

SUSTAINABILITY REPORT

For the year ended 31 December 2020

1. HIGHLIGHTS

1.1 Board statement on sustainability

We wish to confirm that the Board has considered sustainability issues as part of its strategic formulation, determined the material environmental, social and governance (“ESG”) factors and overseen the management and monitoring of the material ESG factors.

1.2 Scope of sustainability report

The scope of the report covers information on material sustainability aspects of Ying Li from 1 January 2020 to 31 December 2020 unless otherwise specified. We believe that the report should sufficiently address stakeholders’ concerns in relation to sustainability issues arising from the Group’s major business operations.

This report is prepared in accordance with the Global Reporting Initiative (“GRI”) Standards: Core Option as it provides a set of an extensive framework that is widely accepted as a global standard for sustainability reporting. It also considers the Sustainability Reporting Guide in Practice Note 7.6 of the SGX-ST Listing Manual. In preparing our report, we applied the GRI’s principles for defining report content and report quality by considering the Group’s activities, impacts and substantive expectations and interests of its stakeholders.

The data and information provided within the report have not been verified by an independent third party. We have relied on internal data monitoring and verification to ensure accuracy.

1.3 Restatements

No restatements were made from the previous report.

1.4 Sustainability contact

We welcome your views and feedback on our sustainability practices and reporting at ir@yinglij.com.

SUSTAINABILITY REPORT

For the year ended 31 December 2020

2. OUR APPROACH TO SUSTAINABILITY

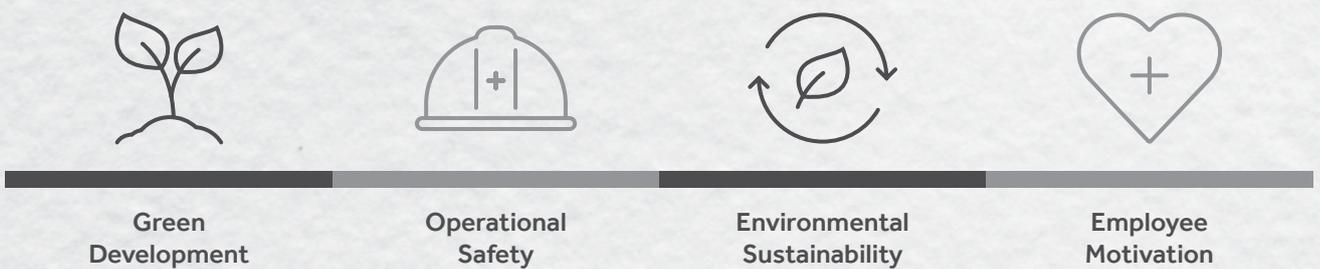
2.1 Sustainability organisational structure

Sustainability is a vital part of our corporate strategy for achieving long-term growth. The values we create for our people, the environment and society at large very much determine our financial performance. We developed a sustainability organisational structure to move things forward:



2.2 Sustainability strategy

Our sustainability strategy aims to create integrated values. Together with disciplined execution of our strategy and a commitment to do business responsibly, we commit to deliver value to all our stakeholders through the following:



The sustainable strategy is underpinned by our comprehensive internal policies on the following:

- Safety Management (安全技术管理), which covers aspects on safety culture, safety training and development, rewards and penalties, safety inspections, incidence reporting, and emergency response procedures in the event of safety incidents.
- Subcontractor Management (分包单位管理), which covers aspects on subcontractors listing, subcontractors jobs and responsibilities, quality of goods and services delivered, and subcontractor evaluations.
- Human Resources Management (人事管理), which covers aspects on employee handbook, department-specific performance evaluations, rewards and penalties.

The strategy is also guided by external sources, including the GRI Standards and Sustainability Reporting Guide in Practice Note 7.6 of the SGX-ST Listing Rules.

SUSTAINABILITY REPORT

For the year ended 31 December 2020

2.3 Consulting our stakeholders

We recognise the need to continuously develop our responsible business approach in order to address growing stakeholder expectations around our impact on the economy, environment and society. As such, we periodically consult with our stakeholders to determine the issues that are most relevant to them and Ying Li.

An overview of our approach and rationale is set out below (with stakeholders listed in alphabetical order), together with the feedback we have received.

| Stakeholders | How we listen | Why we do it | What you've told us |
|---|--|--|---|
| Builders and suppliers | <ul style="list-style-type: none"> Daily project meetings Periodic evaluations on suppliers' performance | <ul style="list-style-type: none"> Ensure construction projects are completed on time at a reasonable quality and cost | <ul style="list-style-type: none"> Ability to meet Company's quality standards Ability to meet Company's delivery timelines |
| Customers | <ul style="list-style-type: none"> Road shows Feedbacks Company's website | <ul style="list-style-type: none"> Safeguard investment value of customer Ensure customer satisfaction is upheld Ensure service standard | <ul style="list-style-type: none"> Optimizing customer service Increase in investment value of properties Emergency preparedness |
| Employees | <ul style="list-style-type: none"> Internal updates and communication Events and functions | <ul style="list-style-type: none"> Improve employee's capabilities through internal and external training Improve employee's well-being through managing health and safety | <ul style="list-style-type: none"> Health and safety Career progression Benefits and rewards External courses |
| Regulatory authorities (Governments, SGX, MOM, IRAS) | <ul style="list-style-type: none"> Regular updates and communication Reports and compliance Periodical meetings with government bodies | <ul style="list-style-type: none"> Adhere to environmental regulations for building construction Good relationship between continuing sponsor and Company Dialogue with SGX Active participation in SGX events to increase visibility and transparency | <ul style="list-style-type: none"> Compliance with relevant laws and regulations |
| Shareholder and investors | <ul style="list-style-type: none"> SGX Announcements Shareholder's meeting Annual reports Company's website Regular updates and communication | <ul style="list-style-type: none"> Committed to delivering economic value to our capital providers through a strong financial performance and our methods of engagement with them. | <ul style="list-style-type: none"> Long-term profitability Sustainability matters Group's performance against targets Compliance with all relevant requirements |

SUSTAINABILITY REPORT

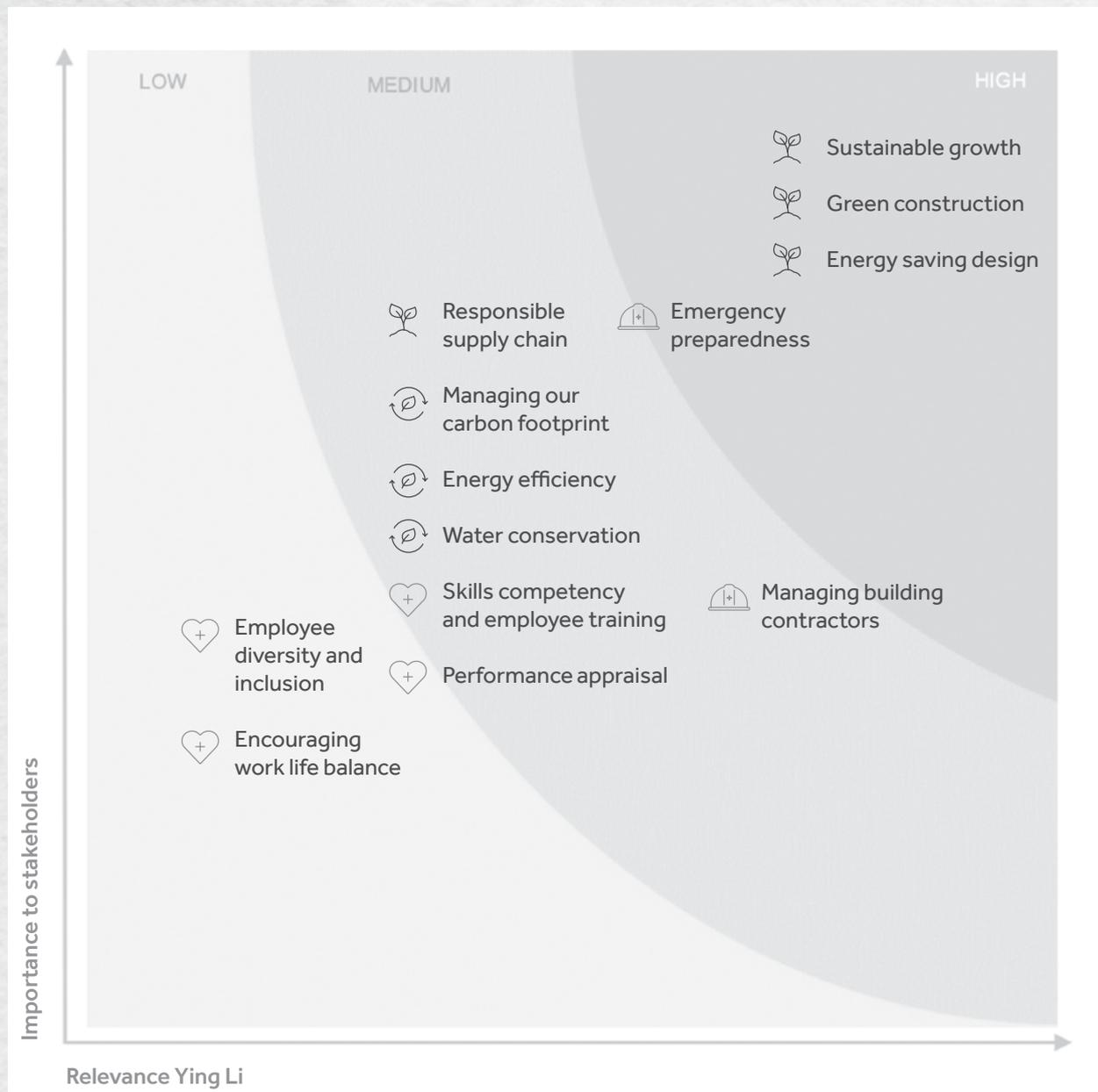
For the year ended 31 December 2020

2.4 Sustainability materiality

Based on the stakeholder engagement, we developed our sustainability materiality matrix containing material aspects which are aligned with our principal business and operational risks, and formed our sustainability strategy which has shaped our approach to sustainability reporting, as illustrated in the diagram below.

We have also developed metrics to help us measure our progress, as indicated in our sustainability scorecard in **Appendix A**. We will review and adjust the matrix each year, as the external and business context changes.

The aspect boundaries 'within' the organisation are limited to Ying Li and our subsidiaries, whereas the aspect boundaries 'outside' the organisation include builders and suppliers, customers, employees, regulatory authorities (Governments, SGX, MOM, IRAS), shareholder and investors.



SUSTAINABILITY REPORT

For the year ended 31 December 2020

3. OUR PERFORMANCE

3.1 How we measure our performance

Our **sustainability strategy** is embedded into the appropriate parts of our business, with dedicated teams for each focus area, and coordination by our relevant departmental managers.

Progress will be tracked in two key ways: measuring performance against metrics, and evaluating how well the programs have advanced, through a series of 'commitments'.

Metrics and targets

We have established key performance indicators for each of the four focus areas outlined in our **sustainability strategy**. Periodically, we plan to introduce new metrics and update targets to ensure alignment with our strategy.

Commitments

To ensure we have a robust sustainability programme in place, we have included the key commitments for each area of our sustainability strategy. The progress we have made against each key commitment is indicated using the symbols shown in the table below.

We track and review our sustainability programme with the Board of Directors at least once a year.

Symbols used to indicate progress against commitments

| Symbol | Meaning |
|--------|---------------------------------|
| Ⓝ | New commitment this year |
| ○ | Not started |
| ◐ | In progress |
| ● | Complete |
| ⌚ | Ongoing commitment: no end date |

SUSTAINABILITY REPORT

For the year ended 31 December 2020

3.2 Green development

Overview

Since establishment, Ying Li has a strong reputation for innovative design and urban renewal, having transformed areas of an old city into high-value urban integrated commercial developments of office space and shopping malls. In the process, it has successfully modernised the landscape of Chongqing's main business districts, with several landmark commercial buildings.

We recognise that "green development" has become a common pursuit of our people, and we too, have started to integrate this aspect into our projects from commencement to completion. Our vertically integrated business model and operations allows us to embed green practices into key aspects of property development, from design, construction and marketing to managing the developments after completion.

Long-term sustainable growth

We adhere to the mindset and practice of "green and eco-friendly development" throughout the lifecycle of a project and advocate "green office" among the employees to economise on the resources, abate pollution and reduce CO₂ emission to the greatest extent, so as to contribute to bluer skies and cleaner waters.

Over the years, we are involved in a number of landmark commercial buildings in Chongqing, including such as New York New York, Zou Rong Plaza, Future International and Ying Li International Financial Centre, which are occupied by prestigious companies.

We are well-recognised for our outstanding design, premium quality, eco-friendly features and rich user-experience in commercial property developments, and is well-positioned to capitalise on the strong market growth in Chongqing as well as other fast-growing regions of China.

With CEL on board as our Parent Company, Ying Li is poised to achieve long-term sustainable growth.

As at 31 December 2020, the Group has a total gross floor area ("**GFA**") of approximately 899,000 square metres ("**sqm**") of properties, comprising investment properties, properties for sale and properties for development in Chongqing, PRC. Please refer to the list our Investment Properties Portfolio in our FY2020 Annual Report (Pages 16 and 17).

We will continue to track and monitor the GFA for all properties of the Group and report the progress every year.

As at 31 December 2020

8

Investment properties
(since 1997)

337k

GFA for investment
properties (in sqm)

305k

GFA for properties for sale
(in sqm)

257k

GFA for properties for
development (in sqm)

0

Regulatory incidents

22%

LEED-certified investment
properties

SUSTAINABILITY REPORT

For the year ended 31 December 2020

Green construction

We have extended the connotation of green properties, and followed the idea of environmental protection throughout the whole process of construction. Together with our partners, we have made in-depth research over a rational construction site layout, and continuously enhanced on-site management to create a clean, tidy, comfortable and safe environment during construction or asset enhancement in property management.

We have made explicit provisions over noise, exhaust gas, sewage and solid wastes generated in everyday life and production. We have also taken protective measures over soil and natural resources and minimised the influences of dusts and construction wastes on the communities and residents in strict compliance with national and municipal regulations.

Noise management



- Setting reasonable construction timetable according to the noise limits at different stages.
- Vigorously promoting new noise-reduction and vibration-damping technologies to abate noise during pile foundation engineering, etc.
- Taking proper measures to reduce the noises generated by mixers and other noisy machineries.

Dust and airborne contaminants management



- Sprinkling water to lay the dust during dust-prone operations, loading/unloading and transportation.
- Properly storing and covering any granular materials that are easy to ascend into the air; and cutting materials in the shed with proper dust-control measures.
- Do not burn any substances that may produce harmful or poisonous gas, smoke or dust at the construction sites.

Sewage management



- Finishing the installation of drainage and sewage treatment facilities before the commencement of construction, to ensure up-to-standard water discharge, no accumulated water on site, and no overflow or blockage during drainage.
- Recycling processed construction sewage.

Construction waste management



- Taking proper measure to minimise solid wastes, such as centralised mortar mixing and reduced use of bagged cements.
- Disposing construction and domestic wastes in strict compliance with the government requirements.

In FY2020, the Group was not in violation of any of the relevant construction laws and regulations in the countries that we operate in, that have a significant impact on the Group. As part of our strategy, we seek to continue to be fully compliant with relevant construction laws and regulations in the countries that we operate in, that have a significant impact on the Group.

SUSTAINABILITY REPORT

For the year ended 31 December 2020

Energy saving design

Project conceptualisation is carried out in the initial phase for property development. This may be carried out in-house by the Group, or outsourced to professional consultants, such as architects, interior designers, surveyors or engineers (mechanical, electrical, civil and structure). In our recent projects, we have incorporated energy saving designs into our building plans. We will also regularly invest in enhancing the environmental performance of our portfolio.

To improve electrical efficiency, various energy saving practices have been implemented in the commercial properties managed by the Group. Appropriate insulation and ventilation have been adopted to minimise artificial heating and cooling requirements. We also adopted energy efficient technologies such as smart lighting, energy efficient bulbs, exhaust heat recycling systems and recycled water systems for air conditioning.

In addition, we had Leadership in Energy and Environmental Design (**LEED**) certification incorporated into our sites where possible, with 22% of the investment properties being LEED-certified. LEED is the most widely used green building rating system in the world and LEED certified buildings save energy, water, resources, generate less waste and support human health. These green building certification programs will provide us with external assurance on the measures we have incorporated to improve the environmental performance of our buildings. We will continue to review our strategy in pursuing green building certifications to keep our competitive edge, and contribute to raising industry standards for green building design and construction over the long term.

Going forward, we seek to align ourselves with international standards and best practices in green building design and construction by committing to obtain LEED-certification for all our new properties.

Responsible supply chain

We have constantly improved the procurement management and bidding system, maintained good partnership with our suppliers and subcontractors, and further deepened strategic cooperation with outstanding partners for the sake of shared development under a rigorous supplier evaluation system, thus boosting the overall capacity of the supply chain.

We have consistently followed the ideology of honest procurement and safeguarded the fundamental rights and interests of suppliers in a fair, just and open manner.

We believe that a secure and stable local supply chain that meets our sustainability needs is very important to ensure the smooth and uninterrupted operation of our operating activities.

SUSTAINABILITY REPORT

For the year ended 31 December 2020

Commitments: Green development

Track and report the GFA for all properties of the Group

GFA for all properties of the Group ('000 sqm)



■ Investment ■ Sale ■ Development

FY2020 progress

- There is a slight decrease in properties for sale and properties for development due to sales of these properties during the year.

Full compliance with relevant construction laws and regulations in the countries that we operate in

Achievements

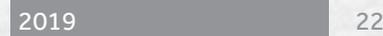
- Fully compliant with relevant construction laws and regulations in the countries that we operate in

FY2020 progress

- The Group was not in violation of any of the relevant construction laws and regulations in the countries that we operate in, that have a significant impact on the Group.

Track and report the LEED-certification for all investment properties of the Group

LEED-certified investment properties (%)



FY2020 progress

- 22% of our investment properties are LEED-certified currently.
- We seek to align ourselves with international standards and best practices in green building design and construction by committing to obtain LEED-certification for all our new properties.

SUSTAINABILITY REPORT

For the year ended 31 December 2020

3.3 Operational safety

Overview

Safety is of paramount importance to us, and we have always stressed the importance of production safety in all our operations, especially when we deal with our building contractors.

Managing building contractors

Construction site safety is a top priority for the Group. Our major construction projects are located in Chongqing, PRC. We institutionalised our construction safety management with the following objectives:

- To ensure contractor compliance with the relevant safety regulations;
- To establish an effective communication platform that helps enhance the overall awareness of our staff and contractors of how to deal with safety concerns;
- To build up the knowledge and capacity of site workers on how to carry out their work in a safe fashion; and
- To minimise site injuries and to achieve zero fatalities.

The Group has developed a comprehensive set of guidelines and operating procedures to enhance overall safety performance at our project sites. In particular, our Safety Management Policy and Equipment Management Policy clearly articulate our specific safety requirements and emergency protocols for different work tasks.

While the Project Department acts as a coordinator for all matters related to construction safety, the Group has delegated specific responsibilities to different parties, to facilitate the incorporation of safety considerations and manage the potential safety hazards from multiple perspectives at different stages of a construction project. We have also hired dedicated consultants that specialise in construction site health and safety for our key projects in Chongqing, PRC. We regard this action as an extra line of defence.

In FY2020, we continued our track record of zero fatalities and accidents, and have committed to maintain this trend in future years. We commit to ensure the safety of our employees, those who work with us and anyone affected by our works as our number one priority.

As at 31 December 2020

0

Fatalities

0

Serious accidents

0

Accidents per 100,000
man-hours

SUSTAINABILITY REPORT

For the year ended 31 December 2020

Emergency preparedness

While we emphasise on preventing safety incidents, we also prepare the employees to handle and respond to emergencies, including potential accidents and fire. This is very important to reduce and limit the impact and casualty as a result of the any safety incidents that may happen in our line of work. Emergency response procedures is an important part of our Safety Management Policy.

In addition, we have in place a series of emergency response procedures for our property management division for the following:

- Fire
- Flood
- Torrential rain
- Typhoon preparation
- Power outage
- Elevator failure
- Gas leakage
- Burglary
- Fights or violence
- Demonstrations or riots
- Bomb disposal

COVID-19 Pandemic

The outbreak of the COVID-19 pandemic in FY2020 has had a significant impact on lifestyles, businesses and communities globally. All property assets of the Group are situated in the PRC, with the majority located in the prime locations of Chongqing, mainly comprising commercial developments. As such, we have also been impacted by the outbreak of the COVID-19 pandemic, which had significantly affected market sentiment in the real estate industry during the first quarter of FY2020.

Fortunately, the PRC authorities have responded swiftly with containment and precautionary measures in the PRC, largely limiting the impact of COVID-19 to the first half of 2020.

In demonstrating our solidarity to join the authorities' efforts to control the pace of the spread of COVID-19, the Group has complied with the directives from the Chinese government and local authorities in Chongqing. In addition, the Group has instituted precautionary measures to protect the health and safety of its employees. We have also initiated business continuity planning to protect our staff and mitigate the impact on the Group's business operations. We will monitor the local situation and will put in place the above practices and any additional controls as required by the local governments (e.g. quarantine measures, stop work orders) where applicable.

Although life in the PRC has largely returned to normal post COVID-19, the global situation remains fluid. We shall keep a close eye on our operations, and announce any material changes to our business performance to shareholders timely, as and when appropriate.

Commitments: Operational safety

Achieve zero fatalities and accidents

Achievements

- Achieved zero fatalities and accidents.

FY2020 progress



- The Group continued our track record of zero fatalities and accidents.
- We commit to ensure the safety of our employees, those who work with us and anyone affected by our works as our number one priority.

SUSTAINABILITY REPORT

For the year ended 31 December 2020

3.4 Environmental sustainability

Overview

We are committed to constructing and managing world-class sustainable buildings that add tangible value to the communities we serve and to operate and maintain those buildings with a strong emphasis on the triple bottom line of economy, environment and society.

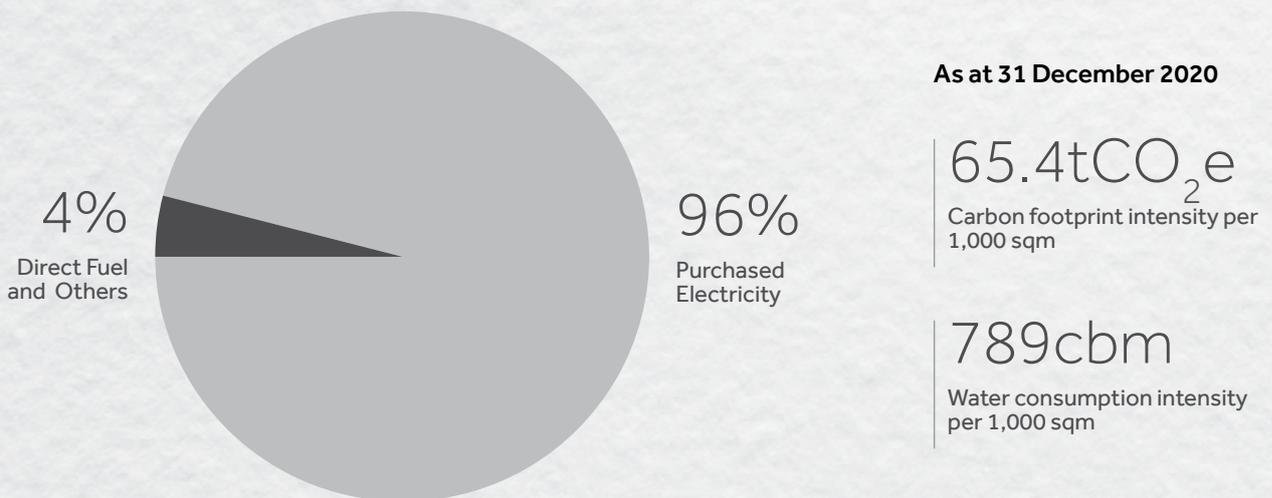
Managing our carbon footprint

We are committed to positive action on climate change and dedicated to reducing the carbon emission in our daily operations. To determine the carbon footprint, we collect energy usage data from each our businesses and then calculate our total annual greenhouse gas emissions.

We follow the Greenhouse Gas Protocol established by the World Resources Institute and the World Business Council for Sustainable Development, the standard manual for measuring corporate greenhouse gas emissions. Using the "control method", we include 100% of the emissions associated with businesses which we directly control. Our carbon footprint includes:

- All fuels used directly by our companies (Scope 1 emissions)
- All purchased electricity used in our properties (Scope 2 emissions)

In FY2020, Ying Li generated a carbon footprint of 22,028 tonnes of carbon dioxide emission (**tCO₂e**), with a carbon footprint intensity of 65.4 tCO₂e per thousand sqm of GFA. The emission mainly arises from purchased electricity used in our properties which accounted for close to 96% of the total carbon emission of Ying Li. The rest of the emissions are due to direct fuels used for winter heating (using natural gas) and vehicular transport (using petrol).



SUSTAINABILITY REPORT

For the year ended 31 December 2020

Carbon footprint intensity decreased 13% from the previous year mainly due to the impact of COVID-19. Three of our retail shopping malls in Chongqing was subjected to temporary closure from 6 February 2020 and only reopened gradually in March 2020. This has resulted in a substantial decrease in electricity and energy usage.

Nevertheless, the Group will still continue with our efforts to optimize eco-efficiency in our building operations. For example, we have replaced old, less efficient lighting fixtures with modern, more energy efficient ones.

We will monitor our performance on carbon footprint reduction and report our progress every year.

Energy efficiency

Buildings are energy-intensive structures and electricity often constitutes a significant proportion of operating expenses. By investing in energy efficiency, we not only help protect the environment but can also lower our financial costs.

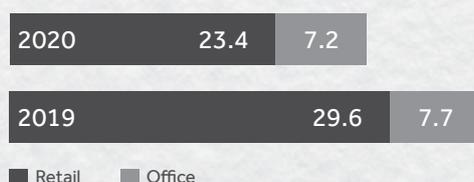
We will continue to use energy conservation and emission reduction measures to optimize eco-efficiency in our building operations. Some examples of how this has been achieved with tenants are as follows:

- Tenants are provided data analysis of their water and electricity usage to help tenants control their usage within the reasonable range. The payment of utilities is borne by the tenant but the tenants will make the payment out to the property management which will then send the payment to the utility company.
- The Company has been advocating water conservation, electricity saving, energy conservation as well as environmental protection. This includes use of guidance signs in common areas, including toilets to remind shoppers and tenants of the overarching green movement.

Furthermore, we have developed a series of initiatives to ensure buildings are well-equipped to minimise resource use. This includes:

- Communicate with new tenants on energy-saving measures before the opening of their stores/office aimed to improve the overall energy-saving target of the whole development (mall and offices).
- Ongoing activities related to sustainable development certification and training or consultation on sustainable development. This includes LEED-certification of sites where possible.
- Appropriate insulation and ventilation to minimise artificial heating and cooling requirements.
- Adopting energy-efficient technologies such as smart lighting, energy-efficient lightbulbs, exhaust heat recycling systems and recycled water systems for air conditioning.

Energy Consumption (GWh)



SUSTAINABILITY REPORT

For the year ended 31 December 2020

Water conservation

Water scarcity is a growing concern around the world and a serious global challenge that we must work together to address.

In FY2020, Ying Li recorded a water consumption intensity of 789 cubic metres (**cbm**) per thousand sqm. The total water consumption decreased 29% from the previous year due to the impact of COVID-19. Three of our retail shopping malls in Chongqing was subjected to temporary closure from 6 February 2020 and only reopened gradually in March 2020. This has resulted in a substantial decrease in water usage.

We will continue our efforts to reduce water consumption at our properties, including installing water-efficient fittings and raising awareness of water scarcity issues among our employees, tenants, customers, and communities.

We will monitor our performance on water consumption reduction and report the progress every year.

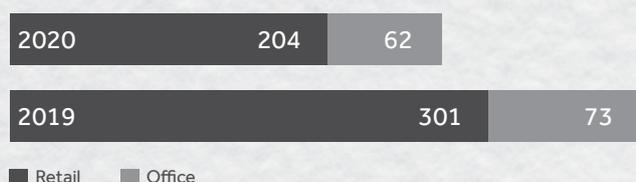
Waste management

As a real estate developer and manager, the bulk of our waste is generated by our builders and tenants. All of Ying Li's generated waste at both the construction sites and managed buildings are disposed of in accordance with local waste regulations. Recyclable waste from our managed buildings and construction sites are collected by engaged vendors to be treated and recycled accordingly.

In FY2020, Ying Li recorded a waste generation intensity of 13 tonnes per thousand sqm. This was a slight decrease from the previous year.

We plan to continue organizing tenant engagement events in the following year to encourage our tenants and their staff to participate in activities that promote green initiatives.

Water Consumption ('000 cbm)



SUSTAINABILITY REPORT

For the year ended 31 December 2020

Commitments: Environmental sustainability

| Track and report carbon footprint intensity | Carbon footprint intensity (tCO ₂ e/ 1,000 sqm) | FY2020 progress |
|--|--|--|
| 2020 | 65.4 | <ul style="list-style-type: none"> We recorded a carbon footprint intensity of 65.4 tCO₂e/ 1,000 sqm. The emission mainly arises from electricity consumption which accounted for close to 96% of the total carbon emission of Ying Li. The carbon footprint intensity decreased 13% from the previous year mainly due to the impact of COVID-19. Three of our retail shopping malls in Chongqing was subjected to temporary closure from 6 February 2020 and only reopened gradually in March 2020. This has resulted in a substantial decrease in electricity and energy usage. We will continue to use energy conservation and emission reduction measures to optimise eco-efficiency in our building operations. |
| 2019 | 75.2 | |
| Track and report water consumption intensity | Water consumption intensity (cbm/ 1,000 sqm) | FY2020 progress |
| 2020 | 789 | <ul style="list-style-type: none"> We recorded a water consumption intensity of 789 cbm/ 1,000 sqm. The water consumption intensity decreased 29% from the previous year due to the impact of COVID-19. Three of our retail shopping malls in Chongqing was subjected to temporary closure from 6 February 2020 and only reopened gradually in March 2020. This has resulted in a substantial decrease in water usage. We continue our efforts to reduce water consumption at our properties, including installing water-efficient fittings and raising awareness of water scarcity issues among our employees, tenants, customers, and communities. |
| 2019 | 1,094 | |
| Track and report waste generation intensity | Waste generation intensity (t/ 1,000 sqm) | FY2020 progress |
| 2020 | 13 | <ul style="list-style-type: none"> We recorded a waste generation intensity of 13 tonnes / 1,000 sqm. This was a slight decrease from the previous year. We plan to continue organizing tenant engagement events in the following year to encourage our tenants and their staff to participate in activities that promote green initiatives. |
| 2019 | 15 | |

SUSTAINABILITY REPORT

For the year ended 31 December 2020

3.5 Employee motivation

Overview

We have a comprehensive performance appraisal programme and rewards system based on the result of the appraisal. The performance appraisal programme is essential for us to understand the skills level of the employees and appropriate training programmes can be designed to fill up the skill gaps.

We emphasise on the career path and progression of our employees, and have built several two-way communication channels to ensure the career development needs of our employees are taken into consideration whenever it is possible. Training opportunities are equal to all employees based on needs identified.

Though these efforts, we are well-positioned to provide a constructive working experience to our employees and contribute to the economic development and skilled labour resources of the local community.

Skills competency and employee training

To ensure that our employee excel, we emphasise on continuous learning in the workplace. Every employee has equal opportunities to upgrade and sharpen their skill sets through formal and on-the-job internal training programs.

In FY2020, Ying Li invested an average of 10.0 hours of training on each employee, representing a 25% increase from the previous year. This shows the Company's commitment to ensure employee's skill competency.

As part of our strategy, Ying Li has committed to achieve a minimum of 8 hours of training per employee on an ongoing basis.

Performance appraisal

To ensure the Company achieves its goals, we have various performance appraisal methods in place to determine the performance of the Company as well as each individual employee.

The employee performance appraisal comprises mainly quantifiable evaluation criteria. In addition, we actively collect performance information for each employee through inputs from direct supervisors and feedbacks, as well as periodical employee communication sessions.

The collected information allow us to understand the performance and skills development needs of each team and individual employee from multiple aspects. This is crucial for the Company to develop annual training programs for employee that are designed to enhance the skills of the employee and aims to improve the overall productivity.

In FY2020, all of our employees are subjected to an annual performance appraisal by their superiors. We seek to continue this practice in the coming year.

As at 31 December 2020

10.0

Training hours per staff

100%

Employees subject to regular performance appraisal

54%

Female representation in workforce

SUSTAINABILITY REPORT

For the year ended 31 December 2020

Equal opportunity

Ying Li has always been an equal opportunity employer to provide a fair workplace for employees, following the principles of equality and non-discrimination. Recruitment, remuneration, promotion, and benefits are required to be handled based on objective assessment, equal opportunity and non-discrimination regardless of gender, race, marital status, pregnancy, disability, age or family status.

We attract talent through fair, and flexible recruitment strategy that includes recruitment application, job description, job applications, interview, selection, approval, and job offer. Promotion is based on performance and suitability.

We offer competitive remuneration to attract and retain talented staff members. Remuneration packages (which include the necessary social benefits) are reviewed periodically to ensure consistency with employment market. Dismissal also complies with employment laws and regulations relating to non-discrimination.

In FY2020, female employees comprise 54% of our entire workforce. We will continue to track and monitor female representation in our workforce and report these statistics every year.

Encouraging work-life balance

We organised a variety of employee activities to help them relax their mind and body, develop teamwork, explore their talent, so as to develop a positive attitude in both work and life.

To enhance employee teamwork and cohesion, improve employee health and improve employee work-life balance, Ying Li has been organising periodic employee gatherings during major festivals and sports competitions.

Commitments: Employee motivation

Achieve minimum of 8 hours of training per employee

Training hours per employee (Hours)



FY2020 progress

- Ying Li invested an average of 10.0 hours of training on each employee, representing a substantial increase from the previous year. This shows the Company's commitment to ensure employee's skill competency.

All employees are at least subject to an annual performance appraisal by their superiors

Achievements

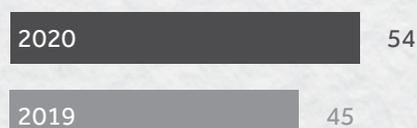
- All employees are at least subject to an annual performance appraisal by their superiors.

FY2020 progress

- All employees are at least subject to an annual performance appraisal by their superiors.

Track and monitor female representation in workforce

Female representation in workforce (%)



FY2020 progress

- Female employees comprise 54% of our entire workforce.
- Ying Li has always been an equal opportunity employer to provide a fair workplace for employees, following the principles of equality and non-discrimination. We will continue this practice in future years.

SUSTAINABILITY REPORT

For the year ended 31 December 2020

APPENDIX A: SUSTAINABILITY SCORECARD

Results

| Performance indicators | Units | FY2019 | FY2020 |
|------------------------|-------------|--------|--------|
| Revenue | RMB million | 359 | 231 |

Green development

| Performance indicators | Units | FY2019 | FY2020 |
|--|----------|--------|--------|
| Investment properties (since 1997) | Number | 8 | 8 |
| GFA for investment properties | '000 sqm | 342 | 337 |
| GFA for properties for sale | '000 sqm | 318 | 305 |
| GFA for properties for development | '000 sqm | 257 | 257 |
| Total GFA for all properties | '000 sqm | 917 | 899 |
| Regulatory incidents | Number | 0 | 0 |
| LEED-certified properties in our portfolio | % | 22 | 22 |

Operational safety

| Performance indicators | Units | FY2019 | FY2020 |
|---------------------------------|--------|--------|--------|
| Fatalities | Number | 0 | 0 |
| Serious accidents | Number | 0 | 0 |
| Accidents per 100,000 man-hours | Number | 0 | 0 |

Environmental sustainability

| Performance indicators | Units | FY2019 | FY2020 |
|-----------------------------|-------------------------------|--------|--------|
| Carbon footprint intensity | tCO ₂ e/ 1,000 sqm | 75.2 | 65.4 |
| Water consumption intensity | cbm/ 1,000 sqm | 1,094 | 789 |
| Waste generation intensity | t/ 1,000 sqm | 15 | 13 |

Employee motivation

| Performance indicators | Units | FY2019 | FY2020 |
|--|------------|--------|--------|
| Training hours per staff | Hours | 8.0 | 10.0 |
| Employees subject to regular performance appraisal | Percentage | 100 | 100 |
| Female representation in workforce | Percentage | 45 | 54 |

SUSTAINABILITY REPORT

For the year ended 31 December 2020

APPENDIX B: GRI CONTENT INDEX

GRI Standards Content Index

The GRI Content Index references the Ying Li Sustainability Report 2020 ("SR"), and the Annual Report 2020 ("AR").

| Disclosure number | Disclosure title | Page reference and remarks | |
|-------------------------------------|------------------|--|---|
| GRI 102: General disclosures | | | |
| Organisational profile | 102-1 | Name of organisation | • AR: Corporate Profile (Page 1) |
| | 102-2 | Activities, brands, products, and services | • AR: Corporate Profile (Page 1) |
| | 102-3 | Location of headquarters | • AR: Corporate Profile (Page 1) |
| | 102-4 | Location of operations | • AR: Corporate Profile (Page 1) • AR: Investment in Subsidiary Corporations – Note 18 to the Financial Statements (Pages 121-127) |
| | 102-5 | Ownership and legal form | • AR: General Information – Note 1 to the Financial Statements (Page 92) |
| | 102-6 | Markets served | • AR: Segment Information – Note 29 to the Financial Statements (Pages 149-151) |
| | 102-7 | Scale of organisation | • AR: Corporate Profile (Page 1) • AR: Segment Information – Note 29 to the Financial Statements (Pages 149-151) |
| | 102-8 | Information on employees and other workers | • SR: Employee Motivation (Pages 68-69) |
| | 102-9 | Supply chain | • SR: Green Development (Pages 58-61) |
| | 102-10 | Significant changes to the organisation and its supply chain | • AR: Corporate Profile (Page 1) • AR: Operations Review (Pages 6-13) • AR: Other Projects at a Glance (Pages 14-15) • AR: Investment Properties Portfolio (Pages 16-17) |
| | 102-11 | Precautionary Principle or approach | • AR: Corporate Governance (Pages 26-52) |
| | 102-12 | External initiatives | • Not applicable |
| | 102-13 | Membership of associations | • Not applicable |
| Strategy | 102-14 | Statement from senior decision-maker | • AR: Board Statement on Sustainability (Page 53) |
| | 102-15 | Key impacts, risks, and opportunities | • AR: Independent Auditor's Report (Pages 79-84) |
| Ethics and integrity | 102-16 | Values, principles, standards, and norms of behavior | • SR: Sustainability Strategy (Page 54) |
| | 102-17 | Mechanisms for advice and concerns about ethics | • AR: Corporate Governance (Pages 26-52) |

SUSTAINABILITY REPORT

For the year ended 31 December 2020

| Disclosure number | Disclosure title | Page reference and remarks |
|-------------------|---|---|
| Governance | | |
| 102-18 | Governance structure | • AR: Corporate Governance (Pages 26-52) |
| 102-19 | Delegating authority | • AR: Corporate Governance (Pages 26-52) |
| 102-20 | Executive-level responsibility for economic, environmental, and social topics | • SR: Sustainability Organisational Structure (Page 54) |
| 102-21 | Consulting stakeholders on economic, environmental, and social topics | • SR: Consulting Our Stakeholders (Page 55) |
| 102-22 | Composition of the highest governance body and its committees | • AR: Corporate Governance (Pages 26-52) |
| 102-23 | Chair of the highest governance body | • AR: Corporate Governance (Pages 26-52) |
| 102-24 | Nominating and selecting the highest governance body | • AR: Corporate Governance (Pages 26-52) |
| 102-25 | Conflicts of interest | • AR: Corporate Governance (Pages 26-52) • AR: Directors' Statement (Pages 76-78) • SR: Sustainability Strategy (Page 54) |
| 102-26 | Role of highest governance body in setting purpose, values, and strategy | • AR: Corporate Governance (Pages 26-52) |
| 102-27 | Collective knowledge of highest governance body | • AR: Corporate Governance (Pages 26-52) |
| 102-28 | Evaluating the highest governance body's performance | • AR: Corporate Governance (Pages 26-52) |
| 102-29 | Identifying and managing economic, environmental, and social impacts | • SR: Sustainability Materiality (Page 56) |
| 102-30 | Effectiveness of risk management processes | • AR: Corporate Governance (Pages 26-52) |
| 102-31 | Review of economic, environmental, and social topics | • SR: Sustainability Report (Pages 53-75) |
| 102-32 | Highest governance body's role in sustainability reporting | • SR: Sustainability Organisational Structure (Page 54) |
| 102-33 | Communicating critical concerns | • SR: Sustainability Materiality (Page 56) |
| 102-34 | Nature and total number of critical concerns | • SR: Sustainability Materiality (Page 56) |
| 102-35 | Remuneration policies | • AR: Corporate Governance (Pages 26-52) |
| 102-36 | Process for determining remuneration | • AR: Corporate Governance (Pages 26-52) |
| 102-37 | Stakeholders' involvement in remuneration | • AR: Corporate Governance (Pages 26-52) |

SUSTAINABILITY REPORT

For the year ended 31 December 2020

| Disclosure number | Disclosure title | Page reference and remarks |
|---|---|---|
| | 102-38 Annual total compensation ratio | • AR: Corporate Governance (Pages 26-52) |
| | 102-39 Percentage increase in annual total compensation ratio | • AR: Corporate Governance (Pages 26-52) |
| Stakeholder engagement | 102-40 List of stakeholder groups | • SR: Consulting Our Stakeholders (Page 55) |
| | 102-41 Collective bargaining agreements | • Not applicable |
| | 102-42 Identifying and selecting stakeholders | • SR: Consulting Our Stakeholders (Page 55) |
| | 102-43 Approach to stakeholder engagement | • SR: Sustainability Strategy (Page 54) |
| | 102-44 Key topics and concerns raised | • SR: Consulting Our Stakeholders (Page 55) |
| Reporting practice | 102-45 Entities included in the consolidated financial statements | • AR: Investment in Subsidiary Corporations – Note 18 to the Financial Statements (Pages 121-127) |
| | 102-46 Defining report content and topic Boundaries | • SR: Sustainability Materiality (Page 56) |
| | 102-47 List of material topics | • SR: Sustainability Materiality (Page 56) |
| | 102-48 Restatements of information | • SR: Restatements (Page 53) |
| | 102-49 Changes in reporting | • Not applicable |
| | 102-50 Reporting period | • SR: Scope of Sustainability Report (Page 53) |
| | 102-51 Date of most recent report | • SR: Scope of Sustainability Report (Page 53) |
| | 102-52 Reporting cycle | • Annual |
| | 102-53 Contact point for questions regarding the report | • SR: Sustainability Contact (Page 53) |
| | 102-54 Claims of reporting in accordance with the GRI Standards | • SR: Scope of Sustainability Report (Page 53) |
| | 102-55 GRI content index | • SR: GRI Content Index (Pages 71-75) |
| | 102-56 External assurance | • No external assurance |
| GRI 200: Economic disclosures (applicable sections only) | | |
| Economic performance | 201-1 Direct economic value generated and distributed | • AR: Financial Review (Pages 4-5) |
| Procurement practices | 204-1 Proportion of spending on local suppliers | • SR: Green Development (Pages 58-61) |
| Anti-corruption | 205-3 Confirmed incidents of corruption and actions taken | • There is no incidences of corruption in relation to the Group's business. |
| Anti-competitive behavior | 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | • There is no incidences of anti-competitive behaviour in relation to the Group's businesses. |

SUSTAINABILITY REPORT

For the year ended 31 December 2020

| Disclosure number | Disclosure title | Page reference and remarks |
|--|---|---|
| GRI 300: Environment disclosures (applicable sections only) | | |
| Energy | 302-1 Energy consumption within the organisation | <ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 64-67) |
| | 302-4 Reduction of energy consumption | <ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 64-67) |
| Water | 303-1 Water withdrawal by source | <ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 64-67) SR: Sustainability Scorecard (Page 70) |
| Emissions | 305-1 Direct (Scope 1) GHG emissions | <ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 64-67) SR: Sustainability Scorecard (Page 70) |
| | 305-2 Energy indirect (Scope 2) GHG emissions | <ul style="list-style-type: none"> SR: Environmental Sustainability (Pages 64-67) SR: Sustainability Scorecard (Page 70) |
| Effluents and waste | 306-2 Waste by type and disposal method | <ul style="list-style-type: none"> SR: Green Development (Pages 58-61) SR: Environmental Sustainability (Pages 64-67) SR: Sustainability Scorecard (Page 70) |
| Laws and regulations | 307-1 Non-compliance with environmental laws and regulations | <ul style="list-style-type: none"> There is no non-compliance with environmental laws and regulations. |
| GRI 400: Social disclosures (applicable sections only) | | |
| Employment | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | <ul style="list-style-type: none"> SR: Employee Motivation (Pages 68-69) |
| Occupational health and safety | 403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | <ul style="list-style-type: none"> SR: Operational Safety (Pages 62-63) SR: Sustainability Scorecard (Page 70) |
| Training and education | 404-1 Average hours of training per year per employee | <ul style="list-style-type: none"> SR: Employee Motivation (Pages 68-69) SR: Sustainability Scorecard (Page 70) |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | <ul style="list-style-type: none"> SR: Employee Motivation (Pages 68-69) |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | <ul style="list-style-type: none"> SR: Employee Motivation (Pages 68-69) SR: Sustainability Scorecard (Page 70) |
| Diversity and equal opportunity | 405-1 Diversity of governance bodies and employees | <ul style="list-style-type: none"> SR: Employee Motivation (Pages 68-69) SR: Sustainability Scorecard (Page 70) |

SUSTAINABILITY REPORT

For the year ended 31 December 2020

| Disclosure number | Disclosure title | Page reference and remarks |
|-----------------------------------|--|---|
| Non-discrimination | 406-1 Incidents of discrimination and corrective actions taken | <ul style="list-style-type: none">• There is no incidents of discrimination. |
| Child labor | 408-1 Operations and suppliers at significant risk for incidents of child labor | <ul style="list-style-type: none">• Child labour is strictly prohibited. |
| Forced or compulsory labor | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | <ul style="list-style-type: none">• Forced and compulsory labour is strictly prohibited. |
| Socioeconomic compliance | 419-1 Non-compliance with laws and regulations in the social and economic area | <ul style="list-style-type: none">• There is no non-compliance with socioeconomic laws and regulations. |