



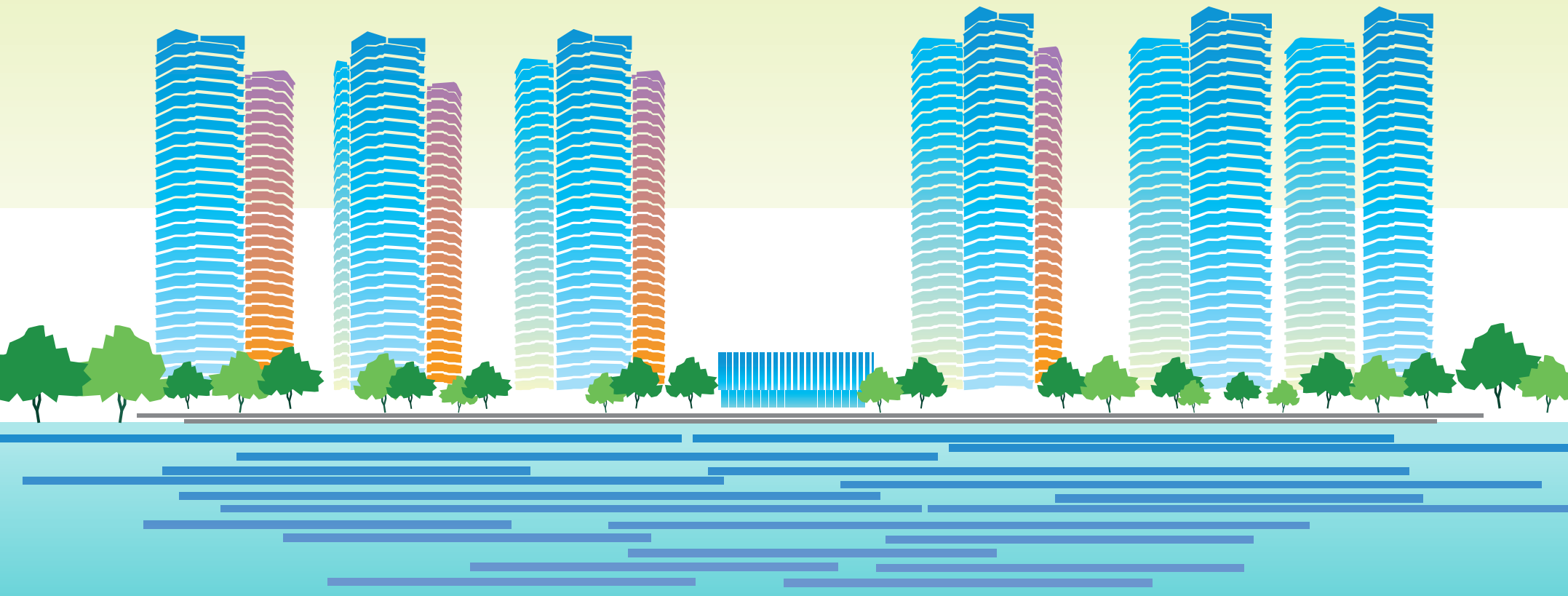
粤海置地控股有限公司
GUANGDONG LAND HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
Stock Code: 00124

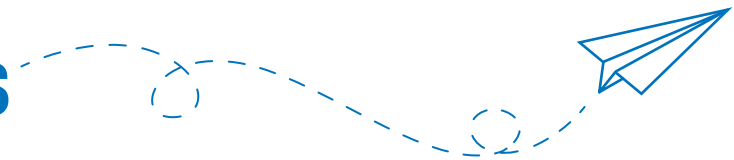


2022

Environmental, Social and Governance Report



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About this Report



Guangdong Land Holdings Limited (hereinafter referred to as “Guangdong Land”, the “Company” or “we”) and its subsidiaries (collectively referred to as the “Group”) are pleased to publish our seventh Environmental, Social and Governance Report (hereinafter referred to as the “Report”), aiming to demonstrate the efforts and achievements made by the Group in sustainable development and corporate social responsibilities in 2022.

This Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and the 《廣東省房地產企業社會責任指引》 (Guangdong Province Real Estate Corporate Social Responsibility Guide*) published by 廣東省房地產行業協會 (Guangdong Real Estate Association*).

We have also analysed and responded to the impacts of climate change on our business and operations with reference to the Recommendations for Climate-related Financial Disclosures issued by the Task Force on Climate-related Financial Disclosures (“TCFD”).

This Report has been prepared in compliance with the reporting principles of the ESG Reporting Guide, the application of which is set out in the following table:

* In this Report, the English name of the term or entity marked with an asterisk is a translation of its Chinese name, and is included herein for identification purposes only. In the event of any inconsistency, the Chinese name shall prevail.



Reporting Principles	Definitions	Responses by the Group
Materiality	The threshold at which ESG issues determined by the board are sufficiently important to investors and other stakeholders that they should be reported.	Through communication with stakeholders and in conjunction with the actual operation and strategic development of the Group, we have identified material sustainability issues and made targeted disclosures on relevant matters that may have material impacts on investors and other stakeholders.
Quantitative	KPIs in respect of historical data need to be measurable. The issuer should set targets (which may be actual numerical figures or directional, forward-looking statements) to reduce a particular impact. In this way the effectiveness of ESG policies and management systems can be evaluated and validated. Quantitative information should be accompanied by a narrative, explaining its purpose, impacts, and giving comparative data where appropriate.	This Report provides quantitative information and the criteria, methods, assumptions and calculation tools used, where practicable, so that readers can evaluate and verify the results of the Group in sustainable development practices.
Balance	The ESG report shall provide an unbiased picture of the issuer’s performance. The report avoids selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader.	This Report has provided a detailed and unbiased account of environmental, social and governance issues that may have a significant impact on the Group’s business, including the work results and challenges faced, to avoid the possibility that the contents of this Report may inappropriately influence the decision or judgment by Report readers.
Consistency	The issuer should use consistent methodologies to allow for meaningful comparisons of ESG data over time.	This Report follows the same preparation criteria and calculation methods as before so that readers can compare the performance of the Group year by year.

About this Report

Scope of this Report

This Report covers the work and achievements made by the Group in environmental, social and corporate governance (“ESG”) aspects during the period from 1 January 2022 to 31 December 2022 (hereinafter referred to as the “Year” or the “Reporting Period”). Some parts of this Report may be extended as necessary for the purposes of this Report, and if so, these extensions will be specified in the relevant sections of this Report.

Unless otherwise stated, the scope of this Report includes all operating segments that have a significant impact on the Group and is consistent with that of last year’s ESG report.

Information contained in this Report

The information and data used in this Report are derived from the official documents and reports of the Group, internal statistical data and public information. The Board of Directors (the “Board”) of Guangdong Land warrants that there are no false information, misleading statements or material omissions contained in this Report, and the Board takes full responsibility for the authenticity, accuracy and completeness of this Report.

Access to this Report

This Report is available in both Chinese and English versions for readers’ reference and is uploaded to and published on the websites of the Stock Exchange and the Company (<http://www.gdland.com.hk>) in electronic format. In case of discrepancy, the original version in Chinese shall prevail. For more information about corporate governance or other information about the Group, please refer to our announcements, annual reports and website.

Contact Us

If you have any questions or comments regarding this Report and its content, please contact us at:

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Chairman's Statement

Adhering to the core value of “being responsible and accountable”, Guangdong Land is committed to carrying forward the brand essence, promoting the concept of sustainable development, collaborating with employees, suppliers and partners, and creating returns for shareholders. While fulfilling the mission of “making the state-owned capital bigger and stronger”, we unremittably seek sustainable development of the Group and strive to meet more aspirations by maximising the space, delivering more value for the land, and creating a better life for the society and the public with an eternal responsibility of a state-owned enterprise.

In terms of corporate governance, Guangdong Land persists in the “two consistencies” requirements. It improves the corporate governance structure with a clear division of labour, coordinated operation and effective checks and balances, with a view to ensuring that the Board and the management can properly perform their duties in accordance with laws, regulations, policies and the Company's Bye-laws. To implement the corporate philosophy of sustainable development, we established an ESG governance structure consisting of the Board, the ESG Committee and the ESG Working Group, which are respectively responsible for leadership and decision-making, management and supervision, as well as implementation and reporting on sustainable development.

With respect to caring for employees, Guangdong Land adheres to the concept of “people-oriented and safe development” and attaches great importance to the rights, health, safety and development of employees. We have formulated a diversified and equal employment policy to protect the rights and interests of employees, organised routine medical check-ups for employees, engaged a third-party assessment unit in conducting regular safety inspections with the correction rate of significant safety hazards reaching 100%, and constantly provided career development and training channels for employees.

As for environmental protection, Guangdong Land resolutely implements the PRC's strategic objectives and planning of “peak carbon dioxide emissions” by 2030 and “carbon neutrality” by 2060, actively explores the implementation path of “peak carbon dioxide emissions and carbon neutrality” in the real estate industry, and integrates green building elements and the construction plans for sponge cities into our construction projects

through technological innovations and professional expertise. By the end of 2022, eight major projects, such as Shenzhen GDH City, Guangzhou Laurel House and Zhuhai Jinwan, have obtained green building certifications, including but not limited to 1-star and 2-star national green building certifications, and LEED certification. In addition, we actively advocate green operations. We continue to promote green office and integrate the concepts of low carbon, environmental protection and sustainability into the daily work of our employees. On the other hand, we constantly improve our sustainable supply chain management system while cooperating with suppliers to promote the development of a green and responsible supply chain.

With regard to social responsibility, Guangdong Land strives to bring positive impacts to society and promote high-quality development of society. We emphasise the promotion and implementation of the awareness of social responsibility internally. Whereas externally, we expect to demonstrate a sense of responsibility and play an exemplary role. During the Year, we constantly developed our mutual aid and protection scheme, organised various public welfare and voluntary activities to help people in need, and fulfilled our commitment to promoting society's sustainable development, bringing benefits to our employees, partners and the communities where our business operates.

With the strategic positioning of “comprehensive urban development and operation expert”, the Group will actively leverage its advantages as a provincial state-owned enterprise and integrate internal and external resources to implement the concept of sustainable development and respond to the needs of the times and the society. Looking forward, we will ride the wave of reform and innovation, moving towards our strategic vision of being “a leading state-owned real estate enterprise in the Greater Bay Area”.

LAN Runing
Chairman

Hong Kong, 30 March 2023



Board Statement

The Group attaches importance to corporate sustainability and has established a sound ESG governance framework to effectively manage the sustainability issues of Guangdong Land in accordance with the requirements of the ESG Reporting Guide of the Stock Exchange.

The Board of Guangdong Land incorporates ESG considerations into its decision-making process, regularly identifies material ESG issues with the management, and formulates ESG strategies, management approaches and goals that are appropriate for the Group based on the Group's overall strategic planning. Meanwhile, the Board has established the ESG Committee with the ESG Working Group under it. Authorised by the Board, the ESG Committee is responsible for assisting in the ESG management of the Group. The ESG Committee is required to determine the implementation paths and management policy for the ESG objectives set by the Board and to oversee the work of the ESG Working Group. The ESG Working Group is responsible for strictly responding to the ESG requirements set by the ESG Committee at the business level and assisting the ESG Committee in reporting material ESG issues to the Board. Moreover, the Board monitors the progress of the ESG objectives, policies and achievements of the Group through reports from the ESG Committee. It conducts irregular reviews to continuously improve and refine the ESG management, with a view to ensuring that the long-term values established by the Group are consistent with the expectations and requirements of investors and regulators.

The Group is committed to integrating the concept of sustainable development into its business practices and realising sustainable operations, guided by the national “peak carbon dioxide emissions and carbon neutrality” policy and the Company's strategic objectives. In 2022, in order to gain a deeper understanding of the keen expectations and requirements of various stakeholders, the Group communicated with them through various channels to identify key sustainability issues, striving to create values for all parties and fully demonstrate our sense of social responsibility.

Facing the increasingly prominent external climate-related issues, the Group entrusted a third-party organisation to conduct a climate risk analysis to identify climate risks affecting the Group's business, including physical risks (acute risks and chronic risks) and transition risks (policy and legal risks, technological risks, market risks and reputation risks). To this end, the Group has formulated a series of reasonable response strategies and management measures, aiming to further enhance the level of climate risk prevention.



About Guangdong Land

Guangdong Land is listed on the Main Board of the Stock Exchange (stock code: 00124) and headquartered in Hong Kong. The Company is an subsidiary directly held by Guangdong Investment Limited (粵海投資有限公司) (“GDI”) which in turn is a subsidiary of the largest provincial, state-owned conglomerate of Guangdong Province operating outside Chinese mainland, namely Guangdong Holdings Limited (廣東粵海控股集團有限公司) (“Guangdong Holdings”). GDI (stock code: 00270) holds approximately 73.82% of the Company. Leveraging on the strong resources of the Guangdong Holdings, Guangdong Land has become a quality property developer with a comprehensive business portfolio, industry chain, business process and comprehensive urban development and operation management capabilities.

Adhering to the core value of “Taking Responsibility, Performance First, Synergy and Efficiency”, we created a regional benchmark and empowered cities in multiple aspects. While actively expanding our business footprints, we comprehensively improved asset efficiency, deepened our business transformation and enhanced our inherent potentials, thereby striving to create greater returns for our shareholders.

As of the end of Reporting Period, we held the Yungang City Project, the Laurel House Project, the Ruyingju Project and the Baohuaxuan Project in Baiyun District, Yuexiu District, Panyu District and Liwan District of Guangzhou City, respectively; GDH City Project and certain investment properties in Shenzhen City; the Foshan Laurel House Project and Foshan Jihua in Chancheng District, Foshan City; the Zhuhai Jinwan Project in Jinwan District, Zhuhai City; the Zhongshan GDH City Project in Tsuihang District, Zhongshan City; the Chenyuan Road Project and the Jiangmen Ganhua Project in Pengjiang District, Jiangmen City; and the Huizhou Dayawan Project in Dayawan District, Huizhou City. With the commitment to creating a better life experience for customers, the Group maintains its focus on core cities of the Greater Bay Area and actively seeks opportunities for development to continuously enhance brand influence.

Major progress of the Group’s projects during the Reporting Period is as follows:

Project name	Project location	Project use	Project progress
 <p>The Guangzhou Yungang City Project</p>	The land is located in the core area of Baiyun New Town, Baiyun District, Guangzhou City, the PRC	Residential/ Commercial/ Commercial service	As at 31 December 2022, the properties of each phase of the project had been under the basement and major structure construction. The overall project is expected to be filed for completion in 2025.
 <p>The Guangzhou Laurel House Project</p>	Located at Zhuguang Road, Yuexiu District, Guangzhou City	Residential	As at 31 December 2022, the occupancy rate of the commercial property “GD • Delin (粵海 • 得鄰)” in the Guangzhou Laurel House Project had reached 91.7%.



About Guangdong Land



Project name	Project location	Project use	Project progress
The Guangzhou Ruyingju Project 	Located in Panyu District, Guangzhou City	Residential	All residential units have been delivered.
The Guangzhou Baohuaxuan Project 	Located in Liwan District, Guangzhou City	Residential	All residential units have been delivered.
The Shenzhen GDH City Project 	Located in Buxin Area, Luohu District, Shenzhen City, the PRC	Commercial/ Offices/Mall	The filing for completion of construction of the first phase was made in June 2020. The construction of the second phase properties has entered the final stage. As at 31 December 2022, the construction of the office tower and the commercial shopping building on the Northern Land development had been completed. The superstructure of the office tower and the commercial shopping building on the Southern Land development had been topped out with interior renovation and external wall construction in progress. The overall project is expected to be filed for completion in 2023.

Project name	Project location	Project use	Project progress
The Foshan Laurel House Project 	Located at the west of Wenhua Road, south of Liming 2nd Road, Chancheng District, Foshan City, the PRC	Residential/ Commercial	As at 31 December 2022, the superstructure of each phase of the project was topped out, and the renovation and masonry works were in progress. The overall project is expected to be filed for completion in 2023, with the project promoted as Foshan Laurel House (佛山粵•海拾桂府).
The Foshan Jihua Project 	Located at the west of Fenjiang Road, north of Lujing Road and east of Luying West Street, Chancheng District, Foshan City, the PRC	Residential/ Commercial/ Office	As at 31 December 2022, the project had been in the preparatory stage. Its construction officially commenced on 29 January 2023.
The Zhuhai Jinwan Project 	Located at the west of Jinhui Road and north of Jinhe East Road in Jinwan District, Zhuhai City, the PRC	Residential/ Commercial	As at 31 December 2022, the superstructure of the first phase of the project was topped out and the renovation and masonry works were in progress. The superstructure for the other phases was under construction. The overall project is expected to be filed for completion in 2024, with the project promoted as Zhuhai Laurel House (珠海粵海•拾桂府).
The Zhongshan GDH City Project 	Located at the starting area of Tsuihang New District, Zhongshan City, the PRC	Residential	As at 31 December 2022, the superstructure of each phase of the project was topped out, and the renovation and masonry works were in progress. The filing for completion of construction of the whole project is expected to be made in 2025, with the project promoted as Zhongshan GDH City (中山粵海城).

About Guangdong Land



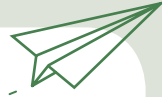
Project name	Project location	Project use	Project progress
The Jiangmen Chenyuan Road Project 	Located at the southeast of the intersection of Chenyuan Road and Longteng Road and west of Fengxiang Road in Pengjiang District, Jiangmen City, the PRC	Residential/ Commercial service	The filing for completion of the construction of the whole project has been made in August 2022. The project has been promoted as Jiangmen One Mansion (江門粵海 • 壹桂府).
The Jiangmen Ganhua Project 	Mainly holds three adjoining parcels of land located at the east of Ganbei Road, Pengjiang District, Jiangmen City, Guangdong Province, the PRC	Residential	The filing for completion of construction of all properties on Land No. 3 has been made in August 2022. As at 31 December 2022, the superstructure of all properties on Land No. 4 was topped out, and the renovation and masonry works were in progress. The filing for completion of construction of the whole project is expected to be made in December 2026. The project has been promoted as Jiangmen GDH City (江門粵海城).
The Huizhou Dayawan Project 	Located in Mamiao, Aotou, Dayawan District, Huizhou City, Guangdong Province, the PRC	Residential/ Commercial	As at 31 December 2022, the superstructure of the project was topped out, and the renovation and masonry works were in progress. The filing for completion of construction is expected to be made in the second quarter of 2024. The project has been promoted as Huizhou One Mansion (惠州粵海 • 壹桂府).

As the pandemic restrictions have been lifted, local governments have taken steps to stabilise the macroeconomic market and introduced policies to alleviate pressure on real estate enterprises. These efforts have effectively boosted the industry's confidence and promoted the sound development of the real estate market. Meanwhile, as most of the projects held by the Group are located in the core cities of the Greater Bay Area development strategy, we continue to benefit from the effective implementation of the Greater Bay Area strategy.

Looking ahead, the Group will remain committed to its development strategy of pursuing progress while maintaining stability and actively leveraging the advantages of status as a provincial state-owned enterprise. With Guangzhou and Shenzhen as our base, we seize market opportunities, satisfy customer needs, facilitate high-quality project mergers and acquisitions, implement redevelopment projects, and constantly seek development opportunities. By firmly establishing its corporate positioning as "An expert in urban complex development and operation", the Group will continue to enhance its development and operation capabilities, comprehensively upgrade its brand, strengthen its competitiveness and influence within the industry, and strive to create substantial and enduring social and economic value for shareholders and stakeholders.



Sustainable Development Management



Sustainable Development Philosophy

Guangdong Land promotes and implements social responsibility awareness internally, assumes corporate social responsibility externally, and plays an exemplary role. We care about our employees, partners, residents in the community where we have business operations and other stakeholders, consistently taking active steps to give back to society while enjoying the resources and opportunities given by society.

In order to promote the Group's ESG management more efficiently, we have also established a robust ESG organisational structure with the Board as the core and having clearly defined responsibilities and authorities, which enables the Company to play its part in active response to risks and challenges related to sustainable development and facilitate the achievement of the Company's sustainability goals under the leadership of the Board.

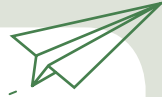
ESG Organisational Structure

In order to implement the national sustainable development strategy and ensure the standardisation and effectiveness of the Company's ESG management, Guangdong Land constantly improves its ESG organisational structure and sets up a top-down ESG organisational structure as follows:

Structure levels	Role	Member	Authority
Board	Leadership and decision-making	Members of the Board	<ul style="list-style-type: none"> Formulate and review the ESG missions and relevant strategies; Monitor the results and progress of ESG management objectives, approaches, policies and implementation paths; Review and approve the Company's ESG organisational structure; Review and approve the Company's ESG report and the accompanying Board statement.
ESG Committee	Management and supervision	Executive Director (Chairmen of the Committee), Company Secretary, and leader of the ESG Working Group	<ul style="list-style-type: none"> Determine ESG management objectives, approaches, policies and implementation paths; Acknowledge the assessed and identified ESG-related risks and opportunities; Monitor the implementation and effectiveness of the adopted ESG policies and practices, and report to the Board; Coordinate the preparation of the ESG report; review public communications, disclosures and publications related to the Company's ESG performance; conduct a preliminary review of the ESG report and submit it to the Company's Board for consideration; Supervise the work of the ESG Working Group and review its periodic report.
ESG Working Group	Execution and reporting	Functional departments in each region, operating representatives of each place of business in each region and the ESG indicator and compliance review group	<ul style="list-style-type: none"> Conduct internal and external materiality assessment; Prepare the Company's annual ESG report; Access and identify climate-related risks and opportunities; Implement annual working plans and formulate schedules according to ESG management objectives; Assist various departments in collecting and reviewing ESG materials and other ESG-related work; Report to the ESG Committee on a regular basis and assist the ESG Committee in reporting to the Board.



Sustainable Development Management



Communication with Stakeholders

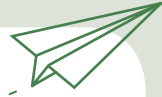
Guangdong Land attaches immense importance to communication with stakeholders and focuses on the stakeholders' concerns on sustainability issues. Such stakeholders include government departments and regulatory authorities, shareholders and investors, enterprise employees, customers, business partners and suppliers and local communities. We strive to understand the expectations and requirements of various stakeholder groups, and establish a regular communication mechanism to incorporate the demands of stakeholders into the operation and decision-making process and create value for all parties.

Stakeholders	Expectations and requirements	Communication channels	Response of Guangdong Land
Government departments and regulatory authorities	<ul style="list-style-type: none"> Comply with laws Pay taxes according to laws Implement state policies 	<ul style="list-style-type: none"> Tax information reporting Daily communication and regulatory information reporting 	<ul style="list-style-type: none"> Compliant operations according to laws Pay taxes in full and on time Actively implement relevant policies
Shareholders and investors	<ul style="list-style-type: none"> Long-term and stable returns Corporate governance Corporate transparency Risk control Sustainable development 	<ul style="list-style-type: none"> Regular announcement Shareholders' general meetings Investor phone conferences/roadshows and invite investors to conduct on-site research on projects Results conferences 	<ul style="list-style-type: none"> Disclose operational information regularly Convene shareholders' general meetings Continuous increase in the dividend to ensure returns for shareholders Establish a comprehensive organisation system on risk control with three lines of defence

Stakeholders	Expectations and requirements	Communication channels	Response of Guangdong Land
Employees of the enterprise	<ul style="list-style-type: none"> Guarantee compensation and benefits Fair promotion and development opportunities Healthy and safe working environment Strengthen team cohesiveness 	<ul style="list-style-type: none"> Occupational, health, and safety training for employees Staff cultural and sports activities Caring activities for employees Labour union Feedback channels 	<ul style="list-style-type: none"> Diverse and equal employment policy Reasonable compensation mechanism and promotion channel Organise physical examinations regularly Establish occupational health and safety management system Conduct internal and external training Organise team-building activities and care for employees in need
Customers	<ul style="list-style-type: none"> Privacy and personal data protection Building and service quality guarantee Advice and complaint handling 	<ul style="list-style-type: none"> Customer Service hotline Questionnaires Home visits The Group's official website and WeChat official account 	<ul style="list-style-type: none"> Provide high-quality service Honest and compliant marketing Conduct customers satisfaction surveys Strengthen employees' awareness of information security to protect customers' privacy security
Business partners and Suppliers	<ul style="list-style-type: none"> Business ethics and reputation Establish a long-term and stable cooperative relationship Create a win-win situation with mutual benefits and joint development Jointly solve environmental and social problems 	<ul style="list-style-type: none"> Open procurement information Regular evaluation of suppliers Communication and visits between management 	<ul style="list-style-type: none"> Responsible procurement policy Fair and open bidding guidelines Conduct supplier evaluation and return visits to suppliers on integrity regularly Work together with suppliers to promote green construction



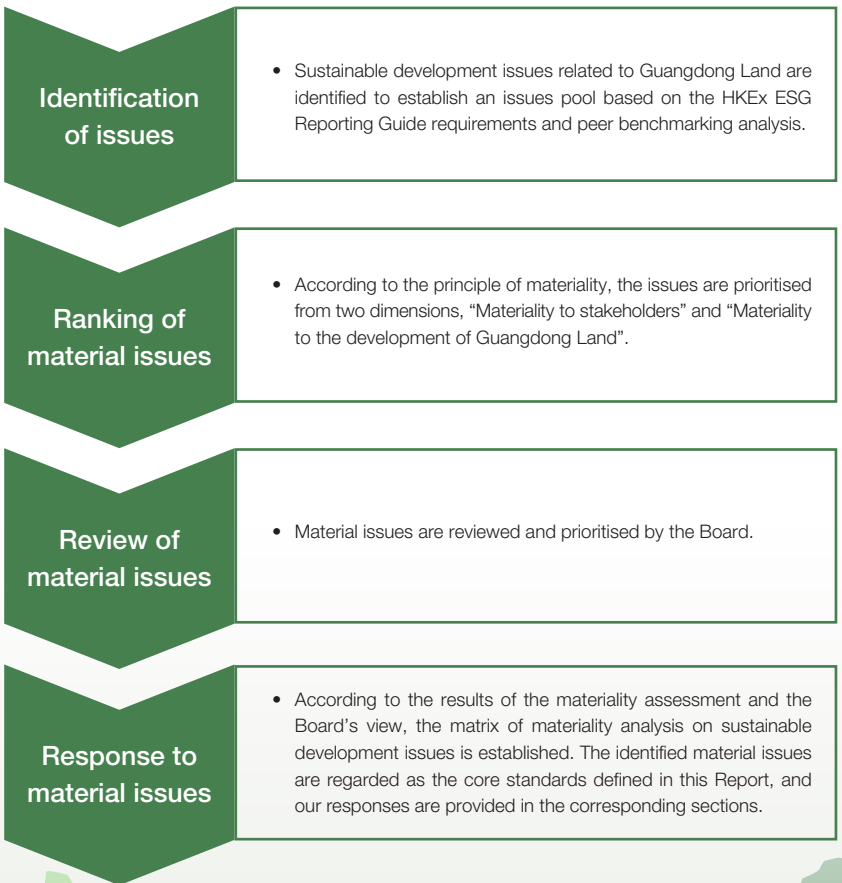
Sustainable Development Management



Stakeholders	Expectations and requirements	Communication channels	Response of Guangdong Land
Local communities	<ul style="list-style-type: none"> Promote construction and development for the communities where our operations exist Support social welfare and charity activities Protect the interests of local residents 	<ul style="list-style-type: none"> Organise and participate in social welfare and charity activities In-depth communication with communities Communicate proactively with local government agencies Media communication The Group's official website WeChat official account 	<ul style="list-style-type: none"> Implement targeted poverty alleviation Public charity Volunteer service

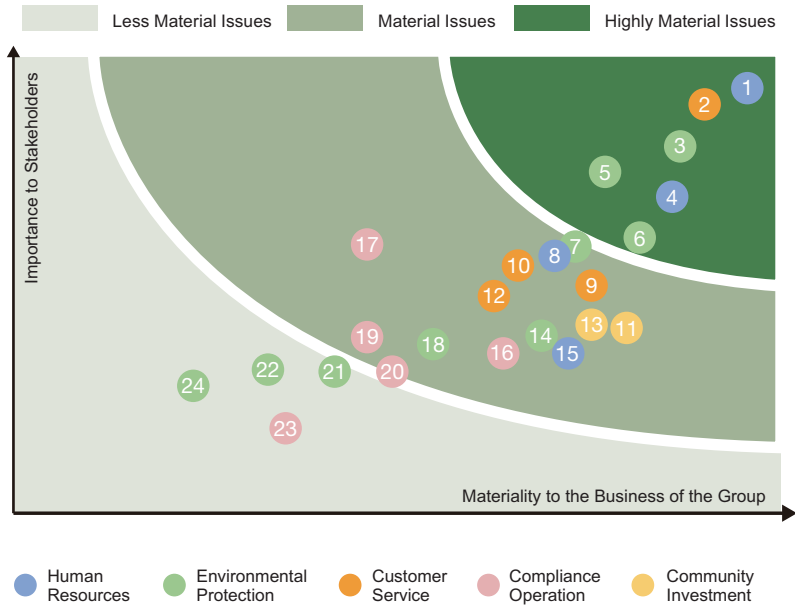
Materiality Analysis

We maintain close communication with stakeholders through the above communication channels to understand and collect stakeholders' expectations on Guangdong Land. During the Year, we carried out materiality analysis on sustainable development issues based on the actual development planning of corporate business through the following procedures:



Sustainable Development Management

Matrix of Materiality Analysis on Sustainable Development Issues of Guangdong Land in 2022



Materiality	Ranking	Name	Category
Highly Material Issues	1	Occupational health and safety of employees	Human Resources
	2	Customer privacy and personal data protection	Customer Service
	3	Waste management	Environmental Protection
	4	Compensation and benefits and promotion	Human Resources
	5	Green building and renovation (green building)	Environmental Protection
	6	Water and wastewater	Environmental Protection
Material Issues	7	Improving energy efficiency	Environmental Protection
	8	Diverse employees and equal opportunities	Human Resources
	9	Building and service quality guarantee	Customer Service
	10	Customer satisfaction	Customer Service
	11	Promote community construction and development	Community Investment
	12	Health and safety of the customer	Customer Service
	13	Support and participate in charity and community activities	Community Investment
	14	Identifying and responding to climate change	Environmental Protection
	15	Employees' training and education	Human Resources
	16	Anti-corruption	Compliance Operation
	17	Sustainable supply chain	Compliance Operation
	18	Greenhouse gases	Environmental Protection
	19	Intellectual property rights management	Compliance Operation
	20	Compliance operation	Compliance Operation
Less Material Issues	21	Use of materials	Environmental Protection
	22	Renewable energy	Environmental Protection
	23	Technology and innovation	Compliance Operation
	24	Protecting biological diversity	Environmental Protection



Based on Compliance

The Group understands compliance management is an inherent requirement for sustainable and stable operation and a prerequisite for an enterprise to avoid non-compliance risks. Guangdong Land has constantly been optimising its compliance management system and insists on implementing the concept of compliance in its work in active response to the requirements of the “Year of Strengthening Compliance Management” of the State-owned Assets Supervision and Administration Commission of the People’s Government of Guangdong Province. We have made every effort to reduce the possibility of compliance risks by promoting the construction of a risk control and prevention system and the standardisation of the risk control assessment mechanism. Furthermore, we continuously implement the relevant regulations set by the Central People’s Government, strictly demand ourselves as well as our business partners and suppliers, with the highest standards of business ethics, maintain a high anti-corruption momentum, and ensure the regularity of our business practices.

On 28 December 2022, Guangdong Holdings successfully obtained the ISO 37301 certification for the compliance management system. Under the leadership of Guangdong Holdings, Guangdong Land has actively promoted its ISO certification work. On 8th March 2023, Guangdong Land successfully obtained the ISO 37301 certification for the compliance management system.

Implementing Risk Management

Risk Control

Guangdong Land attaches great importance to the effectiveness of enterprise risk management and internal control and supervision mechanism. In 2022, the Board and the operation management deliberated and approved 《廣東粵海置地集團有限公司全面風險管理業務實施辦法》(Implementation Measures for Comprehensive Risk Management Business of Guangdong Yuehai Land Holdings Limited*) and 《廣東粵海置地集團有限公司全面風險管理考核辦法》(Assessment Measures for Comprehensive Risk Management of Guangdong Yuehai Land Holdings Limited*), and revised 《廣東粵海置地集團有限公司合規管理辦法》(Administrative Measures for Compliance Management of Guangdong Yuehai Land Holdings Limited*) and 《廣東粵海置地集團有限公司全面風險管理辦法》(Administrative Measures for Comprehensive Risk Management of Guangdong Yuehai Land Holdings Limited*). We clarify the objectives and principles of risk management of the Company, constantly promote the refinement of risk assessment and internal control defect identification standards, incorporate ESG factors into the risk management system and strive to build a comprehensive risk management system with standardised processes, clear templates and scientific assessment methods and tools, with a view to reasonably promoting internal control supervision, risk identification and risk assessment.

In order to ensure that the Group’s risk management comprehensively covers all business operations and management activities, we have built a “three-line defence” of the comprehensive risk control structure, which is specifically shown as follows:



“Three-line Defence” of the Comprehensive Risk Control Structure

1 First Line of Defence Functional Departments and Subordinate Companies

- Formulate and improve the risk management system and processes of functional departments/subordinate companies;
- Implement the risk identification and assessment of functional departments/subordinate companies;
- Draft major risk response plans for functional departments/subordinate companies;
- Carry out the construction of risk management culture in functional departments/subordinate companies;
- Designate risk contacts to connect with the risk coordination department to report the risk information of the department/subordinate companies.

2 Second Line of Defence

Leadership Group	Working Group	Coordination Department
<ul style="list-style-type: none"> • Hold comprehensive risk management meetings irregularly; • Evaluate the Company’s comprehensive risk management system; • Make recommendations for the construction of comprehensive risk management; • Research the questions proposed by the Working Group and provide guidance. 	<ul style="list-style-type: none"> • Organise the implementation of work requirements of the Leadership Group; • Review the Group’s risk assessment standards, internal control defect identification standards, internal control evaluation results, annual risk assessment results and risk list; • Study and deliberate on the response plan for material risks in business investment and propose professional opinions. 	<ul style="list-style-type: none"> • Formulate the Group’s risk management objectives and strategies; • Establish and maintain the Group’s risk framework and update the risk list; • Organise annual and special risk identification and assessment, track and monitor the Company’s material risks, and suggest response opinions; • Be responsible for cultivating and publicising the Group’s risk management culture; • Organise and carry out internal control evaluation and defect rectification.

3 Third Line of Defence Internal Audit and Supervision Department

- Oversee and review the Group’s risk management processes and results;
- Assist in maintaining and improving the Group’s comprehensive risk management.

Based on Compliance

In order to strictly implement the main responsibilities of comprehensive risk management and promote the establishment of a sound risk management and internal control and prevention system by Guangdong Land, the Company regularly conducts annual assessments and grading of comprehensive risk management, through which each department conducts self-assessment against the risk management assessment scorecard, coordinates with the operations management department and the legal affairs department to verify the self-assessment results in conjunction with the daily supervision and management situations and conducts on-site inspections, if necessary. The final evaluation results will be delivered, and the relevant scores will be included in the performance evaluation system.

During the Reporting Period, the Group revised the risk assessment standards, refined the evaluation scores of different levels of risk, and established standardised tools and templates for investment risk assessment to improve the efficiency and quality of investment risk assessment and ensure the completeness and accuracy of risk identifications. We have also gradually standardised the annual risk assessment processes and approaches to promote continuous improvement in the assessment skills of material risks.

During the Reporting Period, Guangdong Land conducted routine audits on the Guangzhou Yungang City Project, the Shenzhen GDH City project, the Foshan Laurel House Project, the Zhuhai Jinwan Project, the Zhongshan GDH City Project and the Huizhou Dayawan Project, so as to ensure that each project company effectively implements the relevant regulations of Guangdong Land and achieves the internal control objectives of the Company. No significant defects in internal control have been identified in the audit results.

Launching Risk Management Training

In order to implement the Group's risk management philosophy and promote a culture of risk, we have actively carry out various forms of corporate risk culture development activities. In 2022, we invited lecturers from external authorities to provide online risk management training for the management of the Company, aiming to expanding their knowledge to ensure the effective operation of the Group.



Based on Compliance

Guangdong Land's 1st Risk Management Case Competition

During the Reporting Period, Guangdong Land hosted its 1st Risk Management Competition, with participation from representatives of each functional department and each project company. The leadership team served as judges, evaluating and scoring the participants based on their analysis of various risk management cases. The exceptional cases were compiled into books for internal study of the Group. The participants also shared their cases in the subsequent promotional activities, playing a good role in publicity and culture development and strengthening the Group's risk management mindset and basic processes.



Regulating Business Conduct

Anti-Corruption

The Group attaches great emphasis to integrity building and is committed to maintaining the highest level of business ethics with a determination to eliminate all forms of bribery and corruption. The Group strictly complies with the relevant laws such as the 《中華人民共和國反貪污受賄法》(Anti-corruption Law of the People's Republic of China*), 《中華人民共和國反洗錢法》(Anti-Money Laundering Law of the People's Republic of China*), 《關於禁止商業賄賂行為的暫行規定》(Provisional Regulations on Prohibition of Commercial Bribery Actions*) and other relevant laws. During the Year, we revised and adopted 《廣東粵海置地集團有限公司合規手冊》(Compliance Manual of Guangdong Yuehai Land Holdings Limited*), 《廣東粵海置地集團有限公司紀檢信訪舉報工作細則》(Rules for Whistleblowing via Petition Letters for Discipline Inspection of Guangdong Yuehai Land Holdings Limited*), 《廣東粵海置地集團有限公司紀委監督執紀工作指引》(Work Guidelines on Discipline Supervision and Discipline Execution of Guangdong Yuehai Land Holdings Limited*), 《廣東粵海置地集團有限公司企業負責人職務消費行為監督管理暫行辦法》(Interim Measures for the Supervision and Administration of the Duties and Consumption Behaviors of the Persons-in-charge of Guangdong Yuehai Land Holdings Limited*), so as to further refine and improve the anti-corruption workflows and regulatory guidelines, establish a sound internal compliance management system, strengthen the ability to manage in accordance with the laws and regulations, and safeguard the sustainable and healthy development of the Company. During the Reporting Period, the Group was not involved in any corruption-related litigation cases.

During the Year, the Discipline Inspection Committee of Guangdong Land formulated 《紀檢委員履責工作指引》(Guidelines for Discipline Inspection Committee Members to Perform Responsibilities*) to solve the problems of grassroots integrity supervision. The Guidelines for Discipline Inspection Committee Members to Perform Responsibilities put forward high requirements on the members of the Discipline Inspection Committee of project companies to perform their duties in submitting duty performance reports, building an integrity culture, promoting integrity supervision on major projects, and issuing integrity opinions on the cadre of project companies, so as to comprehensively understanding of the actual situation of projects and prevent integrity risks. In order to create sunshine and integrity projects, all project team members are required to sign 《粵海置地重大工程項目建設廉潔承諾書》(Guangdong Land Integrity Pledge for Construction of Major Projects*) before the commencement of major projects, with a view to strictly implement the spirit of honesty and integrity, maintain a high anti-corruption momentum and constantly implement the relevant national regulations.



Based on Compliance

In addition, in order to accurately identify and control the integrity risk in all areas and segments of the Group, the Discipline Inspection Committee of the Company, together with each functional department, has conducted inspections on the integrity risk of duties and positions, formulated targeted risk prevention and control measures, and instructed all project companies to formulate 《廉潔風險清單》 (Integrity Risk List*). The inspection covered the whole chain of the Group's operation and management. It was dynamically updated based on the actual situation to promote the institutionalisation, systematisation, standardisation and normalisation of the prevention and control of integrity risks.

The Group has also set up a whistle-blowing channel (by means of a hotline and mailbox) for its employees to reflect problems or any possible violations of laws and regulations to the Internal Audit Department in name or anonymously through written forms or by telephone calls, etc. The recipient shall respond in a timely manner and follow up on the matter in accordance with the Company's rules and regulations. Without the consent of the whistle-blower, no one shall disclose, divulge or spread the information of the whistle-blower. It is strictly forbidden to transfer the reporting materials to the reported unit and the reported person or to privately extract, copy, detain and destroy the reporting materials. Violators will be dealt with seriously per the law and regulations to ensure that the reported issues are handled impartially and practically, adhering to principles.

Guangdong Land actively cultivates a culture of integrity and carries out various activities to build a culture of integrity. The Group regularly organises annual integrity talks and integrity risk reminder seminars with relevant functional departments and project companies. It also conducts warning education on inspection issues and internal disciplinary cases found in previous years. During the Reporting Period, the Group conducted 31 sessions of warning education covering 700 person-times. It provided 835 hours of anti-corruption training to the Board and employees at all levels, insisting on creating a good atmosphere of integrity and devotion. Meanwhile, we are dedicated to building a publicity platform for the culture of integrity. We have pushed out more than 40 posters and warning cases on the "Integrity Construction" section of the Company's internal office automation system and WeChat work group in order to make the concept of integrity deeply rooted in the hearts of our employees.

Discipline Learning Month

From August to September 2022, Guangdong Land launched a number of activities to implement discipline education and learning. The Discipline Inspection Committee organised more than 30 people, including company leaders, middle-level managers and discipline inspection members, to visit the anti-corruption and integrity education base in Guangdong Province, invited the president of Discipline Inspection Association of State-owned Assets Supervision and Administration Commission (國資委紀檢協會) to conduct themed training and education for the Company, and conducted centralized warning education, so as to strengthen the awareness of integrity among the staff and cadres.



"Integrity in Construction" Campaign

In order to ensure that all project companies maintain the same degree of integrity as the headquarters, Guangdong Land launched the "Integrity in Construction" campaign in 2022. The Company organised publicity activities on the prevention and control of corruption risks at the site of 12 project companies, such as affixing whistle-blowing boxes, putting up integrity posters and distributing warning education booklets. We organised a case study on safety and production audits in the Jiangmen Ganhua Project, and held an inauguration of a demonstration site for procuratorate-corporate joint construction and integrity culture in the Guangzhou Yanguang City Project, with an endeavor to promote the construction and cultivation of integrity culture in each project company.



Based on Compliance

Tendering and Procurement Supervision Management

This year, in order to further regulate the procurement supervision activities of the Group's projects, goods and services and to safeguard the legitimate interests of the Company, the Group revised 《廣東粵海置地集團有限公司招標採購監督工作指引》 (Guidelines on Tendering and Procurement Supervision of Guangdong Yuehai Land Holdings Limited*) to clarify the functions and person-in-charge of tendering and procurement supervision and management.

Before the commencement of a tendering and procurement project, the operations management department and the general affairs department of the project company will dispatch the supervisor in accordance with the rules and ensure that the personnel dispatched are not close relatives of the person in charge of the tendering or personnel who have a direct interest in the tenderer, so as to ensure the independence of the supervisor. We strictly regulate the supervisor's conduct when a tendering and procurement project is initiated, and ensure that the supervisor is present on the site before the commencement of the tendering and procurement activity. Once a tendering and procurement project is launched, the operations management department and the general affairs department of the project company shall review 《招標監督工作行為清單》 (List of Work Conduct for Tendering Supervision*) or 《採購監督工作行為清單》 (List of Work Conduct for Procurement Supervision*) filled out by the supervisor, and conduct random checks on the evaluation video via the remote online supervision centre on a regular basis to criticise irregularities for strict implementation of the system related to tendering and procurement supervision of the Group.

We also put a high value on the integrity management of the supply chain, adhere to the bottom line of anti-corruption in tendering and procurement, persist in the Group's integrity position, and actively promote sunshine procurement. Following the principles of strict compliance with laws and regulations, openness, transparency, fair competition, honesty, integrity, efficiency, and protection of the rights and interests of enterprises, we disclose the tendering and procurement information on the Sunshine Procurement Platform of Guangdong Province (廣東省陽光採購平台) and China Tendering & Bidding Public Service Platform (中國招標投標公共服務平台). In the tendering and procurement process, we adopt a zero-tolerance attitude towards granting benefits to Guangdong Land's internal staff by the tenderer and implement anti-corruption management in the supply chain.

In the meantime, we pay close attention to the anti-corruption situation of our suppliers. A two-member working group on integrity visits is formed to conduct integrity visits from time to time by means of on-site visits or telephone calls, mainly asking whether they have signed the 《廉潔自律責任書》 (Self-discipline Responsibility Letter*), whether there is any violation of integrity in business transactions, whether he/she is aware of the whistle-blowing channels for integrity and whether there is any suggestion on integrity construction, etc. Meanwhile, we carry out special rectifications with the quarterly work focus of the Discipline Inspection Committee, focusing on the problems found in special inspections. Once confirmed, the corrupt practices of suppliers will be reported to the Group's competent authorities. Such suppliers will be included in the blacklist of the Group's tendering management system to restrain them from participating in the tendering for the Group's projects within a limited period of time. During the Reporting Period, we have conducted integrity visits on 22 suppliers, and no "unhealthy tendency" or "corruption" problems were found for the time being.





Prioritising Quality

Upholding the brand concept of “For a better life”, Guangdong Land strives to provide customers with sincere and heartfelt services and excellent products. Meanwhile, adhering to the original pursuit of quality, we polish every detail carefully, from planning, design, and construction to delivery, demonstrating craftsmanship in every brick, every tile, every grass and every tree with “guarantee completion”, “guarantee delivery” and “guarantee quality” as our primary objectives. High-quality suppliers are also an important guarantee for the quality of Guangdong Land. We put a high value on communication and cooperation with suppliers and endeavour to work together with them to promote the sustainable development of the enterprise.

Commitment to Project Quality

Guangdong Land attaches great importance to the quality and safety of projects. Upholding the concept of “safety is the bottom line, and product quality is the lifeline”, we strictly comply with the laws and regulations such as 《中華人民共和國安全生產法》 (Production Safety Law of the People’s Republic of China*) and the 《建設工程安全生產管理條例》 (Administrative Regulations on the Work Safety of Construction Projects*), and formulate the internal policies and systems such as 《粵海置地工程管理制度》 (Guangdong Land Engineering Management System*), 《安全生產管理規定》 (Production Safety Management Regulations*) and 《突發事件綜合應急預案》 (Comprehensive Emergency Response Plan*) with the relevant laws and regulations as the core guidance, in order to regulate the project management behaviours of each project company, improve the efficiency and skills of project management, and ensure the high-quality delivery of projects.

Guangdong Land understands that the key to high-quality project delivery lies in standardising processes and controlling details. To this end, we implement the entire life-cycle management of all projects, adhering to the principle of “survey first, design later, and then construction”. During the construction process, we manage the quality, schedule, cost, safety and integrity of projects to ensure the achievement of the construction objectives set at the project’s inception.

Before the implementation of each project, while confirming the cooperation relationship with the suppliers, we nail down the quality target of the project in advance through the conclusion of contracts and arrange the quality assurance work for the suppliers in advance by means of material and process acceptance control and supervisor’s on-site inspection, so as to provide strong quality assurance for the subsequent progress of the project. Furthermore, in the preliminary design stage, led by the design department of Guangdong Land with the subsequent construction and delivery of the project as the starting point, we assess the design results from various perspectives, such as the constructability, the completeness of drawings and technical requirements for design and construction, the feasibility of schedule, and the availability of major equipment and materials, so as to ensure that the overall planning of the project is reasonable, providing a solid foundation for the subsequent progress of the project.

During the implementation of each project, the project company, adhering to the principles of “separating acceptance from evaluation, strengthening acceptance, improving means and process control”, provides a sufficient number of designated quality management personnel at each project site to strictly control the key quality control points and progress of sample projects, with a view to ensuring safe and orderly construction. Meanwhile, to ensure the project’s quality, the engineering management department conducts quarterly comprehensive quality and safety inspections and irregular spot inspections without notification to comprehensively review and evaluate the quality and safety of each project. If a major hazard is found during an inspection, the inspection team will issue a notice of rectification on the spot, requiring the relevant project company to rectify the discovered problem immediately. In 2022, we conducted over 200 quality inspections for 11 projects under construction. In addition, we regularly invite a third-party assessment organisation to conduct safety and quality assessments of the projects under construction, with an aim to fully reduce the possibility of quality and safety hazards.



Prioritising Quality

The Group's Safety Hazard Assessment Results in 2022



Organized a total of **7** safety hazard assessments;



Rectification rate of general safety hazards reached **98%**;



Rectification rate of material safety hazards reached **100%**.

Upon the completion of each project, the professional engineer of the project company will carry out joint inspection and quality acceptance to ensure that there is no material delivery risk before handing over the project. After the complete filing of each project, the project company will also maintain and repair the project according to different circumstances and periods of the project and strive to deliver the project with the highest quality to the customer, achieving all-around and whole-cycle project quality management and protection.

In addition, based on the recognition of our own limitations, we always maintain an active and open learning attitude by taking outstanding peer companies as benchmarks, inviting industry experts for training and cooperating with third-party organisations to learn excellent quality management methods in the industry, with a view to making up for our technical and management shortcomings and improving the quality system construction.

Shortlisted in the 10th national “廣廈獎 (Guangsha Award)”

In November 2022, after the site examination and rigorous selection of the expert panel for the applied projects, Guangdong Land's Shenzhen GDH City, Jiangmen GDH City and Foshan Laurel House were listed in the fifth batch of the 10th “Guangsha Award”, and received national honors according to 《關於列入第十屆(2021–2022年度)「廣廈獎」第五批候選項目的通報》(Notice for Listing of Fifth Batch of the 10th Guangsha Award (2021–2022)*) issued by the China Real Estate Association and the Housing Industrialization Promotion Center of the Ministry of Housing and Rural-Urban Development of the PRC.



Shenzhen GDH City's application for the “Guangsha Award” was judged on site



Jiangmen GDH City's application for the “Guangsha Award” was judged on site



Foshan Laurel House's application for the “Guangsha Award” was judged on site

Prioritising Quality

Jinding Award — 2022 Quality Delivery Enterprise of the Year

Deeply rooted in the Greater Bay Area, Guangdong Land upholds the spirit of craftsmanship and has created five core product lines: GDH Centre, GDH City, GDH Plaza, GDH Laurel House and GDH One (at the present stage, Guangdong Land holds products of GDH City, GDH Laurel House and GDH One, and administrates products of GDH Centre and GDH Plaza for the owner). The core product lines demonstrate the craftsmanship of Guangdong Land, highlight the regional business value in different regions, empower urban construction, and contribute to the construction and development of the Greater Bay Area. On 27 December 2022, Guangdong Land was awarded the “Jinding Award — 2022 Quality Delivery Enterprise of the Year” at the “Resilient Growth — Leju Innovation Summit 2022”.



2022 Greater Bay Area Benchmark Projects of the Year

The elegant and chic style of the Foshan Laurel House Project draws insights from the “corridor” and “pavilion” of traditional Lingnan gardens by creating a high-quality corridor and a parlor, designed to meet the needs of residents for a pleasant stroll while providing them with an efficient and convenient homecoming experience. On 27 December 2022, the project was awarded the “2022 Greater Bay Area Benchmark Projects of the Year” at the “Resilient Growth — Leju Innovation Summit 2022”.



Prioritising Quality

Construction of Digital Construction System

In order to improve the efficiency of construction and management and to provide a more convenient and intuitive understanding of the actual situation of projects, we constantly promote the smart site construction and develop the “粤建造 (Yue Construction)” system, a BIM (Building Information Modeling) integrated platform. Since 2022, the smart site safety module has been in use with good results. In addition, we started to promote the trial operation of the quality module in 2022, so that the quality management work such as material mobilization, sample evaluation and process handover can be operated online, saving labour and time costs, and significantly improving the efficiency of project management by digital means.



Furthermore, we are committed to enhancing the awareness of project quality improvement among our staff and actively carry out various forms of quality improvement training and promotion activities. In 2022, we organised online learning for our staff to understand the internal administrative measures, such as 《粤海置地项目工程关键人员评价管理办法》(Guangdong Land Administrative Measures for Evaluation of Key Personnel in-Charge of Construction Projects*), 《粤海置地工程品质红线、底线管理办法》(Guangdong Land Administrative Measures for Red Line and Bottom Line of Project Quality*), 《粤海置地工程拉闸管理方法》(Guangdong Land Administrative Measures for Load Shedding*), 《粤海置地工程承包商关键人员评价管理方法》(Guangdong Land Administrative Measures for Evaluation of Key Personnel of Project Contractors*), 《粤海置地工程综合巡检管理指引(第一次修订)》(Guangdong Land Administrative Measures for Comprehensive Patrol Inspection (First Revision)*), and focused on sorting and sharing weak links of the project and blind spots of quality control in combination with practice.

1st Construction Safety and Quality Skills Competition

In August 2022, Guangdong Land held the 1st Construction Safety and Quality Skills Competition to enhance the construction skills, quality and safety awareness of construction personnel. The competition combined theoretical and practical operations, with construction technology and safety standards included in theoretical topics. The practical operation competition required the participating teams to conduct on-site surveys and complete quality inspections in accordance with the third-party evaluation system, and the final score was given by the event judges and third-party evaluators to ensure the fairness of the competition. The competition further deepened the construction staff's understanding of the construction management system and safety standards and promoted the rapid improvement of the project quality and safety management skills.

排名	队伍	理论得分				总分
		实操得分	土质与基础	机电与通风	安全与消防	
1	粤海置地队	110	95	100	100	605
2	中建队	100	75	75	100	600
3	碧桂园队	100	100	200	90	570
4	融创中国队	80	130	140	100	450
5	招商局队	80	140	70	100	400
6	越秀地产队	70	100	70	100	340



Controlling Service Level

Customer Service Optimisation

Upholding the core value of “Heartfelt, Win-Win, Better Life”, Guangdong Land actively listens to customers’ voices and needs, striving to provide high-quality services to customers. We understand that honest customer feedback is essential to improve Guangdong Land’s service level. We have issued guidelines such as 《粤海置地客户投诉处理指引》(Guidelines on Handling Customer Complaints of Guangdong Land*) to clarify the responsible unit for receiving customer complaints, handling process and feedback progress monitoring mechanism, with a view to ensuring the prompt response and settlement of customer complaints. In 2022, we did not receive any complaints related to the quality of our products and services.

Prioritising Quality

In order to have a comprehensive understanding of customers' feelings, we conduct customer satisfaction surveys twice a year, form semi-annual and annual customer satisfaction survey reports, set different survey indicators for prospective owners, old owners, stable owners and newly-settled owners, and collect customers' opinions in a targeted manner. To address the prominent problems, the Marketing Management Department conducts in-depth communication with relevant departments on rectification measures' rationality, accuracy and feasibility. Furthermore, we also conduct monthly visitor surveys to promptly sort out and comprehensively summarise the problems that need to be rectified. Based on the evaluation results of customer satisfaction and monthly visitor surveys, the Company conducts counter-evaluation on the project site and delivery project satisfaction, which will motivate the project site and project property management team to improve their service awareness.

We are committed to strengthening our sales staff's professionalism and service awareness. In 2022, our sales management department organised a total of five marketing training sessions on different topics, covering customer satisfaction and customer service, which effectively promoted our staff to deepen their understanding of the current status of our products and improved the problems that remained unsolved in the previous period, so as to serve our customers with a more professional attitude and richer knowledge reserve.



Marketing training

Integrity Marketing Management

Guangdong Land insists on compliance marketing, strictly complies with 《中華人民共和國廣告法》(Advertising Law of the People's Republic of China*) and other laws and regulations, and has issued 《廣東粵海置地集團有限公司銷售過程工作指引(試行)》(Guidelines on Sales Process of Guangdong Yuehai Land Holdings Limited (for Trial Implementation)*) to eliminate any form of exaggerated or misleading publicity and marketing practices, and strictly ensures the legality, truthfulness and accuracy of all public information.

Our sales staff are required to introduce the project information to customers in a prudent, detailed and thorough manner, clearly remind customers of the market risks before purchasing a property, and explain the reference nature of the contents and data of the developer's promotional materials and other pictures. They shall not provide customers with defective products to protect customers' right to know.

Customer Privacy Management

Guangdong Land attaches great importance to the security and protection of customers' personal information. We have formulated 《廣東粵海置地集團有限公司合規手冊》(Compliance Manual of Guangdong Yuehai Land Holdings Limited*) to ensure that the Group strictly follows the principles of "lawful, proper and necessary" when collecting and using the personal information of the customer, and clearly specifies the purpose, manner and scope of the collection. We also take a variety of technical measures to ensure information security after obtaining the customer's consent. Furthermore, in order to enhance the staff's awareness of information security and confidentiality, we conduct regular cautionary talks with our staff to warn them of the importance of customer information security. We will punish the staff who leak customer information or illegally use customer information for profit in a stern manner.

Intellectual Property Management

Intellectual property rights (IPR) are the source of vitality for innovation and progress of an enterprise, playing a key role in establishing a good brand image. We strictly abide by the laws and regulations such as 《中華人民共和國專利法》(Patent Law of the People's Republic of China*) and 《中華人民共和國商標法》(Trademark Law of the People's Republic of China*) and respect the intellectual achievements of others. We conduct timely intellectual property inquiries when researching and developing new products and technologies to avoid IPR infringements. In order to enhance the IPR protection level of our staff, our legal affairs department has taken the lead in organising IPR legal literacy training activities in 2022 to share the key points of IPR and protection measures in the real estate industry as well as outstanding IPR cases in the industry, so as to further enhance the staffs' awareness of IPR protection and improve the IPR management skills of Guangdong Land.



Prioritising Quality

Building Win-win Relationships

Guangdong Land strives to build a green and transparent sustainable supply chain. On the basis of strict compliance with laws and regulations such as 《中華人民共和國政府採購法》(Law of the People's Republic of China on Government Procurement*), 《中華人民共和國招標投標法》(Law of the People's Republic of China on Tendering and Bidding*), 《中華人民共和國招標投標實施條例》(Regulations of the People's Republic of China on Implementation of Tendering and Bidding*), Guangdong Land has established a sound internal supply chain management system and formulated various administrative measures such as 《廣東粵海置地集團有限公司採購管理辦法》(Administrative Measures for Procurement of Guangdong Yuehai Land Holdings Limited*), 《廣東粵海置地集團有限公司招標管理辦法》(Administrative Measures for Tendering of Guangdong Yuehai Land Holdings Limited*), 《粵海置地營銷供應商管理辦法(試行)》(Guangdong Land Administrative Measures for Marketing Suppliers (for Trial Implementation)*), 《廣東粵海置地集團有限公司招標採購監督工作指引》(Guidelines on Tendering and Procurement Supervision of Guangdong Yuehai Land Holdings Limited*), 《廣東粵海置地集團有限公司招標管理工作指引》(Guidelines on Tendering Management of Guangdong Yuehai Land Holdings Limited*) to standardise the management process of suppliers and strive for a win-win situation with suppliers to jointly promote the sustainable development of both companies.

We have incorporated sustainable development requirements into our tendering and procurement management processes. We have incorporated ISO 9000 quality control system certification, ISO 14000 environmental management system certification, and OHSAS 18000 occupational health and safety assessment system certification into our supplier enrollment requirements, with the aim of reducing environmental and social risks of the supply chain. At the same time, we include requirements such as eliminating child labour and mandatory labour in tendering or procurement contracts. We also conduct special performance assessments and credit evaluations from time to time to strengthen suppliers' awareness of contract compliance. In addition, we attach importance to the environmental attributes of our suppliers and contractors. We include technical parameters for environmentally friendly building materials in the tendering documents for building materials suppliers to minimise the supply chain's environmental impact.

The Group emphasises communication with suppliers and contractors and manages suppliers according to the type of services. We organise supplier evaluations at least once a year and grade suppliers based on their evaluation scores with different requirements for suppliers providing different services.

- When evaluating suppliers in the categories of installation, construction, provision of materials and equipment by Party A, and centralised procurement, we assign different weights to the scores of the relevant business departments participating in the evaluation, including the evaluation of suppliers' financial management, supply services, and on-site management, so as to ensure an objectiveness and independence of the evaluation process and evaluation personnel. For suppliers with evaluation scores below a certain level, Guangdong Land's engineering and construction command will conduct performance talks to ensure timely and effective rectification. We will directly terminate cooperation with those with extremely low scores and blacklist them.
- When evaluating the marketing suppliers, the marketing management department will take the lead to conduct a comprehensive evaluation of the ability of the suppliers' team, production effect, execution efficiency and cooperation in procurement. For suppliers with scores below 60 for the first time or several times, we will give punishments with different degrees, such as cooperation suspension for six months, cooperation termination, and elimination from the supplier list.

In 2022, we cooperated with 2,902 suppliers in various regions and various types of cooperation, including 2,679 suppliers in Mainland China and Hong Kong and 223 overseas suppliers.



Sourcing from Environment

The Group insists on implementing the concept of environmental protection in every aspect of the work and strictly abides by relevant laws and regulations such as 《中華人民共和國環境保護法》(Environmental Protection Law of the People's Republic of China*) and 《中華人民共和國水污染防治法》(Water Pollution Prevention and Control Law of the People's Republic of China*). We give full play to our professional knowledge and continue to convey the concept of harmonious coexistence between architecture and the environment through designs like green buildings and sponge cities. Meanwhile, we vigorously promote green office, energy conservation and emission reduction, formulate internal environmental protection systems and plans, and try our best to reduce the impact of the Group's business operations on the environment.

Furthermore, we actively respond to the national strategic plan and the long-range objectives through the Year 2035, implement new progress in the construction of ecological civilisation, keep optimising the project development and conservation, continue to promote the green transformation of our own business, improve energy utilisation efficiency, and continuously reduce greenhouse gases and air pollutants.

The Board assesses environmental issues and assumes overall responsibility for relevant decisions. Meanwhile, the ESG Committee and the ESG Working Group review the environmental work at all levels and promote the green and sustainable development plan from top to bottom. In order to continuously improve our environmental performance, we set quantitative environmental goals and report the goals to the Board for consideration and approval.

Environmental Goals

- Strived to promote 1-star national green building certification for newly developed residential projects and continuously encourage projects to obtain higher-star certifications, including but not limited to 2-star and 3-star national green building certifications, LEED certification, and BREEAM certification.
- 100% of the acquired land has a third-party environmental impact assessment report, including biodiversity analysis.



Sourcing from Environment

Combating Climate Change

In the long-term ESG management, we are fully aware of the impact of climate change on business and have integrated functions related to climate risk identification and response into the existing ESG governance structure. During the Reporting Period, we referred to the TCFD recommendations to further identify and assess the impact of climate risks and opportunities on the Group's business, including physical and transition risks. The Group formulates targeted management measures according to each risk, which is specifically shown as follows:

Risk Types	Risk Description	Management measures
Physical Risk	Acute Increasingly severe extreme weather events such as floods, hurricanes, tornadoes, and heat waves <ul style="list-style-type: none"> Cause damage or destruction to buildings and facilities that would increase the operating costs of repair or replacement; Cause downtime, affect delivery time and increase the project cost; Cause threats to personal and property safety of employees, supply chain and customers. 	<ul style="list-style-type: none"> Make resilience plans in the project design stage to enhance the adaptability of buildings, thereby improving the ability to respond to extreme weather events; Apply the concept of a sponge city, and adopt designs such as rainwater gardens, permeable overhead platforms, and green roofs to enhance capacity to de-water and retrofit existing buildings where appropriate; Pay close attention to the relevant weather forecast of each project location and operating site, sign the 《行業氣象服務協議書》(Industry Meteorological Service Agreement) with the Meteorological Public Service Center, and ensure safety and security of employees on the project site; In case of high temperatures, timely provide employees with food and medicines to cool off the heat, distribute high-temperature subsidies or implement high-temperature holidays; Each project company is required to formulate contingency plans for unexpected weather events.
	Chronic Rising global temperatures may cause prolonged heatwaves <ul style="list-style-type: none"> Increase the safety risks of outdoor employees, such as heatstroke or death due to heat; Cause interruption or delay of construction, affect project delivery and increase operating costs; Add ventilation and refrigeration equipment for offices and construction sites to increase operating costs. 	<ul style="list-style-type: none"> Pay close attention to each project and operating site's relevant weather forecast to ensure safety and security; Provide heatstroke prevention supplies and high-temperature subsidies or high-temperature holidays for employees working outdoors; Proactively identify, assess, and respond to long-term climate risks.

Risk Types	Risk Description	Management measures
Transition risk	Policy and Legal Transformation requirements for construction companies in the National "Double Carbon" Goals; the government implements a carbon pricing mechanism to reduce greenhouse gas emissions; regulators and other relevant authorities strengthen the requirements of environmental information disclosure <ul style="list-style-type: none"> It is necessary for the enterprise to further adjust the structure of energy use, increase the proportion of renewable energy use, and ensure legal compliance; Increase potential litigation risks, leading to an increase in compliance costs. 	<ul style="list-style-type: none"> Deeply root the concept of green building and sponge city in strategic development and operation, and actively practice the path of low carbon transformation; Incorporate energy efficiency into overall planning considerations, and plan to minimise the use and reliance on non-renewable energy in every stage, from design, development, and procurement to operation; Tighten legal compliance management, make rectifications by compliance requirements promptly, and efficiently manage environmental performance; Advocate green office and increase the use of renewable energy in operations.
Technology	Architectural design requirements and standards are becoming increasingly stringent, increasing the cost of development and construction <ul style="list-style-type: none"> The incorporation of green design and green materials in the development and construction phase will lead to an increase in project costs; Investment in low-carbon technologies and upgrading existing equipment will increase operating costs. 	<ul style="list-style-type: none"> Continuously optimise the skills of R&D and design teams, and strengthen forward-looking green design communication through academic exchanges and curatorial activities; Comprehensively promote cost reduction and efficiency improvement, analyse energy efficiency, accurately identify improved areas, and carry out cost planning.
Market	Climate change will have complex impacts on the market, such as changes in the consumption patterns of goods, products and services through supply and demand structures <ul style="list-style-type: none"> Consumers are paying more and more attention to green products, and the enterprise will directly face consumers' demands for green transformation. 	<ul style="list-style-type: none"> Understand consumer needs through market research and continuously optimise products and services to meet consumer expectations.
Reputation	Stakeholders are paying more attention to environmentally friendly products and corporate environmental performance <ul style="list-style-type: none"> Negative news can damage the goodwill and reduce business value, such as failure to actively address climate change issues. 	<ul style="list-style-type: none"> Promote environmental protection in an all-around way and deeply root the concept of sustainable development in each project design, construction, and operation stage; Actively promote green office, green building, and other work.



Sourcing from Environment



Category	Climate-Related Opportunities	Countermeasures
Resource Efficiency	<ul style="list-style-type: none"> Improve efficiency in resource use and waste management, thereby reducing operating costs; Improve the efficiency of energy use in production and sales processes, buildings, machinery, and equipment to reduce operating costs. 	<ul style="list-style-type: none"> Effectively improve resource utilisation efficiency by recycling, filtering, and reusing rainwater during construction.
Energy Use	<ul style="list-style-type: none"> Using low-carbon clean energy (such as wind energy, solar energy, etc.) can effectively avoid the price fluctuations of traditional energy and reduce the cost of future carbon emission trading. 	<ul style="list-style-type: none"> Increase the use of clean energy, such as promoting solar lighting tools at various project construction sites.
Product and Service	<ul style="list-style-type: none"> Innovate and develop low-carbon products and services, and improve products' climate adaptability and resilience; Changes in consumer preferences (for example, users tend to choose products with low energy consumption) bring potential demand for enterprises. 	<ul style="list-style-type: none"> By embedding the concepts of green buildings and sponge cities in the design stage, the carbon emissions of buildings can be reduced, climate adaptability and resilience can be enhanced, and consumers' minds can be occupied; Innovate the marketing service model, and use electronic brochures, online publicity, and other methods to promote green operations.
Market	<ul style="list-style-type: none"> Promote enterprise transformation and realise diversified operations; Respond to government policies and obtain government incentives and support for green projects. 	<ul style="list-style-type: none"> Through the comprehensive promotion of green building certification, it aims to obtain related financial services such as bank green credit, reduce financing costs and accelerate the green transformation of enterprises; Promote industrial upgrading and transformation, not only limited to land development, but also integrate sustainable management into daily operations and company strategies; Jointly build specialised scientific research and development institutions with universities, and make good use of scientific research and innovation to reduce operating costs.

Promoting Green Construction

Guangdong Land actively promotes the concept of green and environmental protection. We are committed to improving the environmental benefits of buildings during operation and use after delivery. Relying on our own R&D and design advantages, we embed diversified green and environmental designs in the initial planning and design stages of projects. During the construction phase, we uphold the concept of green construction and use various methods to save energy and reduce carbon emissions to ensure the reduction of carbon emissions in all stages of the building's life cycle.

The Group attaches great importance to scientific and technological innovation for high-quality development. In order to maintain the leading edge in innovative research and development, we have joined hands with all parties to further promote research and development and innovation in 2022. During the Reporting Period, the R&D and Design Department of the Group has led the establishment of the Guangdong Land Innovation Research Institute, the establishment of a product standardisation system, the preparation of the Urbanism/Architecture Bi-City Biennale (UABB) of Shenzhen and Hong Kong, and other important tasks, aiming to comprehensively promote the communication and exchange of green and sustainable design concepts.



Sourcing from Environment

Establish Guangdong Land Innovation Research Institute

At the end of February 2022, the Group joined hands with the Guangdong Provincial Key Research Base of Humanities and Social Sciences – the Architectural History and Culture Research Center of South China University of Technology to jointly build the Guangdong Land Innovation Research Institute, a specialised scientific research and development institution of Guangdong Land. In the next three years, the two parties will join in project research and academic cooperation to improve Guangdong Land's comprehensive scientific research and independent innovation capabilities, and further explore the possibility of applying environmental protection concepts to architectural construction.

Residential and Office Product Standardisation

Guangdong Land started product standardisation work in 2020 and has gradually established a product standardisation system. By the end of 2022, the standardised design of multi-professional products such as residential project architecture, landscape, and decoration has been completed, including architectural standardisation, landscape standardisation, residential decoration, standardisation of demonstration areas, and office delivery configuration standards. Such design has helped reduce carbon emissions in the decoration stage through product standardisation and ensured that every detail implements the green construction concept.

UABB of Shenzhen and Hong Kong

During the Reporting Period, the Industrial Heritage Conservation and Urban Renewal Innovation Forum and thematic exhibition were successfully held at the UABB of Shenzhen and Hong Kong, using a dialogue mechanism to discuss the concern and innovation of environmental issues from the perspective of architecture to fully demonstrate our industry innovation capabilities in heritage conservation and urban renewal.



Sourcing from Environment

Design Stage

In order to fulfil our green commitment, the Group compiles the “Special Guide to Green Building Design” in strict compliance with national and local standards. To ensure the implementation of environmental protection and energy saving, we aim to obtain higher-star certification by referring to international green building standards. At the same time, we ensure that all newly developed residential projects obtain 1-star national green building certification to create high-quality buildings that are safer, more durable, healthier, more comfortable, more convenient, resource-saving and more livable for our customers. For specific green building certification, please refer to the following table:

No.	Projects	Scope	Green building design criteria
1	Guangzhou Yungang City	Land Plot No. 4	National criteria 2-star
		Land Plot No. 9	National criteria 1-star with some 2-star
		Land Plot No. 11	National criteria 1-star
2	Guangzhou Laurel House	The whole project	National criteria 2-star
3	Shenzhen GDH City	Southern Land	Original national criteria 2-star (change of criteria on 1 August 2019)
		Northern Land	Shenzhen green silver-level standard
		South Tower/North Tower	LEED-CS gold-level criteria
		Industrial heritage	Existing green building renovation standard 1-star
4	Foshan Laurel House	The whole project	National criteria 1-star
5	Zhuhai Jinwan project	The whole project	National criteria 1-star
6	Jiangmen Chenyuan Road	Land Parcel B (Residential)	2-star A-grade
		Land Parcel A (Commercial)	1-star A-grade
7	Jiangmen Ganhua	Land Plot No. 3	Provincial criteria 2-star B-grade
		Land Parcel 4-1	National criteria basic requirements
8	Huizhou Dayawan	The whole project	Provincial criteria 1-star

Sponge city — Case study of Zhuhai Jinwan

We clarify the design objective and criteria by conducting climate analysis, underlying surface analysis and drainage zoning. In addition, we developed a sponge city through the “design rainfall standard” and the “excess rainfall standard” to enhance resilience to extreme weather events. Rainwater within the design rainfall standard can be “infiltrated, cleaned, stored, purified, and used” through low-impact development (LID) facilities and is directly absorbed on-site. Rainfall exceeding the standard is collected and transmitted through the drainage pipe network and eventually discharged into the surrounding municipal rainwater pipe network or river water bodies. Meanwhile, we adopt technical measures such as rainwater gardens and permeable paving. By disconnecting some of the roof rainwater pipes, we were able to control the rainwater runoff from all non-permeable underlying surfaces on the site.



Sourcing from Environment



In order to enhance the adaptability and resilience of buildings to climate change, we make plans in advance and comprehensively promote the application of the sponge city design concept in various projects. We strictly comply with the relevant laws and regulations and local government requirements and standards in the design of our projects. Through rainwater gardens, permeable elevated platforms and green roofs, we enhance the city's drainage and flooding discharge capacity and improve the urban ecosystem's function. The design of sponge city is incorporated into the Group's projects, such as the Shenzhen GDH City project, Zhuhai Jinwan project, Jiangmen Ganhua project, Zhongshan GDH City project, Foshan Laurel House project, Huizhou Dayawan project and Guangzhou Yungang City project.

In addition to green buildings and sponge cities, we have added other environmental considerations in the design stage, including but not limited to the following:

- **Recycling of renewable materials:**
We are committed to increasing the overall proportion of environmental-friendly construction materials used in residential projects by using more environmental-friendly construction materials, including doors and windows glass, steel bars and other steel, aluminium alloy and wood.
- **Surface materials:**
According to different materials of the ground layer, different surface materials are designed, such as porous asphalt pavement, permeable concrete pavement, and permeable bricks for non-motorized roads; porous asphalt pavement and permeable concrete pavement for motorized roads; permeable bricks, grass grids, rubble pavement and gravel pavement for sidewalks and forest paths; grass grids and permeable bricks for parking lots; and permeable bricks for squares and courtyards.

- **Integrated decoration:**
Most residential projects, such as the Guangzhou Yungang City project and the Zhuhai Jinwan project, adopt the way of handover with elegant decoration to avoid resource waste for multiple demolition and alteration in the decoration through the integrated decoration design.

In addition, the Group has forward-looking plans to protect biodiversity and prevent land degradation. For instance, we protect the ancient and valuable trees in the vicinity of the projects and maximize the protection and utilization of urban trees in accordance with the local protection and management regulations for urban trees.

Construction Stage

In a proactive response to the government's call, we further promote green construction and will consider environmental performance when selecting contractors to ensure they align with the Group's philosophy. The Group works with suppliers to facilitate green construction and provides training to relevant staff. Furthermore, the Group has worked out a series of environmentally friendly construction measures, details of which are listed below:

Recycling and collection of wastewater:

During the construction process of projects where circumstances are favourable, rainwater is recycled, precipitated, and filtered for use in road watering, garden maintenance and dust prevention.



Waste channel:

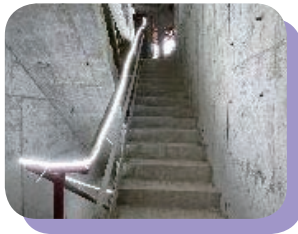
By establishing a vertical transportation channel for construction waste, waste from the upper floors can be transported directly to the ground level through the channel, which is safe and environmentally friendly.



Sourcing from Environment

Dust prevention:

Construction sites are equipped with foaming machines as required, and a spraying system is used to prevent dust and cool down site walls.



Energy-saving equipment:

Energy-saving LED lighting is applied to project sites, and solar-powered lighting is also strongly promoted.

Low-carbon Office Practice

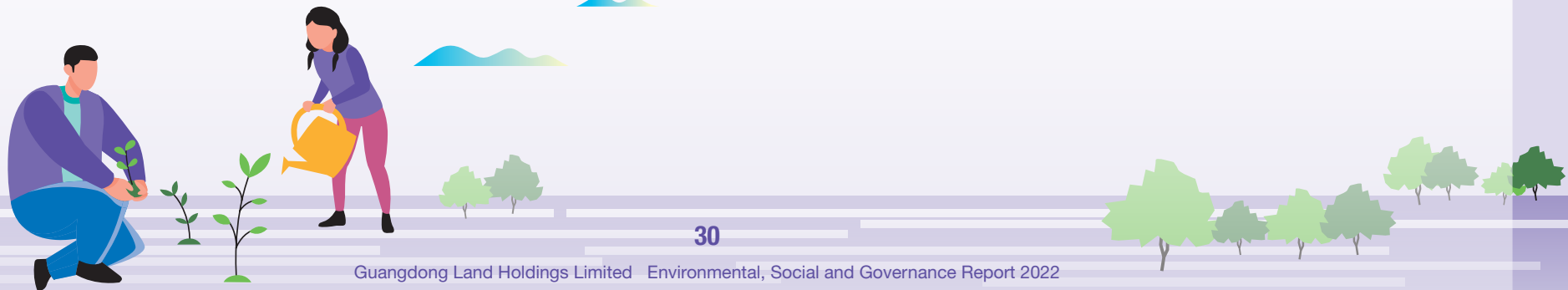
In line with its low-carbon office philosophy, the Group has adopted a number of energy-saving measures to reduce waste generation and greenhouse gas and exhaust emissions. We utilize digital technologies to optimise working mode, improve office efficiency and minimise paper use. We strengthen our energy-saving promotion and specify the standards for using electrical appliances and garbage sorting to raise staff's environmental protection awareness. While encouraging our employees to choose public transportation for commuting, we promote the use of new energy vehicles in business trips to reduce greenhouse gases and air emissions in a practical way.

Paper conservation

- Introduce third-party digital services for archives and establish professional and standardised operational processes to reduce archiving pressure, improve efficiency and ensure the overall quality of archived entities and data, while reducing paper use.
- Encourage double-sided use of paper as well as paperless office and transfer files through the network as far as possible to reduce the frequency of copies and paper waste.

Regulated use of electrical appliances

- As for the use of air-conditioning equipment, the temperature is set at a minimum of 26°C in summer and 20°C in winter, and the equipment is switched off promptly when unoccupied.



Sourcing from Environment



Promoting the recycling of resources

- Promote the use of porcelain or glass cups in offices and meeting rooms, and use pens or refillable pens.
- Facilitate education on garbage sorting standards and encourage staff to collect and accurately dispose of hazardous waste, recyclables, food waste and other waste.

Encouraging green travel

- Give priority to using new energy vehicles, optimise driving routes to reduce driving resistance and instantaneous fuel consumption, and develop good driving habits.
- Stick to the “135” low-carbon travel options: 1km away on foot, 3km away by bicycle, and 5km away by public transport.

Environmental Performance

The Group is committed to improving energy and water use efficiency through a series of measures to conserve water, electricity, fuel and other resources. Our water use is entirely comprised of municipal water. Consequently, there is no problem in sourcing water. Specific resource use and environmental performance are as follows:

Resource types	unit	2022
Total electricity consumption	kWh in '000	14,141.79
Electricity consumption intensity	kWh in '000/m ² in '000	4.62
Total fuel consumption	kWh in '000	572.97
Total water consumption	m ³	689,956.36
Water consumption intensity	m ³ /m ² in '000	225.40

Greenhouse gas and air pollutant types	unit	2022
Greenhouse gas emissions (Scope 1, Scope 2)	tonne of CO ₂ equivalent	8,365.15
Greenhouse gas emissions intensity (Scope 1, Scope 2)	tonne of CO ₂ equivalent/m ² in '000	2.73
Greenhouse gas emissions (Scope 1)	tonne of CO ₂ equivalent	145.51
Greenhouse gas emissions (Scope 2)	tonne of CO ₂ equivalent	8,219.64
Nitrogen oxides (NO _x) emissions	kg	372.37
Sulphur oxides (SO _x) emissions	kg	0.80
Particular Matter (PM)	kg	35.57



Sourcing from Environment

Wastewater and waste types	unit	2022
Total discharge of wastewater	tonne	246,549.56
Total generation of hazardous waste	tonne	446.32
Hazardous waste generation intensity	tonne/m ² in '000	0.1458
Generation of waste light tubes	tonne	0.0034
Generation of waste computers and electrical appliances	tonne	0.3490
Generation of empty ink and toner cartridges	tonne	0.0346
Generation of construction waste	tonne	445.93
Total generation of non-hazardous waste	tonne	0.2704
Non-hazardous waste generation intensity	tonne/m ² in '000	0.0001
Paper	tonne	0.0724
Plastic	tonne	0.1380
Metal	tonne	0.0600

Notes:

1. The intensity values of environmental KPIs are calculated based on the total building area and the headquarters office area of the project companies within the reporting scope of this Report in 2022.
2. Greenhouse gas emissions (Scope 1) are from the combustion of fixed-source fuels (diesel).
3. Greenhouse gas emissions (Scope 2) are from the consumption of purchased electricity. According to the "Appendix 2: Environmental Key Performance Indicators Reporting Guidelines" (Appendix 2) in the updated "How to Prepare Environmental, Social and Governance Reports" by the Hong Kong Stock Exchange in March 2022, the greenhouse gas emission factor of Guangdong Land is based on the "Notice on Key Tasks of Enterprise Greenhouse Gas Emission Reporting Management in 2022" published by the Ministry of Ecology and Environment of the People's Republic of China on 15 March 2022, as well as the electricity emission factor published by the Hong Kong Electric Company in 2014.
4. Air pollutants are from fuel combustion, and the relevant calculations refer to the emission factors in "Appendix 2" of the Stock Exchange.
5. The scope of disclosure of hazardous waste is defined according to the "National Hazardous Waste List (2021 edition)" published by the Ministry of Ecology and Environment of the People's Republic of China.



Putting Talent First

Guangdong Land believes the Group's success and development depend on its employees' efforts and dedication. Therefore, we emphasize our employees' legitimate rights, health, safety, and development. Adhering to the people-oriented concept, we are committed to providing employees with an equal, diverse, friendly and belonging working environment through different channels and policy measures.

Protect the Rights and Interests of Employees

Remuneration Mechanism and Promotion Channels

We have formulated and implemented 《廣東粵海置地集團有限公司績效考核辦法》 (Guangdong Yuehai Land Holdings Limited Measures of Performance Appraisal*), 《廣東粵海置地集團有限公司幹部選拔任用工作規程》 (Guangdong Yuehai Land Holdings Limited Rules of Cadre Selection and Appointment Work*), 《廣東粵海置地集團有限公司職級體系及任職資格說明書》 (Guangdong Yuehai Land Holdings Limited Prospectus for Position System and Professional Qualification*), 《廣東粵海置地集團有限公司管理人員競爭上崗工作規程》 (Guangdong Yuehai Land Holdings Limited Rules of Management's Comparison of Positions Work*) and other internal policies, aiming to attract and retain candidates with higher cadre with a reasonable, transparent performance appraisal and remuneration mechanism and promotion channels, and to enhance the Group's core competitiveness.

At the end of the Reporting Period, Guangdong Land had a total of 579 employees.

	Number of employees	Employee turnover rate
Overall	579	20.14%
By gender		
Female	246	16.89%
Male	333	22.38%
By age group		
Under the age of 30	149	18.58%
Between the age of 30 and 50	385	21.27%
Over the age of 50	45	15.09%
By employee category		
Management and senior grade	98	13.27%
Intermediate grade	172	11.34%
Junior grade	309	26.08%
By geographical region		
Mainland China	561	20.20%
Hong Kong, Macao and Taiwan, and overseas countries	18	18.18%

Notes:

1. Unless otherwise specified, the scope of number of employees and employee turnover rate statistics applies to all employees of the Group. During the Reporting Period, all employees of the Group were full-time employees.
2. The employee turnover rate is calculated based on the number of resignations in 2022 divided by the sum of the number of employees who resigned and the number of employees employed at the end of the Reporting Period.



Putting Talent First

Fair Employment

We strictly abide by 《中華人民共和國勞動法》 (Labour Law of the People's Republic of China*), 《中華人民共和國勞動合同法》 (Labour Contract Law of the People's Republic of China*), the Employment Ordinance of Hong Kong and other laws and regulations that significantly impact the Group. We clearly list the rights and obligations of employees in the Staff Handbook. During the Reporting Period, we entered into “Collective Contracts” with the Chairman of the Labour Union, which stipulated labour relations, wage performance, working hours, rest and vacation, etc., to ensure all employees' legitimate rights and interests are protected. In the meantime, we eliminate child labour and forced labour. During the Reporting Period, the Group hasn't employed any child labour or forced labour.

We believe that a diverse and fair corporate culture can foster interaction and cooperation among employees with different backgrounds, creating more possibilities for the Group. We have formulated diversity policies such as the 《企業文化建設方案》 (Corporate Culture Establishment Program*) to respect employees of different races, genders, cultural backgrounds and religious beliefs, and provide them with equal job opportunities. We handle employment matters, including recruitment and promotion, remuneration, and working hours, based on openness, transparency, fairness and zero-discrimination principles. In addition, we have positions for the disabled and respect the disabled for getting a job and encourage them to do so.

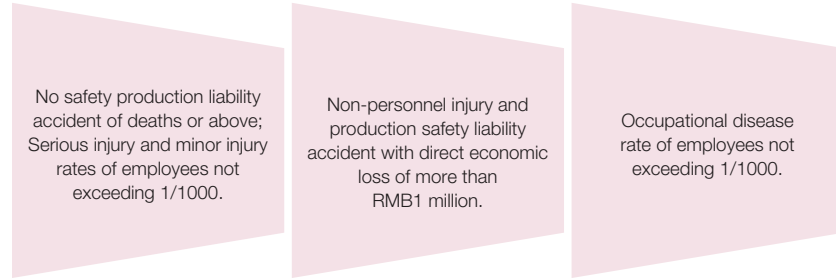
Ensuring Health and Safety

Guangdong Land regards the occupational health and safety of employees as its top priority, fully implements the concept of “life first, safety first”, adheres to the core concept of “people-oriented, safer development”, and strictly complies with 《中華人民共和國安全生產法》 (Production Safety Law of the People's Republic of China*), 《中華人民共和國勞動法》 (Labour Law of the People's Republic of China*), 《中華人民共和國消防法》 (Fire Protection Law of the People's Republic of China*), 《中華人民共和國職業病防治法》 (Law of the People's Republic of China on the Prevention and Control of Occupational Diseases*) and other laws and regulations. We have formulated 11 safety management systems and 30 special guidelines, including the 《廣東粵海置地集團有限公司職業健康管理指引》 (Guidelines for Occupational Health Management of Guangdong Yuehai Land Holdings Limited*), the 《粵海置地工程管理制度》 (Project Management System of Guangdong Land*), the 《安全生產管理規定》 (Safety Production Management Regulations*), and the 《突發事件綜合應急預案》 (Comprehensive Emergency Plans*), in order to build a regulated, standardized and efficient safety management system in all respects such as personnel management, quality management, production management, and emergency management, in accordance with the principles of “PDCA” (Plan-Do-Check-Act).



Putting Talent First

In the past three years, we have maintained zero work-related injuries of all staff and contracted workers, and successfully achieved the goals of production safety, as follows:



Occupational health and safety statistics	Unit	2022
Number of lost days due to work injury	day	0
Number of work-related injuries	person	0



We have also implemented a series of specific measures to ensure employees' occupational health and safety and project production safety. During the Reporting Period, our specific work and achievements are as follows:

Occupational Health and Project Production Safety Work

- We organised all employees to conduct regular physical examinations every year and regularly distributed safety helmets, labour protection shoes, rain shoes, reflective clothing and other labour protection articles to employees at project sites.
- We put the signboard of "One Line and Three Conducts" (一線三排) on the project construction site. One line refers to upholding the red line that development must not be at the expense of human life, and three conducts refer to conducting a comprehensive inspection, scientific priority, and effectively eliminating safety hazards. In addition, we implemented the "Red Calibration Mechanism" to mark the safety risks in the construction area with eye-catching magnetic labels and updated the hazard level and operation content in time to strengthen the efficiency and pertinence of safety management.



Signboard of "One Line and Three Conducts"



"Red Calibration" On-site Dynamic Management

Note:

"Red Calibration Mechanism" dynamic management process: ① Identify hazard sources and classify risk levels; ② Draw safety risk map and implement red calibration; ③ The project company shall urge the construction unit and supervision unit to publicise, implement, disclose and supervise the contents of red calibration; ④ Keep updating the risk map.

Putting Talent First

Achievements of Occupational Health and Project Production Safety Work

- In November 2022, we obtained ISO 45001 Occupational Health and Safety Management System Certification.



Talent Development

Guangdong Land regards employee development as one of the elements to enhance the enterprise's long-term competitiveness. We provide employees with resources and platforms for continuous learning and growth to improve their service quality and professional capabilities. We motivate our employees to continuously learn and increase their value through internal and external training channels.

We formulate 《廣東粵海置地集團有限公司培訓管理辦法》 (Training Management Measures of Guangdong Yuehai Land Holdings Limited*) to standardise the training management process and promote the orderly development of training work. We identify training needs, objectives, themes, and implementation methods based on strategic objectives, phased business priorities and human resource status, and regularly review and update training content. At the same time, according to the stage and level of employees, we carry out targeted new employee training, on-the-job employee and manager training, and design different types and themes of training according to stimulate talent potential in an all-around way.

In addition, we encourage employees to participate in professional training such as work-related academic qualifications and vocational qualification education in their spare time. We also give cash rewards to employees who have obtained professional titles and professional qualification certificates recognised by the Company. At the same time, the degree and vocational qualification education certificates obtained during the on-the-job period can also be used as an important reference basis for salary adjustment and vocational qualification certification.



Putting Talent First

2022 Guangdong Land “Leader Plan” Training Project



2022 Teacher Programme – Guided TTT – Teaching Skills and Innovative Presentation Workshop



During the Reporting Period, Guangdong Land conducted a total of 10,280 hours of training, covering 97.75% of employees. The employee training data of the Group by different categories is set out as follows:

	Number of employees who received training	Percentage of employees who received training	Average training hours (hours)
Overall	566	97.75%	17.72
By gender			
Female	243	98.78%	16.63
Male	323	97.00%	18.59
By employee category			
Management and senior grade	98	100.00%	31.34
Intermediate grade	168	97.67%	13.33
Junior grade	300	97.09%	15.91

Note:

- The scope of data statistics for employee training includes all employees within the Group, excluding anti-corruption related training.



Putting Talent First

Caring for Employees' Needs

Guangdong Land believes an interactive and pleasant working environment can improve employees' work efficiency, enhance their cohesiveness, and maintain their health. In the Staff Handbook, we clearly set out the benefits such as holidays, overtime pay, allowances for transportation and meal to ensure the sound welfare of our employees. At the same time, we set up a two-way communication mechanism of "One Report and Two Consultations" to ensure smooth communication between the Company's management and employees, and employees' opinions could be fed back in a timely manner.

We advocate the concept of "work-life balance", caring about every employee's mental and physical health. We actively guide our employees to balance work and life by organising various team-building activities, increasing communication among them to enhance team spirit and a sense of belonging. These activities can also improve employee communication, team spirit, teamwork, and work efficiency. During the Reporting Period, we held a number of sports competitions, cultural activities and employee family activities.



Walking Month

A total of 356 people participated in the "Step Forward, Strive for Achievements" Walking Month campaign to motivate employees to welcome the National Day in good physical and mental condition.



Mid-Autumn Festival Garden-Visiting

Guangdong Land Trade Union and the trade union groups of various platform departments carried out the Mid-Autumn Festival Garden-Visiting activity. The employees felt the warm and joyful festive atmosphere through a series of activities such as making handmade mooncakes, guessing lantern riddles, and pitching pots to welcome the Mid-Autumn Festival.



Putting Talent First

“Wonderful Space • Exploring the Universe” themed parent-child activity

Guangdong Land Trade Union and Zhongshan GDH City Project jointly launched a parent-child activity with the theme of “Wonderful Space • Exploring the Universe” in Zhongshan GDH City. More than 60 employees and their families participated in the event.



We continued to conduct the mutual aid and protection scheme, and actively responded to Mutual Support Work for the Employees of Shenzhen Federation. We provide “five social insurance and one housing fund” for employees and additionally purchase of “Mutual Assistance for Employees with Major Illnesses” and “Employee Comprehensive Mutual Aid Insurance for Inpatient Medical Care” for employees to help them reduce their medical burden.

In addition, we have formulated a normalized assistance mechanism for employees in difficulty. After setting up files for those employees, we organised condolences to their families on major festivals (including New Year’s Day, Spring Festival, Labour Day, etc.) and gave each family a condolence fund of RMB2,000. In special circumstances, such as employees or their family members suffering from major illnesses or accidents that urgently need a large amount of funding for treatment, we will also organize charity fundraising to solve their urgent needs.



Social Orientation

Guangdong Land has always adhered to the principle of “Good Culture” and actively contributed to the needs of the society and the community, focused on the hot issues of people’s livelihood, and fulfilled our social mission with practical actions.

During the Reporting Period, the Group spent a total of 248 hours in voluntary service activities, mainly to carry out community work in the following two areas:

- (1) Implementation of targeted poverty alleviation;
- (2) Charity and community Service.

Implementation of Targeted Poverty Alleviation

Guangdong Land actively responds to the outline of “Implementing the special planting and breeding industry improvement actions in poverty reduction areas, carrying out extensive activities to align the production and marketing of agricultural products and deepening the expansion of consumer assistance” proposed by the national strategic planning. The Group also implements the mission of “targeted poverty alleviation and precise poverty elimination” to help the poverty increase their income and become rich.

During the Reporting Period, the Group targeted to purchase agricultural products from Shanhu Village, Jiexi County, and the amount of assistance reached RMB135,000 to promote poverty alleviation with practical actions.

Charity and Community Service

Guangdong Land actively participates in charity and uses its corporate power to help with community service and public safety.

Participate in community volunteer service

In October 2022, the Guangzhou Yungang City Project and Sanyuanli Street Social Work Service Station jointly launched a public space cleaning volunteer activity. During the activity, our volunteers used brooms, shovels, garbage bags and other tools to pick up white garbage, weeds, decoration waste materials and other wastes on the public platform. They comprehensively cleaned up sanitary blind spots and dead angles.



Funding epidemic prevention and control materials



Social Orientation

In November 2022, the joint construction units of the Guangzhou Yungang City Project launched a theme activity in Sanyuanli Street, Baiyun District. They delivered an amount of RMB65,000 epidemic prevention materials to them, including 4,900 head-mounted N95 masks, 200 pieces of medical protective clothing, 200 boxes of instant noodles, etc., to provide material support for the epidemic and people's living in a timely manner.



In April 2022, the Jiangmen Chenyuan Road Project and Jiangmen Ganhua Project of Guangdong Land jointly held a condolences activity. It delivered masks, disinfection alcohol, disinfection paper towels and other epidemic prevention packs, as well as supplied energy packs such as milk, biscuits, and beverages to the Duruan North Health Service Station and other epidemic prevention work sites respectively, and support the streets and communities in carrying out epidemic prevention work with practical actions and provide Labour Day condolences for frontline epidemic prevention workers.



Appendix — Content Index of HKEx ESG Reporting Guide

The ESG Reporting Guide	This Report	
Aspects	General Disclosures and KPIs	Section/Statement
A. Environment		
	General Disclosures	“Sourcing from Environment”
A1: Emissions	A1.1 The types of emissions and respective emissions data	“Sourcing from Environment” — Environmental Performance
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity	“Sourcing from Environment” — Environmental Performance
	A1.3 Total hazardous waste produced and intensity	“Sourcing from Environment” — Environmental Performance
	A1.4 Total non-hazardous waste produced and intensity	“Sourcing from Environment” — Environmental Performance
	A1.5 Description of emissions target(s) set and steps taken to achieve them	“Sourcing from Environment” — Low-carbon Office Practice
	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	“Sourcing from Environment” — Low-carbon Office Practice

The ESG Reporting Guide	This Report	
Aspects	General Disclosures and KPIs	Section/Statement
	General Disclosures	“Sourcing from Environment”
A2: Use of Resources	A2.1 Direct and/or indirect energy consumption by type in total and intensity	“Sourcing from Environment” — Environmental Performance
	A2.2 Water consumption in total and intensity	“Sourcing from Environment” — Environmental Performance
	A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them	“Sourcing from Environment” — Low-carbon Office Practice
	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	“Sourcing from Environment” — Environmental Performance
	A2.5 Total packaging material used for finished products (in tonnes) and (if applicable) with reference to per unit produced	The Group’s main business is property development and investment, which does not involve a large amount of packaging materials.
	General Disclosures	“Sourcing from Environment”
A3: The Environment and Natural Resources	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	“Sourcing from Environment” — Promoting Green Construction
		General Disclosures
A4: Climate Change	A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	“Sourcing from Environment” — Combating Climate Change



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The ESG Reporting Guide	This Report	
Aspects	General Disclosures and KPIs	Section/Statement
B. Social		
	General Disclosures	"Putting Talent First"
B1: Employment	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region	"Putting Talent First" — Protect the Rights and Interests of Employees
	B1.2 Employee turnover rate by gender, age group and geographical region	"Putting Talent First" — Protect the Rights and Interests of Employees
	General Disclosures	"Putting Talent First"
B2: Health and Safety	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	"Putting Talent First" — Ensuring Health and Safety
	B2.2 Lost days due to work injury	"Putting Talent First" — Ensuring Health and Safety
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored	"Putting Talent First" — Ensuring Health and Safety
	General Disclosures	"Putting Talent First"
B3: Development and Training	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	"Putting Talent First" — Talent Development
	B3.2 The average training hours completed per employee by gender and employee category	"Putting Talent First" — Talent Development

The ESG Reporting Guide	This Report	
Aspects	General Disclosures and KPIs	Section/Statement
	General Disclosures	"Putting Talent First"
B4: Labour Standards	B4.1 Description of measures to review employment practices to avoid child and forced labour	"Putting Talent First" — Protect the Rights and Interests of Employees
	B4.2 Description of steps taken to eliminate such practices when discovered	"Putting Talent First" — Protect the Rights and Interests of Employees
	General Disclosures	Prioritising Quality
B5: Supply Chain Management	B5.1 Number of suppliers by geographical region	Prioritising Quality — Building Win-win Relationships
	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	Prioritising Quality — Building Win-win Relationships
	B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Prioritising Quality — Building Win-win Relationships
	B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Prioritising Quality — Building Win-win Relationships

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The ESG Reporting Guide		This Report
Aspects	General Disclosures and KPIs	Section/Statement
B6: Product Responsibility	General Disclosures	Prioritising Quality
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons	The Group's main business is property development and investment, not involved in product recalls.
	B6.2 Number of products and service related complaints received and how they are dealt with	Prioritising Quality
	B6.3 Description of practices relating to observing and protecting intellectual property rights	Prioritising Quality — Controlling Service Level
	B6.4 Description of quality assurance process and recall procedures	Prioritising Quality
	B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Prioritising Quality — Controlling Service Level

The ESG Reporting Guide		This Report
Aspects	General Disclosures and KPIs	Section/Statement
B7: Anti-corruption	General Disclosures	Based on Compliance
	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	Based on Compliance — Regulating Business Conduct
	B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Based on Compliance — Regulating Business Conduct
B8: Community Investment	B7.3 Description of anti-corruption training provided to directors and staff	Based on Compliance — Regulating Business Conduct
	General Disclosures	Social Orientation
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Social Orientation
	B8.2 Resources (e.g. money or time) contributed to the focus area	Social Orientation