



DEDICATION TO SUSTAINABILITY



YANLORD LAND GROUP LIMITED
Sustainability Report 2023



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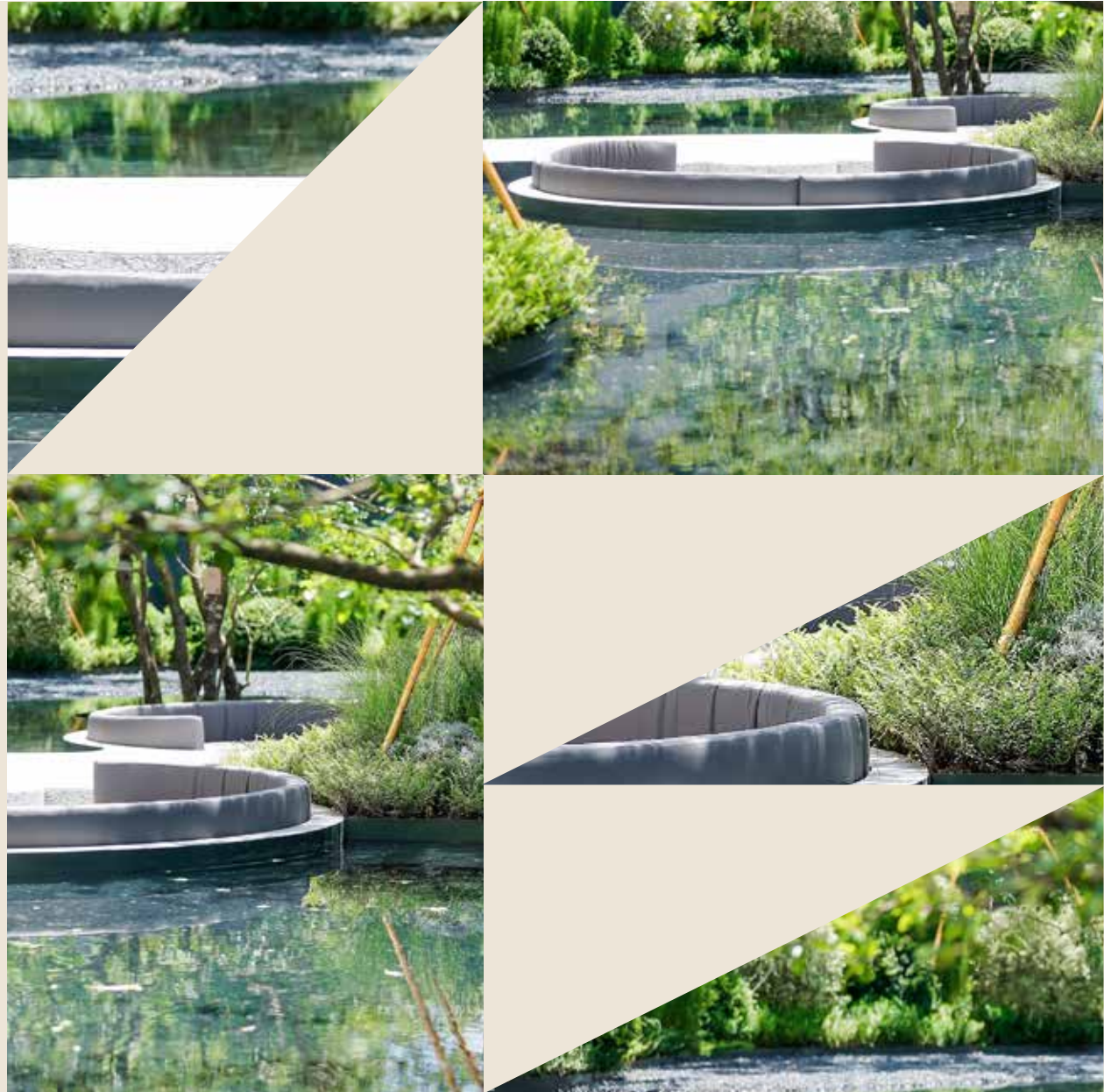
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INTRODUCTION



About Yanlord

Yanlord Land Group Limited (“Company” and together with its subsidiaries, “Yanlord” or “Group” or “we” or “our” or “us”) is a real estate developer focusing on developing high-end fully-fitted residential, commercial and integrated property projects in strategically selected key and high-growth cities in the People’s Republic of China (“PRC”) and Singapore. The Company has been listed on the Mainboard of the Singapore Exchange since June 2006.

Building on its established track record for developing high-end residential property developments in prime locations within affluent cities of the PRC, the “Yanlord” name has been developed into a premium brand synonymous with quality within the property development industry of the PRC. Currently, Yanlord has an established presence in over 20 key high-growth cities within the six major economic regions of the PRC. In Singapore, developments of Leedon Green and Dairy Farm Residences have been completed, with another residential project, Hillock Green, currently under development.

Yanlord has been developing high-quality commercial and integrated properties for long-term investment purpose, such as shopping malls, offices, serviced apartments and hotels. Currently, Yanlord holds a portfolio of core completed investment and hotel properties across multiple cities in the PRC. In Singapore, the Group holds a high-quality investment property portfolio and hotels. These projects are generating a growing rental income and for long-term investment for the Group. For more details on our portfolio, please refer to Yanlord’s Annual Report for the financial year ended December 31, 2023 (“FY 2023”) (“Annual Report 2023”).

Our Core Value

CORPORATE PHILOSOPHY

**Developing land with devotion,
building quality
accommodation with passion**
善待土地 用心造好房

MISSION STATEMENT

**Managing with benevolence
and integrity,
achieving perpetuity through
perseverance**
仁信治业 持之以恒

KEY ECONOMIC HIGHLIGHTS FOR FY 2023

RMB43.395 billion
in revenue

RMB3.053 billion
of profit before income tax

RMB32.352 billion
of property contracted pre-sales of the Group together with its joint ventures and associates for a total gross floor area (“GFA”) of 1.237 million square metres (“sqm”)

RMB154.734 billion
in total assets as at December 31, 2023

RMB3.776 billion
of corporate income tax



About this Report

Yanlord remains committed on its journey towards sustainability. In light of challenging economic and market environments, the Group remains steadfast in its commitment to sustainable business practices, supporting various stakeholders, including employees, customers and local communities, and upholding sound corporate governance standards to maximise shareholder value.

In 2023, Yanlord continues to enhance quality of its sustainability disclosures, and key updates set out in the Sustainability Report of Yanlord for FY 2023 ("Sustainability Report 2023") encapsulate:

- Reviewed and updated the list of material issues and enhanced the disclosure based on stakeholders' feedback through interviews; and
- Improved disclosures with reference to the Global Reporting Initiative ("GRI") 2021 standards.

Yanlord has conducted an internal review over selected sustainability aspects. Yanlord has not commissioned an external independent assurance for FY 2023, but will consider doing so in future as our sustainability reporting practices mature and taking into account the proposal of the Sustainability Reporting Advisory Committee.

REPORTING SCOPE AND PERIOD

Unless otherwise stated, the reporting scope for FY 2023 covers:

PRC

- Yanlord's main business segments
 - Property Development¹
 - Managed Properties²
 - Hotels & Serviced Apartments

Singapore

- United Engineers Limited
 - Property-related Business
 - Non-property-related Business
- Yanlord Corporate Office

Hong Kong Special Administrative Region ("Hong Kong SAR")

- Yanlord Corporate Office

REPORTING STANDARDS

The Sustainability Report 2023 is prepared with reference to the GRI Standards 2021 and the sustainability reporting requirements set out in the Listing Manual of Singapore Exchange Securities Trading Limited ("Listing Manual"). In addition, the GRI G4 Construction and Real Estate ("CRE") Sector Disclosures and Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations have also been included in the Sustainability Report 2023. The GRI Standards 2021 was chosen for its international recognition as a reporting framework. It encompasses a wide array of disclosures that are both suitable and relevant for Yanlord to effectively communicate its sustainability initiatives and approach to addressing social and environmental impacts on the local community to its stakeholders.

The Sustainability Report 2023 should be read together with the Annual Report 2023 for a comprehensive view of our businesses and performance.

FEEDBACK

We welcome any feedback, comments or suggestions relating to the Sustainability Report 2023 or on our sustainability approach and practices. Please direct your queries to:

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¹ Property Development refers to ongoing property development projects.
² Managed Properties refers to operational investment properties (including owned and managed hospitality properties). In addition, Yanlord's corporate offices throughout the PRC are included.

2023 Sustainability Highlights

ECONOMIC

Revenue of the Group
RMB43.395 billion
in FY 2023

2023 TOP 50
of China Real Estate
Developers

2023 TOP 10
of China Foreign Real Estate
Developers

MSCI-ESG Rating
upgraded to A

Cangjie Commercial Plaza in
Suzhou was awarded
**2023 RIBA China Landmark
100 - Urban Complex
2023 GBE HOPSCA Awards,
Best Commercial Complex -
Platinum Award**

Shanghai Yanlord
Property Management
was awarded
**Five-star Enterprise for
Shanghai's Comprehensive
Property Service Capability**

ENVIRONMENT

100%
**Property Under
Development**
across the PRC and/or
Singapore met Green Building
design requirements
In the PRC and Singapore

The Oasis Mansion in
Shanghai was awarded
**Shanghai Ultra-Low Energy
Consumption Building
Evaluation and Certification**

Riverside City in Jinan
attained
**Gold Certification of
Healthy Building Design**

Central Lake in Wuxi
attained
**Green Building Two-Star
Pre-certification**

Yanlord Central Lake (Phase 3)
office portion in Taicang and
Hangzhou Bay Commercial
Land Parcels -
Commercial Complex in
Hangzhou attained
**LEED BD+C Gold Level
Pre-certifications**

SOCIAL

30%
female executive
management and supervisors,
an increase of 2%

Zero
occupational diseases and
work-related fatalities

Zero
non-compliance concerning
health and safety impacts
of products and services
incidents

**Continuous employee
engagement**
through annual townhall
and employee appreciation
events

37
average training hours
per employee

88%
customer satisfaction scored
from annual customer
satisfaction survey for
customers in the PRC

GOVERNANCE

**Majority Independence of
Board of Directors**
composed of 9 directors,
of whom
5 are independent
non-executive directors and
4 are executive directors

Zero
corruption and unethical
business conduct incidents in
all business operations

Zero
breaches of Yanlord's Code of
Business Conduct incidents

100%
anti-corruption training
coverage of property business
in the PRC

100%
coverage of new projects on
**Sunshine Procurement
Platform**
anti-bribery and
anti-corruption policy included
as part of supplier contract

**Singapore Corporate
Sustainability Award**
in the Big Cap category
received in 2023

Awards

Yanlord Land Pte. Ltd.

- 2023 TOP 50 of China Real Estate Developers
- 2023 TOP 10 of China Foreign Real Estate Developers

Shanghai Yanlord Property Management Co., Ltd.

- 2023 Five-star Enterprise for Shanghai's Comprehensive Property Service Capability

Nanjing Yanlord Property Management Co., Ltd.

- 2022 Top 20 of Jiangsu Property Service Comprehensive Capability

Oasis New Island Gardens, Nanjing

- Jiangsu Provincial Demonstration Property Management Project

The Park Mansion, Nanjing

- Jiangsu Provincial Demonstration Property Management Project

Yanlord Landmark, Chengdu

- Collective with Outstanding Contributions to the Work of Responding to Extreme Disaster Weather to Maintain the Supply of Electricity by Chengdu Municipal Committee and Municipal Government

Tianjin Jinnan Land, Tianjin

- National Demonstration Age-Friendly Community in 2023 by National Health Commission of the PRC

Yanlord The Great Bay (Phase 1), Zhuhai

- Guangdong Province Construction Engineering Quality Structure Award (Year 2023)

Yanlord North Shore Gardens, Zhuhai

- Guangdong Province Construction Engineering Quality Award (Year 2023)

Yanlord PRELAND, Suzhou

- Second Prize of "Trustworthy Construction Quality Team Building" in 2023
- Third Prize of the 4th BIM Competition of Engineering and Construction Industry

Four Seasons Heming Gardens, Suzhou

- 2023 China Civil Engineering Zhan Tianyou Award for Outstanding Residential Community Gold Award

Tang Song, Wuxi

- Jiangsu Province Building Construction Standardisation Star Site

Yanlord Central Lake, Taicang

- Jiangsu Province Building Construction Standardisation Star Site

Orchard Summer Palace, Shenyang

- Liaoning Province Construction Engineering Quality Structure Award

Grand ParcVue Hotel Residence, Chengdu

- Best Service Award 2023 - Trip.com Group
- ENCHANTE Hotel Awards 2023: Best Serviced Apartment

ParcVue Hotel Residence, Nanjing

- Best Design Hotel in Nanjing 2023 - Trip.com Group

Yanlord Viale Hotel, Tianjin

- Excellent Internet Practice Hotel 2023 - Trip.com Group
- Second Place to New Media Hotel List 2023 - China International Travel Service Limited

InterContinental Hotel, Zhuhai

- The 15th Voyage Hotel & Resort Awards 2023: Annual Best MICE Hotel
- 'Travel+Leisure' China Travel Awards 2023: China's Top 100 Hotels

Crowne Plaza Sanya Haitang Bay Resort, Sanya

- 2023 Best Family Hotel in Sanya Tourism Hotel Industry - Sanya Tourism and Hotel Industry Association
- 2023 Best Guest Experience Hotel in Sanya Tourism Hotel Industry - Sanya Tourism and Hotel Industry Association
- The Most Popular Wedding Hotel for Couples - Sanya Wedding Tourism Association
- 2023 IHG Golden Dragon Award - IHG
- Best Strategic Partner of the Year Award - CDF
- Best Strategic Partner Award - CDF



Singapore Corporate Sustainability Award

APPROACH TO SUSTAINABILITY



Board Statement

The Board of Directors of the Company (“Board”) is pleased to present Yanlord’s seventh Sustainability Report.

Yanlord focuses on the quality of products and services to meet the ever-changing and evolving needs of its customers, thereby distinguishing ourselves from other market players. We believe setting strategic objectives that take sustainability into account is critical to business success. As such, we are committed to integrating sustainability within our long-term strategies, including the incorporation of sustainability initiatives and goals throughout our business where possible.

The sustainability governance structure at Yanlord begins with the Board overseeing key business affairs and strategic directions for the Group, with an appropriate focus on sustainability. The Board is supported by the Risk Management and Sustainability Committee (“RMSC”) which oversees the appropriateness of the monitoring and the management of Environmental, Social and Governance (“ESG”) topics which are material and relevant to our business as well as the Company’s approach towards sustainability reporting. Based on the materiality reassessment carried out

in FY 2023, the number of material topics expands to 12, with a new focus on sustainable supply chain. Results of the materiality reassessment were presented to the RMSC and the Board for review and thereafter, it was determined that the 12 material ESG topics are pertinent to the business of the Group for FY 2023.

Over the preceding year, the lingering economic repercussions of the post-COVID-19 epidemic have persisted, compounded by fluctuations in interest rates and geopolitical turmoil, presenting formidable challenges. Within the PRC, our primary operational domain, the real estate sector remained entrenched in a phase of adjustment, characterised by a proliferation of regulatory measures across various provinces and municipalities. Yanlord diligently adhered to these regulatory mandates, steadfast in our commitment to delivering high-quality residential developments and exemplary customer service, surpassing industry benchmarks for customer satisfaction. In addition, the relentless onslaught of extreme weather induced by climate change persisted, subjecting some of our properties to the ravages of typhoons and torrential rainfall. Gratefully, our robust emergency

management framework enables us to address these challenges promptly and effectively, ensuring the safety and well-being of our residents and tenants.

In the Sustainability Report 2023, Yanlord has strengthened its ESG disclosure, augmenting it with comprehensive elaboration and achievements on supply chain sustainable management practices, and enhanced the disclosure of our sustainability performance in accordance with the GRI Standards 2021, in alignment with our commitment to address stakeholders’ concerns regarding our sustainability endeavour.

In our journey towards sustainability, we have achieved some milestones and have been recognised externally. In FY 2023, we were awarded the Singapore Corporate Sustainability Award in the Big Cap category, while our MSCI-ESG rating was upgraded to A. However, we acknowledge that substantial work lies ahead. Moving forward, we will steadfastly uphold our dedication to advancing the objectives of sustainable development, undertaking proactive initiatives and collaborating with stakeholders to foster a better and more sustainable future.



Sustainability Governance

The four-tier sustainability governance structure begins at the top with the Board, which is ultimately responsible for the Company's sustainability reporting. The Board maintains oversight on the business affairs and strategic directions of the Group as well as determining the material ESG topics pertinent to the Group's business on an annual basis.

The Board is supported by the RMSC which ensures there is an appropriate focus on sustainability by management. RMSC oversees the ESG Management Committee which comprises members of senior management personnel who formulate and supervise the policies and initiatives relating to Yanlord's material ESG topics. Through the support of the ESG Task Force, the specific sustainability practices are shared across the respective departments and communicated to stakeholders. All Board members had completed their training on sustainability matters as prescribed by the Singapore Exchange pursuant to Rule 720(7) of the Listing Manual.

Progress updates on the Sustainability Report 2023 were presented to RMSC and the Board for their consideration and approval. The progress updates include details of the 12 material ESG topics that are pertinent to the Group's business for FY 2023.

More details are elaborated in the sustainability governance structure on the right.

Board

Composed of 9 directors, of whom 5 are independent non-executive directors and 4 are executive directors

- Collectively responsible to ensure there is an appropriate focus on sustainability
- Determines the ESG topics identified as material to the business of the Group and ensures that they are monitored and managed
- Bears overall responsibility for the Company's sustainability reporting

RMSC

Composed of 4 members, majority of whom including the chairman are independent non-executive directors

- Assists the Board in reviewing the Group's risk management system and sustainability-related issues
- Recommends the material ESG topics identified and the approach on sustainability reporting to the Board
- Ensures ESG topics and relevant sustainability-related issues are appropriately monitored and managed

ESG Management Committee

Composed of senior management personnel

- Formulates policies and implements measures relating to ESG topics
- Reviews progress and effectiveness of sustainability measures, as well as performances achieved against sustainability targets
- Provides periodic sustainability updates to the RMSC

ESG Task Force

Composed of cross functional team

- Supports formulation and execution of practices and initiatives as well as coordinates the communication with stakeholders both internally and externally
- Focuses on various ESG workstreams such as:
 - Compliance, anti-corruption and risk management, customer privacy;
 - Climate change - green buildings and operations;
 - Quality of product and services, including customer satisfaction;
 - Occupational health and safety;
 - Employment and training; and
 - Other sustainability-related workstreams

Stakeholder Engagement

Yanlord proactively interacts with a wide range of stakeholders to better understand their interests, needs and concerns. This enables Yanlord to identify potential risks and opportunities which will effectively guide the formulation of appropriate follow-up actions. In FY 2023, we conducted more than 10 interviews targeting 6 key stakeholder groups, including investors, business partners, suppliers, employees, residents and tenants, with over 20 individuals or organisations participating in the interviews. Additionally, we conducted desktop research on regulatory and media focus to understand the current trend on the market. Through those in-depth communications, we were able to gain an understanding of their knowledge and recommendations on Yanlord's sustainability disclosure and performance. Further elaborations on engagement with each stakeholder group are as follows:



INVESTORS

Yanlord prioritises transparency and accuracy in communication with the investment community. Various channels are established to ensure timely publication of both financial and non-financial information to help Yanlord's investors to make sound judgement and investment decisions.

In line with Yanlord's continuous disclosure obligations, information that is material to the Group including those that may affect the trade, price or value of the Company's shares is made available immediately and promptly to investors, while information including but not limited to those relating to the Company's annual general meeting as well as financial results announcements are published within the stipulated period. In addition, investors are also kept abreast of Yanlord's developments through, among others, occasional analyst and investor meetings as well as other announcements and media or press releases published to the Singapore Exchange's website and/or made available at Yanlord's corporate website. Email alert service is available for subscription by investors who wish to be notified of the SGXNET announcements published by the Company.



BUSINESS PARTNERS

Yanlord believes that longstanding and healthy business relationships are impactful and beneficial to the economic and ESG aspects. The Group maintains both online and offline channels such as dialogue sessions, meetings, conferences and forums to ensure timely communication with business partners to align on expectations.



SUPPLIERS

Yanlord works closely, and maintains long-lasting business relationships, with suppliers who adhere to regulations and environmental, health and safety ("EHS") standards. All of Yanlord's suppliers are required to conduct regular risk assessments relating to EHS. In FY 2023, Yanlord regularly organised seminars as well as peer sharing and ongoing vendor evaluation to align expectations and foster cooperative business relationships.



EMPLOYEES

Yanlord values its employees across different levels and cares for their wellness as well as personal and professional development. Yanlord is committed to creating and maintain a conducive, safe and healthy working environment for its employees while ensuring the remuneration packages offered to its employees are fair and appropriate. Through a performance appraisal system and taking into consideration corporate performance as well as relevant budget in line with the Group's business plans, the Group is able to ensure its employees' remuneration packages are commensurate with their roles, responsibilities and performance as well as the appropriateness and reasonableness of such remuneration packages, while balancing the long-term sustainability and development of the Group's business. In FY 2023, the Group conducted comprehensive performance appraisals as usual, resumed offline training courses in all business units, and launched a variety of special training courses based on market conditions to help employees adapt to market changes and development. The Company's intranet is a general communication channel between the Group and its employees, whilst other engagements such as dialogue sessions, counselling services and grievance handling channels are ongoing programs made available to employees to provide continuous support to them.

Stakeholder Engagement (cont'd)



CUSTOMERS (RESIDENTS, TENANTS, GUESTS AND VISITORS)

Yanlord commits to maintaining the highest standards in products and services delivered to its customers and conducts regular satisfaction surveys and leverages its integrated customer and call centres to proactively obtain feedback from its customers. In FY 2023, Yanlord conducted various activities, such as pre-launch media and customer galas, and show suite pre-viewing events, to engage customers across the different markets in which Yanlord operates. We have multiple channels to receive customer feedback including, but not limited to, Customer Relationship Management (“CRM”) data platform, customer service hotline and third-party partner platform rating and feedback mechanisms. All feedback received would be collected for timely review and follow up to continuously improve service levels to customers. Each business unit maintained a vigilant oversight of customer satisfaction, and in FY 2023, satisfaction ratings for sales services, property services and hotel services surpassed the industry’s overarching benchmarks.



LOCAL COMMUNITIES

Yanlord operates and grows in a socially responsible manner through efficient use and allocation of resources, with universal design for its properties that maximises the spaces for a safe and healthy lifestyle. Yanlord implements various corporate social responsibility (“CSR”) initiatives, including collaborating with charities and non-profit organisations for community development. Philanthropic donations, in monetary and in-kinds, were delivered towards charitable organisations dedicated to alleviating poverty, advancing education and enhancing health initiatives. In FY 2023, Yanlord made donations to the Glaucoma Treatment Program, the Community Elderly Care Program, and the Educational Assistance Program for underdeveloped areas of the PRC.



MEDIA





Yanlord keeps both online and offline engagement channels open and active, including but not limited to annual reports, project launch functions, media or press releases and interviews, to ensure transparent and timely communication of information relating to the Group such as information on business operations and performance as well as corporate and business updates with the media, which are also made available publicly.







REGULATORS

Yanlord is committed to regulatory compliance and where possible, subscribes to industry update meetings, policy awareness briefings, news releases by government authorities and participation in workshops/seminars on topics relating to the new (including changes of) policies or measures in order to keep abreast with new rules and regulations development.

Stakeholder Engagement (cont'd)

Key Stakeholder Groups	Key Concerns/ Interests Raised by Stakeholder Group	Yanlord's Response	Modes of Engagement	Frequency of Engagement
Investors 	<ul style="list-style-type: none"> Yanlord's growth strategy and market outlook Business operations and performance 	<ul style="list-style-type: none"> Maximise shareholder returns, maintain good corporate governance for continued business success Transparent and timely communication of both financial and non-financial information 	Annual General Meeting (conducted virtually in 2023), Annual Report and Sustainability Report	Annually
			Financial results announcements and briefings (conducted virtually in 2023)	Half-yearly
			Analyst and investor meetings	Ongoing
			Announcements, media releases, and interviews through Company's website and via email alerts	Ongoing
			Presentations	As appropriate
Business Partners 	<ul style="list-style-type: none"> Longstanding and healthy business relationships which are impactful and beneficial in relation to the economic and ESG aspects 	<ul style="list-style-type: none"> Transparent and timely communication with business partners Align expectations between both parties through regular engagement 	Dialogue sessions, town halls, and forums	Ongoing
			Announcements, media releases, and interviews through Company's website and via email alerts	Ongoing
			Presentations	As appropriate
Suppliers 	<ul style="list-style-type: none"> Cooperative and long-lasting business relationships Adherence to regulations and EHS standards 	<ul style="list-style-type: none"> Align expectations between both parties through regular reviews Ensure regular risk assessments relating to EHS is conducted 	EHS assessment	Annually
			Seminars and peer sharing	Quarterly
			Vendor evaluation	Annually
Employees 	<ul style="list-style-type: none"> Conducive, safe and healthy work environment Competitive salary rates, fair remuneration, compensation and benefits Training and development opportunities Talent retention and career advancement Employee wellness 	<ul style="list-style-type: none"> Provide performance appraisal system to review development of employees Identify potential staff for career advancement opportunities Provide work and non-work related workshops and learning opportunities to improve both technical skill sets and employee well-being 	Employee performance review	Annually
			Dialogue sessions, town hall meetings, and forums	Ongoing
			News bulletin and announcements via Company intranet	Ongoing
			Employee assistance programme (counselling service)	Ongoing
			Employee grievance handling channel	Ongoing
			Employee volunteering platform	Ongoing
Training and development programmes	Ongoing			

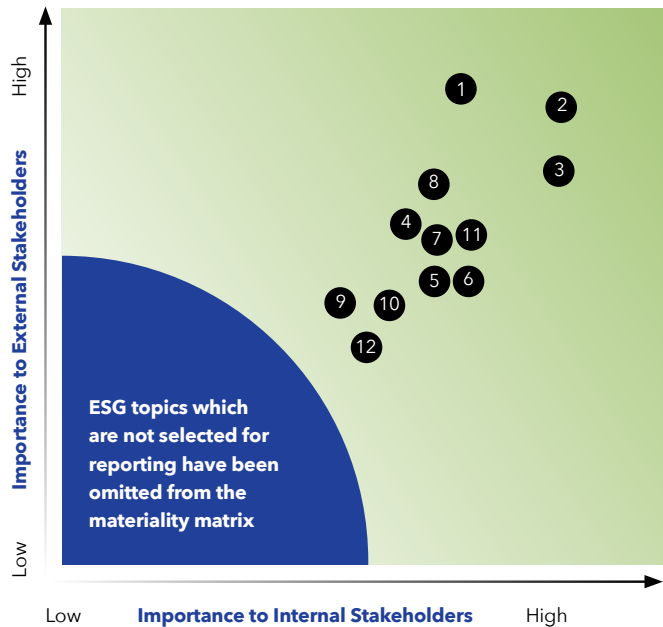
Stakeholder Engagement (cont'd)

Key Stakeholder Groups	Key Concerns/ Interests Raised by Stakeholder Group	Yanlord's Response	Modes of Engagement	Frequency of Engagement
Customers 	<ul style="list-style-type: none"> Customer satisfaction Quality of Yanlord's services and property assets 	<ul style="list-style-type: none"> Maintain highest standards in product and services delivered Increase value added to customers Timely response and prompt follow-up actions taken to address customers' feedback Closely monitor property assets through frequent inspections and conduct regular maintenance and repair works 	<ul style="list-style-type: none"> Customer satisfaction surveys Tenant satisfaction surveys Tenant engagement/ networking events Integrated customer and call centre Show suites feedback Campaigns and programs Welcome parties Healthy Workplace Ecosystem 	<ul style="list-style-type: none"> Annually Annually Quarterly Ongoing Ongoing Ongoing As appropriate Ongoing
Local Communities 	<ul style="list-style-type: none"> Yanlord's support towards the local community Safe and healthy spaces Responsible use of resources 	<ul style="list-style-type: none"> Operate and grow the business in a socially responsible manner through efficient use and allocation of resources Support initiatives that focus on corporate giving through implementing CSR practices Universal design for homes and offices 	<ul style="list-style-type: none"> Collaborations with charities and non-profit organisations for community development Monetary and in-kind donations or supports 	<ul style="list-style-type: none"> Ongoing Ongoing
Media 	<ul style="list-style-type: none"> Business operations and performance Sustainability initiatives of Yanlord 	<ul style="list-style-type: none"> Transparent and timely communication of both financial and non-financial information 	<ul style="list-style-type: none"> Annual Report and Sustainability Report Project launch functions Announcements, media releases, and interviews through Company's website and via email alerts 	<ul style="list-style-type: none"> Annually As appropriate As appropriate
Regulators 	<ul style="list-style-type: none"> Corporate governance Compliance with laws and regulations 	<ul style="list-style-type: none"> Ensure regulatory compliance Closely monitoring new (including changes of) policies or measures introduced by relevant government authorities or departments to keep abreast with new rules and regulations 	<ul style="list-style-type: none"> Industry update meetings, policy awareness briefings, news releases by government authorities and participation in workshops/seminars on topics relating to the new (including changes of) policies or measures 	<ul style="list-style-type: none"> Ongoing

Materiality Assessment

A holistic understanding of stakeholders’ concerns and the issues that matter the most to them, facilitates the prioritisation of ESG topics of Yanlord. As Yanlord draws upon insights from its regular interactions with key stakeholders as well as the ever-changing business environment, it assesses the continued relevance of its material ESG topics on an annual basis. Following the reassessment in FY 2023, “Sustainable Supply Chain” was added as one of the material topics as it is highly relevant to Yanlord’s operation and focused by the industry. In addition, the material topic of “Employment and Training” was split into two separate topics, “Employment” and “Learning and Development”, in order to provide in-depth disclosure on these two topics. Yanlord’s other existing material ESG topics remain relevant to the Group’s business for FY 2023. Results of the materiality reassessment were subsequently presented to the RMSC and the Board for their consideration and approval.

MATRIX OF YANLORD MATERIAL ESG TOPICS










CATEGORIES AND GRI STANDARDS OF YANLORD MATERIAL ESG TOPICS

No.	ESG Category	Material ESG Topics	GRI Topic Standards	Boundary of Impact
1	Governance	Anti-Corruption and Business Ethics	GRI 205	Within and outside Yanlord
2	Governance	Compliance with Laws and Regulations	GRI 2	Within Yanlord
3	Social	Quality of Products and Services	GRI 416	Within and outside Yanlord
4	Social	Customer Privacy	GRI 418	Within and outside Yanlord
5	Social	Learning and Development	GRI 404	Within Yanlord
6	Social	Employment	GRI 401, 405	Within Yanlord
7	Social	Sustainable Supply Chain	GRI 308, 414	Within and outside Yanlord
8	Social	Occupational Health and Safety	GRI 403	Within and outside Yanlord
9	Environmental	Climate Change	GRI 302, 305	Within and outside Yanlord
10	Environmental	Green Buildings	GRI G4 - CRE 8, GRI 303, 306	Within and outside Yanlord
11	Economic	Economic Performance	GRI 201	Within and outside Yanlord
12	Social	Local Community and Social Investment	GRI 413	Outside Yanlord

Sustainable Development Goals

Since 2020, Yanlord has been aligning its sustainability efforts to the United Nations Sustainable Development Goals (“UN SDGs”), consistently mapping its material topics to nine (9) UN SDGs, as summarised in the table below:

UN SDGs	Corresponding Material ESG Topics
 <p>Goal 3 Ensure healthy lives and promote well-being for all at all ages</p>	<ul style="list-style-type: none"> ✓ Green Buildings ✓ Occupational Health and Safety
 <p>Goal 7 Ensure access to affordable, reliable, sustainable and modern energy for all</p>	<ul style="list-style-type: none"> ✓ Climate Change
 <p>Goal 8 Promote inclusive and sustainable economic growth, employment and decent work for all (promote safe and secure working environments)</p>	<ul style="list-style-type: none"> ✓ Economic Performance ✓ Employment ✓ Learning and Development ✓ Occupational Health and Safety
 <p>Goal 9 Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation</p>	<ul style="list-style-type: none"> ✓ Economic Performance ✓ Quality of Products and Services ✓ Sustainable Supply Chain
 <p>Goal 10 Reduce inequality within and among countries</p>	<ul style="list-style-type: none"> ✓ Employment ✓ Sustainable Supply Chain

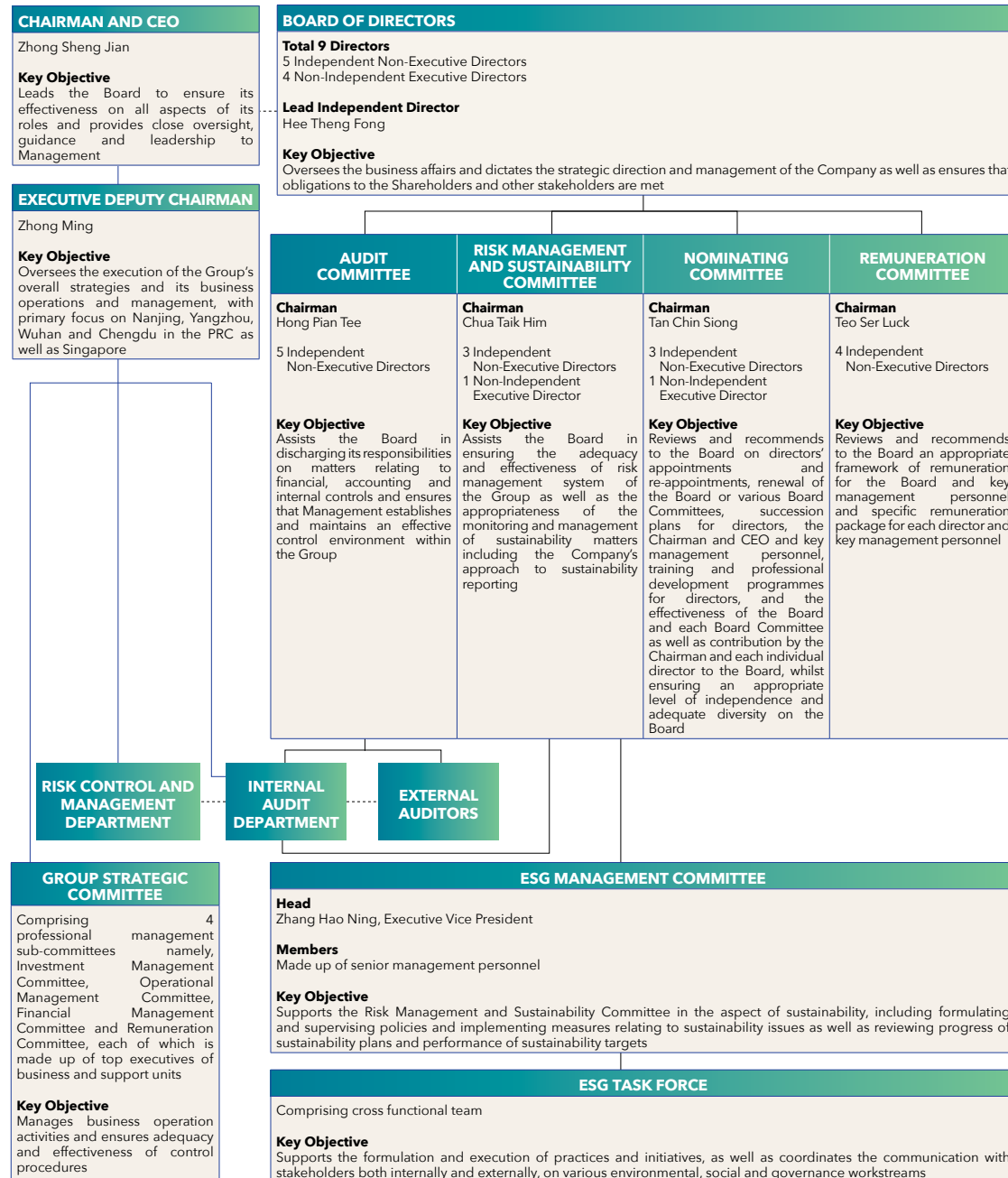
UN SDGs	Corresponding Material ESG Topics
 <p>Goal 11 Make cities and human settlements inclusive, safe, resilient and sustainable</p>	<ul style="list-style-type: none"> ✓ Green Buildings
 <p>Goal 12 Ensure sustainable consumption and production patterns</p>	<ul style="list-style-type: none"> ✓ Green Buildings ✓ Climate Change ✓ Sustainable Supply Chain
 <p>Goal 13 Take urgent action to combat climate change and its impacts</p>	<ul style="list-style-type: none"> ✓ Climate Change
 <p>Goal 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<ul style="list-style-type: none"> ✓ Anti-Corruption and Business Ethics ✓ Compliance with Laws and Regulations ✓ Customer Privacy

UPHOLDING GOOD GOVERNANCE



The Board and management believe that good corporate governance is key to the integrity of the Group and essential to the sustainability of the Group's business and performance. The Company's corporate governance practices, with specific reference to the principles and provisions set out in the Code of Corporate Governance issued by the Monetary Authority of Singapore dated August 6, 2018, as last amended on January 11, 2023, and the complementary practice guidance dated December 14, 2023, can be found in the "Corporate Governance" section of the Annual Report 2023, which is also made available on Yanlord's website at www.yanlordland.com/corporate-governance.

Yanlord's corporate governance structure is outlined below:



Anti-Corruption and Business Ethics

MANAGEMENT APPROACH

Yanlord has implemented a robust system to combat bribery, corruption, and fraud, incorporating a comprehensive management system with policies and procedures to prevent unethical practices across our business operations. This system is aligned with the ISO 37001 Anti-bribery Management Systems Standards, encompassing eight major control measures, and extends its focus beyond ISO 37001 to include fraud, cartel, competition, and money-laundering considerations. Elements from the Hong Kong SAR's Independent Commission Against Corruption Framework are also integrated.

The Board closely monitors internal controls, risk management, and sustainability matters, including anti-corruption and business ethics, with support from the Audit Committee ("AC") and RMSC, aided by the Internal Audit ("IA") Department. Regular and *ad hoc* internal audits are conducted across the Group, with findings reported to the AC or RMSC and subsequently to the Board.

The Risk Control and Management ("RCM") Department monitors daily business and operational processes, sharing findings with relevant management for necessary improvements. The IA Department reports key findings to the AC and/or RMSC for regular review, with the Board providing approval based on recommendations from the AC or RMSC. Immediate reporting of material findings is mandatory.

Our Policies, Manuals and Documentation including but not limited to

- Code of Business Conduct
- Group Tendering Management Policy
- Guidelines for Yanlord's Agent Management System for Disclosures
- Statement of Yanlord Land Cooperative Relationship
- Project Procurement Risk Control Work Manual
- Construction Work Change Approval-related Risk Control Manual
- Project Contract Management Risk Control Work Manual
- Marketing Procurement Risk Control Work Manual
- Marketing Expense Contract Risk Control Work Manual
- Sales Management Risk Control Work Manual
- Financial Management Risk Control Audit Work Manual
- Property Management Risk Control Audit Work Manual

Communication of Our Ethical Business Standards

Group-wide training on our [Code of Business Conduct](#) ("Business Conduct Code") is provided during employee onboarding, covering procedures for reporting misconduct or grievances. Employees acknowledge their understanding of the Business Conduct Code, which is publicly available on Yanlord's website. Additional manuals and documents are accessible on Yanlord's intranet.

Video training on anti-corruption is provided to directors, emphasising the zero-tolerance approach to corruption and bribery outlined in the Business Conduct Code. Our Partnership Statement outlines expectations for fair and honest dealing, and stakeholders are encouraged to raise concerns about improper conduct within the Group.



Anti-Corruption and Business Ethics (cont'd)

Whistleblowing Mechanism

Yanlord's [Whistleblowing Policy](#) delineates the procedures for a whistleblower, who can be an employee of the Group or any other persons, to report in confidence to the Company any potential improprieties, encompassing malpractices, irregularity, corruption, bribery, fraud, unethical or unlawful conduct and/or any other misconduct or wrongdoing relating to the Group and our employees or officers, without fear of reprisal, detriment, unfair treatment or other retaliatory action. Procedures for lodging complaints, handling complaints, maintaining confidentiality, and conducting investigations are also outlined in the policy.

The policy covers a range of concerns that could materially impact the Group, including but not limited to actions leading to inaccurate financial reporting, unlawful practices, deviations from legal obligations, violations of the Group's policies or practices, threats to individual health and safety, potential damage to the Group's financial health or public image, malpractice of professional ethical standards, deliberate concealment of serious wrongdoing or misconduct, fundamental breaches of internal controls, improper conduct, or intentional concealment of information revealing any of the aforementioned issues.

We are pleased to announce that there were no whistleblowing complaints received by the Group during FY 2023.

Procedures relating to Whistleblowing



Compliance with Laws and Regulations

MANAGEMENT APPROACH

Yanlord is dedicated to upholding the highest standards of ethical behaviour and governance, committing to compliance with all applicable laws and regulatory requirements in the diverse markets where we operate. We recognise that responsible and ethical conduct is integral to building trust, fostering strong relationships with stakeholders, and achieving sustained success over the long term. We aim to achieve full regulatory compliance in our business dealings, ensuring not only the continuity of our operations but also facilitating effective risk management within our business context.

The potential consequences of non-compliance underscore the importance of adhering to regulatory standards. Across key markets in the PRC (including Hong Kong SAR) and Singapore, we have identified relevant laws and regulatory obligations covering building standards, labour practices, workplace health and safety, data privacy, and environmental protection.

In our day-to-day operations, various business functions within the Group actively monitor updates and changes in laws and regulations. These insights guide updates to internal procedures as needed, ensuring that Yanlord’s operations consistently comply with regulatory requirements. Significant changes are communicated to the Board and relevant stakeholders as necessary. Additionally, the IA Department conducts regular internal checks to ensure overall compliance with laws and regulations. Findings from these checks are reported to the AC and Board on a quarterly basis.

Complementary training courses are provided to empower our employees with the knowledge needed to stay informed about regulatory changes and adhere to leading practices in regulatory compliance. This proactive approach ensures that our team remains well-equipped to apply regulatory compliance measures seamlessly in their work at Yanlord.

TARGET AND PERFORMANCE 

<p>Perpetual Target</p> <p>No significant fines or non-monetary sanctions have been incurred for non-compliance related to laws and regulations, encompassing environmental and socioeconomic compliance.</p>	<p>FY 2023 Performance</p> <p>Achieved</p>
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CARING FOR OUR CUSTOMERS



At Yanlord, we prioritise our customers' needs and expectations, ensuring their well-being at every stage of our operations – from the initial design and construction of development to the ongoing operations and maintenance of properties. We embrace industry-leading practices to remain relevant and uphold our commitment to delivering high-quality products and services to all our customers.

Quality of Products and Services

MANAGEMENT APPROACH

Yanlord is dedicated to creating a secure and meticulously planned environment for customers across various property types, including residential, commercial office spaces, hotels, and sophisticated integrated buildings. Our projects adhere to rigorous quality standards that encompass aspects such as architecture, landscaping, indoor ambiance, and building management systems. These standards are closely monitored throughout the entire development and life cycle of a project.

Aligned with Yanlord's customer-centric culture and core philosophy, our customer service system undergoes continuous enhancement. In FY 2023, we kept expanding the reach of our customer relationship management across all markets where the Group operates and strengthening collaboration among operations in different locations, in line with the objective of refining Yanlord's service offerings to ensure exceptional customer experiences.

Collection of Yanlord Property Development Projects in FY 2023 Yanlord Central Lake, Taicang 仁恒时代天镜, 太仓



Quality of Products and Services (cont'd)

Collection of Yanlord Property Development Projects in FY 2023

The Mansion in Park, Jinan 仁恒奥体公园世纪, 济南



The Yangtze Garden, Wuhan 仁恒滨江园, 武汉



Quality of Products and Services (cont'd)

Collection of Yanlord Property Development Projects in FY 2023
Nanjing Majestives Mansion , Nanjing 海和院, 南京



Yanlord Hub City, Nanjing 仁恒城市星光, 南京



Quality of Products and Services (cont'd)

Collection of Yanlord Property Development Projects in FY 2023
Yanlord Riverside Gardens, Yancheng 仁恒河滨花园, 盐城



Yanlord Arcadia, Shanghai 仁恒海上源, 上海



Quality of Products and Services (cont'd)

Property Development

The Research and Development (“R&D”) Department shoulders the responsibility for guaranteeing project quality control and compliance with both national legal requirements and Yanlord’s internal quality standards. Milestone inspections are systematically scheduled at the initial, mid-term, pre-completion, and post-delivery stages to thoroughly assess the quality standards of property development projects. To ensure swift remediation, reporting protocols are firmly established, facilitating prompt notifications to relevant departments regarding any concerns associated with product quality.

List of Laws we comply with:

PRC

Product Quality Law of the PRC, Construction Law of the PRC, Construction Engineering Quality Management Regulations, Unified Acceptance Standard for Building Construction Quality (GB50300-2013) and other relevant laws, regulations and standards.

Singapore

Quality Mark and Green Mark certification and Construction Quality Assessment System by Building & Construction Authority as well as other relevant laws and regulations by various authorities such as Urban Redevelopment Authority and National Environment Agency.

Yanlord has established a robust system comprising 36 internal quality engineering management standards, with 4 of them were newly released in FY 2023 and mainly focusing on the supervision and management of the quality of building windows against water leakage, scalding and scratches.

Our internal standards encompass topics related to overall engineering quality, project management, project quality rewards and discipline, third-party evaluation, and leakage-proofing. These standards serve as a guide for Yanlord teams to develop high-quality products in a timely and cost-effective manner.

Project Design and Construction Control

In FY 2023, the Group’s dedication to craftsmanship was demonstrated through its strategic focus on product research and development, and project management platforms, fostering a comprehensive quality management system. The implementation of this system entailed phased evaluations and inspections throughout the development cycle, enhancing precision management and facilitating the continuous improvement in product quality. This strategy aims to safeguard the competitive advantage of Yanlord, ensuring efficient and consistent delivery of high-quality products.

Yanlord continuously adopting customer-centric approach in product development. This methodology involves the evaluation of the project showcase area during initial launch stage and the post-delivery assessment of the developed area. It integrates on-site inspections of the project by phases, alongside satisfaction surveys and customer interviews conducted by customer services team. This comprehensive approach generates valuable exemplary case studies that contribute to product platform, thereby promoting continuous product innovation and upgrade.

At the same time, the R&D team collects customer feedback across four dimensions: architecture, landscape, interior decoration, as well as electrical and mechanical. This enables the Group to identify common issues and enhance project management, as well as apply appropriate risk control measures. The Group’s planning committee serves as a focal point for reviewing and embedding management procedures at each stage of the project planning, enhancing product details, and controlling project risks.

In FY 2023, the Group continued to optimise and enhance its construction quality third-party evaluation monitoring program by further strengthening quality and safety risks control, while promoting customers’ satisfaction and maintaining its industry-leading standards.

Awards Received in FY 2023

- Yanlord The Great Bay, Zhuhai - Guangdong Province Construction Engineering Quality Structure Award (Year 2023)
- Yanlord North Shore Gardens, Zhuhai - Guangdong Province Construction Engineering Quality Award (Year 2023)
- Yanlord PRELAND, Suzhou - Second Prize of “Trustworthy Construction Quality Team Building” in 2023; Third Prize of the 4th BIM Competition of Engineering and Construction Industry
- Four Seasons Heming Gardens, Suzhou - 2023 China Civil Engineering Zhan Tianyou Award for Outstanding Residential Community Gold Award
- Tang Song, Wuxi - Jiangsu Province Building Construction Standardisation Star Site
- Yanlord Central Lake, Taicang - Jiangsu Province Building Construction Standardisation Star Site
- Orchard Summer Palace, Shenyang - Liaoning Province Construction Engineering Quality Structure Award

Quality of Products and Services (cont'd)

Case Study: Innovation of Project

Yanlord is actively implementing a strategy that emphasises product diversification and innovation.

Cangjie Commercial Plaza, Suzhou 仓街商业广场, 苏州

The project, officially opened in late September 2023, is the fruit of seven years of meticulous development efforts. This project leverages the inherent characteristics of the land in the historically and culturally rich ancient city, adopting a neighbourhood + mall model to cultivate a cultural and commercial atmosphere that seamlessly integrates ancient streets and alleys.



PUTTING LAND, Haikou 长天云汀, 海口

This project preserved the original natural topography of the golf course, featuring an innovative “品”-shaped courtyard villa design, harmoniously integrating the site’s natural landscape into its planning and design.



Quality of Products and Services (cont'd)

Case Study: Innovation of Project (cont'd)

Yanlord Begonia Park, Haikou 仁恒海棠公园, 海口

In keeping with Yanlord's rigorous consideration of the city's layout and natural resources around, this project has been designed to incorporate features of the tropical seaside landscape. With "ecology, vitality and openness" as the core concept, it organises diverse functions to form a spatial scene of natural symbiosis. The semi-open commercial area provides a free and relaxing social atmosphere to strengthen the neighbourhood relationship.



Quality of Products and Services (cont'd)

Training

We provide product quality training for employees, contractors, and supervisory units to ensure the consistent adherence to our unified work standards.

Examples of Product Quality Training for Various Parties:

Employees

Anti-leakage training, fine decoration training, quality management system training

Contractors

Third-party assessment training, civil engineering training safety, quality risk training, construction model documentation training, masonry training and refined decoration training

Supervisory units

Third-party assessment training, civil engineering safety training and quality risk training

Customer Satisfaction

The Group's Customer Relations Department embodies Yanlord's customer-oriented culture and is grounded in its core philosophy. Building on the successful implementation of its business system and development strategies, the customer service team has adeptly forged robust connections between the Group's headquarters and its city offices, and has now extend its reach to comprehensively manage customer relationship-related services across cities where the Group operates, thereby maintaining its pivotal role in coordinating customer relations.

In terms of risk control and management, in FY 2023, the Group's Customer Relations Department conducted 48 mystery shopper reviews and inspections across 17 projects in eight cities of the PRC. This initiative was aimed at systematically identifying and addressing any deficiencies, enhancing overall management and service standards, and improving customer perception. The Group's sales and service centres achieved a score of over 95 points, with each operational aspect performed exceptionally well in five key areas: arrival impression, customers orientation, in-depth communication, showroom environment and information registration, placing the Group at the forefront of the industry.

In terms of organising property delivery, Yanlord successfully completed the delivery of a total of 29 batches of project delivery, totalling over 20,000 units to customers in FY 2023. The heightened concerns among customers stemming from the market downturn posed substantial challenges to overall operation and management. The Group's Customer Relations Department played an active role in project development, engaging in various facets that include risk evaluation and elimination, project product quality monitoring, pre-delivery quality inspection, and the supervision of defects rectification. The department also organised open days at construction sites, provided prompt response addressing customer concerns, and established proactive communication channels to bridge gaps in understanding and preventing misinformation.

In terms of platform services, the Group has strengthened its customer relationship through our comprehensive CRM data system, the "400" customer service hotline, and a dedicated research and communication program. In FY 2023, the CRM data system engaged with more than 100,000 customers throughout the year, accumulating a total annual visit count exceeding one million. The "400" customer service hotline also answered nearly 3,000 call-ins throughout the year and completed more than 25,000 phone call-backs and communications with customers.



Quality of Products and Services (cont'd)

Case Study: Site Opening Days

Prior to project delivery, we arrange "Open Days" for customers for pre-delivery property viewing.

The Mansion in Park, Jinan 仁恒奥体公园世纪, 济南



Yanlord Arcadia, Shanghai 仁恒海上源, 上海



The Yangtze Garden, Wuhan 仁恒滨江园, 武汉



Quality of Products and Services (cont'd)

MANAGED PROPERTIES

In FY 2023, the rental income of the Group's commercial and office properties in the PRC demonstrated continued improvement, driven mainly by Yanlord Reverie Plaza in Shenzhen, and the community retail space of Yanlord Begonia Park in Haikou. Despite opening in late 2022 amidst the challenges of the COVID-19 pandemic, both developments achieved impressive occupancy rates of 95% and 96%, respectively, as of the end of 2023. As at December 31, 2023, the overall average occupancy rate of the Group's commercial and office properties was 82%. The soft opening of Cangjie Commercial Plaza in Suzhou was held on September 28, 2023, and had recorded strong performance in the fourth quarter of 2023, as well as during the Chinese New Year holiday period in 2024.

Case Study: The Heritage of the Classical Gardens of Suzhou Cangjie Commercial Plaza, Suzhou 仓街商业广场, 苏州

This project's facade design draws inspiration from Suzhou silk, showcasing a woven texture that embodies a contemporary aesthetic while paying homage to the traditional brickwork of the ancient city. Rooted in the design of the Classical Gardens of Suzhou, the concept of a three-dimensional garden is seamlessly integrated, extending from subterranean levels to above-ground structures. This innovative approach creates a dynamic spatial experience characterised by multiple platforms, spatial arrangements and arrival points, thereby distinguishing the project and exemplifying the fusion of ancient and modern Suzhou culture.



Quality of Products and Services (cont'd)

Case Study: The Heritage of the Classical Gardens of Suzhou (cont'd) Cangjie Commercial Plaza, Suzhou 仓街商业广场, 苏州 (cont'd)



In addition to its architectural significance, Cangjie Commercial Plaza in Suzhou hosts a series of curated cultural heritage activities centered around Suzhou culture following its inauguration. These initiatives strategically blend cultural elements with commercial operations, catering to the preferences of contemporary audiences while simultaneously fostering an environment conducive to customer engagement. By offering opportunities for patrons to immerse themselves in the traditions of Suzhou through exploration of the plaza, we aim to cultivate a deeper appreciation for the region's renowned gardens. At the same time, the management team leverages various new media platforms to disseminate Suzhou culture through illustrative content. This multifaceted approach not only enriches the visitor experience but also serves to amplify awareness and appreciation of Suzhou's cultural heritage on a broader scale.

Quality of Products and Services (cont'd)

Case Study: The Heritage of the Classical Gardens of Suzhou (cont'd)

Cangjie Commercial Plaza, Suzhou 仓街商业广场, 苏州 (cont'd) - Tenants and Customers Activities



Quality of Products and Services (cont'd)

Case Study: The Heritage of the Classical Gardens of Suzhou (cont'd)
Cangjie Commercial Plaza, Suzhou 仓街商业广场, 苏州 (cont'd) - Grand Opening



Quality of Products and Services (cont'd)

Yanlord's commercial malls not only provided shopping space for consumers and tenants, but also organised a wide range of activities to enrich neighbourhood life. Our commercial properties management team insists on providing high quality services to our customers and tenants through professional, disciplined and caring services. In Yanlord's major commercial plazas, there are warm services provided, such as medical kits, wheelchairs, convenient umbrellas, emergency hygiene supplies, children's supplies as well as nursing rooms and business printing and photocopying centres for convenience.

Case Study: Wide range of activities to customers and tenants

Yanlord Reverie Plaza, Shenzhen 仁恒梦创广场, 深圳 - Engaging Youth Activities



Quality of Products and Services (cont'd)

Case Study: Wide range of activities to customers and tenants (cont'd) Yanlord Reverie Plaza, Shenzhen 仁恒梦创广场, 深圳 (cont'd) - Customer Care Services



Quality of Products and Services (cont'd)

Against the challenging backdrop the real estate industry, Yanlord property management team has intensified its efforts towards improving service quality in 2023, placing a strong emphasis on customer needs, and at the same time, continue exploring diversified business opportunities and services solutions to sustain growth.

In FY 2023, 16 new projects developed by the Group had been delivered to property management team for on-going property management services and 27 new projects' property management services contracts were signed. Additionally, we secured contracts for 16 external party projects and were engaged in providing multi-phases site management and consulting services, etc. in 14 projects.

Through the concerted efforts of property management teams in all cities with presences, the Group garnered 92 awards, including 20 at the provincial level, 38 at the city level and 34 at the district level this year. These accolades reflect Yanlord's dedication and progress in market competition, services innovation and social responsibilities.

We encourage feedback through various channels, including our CRM data system and customer service hotline, ensuring prompt and effective resolution of concerns. We have structured customer feedback checkpoints, including check-in calls for new property owners and subsequent follow-ups one year post-delivery. Long-term customers (two years and above) are engaged through phone calls and surveys. An independent research agency assisted in conducting our annual customer satisfaction survey in the PRC. Results prompted local teams to reach out to specific customer groups, tailoring resolutions based on expectations.

Case Study: Yanlord Nanjing Property Management Services Highlights in FY 2023

Throughout FY 2023, Yanlord Property Management team in Nanjing delivered 5 projects and welcomed over 3,600 residents to their new homes.



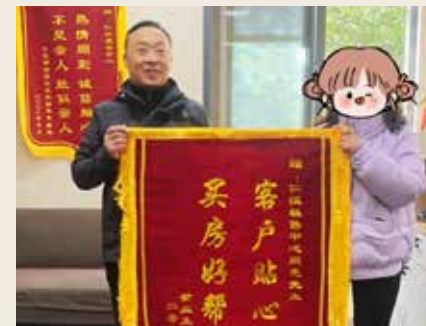
Quality of Products and Services (cont'd)

Case Study: Yanlord Nanjing Property Management Services Highlights in FY 2023 (cont'd)

More than 330 activities were carried out, covering more than 54,600 residents.



Received 339 thank you and commendations from our residents.



Awards Received in FY 2023

Property Management Services Awards

- Shanghai Yanlord Property Management Co., Ltd. - 2023 Five-star Enterprise for Shanghai's Comprehensive Property Service Capability
- Nanjing Yanlord Property Management Co., Ltd. - 2022 Top 20 of Jiangsu Property Service Comprehensive Capability
- Oasis New Island Gardens, Nanjing - Jiangsu Provincial Demonstration Property Management Project
- The Park Mansion, Nanjing - Jiangsu Provincial Demonstration Property Management Project
- Yanlord Landmark, Chengdu - Collective with Outstanding Contributions to the Work of Responding to Extreme Disaster Weather to Maintain the Supply of Electricity by Chengdu Municipal Committee and Municipal Government
- Tianjin Jinnan Land, Tianjin - National Demonstration Age-Friendly Community in 2023 by National Health Commission of the PRC

Quality of Products and Services (cont'd)

Hotels & Serviced Apartments

Yanlord's Hotels and Serviced Apartments business comprises operations of major brands such as InterContinental and Crowne Plaza, the Group's self-operated "Yanlord ParcVue" hospitality brand in the PRC, and hotels and serviced apartments under United Engineers Limited in Singapore. We insist on high quality services to satisfy customers' needs, increase their loyalty and enhance our brand value.

Ensuring food safety is our top priority when serving our guests. We have developed a strict set of Standard Operating Procedures ("SOPs") to ensure the highest standards of cleanliness, safety, brand consistency and food safety. To ensure that the SOPs are effectively implemented and strictly adhered to, we conduct monthly inspections by our employees and microbiological swab tests of our kitchens every six months by an external independent laboratory. In addition, our cleanliness and equipment functionality are scrutinised annually by IHG's quality inspectors. To improve employees' ability to respond to food safety incidents, we also conduct emergency drills to simulate the reporting, investigation, tracing and recall of affected food products, as well as training to pass on the knowledge contained in the InterContinental Hotel Incident and Crisis Manual, which reinforces the roles and responsibilities of our staff sub ah such incidents.

To enrich the experience of our guests in our hotels and serviced apartments, we offer a wide range of activities such as cultural and festive activities, outdoor sports and family gatherings. By doing so, we create more interactive spaces for our guests and provide emotional value.

Case Study: The first Yanlord Viale Hotel was officially opened in Tianjin in April 2023

Yanlord Viale Hotel in Tianjin is a brand new business travel hotel built around young guests. As a hotel that focuses on the concept of environmental protection, the hotel is natural, green and healthy, which coincides with the promotion of low-carbon energy saving and the pursuit of a happy and organic lifestyle. The hotel is committed to creating a new travelling "destination" residence for young and energetic guests, and is also happy to build a new venue for guests to read, coffee, fitness and other fashionable social elements in one.

Hotel Facilities and Residences Activities



Quality of Products and Services (cont'd)

Training

Employees within Yanlord's Hotels and Serviced Apartments undergo comprehensive training upon onboarding, covering specialised topics such as handling customer personal data and privacy. Ad-hoc trainings address specific requirements for special events, and refresher courses are regularly provided to reinforce the fundamentals of hotel operations.

Throughout FY 2023, various training sessions include Code of Conduct Training (行为准则培训), Food Safety Management System Training (食品卫生与安全培训), and True Hospitality (真正的待客之道培训) were conducted. Each hotel sets specific training targets for employees, ensuring a minimum of 4 training hours per month for operational staff and at least 2 training hours per month for back-of-house employees.

Case Study: Hotel Operation Health & Safety Daily 10-minute Check

Kitchen fire prevention and fighting, food safety & storage, guests security and privacy, swimming pool, credit card safety, hotel security, house keeping safety, etc.



Quality of Products and Services (cont'd)

Guest Satisfaction

Guest satisfaction is a key focus, reflecting the quality of service provided. The continuous effort to understand customers' needs and exceed their expectations enhances guest loyalty and positions Yanlord's operations competitively within the hospitality industry. Superior guest experiences contribute to sustained high performance amid industry competition.

Yanlord diligently monitors guest satisfaction through surveys like Guest HeartBeat and IHG Guest reviews, alongside ratings on platforms like Trip.com, Booking.com, and TripAdvisor. Key metrics assessed cover various stages of the guest stay, including service recovery, cleanliness, and food quality. We linked the key performance indicator with employees' performance and salary to encourage them to pay more attention on guests' review and scoring. We also shared guest comments to all staff in order to identify the shortages, improve the workflow, and make timely adjustments.

In FY 2023, all low-scoring feedback received was responded to and resolved where practicable within the timeframe set by the Group.

Awards Received in FY 2023

Crowne Plaza Sanya Haitang Bay Resort, Sanya

- 2023 Best Family Hotel in Sanya Tourism Hotel Industry - Sanya Tourism and Hotel Industry Association
- 2023 Best Guest Experience Hotel in Sanya Tourism Hotel Industry - Sanya Tourism and Hotel Industry Association
- The Most Popular Wedding Hotel for Couples - Sanya Wedding Tourism Association
- 2023 IHG Golden Dragon Award - IHG
- Best Strategic Partner of the Year Award - CDF
- Best Strategic Partner Award - CDF

InterContinental Hotel, Zhuhai

- The 15th Voyage Hotel & Resort Awards 2023: Annual Best MICE Hotel
- 'Travel+Leisure' China Travel Awards 2023: China's Top 100 Hotels

Grand ParcVue Hotel Residence, Chengdu

- Best Service Award 2023 - Trip.com Group
- ENCHANTE Hotel Awards 2023: Best Serviced Apartment

ParcVue Hotel Residence, Nanjing

- Best Design Hotel in Nanjing 2023 - Trip.com Group

Yanlord Viale Hotel, Tianjin

- Excellent Internet Practice Hotel 2023 - Trip.com Group
- Second Place to New Media Hotel List 2023 - China International Travel Service Limited

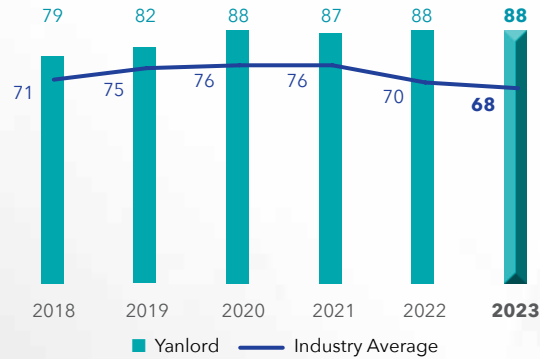
Quality of Products and Services (cont'd)

TARGET AND PERFORMANCE

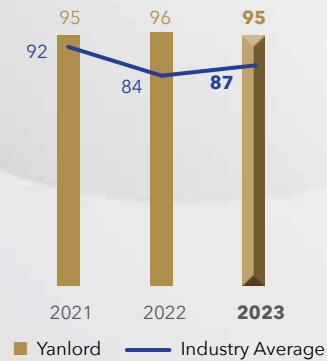
Property Development and Managed Properties

In FY 2023, Yanlord achieved an overall satisfactory score of 88, maintaining the same score in the financial year ended December 31, 2022 ("FY 2022") while the industry average continued to drop from 76 in 2021 to 68 in 2023. The feedback score across the dimensions of customer loyalty, intention for re-purchase and intention for recommendation remained consistently high.

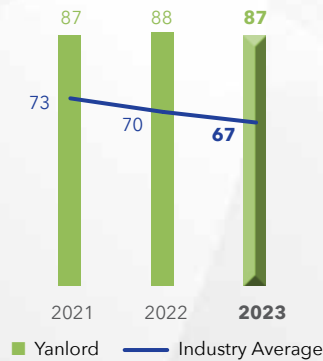
OVERALL SATISFACTION SCORING



SALES SERVICES



PROPERTY MANAGEMENT SERVICES



TARGET AND PERFORMANCE



FY 2023 Target

To achieve at least 89% overall customer satisfaction in FY 2023 survey

FY 2023 Performance

Achieved 88% overall customer satisfaction

FY 2024 Target

To maintain 88% overall customer satisfaction in FY 2024 survey

Quality of Products and Services (cont'd)

Hotels & Serviced Apartments

Across the abovementioned hospitality properties, Guest Love Score is leveraged to track guest satisfaction. Each property sets its own target and pending on the key areas of improvements raised by the guests, follow-up actions would be taken for continuous improvements. We are pleased to share that our Hotels & Serviced Apartments have met their targets set for FY 2023 and will seek opportunities to further enhance performance in FY 2024. Targets and performances across the Hotels & Serviced Apartments are summarised in the table below:

Customer Health and Safety

In FY 2023, there were no major incidents of non-compliance concerning the health and safety of products and services. There were also no breaches against voluntary codes in areas of customer health and safety of products and services. As we continue to adopt best practices in customer health and safety, we strive to upkeep this performance in the years to come.

TARGET AND PERFORMANCE		
FY 2023 Target	FY 2023 Performance	FY 2024 Target
Chengdu To achieve 91% Guest Love Score	N.A. ¹ (The brand of hotel has been changed to "Yanlord ParcVue" in November 2023)	To achieve 4.8 Trip.com Score
Sanya To achieve 93% Guest Love Score	Achieved 97% Guest Love Score	To achieve 4.9 Trip.com Score, and to achieve 93.5% Guest Lover Score
Zhuhai To achieve 91% Guest Love Score	Achieved 95% Guest Love Score	To achieve 4.9 Trip.com Score, and to achieve 91% Guest Lover Score
Nanjing To achieve 4.9 Trip.com Score	Achieved 4.9 Trip.com Score	To achieve 4.9 Trip.com Score
Tianjin To achieve 4.8 Trip.com Score	Achieved 4.8 Trip.com Score	To achieve 4.8 Trip.com Score

¹ N.A.: Not applicable



Customer Privacy

MANAGEMENT APPROACH

Yanlord is committed to implementing a comprehensive [Privacy Policy](#), outlining the procedures used for the collection, usage, processing, disclosure, and protection of personal data acquired by or in possession of our Group. This policy is made available on our official website.

List of laws we comply with

PRC

Personal Information Protection Law, Network Security Law, Data Security Law and Cybersecurity Law of the PRC

Singapore

Personal Data Protection Act 2012

Hong Kong SAR

Personal Data Privacy Ordinance

MANAGING CUSTOMER PRIVACY

PRC

Following the principle of “data user is responsible” in managing customers’ personal information, Yanlord mandates that all employees exercise caution in handling personal information security duties aligned with their roles. Access to credit card and guest identity information is limited to authorised personnel responsible for handling bookings and reservations. Strict prohibitions are in place against disclosing customer information to unauthorised personnel or those beyond their authorities.

Yanlord conveys the concept of customer privacy protection to its employees through training, especially under hotels and serviced apartments business, all employees undergo training on handling guests’ personal information during the onboarding process and annual refresher training. The trainings also include room entry procedures, guest confidentiality during check-in, and the procedure for issuing the second room key. To uphold the security of our customers’ personal information, Yanlord adheres to stringent internal procedures restricting access to personal information to authorised personnel and employing secure data transfer and archiving practices for customer data.

Singapore

In Singapore, our indirect subsidiary, O’Connor’s Singapore Pte Ltd established its own [Personal Data Protection Policy](#) on November 1, 2023. Both policies, along with other internal policies of the Group, such as Do Not Call Policy and Data Breach Management Plan, are in compliance with the relevant laws and regulations in Singapore.

We stay informed about the latest industry developments by regularly participating in seminars, reviewing newsletters, and ensuring our staff is updated on relevant information. Our Privacy Policy undergoes periodic reviews and updates to align with regulatory and legal requirements, as well as to incorporate industry trends and anticipate future developments. This proactive approach ensures that our practices remain current and compliant with the evolving landscape of privacy and data protection.

Customer Privacy (cont'd)

MANAGING CYBER SECURITY

PRC

We recognise the crucial role that cybersecurity plays in our business operations. Therefore, we strictly adhere to the Cybersecurity Classified Protection 2.0 regulations outlined in the PRC Cyber Security Law. Compliance with these regulations entails meeting diverse security requirements contingent on the grade of our network system. At Yanlord, we adopt a comprehensive approach to cybersecurity management, emphasising three key pillars: Process, Technology, and People.

In alignment with the national recommended standards outlined in the “Basic Requirements for Classified Protection of Information Security Technology and Network Security”, Yanlord has implemented a classified protection scheme for information systems. The successful certification by the Public Security Bureau of the PRC attests to our commitment to stringent security measures. We will extend to seeking personal information-related certifications where applicable and in accordance with regulatory updates to ensure our ongoing compliance with evolving standards and reinforce our dedication to maintaining the highest levels of data security.

To enhance data security management, Yanlord has introduced security management requirements focusing on “controlling maintenance and operations” and “controlling data flow direction”. The implementation of a centralised management system, referred to as the “fortress machine” is aimed at achieving comprehensive management and control of maintenance and operations. This approach strengthens our internal audit capabilities over data flow, ensuring full compliance with the latest data safety management requirements.

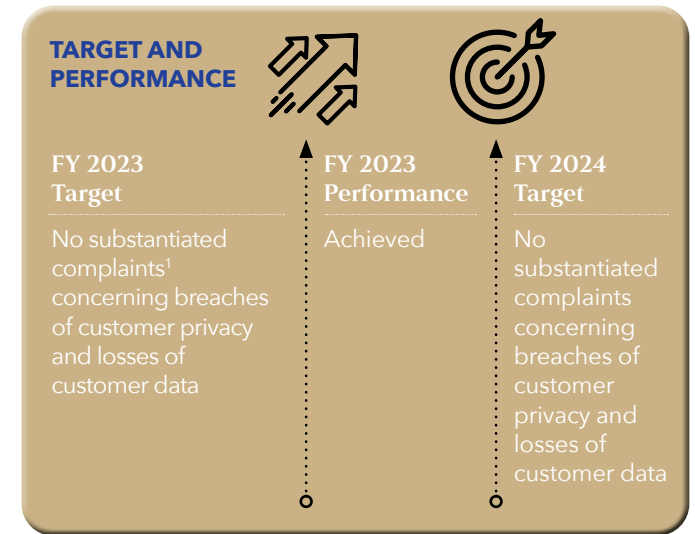
In an effort to heighten employee awareness of information security protection, we have initiated training courses for all staff with support from the Group’s Human Resources (“HR”) Department. These courses cover basic concepts of information security, common risks, and provide guidance on necessary steps to enhance cybersecurity protection. Additionally, IT professionals receive specialised training on network security to enhance their capabilities in network protection. This comprehensive strategy reinforces our commitment to robust information security practices.

Singapore

In Singapore, we have implemented both a Data Management Policy and a Cyber Security Policy to establish guidelines for data management, security, and access. These policies include measures to prevent security threats to the Company’s network, infrastructure, computer systems, and our employees.

Responsible data management is ensured through the maintenance of checklists and documentation, requiring authorisation for handling sensitive data, and conducting daily offline tape backups to protect against cyber-attacks. We regularly test the efficacy of our security measures, including yearly disaster recovery exercises, ethical hacking trials for Proof of Concept, and Data Security Management audits.

To enhance employee awareness of cyber risks, designated employees undergo training, and electronic direct mail featuring case studies on recent cyber-attacks and preventive measures is distributed to all employees. This proactive approach contributes to a resilient cybersecurity posture within the organisation.



¹ Written statement by regulatory or similar official body addressed to the organisation that identifies breaches of customer privacy, or a complaint lodged with the organisation that has been recognised as legitimate by the organisation.

EMPOWERING OUR PEOPLE



The Group considers its talent strategy as a vital element of its comprehensive sustainable development strategy. In line with its mission statement of “managing with benevolence and integrity, achieving perpetuity through perseverance”, the Group is committed to developing land with dedication, treating its employees with trust and understanding, and cultivating a culture of trust and partnership, understanding and respect towards its workforce. The Group aims to attract and retain talent through a robust career development platform and a strong corporate culture.

Employment

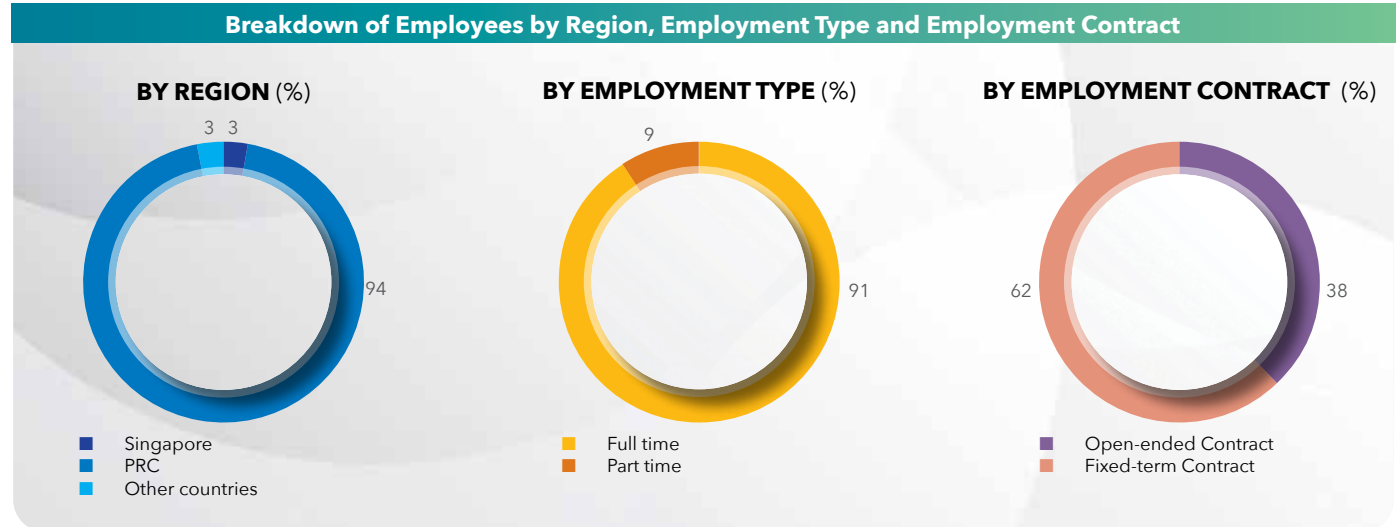
MANAGEMENT APPROACH

The Group conducts regular campus recruitment campaigns to attract and nurture fresh graduates and inject youth into the Company’s talent pool. In FY 2023, job fairs were conducted at universities and colleges in a number of cities, including Hainan, Chongqing, Yunnan and Shanghai in the PRC. In addition, Yanlord continuously carries out social recruitment according to the needs of each business units and attracts management and technical talents by providing competitive remuneration and a favourable working environment, so as to grow the Group’s talent pool.

In FY 2023, the Group further enhanced the operational management of its business units by refining various aspects. For example, we implemented an intelligent cloud system to manage the attendance and payroll of outsourced employees. The efforts aimed to facilitate effective coordination between the organisation and its human resources, consequently elevating overall operational efficiency and enhancing risk management capabilities.

As of December 31, 2023, our workforce within the reporting boundaries numbered 11,530 employees¹, with the majority stationed in the PRC. Most of our workforce comprises full-time employees. Notably, in Singapore, Hong Kong SAR

and other countries like Malaysia, our workforce mainly consists of employees with open-ended contract, while in the PRC, our employment structure leans towards fixed-term contracts. For a more detailed breakdown, please refer to the accompanying charts and tables below.



Number of Employees by Region, Employment Type and Employment Contract			
	FY 2023		
	Singapore	PRC (including HK SAR)	Other Countries
Male	172	6,391	285
Female	197	4,374	111
By Employment Type - Full time			
Male	169	5,788	281
Female	196	3,971	104
By Employment Type - Part time			
Male	3	603	4
Female	1	403	7
By Employment Contract - Open-ended			
Male	137	2,167	278
Female	166	1,546	111
By Employment Contract - Fixed term			
Male	35	4,224	7
Female	31	2,828	0

¹ In FY 2023, Yanlord has expanded the employee-related data scope to include our non-property business.

Employment (cont'd)

In FY 2023, the Property Management business and Hotel and Serviced Apartment Operations contributed 85% of the Group's total new hires and 72% of the Group's total employee turnover. The high turnover rate among general staff, particularly frontline employees, in these business segments in the PRC is a common occurrence attributed to the industry's nature. Additionally, the data on new hires and turnover encompass internal transfers across various business segments.

Number and Rate of New Hires by Region, Gender and Age Group

	FY 2023		FY 2022
	Number	Rate	Rate
Total	4,148	36%	34%
By Region			
Singapore	110	30%	32%
PRC	3,935	37%	35%
Other Countries	103	26%	N.A. ¹
By Gender			
Male	2,588	38%	36%
Female	1,560	33%	33%
By Age Group			
Under 30 years old	1,827	73%	63%
30- 50 years old	1,798	28%	26%
Over 50 years old	523	26%	23%

Number and Rate of Turnovers by Region, Gender and Age Group

	FY 2023		FY 2022
	Number	Rate	Rate
Total	4,202	36%	35%
By Region			
Singapore	113	31%	32%
PRC	3,962	37%	35%
Other Countries	127	32%	N.A. ¹
By Gender			
Male	2,466	36%	36%
Female	1,736	37%	35%
By Age Group			
Under 30 years old	1,677	67%	62%
30- 50 years old	1,937	30%	37%
Over 50 years old	588	23%	25%

¹ N.A.: Not applicable



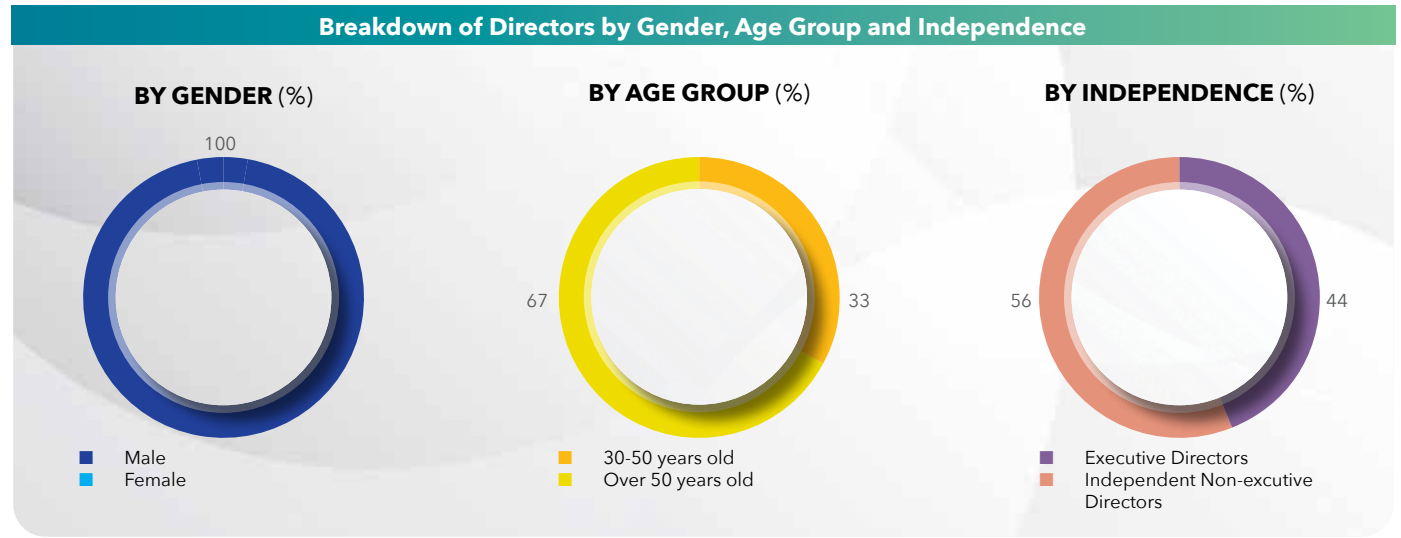
Employment (cont'd)

Diversity, Equity and Inclusion

Diversity is an important attribute of a well-functioning and effective management. At Yanlord, we are mindful of the diversity of our workforce in all aspects of its composition, such as gender, age, ethnicity and cultural background. In promoting diversity, we insist on equal pay for equal work and ensure that our employees are provided with equal work opportunities. In FY 2023, across our reporting regions, female employees account for 41%, while male employees make up 59% of our total workforce. Women accounted for 30% of senior management and supervisory roles.

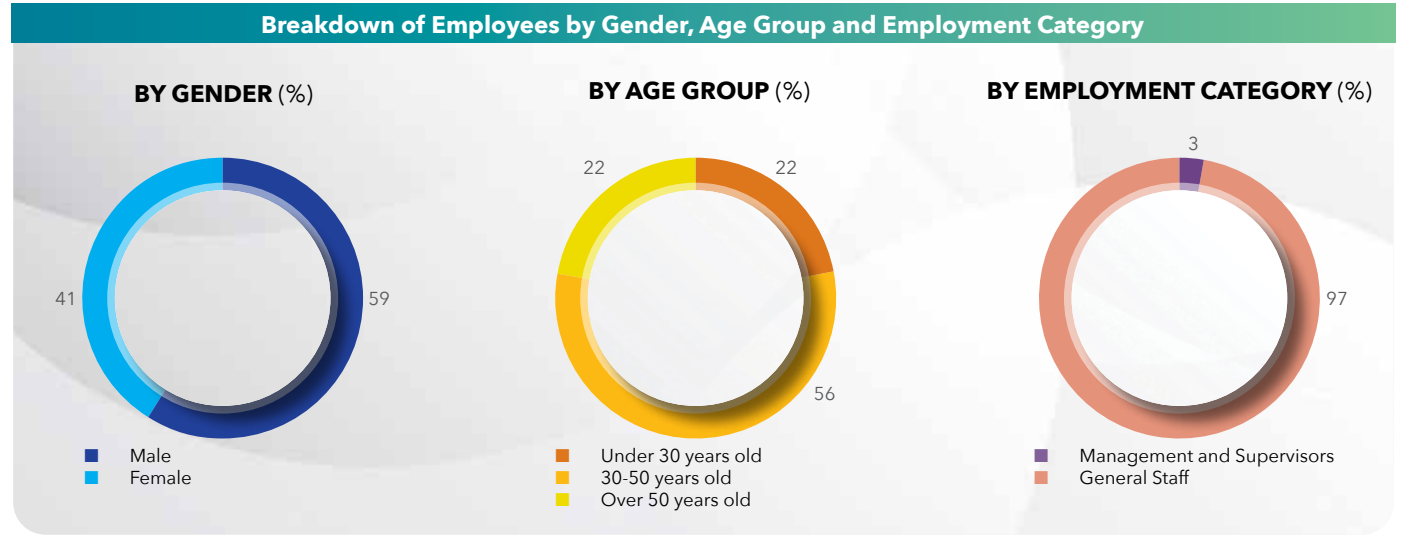
Yanlord acknowledges the critical role of a well-structured, diverse Board in enhancing decision-making and fostering constructive debate. We believe diversity in skillset and expertise, business background and industry knowledge, international experiences, age, gender, tenure and independence enriches Board dynamics and effectiveness. Therefore, we have implemented a [Board Diversity Policy](#) to ensure adequate representation. The structure, size and composition of our Board and its various committees remain appropriate, functional and effective with adequate diversity and independence, and are conducive to efficient and effective discussion and decision making as the structure, size and composition of the Board and its various committees allow meaningful individual participation by and diverse professional perspective from each director.

Recognising the value of gender diversity in bringing varied viewpoints and enhancing decision quality, Yanlord has set a target to appoint, on merit, a female candidate who possesses all the objective criteria and qualifications that complement the Board mix and composition, to fill Board vacancy that may arise in future.



Number of Directors by Gender, Age Group and Independence	
	FY 2023
By Gender	
Male	9
Female	0
By Age Group	
30- 50 years old	3
Over 50 years old	6
By Independence	
Executive Directors	4
Independent Non-executive Directors	5

Employment (cont'd)



Number of Employees by Gender, Age Group and Employment Category

	FY 2023	FY 2022
By Gender		
Male	6,848	6,059
Female	4,682	4,237
By Age Group		
Under 30 years old	2,490	2,516
30- 50 years old	6,483	5,886
Over 50 years old	2,557	1,894
By Employment Category		
Management and Supervisors	374	345
General Staff	11,156	9,951

Employment (cont'd)

Building Sense of Belonging and Community

At Yanlord, we understand the importance of creating a positive workplace environment where employees feel valued and acknowledged for their contributions. Alongside recognising achievements, we express gratitude for those who go the extra mile for our customers and residents. We showcase their efforts on our social media platforms and during special occasions such as Women's Day and Mother's Day. To nurture a sense of belonging, we organise events that bring employees together with their families and friends. These events range from sports days to community golfing, badminton games, excursions, trips, and team-building activities spanning our various business units and residents.

Case Study: Team Building Activities, Summer and Winter Cares, Outstanding Staff Recognition Awards



Learning and Development

MANAGEMENT APPROACH

Yanlord provides various opportunities for employees to nurture their abilities and advance in their careers, all while fostering a positive corporate culture aimed at attracting and retaining talent for the Group’s ongoing progress. In FY 2023, the Group’s recruitment, training and talent development functions maintained seamless functionality. Professional and management learning platforms were consistently provided for management personnel to upgrade their skillsets and capabilities, while grooming talent to take on managerial roles within the Group. Concurrently, the Group also continue to optimise its performance-oriented assessment and incentive system, contributing to the realisation of business goals.

The Group persisted in introducing fresh learning courses via online platforms to bolster communication and connectivity among business divisions. This effort aimed to boost the multifaceted skills of the staff, extend coverage of fundamental management knowledge to employees, and cater to their demands for cross-functional and cross-disciplinary business education.

In order to maintain the relevance of our training programs for our employees, we primarily rely on channels such as surveys and anonymous interviews to gather feedback and assess the effectiveness of each course. This enables us to continuously refine our training programs. Yanlord Capability Development Centre focuses on enhancing in-house knowledge and skills. Additionally, we continue to utilise the online learning platform “Yanlord Learning” for daily learning activities and to offer ongoing professional training opportunities for our staff.

The training programs for our employees include:

Training Categories	Examples of Training Delivered
Compliance	Real Estate Operation Administration
Leadership	Management Soft Skills, Team Leadership
Core Skills	Management, Investment and Development, Operations, Customer Service, Marketing
Professional/Technical/Functional Development	Real Estate Project Management, Strategic Thinking, Service Recovery, Understanding Member Benefits and True Hospitality
Personal Development	Taking the Initiative, Taking Responsibility

Management Talent Training Program

Currently, Yanlord operates across over 20 cities in the PRC, overseeing different type of projects at various stages of development. It is essential to cultivate a robust management team with a deep understanding of Yanlord’s corporate philosophy and our business operations. This team must exhibit strong leadership skills and adeptness in addressing emerging challenges.

In designing training programs and curricula for our managerial staff, we place emphasis on customising them to address the unique needs of our audience. We deliver relevant information that aligns with our business objectives, ensuring that our management team receives comprehensive support for their learning journey, leading to desired outcomes. Our aim is to nurture a proficient group of leaders who can adeptly manage the business, their teams, resources, and personal growth.

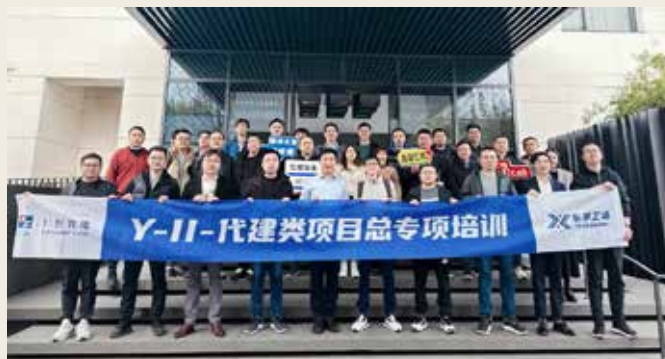


Learning and Development (cont'd)

Case Study: Employee Training Programme Highlight Project Development General Manager Training Programme

The Yanlord Land's Region Y-II Project Total Certification Plan and Special Training for other property development projects under the Group's project management business commenced in March 2023, heralding a pivotal moment for over thirty project managers gathered in Suzhou. During this enriching one-day program, participants delved into the practical guidelines of construction management while engaging in action learning discussions centered around six ongoing construction projects.

Through immersive simulations such as the renowned Real Estate Enterprise Management Sandbox, participants navigated the intricacies of real estate development, gaining invaluable insights into strategic decision-making and operational excellence. Complementing this, action learning tasks were introduced, epitomising our ethos of continuous improvement and learning. By integrating theoretical knowledge with hands-on experience, we empower our teams to navigate complex real estate landscapes with confidence and resilience, thereby ensuring the enduring sustainability of our business endeavors. Feedback from participants highlighted the value of the training in expanding their perspectives and practical skills, underscoring their eagerness for further empowerment through upcoming sessions.



Learning and Development (cont'd)

Case Study: Employee Training Programme Highlight (cont'd) Project Development General Manager Training Programme (cont'd)



Learning and Development (cont'd)

Case Study: Employee Training Programme Highlight (cont'd)

Property Management Training

In FY 2023, Yanlord property management team formulated targeted training plan according to the characteristics of each position, empowered the business front line, and carried out more than 100 training activities cumulatively online and offline. We continuously improve the business ability and professionalism of our staff from various aspects, such as professional skills, knowledge of laws and regulations, anti-corruption and service level, so as to provide better services to our residents and tenants, etc.



Learning and Development (cont'd)

Case Study: Employee Training Programme Highlight (cont'd)

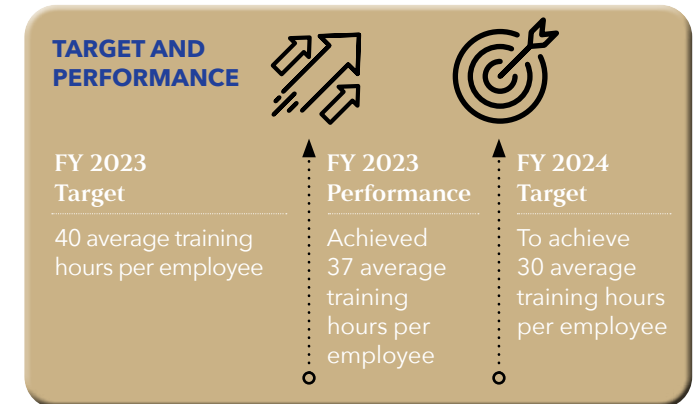
Hotel Staff Training

The hotels conducted comprehensive training for staff from true hospitality, service recovery, facility safety management and emergency response, aiming to standardise staff service standards, improve staff skills and provide high-quality service to guests.



Enhanced Appraisal System for Talent Discovery and Grooming

Starting from FY 2020, we have strengthened our appraisal system to align with our expanding regional presence. These enhancements include refining our performance assessment methods and mechanisms to better recognise, identify, and develop talent. In FY 2023, 100% of eligible employees¹ has participated in at least one formal appraisal process, reflecting our commitment to comprehensive evaluation and talent cultivation.



Breakdown of Average Training Hours by Gender and Employee Category in FY 2023

Total average training hour	37
Average training hour for Male	38
Average training hour for Female	36
Average training hour for Management and Supervisors	34
Average training hour for General Staff	37

¹ Eligible employees are employees other than those in probation period.

Occupational Health and Safety

MANAGEMENT APPROACH

Safeguarding the health and safety of all employees, tenants, residents, contractors and visitors across Yanlord’s properties is of utmost importance. We are cognisant that human capital is key towards an effective organisation and long-term success of the business. Not only does maintaining a conducive, safe and healthy work environment boost employees’ productivity and morale, it can also improve retention rates and overall welfare of the workforce.

In PRC, occupational health and safety (“OHS”) is enforced across all construction sites through a series of stringent safety management guidelines which ranges from detailed emergency plans, isolation plans as well as protection equipment measures. Use of notice boards are also widely used across our sites as an effective way to communicate safety information to employees.

Across our Singapore properties, we have in place an OHS policy and it is made available to employees in three languages - English, Chinese and Bahasa Melayu. Our commitments are outlined below:

- Uphold universal occupational safety & health standards by providing a firm framework for setting key OHS objectives
- Never compromise on compliance with relevant regulations, legislations and other requirements
- Improve the OHS management system through the involvement of relevant workers from all levels in the reviewing of existing processes as well as the setting of new processes
- Train and educate all workers on workplace safety & health, and emergency preparedness
- Eliminate hazards and reduce OHS risks in the workplace; and
- Develop and promote a culture that supports a safe, secure and healthy workplace

We have a specific OHS management system which is customised to the needs and nature of work performed by each business segment. These systems are reviewed on a regular basis to ensure their relevance.

Property Development	<p>The OHS system is developed according to the relevant international frameworks and national regulations¹.</p> <p>A three-level safety management system is in place to ensure safety for local city offices, and projects sites. The system takes on safety management processes such as pre-training, in-process inspection, and post-event evaluations. All project supervisors and general contractors are equipped with full-time safety management equipment.</p>
Managed Properties	<p>Our OHS management system is certified by GB/T 45001-2020/ ISO 45001:2018 Occupational Health and Safety Management Standards² in selected offices in the PRC. Our occupational health and management system is based on the nature of work done within the property services industry. Various supporting procedures have been implemented, such as Risks and Opportunities Management Control Procedures, Hazards Identification and Risks Control procedures, etc.</p> <p>In Singapore, we have obtained ISO 45001:2018 across our Managed Properties since financial year 2019.</p>
Hotels & Serviced Apartments	<p>The OHS risks of IHG-managed hotels are managed in accordance with IHG’s OHS Safety Management System, which is based on a unified global risk management standard. The safety management system of ParcVue, our own brand in China, is managed in accordance with the ISO 45001:2018 OHS international certification and standards and in conjunction with the safety management system of Park Avenue in Singapore, which is subject to an annual audit of all hotels to ensure that the safety management system complies with international standards on relevant occupational health and safety laws and regulations. Findings and recommendations from the audits must be implemented for future improvements.</p>

¹ As of FY 2023, Yanlord follows (but not limited to) the following: National Standards of the PRC: Unified Code for Technique for Constructional Safety (GB50870-2013), Technical Code for Safety of Construction Machinery (JGJ130-2001) and Safety in Welding and Cutting (GB9448-1999), etc.

² This certification is only applicable in our Shanghai, Nanjing, Suzhou, Nantong, Chengdu and Shenzhen offices.

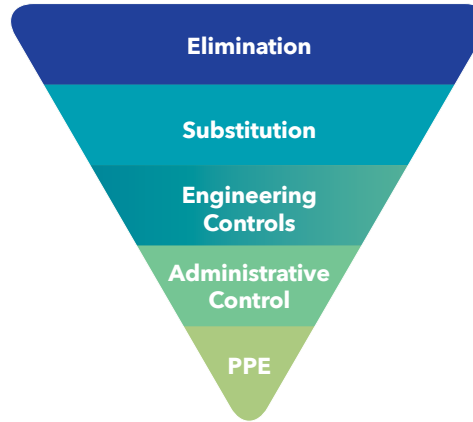
Occupational Health and Safety (cont'd)

Property Development

Our OHS matters are managed by a project team composed of representatives from supervising companies, general managers, and safety officers from the primary contractors. The specific duties and obligations of each member are outlined in the table below.

Project Teams	<ul style="list-style-type: none"> Organise site inspections weekly Ensure compliance to national laws and regulations Assess and identify potential safety risks and hidden dangers
General Inspectors	<ul style="list-style-type: none"> Evaluate OHS risks identified during inspection in an effective manner Notifying main contractors and follow up on corrective action to be taken until closure of case
Safety Officers of Main Contractors	<ul style="list-style-type: none"> Conduct daily onsite assessment by walkabouts, ensuring safety hazards are managed across premises

Our control method is based on the hierarchy of controls as below:



Employees have the option to express their concerns directly to the site safety officer or through feedback boxes provided. Any safety incidents must be reported to the relevant Group departments within 24 hours of their occurrence. If there are any subsequent actions required following an incident, project teams, general inspectors, contractors, and supervision teams will be informed during the weekly supervision meeting.

Measures taken at construction sites

- For minor injuries:** First aid is available via an onsite health clinic.
- For serious injuries:** Direct individuals to the nearest general hospital immediately.
- All group employees and contractors onsite are covered by safety insurance which has been subsidised by Yanlord.
- Conduct routine trainings and inspections to ensure corrective actions has been taken to minimise recurrence of workplace injuries.



Occupational Health and Safety (cont'd)

Managed Properties

At Yanlord, we employ a risk-oriented approach to identify and address potential health and safety risks affecting our employees, visitors, and suppliers across our Managed Properties. Our risk assessment process evaluates hazards that may arise during both routine and ad hoc work scenarios, considering factors such as working hours, social dynamics like harassment and discrimination, and the physical environment employees interact with. This iterative hazard identification process has enabled us to enhance health and safety standards across our offices, retail spaces, and residential areas.

Measures taken to mitigate potential work-related hazards

- Establishing targets and implementing safety management plans.
- Reinforcing the importance of safe work practices through Standard Operating Procedures (SOPs).
- Developing and implementing emergency response plans.
- Conducting regular and ad hoc safety training sessions.
- Taking corrective actions as needed.

To ensure the effectiveness of our OHS management systems, we conduct daily inspections, annual internal audits, and solicit feedback from both internal (management) and external (customers) sources. Feedback from these channels helps us continuously enhance our OHS management systems and align them with our business operations. Any identified non-conformances, particularly those highlighted during external audits, are promptly addressed by the relevant departments. Once resolved, these findings may be shared as practical examples during meetings and training sessions.

Our OHS management representatives regularly review risk registers to ensure compliance with applicable laws and regulations. Additionally, the enterprise labour union serves as an external advocate for workers' rights, further enhancing our commitment to a safe and healthy workplace environment.

Case Study: Fire Safety Exercise

On November 9, 2023, which was the 32nd National Fire Safety Day of PRC, all projects of Yanlord Property carried out fire safety activities to enhance the awareness of fire safety of all staffs, improve the ability of preventing fire, and jointly construct a safety line of defence.



Occupational Health and Safety (cont'd)

Hotels & Serviced Apartments

In our Hotels & Serviced Apartments, we have implemented a comprehensive risk management plan. This plan delineates roles and responsibilities, outlines the hazard identification process, incident management procedures, and communication protocols.

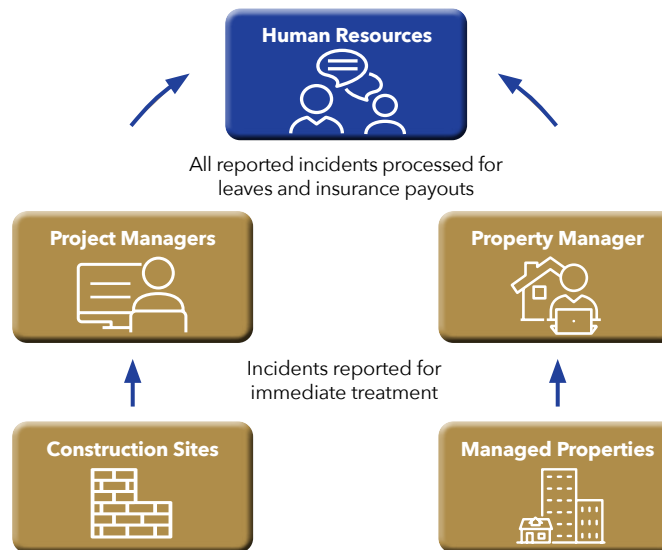
Employees are empowered to raise concerns directly with supervisors, seniors, or the security department. Management actively engages with employees through various avenues such as the General Manager's Roundtable and regular committee meetings, where safety-related topics are discussed. Employees are encouraged to contribute insights based on their work experiences to enhance our OHS management systems.

We utilise multiple communication channels, including emails and notice boards, to regularly remind employees of the critical importance of adhering to the highest OHS standards in the workplace.

Certified trainers are enlisted to provide regular monthly training sessions to equip our staff with the necessary skills to identify and mitigate workplace hazards effectively. These training sessions are conducted in compliance with national regulatory requirements.

Incident Reporting Process

We have implemented a formal incident reporting process within our business sustainability reporting framework. This process guides employees in reporting work-related incidents across all our business segments. Upon receipt, cases are directed to the respective Project Managers and Property Managers. Following this initial stage, Group Human Resources takes charge of managing further actions, including regulatory reporting and processing insurance claims, in accordance with our sustainability reporting guidelines.



Promotion of Worker Health and Well-being

Across all our business segments, we prioritise the promotion of employee health and well-being as paramount. Recognising our workforce as our most valuable asset, we are dedicated to providing a safe and nurturing work environment that addresses physical, mental, and emotional wellness.

Throughout FY 2023, we have implemented a variety of programs and initiatives. These include offering comprehensive health insurance coverage, conducting annual health examinations, and providing mental health resources and support. Additionally, we have introduced ergonomic workstations and practices, along with regular health and safety training, aimed at reducing the risk of workplace injuries and illnesses. We actively encourage employees to embrace an active lifestyle and participate in a diverse range of fitness classes organised by Yanlord.

Our commitment to promoting employee health and well-being remains unwavering, and we will continue to introduce new programs and initiatives to support their overall physical, mental, and emotional wellness.

Occupational Health and Safety (cont'd)

Case Study: Mental Health Consultation and Incident Prevention Training Hotel Staff Training



Mental Health Salon



TARGET AND PERFORMANCE 

Perpetual Target FY 2023 Performance

Zero occupational diseases and work-related fatalities at managed properties Zero

Occupational Health and Safety (cont'd)

Property Development

In FY 2023, there was one on site fall injury at construction site, which was handled and reported in accordance with our internal policy to safeguard the injured employee's post-recovery and return to work. Otherwise, there were no instances of work-related deaths, high consequence work-related injuries, or work-related illnesses recorded at our construction sites, sales centres and offices in the PRC.

Employees	FY 2023	FY 2022	FY 2023	FY 2022
	PRC		Singapore	
Working hours	2,689,496	3,302,384	101,987	134,171
No. of fatalities	0	0	0	0
Rate of fatalities	0	0	0	0
No. of high-consequence injuries ¹ (excluding fatalities)	0	0	0	0
Rate of high-consequence injuries ¹ (excluding fatalities)	0	0	0	0
No. of work-related injuries ²	1	0	0	0
Rate of work-related injuries ²	0.37	0	0	0
No. of work-related ill health	0	0	0	0

Managed Properties

In FY 2023, there were no fatalities reported at our Managed Properties. However, we documented 39 work-related injuries at our managed properties, higher than the 30 recorded in FY 2022. The rate of recordable work-related injuries among employees saw an increase from 2.01 in FY 2022 to 2.41 in FY 2023. In addition, we started to disclose the working hours and injury incidents of employees in other countries (e.g. Malaysia) from FY 2023, and from the next financial year onwards, we will have comparable data for employees in other countries. We have actively communicated safety trainings and awareness to our employees to prevent the recurrence of such incidents, aiming to instil a safety-first mindset among all staff members. Notably, there were no recorded instances of work-related ill health in either fiscal year. The following table provides a detailed overview of the safety performance of all employees at our Managed Properties.

Employees	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
	PRC		Singapore		Other Countries
Working hours	16,163,208	14,929,534	62,700	59,648	4,258
No. of fatalities	0	0	0	0	0
Rate of fatalities	0	0	0	0	0
No. of high-consequence injuries ¹ (excluding fatalities)	1	5	0	0	0
Rate of high-consequence injuries ¹ (excluding fatalities)	0.06	0.34	0	0	0
No. of work-related injuries ²	39	30	0	0	0
Rate of work-related injuries ²	2.41	2.07	0	0	0
No. of work-related ill health	0	0	0	0	0
Workers³					
Working hours	4,299,192	3,604,268	N.A. ⁴	N.A. ⁴	N.A. ⁴

¹ A high-consequence injury is one where the employee cannot, does not or is not expected to recover fully to pre-injury health status within six months. The rate is calculated by taking the number of high-consequence injuries over the total working hours of the employees multiplied by 1,000,000.

² A recordable work-related injury is one which arises out of or in the course of work that could or does result in injury or ill health. The rate is calculated by taking the number of recordable work-related injury over the total working hours of employees multiplied by 1,000,000.

³ Workers in this disclosure refers to the workers who are not employees and whose work is controlled by the organisation.

⁴ N.A.: Not applicable

Occupational Health and Safety (cont'd)

Hotels & Serviced Apartments

In FY 2023, we are pleased to announce the absence of any work-related fatalities or high-consequence injuries or illnesses among our employees across our hotels and serviced apartments. Presented below is a comprehensive breakdown of the safety performance of all employees within our Hotels & Serviced Apartments division.

Employees	FY 2023	FY 2022	FY 2023	FY 2022
	PRC		Singapore	
Working hours	1,770,914	1,713,690	272,592	273,603
No. of fatalities	0	0	0	0
Rate of fatalities	0	0	0	0
No. of high-consequence injuries ¹ (excluding fatalities)	0	0	0	0
Rate of high-consequence injuries ¹ (excluding fatalities)	0	0	0	0
No. of work-related injuries ²	0	4	3	0
Rate of work-related injuries ²	0	2.33 ⁴	11.01	0
No. of work-related ill health	0	0	0	0
Workers³				
Working hours	500,845	328,712	109,032	28,842

¹ A high-consequence injury is one where the employee cannot, does not or is not expected to recover fully to pre-injury health status within six months. The rate is calculated by taking the number of high-consequence injuries over the total working hours of the employees multiplied by 1,000,000.

² A recordable work-related injury is one which arises out of or in the course of work that could or does result in injury or ill health. The rate is calculated by taking the number of recordable work-related injury over the total working hours of employees multiplied by 1,000,000.

³ Workers in this disclosure refers to the workers who are not employees and whose work is controlled by the organisation.

⁴ The rate of work-related injuries of Hotel and Serviced Apartments in the PRC in FY 2022 was restated due to calculation error.

Non-property Business

In FY 2023, we included our non-property operations in the OHS data and there were no instances of work-related fatalities, high-consequence injuries or illnesses. Please find the comprehensive safety performance of employees within Non-property business.

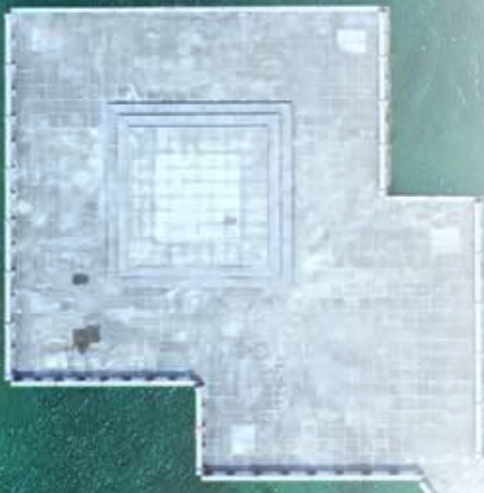
Employees	FY 2023		
	PRC	Singapore	Other Countries
Working hours	1,162,524	223,902	517,209
No. of fatalities	0	0	0
Rate of fatalities	0	0	0
No. of high-consequence injuries ¹ (excluding fatalities)	0	0	0
Rate of high-consequence injuries ¹ (excluding fatalities)	0	0	0
No. of work-related injuries ²	0	1	5
Rate of work-related injuries ²	0	4.47	9.67
No. of work-related ill health	0	0	0
Workers³			
Working hours	415,004	90,798	324,716



PRESERVING OUR PLANET



As the PRC continues to advance in its ambitious goals to achieve carbon neutrality by 2060, through a comprehensive strategy that includes the enhancement of renewable energy sources, the implementation of a carbon market, setting precise energy efficiency targets, and the exploration of carbon capture and storage technologies, the role of corporate responsibility in environmental sustainability has never been more critical. Similarly, the Singapore government's Green Plan 2030 underscores a commitment to sustainability, aiming for net-zero emissions, improving citizens' quality of life, and creating new opportunities for businesses and employment within a framework that prioritises environmental stewardship. Yanlord, as a premier property developer operating within these dynamic contexts, profoundly understands the significance of its environmental footprint and the reciprocal impact of climate change on its operations.



Climate Change

Our commitment is to not only adhering to but also exceeding the environmental and climate-related standards set forth by the policies in our operating regions. This section will detail Yanlord's strategic measures and initiatives aimed at mitigating climate-related risks, enhancing resilience against climate impacts, and leveraging opportunities for sustainable development. Our efforts are a testament to our dedication to contributing positively to the global fight against climate change, while ensuring the sustainability of our operations and the communities we serve.

Yanlord adopts a two-pronged approach, focusing on:

1. Managing climate-related risks and opportunities.
2. Promoting responsible use of natural resources through operational optimisation.

GOVERNANCE

Addressing climate-related issues is part of Yanlord's broader sustainability efforts. Yanlord has established a dedicated Climate Change Risk Assessment Team to monitor and evaluate climate-related risks.

STRATEGY

Yanlord's strategy for responding to climate change is part of our broader commitment to sustainable development. We aim to manage climate-related risks and opportunities to strengthen our resilience and sustainability throughout our entire value chain.

Identification and Assessment:

Our climate strategy begins with a systematic identification and assessment of climate-related risks and opportunities. We consider the potential physical impacts of climate change on our properties and the transitional risks and opportunities arising from a transition to a low-carbon economy. Our goal is to understand how these elements might impact our investment portfolio and operational procedures.

Decision-Making Integration:

The insights from climate-related risk and opportunity assessment will be considered and incorporated into decision-making processes. The Climate Change Risk Assessment Team ensures that our strategic planning and operational decisions reflect climate considerations, aligning our business objectives with environmental sustainability.

Mitigation and Adaptation Measures:

In response to identified risks and opportunities, Yanlord implements targeted mitigation and adaptation measures. These include enhancing energy efficiency, actively monitoring our energy consumption and emission, and improving resource management across our developments. Such actions are designed to reduce our environmental impact while also mitigating potential financial risks associated with climate change.

Stakeholder Engagement:

Yanlord recognises the importance of collaborative efforts in addressing climate change. We engage with both internal and external stakeholders to implement green initiatives. These initiatives focus on energy, emissions, water, and waste. By sharing knowledge and driving collective action, Yanlord aims to advance sustainability.

Crisis Management:

Yanlord has developed a Crisis Management Plan to strengthen our resilience to climate-related crises, particularly in our property investment and hotel operations. This plan aims to ensure preparedness and establish effective response mechanisms, thereby protecting our assets and stakeholders. The Crisis Management Committee at our hotel locations will supervise this plan, regularly reviewing it to ensure its ongoing relevance to the operations of the hotels.

Climate Change (cont'd)

Main climate risks and opportunities identified at Property Development and Managed Properties as well as potential financial implications and mitigation measures can be found below.

PHYSICAL RISKS

Risks	Financial Implications	Mitigation Measures
<p>Increased extreme weather conditions</p> <ul style="list-style-type: none"> E.g. heavy rainfall in summer which lead to urban water logging in cities 	<p>Increase in costs, such as the bearing capacity of drainage facilities which are considered in advance at the planning and design stage will indirectly increase the project cost.</p>	<p>Risks factors are considered in advance during planning and design phase with the consideration of the budget and project management capacity. In order to adapt to climate change, Yanlord responded to the Guidance from the General Office of the State Council on Promoting the Construction of Sponge City by holistically considering aspects of rainwater absorption, storage, seepage, and water purification in projects, as well as recovering rainwater for greening and irrigation (See below supporting materials on sponge city).</p>

TRANSITION RISKS

Risks	Financial Implications	Mitigation Measures
<p>New policy and regulations 'Emission peak' and 'Carbon naturality' pledge made by the PRC and Carbon Pricing in Singapore</p> <ul style="list-style-type: none"> Emerging low-carbon technology Increased stakeholder concern Shifts in consumer preferences 	<ul style="list-style-type: none"> Policy compliance cost Carbon tax passed on to end consumer in the form of higher electricity prices Devaluation of assets Reputational and legal impact 	<p>Yanlord considers the impact of climate change during the entire life cycle of project development (including design, procurement, construction, operation and maintenance), and provides fully-furnished houses to reduce secondary pollution from tenants' furnishings. We actively explore and use low-carbon and energy-saving products and materials; for example, Yanlord adopted use of prefabricated buildings in multiple projects and uses practices such as 'building houses like building blocks'.</p>
Opportunities	Market Opportunities	Plans to Leverage on Opportunities
<p>Regulatory opportunities</p> <ul style="list-style-type: none"> More requirements for green buildings by the regulators due to climate change. More incentives for green buildings provided to developers to achieve the PRC's goal of becoming "carbon neutral" by 2060. Increase in customer awareness of the benefits of living in green developments. 	<p>Yanlord is among the best in construction quality in the industry which is the preferred choice of the government and customers.</p>	<p>Yanlord continues to strengthen the R&D efforts in greening our building through continuous upgrading of our spaces. See pages 71-75 for more information on our green building management.</p>

Climate Change (cont'd)

RISK MANAGEMENT

Yanlord acknowledges the potential impact that climate change could have on our operations and remains dedicated to enhancing our capacity to lessen and adjust to these challenges. Initially, we have taken into account the risks related to climate and have implemented measures to adapt to climate changes across the stages of our properties' lifecycle. These efforts are outlined in the following figures.

Assessing climate-related risk during investment/land acquisition

From the outset of the investment or land acquisition process, Yanlord's Investment Team conducts a thorough assessment of non-financial risks. This evaluation covers a wide range of factors, including:

- The purchasing power in different regions and cities
- The demand for various projects
- Environmental and climate conditions, such as biodiversity, and specific climate scenarios across regions and seasons. This includes periods of heavy rainfall, the flooding season in the Yangtze River Delta, cold waves, and typhoons

Should these risks be considered manageable, measures will be taken to mitigate them during the design and construction phases, as detailed in subsequent steps. However, if any risks are deemed uncontrollable or likely to cause major concern among stakeholders, the team will halt the process promptly.

Eliminating and mitigating risks during design and construction phase

Yanlord takes proactive steps to address and minimise risks during the design and construction phases, working closely with the Planning and Design Department. Upon identifying potential risks, we collaborate to devise suitable measures within the project's budget and available resources to either eliminate or mitigate these risks. Our commitment to sustainable development is reflected in our dedication to energy conservation and emission reduction through the construction of green buildings. Our projects embody the principles of 'Green, Health, Comfort, and Safety'. For example, Yanlord Gardens in Haikou has seen designs on building surface in prevention of typhoon, backflow and improve air-conditioning efficiency. Besides, Riverbay Century Gardens in Nanjing addressed Anti-Freezing Measures for Outdoor Equipment and Pipelines by successfully integrating an electric heat system into the water pipe infrastructure of the outdoor equipment platform in the stacked villa property.

Looking forward, Yanlord is dedicated to advancing green building initiatives, continuously tracking the progress of each project to ensure compliance with relevant certifications and standards. Our goal is to proactively tackle identified risks early in the project lifecycle to minimise residual climate-related impacts that could impede construction. Following this risk mitigation process, our construction team proceeds with work according to the finalised design plans.



Climate Change (cont'd)

Case Study: Sponge City

In response to climate change, China's General Office of the State Council issued the "Guiding Opinions on Promoting the Construction of Sponge Cities". This initiative promotes the construction of low-impact development rainwater systems, which require coordination across all aspects of urban development and construction. By adopting measures such as "seepage, stagnation, storage, purification, use and drainage", the impact of urban development and construction on the ecological environment can be minimised. The goal is to absorb and utilise locally 70% of rainfall. By 2030, the aim is to have over 80% of the built-up area of cities reach this target.

The core concept of a sponge city is the low-impact development rainwater system, which aims to reduce the impermeable area after development through effective design. The goal is to restore the hydrological conditions of the site to its pre-development state as much as possible, using various techniques and measures. These include both non-engineering and engineering strategies, such as permeable paving, bioretention facilities, grassed ditches, and natural drainage systems. The goal is to maintain original hydrological conditions, control runoff pollution, and reduce pollution discharge, thus promoting a sustainable water cycle in the development area. The design of low-impact development adheres to five principles:

1. Preserve the natural characteristics of the development site as much as possible;
2. Minimise the area of moving soil;
3. Reduce the impervious area;
4. Separate impervious surfaces as much as possible; and
5. Implement decentralised source control techniques.

Currently, over 90% of the projects under Yanlord's construction project management adhere to the requirements of a sponge city in their manufacturing process. The primary approaches include:

1. Use of permeable paving bricks, depressed green space, and rainwater collection and utilisation.
2. Incorporation of water storage and retention cornerstones and water storage modules.

Yanlord's sponge city initiatives embody a comprehensive approach to sustainable urban development, enhancing rainwater utilisation for ecological, economic, and social benefits. From an ecological perspective, it optimises the use of rainwater resources through inventive low-impact development methods, such as bioretention facilities and rainwater cisterns. These techniques contribute to both municipal and river landscaping. Significantly, this strategy improves urban hydrological conditions and the standard of the urban water environment. It effectively handles surface runoff and reduces urban pollution, thus improving the quality of river water.

Economically, constructing a sponge city decreases urban water consumption costs. This is achieved by reusing collected rainwater for city needs like road spraying and green irrigation, which reduces tap water expenses and related water management costs. It also lowers the operational costs of urban drainage facilities by easing the burden on municipal drainage networks. Effective rainwater management reduces flood prevention costs and mitigates urban flooding risks.

Socially, sponge city projects transform urban construction modes, shifting from traditional development practices to those that prioritise water system protection, water ecology, and sustainable urban development. This low-impact development approach minimises the environmental footprint of urban growth, ensuring that city development and ecological preservation are synergistically aligned to foster sustainable urban progress.



Climate Change (cont'd)

Monitoring and managing climate or environmental factors during operational phase

During the operational phase, Yanlord's building management teams meticulously monitor and manage climate and environmental factors across our residential and commercial properties using a variety of features and systems, outlined as follows:

- Implementation of early warning systems for the detection of typhoons, flooding, and hurricanes.
- Hydrological monitoring to keep track of environmental changes.
- Deployment of emergency response protocols for natural disasters, including floods, typhoons, earthquakes, and hurricanes.
- Establishment of crisis management strategies to ensure business continuity and protect stakeholders.
- Provision of training for employees and conducting regular emergency drills to enhance readiness.

Furthermore, a feedback mechanism is operational, enabling the property management team to collect and analyse input from the field for the ongoing refinement of operations. Suggestions gathered through this system may also improve future project developments.

In our serviced apartments and hotel operations, we have put in place similar systems, including plans for extreme weather emergencies and crisis management, to guarantee preparedness and the swift resumption of business activities.

As Yanlord advances in the reporting and handling of climate issues, we are committed to integrating and improving our processes for the identification, evaluation, and management of climate-related risks. This effort is part of our broader strategy to incorporate these practices into our enterprise decision-making and risk management frameworks.

METRICS AND TARGETS

We monitor and disclose metrics concerning water consumption, waste production, energy use, and Scope 1 and 2 greenhouse gas ("GHG") emissions. These metrics, along with their intensity measures, cover our Managed Properties, Hotels, and Serviced Apartments across China and Singapore. For a comprehensive overview of Yanlord's success in minimising our carbon footprint and advancements in other environmental sectors, please refer to the detailed analysis on pages 81-84 of this report.

As part of our journey towards sustainability, Yanlord is devoted to refining our methodologies and practices. We are aligning our operations with the recommendations of the TCFD and adhering to the phased approach guidelines of the Singapore Exchange. Through these actions, we strive to improve our environmental stewardship and contribute to a sustainable future.



Climate Change (cont'd)

Case Study: Climate Adaptation

Yanlord Gardens, Haikou 仁恒滨江园, 海口

Sunken landscape courtyard with water catchment pits and drainage ditches, glass cover for the ground level part of the lighting patio, and floor drains and sloping to the outside on the terrace.



Roof entrances and exits are set up with 300mm high water-blocking counter-canvas, window sill waterproofing practices, and the external facade modeling is outsourced with light grey-white aluminium panels, which can provide a certain degree of rain protection.



Improvement of heat dissipation efficiency by installing air-guide covers for external air-conditioning units on equipment platforms.

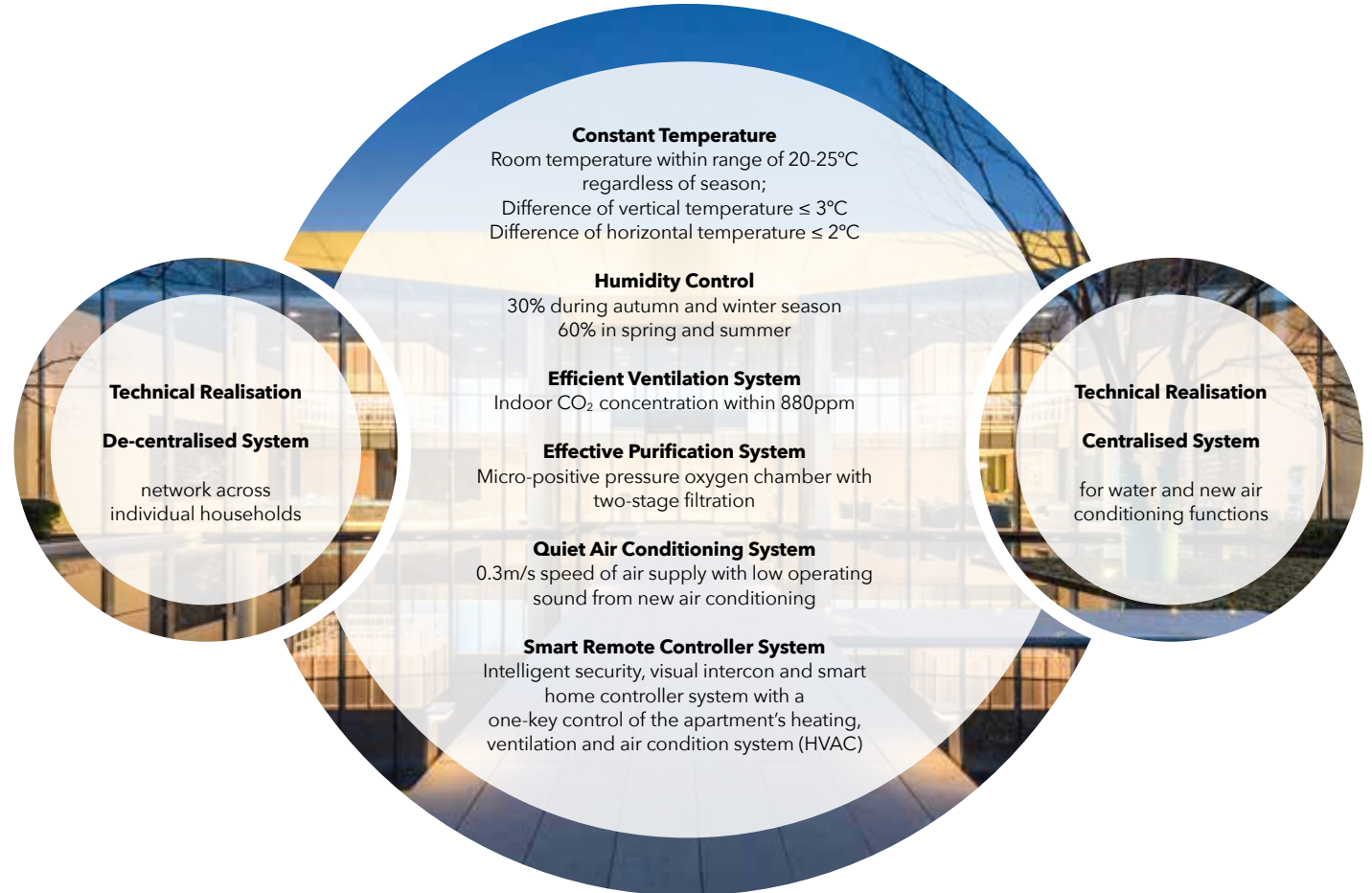


Green Buildings

MANAGEMENT APPROACH

At Yanlord, we ensure strict compliance to building requirements stipulated by the government. We continue to raise our building standards through the adoption of cutting-edge international green standards (i.e. Leadership in Energy and Environmental Design (“LEED”)) and follow local green building assessment standards (i.e. Chinese Green Buildings Label in the PRC, and Building and Construction Authority (BCA) Green Building in Singapore). 100% property under development across the PRC and/or Singapore met Green Building design requirements in the PRC and Singapore.

SKY LAND and various other development projects under the Group’s project management business in Nanjing have adopted a “Triple Constant System”, incorporating temperature, humidity and oxygen control to create a comfortable living environment with reduced energy consumption facilitated by renewable energy sources. Yanlord has taken a step further to introduce the “Six Constants System” to some of the projects under the Group’s project management business. Building upon the original foundation of temperature regulation, humidity control, and efficient ventilation, this enhanced system incorporates three additional elements: an effective purification system, a quiet air conditioning system, and a smart remote-control system. This evolution represents Yanlord’s commitment to innovation and its continuous effort to improve living conditions through advanced technology and sustainable practices.



Green Buildings (cont'd)

LIFE CYCLE MANAGEMENT

Urban investment

Yanlord aims to mitigate risks arising from climate change starting from our land acquisition process whereby the key environmental factors related to our developments as described in Climate Change section. Aside from that, we have also developed several projects aimed at improving local ecological performance within urban lands. In FY 2023, we have completed the development of an urban redevelopment projects namely Yanlord Arcadia located in Yangpu District, Shanghai. It was acquired by the Group in 2017 as an urban redevelopment project. The relocation of the residents was completed in mid-2020 and the construction was commenced in the same year. The development of Yanlord Arcadia in Shanghai was completed and the newly completed residential apartments have been delivered to the home buyers in 2023. Yanlord The Great Bay in Zhuhai, formerly known as Zhuhai East Coast Liu Shi Shan Redevelopment Project, was also an urban-village redevelopment project. The site cleared in 2021 and it is currently under development.

Planning and construction

At Yanlord, construction plans are carefully designed to ensure green building features are effectively integrated within our developments. In FY 2023, we have achieved 100% of our newly commenced developments under Yanlord's construction project management met relevant local green building designs. We prioritise the selection of suppliers who demonstrate a commitment to environmentally friendly practices and the use of sustainable materials. This commitment extends to partnering with industry leaders to ensure that the products provided to our customers are not only of high quality but also eco-conscious. A key component of Yanlord's strategy involves the adoption of ecological architectural principles where practical. This approach is exemplified in our landscape design initiatives, where we aim to harmonise with the natural environment by incorporating elements such as rivers and lakes into our rainwater treatment systems. These efforts not only enhance the aesthetic appeal of our developments but also contribute to significant reductions in water consumption and the efficient redirection and management of construction waste.

Green building operation and tenant engagement

We regularly engage with our tenants through various methods, including lease agreement discussions and contract talks. This allows us to keep them updated on national environmental standards (like fire safety, mechanical and electrical systems, ventilation, etc.) and other green building criteria, such as LEED requirements. For example, Yanlord utilises a 'green complex' business card system to convey the requirements that tenants in Yanlord Landmark in Chengdu should review and comply with. The 'green complex' business card includes customer environmental protection requirements, national environmental protection standards and restaurant design guidelines for Food & Beverage tenants.

Other green building aspects such as waste and water management are conducted, and further details are provided in the Green Building Initiatives across Yanlord's developments.

Green Buildings (cont'd)

GREEN BUILDING INITIATIVES ACROSS YANLORD'S PORTFOLIO

Water Management

Rain and sewage diversion at construction sites

At our construction sites, we employ a dual-pipeline system to manage rainwater and sewage independently. Rainwater is captured and directed into three-stage sedimentation tanks, where it undergoes treatment either by gravity flow or mechanical pumping, before being discharged as clean water into municipal stormwater systems or adjacent natural water bodies. Conversely, sewage is gathered in septic tanks and then transported directly to wastewater treatment facilities. This segregation strategy aims to minimise the load on sewage treatment plants and mitigate the potential pollution of rivers by reducing the volume of wastewater entering the system.

Water conservation at properties

Water management at properties follows our 'Energy conservation and Emissions Reduction' guidelines.

Other water management at properties

In addition to general water management, some of our projects utilise rainwater collection and reuse systems for green irrigation for water savings.

Waste Management

Waste management at construction sites

In terms of waste management at our construction sites, we employ a 'large diversion, small classification' strategy. This allows for a distinct segregation of construction and bulky waste from everyday waste during transit. The planning of waste storage areas takes into account the type of waste and the method of disposal transport. The primary construction contractor supervises these waste management procedures, while a third-party service handles the regular sorting and collection of waste.

Waste management at properties

Recognising that each province maintains unique regulations for waste treatment and classification, Yanlord proactively ensures that our waste management practices are in complete alignment with the diverse standards set by each province. Our management strategy focuses primarily on diverting recyclable materials (like cardboard, plastic bottles, and glass) away from landfills, as well as the proper disposal of hazardous waste (including batteries and dangerous solvents). All waste is gathered and then disposed of or treated further by certified third-party vendors.

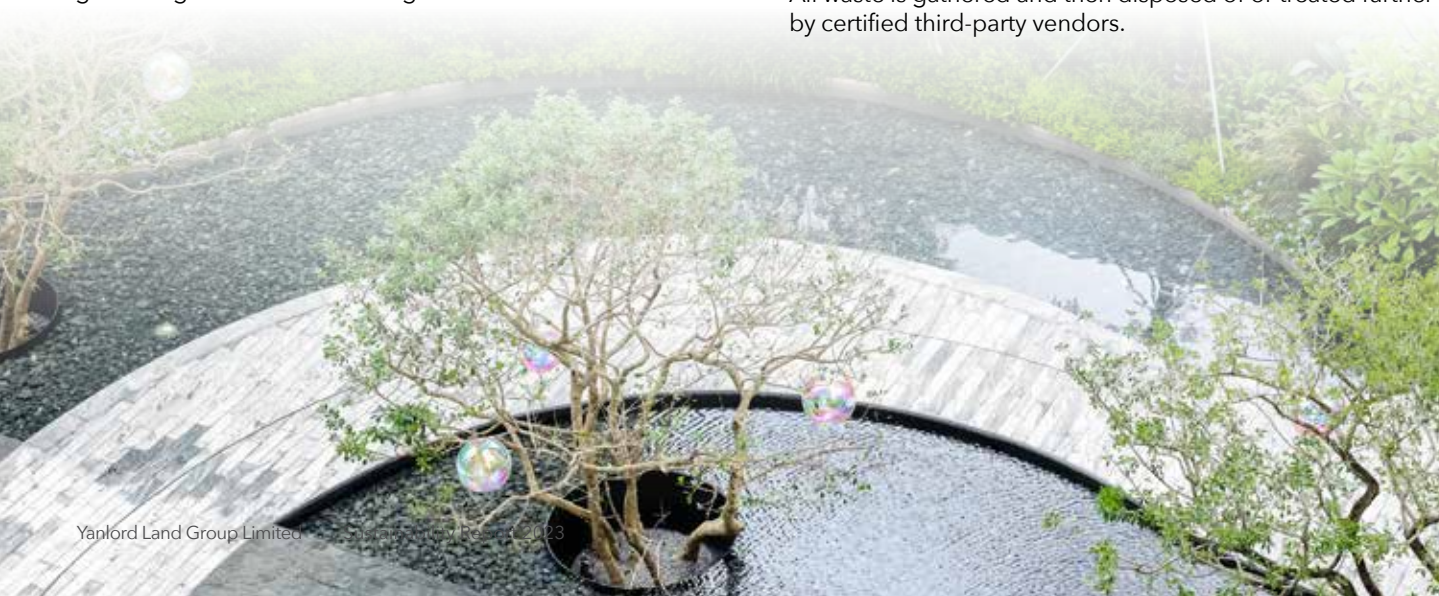
Energy And Emission Management

Energy management at construction sites

Yanlord's construction processes are guided by the design plans and their corresponding costs. To enhance energy efficiency, we incorporate thermal insulation techniques in our building exteriors, utilising integrated thermal insulation panels, hollow glass, and sunshading solutions to minimise energy loss. Additionally, in our multi-story and skyscraper projects, we install solar water heating systems or photovoltaic panels on rooftops to serve as renewable energy sources. LED lighting, which are preferred and extensively used across our sites, results in electricity savings of approximately 60% to 70% when compared to traditional lighting options. To further conserve energy, motion-sensing lights are installed in stairwells and basements, activating only when needed. We also promote energy conservation awareness through the display of energy-saving posters at construction sites and within office premises.

Energy management at properties

The Property Management Department of our Group oversees our energy use and emissions in line with the 'Energy Conservation and Emission Reductions' guidelines. We conduct regular analysis of our energy consumption patterns using an energy management platform, adjusting our equipment operation schedules to accommodate seasonal variations and the differing demands of peak and off-peak periods. In many of our developments across the PRC, we have implemented the use of LOW-E glass for windows. This specialised coated glass has low emissivity, enhancing our energy efficiency by reflecting back radiant heat during summer to keep interiors cool, and retaining indoor warmth in winter to reduce heating needs. Additionally, we have integrated an energy recovery system into our elevators, allowing us to capture and repurpose the kinetic and electrical energy they produce.



Green Buildings (cont'd)

Case Study: Earth Hour in Six Cities

As we continue to show our support towards the climate change action, partnered with WWF, our commercial developments in Haikou, Nanjing, Tianjin, Shenzhen, and Zhuhai, as well as our commercial, office and hotel & serviced apartment mixed-use developments in Chengdu and Zhuhai and hotels in Nanjing and Tianjing also participated in the "Earth Hour 2023" movement held on March 25, 2023.



001 珠海·仁恒里

仁恒里携手WWF，为地球献出一小时，感受与自然共生的美好。

仁恒里携手WWF，通过线上线下联动让公众有更多机会实际参与守护地球。本次活动联动在案项目的直落亚逸和蓝湾岸后护理中心，更加丰富活动形式。



002 南京·仁恒置地广场

在艺术与生活间，传递爱心与责任。

仁恒置地广场“地球一小时”活动联合“南京城市儿童美育综合培训中心”共同发起“公益艺术共创和环保儿童公益实践”，整个展览为期两周，同时联动南京各知名物业主理人与业主开展一场暖场亲子DIY亲子分享会。3月25日晚上8:30，现场与多个商家一同举办公益实践，点亮绿色“60”，共同为地球一小时。



003 海口·仁恒里

为地球献出一小时，用行动呼吁可持续未来。

关一关灯，点亮希望。3月25日-3月26日，海口仁恒里·海棠公园联合商场商户共同开展“地球一小时·百米长卷”公益活动，用彩笔和长卷描绘地球。并在场所外立LED、楼下活动现场铺设行标活动海报。用行动呼吁大家将目光从自身投向多样的自然、多彩的生活、投向更广阔的世界。



004 天津·仁恒伊势丹

与商场共绘“绿”，传递自然的心意与爱。

3月25日仁恒伊势丹举办一场绿色公益实践活动，并号召商家积极参与，以上述材料保护自然生态行动的支持。活动现场专业老师引领顾客细心描绘，与地球共呼吸，感受大自然的力量。商场会员和社区居民积极响应参与，并在活动现场分享日常绿色生活小贴士。



005 深圳·仁恒梦中心

以绿色传递爱，让未来更美好。

深圳仁恒梦中心在本次活动中，举办了关灯关灯一小时活动，并联合“绿野仙踪”品牌商家，联合开展绿色出行倡议，号召市民，以实际行动守护绿色出行。并在3月25日-26日开展绿色出行倡议，号召市民，以实际行动守护绿色出行。3月25日，联合场内商家共同开展绿色出行倡议，号召市民，以实际行动守护绿色出行。晚上20:30，关一关灯一切美好都值得期待，共同为地球一小时。



Green Buildings (cont'd)

Case Study: Earth Hour in Five Cities (cont'd) Preventing flooding and Snow Storm Activities




Regular flood preparedness drills



Timely snowplow operations during blizzard conditions



TARGET AND PERFORMANCE 

Long-term Targets	Progress in FY 2023
To maintain 100% of residential projects achieving Green Building One-Star standard or above	Achieved

Green Buildings (cont'd)

GREEN BUILDING CERTIFICATION

Property Development

Type and number of Green Building Certification at Yanlord

We strive to achieve and maintain green building certifications and ratings for our properties. The table below provides a snapshot of our green building achievements to date in the PRC as at December 31, 2023.

	Green building - One-Star	Green building - Two-Star	Green building - Three-Star
All Projects (including projects that were completed and under construction)	58 projects have met the Green Building One-Star Design Requirement; increased from 57 in FY 2022	52 projects have met the Green Building Two-Star Design Requirement; increased from 46 in FY 2022	9 projects have met the Green Building Three Star Design Requirement; Same as 9 in FY 2022
	2 buildings have achieved the certification, up from 1 in FY 2022	14 projects have obtained certification, up from 11 in FY 2022	3 projects have obtained certification, same as FY 2022
Projects under construction	18 projects have met the Green Building One-Star Design Requirement	26 projects have met the Green Building Two-Star Design Requirement	4 projects have met the Green Building Three-Star Design Requirement
	1 project has achieved the certification in FY 2023	3 projects have obtained certification in FY 2023	No certification obtained in FY 2023

In FY 2023, a total of 17 newly completed developments met relevant Chinese Green Building design requirements, with a total of 9 One-Star developments and 8 Two-Star developments respectively for a total GFA of 1.65 million sqm, representing 92% of the total completed GFA in FY 2023.

As at December 31, 2023, 100% property under development across the PRC and/or Singapore met Green Building design requirements in the PRC and Singapore.

Case Study: Green Building Certificates in FY 2023

In FY 2023, Yanlord has continuously obtained accreditation on green building and healthy buildings. The Oasis Mansion in Shanghai has been awarded the Shanghai Ultra-Low Energy Consumption Building Evaluation and Certification, Riverside City in Jinan has attained the Gold of Healthy Building Design, Central Lake in Wuxi has attained a Green Building Two-Star Pre-certification, while Yanlord Central Lake (Phase 3) office portion in Taicang and Hangzhou Bay Commercial Land Parcels - Commercial Complex in Hangzhou have attained LEED BD+C Gold Level Pre-certifications.

The Oasis Mansion, Shanghai 天悦雅园, 上海



Green Buildings (cont'd)

Case Study: Green Building Certificates in FY 2023 (Cont'd) Riverside City, Jinan 铁恒河滨园、铁恒河滨府, 济南



Green Buildings (cont'd)

Case Study: Green Building Certificates in FY 2023 (cont'd)

Central Lake, Wuxi
星湖雅园, 无锡



Yanlord Central Lake, Taicang
仁恒时代天镜, 太仓



Hangzhou Bay Commercial Land Parcels - Commercial Complex, Hangzhou
前湾国际商贸园 - 商业综合体, 杭州



Green Buildings (cont'd)

For FY 2023, a total of 12 of our newly started developments met relevant Chinese Green Building design requirements, with a total of 3 One-Star developments, 8 Two-Star developments and 1 Three-Star development. This has made up a total GFA of 1.5 million sqm, representing 100% of the GFA of projects newly commenced for FY 2023.

The following table provides the list of newly started developments met relevant green building design requirements where construction began in FY 2023:

City	Project Name	GFA (sqm)	Level of Green Building Requirements met
Haikou	PUTTING LAND (Phase 1 and 2) 长天云汀, 一及二期	242,048	One-Star
Haikou	Yanlord Gardens (Phase 3) 仁恒滨江园, 三期	68,496	One-Star
Nanjing	Nanjing Jiangning No. 2022G93 Land 南京江宁2022G93号地块	116,413	One-Star
Nanjing	Nanjing No. 2016G84 Land - Land Parcel B and G 南京2016G84号地块 - B及G	319,279	Two-Star
Nanjing	The Times Garden 江和花园	87,177	Two-Star
Nantong	RIVER PARK 仁恒·紫琅世纪	89,242	Three-Star
Nantong	SUNLAND 溪棠雅园	81,946	Two-Star
Suzhou	STARRY BAY 滨湖湾	141,564	Two-Star
Suzhou	XI TANG 溪棠四季花园	116,215	Two-Star
Wuxi	THE ALTSTADT (Phase 1 and 2) 耕读锦绣院, 一及二期	135,498	Two-Star
Wuxi	Wuxi No. XDG-2023-2 Land 锡国土(经)XDG-2023-2号地块	33,431	Two-Star
Singapore	Hillock Green 悦翠轩	40,333	Two-Star

RIVER PARK, Nantong 仁恒·紫琅世纪, 南通



SUNLAND, Nantong 溪棠雅园, 南通



XI TANG, Suzhou 溪棠四季花园, 苏州



Green Buildings (cont'd)

In Singapore, our integrated projects Dairy Farm Residences and Dairy Farm Mall have both been awarded the Building and Construction Authority (BCA) Green Mark Gold^{PLUS} certification for new residential and new non-residential buildings. These buildings have demonstrated adoption of climatic responsive design, responsible use of resources during construction and use as well as includes features which promote smart and sustainable buildings.

Managed Properties

In the PRC, Yanlord Riverside Plaza (Phase 2) in Tianjin continue to attain LEED1 Platinum v4 (Building Operation and Maintenance Existing Building) Certificate. In Singapore, UE BizHub WEST was BCA Green Mark Certified.

Moving forward, we remain committed to building and investing in properties with innovative and functional concepts where sustainable features are integrated into architectural design, building details as well as maintenance activities.

Dairy Farm Residences, Singapore 岱莉轩, 新加坡



Yanlord Riverside Plaza, Tianjin 仁恒海河广场, 天津



UE BizHub WEST, Singapore

Green Buildings (cont'd)

WATER WITHDRAWAL

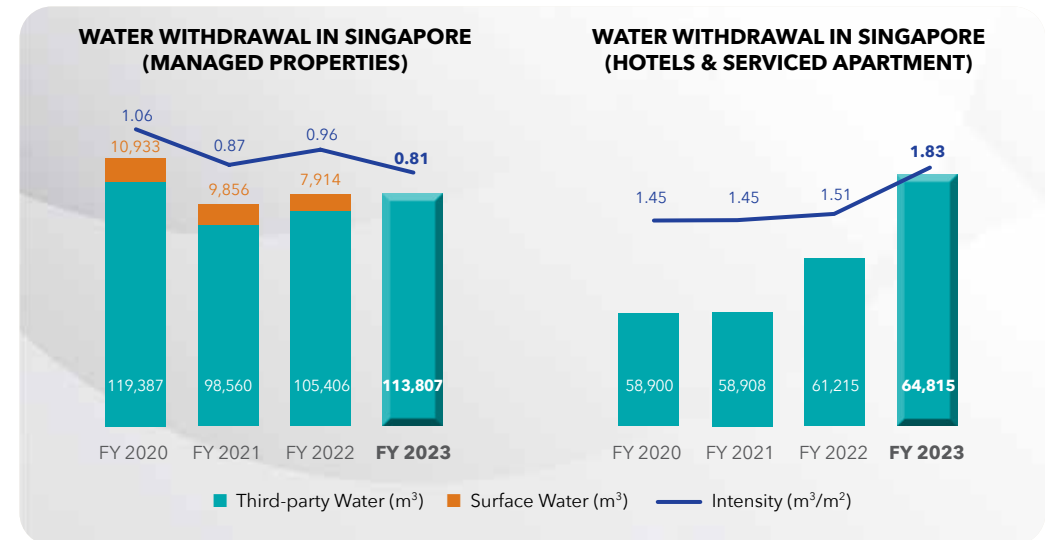
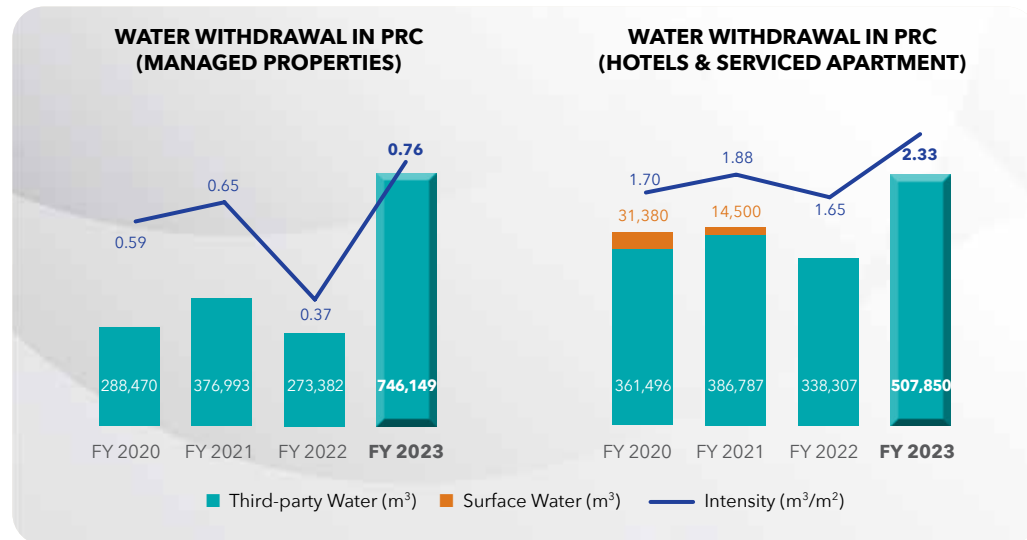
Freshwater is used for our operations across the PRC and Singapore. All water is sourced from the respective local third-party water suppliers. It is used in the operation of chillers in our buildings, common water features such as toilets, fountains and water sprinklers. In our hotels, it is used for cooking, cleaning and other operations within its premises.

PRC

In FY 2023, total water withdrawal¹ was recorded at 1,245,349 m³, which is an increase from 616,689 m³ in FY 2022. This is mainly due to the new opening of a few large-scale commercial malls located in Shenzhen, Shenyang, Haikou and Suzhou, and new opening of hotel in Tianjin in FY 2023. In addition, the recovery of domestic tourism in the PRC as a result of the lifting of quarantines, restrictions and other policies after the COVID-19 pandemic, hotel room occupancy rates and food & beverage consumptions, and activities and traffic of shopping malls and offices have risen sharply compared to the COVID-19 pandemic period from FY 2020 to FY 2022. The respective water withdrawal and intensity² have been plotted for Managed Properties and Hotels & Serviced Apartments below.

Singapore

In FY 2023, total water withdrawal in Singapore was recorded at 172,564 m³, a slight decrease from 174,750 m³ in FY 2022. This is due to the lifting of social restrictions in neighbouring countries last year, which led to a significant increase in the number of tourists visiting Singapore and a corresponding increase in hotel occupancy.



¹ The water consumption of managed properties covers buildings' common area only.
² Water withdrawal intensity is calculated based on the total energy consumption per GFA.

Green Buildings (cont'd)

WASTE MANAGEMENT

The scope of waste generation includes all Managed Properties, Hotels & Serviced Apartments in the PRC and Singapore. All waste is disposed through licensed third-party contractors in the PRC and Singapore. Both hazardous and non-hazardous waste would be segregated within the premises and collected regularly by the third-party vendors for proposal disposal. Hazardous waste comprises of waste cooking oil and batteries from our hotels. Non-hazardous waste comprises of domestic waste and recyclables.

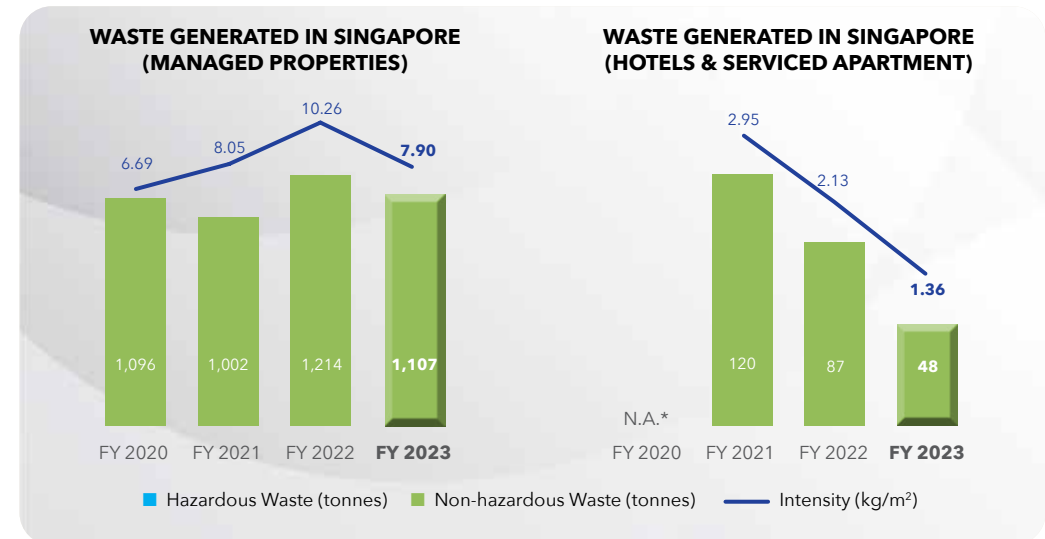
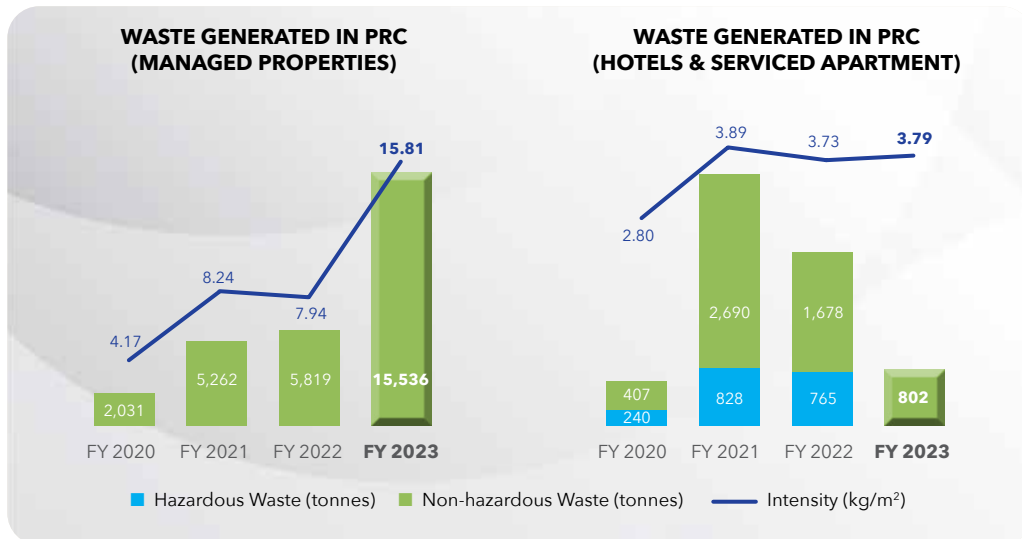
PRC

In FY 2023, total waste generated¹ from PRC was at 16,271 tonnes, almost all of which was non-hazardous waste. This is mainly due to the new opening of a few large-scale commercial malls located in Shenzhen, Shenyang, Haikou and Suzhou. While the significant increase in business activities at Yanlord's managed properties following the lifting of the COVID-19 lock down in the PRC also contributed to the exponential growth in waste generated. As a result of the removal of a large amount renovation waste prior to the opening of the new properties, the intensity² of waste generation has increased sharply as compared to the last three years.

In addition, the decrease of waste from hotels and serviced apartments is mainly due to the change of procurement of waste disposal and collection services as some hotels did not use weight-based pricing and therefore lack of tracing records. We will optimise data management in the future. A further breakdown of waste types diverted from disposal is shown in the table below.

Singapore

In Singapore, only non-hazardous waste comprising general waste and recyclables such as paper, plastic, metals and glass were generated and disposed. With economic activity returning to normal in the last two years, the amount of waste generated from managed properties has not changed significantly from the previous year, with only a slight decrease. Hotels in Singapore are no longer being used as quarantine hotels for the outbreak, and as a result the volume and intensity of waste generated has decreased compared to past years. In Singapore, recyclable waste will be segregated at the hotels prior to sending to recycling facilities. Thereafter, non-recyclable waste along with the other domestic waste will be sent to waste-to-incineration plants. A breakdown of waste types is provided below.



¹ The waste generated of PRC's managed properties covers buildings' common area only.
² Waste generated intensity is calculated based on the total energy consumption per GFA.

* Waste generated and intensity figures for FY 2020 was for both Managed properties and Hotel and Serviced Apartments. They were eventually separated from FY 2021 onwards.

Green Buildings (cont'd)

ENERGY MANAGEMENT

Similar to the reporting scope for water withdrawal and waste generated, data disclosed covers Yanlord's Managed Properties, Hotels & Serviced Apartments in the PRC and Singapore.

PRC

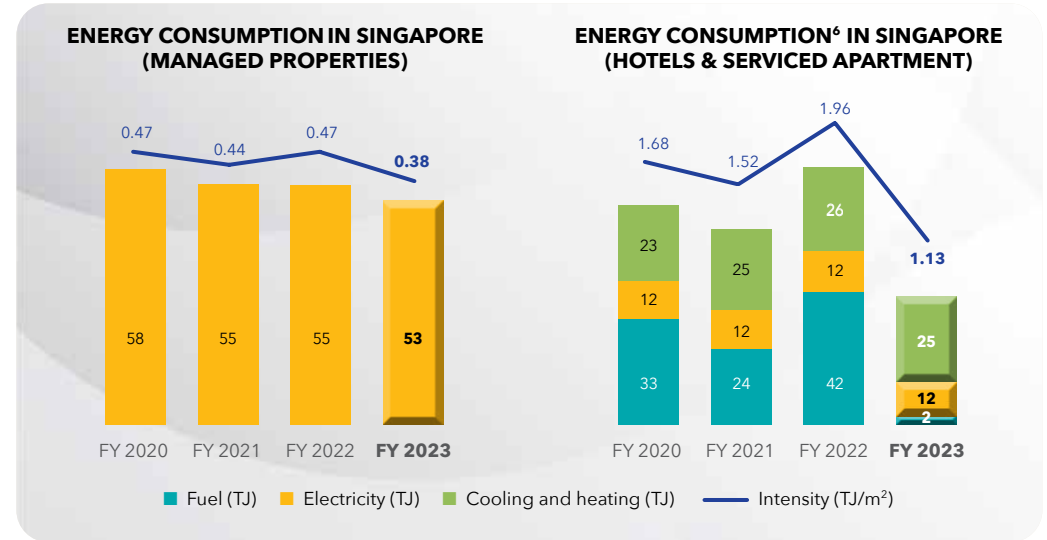
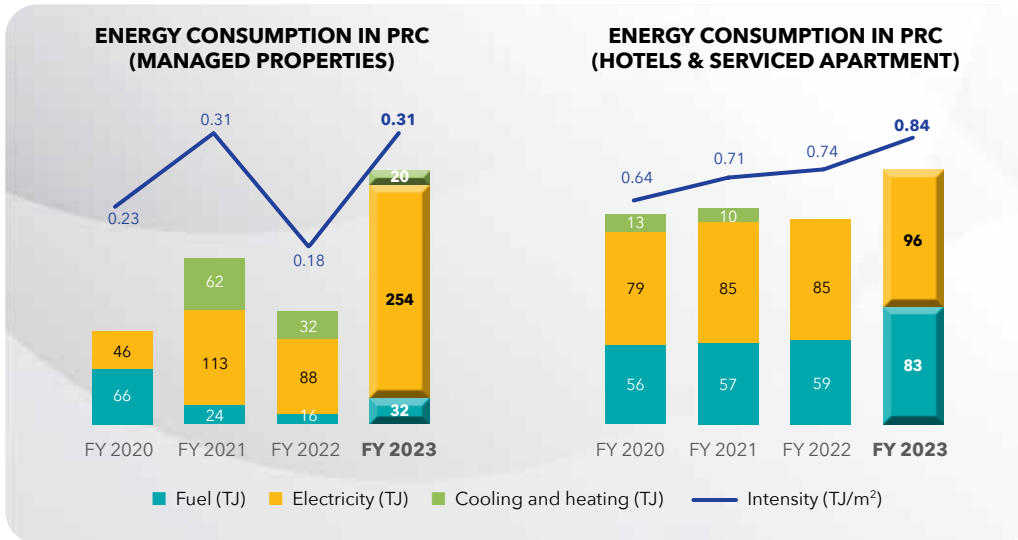
Our primary energy sources include fuel, electricity, heating and cooling. Fuel is mainly used by companies' vehicles in the form of motor gasoline, generators in the form of diesel and natural gas is used for boilers. In the PRC, the total energy consumption¹ in FY 2023 was 483 TJ², of which Managed Properties³ energy consumption accounts for around 63%. We have observed increased energy consumption overall in FY 2023 across Yanlord's Managed Properties and Hotels & Serviced Apartments. This is mainly due to the new opening of a few large-scale commercial malls located in Shenzhen, Shenyang, Haikou and Suzhou and new opening of hotel in Tianjin in FY 2023 and full year of operation of hotel in Nanjing. The GFA of Yanlord's managed properties continued to expand during the year, while the significant increase in business activities at Yanlord's managed properties following the lifting of the COVID-19 lock down in the PRC also contributed to the growth in energy consumption for FY 2023.

The respective breakdown for Managed Properties, Hotels & Serviced Apartments can be seen in the charts below. The corresponding increase in energy consumption and intensity⁴ can also be seen in the graph below.

Singapore

In Singapore, the main source of energy across Managed Properties and Hotels & Serviced Apartments is purchased electricity. At our Hotels & Serviced Apartments, fuel is also used for water heating and operating of the Group's vehicles. The reduce of fuel consumption is mainly due to the closed down of a portion of serviced apartment for renovation, with less use of the vehicles for customers.

The total energy consumed decreased from 110 TJ in FY 2022 to 91 TJ. It was a result of the disposal of UE BizHub Central in Singapore and increase of business activities in the managed properties in FY 2023. For detailed breakdown of energy consumption⁵ and intensities by business segments, please refer to the charts below.



¹ Conversion factors and calorific values involved in calculating energy consumption are obtained from standards and guidelines issued by the National Development and Reform Commission of the PRC and the Ministry of Housing and Urban-Rural Development of the PRC.
² TJ (Terajoules).
³ The energy consumption of PRC's Managed Properties covers buildings' common area only.
⁴ Energy intensity is calculated based on the total energy consumption per GFA.

⁵ Conversion factors and calorific values involved in calculating energy consumption are obtained from guidelines of Singapore National Environment Agency and International Energy Agency.
⁶ The energy consumptions of Hotels and Serviced Apartments in Singapore from FY 2020 to FY 2022 were restated due to the addition of chilled water data used for cooling.

Green Buildings (cont'd)

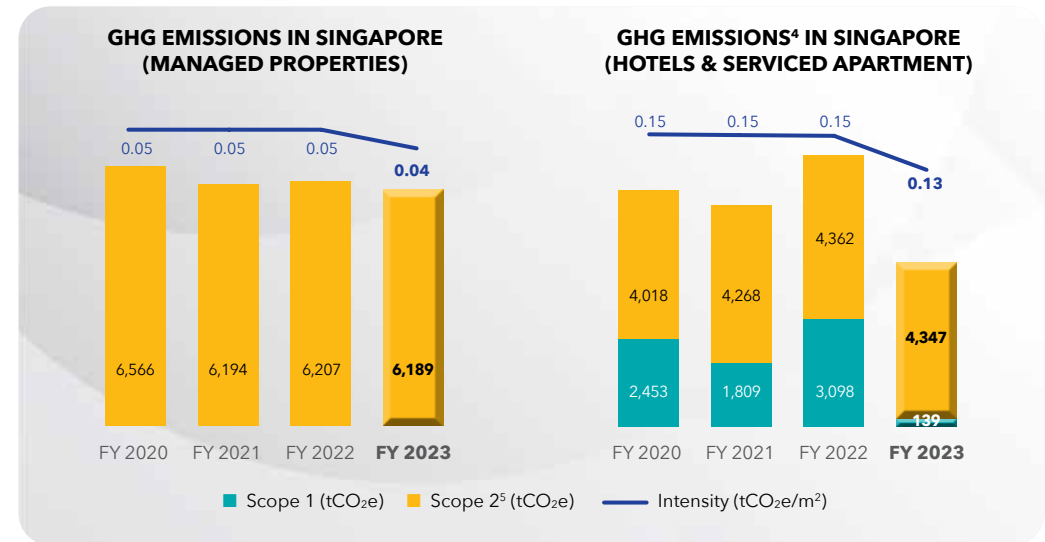
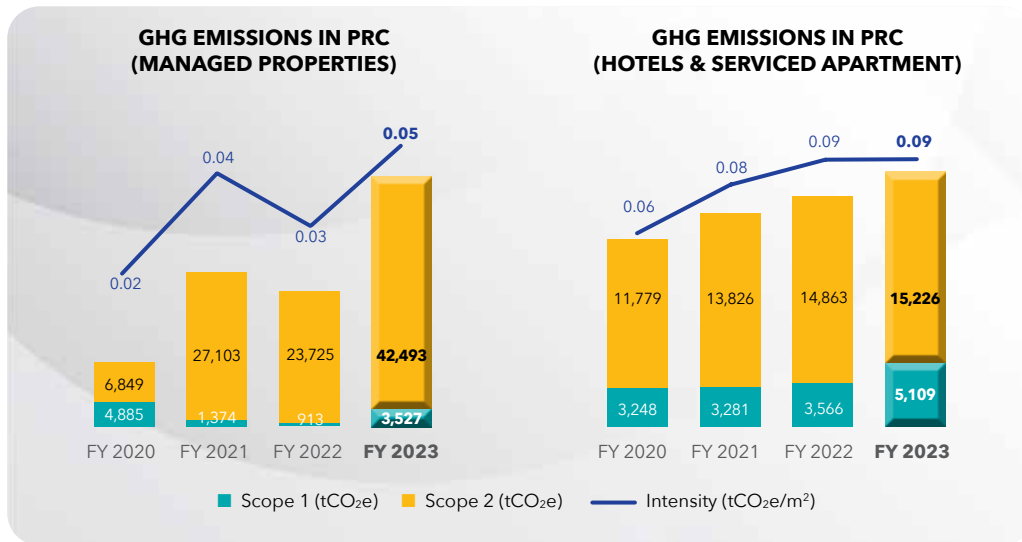
GHG EMISSIONS

PRC

As with the increase in energy usage, total GHG emissions (Scope 1¹ and Scope 2²) in FY 2023 was 66,074 tCO₂e, increase from 41,910 tCO₂e in FY 2022. This is mainly due to the new opening of a few large-scale commercial malls located in Shenzhen, Shenyang, Haikou and Suzhou and new opening of hotel in Tianjin in FY 2023 and full year of operation of hotel in Nanjing. The GFA of Yanlord's managed properties continued to expand during the year, while the significant increase in business activities at Yanlord's managed properties following the lifting of the COVID-19 lock down in the PRC also contributed to the growth in energy consumption for FY 2023. Please refer to the charts below for a detailed breakdown of GHG emissions by Scope and overall GHG emissions intensity³ by business segment.

Singapore

In Singapore, overall GHG emissions has slightly decreased across our Managed Properties and Hotels & Serviced Apartments during FY 2023. More notably, GHG emissions in Hotels & Serviced Apartments have seen an 10% increase in Scope 1 emissions. This is due to a higher occupancy resulting from the increase of tour visits in Singapore.



¹ GHG emissions are calculated following the requirements and principles of ISO 14064-1 and Greenhouse Gas Protocol. Scope 1 emission factors are sourced from 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

² Scope 2 grid emission factors are obtained from 2012 Baseline Emission Factors for Regional Power Grids in China (Ministry of Ecology and Environment of the PRC).

³ GHG emission intensity is calculated based on the total energy consumption per GFA.

⁴ The Scope 2 GHG emissions of Hotels and Serviced Apartments in Singapore from FY 2020 to FY 2022 were restated related to the restatement of energy consumptions.

⁵ Scope 2 grid electricity emission factors are obtained from Singapore Energy Statistics, Energy Market Authority's annual publication on energy statistics in Singapore.

CREATING SHARED VALUE FOR OUR SOCIETY



Economic Performance

In FY 2023, Yanlord closed the year with a total revenue of RMB4.395 billion and earnings before interest expenses and tax of RMB4.349 billion. The loss attributable to owners of the Company was RMB934 million. For the detailed breakdown of our financial results, please refer to the relevant sections of Annual Report 2023.

Financial Results ¹	FY 2023 RMB million
Economic Value Generated	
Revenue	43,395
Other operating income and other gains	425
Share of profit of joint ventures	48
Total	43,868
Economic Value Distributed	
Operating costs	
Cost of sales, selling, administrative and operating expenses (excluding employee benefits expense and donations)	37,154
Employee wages and benefits	1,738
Payments to capital providers	
Finance cost	1,296
Profit attributable to non-controlling interests	211
Payments to government	
Income tax obligation (accrual to government)	3,776
Fair value loss on investment properties	533
Share of loss of associates	91
Community investment	
Donations	3
Total	44,802
Net Operating Economic Value Retained	
Net amount	(934)

¹ Information in this table is derived from Yanlord's audited financial statements and other accounting/financial data. This information is intended to summarise the overall contribution of Yanlord to its stakeholders and not intended to replace or provide an alternative to the audited financial statements which is made available in the Annual Report 2023.

Sustainable Supplier Chain

MANAGEMENT APPROACH

Yanlord’s vast and diversified business is supported by different levels of the organisation and various business partners and customers within our value chain. Across the PRC (including Hong Kong SAR) and Singapore, there are three main types of suppliers, contractors, and vendors whom we engage closely with. They are service providers related to construction¹, consultancy², and product³, covering construction for our property development projects, maintenance and repair works, cleaning, security and housekeeping operations across our investment properties and hotels. Downstream entities within our value chain include Yanlord’s customers (residents, tenants, guests and visitors) across the markets we operate in.


We firmly believe that incorporating sustainable business practices across the value chain contributes to good sustainability governance. As part of our efforts to integrate sustainability within our value chain, we consistently choose environmental-friendly materials where possible, for instance by replacing oil-based paints with water-based paints where possible. In addition, when it comes to selecting suppliers, Yanlord team carefully evaluates vendors in peer-benchmarking exercises. Suppliers with stronger performance in terms of corporate governance, environmental protections, community involvements and other relevant criteria across the ESG aspects will be given priority for consideration of business relationship. The Group also targets to further integrate our business partners and customers in our sustainability journey by promoting and encouraging socially and environmentally responsible practices among their business dealings and daily activities. Following the holistic approach to sustainability governance, Yanlord strives to create and maintain positive stakeholders’ relationships based on respect for the environment and local communities across the markets we operate in, as such, achieving creation of shared value for the long term.

Yanlord prioritises integrity in supplier relationships, requiring documentation of credibility and adherence to quality standards. The Sunshine Procurement Platform streamlines the procurement process, registering a significant increase in suppliers and materials in FY 2023.

Suppliers Registered in Sunshine Procurement Platform


FY 2023	FY 2022	FY 2021
4,114 suppliers for 225 types of materials and products registered in the database	3,285 suppliers for 225 types of materials and products registered in the database	2,015 suppliers for 179 types of materials and products registered in the database

TARGET AND PERFORMANCE



FY 2023 Performance

100 % of projects procured by Yanlord are through the sunshine procurement platform.



¹ Construction service suppliers include general contractors and subcontractors for labour-intensive work. The contract amounts are relatively large.

² Consultancy service suppliers include design institutes, project supervisors, cost consultations, bidding agencies, etc. for labour-intensive work. We generally partner small businesses, and the contract amounts are relatively small.

³ Product service suppliers include suppliers of materials and equipment, etc. It is partly capital-intensive.



Local Community and Social Investment

MANAGEMENT APPROACH

At Yanlord, we are mindful of the potential impact our operations may have on the environment as well as local communities. The management is dedicated to providing guidance to the local teams in different cities to initiate and maintain support for community programs so as to build a positive impact. We recognise that developing goodwill in the community is an integral part of responsible business practices and provides Yanlord with a strong social license to operate.

Community development initiatives are spearheaded by the respective offices located across the markets Yanlord operates in. We strive to support, contribute and address social issues commonly faced in these markets.

Cultural Conservation

Yanlord has always placed a paramount importance on cultural conservation throughout its design and development processes for new properties. Understanding the intrinsic value that history and tradition bring to a community, we meticulously integrate local architectural elements, materials, and landscaping techniques that reflect the area's cultural heritage. This approach not only preserves and celebrates the unique identity of the community but also ensures that our development harmoniously blends with its surroundings, enriching the cultural landscape.

In FY 2023, the launch of Cangjie Commercial Plaza in Suzhou and the high-class residential project Tang Song in Wuxi stand as testaments to Yanlord's dedication to cultural conservation. By thoughtfully considering the cultural implications of projects, Yanlord not only contributes to the physical skyline but also to the preservation of the cultural integrity and historical continuity of the communities.

Cangjie Commercial Plaza, Suzhou 仓街商业广场, 苏州



Local Community and Social Investment (cont'd)

Case Study: Revival of a Century-old Chinese Ancestral Hall

Tang Song, Wuxi 山棠雅园, 无锡

This project combines Yanlord's international, cultural and artistic DNA with oriental architectural aesthetics. The project relocated a Zhu Family Ancestral Hall from Jiangxi to Jiangyin, China and invited a number of architectural design masters to work together to restore and renovate it, bringing the century-old mansion back to life with integrated modern living space.



Local Community and Social Investment (cont'd)

Community Development

Yanlord is committed to interacting and connecting with the community and contributing to remoted areas. Throughout FY 2023, we have organised a range of activities including cultural exhibitions, health campaigns, concerts, sporting events, excursions and outings. Through these activities, we aim to build strong ties with our stakeholders such as customers, partners, employees and the community. In addition, our offices in different cities donate to various charitable programmes to help remote areas and the vulnerable group. We will continue to endeavour to interact positively with our stakeholders, as this not only builds positive relationships with them, but also further enhances Yanlord's positive brand image in the community.

Case Study: Activities with Stakeholders

Golf Day

In October 2023, the first Yanlord Neighbourhood Golf Match was held in Shanghai for golfers from six communities, namely, Yanlord Gardens, Yanlord Riverside Gardens, Yanlord on the Park, Yanlord Riverside City, Yanlord Sunland Gardens and Yanlord Western Gardens in Shanghai.



Local Community and Social Investment (cont'd)

Case Study: Activities with Stakeholders (cont'd) Badminton Competition & Sport Day



Camping and Barbecue Outings for Residents



Local Community and Social Investment (cont'd)

Case Study: Activities with Stakeholders (cont'd) Senior Residents and Other Activities



Tree Planting Day



Non-smoking Day



Escalator Safety Day



Local Community and Social Investment (cont'd)

Case Study: Activities with Stakeholders (cont'd)

World Book Day in 2023

Yanlord Property Management Nanjing team actively responded to the 365 public welfare initiative and participated in the public welfare activity of building the library of Shuangshi Town Central Primary School in Lushan County, Ya'an City, Sichuan Province. We set up public book donation stations in each project, and after more than 10 days of collection, we gathered nearly 2,000 books and delivered them to Shuangshi Town Central Primary School.



Grand ParcVue Hotel Residence in Chengdu (formerly known as InterContinental Residences) The project donated for supporting the launch of the Preschools of the Future Project in Butuo County, Liangshan Prefecture, Sichuan Province. The project is initiated by the Shanghai Huji Foundation with the objective to raise the quality of Pre-school Education for Children living in the rural mountainous areas in the PRC.



Local Community and Social Investment (cont'd)

Case Study: Activities with Stakeholders (cont'd)

"Road to Brightness 2.0" Charity Project

The project is sponsored by Yanlord and established by Shanghai Fudan University Educational Development Foundation, which is mainly used to subsidise patients in need of minimally invasive glaucoma surgeries in Eye & Ent Hospital of Fudan University whose families have financial difficulties. As of June 2023, 15 patients who meet the surgical indications have been funded by the project to complete their surgeries.



Grand ParcVue Hotel Residence in Chengdu (formerly known as InterContinental Residences, Chengdu)

The project held the Life Saving Blood Donation activity to encourage employees to participate in blood donation and contribute their personal strength to life saving.



2023 Lady Go - Run For Her

Half Marathon Charity Run was a Sport Care Project organised by Culture, Radio and Television, Tourism and Sport Bureau of Longgang District Shenzhen (深圳市龙岗区文化广电旅游体育局), held in Yanlord Reverie Plaza in Shenzhen. The event aims to allow women to relieve anxiety, alleviate depression and cast off negative emotions in running, and encourages women to expand their social cycle and enjoy a healthy life through exercise.



GRI Content Index

Statement of use Yanlord has reported the information cited in this GRI content index for the period from January 1, 2023 to December 31, 2023 with reference to the GRI Standards.

GRI 1 used GRI 1: Foundation 2021

General Standard Disclosures

GRI Standards	Disclosures	Section of Report/ Remarks	Page Reference	
GRI 2: General Disclosures 2021	The Organisation and its Reporting Practices			
	2-1	Organisational details	About Yanlord	3
	2-2	Entities included in the organisation's sustainability reporting	About this Report	4
	2-3	Reporting period, frequency and contact point	About this Report	4
	2-4	Restatements of information	Where applicable mentioned in the report	83-84
	2-5	External assurance	About this Report	4
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	2-7	Employees	Employment	47
	2-8	Workers who are not employees	Occupational Health and Safety	61-63
	Governance			
	2-9	Governance structure and composition	Sustainability Governance Annual Report 2023	9 187
	2-10	Nomination and selection of the highest governance body	Annual Report 2023	200
	2-11	Chair of the highest governance body	Sustainability Governance Annual Report 2023	9 56-57
	2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance	8-9
	2-13	Delegation of responsibility for managing impacts	Sustainability Governance Annual Report 2023	8-9 187
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance Annual Report 2023	8-9 217-218	
2-15	Conflicts of interest	Annual Report 2023	189	
2-16	Communication of critical concerns	Anti-corruption and Business Ethics Annual Report 2023	18-19 213-214	

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	2-17	Collective knowledge of the highest governance body	Sustainability Governance Annual Report 2023	9 189
	2-18	Evaluation of the performance of the highest governance body	Annual Report 2023	206-207
	2-19	Remuneration policies	Annual Report 2023	204-206
	2-20	Process to determine remuneration	Annual Report 2023	203-204
	2-21	Annual total compensation ratio	Confidentiality constraint; This information is not disclosed as it is view to be confidential.	
	Strategy, Policies and Practices			
	2-22	Statement on sustainable development strategy	Board Statement	8
	2-23	Policy commitments	Stakeholder Engagement Anti-corruption and Business Ethics	10-11 18-19
	2-24	Embedding policy commitments	Anti-corruption and Business Ethics	18-19
	2-25	Processes to remediate negative impacts	Anti-corruption and Business Ethics Quality of Products and Services Occupational Health and Safety Annual Report 2023	18-19 26-39 57-60 213-214
	2-26	Mechanisms for seeking advice and raising concerns	Anti-corruption and Business Ethics Annual Report 2023	19 213-214
	2-27	Compliance with laws and regulations	Compliance with Laws and Regulation	20
	2-28	Membership associations	PRC: 全国工商联城市基础设施商会中城分会 北京中城联盟企业管理服务有限公司 The PRC Urban Infrastructure Chamber of Commerce ("CUICC") Singapore: WSH Advocate Programme organised by the Workplace Safety and Health Council	
	Stakeholder Engagement			
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	2-30	Collective Bargaining Agreements	Not Applicable	

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	3-2	List of material topics	Materiality Assessment	14
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	205-3	Confirmed incidents of corruption and actions taken	Anti-Corruption and Business Ethics	19
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GRI 404: Training and Education 2016 GRI	404-1	Average hours of training per year per employee	Learning and Development	56
	404-3	Percentage of employees receiving regular performance and career development reviews	Learning and Development	56
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GRI 405: Diversity and Equal Opportunity 2015	405-1	Diversity of governance bodies and employees	Employment	49-50

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	404-4	Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety	57-63
	404-5	Worker training on occupational health and safety	Occupational Health and Safety	57-63
	404-6	Promotion of worker health	Occupational Health and Safety	57-63
	404-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety	57-63
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GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	Climate Change	66
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GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Green Buildings	84
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