horizon Mainly Affected	Value Chain Mainly Affected	Impact on Business Model	Impact on Financial Performance	Response Measures of Yuexiu Property
Transition Risks and Opportunities	Market Risk	Changing Investor Preferences for Green Investments	Short-term Medium-term Long-term	Own operations Downstream customers	• Investors currently favour companies and projects that are committed to decarbonisation, demonstrating a stronger willingness to invest • The market imposes increasingly stringent and detailed requirements on the Company's disclosure of sustainability-related indicators	• **Financing costs and capital structure:** green projects have the opportunity to secure more favourable financing rates and government subsidies, directly reducing capital costs and total project investment • **Operating revenue and asset valuation:** green buildings typically command rental and sales price premiums in the market, directly enhancing operating revenue and driving asset valuation growth	• **Identification of green finance opportunities:** through the *Green Finance Policy and the Green Finance Framework,* actively utilise green finance instruments for fundraising to attract investors in relevant sectors • **Stakeholder relations management:** engage in regular communication with investors to gain an in-depth understanding of their expectations and areas of concern
		Shift in Customer Preferences for Low-Carbon Consumption		Own operations Downstream customers	• The structure of market demand is shifting, with customers increasingly favouring buildings with a low carbon footprint and high energy efficiency, and demonstrating a willingness to pay a green premium for such properties • In response to this trend and to enhance asset competitiveness, it is necessary to systematically assess the operational carbon emissions and energy performance of existing building portfolios, and to develop targeted improvement plans	• **Operating revenue and asset value:** green buildings help attract high-value tenants and secure rental premiums, directly enhancing rental income and asset valuation • **Market competitiveness and long-term returns:** strengthening the green brand image enhances customer loyalty, generates stable long-term cash flow, and delivers sustainable financial benefits	• **Marketing and education:** promote to consumers smart applications and technologies that support low-carbon living (such as concepts like ultra-low energy buildings, dual-zero buildings, and healthy home systems) • **Product development and expansion:** develop more low-carbon building projects to increase the market share of green products

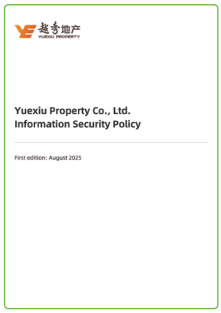
Identification, Impact Analysis and Response Measures for Climate-related Risks and Opportunities of Yuexiu Property

	Risk Category	Risk Description	Time Horizon Mainly Affected	Value Chain Mainly Affected	Impact on Business Model	Impact on Financial Performance	Response Measures of Yuexiu Property
Transition Risks and Opportunities	Supply Chain Risk	Widespread Adoption of Low-Carbon Materials	Short-term Medium-term Long-term	Upstream suppliers Own operations	• Implementing green procurement policies, prioritising the purchase of low-carbon materials, driving upstream emission reductions across the entire value chain, and enhancing supply chain resilience and sustainability • Strengthening investment in research and development to explore new low-carbon materials, proactively responding to the growing market demand for environmentally friendly solutions	• **Project costs and profit:** in the short term, increased expenditure on low-carbon materials and rising resource prices will directly drive up project costs and compress profit margins • **Long-term operating costs:** low-carbon materials generally offer greater durability, helping to reduce the long-term maintenance and replacement costs of assets	• **Internal R&D deployment:** establish the Yuexiu Property Research and Development Centre, focusing on the development of green building technologies and environmentally friendly materials • **External supply chain collaboration:** establish strategic partnerships with low-carbon material suppliers to ensure a stable supply of materials
		Limited Availability and Rising Prices of Resources			• Climate and geopolitical factors are exacerbating the vulnerability of global supply chains, leading to a significant increase in the risk of disruptions • To address changes in the availability of key building materials or equipment, project designs must maintain sufficient flexibility to allow for dynamic adjustments	• **Project costs and profit:** rising resource prices will directly drive up material and construction costs for projects • **Cash flow and financial stability:** project delays or cost overruns may create cash flow strain, increase short-term funding pressure, and affect financial robustness	• **Risk diversification strategy:** implement supply chain diversification to reduce concentration risk • **Sustainable partnerships:** prioritise establishing cooperative relationships with stable and sustainable suppliers
	Reputational Risk	Reputation, Litigation, and Negative Publicity		Own operations	• Negative incidents may give rise to reputational risk, directly eroding brand value and customer trust • May disrupt the stability of the Company's daily operations, and even lead to business process interruptions, testing operational resilience	• **Legal costs and additional losses:** litigation will directly incur legal expenses and potential compensation payouts • **Market valuation and financing capacity:** damage to goodwill may shake investor confidence, and may further increase future financing costs or restrict access to funding channels	• **Climate leadership and disclosure:** demonstrate leadership in addressing climate change, establish clear decarbonisation targets, and disclose relevant information • **Crisis management and response:** develop and implement comprehensive crisis management strategies to respond swiftly to negative incidents

2.2.2 Risk Management

Against the backdrop of accelerating climate change, the resulting physical and transition risks have become strategic issues affecting the long-term stable development of the real estate industry. Yuexiu Property has formulated and promulgated climate risk management policies, while integrating climate-related risks and opportunities into its core Enterprise Risk Management (ERM) framework. Through three key dimensions—breadth, depth and level of strategic emphasis—the Company aims to enhance asset resilience, seize opportunities presented by the low-carbon transition, and ensure the sustainable growth of its business.

Climate Risk Management Policy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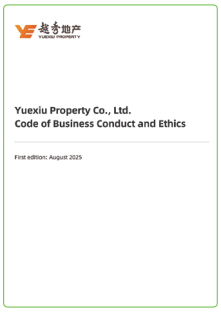
Yuexiu Property Co., Ltd.
Information Security Policy
First edition: August 2025

To systematically address the challenges of climate change, Yuexiu Property has established a *Climate Change Policy*, which explicitly incorporates the dual carbon goals into the Company's long-term development strategy, committing to achieving carbon peak for public and residential projects by 2030 and carbon neutrality by 2060. The Company mandates that all new construction projects meet at least one-star green building standards or higher, and actively promotes the adoption of prefabricated construction and ultra-low energy buildings. In procurement, priority is given to low-carbon and sustainable building materials to reduce embodied carbon emissions. At the same time, smart energy management systems are employed to continuously optimise energy consumption in buildings and facilities, enhancing overall resource efficiency and fully implementing energy conservation and reduction measures. In day-to-day operations, the Company integrates green and low-carbon principles into activities such as office operations and business travels, promoting resource circularity. Furthermore, through the implementation of the Green Tenant Compact, the Company fosters collaboration between property owners and tenants on sustainable operations, working together to improve building efficiency and contributing to the green transformation of both the industry and society at large.

To strengthen its capacity to prevent and respond to meteorological disasters, Yuexiu Property has concurrently developed a *Meteorological Disaster Emergency Response Plan*, with a focus on common hazards such as typhoons, heavy rainfall and extreme heat. Guided by the principle of "prevention, combining, resistance and relief", the Plan promotes a shift in emergency management from post-disaster relief to pre-disaster prevention. With safeguarding employee safety as its top priority, the Company continuously improves its emergency response system and leverages technological tools to enhance disaster monitoring and early warning capabilities. The Plan establishes a tiered emergency response mechanism that is effectively aligned with local emergency plans. Following the issuance of a disaster warning, all relevant units are required to promptly assess risks and implement preventive measures. Once an emergency response is activated, a command centre provides unified coordination to ensure clear allocation of responsibilities and rapid handling of the situation. In the post-disaster phase, the Company coordinates facility restoration and operational recovery efforts to minimise losses to the greatest extent possible. The Plan is managed and updated under the oversight of the Board and the Sustainability Committee, with related progress disclosed externally to ensure its continued effectiveness.


越秀地产
YUEXIU PROPERTY
Yuexiu Property Co., Ltd.
Code of Business Conduct and Ethics
First edition: August 2025

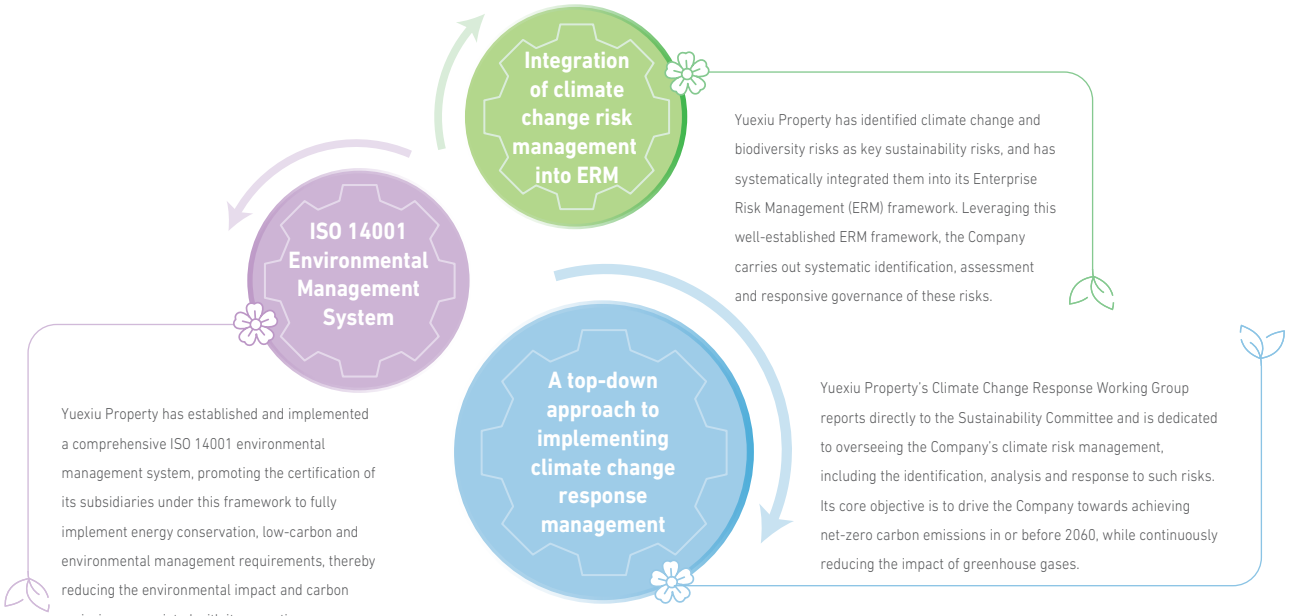
YUEXIU PROPERTY

Based on a robust audit and risk identification mechanism, we ensure not only operational compliance but also the ability to proactively identify a wide range of potential risks. On the topic of climate change, we conduct systematic identification and assessment on a regular basis, undertaking in-depth analysis of acute and chronic climate factors that may affect our business, and formulating corresponding response strategies accordingly. These strategies are results-oriented, aiming to mitigate or even eliminate the impacts of risks, thereby safeguarding business resilience and sustainable development. The entire management process further forms a self-reinforcing cycle: each iteration of risk identification, analysis and response continuously drives the optimisation and enhancement of both the system and management capabilities.

The Climate Change Response Working Group drives the Company's climate governance system from a strategic perspective. The Working Group leads the overall strategic planning, implementation, indicator monitoring and continuous improvement of Yuexiu Property's climate-related risks and opportunities. It not only systematically identifies material climate risks and develops concrete response measures, but also focuses on transforming climate issues into positive opportunities for business development. Through the establishment of regular assessment and dynamic tracking mechanisms, it ensures the effective implementation of various measures and the achievement of intended objectives, while continuously refining management processes and reinforcing Yuexiu Property's leading position in climate adaptation and low-carbon transformation.

Several subsidiaries of Yuexiu Property, including Guangzhou Yuexiu Property Development Co., Ltd., Guangzhou Yuejian Engineering Management Co., Ltd., Guangzhou City Construction & Development Engineering Cost Consulting Co., Ltd., Guangzhou City Construction & Development Design Institute Co., Ltd., Yue Xiu Property Management Limited, Yue Xiu APT Parking Limited and Guangdong Yue zhi Dun Security Service Co., Ltd., all have obtained ISO 14001 environmental management system certification. Through this certification, we have established a comprehensive system to ensure that we can identify and mitigate climate-related risks and opportunities across all our business areas.

Yuexiu Property's Three-tiered Climate Change Risk Management:



2.2.3 Metrics and Targets

Yuexiu Property has established a clear decarbonisation pathway and strategic targets: to achieve carbon peak by 2030 and value chain carbon neutrality by 2060. Centred on this commitment, we will accelerate the large-scale implementation of emission reduction actions and promote the widespread application of innovative technologies, driving the low-carbon transition through pragmatic measures. The Company has developed an implementation roadmap that integrates strategic innovation with technological practice, and conducts annual tracking and dynamic assessment of progress through multi-dimensional, quantifiable key performance indicators. This mechanism not only supports the continuous optimisation and agile adjustment of strategies, but also ensures that emission reduction actions effectively respond to the complex challenges posed by external market and environmental changes. Relying on a robust governance and oversight system, we are steadfastly advancing towards a sustainable low-carbon future, contributing our corporate efforts to the nation's green development through concrete actions.

In 2025, Yuexiu Property further advanced the systematic deployment of value chain carbon management, conducting for the first time a comprehensive mapping and materiality screening assessment of all 15 Scope 3 emission categories, alongside systematic accounting of key emission categories. This screening exercise has provided critical data foundations and scientific evidence to inform the Company's future emission reduction strategy, helping to precisely identify emission hotspots, clarify management boundaries, optimise resource allocation, and enhance the forward-looking and granular nature of value chain carbon management. This initiative marks a pivotal step in the Company's pursuit of the "dual carbon" goals—through the systematic identification and quantification of upstream and downstream indirect emissions, we have deepened our understanding and control capabilities over full lifecycle carbon footprints, laying a solid foundation for the formulation of more targeted and resilient emission reduction strategies, while continuing to drive the Company's green and low-carbon transition to greater depths.

During the year, the screening exercise was conducted through a comprehensive assessment based on seven criteria:

Selection Criteria	Description
Scale	Assess the expected contribution of the emission category to the Company's total Scope 3 emissions
Influence	Assess whether the Company has the ability to directly drive or indirectly influence emission reductions in this category (e.g., through operational policies, supply chain collaboration or technological innovation)
Risk	Assess whether the emission category exacerbates climate-related risks faced by the Company, including dimensions such as financial, regulatory, supply chain stability, product and customer trust, litigation and reputation
Stakeholder	Assess the importance and expectations of this emission category to key stakeholders, including investors, customers, suppliers and society
External Resources	Assess whether the activities corresponding to this category are typically performed in-house as industry practice but are outsourced by the Company, and whether the Company has substantive control over the related outsourced activities
Industry Guidance	Assess whether industry-specific guidance identifies this category as a key disclosure area
Others	Assess whether this category aligns with industry practice or other relevance criteria established by the Company, taking into account peer benchmarking and the Company's internal strategic priorities

In 2025, the Company identified 12 Scope 3 categories relevant to Yuexiu Property's own business, based on *the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004 Edition)* and taking into account business relevance, data availability, industry practice, and the seven aforementioned criteria. These 12 categories are disclosed in phases according to their respective levels of significance. Consequently, in addition to the ongoing disclosure of emissions arising from Category 6 (Business Travel), the Company will, from 2025 onwards, continue to track and disclose all Scope 3 categories applicable to its operations, as detailed below:

Scope 3 Categories	Applicability	Rationale	Significance	Data Calculation and Tracking Status
Category 1: Purchased Goods and Services	Yes	This constitutes Yuexiu Property's primary source of indirect emissions, encompassing the embodied carbon of all externally procured construction materials (e.g., steel, cement, glass) during their production, as well as indirect emissions arising from professional services (e.g., property management, outsourced cleaning, and horticultural services).	High	Included in the calculation scope and disclosed in the 2025 Report
Category 2: Capital Goods	Yes	Construction activities rely on specialised equipment. Upstream emissions from the manufacturing of self-owned construction machinery, vehicles, and fixed assets procured for projects or operational use shall be accounted for.	Medium	Data collection commenced in 2025; expected to be disclosed in the 2026 Report.
Category 3: Fuel- and Energy-Related Activities (Not included in Scope 1 or 2)	Yes	Yuexiu Property consumes purchased electricity and fuel during project construction and the operation of self-owned properties. The upstream emissions generated during the production of this energy are attributable to the Company's energy consumption activities.	High	Included in the calculation scope and disclosed in the 2025 Report.
Category 4[1]: Upstream Transportation and Distribution	Yes	Raw materials and other goods procured by Yuexiu Property require transport from suppliers to project sites. The resulting transport emissions are directly driven by the Company's supply chain logistics requirements.	Medium	Data collection commenced in 2025; expected to be disclosed in the 2026 Report.
Category 5: Waste Generated in Operations	Yes	Yuexiu Property's construction activities and operations generate significant volumes of waste, the treatment and disposal of which result in emissions.	High	Included in the calculation scope and disclosed in the 2025 Report.

1 Category 4 emissions refer to the emissions generated by suppliers when transporting raw materials and goods to the Company's operational sites via road, sea, or air freight. The Company's accounting for Category 4 emissions is distinct from that for Category 1 and Category 2. The emission factors applied in the calculation of Category 1 and Category 2 emissions encompass only the transport of raw materials and goods from the factory to retail outlets or suppliers, and do not include the carbon emissions arising from subsequent transport from retail outlets to the Company.

Scope 3 Categories	Applicability	Rationale	Significance	Data Calculation and Tracking Status
Category 6: Business Travel	Yes	Yuexiu Property's business development, project oversight, and supply chain management necessitate frequent cross-regional travel by employees. The emissions generated as a result are an integral component of the Company's operations.	High	Calculation commenced in 2024 and has been continuously disclosed in the report.
Category 7: Employee Commuting	Yes	Emissions arising from the daily travel of employees between their homes and workplace are directly linked to the organisational activities required to maintain normal business operations.	High	Included in the calculation scope and disclosed in the 2025 Report.
Category 8: Upstream Leased Assets	Yes	Yuexiu Property may lease office premises, warehouses, or equipment during its operations. Energy consumption emissions from these leased assets during their use are attributable to the Company's leasing activities.	Medium	Data collection commenced in 2025; expected to be disclosed in the 2026 Report.
Category 9: Downstream Transportation and Distribution	No	As a real estate developer, Yuexiu Property's value chain is concentrated on land acquisition, development and construction, sales, and property management. The products sold are primarily immovable real estate; therefore, transport and distribution after the point of sale are not applicable.	Low	/
Category 10: Processing of Sold Products	No	As a real estate developer, the products sold by Yuexiu Property are primarily properties intended for final use (residential, office, commercial operation, etc.) rather than being "processed" by downstream entities into another product, as would be the case with raw materials or components. This category is therefore not applicable to real estate developers.	Low	/
Category 11: Use of Sold Products	Yes	Yuexiu Property's products (buildings) generate energy consumption emissions continuously over their decades-long service life. These emissions constitute the vast majority of the full life-cycle carbon footprint and represent the core embodiment of the developer's product carbon responsibility.	Medium	Data collection commenced in 2025; expected to be disclosed in the 2026 Report.

Scope 3 Categories	Applicability	Rationale	Significance	Data Calculation and Tracking Status
Category 12: End-of-Life Treatment of Sold Products	Yes	When trading properties developed by Yuexiu Property reach the end of their life cycle, emissions arise from demolition, waste disposal and treatment processes. This represents the final link in the "cradle-to-grave" product responsibility chain.	Medium	Data collection commenced in 2025; expected to be disclosed in the 2026 Report.
Category 13: Downstream Leased Assets	Yes	Yuexiu Property holds and leases certain properties (e.g., commercial, office, and long-term rental apartments). As the asset owner, emissions generated by tenants' use of these properties constitute the downstream carbon impact of the Company's asset management activities.	High	Included in the calculation scope and disclosed in the 2025 Report.
Category 14: Franchises	No	As a real estate developer, Yuexiu Property typically operates through self-development, joint development, or project company models, rather than a franchising business model. The Company does not license its brand to independent third parties for operation. This category is therefore not relevant.	Low	/
Category 15: Investments	Yes	Yuexiu Property's capital allocation through equity investments, funds, and other vehicles carries financial influence and indirect directional responsibility for the carbon emissions of its portfolio companies.	Medium	Data collection commenced in 2025; expected to be disclosed in the 2026 Report.

Scope 3 Emissions Data Management Progress

Yuexiu Property has established a three-phase scope 3 disclosure roadmap to ensure data quality and the effective allocation of management resources:

Phase 1 (Ongoing Disclosure Category)

Business Travel (Category 6). Emissions from this category have been tracked continuously since 2024, and a robust carbon footprint management system for employee business travel has been fully implemented.

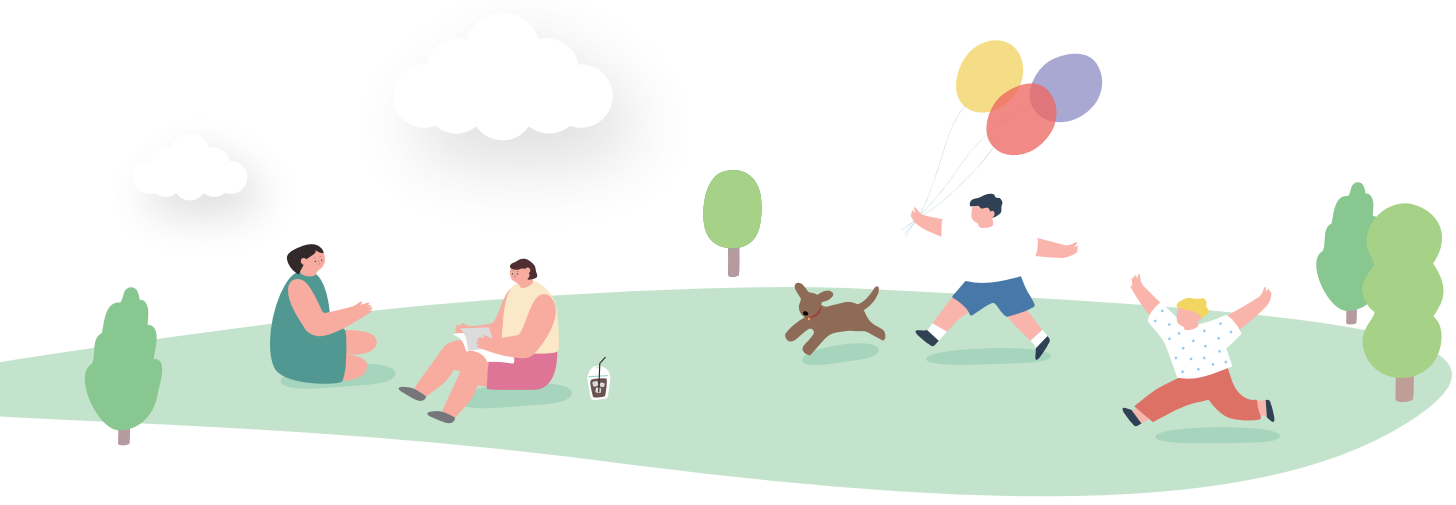
Phase 2 (Newly Disclosed in 2025)

Purchased Goods and Services (Category 1); Fuel- and Energy-Related Activities (Not included in Scope 1 or 2) (Category 3); Waste Generated in Operations (Category 5); Employee Commuting (Category 7); and Downstream Leased Assets (Category 13). These five categories have been prioritised for disclosure in the current year, as they meet the dual screening criteria of "significant emissions contribution and high management operability".

Phase 3 (Planned Disclosure in 2026)

Capital Goods (Category 2); Upstream Transport and Distribution (Category 4); Upstream Leased Assets (Category 8); Use of Sold Products (Category 11); End-of-Life Treatment of Sold Products (Category 12); and Investments (Category 15). These categories involve complex data integration across multiple departments and life-cycle stages. The Company commenced data collection and accounting boundary calibration in 2025 to ensure the accuracy of disclosures in the 2026 report.

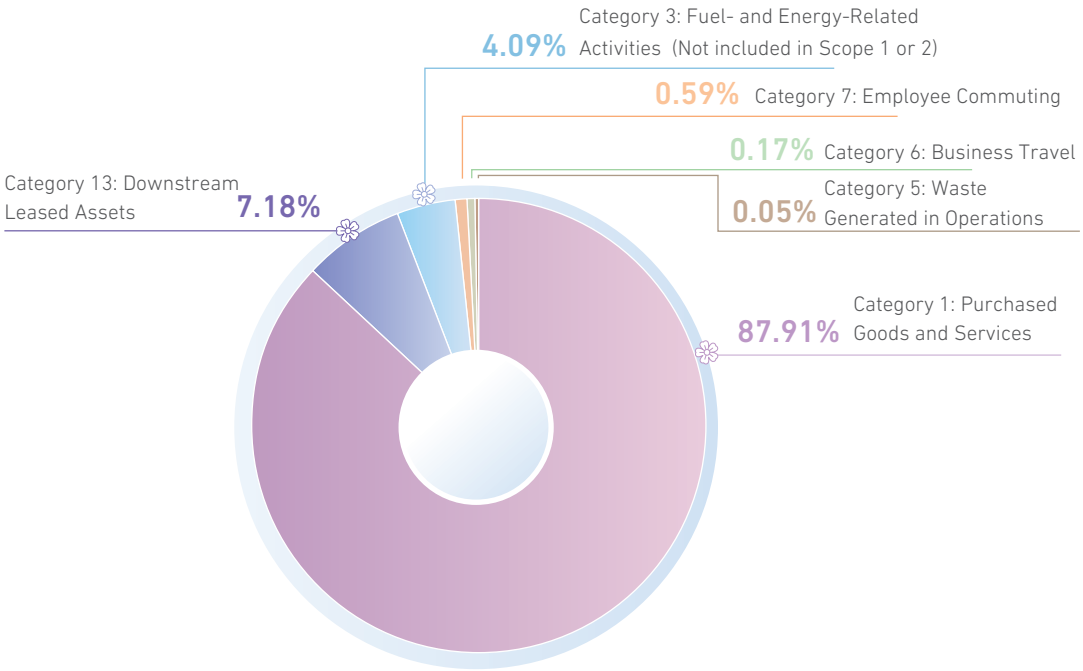
Following rigorous analysis, Downstream Transporation and Distribution (Category 9), Processing of Sold Products (Category 10), and Franchises (Category 14) have been excluded on the grounds that they bear no direct relevance to the Company's principal business activities or to the real estate development business model.



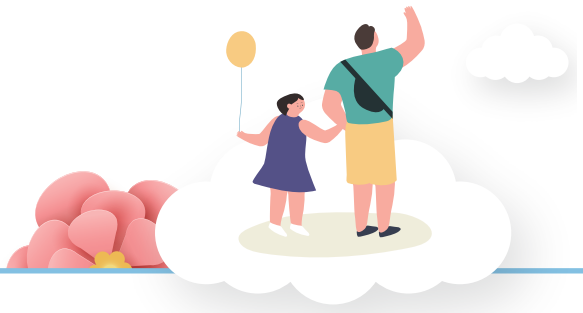
According to the accounting results for the 2025, the Company's total Scope 3 greenhouse gas emissions amounted to 1,042,709.70 tonnes of carbon dioxide equivalent (tCO_2e). Among the six categories disclosed, Purchased Goods and Services (Category 1), Fuel- and Energy-Related Activities (Not included in Scope 1 or 2) (Category 3), and Downstream Leased Assets (Category 13) represented the three largest contributors, collectively accounting for approximately 99% of total Scope 3 emissions. These three categories are not only highly relevant to the Company's core business but also represent the areas offering the greatest leverage for value chain emissions reduction management at present.

Given that 2025 data indicate Category 1 (Purchased Goods and Services) alone accounted for 87.91% of total Scope 3 emissions (916,660.74 tCO_2e), with embodied carbon in construction materials constituting the principal source, the Company has identified increasing the procurement proportion of green building materials and promoting low-carbon construction technologies as the primary strategic levers for reducing Scope 3 emissions in projects under development.

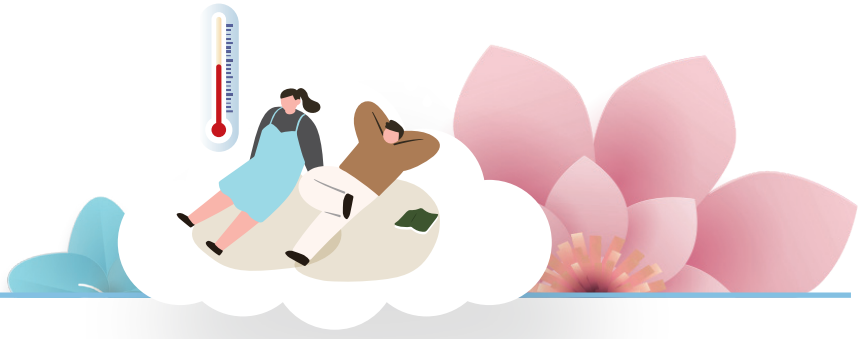
Furthermore, for categories including Capital Goods (Category 2), Use of Sold Products (Category 11), and Investments (Category 15), the Company has already commenced data collection and methodological development, with the intention of progressively incorporating these into the disclosure scope in the 2026 Annual Report, thereby further extending the boundaries of carbon management.



The proportion of Scope 3 emissions by category in 2025 (tCO_2e)



Greenhouse Gas Emissions [4]	Units	Performance in 2025
Greenhouse gas emissions (Scope 1)	tCO_2e	4,367.72
Greenhouse gas emissions (Scope 2)	tCO_2e	131,943.79
Greenhouse gas emissions (Scope 3)	tCO_2e	1,042,709.70
Category 1: Purchased Goods and Services	tCO_2e	916,660.74
Category 3: Fuel- and Energy-Related Activities (Not included in Scope 1 or 2)	tCO_2e	42,638.60
Category 5: Waste Generated in Operations	tCO_2e	562.62
Category 6: Business Travel	tCO_2e	1,790.22
Category 7: Employee Commuting	tCO_2e	6,192.95
Category 13: Downstream Leased Assets	tCO_2e	74,864.57
Total greenhouse gas emissions (Scope 1 and Scope 2)	tCO_2e	136,311.51
Total greenhouse gas emissions (Scope 1, Scope 2 and Scope 3)	tCO_2e	1,179,021.21



4 For details regarding the Scope 3 greenhouse gas accounting methodology and related information, please refer to the Appendices of this Report.

Metrics	Targets	Progress in 2025
Greenhouse Gas Emissions and Energy Consumption		
Carbon emission intensity per unit area of public projects (Scope 1 and Scope 2)	Achieve 40% reduction in carbon emission intensity per unit area of public projects by 2030 compared to 2019	The carbon emission intensity per unit area of public projects has decreased by **33.7%** compared to 2019
Carbon emission intensity per unit area of residential projects (Scope 1 and Scope 2)	Achieve 19% reduction in carbon emission intensity per unit area of residential projects by 2030 compared to 2019	The carbon emission intensity per unit area of residential projects has decreased by **9.4%** compared to 2019
Scope 3 greenhouse gas emissions	Complete the accounting of all applicable Scope 3 greenhouse gas emissions by 2028	In 2025, the Company completed the accounting of **6** categories of Scope 3 greenhouse gas emissions, totalling **1,042,709.70** tonnes of carbon dioxide equivalent (tCO_2e)
Green Construction		
Percentage of prefabricated construction projects	By 2030, the proportion of prefabricated construction projects will be 100%	In 2025, the proportion of prefabricated construction projects was **83.9%**
Green Building		
During the design phase of residential projects, the proportion of projects designed to meet or exceed the one-star standard for green buildings	During the design phase of residential projects, the proportion of projects designed to meet or exceed the one-star standard for green buildings is 100%	In 2025, the proportion of projects meeting green building standards of one-star or above was **100%**
Proportion of the area of commercial projects with green building certification	By 2030, the proportion of commercial projects that have obtained green building certification in the area of the commercial projects under management will exceed 95%	In 2025, the proportion of commercial projects that have obtained green building certification in the area of the commercial projects under management was approximately **90.3%**
Green Leasing		
Proportion of public areas in commercial self-held projects connected to an energy management platform	By 2030, the proportion of commercial self-held projects with public areas connected to an energy management platform will reach 100%	In 2025, the proportion of commercial self-held projects with public areas connected to an energy management platform reach was **79%**
Coverage rate of the *Green Covenant* for office tenants in newly signed leases	The coverage rate of the *Green Covenant* for office tenants in newly signed leases will be maintained at 100%	In 2025, the coverage rate of the Green Covenant for office tenants in newly signed leases reached **100%**
Sustainable Finance		
Proportion of green bonds and green loans in the total bond and loan financing amounts	By 2030, the proportion of green bonds and green loans in the total bond and loan financing amounts will be at least 50%	In 2025, the proportion of green bonds and green loans in the total bond and loan financing amounts reached **35%**
Proportion of green bond financing used for green building projects	By 2030, 100% of green bond financing will be used for green building projects	In 2025, **100%** of green bond financing was used for green building projects
Renewable Energy Generation		
Purchase of green electricity	Purchase over 1,000,000 kWh of green electricity certificates by 2050	In 2025, Yuexiu Property cumulatively purchased **12,000,000** kWh of green electricity certificates
Circular Economy		
Paperless office (coverage rate of electronic signatures)	By 2030, the coverage rate of electronic signatures will reach 100%	In 2025, the coverage rate of electronic signatures reached **37%**

Financial Indicators Related to Climate Risks and Opportunities

To systematically assess the material impact of climate factors on corporate finance, Yuexiu Property has developed a dedicated set of financial analysis indicators. This indicator framework is designed to accurately identify the specific effects of climate-related risks and low-carbon transition opportunities on the Company's financial performance, while also reflecting our interim achievements in the implementation of climate strategies and sustainable development.

Metrics	Performance in 2025	Performance in 2024
Amount of green bond issued (RMB billion)	**4.540**	1.690
Amount of new green building loans (RMB billion)	**19.527**	13.381
Amount of green loans secured (RMB billion)	**30.746**	31.392
Total debt (RMB billion)	**104.953**	103.889
Amount of green loans secured as a percentage of total loan secured	**49.1%**	48.9%

In active response to the disclosure requirements for climate-related financial impacts under IFRS S1 and S2, the Company continues to enhance its quantitative management capabilities for climate risks. In 2026, the Group plans to fully implement international professional climate risk analysis tools such as Intensel to conduct in-depth stress tests on its core asset portfolio and key investment projects.

By integrating key variables of physical risks (such as extreme weather and sea-level rise) and transitional risks (such as policies and regulations and energy efficiency standards), we will comprehensively assess the potential transmission paths of climate risks to the Group's core financial indicators. This includes quantifying the potential impairment of asset fair value with the Condition Value at Risk (CVaR) model; predicting the long-term impact of improved climate resilience on capital expenditures (CapEx) and operating costs (OpEx); and exploring its indirect effects on expected credit losses (ECL) and financing costs.

The relevant quantitative results will be deeply integrated into the Group's risk management system and internal capital assessment procedures, providing data support for project investment decisions, asset portfolio optimization and long-term strategy planning. The Company is committed to transforming climate resilience into asset value enhancement capabilities, continuously improving the refinement of climate management to ensure financial soundness, and creating long-term and sustainable value for shareholders.

Integrating Internal Carbon Pricing into Core Decision-making

To further enhance the management of climate-related risks and opportunities, we are actively exploring the integration of an internal carbon pricing mechanism into core business decision-making processes. We recognise that a clear approach to internalising climate costs is a critical management tool for assessing long-term asset value, directing capital allocation, and fulfilling our decarbonisation commitments.

2.3 Biodiversity-related Disclosure

Yuexiu Property recognises that its long-term development is closely interconnected with the healthy and intact natural capital — the Company relies on natural resources to support its operations while also exerting significant impacts on ecological environment. On this basis, Yuexiu Property has proactively aligned with the Taskforce on Nature-related Financial Disclosures (TNFD) framework and systematically integrated natural capital management into its corporate decision-making processes, taking concrete actions in response to global ecosystem protection initiatives and contributing to the sustainable development goals of Chinese Mainland and Hong Kong. The core value of the TNFD framework lies in enabling enterprises to shift from the passive avoidance of nature-related risks to the proactive creation of nature-positive outcomes. Through application of this framework, the Company is able to more accurately identify and mitigate risks arising from ecosystem degradation, enhance climate resilience, and direct capital towards nature-friendly projects, thereby generating measurable, manageable and sustainable impacts in areas such as biodiversity conservation and ecosystem restoration. This represents not only Yuexiu Property's strategic response to the principle of "symbiosis with nature", but also a critical pathway for transforming natural capital stewardship into a source of long-term competitive advantage and for advancing the green transformation of the industry.

Yuexiu Property's Advantages of Implementing the TNFD Framework

- **Ecological risk identification and avoidance**

  Systematically identify the Company's dependencies on, and impacts to, natural ecosystems arising from business operations; accurately identify risks associated with ecologically sensitive areas; and proactively avoid potential compliance breaches and operational disruptions, thereby ensuring stable project delivery throughout the full lifecycle

- **Natural capital assessment and value creation**

  Deepen the assessment of natural capital value, identify synergies between ecosystem protection and business value enhancement, explore innovation in nature-friendly products and services, and support the long-term release of project value while strengthening market core competitiveness

- **Resource management optimisation and efficiency enhancement**

  Optimise construction processes, energy use and waste management to minimise disturbance to water resources, land use and biodiversity, reduce operational costs, and improve resource circularity and utilisation efficiency

- **Corporate implementation**

  Yuexiu Property actively implements the TNFD framework and aligns with mainstream global sustainability disclosure practices

- **Reference to ISSB standards**

  The International Sustainability Standards Board (ISSB) has incorporated biodiversity into its standard-setting agenda, drawing on the TNFD framework to promote corporate disclosure of nature-related financial risks and opportunities

- **Core value of the framework**

  The TNFD disclosure framework has become a key component of the global sustainability reporting ecosystem, providing a robust and practical foundation for the development of science-based, decision-useful nature-related disclosure requirements under the ISSB

- **Alignment with policy frameworks**

  Closely align with the "30×30 targets" under the *Kunming–Montreal Global Biodiversity Framework* and *China's National Biodiversity Strategy and Action Plan (2023–2030)*, enhancing the Company's ability to proactively respond to evolving policy trends

- **Response to strategic initiatives**

  Advance practices in natural resource protection, align with China's "dual carbon" strategy, respond to international biodiversity conservation initiatives, and promote a synergistic model integrating ecological protection with industrial development

- **Strengthening compliance resilience**

  Proactively align with increasingly stringent ecological and environmental regulatory requirements to continuously reinforce compliance resilience, underpinning the Company's leadership in sustainable development and long-term competitive advantage

- **Optimisation of risk and opportunity management frameworks**

  Systematically integrate the management of nature-related risks and opportunities to improve resource allocation efficiency, enhance economic outcomes, and strengthen natural resilience to climate change and ecosystem degradation

- **Sustainability leadership in practice**

  Establish industry benchmarks for sustainable development through forward-looking practices, achieving synergies between ecological protection and high-quality corporate growth, while generating multiple benefits including policy support, market recognition and enhanced brand value

Guided by the TNFD framework, Yuexiu Property has been able to systematically manage the Company's interactions with natural capital, including clearly identifying dependencies on natural elements such as water resources and land across project development and asset operations, while effectively managing potential ecological disturbances arising from construction activities and energy consumption. These efforts are aligned with emerging ISSB standard-setting directions and are closely connected to the *Kunming–Montreal Global Biodiversity Framework* and *China's National Biodiversity Strategy and Action Plan (2023–2030)*, thereby strengthening regulatory compliance resilience and supporting the Company's long-term market competitiveness; furthermore, through the adoption of advanced environmental technologies and improvements in resource allocation efficiency, the Company has achieved synergies between nature-related risk management and the identification of value-creation opportunities, while reducing operating costs and enhancing project quality. These initiatives have positioned Yuexiu Property as an industry benchmark for sustainable development and contributed to increased policy support, market recognition and overall brand value.

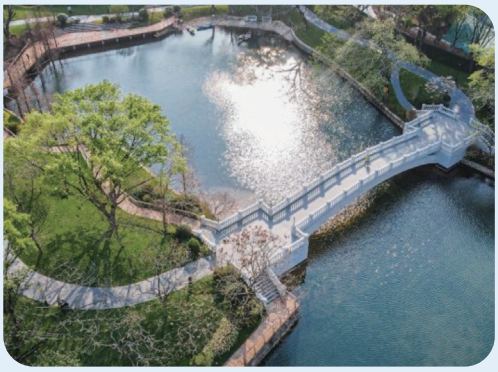
Conducted nature-related risk and opportunity assessments across the entire business value chain and full project lifecycle, enabling the Company to accurately avoid potential losses such as regulatory penalties and project delays, while identifying value opportunities including green product development, thereby enhancing risk resilience and forward-looking market insight.

Advanced the quantification of nature-related financial performance to clarify the linkage between ecological protection investments and value creation, providing robust data support for optimising resource allocation and evidence-based investment decision-making, while facilitating the expansion of green financing channels.

Defined Yuexiu Property's long-term development vision and quantitative targets in relation to natural capital, providing a clear action framework for business development, closely aligned with domestic and international policy directions, reinforcing the Company's position as an industry sustainability benchmark, and enhancing stakeholder recognition and trust.

In 2025, building on prior initiatives, Yuexiu Property further deepened its nature-related practices and established a full-chain natural capital management framework, laying a solid foundation for the Company's long-term sustainable development through systematic measures:

Case



Moon Lake Ecological Restoration Project at Yuexiu • Naturalistic Mansion selected as an "Insight Case" by GRESB (Global Real Estate Sustainability Benchmark), a leading international ESG assessment institution

In 2025, the Moon Lake Ecological Restoration Project at Yuexiu • Naturalistic Mansion was successfully selected as an official "Insight Case" by GRESB, a leading international ESG assessment institution. This marked the first time that Yuexiu Property's sustainability practices were formally showcased and disseminated globally through the official channel of an international professional institution, signifying authoritative international recognition of the Company's achievements in ecological restoration.

Ecology first, symbiosis between lake and living: building a sustainable ecological lake district through the Park-Oriented Development (POD) model

Case

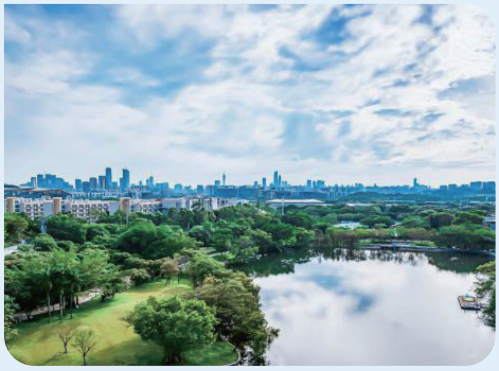
Moon Lake Ecological Restoration Project at Yuexiu • Naturalistic Mansion
selected as an "Insight Case" by GRESB (Global Real Estate Sustainability Benchmark), a leading international ESG assessment institution

Yuexiu • Naturalistic Mansion adheres to the development principle of "restoring the lake before building residences", placing ecological responsibility as a top priority and systematically developing a sustainable ecological lake district through the Park Oriented Development (POD) model, thereby promoting the organic integration of project development and the high-quality urban development and vividly interpreting the ecological connotation of "Good House" and the corporate responsibility commitment.

At the initial project planning stage, in response to prominent ecological challenges affecting the Sun Lake and Moon Lake water systems, the project adopted a long-term development perspective, and proactively applied the "POD cluster development" model to enable integrated planning and coordinated development of land parcels surrounding the lakes. By systematically establishing ecological systems and publicly accessible spaces both within and beyond the project boundary, approximately 1.9 kilometres of lakeshore were successfully transformed into a natural extension of residents' living environments and a shared ecological "living room" for the city, enabling the co-creation, shared use and value realisation of ecological resources.

To achieve the objective of "maintaining water quality that is both accessible and sustainably healthy", the project introduced the ecological restoration approach of "non-conventional biomanipulation". A multidisciplinary professional team was established, comprising experts in flora and fauna, ecologists, and landscape specialists, which, over a three-month period, scientifically constructed a clear-water ecological closed loop consisting of "filter-feeding fish, zooplankton, submerged aquatic plants, benthic organisms and microbial communities", endowing the water body with strong natural self-purification capacity and fundamentally ensuring both water clarity and ecosystem sustainability. Based on professional monitoring and assessment, water quality in the area has improved to Class II Water Quality Standards for Centralized Drinking Water Sources, with key indicators such as water transparency and dissolved oxygen levels meeting standards suitable for ecological functioning. These improvements have created a more stable and healthier habitat and breeding environment for native aquatic species, supporting regional biodiversity recovery, while also providing surrounding communities with safer and more liveable waterside spaces, thereby enhancing residential environmental quality and overall ecological wellbeing.

Case



Moon Lake Ecological Restoration Project at Yuexiu • Naturalistic Mansion
selected as an "Insight Case" by GRESB (Global Real Estate Sustainability Benchmark), a leading international ESG assessment institution

The Moon Lake Ecological Restoration Project was successfully completed in 2024. The project strictly followed five core implementation stages: preliminary remediation works; construction of submerged aquatic plant systems; transparency enhancement works; development of aquatic fauna systems; and establishment of floating-leaved landscape vegetation, ultimately forming a complete, healthy, stable and long-lasting clear-water ecosystem. The restoration outcomes deliver both visual appeal and ecological resilience, transforming the Sun and Moon Lakes into vibrant waterside spaces for local residents, enabling activities such as walking, fishing, boating and paddle-boarding, while serving as a core asset for enhancing regional ecological value and liveability, representing a benchmark case of deep integration between green design and biodiversity conservation practices.

Before conducting the ecological restoration project

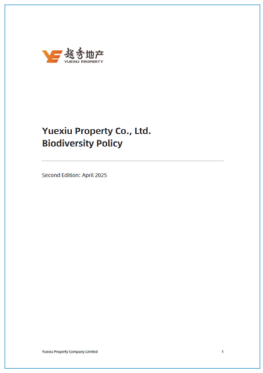
After conducting the ecological restoration project

Before conducting the ecological restoration project

After conducting the ecological restoration project

2.3.1 Strategy

In 2025, Yuexiu Property deepened its strategic deployment and formally refined and implemented its *Biodiversity Policy*, defining, to a higher standard, the Company's strategic commitments, implementation pathways and operational benchmarks in the area of ecological protection. The policy systematically covers the full lifecycle of projects, from early-stage planning and development through construction and operations management, through strict compliance with the *Environmental Impact Assessment Law of the People's Republic of China*, accurate implementation of ecological red-line control requirements, proactive application of the TNFD framework guidance, and the science-based application of the mitigation hierarchy principles, to systematically identify, scientifically assess and routinely manage the interdependencies between business activities and ecosystems and biodiversity, as well as their potential impacts.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Yuexiu Property Co., Ltd.
Biodiversity Policy

Second Edition: April 2025

Yuexiu Property Company Limited

At the same time, the Company continues to strengthen its natural capital management capabilities, iteratively upgrading its green development standards framework, and steadily advancing the establishment of ecological compensation mechanisms and habitat restoration initiatives. Through close collaboration with non-governmental organisations, government authorities, industry associations and supply chain partners, Yuexiu Property continues to reinforce external coordination and shared responsibility mechanisms, promoting a transition in biodiversity protection from isolated actions to integrated ecosystem co-building. Through the establishment of a science-based, transparent and traceable management closed loop, the Group is steadily progressing toward its long-term strategic objective of achieving no net loss of biodiversity, embedding ecological protection principles deeply into its corporate development DNA and demonstrating, through concrete actions, a modern approach to harmonious coexistence between people and nature.

2024

Yuexiu Property strictly followed the requirements of the TNFD framework, engaged external professional advisors, and innovatively applied the LEAP methodology, completing the two key phases of **"Locate"** and **"Evaluate"** at an early stage, the Group systematically conducted biodiversity-specific assessments across its full value chain and in ten priority project cities, establishing a comprehensive analytical framework covering nature-related dependencies and impacts. At the value chain level, the assessment examined the intrinsic linkages between business activities and natural capital from a full operational lifecycle perspective, with the assessment scope covering both the Group's direct ecological footprint and indirect impacts across upstream and downstream value chains, enabling end-to-end and integrated management of nature-related risks and opportunities. Based on the multi-dimensional assessment outcomes, the Company established a standardised biodiversity monitoring system, comprising 22 core indicators relating to nature-related dependencies and 11 core indicators relating to nature-related impacts (as detailed in section *"2.3.2 Risk Management"* of this Report). In parallel, using geospatial data analysis, the Group disclosed interactions between projects in key cities and areas of high conservation value, accurately identifying ecological management priorities in regions such as Shenzhen and Guangzhou, thereby laying a solid foundation for the formulation of ecological protection strategies and optimisation of business deployment.

2025

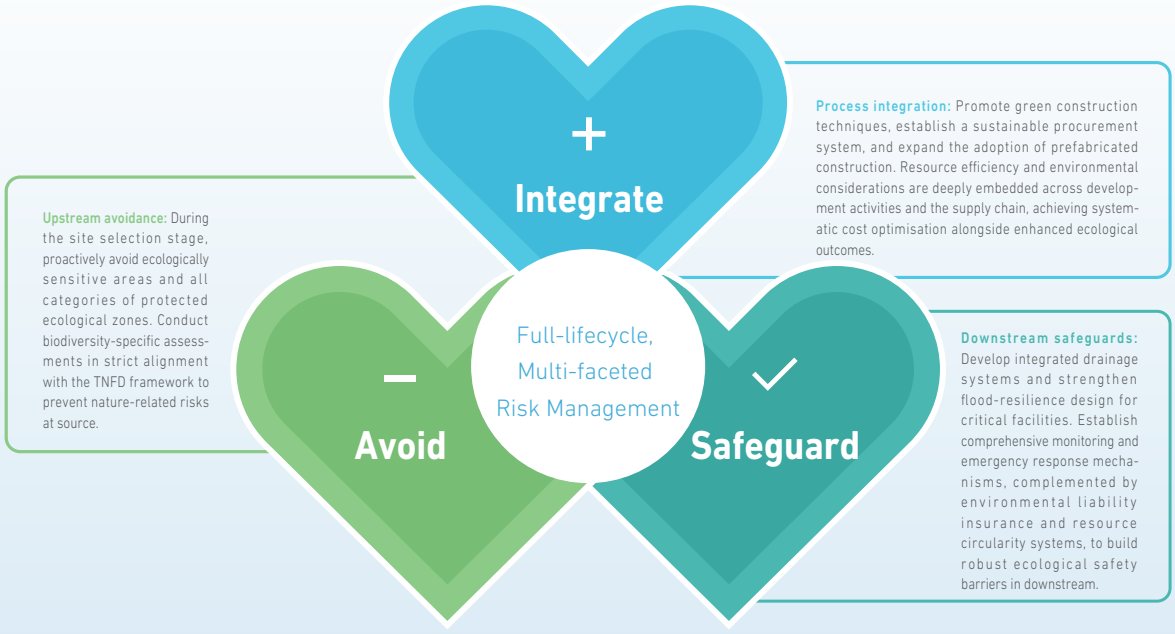
Yuexiu Property continued to deepen its management of nature-related issues and steadily advanced the subsequent **"Assess"** and **"Prepare"** phases of the LEAP methodology. The Company carried out systematic assessments of nature-related risks and opportunities across the entire value chain, while concurrently completing qualitative analyses, tiered assessments and preliminary quantitative evaluations of potential financial impacts; on this basis, the Company further refined and enhanced strategic objectives, key performance indicators (KPIs) and full-lifecycle tracking mechanisms for the management of nature-related risks and opportunities, achieving closed-loop management from risk identification and assessment through implementation. These initiatives provide a scientific basis for the Company to accurately identify long-term environmental risks, optimise investment decisions and enhance sustainability resilience, and strongly support Yuexiu Property's strategic positioning in pursuing an eco-friendly development pathway, while continuously reinforcing the Company's industry-leading position in natural capital management.

Nature-related Strategy

Establishing a Full-Lifecycle Management Framework for Nature-related Risks: Strengthening the Core Foundation for Sustainable Development

To systematically address increasingly pressing nature-related challenges, including biodiversity loss, more frequent natural disasters and growing scarcity of natural resources, Yuexiu Property has fully embedded natural risk management into the Company's top-level strategic design. Guided by the principles of "prevention-first, whole-process management and resilience assurance", the Company has established a multi-dimensional and collaborative natural risk management framework covering the entire project lifecycle. In alignment with the TNFD's core requirements on "governance, strategy and risk management", and in combination with its own business practices, Yuexiu Property has systematically identified and articulated key measures for the identification, assessment and response to risks.

Full-lifecycle, Multi-faceted Risk Management



By deeply integrating forward-looking ecological design with advanced engineering technologies, Yuexiu Property seeks to transform natural systems into protective buffers with enhanced climate adaptability and resource resilience, creating highly resilient and sustainable urban spatial assets. This full-lifecycle, closed-loop risk management framework not only effectively reduces exposure to nature-related financial risks, but also provides a solid foundation for the Company's stable operations and long-term value creation, demonstrating through concrete actions the development philosophy of harmonious coexistence between people and nature.

Commitment to Prioritise Brownfield Development

Brownfield development holds dual strategic significance for Yuexiu Property' s ecological protection efforts. On the one hand, prioritising the redevelopment and utilisation of brownfield sites reduces the occupation of undeveloped green spaces, mitigates the disturbance of urban development on ecosystems, and contributes to the protection of regional biodiversity and the integrity of natural resources. On the other hand, in response to legacy environmental issues associated with brownfield sites, the Company applies advanced ecological restoration technologies to carry out targeted remediation, thereby enhancing land use value while improving regional environmental quality. For brownfield sites such as disused industrial facilities that pose potential soil contamination risks, Yuexiu Property proactively establishes collaborative mechanisms with government authorities, conducts site-specific environmental assessments for contaminated land in strict accordance with prevailing regulations, and formulates and implements soil remediation plans. Formal development is only initiated after remediation outcomes have been verified and accepted by qualified third-party professional institutions. This approach fully reflects the principle of achieving a balanced synergy between ecological protection and urban development, and serves as a benchmark for industry best practice

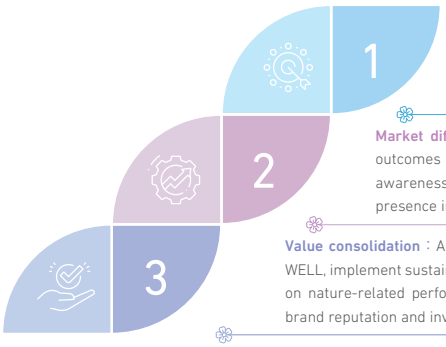
Commitment to Avoid Greenfield Development

Yuexiu Property firmly upholds its commitment to "avoiding the occupation of greenfield areas" and clearly stipulates that no development activities will be undertaken in areas listed on the UNESCO World Heritage List or within Category I–IV protected areas as defined by the International Union for Conservation of Nature (IUCN). Prior to project initiation, the Company strictly complies with applicable regulations by conducting comprehensive nature-related risk assessments and compliance reviews, with a particular focus on undertaking biodiversity-specific baseline surveys, thereby avoiding the occupation of farmland and greenfield areas at source. Where greenfield areas are unavoidably affected due to rigid urban planning requirements and following approval by the relevant authorities, developments are implemented in strict accordance with green building standards. Scientific measures are applied throughout the project lifecycle to minimise ecological disturbance, while environmental rectification and ecological restoration actions are carried out in parallel, ensuring the effective fulfilment of the Company's ecological protection responsibilities.

Capturing Nature-related Opportunities: Driving Brand Value and Market Competitiveness

Building on the systematic management of nature-related risks, Yuexiu Property further captures strategic opportunities arising from policy direction, market demand, technological innovation and reputational capital, transforming sustainable development from a compliance requirement into a source of differentiated competitive advantage and growth momentum. In accordance with the TNFD guidance on "opportunity identification and value transformation", and in combination with the Company's business practices, Yuexiu Property advances actions across three key dimensions—policy alignment, market differentiation and value consolidation—to comprehensively drive brand value enhancement and the upgrading of its development model.

Three-tier Opportunity Transformation Actions



Policy alignment：Establish a dynamic policy-tracking mechanism and proactively engage with green finance instruments. Leveraging green products such as the Yuexiu Healthy Housing framework, the Company seeks preferential access to green financing, deepening the linkage between policy incentives and corporate development.

Market differentiation：Build differentiated product competitiveness through benchmark ecological restoration outcomes (such as the Yuexiu Naturalistic Mansion Moon Lake Project). By promoting nature education and awareness initiatives, the Company cultivates customer demand for green consumption and continues to expand its presence in the green living market segment.

Value consolidation：Actively pursue internationally recognised green certifications such as LEED, BREEAM and WELL, implement sustainable procurement and collaborative supply chain governance, and regularly publish reports on nature-related performance. Through these efforts, ecological practices are systematically transformed into brand reputation and investor trust capital.

Yuexiu Property is transitioning from a traditional "space developer" to a "co-creator of natural value". By deeply integrating nature-related considerations into its business strategy, the Company is shifting from a single focus on residential sales to the delivery of an integrated value proposition encompassing resilient ecological communities, green brand premium and enhanced social responsibility recognition. This high-quality growth model not only strengthens the Company's core market competitiveness but also provides a leading and replicable sustainable development paradigm for the real estate development industry.

2.3.2 Risk Management

Methodology

The LEAP (Locate, Evaluate, Assess, Prepare) methodology is of significant importance to Yuexiu Property. Through this framework, the Company can systematically identify and assess its dependencies and impacts on nature and biodiversity. By combining this with the ecological conditions and environmental pressures of project locations, it forms an evidence-based inventory of risks and opportunities, providing data support for formulating scientifically sound and actionable sustainability strategies. The application of the LEAP methodology also helps optimise resource allocation, improve operational efficiency, and proactively identify potential risks arising from policy and regulatory changes, thereby strengthening compliance management and ensuring that projects meet increasingly stringent environmental and ecological protection requirements.

In practice, Yuexiu Property relies on the LEAP methodology to organise and quantify ecology-related work across the full project lifecycle, including the identification of ecosystem impacts, progress in implementing biodiversity protection measures, and follow-up evaluation of ecological restoration outcomes. At the same time, it incorporates key indicators such as energy use, carbon emissions and resource utilisation efficiency, supporting the promotion and application of green building and clean energy solutions. These efforts will continue to enhance the Company's environmental performance and information transparency, further strengthening its brand image and market competitiveness.

In 2025, Yuexiu Property focused on the two core phases of the LEAP methodology under the TNFD framework, deepening its practical application. The Company completed a systematic assessment of nature-related risks and opportunities, and developed science-based response strategies and a full-lifecycle risk management system. At the same time, we deeply integrated nature considerations into the entire strategic decision-making process, progressively standardised the implementation of management strategies, and established a quantifiable and traceable indicator system and management targets, providing a solid institutional foundation for natural capital management.

These initiatives have strengthened the core foundation of the Company's natural capital management at the strategic level. On the one hand, through systematic assessment of multi-dimensional risks and opportunities, we have been able to precisely define ecological compliance boundaries, clarify the direction for green transformation, and significantly enhance operational resilience and risk mitigation capacity. On the other hand, through standardised and systematic management mechanisms, we have effectively promoted the synergistic coexistence of natural and business value, reinforcing the scientific basis and forward-looking nature of strategic decision-making. This not only aligns with the global trend towards stricter nature-related disclosure regulations, but also lays a solid foundation for consolidating the Company's position as a sustainability leader in the industry and deepening stakeholder trust. For further details, please refer to the "Assess" and "Prepare" sections of this report.

Locate

In 2024, Yuexiu Property advanced the "Locate" phase of the LEAP methodology in accordance with the TNFD framework and the SASB (Sustainability Accounting Standard Board) standards for the real estate sector. The Company conducted a comprehensive review of its entire value chain to identify core points of interaction between its operations and natural ecosystems. Using international ecological data, it assessed the ecological characteristics, biodiversity and ecosystem resilience of project locations, precisely identifying ecologically sensitive areas. At the same time, drawing on industry best practices, it evaluated sustainability opportunities and challenges. Based on factors such as ecological significance and strategic layout, the Company screened and prioritised ten disclosure cities, laying a solid foundation for subsequent targeted implementation of biodiversity protection strategies.

Prioritised Disclosure Cities:

01 Guangzhou	02 Hangzhou	03 Qingdao	04 Suzhou	05 Hefei	06 Shanghai	07 Chengdu	08 Shenzhen	09 Beijing	10 Xi'an.	73.8%[1]

Note 1: The proportion of land bank of projects under construction and planned in the above 10 cities to the total land bank in 2025

Analysis of Prioritised Disclosure Cities

Based on the comprehensive assessment results at the city and industry levels, the following core conclusion is preliminarily drawn from the perspective of natural ecology and biodiversity risks:

- waterside areas and southern cities exhibit higher exposure to natural risks, a characteristic closely linked to their unique geographical conditions and rapid urbanisation.

Coastal and riverside cities have leveraged their geographical advantages to achieve rapid economic and urban development. However, population concentration and urban expansion have increased the risks of natural disasters such as floods and typhoons. Land reclamation and wetland development have destroyed natural protective barriers, further exacerbating disaster vulnerability. Such cities are often home to sensitive and difficult-to-restore biodiversity resources, including mangroves and wetlands, which play a critical role in ecological regulation and disaster buffering but are highly susceptible to environmental changes. Moreover, the warm and humid climate of southern coastal cities, while enhancing species diversity, also increases the risk of tropical cyclones and pest outbreaks, threatening urban infrastructure, residents' livelihoods and ecological balance – highlighting the importance of comprehensive natural risk assessment and management.

A systematic analysis was conducted based on the distribution of important habitats within a 50-km radius of selected cities and the population characteristics of flagship species. Through detailed data collection and scientific assessment, four cities – Shenzhen, Guangzhou, Hangzhou and Shanghai – were found to face particularly prominent challenges in ecological protection. These cities are not only adjacent to important nature reserves but also have relatively high concentrations of endangered species. This requires enterprises to prioritise ecological protection throughout the entire project development process, ensuring that development activities are precisely aligned with regional ecological protection requirements.

Beyond the four cities mentioned above, other selected cities – including Qingdao, Suzhou, Hefei, Chengdu, Beijing and Xi'an – all possess high-quality ecological environments and unique natural and cultural endowments, offering significant biodiversity conservation value and practical significance. Among them, the wetland and mangrove ecosystems of Qingdao and Suzhou provide stable habitats for various wildlife, while their rich marine cultural resources and classical garden heritage create a distinctive blend of natural ecology and cultural depth. Hefei and Chengdu have notable advantages in the research and application of green technologies and ecological restoration practices, with extensive urban green spaces and ecological corridor systems providing strong support for regional ecological balance. Beijing and Xi'an, through core ecological resources such as the Olympic Forest Park, Miyun Reservoir and the Qinling Mountains, effectively safeguard key habitats for endangered species while also creating high-quality nature experience spaces for urban residents, achieving a synergistic development of ecological protection and public wellbeing.

Case

"One Tree, One Plan" Technical Protection Scheme for Trees

Guangzhou Pazhou Shade – Implementing Ecological Civilisation: A special initiative for ancient tree protection

In response to the national call for ecological civilisation and the principle that "lucid waters and lush mountains are invaluable assets", and in strict compliance with Guangzhou's regulations on tree protection in urban renewal projects, this project follows the guidelines of "protection first, graded protection, full-cycle protection, and rational use" to safeguard trees and their habitats. Protection first means minimising the occupation of green space and the removal or felling of trees. Graded protection requires that ancient and notable trees be preserved in situ; potential ancient trees should in principle also be preserved in situ; and large trees and other trees should be avoided or protected where possible. Full-cycle protection covers tree protection and maintenance before, during and after construction throughout the entire project lifecycle.

According to the survey, the project site covers 11,222 square metres. The original terrain is an open area with a total of 24 trees, including five potential ancient trees and 19 large trees. There are no existing green spaces, contiguous woodlands, or ancient and notable trees on site. Based on the health of the trees and relevant regulatory requirements, four Ficus virens trees are to be transplanted (the receiving site has fertile, pollution-free soil suitable for planting large trees), while the remaining 20 trees are to be protected in situ.

Establish an emergency task force: Yuexiu Property and the construction contractor jointly set up an emergency leadership team for ancient and notable trees. This team coordinates and oversees the protection and restoration of these trees during project construction, taking proactive measures to prevent potential damage.

Define a responsibility mechanism: All on-site contractors must sign a commitment letter for the protection of ancient and notable trees, designating specific responsible persons. For trees located around buildings, a dedicated person supervises operations such as tower crane use and scaffold erection and dismantling, strictly forbidding any contact with the trees or entry into the protected zone. The emergency task force assigns designated staff for dynamic management, conducting inspections and recording the health of the trees every seven days, and reporting any abnormalities immediately for action.

Implement proper shielding and protection: A control zone is delineated extending five metres beyond the vertical projection of the tree canopy. Before construction begins, the area is enclosed with 2.5-metre-high blue PVC barrier panels, with the base fixed by a 20-cm-wide, 30-cm-high concrete footing that includes drainage holes. Stainless steel warning signs (800 × 800 × 5 mm) are hung around the barrier panels, bearing the messages "Protecting ancient trees is everyone's responsibility" and "Civilised construction; do not damage ancient trees", reinforcing the visual deterrent and awareness.

Example of soil improvement

Root protection: a micro steel pipe pile support system, 4–4.5 metres high and 9 metres long, is installed alongside the excavation pit. The scientifically designed support structure prevents soil collapse that could damage the ancient tree's roots. Drainage holes are incorporated to ensure root aeration, and an access ladder is added to facilitate routine maintenance.

Soil improvement: weeds and undergrowth within the tree protection zone are cleared, and the soil is loosened to a depth of 10–30 cm. Decayed roots are cut and disinfected, then backfilled with a specialised restoration substrate to cover exposed roots. The soil is graded into a natural slope radiating outward from the trunk to prevent waterlogging that could harm root health.

Drainage optimisation: a drainage system consisting of ditches and perforated pipes is strategically installed around the ancient tree to quickly divert excess rainwater, effectively reducing the risk of waterlogging around the roots and preventing root rot caused by prolonged immersion, thereby creating a dry and healthy environment for root growth.

Site dust control: fog cannon

Regularly spray the leaves to remove dust

Deadwood pruning: two trained technicians use an aerial work platform to carefully remove dead branches from the canopy, reducing unnecessary nutrient consumption and the risk of pest infestation. Pruning cuts are kept smooth and clean, disinfected immediately, and cuts larger than 5 cm in diameter are coated with a wound sealant to promote healing.

Dust protection: a mist spray system is installed outside the protected zone of the ancient tree to minimise the impact of construction dust at source. If leaves become covered with dust, they are gently rinsed with a high-pressure water sprayer (water pressure is strictly controlled to avoid stripping leaves). The entire process is documented in detail to facilitate supervision and inspection by the relevant authorities and maintenance units.

Keel platform welding

Termite control: given the high incidence of termite damage in this region, a patented termite trap box for ancient trees is used. During peak termite season, the trap box is buried at the base of the tree and baited. Termites carry the poison back to the nest, infecting others and achieving full-nest eradication.

Post-construction supporting measures: after the project is completed, a rest platform is built using galvanised steel square tubes (10 cm wide, 5 cm high, 0.25 cm thick) as the framework and covered with wood-plastic composite decking. This protects the ancient tree without reducing the available space for residents. A maintenance access ladder is provided, and a preservative-treated wooden fence is installed 3 metres from the trunk to reinforce protection.

Routine maintenance: at least two engineers with extensive experience in ancient tree care are assigned to carry out five years of detailed maintenance work. Every half month, they inspect the growth condition of the ancient tree, monitor its health trends in real time, and promptly identify and address any potential issues.

Evaluate

Yuexiu Property deeply recognises the critical supporting role of ecosystem services in corporate business performance. The loss of natural resources may constrain the Company's ability to create value for its stakeholders. The Company's operational activities have multi-dimensional impacts on the natural environment, including both positive contributions and potential negative effects. If not effectively managed, these negative impacts will harm the health and resilience of natural ecosystems, weaken their capacity to provide ecosystem services, and thereby constrain the Company's long-term sustainable development.

Based on industry-standard methodologies, the Company has adopted the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposures) tool at this stage to systematically identify the environmental assets and ecosystem services that its value-chain activities depend on and affect, and to further assess the materiality and dependency priority of the identified items. In light of the materiality assessment results, the Company will prioritise dependency and impact factors rated as "very high", precisely targeting core business segments that have strong dependencies and significant impacts on biodiversity and ecosystem services. This provides a clear direction for identifying potential risks and uncovering development opportunities, thereby clarifying the dependencies and impacts of business activities on biodiversity and ecosystem services, and accurately identifying potential risks and opportunities.

The above assessment process has precisely clarified the importance and impact dimensions of environmental assets and ecosystem services for the Company's business. It not only helps the Company fully understand its own ecological footprint, but also lays a solid foundation for scientifically formulating its sustainable development strategy. Going forward, Yuexiu Property will continue to promote the health and resilience of natural ecosystems, ensure a stable supply of ecosystem services on which the Company and its value-chain partners depend, support sustainable operations and high-quality business development, fulfil its corporate environmental responsibilities, and contribute to ecosystem protection and biodiversity conservation.

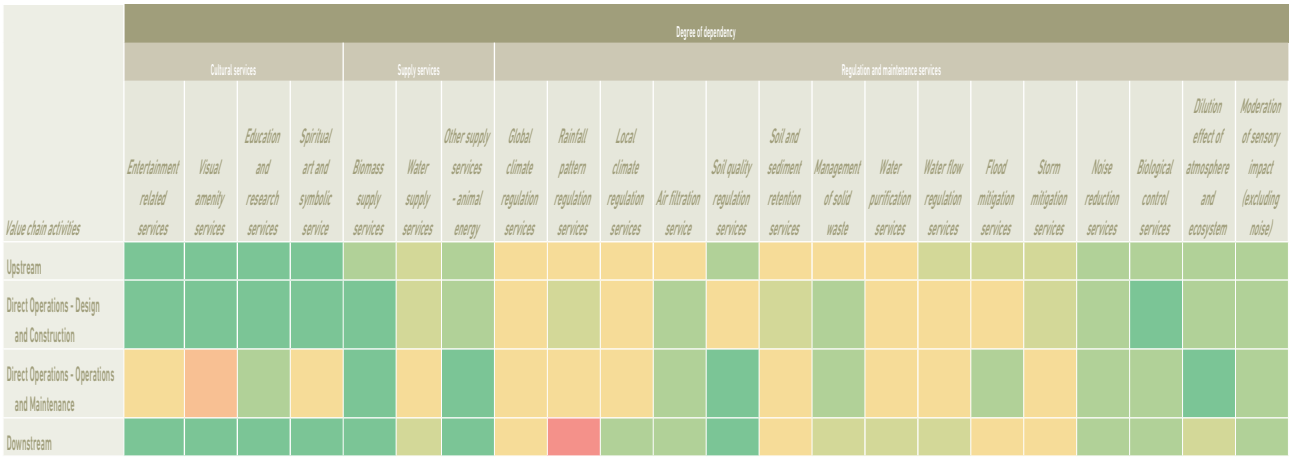
Identifying the ecological footprint of the value chain

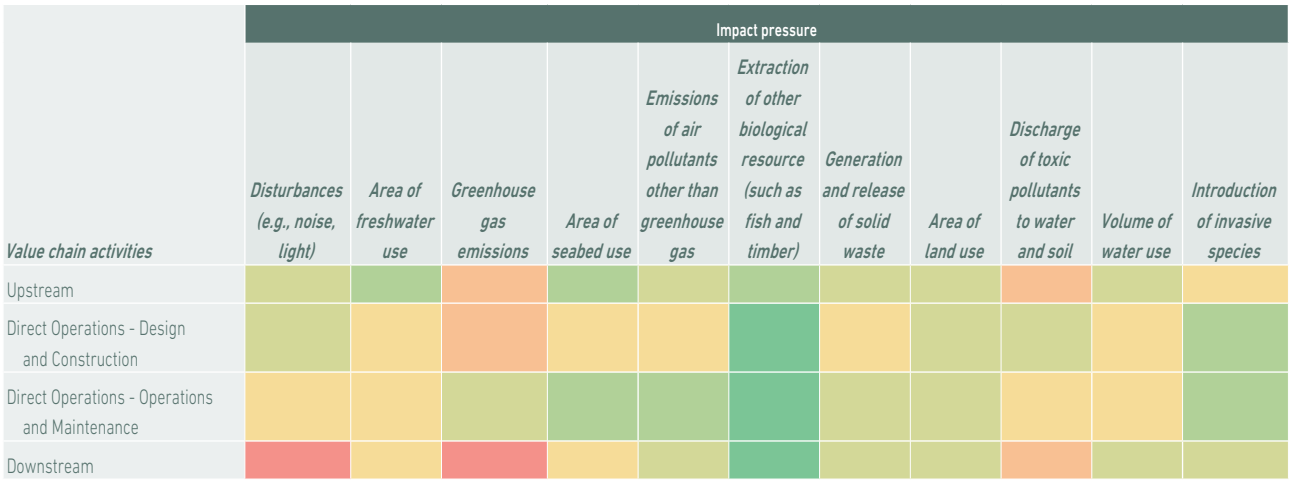
We have conducted an in-depth analysis of Yuexiu Property's potential dependencies and impacts on the natural environment across upstream activities, direct operations (design and construction), direct operations (operation and maintenance), and downstream activities. This analysis focuses on clarifying the intrinsic links between each business segment and ecosystems, with the core objective of accurately identifying key environmental risks and sustainable development opportunities. By systematically reviewing the intensity of dependence on natural resources in each segment, as well as the dimensions of environmental impact that operational activities may trigger, the Company has gained a comprehensive and clear understanding of the overall interaction between its business operations and ecosystems. The outcomes of this analysis not only lay a solid foundation for formulating targeted sustainability strategies, but also provide important data support and scientific reference for future business decisions. The table below presents the specific dependency characteristics and impact manifestations for each segment, accompanied by a value chain nature dependency and impact heat map to visually present the relevant analysis results.

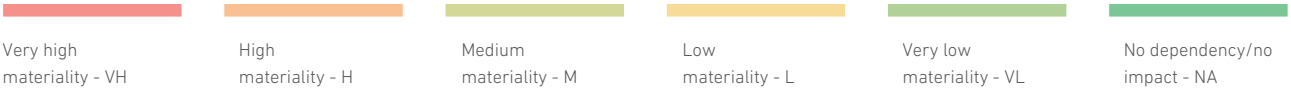
Upstream (Procurement, logistics and warehousing)	Direct Operations - Design and Construction	Direct Operations - Operations and Maintenance	Downstream (Demolition and waste management)
Potential dependency:			
• Water flow regulation services • Flood mitigation services • Local climate regulation services • Storm mitigation services	• Rainfall pattern regulation services • Soil quality regulation services • Soil and sediment retention services	• Recreation-related and visual amenity services • Water purification services • Local climate regulation services • Storm mitigation services	• Management of solid waste • Rainfall pattern regulation services • Global climate regulation services • Water purification services
Potential impact:			
• Discharge of toxic pollutants to water and soil • Disturbances (e.g., noise, light) • Greenhouse gas emissions • Introduction of invasive species	• Disturbances (e.g., noise, light) • Greenhouse gas emissions • Discharge of toxic pollutants to water and soil • Area of land use	• Generation and release of solid waste • Greenhouse gas emissions • Volume of water use • Area of land use	• Disturbances (e.g., noise, light) • Discharge of toxic pollutants to water and soil • Greenhouse gas emissions

Nature-related Dependencies and Impacts Across the Value Chain

In 2025, Yuexiu Property upgraded the presentation format of its nature-related heat map. Through more refined visualisation, the heat map intuitively and clearly illustrates the dimensions of natural capital dependency and the extent of potential impact across the Company's entire value chain, providing efficient data support for the assessment of nature-related risks and opportunities. Given the Company's operational context and business characteristics, greenhouse gas emission management remains a core focus of Yuexiu Property's environmental governance system. To scientifically benchmark industry performance and quantify natural capital dependency and environmental impact, the Company further analysed reference data from the ENCORE industry database, resulting in the nature-related dependency and impact heat map presented below. This provides a solid data foundation for subsequent optimisation of nature management strategies and targeted control measures.







Heatmap of Nature-related Dependencies and Impacts across Yuexiu Property's Value Chain

Yuexiu Property's downstream business activities exhibit relatively high potential dependency on, and impact on, the natural environment. During the demolition phase, extensive physical and chemical operations are involved, generating construction waste such as concrete, bricks and metals. This waste must be managed through proper disposal methods to achieve efficient use of land resources and safeguard soil and water quality. In addition, noise and dust pollution from demolition activities may disturb the surrounding ecological environment. Although property demolition occurs infrequently, waste management remains a critical control area in day-to-day operations. Accordingly, the Company needs to prioritise increasing the recycling rate of construction waste, ensure collaboration with qualified waste treatment partners, and comprehensively strengthen standardised management across the entire waste flow.

In building-related business activities, the environmental impact is particularly pronounced due to the large scale of resource consumption and the significant volume of waste generated. The resource utilisation process in building material procurement and construction involves natural resource extraction and processing, which may potentially affect regional land and water resources. To address this, Yuexiu Property will focus on promoting the application of green building materials and the implementation of green building standards, using both technical and management measures to reduce the ecological impact of construction activities, thereby effectively supporting the realisation of the Company's sustainable development strategy.

Value Chain	Dependency	Impact
Upstream	Low	High
Direct Operations – Design and Construction	Mid	High
Direct Operations - Operations and Maintenance	Low	Mid
Downstream	Mid	Very High

Low Mid High Very High

Assess

To systematically identify the potential impacts of nature-related risks and opportunities on the Company's business operations and development, Yuexiu Property has conducted an in-depth review of its value-chain activities, focusing on two core risk categories—physical risks and transition risks—as well as the resulting sustainability opportunities. The review comprehensively maps the potential financial implications and their materiality levels, and formulates targeted response measures. The following table presents the assessment results in detail, clearly setting out the specific manifestations of each nature-related risk and opportunity, the dimensions of potential financial impact, the materiality level of such impact, and the Company's existing or planned control and optimisation measures. This provides an intuitive and accurate reference for subsequent natural capital management strategy formulation and sustainability decision-making.

Nature-related risks and opportunities

Physical Risks

Risk Category	Potential Financial Impact	Impact Level	Risk Mitigation and Management
Biodiversity loss: biodiversity loss includes habitat destruction and fragmentation, reduced ecological connectivity, degradation of species and their habitats, spread of invasive species, pollution, and disturbance from noise and light. These changes may be caused directly by a project or result from the cumulative effects of multiple projects in a region.	• **Decline in land and project value:** development restrictions or remediation requirements lower valuation and revenue expectations. • **Impaired rental and sales income:** poor environmental quality and strong heat island effects lead to higher vacancy rates, lower rents and sales prices, and reduced revenue. • **Project delays and increased capital expenditure:** higher ecological requirements increase input costs, while approval delays extend construction timelines and financing costs. • **Operating and insurance costs:** rising ecological maintenance costs and stricter insurance underwriting lead to higher premiums.	High	• **Avoid sensitive areas:** prioritise avoidance of ecologically sensitive areas to prevent disruption to key natural systems. • **Integrate ecological design:** embed eco-friendly solutions into design to enhance project biodiversity friendliness. • **Advance ecological restoration:** implement systematic ecological restoration aligned with regional ecological patterns to achieve connectivity and quality improvement. • **Prevent and control invasive species:** manage biological invasions throughout the entire process to ensure ecological security and control. • **Implement off-set compensation:** when necessary, carry out quantifiable off-site ecological compensation to maintain ecological balance.

Physical Risks

Risk Category	Potential Financial Impact	Impact Level	Risk Mitigation and Management
Natural disasters: sudden or long-term environmental hazards triggered by extreme weather or geological events, which may be exacerbated by ecosystem degradation and climate change, posing physical risks to infrastructure and business continuity.	• **Asset damage and repair costs:** major disasters cause asset destruction, leading to high repair costs and increased insurance risk. • **Operational disruption and revenue loss:** post-disaster operational interruptions directly reduce revenue and erode business value. • **Rising operation, maintenance and reinforcement costs:** increased investment in adaptive protection drives sustained increases in long-term operation and maintenance costs. • **Land and project value volatility:** assets in high-risk areas depreciate, with the market favouring more resilient projects. • **Higher insurance and financing costs:** heightened risks significantly increase insurance and financing costs, reducing capital availability.	Medium	• **Protect natural buffer zones:** strengthen ecological resilience and leverage natural systems to reduce disaster impacts. • **Develop integrated drainage systems:** incorporate green infrastructure to achieve multi-level flood prevention. • **Design flood-proof critical facilities:** ensure safe operation of key facilities under extreme climate conditions. • **Establish monitoring and emergency mechanisms:** enhance risk early warning capabilities and rapid response levels. • **Leverage insurance and financial incentives:** arrange insurance coverage for natural disasters and use risk reduction to obtain insurance premium benefits and sustainable financing support.
Natural resource scarcity: insufficient supply or restricted access to key natural assets (e.g., water, land, timber, sand, gravel), potentially exacerbated by ecosystem degradation, overexploitation or climate change, affecting material supply and operating costs for construction and real estate development.	• **Higher construction and operating costs:** resource scarcity increases input costs, compressing project profit margins. • **Project delays and capacity constraints:** ecosystem degradation intensifies supply chain risks, threatening project timelines and stability. • **Diminished product appeal:** lack of resource efficiency and ecological adaptation reduces market competitiveness. • **Regulatory and reputational pressure:** insufficient compliance leads to approval obstacles and trust crises, affecting financing and collaboration.	Medium	• **Water conservation and diversified supply:** build efficient and diversified water supply systems to reduce reliance on freshwater resources. • **Material substitution and circularity:** promote low-carbon and circular material use to enhance resource sustainability. • **Process and organisational optimisation:** systematically reduce resource consumption through design innovation and construction model upgrades. • **Supply chain stability and collaboration:** strengthen green supply chain management to ensure resource availability and compliance resilience.

Transition Risks

Risk Category	Potential Financial Impact	Impact Level	Risk Mitigation and Management
Policy: increasingly stringent nature-related laws, regulations and disclosure requirements.	• **Increased penalties and compliance risks:** stricter environmental regulations mean non-compliance will trigger significant legal, financial and reputational losses. • **Higher construction costs and longer timelines:** ecological compliance requirements increase upfront investments and extend approval and construction cycles. • **Rising operating costs:** long-term high-standard environmental management adds to operating expense burdens.	High	• **Establish a policy tracking mechanism:** systematically monitor environmental policy trends to proactively assess their key impacts on corporate strategy and operations. • **Strengthen communication with government and relevant agencies:** engage in policy dialogue to enhance the Company's influence and voice in decision-making. • **Optimise project planning and design:** embed sustainability standards into early project stages to achieve synergies among compliance, risk control and cost advantages. • **Adjust business layout and product mix:** respond to policy and market trends by accelerating the transition towards low-carbon and green business models.

Transition Risks

Risk Category	Potential Financial Impact	Impact Level	Risk Mitigation and Management
Market: growing preference from customers and investors for assets with green spaces and low nature impact.	• Rental, sales and valuation pressure: neglecting nature factors leads to asset value impairment, increased difficulty in leasing and selling, and lower revenue performance. • Market share shift: enhanced competitiveness of green products exposes traditional projects to risks of customer loss and market marginalisation. • Rising financing costs: environmental risks increase pressure on credit ratings, tightening financing conditions and reducing capital availability.	Medium	• Strengthen market research: dynamically track industry trends to drive agile strategic adjustments. • Optimise product positioning and differentiation: integrate ecological value into project development to create sustainable and differentiated product advantages. • Enhance marketing and customer education: build brand identity through ecological concepts, lead green consumption, and strengthen market competitiveness. • Strengthen stakeholder communication: establish multi-party collaboration mechanisms to improve transparency and social trust, supporting long-term development.
Technology: use of high-environmental-impact materials, polluting construction techniques or non-native species, leading to ecosystem destruction, biodiversity loss and excessive resource consumption.	• Outdated technology constrains resource efficiency: inefficient technologies increase resource consumption and lifecycle costs, weakening project economics. • Increase potential operating costs: non-compliance risks trigger legal and administrative liabilities, significantly adding to financial and operational burdens.	Low	• Pursue international standard certification: enhance project environmental compliance and risk management capabilities through authoritative certification systems. • Promote green construction techniques: reduce resource consumption and environmental impact through advanced processes, achieving low-carbon and efficient construction. • Establish a supply chain management system: strengthen supplier environmental access requirements, ensuring material sustainability and full-chain compliance. • Provide employee training and education: enhance professional skills across all staff, driving the implementation of environmental initiatives throughout the full lifecycle.
Reputation: risk that corporate activities leading to habitat destruction, pollution or biodiversity loss attract negative attention from the public, investors or regulators, thereby damaging corporate image and market credibility.	• Weaken market competitiveness: negative environmental events harm public trust, accelerating customer churn and market share erosion. • Affect access to capital: declining ESG credibility triggers financing constraints and valuation discounts, restricting capital availability. • Increase restoration costs and raise operating expenses: reputational remediation incurs unexpected costs, eroding profits and dragging operational efficiency.	Medium	• Prioritise brownfield development and ecological restoration: demonstrate environmental responsibility through ecological regeneration projects to enhance recognition from government, enterprises and the community. • Build liveable and resilient communities: integrate green infrastructure to create sustainable living spaces, enhancing long-term competitiveness. • Deepen community nature education: establish emotional connection through value communication, driving brand trust and market conversion.
Liability: environmental pollution, ecological damage or failure to fulfil ecological compensation obligations arising from project activities, leading to legal proceedings, fines or third-party claims.	• Fine expenditures: environmental non-compliance leads to direct financial losses, weakening profitability. • Project delay costs: legal disputes halt project timelines, increasing time and economic costs. • Increased insurance costs: higher risk ratings exacerbate coverage costs. • Opportunity cost of hindered business expansion: reputational damage weakens market competitiveness, constraining long-term growth potential.	Low	• Strengthen compliance management: improve environmental compliance systems to ensure full-cycle operations meet regulatory requirements. • Conduct environmental impact assessments: identify risks upfront to keep ecological impacts controllable and optimise decision-making. • Purchase liability insurance: reduce the financial impact of potential environmental liabilities through risk transfer mechanisms. • Enhance employee environmental awareness: strengthen responsibility awareness across all staff to prevent operational compliance risks.

Opportunities

Risk Category	Potential Financial Impact	Impact Level	Risk Mitigation and Management
Ecosystem protection, restoration and regeneration: enhance the ecological function and resilience of projects and surrounding areas through avoidance of damage, on-site restoration, off-set compensation, and maintenance of ecological connectivity and landscape patterns.	• **Increased upfront costs:** ecological assessments and restoration inputs raise initial development costs. • **Reduced risk costs:** proactive implementation of ecological protection measures helps avoid potential financial losses from non-compliance. • **Increased potential returns:** ecological value translates into core competitiveness, driving asset premiums and brand appreciation.	High	• **Strengthen upfront planning and ecological assessment:** identify ecological risks based on scientific frameworks to support sustainable site selection and decision-making. • **Develop forward-looking ecological protection and restoration plans:** systematically plan ecological intervention measures to ensure feasibility and long-term effectiveness. • **Enhance communication and engagement with local communities:** build social trust through transparent interaction, reducing resistance to project implementation. • **Promote eco-friendly design:** integrate green technologies to improve environmental performance and living quality, achieving low-carbon and efficient development.
Reputational capital: enhance trust with governments, investors, customers, communities and indigenous peoples through transparent, credible and consistent nature performance.	• **Broaden financing channels:** green credentials attract sustainable capital, enhancing funding accessibility and financial flexibility. • **Increased sales and market share:** ecological advantages translate into market competitiveness, driving faster sell-through and share expansion. • **Enhanced brand value:** a sustainable image strengthens brand premium, increasing the Company's long-term profitability potential.	Medium	• **Integrate into business processes:** embed nature value into full-cycle project decision-making to mainstream sustainable development. • **Strengthen disclosure and communication:** enhance transparency of ecological performance through standardised reporting to build external trust. • **Engage with stakeholders:** establish multi-party dialogue mechanisms to reinforce compliance consensus and social recognition.
Resource efficiency: reduce inputs, waste and environmental externalities through water saving, material saving, land saving, pollution reduction and circular utilisation.	• **Reduced material and operating costs:** efficient resource use significantly lowers construction and operating expenses. • **Enhanced property value:** green performance translates into asset premiums and market competitiveness. • **Expanded business opportunities:** regulatory compliance drives project acquisition and market expansion advantages.	Medium	• **Integrate into corporate planning:** deeply embed resource efficiency into corporate strategy and operational systems. • **Promote new technologies and processes:** achieve green construction upgrades through industrialisation and digitalisation. • **Establish energy monitoring systems:** enable data-driven refined management of energy use. • **Regularly maintain and upgrade equipment:** ensure efficient facility operation and continuously reduce energy consumption. • **Promote water recycling:** build a water-efficient operating model to reduce resource dependency and costs.

Opportunities

Risk Category	Potential Financial Impact	Impact Level	Risk Mitigation and Management
Products and services: provide new products and services that integrate nature value, such as flood control systems combining nature and engineering, ecological site design and construction, long-term ecological operation and maintenance, etc..	• Increased upfront investment: ecological innovation raises initial costs, reflecting the capital-intensive nature of sustainable development. • Enhanced property value: nature integration enables product differentiation, driving asset premiums and market competitiveness. • Policy incentives and subsidies: policy support offsets upfront investments, enhancing project financial sustainability.	High	• Define goals and positioning: deeply embed nature value into the core of corporate strategy, establishing a sustainability-oriented direction. • Establish quality standards: develop a high-standard ecological and engineering quality control system to ensure long-term product performance and credibility. • Customer feedback mechanism: drive continuous improvement based on needs, enhancing service adaptability and customer loyalty. • Market positioning and promotion: precisely target customer segments, creating a differentiated ecological brand communication strategy.
Market: Growing preference from customers and investors for assets with green spaces and low nature impact.	• Expand market share and increase revenue: green asset advantages drive both sales premiums and market share growth. • Enhance brand competitiveness: a sustainable image strengthens brand moats and supports long-term value creation. • Reduce financing costs: green credentials enhance capital appeal and lower the cost of capital.	Medium	• Integrate into overall business planning: deeply embed nature strategy into full-cycle operations to mainstream sustainable development. • Brand building and promotion: establish a professional green brand image to enhance market recognition and industry influence. • Strengthen marketing and customer education: build customer connections through value resonance, driving brand trust and market conversion.
Capital flows and financing: growing capital preference for nature-positive performance, with green credit, green bonds, sustainability-linked loans and transition finance gradually expanding.	• Reduced financing costs: strong performance of green assets enhances credit quality, improving access to low-cost financing. • Increased investment appeal: sustainable financial practices strengthen capital market confidence and broaden access to funding sources.	High	• Diversified financing channels: build a multi-instrument financing system to enhance capital structure resilience and flexibility. • Monitor policy changes: dynamically respond to regulatory shifts to improve forward-looking financing and development decisions. • Enhance disclosure and communication: increase transparency through standardised reporting, reinforcing market trust and compliance image.
Sustainable use of natural resources: implementing sustainable sourcing, substitution and circularity for water, land, sand, timber, metals, etc.; reducing pollution and waste; enhancing systemic efficiency.	• Reduced resource procurement costs: resource circularity and substitution strategies effectively lower long-term raw material costs. • Enhanced operational resilience: diversified resource utilisation improves supply chain stability and risk-resilience capacity. • Product premium: sustainable practices translate into market competitiveness, driving asset value appreciation.	Low	• Establish a sustainable procurement system: build a green supply chain, strengthen supplier collaboration and sustainable access mechanisms. • Improve resource efficiency: achieve systematic optimisation of resource consumption through technological upgrades. • Develop alternative materials and technologies: drive resource transformation through innovation, fostering long-term sustainable competitiveness.

Case

Picture: Yuexiu Starry Lake

Picture: First Pet-Themed Event Held by the "COCITY" Community

Yuexiu Starry Lake, Foshan – A Benchmark Practice of Eco-Friendly Living Based on Nature-Related Risk and Opportunity Assessment

Yuexiu Starry Lake was launched for sale in 2025. This project exemplifies how Yuexiu Property identifies nature-related risks and seizes development opportunities in its product development. By building a park-based ecological system, the project provides residents with a comfortable, pet-friendly environment. Its high-standard design simultaneously meets residents' three core needs for green space, eco-friendliness and living comfort, reflecting the Group's shift from passive risk management to proactive creation of nature-positive value.

- **Systematic Development of a Connected Green Ecological System**

Adopting the lifestyle proposition of "Half Park, Half City", the project prioritises ecological protection throughout the entire development process. It has built a self-developed Denghu Oasis Park of approximately 16,000 sqm, which, together with the internal courtyard gardens, forms an organic community of about 34,000 sqm. The per-household green space area reaches 32 sqm, strictly aligning with the Company's strategic target of a comprehensive greening rate of no less than 30% by 2030. Through "COCITY" community activities, the project has created diverse green social spaces for residents.

- **Solid Implementation of Biodiversity Conservation Targets**

Relying on the expansive 8,000 sqm sunny lawn in Denghu Oasis Park, the project provides a safe and open activity space for pets, allowing them to roam freely in a natural environment and breaking the limitation of traditional communities where pet activity is confined to residential gardens. Meanwhile, diverse pet-themed events organised under the "COCITY" community platform make pets a bond for neighbourhood communication, continuously enriching the connotation of the pet-friendly community.

Case

Effect Drawing of Triple-Glazed Laminated Insulating Glass of Yuexiu Starry Lake

Yuexiu Starry Lake, Foshan – A Benchmark Practice of Eco-Friendly Living Based on Nature-Related Risk and Opportunity Assessment

- **Creation of a Comfortable Living Space Integrating Nature and Human Settlements**

In terms of quality details, addressing the noise pain point of urban living, the project engaged EAA Acoustic Consultants to customise a dedicated acoustic environment report and noise reduction solution. The living rooms are equipped with triple-glazed laminated insulating glass, which effectively blocks urban traffic noise, striking a balance between urban vibrancy and natural tranquility, and creating a healthy and comfortable living environment for residents. The project not only builds a "green lung" at residents' doorsteps but also supplements the city with high-quality public ecological space. It effectively transforms ecological value into product competitiveness and brand premium, and provides an implementable and replicable Yuexiu practice for the green and high-quality development of the real estate industry.

Prepare

Faced with the dual challenges of ecosystem degradation and increasingly stringent regulatory policies, Yuexiu Property recognises that, as a leading enterprise in the real estate industry, it must drive the transformation and upgrading of its nature-related management from "passive compliance" to "proactive integration". Through systematic measures, the Company aims to convert nature-related risks into core drivers of enhanced brand value, stronger financing competitiveness, and improved product premium capacity. To this end, the Company has been making sustained efforts across the entire chain—from top-level strategic planning to on-the-ground implementation—continuously exploring potential market opportunities in the natural capital domain to help unlock sustainable value.

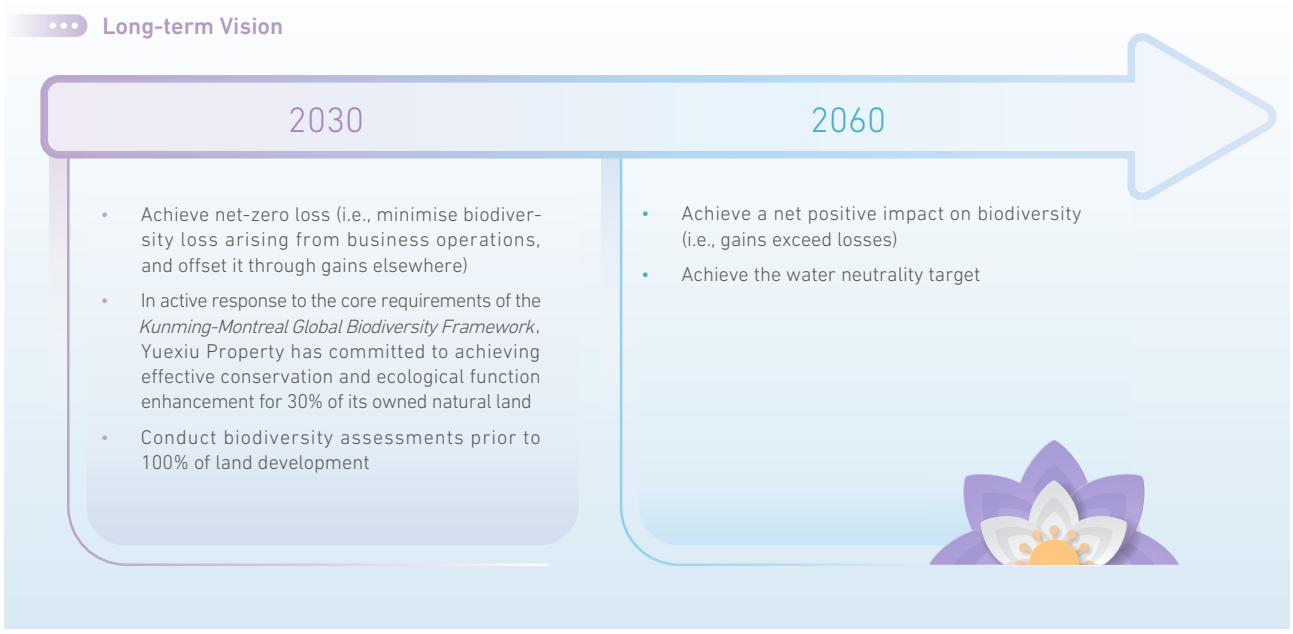
For details on Yuexiu Property's vision and strategy for nature-related management, please refer to *Section 2.3.1 "Strategy"* of this report. For information on the management targets and metrics for identifying nature-related risks and opportunities, please see *Section 2.3.3 "Targets and Metrics"*.

2.3.3 Targets and Metrics

Having completed a comprehensive assessment of nature-related dependencies, impacts, risks and opportunities, Yuexiu Property has taken the lead in establishing systematic nature impact monitoring and assessment mechanisms across key business areas such as raw material procurement, logistics and transportation, and project construction, thereby enabling proactive management of its ecological footprint. The Company has systematically disclosed key environmental performance indicators—including greenhouse gas emissions, water resource utilisation and waste management—in its sustainability report, with further details provided in the Environmental Performance Indicators List in Appendix: *ESG Performance–List of Environmental ESG Performance Indicators*. In 2025, drawing on the TNFD framework and industry practices, the Company further refined its nature-related indicator system to accurately assess and dynamically monitor its level of dependence on natural capital, potential environmental impacts, and related risks and opportunities.

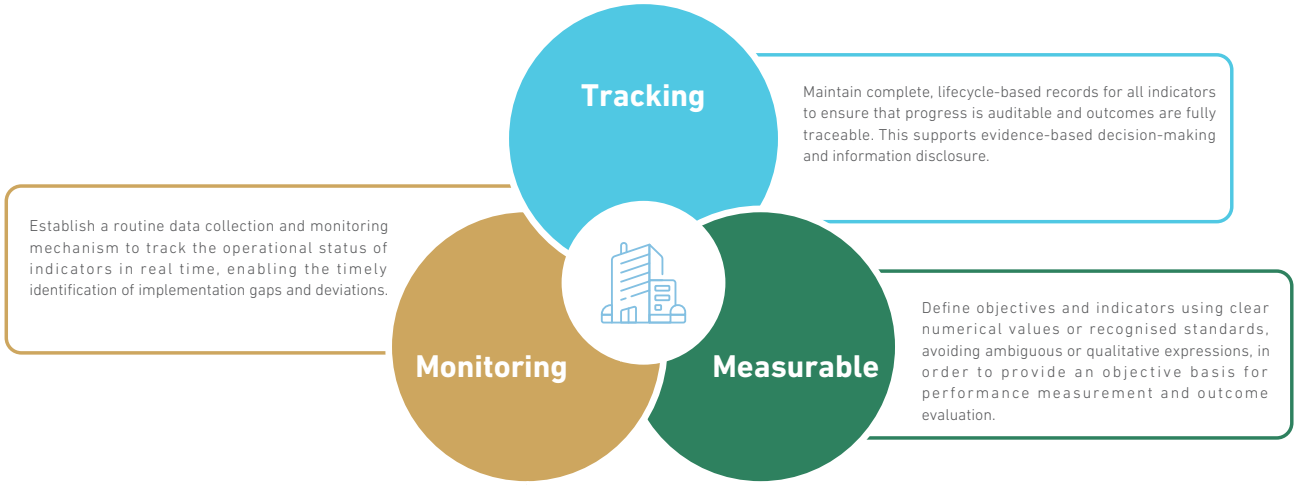
This in-depth biodiversity analysis has provided core support and a scientific basis for Yuexiu Property's strategy of "Ecologically Empowering Development". By deeply embedding the natural capital accounting system into the entire process of product R&D and asset operation, the Company has not only achieved quantifiable conversion of ecological value into product premiums, but also reconstructed a sustainable value loop of "environmental friendliness – customer health – asset appreciation" through systematic scientific methods. This initiative actively responds to the national "dual carbon" strategic goals, while establishing a benchmark paradigm within the industry for upgrading from traditional spatial construction to ecological service provision. It offers an innovative and practical pathway for urban sustainable development that delivers both social and economic benefits, helping to realise the synergistic coexistence of the enterprise and the natural ecosystem.

Long-term Vision



Yuexiu Property recognises that the realisation of its long-term corporate sustainability vision depends on a goal and indicator framework of Measurable, Monitoring and Tracking that aligns closely with the core requirements of the TNFD framework. This system—grounded in quantitative standards, enabled by dynamic monitoring and assured by full-cycle tracking—serves as a critical vehicle for translating the TNFD vision of "fully integrating nature-related risks and opportunities into corporate strategy and decision-making", and is a key instrument for achieving closed-loop management across the entire natural capital management process. To this end, drawing on the four-pillar disclosure recommendations of the TNFD, the Company has built a TNFD goal and indicator framework that is both scientifically robust and operationally practical, tailored to its business footprint, its specific circumstances and ecological impact characteristics, and benchmarked against leading industry practices.

Nature-related Targets and Metrics



Metrics	Targets	Progress in 2025
Green Space		
Overall greening rate of the project development area (Note: refers to the ratio of green area within the project red line to the total development area, including ecological buffer zones, native species planting areas, etc.)	By 2030, the overall greening rate of the project development area shall **not be less than 30%**	Since 2025, a comprehensive statistical method for the greening rate of the project development area has been establishing, with preliminary data disclosure planned for the following year
Plastic pollution		
Consumption of single-use plastic products in hotel operations	**Fully eliminate** single-use plastic products in hotel operations by 2035	A phased reduction implementation plan has been formulated in 2025
Forest protection		
Deforestation rate of natural forests/High Conservation Value (HCV) forests	Achieve **0%** deforestation of natural forests/HCV forests by 2050	Since 2025, a more stringent screening mechanism has been developing for logging of natural forests/ forests of high conservation value along the supply chain
Proportion of sustainable certified timber procured for projects under development (Note: certification standards include internationally recognised systems such as FSC, PEFC)	From 2030, **100%** of timber procured for projects under development shall be from sustainable certified sources	Establish sustainable-certified timber procurement mechanisms has been forming for projects in development in 2025
Compliance		
Incidence of pollutant leakage incidents (Note: includes leakage of chemicals, oil and other pollutants)	Maintain **zero** incident per year on an ongoing basis	No pollutant leakage incidents occurred in 2025
Wastewater discharge compliance rate	Maintain **100%** compliant discharge on an ongoing basis	All wastewater discharge indicators met regulatory requirements in 2025, with a compliance rate of 100%
Standardised waste treatment rate (Note: includes household waste, construction waste sorting and compliant disposal of hazardous waste)	Maintain **100%** standardised treatment on an ongoing basis	The standardised waste treatment rate reached 100% in 2025, with a 100% compliance rate for hazardous waste disposal
Incidence of ecological protection violations (Note: includes damage to ancient and protected trees, disturbance of ecologically sensitive areas, impacts on biodiversity habitats, etc.)	Maintain **zero** incident per year on an ongoing basis	No ecological protection violations occurred in 2025

Nature-related Financial Performance

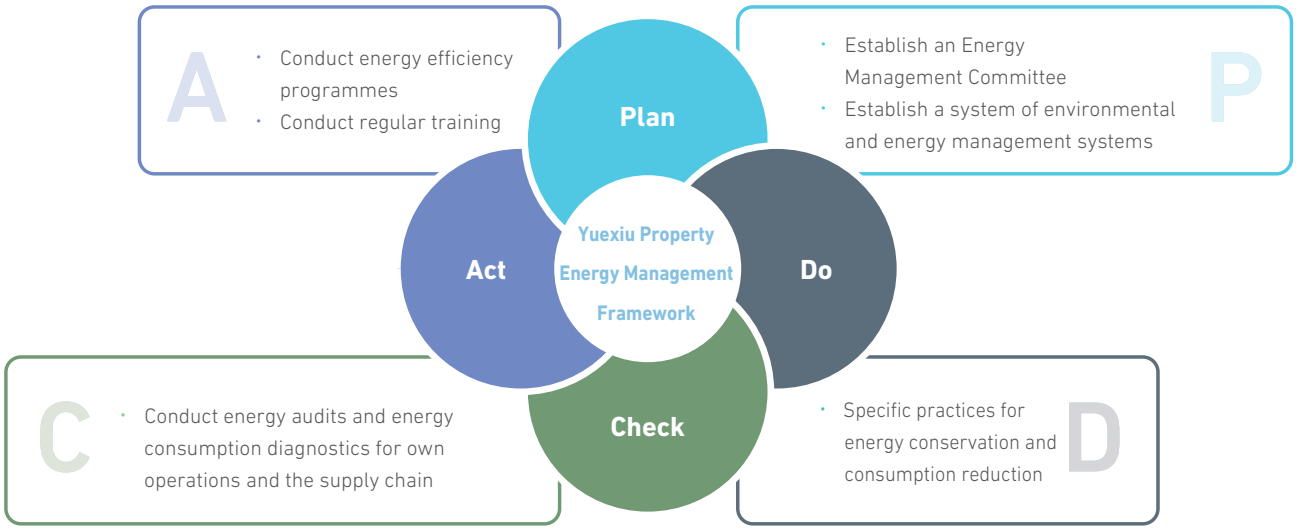
Yuexiu Property has consistently regarded natural capital management as a core strategic pillar of its corporate sustainability. The Company is firmly committed to the research, development and practical application of nature-related opportunities, having invested substantial financial and human resources in key areas such as ecological restoration technology R&D, biodiversity conservation projects, green supply chain development, and sustainable building design. By deeply integrating the value of nature into its end-to-end business processes, the Company has established a nature-related financial quantification system that covers inputs, outputs and outcomes. This system not only fulfils ecological responsibilities through tangible financial investment, but also promotes the synergistic growth of nature conservation and business value through rigorous financial tracking and assessment, providing a solid data foundation for nature-related financial disclosures under the TNFD framework.

Nature-related conservation and restoration investment	The cumulative funding method for nature-related fields such as ecological protection, biodiversity restoration, eco-friendly technology R&D and green infrastructure construction has been established in 2025. The specific investment amount will be published in the next year's sustainability report.
Amount of fines for nature-related violations	The total fines incurred in 2025 for nature-related violations, including ecological damage, wastewater discharge non-compliance, pollutant leakage, and failure to meet ecological protection regulatory requirements, amounted to RMB0.
Cumulative green bond Issuance	As of the end of the reporting period, the cumulative total of green bonds issued by the Company to support projects that meet international and domestic green finance standards—such as ecological protection, green buildings, and sustainable infrastructure—amounted to RMB4.54 billion.
Total amount of green loans obtained	As of the end of the reporting period, the cumulative total of loans obtained by the Company from financial institutions specifically designated for eligible green purposes—including natural capital protection, ecological restoration, and green project construction—amounted to RMB30.746 billion.

2.4 Resource Circularity and Waste Reduction

2.4.1 Energy Management

Yuexiu Property implements a centralised and systematic closed-loop management model for energy management, with dedicated oversight and coordination provided by the Sustainability Execution Group. We not only establish high standards at the Group level, but also drive the establishment of comprehensive energy management frameworks across our subsidiaries. Guangzhou Yuexiu Commercial Property Management Co., Ltd. ("Yuexiu Commercial") has established an Energy Management Committee, which is responsible for system development, energy consumption data monitoring and analysis, as well as regular inspection and retrofitting of high-energy-consumption equipment, all aimed at providing a green and low-carbon environment for property owners and tenants.



Yuexiu Property continuously conducts energy consumption assessments to identify operational energy risks and energy-saving potential, and optimises energy performance accordingly. At present, a number of our subsidiaries have obtained ISO 50001 Energy Management System certification, demonstrating that our expertise in energy management has gained international recognition.

Through the upgrading of intelligent energy consumption management platforms, the Company has optimised the operation of key equipment such as air conditioning systems, significantly improving energy efficiency. At the same time, we actively promote the retrofitting of lighting systems and the widespread adoption of high-efficiency LED luminaires, further reducing energy consumption. These refined measures have enabled us to achieve notable results in cost reduction, efficiency improvement and carbon emission reduction, consistently leading industry practice in sustainable development.

Following the launch in 2023 of a commercial energy management system (intelligent energy consumption management platform) based on the PDCA (Plan-Do-Check-Act) closed-loop management model, we further expanded the project coverage of this system during the reporting year, with the coverage rate of 79%, aiming to reach over 90% by 2030. Through the implementation of full-cycle energy management, equipment operation diagnostics and standardised operational management, we continue to reduce carbon emission intensity and energy costs.

SGS

Certificate CN23/00000448

The management system of
Guangzhou Yuexiu Property Development Co., Ltd.

has been assessed and certified as meeting the requirements of
GB/T 23331-2020 / ISO 50001:2018
RB/T 107-2013

For the following activities
Property service involving management of energy procurement, receiving, storage, processing and conversion, transmission and distribution, use of energy-saving technologies.

This certificate is valid from 02 January 2023 until 29 January 2026 and remains valid subject to satisfactory surveillance audits.
Issue 2, Certified since 30 January 2023
Certified activities performed by additional sites are listed on subsequent pages.

For the detail information regarding boundaries and competence in energy consumption, please see the appendix with the same number of this certificate and it is the component of this certificate.

David Wu
Sr. Director - Business Assurance

SGS-CSTC Standards Technical Services Co., Ltd.
No. 3 Building, No. 138 Lianhua Road, Minhang District, Shanghai, P.R. China, 201702
t +86 (21) 6102 1555 - www.sgsgroup.com.cn

This certification information can be verified on the web site of Certification and Accreditation Administration of the People's Republic of China www.cnca.gov.cn

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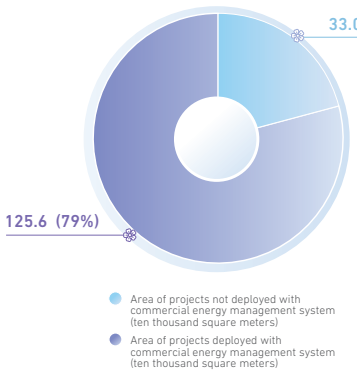
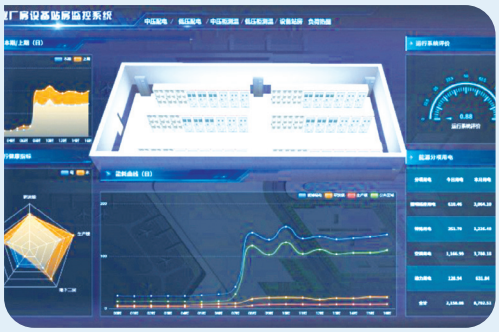
Coverage of Commercial Energy Management System



Metrics	2025	2024
Covered Projects	**Guangzhou International Finance Centre, Guangzhou Yuexiu Financial Tower, Guangzhou ICC, Guangzhou Victory Plaza, Guangzhou Yue City, Wuhan Yuexiu Fortune Centre, Wuhan Yuexiu IFC Life Plaza, Nansha Yuexiu International Finance Centre, Wuhan Yuexiu International Finance Centre**	Guangzhou International Finance Centre, Guangzhou Yuexiu Financial Tower, Guangzhou ICC, Guangzhou Victory Plaza, Guangzhou Yue City, Wuhan Yuexiu Fortune Centre, Wuhan Yuexiu IFC Life Plaza, Nansha Yuexiu International Finance Centre

For energy-intensive cooling source air conditioning, an AI intelligent control function for chiller plants was added to the energy management platform in 2025, covering three projects, i.e. Guangzhou International Finance Centre, Yuexiu Financial Tower and the Yue City. Through real-time AI analysis of environmental data and equipment status (chimney efficiency and water pump flow), the system dynamically adjusts cooling source operation strategies. This includes fully automated execution of chiller group control, water pump frequency conversion adjustment and cooling tower fan linkage, with over 95% of equipment operating autonomously without manual intervention, effectively reducing chiller plant energy consumption. In the Yue City, after six months of implementation, the overall energy consumption of the chiller plant decreased by 18.1% year-on-year, saving approximately RMB670,000 in energy costs, with estimated annual savings exceeding RMB1 million. The overall energy consumption of the chiller plant decreased by 3% and 8% year-on-year at Guangzhou International Finance Centre and Yuexiu Financial Tower, respectively.

Case



Picture: Intelligent power monitoring system

Wuhan International Financial Centre Tower T5 Office Building – a new chapter in the successful implementation of green energy management systems

2025 marked the full completion of Wuhan Yuexiu International Financial Centre. Tower T5, which commenced operations that same year, is built on a digital foundation of Building Information Modeling (BIM), with Building Automation (BA) serving as its central command hub—together forming a full-cycle smart energy management system that sets a new benchmark for green and energy-efficient commercial buildings in Central China. As a core implementation component of this overarching system, Tower T5 is equipped with an intelligent power monitoring system that captures real-time data on critical operational parameters, including voltage and power. While ensuring stable power quality, this system enables precise energy consumption tracking and historical analysis through end-to-end data recording, offering a clear, traceable and optimisable pathway for energy conservation and emission reduction. Furthermore, the deep integration of BIM and BA systems enhances the tower's overall performance by intelligently coordinating air supply efficiency. As a result, the building achieved an annual comprehensive energy saving rate of 38%.

2.4.2 Water Resource Management

Yuexiu Property regards water resource management as a core element of its operations and development, continuously enhancing water efficiency through systematic technological innovation and process optimisation. We have widely implemented rainwater harvesting and recycling systems, taking concrete action to reduce water consumption and ensure its long-term sustainability. To achieve our target of water neutrality by 2060, we are committed to reducing water intake, improving water recycling rates, and comprehensively preventing water pollution.

The Group's water conservation policies are closely aligned with local regulations, ensuring that all measures are both compliant and effective. As of 2025, all Yuexiu Property projects are supplied by municipal water systems, and all wastewater is discharged into municipal sewer networks in accordance with relevant regulations, fully meeting environmental compliance requirements. Even in water-stressed regions, our residential and commercial projects have not placed undue strain on local water supply or wastewater treatment systems.

The Sponge City concept is integrated at the **design phase**, following the principles of "source reduction, process control and systematic management". Through technologies such as "infiltration, retention, storage, purification, utilisation and drainage", we mitigate runoff pollution at the source and promote the sustainable use of urban water resources

Systematic water conservation management is implemented at **construction sites**: water-efficient equipment is selected and metering devices are installed; surface water and rainwater recycling systems are established, and water supply pipelines and valves are regularly inspected to eliminate water waste

In **commercial operations**, water-efficient fixtures such as self-closing low-flow taps and dual-flush toilets are widely adopted, specific inspections are conducted on major water-consuming facilities, with regular energy consumption analysis and particular attention paid to abnormal water meter readings; at the same time, collected rainwater is used for cleaning and landscape irrigation purposes

During **daily office operations**, we display water conservation slogans and posters in key locations to actively promote the concept of water saving; at the same time, we have fully adopted and are progressively upgrading to high-efficiency water-saving fixtures

In **residential operations**, we install individual water meters for all households to help them monitor their water usage

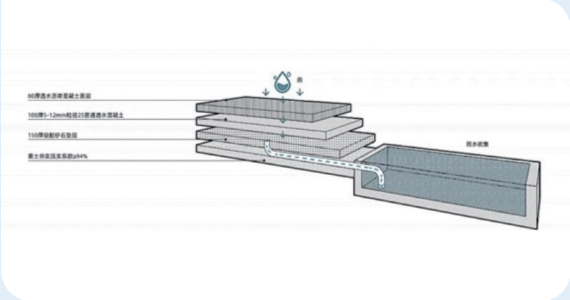
Case

Picture: Sunken courtyard rain garden

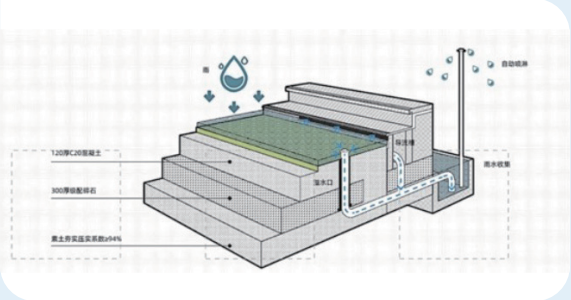
Yuexiu Property's water resources ecological management and conservation practices – sponge community development

Yuexiu Property Research and Development Centre places light-weight ecology at its core, deeply integrating the Sponge City concept into landscape design with a focus on full-cycle water resource management to create a Sponge Community. Specifically, through the construction of sunken courtyards, combined with the landscape enhancement functions of perennial flower borders, and the optimisation of overflow outlet design, the Centre achieves a skilful fusion of the functional elements of a Sponge City with the ornamental appeal of flower borders.

- Characteristic landscape of the sunken courtyard rain garden
  Natural materials such as landscape stones and dead branches are used to create a Zen-like atmosphere, complemented by shade-tolerant plants to form a garden landscape. The pool bottom features a vertical laying technique using cultural stone, which, together with rainwater harvesting and reuse functions, establishes a circulation system for the Sponge Community. This design ensures proper overflow functionality while enhancing the overall aesthetic quality of the facade landscape.



Picture: Permable pavement module for pedestrian walkways



Picture: Sunken green space rainwater circulation system

- Rainwater harvesting and reuse system technology
  Custom-designed rainwater collectors serve a dual purpose as landscape features, and can be extended into pavilions or decorative lighting elements. On the site, these collectors work alongside permeable paving modules for walkways and technologies such as automated sprinklers to create a rainwater circulation system. After undergoing initial filtration by plants and physical sedimentation in settling tanks, the rainwater is purified and then reused for irrigation and replenishment of water features, achieving a closed-loop system for water resources.

Picture: Performance of sponge community practices

- Landscape features and sponge community performance
  During the reporting period, Yuexiu Property's Chongqing Galaxy Garden used an ecological rain garden of approximately 2,000 m^2 as the centrepiece of its Sponge Community. Complemented by permeable paving and ecological retention basins, this rain garden creates a rainwater circulation system that efficiently infiltrates and stores rainwater during wet weather and releases it slowly during dry periods to support landscape irrigation and water features. This approach prevents stormwater backflow at source and significantly eases the burden on municipal drainage systems. Meanwhile, the Bay Area – Nansha Phase 21 ME TOWN Project, through deep integration of R&D and practical application, has developed a complete, integrated "Sponge City + Landscape Design" solution. This covers technical systems, process standards, and landscape integration strategies, offering replicable and scalable experience for water resource management and landscape integration in residential projects, thereby advancing the coordinated development of green, low-carbon, ecologically friendly and liveable communities within the industry.

2.4.3 Waste Management

In conventional construction models, materials typically follow a linear "take-use-dispose" pathway, generating large amounts of construction waste and imposing a lasting burden on the environment. Yuexiu Property recognises that, as a responsible real estate company, waste management should not be limited to end-of-pipe treatment during construction. Rather, it requires a systematic strategy that spans the entire building lifecycle. To this end, the Company has embedded circular economy principles at the core of its development and operations, striving to transform construction waste from a disposable "burden" into a recyclable "resource".

We are committed to breaking the linear model by systematically applying waste-minimisation and resource-value-maximisation strategies at every stage of a building's life—from planning, design, construction and acceptance, through operation and maintenance, to eventual retrofitting or optimisation.

Stage in the building lifecycle	Response strategies
Land acquisition	• Develop a full-lifecycle waste management strategy with quantitative targets to guide all subsequent stages • Reduce potential earthworks and demolition waste at source by optimising site selection and master layout
Design	• Apply "design for waste reduction" and modular design to minimise construction losses and ensure future ease of disassembly and recycling • Prioritise building materials and products that contain recycled content and have reliable end-of-life recycling pathways
Production	• Implement strict on-site waste segregation, recycling and data tracking to keep waste flows transparent and controllable • Promote on-site processing and reuse of excavated soil and construction waste to reduce off-site disposal
Construction	• Review waste disposal records and recycling certificates to ensure management targets are met • Establish a "material passport" for key construction materials to provide an information base for future maintenance and deconstruction
Use	• Set up and maintain a comprehensive daily waste segregation and recycling system with user guidance • Incorporate circular economy requirements such as product take-back and refurbishment into procurement and service contracts • Extend the service life of building components and equipment through preventive maintenance, delaying waste generation • Prioritise repair when replacing components, and ensure that old parts enter recycling or reuse channels
End of use (EoU)	• Identify and separate components and materials with reuse value before renovation or deconstruction • Explore upcycling of deconstruction materials into compliant recycled building materials

At the same time, Yuexiu Property has systematically built a comprehensive waste management strategy at the operational level, covering all office waste and domestic waste generated in the properties it manages. The hazardous solid waste generated in the daily operation of the Group mainly came from used lamp tubes, used batteries, used ink cartridges, used toner cartridges and various types of discarded electronic devices. For such hazardous waste, we strictly enforce the dedicated zone regulations for storage, ensuring that the entire process of collection, storage, transfer and disposal complies with all national and local environmental protection laws, regulations and standards. For non-hazardous waste, we actively promote waste reduction at source, segregated recycling and resource recovery. Through clear implementation guidelines, well-developed supporting facilities, and continuously strengthened awareness of waste reduction among employees and tenants, we facilitate the recycling of recyclable materials such as wastepaper, plastics and metals, while ensuring that all domestic waste is disposed of in full compliance with regulations. Our goal is to minimise the environmental footprint of our operations, striving to reduce the amount of waste sent to landfills by 70% by 2030. *For detailed measures on the handling of daily operational and domestic waste, please refer to Section 3.4.1 Green Value Chain of this report*

We firmly believe that by deeply integrating systematic management across the building lifecycle with refined day-to-day operational practices, we can maximise the environmental benefits in the field of waste management and build a solid practical foundation for moving towards the goal of a circular economy.

Case

Contactless waste bin

Yuexiu Eco Hub: systematic practice of construction waste resource utilisation

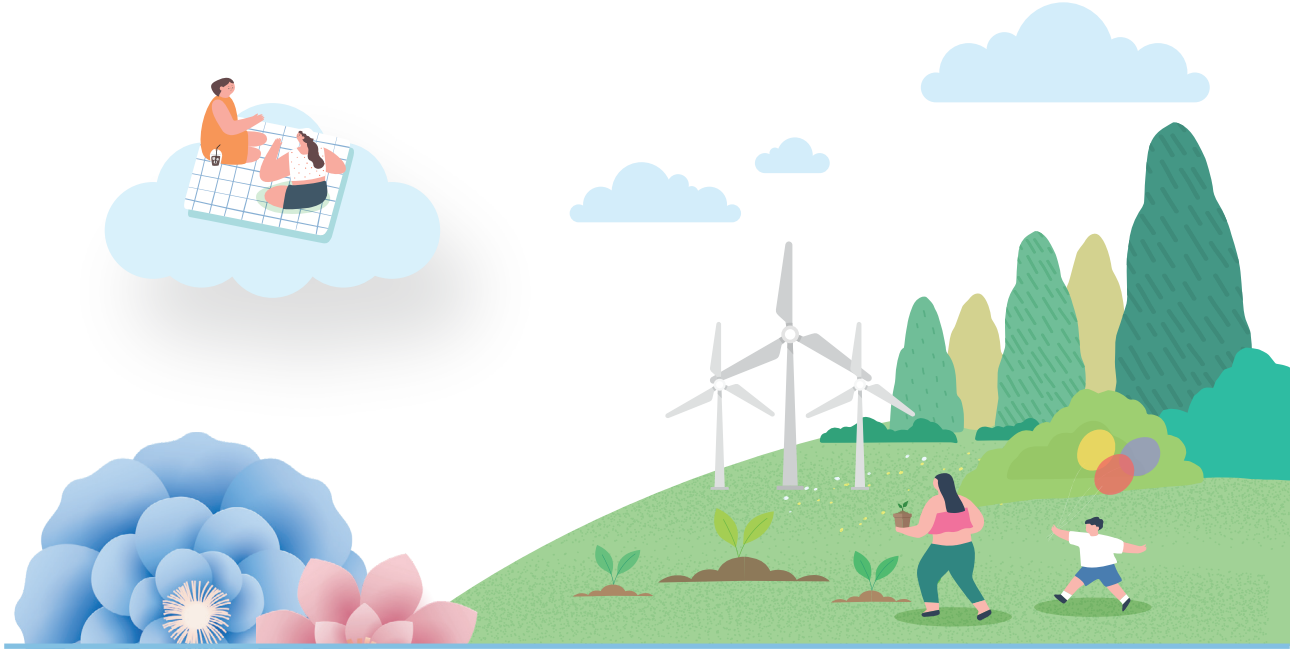
Yuexiu Property embeds circular economy principles throughout the entire building lifecycle, bringing the resource utilisation of construction waste to life through its Yuexiu Eco Hub. The Hub integrates contactless waste deposit, smart cloud-based management, and a negative-pressure odour control system, enabling precise collection and transport while effectively managing odours. Ergonomic design and functional zoning ensure convenient waste disposal and a clean community environment. Currently, the Eco Hub has been rolled out across multiple projects, including Pinyue Huafu and Huyue Huayuan, covering all community scenarios and establishing a closed-loop system of sorting and recycling. This transforms construction waste from a burden into a resource, putting green development into practice through attention to detail and building a solid foundation for sustainable communities.

2.5 Ecological Protection and Practice

In the real estate industry, maintaining ecological health and systematically managing nature-related risks are both a core responsibility and a long-term commitment. Yuexiu Property is dedicated to establishing a multi-dimensional nature risk management system that spans the entire project lifecycle, deeply integrating natural and ecological considerations into every aspect of its business operations. Starting with forward-looking risk avoidance, we adhere to the principles of "prioritise brownfield development" and "avoiding greenfield development" during site selection, thereby reducing impacts on natural habitats at source. Throughout development and operation, we embed ecological protection into design, construction and management processes. In addition, we have put in place ongoing monitoring and back-end assurance mechanisms to ensure the long-term realisation of ecological benefits, safeguarding natural capital through responsible development practices and building a more resilient future.

Yuexiu Property's achievements in ecological and environmental protection have been recognised by internationally authoritative bodies. In 2025, the Moon Lake Ecological Restoration Project at Yuexiu ·Naturalistic Mansion was selected as an "Insight Case" by GRESB. This recognition programme aims to showcase global excellence in ESG practices. The inclusion not only demonstrates our expertise in ecological restoration techniques and biodiversity protection, but also reflects the strong recognition by international markets of Yuexiu Property's systematic integration of nature risk management and ecological value creation across the full project lifecycle. This marks an alignment of our ecological management strategy with leading international standards and provides a replicable reference for the industry to pursue "nature-positive" development. For Yuexiu Property's specific practices in nature and ecological protection, please refer to *Section 2.3 Biodiversity-related Disclosure* of this report.

Looking ahead, we will continue to firmly implement the ecological civilisation philosophy that "lucid waters and lush mountains are invaluable assets", deeply embedding the vision of harmonious coexistence between humanity and nature into the Company's long-term development strategy. Building on our existing disclosure framework, we are committed to further internalising the value orientation of ecological protection as a core strategic driver, shifting biodiversity protection and natural capital management from a specialised topic to a foundation of corporate governance and value creation. We look forward to working with all stakeholders to explore development pathways that integrate ecological, social and economic benefits, contributing our corporate strength to building a Beautiful China and achieving the global goals of sustainable development.



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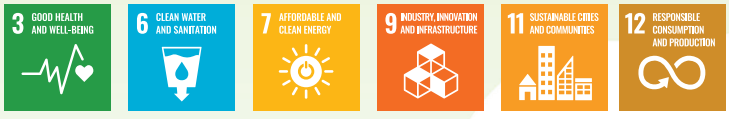
Chapter 3

Green Construction and Digital Empowerment

Management Approach

- 3.1 Annual Progress and Highlights
- 3.2 Green Design and Construction
- 3.3 Digital Empowerment and Management
- 3.4 Green Operations and Leasing

Our actions support the following United Nations Sustainable Development Goals (SDGs)



Management Approach

Looking forward to the "15th Five-Year Plan" period, the country is based on the overall green and low-carbon development and clearly proposes to promote the comprehensive green transformation of economic and social development with higher standards and more practical measures. In order to actively respond to the national dual carbon strategy, Yuexiu Property has formulated clear dual carbon goals and implementation paths.

In terms of building carbon reduction, Yuexiu Property adheres to the core concept of "respecting nature, putting people first, ensuring health and comfort, and promoting intelligent, low-carbon development", and coordinates planning from the perspective of the whole life cycle, deeply integrating resource conservation and environmental friendliness into all aspects of design, construction, operation, and demolition. We follow a rigorous P-D-C-A cycle management approach to continuously improve the carbon emissions statistical accounting system covering the Company's entire asset portfolio, establishing a solid foundation for data management. In construction practices, the Company is committed to promoting the full implementation of green building standards and actively exploring technical pathways for ultra-low energy consumption buildings. By integrating passive design with active technologies, the Company has significantly reduced the comprehensive energy consumption of its buildings. At the same time, we focus on the deep integration of green technologies with the living experience, enhancing residential health and comfort through technology, thereby achieving the goal of high-quality living.

Technology and digitalisation are the core engines driving green construction and operation. Yuexiu Property is committed to building a "full-cycle sustainable construction system" and vigorously promoting new construction methods such as prefabricated buildings to improve efficiency and reduce waste. We strictly comply with environmental laws and regulations, implement energy-saving, water-saving, waste reduction, and pollution control measures through refined management, and integrate green awareness into the behaviour of all employees and supply chain coordination. Digital transformation will inject powerful momentum into green construction. By establishing a systematic digital management framework and data application capabilities, the Company promotes the intelligent and refined upgrade of the entire process of design, construction, and operation, and empowers low-carbon development with technological innovation.

Green operation is a key pillar in achieving full life cycle carbon reduction. Yuexiu Property takes intelligent management as the core and continuously improves resource utilisation efficiency through systematic energy consumption monitoring and optimisation. We actively explore circular economy models, strengthen the resourceful utilisation of waste, and jointly build a low-carbon ecosystem with partners through innovative green leasing mechanisms. At the same time, the Company fully implements the concept of low-carbon office internally to promote the formation of green and low-carbon production and lifestyle.

From green design and technological construction to smart operation, Yuexiu Property uses "good houses" as the carrier to deeply integrate sustainable development into the corporate genes. We not only respond to national strategies and people's livelihood needs, but also are committed to providing a green model for the high-quality development of the industry. In the future, the Company will continue to adhere to technological innovation and responsibility, deepen green transformation, and promote the development of buildings and cities towards a greener, smarter, and more liveable direction.

Laws, regulations, or standards followed by the Group regarding environmental management

- *Environmental Protection Law of the People's Republic of China*
- *National Catalogue of Hazardous Wastes*
- *Law of the People's Republic of China on Environmental Impact Assessment*
- *Evaluation Standard for Green Construction of Building*
- *Energy Conservation Law of the People's Republic of China*
- *Assessment Standard for Green Building*
- *Law of the People's Republic of China on Prevention and Control of Environmental Pollution Caused by Solid Waste*
- *Technical Standard for Nearly Zero Energy Building*
- *Emission Standard of Environment Noise for Boundary of Construction Site*
- *Design Standard for Energy Efficiency of Residential Buildings in Hot Summer and Cold Winter Zone*

Main internal policies for environmental management of the Group	
Green Building	*Green Building White Paper* *National Guidelines for Design of 1-Star and 2-Star Green Buildings* *Detailed Rules for Management of Green Building Construction Projects* *Standardisation Atlas for Safe and Civilised Construction* *Construction Environment Governance Guidelines* *Detailed Rules for Civilised Construction Management* *Guidelines for Quality Management of Construction Projects* *Design Requirements and Standards for Residential Projects of District Companies* *Technical Guidelines for 1-Star Green Buildings* *Technical Guidelines for 2-Star Green Buildings* *Green Building Knowledge Manual* *Sustainable Building Policy*
Energy Conservation and Emissions Reduction	*Detailed Rules for Office District Administration* *Environmental Policy* *Energy Policy*
Pollutant Management	*Detailed Rules for Hazardous Materials* *Detailed Rules for Environmental Protection*
Circular Economy	*Circular Economy Promotion Policy*

3.1 Annual Progress and Highlights

Key Initiatives in 2025

10+N Healthy Living Technologies

On 7 November 2025, it debuted the **"10+N Healthy Living Technologies"** and launched the **"4×4 Good Product Concept"** and **"4+X Product Series"**, injecting the power of state-owned enterprises into the construction of "good house" in Guangzhou

Pollution-free Decoration

The rooms of Four Seasons Hotel Guangzhou undergo sustainable transformation, practicing the concept of **"renovation without closure"** and **"ready to move-in upon handover"**

Smart Construction Site

The Xi'an Yuexiu Railway Construction·Zunyue Project has launched **an intelligent construction system and introduced technologies** such as unmanned elevators and AI robots

Green Office Practices:

- The "Yue Work" platform has over **20,000** daily active users. During the year, more than **74,000** video conferences and over **7,230** live streaming sessions were held, cumulatively reducing carbon emissions by approximately **14,300** tonnes.
- The "Yue Business Travel" platform served **32,000** business travellers during the year, with green flight bookings accounting for **37.75%** of the total, achieving an overall carbon emission saving of approximately **11.9** tonnes.

Green Hotels:

Sheraton Guangzhou Nansha Hotel, Hangzhou Marriott Hotel Lin'an, Four Points by Sheraton Guangzhou Huadu, and Element Guangzhou Huadu have been rated as **"China Green Hotel (Level V)"**.

Key Performance Highlights in 2025

Key Pillars	Targets for 2030	Progress in 2025
Dual Carbon	By 2030, reduce the carbon emission intensity per unit area of public projects by 40% compared to 2019 By 2030, reduce the carbon emission intensity per unit area of residential projects by 19% compared to 2019	Public projects reduced by 33.7% as compared to 2019 Residential projects reduced by 9.4% as compared to 2019
Green Building	All new construction projects meet 100% green building standards	In 2025, the Company ensures that all new construction projects meet 100% green building standards **Commercial Projects:** The gross floor area of projects certified as green has reached 1.56 million square metres, accounting for 90.3% of the total gross floor area of operational commercial projects. **Residential Projects:** As of the end of the reporting period, a cumulative total of 243 projects had been completed or were under construction that meet green building standards, representing a total construction area of 41,560,000 square metres; During the reporting period, an additional 26 projects meeting green building standards were added, with a total construction area of 2,170,000 square metres.
Green Operations & Leasing	By 2030, the signing rate of green conventions for newly signed long-term tenants (leases term ≥12 months) for office buildings and apartment projects will reach more than 90% By 2030, the coverage rate of commercial projects in operation connected to the energy management platform will reach more than 90%	The signing rate of new long-term tenants (leases term ≥12 months) for office buildings reached 100% In 2025, the Company launched Wuhan Yuexiu International Financial Centre project; 79% of public areas in self-owned commercial properties are connected to energy management platform

3.2 Green Design and Construction

The construction industry accounts for more than one-third of global energy-related CO_2 emissions, and as population and wealth grow, demand for construction surges, and global floor space is expected to double by 2060, making carbon reduction imminent. Yuexiu Property emphasises the concept of "respecting nature, putting people first, ensuring health and comfort, and promoting intelligent, low-carbon development", and creates high-quality products through innovative design concepts, comprehensive life cycle perspectives, and advanced construction techniques. We integrate the concepts of resource allocation, pollution reduction, environmental comfort, and eco-friendliness into every aspect of design, construction, operation, and demolition, reducing energy consumption and carbon emissions while creating a healthier and safer living and working space for users.

3.2.1Green Building Concepts and Techniques

Carbon reduction targets

Under the guidance of the P-D-C-A (Plan-Do-Check-Act) cycle management model, Yuexiu Property has established a mechanism to systematically review its "dual carbon" targets every two to three years. In March 2025, the Company's updated "dual carbon" strategic targets were approved by the Sustainability Committee. The new targets explicitly require coverage of 100% of the Company's asset portfolio, and serve as a key consideration in full life-cycle investment decisions. In addition, the Company is actively advancing the development of Science Based Targets (SBTi), ensuring that the Company's low-carbon transition strategy is grounded in clear scientific rationale, measurable interim targets, and can systematically guide emissions reduction actions across all business operations.

Yuexiu Property's "dual carbon" strategic targets

By 2030, **reduce** the carbon emission intensity per unit area of public projects by **40%** compared to 2019

(area of public projects participating in carbon emission intensity calculation in 2019: approximately 1.51 million square metres, with a carbon emission intensity per unit area of about 64.12 $kgCO_2/m^2$)

By 2030, **reduce** the carbon emission intensity per unit area of residential projects by **19%** compared to 2019

(area of residential projects participating in carbon emission intensity calculation in 2019: approximately 4.79 million square metres, with a carbon emission intensity per unit area of about 7.67 $kgCO_2/m^2$)

Based on the launch of the "Personal Carbon Footprint" module in the ESG management system in 2024 and the data collection work in the Scope 3 "Business Travel" category, Yuexiu Property further deepened its data governance work this year. This marks that the Company has achieved all-round coverage of the disclosure scope of value chain carbon data, built a more complete carbon data map, and provided indispensable data support and management closed loop for achieving the long-term goal of net-zero emissions in the value chain.

Key Performance:

Carbon emission intensity per unit area (Scope 1 and Scope 2) during the reporting period

Public projects decreased by **33.7%** compared to 2019

Residential projects decreased by **9.4%** compared to 2019

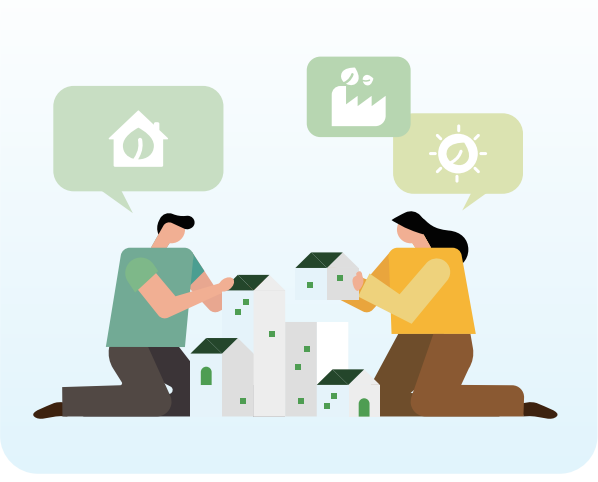
Scope 3:

Completed the estimation of six Scope 3 categories, with emissions totalling **1,042,709.70** tCO_2e

Building full life-cycle management

The National Housing and Urban-Rural Development Work Conference listed "orderly advancing the development of 'good house'" as one of its key tasks for 2026, aiming to reshape construction methods through green principles and embed high-quality standards throughout the entire process—from materials to operation and maintenance—thereby driving the construction industry towards a more sustainable and people-centred upgrade. Yuexiu Property strongly agrees that a "Good Houses" is not merely a product, but a long-term commitment by the Company to the environment, society and the health of its residents. We regard this as a core context for promoting green buildings and transformative change within the industry, and are proactively integrating a whole-lifecycle management approach into both strategy and execution.

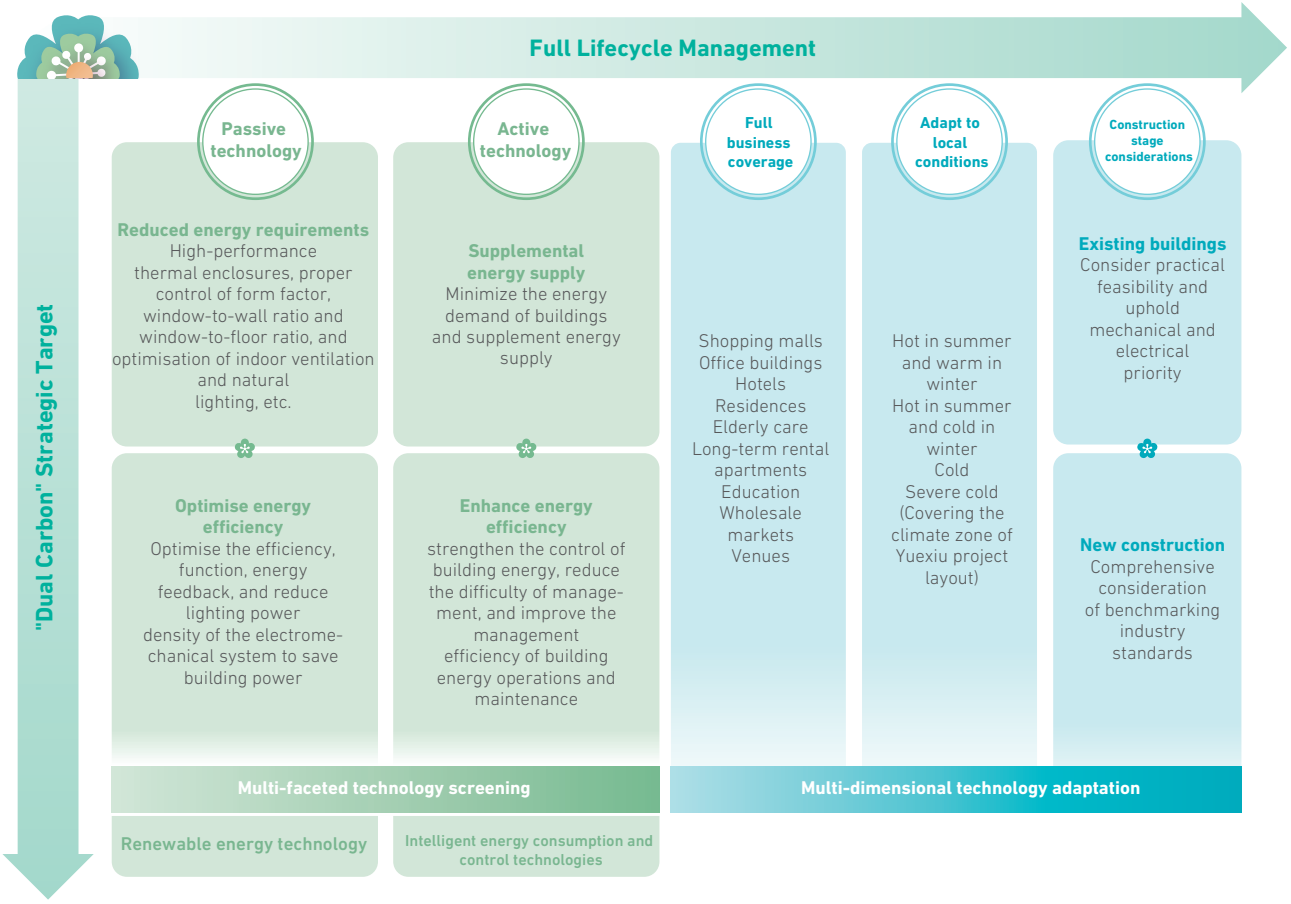
This philosophy aligns closely with the internationally recognised carbon management standard for infrastructure—PAS 2080 (Guidelines for the Full Life-cycle Carbon Management of Buildings and Infrastructure). The core of this standard lies in emphasising collaboration among all participants in the value chain and requiring systematic consideration of carbon emissions at every stage of a project. Guided by this principle, Yuexiu Property leverages a cross-departmental collaboration framework to systematically embed green and circular economy principles into every phase of development—from land acquisition to the end of a building's useful life. The table below outlines the key areas of departmental coordination at each critical stage, demonstrating how the Company integrates carbon management across the entire process, from decision-making through to execution.



Building life cycle stages	Development department	Construction department	Engineering department
Land acquisition	• Emphasise natural capital and biodiversity • Conduct environmental audits on all potential developable land	• Avoid unsustainable land use practices and traditional material sourcing	• Consider design material sources and recycling rates, and increase the use of renewable materials
Design	• Adopt energy-efficient design strategies • Extend the building life cycle during the design phase	• Prioritise the use of recyclable materials • Prioritise the use of renewable energy	• Strengthen decarbonisation strategies • Calculate/design/optimise locally reusable materials
Production	• Drive innovation in low-carbon materials and adhesives • Develop new low-carbon approaches	• Upgrade greening • Avoid using raw materials • Optimise circular manufacturing and composites to promote reuse	• Work with suppliers to specify recyclable materials • Research and development of biomass raw materials, building materials and modules
Construction	• Improve renovations and renovations of existing buildings and materials	• Track material usage • Prioritise the use of renewable energy • Call for boosting building energy efficiency	• Manage on-site waste, including domestic waste and construction waste, etc. • Improve on-site construction management
Use	• When selecting low-carbon materials, consider their energy consumption and payback periods	• Support owners and users of buildings in choosing low-carbon alternatives	• Strengthen supply chain management and prioritise low-carbon alternatives • Extend material lifespan and adopt low-carbon maintenance practices
End of use (EoU)	• Increase reuse and recycling to reduce construction and demolition waste	• Improve recycling and on-site sorting of materials • Standardise materials to improve recycling rates	• Recycle and optimise building materials and modules that can be recycled after disassembly

Carbon emission reduction strategy and action plan

Yuexiu Property is deeply conscious of the significant mission it bears in advancing the low-carbon transition within the construction sector. To that end, the Company has adopted the "dual-carbon" goals as its overarching strategic guide and embraced whole-life-cycle management as its core philosophy, systematically planning and driving forward carbon-reduction initiatives. By continuously refining the structure of its energy supply and striving to enhance energy efficiency, the Company has developed a comprehensive emission-reduction plan that spans investment, construction and operation – all aimed at delivering tangible progress in climate change mitigation and the green transformation of the industry.

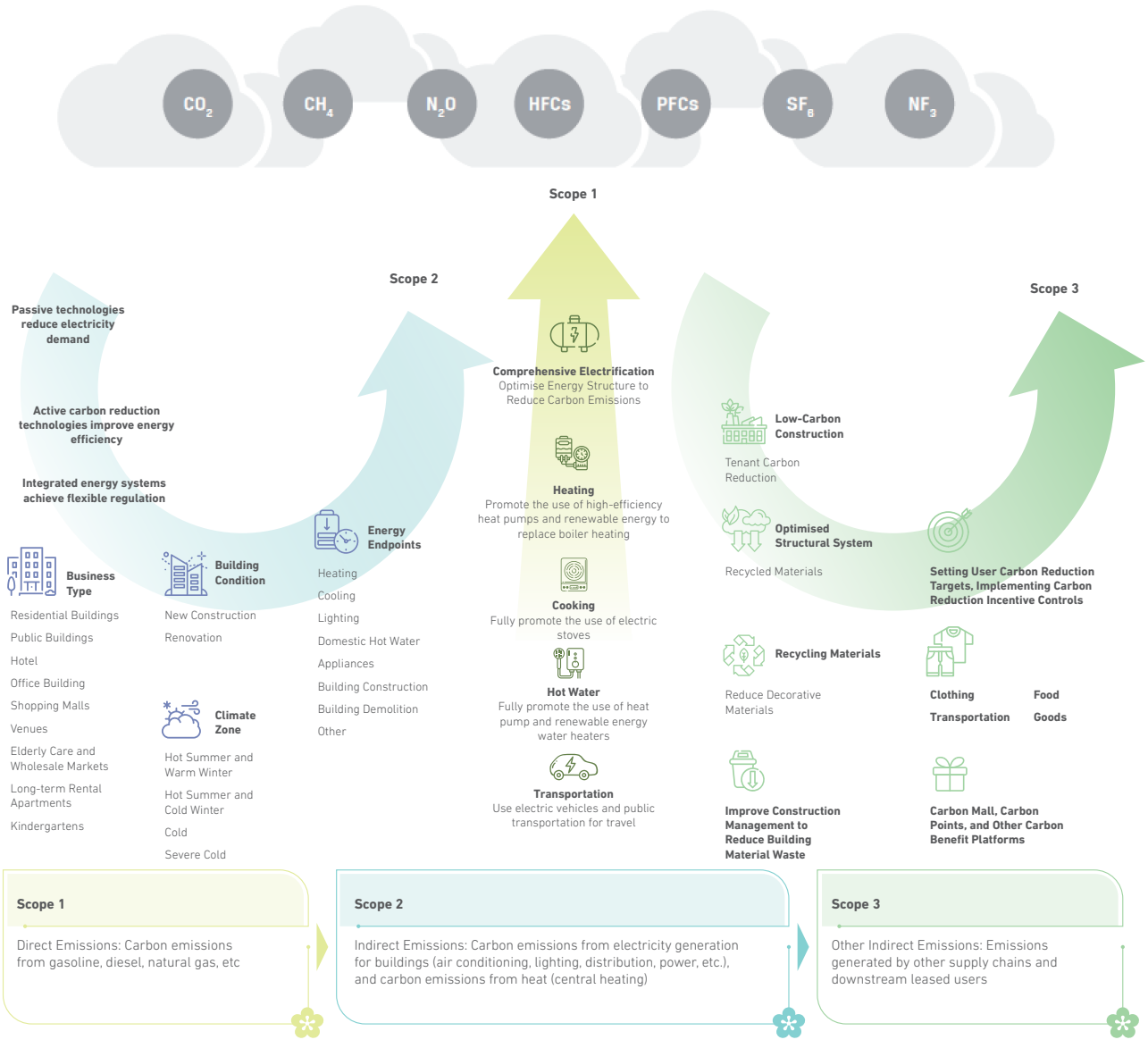


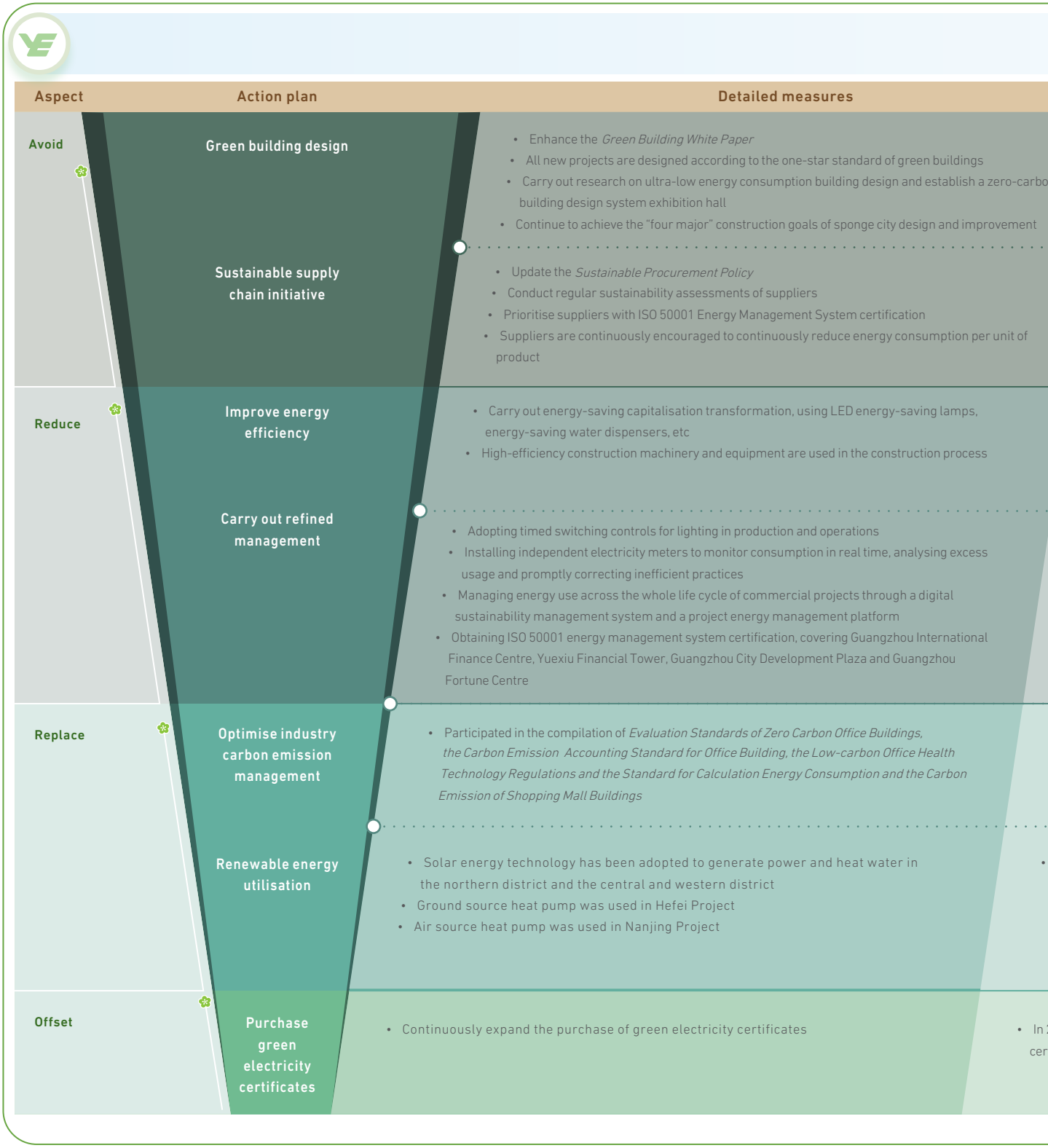
Yuexiu Property is committed to minimising the potential negative impact of its production and operations on climate change across all dimensions, all stages and the whole life cycle. To strictly adhere to the Carbon Mitigation Hierarchy, the Company has established a four-tier carbon reduction framework of "Avoid – Reduce – Replace – Offset". Within this structure, the Company promotes the routine implementation of various carbon reduction measures, while continuously reviewing and quantitatively assessing its carbon reduction performance. Through regular strategic reviews and effectiveness evaluations, the Company dynamically optimises and adjusts its decarbonisation pathways, iteratively sets more forward-looking reduction targets, and comprehensively enhances the level of refined carbon emission management.

To drive the effective implementation of the *Yuexiu Property Dual Carbon Action Plan*, the Company has leveraged the carbon inventories conducted in 2022 and 2024 as its core foundation, systematically examining the carbon emission characteristics and development trends across different business formats. This has enabled the precise formulation of targeted retrofit and upgrade initiatives, steadily advancing towards the ultimate goal of achieving net-zero emissions across the value chain by 2060.

The *Yuexiu Property Dual Carbon Action Plan* adopts a whole-life-cycle perspective on buildings, establishing a comprehensive dual-carbon development strategy with phased implementation pathways. The Plan prioritises the management of Scope 1 and Scope 2 carbon emissions, having already completed the development of dedicated reduction pathways and a quantitative target assessment system. At the same time, the formulation of Scope 3 carbon emission targets and the construction of assessment mechanisms have been steadily rolled out to achieve full-dimensional carbon emission control without dead ends. In terms of specific execution, for Scope 1 direct emissions, the Company is pursuing a comprehensive electrification transformation strategy to curtail total direct emissions at source. For Scope 2 indirect emissions, the Company has tailored short-, medium- and long-term phased carbon reduction blueprints, taking into account the distinct characteristics of different business formats, variations in climate zones, and the specific stages of project development. This approach differentiates the standards for energy efficiency improvements between existing and new projects, ensuring that all carbon reduction measures are implemented on a sound scientific basis and yield measurable results.

Carbon Reduction Action Plan for Full Lifecycle of Buildings




Aspect
Action plan
Detailed measures
Avoid
Green building design
• Enhance the *Green Building White Paper*
• All new projects are designed according to the one-star standard of green buildings
• Carry out research on ultra-low energy consumption building design and establish a zero-carbo building design system exhibition hall
• Continue to achieve the "four major" construction goals of sponge city design and improvement
Sustainable supply chain initiative
• Update the *Sustainable Procurement Policy*
• Conduct regular sustainability assessments of suppliers
• Prioritise suppliers with ISO 50001 Energy Management System certification
• Suppliers are continuously encouraged to continuously reduce energy consumption per unit of product
Reduce
Improve energy efficiency
• Carry out energy-saving capitalisation transformation, using LED energy-saving lamps, energy-saving water dispensers, etc
• High-efficiency construction machinery and equipment are used in the construction process
Carry out refined management
• Adopting timed switching controls for lighting in production and operations
• Installing independent electricity meters to monitor consumption in real time, analysing excess usage and promptly correcting inefficient practices
• Managing energy use across the whole life cycle of commercial projects through a digital sustainability management system and a project energy management platform
• Obtaining ISO 50001 energy management system certification, covering Guangzhou International Finance Centre, Yuexiu Financial Tower, Guangzhou City Development Plaza and Guangzhou Fortune Centre
Replace
Optimise industry carbon emission management
• Participated in the compilation of *Evaluation Standards of Zero Carbon Office Buildings, the Carbon Emission Accounting Standard for Office Building, the Low-carbon Office Health Technology Regulations and the Standard for Calculation Energy Consumption and the Carbon Emission of Shopping Mall Buildings*
Renewable energy utilisation
• Solar energy technology has been adopted to generate power and heat water in the northern district and the central and western district
• Ground source heat pump was used in Hefei Project
• Air source heat pump was used in Nanjing Project
Offset
Purchase green electricity certificates
• Continuously expand the purchase of green electricity certificates

Performance review	Future objectives
• Increase 26 projects that meet green building standards, with a total of 2,170,000 square meters of of gross floor area	• Formulate the implementation path and nodal targets of the sustainability strategy from the three dimensions of investment, development and operation and maintenance • With Nansha Hong Kong People's Community as a pilot, we aim to obtain Singapore's Green Mark certification • Implement Building WELL Certification
• Suppliers have been encouraged to cooperate in projects in accordance with the *Sustainable Procurement Policy*	• Coordinate design, material selection, equipment procurement, and construction management to facilitate the implementation of technical system standards in product development
• Installing elevator energy feedback devices, reducing elevator electricity consumption by approximately 9% annually • Renovating terminal units in the air-conditioning system, achieving a 6% reduction in equipment energy consumption • Achieving over 80% coverage of water-saving taps	• Continue to carry out equipment transformation to improve existing energy consumption, and continue to track improvements
	• Sort out the decoration standards of each brand under each product line, emphasising sustainability and safety
• The *Technical Regulations for Low-carbon Office Health* has been issued in 2024	• Continuously and actively participate in the development of building carbon emission standards to promote the industry's low-carbon development
In 2025, the Company focused on promoting the construction of rooftop photovoltaic projects. Haiyuehui and Yueluju projects have been basically completed or are in the final stages, with an estimated total annual power generation of about 960,000 kWh.	• Try to apply photovoltaics to commercial projects
2025, the Group purchased a total of 12,000,000 kWh of green power tificates	• Purchased more than 1,000,000 kWh of green electricity certificates

Sustainable building design and practice

Yuexiu Property has consistently placed green buildings at the strategic core of its operations, steadfastly fulfilling its corporate environmental responsibilities. As an enterprise with a strong sense of social purpose and long-term vision, the Company deeply recognises the critical value of green buildings in ecological protection, resource efficiency and sustainable development. The Company makes a solemn commitment: all new projects are 100% compliant with national green building standards of one star or higher (including national green building standards of two stars and three stars, U.S. LEED certification, BOMA certification, WELL certification, etc.).

Yuexiu Property has always embedded sustainability at the very beginning of the building life cycle, integrating green and environmentally conscious elements at the project design stage to create living and office spaces that are both ecologically sound and comfortable to inhabit. To provide scientific guidance for project design and the realisation of sustainable buildings, the Company has consolidated a range of authoritative domestic and international standards to formulate the *Yuexiu Sales Residential Sustainable Standards System*.

	Domestic standards reference	International benchmark
Yuexiu Sales Residential Sustainable Standards System	*Green Building Evaluation Standard* (GBT 50578-2019) *Healthy Building Evaluation Standard* (TASC 02-2021) *Near Zero Energy Building Technical Standard* (GBT 51350-2019) *Zero Carbon Building Technical Standard* *Smart Building Evaluation Standard*	*U.S. Green Building Standard LEED V4.1 Residential BD+C Multifamily Homes (LEED New Multifamily Residential Standard)* *International Healthy Building Standard WELL for Residential (WELL Building Standard)*

This standards system establishes a multi-dimensional framework: it aligns closely with the national dual-carbon strategic goals while responding to market demands; it meets government requirements for enhancing the green and low-carbon performance of buildings, whilst proactively benchmarking against customer preferences and industry development trends. Ultimately, it establishes a scientifically robust and comprehensive sustainable housing framework that, tailored to different project types and regional characteristics, precisely defines four tiers of configuration standards – mandatory, recommended, preferred, and optional – ensuring that the principles of sustainable building are fully embedded and systematically implemented from the very outset of the design process.

Four categories of configuration items: mandatory, recommended, preferred, and optional

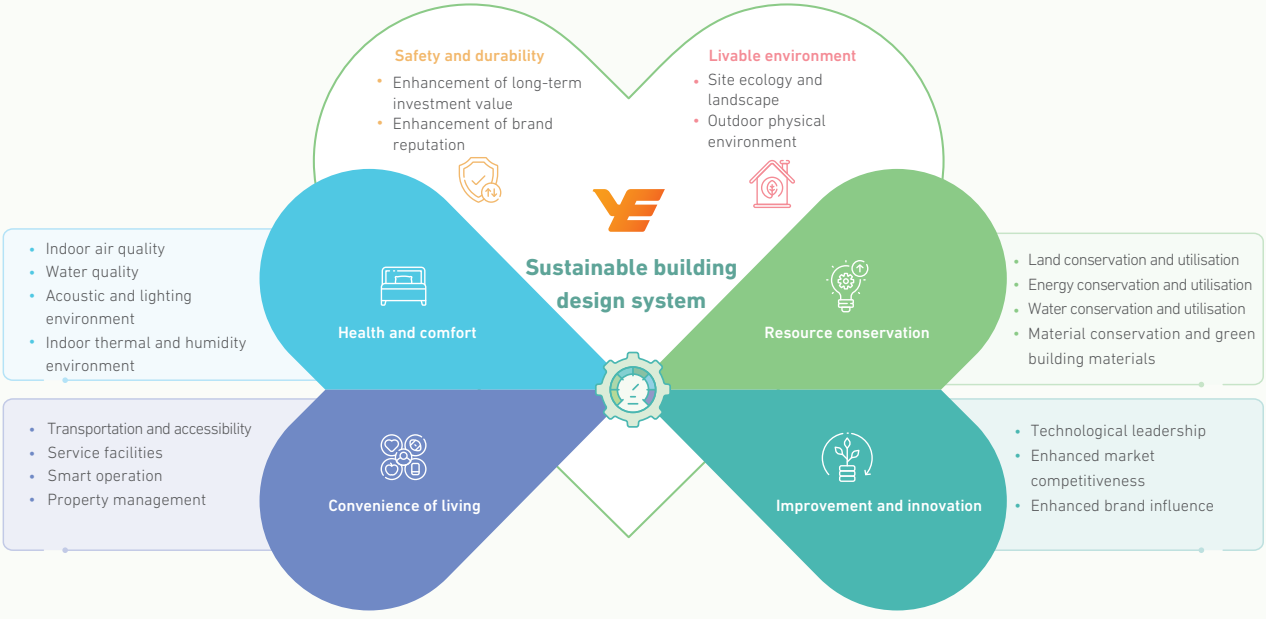
Mandatory: Applicable to all projects
- Indicators that must be met, have already been met, or are easy to meet
- Indicators required by national and industry standards, as well as local policies and regulations
- Indicators required by Yuexiu Property's own design standards
- Indicators typically met by Yuexiu Property's projects

Recommended: Applicable to mid-to-high-end projects
- Indicators to enhance the project's sustainability performance
- Indicators that are interrelated and have higher requirements in various sustainability standard systems
- Indicators commonly used in mid-to-high-end projects to improve sustainability performance
- Indicators that enhance customer satisfaction and quality

Preferred: Applicable to benchmark projects
- Innovative, leading, and significantly performance-enhancing indicators
- Innovative and leading technological indicators with a demonstrative effect in the industry
- High-performance indicators required to achieve the highest level of building evaluation certification
- New technological indicators that Yuexiu Property is focusing on researching and exploring

Optional: Applicable to certification projects
- Indicators that must be added to meet various certification requirements

In accordance with Yuexiu Property's sustainable building design system, we ensure that all buildings have the following outstanding performance:



The green building performance of Yuexiu Property's commercial projects in 2025

In 2025, the Company ensured that **100%** of all new projects meet green building standards.

Commercial Projects:

- The gross floor area of projects certified as green has reached **1.56** million square metres, accounting for **90.3%** of the total gross floor area of operational commercial projects.

Commercial projects under the Company have collectively achieved 18 WELL Health and Safety Standard certifications. Among them, three landmark projects – Guangzhou International Finance Centre (Guangzhou IFC), Yuexiu Financial Tower and Guangzhou International Commercial Centre (Guangzhou ICC) – excelled by achieving the highest Platinum-level WELL certification with outstanding scores, establishing themselves as "Chinese Benchmarks" for healthy building standards in the commercial office sector.

Guangzhou International Financial Centre, platinum

Yuexiu Financial Tower, platinum

Guangzhou International Commercial Centre, platinum

Hotel Projects:

Sheraton Nansha Hotel, Hangzhou Marriott Hotel Linan, Four Points by Sheraton Yunzhu (雲珠福朋喜來登酒店) and Element Yunzhu Hotel (雲珠源宿酒店) of Yuexiu Property were awarded "China Green Hotel (Level V)".

In 2024, Yuexiu Commercial adopted the "WELL Health-Safety Rating" (WELL HSR) to evaluate its commercial projects, and the evaluation of WELL HSR certification covers five dimensions: hygiene and cleaning, emergency preparedness, health services, air and water quality management, and stakeholder communication and engagement. Ultimately, 15 projects under the Company were awarded WELL HSR certification in 2025.

Guangzhou IFC Mall

Guangzhou ICC (mall)

Guangzhou Yue City (mall)

Guangzhou Victory Plaza (mall)

Guangzhou Fortune Plaza

Guangzhou City Development Plaza

Yuexiu International Finance Centre (Nangsha IFC)

Wuhan Yuexiu Fortune Centre

Wuhan Starry Victoria

Wuhan Yuexiu International Finance Centre

Wuhan IFC Mall

Foshan Yue Plaza

Foshan Starry Centre

Hangzhou Victory Centre

Shanghai Yuexiu Tower

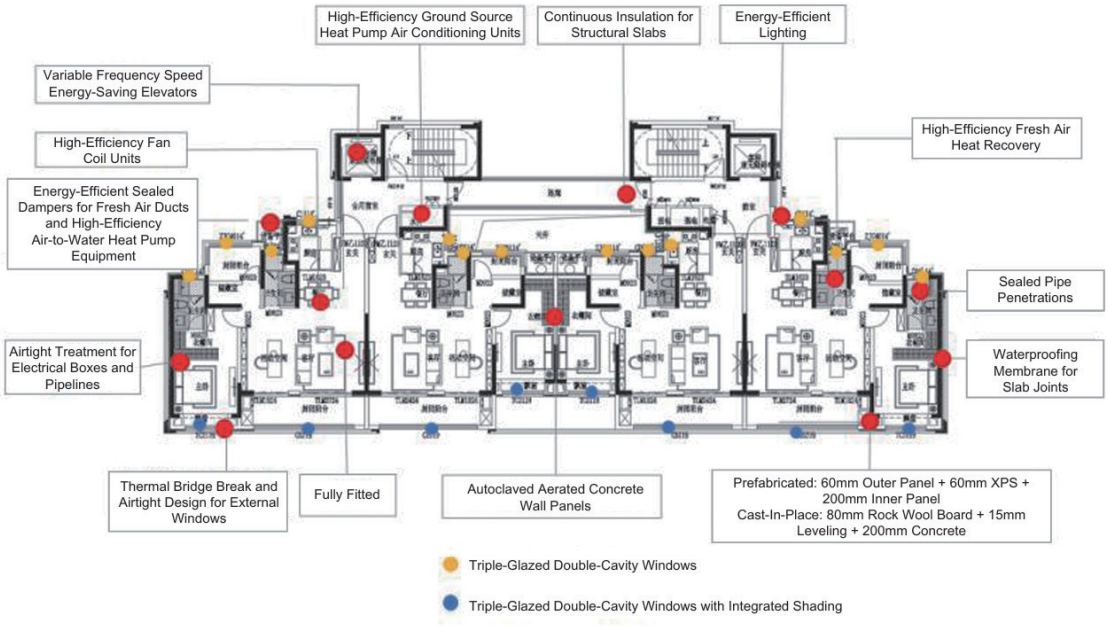
The green building performance of Yuexiu Property's residential projects in 2025

Residential Projects:

- As of the end of the reporting period, a cumulative total of **243** projects had been completed or were under construction that meet green building standards, representing a total construction area of **41,560,000** square metres;
- During the reporting period, an additional **26** projects meeting green building standards were added, with a total construction area of **2,170,000** square metres.

Ultra-low energy building

Ultra-low energy buildings represent an innovative architectural design philosophy, centred on achieving the greatest possible reduction in energy consumption during the operational phase through systematic, finely tuned design strategies and the integration of cutting-edge technologies – all while maintaining indoor comfort levels. Such buildings place strong emphasis on deep alignment with local climatic characteristics and site conditions. On the one hand, they rely on passive design approaches to significantly reduce dependence on heating, cooling and lighting systems. On the other hand, through active technical measures, they upgrade the efficiency of energy equipment and systems, allowing energy supply and consumption to be dynamically adjusted according to actual usage needs, thereby achieving optimal energy utilisation efficiency.

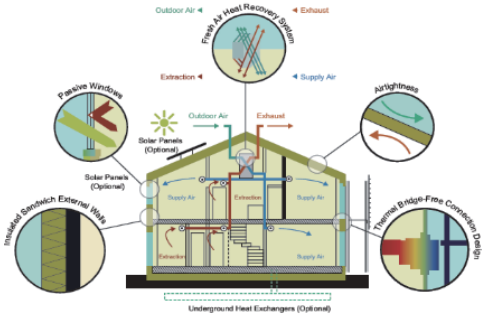


In terms of passive energy saving, compared with other energy-efficient buildings on the same site, ultra-low energy buildings achieve a leap in performance through a range of refined design measures. The thickness of the external wall insulation layer is doubled, greatly enhancing thermal insulation – effectively preventing heat loss in winter and heat ingress in summer, thereby reducing heating and cooling demands at source. Exterior windows are of triple-glazed, double-cavity construction, achieving an air permeability rating of Grade 8, delivering exceptional thermal and acoustic insulation – creating a quiet living environment for occupants while significantly cutting energy loss. South-facing windows are fitted with a mid-blind shading system, which is both aesthetically pleasing and practical, allowing flexible adjustment of shading – effectively blocking direct solar radiation in summer while ensuring comfortable indoor daylight in winter. At the same time, a comprehensive thermal-bridge-free design and meticulous airtightness detailing are implemented, eliminating rapid heat transfer and further reducing energy waste.

In terms of active energy saving, ultra-low energy buildings incorporate a multi-dimensional high-efficiency energy system and a green construction framework. On the energy supply side, a ground-source heat pump air-conditioning system is adopted, drawing on the stable underground temperature. In winter, it transfers geothermal energy into the building via heat exchange technology for heating; in summer, it transfers heat from the building interior to underground for cooling, achieving efficient energy recycling. This is complemented by a ventilation system with high-efficiency air purification and total heat recovery, achieving a heat recovery rate of no less than 70% – introducing fresh air while maximising heat capture from exhaust air, significantly reducing additional energy demand for heating and cooling systems. During the construction phase, advanced techniques such as prefabricated construction and fully finished design and construction are integrated – not only improving construction efficiency, reducing on-site pollution, and ensuring that ultra-low energy targets are met, but also achieving the coordinated realisation of health attributes, green standards and comprehensive high-quality control.

The efficient use of renewable energy is a central lever in achieving low-carbon operation for ultra-low energy buildings. Beyond establishing the dual technical systems of passive and active energy efficiency, such projects further integrate clean energy sources – including geothermal and solar power – replacing traditional fossil fuels with green energy, cutting greenhouse gas emissions at source, and providing solid support for the goal of carbon neutrality.

Yuexiu Property's ultra-low energy building projects are built in accordance with the following building routes and design principles, and the comprehensive energy consumption level of buildings is reduced by more than 50% compared with the benchmark value of the *Design Standard for Energy Efficiency of Residential Buildings in Hot Summer and Cold Winter Zone* (JGJ134-2016), fully demonstrating the remarkable results of the integrated application of green building technology.



Ultra-low Energy Consumption Project Building Path

A

Ultra-low energy building environment analysis

- Choose a site with excellent natural lighting and ventilation
- Optimise the window-to-wall ratio, floor plan layout, and ventilation paths

B

Accurately predict the building load and related energy consumption

- The building envelope and fresh air heat recovery efficiency influence the building load
- The performance of heating systems, power systems, and lighting equipment impacts building energy consumption

C

Passive design reduces the load

- Improve the insulation and thermal performance of the building envelope (e.g., by adding thicker insulation layers)
- Enhance the building's airtightness (e.g., by improving the construction of exterior doors and windows and refining construction techniques)

D

High-performance building energy and HVAC (Heating, Ventilation, and Air Conditioning) systems

- Enhance the efficiency of equipment systems (e.g., high-efficiency HVAC systems and heat recovery)

E

Buildings with renewable energy

- Primarily used for heating, cooling, and domestic hot water to lower energy consumption

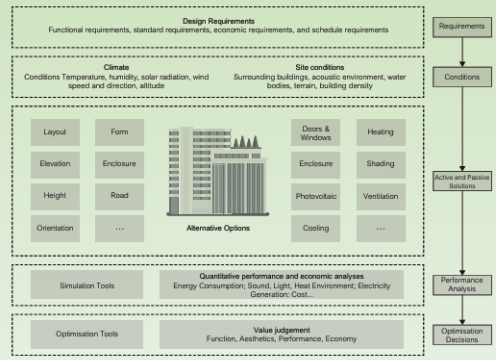
Ultra-low energy consumption project design guidelines

Climate adaptability principle

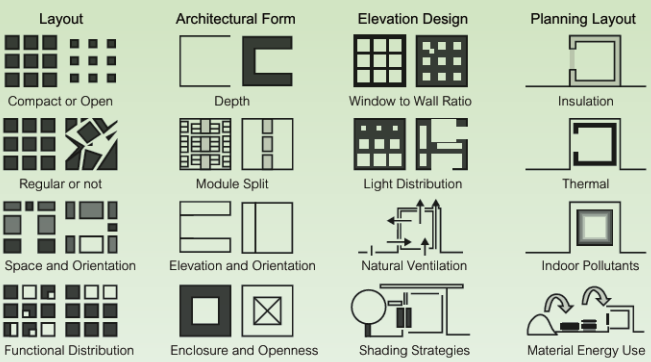
The climate adaptability principle takes into account the demands of function, standards, economy and construction schedule, while considering local meteorological and geographical features, site conditions and other relevant factors. It makes full use of natural means to minimise the building' s heating, cooling, ventilation and daylighting loads, adapting to the local climate and environment to create a building form that stays warm in winter and cool in summer, with abundant natural light and good ventilation.

Performance-oriented design principle

The performance-oriented design principle runs through the entire process of ultra-low energy building design. Its core is to conduct quantitative design analysis and optimisation guided by performance targets, with relevant performance parameters determined on the basis of precise calculations rather than by directly applying standard codes. The project simultaneously embraces climate-responsive design, grounded in the local macro-climate and site micro-climate conditions, strengthening the building' s inherent performance through natural ventilation, daylighting, form shading, thermal insulation and other measures. By optimising spatial layout and incorporating landscape greening, the design enhances ventilation and mitigates the heat island effect in summer, while increasing solar gain and shielding against cold winds in winter. At the same time, a north-south primary orientation is adopted, so that the main entrance avoids the prevailing winter wind direction.



Climate-responsive design process



Key elements of climate-responsive design

Technical measures for ultra-low energy buildings

High-efficiency exterior wall insulation system

- Through its unique construction and material selection, the high-efficiency exterior wall insulation system reduces the average heat transfer coefficient of the external wall by approximately 50% compared with the requirements of local residential building energy efficiency design standards. For a 100-square-metre home, adopting this system is expected to save over 60% of energy annually compared with a conventional building.

High-efficiency energy-saving exterior window system

- Integrating functions such as thermal insulation, ventilation and daylighting, water tightness, air tightness, wind pressure resistance, sound insulation, security, shading and weather resistance, the high-efficiency energy-saving exterior window system achieves a heat transfer coefficient as low as 1.5 W/(m^2·K). This enhances the energy performance of doors and windows, reduces energy exchange between indoors and outdoors, and thereby lowers building energy consumption.

Natural lighting

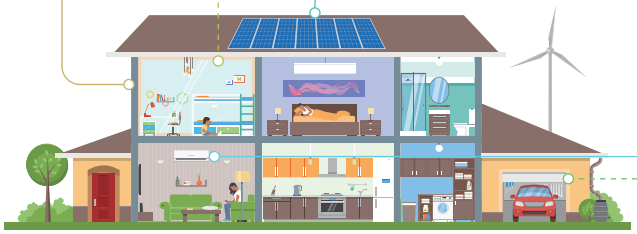
- Natural daylighting can also improve indoor air quality, alleviate the dark, damp conditions and unpleasant odours in underground car parks, protect vehicles from moisture damage and rust, and extend their service life. The Company adopts natural light capture devices together with light-guiding fibres and light pipes that efficiently transmit light, "transporting" outdoor natural light to underground functional areas. The light wavelength is filtered to include only a specific part of the spectrum, with no ultraviolet or infrared rays, no colour shift and no flicker – achieving lighting without electricity, thereby reducing harm to human health and saving electrical energy.

Renewable energy

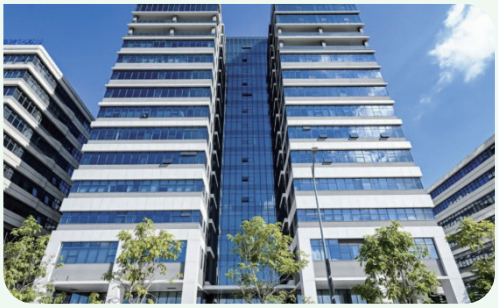
- The Company's building-integrated photovoltaic projects directly integrate PV modules into the building, meeting the building's energy needs while fulfilling multiple functions such as design, daylighting, thermal insulation and sound insulation – achieving a perfect combination of energy generation and building functionality. Under the same installed capacity, CIGS (copper-indium-gallium-selenide) thin-film solar modules generate 10~15% more electricity than crystalline silicon modules. They possess the strength of building materials and can replace traditional glass curtain walls. They also offer thermal insulation, heat retention and sound insulation, making them widely applicable in ecological and green building structures.

Efficient machine room

- The Company employs advanced technical means and intelligent control systems to achieve precise management and optimisation of the internal building environment. Active technologies automatically adjust the operation mode of the air-conditioning system in response to changes in indoor and outdoor conditions, ensuring that indoor temperature, humidity and air quality remain optimal at all times. Meanwhile, an intelligent equipment management platform monitors and controls the operating status of various electrical devices in real time, using data analysis and forecasting to optimise energy consumption and reduce unnecessary energy waste.



Case

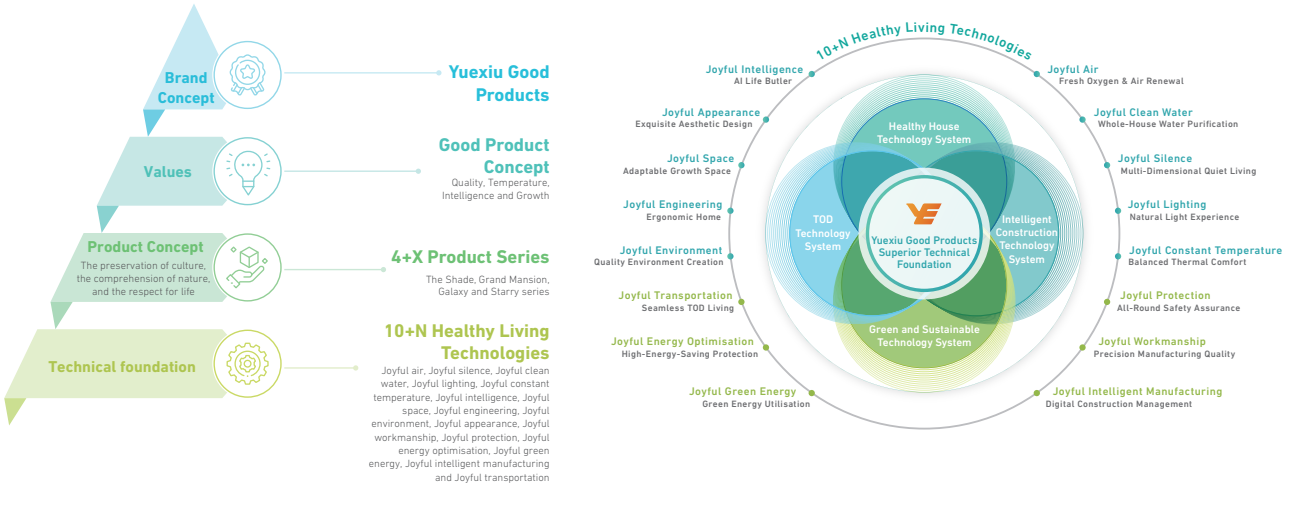


Successful delivery of Yuexiu iPARK industrial park ultra-low energy building D6#

In November 2025, Building D6# of Phase II of the Nansha Intelligent Manufacturing Production Base at Yuexiu iPARK Industrial Park was delivered. With ultra-low energy building technology as its core anchor, this building implements a low-carbon management philosophy across the entire building life cycle, achieving multiple milestone breakthroughs in the realisation of zero-carbon buildings, the development of a low-carbon industrial park system, and the creation of an industry benchmark. During the design phase of the project, Yuexiu iPARK Guangdong-Hong Kong Intelligence Valley simultaneously applied ultra-low energy and green low-carbon concepts throughout the entire process of planning, construction and operation of Building D6#. By fully equipping the building with an intelligent lighting control system, a high-efficiency multi-split air-conditioning system, and a water recycling system, and by promoting the use of environmentally friendly, renewable and recyclable building materials across all scenarios, a full-chain low-carbon industrial park ecosystem has been established. At the same time, guided by the concept of a "garden-style industrial park", the design incorporates ecological spaces such as a central ecological green axis and rooftop gardens, and employs double-silver Low-E energy-saving glass curtain walls. The result is a structure that balances building energy efficiency with user comfort, creating an ultra-low energy industrial space that is holistic in its approach. Owing to its comprehensive green low-carbon system and sustainable development practices, Building D6# was successfully shortlisted at the end of 2025 as a typical case for "Future Park" in Guangdong Province's future urban construction, receiving high-level provincial recognition. This provides replicable and scalable practical experience for achieving dual-carbon goals in the building sector and for promoting high-quality industrial development in the Guangdong-Hong Kong-Macao Greater Bay Area.

10+N Healthy Living Technologies

In 2022, the Company launched the "YES My Life" YES Healthy Living System, with its core component – the "YESense"– reshaping the logic of residential products around health as a central theme, demonstrating the Company's strategic direction in pursuing green development. In August 2024, the Company introduced a next-generation "Healthy House Technology System", oriented around the health needs of customers, creating a living space that integrates health and comfort, green technology and intelligent safety – leading industry trends while resolutely advancing towards a "net-zero" goal. During the "Fourth Guangdong Province Architectural Culture Promotion Week and Guangzhou Intelligent Construction & Good Houses Innovation Achievements Promotion Month", the Municipal Housing and Urban-Rural Development Bureau issued relevant work guidelines, defining standards for "good houses" across four dimensions. The Company was invited to exhibit, and on 7 November 2025, at the Good Houses Series Forum, shared its product system, unveiling for the first time the "10+N Healthy Living Technologies", and prominently launched the "4×4 Good Product Concept" and the "4+X Product Series"– injecting state-owned enterprise strength into the development of "good houses" in Guangzhou.



The ten core technologies encompass environmental features such as acoustic optimisation, air quality management, water purification and light adaptation – closely aligned with the climatic characteristics of southern China and urban living scenarios. They also include fundamental building quality technologies addressing leakage, cracking and hollowing, specifically targeting common issues in residential buildings under Guangzhou's humid weather conditions. The flexible "+N" element represents the Company's capacity for continuous iteration in response to urban development and the needs of its citizens, dynamically addressing the evolving demands for healthy living in Guangzhou. This system is a precise response to the "good houses" standard system of Guangzhou, with 80% of its indicators exceeding current national standards. It encompasses over 100 key indicator measures and more than 200 quantified details and configuration requirements, deeply resolving the pain points of Guangzhou's residential living and accurately covering all living scenarios. The system has already been implemented across the "4+X Product Series", which include the Shade, Grand Mansion, Galaxy and Starry series.

Joyful air

It adopts a low-energy two-way flow fresh air system, and the core components are an environmentally friendly and durable polymer membrane exchange core and a high-efficiency H12-level antibacterial and antiviral filter to ensure the indoor fresh oxygen filling.

Guangzhou Yuexiu · Pazhou Shade strictly selects environmentally friendly building materials during decoration to effectively control the concentration of organic volatiles; the special air conditioner is equipped with professional mildew prevention, wide air supply coverage, fresh air system forced air supply and exhaust, and efficient air filtration to create a clean and comfortable air environment for customers.

Joyful silence

From the aluminium alloy profile silent strip of the cast aluminium entrance door, to the floor slab with a weighting standardised sound pressure level of no more than 65dB, to the multi-layer laminated insulating glass exterior window, combined with the ultra-quiet home central air conditioning, to create an all-round quiet living space.

Guangzhou Yuexiu · Canton Mansion, situated close to major traffic arteries and bustling commercial districts, tackles outdoor noise at its primary gateway – the windows. By applying the Grand Mansion series narrow-frame system windows from the ultra-quiet comfortable residential range, the hustle and bustle of the street is kept firmly at bay.

Joyful clean water

The whole house is equipped with pre-filtration and terminal water purification as standard, which efficiently removes heavy metals and provides healthy direct drinking water; the all-in-one clean drinking machine has also created a new scene of convenient brewing of drinking water.

In order to make the small matter of drinking water more reassuring, Guangzhou "Pazhounan" TOD is equipped with a smart pump room, a whole-house triple water purification system, and a 316L stainless steel pipe around the centralised water supply link, pipes and water purification system to ensure water quality safety.

Joyful lighting

Through the high window-to-ground ratio design, sufficient natural light is introduced, and intelligent scene adjustment is used to realise a variety of rhythmic lighting modes such as meeting guests, watching movies, and reading, caring for the eyes and creating an atmosphere.

In Shanghai, Yuexiu · Bund Shade makes use of curved corner windows and large expanses of floor-to-ceiling glazing to increase the window-to-wall ratio, drawing more sunlight into the interior. A skylight set through two floor levels channels natural light down to the underground swimming pool, where shafts of light dance across the water.

Joyful constant temperature

An ultra-thin domestic central air conditioner, integrated with an intelligent control system, features self-cleaning technology and precise temperature regulation. Paired with an electric window opener that senses rain and snow, it achieves a harmonious balance between energy saving and comfort.

The south-facing system windows installed in Hefei Yuexiu ·Naturalistic Mansion not only excel in sound insulation but also offer outstanding thermal and waterproof performance, effectively reducing temperature fluctuations and maintaining a pleasantly comfortable indoor environment.

Joyful space

The space offers remarkable adaptability and storage capacity. An 800-mm-deep entrance cupboard easily accommodates suitcases and a pushchair; pull-out designs throughout the home keep everything visible; and an electrically operated drop-down rail brings high storage within easy reach. A 900-mm folding bed, pocket-style room doors, and a swivel and pull-out dining table allow the seamless transformation of study, bedroom and dining functions.

For the high-end residential project Guangzhou The APEX, flexible customisation provides clients with multiple spatial reconfiguration options. Different room functions can be achieved through bespoke modules, and personalised schemes are available to add dedicated storage.

Joyful intelligence

At the heart of the system lies the smart control panel, which integrates AI large language models and digital twin technology to connect the entire home's intelligence. From a two-in-one smart robot and a wave-to-rise extractor hood to a Red Dot Award-winning automatic lift-and-rotate knob panel, the experience is seamless, convenient and richly ceremonial.

At Guangzhou "Pazhounan" TOD, the effortless life that technology brings begins the moment you come home. Smart pedestrian and vehicle access systems within the community make smooth, touchless entry and convenient parking an everyday reality. Inside the home, an intelligent home system – featuring AI facial recognition, smart locks and a smart control panel – turns the house into an attentive "housekeeper".

Joyful engineering

The whole house implements ergonomic design. The pull-out slipper cavity realises that changing shoes does not require bending over; age-friendly bathroom cabinets and toilet handrails care for the elderly; and the kitchen folding arm faucet and pull-out sink make cleaning twice as effective with half the effort.

From the entrance with plenty of space, to the sideboard that flexibly accommodates home appliances, to the kitchen with a carefully reserved 150mm exclusive plating area, and the bathroom that incorporates design details such as waterproof counters, heaters, and side open grids, Guangzhou Yuexiu · University Town · Grow-up City understands the actions and needs of customers, making life more "calm and easy".

Joyful appearance

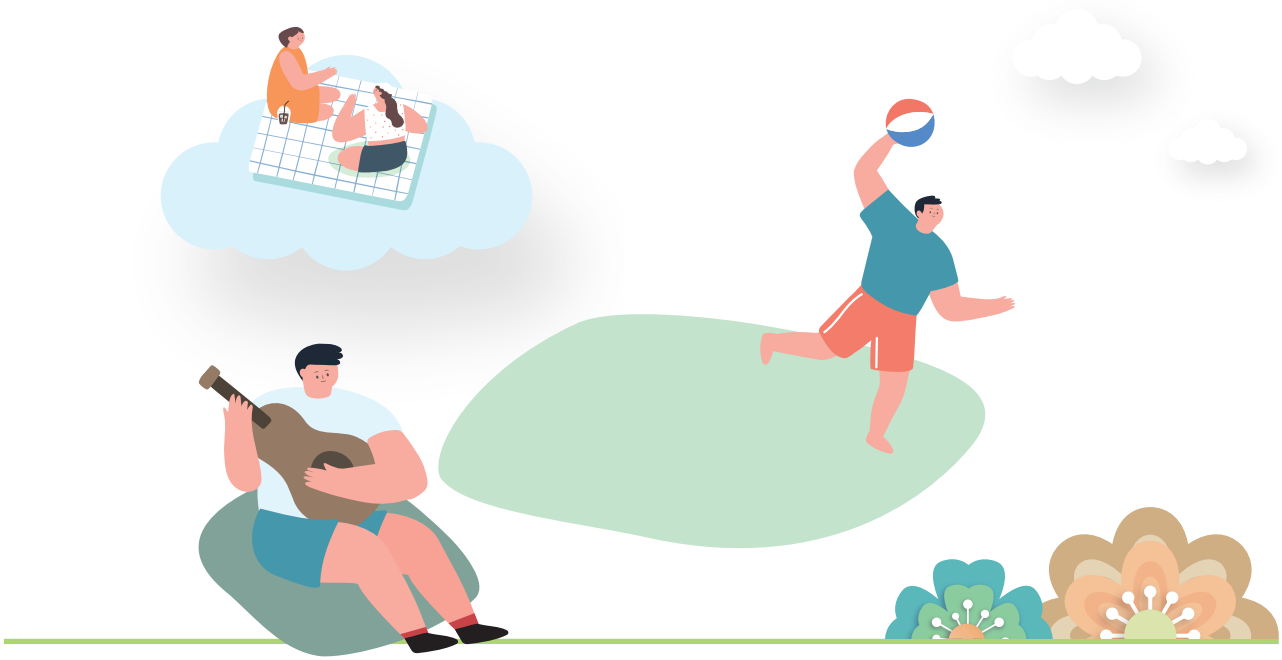
Aesthetics are woven into every detail. Custom-made artistic door numbers, ultra-narrow framed art glass doors, electric sliding doors carved with wood veneer patterns, and the use of local cultural elements – such as Lingnan lacquer painting and copper chisel paper-cut art – together shape a space that is both culturally rich and exquisitely modern.

Look up, the façade features specially developed imitating Ru-ware sky-blue ceramic panels, evoking the poetic line "the moment after rain when the sky breaks to a clear blue". Look down, the basement driveway uses an exclusively developed inorganic terrazzo material named "Gilded Years", enhancing both texture and performance. With meticulous craftsmanship, Beijing Fragrant Shade integrates Song dynasty aesthetics into its spatial design, revealing an understated oriental elegance touched with luxury.

Joyful environment

Through the scientific configuration of healing vegetation and the creation of a science popularisation park, and the construction of fitness activity venues for all ages and multi-functional spaces on the elevated floor, a comfortable and liveable community environment is created.

The high-quality lakefront living at Guangzhou Yuexiu · Naturalistic Mansion offers the joy of children laughing as they get close to nature and gain knowledge in the healing garden downstairs. It also provides the ease and comfort of strolling along the lake that has been restored to clarity after ecological management, while gazing into the distance at people boating, camping, and running.

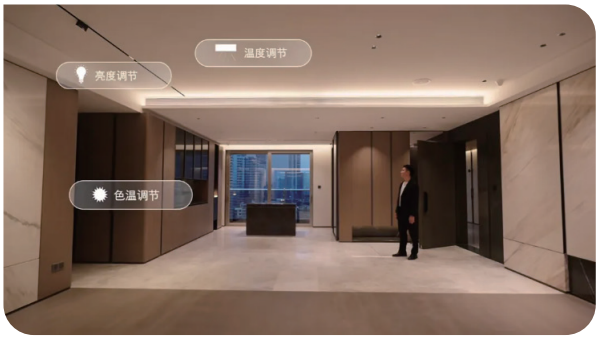


Joyful intelligence | making your home into a mode that "understands you"

Traditional residences face pain points such as cumbersome entry procedures, hidden home safety risks, and inconvenient visitor registration – all of which constrain the improvement of the living experience. The Company has incorporated "joyful intelligence" as a core module within the "10+N Healthy Living Technologies". Taking "Pazhounan" TOD as a benchmark, the Company delivers convenient and safe smart living solutions across two dimensions: smart community and smart home.

At the smart community level, touchless access and efficient security are achieved. Owners pass through community entrances and building doors via AI facial recognition, which also triggers elevator calls; number-plate recognition in the car park improves parking efficiency. Visitors use online reservations and a one-code access system, streamlining the process while strengthening security boundaries. The community is equipped with a 10-million-level smart pump room, where seven systems monitor water quality and issue fault alerts 24 hours a day, complemented by inorganic membrane treatment technology to ensure drinking water safety. Intelligent eco-cabins automatically sense and open/close doors, deodorise, and send overflow alarms, solving odour problems at waste stations. Cleaning, meal-delivery and security robots provide round-the-clock service, enhancing the community environment.

At the smart home level, the Company deploys Huawei HarmonyOS whole-home intelligence. The smart lock at the entrance supports facial recognition and multiple unlocking methods, linked to a home-coming lighting scene that adjusts automatically according to the time of day. A 32-inch smart magic mirror in the entrance integrates lift calling, intercom, appliance control and other functions, supports DIY personalised scenes, and reserves network ports for future device expansion. For home safety, a bedside emergency button enables one-touch calling for help; AI sensors turn lights on when people approach and off when they leave; and the kitchen is equipped with gas alarms, loitering detection and other devices, eliminating safety hazards in all aspects.



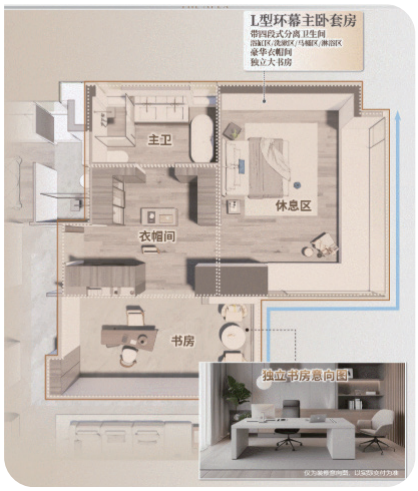
"Joyful intelligence" technology is based on the real needs of owners and refuses excessive stacking of technology. In the future, with the comprehensive promotion of "10+N Healthy Living Technologies", Yuexiu Property will continue to empower human settlements with technology to create smart and comfortable living spaces.

Joyful space | a flexible customisation practice for high-end residences

Residential spaces must adapt to the changing needs of a family's full life cycle and the individual preferences of high-net-worth individuals. Conventional fixed layouts struggle to meet diverse living expectations. The Company has incorporated "joyful space" into the "10+N Healthy Living Technologies" system, taking the high-end "Shade Series" flagship project the APEX as a model. Through flexible customisation technology, the Company breaks the limitations of fixed spatial layouts, achieving diverse and adaptable residential functions.

Located in the core of Guangzhou Pazhou West CBD, the APEX focuses on spatial customisation to deliver a premium living experience. The approximately 330 m^2 unit serves as the flagship demonstration, allowing reconfiguration and combination across three main areas – the living room, the master suite and the secondary bedrooms – offering up to 12 customisation options. With an approximately 42-metre window frontage (including around 36 metres of dual L-shaped river views), complemented by large glass elements that create a panoramic space, the project maximises the CBD skyline and waterfront scenery, enhancing both living comfort and the viewing experience.

In terms of functional customisation, each area can be flexibly adjusted according to need: the living room and the south-facing balcony can remain separate zones or be opened up to form an integrated communal area. The secondary bedroom area can be customised as a multi-functional super suite, secondary bedrooms connected to a private collection room, or an additional staff room with separated circulation. The master suite can be planned as a three-space master suite with a tea-tasting area, or transformed into an L-shaped wrap-around master suite with a separate large study, accommodating diverse needs such as socialising and working. In addition, the approximately 248–254 m^2 units support vertical or horizontal combination (upper and lower or adjacent units), while the 330 m^2 unit can be combined across two floors, achieving a villa-scale living dimension.

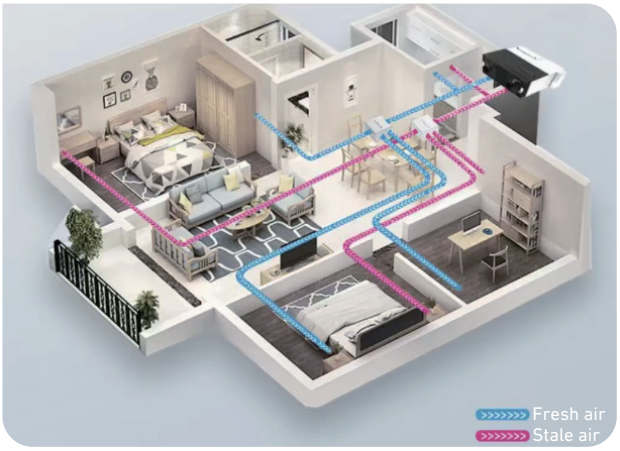


The "joyful space" technology encompasses three specialised components: adaptable spaces, flexible customisation and maximised storage. By reducing shear wall partitions, optimising flexible zoning and improving storage systems, it achieves spatial variability and adaptability, precisely responding to the requirements for whole-life-cycle living needs and adaptable space set out in *Guangzhou Municipal Guidelines for Promoting the Construction of 'Good House' (Trial)*. Looking ahead, the Company will continue to empower high-end human settlements with technology, creating high-quality residential works that adapt to diverse needs.

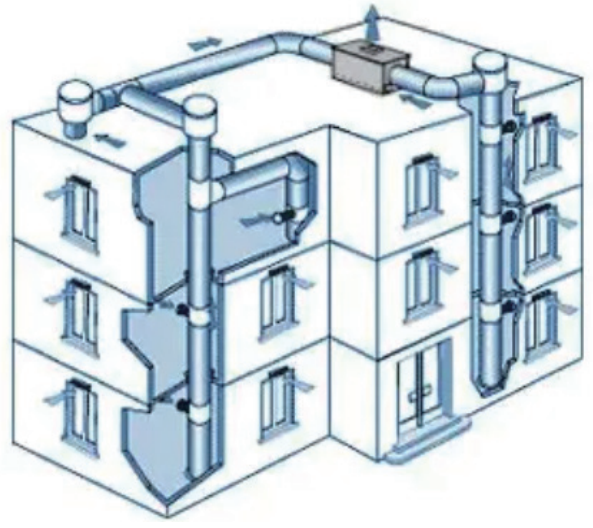
Joyful air | unlock the "comfort zone" of healthy human settlements

Breathing is a basic human need. PM2.5, formaldehyde and other pollutants pose health hazards. It is difficult to isolate them by closing windows and easy to introduce dust and exhaust by opening windows, which is the main pain point of modern living. In order to solve the problem of healthy breathing, Yuexiu Property has included " joyful air " in the "10+N Healthy Living Technologies" and uses five special technologies to create full-scenario purification solutions. Guangzhou Pazhou Shade serves as a benchmark to achieve fresh oxygen circulation based on actual configuration, bringing a perceptible health experience.

In terms of indoor pollution control, Pazhou Shade selects high-standard environmentally friendly building materials, and the substrate coating has passed nine international certifications, with ENF-grade wooden flooring, anti-mildew and antibacterial wall materials, to achieve near-zero formaldehyde in all dimensions. The "near-zero pollution" premium fit-out effectively controls volatiles, and the owner can move in without long-term vacancy. In response to insufficient ventilation by opening windows, the project is equipped with a full heat exchange two-way flow fresh air system to force air replacement. Dual filtration can intercept more than 98% of PM2.5, and the full heat exchanger maintains a comfortable outlet air temperature to ensure that the indoor air is fresh all day long.

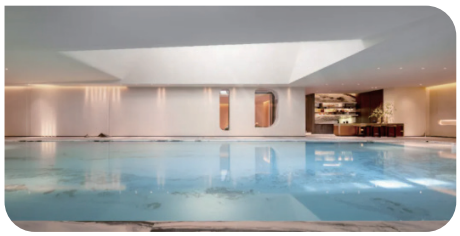


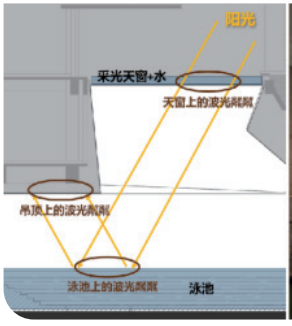
The "joyful air" technology also extends to common areas. Underground car parks are equipped with CO concentration detection linked to an exhaust system – when the level exceeds the alarm threshold of 10 mg/m^3, extraction is triggered automatically, and shuts off once safe levels are restored, balancing safety with energy efficiency. Ventilation in enclosed common areas such as lift lobbies is optimised according to need: where natural ventilation is unavailable, centralised fresh air supply is provided; elsewhere, natural airflow is relied upon to prevent odour buildup, while standardised equipment reduces maintenance complexity. Waste collection points are fitted with deodorising units and mosquito-killing lamps to address smells and insect problems; at the same time, disposal data is tracked to improve waste sorting and lower labour costs.

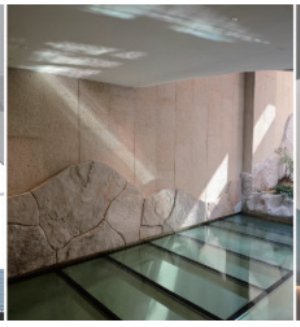


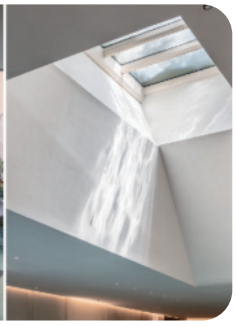
Joyful lighting | build a landscape with light and empower high-quality human settlements

Light is not merely a source of illumination for a space; it also profoundly affects the living experience and emotional wellbeing. In everyday residential life, problems such as insufficient daylight, uneven light distribution, and underground spaces that never see natural light are all too common. "Joyful lighting" is an important component of the Company's "10+N Healthy Living Technologies", encompassing four specialised areas: natural daylighting, light colour, lighting quality, and lighting scenes. Through scientific design, it creates a high-quality luminous environment that enhances the psychological comfort and health of residents. Shanghai Yuexiu · Bund Shade applies "joyful lighting" technology to address common lighting pain points, not only optimising daylight in the space but also using light as a medium to elevate the quality of living.





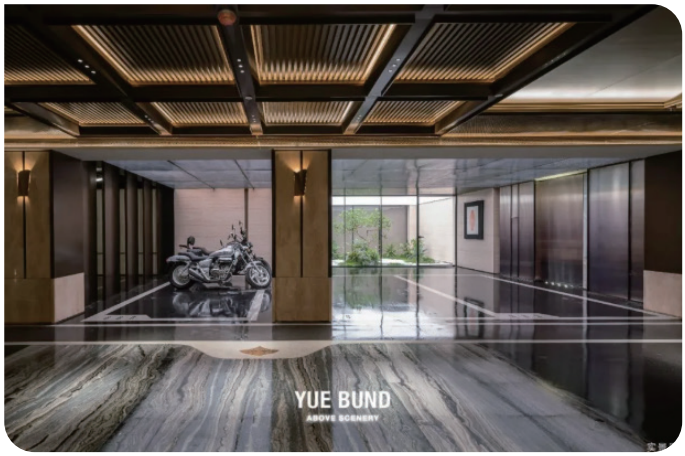




To tackle the problem of dark underground spaces, the project adopts a "light-guiding" design that breaks through conventional limitations. On the first basement level, two sunken light wells are installed. With a 6.15-metre clear height and north-and-south facing daylight windows, natural light penetrates the ground level, eliminating any sense of enclosure and making the space more airy – suitable for conversion into a library, a children's area, or other functional spaces. On the second basement level, the car park combines multiple light sources to meet basic safe parking needs while creating a sense of arrival and enhancing the parking experience. The swimming pool in the clubhouse on the third basement level is particularly ingenious: a skylight cut through two floor slabs allows direct natural light to reach 15 metres below ground. Direct morning light ensures brightness, while reflected light in the afternoon extends the period of natural illumination. The Tyndall effect creates soft beams of light that interweave with the water's surface, producing a lively play of light and shadow that is both functional and atmospheric, transforming the pool into a versatile space for socialising and healing.

Joyful lighting | build a landscape with light and empower high-quality human settlements

Above-ground buildings achieve efficient "light reception" by optimising the window-wall ratio. The building façade adopts a new high window-to-wall ratio design, with large-area floor-to-ceiling glass windows and curved corner glass to broaden the lighting interface. The space on the first to second floors uses 270° ring screen lighting to incorporate sufficient sunlight, and the selected high-refractive customised glass increases the reflectivity from about 10% to 16%, ensuring privacy while ensuring lighting, and upgrading living comfort.



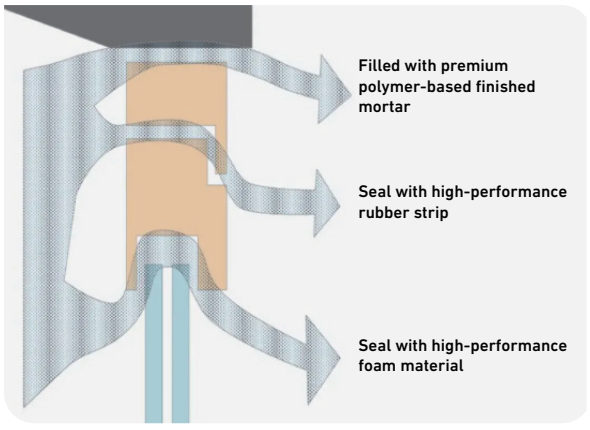
The implementation of "joyful lighting" technology reflects Yuexiu Property's in-depth insight into human settlements needs, which not only solves the pain points of lighting, but also connects health, comfort and poetic experience.

Joyful silence | build a peaceful residence with ingenuity

Traffic, crowds and other everyday noises disrupt the peace and privacy of the home. The Company's "joyful silence" system builds a sound-insulation defence system using full-link technology. It encompasses eight core techniques, covering key noise-reduction points such as partition walls, floor slabs and external windows, creating a multi-dimensional acoustic shield that operates throughout the entire project development cycle to tackle noise problems from every angle.

The Company has taken the Guangzhou Yuexiu · Canton Mansion project as a benchmark for the "joyful silence" system, using an innovative sound-insulating window system to create a tranquil home for its owners. Located in the core area south of Haiyin Bridge in Guangzhou, the project faces the challenge of traffic and pedestrian noise. The project employs the Grand Mansion series narrow-frame sound-insulating windows as the first line of defence, overcoming the limitations of conventional windows through breakthroughs in both glass selection and sealing techniques.

In terms of glass, depending on the orientation of each home and the source of noise, the windows are fitted with two to four layers of insulating laminated glass, filled with inert gas to form a composite sound-insulating structure. The PVB interlayer effectively attenuates low- and mid-frequency noise, achieving full-spectrum blocking, while also providing safety against shattering. The sealing process is meticulously comprehensive: sealant is applied fully between the glass and the frame, and the gaps between the frame and the wall are filled with a polymer-based finished mortar that offers sealing, water resistance and ageing resistance, making it well-suited to the southern climate and effectively preventing noise penetration. Tests show that these sound-insulating windows achieve a weighted sound reduction index of 43 dB, far exceeding the national standard of 30 dB, making them among the first narrow-frame curtain-wall windows to meet the 'Good House' sound insulation standard. With the windows closed, the interior approaches the quietness of a library; coupled with the fresh air system, the solution balances silence with ventilation while also reducing air-conditioning energy consumption.

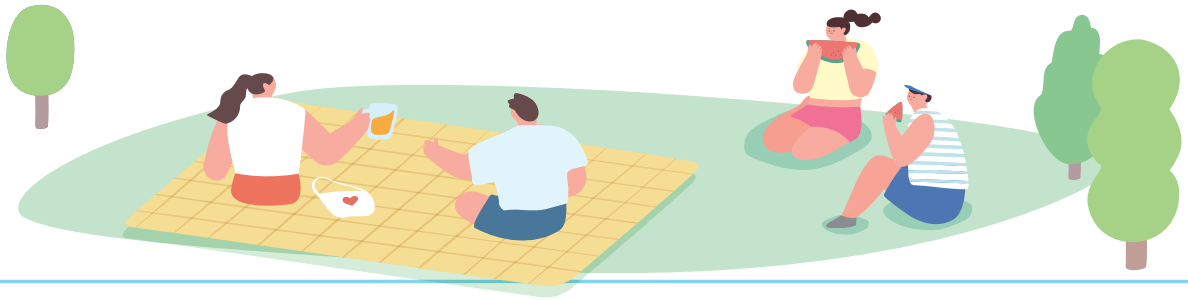


The project takes into account both sound insulation and beautiful lighting, and the soundproof windows are designed with narrow frames made of high-strength materials, offering a bright and airy feel. The 270° viewing bay window has a superior effect, achieving both practicality and beauty. This soundproof window is the epitome of the "joyful silence" system, which uses full-link technology and fine craftsmanship to build an overall solution. In the future, Yuexiu will continue to deepen its technical research to create more peaceful and comfortable ideal residences.

Joyful pure water | protect every drop of water

Drinking water safety is a core concern for homeowners. In ordinary residential buildings, pipes can easily breed bacteria, and secondary water supply systems carry the risk of contamination. "Pazhounan" TOD tackles the problem from a full-link perspective, solving the 'last mile' challenge of water quality. Behind this lies the founding philosophy of the Yuexiu Healthy Home system: using "joyful pure water" technology to manage water safety throughout the entire process, letting technology empower a secure and reassuring life, and embodying the core standards of "Good House".

Pipework has been comprehensively upgraded: both public areas and individual homes uniformly use 316L stainless steel pipes. This material, employed in medical instruments and high-end architecture, has a smooth surface that resists the adhesion of bacteria and impurities, offers strong corrosion resistance, and has a long service life, eliminating water quality contamination at the distribution stage. The water purification system incorporates a three-stage whole-home defence: a pre-filter removes large particles such as sediment and rust; a water softener reduces hardness and minimises limescale; and an ultrafiltration purifier targets microorganisms and organic matter, achieving a final bacterial removal rate of 99.99%. The Company has invested nearly RMB10 million in an underground smart pump room, which acts as the 'central brain' of the water supply system, integrating seven major systems to ensure stable operation. Its core is a four-in-one inorganic membrane advanced treatment technology, paired with a 24-hour intelligent monitoring system. If residual chlorine levels deviate from the norm, an alarm is triggered in seconds and the valve is automatically closed, achieving precise water quality control. This pump room has already become a benchmark demonstration project for the Guangzhou Water Supply Company.



3.2.2 Technology empowers construction

Green construction

Rooted in the strategic core of sustainable development, the Company has systematically established a "full-cycle sustainable construction system". By integrating cutting-edge design concepts with emerging building material technologies, this system is dedicated to creating a low-carbon, environmentally responsible building ecosystem, and has become a key pillar in consolidating and enhancing the Company's position as a benchmark for green building in the industry. The Company has innovatively developed environmental control standards that span the entire life cycle of a project, forming a closed green management loop covering site selection assessment, planning and design, construction implementation, and operation and maintenance. It rigorously complies with national green construction and ecological protection regulations, ensuring compliance throughout the development process, achieving a dynamic balance between construction growth and ecological benefits, and setting a new paradigm for sustainable development in the sector.

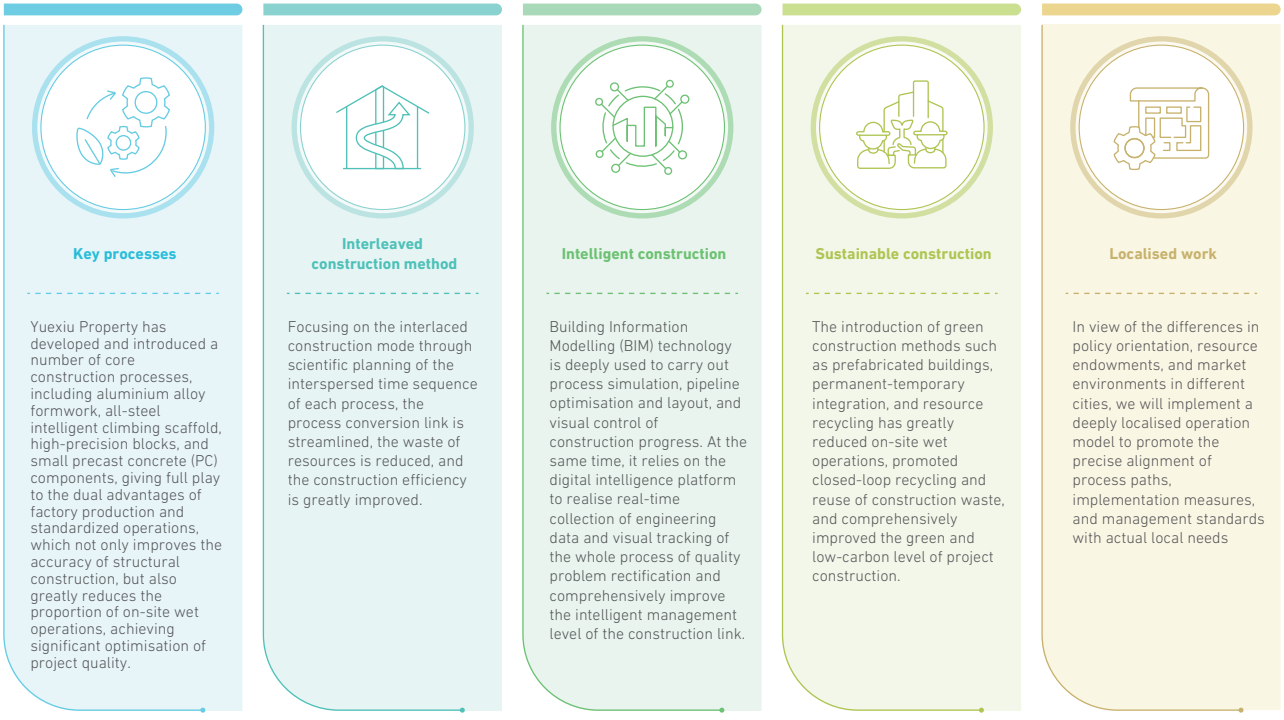
Forward-looking green design commitments

Yuexiu Property embeds energy sustainability at the top-level design of project development. To systematically address international rating agencies' emphasis on source-level carbon reduction, the Company has established internal green design guidelines that explicitly require new projects to prioritise the planning of on-site renewable energy systems. In 2025, all new projects that were in the design phase have incorporated on-site power generation facilities such as rooftop or facade photovoltaics into the design. Meanwhile, they integrated the national *Technical Standard for Nearly Zero Energy Buildings* into the project design of core regions, such as the East China region. The Company is actively exploring the design and construction of zero-carbon and zero-energy consumption buildings and is expected to achieve the net-zero target by 2060. It aimed to achieve energy self-sufficiency during the operational phase through the integration of high-performance building envelopes, efficient mechanical and electrical systems, and smart energy management. These commitments made at the design stage lay a solid foundation for the low-carbon resilience of the Company's future asset portfolio.

On-site standardised construction system (SSCS)

Yuexiu Property actively integrates the on-site standardised construction system (SSCS) into its building practices, thereby enhancing project quality and construction efficiency while reducing ecological and environmental impact. The system is centred on standardised design, modular production and regulated construction processes, ensuring that building projects are delivered efficiently and to a high standard. Through the application of SSCS, the Company not only shortens construction periods and reduces material waste but also significantly improves construction safety and environmental performance.

After seven years of evolution, the on-site standardised construction system has formed a distinctive Yuexiu-characteristic construction system:



2018 SSCS-1.0

- Three core technologies
  Aluminium alloy formwork, all-steel intelligent climbing scaffold, fine block with thin plastering

- Ten supporting processes
  Establish new industrialised sites with orderly management to improve construction quality and efficiency, reduce resources and energy consumption as well as construction waste.

2021 SSCS-2.0

- Four core concepts
  Efficient, green, lean, and smart

- 118 construction technologies and methods
  Use the engineering digital intelligence platform and prefabricated concrete temporary pavements and walls to promote recycling and improve resource efficiency.

2022 Construction standardisation

- On the basis of the previous version, the core process is extracted, and the design, engineering, cost, procurement, and production line standards are coordinated. and the design and construction integration standards are formulated to better optimize the use of resources, reduce waste, reduce energy consumption and carbon emissions of buildings.

2024 Localised construction system

- Policies are implemented according to the city
  The built environment revolves around the "green and low-carbon" development strategy
  The local assembly requirements of the city where Yuexiu Property project is located are integrated into the SSCS construction system, making the construction process more flexible, reducing costs and increasing efficiency, and effectively promoting green construction.

Prefabricated construction

During the reporting period, Yuexiu Property listed prefabricated construction technology as one of the core construction processes and actively promoted its application, and the proportion of related projects has reached 83.9%, so as to improve project quality and construction efficiency. The following are the main application scenarios and core advantages of prefabricated construction technology.

Standardised design	• **Modular design:** Dividing the building into multiple standardised modules, each with clear dimensions and functions, to facilitate factory production and on-site assembly. • **Design optimisation:** Utilising computer-aided design (CAD) and building information modelling (BIM) technology to optimise the design process, ensuring accuracy and consistency. • **Standardised component library:** Creating a standardised component library for easy access and modification by designers, enhancing design efficiency.
Factory production	• **Advanced equipment:** Utilising automation and robotics to improve production efficiency and accuracy. • **Quality control:** Implementing strict quality assurance measures during the production process, including raw material inspection, production monitoring, and finished product testing, to ensure that each component meets the standards. • **Environmental production:** Using eco-friendly materials and production techniques to minimise waste and pollutant emissions, achieving green production.
On-site assembly	• **Efficient installation:** Using professional installation tools and equipment to improve installation efficiency and reduce human operational errors. • **Modular construction:** Assembling prefabricated components in a modular manner to simplify the construction process and increase construction speed. • **Safe construction:** During the construction phase, strict safety management practices are implemented to ensure the safety of on-site construction and reduce construction risks.
Quality control	• **Design review:** Conducting multiple rounds of review during the design phase to ensure the design's rationality and feasibility. • **Production testing:** Performing real-time quality testing during the production process to ensure that each component meets the quality standards. • **On-site quality checks:** Conduct rigorous on-site quality checks after installation to ensure the overall quality of the building.
Technological innovation	• **BIM technology:** Utilise BIM technology for 3D modelling to achieve information management throughout the design, production, and construction processes, enhancing project collaboration efficiency. • **Smart construction:** Apply IoT, big data, and AI technologies to achieve intelligent construction, improving construction efficiency and quality. • **Technological Innovation:** Continuously research and apply new construction technologies, such as 3D printing and robotic construction, to enhance construction standards.
Environmental protection and energy saving	• **Reduce waste:** Through factory production, reduce on-site waste, achieving efficient resource utilisation. • **Reduce noise:** Minimise noise pollution from on-site construction, enhancing the comfort of the surrounding environment. • **Energy-efficient buildings:** Use energy-saving materials and designs to improve building efficiency and reduce energy consumption.

Green construction management

As a leading developer in China's real estate industry, Yuexiu Property has always taken driving the development of green buildings and implementing sustainable strategies as its core mission. In the field of green construction, we actively deploy and implement a series of innovative environmental protection measures, aiming to reduce the environmental impact of the construction stage from the source, improve the comprehensive utilisation efficiency of resources, and achieve dual optimisation of project construction quality and promotion efficiency.

Laws, regulations, or standards governing the Group's green construction	Key internal policies governing the Group's green construction
Environmental Protection Law of the People's Republic of China	*Detailed Rules for Civilised Construction Management*
Energy Conservation Law of the People's Republic of China	*The Guidelines for Quality Management of Construction Projects*
	Standardisation Atlas for Safe Civilised Construction
	Guidelines for Environmental Governance of Construction Projects
	Circular Economy Promotion Policy

During the project preparation phase before construction commences, the Company strictly follows the environmental impact assessment (EIA) approval process, conducting comprehensive and meticulous feasibility studies and EIA registration for all new projects. This ensures that every development activity only begins after receiving approval from the local environmental protection authorities. At the same time, all relevant approval information is disclosed on government-designated online platforms as required, proactively inviting public scrutiny and oversight.

We also follow the following green construction philosophy:

Resource conservation and recycling	• **Construction waste management:** Develop tailor-made special management plans for construction waste for each project, clarify the classification and control objectives, and minimise the impact of waste on the ecological environment through a combination of classified collection, resource recycling and standardised disposal. • **Water resource management:** Fully introduce water-saving equipment and technologies such as water-saving faucets and water-saving sprinklers to reduce water consumption during the construction phase. Simultaneously build a rainwater recycling system to use the collected rainwater for construction site cleaning and landscape irrigation to achieve water resource recycling. • **Energy management:** Equip with high-efficiency and energy-saving construction equipment and lighting systems to reduce energy consumption during the construction process. Actively promote the application of renewable energy sources such as solar and wind energy to continuously reduce carbon emissions.
Environmental protection measures	• **Noise control:** Implement multi-dimensional noise reduction measures, select low-noise construction equipment, and build noise barriers to effectively reduce the interference of construction noise on the lives of surrounding residents. • **Dust control:** Adopt a combination of wet operation, installation of dust net covering, regular sprinkling of water and dust reduction to curb dust pollution during the construction process from the source. • **Ecological protection:** Conduct comprehensive ecological impact assessments in the early stages of construction, formulate and implement protection plans for on-site natural vegetation and wildlife based on risk mitigation levels, and minimize damage to the ecological environment and biodiversity.
Innovation in construction methods	• **Intelligent construction technology:** Apply BIM technology to optimise the entire construction process, achieve precise control of material consumption, and compress the construction cycle. • **Green construction equipment:** Equip with low-emission, low-noise environmentally friendly construction equipment to reduce the pollution of construction activities to the surrounding environment from the source. • **Construction waste reuse:** Promote the resource transformation of construction waste through technological innovation, such as making construction waste into recyclable building materials such as recycled bricks, achieving closed-loop resource utilisation.
Employee training and environmental awareness enhancement	• **Environmental training:** Regularly organise special environmental protection training for construction personnel, contractors, and other relevant stakeholders, focusing on core topics such as construction waste management, energy conservation and consumption reduction, and water resource optimisation, to strengthen the environmental awareness and professional skills of full-link participants to ensure the efficient implementation of green construction measures. • **Incentive mechanisms:** Establish and improve the green construction incentive system, give commendations and rewards to teams and individuals who perform well in environmental protection construction, and fully mobilise the initiative and enthusiasm of all construction participants to practice green construction.
Environmental monitoring and assessment	• **Environmental monitoring:** Carry out regular environmental monitoring throughout the construction cycle, covering core dimensions such as air quality, noise decibels, and water quality indicators to ensure that the entire construction activity meets the requirements of national and industry environmental protection standards. • **Environmental impact assessment:** After the completion of the project, a systematic review and evaluation of environmental protection effectiveness is carried out to summarize the experience and improvement directions in green construction practices, and accumulate benchmark templates for the sustainable construction of subsequent projects.

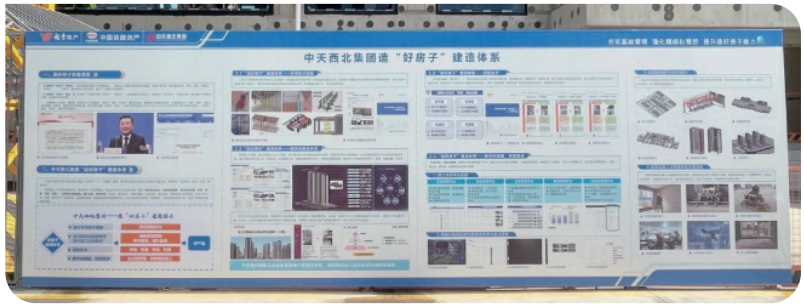
Smart Construction Sites | Yuexiu Casa Dualista: The "intelligent manufacturing" road of "Good House"

Intelligent empowerment for the construction of "Good House" is a key direction for the real estate industry. Within the Company's "4×4 High-Quality Product Concept", "intelligence" runs through the entire product life cycle, deeply covering the construction phase. The Xi'an Yuexiu Casa Dualista project is a model of such a smart construction site.

The Section II of this project has a total construction area of approximately 129,000 square metres, comprising 11 residential buildings and two commercial ancillary buildings. To address the shortcomings of traditional construction, the project has adopted an intelligent construction system, introducing technologies such as unmanned hoists and AI robots to establish a human-machine collaboration model, achieving transparency, efficiency and safety throughout the construction process.

- **Multi-scenario intelligent applications have been deployed:** 5G fully automatic hoists, through remote operation and safety devices, improve efficiency while reducing energy consumption and risks at height. An AI recognition system monitors workers' protective equipment 24 hours a day, providing real-time voice alerts to reinforce safety.
- **A matrix of construction robots provides robust support:** intelligent surveying robots achieve millimetre-level accuracy and data traceability; laser screeding robots enable zero-carbon, high-precision construction of garage flooring, saving process steps; automatic plastering robots cover spraying up to 5.5 metres in height, balancing efficiency and quality.
- **Comprehensive intelligent quality control ensures excellence:** a BIM platform breaks down information silos, enabling full-life-cycle quality traceability; drone aerial surveys, dust monitoring and other technologies form an environmental sensing system that strengthens safety management; modular prefabrication and component QR code traceability create a transparent factory.

The project also embraces green principles: construction waste is recovered and backfilled; CNC equipment saves 30% of energy; and environmentally friendly building materials are used to enhance the living experience. By practising the "Good House" promise through a smart construction site, this project provides a benchmark for high-quality residential development.



Product quality and safety

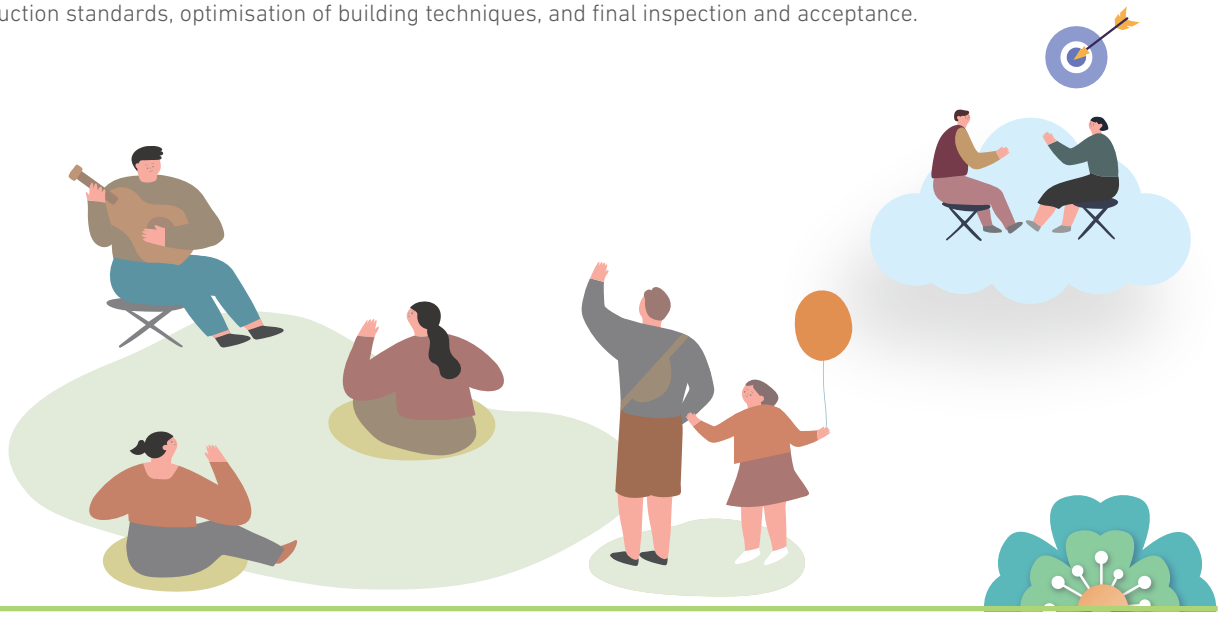
A commitment to exceptional quality is deeply embedded in the core DNA of the Company. We have systematically transformed the highest standards of product and service into a rigorous management system that spans the entire cycle – from development and construction through to operation – building an interlocking chain of quality and safety defences. This is not only the foundation for achieving industry-leading standards, but also the cornerstone of value and the guiding framework through which the Company defines its brand and honours its long-term commitments.

Quality management system

In the course of actively promoting cutting-edge technologies such as green buildings and healthy buildings, the Company has always relied on a robust product quality and safety management system as the solid foundation for all its work. On this basis, the Company adheres to the highest industry standards and exacting requirements in the field of product quality and safety control, ensuring that every project achieves outstanding levels of quality and safety.

Laws, regulations, or standards governing the Group's quality management	Key internal policies governing the Group's quality management
Construction Law of the People's Republic of China	*Yuexiu Property Engineering Quality Management Regulations*
Product Quality Law of the People's Republic of China	*Standardised Delivery Workflow Guidelines*
Regulations on Construction Engineering Quality Management	*Quality Control Guidelines*
Unified Acceptance Standard for Construction Quality of Building Engineering (GB50300-2013)	*Product Quality Warranty Management Guidelines*

Under the strict constraints and regulatory guidelines of various management systems, the Company has built a closed-loop quality management process across the entire production chain, from material selection and control to the implementation of construction standards, optimisation of building techniques, and final inspection and acceptance.



The following is a detailed explanation of Yuexiu Property's quality management system:

Leadership involvement	• **Commitment of senior management:** Senior management attaches great importance to and fully supports the quality management system, and provides top-level guarantee for the implementation of the system with clear commitments. • **Quality policy:** Formulate and formally promulgate a Quality Policy that clearly defines the Company's quality development goals and core directions. • **Resource allocation:** Ensure investment of various resources required for the operation of the quality management system, covering key dimensions such as human, material and financial resources.
Planning	• **Risks and opportunities:** Systematically identify and scientifically assess potential risks and development opportunities affecting the operation of the quality management system, and simultaneously formulate corresponding response strategies. • **Quality goals:** Set specific and quantifiable quality goals to ensure they highly align with the Company's overall strategic direction. • **Process planning:** Develop the whole process management plan to achieve quality goals, and clarify the input and output standards, resource allocation requirements, implementation methods and control measures of each link.
Support	• **Resource guarantee:** Ensure the supply of basic resources for the effective operation of the quality management system, including human resources, infrastructure, and operating environment. • **Capacity building:** Ensure that all employees have the professional skills and knowledge reserves necessary to perform their duties, and continuously improve the overall quality of employees through systematic training and education. • **Awareness cultivation:** Strengthen employees' awareness of the importance of the quality management system, clarify the boundaries of responsibilities of each position and the value of contribution to the achievement of quality goals. • **Communication mechanism:** Establish efficient internal and external communication channels to ensure smooth transmission of quality management-related information within the Company and with partners.
Operation	• **Production and service control:** Ensure that the entire production and service process strictly adheres to quality standards, covering core modules such as process control, equipment management, and personnel training. • **Release of products and services:** Establish a strict release review mechanism to ensure that products and services complete all necessary inspections and tests before delivery, and can only be placed on the market after meeting the standards. • **Control of non-conforming outputs:** Formulate control processes for non-conforming products and services to ensure that non-conforming items are identified, isolated, and dealt with in a timely manner, preventing them from flowing into the next link. If it is found that the delivered products do not meet the qualified standards, the non-conforming items will be rectified in a timely manner in accordance with the relevant warranty regulations.
Performance evaluation	• **Monitoring and measurement:** Regularly carry out monitoring and evaluation work to track the operational performance of the quality management system to ensure the continuous and effective operation of the system. • **Internal audit:** Carry out regular internal audits to verify the compliance and effectiveness of the quality management system operation. • **Management review:** Senior management regularly organizes management review meetings to evaluate the appropriateness, adequacy, and effectiveness of the system, and identify opportunities for continuous improvement.
Improvement	• **Non-conformities and corrective measures:** Formulate and implement corrective measures for non-conformities found in audits and monitoring to prevent recurrence of problems. • **Continuous improvement:** Establish a normalized continuous improvement mechanism to continuously improve the operational performance of the quality management system by optimising processes and improving systems to ensure the steady realization of quality goals.

Yuexiu Property's quality management requirements for each process stage:

Project planning phase	• **Design standard formulation:** Establish a strict system of design standards and specifications to ensure that the design plan fully complies with relevant national and local laws, regulations, and technical standards. • **Risk assessment:** Carry out full-process project risk assessment, accurately identify potential quality and safety hazards, and formulate targeted prevention and control measures.
Design phase	• **Design review:** Set up a professional technical team to carry out multiple rounds of cross-review and demonstration of the design plan to ensure that the design has technical rationality and feasibility. • **Material selection:** Prioritise high-quality, environmentally friendly building materials to ensure that various material indicators meet national and industry standards. • **Technical disclosure:** Provide detailed explanations of design drawings and technical parameters to ensure that the construction team fully understands the core intention of the design.
Construction phase	• **Construction management:** Establish a strict construction management system to ensure that all aspects of the construction process strictly follow quality standards. • **Quality inspection:** Implement a full-cycle quality inspection mechanism, covering three core stages: material acceptance, dynamic monitoring of the construction process, and comprehensive acceptance of completion. • **Safety training:** Regularly organise construction personnel to carry out special safety training to strengthen safety operation awareness and ensure the safety and stability of the construction process. • **On-site management:** Strengthen comprehensive control of the construction site to ensure a clean and orderly working environment, reducing the probability of potential safety hazards from the source.
Completion and acceptance phase	• **Comprehensive inspection:** Organise a professional acceptance team to carry out comprehensive acceptance of the project to ensure that all indicators of the project meet the design requirements and national standards. • **Quality inspection:** Carry out special quality inspections such as structural safety and environmental performance to ensure that the quality of the project is fully up to standard. • **User feedback:** Establish a comprehensive user feedback mechanism to respond to and solve various problems raised by users in a timely manner, continuously improving user satisfaction.
Operation and maintenance phase	• **Property management:** Establish a professional property management team to provide high-standard property services and ensure the long-term stable operation of the project. • **Regular maintenance:** Develop a scientific regular maintenance plan, carry out regular inspections and maintenance of the project, and promptly identify and solve potential problems. • **User training:** Carry out special training on user use and operation to improve users' ability to use and maintain the project and extend the service life of the project.
Continuous improvement	• **Quality management system:** Continuously improve the quality management system, optimise the quality control process, and achieve continuous improvement of management efficiency. • **Data analysis:** Conduct in-depth analysis based on data from the whole process of quality management, accurately locate weak links in quality and safety control, and formulate corresponding improvement measures. • **Customer satisfaction:** Conduct regular customer satisfaction surveys to gain in-depth insights into customer needs and expectations, and promote continuous optimisation and upgrading of products and services.

At the same time, Yuexiu Property has built a complete quality management system and actively promoted system certification. By the end of 2025, its 7 subsidiaries had successfully passed the ISO 9001 quality management system certification, laying a solid foundation for the continuous leap in quality management levels.

To comprehensively enhance the professional competence and quality management capabilities of its employees and suppliers, the Company regularly organises specialised training courses covering core modules such as cutting-edge construction technologies, industry quality standards and safety regulations, to ensure that the team remains equipped with the highest level of professional expertise in the sector. The training system emphasises the transfer and sharing of practical experience, effectively unlocking the team's innovative potential and helping the Company deliver highly reliable products and services to its customers through exceptional quality management capabilities. During the year, the Company achieved 100% coverage in the safety and quality training provided to front-line construction staff and supplier contractors.

Delivery quality assurance

Since its establishment in 1983, the Company has been deeply rooted in the industry for over four decades, consistently focusing on creating high-quality residential and commercial spaces. By adhering to innovative, environmentally conscious design concepts and rigorous construction quality control, the Company delivers a level of satisfaction that surpasses customer expectations.

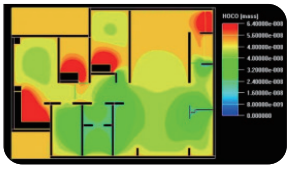
Good House DNA | premium fit-out with nearly zero pollution, ready to move-in upon handover

Based on the common issues of formaldehyde, TVOC and other pollutants in new homes, Yuexiu Property has developed and put into practice a "Near-Zero-Pollution Premium Fit-out" system – a significant innovation arising from the "Healthy House" concept. This system integrates control across the entire process of design, material selection, construction, inspection and acceptance, reducing pollution at source and achieving the goal of "ready to move-in upon handover".

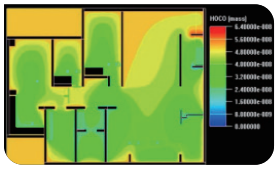
The Company has set control standards higher than national requirements in its environmental laboratory, covering ten indicators including formaldehyde and TVOC, and advances technical implementation across multiple stages – design, procurement and engineering. Prevention begins at the design stage: through unit modelling and simulation, calculation of pollutant release rates, and optimisation of airflow organisation, the Company avoids the risks of pollutant accumulation and cross-contamination at source.

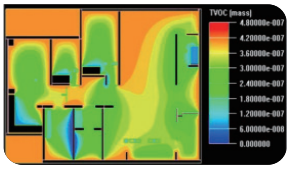
- **Material control is a core element**. The Company carefully selects green and environmentally friendly building materials: materials supplied by the Company meet E0/E1 or even ENF grade, while those supplied by contractors are also subject to strict quantitative targets, with overall pollutant emission levels far superior to national standards. All materials must pass random testing in an environmental testing chamber before being allowed on site – only materials achieving 100% compliance are used.
- **During the construction phase**, refined control measures are implemented. For sample projects in the R&D Centre, a dedicated control team is established, carrying out high-frequency random inspections on critical processes. A "healthy air real-time monitoring robot" is deployed, monitoring indicators 24 hours a day and uploading data in real time. Only when process-level testing meets the required standards may work proceed to the next stage.
- **Upon completion, a professional "air flushing" procedure** is carried out to accelerate the release of any residual pollutants. Thereafter, the control team conducts precise testing, and an independent third-party institution with CMA/CNAS accreditation is engaged to carry out a ten-indicator inspection in accordance with national standards, issuing a legally valid test report to confirm that air quality is satisfactory.

140 model unit layouts



Indoor formaldehyde concentration conditions using initial materials





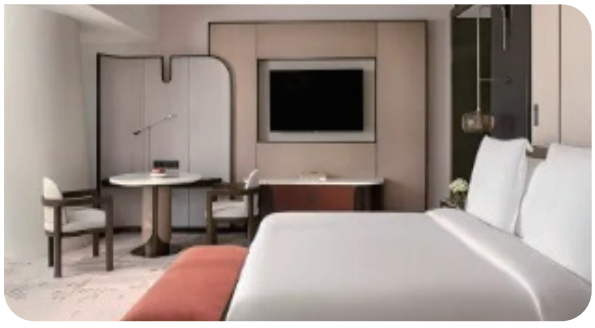
Indoor formaldehyde and TVOC concentration conditions after adjusting materials

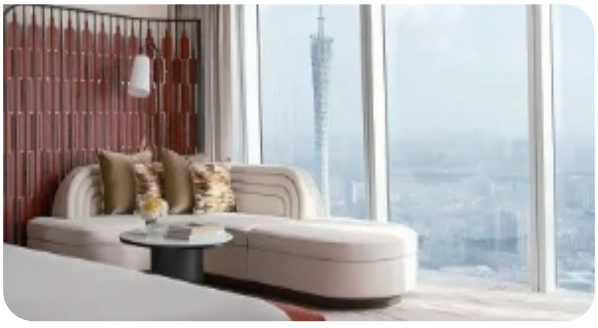
Four Seasons Hotel Guangzhou's sustainable transformation

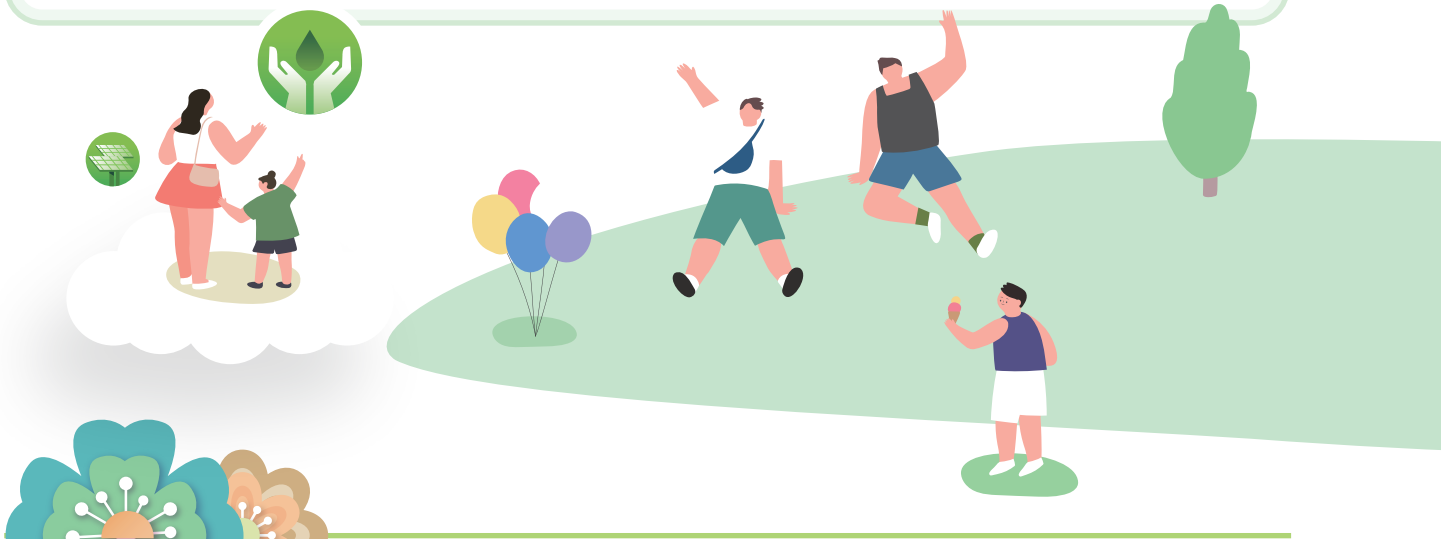
On 12 August 2025, the Company successfully transferred its cutting-edge "near-zero-pollution renovation" technology from the residential sector to a high-end hotel refurbishment, supporting Four Seasons Hotel Guangzhou in completing the delivery of its first batch of luxury guestrooms refreshed with sustainable principles. This project blended environmentally conscious, health-focused concepts with the essence of Lingnan culture, reshaping the space with green craftsmanship. It not only set a new benchmark for ESG practice in the hospitality industry but also became a successful case of enhancing the quality and efficiency of urban existing assets.

As a high-end global brand, Four Seasons Hotel Guangzhou has introduced green techniques and initiated renewal and renovation to meet evolving needs and aesthetic preferences of its guests, fully adhering to the principles of "renovation without closure" and "ready to move-in upon handover". While ensuring guest experience and safety, it has achieved an upgrade in spatial quality.

Yuexiu Property has avoided extensive demolition and reconstruction during the renovation. Instead, it has balanced renovation efforts with revenue generation through precise spatiotemporal calculations, while refining spatial details with millimetre-level craftsmanship. Guided by the principle of "reinterpreting ancient charm through a contemporary lens", the design translates Lingnan architectural elements – such as wok-gable walls and the imagery of "cloudy mountain and pearl river"– into a modern spatial language, complemented by displays of intangible cultural heritage crafts including Guangzhou enamel and olive-pit carving, achieving a harmonious fusion of traditional culture, modern aesthetics and smart living scenarios.







Four Seasons Hotel Guangzhou's sustainable transformation

The renovation introduced prefabricated construction methods: over 90% of the decorative components were factory-prefabricated and assembled on site, reducing the construction period by 40% while cutting construction waste by 80%. Acoustic isolation technology was also employed to keep construction noise below 45 decibels, ensuring a quiet stay for guests.

The project adhered to the "near-zero-pollution renovation" standard, selecting green building materials, installing an intelligent fresh air system, and establishing a full-process environmental protection mechanism – achieving "ready to move-in upon handover". This refurbishment transferred green technologies from the residential sector to a high-end hotel, greatly reducing disruption to hotel operations.

Picture: Enclosed hoardings and modular assembly to isolate noise, dust and odours, ensuring a healthy environment for guests

Picture: Professional acoustic measuring equipment for sound insulation testing of building components, ensuring project quality and environmental compliance

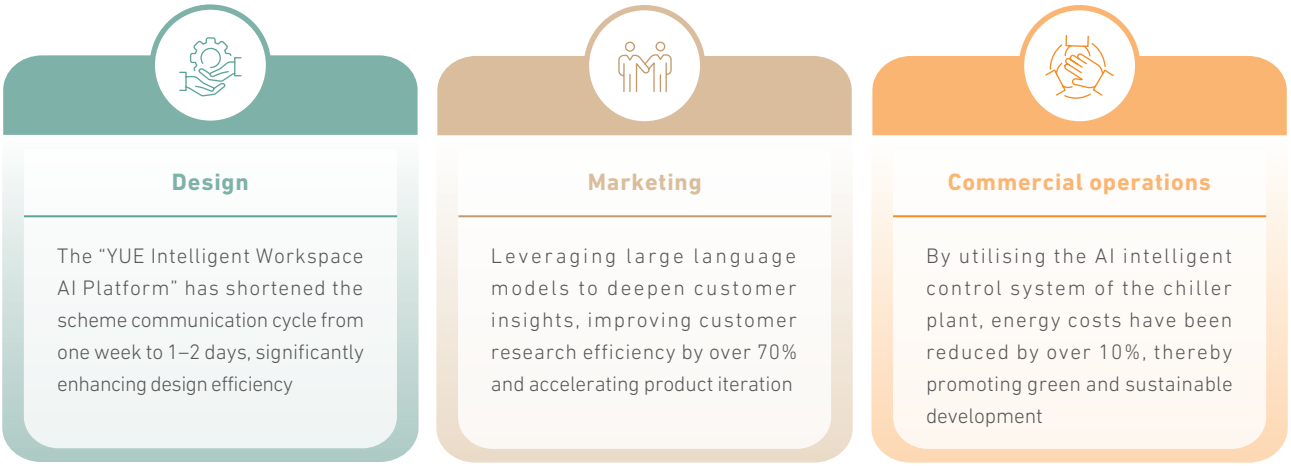
Yuexiu Property integrates sustainable development into its business DNA, and this renewal is an important practice of its philosophy. In the future, the hotel will continue to explore micro-transformation and sustainable paths, and Yuexiu Property will also play a leading role in promoting the upgrading of the construction industry in the direction of green and humanistic development.

3.3 Digital Empowerment and Management

Yuexiu Property continues to deepen its digital empowerment and management, advancing digital and intelligent transformation with strategic priority. The Company has established a Digital Management Committee to coordinate the construction of digital governance systems, and has achieved notable progress in the application of artificial intelligence technologies.

With the "AI Centre of Excellence" as its core platform, and centred on the strategic direction of "business focus + technology enablement + all-staff innovation", the Company has constructed a complete AI capability support system covering technology platforms, talent pipelines, and governance frameworks. To date, it has built multiple proprietary technology platforms including a large model management platform and an AI application development platform, developed nearly 90 AI agents, and established hybrid cloud digital infrastructure supporting the full lifecycle deployment of AI capabilities, providing solid assurance for business intelligence.

At the business empowerment level, we have promoted the deep integration and value creation of artificial intelligence in various core scenarios:



Looking ahead, Yuexiu Property will continue to strengthen the dual-driven approach of digital management and artificial intelligence empowerment, accelerating the upgrade of its business model towards "data-intelligence-driven" operations. Through technological innovation, we aim to forge "quality products and quality services", continuously injecting digital momentum into the company's high-quality development and the creation of a better life. At the same time, the Company places great emphasis on the strategic deployment of cutting-edge digital technologies and is actively exploring the potential application of blockchain technology in property development and supply chain management. We believe that the "immutability" and "traceability" characteristics of blockchain technology are highly aligned with the Company's pursuit of green construction and high-quality development, offering broad application prospects in areas such as industrial chain collaboration, construction quality traceability, and contract management. In the future, we will continue to assess the maturity and application value of relevant technologies, exploring their innovative integration into our business ecosystem, and strive to empower the company's high-quality development through more open and transparent digital capabilities.

Key Performance Indicator

In September 2025, Yuexiu Property was ranked **fourth** in the "2025 China Real Estate Digital Competitiveness Ranking". Its subsidiary, Yuexiu Commercial Management, was ranked **sixth** in the "Commercial Enterprise Digital Capability" list; Yuexiu Services was ranked **ninth** in the "Property Enterprise Digital Capability" list; and the tech enterprise Yuechuang Digital Intelligence was selected as one of the "**TOP 20** Real Estate Technology Enterprises";

In October 2025, Yuexiu Property won two Future Enterprise Awards: **"AI-Ready Digital Infrastructure Leader"** and **"Annual AI Centre of Excellence"**.

3.3.1 Digital management

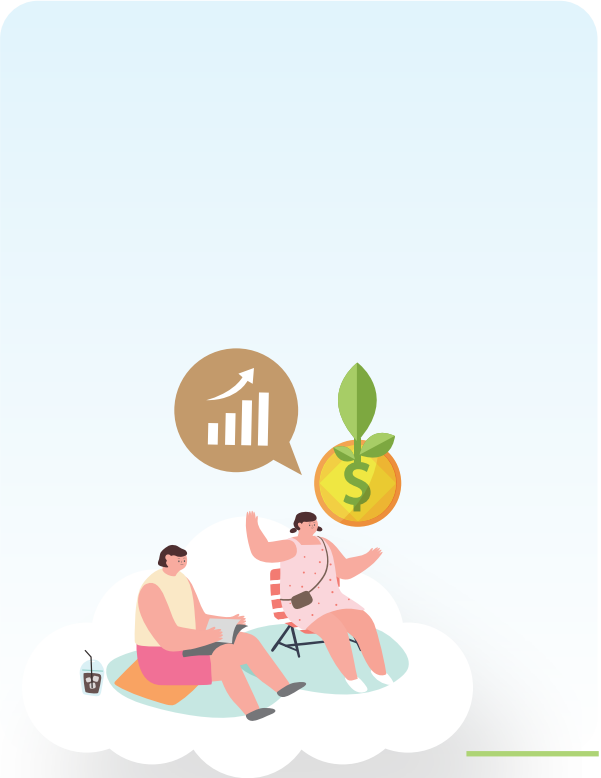
Yuexiu Property has fully launched its digital transformation centred on artificial intelligence, systematically establishing a top-level management structure by forming a "Digital Management Committee" to strategically drive the integration of AI technology with business scenarios. Through the establishment of an "AI Centre of Excellence", the Company has built a full-lifecycle operating system covering data governance, model research and development, and agent deployment, providing core momentum for the intelligent upgrading of each business line.

In terms of management mechanisms, the Company is advancing the application of artificial intelligence across key business scenarios in a systematic manner through six professional committees:

Professional committees	Responsibilities
Intelligent Construction Professional Committee	With product realisation at its core and BIM as its foundation, the process integrates artificial intelligence technology to optimise construction workflows.
Smart Marketing Professional Committee	With a customer-centric approach, we aim to enhance the online and offline customer experience across systems such as YuexiuFangbao, YuekeBao, voice name badges, sales site risk control, sales systems, and commission systems, whilst leveraging large language models to improve customer insights and marketing effectiveness.
Data Quality Improvement Professional Committee	Establish a data governance framework to provide a high-quality data foundation for artificial intelligence applications.
Intellectual Property (Software) Professional Committee	Improve the management of software-related intellectual property rights to safeguard innovations in artificial intelligence.
Information & Data Security Professional Committee	Promote the application and innovation of information technology, establish a security framework for artificial intelligence applications, safeguard data and information security, and support the Company's safe production and sound business operations.
Performance Evaluation Committee	Guided by the principles of "lean management", we will establish a mechanism for evaluating the effectiveness of AI applications to ensure that digital investments yield the greatest possible return.

At present, artificial intelligence has been deeply integrated into the management transformation of key business areas. In the design field, the "YUE Intelligent Workspace AI Platform" has reduced cross-departmental collaboration cycles by 80%, significantly improving the efficiency of design decision-making. In the marketing field, digital tools have enhanced customer research efficiency by over 70%, enabling precise insight into market demand and optimal resource allocation. In commercial operations, the intelligent chiller plant control platform has achieved a reduction in energy consumption of more than 10%, demonstrating the tangible value of intelligent, fine-grained management in energy saving and carbon reduction. These practices have not only improved operational efficiency but also strengthened the Company's management competitiveness in the data-intelligence era.

Yuexiu Property will continue to deepen the integration of artificial intelligence with management processes, striving to create a new smart management model characterised by "intelligent decision-making and refined operations", thereby injecting strong digital momentum into the company's high-quality development and sustainable value creation.



3.3.2 Artificial intelligence-driven intelligent construction

In the construction field, Yuexiu Property has taken a forward-looking approach by establishing artificial intelligence as a key engine driving industrial upgrading. Through the formation of an "Intelligent Construction Professional Committee", the Company has adopted Building Information Modelling (BIM) as its digital foundation, systematically integrating big data analytics, AI-driven forecasting, and intelligent decision-making capabilities to build a comprehensive intelligent construction system that spans the entire process from planning and construction to operation and maintenance.

In practice, we not only use big data analytics for market forecasting and precise project planning, but also embed AI technologies into the full-process management of construction. By leveraging AI algorithms to optimise construction scheduling, resource allocation, and risk warning, we have enhanced the granularity of project management. At the same time, we employ smart sensors and computer vision technologies to strengthen construction safety monitoring and quality control, achieving transparent and standardised management throughout the construction process.

Furthermore, supported by the AI Centre of Excellence, we have deeply integrated intelligent construction with our data middle platform and MLOps platform, enabling real-time collection, analysis, and feedback of construction data. This has created a closed-loop management mechanism driven by "data-informed decision-making". These initiatives have not only significantly improved construction efficiency and quality but have also provided the industry with a replicable system solution for intelligent construction.

Case

Digital intelligence infrastructure empowers AI-driven innovation: Yuexiu property's full-chain intelligent construction practice

In 2025, Yuexiu Property laid a solid digital infrastructure foundation for AI-driven intelligent construction in the field of data construction and application. In response to the national strategy of technology self-reliance and localisation, and following in-depth technical research and comparative evaluation, the Company comprehensively upgraded its business analysis system. It selected the next-generation open-source Lakehouse engine, StarRocks, as its core solution, and introduced its professional enterprise database to build a full-stack, locally-developed big data technology stack, achieving both architectural independence and industry-leading performance.

- **Robust Database Construction, Strengthening the Foundation for AI Development**

  Subsequently, the Company rolled out this technical solution across the entire construction process and all business scenarios, establishing a complete data analytics ecosystem that deeply empowers full-chain intelligent construction management. First, it built a three-tier dashboard and reporting system covering executive dashboards, thematic boards, and detailed reports, enabling full-dimension visual management of construction projects—from investment planning and construction progress to quality and safety. This system records over 80,000 monthly visits, serving as the nerve centre of the Company's data-driven operations. Second, it created a real-time data centre that captures, processes, and transforms core business system data every five minutes, providing real-time data support for business decision-making. Third, through the development of data and business platforms, integrated with Yuexiu Property's digital customer service platform "Yueketong", it has enhanced the efficiency of marketing and customer operations, thereby expanding AI application scenarios.

  At the Global Developer Pioneers Summit (GDPS2025) Autumn Session – the 2025 Real Estate Industry Artificial Intelligence and Deep Intelligence Strategy Conference, the head of Yuexiu Property's Digital Intelligence Development Centre disclosed that the Company had initiated company-wide AI application training as early as 2021. By building a low-threshold AI tool platform, it guided all employees to create personalised AI intelligent assistants. By the end of 2025, employees had independently built over 2,500 AI intelligent assistants, fostering an organisational culture of universal participation in AI application innovation. The Company has since strengthened AI applications across five major tracks: intelligent marketing, intelligent construction, intelligent commerce, intelligent property management, and intelligent office.

Picture: 2025 Real Estate Industry Artificial Intelligence and Deep Intelligence Strategy Conference

Looking ahead, Yuexiu Property will continue to lead the exploration and application of artificial intelligence in cutting-edge fields such as green construction and industrialised assembly. Driven by technological innovation, the Company will further elevate its product capabilities and industry standards, steadily advancing the construction sector towards a high-quality development path that is intelligent, low-carbon, and sustainable.

3.3.3 Intelligent management systems drive the comprehensive upgrade of commercial operations

Yuexiu Property has deeply integrated artificial intelligence technology with commercial operations to establish an intelligent commercial management system covering six core modules: smart access, smart vehicle management, smart operations, smart security, smart energy, and smart maintenance. This system, underpinned by the strategic planning of the Company's Digital Management Committee and the technical support of its data middle platform, achieves full integration of IoT device data, business systems, and intelligent algorithms.

Application System	Data Centre
• Property Income Management System (22.04) • Commercial Customer Unified Operations Platform (22.12) • Safety Supervision Dual Control Management System (23.01) • Property On-site Management System (23.06) • Commercial Energy Management System (23.10) • Smart Parking Service Platform (23.12) • Equipment Integration Management System (in planning) • Smart Access Service Platform (in planning)	• Yuexiu Property Intelligent Platform (IoT) - Frequent data for IoT devices • Data Platform (Data Warehouse) - Data Asset Management, Master Data Management, Big Data Computing

Local System	
Smart Access	• Access Control, Speed Gates, Visitor Management, Elevator Control
Smart Vehicle Management	• Parking Management, Parking Guidance, Rear Cross Traffic Alert
Smart Operations	• Information Release, Background Music, Environmental Monitoring, WiFi Coverage, Environmental Inspection, Shopping Guidance System, Traffic Analysis
Smart Security	• Video Surveillance, Intrusion Alarm, Electronic Patrol, Wireless Intercom
Smart Energy	• Remote Meter Reading, Power Monitoring
Smart Maintenance	• Intelligent Lighting, Building Automation (BA), Power and Environment Monitoring

Basic Low-voltage Engineering	
• Data Centre Engineering • Smart Dedicated Network • Property Management Dedicated Network	• Fiber to the Home (FTTH) • Five-Party Communication for Elevators • Mobile Signal Coverage

In practice, the Company optimises traffic flow through its smart parking service platform, achieves precise control over energy consumption via the commercial energy management system, and enhances safety response efficiency using the security monitoring and control system. Each intelligent module operates independently, but also works in a coordinated manner through the data middle platform, forming a closed-loop intelligent management process of "sensing – analysis – decision – execution".

Case

Smart vehicle management – Driving innovation in parking management and experience through technology

Progress in 2025

100% coverage of 272 car parks owned by Yuexiu Services and 22 car parks owned by Yuexiu Commercial, with an average of 64.36 million vehicle entries per year.

Our smart vehicle management system is built on a unified smart parking service platform that systematically integrates core technologies such as cloud computing and the Internet of Things (IoT). With the goal of achieving "intelligent parking management", the platform has completely transformed traditional parking payment processes and car park operation models through applications such as precision parking guidance, online reservations, and frictionless (no-sense) payment.

The adoption of this digital technology delivers dual value. On the customer side, by conducting in-depth analysis of needs across different scenarios, it provides an exceptionally convenient service experience. On the operational side, it enables full online management of all business processes and seamless integration of operational and financial data, thereby effectively reducing reliance on manual labour while comprehensively strengthening operational efficiency and risk control capabilities.

Case

Smart access: Providing efficient and convenient passage for customers through intelligent experiences

Through our smart access system, we offer residents and commercial tenants convenient and efficient means of passage, including multiple intelligent options such as one-card access, one-code access, and facial recognition access, continuously enhancing the user experience.

Residential

To date, the overall average annual traffic volume has reached 69.04 million times, covering 217 projects and providing facial recognition fast access services to 440,000 homeowners.

Commercial

Key commercial projects such as Guangzhou ICC, Nansha IFC, and Wuhan International Finance Hub have implemented the smart access system, fully supporting IC card, QR code, and facial recognition access. Guangzhou International Finance Centre has also enabled IC card and visitor QR code access functions.

As a leading real estate developer in China, we are consistently committed to enhancing the living experience through innovative technology, setting a new benchmark for smart homes. In the field of smart residences, we place great emphasis on intelligent design and system integration. Through smart home systems, we enable intelligent management across multiple dimensions—including home security, energy management, and environmental control—allowing residents to enjoy a more comfortable, safer, and more convenient living environment. Our smart homes are not merely technology-enabled living spaces; they also embody the integration of human-centric care and technological innovation, continuously opening new chapters of smart living for our customers.

Case

Creating an immersive, personalised, and growth-capable full-scenario smart experience

In December 2025, Yuexiu Property held the "Yuexiu Fellow Traveller" awards ceremony in Guangzhou, deepening its collaboration with strategic smart living partner NEXhome. Guided by the national direction for residential construction emphasising "safety, comfort, green, and smart" features, the company implemented its "4×4 Good Product Concept" and the "10+N Healthy Living Technologies" framework, resulting in the development of the "good house" exhibition hall – a model project under Guangzhou's housing and urban-rural development initiative. The project was showcased at the Fourth Guangdong Provincial Architectural Culture Week, with 80% of its core indicators exceeding national standards, establishing it as a state-owned enterprise demonstration model for "good house" in Guangzhou.

Picture: NEXhome EdgePadMAX 21.5-inch Smart Home Control Screen

Picture: "Yue Light" Smart Lighting Device

- **Building a Full-Dimension Smart Hub**

  At the heart of the system is a home smart control panel that has won the German Red Dot Design Award. Integrating AIoT full-perception capabilities and digital twin technology, the Company has established a whole-home smart control system that elevates the user experience from "passive control" to "proactive understanding". The system supports voice interaction in Chinese dialects, can control all home devices with a single command, and is also connected to property services, community clubhouses, and other scenarios, creating a seamless "home-community" smart ecosystem closed loop.

- **Upgrading the Full-Scenario Living Experience**

  The smart system deeply covers all dimensions of daily living. It senses real-time indoor temperature, humidity, air quality, and other data, automatically adjusting ventilation and air conditioning to create a consistently comfortable home environment. It also features proactive safety functions such as automatic gas leak response and fall-detection passive monitoring, alongside capabilities like smart linkage for adaptable spaces and whole-house water quality visual management. These innovations deeply integrate technological advancement with the needs of human-centred living.

Looking ahead, Yuexiu Property will continue to refine the in-depth application of its intelligent commercial management system, leveraging AI algorithm optimisation and cross-system collaboration to establish an industry-leading benchmark for smart commercial operations.

3.3.4 Responsible innovation: building a trustworthy technology ethics system

As the pace of technological innovation accelerates, enterprises face increasingly complex technology ethics challenges while promoting the application of technology—covering areas such as data privacy protection, ethical decision-making in artificial intelligence, and technological fairness. Yuexiu Property places great emphasis on the ethical risks that may arise during technological development and actively responds to national policy directions. In accordance with relevant laws, regulations, and normative documents—including the *Law of the People's Republic of China on Scientific and Technological Progress,* the *Opinions on Strengthening the Governance of Scientific Ethics*, and the *Measures for the Review of Scientific Ethics (Trial)*—the company is systematically advancing the development of its technology ethics governance system.

Looking ahead, Yuexiu Property will further refine its technology ethics management systems and operational standards, strengthen ethical review and risk prevention and control throughout the process of technology development and application, promote responsible and trustworthy technological innovation, and achieve coordinated progress between technological advancement and ethical governance.

3.3.5 Smartening the future: AI-driven business transformation and value creation

In the process of digital transformation, Yuexiu Property actively promotes the deep integration of artificial intelligence technology with enterprise operations. At present, we have embedded AI across various business scenarios, including marketing and customer service, product design and development, engineering construction and product management, operations and energy management, as well as corporate management and financial efficiency, significantly enhancing cross-departmental collaboration and operational effectiveness.

Specific case studies of AI applications in these five business scenarios—marketing and customer service, product design and research and development, engineering construction and product management, operations and energy management, and corporate management and financial efficiency—are presented below:

1. Marketing and Customer Service

Voice badge × AI Large Language Model: turning 'second bedroom doubts' into '8 units sold in one week'

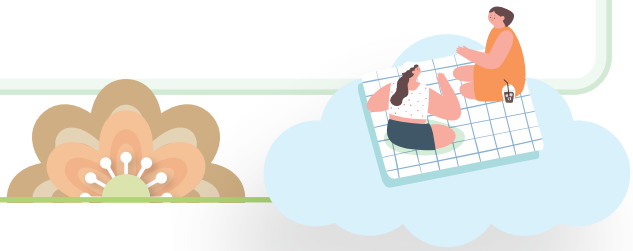
The "Voice Badge + AI Large Model Customer Research System" played a pivotal role at the Starry Lake project in the Greater Bay Area. By analysing on-site sales conversations, the system quickly identified that some potential buyers had concerns about the second bedroom in the 106㎡ floor plan. The project team promptly optimised the soft furnishings of the show flat, successfully facilitating the sale of eight units within a single week.

The system intelligently analyses sales site recordings to generate customer profiles, improving the efficiency of customer research. It also supports the standardisation of sales scripts, project post-mortems, and strategy adjustments. To date, the system has been deployed across 88 projects, accumulating a vast repository of customer data and producing 161 customer research reports, thereby driving data-informed marketing decisions and significantly improving sales absorption.

Yuexiu Fangbao has been redesigned and upgraded: driving efficient customer conversion through online precision traffic

To enhance online customer acquisition and conversion efficiency, "Yuexiu Fangbao" has undergone a comprehensive redesign. The new version focuses on providing more comprehensive, timely, and intuitive property information. By introducing 17 types of enriched content—including aerial photography, virtual tours, and floor plan evaluations—it has transformed from static information display to a full-chain sales enablement platform. At the same time, the system employs intelligent operational strategies to segment and classify user journeys, delivering personalised content that caters to individual preferences (a "personalised matching" approach), with a particular emphasis on a bespoke experience for luxury projects.

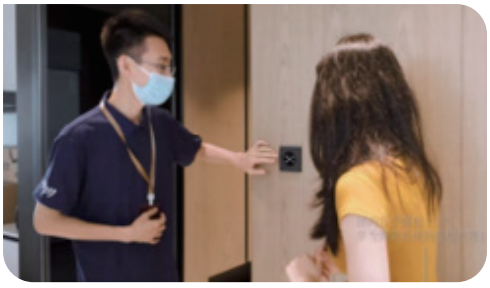
The results of the redesign have been remarkable. Across five regions and 30 pilot projects, the average user browsing duration increased significantly to 360 seconds—a five-fold increase compared to the previous version. The intention to leave contact information online has been strong, with an average of 518 leads per project per month, representing a substantial increase of 350% from the baseline period. Moreover, the appeal of the content has led to a seven-fold increase in proactive sharing by sales staff, forming a virtuous cycle of online traffic generation and offline follow-up, successfully converting platform traffic into tangible sales opportunities.



Pazhounan TOD: achieving 'Double Zero' high-quality delivery through intelligent delivery SOP

During the first phase of concentrated handovers at the "Pazhounan" TOD project, the project team, together with the Company's intelligent technology team, established a full-chain assurance mechanism and successfully achieved a dual breakthrough: "zero" intelligent work order and "zero" complaint regarding intelligent services. The team earned widespread praise from homeowners through professional consultations and rapid response times, setting a new benchmark for intelligent, high-quality delivery.

The success of this delivery was underpinned by a comprehensive Intelligent Delivery Standard Operating Procedure (SOP). The SOP introduces a pioneering scenario-based blueprint review mechanism to enhance the homeowner experience from the design stage. It also established a professional rapid repair team, implementing an efficient service model of "15-minute response, 20-minute rectification" to promptly resolve on-site issues. At the same time, it strengthened pre-delivery system training and on-site accompaniment inspection services to ensure a smooth handover for homeowners. The results have been significant: in 2025, the project's intelligent service satisfaction score reached 82 points, a year-on-year increase of 5 points, validating the outstanding value of this model in enhancing delivery quality and customer satisfaction.

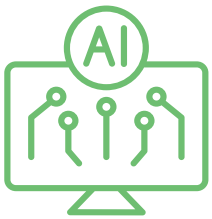


2. Product Design and Development

Yuezhi AI Platform: driving dual improvement in product competitiveness and sales absorption through intelligent design

The Yuezhi AI Platform was first deployed in the Central and Western Regions, deeply empowering the entire product design process. By integrating a "localised AI agent + multimodal workflow", the platform provides an intelligent toolbox that spans the full design process—from task decomposition and code lookups to production strategy reviews and image generation—achieving efficient human-machine collaboration.

The results have been significant: across seven projects where the platform has been deployed, it has directly contributed to the sale of 124 units. For example, during the bidding for a 45-mu project in Chengdu, AI-assisted generation of renderings and animations helped secure the bid for the proposal. At the Chengdu Lakeside Life project, AI-driven production strategy analysis accurately captured customer needs, effectively improving the visit-to-conversion rate. The platform has reduced the initial design phase time by 60%, increased the efficiency of presentation material processing by more than three times, and significantly lowered associated costs, thereby creating a value closed loop from design efficiency to marketing success.



3. Engineering Construction and Product Management

Yuezhizao BIM: enabling online collaboration across the entire construction process

The Yuezhizao BIM system provides a unified digital platform that spans the entire construction process, significantly improving project development efficiency and engineering quality. On the River Mansion project, the system was deeply integrated into all aspects of the development and construction chain—including value analysis, cost estimation, and construction management—creating a collaborative and efficient digital working environment.

By integrating core business functions such as drawing management, product quality control, and option selection and estimation, the system effectively breaks down departmental silos, enabling cross-functional data flow and professional collaboration. The results have been significant: the project change order rate has been reduced by 55%, and overall construction collaboration efficiency has increased by more than 30%, laying a solid foundation for high-quality delivery.

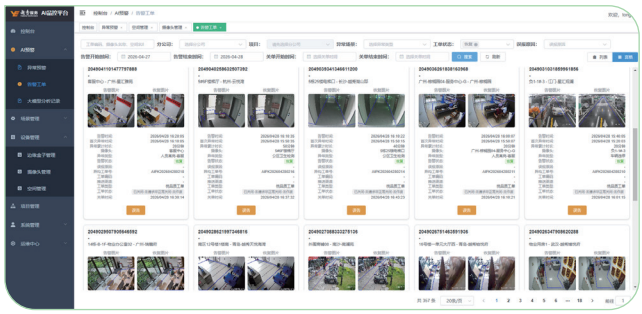
4. Operations and energy conservation management

Yuezhi Inspection: AI inspection system improves property quality management efficiency

To drive the digital transformation of property management services, the Company pioneered a pilot of the "Yue Smart Inspection" AI Intelligent Inspection System at the Guangzhou Joy Bay project. This system uses eight self-developed AI algorithms for different scenarios to perform periodic frame extraction, screenshot comparison and cloud-based analysis on existing surveillance video footage, achieving closed-loop AI quality control management – from automatic warnings and work order generation, to automatic verification and closure of work orders.

Pilot results show that the system has successfully replaced 45 existing manual inspection tasks, reducing the inspection workload for the project by 20% – equivalent to saving 292 person-days per year – while driving an optimisation of related operating costs of approximately 30%. The overall efficiency of inspections has improved significantly.

Currently, the "Yue Smart Inspection" system has been rolled out across 208 projects nationwide, continuing to use technology to help property quality management achieve the goals of improving quality, increasing efficiency and reducing costs.



The AI intelligent control system of the chiller plant empowers commercial projects to save energy and increase efficiency

To address the core pain point of energy management in commercial projects – the cooling source air-conditioning system – the Company introduced the AI Intelligent Control System of the chiller plant at the Yue City project. This system integrates AI models, big data and IoT technologies to analyse environmental data and equipment operating status (such as chiller efficiency and water pump flow) in real time, dynamically adjusting cooling source operation strategies to achieve a leap from "manual adjustment" to "intelligent self-control".

This solution, through automatic diagnosis of abnormal equipment energy use and closed-loop full-cycle energy management, upgrades energy management from post-event analysis and correction to proactive, pre-emptive strategy automation. At the Yue City project, the system successfully helped reduce energy consumption of the chiller plant by 18.1%, cutting annual energy costs by over RMB one million. At the same time, the inspection workload for the chiller plant decreased by 75%, and the energy cost of the chiller plant per project was steadily reduced by more than 10% – achieving notable results in improvement of management efficiency, energy saving and cost reduction.

Retail and commercial customer flow system: facilitating scientific business decisions with accurate data

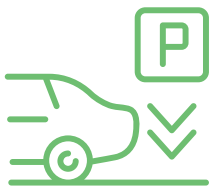
In the Wuhan YIFC Shopping Mall project, the Company deployed a retail and commercial customer flow system that successfully integrates multiple data collection technologies and AI algorithms, delivering deep insights and analysis of foot traffic within the shopping mall. Through complete hardware coverage, the system collects and analyses footfall data around the clock, accurately generating heat maps and trend line graphs, achieving a data accuracy rate of 97%. The Company uses non-facial human feature recognition to ensure customer privacy, and the system has enabled the construction of footfall data from scratch with zero manual cost input.

This system not only provides an in-depth analysis of the structural relationships between the mall, its stores and customer segments, but also uncovers customer consumption habits, offering scientific data support for store operation optimisation, enhancement of the shopping experience, and overall project management decisions. The results are significant: each deployed project has seen an increase in footfall data volume of between 5% and 17%, continuously empowering refined commercial management and business growth through data intelligence.

Smart Parking Unified Platform: driving dual improvement in parking experience and operational efficiency through a standardised system

The Smart Parking Unified Platform we have developed, through the provision of a unified platform interface and a standardised management system, comprehensively covers user parking scenarios and effectively enhances the level of refined and standardised control across various car parks. To date, the platform has successfully served 20 commercial management projects—including Yue City and Wuhan YIFC Shopping Mall—as well as over 200 residential projects, achieving 100% coverage of existing projects.

The core value of the platform is reflected in two key dimensions: operational efficiency improvement and user engagement. On the one hand, by digitising manual processes and automating financial workflows, it significantly reduces operating costs and error rates, achieving annualised savings of approximately RMB5 million in labour and member operation costs. On the other hand, the platform uses scientific guidance to engage members of "Yue Plus", successfully increasing member parking activity and transaction contribution, leading to a 5% increase in member registrations and a 20% increase in the proportion of parking transactions completed via the mini-programme. This represents a value leap from basic service provision to digital user engagement.



5. Business Management and Financial Efficiency

Financial carryover engine: revolutionising financial management efficiency with automation and standardisation

To address the challenges of surging financial data and bottlenecks in the efficiency of report generation brought about by business expansion, the Company independently developed and rolled out a financial carryover engine. This engine focuses on the core processes that underpin the preparation of financial statements. Through automated accounting processing and unified accounting standards, it has achieved a fundamental shift from manual submission and manual preparation to system-based aggregation and automatic data generation.

The engine has been successfully deployed across five regions and 141 projects. Under this new human-machine collaborative model, the Company has significantly improved the lean management of its financial operations. The results are striking: the preparation cycle for financial statements has been drastically reduced from approximately 15 days to just 5 days, representing a 67% optimisation in overall workload. This not only ensures the real-time, accurate reflection of operating results but also frees up the finance team to focus on higher-value analysis and decision-support activities.

Incentive and bonus online inquiry system: improving system efficiency through transparency and self-service

To address the pain points of traditional payroll inquiries – unclear breakdowns and reliance on offline communication – the Northern Region launched an online incentive and bonus inquiry system. This system presents, in a centralised online format, a detailed breakdown of each employee's various rewards and penalties (excluding base salary and performance-based pay), categorised by type and related project. Employees can thus view their reward and penalty allocations and payment status immediately, achieving self-service inquiries and information transparency.

The design of the system follows the principle of "simplifying complexity while ensuring clear rewards and penalties". With a modest investment in lightweight system transformation, it brings the incentive system into a fully standardised and transparent view, thereby enhancing the credibility of the system and its motivational effect. The results have been significant: not only has it reduced repetitive offline tasks such as employees requesting pay slips or asking individual questions, but by presenting the incentive structure clearly, it has also enabled the reward system to function more fully and effectively.

Looking ahead, the Company will continue to expand the application of artificial intelligence across core business scenarios such as project management, customer service, energy operation and maintenance, and product design, driving the transformation of business models towards data-driven and intelligent decision-making. The Company is committed to using AI as an engine – not only to enhance its own innovation capacity and competitive advantage, but also, through technological empowerment, to contribute wisdom and strength to the sustainable development of the industry and the progress of society.

3.4 Green Operations and Leasing

Yuexiu Property regards green operation as the core pathway to achieving long-term asset value and sustainable competitiveness. Supported by intelligent management platforms and framed by a full-life-cycle perspective, the Company systematically drives deep decarbonisation and resource circularity during the operational phase: through IoT-based technologies, it has built a refined energy monitoring and control system, and established a closed-loop management process for the resourceful use of construction waste – thus forging industry-leading resource efficiency and low-carbon resilience at the project operation end.

In parallel, the Dual Carbon Empowerment Programme, operating through the Yuexiu Welfare Foundation platform, is dedicated to catalysing the growth of sustainable value networks within commercial settings. Since the Plan's implementation, pilot projects have achieved a recycling and reuse rate of 91%, successfully creating a new paradigm for low-carbon operation in commercial real estate.

Embedding green office principles into lease clauses by establishing a sustainability scoring system in collaboration with tenants

Building a carbon footprint visualisation platform that uses data integration to deliver real-time incentives for energy-saving behaviours

Hosting regular circular economy workshops, creating an environmental engagement chain that runs from plastic reduction, through waste-to-art upcycling, to the adoption of green plants for care

Goals and Performance:

Targets for 2030

- By 2030, achieve over **90%** signing rate for the Green Covenant among new long-term tenants (lease term **≥12** months) in office buildings and apartment projects
- By 2030, achieve over **90%** coverage rate of operational commercial projects connected to the energy management platform

Performance in 2025

- Achieved a **100%** signing rate for the Green Covenant among new long-term tenants (lease term **≥12** months) in office buildings
- In 2025, the proportion of self-hold commercial projects connected to the energy management platform reached **79%**

3.4.1 Green value chain

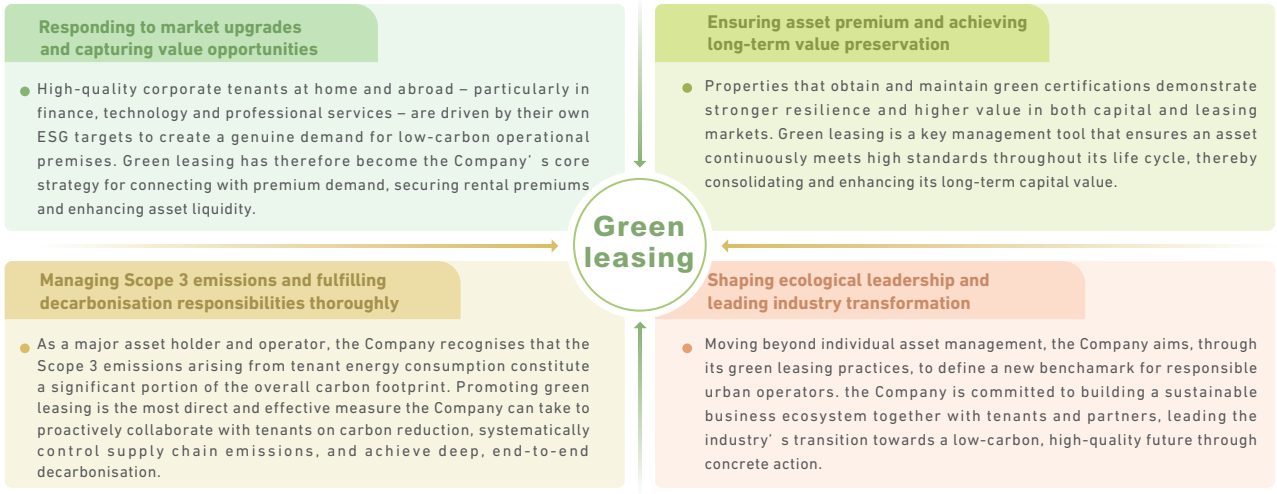
The green value chain that Yuexiu Property has built serves as a systematic strategic engine driving the enterprise towards a sustainable future. This framework proactively integrates four strategic pillars – green operations, decarbonisation pathways, circular economy and green leasing – forming a closed-loop management system that covers the entire life cycle from investment decisions, design and planning, construction and implementation, through to smart operation and asset retirement. It provides a robust architecture for the Company to achieve a unity of environmental benefit and long-term competitiveness. Below is the positioning and practical pathway of each link within this green value chain:

Aspect	Core connotation	Role in the value chain	Our highlights
Green operations	Energy saving, water conservation, and waste management optimisation throughout the full life cycle of buildings	Technical execution basics	The energy platform has a coverage rate of 50 % in office properties and 55.6% in retail shopping mall properties, enabling real-time energy efficiency monitoring
Carbon reduction pathways	Science based carbon target management, covering Scope 1, 2, and 3 emissions	Strategic orientation core	By 2025, 100% of new office green leases have been signed, promoting collaborative carbon reduction in the value chain
Green leases	A contractual mechanism in which landlords and tenants share environmental responsibilities	Value realisation bridge	By 2025, the Green Covenant signing rate target is more than 100%, and rent is linked to energy consumption performance
Circular economy	Resource closed-loop system, from design to recycling of the whole process management	Resource optimisation engine	The recycling rate of construction waste exceeds 100%, and priority is given to the use of recycled building materials
Low-carbon office	A systematic solution for greening office space + low-carbon office behaviour	Employee participation	The coverage rate of smart office systems has been improved, and employee carbon accounts have been piloted

3.4.2 Green leasing

Against the backdrop of China's "dual carbon" strategy and the growing preference for sustainability in the market, green leasing has evolved from an industry trend to a key lever for commercial real estate value creation. As an industry leader, Yuexiu Property not only adheres to green building standards on the development side, but also on the asset holding and operation side, proactively and systematically integrates green leasing into the entire leasing management process of investment properties such as offices, retail, and industrial parks, achieving a closed loop of value and efficiency leap from "green construction" to "green operation".

Yuexiu Property's full implementation of green leasing stems from the following four strategic considerations and proactive layout:



We will continue to promote green leasing through the following paths:

Direction of action	Specific measures
Innovative contract terms	• Green Clauses: Include a shared commitment to energy conservation goals, waste sorting, data sharing (energy/water consumption), and the use of eco-friendly cleaning products in the lease. • Cost sharing mechanism: Adopt "green performance clauses" to receive rent incentives or share energy costs saved if tenants' electricity consumption falls below the agreed benchmark. • Starting from the office format, covering retail malls, apartments, and industrial parks, through the signing of the *Green Covenant* with tenants, green rental management practices are carried out from the aspects of energy consumption management, waste management, green decoration, and the promotion and advocacy of green leasing concepts.
Technical and service support	• Provide tenants with energy audit consulting services to help them optimize the air conditioning and lighting equipment within their leased units. • Leverage the smart Internet of Things (IoT) platform to display tenants' real-time energy consumption data and provide targeted energy-saving tips. • Set up green leasing demonstration floors in benchmark projects under Yuexiu (including Guangzhou International Finance Centre, Yuexiu Financial Tower, etc.). • Establish dedicated recycling zones for decoration waste and food waste, implement standardized waste sorting management, and require tenants to comply with the Company's requirements on waste management and indoor environmental quality, as well as to properly sort, orderly place and dispose of waste. • Select green building materials and products that meet national or local environmental protection standards during decoration or renovation works; encourage customers to use green and eco-friendly decoration materials, including low-smoke halogen-free flame-retardant wires, E1 grade flame-retardant boards with formaldehyde emission complying with relevant standards, paints and coatings that meet the technical requirements for environmental labeling products, and energy-saving eco-friendly lighting fixtures.
Community and certification drive	• Organise tenants to participate in activities such as "Earth Hour" and "Green Office Challenge" to build a sustainable community. • Actively assist or cooperate with tenants in applying for LEED/WELL indoor space certification to enhance the overall green level of the building.

Key performance indicators :

The signing coverage rate for the *Green Covenant* among new long-term tenants (lease term ≥ 12 months) in office buildings in 2025 is **100%**

3.4.3 Circular economy

Yuexiu Property has established circular economy as a core strategic pillar driving the Company's high-quality development and green transformation. Through systematic design, the Company lays the foundation for resource circularity; through lean construction, it reduces the ecological footprint; and through smart operation, it activates the full-life-cycle value of its assets. Within this framework, the selection of green materials, the development of energy-efficient systems, and the closed-loop recycling of resources have formed a strategic execution chain that runs through every stage – investment, construction and operation. This not only enhances resource efficiency at the individual project level but also aims, through a standardised and replicable circular economy model, to set a new benchmark for the industry's green transition, providing a systematic solution with distinctive Yuexiu characteristics for sustainable urban development.

Under the practical framework of the circular economy, the Company embeds green principles deeply throughout the entire construction life cycle. On the materials front, priority is given to low-energy glass, environmentally friendly coatings, sustainably sourced timber and other green building materials, reducing reliance on virgin resources and minimising environmental impact. During the construction and operational phases, the Company focuses on waste reduction management and resource utilisation, actively promoting material recovery and recycling loops. These measures not only lessen the environmental burden but also enhance resource efficiency and the sustainable value of projects, reflecting Yuexiu Property's concrete actions and long-term commitment to driving the green transformation of the industry.

Area of action	Construction site	Sales case	Office area	Projects in operation
Specific measures	• Use reusable barrier materials for site enclosures; • Promote the use of recyclable building materials to reduce reliance on finite resources; • Minimise waste generation during construction/demolition and encourage reuse or recycling of waste materials.	• Implement a digital fixed asset management system with a dedicated module for marketing asset tracking; • Monitor sales centre opening/closing schedules to optimise cross-regional asset reuse.	• Establish the *Effective Material Utilisation Guidelines* and implement garbage classification, recycling and reuse measures; • Set up a recycling desk for office supplies and idle materials to recycle scattered materials; • Entrust licensed and qualified units to handle office waste; • Screen the waste, hand it over to the supplier to recycle the ink cartridges, re-clean the powder and recycle it; • Strive to reduce pollution and harm caused by waste to the environment.	• Implement a waste ledger management system and hand it over to a licensed professional institution licensed by the government for processing; • Separate storage of hazardous waste and regular transfer to professional licensed institutions; • Sign a recycling agreement to arrange the cleanup of hazardous solid waste; • Dispose of hazardous waste in accordance with national and local regulations, and record the disposal method, quantity, and type in the *Hazardous Solid Waste Disposal Registration Form*.

Case

Green procurement

In 2025, for materials supplied by Party A, priority was given to green building materials, low-carbon components and parts, and low-energy equipment.

1. For example, for air conditioning, first-level energy efficiency products were added; for wall-hung boilers and water heaters, first-level energy efficiency products were included in the bidding for the first time, responding to the national trend of increasingly stringent energy efficiency requirements and meeting the ultra-low energy efficiency standards for newly built residential projects across various regions;
2. For integrated wooden cabinet panels, E0-grade environmentally friendly boards are standard. For wall covering and wallpaper products, the formaldehyde emission limit follows internal corporate standards that are stricter than national requirements (national standard ≤120 mg/kg, Yuexiu standard ≤10 mg/kg), fully meeting the high-quality delivery requirements of green, healthy and eco-friendly living for newly built residential projects;
3. Elevators are equipped with energy recovery systems that capture braking energy and feed it back to the grid or reuse it internally, replacing the traditional wasteful dissipation of energy as heat through resistors. This effectively reduces energy consumption, lowers heat generation in machine rooms, and reduces equipment failure rates, supporting the green, energy-efficient and long-term stable operation of projects;
4. Guided by whole-lifecycle cost optimisation, the company collaboratively developed stain-resistant, scratch-resistant and eco-friendly coatings, improving the stain resistance and ease of cleaning of elevated floor walls, reducing subsequent property cleaning and repair costs, and contributing to low-carbon building operations;
5. Focusing on cost reduction and efficiency improvement across the entire production and operation chain, the company jointly developed an eco-friendly white waterproof slurry, significantly reducing production energy consumption and overall costs, improving construction efficiency, and promoting green construction and sustainable operations.

Case

Yuexiu Property "Yue+ Life" community circular economy practice

As Yuexiu Property's community culture operation brand, Love Yue Club launched the 2025 annual "Yue+ Life" Chengdu living market themed event within communities in the central-western region.

Picture: The event's reusable eco-friendly shopping basket

Picture: The event organiser's proposal for layered waste composting

This market event was built around the core concept of the circular economy, putting resource circulation into practice through an end-to-end chain of activities. Specifically, the market established strict access criteria: only producers were permitted to supply their own ecological agricultural products directly, creating a direct farm-to-consumer scenario that reduced intermediary distribution losses. This promoted an ecological loop that included reducing pesticide and fertiliser use in agricultural production, protecting soil and water, and purifying and reusing domestic wastewater through resource recovery. At the same time, by building a community of producers, the event enabled the sharing of cultivation techniques, bartering of surplus produce, and the protection and transmission of germplasm resources. It also developed value-added processed agricultural products, maximising the value of produce while minimising material waste.

At the same time, the event promoted easily adoptable resource-circular lifestyles among residents – such as composting kitchen waste and shopping with reusable containers – encouraging the resourceful use of household waste and the reduction of single-use materials, so that sustainable principles become part of everyday life. Through this initiative, Yuexiu Property has embedded the concept of resource circularity deeply into community building, enabling the circular economy to take root in urban neighbourhoods, and transforming buildings from mere living spaces into settings that embody a sustainable way of life.

3.4.4 Low-carbon office

Yuexiu Property actively pursues green and environmentally responsible management principles, embedding low-carbon office practices into the core pathway of its sustainable development. By promoting intelligent office systems, encouraging green commuting, organising environmental training and strengthening waste management, the Company systematically reduces office carbon emissions, enhances energy efficiency, and is committed to creating a healthy, comfortable and productive working environment for its employees. These initiatives not only effectively lessen the environmental footprint but also lay a solid green foundation for the Company's long-term, steady growth.

In the ongoing effort to deepen low-carbon office practices, the Company actively introduces innovative technologies – notably the widespread adoption of electronic signatures. As an important integration of digital transformation and sustainable development, electronic signatures use digital authentication to ensure document security and legal validity, significantly reducing paper consumption and achieving the dual goals of environmental protection and operational efficiency improvement.

According to statistics, in 2025, Yuexiu Property executed 1,550 thousand documents using electronic signatures. Among these, approximately 12 thousand external contracts were signed electronically, achieving an application rate of 37%. These initiatives saved the Company over RMB7.89 million in costs and approximately 389 thousand hours of time during the year, empowering green office practices with technology and continuously driving the Company's operations towards a smarter and lower-carbon future.

Printing costs	Based on printing in duplicate at RMB0.1 per sheet, a total of **7.193** million sheets of paper were saved, amounting to RMB**0.719** million.
Logistics costs	Calculated at RMB10 per courier fee for 5% of total signed documents, courier expenses were reduced by RMB**778,000**.
Storage costs	Based on 20,000 documents stored per cubic meter, a total of **77.8** cubic meters of space was saved.
Time cost	Calculated at 15 minutes per document for stamping, mailing, and archiving, a total of **389,000** hours were saved.
Labour costs	Based on a monthly salary of RMB4,000, 8 working hours per day, and year-round operations, labour costs were reduced by RMB**6.395** million.
Environmental protection costs	Based on one 20-year-old tree producing 30,000 A4 sheets and each A4 sheet reducing carbon emissions by 33.41 g, a total of **239** trees were preserved, and carbon emissions were reduced by **240** tonnes.

The above data is sourced from the electronic signature system from 1 January 2025 to 31 December 2025. Carbon reduction calculation standards reference the "Carbon Reduction Through Signing" model jointly developed by Fadada, China Beijing Green Exchange, and Institute of Finance and Sustainability.

Recognised as a 2025 "Contracting for Carbon Reduction" Pioneer Enterprise Award presented by the Enterprise Green Development Research Institute and other authorities

Awards related to electronic signatures (carbon reduction through signing and low-carbon office).

In 2025, the application scenarios of the electronic signature system were further expanded, with 42 new categories of business documents added compared to previous years, covering areas such as cost management, procurement, marketing, centralised procurement, cost estimation, BIM and long-term leasing.

October: **Two categories** of the cost-related *Third-party Subcontractor Confirmation Notification* went live with electronic signatures.

November: **Five categories**, including the procurement-related *Tender Document*, went live with electronic signatures.

December: **Two categories** of the marketing-related *Commission Settlement Statement*, **four categories** of the centralised procurement-related *Monthly Procurement Reconciliation Statement*, **26 categories** of the cost estimation-related *Bill of Quantities Preparation Approval Form T3*, the BIM-related *External Drawings*, and the long-term leasing-related *Lease Termination Report Form* went live with electronic signatures.

The Company continues to promote the digital signing of documents such as contracts, material delivery notes and payment requests. During the year, over 1,900 suppliers activated and used the electronic signature system. The overall e-signing rate for procurement contracts reached 37%, with the highest rate in individual business units reaching 63%, significantly improving supply chain collaboration efficiency. During the period, the efficiency of individual signing of miscellaneous documents also continued to improve, with over 25,000 documents issued and completed for signing. Over the course of the year, a cumulative total of 1.55 million electronic documents were signed, saving approximately 7.19 million sheets of paper, equivalent to a carbon reduction of about 240 tonnes, effectively promoting the synergistic development of green operations and digital transformation.

Stock Code : 00123

Chapter 4

People-Centred and Community Cohesion

Management Approach

4.1 Annual Progress and Highlights

4.2 Employee Development and Wellbeing

4.3 Social Responsibility and Public Welfare

4.4 Sustainable Development Practices

Our actions support the following United Nations Sustainable Development Goals (SDGs)

Management Approach

Yuexiu Property has established "people-centred, community cohesion" as the value foundation and action guideline that drives its corporate sustainable development. This not only aligns with the national strategic directions of high-quality development and common prosperity, but also commits us to systematically building a development ecosystem where employees, the Company, communities, and the city coexist and thrive together, achieving a deep integration of commercial and social value.

In terms of internal governance, we regard our employees as the Company's most valuable asset. The Company strictly complies with laws and regulations such as the Work Safety Law, and has established a comprehensive occupational health and safety prevention and control system covering all employees and all processes, thereby reinforcing the bottom line of operational safety. At the same time, through the implementation of strategic talent initiatives such as the "Yue Lan Zhong Xing" programme, we broaden diverse career development pathways, strengthen rights protection and overall wellbeing, and continuously stimulate the organisation's internal drive and innovative vitality.

At the level of social participation, we actively fulfil our corporate citizenship responsibilities. The Company deeply aligns with the national strategies of "rural revitalisation" and "actively responding to population ageing", making systematic investments in education and elderly care. On the one hand, by building a long-term education support system and deeply participating in the 'Hundred, Thousand, Ten Thousand Project', we help cultivate rural talent and development. On the other hand, focusing on the core needs of "the elderly and the young" in communities, we optimise and promote inclusive service models such as "Elderly Canteens" and "Community Health and Wellness Service Stations", using volunteer services to activate community self-governance and cultural heritage.

In value creation and delivery, we adhere to long termism. The Company continues to advocate for innovative practices such as the "Green Living Path" and the promotion of "Sustainability Badges", guiding responsible consumption and low-carbon lifestyles. We always regard customer satisfaction as the highest standard for measuring product and service quality, integrating it into the entire process from development to operation, ensuring that every project achieves a synergistic win-win of economic benefits, social welfare, and environmental friendliness.

Yuexiu Property firmly believes that true sustainable development is rooted in care for people and contribution to communities. Guided by this principle, we will translate our philosophy into solid action, continuously create long-term value for our stakeholders, and contribute Yuexiu's strength to building a more inclusive and better urban life.

4.1 Annual Progress and Highlights

Creating Employment Opportunities

Provided **45** job positions for people with disabilities, with employees with disabilities accounting for **0.29%** of total permanent staff;

Recruited **229** fresh graduates with a bachelor's degree or above.

Building a Comprehensive Education Ecosystem

Provided continuous support for three consecutive years to the **"Hundred Enterprises, Thousand Talents"** Internship Programme for Hong Kong and Macao Students, offering accommodation support;

Established the Yuexiu Education Research Institute to drive the development of a future education ecosystem combining **AI** and humanities;

Honoured with the **"Outstanding Influence Leadership Unit"** award by Yangcheng Evening News;

The Eastern China Regional Company invested RMB **43.2 million** to introduce prestigious school and renowned principal resources, promoting access to quality education and creating large-scale education communities for the benefit of property owners;

Implemented intelligent learning spaces within communities to promote **inclusive lifelong education**;

Awarded Sina Education **2025 Influential Education Brand of the Year**.

Its "Yuemei Le" childcare centre was awarded a **five-star rating** by the Guangzhou Municipal Government, and named Vice-Chairman Unit of the Guangdong-Hong Kong-Macao Greater Bay Area Industry-Education Integration Skilled Talent Training Childcare Alliance;

Appointed Vice-Chairman Unit of the **"Medical-Education Collaborative Development Alliance"**;

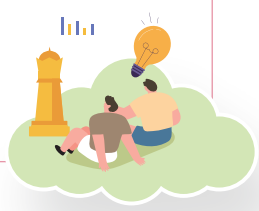
Volunteer Services for a Better City

The number of employees participating in charity activities reached **3,279 person**;

Participated in a government-enterprise collaborative initiative to clean up old factory environments, removing **134 tonnes** of waste and remediating **22,000 square metres** of land;

The Guangzhou Regional Company donated RMB**32 million** to support the coordinated development of education at all levels across Guangdong Province;

Yuexiu Group, together with its affiliated enterprises including Yuexiu Property, donated **HK$10 million** to support fire rescue efforts in the New Territories, Hong Kong.



Building a Happy Life for the Elderly in Our Community Together

Yuexiu Senior Care was honoured with the GBE Medical & Senior Care Industry Award 2025 — Annual Excellent Operation Service Provider at the China Integrated Medical and Elderly Care Innovation Development Summit Forum 2025 & GBE Medical and Senior Care Industry Award 2025, and was ranked among the 2025 China's Senior Care Industry Operator Comprehensive Strength **TOP30**.

Organize "Silver Age" fairs to bring senior care services directly to community-dwelling elderly.

Upgrade the Evergreen College to a branch of the University for the Elderly, enriching the spiritual and cultural life of seniors.

Promote age-friendly community retrofitting to enhance the home safety of elderly residents.

Sustainable Community Development

Created a "community steward" model; held the first Community Steward Conference, incubating **108** community groups across 17 projects and attracting over **22,000** homeowners to participate;

Delivered high-quality redevelopment of the Lirendong old renovation project, balancing construction speed with cultural preservation – retaining local heritage such as the ancestral hall square and stone memorial archway.

Sustainable Community Innovation

Developed a "delivery-rider-friendly community". By integrating food delivery platform data with smart verification, the single entry time for riders to enter the community was reduced from 5 minutes to **45 seconds**.

4.2 Employee Development and Wellbeing

Yuexiu Property always regards its employees as the core driver of the Company's sustainable development and is committed to shaping the future through talent. We systematically build a healthy, equitable and enjoyable workplace ecosystem, continuously deepen our talent development strategy, increase resource investment, support sustainable employee growth, and strive to create a diverse, inclusive, and industry-leading high-quality talent pipeline, injecting lasting momentum into the Company's high-quality development.

4.2.1 Occupational Health and Safety

Yuexiu Property places employee safety and health primarily and is dedicated to providing a safe, healthy and secure working environment. The Company strictly complies with national regulations such as the *Work Safety Law*, and continuously improves its internal governance system. By formulating and regularly updating safety management policies, we fully implement safety production responsibilities at all levels, effectively enhancing employees' sense of security and organisational trust.

Laws, regulations, and standards followed by the Group in relation to Occupational Health and Safety Management	The Group's main internal policies on Occupational Health and Safety Management
Work Safety Law of the People's Republic of China	*Health and Safety Policy*
Law of the People's Republic of China on the Prevention and Control of Occupational Diseases	*Work Safety Management Measures*
	"Three Simultaneous" Management Rules on Construction Projects
	Occupational Health Management Rules
	Occupational Sanitation Management System
	Food Safety Management Rules
	Internal Security Guard Work Rules
	Meteorological Disaster Emergency Plan
	Emergency Response Plan for Productive Safety Accidents
	Guidelines for the Management of Security in Office Areas
	Guidelines for Safety Education and Training
	Standardised Manual for Work Safety Management
	Safety Management System Construction
	Safety Management Behaviour Standards
	Site Safety Management Illustrated Manual

Work Safety

Yuexiu Property regards work safety as the fundamental bottom line for the survival and development of the Company. The Company's board of directors bears the ultimate leadership and oversight responsibility for occupational health and safety performance. Senior management is responsible for strategic deployment and resource assurance, while middle managers implement specific control measures at the frontline. The Company fully integrates key work safety performance indicators into the performance appraisal and compensation systems of management at all levels, establishing a long-term management mechanism with aligned rights and responsibilities and strong constraints.

To achieve forward-looking risk prevention and dynamic closed-loop management, the Company has established a four-tier collaborative governance structure: overall coordination by the Sustainability Committee, decision-making by the Sustainability Leadership Group, implementation driven by the Executive Group, and professional support from the Safety Management Department. This system regularly and systematically identifies and assesses occupational health and safety risks, and directly reports key indicator performance and improvement plans to the board of directors and senior management for review, ensuring continuous optimisation of safety management strategies and steady improvement in implementation effectiveness.

The Company has adopted the guiding objectives of the **"Four Assurances, Five Zeros"**, with the core commitment to upholding the bottom line of **"zero work-related fatalities"**. The supporting assessment mechanism is strictly defined: any safety accident that results in fatalities, major casualties, significant losses, or severe adverse social impact will trigger a **"one-vote veto"** in performance appraisal. In accordance with the *Management Measures of Work Safety Accountability* and other policies, management's compensation, promotion, and accountability are directly linked to safety outcomes, ensuring that safety responsibilities are fully embedded at every level and consistently enforced to the last link.

Work Safety Zero Targets

Four Assurances

- No major work safety liability accidents
- No major food safety incidents
- No major sudden environmental incidents
- No major internal security and safeguarding incidents

Five Zeros

- Zero work-related fatalities liability accidents among employees
- Zero work-related fatalities liability accidents among relevant third parties (all value chain members, including suppliers and contractors)
- Zero liability accidents of any other type causing significant direct economic loss
- Zero general food safety incidents involving mass poisoning but no fatalities
- Zero general sudden environmental incidents that result in personal injury, fatality, or mass health damage due to environmental pollution

During the reporting period, all ISO 45001 occupational health and safety management system certifications obtained by subsidiaries of Yuexiu Property remained within their validity periods.

Work Safety Non-Zero

The number of general and above safety accidents involving relevant third parties (including contractors) **decreased by 5%** compared with the previous year.

Maintained the employee Lost Time Injury Rate (LTIR) at **1.2** or lower, and continuously tracked the employee Lost Time Injury Rate.

Targets and Performance

Number of work-related fatalities (persons))	Total number of days lost due to work-related injuries (days)	Lost Time Injury Rate (LTIR)
0 persons	1,384 days	0.21

Standard Certifications and Credentials

Guangdong Yue zhi Dun Security Service Co., Ltd.

Guangzhou City Construction & Development Engineering Cost Consulting Co., Ltd.

Guangzhou City Construction & Development Design Institute Co., Ltd.

Guangzhou Urban Construction Engineering Management Co., Ltd.

Guangzhou Yuexiu Property Development Co., Ltd.

Yue Xiu Property Management Limited

Yue Xiu APT Parking Limited

Case

Yuexiu Property's Bay Area Company successfully held a "lean safety" themed speech labour competition

To comprehensively strengthen safety awareness among all staff and promote the deep integration of safety principles into daily operations, the trade union and Safety Supervision Department of Yuexiu Property Bay Area Company jointly organised a themed speech labour competition entitled "Safety is All Around Us" in July 2025.

Following a rigorous selection process, 10 employees from frontline projects and functional departments competed on stage, sharing case studies on hazard identification and lean management practices based on real-life scenarios such as construction sites and sales offices.

Ultimately, the top three prizes were awarded to the presentations titled *'Lean Empowers Safety, Details Safeguard Development'*, *'Safety Management Is an Ongoing Journey'*, and *'Using the Blade of Lean to Eliminate Safety Hazards'*. Through safety knowledge quizzes and the exchange of practical case studies, the event deepened the entire workforce's understanding of lean safety management. The Company will promote these best practices to foster a culture of safety.

Case

Launching the "Summer Cooling" initiative to offer support during the heatwave, demonstrating genuine care for frontline staff

In the summer of 2025, faced with the severe challenge of persistent high temperatures, Yuexiu Property's trade unions at all levels took proactive measures to safeguard the health and welfare of frontline staff and demonstrate the organisation's care. They organised a Company-wide "Summer Cooling" campaign to provide relief from the heat. Coordinated by the Company's trade union, the campaign extended to frontline staff across nine units, including the Commercial Management Company, Property Management Company, Yuejianke, and various engineering and construction project departments. Based on the actual needs of employees, trade unions at all levels procured and distributed a wide range of supplies, including refreshing drinks, heatstroke prevention medicines, sun hats, powerful fans and watermelons. Through "point-to-point" delivery methods, they brought this care directly to the workplace, promptly replenishing energy and providing relief to over 5,300 employees persevering in the heat. Regional companies also adapted their approaches to local conditions, such as combining the care visits with workplace safety drills and emphasising the implementation of heatstroke prevention measures. This initiative not only served as a sincere expression of gratitude for the employees' hard work but also embodied the Company's "people-oriented" culture through concrete actions. It effectively strengthened team cohesion and injected heartwarming positive energy into the Company's stable operations and high-quality development.

Internal and External Audits

Yuexiu Property positions internal and external audits as a core mechanism for the continuous improvement and value creation of its occupational health and safety management system. To ensure the efficient and robust operation of the ISO 45001 system, the Company has established a full-cycle management foundation covering policy objectives, risk prevention and control, and awareness building. We have not only formulated a clear occupational health and safety policy and quantitative targets, but also actively identify and control potential hazards through regular risk assessments. At the same time, through organisation-wide training and cultural advocacy, we continuously strengthen employees' awareness of rules and encourage them to shift from "passive compliance" to "active participation", jointly reinforcing the foundation of safety management.

On this basis, the Company has systematically built a tiered, closed-loop audit and oversight mechanism:

Internal audits driving continuous improvement:

- The Company organises a comprehensive internal audit once a year, led by management to systematically review the effectiveness of the system's operation. Based on the audit results, corrective and preventive actions are implemented in a timely manner, ensuring that the management system always remains appropriate, adequate, and effective.

External audits ensuring compliance and progress:

- An independent third-party accredited body is engaged every three years to conduct an external audit. Leveraging its professional perspective and objective standards, the external audit verifies compliance and diagnoses performance, ensuring continued conformity with the ISO 45001 international standard and driving the system to continuously benchmark against industry best practices.

Safety Training

In 2025, Yuexiu Property launched a series of new initiatives focused on employee safety and health, aimed at enhancing staff awareness of workplace safety and health.

Case

Honing practical capabilities through competition, fortifying safety defences through contest — Yuexiu Commercial Management successfully hosted Safety and Emergency Skills Competition

In October 2025, Yuexiu Commercial Management, a subsidiary of Yuexiu Property, successfully hosted its 6th Safety and Emergency Skills Competition. Through practical competitive exercises, the Company further sharpened its teams' emergency response capabilities and reinforced corporate safety defences. Zhang Jin, Assistant to the President, emphasised in his mobilisation address: "workplace safety is the lifeline of enterprise development and the cornerstone of safeguarding both employees and customers." This competition served as a vivid embodiment of that philosophy, designed to comprehensively assess the safety training outcomes across all units, strengthen safety accountability awareness amongst all personnel, and drive the principle of "Safety First" to become internalised in mindset and externalised in action.

The competition attracted ten elite teams competing across multiple practical event categories. Ma Zhongwen, Deputy Secretary of the Party Committee and Chairman of the Trade Union, stressed in his concluding remarks that greater attention must be paid to the development and continuous renewal of safety personnel talent pipelines. He advocated employing lean thinking to empower safety management and achieving iterative upgrades to the safety system through systematic review and reflection. Ling Shi, General Manager of Yuexiu Property's Safety Supervision Department, offered high praise for the event, noting that it represented not merely a contest of skills but a profound immersion in safety culture and an effective elevation of safety consciousness — fully demonstrating the professional competence and sense of responsibility of the commercial management safety teams.

This event constituted an important measure in the Company's commitment to the safety-first development philosophy and the consolidation of safety management foundations. Yuexiu Property will continue to carry forward the spirit of endeavour and collaboration demonstrated during the competition, not only advancing emergency capability building to new heights but also providing robust safeguards for the lives and property of both employees and customers.

OHS and Critical Illness Risk Management

Yuexiu Property regards Occupational Health and Safety (OHS) risk identification and assessment as a core element of its management system. The Company continuously refines a series of policies, including the *Detailed Rules for Occupational Health Management*, *Occupational Health and Hygiene Management System*, and *Detailed Rules for "Three Simultaneous" Management of Construction Projects*. It strictly adheres to the objectives, responsibilities, and implementation requirements set forth in the *Health and Safety Policy*, and has established a normalised mechanism for risk identification and assessment. Through regular investigations and analyses of work-related injuries, health impairments, illnesses, and safety incidents, the Company formulates and implements mitigation measures for potential hazards, creating a complete closed-loop process of "identification — assessment — response — rectification — supervision" to ensure the continuous and effective operation of the management system.

To systematically reduce employees' risk of critical illness and comprehensively safeguard their health and wellbeing, Yuexiu Property has implemented a number of pragmatic initiatives:

- Conducts an annual health examination programme, achieving **100%** employee health screening coverage in 2025, facilitating early detection of health risks;
- For female employees, regularly organises voluntary gynaecological specialist examinations, providing targeted health support;
- Pilots the provision of staff medical emergency kits in office premises to meet routine emergency medical needs.

These measures have effectively enhanced overall employee health levels, strengthened the corporate image of humanistic care, and vigorously promoted the continuous development of a healthy and safe working environment.

4.2.2 Employee Rights Protection

Fair Employment

Yuexiu Property strictly adheres to national laws and regulations, including the *Labour Law of the People's Republic of China*, *Labour Contract Law of the People's Republic of China*, and *Law on the Protection of Workers' Rights and Interests*, whilst fully complying with relevant standards of the *International Labour Organization Conventions*. In talent recruitment, the Company upholds the principles of fairness, impartiality, and equal treatment, resolutely eliminating any form of employment discrimination. In developing its remuneration system, the Company takes comprehensive account of employees' cultural backgrounds, professional competencies, and other multi-dimensional factors, strictly implementing equal pay for equal work. It is committed to building a diverse and inclusive talent workforce, earnestly putting the fair employment philosophy into practice.

Based on labour regulations in each business location, with the protection of employees' fundamental rights and the enhancement of their wellbeing at its core, the Company has formulated and implemented a series of supporting management policies:

The Employee Rights Protection Policy	focuses on safeguarding every employee's entitlement to fair treatment and basic rights in the course of performing their duties
The Diversity and Inclusion Policy	advocates respect for diverse differences and strengthens workplace inclusiveness, promoting employees from different backgrounds to unite in purpose and work harmoniously together
The Human Rights Policy	clearly defines the Company's firm stance on human rights protection, ensuring that all business activities are premised upon respecting and safeguarding human rights
The Mutual Respect in the Workplace Policy	actively advocates the building of a workplace culture of mutual respect and understanding

This series of policies not only reflects the Company's lawful operation but also demonstrates profound care for employees' dignity and rights, laying a solid foundation for fostering a high-quality workplace ecology that is safe, respectful, and inclusive.

Yuexiu Property has always adhered to a culture of equal employment, simplicity and inclusiveness, strictly observing the principle of gender equality in its recruitment and promotion processes and resolutely prohibiting any form of gender discrimination. In the recruitment process, the Company establishes uniform job criteria and assessment procedures, explicitly stating that gender is not used as a screening criterion, thereby ensuring that all candidates enjoy equal opportunities and a fair competitive platform. In the promotion process, the Company adopts performance and professional competence as the core evaluation criteria, and has established and continuously improves open and transparent talent selection mechanisms—such as open competition and democratic recommendation—so as to effectively guarantee that male and female employees receive fair treatment and opportunities for upward mobility throughout their entire career development. The Company firmly believes that a diverse, equitable and inclusive workplace is not only a core expression of corporate social responsibility, but also a vital foundation for driving organisational innovation and sustainable development.

Opposition to Child Labour and Forced Labour

Yuexiu Property strictly complies with relevant policies and regulations of the United Nations and the State Council, resolutely eliminating the employment of minors in labour and firmly resisting any form of forced labour. Meanwhile, the Company has specifically formulated a series of internal policies that explicitly prohibit child labour, forced labour, and other non-compliant practices within the Company itself and throughout its entire value chain — including permanent employees, outsourced personnel, and labour dispatch workers – to ensure 100% prohibition of forced labour and child labour and resolutely prohibit participation in any form of human trafficking. If any incidents of child labour or forced labour are discovered, the relevant activities will be immediately halted, and corrective measures will be formulated and implemented to prevent the recurrence of such problems.

Laws, regulations, and standards followed by the Group in relation to child labour and forced labour	The Group's main internal policies on child labour and forced labour
Convention on the Rights of the Child	*Employee Rights Protection Policy*
Forced Labour Convention	*Management Measures for Labour Contract*
Provisions on the Prohibition of Using Child Labour	*Supplier Code of Conduct*

The Company's Human Resources Department, Legal Department, and other relevant departments collaborate to continuously standardise critical aspects of human resources management, including recruitment, termination, and working hours, thereby fortifying the compliance baseline. The Company enters into formal labour contracts with all employees, in which the rights and obligations of both parties are clearly stipulated, covering core terms such as position, place of work, working hours, and remuneration, thus effectively safeguarding employees' lawful rights and interests. Furthermore, the Company conducts regular specialised training to enhance employees' awareness of identifying and preventing child labour and forced labour issues, committed to fostering a safe, fair, and respectful working environment.

Key Performance

In 2025, Yuexiu Property conducted monthly routine data screening across its entire system, fully covering all current employees and associated labour personnel. During the reporting period, no violations involving child labour or forced labour were identified, and there were no related lawsuits or records of regulatory penalties.

Job Creation

Yuexiu Property upholds its corporate social responsibility, regarding the expansion of employment and the promotion of sustainable economic development as its mission. Through business expansion and strategic positioning, the Company continuously provides a broad stage for career development for talent across various sectors. Its operations span multiple segments, including property development, estate management, and commercial operations, extensively recruiting diverse professional talent encompassing architects, engineers, marketing professionals, and property management personnel.

Meanwhile, the Company attaches great importance to employees' professional growth and the realisation of their value. By integrating training resources and ensuring clear pathways for advancement, the Company supports employees in achieving personal development whilst contributing to corporate objectives. These initiatives not only provide abundant employment opportunities and room for growth for society at large but also contribute positively to promoting social harmony and driving high-quality economic development.

Key Performance

Providing employment opportunities for vulnerable groups

To actively address the employment challenges faced by vulnerable groups and enhance their social participation and self-development capabilities, Yuexiu Property proactively responds to societal needs. Combining its own development requirements, the Company specifically opens employment positions for persons with disabilities and establishes dedicated posts to oversee the entire process of recruitment and promotion for disabled employees. This ensures they enjoy equally fair and impartial treatment as other employees, comprehensively safeguarding their career development rights.

In 2025, the Company provided **45** job positions for persons with disabilities, with disabled employees accounting for **0.29%** of the total permanent workforce.

Providing diverse positions for fresh graduates

The Company actively positions itself across diverse fields, including project management, functional management, engineering management, and customer service, specifically building a broad career development platform for fresh university graduates. This not only effectively assists graduates in securing employment but also injects fresh blood into the Company's own development, further optimising talent structure, enriching talent reserves, and strengthening core competitiveness.

In 2025, the Company recruited over **229** fresh graduates with bachelor's degrees or above.

Respect for Freedom of Association

Yuexiu Property consistently adheres to the core principle of respecting employees' lawful rights and interests, firmly safeguarding all employees' freedom of association. The Company encourages employees to voluntarily form or join trade unions and other employee organisations according to their own wishes and needs, thereby facilitating channels for expressing opinions, safeguarding their lawful rights and interests, and achieving personal career development. At the same time, the Company commits to building an open and transparent communication and dialogue platform, ensuring that employees' appeals and suggestions are fully heard and valued. Management maintains close communication and collaboration with trade unions and other employee organisations, jointly consulting on resolving various issues of concern to employees and promoting win-win development for both the enterprise and its staff.

Furthermore, the Company strictly complies with relevant national laws and regulations, regularly reviewing and continuously optimising employee rights protection policies and service mechanisms. Every three years, it signs a *Collective Agreement* covering all employees with the trade union, ensuring the timeliness and applicability of contractual terms and effectively safeguarding employees' lawful rights and interests. When formulating various rules and regulations concerning employee rights and interests, the Human Resources Department collaborates in depth with the trade union to ensure the fairness and reasonableness of the institutional content. Before new regulations are formally promulgated and implemented, they are publicised through the Staff and Workers' Representative Congress to widely solicit opinions and suggestions from all employees, effectively safeguarding employees' right to know and right to participate.

Remuneration and Benefits

Yuexiu Property consistently adheres to the remuneration management philosophy of "position value as the foundation, market orientation as the guide, incentivising outstanding performance, and tilting towards frontline grassroots positions", incorporating the construction of employee remuneration and benefits systems into its core human resources strategic planning. The Company strictly implements the principle of equal pay for equal work and regularly revises the *Remuneration and Benefits Management System* to ensure that employee pay levels remain competitive within the industry.

To fully motivate employee enthusiasm, the Company has established a performance-oriented remuneration incentive mechanism, with particular emphasis on key positions that generate profit and make outstanding contributions. On the basis of ensuring fair and equitable distribution, it strictly implements the *Performance Management System* and *Detailed Rules for Performance Management Implementation*, comprehensively rolling out an integrated performance evaluation system combining OKRs (Objectives and Key Results) with KPIs (Key Performance Indicators) to achieve all-round scientific assessment of employee performance. Meanwhile, it continuously refines performance feedback and appeal mechanisms to ensure employees can obtain objective and fair evaluation results in a timely manner, effectively safeguarding employees' lawful rights and interests.

The Company lawfully makes full contributions to the "five insurances and one fund" for all employees and safeguards employees' entitlement to statutory holiday leave. On this foundation, it continuously enriches the benefits protection system, providing diverse commercial insurance, distinctive paid leave, and other heart-warming benefits, comprehensively enhancing employees' sense of gain, happiness, and belonging. Through this series of pragmatic initiatives, the Company effectively creates a warm, harmonious, healthy, and safe working environment for employees, not only safeguarding their basic living needs but also ensuring that all employees fully feel the Company's care and warmth in the course of performing their duties, jointly forging a powerful driving force for promoting the enterprise's high-quality development.

Social Security	Full contributions made in accordance with the law to pension insurance, medical insurance, unemployment insurance, maternity insurance, work-related injury insurance, and housing provident fund (the "five insurances and one fund")
Commercial Insurance	Comprehensive supplementary commercial insurance provided, covering accidental death/disability, accidental medical treatment, hospitalisation allowance, critical illness, outpatient/emergency and inpatient medical treatment, death from illness, female-specific diseases, and maternity insurance
Paid Leave	Entitlement to statutory public holidays, paid annual leave, work-related injury leave, and special leave encompassing marriage leave, antenatal check-up leave, maternity leave, paternity leave, parental leave, and compassionate leave
Other Benefits and Facilities	Diverse care measures including annual health examinations, communication subsidies, cultural, sports and wellness activities, festive benefits, mother and baby rooms and child care facilities, and staff purchase discounts

4.2.3 Employee Career Development

Diversity and Equality

Yuexiu Property regards the construction of a diverse, equal, and inclusive workplace environment as a core pillar of its talent strategy and sustainable development. We not only take the *Employee Rights Protection Policy* and *Diversity and Inclusion Policy* as institutional foundations but are also committed to systematically integrating the principle of equality into organisational operations, fostering a growth ecosystem where every employee can receive respect, development opportunities, and capability enhancement.

To effectively drive the comprehensive implementation of our equality commitments, we foc ey dimensions:

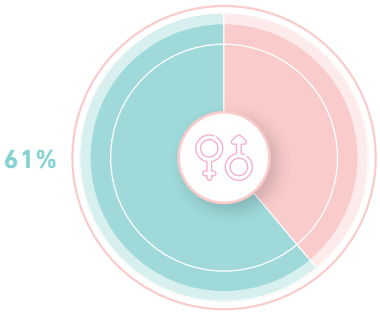
- **Fortifying the baseline of equality:** The Company explicitly prohibits and resolutely eliminates any employment discrimination or harassment based on nationality, gender, age, disability, ethnicity, or other backgrounds, safeguarding equal opportunity from the source. During the reporting period, no related incidents occurred across the Company, demonstrating the effective implementation of both systems and culture.
- **Deepening gender equality:** We integrate gender equality thoroughly into the entire human resources management process, ensuring female employees enjoy completely equal development opportunities and treatment in recruitment, promotion, remuneration incentives, and other aspects.
- **Implementing disability inclusion:** The Company actively fulfils its social inclusion responsibilities, proactively opening suitable positions for persons with disabilities, providing necessary workplace support, and thoroughly eliminating discrimination and barriers through cultural advocacy and institutional safeguards, upholding the dignity and value of every employee.

During the reporting period, the Company did not encounter any disputes or legal proceedings relating to employment discrimination or discriminatory and unequal treatment in the workplace, nor did it receive any employee complaints arising from infringements of fundamental principles and rights at work, or of economic, social and cultural rights. The average remuneration for male and female employees, calculated on a performance basis, showed no disparity, fully demonstrating a commitment to equitable distribution.

In 2025, the composition of Yuexiu Property's workforce was as follows:

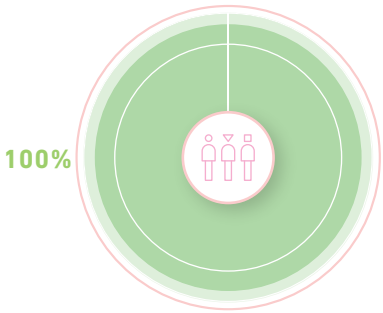
Yuexiu Property Employee Composition

Gender



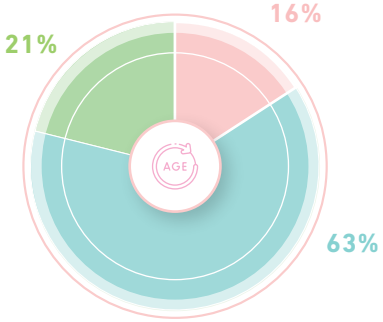
Male Female

Employment type



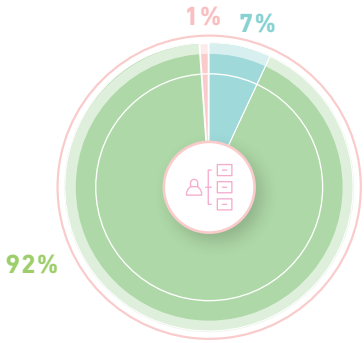
Full-time Part-time

Age



under 29 30 - 49 50 and above

Employee category



Grass-roots employees Mid-level management Senior management

Attracting and Retaining Talent

To consolidate the foundation of high-quality talent management and fortify the talent support for enterprise development, Yuexiu Property has systematically formulated and continuously advanced the implementation of policies such as the *Detailed Rules for Position Management*, *Measures for Talent Evaluation and Application Management*, and *Detailed Rules for Talent Allocation Management*. These efforts further standardise the recruitment and selection process and optimise the talent allocation mechanism, committed to building a structurally diverse, professionally efficient talent workforce.

During the year, Yuexiu Property carried out a comprehensive revision of relevant policies, including the *Detailed Rules for Talent Allocation Management*, deeply embedding the requirements for workforce diversity, fair employment and risk prevention and control into all process management stages of the system. Guided by the goal of diversified talent selection, the Company systematically upgraded the entire recruitment process, striving to build a scientific and fair talent assessment system. At the allocation planning level, the Company clarified talent allocation methods to ensure that allocation strategies are closely aligned with the Company's strategic direction and diversified development needs. At the selection and assessment level, the Company comprehensively upgraded the interview evaluation system, enriched selection tools and evaluation dimensions, and achieved a full-spectrum assessment of candidates' basic qualities and overall capabilities. At the background verification level, the Company continuously improved the background check management mechanism, adopting multi-channel cross-validation to effectively ensure the quality of talent allocation. Furthermore, the Company embedded the principles of diversity and fairness throughout the entire recruitment process, and through systematic process design and routine inspection and supervision mechanisms, consistently enhanced the standardisation and fairness of recruitment, providing a solid institutional guarantee for building a diverse and inclusive workforce.

The Company adheres to a talent strategy that equally emphasises "internal cultivation and selection" and "external talent attraction". On the one hand, it unlocks the potential of internal talent through a scientific and comprehensive development system; on the other hand, it attracts outstanding external talent through a remuneration and benefits package that is competitive in the market. We are dedicated to fostering a talent development ecosystem where every individual's abilities are fully utilised, comprehensively achieving the goals of "attracting talent, retaining talent, and deploying talent effectively", thereby providing solid talent assurance for the sustainable development of the enterprise.

Human Resources and Human Rights Risks

Yuexiu Property has established a normalised mechanism integrating human resources structural analysis with human rights risk management and control. Through regular tracking and analysis of core data including employee age, length of service, tenure, position level, and turnover rate, the Company systematically conducts human rights risk screenings in parallel, focusing on potential risks in key areas such as employment fairness, rights protection, and workplace inclusion, achieving integrated operation of human resources management and risk prevention.

In 2025, the Company successfully completed the comprehensive talent review of 120 middle and senior management personnel coordinated by the headquarters and 508 middle management personnel from subsidiaries. Rigorous comprehensive assessments were conducted based on dual dimensions of performance contribution and competency in role, effectively enhancing the precision and efficacy of person-position matching, laying a solid talent foundation for high-quality enterprise development.

Succession Talent Development

The Company has formulated and implemented the ***Detailed Rules for Key Talent Management***, systematically identifying key skilled talent through comprehensive talent reviews, and conducting full-cycle tracking management via digital systems such as "Talent Billboard" and "Talent Profiling". Adhering to the principle of "prevention first, reserves ahead", the Company lays out succession talent reserves for key positions three to five years in advance, effectively responding to risks such as core personnel changes, ensuring continuous and stable supply of human resources, and supporting the enterprise's steady and long-term development.

In 2025, the Company's talent allocation achieved remarkable results, successfully recruiting 5 middle and senior management personnel throughout the year, with 13 internal promotions, and an annual onboarding rate of 100% for key position talent, providing solid talent support for high-quality enterprise development.

Interviewer Enablement

The Company conducts normalised specialised enablement training for interviewers, systematically enhancing professional capabilities in talent identification, assessment, and attraction, ensuring the effective implementation of the Company's talent philosophy in the recruitment process.

A professional, standardised interviewer team not only powerfully conveys the corporate employer brand image but also significantly enhances the precision of identifying and attracting outstanding talent, providing solid assurance for high-quality talent acquisition.

Employee Training

Yuexiu Property regards its employees as core strategic assets driving high-quality enterprise development. To systematically enhance organisational capabilities and empower continuous employee growth, the Company has established a comprehensive training system covering all personnel throughout their entire career development journey with clear hierarchical structure. This system is closely aligned with business strategy and talent development pathways, focusing on three core directions: new employee integration, professional enhancement, and management enablement, providing employees with a platform for continuous learning and value growth.

We firmly believe that investing in people is investing in the future. Through systematic, customised training programmes, the Company not only helps employees expand their professional capabilities and build future-oriented competitiveness but also continuously accumulates innovation momentum for the organisation and consolidates long-term development advantages. The continuous progress of our employees is the fundamental assurance for Yuexiu Property to achieve sustainable development and lead the industry forward.

During the year, Yuexiu Property advanced its talent development efforts in three areas: first, iterating the methods and content of four key talent development programmes in line with the latest strategic business objectives; second, conducting specialised training to cultivate and deploy lean talents around the annual theme of "Lean Management, Continuous Improvement"; and third, iterating the standards and management system for talent development, and consistently communicating these through the HR "Bole Class" to strengthen professional empowerment and bottom-line management.

In terms of professional capability building

The Company focused on developing Yuexiu Property's Marketing Operators Special Training Camp – Class A and Class B. Through diversified development models such as rotational assignments, project-based learning, case teaching, benchmarking and sand-table exercises, it systematically enhanced marketing operators' strategic business awareness, product value communication skills and overall hands-on operational capabilities, while accelerating the building of a pool of versatile, internally grown reserve operators. In parallel, empowerment work in other professional functions also progressed steadily. During the period, seven function-specific empowerment training sessions were successfully completed, including the Yingcheng (City Building) Class, Bole Class, Cost Academy, and Yueke Growth Camp, effectively driving technical excellence and capability accumulation across various professional functions and providing solid professional support for efficient business operations.

In building the lean management talent pipeline

The Company centrally organised Lean Management Certification empowerment training. During the period, a total of 29 Yellow Belt certification training sessions were delivered, covering approximately 1,700 employees. As a result, 841 Yellow Belt talents were certified, ranking first among all business units of the Group in terms of number. Among them, 184 were High-Scoring Yellow Belts (qualified for Green Belt certification recommendation), accounting for 21.9%, significantly higher than the previous year's Group-wide average (14.7%). This strongly reinforced the talent support for implementing improvement projects. At the same time, the Company nurtured 41 internal Green Belts (in training) cumulatively, actively promoted the internal transfer of Green Belt training and project mentoring mechanisms, and further enhanced the internal talent development and project incubation capabilities of its subsidiaries, laying a solid foundation for deepening the lean management culture and continuously improving operational efficiency.

Meanwhile, Yuexiu Property continued to advance the development of a tiered and categorised talent development system throughout the year. Through targeted capability building and practical on-the-job training, the Company focused on cultivating a high-quality talent pipeline with sustainable development potential, thereby injecting endogenous momentum into high-quality business growth.

For Senior Leadership Talent

The fourth cohort of the Swan Programme successfully completed the fourth module (special training on production management) and the fifth module (advanced training on leadership). Throughout their learning, they focused on the development of management standardisation and successfully achieved phased implementation results for Yuexiu Property's production management standard system, effectively supporting the enhancement of standardisation across the full cycle of project development. At the same time, the Human Resources department continued to track the growth trajectory of the participants, guiding them to take on "challenging work tasks" through one-on-one coaching sessions, thereby fostering a deep integration between capability development and business practice.

For Mid-Level Core Talent

The second phase of rotational assignments and modular learning for the Sea Swallow Advanced Class has been successfully completed as planned. Within the current training period, the proportion of participants rated as 'excellent' reached 68.7%, further strengthening the depth of the mid-level talent pipeline and its momentum for succession.

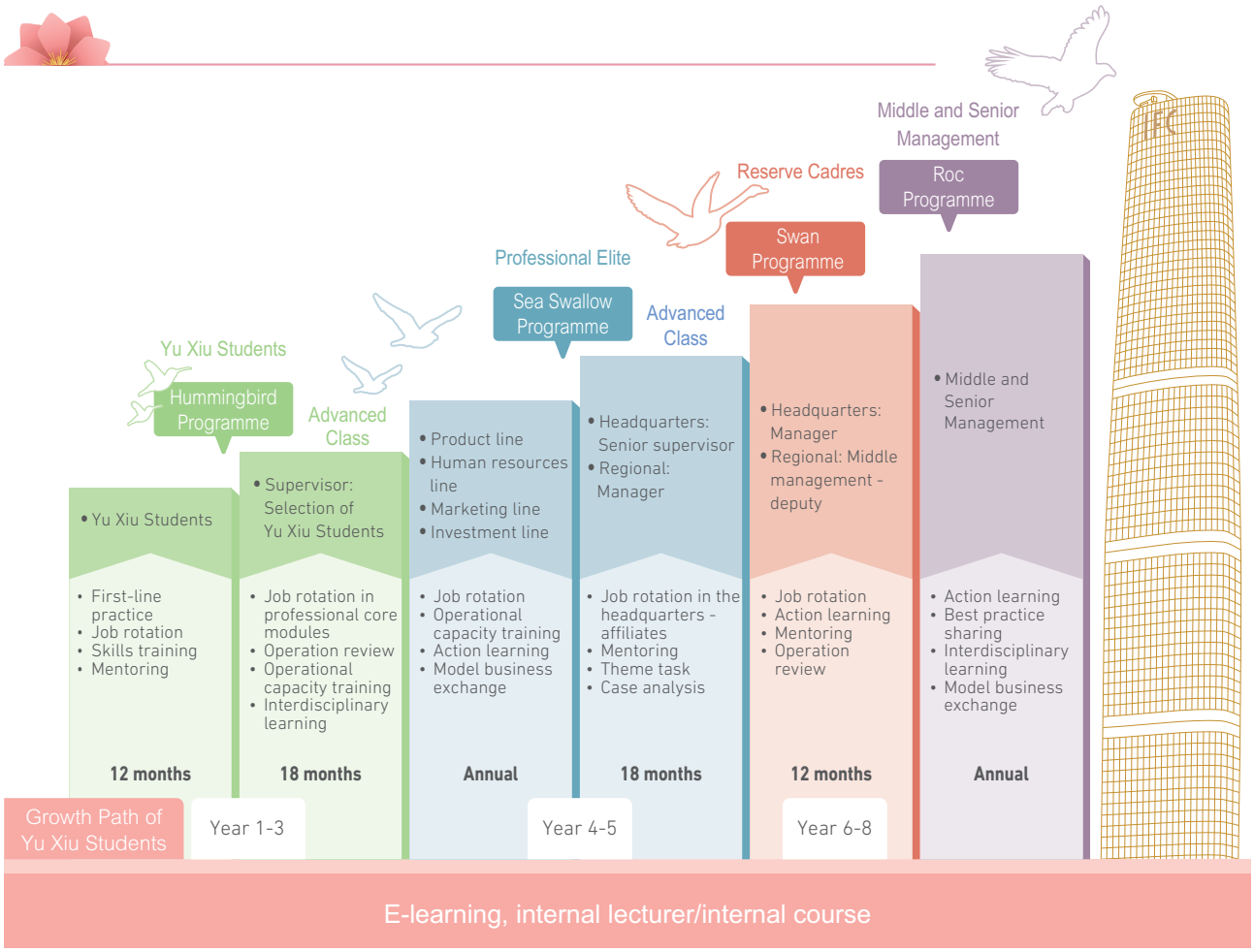
For Emerging Young Talent

The Company meticulously organised the Hummingbird Programme – a dedicated "Getting to Know Yuexiu" and Executive Face-to-Face intensive training for the 2025 cohort of Yu Xiu Students. Centred on three key themes – strategic culture and branding, business panorama, and operating mechanisms – the programme delivered 11 high-quality internal courses, effectively deepening new employees' understanding and identification with the company's cultural heritage and strategic logic. Concurrently, a tailored rotational development programme for this cohort of Yu Xiu Students has been fully launched, implemented across mechanism design and mentoring support, with the goal of facilitating the successful triple transition of these trainees from campus newcomers to workplace professionals, and ultimately to fully-fledged Yuexiu employees.

For High-Potential Talent

The 2024 cohort of the Hummingbird Advanced Class has successfully completed intensive training modules on simulation exercises (including sand table simulations) and lean management. Through highly realistic business simulations and the introduction of lean thinking, participants continue to strengthen their systematic business awareness and operational excellence capabilities.

The Company firmly believes that the depth of talent determines the height of development. In the future, we will continue to optimise the closed-loop management of talent across the full lifecycle, driving organisational performance improvement through more effective development initiatives.



"Yue Learning" is an online learning and empowerment platform independently developed by Yuexiu Property to meet the Company's high-quality development needs. Its core mission is to provide all employees with abundant knowledge resources, strengthen their foundational job competencies, and help employees achieve dual improvements in workplace quality and professional skills.

Case

Yuexiu Property × School of Economics and Trade, Guangdong University of Foreign Studies — Party Building-led integration of industry and education, constructing a "customised" talent development ecosystem

On 12 December 2025, Yuexiu Property Guangzhou Regional Company signed a Party Building Collaboration and Internship Base Cooperation Agreement with the School of Economics and Trade, Guangdong University of Foreign Studies. With "organisational co-construction, resource sharing, joint talent cultivation, and linked outcomes" as core objectives, the partnership constructs a "Classroom + Workplace" dual-enabled talent development system — injecting industry practical experience into the university whilst reserving compound talent with cross-border business capabilities for the enterprise.

- **Expert-enabled classroom, bringing industry practice into higher education:** Yuexiu Property specifically invited top internal experts to serve as visiting lecturers and practice mentors at the School of Economics and Trade, including senior business backbones such as the General Manager of the Haizhu Improvement Project, the Director of the General Management Department, and the Project Marketing Director who is an alumnus of the partner university. They brought Yuexiu Property's latest practical experience in Bay Area urban renewal, property and estate management, and other fields into the classroom, developing customised courses combining benchmark project cases such as Guangzhou International Financial City and Pazhounan TOD, enabling students to deeply understand the cutting-edge logic of the property and estate industry and promoting precise alignment between university professional content and enterprise practical needs.
- **Customised internship development with retention incentive mechanism:** With the purpose of providing students with a practice platform and reserving quality talent for the enterprise, both parties jointly developed a "customised" internship training scheme, building a seamless transition channel from campus to workplace for students. Internship positions cover core business modules including marketing, merchant recruitment, and operations, equipped with "dual mentors" (university academic mentor + enterprise business mentor). Through the "project practice + monthly review + final assessment" mechanism, position-matching capabilities are enhanced. Meanwhile, the retention mechanism is also publicly clarified — outstanding performers during the internship assessment phase may receive Yuexiu Property campus recruitment offers, achieving a seamless transition from internship to retention.
- **Industry-university-research collaborative enablement, mutual enhancement for professional upgrade:** Currently, with management personnel serving as the hub, both enterprise and university have launched joint research on industry cutting-edge topics around "talent demand". Enterprise senior experts and university visiting lecturers jointly explore a "Party Building + Professional + Industry" trinity development path, bringing Yuexiu Property's practical experience in Bay Area urban renewal, high-quality property operations, and other fields into the classroom. Meanwhile, the university academic team provides professional support such as market trend analysis and policy interpretation for the enterprise, assisting Yuexiu Property in optimising its training system and strategic decision-making, achieving a two-way value enhancement of "practice feeding back into teaching, academia enabling industry".

Lin Shengdong, an alumnus of the School of Economics and Trade, Guangdong University of Foreign Studies, is a benchmark exemplar of the effectiveness of Yuexiu Property's talent development planning. His growth and achievements are highly representative of the industry — as a core backbone precisely cultivated through the enterprise-university collaborative education model, he completed full-cycle step-by-step training through Yuexiu Property's systematic talent development programme, ultimately growing into a core management talent possessing professional qualities, practical capabilities, and a sense of enterprise belonging. During the reporting period, Lin Shengdong served as Marketing Director of the Guiyue Dongxiao Project, becoming a core backbone force in the Guangzhou Regional marketing line.

Furthermore, Yuexiu Property actively embraces the trend of artificial intelligence development and continues to strengthen its employees' digital capabilities. During the year, the Company organised 25 digital training sessions with over 2,000 attendances. A total of 132 employees obtained professional certifications such as AI Engineer and Data Analyst. The Company also established an AI special task force to promote deep integration of technology and business. Over the course of the year, it was granted two national AI invention patents and completed the certification of 28 AI trainers, providing solid talent support for the Company's digital transformation.

"Yue Learning" is an online learning and empowerment platform independently developed by Yuexiu Property to meet the Company's high-quality development needs. Its core mission is to provide all employees with abundant knowledge resources, strengthen their foundational job competencies, and help employees achieve dual improvements in workplace quality and professional skills. During the year, the Yue Learning platform underwent a comprehensive upgrade and iteration, resulting in significant improvements in system stability and user experience. Over the course of the year, the platform served more than 21,000 employees, with 20,000 actual learners, effectively achieving high penetration and broad reach of learning resources. In terms of intelligent features, the platform simultaneously launched multiple innovative applications, including an AI knowledge assistant, AI course creation tools, and an AI practice module, further enhancing learning efficiency and interactive realism, and bringing a brand-new digital learning experience to all employees. The Company will continue to optimise the digital learning ecosystem, empower talent development through technology, help build a learning organisation, and accumulate human capital momentum for long-term development.

Employee Communication and Engagement

Yuexiu Property consistently adheres to a people-oriented development philosophy, attaching great importance to communication and engagement with employees, fully respecting employees' freedom and rights to lawful association, and focusing on facilitating internal communication channels and standardising internal grievance handling procedures. The Company earnestly attends to and drives the resolution of pressing concerns and difficulties employees encounter in work and life. To this end, the Company has systematically constructed a three-dimensional communication mechanism system:

Deepening information disclosure and transparency

Through various forms including normalised employee care initiatives, official notices and circulars, and visits and consultation meetings, the Company promptly conveys major decisions, strategic progress, and key information to employees, effectively safeguarding employees' right to know and right to participate.

Strengthening performance feedback and development communication

Relying on a systematic performance management system, the Company provides employees with timely and precise feedback on their performance in role, putting forward targeted recommendations for capability enhancement and improvement to support continuous employee growth, achieving synchronisation between personal advancement and high-quality enterprise development.

Broadening channels for soliciting and responding to opinions

Utilising diverse platforms such as departmental meetings, themed consultation sessions, and cultural activities, the Company widely solicits and promptly responds to employee opinions and suggestions, strictly implementing a handling mechanism ensuring "every matter receives a response, every issue is followed through" , effectively safeguarding employees' right to expression and right to supervision.

In 2025, Yuexiu Property solidly carried out multi-faceted, comprehensive employee surveys and communication forums, thoroughly understanding employees' evaluations and appeals regarding the working environment, management mechanisms, and development support. The Company adhered to a problem-oriented approach, continuously optimising the care system and management initiatives based on employee feedback, constantly enhancing employees' sense of belonging, happiness, and gain, actively fostering a harmonious, orderly, pragmatic, and efficient working atmosphere, and consolidating sustained endogenous momentum for high-quality enterprise development.

Key Performance

During the reporting period:

The "Yue Learning" online learning platform accumulated over **5,696 courses** in total

1,034 internal lecturers, of which **176** were rated three-star or above

1,182 new courses added during the year

51.7 learning hours per capita, representing a **9.8%** increase compared to the previous year

Women's Empowerment

Yuexiu Property deeply practises the fundamental state policy of gender equality, systematically implementing women's empowerment programmes dedicated to supporting female employees' career development and leadership advancement. Through establishing professional training platforms, implementing mentorship pairing mechanisms, and ensuring clear pathways for career promotion, the Company creates broad development space and platforms for value realisation for female employees.

To continuously drive women's growth, the Company regularly organises women's leadership seminars and experience-sharing activities, encouraging female employees to actively participate in corporate decision-making and key projects. In 2025, we further optimised the women's empowerment programme, launching a series of heart-warming initiatives to assist women in balancing work and family, supporting female employees in achieving comprehensive development.

Meanwhile, the Company has established a Women Workers Committee under the trade union structure, systematically fulfilling its duty to safeguard the lawful rights and interests of female employees. The committee comprehensively participates in the formulation and revision of corporate policies related to women's rights, and drives implementation and supervision; it actively attends to the physical and mental health of female workers, organising diverse cultural and sports activities, continuously deepening women's care and empowerment efforts.

Key Performance

- Implementation rate of the special collective contract for the protection of female workers at the grassroots unit level: **100%**
- Incidents of infringement of female workers' rights: **0**
- Sessions on female workers' rights advocacy: **12 sessions**, reaching over **2,000 participants**
- Number of questions answered through the consultation channel for female workers' rights protection: **80+**
- Completion rate of gynaecological special medical examinations for female workers: **100%**
- Number of health seminars for female workers: **8 sessions**
- Number of participants in the mutual health protection scheme for female workers (Ankang Mutual Aid): **749 person-times**

Case

Yuexiu Health women's empowerment practice — building the foundation of healthcare services with her power

In November 2025, as the Grand Final of the 4th Guangdong Province "Nanyue Housekeeping" Vocational Skills Competition successfully concluded, Yuexiu Health, a subsidiary of Yuexiu Property, achieved outstanding results as a key vehicle for implementing systematic women's empowerment programmes. Through establishing systematic training platforms, improving female mentorship mechanisms, and strengthening resource support, female talent continues to shine at both management and frontline service levels.

- **Her Excellence: forging professional competence through extraordinary personal effort**

  Ding Caifeng, a frontline female care worker at Yuexiu Health, achieved breakthroughs in her professional field through her own unremitting efforts. To prepare for the provincial and municipal skills competitions, she devoted three months to intensive preparation, thoroughly studying primary, intermediate, and advanced elderly care textbooks and new industry standards, utilising fragmented time to consolidate theoretical knowledge. In practical training, she rooted herself in the training room, refining every care procedure and polishing operational details to the highest standards. Facing preparation bottlenecks, she confronted pressure and repeated training with her professional original intention as support. Ultimately, she distinguished herself among 240 competitors from 21 prefecture-level cities across the province, winning First Prize in the Guangzhou Competition and Second Prize in the Guangdong Provincial Competition, becoming an exemplar of mutual achievement through personal effort and platform empowerment.

- **Mentorship navigation: empowering growth through dual roles of manager and coach**

  Kuang Shuihong, Dean of Yuexiu Health, and Kuang Wenfang, Service Department Manager, practised the Company's female mentorship mechanism, assisting Ding Caifeng's growth through dual identities as "manager + professional coach". The latter, serving as competition coach, provided Ding Caifeng with full-process refined guidance covering operational standards, communication skills, and competition mentality. At the critical stage of the provincial competition, she accompanied Ding Caifeng in preparation until the early hours, patiently correcting errors and coordinating with the team to complete practical simulations. In this competition, Kuang Wenfang was awarded the competition "Silver Medal Coach", demonstrating the empowerment value of female managers through professional guidance and heart-warming companionship.

- **Platform support: yuexiu health constructs a systematic women's empowerment ecosystem**

  Yuexiu Health has built a closed-loop platform of dual empowerment between "individual + mentor", relying on a "practice — refinement — training — optimisation" standardised care training system to assist female practitioners in growing from newcomers to professional backbones. Simultaneously, it has opened mentorship channels between female managers and grassroots employees, using skills competitions as a stage for female employees to advance in a fair environment, demonstrating the grassroots practice effectiveness of Yuexiu Property's women's empowerment in promoting synergistic development between the Company and individuals. The mutual achievement of Ding Caifeng and the Company is a direct manifestation of Yuexiu Health's construction of an integrated women's empowerment ecosystem encompassing professional development, mentorship guidance, and resource support.

4.2.4 Employee Wellbeing

Yuexiu Property elevates employee wellbeing to a strategic level that drives organisational resilience and promotes sustainable development, committed to constructing a comprehensive care system that supports employees' physical and mental health, career growth, and work-life balance. We not only strictly implement statutory rights protections such as the "five insurances and one fund" but also systematically deploy multiple care initiatives exceeding compliance requirements, transforming the people-oriented philosophy into tangible, perceivable experiences for employees. In addition to statutory benefits, the Company continues to improve a comprehensive welfare system covering subsidised benefits, administrative and trade union benefits, and employee-exclusive discounts. The main items include: corporate annuity, supplementary medical insurance, communication allowance, meal allowance, rental allowance or staff dormitory for new graduates, assignment allowance and family visit benefits for long-term expatriates, site allowance for employees working at remote project sites, female workers' hygiene subsidy, work uniforms and laundry services, annual health check-ups, as well as congratulatory and sympathy benefits for occasions such as birthdays, marriage and childbirth. In addition, the Company regularly organises sports, cultural and recreational activities and distributes festive gift packages, and provides a number of exclusive discounts including internal home purchase, parking, rental, hotel accommodation and senior care services, effectively enhancing employees' sense of belonging and well-being.

The Company's employee wellbeing system is systematically constructed around the following dimensions:

Health support system

Through implementing Employee Assistance Programmes (EAP), providing professional psychological counselling, setting up on-site medical points, and organising annual health examinations and wellness activities, a complete closed-loop health management system of "prevention first, proactive intervention" is established.

Living security network

Providing diversified benefits such as meal subsidies and festive consolation, continuously optimising the workplace environment and supporting facilities, committed to fostering a safe, convenient, and caring working atmosphere.

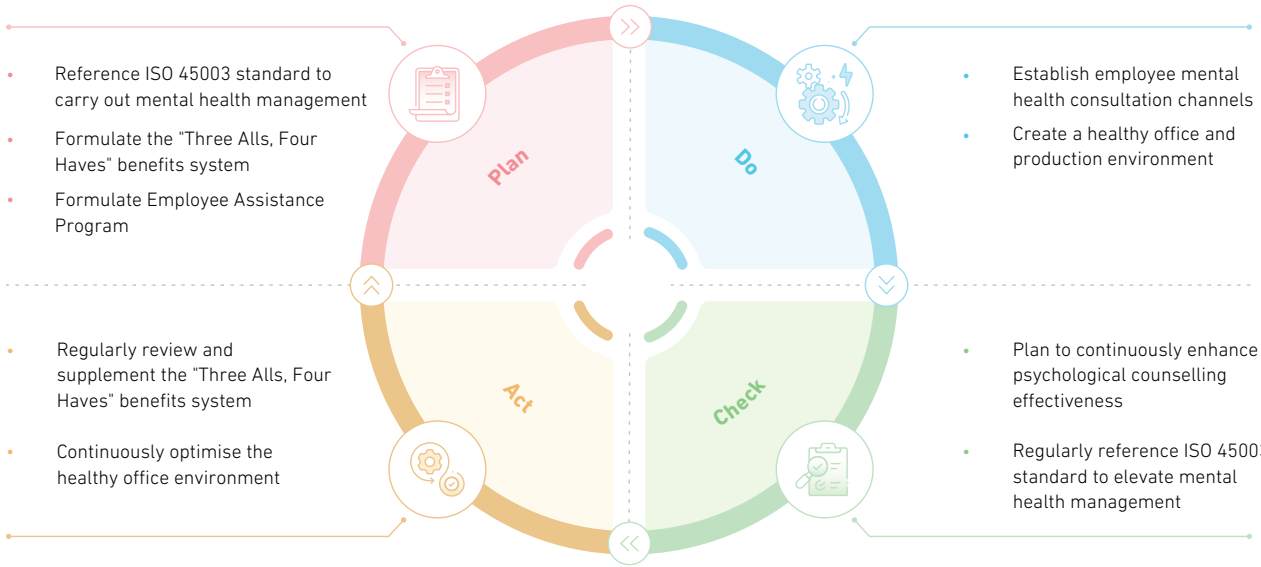
Cultural cohesion building

Regularly hosting diversified employee care activities (803 sessions held this year), continuously enhancing team cohesion, employee happiness, and organisational belonging.

Yuexiu Property firmly believes that deep care for employees is the enterprise's most important long-term investment. These solid initiatives not only strengthen talent retention and attraction but also internalise a culture of care as organisational soft power and sustainable competitiveness, laying a solid humanistic foundation for the Company's high-quality development.

Positive Working Environment

Yuexiu Property attaches great importance to employee mental health, regarding it as crucial support for sustainable enterprise development and employee wellbeing. We recognise that challenges such as psychological stress and occupational burnout not only affect employees' physical and mental health but may also have potential impacts on business operations. Employee mental health is closely related to multiple factors including enterprise management models, occupational environments, and social support systems.



To this end, the Company adheres to a people-oriented development philosophy, strictly referencing the international standard for workplace social psychological health and safety (ISO 45003), systematically identifying and assessing various risks affecting employee mental health, and adopting targeted measures for prevention and response. We are committed to building a positive, inclusive, and supportive workplace environment, continuously enhancing overall employee wellbeing, and providing solid talent assurance for healthy enterprise development. Meanwhile, the Company continues to implement its "Three Alls, Four Haves" benefits system, encompassing statutory benefits, subsidised benefits, and trade union benefits. Through effective communication and advocacy, the firm cultivates an employee benefits ecosystem characterised by breadth, depth, warmth, and genuine care. Additionally, the Company actively leverages its proprietary educational and wellness resources to provide employees with diverse exclusive entitlements, thereby substantively enhancing benefits competitiveness and fostering a strong sense of belonging among staff.

Risk Assessment and Management:

Yuexiu Property adheres to systematic thinking and prevention-first principles, comprehensively carrying out the identification and assessment of employee social psychological health risks, and implementing scientific management and control measures to effectively reduce various risk hazards. We focus on conducting comprehensive screening and quantitative assessment of common stressors for frontline employees, including workload saturation, workplace environment suitability, reasonableness of performance targets, prolonged duty shifts, and insufficient workplace social support. Simultaneously, we comprehensively assess individual employees' varying stress coping capacities, establishing stratified and categorised risk registers.

Furthermore, the Company has established a normalised employee appeal communication mechanism, regularly conducting career development needs surveys to deeply understand employees' career planning and growth aspirations, precisely identifying difficulties they may encounter in promotion, skills enhancement, and other areas, and promptly providing targeted guidance and support to assist employees in alleviating career development pressures and achieving healthy growth.

Management System:

The Company has formulated and implemented the Health and Safety Policy, incorporating employee mental health management as an important element of systematic development. Upholding a people-oriented development philosophy, through improving institutional safeguards and implementing pragmatic initiatives, the Company focuses on fostering a workplace mental health environment that is caring and strongly supportive.

This policy systematically covers multiple dimensions including mental health publicity and education, professional counselling services, dynamic assessment and monitoring, crisis intervention response, work-life balance guidance, and humanistic care safeguards, aiming to comprehensively enhance employees' mental health literacy, achieve early detection, early intervention, and early counselling of psychological issues, and promote the synergistic advancement and mutual benefit of employee physical and mental health and high-quality enterprise development.

Review and Improvement:

The Company adheres to systematic thinking and continuous improvement principles, normalising comprehensive reviews of social psychological health management effectiveness, constructing a "review — improve — optimise" management closed loop to drive continuous improvement of the management system. Review work includes both comprehensive examination of relevant policy implementation and dynamic monitoring and in-depth analysis of employee mental health conditions.

In this process, the Company regards "zero suicide rate" as an inviolable safety baseline and core management objective, resolutely preventing related risks. Meanwhile, the Company continuously advances the implementation of the Employee Assistance Programme (EAP), providing employees with all-round, multi-level psychological support and humanistic care services, preventing extreme risks from the source, and fully achieving effective management and fundamental elimination of suicide risks.

Strengthening External Cross-Sector Collaboration:

The Company actively expands cross-sector collaboration with professional mental health service organisations, providing all employees with full-chain professional workplace services covering psychological counselling, assessment, and treatment. Meanwhile, it regularly conducts mental health thematic training and exchange activities, systematically enhancing employees' psychological knowledge reserves and self-adjustment capabilities, constructing a sustainable employee mental health support system through solid initiatives.

Case

Picture: Painting Psychotherapy Training Workshop

Empowering employee mental health through art therapy — a new practice in employee psychological care at Yuexiu Property

On 26 November 2025, the trade union of Guangzhou Yuexiu Construction Technology Co., Ltd., a subsidiary of Yuexiu Property, collaborated with Guangzhou Runxin Organisation to launch the "Emotions Flow with the Brush, Healing Through Art" painting psychotherapy training workshop. Fifty employees gathered together to unlock new approaches to psychological adjustment through artistic expression.

Picture: Training Scene — Psychological Course

The training focused on workplace stress relief and psychological empowerment, specially inviting professionals to deliver psychological courses. With "painting the heart, entering the realm" as the core, the course commenced with an introduction to painting psychological analysis, explaining in accessible terms the interpretive patterns of overall composition, colour, line, and space in artwork. Combining real case studies, it shared the psychological projection logic of tree drawings, helping employees establish scientific understanding of emotions and psychological states.

Picture: Training Scene — Employees Creating Artwork

In the experiential segment of the training, employees picked up their brushes to create tree drawings under the guidance of professional psychological instructors, and then participated in the "Tree Drawing Drift" activity. They exchanged the psychological expressions behind their artworks in groups, deepening self-awareness and understanding of others under professional guidance. The entire process featured non-intrusive experiential learning as its hallmark — requiring no painting foundation for full participation — with a relaxed and gentle atmosphere. This not only provided employees with a safe outlet for emotional expression but also built an emotional communication bridge within the team.

We emphasise providing tangible support to employees in their daily work, whilst continuously enhancing employees' sense of belonging and team cohesion through meticulously organised festive celebrations and cultural heritage activities. Yuexiu Property consistently practises the core value of "people-oriented", dedicated to creating perceivable, warm employee experiences, thereby consolidating team synergy, enhancing organisational resilience, and injecting sustained momentum into enterprise development.

Case

Spring festival calligraphy activity: transmitting culture through brush and ink, uniting hearts through warmth

To deepen the "family" culture and convey New Year care, the Yuexiu Property Headquarters Trade Union held the "Wielding the Brush to Write the New Spring, Spreading Blessings Through the Fragrance of Ink" traditional calligraphy experience activity on 20 January 2025, carrying culture through brush and ink, and warming hearts through the event.

This activity used calligraphy as a bond, guiding employees to appreciate the beauty of Chinese characters and comprehend the Chinese cultural heritage through the strokes of horizontal, vertical, left-falling, and right-falling lines. The scene was filled with the fragrance of ink and a warm, pleasant atmosphere: calligraphy enthusiasts concentrated on wielding their brushes, entrusting New Year wishes to vibrant red Spring Festival couplets; colleagues either stopped to appreciate the works or assisted in spreading paper and grinding ink, collectively experiencing the spiritual connotations of traditional culture through interaction and collaboration. The trade union also prepared auspicious New Year gifts for every participant, ensuring festive blessings were delivered tangibly and warmed hearts thoroughly.

This activity was not merely a festive cultural experience but a vivid portrayal of the Company's daily care. It allowed employees to relax physically and mentally amidst busy work, enhanced emotions through exchange and interaction, and deepened identification and resonance with corporate culture through the blending of brush and ink. Through such warm-hearted forms, Yuexiu Property integrates cultural heritage into employee care, strengthening team belonging and cohesion in a "moistening things silently" manner, transforming the warmth of "family" into tangible humanistic momentum propelling the organisation forward.

Case

Yuexiu Property weaved a warm "Yuexiu Family" culture through "Three Frand Feasts"

To deepen the corporate culture of "caring for employees, harmonising teams, and fostering harmony", the Yuexiu Property Headquarters Trade Union meticulously planned and held a themed Mid-Autumn Festival series of activities in September 2025. With the "Three Grand Feasts" as the main thread, the activities aimed to create a reunion and warm festive atmosphere for headquarters and subsidiary employees and their families, conveying the warmth and thoughtfulness of the "Yuexiu Family".

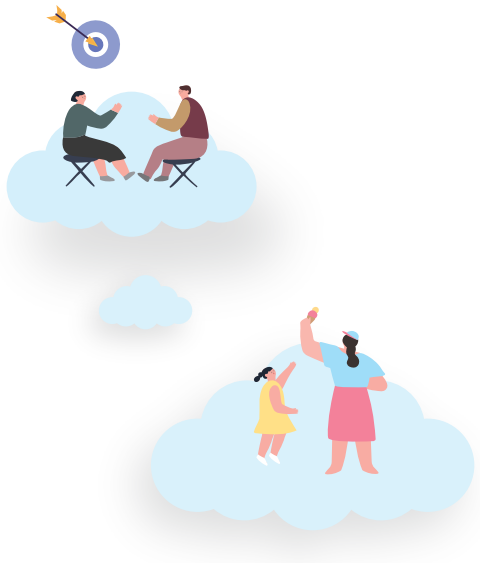
The first event innovatively integrated "all-staff marketing engagement" with family barbecue, through segments including business knowledge quizzes and parent-child handicrafts, enhancing employees' sense of business participation and belonging whilst demonstrating the Company's support for human capital development and work-life balance. The second event crafted an elegant appreciation feast of "art and fireworks dancing together" at the Ascott Serviced Residence in West Tower, using string music performances, traditional handicrafts, and specialty cuisine as vehicles to create a refined and warm reunion atmosphere. This event not only enriched employees' spiritual and cultural lives but also highlighted the enterprise's emphasis on cultural inclusiveness and employee mental health. The third event was organised specifically for staff who were unable to attend the first and second events, ensuring that care extends to everyone and that no colleague is left out of the festivities, thereby demonstrating the Company's comprehensive and equitable employee care system.

The series of activities received widespread acclaim from employees and their families. One employee shared that "my child said straight after getting home that 'the Company's Mid-Autumn Festival was the most fun'", whilst another commented that "it was more lively than celebrating at home", vividly reflecting the significant effectiveness of the activities in enhancing employee cohesion, belonging, and overall wellbeing. This Mid-Autumn series was not merely a festive event but an important practice of Yuexiu Property integrating ESG concepts into daily employee care and implementing the "Yuexiu Family" culture. In the future, the Company will continue to promote the deep integration of employee care and corporate social responsibility in a systematic, sustainable manner, infusing humanistic warmth into the continuous enhancement of ESG performance.

4.3 Social Responsibility and Public Welfare

In the context of China's new era of striving towards common prosperity and high-quality development, the social responsibility of enterprises has been endowed with more profound connotations. It is not only a basic requirement for compliant operations, but also an important pathway for enterprises to actively integrate into national strategies, leverage business capabilities to solve social problems, and thereby achieve the unification of economic and social value. At present, China's public welfare and charity sector is undergoing a profound transformation from "framework-based regulation" to "refined governance", with policies placing greater emphasis on institutionalisation, transparency, and social value innovation. This demands that enterprises, particularly state-owned enterprises, fulfil their commitments to society with a higher standpoint, more systematic planning, and a longer-term approach.

As a state-owned enterprise with a strong presence in the Greater Bay Area and operations across the country, Yuexiu Property is fully aware of its inescapable responsibilities. Guided by the core concept of "Good Communities, Good Homes, Good Education", we regard social responsibility and public welfare as the "second lifeline" of our corporate development. Moving beyond the traditional model of charitable donations, we have embedded the DNA of public welfare into the entire process of urban renewal, community building, and service innovation. We commit to leveraging our professional expertise in real estate development to carry out creative, empowering, and sustainable practices across multiple dimensions, including full-cycle educational support, rural revitalisation, community care, cultural heritage preservation, and volunteer services – truly enabling the fruits of development to benefit the people, and working together with cities and communities to create a shared future.



4.3.1 Building a Comprehensive Education Ecosystem

Education is a cornerstone of the nation and a foundation of people's wellbeing. Facing society's urgent demand for high-quality educational resources, Yuexiu Property firmly believes that the responsibility of a state-owned enterprise lies not only in building school facilities, but also in acting as a resource integrator and ecosystem co-builder to promote the genuine integration of quality education into communities and closer to families. Moving beyond the tradition of supporting a single educational stage, we have proactively laid out a full-lifecycle education ecosystem. Yuexiu Property's practice in the education sector begins with a clear positioning: "not seeking profit, but prioritising public welfare." As the core vehicle for the Group's deep cultivation of the education ecosystem, Yuexiu Education consistently places public welfare attributes at the forefront, striving to enable the fruits of educational development to benefit a wider range of people.

Case

Empowering leaders in education: Yuexiu Property advanced educational equity and quality through its Master Principal Programme

In response to the community's call for "access to good schools close to home", and to drive a deeper shift in collaborative school operations from "brand introduction" towards "quality co-creation", Yuexiu Property Education Group launched the industry's first systematic "Master Principal Empowerment System" in 2026, alongside the inaugural "Master Principal Pilot Leadership Programme". This marks a strategic upgrade for the Company's education business, transitioning from "resource introducer" to "quality orchestrator". The initiative aims to systematically enhance the educational standards of its 25 collaborative public schools by strengthening principal leadership.

At its core, the programme is designed to build a professional ecosystem based on "empowerment-driven symbiosis and value co-creation". In partnership with the Guangdong Provincial Association of Primary and Secondary School Principals, a team of experts has been assembled and a dedicated development fund established to provide comprehensive support to the participating principals. The implementation follows a "project-driven" approach, focusing on practical challenges such as school governance and curriculum development, forming a complete cycle that runs from project proposal submission and funding, through to expert guidance and the dissemination of results. Over the course of a year, selected principals benefit from multidimensional, tailored professional support, including intensive training, visits to leading schools, and one-to-one expert coaching —ensuring that the empowerment provided is both targeted and effective.

This initiative closely aligns with the United Nations Sustainable Development Goal for "Quality Education" (SDG 4). By empowering key leaders in education, the programme not only assures quality for over 40,000 public school places, but also charts a sustainable pathway that channels professional expertise back into the community and leverages state-owned enterprise resources to advance educational equity. With a strong focus on outcomes, the programme uses parental satisfaction as a key evaluation metric to ensure tangible social value is delivered. This, in turn, further reinforces the sustainability and brand identity of the "living + education" ecosystem.

Case

Fulfilling state-owned enterprise responsibility: building an inclusive, high-quality all-age education ecosystem

As the core education platform under Yuexiu Property, Yuexiu Education remains committed to its state-owned enterprise responsibilities, upholding the philosophy of "Good communities, Good education, Good living". Guided by a public-service orientation, it has systematically developed an inclusive education service system that spans the entire age continuum, striving to ensure that high-quality educational resources genuinely benefit communities and families.

Key Initiatives and Outcomes

1. **Strengthening the foundations of basic education:** through resource integration and collaborative school operations, Yuexiu Education has introduced 25 high-quality public schools across cities including Guangzhou and Hangzhou, providing over 38,000 public school places and effectively alleviating the challenge of "school choice" in these regions. The establishment of the Yuexiu Education Research Institute focuses on curriculum development and teacher training, driving the upgrade of education quality from "access to schooling" to "access to quality schooling", and significantly enhancing the reach and equity of educational resources.
2. **Innovating community-based education models:** in key communities such as Guangzhou and Hangzhou, Yuexiu Education has launched AI-powered smart learning spaces that offer personalised learning support and mental wellbeing services. It has also introduced international music and arts resources to establish community arts education centres, broadening development platforms for young people and unlocking the educational value within communities.

Case

A model of integrated healthcare and early education: Yuemeile Daycare Centre received CCTV spotlight and five-star accreditation

As a benchmark for inclusive early years services, Yuexiu Property's Yuemeile Daycare Centre has recently gained recognition from both national media and industry authorities for its innovative model and operational excellence, establishing itself as a key example of "integrated healthcare and early education" in practice.

On 26 January 2026, the centre was featured on CCTV's Focal Point programme as a representative case of the "government-medical-enterprise" collaboration model. The report illustrated how the centre effectively responds to the childcare needs of dual-income families, delivering a professional care system that reassures parents through a full chain of services — from standardised health checks in the morning, to age-appropriate tailored programmes, and scientifically managed nutrition. CCTV's coverage not only affirmed the distinctive features and outcomes of the centre's healthcare-education integration, but also vividly demonstrated how national inclusive childcare policies are being successfully implemented at the grassroots level.

Building on its robust operations and service innovation, Yuemeile Daycare Centre stood out in the star-rating assessment of childcare institutions organised by the Guangzhou Health Commission, earning the highest distinction of "Guangzhou Five-Star Nursery Centre". This accreditation reflects the centre's success in establishing a coordinated "healthcare-education integration" system supported by the government, a top-tier medical institution (Guangzhou Women and Children's Medical Centre), and the enterprise. By embedding medical and health resources deeply into daily care and educational processes, the centre has created a replicable, high-quality inclusive childcare solution — highlighting Yuexiu Property's commitment to fulfilling its corporate social responsibility and contributing to the development of a fertility-friendly society.

The Company also extends its education services into community settings. Through initiatives such as establishing AI-powered smart growth spaces and hosting private family education forums, it actively responds to the societal need for lifelong learning and contributes to the development of a learning community.

Case

Deepening inclusive education through implementation of tech innovation, supporting community development

Yuexiu Education continues to push the boundaries of community-based education through innovation. Its latest project, the "Xingman Yunzhu Yuemeile AI Study Room" in Hangzhou, is a vivid example of leveraging technology to enable collaborative "family-school-community" education. Developed in partnership with technology companies including Squirrel AI and iFLYTEK, the project has established a "smart growth space" within the community that integrates intelligent learning with scientific physical exercise.

The project's defining feature lies in its seamless integration of "technology" and "humanity". On one hand, AI systems provide learners with personalised learning pathways and knowledge mapping. On the other, dedicated academic mentors offer empathetic learning guidance, coaching and mental wellbeing support—directly addressing families' real needs for learning companionship. In addition, the project innovatively incorporates an "AI Sports Station", promoting the combination of intellectual development with physical activity, reflecting a holistic approach to education.

This project is not merely a practical application of technology; it also represents Yuexiu Education's proactive efforts to advance inclusive education through a "technology + humanity" approach and serve community growth. It provides a practical model for building a sustainable, high-quality community-based education ecosystem.

In 2025, the Research Institute of Yuexiu Education was formally established, marking the Company's continued commitment to and investment in educational professional development. The Institute aims to bring together high-quality teaching expertise from across the country and build a professional think tank, providing solid intellectual support and innovation-led guidance for enhancing the quality and sustainability of the overall education ecosystem.

Case

Establishing Research Institute of Yuexiu Education: advancing educational empowerment and strategic transformation through "AI and Love"

Actively responding to the national strategies of "reinvigorating the country through science and education" and "integrating industry with education", Yuexiu Property officially launched the Research Institute of Yuexiu Education in Guangzhou on 9 May 2025. This marks a strategic transformation from "space builder" to "future educator". The Institute has appointed Zhai Xiaoning, former Principal of the High School Affiliated to Renmin University of China, as Honorary Dean, and brings together a national network of education experts to explore a new education ecosystem that integrates "AI and love".

The Institute operates around three core pillars: to serve as a "guardian of humanistic values", a "promoter of technological innovation", and a "co-builder of future education". Its focus is on advancing the deep integration of artificial intelligence with educational practice. Specific initiatives include developing personalised learning scenarios, promoting inclusive access to high-quality educational resources, and systematically constructing a future-oriented talent cultivation model.

On the day of its inauguration, the Institute, together with the Guangzhou Artificial Intelligence Industry Development Promotion Association, launched the "Yuexiu Education Cup" Guangzhou Youth AI Innovation Practice Challenge. By encouraging learning through competition, the initiative actively promotes the popularisation of AI education and curriculum reform at the basic education level.

The integrated development of the Guangdong-Hong Kong-Macao Greater Bay Area is fundamentally rooted in "people-to-people connections", with youth exchange playing a pivotal role. Leveraging its deep foundations and resource strengths within the Greater Bay Area, Yuexiu Property is actively extending its education ecosystem into the field of youth talent development, with a particular focus on supporting the growth and development of young people from Hong Kong and Macao.

Case

Three consecutive years of supporting the “Hundred Enterprises, Thousand Talents” internship programme: Yuexiu Star Home helps Hong Kong and Macao youth pursue their dreams in the Greater Bay Area through accommodation support

Demonstrating its commitment as a state-owned enterprise, Yuexiu Housing Rental Company, through its young adult long-term rental apartment brand Yuexiu Star Home, has supported the “Hundred Enterprises, Thousand Talents” internship programme for Hong Kong and Macao University Students for three consecutive years since 2023. The programme, hosted by the Guangzhou Youth Federation, aims to facilitate the integration of Hong Kong and Macao youth into the development of the Greater Bay Area.

Yuexiu Star Home provides comprehensive accommodation support and attentive services for the core participating students. This includes arranging riverside apartments, preparing welcome packs, and offering luggage assistance and guidance on daily living. Guided by the philosophy of “good living, five-star service”, the brand effectively helps students “live well, settle in, and integrate successfully” in Guangzhou. This initiative has not only received heartfelt feedback from students—who described the experience as “very warm, with excellent service”—but has also earned a gratitude banner from the Guangzhou-Hong Kong-Macao Youth Exchange Centre, recognising its efforts in “supporting Greater Bay Area dreams through public welfare, and serving young people with heartfelt care”.

Notably, the 2025 internship programme was aligned with the preparations for the 15th National Games. Yuexiu Star Home’s support indirectly contributed to enabling Hong Kong and Macao youth to participate in this major national sporting event, further deepening exchanges and integration across Guangdong, Hong Kong and Macao.

The education ecosystem established by Yuexiu Property embraces an inclusive and sustainable development philosophy, committed to meeting the needs of people of all ages for a better life and personal growth. Starting with inclusive early education and extending through lifelong learning, we have built a growth support loop that spans the full lifecycle, consistently upholding the core value of education as a public good.

4.3.2 Education Support and Rural Revitalisation

The key to rural revitalisation lies in the sustainable development of talent and industry. Yuexiu Property focuses on the deep integration of education and industry, striving to cultivate endogenous drivers for rural areas and inject long-term vitality. We work to precisely align our market insights and resource networks with local development needs, transforming public welfare support into a systemic platform that promotes coordinated regional development and consolidates poverty alleviation achievements, thereby providing systemic empowerment for sustainable rural development.

Case

"Spreading the Fragrance of Books in Bailidujuan" public welfare initiative – Yuexiu Property empowers endogenous rural development through sustained cultural and educational support

Since launching the "Spreading the Fragrance of Books in Bailidujuan" public welfare initiative in 2024, Yuexiu Property, through its subsidiaries Yuexiu Commercial Management and Yuexiu Foundation, has remained deeply committed to supporting rural education in the Bailidujuan Management Area in Bijie, Guizhou. In April 2025, during World Book Day, the second-phase donation drive was inaugurated, further deepening the synergy between education, philanthropy, and industry, thereby leveraging the power of culture to contribute to rural revitalisation.

- **Leveraging Industrial Resources to Build a Public Welfare Alliance**

  Yuexiu Property capitalised on its resource advantages, with Yuexiu Commercial Management taking the lead in mobilising internal employees and engaging a diverse range of business units—including office buildings, shopping malls, and hotels—across 31 projects in seven cities. This effort garnered rapid responses from numerous tenants and forged a public welfare alliance with partners such as the Guangzhou Charity Association and Group subsidiaries including Fengxing Dairy and Guangzhou King of Kings, thereby consolidating a collective force for targeted support.

- **Innovating Assistance Models to Enhance Growth Support Systems**

  Moving beyond traditional donation models, Yuexiu Property established a comprehensive support system centred around "public welfare books, enhanced teaching resources, and nutritional care", facilitating a transition from relief-driven support to self-sustaining development. The initiative amassed a total of 35,967 donated books, which were directed towards the development of "one library and one school" in the locality. Of these, 30,407 books were allocated to enrich the community library, while 5,560 were delivered to Zaigong Primary School, providing the school's 397 students with an average of 39 books per child—far exceeding the national standard. Additionally, RMB10,325.97 in donated funds was allocated for the upgrade of teaching equipment, and nutritional supplies were contributed through Group-brand partners to safeguard student health.

Case

"Spreading the Fragrance of Books in Bailidujuan" public welfare initiative – Yuexiu Property empowers endogenous rural development through sustained cultural and educational support

- **Innovative Participation Models to Promote the Concept of Universal Public Welfare**

  Using commercial spaces as a platform, Yuexiu Property introduced innovative online and offline participation mechanisms. Offline, donation points with a "Books for Gifts" exchange scheme and charity sales were established, attracting the participation of over 3,000 citizens. Online, a points-based donation campaign was launched via the membership platform, reaching more than three million members and fostering a positive synergy between commercial engagement and the dissemination of charitable values.

  Yuexiu Property remains committed to a dual-driver approach that balances economic and social benefits, embedding ESG principles into its rural revitalisation efforts. Through its recurring public welfare activities, the Company is cultivating a sustainable public welfare IP. Looking ahead, Yuexiu Property will deepen its collaboration with the Bailidujuan Management Area, partnering with multiple stakeholders to build a public welfare platform. By prioritising education as a foundation and bolstering industry as a pillar, the Company will continue to nurture endogenous drivers for rural areas, contributing to the broader goal of rural revitalisation.

4.3.3 Building a Fulfilling Life for the Elderly in the Community

Against the backdrop of profound demographic shifts, ensuring that senior citizens are "supported, engaged, and fulfilled" has become a crucial indicator of a community's warmth and a society's civility. Yuexiu Property firmly believes that real estate enterprises do not simply create physical spaces; they build emotionally connected communities that are age-friendly and intergenerationally harmonious. To this end, the Company has systematically upgraded its approach to elderly care—moving beyond basic age-friendly design—into a comprehensive community-based elderly care system that integrates day-to-day services, community support, and emotional wellbeing.

Yuexiu Property's efforts are embedded in every detail of community planning and operations. At the product design stage, age-friendly features such as barrier-free access, home safety, and healthy environments are systematically incorporated. In terms of service operations, property management teams with experience in high-end hospitality management are deployed to provide personalised care plans and efficient emergency response mechanisms for older residents. At the same time, the Company actively encourages and facilitates the formation of interest-based groups for the elderly, and builds platforms for intergenerational exchange. Through parent-child activities, community volunteer initiatives, and other forms of engagement, it fosters meaningful interaction between generations and among neighbours, continuously cultivating a community culture that respects, honours, and cherishes the elderly.

Case

Yuexiu Health explores new approaches to "Engaged Ageing" through cultural and recreational vitality

Yuexiu Health actively practices the philosophy of "fulfilled and engaged ageing". On 9 to 10 July 2025, Yuexiu Health, in collaboration with the Guangzhou University for the Elderly and other organisations, successfully hosted the Haizhu District qualifying round of Guangzhou's inaugural Golden Autumn Silver Age Arts Festival, under the theme "Setting Sail in Golden Autumn, Dancing in the Silver Years". As one of the core competition zones, the event brought together 62 silver-age troupes and over 1,000 elderly participants, who showcased the vibrancy and spirit of today's older generation through a variety of art forms including vocal music, dance, and costume performances.

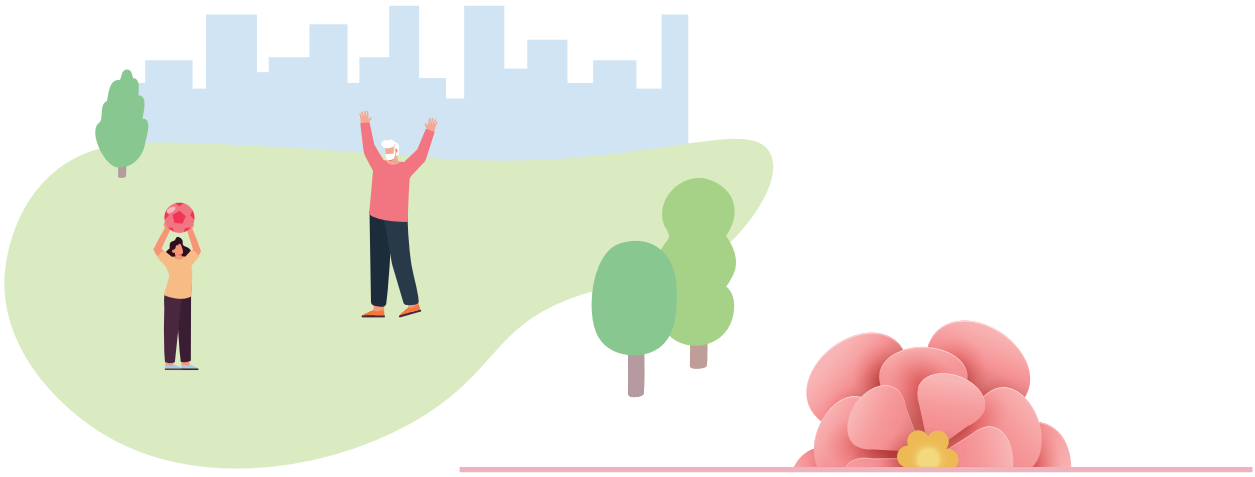
Adopting an integrated online and offline model, the festival achieved a total online reach of over 3.16 million views and generated 834,000 interactions, effectively enhancing public attention to and recognition of the silver-age population. This arts festival not only served as a stage for older adults to demonstrate their talents, but also represented a tangible effort by Yuexiu Health to respond to the silver economy and fulfil its social responsibilities. The initiative aims to support older adults in continuing their active participation in society and contributing their value, allowing their wisdom and life experience to continue enriching community life.

Case

Yuexiu Health practises a proactive approach to ageing through "Integration of Care and Education"

Actively responding to the demographic trend of an ageing population and promoting the development of a learning society, Yuexiu Health has deepened its collaboration with the Guangzhou University for the Elderly. On 20 May 2025, the "Guangzhou University for the Elderly Yuexiu Health Yueluju Branch" was officially inaugurated at the Yueluju Health and Wellness Community in Baiyun District. This milestone marks a substantial step forward for Yuexiu Health in advancing the "integration of care and education" model, bringing high-quality educational resources into the living environment of older adults and empowering them to embrace a later life that seamlessly combines learning and wellbeing.

Since the establishment of the teaching facility, the project has progressively developed a three-tier curriculum system encompassing foundational, interest-based, and advanced levels. It has served over 6,400 enrolments to date and successfully fostered the emergence of learner-led groups such as the Red Song Club. In doing so, it has given tangible impetus to the proactive ageing philosophy of "learning, engaging, and contributing in later life".



Case

Yuexiu Health safeguards the physical and mental health of silver-age adults through professional services

Guided by the philosophy of "Co-creating a Better Silver Year Together", Yuexiu Health, through its Yueluju Community in partnership with the Guangzhou Yuewei Silver Vitality Research Institute, successfully hosted a public welfare lecture on "Healthy Sleep, Scientific Anti-Ageing" on 7 May 2025. The lecture focused precisely on sleep—a core health issue affecting the quality of life of older adults—and invited Professor Tang Chuanhe from South China University of Technology as the keynote speaker. Through a combination of onsite interaction and recorded online broadcast, the event provided older adults with professional and practical health guidance.

The lecture systematically covered three main areas: scientific approaches to sleep, dietary strategies to aid sleep, and new concepts in anti-ageing living. It translated specialist knowledge into easy-to-understand and actionable lifestyle advice. This initiative reflects Yuexiu Health's tangible commitment to safeguarding the physical and mental wellbeing of silver-age adults through professional services, helping older adults enhance their quality of life and enjoy healthy later years.

Case

Yuexiu Health deepens its strategic layout of integrated medical and elderly care through the joint development of a high-level medical consortium

In a proactive response to policies promoting the development of medical consortia and the channelling of high-quality medical resources to the grassroots level, Yuexiu Health officially signed an agreement with The First Affiliated Hospital of Guangdong Pharmaceutical University (hereinafter referred to as "GDPU Affiliated Hospital No.1") on 20 October 2025. As part of this collaboration, the Weimin Traditional Chinese Medicine Hospital of The First Affiliated Hospital of Guangdong Pharmaceutical University was jointly established and inaugurated.

Background and Significance of the Collaboration: This partnership represents a pivotal step in Yuexiu Health's strategic efforts to deepen the integration of medical and elderly care. By leveraging the resources of a Grade A tertiary hospital, the collaboration aims to systematically enhance the service capacity and technical expertise of its Weimin Traditional Chinese Medicine Hospital, thereby optimising the allocation of regional medical resources.

Collaboration Model and Service Philosophy: Building on a "Five-Star Service" model, both parties will jointly develop a distinctive medical and elderly care service system that integrates "medical care" and "daily living care". This initiative seeks to drive the deep integration of medical and elderly care services, delivering more professional and comprehensive health support for older adults.

4.3.4 Local Community and Cultural Heritage

Local Community

The vitality of a community is reflected in everyday interactions and shared growth. Yuexiu Property recognises that meaningful community development extends beyond the provision of residential space; it involves fostering a vibrant and harmonious living environment where neighbours connect and thrive together. The Company seeks to go beyond conventional property management services by continuously organising a diverse range of community programmes, including festive celebrations, interest-based clubs, family-oriented workshops, and public welfare initiatives. Through these efforts, Yuexiu Property actively creates platforms for resident engagement and emotional connection, contributing to the development of a supportive, inclusive, and welcoming modern community.

Case

Cultivating a literate and culturally rich community: Yuexiu Property uses community activities to drive the transition from "Good House" to "Good Living"

Yuexiu Property is committed to transcending the construction of physical spaces, placing cultural enrichment and community cultivation at the heart of its efforts to drive a profound transition from "Good House" to "Good Living". On 12 October 2025, the Yuexiu Property Youth League Committee organised the "Scholarly Panyu · Cultured Community" event at the University Town Grand Mansion community. The event featured an astronomy-themed reading and sharing session delivered by Associate Professor Wang Shuang from Sun Yat-sen University, marking the first collaborative initiative between the community's "Star Gazing Club" and "Reading Club".

Through engaging explanations of cosmic phenomena and hands-on planet-themed crafting activities, the event not only sparked children's curiosity for scientific exploration but also provided families with high-quality opportunities for parent-child interaction. This initiative represents a concrete step by Yuexiu Property to activate community cohesion through cultural activities and foster an atmosphere of learning within the community, truly elevating the living space into a nurturing home imbued with knowledge and warmth.

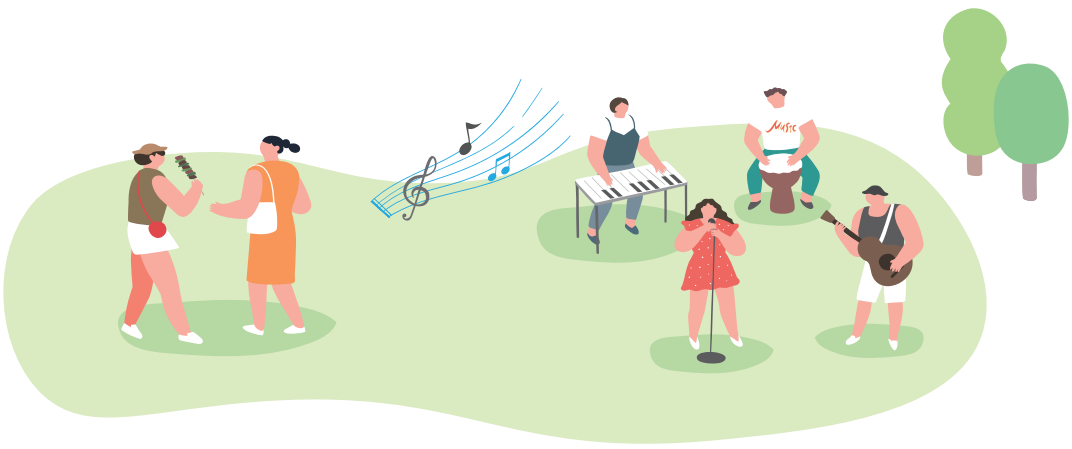
Case

Yuexiu Property hosts "National Games in the Community" Owners' Sports Day, building vibrant neighbourly relations through the spirit of sport

In response to the national call for greater participation in sport and to carry forward the spirit of the 15th National Games, Yuexiu Property successfully held the opening ceremony of the "National Games in the Community, Vibrant New Panyu" Owners' Sports Day on 23 November 2025 at the Yuexiu · Daxue · Xinghuicheng campsite. The event was guided by the Panyu District Committee of the Communist Youth League and organised in collaboration with several community groups, aiming to use sport as a bridge to create a new community ecosystem integrating "sport, living, and neighbourly interaction".

At the opening ceremony, the National Games torch "Bloom" was passed among community residents, volunteers, and youth representatives, while the mascots "Xiyangyang" and "Lerongrong" interacted warmly with the owners. The venue featured over a dozen innovative sports activities, including slam dunk challenges, mini golf, and fun pickleball, attracting the participation of more than one hundred families. Residents of all ages came together to enjoy the fun of sport during the event, with neighbourly bonds quietly strengthened through collaboration and shared laughter.

This event was not only an extension of the spirit of sport into the community but also a vivid example of Yuexiu Property's efforts to foster vibrant and harmonious neighbourly relations through diverse activities, driving the continuous evolution of communities from "living spaces" towards "shared life communities".



Cultural Heritage

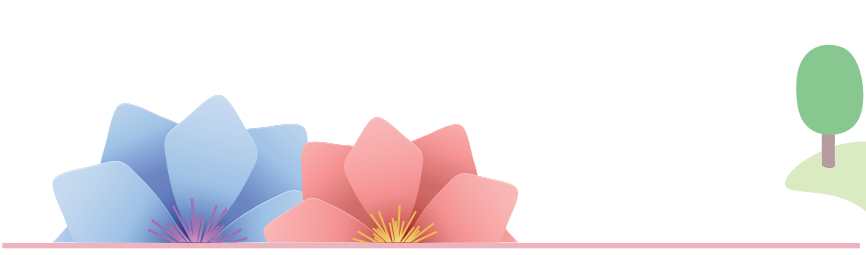
Urban development is not merely about the expansion and renewal of physical space; it is also about the continuation of historical context and the preservation of collective memory. As a key participant in urban construction, Yuexiu Property regards cultural heritage as an important responsibility. Guided by a long-term perspective, in the course of project development, we approach every element and site that carries the memory of a city with the same craftsmanship and reverence typically reserved for the restoration of cultural relics—striving to achieve a harmonious integration of new architecture with old stories, allowing history to maintain its vitality within contemporary life.

Case

Preserving history and interpreting culture: embedding urban memory and cultural pride in contemporary communities

The Guangzhou Yuexiu · Naturalistic Mansion project stands as a quintessential example of Yuexiu Property's commitment to cultural heritage. Rather than opting for simple redevelopment on the site of the former "World Garden", a landmark deeply embedded in Guangzhou's urban memory, the Company undertook the meticulous restoration of the iconic "Moon Bridge". Over three months, 20 artisans employed traditional craft techniques to "restore the old as old", reviving this cultural landmark to its former splendour.

The main entrance gate of the project was crafted by a nationally recognised inheritor of the intangible cultural heritage of copper artistry, incorporating Lingnan characteristics through hand-hammered texturing. The spatial layout, conceived as "four waters returning to the hall", is deeply rooted in Guangfu cultural tradition. These initiatives represent not only a preservation of history but also a contemporary interpretation of Lingnan culture. We believe that only communities that respect the past and carry forward culture can bestow upon their residents a profound sense of belonging and pride—a core element of the human-centric "Good Living" that Yuexiu Property strives to achieve.



Case

Launching the "Scholarly Panyu" co-construction initiative: Yuexiu Property builds a community cultural ecosystem through public-private collaboration

On 18 August 2025, Yuexiu Property's Guangzhou Division formally signed the "Scholarly Panyu · Cultural Residential Areas" joint development plan with the Publicity Department of the Panyu District Committee and several other government departments, marking the establishment of a close collaborative relationship between the government and the enterprise in the field of community cultural development. Taking the community as its platform, the initiative aims to systematically promote in-depth reading, the cultivation of youth culture and the sharing of community values, working together to build a sustainable and warm-hearted residential community ecosystem.

4.3.5 Promoting Urban Wellbeing through Volunteer Services

Yuexiu Property regards volunteer services as an important avenue for fulfilling corporate social responsibility and enabling employees to realise their personal value. The Company actively responds to the national call for the institutionalisation and professionalisation of volunteer services, systematically building a volunteer service ecosystem led by the enterprise, with employees as the main participants, and involving communities and social organisations in collaboration. This approach aims to make public welfare initiatives regular and sustainable.

In November 2025, a serious fire broke out in the New Territories of Hong Kong, drawing concern from across the community. As a Hong Kong-based enterprise, Yuexiu Property swiftly responded under the coordination of Yuexiu Group, making an emergency cash donation of HKD 10 million to support emergency rescue and humanitarian aid efforts, providing tangible assistance to affected families. The Company remains committed to standing alongside the Hong Kong community, fulfilling its corporate responsibilities at critical moments and demonstrating its dedication to human care and accountability.

Case

Yuexiu Health leads public welfare medical volunteer services, safeguarding community health through professional action and contributing to urban wellbeing

On 20 April 2025, Yuexiu Health, a subsidiary of Yuexiu Property, actively embraced the parent company's philosophy of volunteer service by leading a public welfare medical consultation event titled "Yuexiu Health – Safeguarding Health" at the Yueluju International Health and Wellness Community in Jinshazhou, Guangzhou. The initiative brought together multiple parties to deliver professional volunteer services, supporting public health and fulfilling corporate social responsibility.

This event strictly adhered to Yuexiu Property's volunteer service ecosystem concept of "enterprise leadership, employee participation, and multi-party collaboration". Led by Yuexiu Health, the event was co-organised with the "Shixin Ren" Medical Service Team of the Guangdong Experimental High School Alumni Association and guided by the Jinsha Subdistrict Public Health Committee, demonstrating the institutionalised and collaborative nature of the Company's volunteer efforts.

During the event, Yuexiu Health organised a dedicated team of employee volunteers to work alongside 20 medical specialists from Grade A tertiary hospitals. Volunteers assisted in guiding the public through the orderly consultation process, registering their information, and supporting basic health checks such as blood pressure and blood glucose measurements. They patiently addressed health-related queries, provided dedicated support for elderly participants, and conveyed human care through attentive service, highlighting the professional and meticulous approach taken in the volunteer activities.

In addition, volunteers worked alongside the medical specialists to disseminate knowledge on the prevention of common and chronic diseases, expanding the impact of the volunteer services and addressing the public's need to "consult renowned doctors close to home". The initiative successfully delivered the warmth of volunteerism while promoting health awareness.

This event served as a vivid example of Yuexiu Property's commitment to embedding public welfare volunteerism into its regular operations. It not only leveraged the professional expertise of Yuexiu Health but also enabled employees to enhance their personal sense of value. Looking ahead, Yuexiu Property will continue to guide its subsidiaries in deepening the volunteer service ecosystem, using professional volunteer action to safeguard public wellbeing and contribute to urban quality of life.

4.4 Sustainable Development Practices

4.4.1 Sustainable Community Development

Yuexiu Property recognises the significant responsibility that enterprises bear in promoting the coordinated development of the economy, society, and environment. Against the backdrop of the global commitment to the United Nations Sustainable Development Goals (SDGs) and China's national strategy of advancing "green development" and "high-quality development", the Company, in its role as an urban construction and operation service provider, actively integrates national policy directions and international consensus into its business practices.

Case

Water as a medium, innovation as a catalyst – Yuexiu Property's Guangzhou practice in building sustainable humanistic communities

With over 40 years of deep roots in Guangzhou, Yuexiu Property has strategically positioned itself in key sectors and increased its investment focus. Guided by the principles of "respect for nature, a people-centred approach, and empowerment through innovation", the Company has embedded sustainability throughout the entire process of urban and community development. By reshaping waterfront living and fostering community co-creation in line with the distinctive characteristics of each project's location, Yuexiu Property has achieved "ecological sustainability, perceptible humanistic value, and implementable innovation", driving the evolution of communities from "functional living spaces" towards "experiential, co-created environments".

- **Water as a Core Element, Activating Sustainable Humanistic Vitality along the Waterfront**

  Yuexiu Property took an early strategic position by acquiring five plots in the Pazhou West District and making significant investments. It pioneered an integrated "CBD+TOD+POD" model, connecting commercial spaces, clubs, parks, and the metro to create a four-in-one sustainable community ecosystem. This laid a solid foundation for the successful execution of various waterfront activities in 2025. Leveraging the twin docks, water sports club, and other amenities developed through these initial investments, the Company successfully hosted the 2025 Pazhou Water Sports Carnival. The event linked dual clubhouses and a semi-public club system to establish a diverse platform for neighbourly interaction, catering to the needs of all age groups. Concurrently, the introduction of coastal sports scenarios and the planning of international event IPs pushed beyond traditional boundaries through innovations in model, product, and operations. The integration of supporting facilities such as commercial streets infused the community with sustained vitality.

Through water as a medium and innovation as a catalyst, Yuexiu Property has brought to life the essence of a sustainable humanistic community, leading the industry in its transition from "building homes" to "cultivating lifestyles". By enhancing supporting functions, the Company has also driven urban upgrading, demonstrating its commitment as a state-owned enterprise. Moreover, by steadfastly prioritising ecology, adhering to a people-centred approach, and leveraging innovation, Yuexiu Property has respected the unique character of the city, deeply understood residents' needs, and overcome traditional constraints. In doing so, it has achieved a mutually beneficial symbiosis between ecology, humanity, and urban development, providing a valuable model for creating liveable cities.

In residential development, we are committed to constructing a green and healthy living environment, systematically integrating energy-saving technologies, environmentally friendly materials, and ecological principles into community planning and design. In commercial real estate operations, we advocate low-carbon office practices and green consumption, utilising intelligent management systems to continuously optimise building energy efficiency, thereby contributing tangibly to the achievement of the "Dual Carbon" goals. We believe that embedding sustainable practices in both living spaces and commercial settings is a crucial foundation for contributing to the "Beautiful China" initiative and enabling a better quality of life for the people.

At the same time, Yuexiu Property focuses on integrating sustainability into the daily life of communities. Through initiatives such as environmental awareness campaigns, the establishment of a "Community Steward" mechanism, and the organisation of Community Steward Conferences, we provide residents with interactive platforms that foster green and low-carbon awareness alongside healthy lifestyle habits. The Company also actively collaborates with professional resources—for example, by inviting medical specialists into communities to provide services—translating humanistic care into concrete actions. These efforts consistently strengthen neighbourly bonds, stimulate endogenous community vitality, and enable us to work alongside residents in co-creating a sustainable home imbued with a sense of belonging and vitality.

Case

How Yuexiu's "Community Steward" Model activates the endogenous drivers of sustainable communities

Yuexiu Property has pioneered an innovative "Community Steward" model, establishing a community vitality ecosystem that places homeowners at the centre and is driven by self-motivation. This initiative represents an upgrade in philosophy—moving from the delivery of "Good House" to the co-creation of "Good living". In the first half of 2025, this model had already nurtured 108 vibrant community groups across 17 projects currently on the market, attracting the attention of over 22,000 homeowners and inspiring more than 11,000 "Yue Friends" (Yuexiu Property owners and members) to actively participate in community co-creation. One of its landmark achievements was the successful hosting of the "For the Love of It – First Community Steward Conference".

The key to this model lies in genuinely returning the right to organise community life to the homeowners, thereby igniting their intrinsic passion and creativity. Notable examples include the "Muya Commune", a nature-based community group initiated by homeowners at Yuexiu · Joy Golden Sands, and the "vibrant magnetic field" cultivated at Yuexiu · Naturalistic Mansion prior to its handover through activities such as the "Lakeside Gathering" events. In the process of self-organisation and self-service, homeowners not only invigorate the community atmosphere but also find personal fulfilment and a sense of belonging—precisely the endogenous drivers of sustainable community development.

Case

How Yuexiu's "Community Steward" Model activates the endogenous drivers of sustainable communities

To systematically support this ecosystem, Yuexiu Property has established four major community group frameworks: "Mountain Gatherings", "Neighbourhood Markets", "Riverside Communities", and "Cultural Encounters". It has also introduced a tiered "Steward Growth Programme". This programme encompasses a full cycle of empowerment, ranging from the onboarding of new participants and skills training to resource connections, guiding community activities towards greater professionalism and sustainability.

As an enterprise with over four decades of deep roots in Guangzhou, Yuexiu Property views communities as the "growth rings" that chronicle the city's development. It places great emphasis on embedding cultural elements—such as the essence of Guangfu cultural heritage—into the fabric of everyday community life. At the community planning stage, spaces are intentionally reserved for neighbourly interaction, while activities such as art exhibitions and intangible cultural heritage workshops serve to "advance in step with the city". This model offers a practical pathway for the industry's transition from development and sales to operations and services. By unleashing the creativity of residents, empowering community stewards, and fostering cultural continuity, it collectively paints a complete picture of the journey from physical space to a shared community of life.

Case

Building a strong foundation for community safety: Yuexiu Services constructs sustainable communities through practical drills

As a key customer-facing service window for Yuexiu Property, Yuexiu Services places community safety at the core of its operations, viewing it as the cornerstone of sustainable community development and a prerequisite for a good quality of life. The Company is committed to deeply embedding the philosophy that "everyone values safety and everyone knows how to respond in an emergency" into its day-to-day service and management practices.

During the 2025 national "Work Safety Month", Yuexiu Services coordinated efforts across its six division—Guangzhou, the Greater Bay Area, Northern China, Central and Western China, Eastern China, and Metro Property—to conduct large-scale fire safety drills simultaneously across more than 100 residential projects. This nationwide coordinated initiative represented both a proactive response to policy directives and a tangible fulfilment of the Company's safety commitments. In collaboration with local subdistrict authorities, communities, and homeowners, Yuexiu Services carried out a total of 139 drills, involving over 3,200 participants, with a focus on transforming theoretical knowledge into practical emergency self-rescue capabilities.

Yuexiu Services adheres to the principle that safety work must emphasise hands-on practice. The activities included expert explanations of evacuation techniques, opportunities for homeowners to operate fire extinguishing equipment themselves, simulated casualty rescue exercises, and experiences of smoke-filled evacuation tents—enabling participants of all ages to acquire practical skills through direct engagement. As one homeowner in Guangzhou remarked after taking part: "Being able to use a fire hydrant for the first time—it really could save lives in a critical moment!" This captures exactly what the Company aspires to achieve: empowering every member of the community to become the "first person responsible" for safety.

Through systematic safety collaboration, Yuexiu Services aims to work alongside homeowners in jointly strengthening the "firewall" at their doorsteps. The Company firmly believes that only when safety is transformed into a collective mindset and capability within the community can a harmonious and beautiful home truly be sustainable. Looking ahead, Yuexiu Services will continue to build defences with professionalism and safeguard peace through action, fulfilling its vision of becoming a "respected safety-focused enterprise", ensuring that safety remains the most solid foundation upon which sustainable communities are built.

Case

Building a sustainable home together: how the Lirendong urban renewal project has transformed from a focus on "speed" to a focus on "humanity" to become a model for sustainable communities

The high-quality delivery of the first batch of resettlement housing in the Lirendong Village urban renewal project in Panyu District, Guangzhou, represents a landmark achievement in collaborative co-creation between government, enterprise, and the people, advancing the vision of "injecting new vitality into an old city". Adopting an innovative model combining "comprehensive land consolidation with urban renewal", and driven by an efficient collaboration mechanism centred on "government guidance, state-owned enterprise implementation, market-oriented operation, and villagers' participation", the project not only set a new benchmark for construction speed among large-scale urban renewal projects in Guangzhou (completing the topping out of the first phase just eight months after plan approval) but also achieved a significant leap for villagers—from simply having a place to live to living in high-quality homes.

The project's success stems from clear top-level design and the combined efforts of multiple stakeholders. Mr Lin Zhaoyuan, vice chairman and general manager of Yuexiu Group and Chairman of Yuexiu Property, emphasised during the delivery ceremony that the project consistently adheres to the "people's city" concept, striving to create a new, sustainable model for urban village renewal. Mr Yan Mingkun, Deputy District Governor of Panyu District, noted that the co-ordinated planning and deployment by municipal leadership, combined with the efficient collaboration between municipal and district departments, had together enabled the "accelerated renewal of the old city". This robust public-private collaboration ensured the project's solid progress across all stages of planning, demolition, and construction.

The resettlement housing delivered in this phase fully matches the quality of commercial housing, creating a comfortable and modern living environment with a maximum building spacing of 80 metres, the green space ratio rate exceeding 40%, and comprehensive public amenities. Notably, the project respects local culture and the emotional ties of the villagers. By constructing a full-stone archway, designating a dedicated ancestral hall square, and optimising interior designs based on villagers' living habits—such as installing floor tiles in bedrooms—it has effectively preserved the collective memory and the "nostalgic" warmth of the village, earning widespread recognition from the villagers. Mr Li Jinli, Party Branch Secretary of Lirendong Village, expressed sincere gratitude and looked ahead to the village's transformation into an integral part of the Wanbo Central Business District, bringing unprecedented development opportunities for future generations.

Looking forward, the renewal of the Lirendong area will continue to deepen, with the large-scale delivery of resettlement housing and the opening of a Grade A tertiary hospital expected by 2027. Through industrial upgrading, the project is set to create approximately 120,000 jobs for the region. This case demonstrates that successful urban renewal is not simply about demolition and reconstruction, but a systematic project that is people-centred, balancing efficiency, quality, and cultural heritage. It provides a replicable "Guangzhou model" for sustainable renewal in mega-cities.

Yuexiu Property understands that building sustainable communities is a systematic endeavour requiring long-term commitment. Moving forward, we will continue to collaborate with residents and partners, leveraging ongoing innovative practices and deep-rooted humanistic care to continuously develop and promote exemplary models of sustainable communities, jointly shaping a vision of urban life that is better and more resilient.

4.4.2 Innovation in Sustainable Communities

As the concept of sustainable development becomes increasingly embedded in the daily life of communities, Yuexiu Property has taken a forward-looking approach by launching two pioneering initiatives—the "Sustainability Badge" and the "Green Living Pathway"—with the aim of building a community ecosystem that fosters both a sense of participation and social value. In 2025, the Company continued to deepen its practice of sustainability innovation within communities, with key progress as follows:

Aspect	Delivery Rider-Friendly Community	Deepening the Meaning of the "Sustainability Badge"
2025 Key Progress	Launched the "Delivery Rider-Friendly Community" initiative.	The scope of recognition now covers multiple dimensions, including green building, smart technology, low-carbon design, healthy living environments, and sustainable community development.
Description	By integrating delivery platform data with smart verification systems, the time required for riders to enter the community was reduced from 5 minutes to 45 seconds per trip.	The internal incentive system continues to expand outward, encouraging employees, homeowners, partners, and other stakeholders to participate in sustainable practices, thereby creating a mechanism for value co-creation.

In 2025, through systematic innovation in its governance structures and community co-creation models, Yuexiu Property not only expanded the value dimensions of the "Sustainability Badge" but also, by leveraging the "Community Steward" mechanism, infused the "Green Living Pathway" with sustained vitality grounded in the principle of "everyone participates, everyone contributes". Together, these initiatives point towards a clear goal: to drive the tangible transformation of sustainability from a corporate strategy into a community culture and way of life that is embraced by homeowners, tenants, and a wide range of stakeholders in their daily lives.

Case

Yuexiu services: paving a warm and innovative path towards sustainable communities through “rider-friendly” practices

Yuexiu Services, the property management arm of Yuexiu Property, regards the building of sustainable communities as both a core objective and a daily endeavour. Its development of a “rider-friendly community” exemplifies how the Company translates its social commitments into tangible, human-centred actions.

In response to the challenge of balancing efficiency and security in traditional community management, Yuexiu Services introduced a systematic solution. By integrating delivery platform data with a smart verification system, the time required for riders to enter the community was significantly reduced from five minutes to just 45 seconds per trip. This measure not only greatly improved service efficiency but also demonstrated respect for workers, while reinforcing community safety through fully digitalised management. As of now, the cumulative number of online real-name registrations for external personnel such as food delivery riders and couriers has reached 355,000 this year, significantly reducing the verification workload of frontline staff and effectively freeing up manpower for more critical service areas.

Beyond technological empowerment, Yuexiu Services places equal emphasis on human care. In collaboration with subdistrict authorities and trade unions, the Company established a “service hub for workers in new forms of employment”, offering riders a range of support including drinking water, charging facilities, emergency medical supplies, and legal advice. The aim is to transform their role from “managed outsiders” into “respected community partners”, actively fostering an atmosphere of mutual support and inclusion.

To ensure the model is both sustainable and replicable, Yuexiu Services has designed it as a standardised “micro-product”, establishing a framework of “modular hardware, platform-based software, and streamlined operations”. This allows the model to be flexibly adapted to different community settings, enabling rapid replication and continuous improvement.

Yuexiu Property remains committed to serving as a connector of social warmth. This innovative initiative not only enhances the effectiveness of community governance but also infuses the brand with profound human warmth, achieving mutual growth in social impact and corporate value. Together with stakeholders, the Company is building a more inclusive and sustainable future.

Green Living Pathway

As sustainable communities move from concept to practice, the physical and cultural spaces of urban communities are increasingly becoming important settings for cultivating green lifestyles. The "Green Living Pathway" developed by Yuexiu Property serves as a vehicle for realising this vision. Going beyond the scope of traditional community landscaping, it establishes a comprehensive community practice platform that integrates environmental education, experiential engagement, and neighbourly interaction. Its core philosophy lies in transforming sustainability from an abstract concept into a tangible, participatory, and beneficial aspect of residents' daily lives.

Design Philosophy

From "Green Landscaping" to "Life Education"

The design philosophy of the "Green Living Pathway" stems from Yuexiu Property's deep understanding of the urban development shift towards being "green, low-carbon, smart, and safe", as well as its proactive response to residents' aspirations for healthy and environmentally friendly lifestyles. Its design transcends the singular function of landscape beautification, aiming to inspire positive behavioural change among residents through spatial narrative.

- Space as Education: The pathway translates environmental knowledge—such as waste sorting, resource recycling, and plant care—into interactive installations and signage systems along the route, enabling residents to absorb sustainability education naturally as they stroll and rest.
- Experience Fosters Connection: Through participatory nodes such as interactive environmental quizzes and observation points for rain gardens, residents (especially children) are guided to build a deeper connection with nature through hands-on experiences, thereby deepening their environmental awareness.
- Community Co-nurtures: Serving as a green thread within the community, the pathway connects shared spaces such as communal gardens and leisure corners, encouraging residents to exchange gardening tips and participate collectively in the renewal and maintenance of the community's micro-environment. This, in turn, strengthens a sense of belonging and community self-governance.

Implementation Mechanism

A Perceivable, Participatory Closed Loop

- Task-Guided Exploration: Interactive nodes are placed along the pathway, such as waste sorting experience zones and creative upcycling stations for discarded materials, guiding residents to acquire sustainability knowledge through completing engaging tasks.
- Immediate Feedback and Incentives: Upon completing tasks, residents receive recognition such as the "Sustainable Development Badge". Through instant positive feedback and honorary incentives, this mechanism continuously reinforces the sense of identification with and motivation for engaging in environmentally responsible behaviours.

Sustainable Development Badge

The "Sustainable Development Badge" is an innovative incentive system designed by Yuexiu Property to stimulate endogenous community vitality and systematically cultivate green lifestyles. Centred on residents, this mechanism transforms environmentally friendly behaviours into recordable, recognisable, and shareable community experiences through clear and visual pathways for participation, guiding sustainable practices to gradually become integrated into residents' daily lives and voluntary actions.

Yuexiu Property firmly believes that the development of sustainable communities relies not only on facilities and spaces but also on the collective participation and emotional connections of residents. The badge system provides a lightweight, engaging, and progressive interactive framework aimed at fostering green exchanges and collaboration among neighbours, consolidating a community-wide consensus on environmental protection, and promoting a sustainable community ecosystem characterised by co-governance by residents, low-carbon circularity, and a strong sense of belonging.

I. Design Philosophy and Positioning

Design Core	To stimulate residents' enthusiasm for environmental participation through an incentive system, while facilitating the establishment of interactive networks within the community.
Badge Positioning	Serves both as a symbol of honour for individual environmental actions and as a medium to promote resource sharing and circulation within the community.
Core Philosophy	Centred on residents, using simple, positive incentives to gradually internalise environmentally friendly behaviours as daily habits.
Corporate Perspective	Yuexiu Property values community spontaneity and endogenous drivers, aiming to build a sustainable community ecosystem based on green living principles.
Implementation Mechanism	Integrated with the "Green Living Pathway" to form a community operation model characterised by broad resident participation and virtuous resource cycles.

II. Implementation Mechanism and Operation

Pathways to Earn Badges	1. Waste sorting challenge: One badge for correctly sorting waste. 2. Green travel: Exchange badges for recorded walking or cycling distances. 3. Participation in environmental activities: Earn 1–3 badges depending on task difficulty for activities such as environmental lectures or public greening clean-ups.
Badge Usage and Circulation	1. Reward redemption: Redeem badges on the property management platform for green products such as organic grains, oils, and healthy beverages. 2. Community exchange: Badges can be freely exchanged among residents for shared resources or household essentials. 3. Premium benefits: Accumulate a certain number of badges to redeem access to communal spaces or discounts on property management fees.
Implementation Outcomes	Enhanced sense of participation and community cohesion among residents; increased overall community vitality and neighbourly interaction.

Expected Future Project Outcomes

- Lower the psychological barriers for residents to participate in environmental actions through engaging mechanisms such as point-based rewards and check-ins, thereby increasing sustained engagement.
- Organise supporting themed activities such as environmental lectures and community greening initiatives to foster a vibrant atmosphere of interaction and shared learning.
- Establish a badge circulation and exchange mechanism to promote resource sharing and mutual assistance among neighbours, strengthening community cohesion and a sense of belonging.
- Systematically enhance residents' environmental awareness and habits through everyday means, integrating green landscapes, interactive installations, and task systems.
- Provide practical insights for optimising community public services, while also offering a replicable model for deepening and scaling green community approaches.

Future Plans and Actions

Deepen the Intelligence of the Badge System

- Promote the deep integration of the badge system with the community' s smart management platform, enabling residents to check badge status, redeem rewards, and facilitate exchanges in real time via the property management app, simplifying participation processes and enhancing user experience and management efficiency.

1

Expand Project Coverage and Content Dimensions

- Gradually extend the project to more communities and continuously enrich the incentive scenarios, adding categories such as:

  Smart Living Badge: Encouraging residents to optimise household energy use through smart devices.

  Family Health Badge: Guiding residents towards an overall improvement in quality of life through health promotion activities and dietary planning.

2

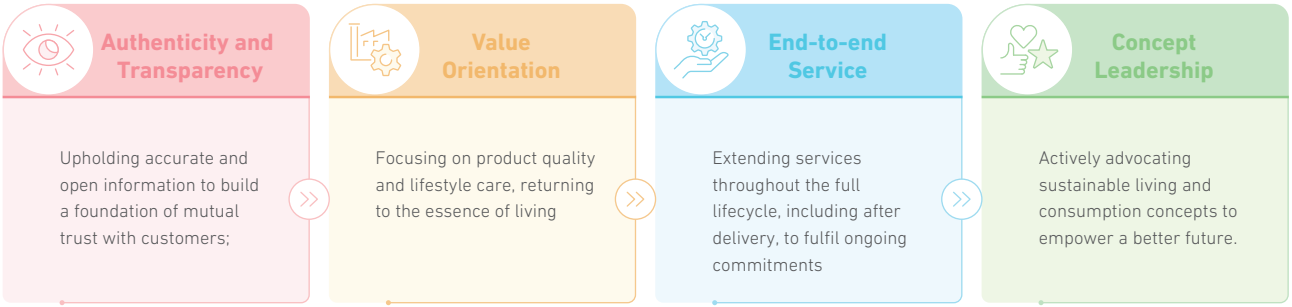
Establish a Data-Driven Operational Mechanism

- Introduce data analysis tools to continuously monitor trends in residents' environmental behaviours, identify participation preferences and outcomes, and provide a basis for dynamically optimising the incentive mechanism. Data support will enhance the project' s long-term adaptability and appeal, while offering scientific references for innovations in community governance and interaction models.

3

4.4.3 Responsible Marketing

Yuexiu Property regards responsible marketing as the cornerstone of maintaining its brand reputation and achieving long-term development. We firmly believe that genuine market trust stems from deep respect for customers and sustained commitment, extending far beyond transactional relationships. To this end, the Company has established a responsible marketing system built on the following four principles:



These principles represent not only a set of marketing guidelines but also a solid bond through which Yuexiu Property collaborates with customers and society to build a trustworthy future.

Key Performance Indicator

During the reporting period, training coverage for frontline marketing staff reached **100%**

Authenticity and Transparency: Building a Credible Foundation of Information

We firmly believe in providing information that is comprehensive, accurate, and free from misleading content. From planning concepts to construction details, everything is clearly presented through physical showrooms, craftsmanship displays, and digital construction visualisations. We avoid over-promising and ensure that every piece of documentation and every sales presentation stands the test of time.

Value Orientation: Focusing on the Essence of Product and Life

Our communications consistently centre on creating long-term value for customers. We not only showcase the product form but also systematically articulate core advantages such as green and healthy features, smart communities, and property services, helping customers understand the quality of life and sustainable benefits embedded in the product. For example, we explain how the "Yuexiu Healthy Home" system enhances residential wellbeing through details such as air quality, water, and lighting; we clearly illustrate how Transit-Oriented Development (TOD) projects provide owners with convenient and efficient lifestyles. Yuexiu Property maintains that the essence of marketing lies in enabling customers to fully appreciate the lifestyle value and long-term benefits that the product embodies.

End-to-end Service: Extending Commitments Beyond Delivery

We consider marketing to be the starting point of long-term service. The Company has established a full-lifecycle customer service system covering all stages from purchase consultation and delivery to long-term residency. Through consistent communication, transparent progress updates, and solid construction and property services, we translate the vision of a better life into reality step by step.

Leading Concepts: Communicating a Sustainable Outlook on Life

We actively leverage marketing channels to promote sustainable development concepts — such as environmental protection, energy efficiency, low-carbon living, and community culture — to society. This guides the market to appreciate the comprehensive value and social benefits of living environments, collectively steering the industry towards a more responsible direction.

For details on internal controls, specialised training, and evaluation mechanisms related to responsible marketing, please refer to section 5.3 "Business Ethics and Anti-Corruption" of this report..

4.4.4 Customer Satisfaction

Against the backdrop of profound adjustments in the real estate industry, customer satisfaction has become a core factor enabling enterprises to navigate market cycles and achieve sustainable development. In 2025, Yuexiu Property deeply grasped the industry's transition from "scale competition" to "value symbiosis", and, guided by the annual theme of "stabilising performance, pursuing breakthroughs, refining management, and enhancing capabilities", positioned customer relationships as the foundation of its high-quality development.

We firmly believe that exceptional customer experience lies not only in responding promptly to expressed needs but also in deeply understanding and proactively fulfilling latent requirements. To this end, Yuexiu Property continuously refines its management mechanisms and service processes, upgrading customer service from "reactive response" to "proactive prevention" and "value co-creation". We are committed to continuously consolidating and enhancing our market competitiveness through efficient, high-quality service that exceeds expectations.

Metrics	Targets for 2030	Performance in 2025
Customer Satisfaction	• Develop a multi-tiered, diverse portfolio of liveable and healthy residential products to enrich customer choice. • Continuously improve customer satisfaction to 95 points or above.	• Residential owner satisfaction: 83.0 points • Commercial tenant satisfaction: 99.7 points

In 2024, the Company adopted a hybrid model of "centralised and decentralised surveys" for customer satisfaction surveys in the residential sector, with each method accounting for 50% of the total sample. This arrangement effectively enhanced the authenticity and randomness of the survey, enabling a more objective reflection of end-customers' satisfaction with Yuexiu Property's products. At the same time, this model helped reduce potential interference commonly seen in regular periodic surveys, such as communicating with customers in advance to influence their ratings.

In 2025, the customer satisfaction survey methodology for the residential sector was adjusted to a fully decentralised approach covering 100% of the survey nodes. Compared with the 2024 approach (50% decentralised + 50% centralised), this change raised the standard and prompted survey data to more objectively reflect customers' genuine experiences and perceptions. In 2025, the Company achieved a customer satisfaction score of 83.0, an increase of 1 point year-on-year (based on comparable data). Within the industry's top 10 for overall customer satisfaction as measured by institutional surveys, the Company's performance was rated as excellent.

To regulate the management of customer complaints, ensure that complaints are handled in a prompt and effective manner, and enhance customer satisfaction, Yuexiu Property has formulated the *Detailed Provisions on Customer Complaint Management*, which stipulates the requirements for complaint acceptance, follow-up handling, and closure. For general customer complaint incidents, the Company shall strictly implement the time management requirements. Specifically, after receiving the customer's complaint and claims, staff must proactively contact the customer within 24 hours to verify the details of the problem, calm the customer's emotions, and at the same time make registration and filing. Complaint matters shall, in principle, be rectified and handled in a closed loop within 30 calendar days. Through effective and efficient addressing of customer demands and diligent resolving of disputes and problems, the Company laid a solid foundation for high-quality services.

Yuexiu Property has systematically reshaped its customer satisfaction strategy around the dual drivers of "Good products + Good services", committing to prevent risks at the source and innovate value through experience, thereby continuously strengthening the customer foundation for high-quality development.

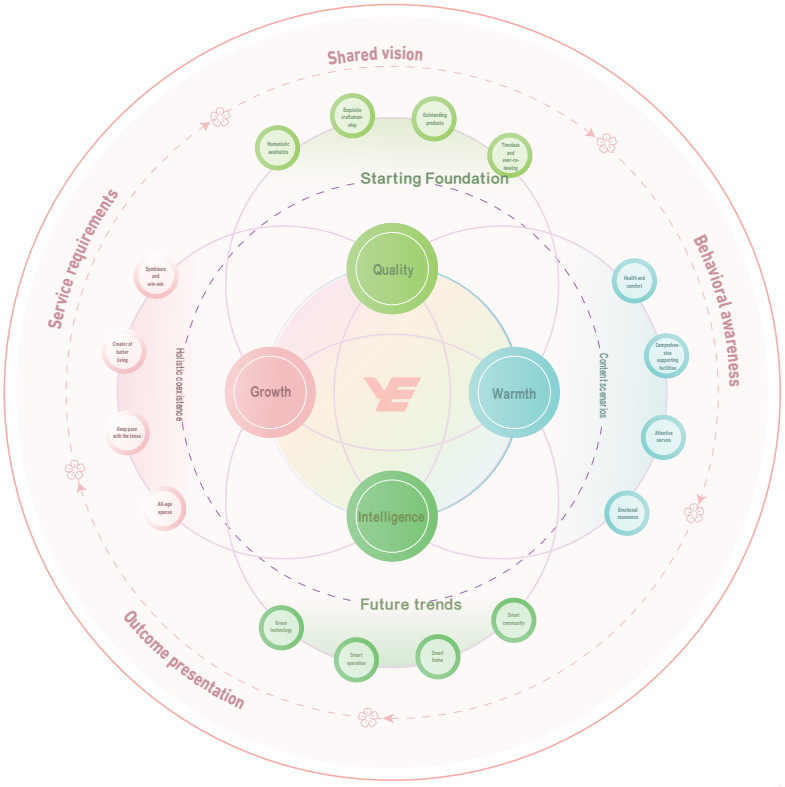
- Deepening Preventive Risk Management to Achieve Quality Control Upfront

  The Company firmly believes that the highest level of customer satisfaction stems from delivering defect-free products and seamless, unobtrusive services. To this end, resources are systematically allocated towards the front end of products and services. A full-lifecycle quality control system covering "pre-delivery standards, in-process control, and post-delivery closed-loop management" has been established, with customer-sensitive touchpoints proactively managed upfront. In projects such as Yuexiu · Ocean One in Nansha, Guangzhou, for example, details were proactively optimised against the Quality Control Manual prior to delivery, truly achieving a "pre-delivery acceptance" approach. In 2025, leveraging this system, the Company carried out quality home deliveries in 16 cities, with a total of 79 delivery batches, welcoming over 30,575 households into their new "Yuexiu Homes". Among these, 19 developments achieved early handover, including the Zhengzhou Jinyue Wenhua project, which was delivered 7 months ahead of schedule.

- Expanding the Scope of Satisfaction to Include Product Design Feedback

  To ensure that products align with market demands from the very beginning, Yuexiu Property formally incorporated "product design satisfaction" into its core customer satisfaction indicator system in 2025. This represents a deepening of its "4X4" quality product philosophy. In the Beijing market, for example, the Company established a dual-line product portfolio consisting of the high-end "Yue" series and the mainstream "Xing" series. Through precise customer segment analysis, it achieved flexible customisation ranging from the integration of scarce resources to the adaptation of smart technologies. Products tailored to meet upgrade demand, such as Beijing Heyuewangyun and Shanghai Jing'an Tianyue, achieved strong market performance upon launch — including selling out immediately — demonstrating the precision of the product design strategy.

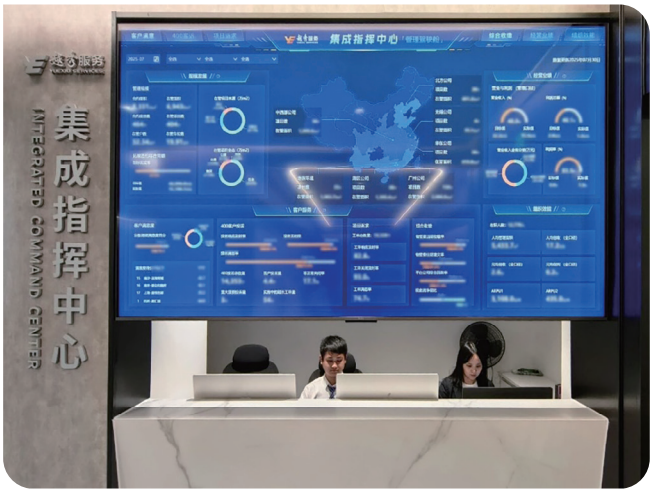
Yuexiu Property's "4X4" Quality Product Philosophy



Simultaneously, the satisfaction monitoring system has been continuously enhanced to encompass evaluations of tenants and owners across core dimensions such as health and safety, comfort, and response times, forming a more multidimensional assessment framework that provides scientific support for risk management and opportunity identification.

- Leveraging Technology to Enhance Services, Creating a "Human-Machine Collaboration" Experience

  In 2025, through its Yuexiu Services division, the Company promoted the deep integration of technology with business scenarios to reshape the service experience. At the foundational service level, a "human-machine collaboration" cleaning model and smart access systems were fully implemented, significantly improving service efficiency, community safety, and satisfaction with cleanliness. At the management level, an integrated command centre was established, utilising a proprietary EBA system and RTU gateways to achieve transparent management of projects nationwide, shifting from traditional "people monitoring people" to data-driven intelligent supervision. Following the launch of the Service Command Centre, real-time monitoring of customer satisfaction and key service touchpoints became possible, using data to drive standardisation of frontline operations and achieving digital, visual control over service quality. Through a steadfast commitment to the essence of service combined with technological empowerment, Yuexiu Services' third-party customer satisfaction score has remained above 85 points for three consecutive years, consistently ranking among the top in the industry.



Yuexiu Services "Integrated Command Centre"

Yuexiu Property deeply recognises that delivering a home is merely the starting point of customer service. In 2025, the Company formally launched and deepened the "YES Life+" full-lifecycle customer service system, committed to extending the customer journey from a one-off transaction into an enduring companionship centred on a better life.

- **Yue Expectation: Building Connections to Alleviate Pre-Delivery Anxiety**

During the period between purchase and delivery, the Company organises "construction site open days", regularly distributes "Heartwarming Home Letters", assigns dedicated customer ambassadors, and facilitates community interactions through the "Aiyue Club" to allow owners to witness the growth of their homes and establish emotional connections in advance.

- **Yue Homecoming: Celebrating Delivery with Ease and Respect**

At the delivery stage, the Company provides efficient services including professional move-in assistance, digital processing, and "handover with title deed" services, while thoughtfully preparing a welcome package containing housewarming gifts and membership privilege cards, making the delivery day a celebratory commencement of a better life.

- **Yue Renewed Home and Yue Refresh: Ongoing Care Post-Delivery and Communities That Improve with Age**

Following delivery, the Company ensures sustained product quality through an efficient maintenance team and proactive quality inspection follow-ups (Yue Renewed Home). More importantly, the Company has launched the regular "Yue Refresh" community renewal programme, which systematically upgrades communities that have been delivered for several years. In 2025, Yuexiu Property and Yuexiu Services' Northern Region collaborated on a renovation project across 16 older communities, focusing on three core modules of "safety reinforcement, environmental renewal, and smart living". The initiative served over 20,000 owners, ensuring that homes remain fresh and vibrant over time, thereby deepening and reinforcing customer reputation.

Yuexiu Property regards customer communities as a key component of the Company's sustainable development. Through the monitoring of dynamic indicators, the cultivation of community interactions, and the operation of healthy spaces, the Company systematically advances the development of sustainable and healthy communities.

The Company not only relies on satisfaction surveys but also continuously tracks dynamic indicators such as tenant turnover rates and owner move-out rates to comprehensively assess the tangible impact of products and services on communities, social networks, and the environment, thereby gaining deep insights into the long-term value of customer relationships.

We are committed to fostering warm and connected neighbourly relationships. Leveraging the "Aiyue Club" community brand and the "Yue+" living spaces, the Company regularly hosts signature events such as the "Amazing Little New Star" and "Community Festival", effectively uniting the community and elevating living spaces into a realm imbued with emotional connection and shared resonance.

Picture: "Amazing Little New Star" community event in July 2025

Picture: Yuexiu "Community Festival" event

In its commercial property operations, Yuexiu Property deeply integrates health, safety, and community concepts into its service system. Its flagship projects, such as Guangzhou International Finance Centre, have not only achieved prestigious international health building certifications including LEED Platinum and WELL Platinum, but also actively engage with tenants and the broader city to cultivate a green, inclusive, and sustainable community culture through initiatives such as organising green health runs and hosting public welfare lighting events. Additionally, Guangzhou ICC (ICC) seized the opportunity presented by the "9·9 Public Welfare Day" in 2025 to launch a community charity initiative that integrated project showcases, public advocacy, and resource mobilisation, bringing together community service efforts and fostering community development.

Picture: ICC Charity Recycling and Advocacy Area

Picture: ICC Charity Bazaar Stall

2026 Outlook: From Brand Embedding to Value Symbiosis

Looking ahead to 2026, Yuexiu Property's strategic focus will deepen, shifting from "physical space delivery" to "service and life delivery". The Company will take core cities such as Beijing as benchmarks to drive the comprehensive transformation of project clubhouses from "sales-supporting venues" into "central platforms for deepening customer experience". Through the early involvement of property services and professional operations, these spaces will be developed into warm social hubs and community incubation platforms. At the same time, the "Yue Refresh" community renewal initiative will evolve from a phased project into a standardised mechanism, tangibly fulfilling the long-term commitment to "keeping homes perpetually fresh and vibrant".

Through this series of systematically integrated measures, Yuexiu Property is dedicated to creating a virtuous cycle in which "exceptional products inspire customer satisfaction, quality services foster brand loyalty, and positive word-of-mouth fuels business growth". In this new phase of the real estate industry, the Company will adhere to a long-term perspective, collaborating with customers and cities to co-create a sustainable and better future, while building enduring and far-reaching shared value for all stakeholders.

Stock Code : 00123

Chapter 5

Compliant Risk Management and Sound Operations

Management Approach

5.1 Annual Progress and Highlights

5.2 Comprehensive Risk Management and Resilience

5.3 Business Ethics and Anti-corruption

5.4 Crisis Management and Emergency Response

5.5 Intellectual Property and Compliance

5.6 Data Privacy and Security

5.7 Responsible Supply Chain Governance

Our actions support the following United Nations Sustainable Development Goals (SDGs)

Management Approach

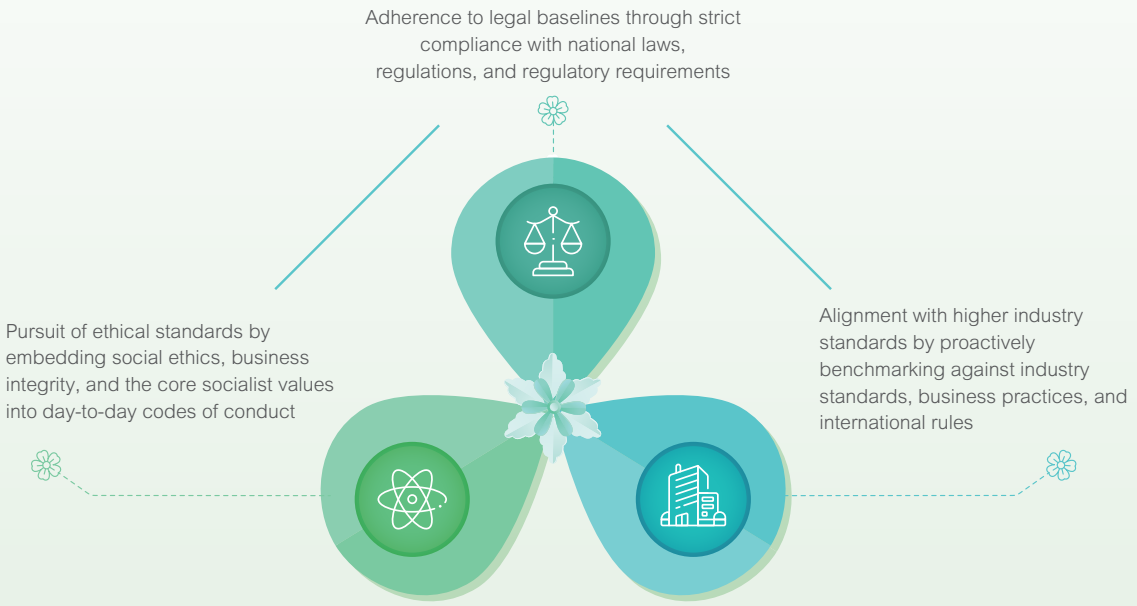
Guided by National Strategies to Build a Corporate Compliance Governance Framework for the New Era

Yuexiu Property actively responds to national strategies by embedding compliance governance into the core of its corporate development, with the objective of establishing a modern governance framework aligned with the requirements of the new era. The Group fully implements national requirements relating to corporate social responsibility and compliant operations, and strictly complies with *Article 5 of the Company Law of the People's Republic of China*, which stipulates that enterprises shall abide by laws and regulations, observe social ethics and business integrity, operate in good faith, and assume social responsibilities. Yuexiu Property regards compliance management as a key manifestation of modernised governance capabilities and systematically advances the deep integration of compliance, risk management, and sustainability strategies. By continuously enhancing governance structures and strengthening internal controls, the Group aims to establish itself as an industry benchmark characterised by sound governance, prudent operations, and a high sense of responsibility, thereby creating long-term and stable value for its stakeholders.

Core Principles: Comprehensive Compliance, Proactive Governance, and Value Creation

Comprehensive Compliance Anchored in Multi-layered Standards

Yuexiu Property regards compliance as the cornerstone of sustainable development, encompassing three key dimensions. First, adherence to legal baselines: the Group strictly complies with national laws, regulations, and regulatory requirements, which form the non-negotiable foundation of its operations. Second, alignment with higher industry standards: the Group proactively benchmarks against industry standards, business practices, and international rules, demonstrating respect for the market and its partners through voluntary alignment. Third, pursuit of ethical standards: social ethics, business integrity, and the core socialist values are embedded into day-to-day codes of conduct, promoting an evolution of compliance from mere legal conformity to ethical alignment, and thereby fulfilling the Group's responsibilities to all stakeholders in a comprehensive manner.



01 **Comprehensive Compliance under a Multi-dimensional Standards Model**

Proactive Governance with Strengthened Senior-level Leadership

The Board of Directors and senior management of Yuexiu Property bear ultimate responsibility for compliance management. By establishing a Sustainability Committee at the Board level, the Group systematically strengthens guidance and oversight over key areas such as business ethics, anti-corruption, and information security. Compliance requirements are explicitly integrated into strategic planning, institutional design, and end-to-end operational processes, driving a fundamental shift in compliance management from passive response to proactive risk prevention. Through this approach, the Group seeks to foster a company-wide consensus that compliance serves as a driver of value creation.

02

Value-driven Approach Supporting Stable and Long-term Development

Yuexiu Property recognises compliance management not only as a robust safeguard against risks, but also as a critical component of its core competitiveness. By establishing a systematic and efficient compliance framework, the Group effectively mitigates risks of non-compliance, while safeguarding its brand reputation and operating outcomes. At the same time, compliance enhances management efficiency, broadens access to financing, and strengthens long-term trust among the market and investors. In doing so, Yuexiu Property builds differentiated and sustainable competitive advantages, supporting steady progress along its path of high-quality development.

03

5.1 Annual Progress and Highlights

In 2025, building on the continuous enhancement of its compliance and risk management framework, Yuexiu Property focused on advancing governance practices in greater depth. The Group concentrated efforts on key risk areas including business ethics, information security, and supply chain responsibility. Through coordinated efforts to strengthen policy implementation, deepen staff awareness, and enhance execution oversight, Yuexiu Property systematically improved its compliance resilience in the face of a complex regulatory environment and diversified operating scenarios, thereby safeguarding the sustained stability of its operations.

During the reporting period, the Company placed particular emphasis on the strengthening of business ethics, organising targeted training programmes for key positions and core business scenarios, which became a notable highlight of its compliance governance efforts for the year. Closely aligned with the latest regulatory requirements under the Hong Kong Stock Exchange's *Corporate Governance Code* and *ESG Guide*, the training proactively responded to capital market expectations for listed companies in terms of ethical policy transparency, consistency in implementation, and forward-looking risk management. These initiatives further consolidated the Company's competitive foundation in a high-standard governance environment.

The training content was tailored to the risk characteristics of the property development industry, with a particular focus on capital-intensive and integrity-sensitive business segments such as procurement and tendering, construction and engineering, and supply chain management. By combining policy interpretation with scenario-based case studies, the programme effectively enhanced employees' ability to identify and mitigate risks related to commercial bribery, conflicts of interest, improper transactions, and compliance red lines, thereby addressing potential financial and reputational risks at their source. At the same time, topics including information security, anti-monopoly compliance, fair competition, and anti-money laundering were incorporated into the overall framework, promoting a shift in compliance awareness from passive adherence to a more systematic and structured understanding.

On this basis, the Company continued to implement targeted management measures across key risk areas, ensuring that annual compliance outcomes were reflected not only in policy optimisation, but also in execution effectiveness and tangible governance results.

Key Focus Areas: Aligning with Policy Direction and Deepening Targeted Management

Business Ethics and Anti-corruption: Upgraded Policies and an Enhanced Framework

In August 2025, Yuexiu Property systematically issued three core policies – *Anti-corruption and Anti-bribery Policy, Code of Business Ethics*, and *Information Security Policy* – while simultaneously revising the *Supplier Code of Conduct*, *Whistleblowing Policy*, and *Clean Employment Regulations*. Together, these measures established a preliminary "three-in-one" governance framework encompassing policy standards, company-wide training, and independent audits for business ethics and anti-corruption. The new policies embed a "zero tolerance" principle throughout key business processes such as tendering, procurement, and sales, enabling end-to-end record-keeping, traceability and auditability and thereby structurally limiting opportunities for non-compliant practices. In parallel, by unifying standards of conduct across the organisation and explicitly recognising customer privacy and business data as core corporate assets, the Company removed compliance barriers to sound operations and innovation in the digital era.

Core internal policies on business ethics issued by Yuexiu Property in 2025

The revised *Supplier Code of Conduct* clearly defines integrity, environmental protection, and labour standards as baseline requirements for supplier engagement, promoting alignment between supply chain management and the Company's values. The *Whistleblowing Policy* further enhances reporting channels and strengthens whistleblower protection mechanisms, ensuring that both internal and external oversight can intervene at an early stage of risk emergence. The *Clean Employment Regulations* translate common scenarios – such as gifts, hospitality, and conflicts of interest – into clearly defined prohibitions and red lines, guiding employees to focus on business fundamentals and minimise undue personal influence. These six policies are mutually reinforcing and systematically integrated, forming a closed-loop compliance framework that spans internal and external stakeholders and covers the entire business lifecycle. This framework not only strengthens the credibility of the "Sunshine Yuexiu" brand, but also provides sustainable governance support for the Company's financing expansion, land acquisition, joint developments, and project operations. Building on this foundation, the Company has incorporated the prevention of greenwashing into its business ethics governance framework. Through measures spanning policy refinement, communications review, data traceability, information disclosure, supply chain coordination, and public oversight, Yuexiu Property has initially established a full-process management closed loop covering stages from project initiation to external disclosure, and will continue to enhance this framework through a process of progressive refinement.

01

Information Security and Privacy Protection: Systematic Safeguards and Compliant Operations

Yuexiu Property fully recognises both the value and potential risks of data as a new factor of production and strictly complies with relevant laws and regulations, including *the Personal Information Protection Law* and *the Cybersecurity Law of the People's Republic of China*, in systematically establishing its information security management framework. The Company's core business systems have passed the national Multi-Level Protection Scheme (MLPS) Level 3 assessment, representing a moderate level of security protection, and are capable of defending against organised cyberattacks, rapidly detecting and responding to security incidents, and restoring system operations. These capabilities comprehensively ensure data security and controllability across storage, transmission, and usage processes. In addition, through the establishment of a data classification and grading management system, the Group regulates the end-to-end handling of sensitive data such as customer and employee information, and implements dedicated data compliance mechanisms to continuously mitigate risks of data leakage and misuse, thereby safeguarding customer privacy. These measures have significantly enhanced trust among customers and the market in the Group's information security management, and demonstrate that Yuexiu Property has met industry access qualifications and regulatory governance standards, laying a solid foundation for the development of digitalised business operations.

02

Supply Chain Management: Shared Responsibility and Collaborative Value Creation

Yuexiu Property is committed to building a five-pillar integrated supply chain management system characterised by innovation, collaboration, safety, sustainability, and intelligence. Through the dual drivers of institutional frameworks and technological enablement, the Group continues to deepen responsible supply chain management. Strict supplier admission and evaluation mechanisms are implemented, with compliance operations, environmental protection, labour rights, and other sustainability requirements fully embedded into procurement standards and contractual terms, promoting shared responsibility across the value chain. At the same time, the Group actively advances the digital transformation of its supply chain, leveraging digital platforms to enhance procurement transparency, logistics visibility, and proactive risk alerts, thereby comprehensively strengthening supply chain resilience, operational efficiency, and compliance standards. In addition, Yuexiu Property continues to reinforce compliance training and dynamic supervision of suppliers and subcontractors, resolutely prohibiting forced labour, child labour, discrimination, and other non-compliant practices, and ensuring that responsible management extends throughout the entire supply chain.

During the reporting period, the Company continued to maintain a record of zero complaints related to customer privacy protection and zero major information security incidents, further consolidating the effectiveness of its information security and supply chain compliance management.

03

Over the past year, Yuexiu Property achieved a systematic transition in compliance governance and risk management from "well-established frameworks" to "effective operation". By continuously strengthening governance structures, improving internal control mechanisms, and enhancing execution effectiveness, the Company further reinforced its risk defence lines and built a more solid governance foundation to support prudent operations, brand trust, and sustainable development.

5.2 Comprehensive Risk Management and Resilience

In response to an increasingly complex and dynamic market environment and operating challenges, Yuexiu Property upholds its core principles by placing comprehensive risk management at the centre of its corporate strategy. The Group regards comprehensive risk management as a critical enabler for optimising resource allocation, proactively addressing emerging risks, and reinforcing stakeholder confidence. Yuexiu Property is committed to establishing a scientific and systematic risk management framework to safeguard stable operations and support sustainable development.

1. Policy-driven establishment of standards and systems;

2. Accountable execution;

3. Accurate and unbiased implementation of policies and directives through established mechanisms at every stage;

4. Communication of newly identified issues to the policy-making leadership, forming a closed-loop PDCA (Plan-Do-Check-Act) cycle

5.2.1 Enhancement of the Risk Management Framework: Dual Strengthening at the Policy and Structural Levels

During the year, guided by policy developments, the Company updated and issued three core policies – the *Comprehensive Risk Management Measures*, *Internal Audit Regulations*, and *Compliance Management Measures*. These efforts further strengthened the risk governance framework based on the "Three Lines of Defence" model, while systematically incorporating climate-related and nature-related risks into the overall risk management scope. Through the combined reinforcement of institutional frameworks and execution mechanisms, the Company significantly enhanced its capabilities in risk identification before occurrence, risk control during operations, and post-event oversight, ensuring that various risks remain within controllable boundaries and laying a solid resilience foundation for stable and long-term development.

Laws, regulations, or standards governing the Group's risk management	Key internal policies governing the Group's risk management
Civil Code of the People's Republic of China	*Comprehensive Risk Management Measures*
	Compliance Management Measures

Furthermore, building on this governance framework, the Company has established a tiered risk management system spanning from top-level oversight to frontline execution, forming a closed-loop management structure characterised by "Board leadership, oversight by specialised committees, facilitation by functional departments, and implementation by business units":

- The Board has established the Sustainability Committee and the Audit Committee as the core oversight and decision-making bodies for risk management. These committees are responsible for reviewing risk management strategies, assessing the effectiveness of the framework, and making decisions on material risk matters; the Audit Committee is responsible for overseeing the Company's risk management and internal control systems, and actively engages with management to review these systems to ensure that the current internal systems remain appropriate and effective.
- The Audit and Risk Management Department reports directly to the Audit Committee and is responsible for the establishment of the risk management framework, risk identification and assessment, and supervision of corrective actions. A regular reporting mechanism has been established, under which the Department submits annual risk management and internal control reports to the Board.
- Business departments and subsidiaries act as the primary entities responsible for risk prevention and control, embedding risk management requirements into end-to-end daily operations to ensure that risks are identified and managed in a timely manner at the operational frontline.

The Board has established the Sustainability Committee and Audit Committee, which serve as the core oversight and decision-making bodies for risk management.

Top-level Oversight: Board Level

Frontline Execution: Audit and Risk Management Department

The Audit and Risk Management Department reports directly to the Audit Committee and has established a regular reporting mechanism, under which risk management and internal control reports are submitted annually.

5.2.2 The "Three Lines of Defence" Mechanism: Ensuring End-to-end Risk Control Implementation

The Group's risk management framework covers the entire value chain, from the Board's strategic oversight to execution at the business unit level, forming a layered and closed-loop risk prevention and control system. To ensure the effective operation of this framework, Yuexiu Property has established a coordinated "Three Lines of Defence" mechanism, creating a long-term governance structure with clearly defined responsibilities and collaborative interactions. This mechanism enables full-process and multi-dimensional control of risks across all compliance domains, with clearly delineated responsibilities and coverage closely aligned with subsequent thematic governance initiatives. Specifically, the effectiveness of governance ultimately depends on accountability being implemented at the level of operational entities:

The Board (and the Sustainability Committee under the Board) bears ultimate leadership and oversight responsibility for the Company's sustainability-related risk management

First Line of Defence (Business Units)

Comprising various departments and subsidiaries, the first line of defence serves as the direct owner of risk management responsibilities. It embeds environmental compliance, social responsibility, and corporate governance requirements into the full lifecycle of business operations, enabling early identification and real-time control of sustainability-related risks such as carbon emissions, supply chain responsibility, and stakeholder rights, thereby preventing risks at their source.

Second Line of Defence (Functional Departments)

Led by dedicated risk management functional departments, the second line of defence is responsible for establishing and maintaining a company-wide sustainability risk management system. Its core functions include continuously enhancing risk awareness across the organisation through targeted training and conceptual advocacy, as well as providing professional risk assessments and decision-making support to management in strategic areas such as green buildings and climate transition.

Third Line of Defence (Oversight Functions)

Independently undertaken by the internal audit function, the third line of defence conducts regular and objective audits to systematically assess and supervise the operational effectiveness of the sustainability risk management system and the fulfilment of responsibilities at each level, ensuring the continuous and effective functioning of the overall governance framework.

Concurrently, the Company regularly convenes audit lecture sessions to facilitate exchanges and training with front-line units on audit, risk, and compliance case studies. Furthermore, through ad hoc audit engagements and risk control projects, the Company maintains close communication with management and the relevant responsible units to ensure the realisation of loss recovery, management enhancement, and the closure of accountability loops. In parallel, the Company has clearly delineated the specialised responsibilities of each functional department in the realm of risk and compliance management, thereby ensuring the effective implementation of pertinent matters and all requisite control requirements.

5.2.3 Strategic Empowerment: Enhancing the Board's ESG Risk Management Capabilities

To further strengthen the Board's forward-looking understanding of emerging risks and long-term trends, a Board-level ESG-focused training was organised during the year which centred on the theme of "Integrating ESG into Comprehensive Risk Management", with the aim of enhancing strategic decision-making and holistic risk management capabilities in a complex environment. The training systematically explained relevant macro trends, regulatory contexts, and implementation pathways, and provided in-depth analysis of the mechanisms through which ESG risks affect operational stability and long-term corporate value. Drawing on the Group's actual circumstances, the training conducted a comprehensive review of key ESG risk landscapes, their positioning within the risk management framework, and their transmission logic. The training also explored, in a structured manner, how ESG factors can be systematically embedded into the full process of risk identification, assessment, response, and oversight, further strengthening the Board's cognitive foundation for strategically coordinating sustainable development with risk management and supporting the continuous enhancement of corporate resilience and risk resistance.

5.2.4 System Value: Demonstrating the Role of a State-owned Enterprise through Comprehensive Climate Preparedness

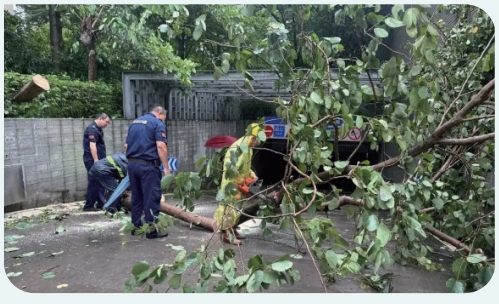
Upholding its responsibilities as a state-owned enterprise, Yuexiu Property has elevated climate change response, extreme weather events geological hazards prevention, and climate policy transition risks to the core focus of its comprehensive risk management system during the year. Through a scientific closed-loop management approach characterised by "anticipation – prevention – coordination – iteration", the Company has effectively leveraged its risk management framework to promote the establishment of multi-dimensional defence mechanisms across the full lifecycle of projects. At the same time, by acting as a value-chain leader, Yuexiu Property has driven coordinated risk prevention efforts across different segments of the industry supply chain, providing exemplary cases for industry benchmark incident management. These efforts have achieved an integrated balance between safety assurance, operational performance, and social responsibility, while enhancing the resilience of both the Group and its supply chain. In doing so, Yuexiu Property has also contributed to strengthening urban resilience and advancing ecological civilisation.

Case

Responding Together to Typhoon "Ragasa"- A Case of Yuexiu Group's Cross-sector Collaboration in Typhoon Preparedness and Post-disaster Recovery

In September 2025, when Typhoon "Ragasa" made landfall in Guangdong Province, Yuexiu Property, in coordination with its value-chain service partner Yuexiu Services, mounted a proactive and well-coordinated response. Guided by professional planning and people-centred care, the Group put into practice its principle of "safety of owners and occupants first" and established a full-cycle typhoon preparedness, response, and recovery mechanism. Key highlights of the response included the following:

- **Comprehensive pre-typhoon preparedness:** Emergency response plans were activated 48 hours prior to landfall. Senior management of Yuexiu Property and Yuexiu Services conducted safety spot checks across projects, while all sites implemented a 24-hour duty system. Preventive measures were completed, including facility inspections, reinforcement of doors and windows, and drainage clearance. Flood control materials such as sandbags and emergency pumps were pre-positioned through a three-tier materials allocation mechanism. Early warning notices were disseminated through multiple channels to enhance overall risk prevention effectiveness.
- **Refined emergency response during the typhoon:** High-frequency updates were issued to provide real-time information on typhoon developments, alongside the implementation of temporary crisis management protocols to regulate on-duty operations. Tailored protection measures were deployed for different asset types, including residential properties, commercial and office buildings, metro-related facilities, and public buildings. Emergency situations such as residents trapped in elevators and sudden medical incidents were promptly addressed, with no injuries reported throughout the event.
- **Rapid post-typhoon recovery:** In collaboration with Yuexiu Property Management, restoration works were launched immediately after the typhoon. By mobilising resources across multiple parties, the Group completed fallen tree clearance, drainage system unblocking, facility safety inspections, and comprehensive cleaning and disinfection within 12 hours. Normal operations and living environments were swiftly restored, helping to rebuild confidence and peace of mind among property owners and occupants.
- **Strengthened logistical support throughout the process:** A "headquarters coordination + regional deployment + project-level supplementation" mechanism ensured adequate flood control supplies at all times. The Company's labour union urgently procured relief items such as instant noodles and canned porridge. While professional services safeguarded residents during the emergency, scientific management practices also ensured safe working conditions for frontline staff, reinforcing the logistical support framework underpinning the Company's typhoon response.



5.3 Business Ethics and Anti-corruption

Nowadays, the State has elevated corporate business ethics and anti-corruption efforts to a strategic priority, recognising them as a critical foundation for promoting high-quality economic development, maintaining a fair and orderly market environment, and enhancing national competitiveness. With the continuous strengthening of public policies and regulatory frameworks, clearer ethical and legal boundaries have been established for corporate operations, guiding enterprises to adopt sound values and development principles. In alignment with national policy directions, Yuexiu Property has thoroughly interpreted relevant policy requirements, internalising high standards and stringent expectations into its operational norms and integrating them comprehensively across all aspects of corporate governance.

The Company consistently adheres to the principles of lawful operations and ethical business conduct, and has established a comprehensive, systematic, and effectively functioning internal governance framework. In practice, this framework encompasses a firm stance on anti-corruption and anti-bribery, rigorous anti-money laundering and know-your-customer requirements, robust measures to safeguard fair market competition, and the implementation of responsible marketing practices. It further extends to enhanced integrity-based supplier collaboration, regular business ethics training, and periodic thematic audits. These interlinked policies and measures operate in a coordinated manner to ensure that the Company's operations are conducted in compliance with applicable laws, regulations and ethical standards. Through the effective implementation of internal policies, Yuexiu Property has not only maintained stable development in a complex market environment, but has also contributed positively to fostering a healthy industry ecosystem and promoting social harmony and stability, demonstrating corporate responsibility through concrete actions and striving to serve as a practitioner of business ethics and a leader in sustainable development.

Laws, Regulations, or Standards Governing the Group's Business Ethics and Anti-corruption	Key Internal Policies on the Group's Business Ethics and Anti-corruption
Company Law of the People's Republic of China	*Anti-corruption and Anti-bribery Policy*
Anti-Money Laundering Law of the People's Republic of China	*Whistleblowing Policy*
Anti-Monopoly Law of the People's Republic of China	*Administrative Rules for Integrity Supervisors*
Interim Provisions on Prohibition of Commercial Bribery	*Accountability Management Measures*
Anti-Unfair Competition Law of the People's Republic of China	*Guidelines for Overall Disposal of Issue Reflections*
Advertising Law of the People's Republic of China	*Reward and Penalty Management Rules*
	Funds Management Measures
	Detailed Rules of Three Official Expenditures
	Guidelines for Daily Supervision, Inspection, Problem Discovery, Notification, and Clue Transfer
	Clean Employment Regulations
	Management Measures of Compliant Letters and Visits
	Guidelines for the Confidentiality of Information Reported in Letters and Visits

At the operational level, Yuexiu Property has established a governance and oversight framework jointly led by the Sustainability Committee and the Discipline Inspection Commission Office, systematically embedding business ethics and compliance requirements throughout the entire operational process. As a specialised committee under the Board, the Sustainability Committee is responsible for overseeing the operation of internal control systems related to business ethics, ensuring that all activities adhere to the highest ethical standards and applicable laws and regulations. The Committee reports directly to the Board and works closely with senior management and the Executive Committee, overseeing the formulation, review, and implementation of business ethics-related policies, and integrating ethical risk management into strategic decision-making and daily operations to safeguard the Company's reputation and sustainability.

Meanwhile, in accordance with established institutional arrangements, the Discipline Inspection Commission Office is dedicated to investigating disciplinary violations and advancing integrity education. By strengthening accountability and disciplinary mechanisms, the Company continuously enhances employees' awareness of discipline and ensures that all violations are addressed in a lawful and compliant manner. The Company also actively participates in integrity and anti-corruption exchanges, fostering a culture of honesty and integrity through both internal and external collaboration. To ensure the effective functioning of governance mechanisms, Yuexiu Property has established a routine issue escalation and supervision mechanism, including semi-annual notifications and thematic supervision meetings, enabling management to promptly identify and address issues. Through the issuance of work reminders and the incorporation of integrity and compliance performance into performance appraisals, the Company further reinforces managerial accountability and enhances operational transparency and accountability effectiveness.

Anti-corruption and Anti-bribery

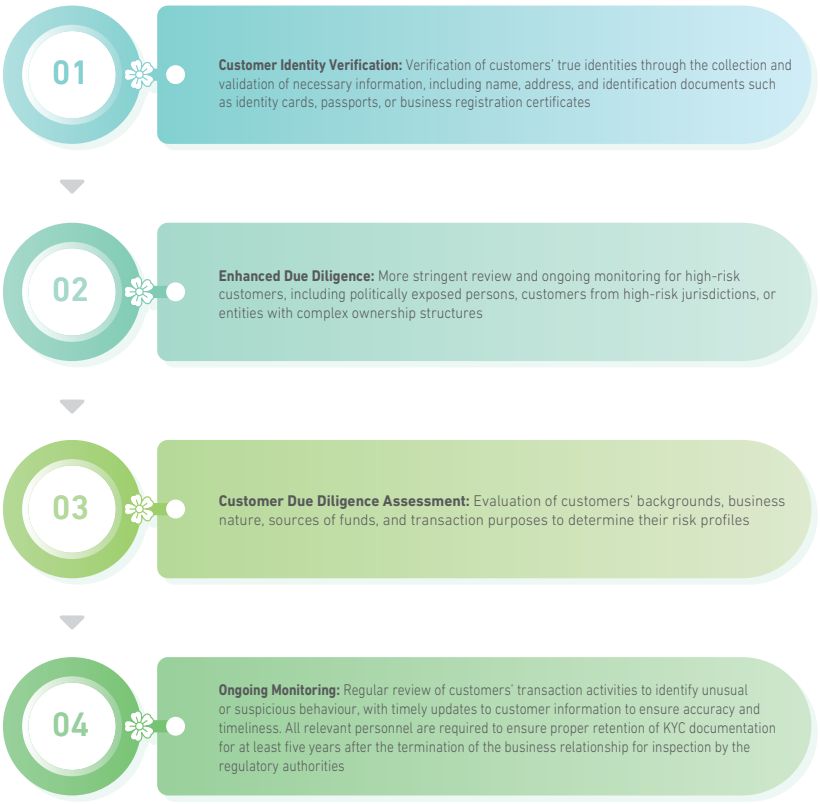
Yuexiu Property places anti-corruption and anti-bribery at the core of its corporate governance framework, upholding high standards of business ethics and compliance and strictly adhering to relevant domestic and overseas laws and regulations, including the *Criminal Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, and *Hong Kong's Prevention of Bribery Ordinance*. During the year, the Company formally issued its *Anti-corruption and Anti-bribery Policy*, which uniformly applies to Yuexiu Property and all of its wholly-owned subsidiaries across all business activities. The Policy comprehensively encompasses anti-corruption and anti-bribery principles, conflict of interest management, integrity requirements for third-party cooperation, business hospitality and gifts, sponsorships and donations, whistleblowing mechanisms, compliance training, supervision, review, and periodic assessments. The Company adopts a zero-tolerance approach towards all forms of corruption and bribery, strictly prohibiting the provision, promise, or acceptance of improper benefits in any form to or from government officials or business partners. All employees and third-party partners are required to comply with applicable laws, regulations and internal requirements, including *the Integrity Agreement*, thereby establishing a robust compliance safeguard at the institutional level.

In operational practice, the Company has established a sound internal control system to systematically identify, assess, and manage potential bribery risks, ensuring that all business activities are conducted within a lawful and compliant framework. The Board and the Sustainability Committee are responsible for policy oversight and guidance, with commitments to conduct compliance risk reviews at least annually and to update the Policy every three years, thereby continuously strengthening the governance framework optimisation. In addition, the Company has established independent whistleblowing channels, strictly protects the confidentiality of whistleblowers' personal information, and prohibits any form of retaliation. Regular anti-corruption training is provided to all employees to enhance compliance awareness and professional competence.

During the reporting period, Yuexiu Property recorded no incidents of corruption or bribery, demonstrating the effectiveness of policy implementation and the solid embedding of an integrity-based corporate culture. Looking ahead, the Company will continue to strengthen its anti-corruption mechanisms, enhance compliance management for suppliers and other third parties, and actively promote certification under the ISO 37001 Anti-bribery Management System, further elevating its global compliance standards and providing a strong foundation for sustainable development and the fulfilment of corporate social responsibilities.

Anti-money Laundering and Know Your Customer

Yuexiu Property strictly complies with the *Anti-Money Laundering Law of the People's Republic of China* and has established a systematic internal control framework for anti-money laundering. In terms of customer due diligence, the Company has formulated clear and operational procedures and standards to prudently assess customers' identity backgrounds, sources of funds, and transaction purposes, ensuring the authenticity of customer identities and the legality of fund flows. Through rigorous implementation of know-your-customer procedures, the Company effectively identifies and mitigates potential money laundering risks, contributing to the stability and security of the financial market. In parallel, regular internal audits and system evaluations are conducted to identify weaknesses and drive continuous improvement, thereby enhancing the effectiveness and quality of anti-money laundering practices.



Yuexiu Property's KYC Process

Anti-monopoly and Fair Competition

Yuexiu Property strictly complies with the *Anti-Unfair Competition Law of the People's Republic of China* and firmly opposes any form of monopoly agreements, abuse of market dominance, or unfair competition practices. The Company adheres to the principles of fair competition and seeks to earn market recognition through continuous improvements in product quality, service experience, and operational efficiency. From an internal control perspective, all forms of bid rigging, structural manipulation, market allocation, and other illegal or non-compliant practices are strictly prohibited, and relevant compliance requirements are embedded into business processes and approval procedures. At the same time, the Company continues to strengthen compliance collaboration with suppliers and partners through contractual obligations, training initiatives, and performance evaluations, encouraging all parties to jointly uphold anti-monopoly and fair competition standards and contribute to a healthy and orderly market environment.

Through the regular delivery of competition compliance training and the enhancement of internal reporting and review mechanisms, the Company has fostered a culture and management system that supports fair competition, ensuring compliance across all business activities and contributing to the long-term healthy development of the industry ecosystem.

Responsible Marketing

Yuexiu Property upholds the principle of integrity in its operations and is committed to responsible and sustainable marketing practices. The Company strictly complies with relevant laws, regulations, and ethical standards, ensuring that all marketing information is open, transparent, and truthful, and avoiding exaggerated or misleading claims, thereby maintaining customer trust and safeguarding corporate reputation. This demonstrates our responsible commitment to customers.

To operationalise this principle, the Company has established and continuously refined a set of internal management policies that define responsible marketing standards and translate them into actionable and monitorable operational requirements across marketing activities. In accordance with the *Management and Operational of Sales Documents*, the Company strictly regulates the entire lifecycle of sales documentation, including preparation, approval, execution, modification, and signing, to ensure compliance with quality and regulatory requirements at every stage. In addition, under the *Marketing Business Risk Control Management Guidelines*, a cross-functional mechanism tailored to diverse sales scenarios and narratives, with participation from legal, customer relations, project management, and design teams has been established for the development, review, and approval of marketing content, ensuring legality, compliance, and accuracy from the outset.

The Company also continues to strengthen compliance management across its marketing supply chain. In 2025, Yuexiu Property strictly implemented the *Marketing Supplier Management Guidelines* and *Marketing Bidding and Procurement Operations Standards*, clearly communicating its standards and requirements for supplier management and frontline procurement and tendering operations to partners and promoting shared adherence to responsible marketing principles across the marketing ecosystem.

Case

"Sunshine Marketing Initiative" Targeted Inspection

Yuexiu Property continues to advance the "Sunshine Marketing Initiative" by establishing a three-tier joint business risk control inspection mechanism comprising Headquarters, Regional Companies, and Xingye Property. Through this mechanism, the Company ensures that responsible marketing management is effectively implemented across its operations. Focusing on key risk areas—including marketing communications, price execution, procurement and tendering management, channel management, and the Yue Meiju promotional giveaways—the Company conducts regular targeted inspections to systematically identify, monitor, and mitigate potential risks.

Through periodic sampling-based self-inspections, this mechanism enables a structured assessment of risks across various business processes. It has not only strengthened the Company's internal risk management framework but also significantly enhanced employees' overall risk awareness. At the same time, Yuexiu Property places strong emphasis on empowering regional teams by providing regular training and facilitating experience-sharing sessions, thereby continuously strengthening frontline risk management capabilities. These efforts support the ongoing enhancement of risk management standards and ensure that the Company maintains stable and compliant operations amid changing market conditions.

Establishing a Greenwashing Prevention Mechanism

Yuexiu Property recognises that green transformation is a long-term undertaking, and that preventing greenwashing requires sustained and systematic effort rather than short-term action. The Company approaches every environmental commitment with due diligence and advances each green initiative with prudence. During the reporting year, Yuexiu Property formally incorporated greenwashing prevention into its business ethics governance framework, progressively advancing from conceptual alignment to institutional integration, and from initial exploratory practices to the establishment of foundational processes. In doing so, the Company has begun to develop a prevention mechanism spanning front-end decision-making, process control, information disclosure, and supply chain coordination.

At present, Yuexiu Property has preliminarily established a greenwashing prevention framework covering the full process of "project initiation – process control – information disclosure – supply chain coordination." The Company acknowledges that this mechanism remains in a developmental stage, characterised by continuous refinement through practical application. Looking ahead, Yuexiu Property plans to establish a dedicated green integrity hotline to proactively embed public oversight into its management closed loop. This will facilitate a shift from passive complaint handling to the systematic collection and review of feedback, enabling the reverse optimisation of review criteria and ensuring that the evolution of the mechanism is increasingly informed by external stakeholder input.

In the future, the Company will further strengthen this approach at the institutional level. It plans to incorporate the principle of "truthfulness, accuracy, and completeness of environmental information" into its *Code of Business Conduct*, and to explicitly include a requirement of "no exaggeration of environmental benefits" within supplier integrity commitments. These measures will help embed the integration of green integrity and business ethics into the Company's governance framework.

Integrity Management in Supplier Collaboration

Yuexiu Property places strong emphasis on building an integrity-based supply chain ecosystem and has incorporated supplier integrity management into its overall compliance framework. The Company has revised and strictly implemented its *Supplier Code of Conduct*, clearly requiring all suppliers to adhere to principles of integrity and transparency throughout the cooperation process. In supplier onboarding and evaluation, business ethics and integrity track records are treated as key assessment criteria, with priority given to partners with sound reputations and standardised management. To strengthen accountability, *Integrity Agreement* are signed with suppliers, translating compliance requirements into binding contractual obligations and establishing clear accountability mechanisms for breaches, thereby reinforcing integrity safeguards throughout the partnership.

Supplier Anti-corruption Policy

During supplier onboarding, all suppliers are required to submit a *Supplier Onboarding Commitment Letter* as a mandatory document for approval

At the contract execution stage, all suppliers are required to sign an *Integrity Agreement* with Yuexiu Property, which forms an essential annex to the contract

The Company has established an integrity-based cooperation oversight mechanism, including:

- specifying reporting channels within relevant agreements
- maintaining supervision records and conducting periodic follow-up reviews with suppliers

Suppliers are required to proactively disclose to Yuexiu Property any circumstances that may give rise to material conflicts of interest, including:

- any material interests or business relationships between Yuexiu Property employees and the supplier in the course of the supplier's business activities
- any other relevant conflict-of interest situations identified by the supplier that should be disclosed to Yuexiu Property

During the reporting period, the Company continued to strengthen supplier compliance monitoring and evaluation and identified no incidents involving integrity-related issues, with supply chain partnerships remaining healthy, stable, and sustainable.

Key Performance Indicators:

The signing rate of the *Supplier Integrity Agreement* stood at **100%**, with all collaborating suppliers having duly executed the agreement, thereby achieving full coverage with no omissions.

Business Ethics Training

To systematically enhance employees' compliance capabilities and ethical awareness, Yuexiu Property continues to advance its business ethics training framework. Training content comprehensively covers interpretations of laws and regulations, internalisation of corporate policies, analysis of typical risk scenarios, and practical guidance on codes of conduct. A multi-dimensional approach combining mandatory online courses, offline thematic sessions, and case-based discussions is adopted to ensure that employees fully understand and internalise compliance requirements.

During the reporting period, the Company delivered a total of 469 internal learning activities related to business ethics training with 16,166 participants and 530 lectures with 22,182 participants. Through structured and scenario-based continuous learning, employees' compliance awareness and risk identification capabilities were significantly enhanced, providing a solid human and institutional foundation for the Company's sustained and prudent operations.

Key Performance Indicators:

Coverage rate of anti-corruption training for directors and employees:
100%

Signing rate of *Integrity Commitment Letter* for new employees:
100%

Frequency and coverage of integrity interviews:
All employees

Frequency and coverage rate of integrity culture communications:
166 sessions, 100%

Frequency of integrity education and number of participants:
38,348

Number of integrity trainers:
40

Number of cases involving conflicts of interest:
0

Case

Strengthening the Integrity Defense Line: Yuexiu Property's Establishment of a Normalised and Systematic Integrity Training Ecosystem for All Employees

During 2025, Yuexiu Property organised over ten high-level strategic meetings to advocate for probity and discipline,deepen consensus on business ethics, and establish a framework of "Shared Responsibility and Commitment" with core suppliers for the prevention and control of probity risks. On 8 March, the Guangzhou Regional Company convened a supplier probity collaboration conference entitled "Upholding the Probity Agreement, Fostering a Clean Ecosystem," which was attended by 180 participants, wherein the Office of the Disciplinary Commission reinforced probity awareness through detailed case analyses and suppliers committed to fortifying the "firewall" underpinning collaborative engagements. On 8 April and 9 December, Pengye Company carried out its "Engaging with Suppliers" initiative, conducting face-to-face discussions with manufacturers including TOTO and Boloni to communicate probity management requirements and strengthen the consensus on compliant contract performance. On 29 September, the management platform for the key Lirendong project hosted a supplier briefing session themed "Transparent Collaboration for Mutual Benefit through Integrity," with approximately 60 participants attending both online and in person to study the tendering and procurement protocols and to understand clearly defined probity red lines.

Regular Audits of Business Ethics

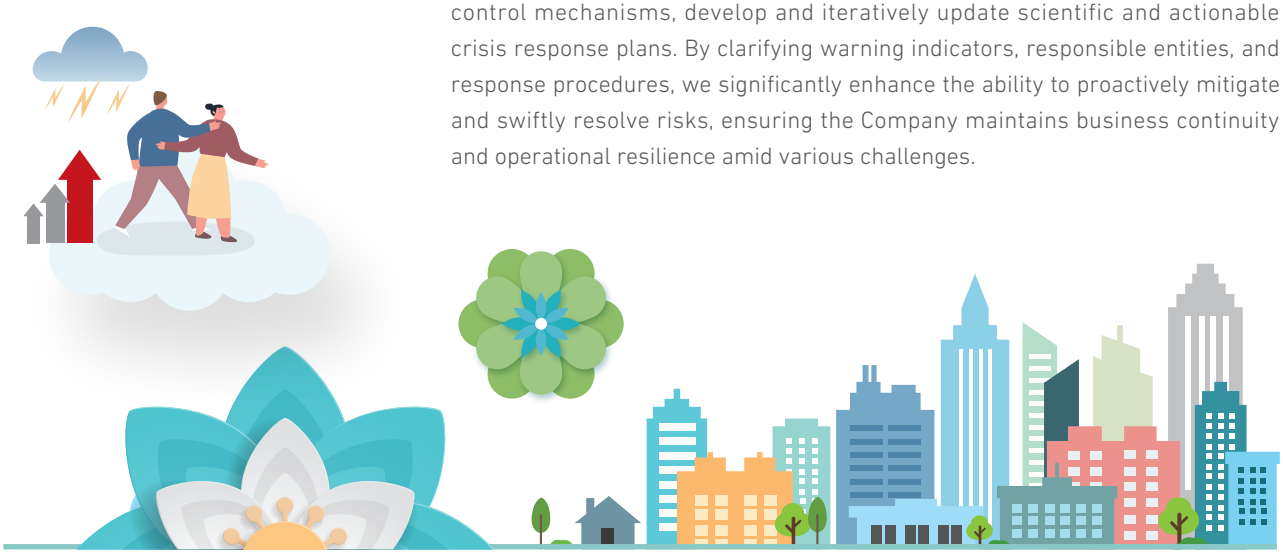
To continuously strengthen the effectiveness of business ethics management, Yuexiu Property has established a regular business ethics audit mechanism, conducting a systematic company-wide audit at least once every three years. The audit comprehensively covers key areas such as anti-corruption, anti-bribery, anti-money laundering, anti-monopoly, and fair competition. It also involves in-depth inspections of the compliance of departmental business activities and employees' daily conduct, ensuring that ethical standards are consistently integrated into all operational aspects, thereby establishing long-term and effective accountability.

During the reporting period, the Company has completed a new round of comprehensive audit. The results indicate that the Company's business ethics and compliance management system is operating effectively, with no significant violations identified. Regarding potential risks and areas for improvement identified during the audit, the Company has formulated systematic rectification plans, clarified responsible departments and completion timelines, and implemented specialised tracking and review mechanisms to ensure the implementation of corrective measures. This approach achieves closed-loop audit management and enables continuous optimisation.

5.4 Crisis Management and Emergency Response

Facing a complex and ever-changing business environment, building an efficient crisis management system is a crucial pillar for enterprises to withstand operational fluctuations and ensure stable development. Yuexiu Property places the development of business crisis management capabilities at a strategic level and systematically integrates it into the corporate sustainable development framework. Through forward-looking risk prevention and systematic emergency preparedness, the Company continuously strengthens the foundation for its long-term and steady operations.

In practice, the Company is committed to conducting comprehensive and regular risk identification and in-depth assessments, thoroughly examining multi-dimensional risk factors such as market conditions, policies, finances, operations, and climate-related disasters. Simultaneously, we continuously refine internal control mechanisms, develop and iteratively update scientific and actionable crisis response plans. By clarifying warning indicators, responsible entities, and response procedures, we significantly enhance the ability to proactively mitigate and swiftly resolve risks, ensuring the Company maintains business continuity and operational resilience amid various challenges.



Type of Crisis	Potential Impact	Key Response Measures
Earthquake	• Damage to buildings, land and other assets • Risk of tenant attrition • Resource allocation required for damage repair and reconstruction	• Develop and implement a comprehensive contingency plan, defining post-disaster recovery and reconstruction strategies while establishing dedicated communication channels with tenants, suppliers and partners to ensure information continuity during crises • Initiate immediate damage assessment procedures following an earthquake, promptly verifying damage scope and extent, allocating resources for timely repair and reconstruction, and facilitating rapid property restoration to normal operational capacity
Extreme Weather	• Construction delays, affecting delivery timelines and costs • Potential damage to existing buildings, requiring repair or reconstruction • Threats to the safety of construction workers and project facilities	• Focus on enhancing durability and risk-resistant performance during the design and construction phases to bolster resilience against extreme weather • Formulate detailed contingency plans in advance to ensure rapid activation of response mechanisms in the event of sudden extreme weather and safeguard the safety of employees and residents • Establish routine monitoring and evaluation mechanisms to regularly assess the actual impact of extreme weather and verify the effectiveness of implemented measures, enabling dynamic optimisation of risk prevention capabilities
Raw Material Shortages	• Supply chain interruption leading to cost increases • Material shortages potentially causing work stoppages or project delays • Possible impact on final building performance	• Build a diversified raw material supply network to effectively reduce reliance on single suppliers and ensure supply chain stability • Utilise periods of ample material supply to conduct advance procurement and stockpiling of critical materials, solidifying the foundation for material security • Employ material-efficient design and construction techniques to reduce raw material consumption from the source, achieving both supply risk mitigation and resource conservation
Land Subsidence	• Loss of building habitability and functionality • Need for additional engineering measures to reinforce the land • Impact on residents' quality of life	• Conduct detailed geological surveys and risk assessments during the preliminary development stage to proactively prevent and mitigate subsidence risks • Implement proactive preventive engineering measures, such as ground reinforcement, during the construction phase to mitigate subsidence risks • Develop and ensure the immediate availability of personnel evacuation emergency plans

Type of Crisis	Potential Impact	Key Response Measures
Nuclear Wastewater Pollution	• Serious threats to human health • Long-term damage to the surrounding environment	• Conduct comprehensive risk assessments beforehand to avoid development in high-risk areas • Prepare detailed emergency response plans in advance to ensure swift action can be taken to minimise losses should an incident occur
Large-Scale Epidemics	• Labour shortages and supply chain disruptions leading to project delays • Market demand fluctuations causing property value volatility • Challenges in leasing and sales activities	• Strictly implement health and safety protection measures to comprehensively protect the health of employees and property owners • Leverage digital technology to conduct online sales and leasing, ensuring business continuity • Introduce flexible lease terms and targeted preferential policies to support customers • Deepen collaboration with the government and community to jointly address challenges
Financial Crisis	• Project stagnation or delays • Decline in investor confidence • Impact on leasing and sales activities	• Enhance end-to-end monitoring and refined management of cash flow • Actively explore diversified financing channels • Fully utilise policy support such as fiscal subsidies and tax incentives to alleviate financial pressure
Reputational Damage	• Decline in stakeholder confidence • Damage to market share, and profitability • Incurrence of long-term remediation costs	• Communicate the actual situation promptly and transparently to the public, investors, and partners to manage expectations • Rigorously control product quality and service standards • Continuously strengthen the internal compliance management system
Tightening Sustainability Policies	• Increased compliance costs • Potential increased difficulty in land acquisition and financing	• Plan green building solutions in advance • Adopt technologies like BIM to optimise design and construction, reducing energy consumption and waste • Engage with green finance and apply for green credit to alleviate the financial pressure of environmental investments
Intensified Industry Competition	• Potential triggering of price wars, compressing profit margins • Low-price competition may lead to quality issues	• Develop differentiated products (e.g., special unit types, green amenities, smart communities) • Extend the service chain to enhance customer loyalty and competitiveness through high-quality property management and community value-added services
Construction Safety Accidents	• High potential for casualties, leading to significant compensation costs and work stoppage losses for the enterprise • Severe damage to corporate reputation, affecting project sales and partner trust • Facing regulatory penalties, impacting future project approvals and land acquisition eligibility	• Conduct safety training for all staff, with enhanced training for high-risk positions • Strengthen on-site construction monitoring, develop specialised contingency plans, and conduct regular drills • Equip sites with first-aid facilities and establish emergency coordination mechanisms with nearby hospitals

5.5 Intellectual Property and Compliance

Yuexiu Property fully recognises that intellectual property and brand assets are strategic resources essential for building the Company's core competitiveness and maintaining brand credibility. The Company consistently places these elements at the core of its governance and sustainable development strategy, and strictly adheres to relevant laws and regulations, including *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*. We have systematically established and continuously refined our intellectual property compliance management system.

To systematically enhance our intellectual property management capabilities, the Company has formally issued the *Intellectual Property Management Measures*. This policy clearly defines the ownership, application, maintenance, and infringement response mechanisms for various types of intellectual property, such as patents, trademarks, and copyrights. It also clarifies the responsibilities of all departments across the entire lifecycle of intellectual property creation, utilisation, protection, and management. Concurrently, the Company has strengthened internal communication and training by launching dedicated intellectual property courses on its internal learning platform. These courses cover policy interpretation, case studies, and risk warnings, ensuring all employees understand and implement the relevant requirements. To date, these courses have achieved a 100% completion rate across the entire workforce, effectively raising the organisation's overall awareness and management standards for intellectual property and robustly safeguarding the Company's innovative outputs.

Laws, Regulations, and Standards Governing the Group's Intellectual Property and Compliance	Key Internal Policies Governing the Group's Intellectual Property and Compliance
Patent Law of the People's Republic of China	*Intellectual Property Management Measures*
Copyright Law of the People's Republic of China	
Trademark Law of the People's Republic of China	

To further systematise the management of intellectual property, the Company has established an organisational structure and operational mechanism with clear responsibilities and collaborative synergy:

The Intellectual Property Management Committee

is responsible for top-level planning and oversight, formulating and promoting the implementation of a full-cycle management mechanism encompassing training, applications, incentives, and evaluation.

The Legal Affairs Department

acting as the central coordinating body, is fully responsible for the end-to-end management of intellectual property, including application, implementation, licensing, transfer, investment and financing, and maintenance. It is dedicated to achieving the efficient accumulation and value realisation of intellectual property assets.

The legal departments of subsidiaries

under the guidance of the Legal Affairs Department, are specifically responsible for the systematic establishment and dynamic updating of intellectual property records, ensuring standardisation and traceability throughout the management process.

Finance, Human Resources, Brand Management, and the Digital & Intelligence Development Centre

and other functional departments perform their duties collaboratively based on their respective expertise. They undertake critical responsibilities including specialised budget approval, employee background checks, brand public opinion management, and technical support, working together to build a cross-departmental, integrated management system.

At the practical implementation level, the Company has established clear operational guidelines to strengthen proactive prevention and process management of intellectual property:

Source Searches and Regular Assessments

Business units must complete patent literature searches and trademark similarity checks before initiating project development, mitigating risks of redundant R&D and infringement from the outset. They are also required to conduct regular assessments of intellectual property value and evaluate maintenance needs.

Centralised Management of Core Brands

Core trademarks such as "Yuexiu" and "YE" are subject to centralised and unified management, ensuring consistent and compliant use of brand elements and safeguarding the integrity of brand assets.

External Intellectual Property Compliance Management

When utilising external intellectual property, strictly enforce agreement signing procedures to clearly define the scope of authorisation, usage conditions, and rights and obligations, thereby comprehensively mitigating infringement and compliance risks.

Case

Yuexiu Property Excels in Residential Design, with Multiple Projects Honored as CRIC's National "Top Ten Works" in the First Half of 2025

The results of CRIC's "Top Ten Works" product evaluation for Chinese real estate enterprises in the first half of 2025 have been announced. Guided by its "4×4 High-Quality Product Concept" and through continuous dedication and innovation in residential design, Yuexiu Property secured multiple authoritative accolades. Yuexiu • Huafa PazhouYue | Hua Yue, HeYueWangyunrong were recognised as National Top Ten High-end Projects, Yuexiu • Yuejin Sha and Yuexiu • Longyue Xiguan were selected as National Top Ten Affordable Luxury Projects and Yuexiu • Future Science City | Xingyaoweilai was ranked among the National Top Ten Quality Projects. These achievements demonstrate the high recognition from authoritative institutions and the industry for Yuexiu Property's commitment to building "good houses" and empowering better living through quality design.

Amidst the profound adjustment of the real estate market and the return of residential products to their essential purpose of dwelling, creating "good houses" and enhancing product competitiveness have become core competitive advantages for real estate enterprises. Against this backdrop, Yuexiu Property held a Good Product Launch Conference in Shanghai on 27 March 2025, where it officially introduced the "4×4 High-Quality Product Concept" and the "4+X" product series. These frameworks provide differentiated quality living solutions tailored to different cities and customer segments. The award-winning projects are vivid examples of Yuexiu Property's deep insight into market trends and its precise execution of this high-quality product concept .

5.6 Data Privacy and Security

Yuexiu Property regards data privacy and information security as the lifeline for its sustainable operations and the maintenance of customer trust, placing them at the heart of corporate governance and management. The Company has established a systematic, multi-tiered institutional safeguard mechanism to comprehensively fortify its information security defences. At the institutional level, the Company has formed a comprehensive and well-coordinated policy matrix:

- At the top level, the *Information Security Management Measures* and the *Information Security Management Measures* issued this year establish the fundamental management principles, overall strategy, and framework of responsibilities and authorities;
- At the core regulatory level, the *Data Security Management Measures* and the *Personal Information Protection Guidelines* focus on core data assets such as customer information and trade secrets, specifying detailed requirements for classification, tiering, full lifecycle management, and compliance reviews;
- Regarding emergency response mechanisms, the *Cybersecurity Emergency Response Management Guidelines* establish a closed-loop management process of "early warning – response – review", standardising the response pathways and accountability for security incidents;
- At the operational and implementation level, the *Information Security Employee Conduct Guidelines* and the *Network Terminal Computer Information Security Management Regulations* detail employee operational protocols and strengthen endpoint controls across daily conduct, equipment usage, and communication security.

At the organisational and implementation level, the Company has built a governance structure with clear lines of authority and responsibility that runs throughout all levels. An Information & Data Security Professional Committee has been established, responsible for the overall planning and supervision of the construction and operation of the Company-wide information security and privacy protection system. This committee reports directly to the Chairman of the Board, ensuring the authority of management decisions and the effectiveness of their execution. Meanwhile, each department is assigned a dedicated information security officer, and relevant responsibilities for information security and privacy protection are explicitly incorporated into the employee performance evaluation system. Through a complete safeguard mechanism and an implementation framework, a highly effective and scientific governance approach is formed. This effectively drives all employees to establish a strong sense of security responsibility, actively fulfil protective obligations, and jointly foster and continuously strengthen an organisational culture that values data security and proactively protects privacy.

Laws, Regulations, and Standards Governing the Group' s Data Privacy and Security	Key Internal Policies Governing the Group's Data Privacy and Security
Data Security Law of the People's Republic of China	*Information Security Management Measures*
	Data Security Management Rules
	Personal Information Protection Guidelines
	Cybersecurity Emergency Response Management Guidelines
	Information Security Employee Conduct Guidelines
	Network Terminal Computer Information Security Management Regulations
	Cybersecurity Management Rules

Information System Security Assurance

Yuexiu Property places paramount importance on the security of its core business systems which handle customer privacy data. During the year, the Enjoy Club, Yuexiu Fangbao, Yue+ Club, and E-Signature Platform have all successfully achieved Level 3 protection assessments within the timeframe specified by the public security authorities. The IT Shared Service Centre successfully passed its third-year surveillance audit for ISO 27001, thereby continuing to strengthen the foundations of information security compliance management. Based on MLPS requirements, the Company has comprehensively implemented a series of foundational security policies, including secure communication networks, access control, intrusion prevention, security auditing, identity authentication, data integrity and confidentiality, and data backup and recovery. This ensures the security of customer information during storage and transmission from an architectural standpoint.

The Company strictly adheres to the information security "three simultaneities" principle, ensuring that all newly developed digital products complete security checks before going live, and that they meet security standards as soon as they enter operation. During the operational life of digital products, the Company regularly conducts penetration testing and classified protection compliance self-assessments in line with internal specifications, continuously reinforcing system security. For day-to-day network security monitoring, the Company performs real-time analysis and proactive investigation of alert information, handles risk events in a graded manner according to its risk response plans and Standard Operating Procedures (SOP), and regularly scans for vulnerabilities in hosts and middleware – promptly fixing and patching high-risk vulnerabilities to eliminate potential threats.

To further strengthen controls over data usage, the Company has proactively deployed technical measures such as tracking beacons and digital watermarks. These implement multi-dimensional behavioural restrictions and real-time monitoring on operations including data export, viewing, screenshot capture, and clicks. Simultaneously, the Company promptly responds to suspicious interface activities based on content security policies, supports this with machine learning to build anomaly analysis models, and refines its database construction based on behavioural logs to automatically generate user data usage reports. This ultimately forms a control mechanism of "data monitoring – anomaly analysis – report storage". This mechanism not only ensures the security and controllability of data during its usage phase but also establishes full-chain traceability of operational behaviour, creating a closed-loop data usage supervision system.

Furthermore, the Company strictly adheres to the ISO 27001 Information Security Management System standard, implementing group-wide information security governance. By establishing an annual routine security assessment mechanism and continuously iterating and optimising protective measures based on the evaluation results, the Company ensures its information security management system consistently meets high industry standards, providing continuous and reliable security assurance for customer data. This year, Yuechuang Zhishu successfully passed the second surveillance audit of ISO 27001 management system. The system covers control areas such as risk assessment, access control, compliance, personal data protection, supplier management, development and construction, personnel security, data security, network security, physical environment security and incident management, with all management processes operating normally. Concurrently, the Company also passed the second surveillance audit for ISO 20000 management system. All processes within the system, including budget management, change management, service reporting, service level management and service catalogue management, are operating normally.

Customer and Employee Information Protection

Yuexiu Property integrates customer privacy protection across the entire business process – encompassing marketing, contracting, delivery, and complaint handling – by systematically establishing a privacy protection framework that combines technical measures and institutional policies.

Regarding internal management

the Company masks sensitive information such as customer names and telephone numbers within internal approval processes, including sales notification letters and the OA system. This clearly upholds the principle that "customer privacy rights take precedence over internal administrative convenience".

Regarding external communication

the Company implemented new privacy protection measures in 2024. A virtual number mechanism has been adopted for all outward contact scenarios, eliminating the risk of direct personal information leakage at the point of data transfer and thereby further strengthening the security defences surrounding customer privacy.

Complaint Channels and Reporting Procedures

Regarding customer complaint response and privacy dispute resolution, the Company has established a dedicated online complaint channel through which customers can conveniently submit their concerns via a web-based complaint system. This channel enhances response efficiency whilst fully ensuring the privacy and information security of the complaint process.

To ensure timely and effective handling of information security incidents, the Company has established and continually refines an internal reporting mechanism:

- **Encouraging Reporting:** The Company's policy actively encourages all employees to promptly report any information security incident, potential vulnerability, or suspicious activity through their direct line manager, a designated secure email address, or an anonymous channel. Reporters are strictly protected from any form of reprisal.
- **Closed-loop Handling:** All reports are received by designated personnel and are assessed, classified, and addressed according to established procedures. Depending on the nature of the incident, the Company takes appropriate measures such as investigation, risk containment, and corrective actions, whilst providing necessary feedback to relevant parties under strict confidentiality.
- **Continual Optimisation:** Regular training ensures all staff are aware of and understand this mechanism, whilst the processes are continuously reviewed and optimised to enhance the overall security posture and response capability.

The Company achieved its target of zero complaints in the area of customer privacy protection in 2025:

- Zero instances of complaints or legal actions related to infringement of customer privacy
- Zero instances of major privacy breach, theft, or loss of customer data
- Zero instances of significant cybersecurity incidents/ significant service disruptions/major data security incidents

Employee Information Security Training

- We actively conduct information security training for employees, achieving a completion rate of approximately **85%**. Furthermore, employees are required to sign an Information Security Code of Conduct Pledge, with a signing rate of approximately **99.77%**.
- The Company participated in Guangzhou's offensive-defensive cyber drill. During the drill, none of its information systems were "breached". The Company also implemented critical protection watchkeeping during important periods such as the cyber drill and the National Games, achieving zero security incidents during those high-priority protection windows.
- Organised data recovery drills for ten systems, verifying the validity of backup data, the Recovery Point Objective (RPO) and the Recovery Time Objective (RTO).

5.7 Responsible Supply Chain Governance

Yuexiu Property regards its supply chain as a critical system underpinning stable operations and long-term sustainable development. Through standardised, green, and safety-oriented management practices, the Group is committed to building a resilient, efficient, and responsible supply chain ecosystem. We believe that high-quality supply chain partners are not only essential to ensuring project quality and delivery schedules, but also key contributors to collaboratively advancing sustainability across the industry.

To systematically promote supply chain due diligence, the Company has established a comprehensive, end-to-end institutional framework and has successively issued and strictly implemented a series of core policies, including the *Supplier Code of Conduct*, *Sustainable Procurement Policy*, *Management Measures on Bidding and Procurement*, *Implementation Rules for Bidding and Procurement*, *Management Rules on Construction Suppliers*, and *Supplier Management Rules for Non-construction Projects*. Sustainability requirements are deeply embedded throughout supplier selection, procurement execution, and partnership management processes. Through a policy-driven approach, the Group promotes the overall development of its supply chain towards higher quality and enhanced sustainability performance.

In practice, the Company has established a closed-loop management system covering the entire cooperation lifecycle. In the procurement sector, the Cost and Procurement Centre is primarily responsible for incorporating quality, safety and environmental responsibilities into tender terms during the pre-qualification stage, and for implementing compliance management and risk monitoring via the procurement information platform. The Audit and Risk Control Department, meanwhile, supplements this by monitoring supplier risk profiles using external data to mitigate the impact of cash flow risks on projects. During project execution, suppliers' ongoing compliance is ensured through site briefings, regular communications, and on-site supervision. Performance is dynamically assessed and classified through a quarterly performance evaluation mechanism. By integrating pre-emptive controls, in-process supervision, and post-performance evaluation, Yuexiu Property continues to enhance supply chain transparency, compliance, and overall effectiveness, ensuring alignment between supply chain management and the Company's sustainability objectives.

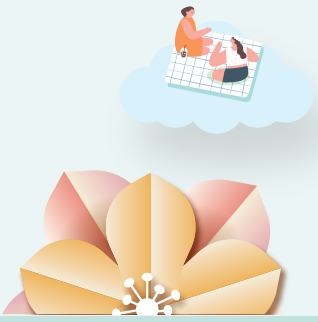
Laws, regulations, and standards governing responsible supply chain	Key internal policies on responsible supply chain
Bidding Law of the People's Republic of China	*Management Measures on Bidding and Procurement*
Interim Provisions on Prohibition of Commercial Bribery	*Management Rules on Construction Suppliers*
	Supplier Management Rules for Non-Construction Projects
	Pre-recruitment Work Manual on Construction Suppliers
	Management Rules of Bid Evaluation Experts and Bid Evaluation Expert Pools for Construction Projects
	Strategic Procurement Results Management Rules
	Management Rules for Bid Invitation and Procurement for Non-construction Projects
	Management Rules for Bid Invitation and Procurement for Construction Projects
	Guidelines on Risk Management of Bid Invitation Procurement and Bid Determination for Construction Projects
	Guidelines on Performance Risk Management for Suppliers in Construction Projects
	Guidelines on Risk Prevention and Control for the Application of Strategic Procurement Results of Construction Projects
	Management Rules for Bid Invitation and Procurement Platforms
	Management Rules for the Application of Employer Supplied Items
	Management Rules for Supply Chain Platforms
	Guidelines for the Whole Process Management of Suppliers in Construction Projects
	Guidelines for Brand Access and Selection Management of Recommended Materials for General Contractors
	Guidelines for the Admission and Expansion of Non-Construction Suppliers
	Guidelines for the Management of Bid Invitation and Procurement Inspection of Construction Projects
	Supplier Code of Conduct
	Sustainable Procurement Policy

Case

Yuexiu Commercial's "Partner Alliance Programme"

In December 2025, Yuexiu Commercial officially launched the Partner Alliance Programme at its annual partners' conference. The programme aims to drive a transition from "transactional cooperation" to "value co-creation" by systematically upgrading supply chain management practices. Key initiatives include:

- **Establishing a science-based and transparent performance evaluation system:** Adhering to a "selecting the best from the best" principle, dynamic scoring and tiered management are applied to suppliers across construction, property management, marketing, and hospitality categories. During 2024–2025, outstanding partners across five major categories were selected and formally recognised.
- **Deepening centralised procurement and strategic collaboration:** The Group continues to expand the coverage of strategic and centralised procurement, leveraging economies of scale to stabilise costs and mitigate supply chain volatility. Annual centralised procurement agreements have been signed with core partners, with expected cost savings of approximately 8%–10%.
- **Strengthening integrity-based cooperation:** Integrity Cooperation Agreements were jointly signed with all core suppliers at the conference, explicitly incorporating a "zero bribery, zero corruption" principle into contractual terms. A blacklist and one-vote veto mechanism have been established to foster a clean and healthy cooperation environment.
- **Co-building a data-enabled low-carbon ecosystem:** Over the next three years, the Group plans to achieve system integration with more than 30% of its core suppliers, enabling data sharing on demand forecasting, inventory, and carbon emissions. This initiative aims to jointly build a transparent, collaborative, and green supply chain ecosystem.



Digital Management

Yuexiu Property continues to advance the digital transformation of its supply chain and has established a digital management platform covering the entire procurement lifecycle. A digitalised bidding and procurement platform has been fully deployed, structured around three core modules: supply chain management, tendering and procurement processes, and an e-commerce marketplace. This enables end-to-end online operations – from tender issuance and bid submission to bid opening, evaluation, and award – with full traceability, significantly enhancing transparency and standardisation of procurement processes.

In parallel, the Company has developed a dedicated supply chain collaboration system. Leveraging information technology and data analytics, the system enables end-to-end digital integration across procurement, warehousing, production, logistics, and distribution. It provides real-time visibility, analytical capability, and controllability across supply chain operations, supporting operational monitoring, cooperation efficiency improvement, and market trend forecasting, while enhancing the Company's agility in responding to market fluctuations.

Case

Key Performance Indicators of the Digital Procurement Platform

Number of Suppliers Onboarded:

2,591

Number of Suppliers Contracted:

6,184

Qualification Review

Yuexiu Property applies rigorous qualification reviews to prospective suppliers to ensure full compliance with admission requirements of the Company by all partners. Reviews cover key dimensions including historical performance, product quality and safety controls, commercial reputation, qualification credentials, project delivery capability, and cooperation willingness. Climate responsibility, integrity and compliance, human rights protection, and the prevention of forced labour are also incorporated as key sustainability indicators within the evaluation framework.

To ensure professionalism and consistency of the reviews, the Company has established specialised supplier assessment teams to conduct comprehensive on-site evaluations. Verification is carried out using authoritative public information sources such as the National Enterprise Credit Information Publicity System, Credit China, and the National Public Service Platform for Construction Market Supervision during the assessment to ensure that the review basis are true and reliable. All review results are consolidated online through the digital procurement platform, where quantitative scoring is automatically generated and comprehensive evaluation reports are produced. This end-to-end transparent management mechanism strengthens the credibility and effectiveness of the review process.

Regular Evaluation

Yuexiu Property has established a normalised supplier performance evaluation mechanism that combines regular inspections with dynamic inspections to continuously monitor and comprehensively assess supplier performance during project execution. The evaluation framework covers multiple dimensions, including project progress, quality control, safety management, and customer service, and applies a comprehensive scoring model to assess suppliers' fulfilment capability and collaboration effectiveness. For high-risk suppliers, the Company implements risk monitoring, escalation, handling and exit mechanisms in accordance with the *Measures for the Management of Risk Events*. The Audit and Risk Management Department is responsible for overseeing the response to supply chain-related risks, issuing risk alerts and notices at the corporate level as appropriate, and encouraging the relevant functional departments or regional companies to carry out risk mitigation measures – ensuring that the closed-loop management of supply chain risk operates effectively.

This mechanism enables the timely identification and resolution of issues by the Company, supports continuous supplier improvement, and ensures results fairness through standardised and transparent processes, laying a solid foundation for long-term collaboration with high-quality partners. At the same time, to safeguard transparency and fairness of assessment, a formal appeal mechanism has been established. Suppliers may submit an *Appeal against the Result of Supplier Performance Assessment* through the online platform, and the Company will conduct a review and provide feedback within the stipulated timeframe to effectively safeguard the cooperative rights and interests of partners.

Inspection Type	Frequency	Focus and Objectives
Regular inspections	Quarterly	Systematic reviews of regional supplier management, procurement compliance, and procurement quality, with the objective of analysing and providing early warnings of suppliers' environmental and social risks, thereby safeguarding supply chain transparency and sustainability.
Dynamic inspections	Every two months	Ongoing screening of legal and operational risks associated with suppliers and their related entities, with particular attention to exceptional conditions such as integrity risks and potential infringements of employee rights, enabling timely potential risk identification and prevention.

The Group is currently upgrading its supplier evaluation framework by incorporating third-party professional assessment results, quantified internal process indicators, and customer feedback to create a more comprehensive evaluation model. At the same time, evaluation data are automatically captured and integrated through the digital procurement platform, significantly enhancing objectivity and reliability of evaluation results. These enhancements aim to further improve the sophistication of supplier management and promote positive interaction and continuous improvement among partners across the supply chain, thereby continuously improving the supply chain governance system.

Case

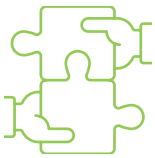
Yuexiu Property's "Quality Traceability Programme"

In October 2025, Yuexiu Tianyue Riverside organised a Quality Witness Programme event, inviting homeowners to participate alongside industry experts in a quality traceability visit to Zhengzhou Kefeng Concrete Co., Ltd., a construction material partner. Through transparent, on-site demonstrations, the initiative brought the "invisible" structural foundations of buildings into view, reinforcing Yuexiu Property's commitment to delivering high-quality homes. Key highlights included:

- **Partnering with high-quality construction material partners:** Zhengzhou Kefeng Concrete, a partner, has participated in major municipal infrastructure projects, including Zhengzhou Metro Lines 1 and 2. From raw material control to production and pouring processes, stringent controls ensure concrete strength and durability, laying a solid foundation for long-term building performance.
- **Full-process disclosure of core construction techniques:** Homeowners observed the complete production process at close range, including material proportioning, precision mixing, and quality testing, transforming previously "unseen" structural elements into tangible and verifiable quality benchmarks.
- **Strict on-site acceptance and verification mechanisms:** Upon delivery to project sites, secondary inspections are conducted, including slump tests and the preparation of standardised test samples and other key steps. All batch data are uploaded in real time and remain fully traceable, ensuring rigorous quality assurance.
- **Establishing controls exceeding industry standards:** A full lifecycle quality management system spanning design, material selection, construction, and delivery has been established. Internal control requirements exceeding industry standards strengthen structural consistency and durability, reinforcing the long-term integrity of building quality.

Sustainable Supply Chain and Supply Chain Carbon Management

To effectively implement its sustainable development strategy, Yuexiu Property has formulated and strictly implemented its *Sustainable Procurement Policy* in alignment with China's "dual carbon" goals and relevant industry standards, thereby systematically strengthening its sustainable supply chain management framework. The Group is committed to promoting green, low-carbon, and circular practices across all stages of the supply chain, embedding environmental requirements, energy efficiency standards, and carbon management objectives into supplier selection, material procurement, and logistics coordination processes. By closely aligning green supply chain development with its overall business strategy, Yuexiu Property seeks to advance collectively towards a more sustainable future.

Management Aspect	Key Measures and Main Content
Sustainable Supply Chain Admission Standards 	• **Promoting responsible procurement:** The Group raises supplier entry thresholds by incorporating sustainability credentials as a key consideration in tender evaluations. Under comparable conditions, priority is given to partners with stronger sustainability performance, thereby safeguarding supply chain sustainability at the source. • **Implementing a dynamic verification mechanism:** Through regular spot checks and on-site inspections, the Group ensures that suppliers continue to meet sustainability requirements. Suppliers that fail to meet admission standards within the prescribed timeframe are subject to restricted cooperation or exit mechanisms, thereby maintaining the overall sustainability performance of the supply chain. • **Strengthening management of key suppliers:** For strategic suppliers of critical materials, enhanced reviews and ongoing supervision are conducted on their sustainability practices, such as ISO system certifications and labour rights management. This ensures high standards of sustainability compliance across the supply chain and lays a solid foundation for the Group's long-term development.
Sustainable Supply Chain Support Programmes	• **Delivering targeted capacity-building initiatives:** The Group regularly organises themed training programmes on sustainable supply chain to communicate green procurement and low-carbon operations concepts, enhance suppliers' awareness and implementation capabilities, and promote the integration of sustainability principles into their production and operational processes. • **Establishing technical collaboration platforms:** Environmental technology exchange and sharing platforms have been developed to facilitate collaboration and knowledge sharing among suppliers in areas such as green technologies, management innovation, and carbon reduction practices, thereby jointly improving overall energy efficiency and reducing environmental impacts across the supply base.

Supply chain carbon management is a critical pathway for Yuexiu Property to achieve its decarbonisation transition and carbon neutrality objectives. To systematically address climate change, the Group actively promotes carbon emission reductions across supply chain activities and continuously enhances the sustainability performance of its overall value chain. Carbon emission assessments have been incorporated into the supplier evaluation framework, and partners are encouraged and supported to adopt low-carbon production methods. Through close collaboration with partners, Yuexiu Property advances green and low-carbon development across the entire supply chain. The following outlines the key directions and measures adopted by the Company across different business stages:

Stage	Measures	Specific Actions
Material Procurement	Prioritising local procurement	• Reducing carbon emissions associated with long-distance transportation while supporting local economic development; leveraging digital planning to avoid unnecessary material transfers and further reduce carbon footprints.
	Selecting green-certified materials	• Procuring materials that comply with green building standards and certifications, encouraging suppliers to adopt eco-design approaches, and systematically manage their own resource consumption and emissions.
	Reducing and optimising packaging	• Collaborating with suppliers to reduce packaging materials and promote environmentally friendly alternatives such as biodegradable packaging; prioritising the procurement of FSC-certified materials to support sustainable forest management.
	Establishing a supplier carbon performance scoring mechanism	• Setting carbon emission benchmarks for suppliers, conducting annual sustainability performance assessments, and integrating assessment results into procurement decision-making and performance tracking systems.
	Advancing digital carbon management	• Leveraging digital systems to enhance supply chain transparency and management efficiency; requiring suppliers to regularly submit verified data on carbon emissions and emission reduction performance, and implementing energy-saving and carbon reduction assessments.
Construction Sites	Promoting low-emission equipment	• Prioritising the use of construction machinery powered by clean energy sources such as electricity and hydrogen, reducing reliance on traditional fossil fuels and lowering direct on-site emissions.
	Implementing refined waste management	• Establishing waste classification and recycling systems to increase resource reuse rates; adopting reusable temporary facilities such as hoardings to reduce waste generation and associated carbon emissions at the source.
	Providing energy efficiency training for construction personnel	• Organising targeted training on energy conservation, carbon reduction, and greenhouse gas accounting to enhance construction personnel's low-carbon awareness and practical capabilities, ensuring effective implementation of on-site energy-saving measures.

Supply Chain Business Ethics Management

Yuexiu Property recognises that suppliers are an integral component of the corporate sustainability value chain and has therefore systematically incorporated business ethics management into its supply chain governance framework. To this end, the Group has formulated and implemented a *Supplier Code of Conduct*, which clearly requires all suppliers to fully comply with the Company's business ethics standards, as well as relevant functional departments to fulfil their respective responsibilities and work together to implement supplier management, business ethics oversight and the operation of the risk management system. This ensures integrity, compliance, and transparency throughout the supply chain and establishes a solid responsibility foundation for sustainable operations and long-term development.

Category	Core Requirements	Specific Measures and Commitments
Corruption and bribery	Zero tolerance for corruption and bribery, and a commitment to fair and transparent business relationships.	• Suppliers are required to strictly comply with the anti-corruption laws and regulations in their operating jurisdictions, as well as the Group's *Integrity Agreement.* • Suppliers must proactively disclose any actual or potential material conflicts of interest (e.g., interests or business relationships with Company personnel).
Fair competition	Upholding fair business and competitive practices in compliance with anti-monopoly and competition laws.	• Suppliers are prohibited from engaging in any conduct intended to restrict or impede other suppliers from providing products or services to Yuexiu Property.
Confidential information and privacy	Strict protection of the Company's business secrets and information assets, ensuring compliant use of resources.	• Without prior written consent of the Company, suppliers may not disclose any confidential business information and must establish internal policies to safeguard such information. • Suppliers are required to properly safeguard and use Yuexiu Property's assets and resources in accordance with prescribed procedures.
Integrity management measures	Systematic development of an integrity-based supply chain ecosystem through institutional arrangements and collaboration.	• Admission controls: Suppliers with significant integrity risks are removed to prevent risks at the source. • Contractual management: All suppliers are required to sign an *Integrity Agreement,* incorporating integrity clauses into contractual arrangements. • Engagement and co-development: Regular integrity exchange meetings are organised for suppliers to share practical experience. • Capacity building: Business ethics and compliance trainings are organised on an ad hoc basis to strengthen suppliers' integrity management capabilities through case studies and policy interpretation.

With respect to supplier business ethics training, the Group has established a diversified training system combining online, offline, and customised formats to accommodate different learning scenarios and needs of suppliers. Online training is delivered through digital platforms, offering flexible and accessible courses that allow suppliers to manage their learning schedules independently. Offline thematic workshops are held on a regular basis, with industry experts invited to provide in-depth, face-to-face guidance and interactive discussions, enhancing training effectiveness and engagement. In addition, customised training programmes are developed based on suppliers' specific business characteristics and industry attributes, ensuring that training content is practical, targeted, and effective in strengthening suppliers' business ethics and compliance capabilities.

Case

Strengthening Integrity Co-building Across the Supply Chain to Lay A Solid Foundation for Compliant and Win-Win Development

- **Normalised training mechanism:** Product quality, labour safety and human rights requirements are embedded as standard into the daily morning meetings and weekly regular meetings of the Company and its suppliers, covering all on-site management and operational staff of suppliers across every project under construction – ensuring continuous, high-frequency reinforcement and implementation.
- **The "Mentoring Programme" innovative empowerment mechanism:** Launched in April 2025, this initiative targets newly onboarded suppliers, organising training at each stage from contract award and commencement of work through to performance and settlement, with an aim to ensure thorough integration of quality, safety and other requirements. Throughout the year, the programme delivered over 160 hours of training to more than 500 participants, completing 82 mentoring sessions for 50 new suppliers, thereby establishing a regularised, targeted empowerment mechanism based on the model of "onboarding - empowerment - mutual benefit".

- **Special communication and training session:** Yuexiu Property's Guangzhou Regional Company held a supplier exchange meeting under the theme "Strengthen the foundation, clarify responsibilities, empower mutual benefit, and drive development", attended by more than 100 participants. Three special topic sessions were presented – cost and procurement, engineering requirements, and work safety – to reinforce suppliers' understanding and shared awareness of the procurement system, engineering quality, and safety risks, jointly building a collaborative ecosystem founded on "quality as the cornerstone and safety as the foundation".

Chapter 6

Green Finance and Value Synergy

Management Approach

6.1 Annual Progress and Highlights

6.2 Green Finance

Our actions support the following United Nations Sustainable Development Goals (SDGs)

Management Approach

As the Chinese real estate sector enters a new phase defined by high-quality development and deep structural adjustments, Yuexiu Property has, with strategic foresight and a strong sense of corporate responsibility, established sustainable finance as a core strategic driver for advancing green transformation and unlocking long-term value. In active response to the national "dual carbon" goals, we have deeply integrated Hong Kong's role as an international green finance hub, translating our strong ESG performance into tangible financing advantages and core competitiveness in capital markets - ensuring that corporate growth moves in step with ecological protection and social progress.

Our green finance efforts are built on two key pillars: alignment with national strategies and integration with international standards. We remain grounded in policy direction while focusing on practical implementation. At the national level, we strictly follow China's green finance policy framework, closely aligning with core regulatory documents such as the People's Bank of China's *Special Statistical System for Green Loans* and the National Development and Reform Commission's *Catalogue for Guiding the Transition of Industries to Green and Low-carbon Energy*. This ensures that all forms of financing are strictly aligned with applicable green criteria and efficiently deployed to priority areas – including green building development, energy-efficient retrofitting of existing projects, renewable energy integration, and sustainable community construction – so that every unit of financial support precisely meets low-carbon development needs and plays a meaningful role in enabling green transformation.

At the regional and international levels, we leverage Hong Kong's position as a global financial centre, proactively aligning with the Hong Kong Monetary Authority's Green and Sustainable Finance Grant Scheme and relevant market guidelines. Through the successful use of international green finance instruments such as green bonds and sustainability-linked loans (SLLs), we have built a green financing bridge connecting to international capital markets. These instruments not only offer competitive financing costs for our green projects but also, by establishing clear sustainability performance targets, encourage the widespread adoption of new eco-friendly materials, low-carbon technologies, and green practices throughout the project life cycle – creating a strong link between financing activities and sustainable development goals.

Through a systematic and multi-layered approach to green financing, we have not only reduced carbon intensity and long-term operating costs across the project life cycle, but also strengthened our ability to proactively identify, manage, and mitigate of sustainability-related risks. In this new paradigm of high-quality industry development, sustainable finance has become a key enabler of Yuexiu Property's operational resilience and market leadership – and a solid financial foundation for achieving synergies between economic, environmental, and social benefits. It helps us continuously create high-quality living spaces that harmonise human life with nature, powered by stable, long-term financial support.

Laws, regulations and standards followed by the Group in relation to sustainable finance	The Group's main internal policies on sustainable finance
Guiding Opinions on Building a Green Financial System	*Green Finance Policy*
Catalogue of Green Finance-supported Projects (2025 Edition)	*Sustainable Finance Framework*
Chinese Green Bond Principles	
Environmental Equity Financing Tool (JR/T 0228-2021)	
Carbon Financial Products (JR/T 0244-2022)	
Green Bond Principles (2025)	
Social Bond Principles (2025)	
Sustainability Bond Guidelines (2021)	
Green Loan Principles (2025)	
Social Loan Principles (2025)	

6.1 Annual Progress and Highlights

Key Initiatives in 2025

Practice Category	Detailed Description
Policy Update	Completed the update and enhancement of the *Sustainable Finance Framework*, further refining the green finance management system to ensure the framework remains aligned with national policies, international standards, and the Group's development strategy.
Issuance of Financing Instruments	1. In June 2025, successfully signed the first SLL valued at HK$1.56 billion, further broadening green financing channels and strengthening the integration between financing activities and sustainability goals. 2. In November 2025, successfully issued green dim sum bonds totalling RMB2.85 billion, effectively connecting with international green capital markets and providing stable financial support for the Group's green projects. 3. In September 2025, successfully facilitated the listing of the building carbon credit product for the Guangzhou Zhonggang Leatherware Mall Energy Conservation and Carbon Reduction Project, marking China's first carbon credit product for wholesale market buildings. This pioneering initiative leveraged carbon assets to unlock the value of environmental rights and interests, opening up a new channel for green financing.

Key Performance Highlights in 2025

Key Performance Highlights in 2025

Key Area	Target for 2030	Progress in 2025
Proportion of Sustainable Finance	At least **50%** of bond and loan financing is sourced from sustainable finance	In 2025, the proportion of the Group's bond and loan financing from sustainable finance reached **35.0%**, an increase of 3.2 percentage points from 2024. This reflects steady progress towards the target for 2030 and demonstrates the significant effectiveness of the Group's green financing strategy.

6.2 Green Finance

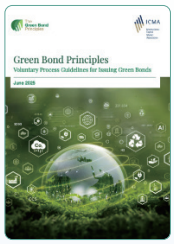
With forward-looking strategic vision and a proactive approach, Yuexiu Property has deeply committed itself to the field of sustainable finance, establishing it as a core pathway for driving the Company's green transformation and fulfilling its corporate mission of "Where Good Living Starts". We have consistently integrated environmental protection and social responsibility requirements across the Company's strategic planning and day-to-day operations. In 2025, we further enhanced our *Sustainable Finance Framework*. The updated framework focuses on standardising financing management and improving transparency, with the aim of providing dedicated financial support for green projects and assets aligned with the Company's long-term ESG vision – using the power of finance to help achieve the Group's various sustainable development goals.

The development and subsequent updates of this framework strongly align with leading international standards and industry best practices, ensuring that it keeps pace with global green finance developments and maintains consistency with prevailing standards. The framework primarily follows these core international principles:

The Green Bond Principles (June 2025 Edition), *Social Bond Principles (June 2025 Edition)*, and *Sustainability Bond Guidelines (June 2021 Edition)*, published by the International Capital Market Association (ICMA);

The *Green Loan Principles* and *Social Loan Principles* (March 2025 Edition), jointly issued by the Loan Market Association (LMA), the Asia Pacific Loan Market Association (APLMA), and other institutions.

To further ensure the robustness, forward-looking nature, and market credibility of the framework, the Company engaged the Hong Kong Quality Assurance Agency (HKQAA) to provide independent third-party professional advice on the updated *Sustainable Finance Framework* based on its specialist assessment criteria. We remain committed to strengthening the scientific foundation of the framework, enhancing its operational feasibility, and proactively aligning with leading international standards and best practices. In doing so, we continously improve our green finance management system.



Green Bond Principles

Social Bond Principles

Sustainability Bond Guidelines

Green Loan Principles

Social Loan Principles

6.2.1 Green Finance and Performance

Yuexiu Property strictly aligns with green finance development goals, systematically tracking and quantitatively assessing the effectiveness of its green finance initiatives. By comparing annual performance and refining management measures, the Company continues to drive an increase in the share of green finance and the improvement of its overall system. The specific performance comparisons and the performance of key indicators are set out as follows:

Key Performance Highlights in 2025

Targets for 2030	Performance in 2025	Performance in 2024	Comparison
1. At least **50%** of bond and loan financing is sourced from sustainable finance; 2. Continuously optimise and update the *Sustainable Finance Framework*.	1. The proportion of bond and loan financing from sustainable finance reached **35.0%**; 2. Successfully completed the update and enhancement of the *Sustainable Finance Framework*.	1. The proportion of bond and loan financing from sustainable finance reached **31.8%**; 2. Completed the establishment of the *Sustainable Finance Framework* and progressively advanced its implementation.	In 2025, the proportion of bond and loan financing from sustainable finance increased by 3.2 percentage points compared with 2024. The effectiveness of green finance development is becoming increasingly evident, and the Company is steadily advancing towards the targets for 2030.

Core Metrics	Performance in 2025	Performance in 2024
Amount of green bonds issued (RMB million)	**4,540**	1,690
Amount of new green building loans (RMB million)	**19,527**	13,381
Amount of green loans secured (RMB million)	**30,746**	31,392
Total borrowings (RMB million)	**104,953**	103,889
Amount of green loans secured as a percentage of total loans secured	**49.1%**	48.9%

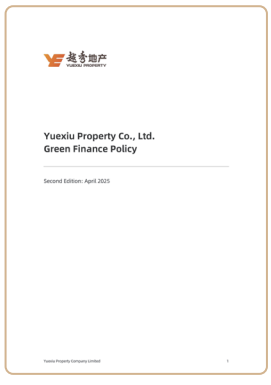
Proportion of Bond and Loan Financing from Sustainable Finance (By Financing Type):

Conventional Loan	**29.0%**	Conventional Bond	**36.1%**
Green Loan	**30.6%**	Green Bond	**4.3%**

Looking ahead, Yuexiu Property reaffirms its commitment to green finance development: by 2030, at least 50% of bond and loan financing will be sourced from sustainable finance. The Company also holds a long-term vision of achieving a 100% share by 2060, thereby continuously directing social capital towards green, low-carbon, and sustainable sectors. Through this commitment, we aim to provide robust and stable financial support for our own green transformation as well as for the broader low-carbon development of society, living up to our corporate social responsibility and our mission as an industry leader.

6.2.2 Policy Framework and Management Mechanism

To systematically drive the Company's green transformation and high-quality development, Yuexiu Property continues to deepen the top-level design of its financing strategy, establishing a scientifically sound, practical, and actionable green finance policy system and management mechanism. Building on the formal release of the *Green Finance Policy* in 2024 and the enhancement and upgrade of the *Sustainable Finance Framework* in 2025, the Company has further embedded ESG considerations across its financing strategy. It has proactively expanded the use of diversified green financing instruments, including green bonds, social bonds, and SLLs, thereby enhancing the Group's financial resilience and its capacity to address climate-related risks. These efforts comprehensively support the transformation of its business model towards low-carbon operations, resource efficiency, and genuinely sustainable development.


越秀地产
YUEXIU PROPERTY
Yuexiu Property Co., Ltd.
Green Finance Policy
Second Edition: April 2025

For details, please refer to the *Green Finance Policy* of Yuexiu Property Company Limited

越秀地產股份有限公司
YUEXIU PROPERTY COMPANY LIMITED
Yuexiu Property Company Limited
Sustainable Finance Framework

For details, please refer to the *Sustainable Finance Framework* of Yuexiu Property Company Limited

To ensure the effective implementation and execution of its green finance strategy and policy framework, the Company has established a governance structure with clear hierarchies, well-defined responsibilities, and seamless operations. This enables a closed-loop management process encompassing decision-making, execution, and review:

Board-Level Oversight

The Sustainability Committee fulfils its oversight responsibilities by reviewing the sustainable finance strategic plan, key implementation initiatives, and other related major matters, ensuring that the strategic direction remains aligned with the Company's development objectives;

Management-Level Execution

The Sustainability Leadership Group leads the implementation of various policies by developing detailed execution plans and regularly reporting on progress, outcomes, and areas for improvement, ensuring that all initiatives are advanced in an orderly manner;

External Engagement and Compliance Control

A dedicated assessment mechanism for green financing projects has been established, under which a team of experts conducts rigorous screening and detailed evaluation of various financing projects. This ensures that funds are precisely directed towards green and social projects that meet the relevant standards.

Under the clear guidance of the *Sustainable Finance Framework*, the Company implements closed-loop management across the entire process of its financing activities. This further clarifies the categories of eligible projects, requirements for the dedicated use of proceeds, risk management standards, and disclosure obligations, ensuring that financing activities are conducted in a standardised, transparent, and efficient manner:

Eligible Green Project Categories:

Priority will be given to green building developments that have obtained China Green Building Evaluation Label – 2 stars or above, or LEED Gold level or above. In addition, the scope covers projects aligned with green development principles, such as climate change adaptation, energy efficiency improvement, pollution prevention and control, and the application of renewable energy;

Eligible Social Project Categories:

Priority will be given to projects that support social development, such as resettlement houses integral to urban upgrade projects. These projects aim to improve people's livelihoods and promote inclusive social development, actively responding to societal needs while fulfilling the Company's corporate social responsibilities..

Through the above systematic policy design, robust governance structure, and rigorous execution management, Yuexiu Property continues to ensure the standardisation, transparency, and effectiveness of its sustainable financing activities. The Company is steadily transforming its green finance strengths into a core strategic tool that drives high-quality business growth, builds industry leadership, and creates long-term social value, ultimately enabling the achievement of synergistic benefits across economic, environmental, and social performance.

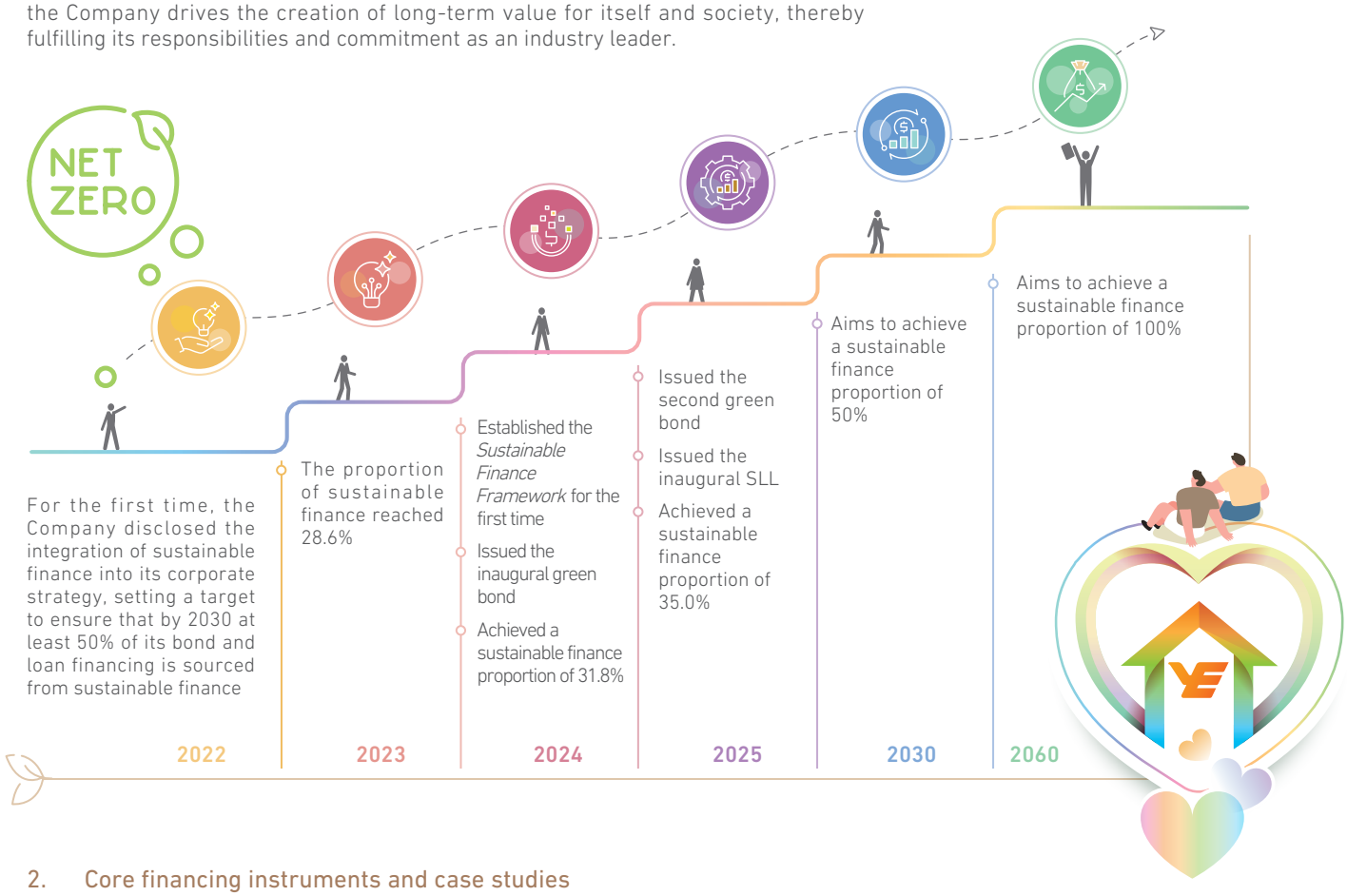
6.2.3 Financing Instruments and Case Studies

In 2025, China continued to advance its green finance development agenda, successively issuing implementation plans for financial support of green development along with the *Guiding Opinions on Effectively Conducting the Work of "Five Major Articles" on Finance*. These documents clearly position green finance as a critical tool for serving the real economy, setting out specific requirements such as improving the green finance system, diversifying green financial products and services, promoting carbon accounting and sustainability disclosure among financial institutions, and deepening international cooperation in green finance. Together, they provide clearer and more definitive policy guidance and support for the green and low-carbon transformation of enterprises.

Yuexiu Property proactively follows national green finance policy directions and responds to policy initiatives at each stage, positioning sustainable finance as a key enabler of its high-quality development. This approach not only enhances financial flexibility and core market competitiveness but also embeds sustainable finance within the Company's broader carbon reduction strategy, establishing it as a central pillar of its green and low-carbon transition. With significant operations in Hong Kong, Yuexiu Property aligns its activities with the city's green development trajectory. Through the full implementation of the *Green Finance Policy*, the Company focuses on reducing energy consumption, obtaining green building certifications, developing new green products, and improving its sustainability index. These efforts enable it to actively contribute to Hong Kong's green economic transformation and support the city's goal of achieving carbon neutrality by 2050. Since establishing its sustainable finance development targets in 2022, Yuexiu Property has continuously advanced its strategic deployment in this area, steadily increasing the proportion of sustainable finance in its overall financing portfolio on a year-by-year basis. Looking ahead, the Company has set a long-term target of achieving 100% sustainable finance by 2060, leveraging financial practices to support its green development objectives.

1. Yuexiu Property's sustainable finance development journey

Guided by the corporate mission of "Where Good Living Starts", Yuexiu Property has established environmental protection and social responsibility as strategic pillars of the Company's development since 2022. Under this vision, the Company has fully integrated the principles of sustainable development into its overall operational strategy, financing planning, and project management processes. Within this strategic framework, Yuexiu Property has advanced its sustainable finance practices through forward-looking planning and systematic initiatives, achieving a steady increase in the proportion of sustainable financing. Through concrete financial actions, the Company drives the creation of long-term value for itself and society, thereby fulfilling its responsibilities and commitment as an industry leader.



2. Core financing instruments and case studies

(I) Green Bond

Green bonds are specialised debt financing instruments designed to raise capital for eligible green projects with clear environmental benefits. Their core value lies in ensuring that funds are precisely directed towards green projects, thereby advancing environmental protection and sustainable development. In November 2025, Yuexiu Property successfully issued a green dim sum bond totalling RMB2.85 billion. The bond has obtained Green and Sustainable Finance Certification from HKQAA, representing a significant step by the Company in accessing international green capital markets and further strengthening its green financing strategy.

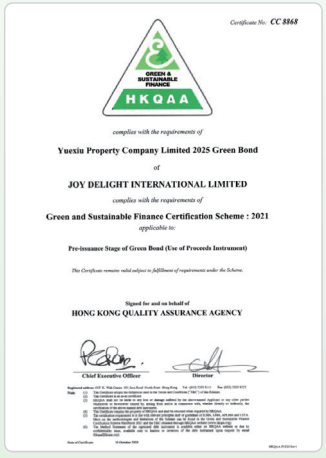
This green dim sum bond is intended to provide dedicated financial support for projects that align with the Company's sustainability vision and business strategy while delivering significant environmental benefits. An amount equivalent to the funds raised will be allocated in full to eligible green projects in accordance with Yuexiu Property's *Sustainable Financing Framework*, thereby increasing capital investment in environmental protection and sustainable development and supporting the Company's green transformation. The specific issuance details are set out below:

Timing of Issuance	November 2025	Certification Body	HKQAA (Green and Sustainable Finance Certification)
Issuance Size	RMB2.85 billion	Coupon Rate	3.30%
Bond Tenor	3 years	Applicable Standard	Yuexiu Property's *Sustainable Finance Framework*
Use of Proceeds	The proceeds will be allocated in full to Yuexiu Property's eligible green projects, with a focus on nearly zero energy projects (Shanghai Jing'an Tianyue and Shanghai Yangpu Tianyue) and Three-Star Green Building project (Guangzhou Pazhou Shade), thereby supporting the achievement of environmental benefits such as energy consumption reduction and environmental improvement.		

Nearly zero energy project: Shanghai Jing'an Tianyue

Nearly zero energy project: Shanghai Yangpu Tianyue

Three-Star Green Building project: Guangzhou Pazhou Shade



Certificate No. CC 8868

GREEN & SUSTAINABLE FINANCE

HKQAA

complies with the requirements of

Yuexiu Property Company Limited 2025 Green Bond

of

JOY DELIGHT INTERNATIONAL LIMITED

complies with the requirements of

Green and Sustainable Finance Certification Scheme : 2021

applicable to:

Pre-issuance Stage of Green Bond (Use of Proceeds Instrument)

This Certificate remains valid subject to fulfillment of requirements under the Scheme.

Signed for and on behalf of

HONG KONG QUALITY ASSURANCE AGENCY

Chief Executive Officer Director

Certification

Green and Sustainable Finance Certification from HKQAA

(II) Sustainability-linked loan (SLL)

SLLs are internationally recognised as an innovative sustainable finance instrument. Their defining feature is that the cost of financing is directly linked to the borrower's predetermined and measurable sustainability performance targets (SPTs). Through market-based mechanisms, this structure incentivises companies to continuously improve their sustainability performance, thereby achieving a deep integration between financing activities and sustainability objectives.

To further empower its green development through sustainable finance, broaden green financing channels, and diversify its green financing product portfolio, Yuexiu Property successfully signed a sustainability-linked loan (SLL) of HK$1.56 billion on 12 June 2025. This loan represents the Company's inaugural SLL, with a tenor of three years. Its financing cost is directly linked to the sustainability performance targets established by the Company. This mechanism not only optimises the Company's financing structure and enhances financial flexibility but also, through market-based incentives, supports the steady achievement of its predefined sustainability performance targets. It further advances the implementation of the Company's sustainable development strategy and facilitates its transition towards a low-carbon development model. The specific details of the agreement are set out below:

Signing Date	12 June 2025
Facility Size	HK$**1.56** billion
Tenor	**3** years
Core Mechanism	Using market-based mechanisms to incentivise sustainability performance improvements

(III) Carbon credit products

Carbon credit products are verified, tradable carbon assets generated from specific emission reduction projects. Their core value lies in converting environmental benefits into quantifiable and tradable financial assets, thereby opening up an innovative green financing channel for companies beyond traditional debt and equity. Through the development and trading of carbon credit products, companies can not only directly obtain emission reduction benefits and accelerate returns on green investments, but also use carbon assets as collateral for financing or unlock the value of existing assets through financial instruments such as carbon repurchase agreements, thereby achieving efficient synergy between environmental value and capital value.

To actively explore carbon finance innovation and expand the boundaries of green financing, Yuexiu Property successfully facilitated the listing of the building carbon credit product generated from its Guangzhou Yuexiu Zhonggang Leatherware Mall Energy Conservation and Carbon Reduction Project on the China Guizhou Green Finance and Emissions Exchange on 22 September 2025. This project became China's first carbon credit product for wholesale market buildings, marking a "zero-to-one" breakthrough in the field of building carbon credit trading in Guangzhou. It represents a significant achievement for the Company in deepening its "dual carbon" strategy and innovate green finance practices.

This carbon credit product originates from the comprehensive energy-saving retrofit of the ventilation, air conditioning, and lighting systems at Zhonggang Leatherware Mall. As confirmed by a third-party auditor, during the monitoring period from 1 February 2024 to 31 January 2025, the project achieved total carbon emission reductions of 372 tonnes of CO_2 equivalent. The initial listing price was RMB66 per tonne of CO_2 equivalent. The successful listing will not only accelerate the recovery of energy-saving retrofit costs through future trading proceeds, but also marks the point at which the Company's carbon assets have formally established a foundation for market-based financing. It provides reliable carbon credit support for application scenarios such as zero-carbon parks and zero-carbon factories, and accumulates valuable experience for the subsequent large-scale development of building carbon credit projects and the exploration of innovative models such as carbon asset pledge financing.

Listing Date	22 September 2025	Listing Platform	China Guizhou Green Finance and Emissions Exchange
Project Emission Reductions	372 tCO_2e	Initial Listing Price	RMB66 per tCO_2e

6.2.4 Regulatory Alignment, Capacity Building and Cooperation

As a globally influential international financial centre, Hong Kong has in recent years continued to deepen its sustainable finance system, advancing coordinated efforts across policy guidance, regulatory framework enhancements, and market mechanism development. This has gradually given rise to a comprehensive ecosystem covering green financing, transition finance, and related support services. Leveraging its mature and highly internationalised financial market, Hong Kong has established significant advantages in green bond issuance, sustainable investment, and transition finance product innovation. It has become a key sustainable finance hub in Asia and globally, providing a favourable policy environment and market foundation for companies pursuing low-carbon transition and high-quality development. Guided jointly by the national "30·60" dual carbon strategy and Hong Kong's "2050 Carbon Neutrality" target, sustainable finance policies at the regional level resonate with the transition needs of the real economy. This resonance creates enabling conditions for companies to translate climate goals into concrete financing and investment actions.

At the policy level, the HKSAR Government and relevant regulatory authorities have continued to improve the institutional framework for sustainable finance. Among these initiatives, the Green and Sustainable Finance Grant Scheme launched by the Hong Kong Monetary Authority (HKMA) in 2021 provides subsidies for eligible green and sustainable financing projects, effectively reducing corporate financing costs and increasing market participation. The scheme has since been extended to 2027, and its scope has been broadened to include transition bonds and transition loans, better addressing the low-carbon transition financing needs of companies at different stages of development. On the standard-setting front, the HKMA published and launched a public consultation on the prototype of the second phase of the *Hong Kong Taxonomy for Sustainable Finance* (Phase 2A) in 2025. This further expands the range of covered sectors and economic activities, introduces transition elements, and adds a new "climate change adaptation" objective. It provides market participants with clearer criteria for identifying compliant sustainable economic activities that deliver substantive environmental benefits, while also establishing a solid institutional foundation to mitigate "greenwashing" risks. In the longer term, this will facilitate gradual alignment with banking supervision and capital allocation mechanisms.

Against the backdrop of the above policy and market environment, Yuexiu Property has strengthened its presence in the Hong Kong market, continuously monitoring sustainable finance regulatory trends and market developments while organically integrating relevant requirements into its governance and operational decisions. The Company profoundly recognises that sustainable finance is not merely an external financing tool, but is also closely linked to overall ESG management capabilities, risk management capacity, and long-term value creation. To further enhance the Board's systematic understanding of ESG and sustainable finance issues and strengthen decision-making support at the governance level, Yuexiu Property arranged a dedicated ESG training session for its Board and senior management in 2025, delivered by an external third-party professional adviser. The training focused in particular on sustainable finance-related topics, thereby enabling the Company to keep pace with the evolving policy environment and market requirements while upgrading its governance capabilities.

During the training session, the speaker drew on leading market practices within the industry to elaborate on how green finance, as a key enabler of ESG value creation, can deliver tangible financial benefits and innovation opportunities for companies with a strong ESG management foundation, while also providing a detailed overview of the diverse range of green and sustainable financial products, as well as their application scenarios. The Board of Directors demonstrated strong interest in the role of sustainable finance in supporting long-term corporate development and risk management. They engaged in in-depth discussions on topics such as the Company's green financing strategy and sustainability performance target setting, thereby laying a solid foundation for the subsequent optimisation of the Company's sustainable finance strategy.

Looking ahead, as Hong Kong's sustainable finance policy framework continues to deepen and market instruments grow increasingly diverse, Yuexiu Property will build on its existing governance foundation to continuously monitor relevant policy developments and market practices. The Company will further strengthen communication and collaboration with financial institutions and professional organisations, prudently assess and explore green and sustainable financing arrangements that align with its development stage and business characteristics. The Company will continue to deepen the application of sustainable finance as a key tool to support low-carbon transition and long-term value creation, thereby contributing to the green, low-carbon, and high-quality development of Hong Kong and the Guangdong-Hong Kong-Macao Greater Bay Area, while fulfilling its regional development responsibilities as a state-owned enterprise.

6.2.5 Financial Performance and Value

1. Optimising capital structure and creating significant financial value

Against the policy backdrop of the 15th Five-Year Plan, which explicitly calls for "vigorously developing green finance", Yuexiu Property has actively employed diversified financial instruments such as green bonds and sustainability-linked loans to provide low-cost funding support for the Group's carbon reduction strategy. These initiatives have secured financing terms better than market averages for the Company while creating a powerful financial incentive mechanism by linking financing costs to specific green performance targets. This makes economic and environmental benefits explicit and measurable, positioning sustainability as a core financial advantage for the Company's high-quality development and driving the coordinated achievement of financial objectives alongside green transformation goals.

2. Cost savings across the whole life cycle

Yuexiu Property firmly believes that upfront investment in green buildings serves as the cornerstone for ensuring long-term operational efficiency and reducing overall costs. By drawing on and upgrading green operational experience from past projects, the Company has systematically allocated funds raised through sustainable finance to the green development of new projects and the energy-efficient retrofitting of existing ones. Through technical measures such as high-performance insulation materials, optimised natural ventilation designs, and intelligent energy management systems, together with a digital smart operations platform that enables precise energy control, the Company has significantly reduced energy consumption and daily maintenance expenses across the building life cycle. These efforts continue to deliver operational cost savings while further enhancing asset operational resilience and long-term profit potential.

3. Promoting green buildings and enhancing product competitiveness

Yuexiu Property views green buildings as a key practice in response to the 15th Five-Year Plan's requirement to "improve the quality of green and low-carbon development of urban and rural areas". The Company has comprehensively promoted the application of energy-saving and water-saving technologies, widely adopted healthy and eco-friendly building materials, and deeply integrated smart management solutions. These efforts have significantly improved resource efficiency while actively enhancing residents' healthy living experience and overall comfort. As a result, the Company's products have achieved a distinct competitive edge in the market, gaining recognition from a growing cohort of consumers seeking healthy and sustainable lifestyles. This effectively supports the long-term value and market premium of the Company's assets, successfully translating green and environmentally friendly attributes into tangible market competitiveness as well as measurable social and environmental value.

4. Driving industry standard upgrades and sustainable urban development

Consistently aligning itself with the national green development strategy, Yuexiu Property promotes industry transformation and upgrading through systematic thinking. The Company's green finance and green building practices extend beyond individual project outcomes, aiming instead to foster a collaborative industrial ecosystem and lead industry-wide progress. By implementing cutting-edge design concepts and emerging building material technologies, the Company has effectively driven the green and low-carbon transformation of its upstream and downstream supply chains. At the same time, it proactively synthesises its experience in green development and operations, actively participating in industry standard discussions and formulation. In doing so, it contributes practical insights and corporate strength to the standardised green development of the construction industry. These initiatives are deeply aligned with the strategic direction of "promoting comprehensive green transformation in economic and social development" set out in the national 15th Five-Year Plan, fully demonstrating Yuexiu Property's sense of responsibility as a state-owned enterprise and its role as an industry leader.

5. Enhancing investor confidence and long-term return potential

Yuexiu Property has internalised the rigorous requirements of its *Sustainable Finance Framework* into a stronger ESG governance system and greater transparency. Through regular quantitative disclosure of environmental benefits and third-party assurance, the Company meets green finance compliance requirements while clearly communicating to the capital market its robust risk management capabilities and long-term value creation logic. This has significantly strengthened ESG investors' recognition and confidence in the Company. The Company firmly believes that a quality portfolio of high-standard green assets offers stronger policy adaptability, lower transition risks, and more stable long-term cash flows, thereby providing investors with more resilient financial returns and achieving a long-term win-win outcome for both the Company and its investors.

6. Shaping a future-oriented corporate brand

By proactively addressing climate change and engaging in sustainable finance, Yuexiu Property demonstrates its core commitment to corporate social responsibility while effectively managing and reducing the operational and reputational risks associated with environmental compliance. Guided by the 15th Five-Year Plan's directive to balance development and security, the Company has created a green, healthy, and resilient built environment. This protects the long-term interests of customers and investors while reinforcing its brand image as a responsible industry leader, laying a solid foundation of social trust for the Company's sustained and steady growth.

Social Honours

Award-winning Organisation	Award Date	Award Name	Awarding Body	Award Image
Guangzhou International Finance Centre (Guangzhou IFC)	January 2025	Platinum WELL Building Standard Certification	International WELL Building Institute (IWBI)	
Yuexiu Financial Tower	January 2025	Platinum WELL Building Standard Certification	International WELL Building Institute (IWBI)	
Guangzhou International Commerce Centre (Guangzhou ICC)	January 2025	Platinum WELL Building Standard Certification	International WELL Building Institute (IWBI)	
Yuexiu Property	May 2025	Top 10 H-Share Real Estate Listed Companies 2025	Guided by the China Real Estate Association; Organised by the E-House Real Estate Research Institute and CRIC	
Yuexiu Property	May 2025	2025 Top 10 Listed Real Estate Companies by Comprehensive Strength	Guided by the China Real Estate Association; Organised by the E-House Real Estate Research Institute and CRIC	
Yuexiu Property	June 2025	CRIC 2025 H1 China Real Estate Enterprise Product Appraisal – "Top 10 Projects"	CRIC Product Competitiveness 100 Task Force	

Award-winning Organisation	Award Date	Award Name	Awarding Body	Award Image
Yuexiu Property	August 2025	Wind ESG "AA" Rating	Wind	
Yuexiu Property	August 2025	"A+" Rating	Hong Kong Quality Assurance Agency (HKQAA) and Hang Seng Indexes Company	
Yuexiu Property	September 2025	2025 H1 Top 20 China Real Estate Enterprises for Delivery Brand Influence	CRIC	
Yuexiu Property	October 2025	5-Star Rating	Global Real Estate Sustainability Benchmark (GRESB)	
Yuexiu Property	October 2025	Score: 61, ranking in the top 8% of global real estate peers	S&P Global Corporate Sustainability Assessment (CSA)	
Yuexiu Property	November 2025	ESG Leading Enterprise Award	Bloomberg Businessweek/ Chinese Edition	

List of Sustainability Policies and Systems

ESG Metrics	Internal Policies	External Policies
A. Environmental		
A1 Emissions	*Detailed Rules for Hazardous Materials* *Detailed Rules for Environmental Protection*	*Environmental Protection Law of the People's Republic of China* *Law of the People's Republic of China on Environmental Impact Assessment* *Law of the People's Republic of China on Prevention and Control of Environmental Pollution Caused by Solid Waste* *Law of the People's Republic of China on Prevention and Control of Water Pollution* *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution* *Law of the People's Republic of China on Prevention and Control of Soil Contamination* *Law of the People's Republic of China on the Prevention and Control of Noise Pollution* *Energy Conservation Law of the People's Republic of China* *Land Administration Law of the People's Republic of China* *People's Republic of China Nature Reserve Regulations* *Urban and Rural Planning Law of the People's Republic of China* *Regulations on the Administration of Construction Project Environmental Protection* *Electronic Waste Pollution Prevention and Control Law of the People's Republic of China* *Marine Environmental Protection Law of the People's Republic of China* *The Regulations Concerning the Prevention and Cure of Pollution Damage of Marine Environment by Pollutants from Land* *Chinese Programme for Natural Protection* *Opinions on Strengthening Ecological and Environmental Protection in All Round Way and Firmly Fighting the Battle of Pollution Prevention and Control* *National Catalogue of Hazardous Wastes* *Assessment Standard for Green Building* *Measures for the Transfer of Hazardous Wastes*
A2 Use of Resources	*Sustainable Water Resources Policy* *Circular Economy Promotion Policy* *Energy Policy* *Material Effective Utilisation Work System*	
A3 Environment and Natural Resources	*Sustainable Development Policy* *Biodiversity Policy* *Environmental Policy* *Sustainable Building Policy*	
A4 Climate Change	*Climate Change Policy* *Meteorological Disaster Emergency Response Plan*	

ESG Metrics	Internal Policies	External Policies
B.Social		
B1 Employment	*Management Measures for Labour Contracts* *Management Rules on Employee Remuneration Incentive System* *Performance Management Rules* *Implementing Rules on the Management of Remuneration and Benefits*	*Labour Law of the People's Republic of China* *Labour Contract Law of the People's Republic of China* *International Labor Organization Conventions* *Employment Promotion Law of the People's Republic of China*
B2 Health and Safety	*Health and Safety Policy* *Occupational Health Management Rules* *Administrative Measures on Work Safety* *Occupational Health Management Rules* *Occupational Sanitation Management System* *Health and Safety Policy* *"Three Simultaneous" Management Rules on Construction Projects* *Administrative Measures on Work Safety* *Management Measures of Work Safety Accountability* *Standardisation of Real Estate Development Enterprise Forms* *Detailed Implementation Rules for Classified Safety Risk Control* *Guidelines for Notification and Transfer of Work Safety Issues* *Management Rules for Safety of Related Parties* *Emergency Response Plan for Productive Safety Accidents* *Guidelines for the Management of Security in Office Areas*	*Fire Protection Law of the People's Republic of China* *Work Safety Law of the People's Republic of China* *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* *Regulation on Work-Related Injury Insurance* *Emergency Response Law of the People's Republic of China* *Construction Law of the People's Republic of China* *Labour Dispute Mediation and Arbitration Law of the People's Republic of China* *Provisions on the Administration of Occupational Health at Workplaces* *Regulations on the Reporting, Investigation and Disposition of Work Safety Accidents* *Interim Provision on the Screening, Identification and Control of Work Safety Accident Hazards* *Provisions on the Negotiation and Mediation of Enterprise Labour Disputes* *The Administrative Regulations on the Work Safety of Construction Projects* *Occupational Health and Safety Certification* *Standard for Safety Inspection of Building Construction*
B3 Development and Training	*Diversity and Inclusion Policy* *Board Diversity Policy* *Respect in the Workplace Policy* *Management Rules on Talent Evaluation and Application* *Management Rules on Staffing* *Management Rules on Key Talent Development* *Training Management Rules*	

ESG Metrics	Internal Policies	External Policies
B.Social		
B4 Labour Standards	*Employee Rights Protection Policy* *Human Rights Policy* *Position Management Rules*	*Universal Declaration of Human Rights* *UN Convention on the Rights of the Child* *Abolition of Forced Labour Convention* *Law of the People's Republic of China on the Protection of Minors* *The Company Law of the People's Republic of China* *Provisions on Minimum Wages*
B5 Supply Chain Management	*Management Measures on Bidding and Procurement* *Management Rules on Construction Suppliers* *Supplier Management Rules for Non-Construction Projects* *Pre-recruitment Work Manual on Construction Suppliers* *Management Rules of Bid Evaluation Experts and Bid Evaluation Expert Pools for Construction Projects* *Strategic Procurement Results Management Rules* *Management Rules for Bid Invitation and Procurement for Non-construction Projects* *Management Rules for Bid Invitation and Procurement for Construction Projects* *Guidelines on Risk Management of Bid Invitation, Procurement and Bid Determination for Construction Projects* *Guidelines on Performance Risk Management for Suppliers in Construction Projects* *Guidelines on Risk Prevention and Control for the Application of Strategic Procurement Results of Construction Projects* *Management Rules for Bid Invitation and Procurement Platforms* *Management Rules for the Application of Employer Supplied Items* *Management Rules for Supply Chain Platforms* *Guidelines for the Whole Process Management of Suppliers in Construction Projects* *Guidelines for Brand Access and Selection Management of Recommended Materials for General Contractors* *Guidelines for the Admission and Expansion of Non-Construction Suppliers* *Guidelines for the Management of Bid Invitation and Procurement Inspection of Construction Projects* *Supplier Code of Conduct* *Sustainable Procurement Policy*	*Bidding Law of the People's Republic of China* *Government Procurement Law of the People's Republic of China* *Regulations for the Implementation of the Bidding Law of the People's Republic of China* *Provisions on Engineering Projects Which Must Be Subject to Bidding*

ESG Metrics	Internal Policies	External Policies
B.Social		
B6 Product Responsibility	*Customer Relationship Management Approach* *Detailed Provisions on Customer Complaint Management* *Information Security Policy* *Data Security Management Rules* *Rules on Customer Resource Management and Synergies* *Enjoy Club Management Rules* *Manual of Members of Enjoy Club* *Rules of Recommend House-purchasing of Members of Enjoy Club*	*Construction Law of the People's Republic of China* *Product Quality Law of the People's Republic of China* *Regulation on the Quality Management of Construction Projects* *Cybersecurity Law of the People's Republic of China* *Data Security Law of the People's Republic of China* *Urban Real Estate Administration Law of the People's Republic of China* *Advertising Law of the People's Republic of China* *Regulatory Measures on the Sale of Commercial Houses* *Law of the People's Republic of China on the Protection of Consumer Rights and Interests* *Patent Law of the People's Republic of China* *Administrative Ordinance on Development and Management of Urban Real Estate* *Copyright Law of the People's Republic of China* *Civil Code of the People's Republic of China* *Personal Information Protection Law of the People's Republic of China* *Trademark Law of the People's Republic of China*
B7 Anti-corruption	*Code of Business Ethics* *Anti-corruption and Anti-bribery Policy* *Whistleblower Policy* *Comprehensive Risk Management Approach* *Compliance Management Approach* *Tax Compliance Policy* *Administrative Rules for Integrity Supervisors* *Accountability Management Measures* *Guidelines for Overall Disposal of Issue Reflections* *Reward and Penalty Management Rules* *Fund Management Measures* *Detailed Rules of Three Official Expenditures* *Guidelines for Daily Supervision, Inspection, Problem Discovery, Notification, and Clue Transfer*	*Anti-Money Laundering Law of the People's Republic of China* *Prevention of Bribery Ordinance* *Anti-Unfair Competition Law of the People's Republic of China*
B8 Community Investment	*Management Measures for the Yuexiu Property Volunteers Association*	*Charity Law of the People's Republic of China* *The Law of the People's Republic of China on Donations for Public Welfare* *Civil Code of the People's Republic of China*
Other Internal Policies	*Sustainable Development Policy* *Green Finance Policy*	

ESG Performance

List of Environmental ESG Performance Indicators

Greenhouse Gas Emissions and Intensity

Greenhouse Gas Emissions and Intensity	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Greenhouse gas emissions (Scope 1)	Ton (Carbon Dioxide Equivalent)	1,932.02	6,328.83	3,711.57	656.15	4,367.72
Greenhouse gas emissions (Scope 2) (Location-based)	Ton (Carbon Dioxide Equivalent)	62,405.47	140,929.51	64,596.51	67,347.28	131,943.79
Greenhouse gas emissions (Scope 3)	Ton (Carbon Dioxide Equivalent)	2,826.00	2,879.64	957,115.58	85,594.12	1,042,709.70
Category 1: Purchased goods and services[1]	Ton (Carbon Dioxide Equivalent)	/	/	890,397.80	26,262.94	916,660.74
Category 3: Fuel- and energy-related activities (not included in scope 1 or scope 2)	Ton (Carbon Dioxide Equivalent)	/	/	21,146.01	21,492.59	42,638.60
Category 5: Waste generated in operations	Ton (Carbon Dioxide Equivalent)	/	/	461.87	100.75	562.62
Category 6: Business travel	Ton (Carbon Dioxide Equivalent)	2,826.00	2,879.64	1,547.99	242.23	1,790.22
Category 7: Employee commuting[2]	Ton (Carbon Dioxide Equivalent)	/	/	4,757.52	1,435.43	6,192.95
Category 13: Downstream leased assets[3]	Ton (Carbon Dioxide Equivalent)	/	/	38,804.39	36,060.18	74,864.57
Total greenhouse gas emissions (Scope 1 and Scope 2)	Ton (Carbon Dioxide Equivalent)	64,337.49	147,258.34	68,308.08	68,003.43	136,311.51
Greenhouse gas emission intensity (Scope 1 and Scope 2)	Ton/person	3.34	9.70			9.72
Greenhouse gas emission intensity (Scope 1 and Scope 2)	Ton/RMB1 million	0.80	1.70			1.58
Greenhouse gas emission intensity (Scope 1 and Scope 2)	Ton/10,000 m^2	25.06	20.67			18.07

1 The higher emissions reported for this category are attributable to the estimation methodology applied for the current reporting year, which utilizes total payments made to general contractors. Due to the difficulty in isolating expenditures specific to Category 1, the data presented may inadvertently include costs associated with other categories, such as design and drafting fees or electricity consumption at construction sites.

2 Category 7 emissions are calculated based on commuting distances derived from estimated commuting time.

3 For Category 13, tenant emissions are only included for a portion of the Company's asset portfolio, as tenant-specific consumption could not be disaggregated for certain assets.

A1. Emissions

A1.1 The types of emissions and respective emissions data	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Nitrogen oxides (NO_X)	Ton	1.21	1.04	0.75	0.16	0.91
Sulphur dioxide (SO_2)	Kg	3.03	2.45	1.56	0.49	2.04
Particle matter	Kg	114.76	96.55	70.38	13.91	84.29

A1.3 & 1.4 Waste produced	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Total hazardous waste	Ton	19.67	18.66	14.94	6.96	21.89
Hazardous waste intensity	Ton/person	0.001	0.001			0.002
Hazardous waste intensity	Ton/RMB1 million	0.0002	0.0002			0.0003
Hazardous waste intensity	Ton/10,000 ㎡	0.008	0.0003			0.003
Total non-hazardous waste	Ton	132,829.31	18,237.98	14,367.58	509.86	14,877.43
Non-hazardous waste intensity	Ton/person	6.89	1.20			1.06
Non-hazardous waste intensity	Ton/RMB1 million	1.66	0.21			0.17
Non-hazardous waste intensity	Ton/10,000 ㎡	51.74	2.56			1.97
Fluorescent lamps containing mercury or energy-saving lamps	Ton	5.82	4.91	0.66	5.06	5.72
Waste cartridges and toner cartridges	Ton	1.69	2.04	1.43	0.80	2.23
Waste electrical and electronic equipment	Ton	12.51	11.71	12.85	1.10	13.95
Medical waste	Ton	/	/	/	/	/
Office paper	Ton	113.30	138.87	74	58	132.11
Construction and demolition waste	Ton	132,086.29	7,534.09	8,054.47	/	8,054.47
Waste furniture	Ton	18.55	410.16	437.65	4.44	442.09
Gardening waste	Ton	208.20	321.01	142.28	302.99	445.26
Total other non-hazardous waste	Ton	516.28	9,972.71	5,733.17	202.43	5,935.60

A1.5 & 1.6 Waste recovery	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Recycling of computers	Ton	6.88	17.54	10.83	0.48	11.31
Recycling of metal construction waste	Ton	47,507.39	11,915.81	7,211.00	/	7,211.00
Earthwork recycling	Ton	814,826.35	1,738,298.44	1,182,116.23	/	1,182,116.23

A2. Use of Resources

A2.1 Energy consumption and intensity	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Gasoline	Litre	188,607.27	137,139.40	99,298.85	12,166.85	111,465.70
Gasoline intensity	Litre/person	9.78	9.03			7.95
Gasoline intensity	Litre/RMB1 million	2.35	1.59			1.29
Gasoline intensity	Litre/10,000 m^3	73.47	19.25			14.77
Diesel oil	Litre	15,812.87	27,263.87	6,118.90	19,025.54	25,144.44
Diesel oil intensity	Litre/person	0.82	1.80			1.79
Diesel oil intensity	Litre/RMB1 million	0.20	0.32			0.29
Diesel oil intensity	Litre/10,000 m^3	6.16	3.83			3.33
Canned LPG	Kg	14,800.50	6,233.27	2,709.00	521.00	3,230.00
Canned LPG intensity	Kg/person	0.77	0.41			0.23
Canned LPG intensity	Kg/RMB1 million	0.18	0.07			0.04
Canned LPG intensity	Kg/10,000 m^3	5.77	0.87			0.43
Natural gas	m^3	654,732.96	2,637,911.87	1,520,691.98	266,996.00	1,787,687.98
Natural gas intensity	m^3/person	33.95	173.73			127.47
Natural gas intensity	m^3/RMB1 million	8.16	30.53			20.68
Natural gas intensity	m^3/10,000 ㎡	255.06	370.19			236.95
Pipeline gas	m^3	11,930.00	214,839.00	176,012.00	0	176,012.00
Pipeline gas intensity	m^3/person	0.62	14.15			12.55
Pipeline gas intensity	m^3/RMB1 million	0.15	2.49			2.04
Pipeline gas intensity	m^3/10,000 ㎡	4.65	30.15			23.33
Total electricity consumption	kWh	109,425,687.93	253,224,370.78	121,742,389.23	126,926,641.72	248,669,030.95
Total electricity consumption intensity	kWh/person	5,673.55	16,677.05			17,731.68
Total electricity consumption intensity	kWh/RMB1 million	1,364.04	2,930.82			2,876.21
Total electricity consumption intensity	kWh/10,000 ㎡	42,627.85	35,536.07			32,960.30

A2.2 Water consumption and intensity	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Total water consumption	m^3	2,131,501.14	5,473,796.51	2,470,831.20	3,116,706.29	5,587,537.50
Water consumption intensity per RMB1 million	m^3/RMB1 million	26.57	63.35			398.43
Water consumption intensity per person	m^3/person	110.51	360.50			64.63
Water consumption intensity per 10,000 ㎡	m^3/10,000 ㎡	830.35	768.16			740.61

Notes:

1 The scope of the 2025 annual environmental key performance data collection about Yuexiu Property covers the office areas of Yuexiu Property and the public areas of projects managed by the Company. For environmental data related to Yuexiu Services, please refer to the Yuexiu Services 2025 ESG Report, which will be the authoritative source.

2 The historical data reported for the years 2023 and 2024 represent the aggregated figures of Yuexiu Property and Yuexiu Services.

3 Greenhouse gas emissions are calculated in accordance with the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)*.

Scope 3 Emissions Accounting and Reporting Methodology

Scope 3 Category	Category Boundary	Methodology	Emission Factor Data Sources
Category 1: Purchased Goods and Services	Emissions associated with Yuexiu Property's newly acquired property projects, embodied carbon during the pre-construction phase of new development projects, and emissions arising from purchased goods and services during the operation of existing projects	Emissions are calculated based on the Company's procurement expenditure on purchased goods and services, applying emission factors per unit of monetary value by category. The Company will continue to expand the scope of data collection, with the aim of achieving comprehensive coverage of purchased goods and services data in the future.	• *Supply Chain Greenhouse Gas Emission Factors for US Commodities and Industries (2020)* (U.S. Environmental Protection Agency) • *US Supply Chain Emission Factors by NAICS-6 Code, v1.3 (2024)* (U.S. Environmental Protection Agency)
Category 3: Fuel- and energy-related activities (not included in scope 1 or scope 2)	Emissions from the extraction, production, and transportation of fuels and energy purchased by Yuexiu Property (excluding emissions already accounted for under Scope 1 and Scope 2)	Emissions are calculated based on the quantities of various fuels and energy purchased by the Company, applying corresponding upstream emission factors to estimate emissions arising from extraction, production, and transportation processes.	• *UK Government GHG Conversion Factors for Company Reporting (2021 & 2025 editions)* • *National Electricity Carbon Footprint Factors (2024)* (Ministry of Ecology and Environment of China)
Category 5: Waste Generated in Operations	Emissions from the treatment and disposal of waste and wastewater generated during Yuexiu Property's operations by third-party facilities	Emissions are calculated based on the quantities of different types of waste generated during operations, applying emission factors corresponding to treatment methods (e.g. landfill, incineration) to estimate emissions from third-party treatment and disposal processes.	• *UK Government GHG Conversion Factors for Company Reporting (2025 edition)* • *Environmental, Social and Governance Report 2023–24* (Hong Kong Drainage Services Department) • *Manual for Accounting Methods and Emission Factors of Pollution Sources and Domestic Pollution Source Emission Factor Manual (2021 edition)* (Ministry of Ecology and Environment of China)
Category 6: Business Travel	Carbon emissions generated by employees' transportation on business travel, including various modes of transportation such as airplanes, trains, and cars, as well as their accommodation	Based on records from the "Personal Carbon Footprint" module within the ESG management system, travel data (e.g. location, distance or flight information) are categorised by transport mode and combined with relevant emission factors for calculation.	• *US Supply Chain Emission Factors by NAICS-6 Code, v1.3 (2024)* (U.S. Environmental Protection Agency) • *UK Government GHG Conversion Factors for Company Reporting (2025 edition)*

Scope 3 Category	Category Boundary	Methodology	Emission Factor Data Sources
Category 7: Employee Commuting	Emissions from employee commuting using private vehicles, buses, metro systems, and other modes of transport	Data on one-way commuting time and transport modes are collected through an online survey tool, and emissions are calculated based on the commuting patterns of employees.	• T/ACEF 182 - 2024 *Guidelines for Quantification of GHG Emission Reductions from Green and Low-Carbon Citizen Behaviours: Carpooling* • *UK Government GHG Conversion Factors for Company Reporting (2025 edition)* • *China Life Cycle GHG Emission Factor Database (2022)*
Category 13: Downstream Leased Assets	Emissions generated from assets owned by Yuexiu Property and leased to third parties, arising from lessees' operations during the reporting period	The asset-specific (site-level) data method is applied, using actual energy consumption data provided by lessees for calculation.	• *Environmental KPIs Reporting Guidance (2024 edition)* (Hong Kong Stock Exchange) • *Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong (2010)* (Environmental Protection Department and Electrical and Mechanical Services Department of the HKSAR Government) • Gas composition and calorific value information published on the official website of The Hong Kong and China Gas Company Limited (updated to 2025) • *Announcement on the Release of 2023 Power Sector CO_2 Emission Factors* (Ministry of Ecology and Environment of China)

List of Social ESG Performance Indicators

B1. Employment

B1.1 Total workforce by gender, employment type, age group and geographical region	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Total number of employees	Person	19,287	15,184	4,423	9,601	14,024
Male	Person	11,767	9,199	2,918	5,600	8,518
Female	Person	7,520	5,985	1,505	4,001	5,506
Full-time	Person	19,287	15,184	4,423	9,601	14,024
Part-time	Person	0	0	0	0	0
Senior management	Person	146	150	16	66	82
Middle management	Person	1,219	1,248	509	531	1,040
Saff	Person	17,922	13,786	3,898	9,004	12,902
18-29 years old	Person	4,854	3,604	497	2,517	3,014
30-49 years old	Person	11,046	9,394	3,628	5,199	8,827
50 years old or older	Person	3,387	2,186	298	1,885	2,183
Mainland of China	Person	18,578	14,402	4,374	8,837	13,211
Hong Kong, Macau and Taiwan	Person	705	779	49	762	811
Overseas	Person	4	3	0	2	2

B1.2 Employee turnover rate by gender, age group and geographical region	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Total employee turnover rate	%	25.64%	19.60%	20.92%	16.32%	17.83%
Male	%	25.03%	19.54%	19.06%	15.75%	16.91%
Female	%	26.58%	19.70%	24.30%	17.11%	19.21%
18-29 years old	%	34.49%	27.19%	33.02%	24.12%	25.75%
30-49 years old	%	21.03%	17.30%	19.47%	12.89%	15.72%
50 years old or older	%	25.40%	15.17%	13.87%	13.89%	13.89%
Mainland of China	%	25.37%	18.94%	20.95%	14.75%	16.91%
Hong Kong, Macau and Taiwan	%	32.28%	30.20%	18.33%	31.04%	30.39%
Overseas	%	0%	25.00%	/	33.33%	33.33%

B2. Health and Safety

B2.1 Number and rate of work-related fatalities	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Number of work-related deaths	Person	1	0	0	0	0
Rate of work-related fatalities	%	0.005%	0%	0%	0%	0%

B2.2 Lost days due to work injury	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Lost days due to work injury	Day	605	1,165	630	754	1,384

B3. Development and Training

B3.1 The percentage of employees trained by gender and employee category[4]	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
The percentage of employees trained	%	100%	100%	100%	100%	100%
Male	%	100%	100%	100%	100%	100%
Female	%	100%	100%	100%	100%	100%
Senior management	%	100%	100%	100%	100%	100%
Middle management	%	100%	100%	100%	100%	100%
Staff	%	100%	100%	100%	100%	100%

B3.2 The average training hours completed per employee by gender and employee category	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
All employees	Hour	39.25	55.72	148.06	52.43	82.59
Male	Hour	38.09	56.55	151.23	53.93	87.26
Female	Hour	41.07	54.46	141.90	50.34	75.37
Senior management	Hour	31.40	91.07	203.04	50.83	80.53
Middle management	Hour	25.36	81.62	34.88	80.90	58.38
Staff	Hour	40.26	52.99	144.67	50.76	79.14

4 Past years figures for percentage of employees trained by gender and employee category are restated.

B5. Supplier Management

B5.1 Number of suppliers by geographical region	Unit	2023	2024	2025
Total	Supplier	21,529	24,075	25,337
Southern China	Supplier	9,061	10,227	10,361
Eastern China	Supplier	6,160	6,930	7,193
Central China	Supplier	2,795	2,799	3,145
Northern China	Supplier	1,896	2,124	2,299
Western China	Supplier	1,588	1,964	2,307
Hong Kong, Macau, Taiwan and overseas	Supplier	29	31	32

B6. Product Responsibility

B6.2 Number of products and service related complaints received	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Total number of products and service related complaints	Case	43,173	43,362	11,941	27,802	39,743

B7. Anti-corruption

B7.1 Number of legal cases regarding corrupt practices	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Number of filed or concluded legal cases regarding corrupt practices	Case	0	0	0	0	0

B7.3 Description of anti-corruption training provided to directors and employees	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Number of directors and employees attending anti-corruption training	Person	15,638	13,987	4,423	9,074	13,497
Number of hours of directors and employees attending training	Hour	45,806	39,166	9,629	17,806	27,435

B8. Community Investment

B8.2 Resources contributed to the focus area	Unit	2023	2024	2025		
				Yuexiu Property	Yuexiu Services	Total
Employees' participation in public welfare/ voluntary events	person-time	4,003	3,316	2,523	756	3,279
Total contribution in public welfare	RMB10,000	23,519	9,699.5	8,543	2,082	10,625

INDEXES OF ESG REPORTING CODE OF HONG KONG STOCK EXCHANGE (HKEX)

Issues	Code Requirements		Disclosure Section
A. Environmental			
A1: Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		2.2 Climate-related Framework and Policy (50-52)
	KPI A1.1	The types of emissions and respective emissions data.	Appendix: ESG Performance (282-285)
	KPI A1.2	[Repealed 1 January 2025]	/
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix: ESG Performance (283)
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Appendix: ESG Performance (283)
	KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	1.1 Carbon Reduction Blueprint and Objectives (26-34)
	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.	2.4.3 Waste Management (103-104)

Issues	Code Requirements		Disclosure Section
A. Environmental			
A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.		2.2 Climate-related Framework and Policy (50-52)
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Appendix: ESG Performance (284)
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix: ESG Performance (284)
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	2.4.1 Energy Management (100-101)
	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.	2.1 Annual Progress and Highlights-Water Resources Management 2.4.2 Water Resource Management (50/101-103)
	KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	(The Group's core business operations do not involve the use of packaging materials for its products, therefore A2.5 is not applicable)
A3: The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.		2.3 Biodiversity-related Disclosure (76-79)
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	2.3 Biodiversity-related Disclosure (76-79)

Issues	Code Requirements		Disclosure Section
A. Environmental			
A4: Climate Change	[Repealed 1 January 2025]		/
	KPI A4.1	[Repealed 1 January 2025]	/
B. Social			
B1: Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		4.2.2 Employee Rights Protection 4.2.3 Employee Career Development 4.2.4 Employee Wellbeing (185-200)
	KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	4.2.3 Employee Career Development Appendix: ESG Performance (189/287)
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix: ESG Performance (287)
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.		4.2.1 Occupational Health and Safety (179-185)
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	4.2.1 Occupational Health and Safety Appendix: ESG Performance (179-185/288)
	KPI B2.2	Lost days due to work injury.	4.2.1 Occupational Health and Safety Appendix: ESG Performance (179-185/288)
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	4.2.1 Occupational Health and Safety (179-185)

Issues	Code Requirements		Disclosure Section
B. Social			
B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		4.2.3 Employee Career Development (188-195)
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	4.2.3 Employee Career Development Appendix: ESG Performance (188-195/288)
	KPI B3.2	The average training hours completed per employee by gender and employee category.	4.2.3 Employee Career Development Appendix: ESG Performance (188-195/288)
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.		4.2.2 Employee Rights Protection (185-188)
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	4.2.2 Employee Rights Protection (185-188)
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	4.2.2 Employee Rights Protection (185-188)
B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.		5.7 Responsible Supply Chain Governance (256-263)
	KPI B5.1	Number of suppliers by geographical region.	Appendix: ESG Performance (289)
	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.	5.7 Responsible Supply Chain Governance (256-263)
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	5.7 Responsible Supply Chain Governance (256-263)
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	5.7 Responsible Supply Chain Governance (256-263)

Issues	Code Requirements		Disclosure Section
B. Social			
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.		3.2 Green Design and Construction (111-149)
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	(There were no product or service recall events during the reporting period that had a significant impact on the Group's operations, therefore B6.1 is not applicable)
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Appendix: ESG Performance (289)
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	5.5 Intellectual Property and Compliance (251-252)
	KPI B6.4	Description of quality assurance process and recall procedures.	3.2.1 Green Building Concepts and Techniques (111-137)
	KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	5.6 Data Privacy and Security (253-255)

Issues	Code Requirements		Disclosure Section
B. Social			
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.		5.3 Business Ethics and Anti-corruption (243-248)
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Appendix: ESG Performance (290) (No such cases occurred during the reporting period)
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	5.3 Business Ethics and Anti-corruption (243-248)
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	5.3 Business Ethics and Anti-corruption (243-248)
B8: Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		4.3 Social Responsibility and Public Welfare 4.4 Sustainable Development Practices (201-217/218-233)
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	4.3.1 Building a Comprehensive Education Ecosystem 4.3.2 Education Support and Rural Revitalisation 4.3.3 Building a Fulfilling Life for the Elderly in the Community 4.3.4 Local Community and Cultural Heritage (201-216)
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	4.3.5 Promoting Urban Wellbeing through Volunteer Services (216-217)

Part D	Guide Requirements	Disclosure Section
Climate-related Disclosures		
(I) Governance		
19(a)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities.	2.2 Climate-related Framework and Policy (50-52)
19(b)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities	2.2 Climate-related Framework and Policy (50-52)
(II) Strategy		
Climate-related risks and opportunities		
20	An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term.	2.2.1 Strategy (52-63)
Business model and value chain		
21	An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain.	2.2.1 Strategy (52-63)
Strategy and decision-making		
22	An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making.	2.2.3 Metrics and Targets (66-75)
23	An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	2.2.3 Metrics and Targets (66-75)

Part D	Guide Requirements	Disclosure Section
Financial position, financial performance and cash flows		
Current and anticipated financial effect		
24	An issuer shall disclose qualitative and quantitative information about: (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	2.2.3 Metrics and Targets (66-75) (After assessment, the Company is currently unable to provide current quantitative financial impacts related to climate-related matters, as the relevant impacts cannot be reliably identified separately, and the methods and assumptions used to estimate these impacts still have a high degree of uncertainty. Therefore, the currently available quantitative information has no reference value. The Company has recorded these impacts in relevant items in the financial statements to the extent feasible and will reassess whether they still meet relevant exemption conditions. Meanwhile, work to quantify the financial impact data has commenced, and the data is still being calculated and will be disclosed in a subsequent reporting year. The Group plans to introduce professional analytical tools in 2026 to conduct stress testing on its core assets, assessing the impact of physical and transition risks on financial metrics such as Climate Value-at-Risk (CVaR), capital expenditure (CapEx), operating expenditure (OpEx), expected credit losses (ECL), and financing costs. The relevant results will be incorporated into the risk management and capital assessment processes to support investment decisions and long-term strategic planning, thereby enhancing financial resilience and sustainable value creation capability. There were no material risks identified during the reporting period that would necessitate a significant adjustment to the carrying amounts of assets and liabilities in the financial statements for the next annual reporting period.)

Part D	Guide Requirements	Disclosure Section
Financial position, financial performance and cash flows		
Current and anticipated financial effect		
25	The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	2.2.3 Metrics and Targets (66-75) (After evaluation according to current climate-related disclosure requirements, the Company believes it is currently unable to provide quantitative expected financial impacts related to climate-related matters. Such impacts currently cannot be reliably identified separately (including the overlapping effects of climate factors and other market factors), and related estimation methods and assumptions, especially regarding medium- to long-term scenarios, still have a high degree of uncertainty. Therefore, the current quantitative information is not sufficiently reliable and does not have significant reference value for decision-making. Meanwhile, work to quantify the financial impact data has commenced, and the data is still being calculated and will be disclosed in a subsequent reporting year. The Group plans to introduce professional analytical tools in 2026 to conduct stress testing on its core assets, assessing the impact of physical and transition risks on financial metrics such as Climate Value-at-Risk (CVaR), capital expenditure (CapEx), operating expenditure (OpEx), expected credit losses (ECL), and financing costs. The relevant results will be incorporated into the risk management and capital assessment processes to support investment decisions and long-term strategic planning, thereby enhancing financial resilience and sustainable value creation capability)

Part D	Guide Requirements	Disclosure Section
Climate resilience		
24	An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range.	2.2.1 Strategy (52-63) 2.2.3 Metrics and Targets (66-75)
(III) Risk Management		
27	An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks. (b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	2.2.1 Strategy (52-63) 2.2.2 Risk Management (66-75)
(IV) Metrics and Targets		
Greenhouse gas emissions		
28	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	2.2.3 Metrics and Targets (66-75) Appendix: ESG Performance (282)
29	An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	2.2.3 Metrics and Targets (66-75) Appendix: ESG Performance (282)

Part D	Guide Requirements	Disclosure Section
Climate-related transition risks		
30	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	(After prudent assessment, the Company is currently unable to make complete disclosures regarding Items 30, 31, 32 and 33 of the HKEX Environmental, Social and Governance (ESG) Reporting Code as the financial impacts brought by relevant climate factors currently cannot be reliably identified separately, and related estimation methods, input data and assumptions still have a high degree of uncertainty, especially when involving medium- to long-term scenario analysis. Therefore, quantitative disclosures at this stage might not possess adequate reliability and comparability, nor might they have substantial reference value. Relevant data is still being collected and calculated, and quantification methods and data foundations are being continuously improved. Disclosures will be made in subsequent reporting year once the information is available)
Climate-related physical risks		
31	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	(After prudent assessment, the Company is currently unable to make complete disclosures regarding Items 30, 31, 32 and 33 of the HKEX Environmental, Social and Governance (ESG) Reporting Code as the financial impacts brought by relevant climate factors currently cannot be reliably identified separately, and related estimation methods, input data and assumptions still have a high degree of uncertainty, especially when involving medium- to long-term scenario analysis. Therefore, quantitative disclosures at this stage might not possess adequate reliability and comparability, nor might they have substantial reference value. Relevant data is still being collected and calculated, and quantification methods and data foundations are being continuously improved. Disclosures will be made in subsequent reporting year once the information is available)

Part D	Guide Requirements	Disclosure Section
Climate-related opportunities		
32	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	(After prudent assessment, the Company is currently unable to make complete disclosures regarding Items 30, 31, 32 and 33 of the HKEX Environmental, Social and Governance (ESG) Reporting Code as the financial impacts brought by relevant climate factors currently cannot be reliably identified separately, and related estimation methods, input data and assumptions still have a high degree of uncertainty, especially when involving medium- to long-term scenario analysis. Therefore, quantitative disclosures at this stage might not possess adequate reliability and comparability, nor might they have substantial reference value. Relevant data is still being collected and calculated, and quantification methods and data foundations are being continuously improved. Disclosures will be made in subsequent reporting year once the information is available)
Capital deployment		
33	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	2.2.3 Metrics and Targets (66-75) (After prudent assessment, the Company is currently unable to make complete disclosures regarding Item 33 of the HKEX Environmental, Social and Governance (ESG) Reporting Code as the financial impacts brought by relevant climate factors currently cannot be reliably identified separately, and related estimation methods, input data and assumptions still have a high degree of uncertainty, especially when involving medium- to long-term scenario analysis. Therefore, quantitative disclosures at this stage might not possess adequate reliability and comparability, nor might they have substantial reference value. The amount of capital expenditure or investment deployed towards climate-related risks and opportunities is still being collected and calculated, and quantification methods and data foundations are being continuously improved. Disclosures will be made in subsequent reporting year once the information is available)

Part D	Guide Requirements	Disclosure Section
Internal carbon prices		
34	An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	2.2.3 Metrics and Targets (66-75) (The Company currently does not apply a carbon pricing mechanism in its decision-making, but is actively studying and assessing its applicability at this stage.)
Remuneration		
35	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	1.1 Carbon Reduction Blueprint and Objectives (26-34)
Industry-based metrics		
36	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	2.2.3 Metrics and Targets (66-75) Appendix: ESG Performance (311-312)
Climate-related targets		
37	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	1.1 Carbon Reduction Blueprint and Objectives (26-34) 2.2.3 Metrics and Targets (66-75)
38	An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	1.1 Carbon Reduction Blueprint and Objectives (26-34)
39	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	2.1 Annual Progress and Highlights (49-50)

Part D	Guide Requirements	Disclosure Section
Climate-related targets		
40	For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose: (a) which greenhouse gases are covered by the target; (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; (d) whether the target was derived using a sectoral decarbonisation approach; and (e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	1.1 Carbon Reduction Blueprint and Objectives (26-34) 2.1 Annual Progress and Highlights (49-50)
Applicability of cross-industry metrics and industry-based metrics		
41	In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	/

GLOBAL REPORTING INITIATIVE (GRI) GUIDELINES INDICATOR INDEX

No.	Indicator	Disclosure Section
General Standard Disclosures		
The organization and Its Reporting Practices		
2-1	Organizational details	About Yuexiu Property (20-21)
2-2	Entities included in the organization's sustainability reporting	About the Report (22-23)
2-3	Reporting period, frequency and contact point	About the Report (22-23)
2-4	Restatements of information	About the Report (22-23)
2-5	External assurance	Appendix: Independent Assurance Report (344-345)
Activities and Workers		
2-6	Activities, value chain and other business relationships	About Yuexiu Property (20-21)
2-7	Employees	4.2.3 Employee Career Development Appendix: ESG Performance (188-189/287)
2-8	Workers who are not employees	4.2.3 Employee Career Development Appendix: ESG Performance (188-189/287)
Governance		
2-9	Governance structure and composition	1.2 Sustainability Governance (35-41)
2-10	Nomination and selection of the highest governance body	1.2 Sustainability Governance (35-41)
2-11	Chair of the highest governance body	1.2 Sustainability Governance (35-41)
2-12	Role of the highest governance body in overseeing the management of impacts	1.2 Sustainability Governance (35-41)
2-13	Delegation of responsibility for managing impacts	1.2 Sustainability Governance (35-41)
2-14	Role of the highest governance body in sustainability reporting	Sustainable Development Philosophy 1.2 Sustainability Governance (10-11/35-41)
2-15	Conflicts of interest	5.3 Business Ethics and Anti-corruption 5.7 Responsible Supply Chain Governance (243-248/262)
2-16	Communication of critical concerns	1.3 Double Materiality Assessment (42-45)
2-17	Collective knowledge of the highest governance body	Sustainable Development Philosophy 1.2 Sustainability Governance (9/35-41)
2-18	Evaluation of the performance of the highest governance body	Sustainable Development Philosophy (10-11)
2-19	Remuneration policies	4.2.2 Employee Rights Protection (185-188)
2-20	Process to determine remuneration	4.2.2 Employee Rights Protection (185-188)

No.	Indicator	Disclosure Section
General Standard Disclosures		
Strategies, Policies and Practices		
2-22	Statement on sustainable development strategy	Sustainable Development Strategy (13)
2-23	Policy commitments	Sustainable Development Philosophy (10-11)
2-24	Embedding policy commitments	Sustainable Development Philosophy (10-11)
2-25	Processes to remedy negative impacts	5.4 Crisis Management and Emergency Response (248-250)
2-26	Mechanisms for seeking advice and raising concerns	About the Report 1.3 Double Materiality Assessment (22-23/42-45)
2-27	Compliance with laws and regulations	Appendix: List of Sustainability Policies and Systems (278-281)
Stakeholder Engagement		
2-29	Approach to stakeholder engagement	1.3 Double Materiality Assessment (42-45)
2-30	Collective bargaining agreements	4.2.2 Employee Rights Protection (185-188)
Material Topics		
3-1	Process to determine material topics	1.3 Double Materiality Assessment (42-45)
3-2	List of material topics	1.3 Double Materiality Assessment (42-45)
3-3	Management of material topics	1.3 Double Materiality Assessment (42-45)
Economic Topics		
201-1	Direct economic value generated and distributed	About Yuexiu Property 6.2 Green Finance (20-21/267-269)
201-2	Financial implications and other risks and opportunities due to climate change	2.2.1 Strategy (52-63)
201-3	Defined benefit plan obligations and other retirement plans	4.2.4 Employee Wellbeing (196-200)
Indirect Economic Impacts		
203-1	Infrastructure investments and services supported	4.3 Social Responsibility and Public Welfare 4.4 Sustainable Development Practices (201-217/218-233)
203-2	Significant indirect economic impacts	4.3 Social Responsibility and Public Welfare 6.2 Green Finance (201-217/267-269)

No.	Indicator	Disclosure Section
General Standard Disclosures		
Anti-corruption		
205-1	Operations assessed for risks related to corruption	5.3 Business Ethics and Anti-corruption (243-248)
205-2	Communication and training about anti corruption policies and procedures	5.3 Business Ethics and Anti-corruption Appendix: ESG Performance (243-248/290)
205-3	Confirmed incidents of corruption and actions taken	(During the reporting period, the Group have not involved in any litigations relating to corruption, money laundering, unfair competition or monopoly.)
Materials		
301-1	Materials used by weight or volume	Appendix: ESG Performance (283-284)
301-2	Recycled input materials used	2.4 Resource Circularity and Waste Reduction 3.2.2 Technology empowers construction 3.4.3 Circular economy (100-104/138-149/170-171)
301-3	Reclaimed products and their packaging materials	(Products covered by the Group's main businesses require no packing materials.)
Energy		
302-1	Energy consumption within the organization	Appendix: ESG Performance (284)
302-2	Energy consumption outside the organization	Appendix: ESG Performance (284)
302-3	Energy intensity	Appendix: ESG Performance (284)
302-4	Reduction of energy consumption	3.2 Green Design and Construction (111-149)
302-5	Reductions in energy requirements of products and services	3.2 Green Design and Construction (111-149)

No.	Indicator	Disclosure Section
Water and Effluents		
Topic Management Disclosures		
303-1	Interactions with water as a shared resource	2.4.2 Water Resource Management (101-103)
303-2	Management of water discharge-related impacts	2.4.2 Water Resource Management (101-103)
Topic Disclosures		
303-3	Water withdrawal	Appendix: ESG Performance (284)
303-5	Water consumption	Appendix: ESG Performance (284)
Biodiversity		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	2.3 Biodiversity-related Disclosure (76-99)
304-2	Significant impacts of activities, products and services on biodiversity	2.3 Biodiversity-related Disclosure (76-99)
304-3	Habitats protected or restored	2.3 Biodiversity-related Disclosure (76-99)
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	(None of the Group's operating regions affect endangered species.)
Emissions		
305-1	Direct (Scope 1) GHG emissions	Appendix: ESG Performance (282)
305-2	Energy indirect (Scope 2) GHG emissions	Appendix: ESG Performance (282)
305-3	Other indirect (Scope 3) GHG emissions	Appendix: ESG Performance (282)
305-4	GHG emissions intensity	Appendix: ESG Performance (282)
305-5	Reduction of GHG emissions	Appendix: ESG Performance (282)
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Appendix: ESG Performance (283)
Effluents and Waste		
306-3	Significant spills	(The Group had no relevant event during the reporting period.)

No.	Indicator	Disclosure Section
Water and Effluents		
Supplier Environmental Assessment		
308-1	New suppliers that were screened using environmental criteria	5.7 Responsible Supply Chain Governance (256-263)
308-2	Negative environmental impacts in the supply chain and actions taken	5.7 Responsible Supply Chain Governance (256-263)
Employment		
401-1	New employee hires and employee turnover rates	Appendix: ESG Performance (287)
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.2.4 Employee Wellbeing (196-200)
401-3	Parental leave	4.2.2 Employee Rights Protection (185-188)
Occupational Health and Safety		
Topic Management Disclosures		
403-1	Occupational health and safety management system	4.2.1 Occupational Health and Safety (179-185)
403-2	Hazard identification, risk assessment, and incident investigation	4.2.1 Occupational Health and Safety (179-185)
403-3	Occupational health services	4.2.1 Occupational Health and Safety (179-185)
403-4	Worker participation, consultation, and communication on occupational health and safety	4.2.1 Occupational Health and Safety (179-185)
403-5	Worker training on occupational health and safety	4.2.1 Occupational Health and Safety (179-185)
403-6	Promotion of worker health	4.2.1 Occupational Health and Safety (179-185)
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.2.1 Occupational Health and Safety (179-185)
403-8	Workers covered by an occupational health and safety management system	4.2.1 Occupational Health and Safety (179-185)
403-9	Work-related injuries	4.2.1 Occupational Health and Safety Appendix: ESG Performance (179-185/288)
403-10	Work-related ill health	4.2.1 Occupational Health and Safety (179-185)
Training and Education		
404-1	Average hours of training per year per employee	Appendix: ESG Performance (288)
404-2	Programs for upgrading employee skills and transition assistance programs	4.2.3 Employee Career Development (188-195)
Diversity and Equal Opportunity		
405-1	Diversity of governance bodies and employees	Board Diversity 4.2.3 Employee Career Development Appendix: ESG Performance (9/188-195/287)
405-2	Ratio of basic salary and remuneration of women to men	4.2.3 Employee Career Development (188-195)

No.	Indicator	Disclosure Section
Occupational Health and Safety		
Anti-discrimination		
406-1	Incidents of discrimination and corrective actions taken	4.2.2 Employee Rights Protection (185-188)
Freedom of Association and Collective Bargaining		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	4.2.2 Employee Rights Protection (185-188)
Child Labor		
408-1	Operations and suppliers at significant risk for incidents of child labor	4.2.2 Employee Rights Protection (185-188)
Forced or Compulsory Labor		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	4.2.2 Employee Rights Protection (185-188)
Local Communities		
413-1	Operations with local communities engagement, impact assessments, and development programs	4.4 Sustainable Development Practices (218-233)
413-2	Operations with significant actual and potential negative impacts on local communities	4.4 Sustainable Development Practices (218-233)
Supplier Social Assessment		
414-1	New suppliers that were screened using social criteria	5.7 Responsible Supply Chain Governance (256-263)
414-2	Negative social impacts in the supply chain and actions taken	5.7 Responsible Supply Chain Governance (256-263)
Customer Health and Safety		
416-1	Assessment of the health and safety impacts of product and service categories	3.2 Green Design and Construction (111-149)
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	(The Group had no relevant event during the reporting period.)
Marketing and Labeling		
417-1	Requirements for product and service information and labeling	5.3 Business Ethics and Anti-corruption (243-248)
417-2	Incidents of non-compliance concerning product and service information and labeling	5.3 Business Ethics and Anti-corruption (243-248)
417-3	Incidents of non-compliance concerning marketing communication	(The Group had no relevant event during the reporting period.)
Customer Privacy		
418-1	Substantiated complaints concerning breaches of customer privacy or losses of customer data	(The Group had no relevant event during the reporting period.)

INDEX TO SASB INDICATORS

Theme	Indicator	Code	Disclosure Section
Energy management	Energy consumption data coverage as a percentage of total floor area	IF-RE-130a.1	/
	(1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity and (3) percentage renewable, by property sector	IF-RE-130a.2	Appendix: ESG Performance (284)
	Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	IF-RE-130a.3	/
	Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property sector	IF-RE-130a.4	/
	Description of how building energy management considerations are integrated into property investment analysis and operational strategy	IF-RE-130a.5	2.4.1 Energy Management 3.2 Green Design and Construction (100-101/111-149)
Water Management	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property sector	IF-RE-140a.1	/
	(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property sector	IF-RE-140a.2	Appendix: ESG Performance (284)
	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector	IF-RE-140a.3	Appendix: ESG Performance (284)
	Description of water management risks and discussion of strategies and practices to mitigate those risks	IF-RE-140a.4	2.1 Annual Progress and Highlights 2.4.2 Water Resource Management (49-50/101-103)

Theme	Indicator	Code	Disclosure Section
Management of Tenant Sustainability Impacts	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency related capital improvements and (2) associated leased floor area, by property sector	IF-RE-410a.1	3.4 Green Operations and Leasing (167-173)
	Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property sector	IF-RE-410a.2	/
	Discussion of approach to measuring, incentivising and improving sustainability impacts of tenants	IF-RE-410a.3	3.4 Green Operations and Leasing (167-173)
Climate Change Adaptation	Area of properties located in 100-year flood zones, by property sector	IF-RE-450a.1	/
	Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	IF-RE-450a.2	2.2.1 Strategy (52-63)

INDEX OF REFERENCE INDICATORS OF THE ESG SPECIAL REPORT REFERENCE INDEX SYSTEM FOR LISTED COMPANIES CONTROLLED BY CENTRAL ENTERPRISES

Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
E.1 Consumption of Resources	E.1.1 Water resources	E.1.1.1 Fresh water consumption	Appendix: ESG Performance (284)
		E.1.1.2 Circulating water consumption	/
		E.1.1.3 Percentage of circulating water consumption	/
		E.1.1.4 Intensity of water consumption	Appendix: ESG Performance (284)
	E.1.2 Materials	E.1.2.1 Consumption of non-renewable materials	/
		E.1.2.2 Consumption of toxic and hazardous materials	Appendix: ESG Performance (283)
		E.1.2.3 Intensity of material consumption	Appendix: ESG Performance (283)
	E.1.3 Energy	E.1.3.1 Fossil energy consumption	Appendix: ESG Performance (284)
		E.1.3.2 Non-fossil energy consumption	Appendix: ESG Performance (284)
		E.1.3.3 Percentage of non-fossil energy consumption	Appendix: ESG Performance (284)
		E.1.3.4 Total energy consumption	Appendix: ESG Performance (284)
		E.1.3.5 Intensity of energy consumption	Appendix: ESG Performance (284)
	E.1.4 Packaging materials	E.1.4.1 Packaging material consumption	/
		E.1.4.2 Light-weighting and reduction of packaging materials	/

Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
E.2 Pollution Prevention and Control	E.2.1 Wastewater	E.2.1.1 Compliance with wastewater discharge standards	/
		E.2.1.2 Measures for wastewater management and discharge reduction	2.4.2 Water Resource Management (101-103)
		E.2.1.3 Wastewater discharge	/
		E.2.1.4 Wastewater pollutant discharge volume	/
		E.2.1.5 Concentration of wastewater pollutant discharge	/
	E.2.2 Exhaust gas	E.2.2.1 Compliance with exhaust gas emission standards	/
		E.2.2.2 Volume of exhaust gas pollutant emissions	/
		E.2.2.3 Concentration of exhaust gas pollutant emissions	/
	E.2.3 Solid waste	E.2.3.1 Compliance with solid waste disposal laws and regulations	2.4.3 Waste Management (103-104)
		E.2.3.2 Management of general industrial solid waste	2.4.3 Waste Management (103-104)
		E.2.3.3 Volume of general industrial solid waste disposed	Appendix: ESG Performance (283)
		E.2.3.4 Hazardous waste management	2.4.3 Waste Management (103-104)
		E.2.3.5 Volume of hazardous waste disposed	Appendix: ESG Performance (283)

Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
E.3 Climate Change	E.3.1 Greenhouse gas emissions	E.3.1.1 Source and type of greenhouse gas	2.2 Climate-related Framework and Policy (50-73)
		E.3.1.2 Management of greenhouse gas emissions	2.2 Climate-related Framework and Policy (50-73)
		E.3.1.3 Scope 1 emissions	Appendix: ESG Performance (282)
		E.3.1.4 Scope 2 emissions	Appendix: ESG Performance (282)
		E.3.1.5 Scope 3 emissions	Appendix: ESG Performance (282)
		E.3.1.6 Intensity of greenhouse gas emissions	Appendix: ESG Performance (282)
	E.3.2 Management of emission reduction	E.3.2.1 Management of greenhouse gas emission reduction	2.2 Climate-related Framework and Policy (50-73)
		E.3.2.2 Volume of greenhouse gas emission reduction	2.2 Climate-related Framework and Policy (50-73)
	E.3.3 Enironmental equity trading	E.3.3.1 Participation in the carbon emissions trading market	/
		E.3.3.2 Participation in energy, water and sewage trading markets	/
		E.3.3.3 Participation in green power trading	/
	E.3.4 Climate risk management	E.3.4.1 Climate risk management	2.2 Climate-related Framework and Policy (50-73)
E.4 Biodiversity	E.4.1 Impacts of production, services and products on biodiversity	E.4.1.1 Impacts of production, services and products on biodiversity	2.3 Biodiversity-related Disclosure (76-99)

Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
E.5 Policies and Measures for Resource and Environmental Management	E.5.1 Development of low-carbon development objectives and strategic measures	E.5.1.1 Development of low-carbon development objectives and strategic measures	1.1 Carbon Reduction Blueprint and Objectives (26-34)
	E.5.2 Resource management measures	E.5.2.1 Water use management	2.4.2 Water Resource Management (101-103)
		E.5.2.2 Material use management	2.4.3 Waste Management (103-104)
		E.5.2.3 Energy use and energy saving management	2.4.1 Energy Management 3.4 Green Operations and Leasing (100-101/167-173)
	E.5.3 Energy-saving and carbon reduction statistics and monitoring and the assessment reward and punishment system	E.5.3.1 Report on energy saving and carbon reduction monitoring and statistics, and assessment system	1.1 Carbon Reduction Blueprint and Objectives (26-34)
	E.5.4 Green actions and measures	E.5.4.1 Clean production	3.2 Green Design and Construction (111-149)
		E.5.4.2 Green technology transformation and recycling	3.2 Green Design and Construction (111-149)
		E.5.4.3 Green construction renovation	3.2 Green Design and Construction (111-149)
		E.5.4.4 Green office and operations	3.4 Green Operations and Leasing (167-173)
		E.5.4.5 Green procurement and green supply chain management	3.2 Green Design and Construction (111-149)
		E.5.4.6 Public welfare activities of environmental protection	4.3 Social Responsibility and Public Welfare (201-217)
	E.5.5 Green low-carbon certification	E.5.5.1 Environmental management system certification	3.4 Green Operations and Leasing (167-173)
		E.5.5.2 Green low-carbon enterprise certification	3.4 Green Operations and Leasing (167-173)
		E.5.5.3 Certification of green and low-carbon products and services	3.4 Green Operations and Leasing (167-173)
	E.5.6 Legal compliance in the environmental field	E.5.6.1 Emergency response plan for environmental emergencies	2.2.1 Strategy (52-63)
		E.5.6.2 Incidents of violations in the environmental field	(No such events occurred during the reporting period)

Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
S1 Employee Rights and Interests	S1.1 Employee recruitment and employment	S1.1.1 Recruitment policies and implementation by enterprises	4.2.2 Employee Rights Protection (185-186)
		S1.1.2 Employee structure	4.2.3 Employee Career Development Appendix: ESG Performance (189/287)
		S1.1.3 Avoid child or forced labor	4.2.2 Employee Rights Protection (185-186)
	S1.2 Employee remuneration and benefits	S1.2.1 Remuneration philosophy and policy	4.2.2 Employee Rights Protection (185-188)
		S1.2.2 Work hours, rest and vacation	4.2.4 Employee Wellbeing (196-200)
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Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
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Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
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		S4.2.2 Contribution and impact on the local communities	4.3 Social Responsibility and Public Welfare 4.4 Sustainable Development Practices (201-233)
	S4.3 Public welfare activities	S4.3.1 Policies and measures for participation in public welfare activities	4.3 Social Responsibility and Public Welfare 4.4 Sustainable Development Practices (201-233)
		S4.3.2 Investment and effectiveness of participation in public welfare activities	4.3 Social Responsibility and Public Welfare 4.4 Sustainable Development Practices (201-233)
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G1 Governance strategy and organizational structure	G1.1 Governance strategy and procedure	G1.1.1 Governance strategy development	Sustainable Development Strategy (13)
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		G1.2.3 Appointment procedure and composition of the board of directors, board of supervisors, and management	1.2 Sustainability Governance (35-41)
	G1.3 Remuneration management	G1.3.1 Remuneration plan for directors and supervisors	/
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Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
G2 Standardized Governance	G2.1 Internal control	G2.1.1 Internal audit	5.2 Comprehensive Risk Management and Resilience (239—242)
		G2.1.2 Internal control structure, mechanism, and procedure	5.2 Comprehensive Risk Management and Resilience (239—242)
	G2.2 Integrity construction	G2.2.1 Policies and regulations on integrity construction	5.3 Business Ethics and Anti-corruption (243—248)
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G3 Investor Relations Management and Shareholder Equity	G3.1 Investor relations management	G3.1.1 Investor relations management strategy	1.3 Double Materiality Assessment (42—45)
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		G3.1.3 Establishment of investor relations management department	1.3 Double Materiality Assessment (42—45)
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		G3.2.2 Shareholder communication	/
		G3.2.3 Shareholders' right to information and participation in decision-making	/
	G3.3. Creditors' equity	G3.3.1 Credit standing	/
		G3.3.2 Bond market performance	/

Level 1 indicator	Level 2 indicator	Level 3 indicator	Disclosure Section
G4 Transparency of Information Disclosure	G4.1 Disclosure policy	G4.1.1 Financial disclosure	About Yuexiu Property (20-21)
		G4.1.2 Non-financial disclosure	Appendix: ESG Performance (282-290)
	G4.2 Quality of information disclosure	G4.2.1 Regular monitoring, audit, and assessment of all disclosed information	5.2 Comprehensive Risk Management and Resilience Appendix: Independent Assurance Report (239-242/344-345)
G5 Compliant Operations and Risk Management	G5.1 Compliant operations	G5.1.1 Compliant operations policy	5.2 Comprehensive Risk Management and Resilience (239-242)
		G5.1.2 Compliance system development	5.2 Comprehensive Risk Management and Resilience (239-242)
		G5.1.3. Specific procedures for compliance review	5.2 Comprehensive Risk Management and Resilience (239-242)
	G5.2 Risk management	G5.2.1 Risk identification and early warning	5.2 Comprehensive Risk Management and Resilience (239-242)
		G5.2.2 Risk control and tracking	5.2 Comprehensive Risk Management and Resilience (239-242)
		G5.2.3 Risk reporting and management	5.2 Comprehensive Risk Management and Resilience (239-242)

INEDEXES OF RECOMMENDATIONS OF THE TASKFORCE ON NATURE-RELTARED FINANCIAL DISCLOSURES (TNFD)

Paragraph	Description	Our Approach	Disclosure Section
Governance			
a	Describe the boards oversight of nature-related dependencies, impacts, risks and opportunities.	The Board of Directors of Yuexiu Property assumes ultimate oversight responsibility for nature-related dependencies, impacts, risks, and opportunities. The Board has established a Sustainability Committee under its purview, which is responsible for researching and assessing international regulatory trends (such as the TNFD framework), systematically identifying and analyzing nature-related risks and opportunities, and reporting regularly to the Board. Furthermore, the Company has established a sustainability risk due diligence mechanism for which the Board bears ultimate responsibility. The Sustainability Committee directly supervises the operation of this mechanism to ensure the deep integration of the TNFD framework into the Company's core decision-making processes.	1.2 Sustainability Governance (35-41)
b	Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities	Yuexiu Property has established a two-tier management structure comprising the Sustainability Leadership Group and the Sustainability Execution Group to systematically advance the assessment and management of nature-related issues. The Sustainability Leadership Group is chaired by the Chief Executive Officer and includes the participation of relevant functional line heads and regional senior management. This group is responsible for overseeing and coordinating the implementation of natural capital management initiatives across all departments—including biodiversity conservation, water resource utilization, and ecological restoration—and for reporting performance outcomes regularly to the Sustainability Committee. The Sustainability Execution Group is composed of representatives from headquarters functional departments and the business units of subsidiaries. It undertakes the formulation and implementation of specific nature-related projects to ensure the execution of strategic objectives, and is also responsible for the collection, analysis, and reporting of nature-related data. Furthermore, throughout the entire project lifecycle—from environmental impact assessments during land acquisition and ecological protection during construction, to water resource management during operatiaon—the respective business management departments are responsible for executing specific nature-related risk controls and opportunity development actions. ESG-related metrics have been incorporated into the performance evaluations of senior management, thereby indirectly reinforcing the effective implementation of nature-related responsibilities. Through this management structure, the Company ensures the systematic identification, scientific assessment, and closed-loop management of nature-related dependencies, impacts, risks, and opportunities.	Chapter 1 Management Approach 1.2 Sustainability Governance (26/35-41)

Paragraph	Description	Our Approach	Disclosure Section
Governance			
c	Describe the organisation's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	Yuexiu Property has formulated internal policies including the Human Rights Policy and the Employee Rights Protection Policy, which explicitly articulate the Company's commitment to respecting and upholding human rights and strictly adhere to international labor conventions, with no incidents of child labor or forced labor occurring in 2025. In terms of community engagement, the Company identifies local communities as a core stakeholder group and responds to their concerns through channels such as community public welfare activities and grievance hotlines; it continuously organizes events including festive celebrations and interest clubs to foster platforms for resident interaction; it collaborates with government authorities to remediate the environment of former industrial sites (removing 134 tonnes of waste); it partners with social organizations such as senior universities and medical service teams to deliver public benefit services; and it has pioneered the "Community Curator" model (incubating 108 community groups across 17 projects) and the "Rider-Friendly Community" mechanism. The Board of Directors and the Sustainability Committee are responsible for overseeing sustainability risks and incorporate relevant performance metrics into the remuneration assessments of senior management, thereby establishing a closed-loop oversight process. The current report does not separately disclose specific policies pertaining to Indigenous Peoples; however, in the development of ecologically sensitive areas, requirements concerning local communities and ecological protection have been integrated into the assessment procedures.	1.2 Sustainability Governance 2.3.1 Strategy 4.2.2 Employee Rights Protection 4.3 Social Responsibility and Public Welfare 4.4 Sustainable Development Practices (35-41/80-82/185-188/201-217/218-233)

Paragraph	Description	Our Approach	Disclosure Section
Strategy			
a	Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term.	Yuexiu Property has identified its dependencies and impacts on natural capital across the entire value chain (upstream, direct operations, and downstream), and has systematically assessed physical risks (biodiversity loss, natural disasters, natural resource scarcity), transition risks (policy, market, technology, reputation, liability), and related opportunities (ecological restoration, reputational capital, resource efficiency, products and services, markets, financing, etc.). The specific distribution of risks and opportunities across time horizons (short, medium, and long term) is presented in detail in tabular form within the "Assessment" sub-section of this Report.	2.3.2 Risk management (83-96)
b	Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.	The Company has applied the LEAP methodology and the ENCORE tool to systematically assess the impacts of nature-related factors on its business model and value chain. The assessment results indicate that downstream activities (demolition and waste management) exhibit the highest degree of impact, followed by direct operations (design and construction). Based on these findings, the Company has adjusted its strategies accordingly, including prioritizing brownfield development, avoiding greenfield land occupation, and promoting green building standards, while also integrating natural capital management into financial planning and financing strategies (such as green credit and sustainability-linked loans).	2.3.1 Strategy 2.3.2 Risk management 2.3.3 Targets and metrics (80-99)
c	Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.	Yuexiu Property enhances its adaptive capacity to nature-related risks through the establishment of a full lifecycle nature risk management and control framework, complemented by practices such as the POD model, ecological restoration projects, and targeted ancient tree conservation initiatives. The Company also monitors strategic resilience under various scenarios (including climate change, tightening policies, and shifts in market preferences) and ensures long-term sustainable development through continuous monitoring and dynamic adjustment.	2.3.1 Strategy (80-82)
d	Disclose the locations of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	Yuexiu Property has identified and disclosed ten priority cities for disclosure (Guangzhou, Hangzhou, Qingdao, Suzhou, Hefei, Shanghai, Chengdu, Shenzhen, Beijing, and Xi'an), where land reserves for projects under construction and planned development account for 73.8% of the total land reserves in 2025. The Company also implements enhanced management and control measures for ecologically high-risk cities such as Shenzhen, Guangzhou, Hangzhou, and Shanghai, based on the presence of important habitats and the distribution of endangered species within a 50-kilometer radius. Furthermore, at the project level—such as the Pazhou Shade project in Guangzhou—location-specific nature-related risk assessments and protection measures are executed.	2.3.2 Risk management (83-96)

Paragraph	Description	Our Approach	Disclosure Section
Risk and impact management			
a (i)	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations.	Yuexiu Property applies the LEAP methodology (Locate, Evaluate, Assess, Prepare) in its direct operations (design and construction, operation and maintenance) to systematically identify nature-related dependencies, impacts, risks, and opportunities. The specific steps are as follows: • Locate: Review the entire value chain, integrating international ecological data and the ecological characteristics of project sites to identify ecologically sensitive areas. • Evaluate: Utilize the ENCORE tool to define environmental assets and ecosystem services, quantifying the degree of dependencies and impacts. • Assess: Evaluate financial implications and the magnitude of impact (High/Medium/Low) for physical risks (biodiversity loss, natural disasters, resource scarcity) and transition risks (policy, market, technology, reputation, liability), and formulate corresponding response measures. • Prepare: Translate assessment outcomes into management strategies and an indicator framework. • Priority Setting: Focus on dependencies and impact factors rated as "Very High." For example, the impact rating for direct operations—design and construction is assessed as "High."	2.3.2 Risk management (83-96)
a (ii)	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).	Yuexiu Property extends the LEAP methodology to upstream activities (procurement, logistics, and warehousing) and downstream activities (demolition and waste management): • Upstream: Identifies dependencies (e.g., water flow regulation, flood mitigation) and impacts (e.g., toxic pollutant emissions, greenhouse gases, invasive species), with an impact rating assessed as "High." • Downstream: Identifies dependencies (e.g., solid waste treatment, climate regulation) and impacts (e.g., noise, pollutants, greenhouse gases), with an impact rating assessed as "Very High," designating this as a priority control stage. The assessment tool utilized remains the same as above (ENCORE), and a value chain heat map has been generated based on the findings.	2.3.2 Risk management (83-96)

Paragraph	Description	Our Approach	Disclosure Section
Risk and impact management			
b	Describe the organisation's processes for managing nature-related dependencies, impacts, risks and opportunities	Yuexiu Property has established a management process for nature-related dependencies, impacts, risks, and opportunities covering the entire project lifecycle, based on the LEAP methodology (Locate, Evaluate, Assess, Prepare) of the TNFD framework. • In the Locate phase, the Company comprehensively reviews the value chain, identifies critical interfaces between business activities and nature, integrates international ecological data to select ten priority cities for disclosure, and precisely pinpoints ecologically sensitive areas. • In the Evaluate phase, the Company employs the ENCORE tool to systematically analyze the degree of dependency and intensity of impact on ecosystem services across various business segments, and generates a natural dependency and impact heat map of the value chain, thereby identifying upstream and downstream stages as key control targets. • In the Assess phase, the Company identifies physical risks (such as biodiversity loss and natural disasters), transition risks (policy, market, reputation, etc.), and related opportunities, evaluates their potential financial impact levels, and formulates targeted mitigation and management measures. • In the Prepare phase, the Company integrates nature risk management into strategic decision-making, establishes a quantitative target and indicator system (e.g., greening rate, sustainable timber procurement ratio), and implements a closed management loop through concrete actions such as ecological restoration projects, prioritized brownfield development, and commitments to avoid greenfield land occupation. This process enables systematic and traceable management from risk identification to value conversion, thereby robustly supporting the Company's sustainable development strategy. This process enables systematic and traceable management from risk identification to value conversion, thereby robustly supporting the Company's sustainable development strategy.	2.3.2 Risk management (83-96)
c	Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation's overall risk management processes.	Yuexiu Property fully integrates nature risk management into the top-level design of its corporate strategy, operating in synergy with existing management systems for climate risk, compliance risk, and financial risk. • At the strategic level: Nature-related factors are incorporated into decision-making processes across the entire project lifecycle, including site selection, planning and design, procurement, construction, and waste management. • At the management system level: Based on the TNFD guidance and LEAP assessment outcomes, the Company has established standardized internal policies and a quantifiable indicator framework (e.g., green space, forest protection, compliance targets), which is aligned with the Company's overall risk management architecture. • At the information disclosure level: The risk identification and management process is communicated to stakeholders through the Sustainability Report and the TNFD Index, thereby enhancing transparency. • Continuous improvement: The Company periodically reviews progress against established targets (e.g., **zero** pollutant leakage incidents and **100%** compliance rate in 2025) and dynamically adjusts risk response strategies accordingly.	2.3.1 Strategy 2.3.2 Risk management 2.3.3 Targets and metrics (80-89)

Paragraph	Description	Our Approach	Disclosure Section
Metrics and targets			
a	Disclose the metrics used by the organisation to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	Yuexiu Property has established a systematic nature-related indicator framework for assessing and managing material risks and opportunities, which primarily includes: • Green Space: Comprehensive greening rate of project development areas • Plastic Pollution: Usage volume of disposable plastic products in hotel operations • Forest Protection: Deforestation rate of natural forests/high conservation value forests; proportion of sustainably certified timber procurement in projects under development • Compliance: Incidence rate of pollutant leakage incidents; wastewater discharge compliance rate; standardized waste treatment rate; incidence rate of ecological protection violations In addition, the Company discloses key environmental performance indicators such as greenhouse gas emissions, water resource utilization, and waste management (for further details, please refer to the Appendix: ESG Performance), and incorporates nature-related financial performance (inputs, outputs, and outcomes) into its quantitative tracking system.	2.3.3 Targets and metrics (96-99)
b	Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.	Yuexiu Property utilizes the LEAP methodology and the ENCORE tool to assess dependencies and impacts on nature across the entire value chain, resulting in the following quantitative ratings: • Value Chain Dependency Rating: Upstream – "Low"; Direct Operations – Design and Construction – "Medium"; Direct Operations – Operation and Maintenance – "Low"; Downstream – "Medium" • Value Chain Impact Rating: Upstream – "High"; Direct Operations – Design and Construction – "High"; Direct Operations – Operation and Maintenance – "Medium"; Downstream – "Very High" Simultaneously, the Company visualizes the degree of dependency and impact through heat maps and conducts dynamic monitoring and management using specific environmental performance indicators (such as water consumption, land use area, greenhouse gas emissions, waste generation, etc.).	2.3.2 Risk management (83-96)

Paragraph	Description	Our Approach	Disclosure Section
Metrics and targets			
c	Describe the targets and goals used by the organisation to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.	Yuexiu Property has established the following quantifiable, monitorable, and trackable targets: • Green Space: Comprehensive greening rate of no less than 30% by 2030 → From 2025 onwards, the Company will develop a statistical methodology for the comprehensive greening rate of project development areas, with initial data disclosure planned for the next reporting year. • Plastic Pollution: Complete elimination of disposable plastic products in hotel operations by 2035 → A phased reduction implementation plan was formulated in 2025. • Forest Protection: Zero deforestation rate of natural forests/high conservation value forests by 2050 → A screening mechanism for deforestation of natural forests/ high conservation value forests within the supply chain commenced development in 2025. • 100% procurement of sustainably certified timber for projects under development from 2030 onwards → A procurement mechanism for sustainably certified timber was established for projects under development in 2025. • Compliance: Long-term maintenance of zero pollutant leakage incidents, 100% wastewater discharge compliance, 100% standardized waste treatment, and zero ecological protection violation incident → All targets were achieved in 2025 (zero incident, 100% compliance). The Company also integrates natural capital management into its long-term vision, striving to achieve no net loss of biodiversity.	2.3.3 Targets and metrics (96-99)

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Disclosure Description			References and Remarks
Governance			
(5)	The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities.		
(6)	To achieve this objective, an entity shall disclose information about:		
	6(a)	the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	
		(i) how responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	2.2 Climate-related Framework and Policy (50-52)
		(ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	
		(iii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	
		(iv) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	
		(v) how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets (see paragraphs 33–36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g)).	
	6(b)	management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	
		(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	2.2 Climate-related Framework and Policy (50-52)
		(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	
(7)	In preparing disclosures to fulfil the requirements in paragraph 6, an entity shall avoid unnecessary duplication in accordance with IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1).		

Disclosure Description		References and Remarks
Strategy		
(8)	The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity's strategy for managing climate-related risks and opportunities.	
(9)	Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand:	
9(a)	the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects (see paragraphs 10–12);	2.2.1 Strategy (52-63)
9(b)	the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain (see paragraph 13);	2.2.1 Strategy (52-63)
9(c)	the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan (see paragraph 14);	1.1 Carbon Reduction Blueprint and Objectives 2.2.1 Strategy (26-34/52-63)
9(d)	the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning (see paragraphs 15–21); and	2.2.1 Strategy (52-63)
9(e)	the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities (see paragraph 22).	2.2.1 Strategy (52-63)
Climate-related risks and opportunities		
(10)	An entity shall disclose information that enables users of general purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:	
10(a)	describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	2.2.1 Strategy (52-63)
10(b)	explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	2.2.1 Strategy (52-63)
10(c)	specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term— the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	2.2.1 Strategy (52-63)
10(d)	explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	2.2.1 Strategy (52-63)
(11)	In identifying the significant climate-related risks and opportunities described in paragraph 9(a), an entity shall refer to the disclosure topics defined in the industry disclosure requirements.	
(12)	In preparing disclosures to fulfil the requirements in paragraphs 12–15, an entity shall refer to and consider the applicability of cross-industry metric categories and the industry-based metrics associated with disclosure topics, as described in paragraph 20.	

Disclosure Description		References and Remarks
Business model and value chain		
(13)	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:	
13(a)	a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and	2.2.1 Strategy (52-63)
13(b)	a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	2.2.1 Strategy (52-63)
Strategy and decision-making		
(14)	An entity shall disclose information that enables users of general purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:	
14(a)	information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	
	1. current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments);information about direct adaptation and mitigation efforts it undertaking. 2. current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications); 3. current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains); 4. any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and 5. how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.	2.2.1 Strategy (52-63)
14(b)	information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).	6.2 Green Finance (267-275)
14(c)	quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	2.2.3 Metrics and Targets (66-75)

Disclosure Description		References and Remarks
Financial position, financial performance and cash flows		
(15)	An entity shall disclose information that enables users of general purpose financial reports to understand:	
	15(a) the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and	2.2.3 Metrics and targets (66-75) (At this stage, the relevant financial impacts cannot be reliably isolated or separately identified and the methodologies and assumptions used to estimate such effects remain subject to a high degree of uncertainty; accordingly, the quantified data would not currently provide meaningful or reliable information for users of the financial statements. The Company has nonetheless reflected the related effects, to the extent practicable, within the relevant line items of the financial statements and will reassess whether the conditions for the applicable disclosure exemption continue to apply. In parallel, the Company has commenced work to quantify the financial impact data, which remains under calculation and will be disclosed in subsequent reporting periods. The Group plans to introduce specialised analytical tools in 2026 to conduct stress testing on core assets, assessing the potential impacts of both physical and transition risks on key financial metrics including Climate Value-at-Risk (CVaR), capital expenditures (CapEx), operating expenses (OpEx), expected credit losses (ECL), and financing costs. The results of this analysis will be integrated into the Company's risk management and capital assessment processes, thereby supporting investment decisions and long-term strategic planning to enhance financial resilience and sustainable value creation capability. There were no material risks identified during the reporting period that would necessitate a significant adjustment to the carrying amounts of assets and liabilities in the financial statements for the next annual reporting period.)

Disclosure Description		References and Remarks
Financial position, financial performance and cash flows		
15(b)	the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	2.2.3 Metrics and targets (66-75) (The Company is working on quantifying anticipated financial effects. At this stage, the relevant impacts cannot be reliably isolated or separately identified (including the overlapping effects of climate and other market factors), and the estimation methodologies and underlying assumptions—particularly under medium- to long-term scenarios—remain subject to a high degree of uncertainty; consequently, the quantified data at this stage does not possess sufficient reliability or decision-useful value. Concurrently, the Company has initiated work to quantify the financial impact data, which remains under calculation and will be disclosed in subsequent reporting periods. The Group plans to introduce specialised analytical tools in 2026 to conduct stress testing on core assets, assessing the potential impacts of physical and transition risks on key financial metrics including Climate Value-at-Risk (CVaR), capital expenditures (CapEx), operating expenses (OpEx), expected credit losses (ECL), and financing costs. The results of such analysis will be integrated into the Company's risk management and capital assessment processes, thereby supporting investment decisions and long-term strategic planning to enhance financial resilience and sustainable value creation capability.)

Disclosure Description		References and Remarks
Financial position, financial performance and cash flows		
(16)	Specifically, an entity shall disclose quantitative and qualitative information about:	
16(a)	how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	2.2.1 Strategy (52-63) (The Company is working on quantifying anticipated financial effects. At this stage, the relevant impacts cannot be reliably isolated or separately identified (including the overlapping effects of climate and other market factors), and the estimation methodologies and underlying assumptions—particularly under medium- to long-term scenarios—remain subject to a high degree of uncertainty; consequently, the quantified data at this stage does not possess sufficient reliability or decision-useful value. Concurrently, the Company has initiated work to quantify the financial impact data, which remains under calculation and will be disclosed in subsequent reporting periods. The Group plans to introduce specialised analytical tools in 2026 to conduct stress testing on core assets, assessing the potential impacts of physical and transition risks on key financial metrics including Climate Value-at-Risk (CVaR), capital expenditures (CapEx), operating expenses (OpEx), expected credit losses (ECL), and financing costs. The results of such analysis will be integrated into the Company's risk management and capital assessment processes, thereby supporting investment decisions and long-term strategic planning to enhance financial resilience and sustainable value creation capability.)
16(b)	the climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	
16(c)	how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas, and asset retirements), including plans the entity is not contractually committed to; and (ii) its planned sources of funding to implement its strategy; and	
16(d)	how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	
(17)	In providing quantitative information, an entity may disclose a single amount or a range.	
(18)	In preparing disclosures about the anticipated financial effects of a climate-related risk or opportunity, an entity shall:	
18(a)	use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort; and	2.2.1 Strategy (52-63)
18(b)	use an approach that is commensurate with the skills, capabilities and resources that are available to the entity for preparing those disclosures.	2.2.1 Strategy (52-63)
(19)	An entity need not provide quantitative information about the current or anticipated financial effects of a climate-related risk or opportunity if the entity determines that:	
19(a)	those effects are not separately identifiable; or	
19(b)	the level of measurement uncertainty involved in estimating those effects is so high that the resulting quantitative information would not be useful.	

Disclosure Description		References and Remarks
Financial position, financial performance and cash flows		
(20)	In addition, an entity need not provide quantitative information about the anticipated financial effects of a climate-related risk or opportunity if the entity does not have the skills, capabilities or resources to provide that quantitative information.	
(21)	If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a climate-related risk or opportunity applying the criteria set out in paragraphs 19–20, the entity shall:	
21(a)	explain why it has not provided quantitative information;	Please refer to 16(a)
21(b)	provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that climate-related risk or opportunity; and	2.2.1 Strategy (52-63)
21(c)	provide quantitative information about the combined financial effects of that climate-related risk or opportunity with other climate-related risks or opportunities and other factors unless the entity determines that quantitative information about the combined financial effects would not be useful.	2.2.1 Strategy (52-63)
Climate resilience		
(22)	An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances (see paragraphs B1–B18). In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:	
22(a)	the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand: (i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience; (iii) the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including; (1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities; (2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and (3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience; and	2.2.1 Strategy (52-63)

Disclosure Description		References and Remarks
Climate resilience		
22(b)	how and when the climate-related scenario analysis was carried out, including:	
(i)	information about the inputs the entity used, including: (1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the entity used, among its scenarios, a climaterelated scenario aligned with the latest international agreement on climate change; (5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) the time horizons the entity used in the analysis; and (7) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis);	2.2.1 Strategy (52-63)
(ii)	the key assumptions the entity made in the analysis, including assumptions about: (1) climate-related policies in the jurisdictions in which the entity operates; (2) macroeconomic trends; (3) national- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources); (4) energy usage and mix; and (5) developments in technology; and	2.2.1 Strategy (52-63)
(iii)	the reporting period in which the climate-related scenario analysis was carried out (see paragraph B18).	2.2.1 Strategy (52-63)
(23)	In preparing disclosures to meet the requirements in paragraphs 13–22, an entity shall refer to and consider the applicability of cross-industry metric categories, as described in paragraph 29, and industry-based metrics associated with disclosure topics defined in the Industry-based Guidance on Implementing IFRS S2 as described in paragraph 32.	

Disclosure Description		References and Remarks
Climate resilience		
(24)	The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.	
(25)	To achieve this objective, an entity shall disclose information about:	
	25(a) the processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the entity prioritises climate-related risks relative to other types of risk; (v) how the entity monitors climate-related risks; and (vi) whether and how the entity has changed the processes it uses compared with the previous reporting period;	2.2.1 Strategy 2.2.2 Risk Management (52-63/64-66)
	25(b) the processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	2.2.1 Strategy 2.2.2 Risk Management (52-63/64-66)
	25(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	2.2.1 Strategy 2.2.2 Risk Management (52-63/64-66)
(26)	In preparing disclosures to fulfil the requirements in paragraph 25, an entity shall avoid unnecessary duplication in accordance with IFRS S1 (see paragraph B42(b) of IFRS S1). For example, although an entity shall provide the information required by paragraph 25, if oversight of sustainability-related risks and opportunities is managed on an integrated basis, the entity would avoid duplication by providing integrated risk management disclosures instead of separate disclosures for each sustainability-related risk and opportunity.	

Disclosure Description			References and Remarks
Metrics and targets			
(27)	The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.		
(28)	To achieve this objective, an entity shall disclose:		
	28(a)	information relevant to the cross-industry metric categories (see paragraphs 29–31);	2.2.3 Metrics and Targets Appendix: ESG Performance (66-75/282)
	28(b)	industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry (see paragraph 32); and	2.2.3 Metrics and Targets Appendix: ESG Performance (66-75/282)
	28(c)	targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets (see paragraphs 33–37).	2.2.3 Metrics and Targets Appendix: ESG Performance (66-75/282)
Climate-related metrics			
(29)	An entity shall disclose information relevant to the cross-industry metric categories of		
	29(a)	greenhouse gases—the entity shall:	
		(i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent (see paragraphs B19–B22), classified as: (1) Scope 1 greenhouse gas emissions; (2) Scope 2 greenhouse gas emissions; (3) Scope 3 greenhouse gas emissions;	2.2.3 Metrics and Targets Appendix: ESG Performance (66-75/282)
		(ii) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions (see paragraphs B23–B25);	2.2.3 Metrics and Targets Appendix: ESG Performance (66-75/282)
		(iii) disclose the approach it uses to measure its greenhouse gas emissions (see paragraphs B26–B29) including: (1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions; (2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	2.2.3 Metrics and Targets Appendix: ESG Performance (66-75/282)

Disclosure Description			References and Remarks
Climate-related metrics			
	(iv)	for Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between: (1) the consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); and (2) other investees excluded from paragraph s29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries);	2.2.3 Metrics and Targets Appendix: ESG Performance (66-75/282)
	(v)	for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions (see paragraphs B30–B31); and	2.2.3 Metrics and Targets Appendix: ESG Performance (66-75/282)
	(vi)	for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(3), and with reference to paragraphs B32–B57, disclose: (1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and (2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance (see paragraphs B58–B63);	2.2.3 Metrics and Targets Appendix: ESG Performance (66-75/282) (After prudent assessment, the Company is currently unable to make complete disclosures regarding Items 29(b), 29(c), 29(d) and 29(e) of IFRS S2 as the financial impacts brought by relevant climate factors currently cannot be reliably identified separately, and related estimation methods, input data and assumptions still have a high degree of uncertainty, especially when involving medium- to long-term scenario analysis. Therefore, quantitative disclosures at this stage might not possess adequate reliability and comparability, nor might they have substantial reference value. Relevant data is still being collected and calculated, and quantification methods and data foundations are being continuously improved. Disclosures will be made in subsequent reporting year once the information is available.)
29(b)		climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	
29(c)		climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	
29(d)		climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities;	

Disclosure Description		References and Remarks
Climate-related metrics		
29(e)	capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	2.2.3 Metrics and Targets (66-75) (After prudent assessment, the Company is currently unable to make complete disclosures regarding Item 29(e) of IFRS S2 as the financial impacts brought by relevant climate factors currently cannot be reliably identified separately, and related estimation methods, input data and assumptions still have a high degree of uncertainty, especially when involving medium- to long-term scenario analysis. Therefore, quantitative disclosures at this stage might not possess adequate reliability and comparability, nor might they have substantial reference value. The amount of capital expenditure or investment deployed towards climate-related risks and opportunities is still being collected and calculated, and quantification methods and data foundations are being continuously improved. Disclosures will be made in subsequent reporting year once the information is available.)
29(f)	internal carbon prices—the entity shall disclose: (i) an explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis); and (ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions;	2.2.3 Metrics and Targets (66-75) (At present, our company has not yet applied a carbon pricing mechanism in its decision-making processes, but is currently actively studying and assessing its suitability.)
29(g)	remuneration—the entity shall disclose: (i) a description of whether and how climate-related considerations are factored into executive remuneration (see also paragraph 6(a)(v)); and (ii) the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.	1.1 Carbon Reduction Blueprint and Objectives (26-34)

Disclosure Description		References and Remarks
Climate-related metrics		
(30)	In preparing disclosures to meet the requirements in paragraph 29(b)–(d), an entity shall use all reasonable and supportable information that is available to the entity at the reporting date without undue cost or effort.	
(31)	In preparing disclosures to meet the requirements in paragraph 29(b)–(g), an entity shall refer to paragraphs B64–B65.	
(32)	An entity shall disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the entity discloses, the entity shall refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the Industry-based Guidance on Implementing IFRS S2.	
Climate-related targets		
(33)	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	
	33(a) the metric used to set the target (see paragraphs B66–B67);	1.1 Carbon Reduction Blueprint and Objectives 2.2.3 Metrics and targets (26-34/74)
	33(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	2.2.3 Metrics and targets (66-75)
	33(c) the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);	2.2.3 Metrics and targets (74)
	33(d) the period over which the target applies;	2.2.3 Metrics and targets (74)
	33(e) the base period from which progress is measured;	2.2.3 Metrics and targets (74)
	33(f) any milestones or interim targets;	1.1 Carbon Reduction Blueprint and Objectives (32-34)
	33(g) if the target is quantitative, whether it is an absolute target or an intensity target; and	1.1 Carbon Reduction Blueprint and Objectives 2.2.3 Metrics and targets (32/74)
	33(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Carbon Reduction Blueprint and Objectives (31-32)

Disclosure Description		References and Remarks
Climate-related targets		
(34)	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
34(a)	whether the target and the methodology for setting the target has been validated by a third party;	(The Company has not yet sought third-party assurance over its established climate-related targets or the associated target-setting methodology. Nevertheless, we place significant emphasis on the management and execution of climate-related targets and regard them as a core component of our corporate sustainability strategy. The Company expects to initiate an independent third-party assurance process at an appropriate time in the future, subject to the maturity of our internal decarbonization pathway and the evolving regulatory landscape, with a view to further enhancing the reliability and transparency of disclosed information.)
34(b)	the entity's processes for reviewing the target;	1.1 Carbon Reduction Blueprint and Objectives (32)
34(c)	the metrics used to monitor progress towards reaching the target; and	1.1 Carbon Reduction Blueprint and Objectives 2.2.3 Metrics and Targets (32/74)
34(d)	any revisions to the target and an explanation for those revisions.	1.1 Carbon Reduction Blueprint and Objectives 2.2.3 Metrics and Targets (32/74)
(35)	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	2.2.3 Metrics and Targets (74)

Disclosure Description		References and Remarks
Climate-related targets		
(36)	For each greenhouse gas emissions target disclosed in accordance with paragraphs 33–35, an entity shall disclose:	
36(a)	which greenhouse gases are covered by the target.	1.1 Carbon Reduction Blueprint and Objectives 2.2.3 Metrics and Targets (32/74)
36(b)	whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	1.1 Carbon Reduction Blueprint and Objectives 2.2.3 Metrics and Targets (32/74)
36(c)	whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target (see paragraphs B68–B69).	1.1 Carbon Reduction Blueprint and Objectives 2.2.3 Metrics and Targets (32/74)
36(d)	whether the target was derived using a sectoral decarbonisation approach.	1.1Carbon Reduction Blueprint and Objectives (31-32)
36(e)	the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including, and with reference to paragraphs B70–B71: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	6.2.3 Financing Instruments and Case Studies (273)
(37)	In identifying and disclosing the metrics used to set and monitor progress towards reaching a target described in paragraphs 33–34, an entity shall refer to and consider the applicability of cross-industry metrics (see paragraph 29) and industry-based metrics (see paragraph 32), including those described in an applicable IFRS Sustainability Disclosure Standard, or metrics that otherwise satisfy the requirements in IFRS S1.	

INDEPENDENT ASSURANCE REPORT

1. INTRODUCTION

Hong Kong Quality Assurance Agency ("HKQAA", "we", "our", "us") was engaged by Yuexiu Property Company Limited (Stock Code: 00123.HK) ("the Company") to conduct an independent assurance of the sustainability disclosures ("Sustainability Disclosures") presented in its Sustainability Report 2025 ("the Report") for the reporting period from 1 January 2025 to 31 December 2025 ("Reporting Period") and issue this Independent Assurance Report ("Assurance Report"). For the avoidance of doubt, the Appendices listed at the end of this Assurance Report form an integral part of it, though certain Appendices are intended for the Company's internal use only. Our sustainability assurance activities and this Assurance Report are undertaken based on the assumptions, dependencies, boundaries, limitations, exclusions, roles and responsibilities and independence as set out under Appendix A. A generic version of Appendix A is available for reference on the HKQAA website (www.hkqaa.org) under the navigation path: News & Resources > Guides & Forms > Guidelines > Sustainability Assurance.

The objective of this sustainability assurance service is to provide an independent conclusion, with a limited level of assurance, on whether the Sustainability Disclosures have been prepared in accordance with the following reporting criteria:

- The Environmental, Social and Governance Reporting Code ("ESG Reporting Code") set out in Appendix C2 of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited

The assurance team also reviewed the Sustainability Disclosures by making reference to the following disclosure frameworks, as the Report has been prepared by integrating the selected metrics of:

- GRI Standards
- IFRS S2 Climate-related Disclosures by the International Sustainability Board ("ISSB")
- SASB Industry-specific Standards

2. ASSURANCE METHODOLOGY

HKQAA's assurance procedure was conducted with reference to the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information ("ISAE 3000"), issued by the International Auditing and Assurance Standards Board ("IAASB").

The evidence gathering processes were designed to obtain a limited level of assurance, as set out in the ISAE 3000, using a risk-based approach. Our assurance procedures included, but were not limited to:

- reviewing relevant policies, procedures, relevant documentation and records provided by the Company, including those related to sustainability-related information such as governance, risk identification, and performance metrics;
- interviewing key management and responsible personnel of the Company for reporting and sustainability-related governance;

1 Note: In this document, the expressions "verification" and "assurance" have the same meanings and can be used interchangeably, both refers to the concept of "Assurance" as set out in the International Standard on Sustainability Assurance (ISSA) 5000 (ISSA 5000).

- conducting analytical reviews of disclosures for plausibility and consistency with relevant external frameworks and internal supporting data;
- selecting representative samples of disclosures, with a focus on materiality and risk, and assessing the underlying evidence for each sample using judgmental sampling;
- evaluating the transparency of disclosed assumptions, dependencies, and boundaries; and
- assessing the completeness of coverage with respect to the requirements of the reporting criteria, including reviewing methodologies used for estimations, sensitivity analyses, and disclosures of uncertainties.

3. CONCLUSION

Based on the procedures performed, evidence obtained, and subject to the stated assumptions, dependencies, boundaries, limitations, and exclusions, nothing has come to our attention that causes us to believe that the Sustainability Disclosures in the Company's Sustainability Report 2025 for the Reporting Period from 1 January 2025 to 31 December 2025 are not presented, in all material respects, in accordance with the requirements of the ESG Reporting Code, and with reference to the reporting criteria as stated in the Introduction section of this Assurance Report.

This Assurance Report is made solely for the use of Yuexiu Property Company Limited and the users of its Sustainability Report 2025, and for use in accordance with the reporting criteria set out in the Introduction section of this Assurance Report. We do not accept or assume responsibility for any other purpose or to any other person to whom this Assurance Report is shown or in whose hands it may come. We confirm our independence from the Company in conducting this engagement.

The engagement leader on the assurance engagement resulting in this Assurance Report is KT Ting.

Signed on behalf of Hong Kong Quality Assurance Agency

Hong Kong Quality Assurance Agency

23 April 2026
Ref: 14999917

STOCK CODE

00123

We welcome your feedback on our sustainability report and sustainability performance.
Please share your views with us at sustainability@yuexiuproperty.com

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