



上海锦江国际酒店股份有限公司
Shanghai Jin Jiang International Hotels Co., Ltd.

人和锦江 礼传天下

Jin Jiang Hotels 2023 Environmental, Social and Governance (ESG) Report



Report Introduction

About the Report

This report is the second Environmental, Social and Governance (ESG) report issued by Shanghai Jin Jiang International Hotels Co., Ltd. Its principles are objectivity, standardization, transparency, and comprehensiveness. This report discloses Jin Jiang Hotels' guiding concepts and progress as it pertains to the environment, society, and governance in 2023.

Scope of the Report

Unless otherwise specified, this report covers Shanghai Jin Jiang International Hotels Co., Ltd., Jin Jiang International Hotel Management Co., Ltd., Shenzhen Jin Jiang Hotels Management Co., Ltd., Louvre Hotels Group, Jin Jiang International Catering Investment Co., Ltd., Shanghai WeHotel Network Technology Co., Ltd., Shanghai Jin Jiang GPP Co., Ltd. and Jin Jiang Financial Shared Services Center.

Important Commitment

The Board of Directors and all directors of Jin Jiang Hotels warrant that there are no misrepresentations, misleading statements, or material omissions contained in this report. They severely and jointly accept responsibility for the authenticity, accuracy, and completeness of the information contained herein.

Time Frame

This report covers the period from January 1, 2023, to December 31, 2023. However, some contents and data transcend that time frame.

Basis of Preparation

This report refers to:
Guidelines No. 1 of the Shanghai Stock Exchange for Self-regulation of Listed Companies - Standardized Operations ((Revised in December 2023)
Indicator System on Environmental, Social and Governance (ESG) of Listed Companies Controlled by State-Owned Enterprise in Shanghai (Version 1.0)
Reference Indicator System for ESG Specialized Reports of Central-Controlled Listed Companies
Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-ESG 5.0) of the Chinese Academy of Social Sciences
Global Reporting Initiative's Sustainability Reporting Standards (2021)
Sustainable Development Goals (SDGs)
MSCI ESG Industry Material Map and Key ESG Issues

Report Access

This report is printed in both Chinese and English. If there is any ambiguity in the two language versions, the Chinese version shall prevail. The electronic version of this report is available on the website of the Shanghai Stock Exchange (www.sse.com.cn) and Jin Jiang Hotels' website (www.jinjianghotels.sh.cn).

Jin Jiang Hotels, the Company, and we	Refers to	Shanghai Jin Jiang International Hotels Co., Ltd. (renamed upon registration at Shanghai Municipal Administration for Market Regulation on 19 August 2019), formerly named as Shanghai Jin Jiang International Hotels Development Co., Ltd.
Jin Jiang International, the Group	Refers to	Jin Jiang International (Holdings) Co., Ltd., the actual holding company of Jin Jiang Hotels and Jin Jiang Capital
Jin Jiang Hotels China Region, China Region	Refers to	Shenzhen Jin Jiang Hotels Management Co., Ltd.
Jin Jiang Hotels Management, JJRH	Refers to	Jin Jiang International Hotel Management Co., Ltd.
Louvre Hotels Group, Louvre Hotels, LHG	Refers to	Louvre Hotels Group, registered in France
WeHotel	Refers to	Shanghai WeHotel Network Technology Co., Ltd
GPP	Refers to	Shanghai Jin Jiang Group Procurement & Supply Chain
FSSC, First Branch	Refers to	Jin Jiang Financial Shared Services Center
Jin Jiang Catering	Refers to	Jin Jiang International Catering Investment Co., Ltd

Contents

Introduction

Chairman's Letter	004
Jin jiang at a Glance	006
Brand Matrix	007
2023 ESG Recognition	008

Core Highlights

Milestones in 2023	012
HSB Verification at Scale	013
Overseas CSR Achievements- Louvre Hotels Group	017

Upholding Robust Governance with Efforts

Corporate Governance	023
ESG Governance	033
Digital Governance	038

Protecting Our Natural Environment

Sustainable Environmental Management	046
Response to Climate Change	048
Strengthening Energy Management	050
Optimization of Resource Management	055
Precise Pollution Prevention and Control	058
Continuous Green Operation	060

Building Hotels with Quality

Comprehensive Safety Guarantee for Hotel Guests	064
Diverse Intensive Services	071
Premium Responsible Operation	075

People-oriented Philosophy

Compliant Employment Management	077
Diversified Compensation and Benefit System	078
Taking Care of Employees	079
Supporting Career Development	080
Employee Health and Safety Management	084

Growing Together with our Partners

Supplier Management	087
Franchisee Management	092

Bringing Benefits to Society and People's Livelihood

Serving Rural Revitalization	095
Driving Industrial Development	096
Engaging Social Charity	097

Outlook for 2024

Appendix

Quantitative Performance Table	100
Index	104



1

Introduction

Chairman's Letter
Jin jiang at a Glance
Brand Matrix
2023 ESG Recognition

Jin Jiang Hotels

2023 Environmental, Social and Governance (ESG) Report



Chairman's Letter



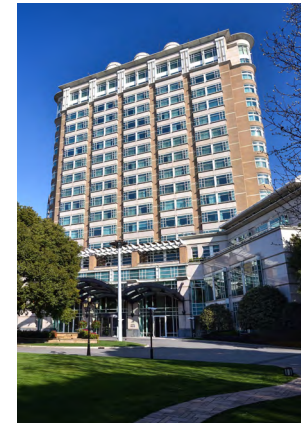
Chairman: Zhang Xiaoqiang

2023 was the first year for fully implementing the guiding principles from the 20th National Congress of the Communist Party of China (CPC). It was also a year for solidly promoting high-quality development. In 2023, the global tourism industry witnessed an impressive revival, coupled with an ongoing focus on sustainable development within the hotel sector. With strategic foresight, Jin Jiang Hotels set foot on a steady path to lay a solid foundation for the future of high-quality development and sustainability.

Industrial Data reveals that in the first half of 2023, the tourism industry contributed 11% to the global daily carbon emissions, with hotels responsible for 60% of these emissions. As a leading Hotel management company, Jin Jiang Hotels pioneering on practicing ESG concept distinctly combine to our company development. We dedicate ourselves to sustainable development across multiple dimensions including environment, society, and governance.

In 2023, Jin Jiang Hotels established a three-tier ESG management structure. Our mission embracing national and local development strategies, including and contributing to social welfare improvements. Jin Jiang Hotels is striving to enhance core competencies for high-quality development and advocate the adoption of green and low-carbon travel practices in the hotel industry. Moreover, as a typical state-owned enterprise that is expanding globally, Jin Jiang Hotels is actively committed to fulfilling its overseas corporation social responsibilities (CSR) through pursuing the vision of a global community with shared responsibility for a shared future. Focusing on green development, Jin Jiang Hotels has been promoting the green transformation of the hotel industry. We actively participate in the Hotel Sustainability Basics (HSB) verification endorsed by the Global Sustainable Tourism Council (GSTC) and initiated by the World Travel & Tourism Council (WTTC). By integrating these criteria into our operational standards, we provide international benchmarks for industry-wide sustainable transformation, steadily guiding the global hotel industry towards a future defined by excellence and sustainability.

In 2023, the global tourism industry witnessed an impressive revival, coupled with an ongoing focus on sustainable development within the hotel sector. With strategic foresight, Jin Jiang Hotels set foot on a steady path to lay a solid foundation for the future of high-quality development and sustainability.



ESG Governance Structure Development

Over 80 years of development, Jin Jiang Hotels has consistently evolved to meet the demands of the times. Against the backdrop of China's efforts to build a country that is modern and socialist in all respects, and in response to the public desire for a better life, Jin Jiang Hotels follows a clear set of sustainable development principles. We have spared no effort in establishing a robust system to accelerate the adoption of sustainable production and lifestyle practices. Delving into environmental, social, and governance (ESG) initiatives, Shanghai Jin Jiang International Hotels Co., Ltd. ("Jin Jiang Hotels") sets up a three-tier ESG management structure in 2023: the Strategic Investment and ESG Committee is responsible for formulating the ESG strategy, the ESG Taskforce facilitates coordination, and the ESG Execution level ensure implementation.

Advancing HSB Verification

Jin Jiang Hotels is actively engaged in the Hotel Sustainability Basics (HSB) verification. By the end of 2023, 702 hotels have complied with eight criteria of the HSB verification, and the flagship J Hotel Shanghai Tower became the first hotel in China to meet all 12 HSB criteria. Jin Jiang Hotels promotes international benchmarks for sustainable operations by integrating them into daily operations and performance assessments. This allows them to offer practical global references for industry-wide sustainability transformation.

Exploring Sustainable Ecological Practices

Jin Jiang Hotels has been actively exploring various initiatives related to sustainable ecology, including implementing diverse ESG measures such as plastic-free operations, offering vegetarian options, and launching Empty Plate Campaigns. Our commitment to environmental sustainability extends beyond the hotel industry to both upstream and downstream sectors. Leveraging our global procurement platform, Jin Jiang Hotels collaborates with top-tier suppliers to promote the adoption of green cleaning agents, ensuring that products certified by China Environmental Labeling are utilized across all hotel applications. Moreover, the Jin Jiang WeHotel central reservation platform prominently identifies hotels verified by HSB as "sustainable hotels" on booking pages, encouraging people who share the same vision to participate sustainable accommodations. To

address complex challenges like water, waste, and plastic management, we take a gradual yet steady approach to continuously promote diverse green initiatives.

Practicing Social Responsibilities

Oriented to customer needs, Jin Jiang Hotels focuses on health, comfort, and green, while dedicating ourselves to improve our product and service management, as well as embracing digital approaches. We prioritize high-quality development and ensure comprehensive quality across accommodation safety, services and experience. Embracing a people-centric approach, Jin Jiang Hotels attracts professional hotel teams from both domestic and international talent pools. Team morale is boosted by a refined market-driven incentive system, and extra efforts are made to promote mutual integration and learning through a blend of internal training and external recruitment. This cultivates an outstanding, professional, and competitive workforce. Jin Jiang Hotels' mission revolves around facilitating the implementation of national and urban strategies and serving rural revitalization and contributing to social welfare. Jin Jiang Hotels is striving to enhance core competencies for high-quality development and advocate the adoption of green and low-carbon travel practices in the hotel industry. With a presence in over 660 counties nationwide, Jin Jiang Hotels plays an active role in enhancing local culture and tourism development.

Leading Industry Development

Jin Jiang Hotels sees it as our duty to lead the industry in high-quality, sustainable development, aiming to create more value for shareholders and other stakeholders. In 2023, it was recognized as an ESG Excellent Practice Case of A-share Listed Companies by the China Association for Public Companies. Later that year, Jin Jiang Hotels once again contributed to industry sustainability by participating in the drafting of the Management System for Lodging Industry ESG and Evaluation Guideline for Lodging Industry ESG, two group standards issued by the China Hospitality Association.

Jin Jiang Hotels has consistently integrated high-quality development and sustainable development into our daily operations, sticking to our unique sustainable development path. Under our ESG management structure, frontier business segments follow the HSB criteria in our transformation towards sustainable development. Collaborating with related parties, we promote the sustainable development transformation of our brands and drive the industry towards higher levels of development.



702 hotels have complied with

8 criteria of the HSB verification

Jin jiang at a Glance

Jin Jiang Hotels' Operating Results in 2023



Operating income

RMB **14.649** billion



Net profit attributable to shareholders of the Company

RMB **1.002** billion



Total Tax

RMB **1.213** billion

Shanghai Jin Jiang International Hotels Co., Ltd. ("Jin Jiang Hotels") was established in June 1993 and listed on the Shanghai Stock Exchange in 1994, with A-share stock code 600754 and B-share stock code 900934. It stands as one of China's leading publicly traded hotel companies. As of December 31, 2023, the Company's registered capital amounts to RMB 1.07 billion. Jin Jiang Hotels principally engages in the full and limited service-oriented hotel operations and management business, and the food and catering business."

Following the strategy of devoting greater efforts to the Chinese market, enhancing its business presence in the international market, and conducting multinational operations, Jin Jiang Hotels acquired the French Louvre Hotels Group and Vienna Hotels Group Co., Ltd. and made a strategic investment in the Plateno Group from 2015 to 2016. Expanding our hotel portfolio, Jin Jiang Hotels has effectively carried out a global expansion of its limited service-oriented hotel business. In November 2023, Jin Jiang Hotels acquired 100% equity of Jin Jiang International Hotel Management Co., Ltd., bolstering our brand matrix and refining our brand structure. This strategic move accommodates customer demands at all levels, covering from economy, mid-range, and high-end segments, a diversified brand matrix was established.

In 2010, Jin Jiang Hotels successfully established the Jin Jiang Financial Shared Services Center (FSSC). In 2022 and 2023, we completed the acquisition of 70% of the equity of Jin Jiang Global Procurement Platform (GPP) and 90% of the equity of Jin Jiang WeHotel Global Shared Hotel Platform (WeHotel). Guided by the strategic principles of branding, asset-light business model, focus on operations, innovative models, and robust platforms, Jin Jiang Hotels established a back-end support system known as the "Three Platforms," comprising WeHotel, GPP, and FSSC. This initiative facilitated comprehensive resource integration, management optimization, and business synergy.

As of December 31, 2023, the Company operated total 12,448 hotels with 1.19 million rooms and had active contracted with 16,655 hotels with over 1.58 million rooms. These hotels are located in 339 prefecture-level cities and counties directly under the jurisdiction of 31 provinces, autonomous regions, and municipalities in China, as well as 58 countries or regions outside the Chinese mainland, with an effective membership of 194.96 million.



Brand Matrix

Jin Jiang Hotels oversees a portfolio of 43 hotel brands. These brands are categorized into four tiers: "Luxury," "High-End," "Boutique," and "Comfort." Within each tier, brands are further divided into "Classic" and "Lifestyle" categories based on their unique characteristic. Classic brands cater to a broad spectrum of business and leisure travelers across different age groups, while Lifestyle brands focus on individuality and creativity, offering immersive lodging experiences.

At present, Jin Jiang Hotels offers a diverse range of full-service and select-service hotel brands, covering various market segments. With a blend of different brand offerings, Jin Jiang Hotels has successfully created a brand landscape that caters to the needs of various customer demographics, including those seeking accommodations for business trips and leisure vacations.

Jin Jiang Hotels Brand Matrix

		CLASSIC			LIFESTYLE				
 <p>Jin Jiang Hotels 锦江酒店</p>	LUXURY	ROYAL TULIP			RADISSON COLLECTION				
	UPPER UPSCALE	Radisson		GOLDEN TULIP 郁金香	GINCO HOTEL	PARK PLAZA 丽亭酒店	RED		
	QUALITY	VIENNA INTERNATIONAL HOTEL 维也纳国际酒店	METROPOLE JINJIANG HOTELS 锦江都城酒店	Hampton	JAMES JOYCE COLLECTION	ZAXX	云居 JINGSCAPE HOTEL	荟语酒店 Eerli Hotel	VIBE 麻拓 HOTEL
	ESSENTIALS	   	  	  	  	 	 		



hotel brands

43

2023 ESG Recognition

ESG Awards



ESG Excellent Practice Case of A-share Listed Companies awarded by China Association for Public Companies



Certificate for Engaging and Contributing to establish Lodging Industrial ESG Evaluation Guideline, awarded by China Hospitality Association



2023 Excellence Award for Sustainable Brands, awarded by huxiu







2023 Gold Medallion Awards - ESG Practice Case of the Year, awarded by jiemian.com




Awards Received by Jin Jiang Hotels China Region

Time	Award Name
March 2023	Best Cultural Tourism Hotel Group, The 7th China Travel Consumption Annual Summit & Pioneer Award Ceremony
May 2023	Outstanding Contribution Award, The 23rd China Hotel Golden Horse Award
May 2023	Annual Excellent Hotel Management Company, The 18th China Hotel Starlight Awards
July 2023	Special Contribution Enterprise, The 2022 Award Ceremony of MBI Influential Brands in the Tourism and Hospitality Industry
August 2023	Recommended Hotel Group with Investment Value, The 2022 China Hotel Brand Summit Forum
September 2023	ABN Index 2022 Influential Cultural Tourism Group of the Year
November 2023	2023 APCF Asia Excellence Hotel Chain Management Enterprise
November 2023	Innovative Enterprise 2023, Consumer Report
November 2023	Outstanding Hotel Company of the Year, AHF Hotel Awards 2023
December 2023	Main List of Brands in the Local Hotel Industry 2023, jiemian.com
December 2023	2023 Leading Hotel Company, 21st Century Tourism Industry Annual Conference



Awards Received by the Company's Brands

Time	Award Name
 Kyriad MARVELOUS HOTEL 凯里亚德酒店	March 2023 Trending Brand of the Year, Meituan Hotel Awards 2022
	June 2023 Business Design Hotel with the Most Cultural Connotation, 2022 Top 100 China Hotels Design International Forum, H.Design
	September 2023 Top 10 Influential Middle-end Hotel Brands of the Year, ABN Index Award Ceremony in 2022
 COUNTRY INN & SUITES 丽怡酒店	June 2023 MBI Influential Hotel Management Company
	April 2023 China Hotel Starlight Awards, AHF World
	June 2023 Top 100 China Hotels, H.Design
	2023 Hotel Brand with Outstanding Investment Value, Pioneer Award Ceremony
 XANA HOTELLE 希岸酒店	September 2023 Influential Middle-end Hotel Brands of the Year, ABN Index Award Ceremony in 2022
	June 2023 The 12th MBI Influential Middle-end Hotel Brand 2022, Meadin Academy
	May 2023 Influential Middle-end Hotel Brands, The 23rd China Hotel Golden Horse Award
 JAMES JOYCE 杰士酒店 第一相酒店	June 2023 MBI Influential Brands - Middle-end Hotel 2022, Meadin Academy
	2023 Hotel Brand with Outstanding Investment Value 2023, The 15th Continental Diamond Award
	September 2023 Top 10 Influential Middle-end Hotel Brands of the Year, ABN Index Award Ceremony in 2022

Time	Award Name
 儂黎 TULIP LODJ	September 2023 Innovative Brand with Investment Value, ABN Index Award Ceremony in 2022
	May 2023 Apartment with Excellent Investment Value, The 23rd China Hotel Golden Horse Award
	June 2023 2023 Exemplary Brand with Innovative Investment Value, Housing Rental Investment and Operations Summit 2023, Meadin Academy
 JAMES JOYCE ELITE HOTELS 杰士悦酒店	June 2023 Boutique Design Hotel with the Most Innovative Design, The 4th Top 100 China Hotels Design International Forum, H. Design
	January 2023 Investment Brands Favored by Hotel Investors, Review of 100 Investors of 3acube.com
 VIENNA HOTEL 维也纳酒店	April 2023 Annual Outstanding Hotel Brand of the Year, The 18th China Hotel Starlight Awards
	May 2023 Hotel Brand with Excellent Value, The 23rd China Cultural Tourism Global Forum (CTGF) and The 23rd China Hotel Golden Horse Award
	June 2023 MBI Influential Brands - Middle-end Hotel 2022, Meadin Academy, The 12th Meadin Brand Development Conference
	June 2023 Hotel with the Most Innovative Design, The 3rd H.Design
	August 2023 Annual Influential Hotel Brand of 2023 Hotel Brand List, 3rd International Hotel Brand Exhibition, Hoteln
September 2023 Influential Middle-end Hotel Brand, ABN Index Award Ceremony	
December 2023 Hotel Case Honor Roll, The 20th Golden Pillow Award of China Hotels 2023	

	Time	Award Name
	May 2023	Popular Internet Influencer Hotel Brand, The 23rd China Cultural Tourism Global Forum (CTGF) and The 23rd China Hotel Golden Horse Award
	August 2023	Hotel Brand with Investment Value of 2023 Hotel Brand List, 3rd International Hotel Brand Exhibition, Hoteln
	September 2023	Urban Vacation Business Innovation Brand, ABN Index Award Ceremony
	December 2023	Annual Popular Internet Influencer Hotel Brand, The 18th China Hotel Starlight Awards
	April 2023	Annual Middle- to High-end Hotel with Investment Value
	April 2023	Annual Popular Internet Influencer Hotel Brand
	December 2023	The first hotel in China that has passed the 12 criteria of Hotel Sustainability Basics (HSB)



2 Core Highlights

Milestones in 2023

HSB Verification at Scale

Overseas CSR Achievements- Louvre Hotels Group

Jin Jiang Hotels

2023 Environmental, Social and Governance (ESG) Report



Milestones in 2023

April

On April 6, Jin Jiang Hotels and Accor Hotels signed a memorandum of understanding, reaching a consensus on reducing carbon emissions as part of the hotel industry's ESG objectives. They also pledged to delve into collaborative initiatives encompassing sustainability-related metrics, finance, and training, all geared towards contributing to sustainable growth of the hotel industry.

August

In August, the Board of Directors of Jin Jiang Hotels set up the Strategic Investment and ESG Committee, which is responsible for formulating the ESG strategy, and making recommendations on important matters involving ESG to promote the ESG planning and development of the Company.

September

In September, Jin Jiang Hotels implemented a three-tier ESG management structure: the Strategic Investment and ESG Committee is responsible for formulating the ESG strategy, the ESG Taskforce is responsible for coordinating and managing the Company's ESG affairs, and the ESG Executions (frontier business segments) are responsible for implementing ESG initiatives within their respective business domains in the verification pilot phase. Concrete targets were set, with a total of 327 hotels meeting eight of the 12 HSB criteria by the end of 2023.

November

© In November, Jin Jiang Hotels and SGS-CSTC Standards Technical Services Co., Ltd. signed a strategic cooperation framework agreement with a focus on HSB verification, driving the transformation of local hotels towards sustainable development and green high-quality development, etc.

© As a member organization for drafting standards, Jin Jiang Hotels, together with China Hospitality Association and China Association for Quality, drafted and initiated two standards, i.e., the ESG Management System for Lodging Industry Requirements and Evaluation Guideline for Lodging Industry ESG, to standardize the implementation of ESG management in the lodging industry.

© In November, Jin Jiang Hotels China Region participated in the roundtable talk themed "How Digital Supply Chains Empower the Hotel Ecology" at the 2023 Asia-Pacific Hotels and Real Estate Cooperation Forum (APCF).

Jin Jiang Hotels' mission revolves around facilitating the implementation of national and urban strategies and serving rural revitalization and contributing to social welfare. Jin Jiang Hotels is striving to enhance core competencies for high-quality development and advocate the adoption of green and low-carbon travel practices in the hotel industry. Moreover, as a typical state-owned enterprise that is expanding globally, Jin Jiang Hotels is actively committed to fulfilling its overseas corporation social responsibilities (CSR) through pursuing the vision of a global community with shared responsibility for a shared future. Focusing on green development, Jin Jiang Hotels has been promoting the green transformation of the hotel industry.

Currently

December

© In December, at the annual conference of the Low-Carbon Smart Research Center, Jin Jiang Hotels signed a cooperation intention agreement with Shanghai Institute of Architectural Design & Research (Co., Ltd.), focusing on joint research in sustainable projects and modules such as green low-carbon, ultra-low energy consumption of new and existing buildings, and optimization of facilities for people with disabilities and vulnerable groups.

© By December, 702 hotels had met eight of the 12 HSB criteria, fulfilling the set target ahead of schedule.

© On December 18, 2023, J Hotel Shanghai Tower, a luxury hotel under JJRH, became the first hotel in China to meet all the 12 HSB criteria, setting a benchmark for sustainable management in the luxury hotel industry.

© In December, Jin Jiang Hotels China Region attended the Impact Climate Innovation Conference 2023 (specifically, the sub-forum themed "Circular Economy Leads Eco-Innovation for Manufacturing" and roundtable discussions).




HSB Verification at Scale

As a leading multinational hotel group which ranks No.1 in China and No.2 in the world, Jin Jiang Hotels takes on the responsibility of a state-owned enterprise and plays a pivotal role in driving global sustainability efforts in the hotel industry. Beyond vigorous efforts in the industry's transformation towards sustainability, the Company also benchmarks itself against best practices. On April 22, 2022, Jin Jiang Hotels, alongside its subsidiaries Louvre Hotels Group and Radisson Hotel Group, joined forces with other prominent global hotel management groups (totaling approximately 50,000 hotels) to participate in the "Hotel Sustainability Basics (HSB)", initiated by the World Travel & Tourism Council (WTTTC). This framework was officially unveiled at the WTTTC's Global Summit in Manila.

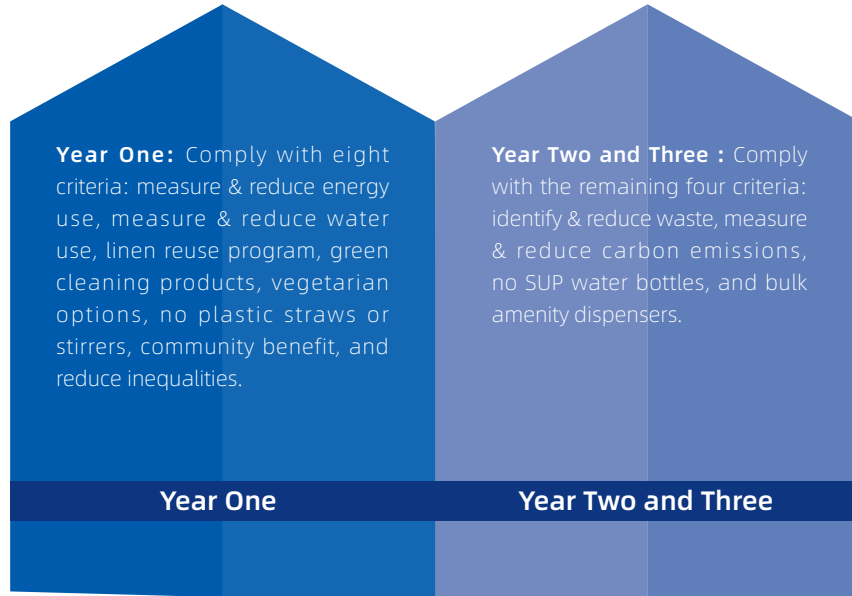
In 2023, HSB garnered endorsement and support from the Global Sustainable Tourism Council (GSTC). In September 2023, Jin Jiang Hotels launched an extensive internal campaign to promote HSB. By the end of December, a total of 702 hotels had met eight of the 12 HSB criteria.

HSB proposes 12 actions spanning efficiency, planet, and people. Hotels are tasked with meeting these criteria within three years. Jin Jiang Hotels requires participating hotels to comply with eight criteria in the first year and the remaining four within three years.

The HSB framework provides a comprehensive set of ESG operational standards for the hotel industry, catering to short, medium, and long-term goals.

 Efficiency	Measure & Reduce Energy Use Measure & Reduce Water Use	Necessary from the outset
	Identify & Reduce Waste Measure & Reduce Carbon Emissions	Should be implemented by Year 3
 Planet	Linen reuse program	
	No plastic straws or stirrers No SUP water bottles Bulk amenity dispensers	At least one of the three criteria should be implemented from the outset and the rest by Year 3
	Green cleaning products Vegetarian options	Necessary from the outset and should be improved by Year 3
 People	Community Benefit Reduce Inequalities	Necessary from the outset and should be improved by Year 3

Jin Jiang Hotels' HSB Three-Year Compliance Pathway:




2024-2025 >>

Driven by the three-tier ESG management framework and integrating insights from global industry authorities like WTTC and SGS, Jin Jiang Hotels incorporates the HSB criteria into daily operations and procurement requirements.

The Company aims to have **3,900** hotels comply with eight out of twelve criterias by 2024, and to accomplish nine out of twelve criterias by 2025.

Jin Jiang Hotels' HSB Development Pathway

From April to August, working closely with SGS, Jin Jiang Hotels formulated Chinese training materials for HSB verification and meticulously mapped out specific efforts in stages. In addition, WTTC approved the use of the GREENKEY-HCMI 2.0 carbon calculation tool by HSB users for self-assessment.

April to August

from August to September

September

By December

December

In September, Jin Jiang Hotels kicked off the large-scale validation process.

In December, J Hotel Shanghai Tower, a prominent landmark of Shanghai, became the first high-star hotel in China to comply with all the 12 HSB criteria.

During the pilot phase from August to September, 14 hotels, covering both limited service and full service hotels, were selected for the first verification pilot.

By December, 702 hotels complied with 8 of the 12 HSB criteria ahead of schedule. Nearly 8,000 individuals engaged in self-training via online HSB courses, and a total of 9,000 participants, including 5,400 participants from franchisees, benefited from online and offline learning sessions.



Case

J Hotel Shanghai Tower, under JJRH, became the first hotel in China to meet all the 12 HSB criteria

✓ Measure & reduce energy use:

J Hotel Shanghai Tower achieved a 90% coverage of green lighting throughout the hotel. By adjusting lighting and air conditioning temperatures in various areas, it kept the annual electricity consumption 3% below budget.

Through enhanced equipment maintenance and prevention of malfunctioning, the total annual energy consumption stayed 3% below budget and maintenance costs 10% below budget.

✓ Measure & reduce water use:

J Hotel Shanghai Tower implemented water-saving measures by maintaining water equipment, regularly inspecting water usage in different areas, and employing water-saving sanitary ware and natural thawing methods in the kitchen to reduce water consumption.

✓ Identify & reduce waste:

The staff actively encouraged guests to order appropriate portions, increased the quantity of main ingredients in the a la carte menu, and promoted the "Empty Plate" campaign at buffets. Customized Chinese and Western vegetarian meals were tailored to guests' tastes to minimize food waste.

✓ No plastic straws or stirrers:

J Hotel Shanghai Tower replaced disposable plastic straws with bamboo alternatives and substituted stainless steel stirrers for disposable wooden ones in guest rooms.

✓ No SUP water bottles:

J Hotel Shanghai Tower promoted the use of water dispensers within the hotel, provided signage of plastic use reduction in guest rooms, offered glass-bottled drinking water, actively recycled plastic bottles, and ceased the sale of bottled water in all restaurants. Glass-bottled water or individually packaged tea and beverages were provided in guest reception areas.

✓ Community benefit:

J Hotel Shanghai Tower actively engaged employees in community activities such as blood donations, charitable contributions, and children's welfare projects. Meanwhile, cooperation with universities was strengthened to cultivate talent in majors such as hotel management and tourism management.

✓ Reducing inequalities:

J Hotel Shanghai Tower achieved targets for hiring people with disabilities and adhered to equal employment and related policies to ensure fairness, transparency, equality, and integrity in recruitment, hiring, promotion, and talent development and training.



Embracing green and sustainable practices has become imperative for the growth of China's hotel industry. JJRH is committed to advancing green, high-quality development, innovating sustainable operational strategies based on its operation realities, and offering industry insights. Currently, 30 hotels under JJRH have complied with the initial 8 HSB criteria and plan to meet all the 12 criteria by the end of 2026, contributing to the green and low-carbon transformation of China's hotel industry.

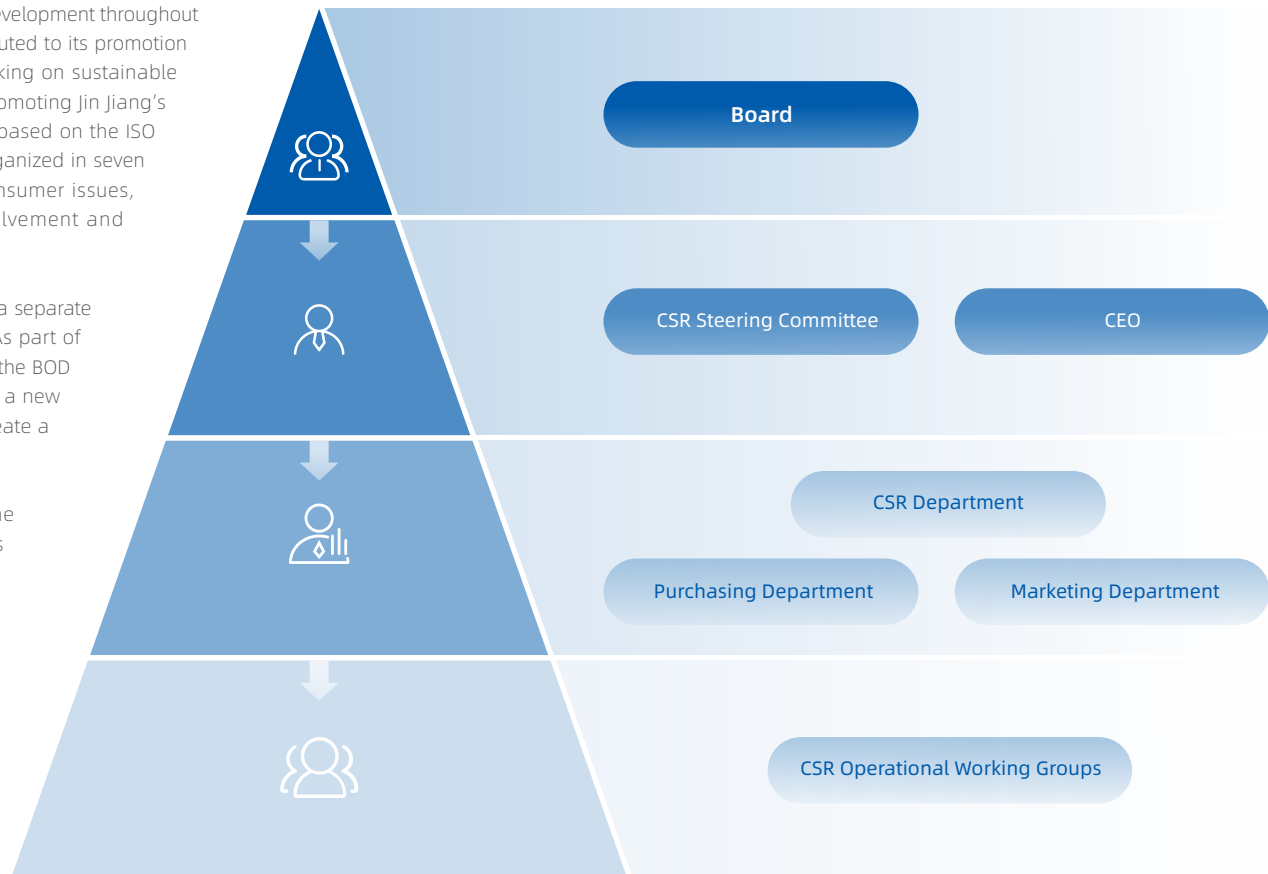
Overseas CSR Achievements- Louvre Hotels Group

Jin Jiang Hotels has been practicing the concept of sustainable development throughout its globalization journey. It acquired LHG in 2015, which contributed to its promotion of global sustainable development. LHG has spent years working on sustainable development and has become an important contributor in promoting Jin Jiang's international sustainable development. LHG's CSR strategy is based on the ISO 26000 standard and Sustainable Development Goals and is organized in seven core subjects: organizational governance, human rights, consumer issues, fair operating practices, the environment, community involvement and development, and labor practices.

The CSR plan is part of the company's strategic 5-year-plan as a separate initiative - reviewed by the CEO and the EC 4 times per year. As part of the five-year plan, LHG's CSR Department is required to update the BOD on KPIs regarding these goals monthly. Also, LHG will introduce a new tool in 2024 to track the progress of regulatory projects and create a dedicated reporting.

To help add granularity to the management and promote the whole Group's CSR development, the CSR Department has created an internal linkage mechanism with other departments to ensure that there are CSR professionals guiding CSR-relevant work in every single department at LHG.

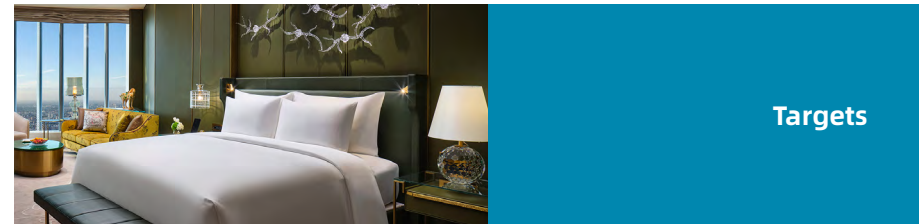
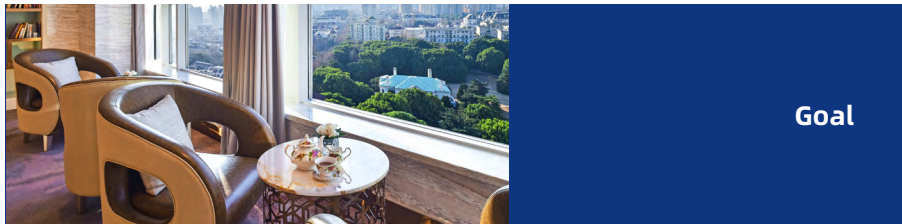
LHG has joined environment-concerned associations and advocacy organizations—it is a founding member of the industry initiative Sustainable Hospitality Basics (HSB) and of the CSR Director College, as well as several working groups in the French and European hospitality industry.



LHG's CSR Goals for Year 2025

LHG has edited a global 5-year plan for CSR, based on the United Nations 2030 Sustainable Development Goals.

LHG's plans for its CSR goals across different dimensions with actions



Environment

The environment is part of LHG's CSR strategy. LHG has a five-year plan for sustainability development in which all key elements of "responsible business" are linked to the environment. All board members monitor this topic and constantly track the CSR KPIs to ensure the five-year plan goals will be achieved.



Environment

- All LHG hotels will be verified by the Hotel Sustainability Basics verification program by the end of 2025
- Get SBTi certified
- Reduce energy consumption in owned and leased hotels (a reduction of 40% by 2030, 50% by 2040, and 60% by 2050)
- Achieve zero carbon emissions by 2050.
- Reduce food waste by 50% by 2030 and keep 30% of waste out of landfills
- Edit a first reporting document for the group



Society

LHG is committed to advancing the sustainable development concept across the company and in communities where it operates, promoting policies and plans across the company, and strengthening our commitment to stakeholders to make a meaningful impact on sustainable development.



Society

- By the end of 2025, 50% of suppliers to be EcoVadis certified
- By the end of 2025, our EcoVadis score to reach 65 (on a scale of 0 to 100)
- By 2025, all of our employees to have an awareness of disability, with hotel managers competent in integrating people with disabilities into hotel operation and workflow



Environmental responsibility



Actions



Environmental management

LHG has launched a global retrofit program to enhance its buildings' energy systems, incorporating solar panels, eco-friendly materials, LED lighting, and thermal insulation. During the five-year plan period, the CSR, technical, and procurement teams will collaborate extensively to integrate the new environmental standards into this retrofit. The group is working to achieve -40% of energies reduction by the end of 2030 in all its owned hotels.



Energy & Carbon management

Emissions in France decreased by 31% between 2019 and 2022, due to a reduction in energy consumption, the number of employees and turnover. In Germany and Poland, emissions increased slightly (+3% and +5%), mainly because of the increase in turnover. LHG is currently working on its global carbon reduction plan by country and listing its ambitions for 2030, via SBTi. The targets and trajectories of the reductions will be validated by SBTi in 2024 (cf 5YP).



Waste management

LHG is committed to reducing the use of disposable plastic products:

- All free plastic bottles, stirring sticks, plastic bags, etc., have been removed from hotels.
- We've used alternatives such as Tetra Pak bottles and glass bottles (both recyclable).
- LHG works with suppliers to reduce waste during shipping.
- LHG has launch a new procedure to recycle biowaste from its restaurants in all French hotels

LHG works towards reducing food waste in restaurants, joins hands with the Too Good To Go platform to reduce food waste, and provides staff with training sessions in sustainable cooking, etc. In 2023, 293 used TGTG platform and 115t of CO₂eq where saved by the group.





Social responsibility



Actions



Supplier management

Starting in 2025, LHG will subscribe to EcoVadis platform, which will allow it to analyze suppliers' behavior in depth and identify those at risk.



Employment management

- LHG prohibits the employment of anyone under the age of 16 and the purchase of products from suppliers who engage in child labor.
- LHG prohibits sexual harassment. If an employee has experienced harassment, he/she could file a complaint with his/her supervisor, other employees, or the Human Resources Department at any time. If an alleged harassment is found to be true, the company will impose punishment fairly and impartially in accordance with applicable local rules.
- LHG's employees come from more than 80 countries.
- LHG has been carrying out activities at its hotels and headquarters to raise employees' awareness and help prevent relevant rule-violating practices. LHG through its partnership with Tous Hanscène and the DuoDay campaign, has managed to raise employees' awareness of disability issues.



Human rights and benefits

- LHG implements the HCR collective agreement (Convention Collective Nationale des hôtels, cafés restaurants) to ensure compliance with the principle of equal pay for equal work.
- On top of the remuneration level specified in the CCN, LHG gives a 13th-month bonus, recognizes relevant experience where appropriate, and provides compensatory time off (up to 3 days per year) for night shift workers, etc.
- Since 2022, LHG has introduced a system for determining the remuneration levels of different positions to ensure internal equality and that such remuneration is competitive externally.
- LHG employees are allowed to work from home for two days per week.
- LHG provides healthcare coverage and benefits for its employees.
- LHG offers platforms where employees' voices are heard, and they can access social assistance, housing assistance, or social relief.
- LHG ensures employees, who are on maternity leave, can still receive their full salary (this policy is based on a certain salary level).
- In addition to benefits stated in the CCN HCR (regarding marriage, childbirth, death, employees' children's illness, etc.), employees are allowed to take time off for family events.

LHG conducts annual performance reviews that allow employees to assess their workload and strike a balance between work and life.



Social responsibility



Actions



Training and promotion

- LHG always looks at what job applicants want for the job first before checking their educational background.
- LHG trains its recruits through its Corporate University, which offers a variety of training courses, including some that could lead to certification or even a degree. The training program includes four training categories (health and safety, job opportunities, management and individual development, and courses and certification) and more than 90 items.



Customer service and protection of their data and privacy

- LHG uses Salesforce as a case management tool to make customer-requested improvements and collect information through various channels (website contact forms, emails, social networks, and caller-ID) to better analyze customer needs.
- LHG monitors online reputation by using an analytical and semantic tool (TrustYou) where it lists online comments from all platforms/OTAs and, based on the score given by TrustYou and hotels' KPIs, sets goals for the brand and its hotels.
- LHG's Customer Service Department has established and centrally managed the customer data system (including customers' rights to delete personal data and object to commercial communications) and has assigned people to manage its subsidiaries' networks and realized digital processing and registration that can be accessed by the headquarters. LHG has developed its privacy policy, which customers can look up on the website, and execute a cookie consent procedure on the website.



Giving back to the community

- In 2023, LHG partnered with the Maud Fontenoy Foundation to work together on marine conservation. LHG raised € 19,000 for the foundation.
- In 2023, 26 French-based hotels have hosted 180 charity night events through Solikend. And € 12,000 was raised for 30 different associations.

LHG's index-wise performance

LHG's Occupational Equity Index is 93% .

The average training time at LHG is 14 hours. Each training session (with certification courses excluded) lasts 4 days at most.

3

Upholding Robust Governance with Efforts

Corporate Governance
ESG Governance
Digital Governance





Corporate Governance

★ Consolidating the Foundation of Party building

2023 was the first year for fully implementing the guiding principles from the 20th National Congress of the Communist Party of China (CPC). It was also crucial to implement the 14th Five-Year Plan. Under the leadership of the Group's Party Committee, Jin Jiang Hotels' Party Committee continuously followed the guidance of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era. We comprehensively studied and implemented the guiding principles of the 20th CPC National Congress. In addition, we enhanced our consciousness of the need to maintain political integrity, think in big-picture terms, follow the leadership core, and keep in alignment with the central Party leadership; stayed confident in the path, theory, system, and culture of socialism with Chinese characteristics; and upheld Comrade Xi Jinping's core position on the Party Central Committee and in the Party as a whole and upheld the Central Committee's authority and its centralized, unified leadership. As a result, the Party's line, principles, and policies, as well as major decisions and work arrangements are implemented at superior level in Jin Jiang Hotels.

The Jin Jiang Hotels' Party Committee adhered to the Party's overall leadership over state-owned enterprises and strengthened the Party's leadership in improving corporate governance to promote high-quality Party building. We focused on Party building in promoting our market-oriented reform. We continuously played the leading role of Party building in ideological and political areas, talent team development, and corporate culture cultivation to achieve in-depth integration and mutual promotion of Party building and corporate governance. This was done to embark on a new journey of high-quality development in Jin Jiang Hotels under the guidance of high-quality Party building.

28

hotels under Jin Jiang Hotels received guests for CIIE

340

employees in Jin Jiang are CPC party members

3,709

employees participated in the CIIE reception tasks

Strengthening top-level design of Jin Jiang Hotels with a high-level political stance

We always kept in mind that party leadership and building the role of the Party are the root and soul for state-owned enterprises. The Party Committee of Jin Jiang Hotels has always given top priority to political work of the Party. We adhered to the Party's leadership over state-owned enterprises and the establishment of a modern enterprise system. The Party Committee strictly implemented rules for the following: decision-making procedures by party committees, prepositive procedures for major matters and a system for decision-making, the appointment and removal of important cadres, investment decisions on major projects, the use of large-value funds, and the First Issue system. The Party Committee held 42 meetings to discuss 128 issues and 38 administrative meetings to discuss 161 issues to improve the political judgment, political comprehension, and political execution of leading cadres.

We strengthened theoretical study to establish firm ideals and beliefs. The Party Committee has taken the high-quality thematic education as an important measure to study and implement the guiding principles of the 20th CPC National Congress. Adhering to the principle of "reading the original works and comprehending the fundamentals," the Company participated in the Group's reading class for seven days and organized the central group of the Party Committee to hold nine sessions for studying. The Party Committee concentrated on studying and implementing the guiding principles of important speeches from a conference about Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, Xi Jinping's important speeches on building a new development pattern and promoting high-quality development of state-owned enterprises, Xi Jinping's important speeches during his inspection of Guangdong, as well as the important discourses he made on establishing and practicing the correct view of political achievements. Additionally, this was all done in line with the decisions and work arrangements of the CPC Central Committee.

We consolidated the building of basic organization, teams, and systems at a grassroots level with the pursuit of excellence. The Party Committee strengthened the building of grassroots Party organizations by establishing demonstrations for building Red Flag Party organizations and Party branches to further elevate its Red Flag Party organizations as a role model. It has significantly promoted the standardized, systematic, and exemplary building of Party organizations through centralized training and observation and exchange. This was done to consolidate the building of basic organization, teams, and systems at grassroots level.

We Fully served the China International Import Expo (CIIE) with powerful organizational safeguards. The Party Committee made full preparations for the CIIE in alignment with the highest standards, and strictest requirements according to the instructions of the General Secretary Xi Jinping on the growing success of CIIE and the requirements of the Group's Party Committee. These instructions addressed implementation of the Party's line, principles and policies, as well as major decisions



and work arrangements of the CPC Central Committee. During the CIE, a total of 28 hotels under the Company were used for receiving guests, including 15 high-end hotels, with 4,459 rooms being used for delegations and 4,039 attendees for meetings and banquets. A total of 340 party members and 3,709 employees from Jin Jiang Hotels offered services to guarantee the smooth operation of the CIE.

We boosted high-quality development by deepening market-oriented reform. According to the work arrangements by the Group's Party Committee, the Party Committee focused on the reform of labor, personnel, and distribution systems to guarantee the implementation of market-oriented reform.

Strengthening the talent pool to support Jin Jiang Hotels following the principle of placing cadres under Party supervision

We also focused on the growth of youth and creating a talent pool. With the policies of adherence to standards, acceptable quality, improved structure, and cautious development, Jin Jiang Hotels pays attention to the development not only of Party members from the frontier business segments, but also young employees and backbone employees. Under further guidance from the Party Committee, the Party organizations established scientific and reasonable working systems for Party member development.

We selected and appointed excellent cadres according to stricter political criteria. The Party Committee improved the discovery, training, and selection of excellent young leaders. This was done in accordance with the overall requirements for increasing the proportion of representatives from the frontier business segments, female representatives, those under 45 years old, as well as those with high school education or above, and decreased proportion of representatives from leading cadres. It has also taken multiple measures to promote the structural optimization of the leadership talent team.

We deepened the reform of personnel systems and systematically made plans for the building of the talent teams in the new era. The Party Committee shall set the right direction, keep in mind the big picture, ensure the implementation of Party policies and principles. Since the start of this year, the Company's headquarters have completed organizational changes from the original six departments and three offices to five departments and three offices. Each department has achieved overall management of its subsidiaries in human resources, legal affairs, finance, auditing, and information. The headquarters have completed the system for fixed posts, allocations, and number of staff members in its Human Resource Management (HRM). The personnel compensation has been fully reformed according to a market-oriented and scientific salary system. A total of 14 high-star directly-operated hotels under JJRH have fully completed the system of fixed post, fixed allocation, and fixed number of staff members in its HRM. They also completed the compensation reform and established their own assessment mechanisms. The Party Committee made more efforts for talent promotion, cadre exchange, and on-the-job training according to the requirements

of team leading and business management. It also created conditions to encourage internal circulation in Jin Jiang Hotels and consistently promoted exchange mechanisms among talents. This was done to boost the circulation of cultivated talents in Jin Jiang Hotels.

We provided comprehensive service guarantees for veterans with political respect and concern for life. First, the Company established and improved the organizational structure and leadership management system for veteran cadres. Second, the Company strictly implemented the welfare policy for veteran cadres. Finally, the Company did practical things, solved difficulties, and performed service acts for veteran groups.

Adhering to strict governance under the Party and continuously developing Jin Jiang Hotels' work style

The Company has been engaged in the development of incorruptible culture by implementing the educational system concerning clean governance through talks, books, an educational film, an exam, a commitment letter, and a copy of "The Seven Don'ts." The Company strengthened and promoted the development of systems such as the Measures for Internal Management by the Commission for Discipline Inspection, Assessment Measures for Strengthening Party and Government Conduct via Four-responsibility Coordination Mechanisms with Strict Governance Under the Party, Measures for Supervision by the Commission for Discipline Inspection, and Measures for Discipline Enforcement by the Commission for Discipline Inspection. The Company also consciously built a strong ideological line of defense against corruption by self-examination and self-correction. In 2023, the Company's acceptance of reports, clues, and cases had a completion rate of 100%.

The Company consistently corrected the four forms of decadence: formalism, bureaucratism, hedonism, and extravagance, according to the CPC Central Committee's eight-point decision on improving Party and government conduct. The Discipline Inspection Commission of Jin Jiang Hotels resolutely implemented the guiding principles of the CPC Central Committee's eight-point decision on improving Party and government conduct. They also closely monitored key personnel, important time nodes, and major projects to prevent hidden variations, new trends, and new manifestations in those four forms of decadence. First, they promoted the short, practical, and new literary style, standardized the performance-related remuneration and business expenditure of leading groups, and strictly implemented the guiding principles of the CPC Central Committee's eight-point decision on improving Party and government conduct, as formulated by the Company in Implementation Rules for the Management of Performance-related Remuneration and Business Expenditure of Corporate Leaders. Second, they developed measures for risk control after investigation into Party and government conduct (areas, posts, and personnel at risk). Third, they emphasized the implementation of the dual contract mechanism and signed integrity contracts while strictly enforcing the terms of business contracts for engineering, purchase, and sales. This provided strong



guarantees for deepening reform and promoting its strict governance under the Party. Fourth, they reminded all its Party members of integrity via WeChat during New Year's Day, Spring Festival, and other important holidays. Fifth, they strictly implemented the educational system concerning clean governance through talks, books, an educational film, an exam, a commitment letter, and a copy of "The Seven Don'ts". They also conversed with critical minorities such as new or dispatched cadres. In this year, the Discipline Inspection Commission conversed with 32 new groups and four dispatched groups in regards to integrity, to establish a strong sense of responsibility and discipline among new cadres.

The Company improved normative procedures and enhanced discipline supervision and enforcement. The Party Committee regularly listened to the work reports and suggestions from the Discipline Inspection Commission of Jin Jiang Hotels. We also strengthened supervision on the system for decisions on major matters, appointment and removal of important cadres, investment decisions on major projects, and the use of large-value funds. The Secretary of the Discipline Inspection Commission regularly participated in the Party Committee's meetings to listen to the progress of priorities and give supervisory opinions on 19 decisions, including the aforesaid major items.

The Company strengthened the guidance of political thought and improved the Party's capability in ideological work. As required by the Group's Party Committee, the Company developed A List of Responsibilities of Ideological Work in Jin Jiang Hotels, which was distributed to the Party organizations of all subordinate enterprises. This was done to uphold the ideological position with a high-level political stance and a clear mind. In this year, the Company collected the information of democratic parties and non-Party personages of all subordinate enterprises to fully implement the Regulations on United Front Work of the Communist Party of China and give full play to the role of non-Party personages in the reform, development, and construction of Jin Jiang Hotels. the Company also created conditions for better communication and coordination to conduct different forms of conversations and exchanges with non-Party personages.

Striving to achieve harmony and stability of Jin Jiang Hotels in a people-oriented manner.

Achievements were made with consensus. The Party Committee strengthened the leadership of the Party over labor unions, adhered to the system of employees' representatives conference intensified the Company's democratic management, and safeguarded the legitimate rights and interests of employees.

We provided effective assistance by focusing on main responsibilities. A sound mechanism that features three-level assistance has been established to remove any difficulty or anxiety for employees who are ill and in difficulty. During the Spring Festival in 2023, Jin Jiang Hotels assisted 93 employees in difficult situations with a total amount of RMB 286,200. During the CPC Founding Day, it assisted 89 employees with a total amount of RMB 201,400. The Group assisted 8

employees who were seriously ill, with a total amount of RMB 80,000. the Company also applied for health insurance for female employees, and provided air conditioning in the heat of summer and heat in the cold of winter. Moreover, we visited front-line employees who were exposed to high-temperature conditions in 31 enterprises and 39 stores. We were proactive in responding to the special campaign for helping students and took part by "lighting micro-wishes". We also purchased school supplies for 9 children of employees in difficult situations.

We make achievements in service development by serving the central tasks. In accordance with the requirements of the Group's Party Committee on Daxing investigation and research, the Party Committee effectively served all employees in a practical style. Both ESG Material Topics and HSB Implementation, and Party-Mass Collaboration for a Healthy Life were selected as typical cases of key minor matters for the Company's development. Moreover, the Labor Union of Jin Jiang Hotels successfully held the first session of the first employees' representatives conference and workers' representatives conference at the beginning of this year to improve democratic management.



93

employees received financial assistance during the Spring Festival in 2023

RMB 286,200

in total

89

employees received financial assistance on the CPC Founding Day

RMB 201,400

in total

8

employees facing serious illness received financial assistance

RMB 80,000

in total



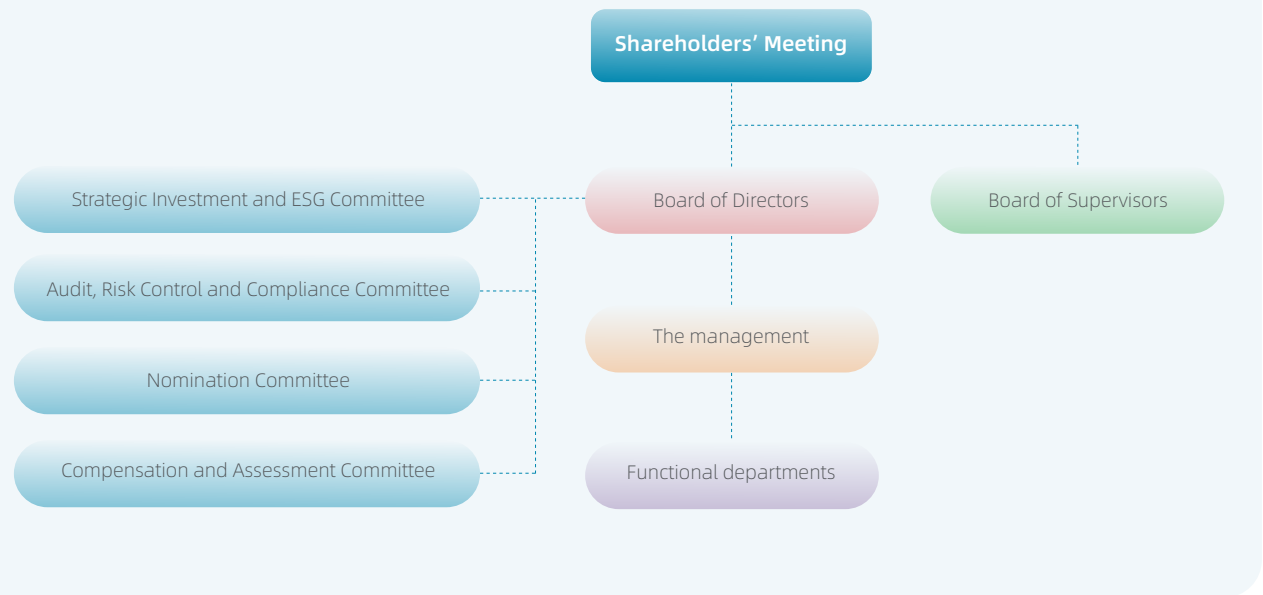
Robust Corporate Governance

Overview

Jin Jiang Hotels strictly abides by the provisions laid down by the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, as well as the Articles of Association. The Company is engaged in business management in compliance with the requirements of the China Securities Regulatory Commission (CSRC) for normative documents on corporate governance of listed companies. Emphasizing standardized governance and ongoing improvements to the governance system, the Company is committed to sustainable development through ethical conduct, integrity, and robust internal control systems.

Governance structure

Organizational Structure Chart of Jin Jiang Hotels



Board of Directors and the Management

Jin Jiang Hotels has built a corporate governance structure in which the Shareholders' Meeting, Board of Directors, and the management occupy a core position.

As the decision-making body for business operations, the Board of Directors is responsible for finalizing the plans for the Company's businesses and investments, developing plans for the Company's profit distribution and losses recovery, developing plans for increasing or reducing registered capital, issuing bonds or other securities, and listing scheme, developing plans for major acquisitions or changes in the corporate form, finalizing the establishment of the internal management departments as well as the remuneration, rewards and punishments, and developing basic management systems.

The Audit, Risk Control and Compliance Committee under the Board of Directors is responsible for the communication, supervision, and verification of internal and external audits. On behalf of the Board of Directors, it is responsible for supervising and inspecting the management's operations, the formulation and implementation of internal control systems, the formulation of risk management strategies and solutions, as well as the risk control, management, supervision, and evaluation of major decisions, significant events, and important business processes. It shall also undertake the organizational leadership and overall coordination of compliance management, finalize the major issues in compliance management, or provide opinions and suggestions to guide and supervise compliance management. The Strategic Investment and ESG Committee is responsible for studying and making recommendations on the Company's long-term development strategy, major investment decisions, ESG-related strategies, plans, and major decisions. The Nomination Committee is responsible for selecting the candidates for directors and senior executives and making recommendations on the selection criteria and procedures. The Compensation and Assessment Committee is responsible for developing and implementing the assessment criteria for directors and senior executives. It shall also formulate and review the compensation policies and plans for directors and senior management staffs.

There are special committees set under the Board of Directors, among which the Audit, Risk Control and Compliance Committee, the Nomination Committee, and the Compensation and Assessment Committee are dominated by independent directors, accounting for 66.7%, thus ensuring the independence of these committees.

As of the end of the reporting period, the Board of Directors of the Company is composed of 9 directors, including 2 female directors, 4 independent directors, and 4 external directors. With different backgrounds and majors, they possess professional knowledge and rich experience in risk management, corporate theory, financial accounting, IT, and corporate governance.

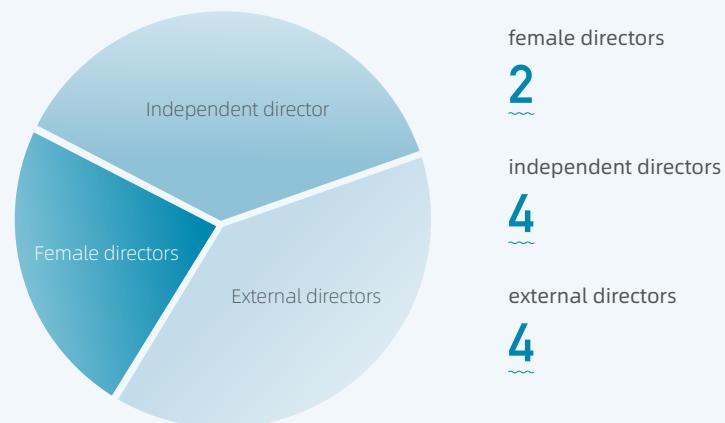
Diversified board members ultimately help the Company achieve its sustainable development goals with greater market-oriented governance. The candidates from diverse backgrounds are fully respected with comprehensive consideration rather than relying on only one of the factors such as professional experience, educational background, work seniority, age, gender, and culture.

The Chairman and the CEO of the Company are held by different individuals. Mr. Zhang Xiaoqiang serves as the Chairman, and Ms. Shen Li serves as the CEO.

Board structure

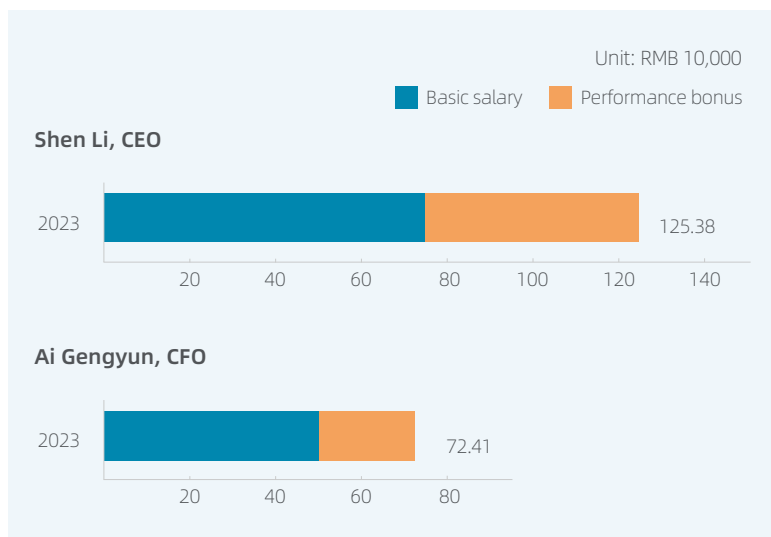


Proportion of directors



Compensation of senior management staffs

The compensation of senior management staffs consists of basic salary and performance bonuses. Performance bonuses are linked to the letter of responsibility for corporate operations and individual scores in assessment. For CEO, the compensation consists of 60% basic salary and 40% performance bonus. For CFO and other vice presidents, the compensation consists of 70% basic salary and 30% performance bonus.



Investor relations (IR)

The Company has improved the platform for communication with shareholders by constantly strengthening its investor relations management (IRM) in accordance with the Investor Relations Management System. Moreover, the Company communicates with investors through multiple channels while strictly implementing information disclosure in accordance with regulatory requirements.

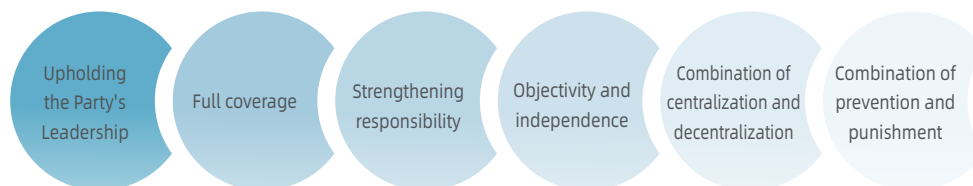
In 2023, the Company held three meetings on a regular basis for performance reporting, receiving over 400 IR hot-line calls as well as 100 surveys from 1,015 securities firms and professional investment institutions. This was done to safeguard investors’ rights to be informed and to participate so that they are fully aware of the important affairs of the Company.

Upholding Compliance Operation

Compliance management systems

In order to prevent the risk of violations and promote robust business operations, the Company formulated the Measures for Compliance Management of Shanghai Jin Jiang International Hotels Co., Ltd. in accordance with the Company Law of the People’s Republic of China, the Law of the People’s Republic of China on State-owned Assets in Enterprises, as well as the Measures for the Compliance Management of Enterprises under the Supervision of SASAC of Shanghai Municipality. To implement the Measures for Compliance Management of Shanghai Jin Jiang International Hotels Co., Ltd., the Company also formulated the Implementation Rules for Compliance Reporting Mechanisms of Shanghai Jin Jiang International Hotels Co., Ltd.

Principles of Compliance Management Measures



Structure of compliance management systems

The Party Committee of Jin Jiang Hotels shall set the right direction, keep in mind the big picture, ensure the implementation of Party policies and principles. As a result, the compliance requirements are strictly followed within the Company. The Board of Directors of Jin Jiang Hotels plays a role in formulating strategies, making decisions, and preventing risks. As a special agency for compliance management, the Audit, Risk Control and Compliance Committee under the Board of Directors is responsible for implementing and coordinating the compliance management systems.

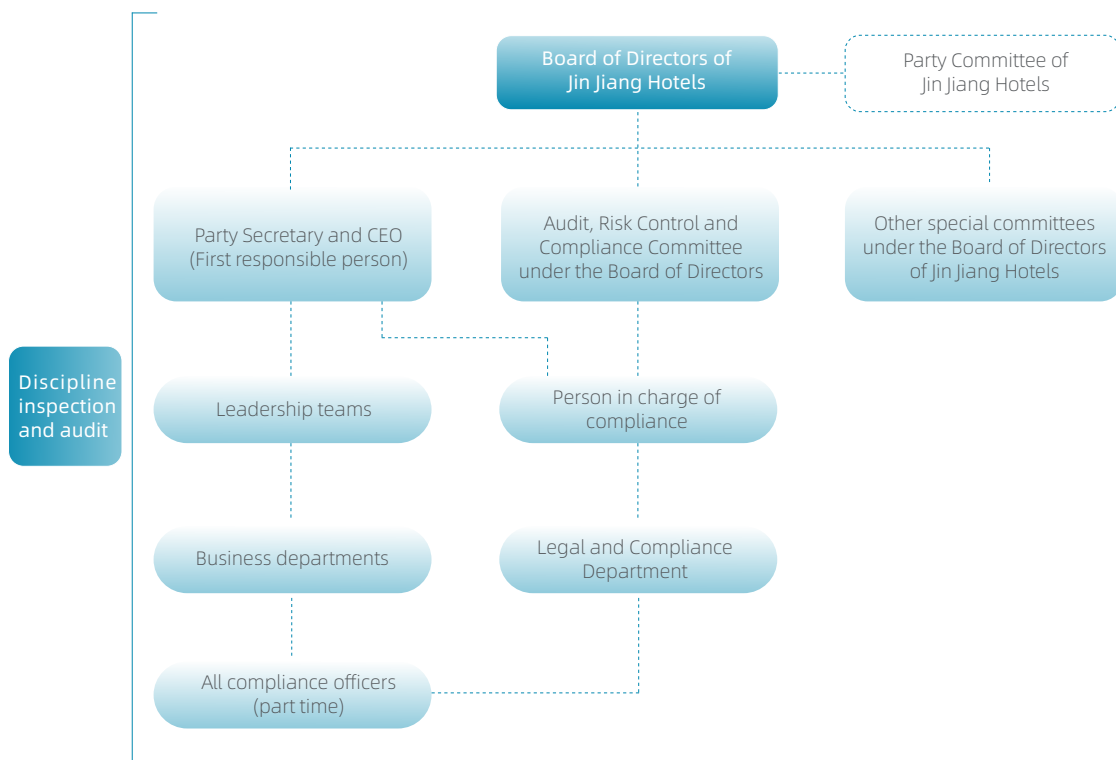
As the compliance management governors, the leadership team composed of senior management staffs from Jin Jiang Hotels played a role in business planning, promoting implementation, and management reinforcement. They are responsible for defining the Company's compliance management process and taking measures to promote the effective implementation of compliance systems. Moreover, Jin Jiang Hotels has appointed a person to lead all compliance management departments in performing tasks and provide guidance for all subordinate companies.

As the department taking the lead in compliance management, the Legal and Compliance Department is responsible for drafting compliance management systems, reviewing major projects, and identifying compliance risks. It is the second line of defense for compliance management.

As the first line of defense, all business departments of the Company take charge of daily compliance management in their respective business areas. The compliance officers for business departments are responsible for identifying and evaluating the compliance risks in their respective departments, as well as collecting new laws and regulations. They are also responsible for compliance management deployment, information reporting, and other tasks concerning compliance management. All employees of the Company are required to assume compliance duties in their employment.

As the third line of defense, the Discipline Inspection Commission and the Audit Department of the Company are responsible for investigating violations and supervising the implementation of compliance requirements.

Structure of compliance management systems



Mechanism for development of compliance management systems

According to the Measures for Compliance Management of Shanghai Jin Jiang International Hotels Co., Ltd., the Company and its subordinate companies have gradually established and improved the compliance management systems based on their actual management.

The compliance management systems consist of basic compliance management system, rules for the implementation of compliance management measures, specific compliance management systems developed for key areas, as well as other required systems and processes.

All departments and subordinate companies have established and improved their respective compliance management systems according to their business scope, business scale, as well as applicable laws, rules, and guidelines.

Training on compliance management

Jin Jiang Hotels was guided by the values of compliance operation and improved level of law-based compliance management to prevent compliance risks. the Company conducted compliance training on its business management and employee performance, and provided a digital platform for its employees to learn compliance.

In 2023, Jin Jiang Hotels held multiple compliance training sessions for its employees and senior management staffs on anti-trust, standardized operations, legal disputes arising from franchising, overseas security, and asset supervision. As of the end of the reporting period, 11,727 employees participated in compliance training, totaling of 12.75 hours.

Related-party transactions

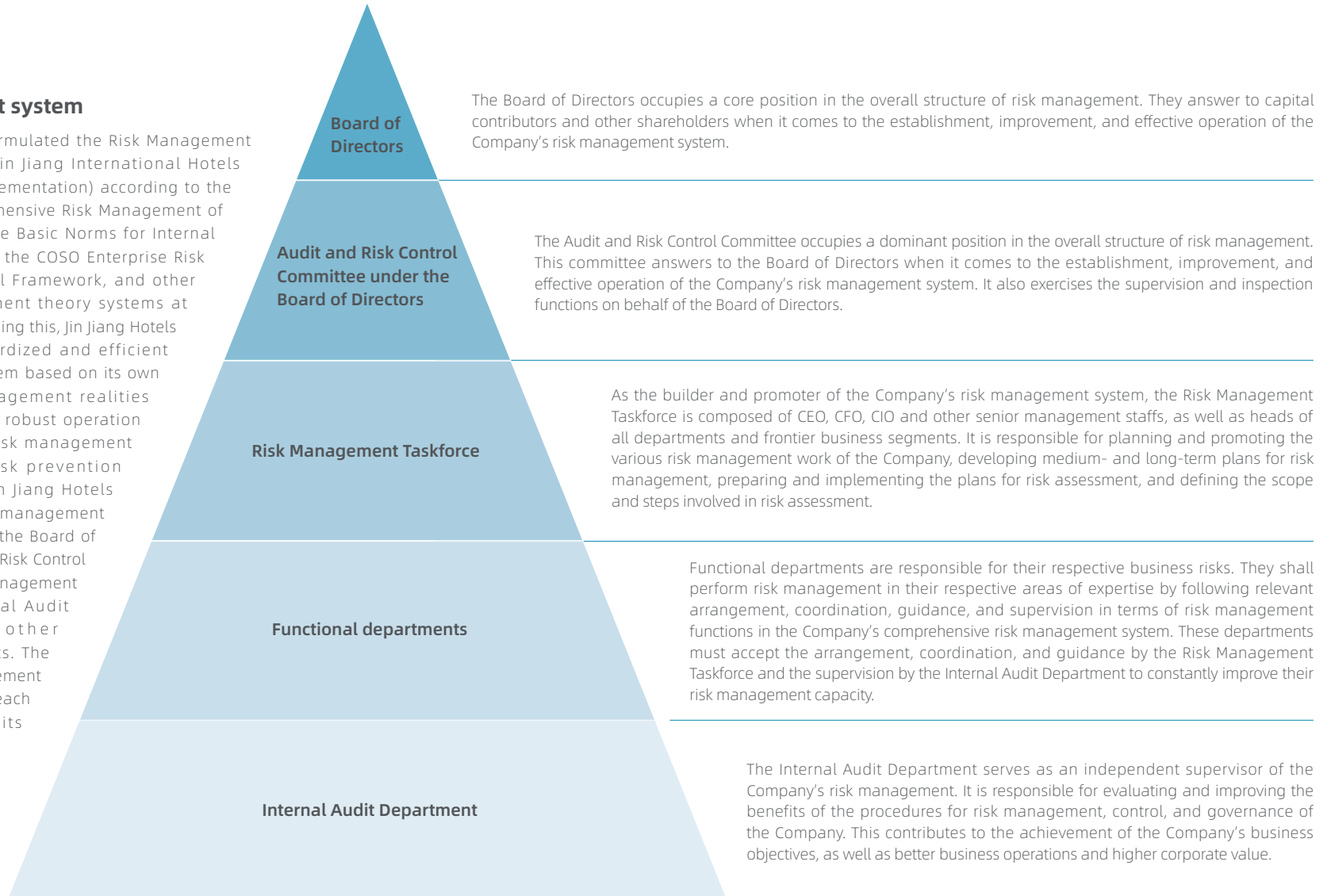
In order to improve the Company’s standardized operations and protect the legitimate rights and interests of the Company and all shareholders, Jin Jiang Hotels has revised the Management System for Related-party Transactions of Shanghai Jin Jiang International Hotels Co., Ltd. in accordance with the provisions laid down by the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, and the Articles of Association of Shanghai Jin Jiang International Hotels Co., Ltd. This system explains the legitimacy, necessity, rationality, and fairness of related-party transactions, and specifies that the Company shall be independent on the basis of fair pricing, compliant decision-making procedures, and standardized information disclosure. Moreover, it specifies that the Company shall not adjust financial indicators in related-party transactions, which may harm the Company’s interests.

Procedures for Risk Management

Risk management system

Jin Jiang Hotels has formulated the Risk Management System of Shanghai Jin Jiang International Hotels Co., Ltd. (for Trial Implementation) according to the Guidelines for Comprehensive Risk Management of Central Enterprises, the Basic Norms for Internal Control of Enterprises, the COSO Enterprise Risk Management - Overall Framework, and other mature risk management theory systems at home and abroad. In doing this, Jin Jiang Hotels established a standardized and efficient risk management system based on its own production and management realities to ensure its safe and robust operation by standardizing its risk management and improving its risk prevention capacity. Moreover, Jin Jiang Hotels has established a risk management structure composed of the Board of Directors, the Audit and Risk Control Committee, the Risk Management Taskforce, the Internal Audit Department, and other functional departments. The Company's risk management was fully promoted at each level by performing its respective duties.

Organizational system of risk management



Procedures for risk management

the Company's procedures for risk management mainly include four steps: risk identification, assessment, response, as well as supervision and improvement. These steps, along with the continuous improvement of the procedures, constitute closed-loop risk management.

Risk identification: The Risk Management Taskforce is responsible for developing a plan for risk assessment and providing guidance for collecting initial risk information by the heads of functional departments. Focus is laid on the initial risk information in four areas: investment, funding, assets, and main business. According to the Company's objectives, the potential risks that the Company may face are divided into six categories, namely strategic risk, market risk, operational risk, financial risk, legal risk, and others. The HR risk, security management risk, and IT risk in operational risk are all based on the identification of ESG risk factors. the Company has developed a List of Risks by preliminary identification of risk issues based on these categories of risks and according to its business characteristics and the initial risk information collected.



Risk assessment: Prior to risk assessment, the Risk Management Taskforce takes the lead in establishing applicable risk assessment criteria based on changes in the Company's business and scale and according to its risk appetite and tolerance. The risk assessment is based on the risk points that each functional department may face. The Risk Management Taskforce takes the lead in reviewing and assessing all risk points shown in the List of Risks, and also verifying and updating risk information through interviews and seminars with relevant personnel.

Risk response: the Company has selected corresponding response strategies to deal with risks based on the assessment results and the causes of risks. The response strategies are risk avoidance, risk acceptance, risk reduction, or risk sharing. the Company then developed a Risk Response Plan in a timely manner according to these strategies, and the actual situation of various risks or each major risk. The plan generally covers specific goals for risk resolution, required organizational leadership, management and business processes involved, conditions, means and other resources required, specific response measures taken before, during, and after risk events, as well as risk management tools.

Supervision and improvement: After regular self-inspection of risk management, all relevant departments of the Company rectify and report the defects identified to the Risk Management Taskforce in a timely manner. The Risk Management Taskforce follows up the implementation of rectification based on the established risk response strategies and control measures. The Internal Audit Department conducts risk-based evaluation on the internal control over major matters on a regular basis.

Internal control

The Company has established an Internal Audit Work System and four implementation rules, and maintained and revised the Internal Control and Risk Management Manual. Besides, Jin Jiang Hotels China Region has formulated the Measures for the Administration of Quality Control over Audit and Inspection of Jin Jiang Hotels China Region according to the Manual for Internal Control Management of Jin Jiang Hotels China Region. The Company conducted compliance assessment, internal audit, internal control testing, and internal control self-assessment in an orderly manner throughout the year. This was done to improve its operational management level and risk prevention capacity for the purpose of achieving further reform and high-quality development. In terms of governance system, the Board of Directors of the Company made reference to the standard system for internal control of enterprises, and the criteria for the identification of defects in internal control applicable to the Company. This was done to distinguish between internal control over financial reporting and internal control over non-financial reporting, and also to identify major defects, significant defects, and general defects according to the corporate scale, industry characteristics, risk appetite, and risk tolerance.

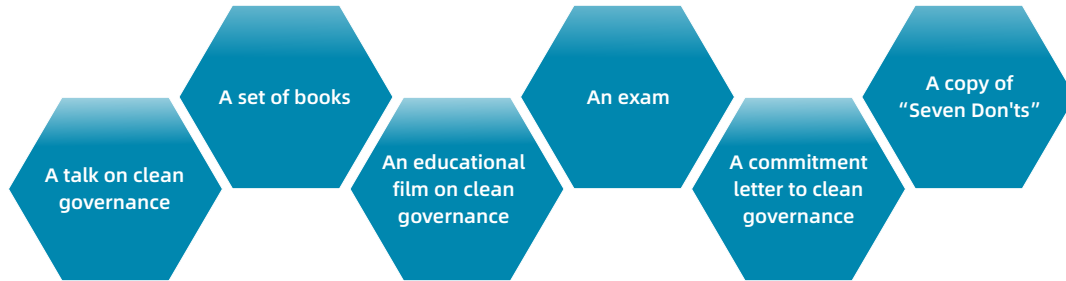
Upholding Business Ethics

Anti-bribery and anti-corruption policies

The Company has been strictly abiding by the anti-commercial bribery laws and regulations. These laws and regulations include but are not limited to China’s Criminal Law, the Anti-Unfair Competition Law, the Interim Provisions on Banning Commercial Bribery, and other applicable laws, regulations, rules, and judicial interpretations concerning anti-commercial bribery. In 2023, the Company formulated the Anti-Commercial Bribery Commitment Letter to regulate and resist commercial bribery or events.

The Company has been engaged in the development of incorruptible culture by implementing the educational system concerning a talk on clean governance, a set of books, an educational film on clean governance, an exam, a commitment letter to clean governance, and a copy of “Seven Don’ts” . In 2023, the Headquarters of Jin Jiang Hotels, Jin Jiang Hotels China Region, Jin Jiang International Hotels Management Co., Ltd., Jin Jiang International Catering Jin Jiang GPP, FSSC, WeHotel, and other relevant companies signed a total of 696 copies of the Letter of Commitment for Incorruption and Self-Discipline of Corporate Leaders of Jin Jiang Hotels China Region.

Educational system



Processing flow



Service hot-line	021-23075362	Email	jdxinfang@jinjianghotels.com
Address	Room 1107, No. 100, East Yan’an Road, Huangpu District, Shanghai		

Whistleblower protection

Jin Jiang Hotels has always attached great importance to protecting the whistleblowers. Jin Jiang Hotels China Region has developed the Rules for Reporting and Investigation Work of Jin Jiang Hotels China Region, and set up email, telephone, official account, letter and other reporting platforms. This was done to encourage all stakeholders to report in the above ways. We have formulated the Whistleblower Protection System of Shanghai Jin Jiang International Hotels Development Co., Ltd. in accordance with the Provisions of the Central Commission for Discipline Inspection and the Ministry of Supervision on the Protection of Informers and Accusers. This was done to ensure whistleblowers (“informers or accusers”) reporting according to law, to safeguard their legitimate rights and interests, and to improve Party conduct and uphold integrity. We strictly protect whistleblowers by keeping all relevant information confidential to prevent any retaliation. The Discipline Inspection Commission of the Company shall be responsible for handling any retaliation against whistleblowers within the scope of its authority. It shall transfer those who have committed crimes to judicial organs for investigation of criminal responsibility according to law.

Training on integrity and compliance

In 2023, Jin Jiang Hotels organized 246 training sessions on integrity and compliance. Attendance reached 13,187 people, totaling 219.5 hours. During the reporting period, we released 15 articles via Jin Jiang Hotels’ official WeChat accounts. These articles cover the remind of integrity during holidays, internal control and anti-fraud publicity, and stories about upholding integrity, with 17,654 readers.



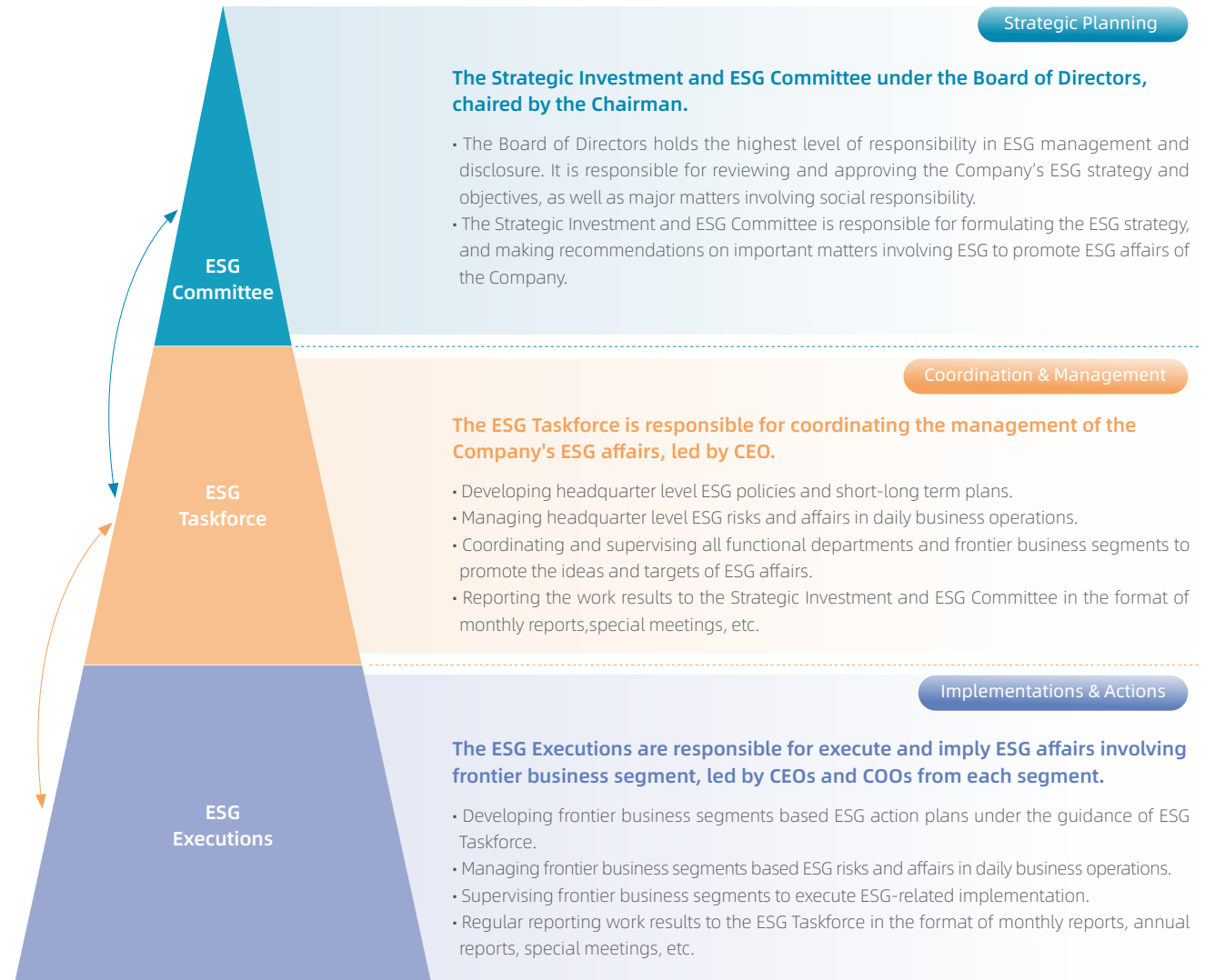
ESG Governance

Sustainable Development Strategy and Governance Structure

Jin Jiang Hotels has been actively practicing the ESG concept, promoting its development to build a unique ESG system and create new core competitiveness. In August 2023, Jin Jiang Hotels set up a Strategic Investment and ESG Committee, led by the Jin Jiang International leaders to oversee ESG initiatives. This committee was formally integrated into the Articles of Association to ensure effective ESG supervision. As a result, a three-tier ESG management structure was established. The Strategic Investment and ESG Committee acts as a supervisor, while the ESG Taskforce led by CEO of Jin Jiang Hotels is tasked with ESG regulation. Furthermore, the ESG Executions of Jin Jiang Hotels' frontier business segments serve as implementers. This structure signifies Jin Jiang Hotels' transition into the era of sustainable development management.

The ESG system of Jin Jiang Hotels complements the Hotel Sustainability Basics (HSB), an internationally recognized standard designed specifically for the hotel industry. HSB covers 12 sustainable development actions, which are structured around three major themes: efficiency, planet, and people. In Jin Jiang Hotels China Region, the HSB promotion and verification has been integrated into the compensation and performance evaluation systems to encourage and supervise the implementation.

ESG Governance Structure Chart



ESG training

To support the Company's improvement in ESG management and meet its stable ESG development, it is crucial to introduce ESG development concept to employees and build teams' ESG capabilities. Jin Jiang Hotels generally provides training on various topics, such as assessment system, energy conservation and emission reduction, circular economy, etc. Professional training sessions are conducted by external or internal lecturers for all employees, utilizing different formats such as online and offline lectures, online courses, or online seminars. As of the end of the reporting period, we have organized 46 ESG training sessions, in which a total of 6,628 employees received training.

ESG training

46 sessions

employees received training

6,628 ppl

Case

Energy Conservation and Emission Reduction Workshop

On May 18, the Brand Support Center under Jin Jiang Hotels China Region held a special workshop on energy conservation and emission reduction. Relevant colleagues were presented with energy conservation and emission reduction solutions, and the most feasible solution was finalized through group discussions and feedback collection. This provided guidance for the Hotel's follow-up work related to energy conservation and emission reduction.



Case

ESG training for representatives from frontier business segments and functional departments

On December 13, the representatives from ESG-related business segments and functional departments of Jin Jiang Hotels were trained on ESG assessment system. The disclosure criteria issued by the SASAC and the MSCI were explained during this training session. For some overseas businesses, refer to the CSRD disclosure rules. This provided theoretical guidance for follow-up work related to ESG management.

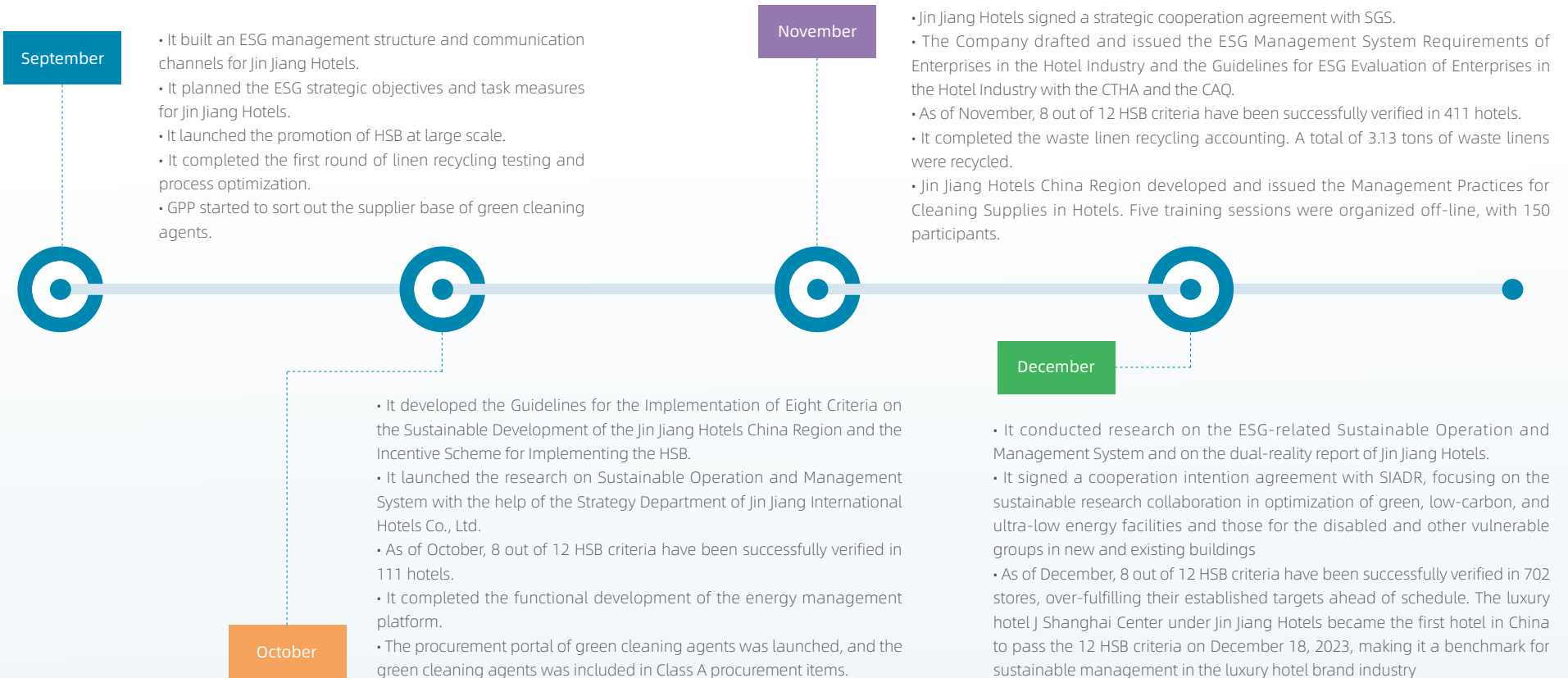


ESG Governance System Development and Business Considerations

Shanghai Jin Jiang International Hotels Co., Ltd. has built a three-layer ESG management structure by 2023 by making sustained efforts to promote the improvement of its environmental, social, and governance (ESG) work. Jin Jiang Hotels' mission revolves around serving national and urban strategies, serving rural revitalization and advancing social welfare. Jin Jiang Hotels is committed to competitively pursuing high-quality development and advocating the adoption of green and low-carbon travel practices within the hotel industry. Moreover, as a prototypical state-owned enterprise that is expanding globally, Jin Jiang Hotels is actively committed to fulfilling its overseas corporation social responsibilities (CSR), practicing the ethos of "a shared future, shared responsibility." With a

focus on green development, Jin Jiang Hotels leads the charge in the green transformation of the hotel industry. The Company has always implemented high-quality and sustainable development in its daily work and took a unique path of sustainable development. The Company, under its ESG management structure, integrated the HSB into the operational management criteria by taking it as the transformation tool for operational sustainable development. This was done to boost the sustainable development transformation of its brands and drive the industry forward by collaborating with related parties in hotel industry. This provided international beneficial references for the sustainable transformation of hotel industry.

Schedule of ESG Taskforce



Identification of and Communication with Stakeholders

Jin Jiang Hotels has been actively communicating with all stakeholders. Taking into account the Company's connection with stakeholders as well as company's own operational circumstances, we have identified government and regulatory authorities, shareholders, customers, industry peers, employees, suppliers, franchisees, and communities as our stakeholders. We fully listen and respond to the appeals of all stakeholders in a timely manner via diverse communication channels.

Stakeholders	Material topics of concern	Communication methods and channels
Government and regulatory authority	Leadership of the Party / Serving major national strategies / Data security / Risk management / Public service	Consolidating the Party's leadership / Serving the national or Shanghai municipal strategy / Implementation of government and regulatory policies / Regular communication and reporting / Seminar
Shareholder	Shareholder equity protection / Corporate governance / Risk management / Compliance management / ESG governance / Business ethics	Shareholders' General Meeting / Regular information disclosure / Investor research / Media communications
Customers	Customers privacy and information security / Product quality and safety / Food quality and safety	Customers service hotline / Jin Jiang Rewards App
Industry peer	Industry development promotion	Participation in industrial cooperation and communications
Employee	Democratic management / Compensation and benefit system / Employee care / Career development / Occupational health and safety	HR Department / Employee training / Employee care events / Employees' representatives conference
Supplier	Supply chain responsibility	Supplier screening / Supplier communication and training / Bidding progress
Franchisee	Investor management	Daily communications / Franchisee events / Industrial forums
Community	Community responsibility	Charity events / Volunteer events / Media release

Evaluation on Material Topics

Mechanism for identification of material topics

Identification mechanism: At the end of 2023, a dual material survey was launched to form a database of issues important to Jin Jiang Hotels by prioritizing the strongly related issues based on the characteristics of the hotel industry, the current situation of the Company, the big data analysis of public opinions, as well as the concerns of the SASAC and the ESG evaluation institutions at home and abroad. It is expected to complete the strategic planning and disclosure of core topics by 2024.

Screening method: We collected relevant information through communication with stakeholders to understand their concerns, thus building a database of topics involving stakeholders. Starting from the two dimensions of "importance to the environment, society and governance of Jin Jiang Hotels" and "importance to stakeholders", we conducted a dual analysis on material topics through interviews with core departments, communication with stakeholders, questionnaire surveys, and discussions among senior management staffs of the Company.



Digital Governance

Data Governance

Jin Jiang Hotels has been actively committed to implementing the important instructions of the General Secretary Xi Jinping on promoting the integration of digital economy and real economy, and also implementing the decisions and work arrangements of the CPC Central Committee and the State Council on creating new advantages of digital economy. This was done to move forward into the era of digitalization for state-owned enterprises. Jin Jiang Hotels China Region has formulated a three-year enterprise data strategy plan, the Data Strategy of Jin Jiang Hotels China Region 2024-2026. Through a comprehensive review of its current status and analysis of both internal and external environments, the plan aims to enhance corporate data governance across various dimensions, including management enhancement, platform development, and capacity building in data management.

Data governance system

Jin Jiang Hotels has built a series of systems to promote its digital deployment while standardizing the data applications and managing the data security. It enables all stages of data acquisition, storage, query, and application in a secure and efficient manner.

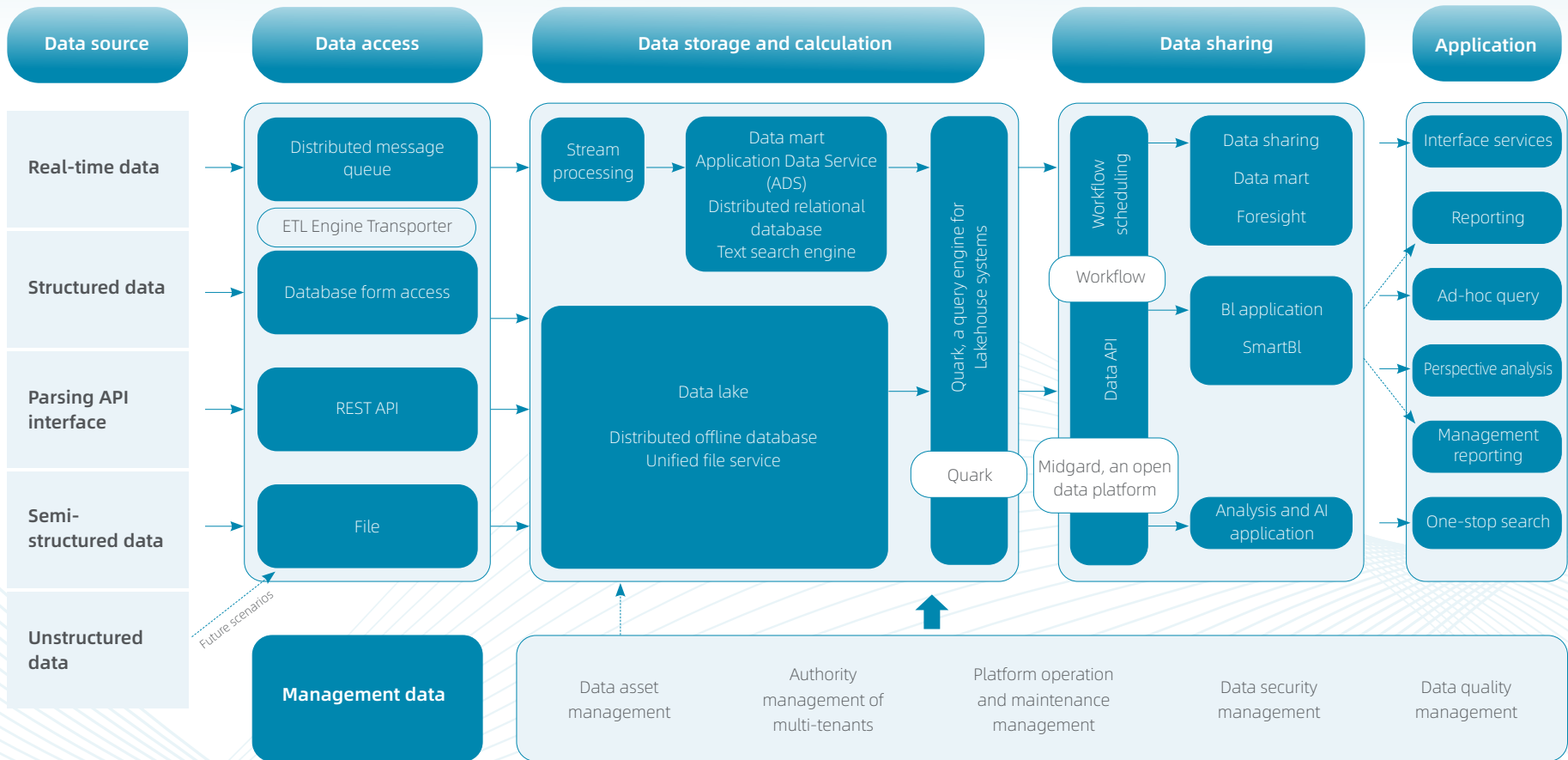
Data Governance Policies of Jin Jiang Hotels

Policies	Highlights
<p>Measures for Data Quality Management of Jin Jiang Hotels China Region</p>	<ul style="list-style-type: none"> - Standardize and strengthen the data quality management of Jin Jiang Hotels China Region; - Promote the establishment of a long-term mechanism for data quality management; - Promote information sharing, improve data quality, and develop the value of data assets.
<p>Measures for Data Application Management of Jin Jiang Hotels China Region</p>	<ul style="list-style-type: none"> - Standardize and strengthen the data application management of Jin Jiang Hotels China Region; - Promote the standardization of data services; - Improve data service and application efficiency, promote business development, and create data value.
<p>Measures for Data Standards Management of Jin Jiang Hotels China Region</p>	<ul style="list-style-type: none"> - Standardize and strengthen the data Standards management of Jin Jiang Hotels China Region; - Improve data quality by unifying the data definitions; - Improve the level of data sharing to promote the application and sharing of data across departments and systems.
<p>Measures for Data Architecture Management of Jin Jiang Hotels China Region</p>	<ul style="list-style-type: none"> - Standardize and strengthen the data architecture management of Jin Jiang Hotels China Region; - Develop a unified data blueprint and rationalize the distribution and circulation of data; - Promote the integration of data across systems and areas; - Meet the data support demands of the Company's business architecture.

Basic platform development

The Company presents a series of processes of data in the architecture through data acquisition, data access, data storage, data management mode, data usage scope, as well as the data presentation approach at the final application layer in the future.

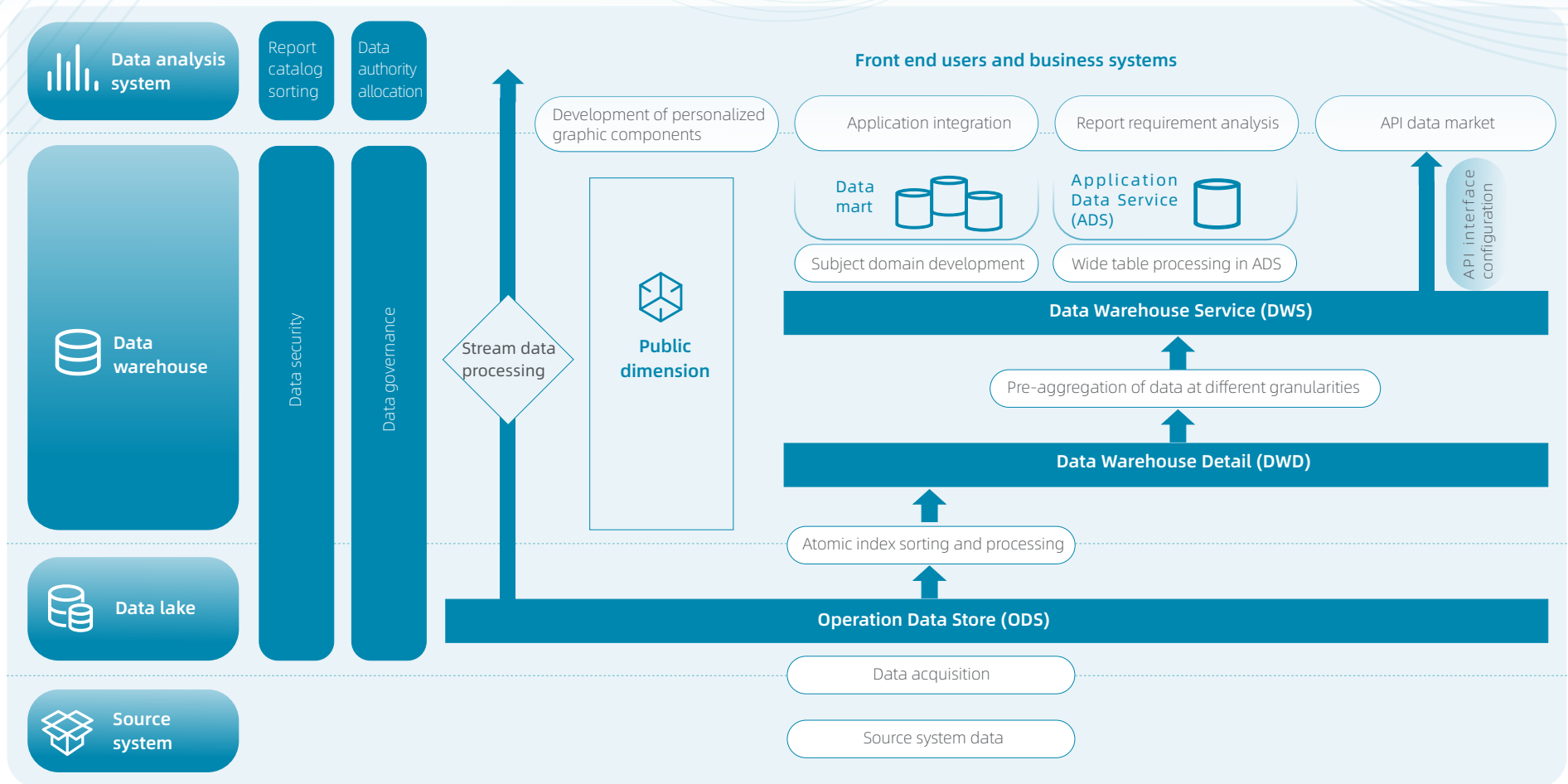
Big Data Platform Structure Chart



Data aggregation and sharing

The Company obtains the source system data through efficient data management in a combination of file and database storage. The data is extracted, cleaned, preprocessed, and transmitted to the ODS layer, where it is classified and stored according to the different types of services. Different data products are produced based on the source data in the data analysis system. Different reports are derived by filtering and extracting data from the data warehouse and matching with the user demands and scenarios to clearly display data dimensions and provide a basis for decision-making.

Data Aggregation Flow Chart



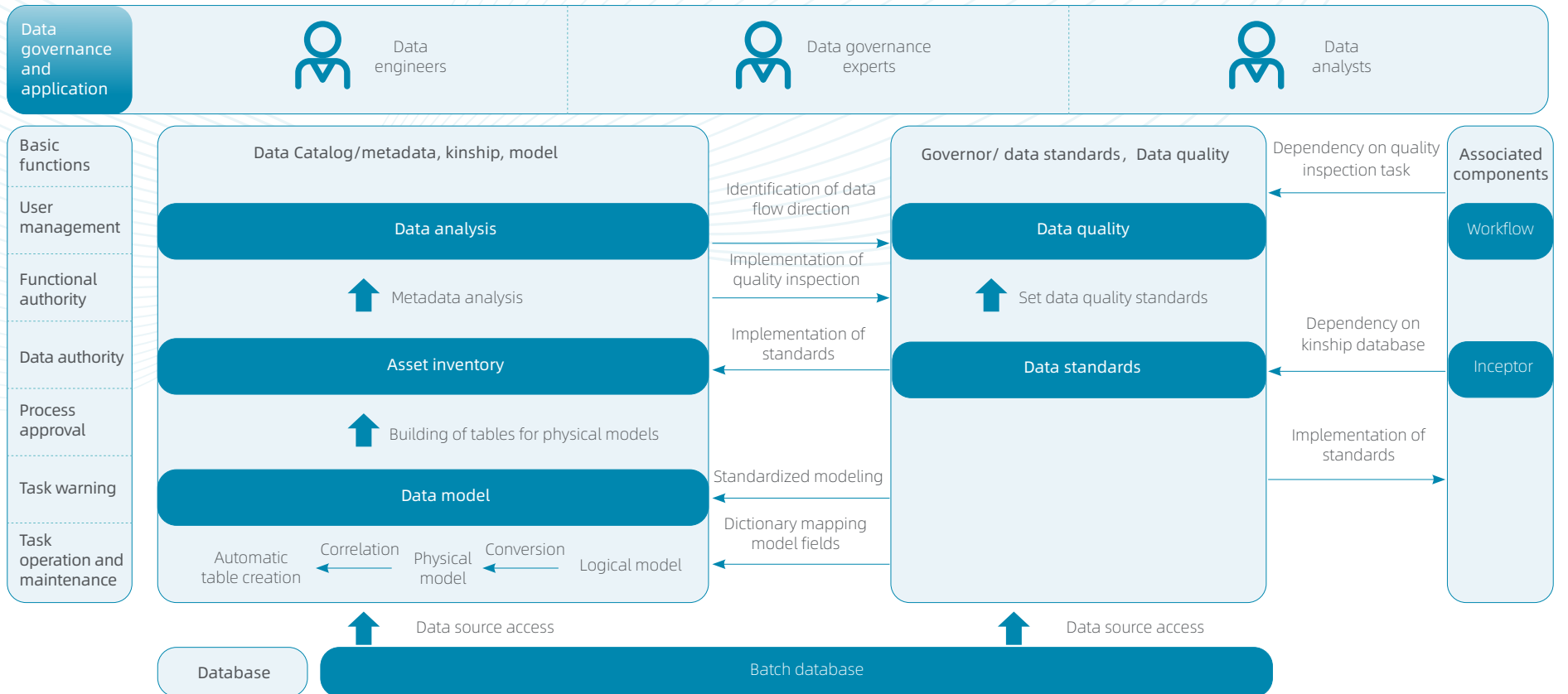
Data governance structure

The data platforms of Jin Jiang Hotels functionally support user management, settings of functional and data authority, process approval, task operation and maintenance, as well as early warning.

The Company transmits the data extracted from batch database to the data processing layer. Different components are used for bidirectional feedback. Appropriate methods are developed for assessing data quality and data criteria to ensure the feature dimensions and value of the data. The processed metadata is analyzed at the application level to assist manual decision-making from a multidimensional perspective.

The catalog of generated data assets and the set data assurance will be transmitted to the experts in governance and application of upper-level data. Data engineers authenticate and manage data sources to ensure the reliability of data models, and also evaluate enterprise assets. Data governance experts inventory data assets, process data issues, and monitor data governance processes. Data analysts conduct in-depth data insights based on the extracted data feature indicators to get a better understanding of the meanings of different indicators. They also focus on data value and make decisions based on the analysis results.

Data governance Structure Chart



Information Security

Jin Jiang Hotels has formulated the Technical Safeguards for Full Process of Data Security, the Personal Information Management Specification, the Regulations on Management of Network and Data Security Incident, the Information Security Management System - Regulations on Management of Data Security of Jin Jiang Hotels China Region, and the Information Security Management System - Information Security Policy and Strategy of Jin Jiang Hotels China Region ("Information Security Policy and Strategy"). This was done to better achieve the information system security management. The Information Security Policy and Strategy specifies that an internal audit mechanism should be established to conduct formal internal audits of the management system according to the audit objectives as scheduled. This aims to make sure the effective system implementation and to achieve systematized and standardized internal audits and inspections. The Information Security Policy and Strategy, as well as the Regulations on the Construction and Management of Network and Data Security Organizations have clearly developed the mechanisms for management of information security incidents and the mechanisms for emergency response to private data leakage so that the information and private data throughout the Company are properly protected.

Jin Jiang Hotels China Region has established an Information Security Committee and an Information Security Taskforce in accordance with relevant laws and regulations and the requirements of Jin Jiang International. This was done to promote the implementation of effective information security management so that the information and private data throughout the Company are properly protected.

WeHotel has established a leading group and a working group responsible for managing network and data security on behalf of Jin Jiang Hotels by developing and implementing the management systems for network and data security.

The Company experienced no private data leakage in 2023.





Business partner data security and privacy protection

Jin Jiang Hotels has always attached great importance to keeping the data and private information of its business partners confidential. For suppliers or partners who may engage in data interaction, it is necessary for WeHotel to review their qualifications and their capabilities to secure private data via OA, a partner creation system. Besides, relevant clauses on data protection are incorporated into contracts, and a separate confidentiality agreement is signed.

Training on data security

Jin Jiang Hotels is devoted to firmly establishing information security awareness among its employees. Jin Jiang Hotels China Region uploaded videos that provided education on information security on its learning platform, Xiangxuetang (Enjoy Learning Classroom). The details include password security training, protection against phishing email, education on awareness of information security, popularization on network security, and protection against malware. Besides, external security vendors and experts were invited for online training. In 2023, a total of 25,188 employees participated in the training, an increase of 49% over the previous year.

Data security safeguards of Jin Jiang Hotels

Jin Jiang Hotels China Region collects, stores, transmits, uses, and destroys data in accordance with laws and regulations. This is done to strengthen the protection of personal information and minimize the risks arising from personal information leakage and abuse:

1. The sensitive personal information is stored and transmitted in an encrypted manner, such as SCA SM4 for storage process and HTTPS protocol for transmission process;
2. In the process of desensitized display of personal information, the number of items displayed is limited provided that it is necessary to display all personal information due to business needs;
3. The access authority varies for different access roles;
4. All data is backed up (including remote backup) on a regular basis via public cloud technology. It is also subjected to validity checking;
5. The media in which sensitive information is stored are physically destroyed with shredders or by punching holes in hard disks.

25,188

employees engaged in Xiangxuetang

49%

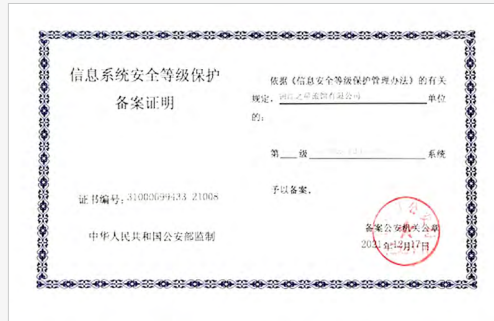
increase compared to 2022

Case

Online Training on Information Security conducted by Wehotel

WeHotel’s employees participate in annual online training on information security organized by the Group during the Cyber Security Awareness Week. It includes the training on cyber security awareness for all staff and the security skills training for IT technicians.

Data Security System Authentication Certificate/Information System Security Filing Certificate



4 Protecting Our Natural Environment

Sustainable Environmental Management
Response to Climate Change
Strengthening Energy Management
Optimization of Resource Management
Precise Pollution Prevention and Control
Continuous Green Operation



Sustainable Environmental Management



Jin Jiang Hotels China Region passed the Environment Management System Certification



In 2023, Jin Jiang Hotels China Region invested a total amount of RMB **22.2039** million into environmental protection, including environmental impact assessment fee for construction projects, sewage treatment fees, expenses for environmental protection and publicity activities, etc..

Jin Jiang Hotels is committed to pursuing a pathway of green development focusing on cleanliness, efficiency, emission reduction, and energy conservation. In response to China's 14th Five-Year Plan, we embrace the sustainable development transformation in the global tourism sector, and strive to be a benchmark for the ESG disclosure guidelines issued by major international organizations. Integrating the concept of environmental protection into our strategies, we aim to become a hotel management group that meets international standards.

According to the ESG governance structure of Jin Jiang Hotels, the Board of Directors bears the highest responsibility in environmental management and disclosure. The Board of Directors is responsible for reviewing and approving the ESG strategy and objectives of the Company, and promoting the professional project working groups (such as HSB) to develop a specific environmental management system.

In 2022, we worked with the World Travel & Tourism Council (WTTTC), global hotel groups, distribution partners, experts, international organizations, and government agencies to jointly launch the Hotel Sustainability Basics (HSB) initiative. In 2023, using the Hotel Sustainability Basics (HSB) as the reference for specific operational actions, we established a project team for the limited service-oriented hotel operations. Jin Jiang Hotels strictly abides by the Environmental Protection Law of the People's Republic of China and other relevant laws and regulations of the countries and regions where its businesses are conducted. We have also developed the Guidelines for the Implementation of Eight Criteria on the Sustainable Development of the Limited-service Sector of Jin Jiang Hotels, along with the Incentive Scheme for Implementing the Hotel Sustainability Basics Project. This Scheme specifies that managers are responsible for environmental management performance. It provides practical guidance on how to effectively promote the realization of sustainable development goals, and implement sustainable development strategies for various brands and regional hotels under Jin Jiang Hotels.



During the reporting period, the Company regularly conducted environmental protection training to raise employees' awareness of the sustainable development concept. In 2023, Jin Jiang Hotels organized environmental protection training averaging 12.26 hours per employee. The training covered various topics such as water resources, energy management training in hotels, online HSB training, and workshop training. In 2023, Jin Jiang Hotels China Region organized 14 training sessions for many hotels, covering topics such as water and energy management, with a total of 478 participants.

Case

Workshop on Circular Economy

On October 25, 2023, Jin Jiang Hotels China Region hosted a workshop on circular economy, inviting external suppliers to participate. The topics covered the methodology and case studies of the ways to practice circular economy in hotels, as well as the case analysis of sustainable hotels and the practical operation of the circular business model.



Group Discussion

The participants conducted discussion in groups concerning the plan for energy conservation and emission reduction

Case

Energy Conservation and Emission Reduction Workshop

In response to the Group's initiative to empower hotels to accelerate the implementation of energy-saving requirements under HSB, the Brand Support Center under Jin Jiang Hotels China Region hosted a special workshop on energy conservation and emission reduction. Colleagues were presented with energy conservation and emission reduction solutions, and through group discussions and feedback collection, the most feasible solution was selected. This provided guidance for the Hotel's follow-up efforts in energy conservation and emission reduction.



Response to Climate Change



Climate change poses a universal challenge for humanity, and addressing it needs our collective endeavors. We recognize the importance of effectively coping with climate change for sustainable development, and acknowledge the risks and opportunities brought about by its impact. As a major global hotel group, we prioritize climate change in our corporate environmental management efforts. To actively respond to climate change, we have carefully analyzed the transformation scenarios of the Company in response to climate change based on its development strategy. We have also carried out pilot projects, collected sample data, and accumulated experiences in managing climate change impacts. In doing so, we aim to mitigate risks and overcome challenges associated with climate change.

Governance of and Response to Climate Change

Recognizing the impact of climate change on its strategic planning and business operations, Jin Jiang Hotels incorporates climate change management into the Company's Environmental, Social, and Corporate Governance (ESG) system. Under the supervision, management and promotion of the newly established ESG governance structure, initiatives pertaining to climate risks and opportunities have been implemented. Going forward, we will evaluate potential and actual impacts of short, medium, and long-term climate change risks, including large-scale verification at hotels according to the requirements of HSB on energy and carbon issues. This has fostered greater attention of front-end hotels and franchise investors towards energy and carbon-related efforts, paving the way for addressing climate-related efforts in a forward-looking manner. In addition, we have set clear targets for implementing energy, carbon emissions, and waste reduction indexes related to climate change, with these indexes being implemented in our daily management and inspections.

Strategies to Address Climate Change

In April 2023, Shanghai Jin Jiang International Hotels Co., Ltd and Yahua Hotel Management (Shanghai) Co., Ltd. (Accor Group) signed a memorandum of understanding (MoU) at the Fifth Meeting of the China-France Business Council. This MoU aligns with the national strategic goal of carbon peaking and carbon neutrality, aiming to effectively promote the low-carbon and circular development of the hotel industry. The two parties will closely collaborate within the hotel industry. In particular, they have reached a consensus on carbon emission reduction aligned with the ESG objectives for the sector. They have pledged to achieve carbon dioxide emission peaking by 2030, and try to realize carbon neutrality by 2060. The specific strategies to reach these goals will focus on sustainable guest room operations, minimizing food waste, and enhancing awareness training.

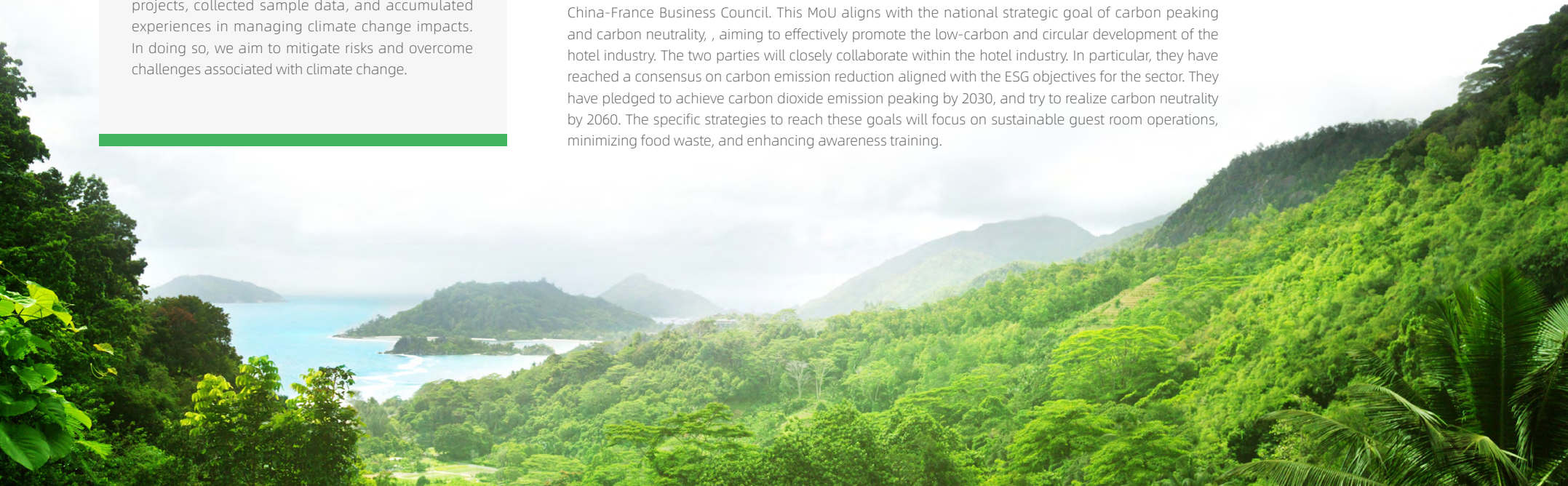
Carbon Emissions Management Goals

achieve carbon emission peaking by

2030

become "carbon neutral" by

2060



Climate Change Risk Management

Identification of and response to climate-related risks and opportunities

Transformation risk type	Transformation risk description	Response measures	Potential impact
Risks related to policy and law	The release of climate-related laws and policies in China and beyond imposes higher demands on the Company's management. The national/Shanghai municipal strategies have placed stricter requirements on enterprises. Additionally, the management structure, digital platform, monitoring equipment and low-energy equipment/facilities are being updated to gradually improve and lead the sustainable development of the hotel sector. This may increase the Company's operation and management costs.	The Company actively implements the strategic guideline of "focusing on the Chinese market, expanding its business presence in the international market and engaging in multinational operations". It tracks, analyzes and interprets, in a timely manner, relevant policies at home and abroad. The Company actively expands global presence, and recognizes the importance of introducing the European Union CSRD directive. In response, the Company invites third-party experts to conduct training on the CSRD directive, aiming to raise employees' awareness of sustainable development, and ensure operational compliance.	Increased operation cost
Risk related to technology	As the carbon peaking and carbon neutrality policy gains momentum and the market demand for low-carbon services in the hotel industry grows, Jin Jiang Hotels needs to increase its investment in green buildings, new materials and innovative technologies. This may increase the annual amortized cost, and technological uncertainty may result in higher annual maintenance costs.	The Company has established a strict internal risk control mechanism, and extensively demonstrated the use of new materials and new products. The Company has also strengthened the audit of suppliers to ensure the safety and reliability of materials and equipment.	Increased operation cost
Risk related to market	The market pays increasing attention to corporate ESG governance. If the Company's ESG rating fails to meet expectations, its performance in financing and the secondary market may be affected.	Under the ESG management system, the Company has steadily promoted its ESG governance to improve relevant ratings. It has established a multi-channel stakeholder communication mechanism to ensure adequate and effective communication under the premise of compliance, and to build trust and confidence among investors.	Increased financing cost
Risk related to reputation	The market pays increasing attention to the environmental protection and sustainability of hotels, which may affect consumers' hotel selection.	The Company has continuously promoted the building of green hotels and, in alignment with HSB indicators, ensure that 3,900 hotels will have completed nine of the 12 HSB criteria by the end of 2025.	May reduce the main business income, but increase operating expenses
Physical risk type	Risk description	Risk response	Potential impact
Acute physical risk	The impacts of extreme weather such as typhoon or floods may lead to business suspension, casualty, asset loss, etc.	Jin Jiang Hotels has conducted emergency drills and formulated the Emergency Plan for Typhoons and Floods to enhance the Company's safety management.	May affect the Company's assets and increase its fixed costs/long-term unamortized expenses
Chronic physical risk	The continuation of high temperatures worldwide may lead to local electricity or water shortages, thus negatively affecting the Company's daily operation. Continuous high temperatures may also have a negative impact on the service life of the Company's assets.	The Company has continuously promoted the green energy transformation, so as to enhance its capability to capitalize on green construction, and to reduce its dependence on traditional energy.	May increase the Company's operating cost

Strengthening Energy Management

Jin Jiang Hotels actively practices the concept of green development, pushes forward the collection of basic data related to energy, and implements the pilot program of refined management in advance, so as to fully serve the national strategy of carbon peaking and carbon neutrality. To establish a scientific and accurate baseline for energy, Jin Jiang Hotels China Region has developed an energy input system for simple analysis and tracking of electricity and water consumption. Currently, the system has been implemented in nearly 70% of HSB-certified hotels within Jin Jiang Hotels China Region, with plans for optimization and iteration in 2024. Additionally, in 2023, Jin Jiang Hotels China Region launched a pilot project for their Energy Management Platform to further explore energy-saving potentials. This platform combines a standardized SaaS platform with IoT hardware deployment, enabling region and equipment-based measurement, visualized display, and intelligent analysis of hotel energy data. It facilitates the accumulation of hotel energy usage data samples to uncover scientific methods for enhancing energy efficiency through daily management and historical data review. According to calculations from the pilot model in the internal testing environment, the hotel could save approximately 6% of energy costs.



Energy Management Platform



Energy Management System and Objectives

HSB Criteria 1 - Measure & Reduce Energy Use:

The Hotel should measure its energy footprint based on industry standards and methods at least once a year. For example: total energy consumption (kWh) and intensity (i.e. calculated by floor area or occupied room).

At a minimum, power and energy consumption data should be documented by meter reading and/or invoice. For various energy sources such as gasoline and diesel, conversion factors (e.g., liter to kilowatt-hour) can be derived by referring to the Hotel Carbon Measurement Initiative (HCMi4) guidelines or utilizing an online conversion tool.

Formulate an action plan to gradually reduce energy consumption, clarify roles and responsibilities, and draw upon the best practices within common industry frameworks.

Track the status of initiatives, processes and specifications over time to understand progress, with an ongoing plan for issues to be implemented.

HSB Criteria 4 - Measure & Reduce Carbon Emissions(to be implemented by the third year):

Calculate and take actions to reduce carbon emissions. Calculate at least once a year according to industry standards and methods. All hotels need to know their carbon footprint and underlying factors and strive to reduce them.

Formulate an action plan to gradually reduce energy consumption, clarify roles and responsibilities, and draw upon the best practices within common industry frameworks.












Track the status of initiatives, processes and specifications over time to understand progress, with an ongoing plan for issues to be implemented.

Procure and adopt new energy resources.






Jin Jiang Hotels actively promotes the establishment of an energy system in the business sector. Jin Jiang Hotels China Region has formulated detailed standards and specifications concerning the use of energy equipment, intelligent guest control systems, and energy-saving and environmental protection designs in the Manual of Mechanical and Electrical Standards. It also requires its hotels to formulate energy management systems aligned with the Company's ESG concept and establish an energy management system at the hotel level. For example, the general manager of Vienna Hotel is responsible for implementing the energy consumption plan indicators issued by the Company, while the engineering department is responsible for controlling and supervising the use of energy consumption. In 2024, Jin Jiang Hotels China Region plans to establish a system to standardize hotel energy consumption management, aiming to ensure rational use of energy while guaranteeing the hotel quality, and ultimately achieve energy conservation and consumption reduction.



Facilities and Equipment Optimization and Upgrading:

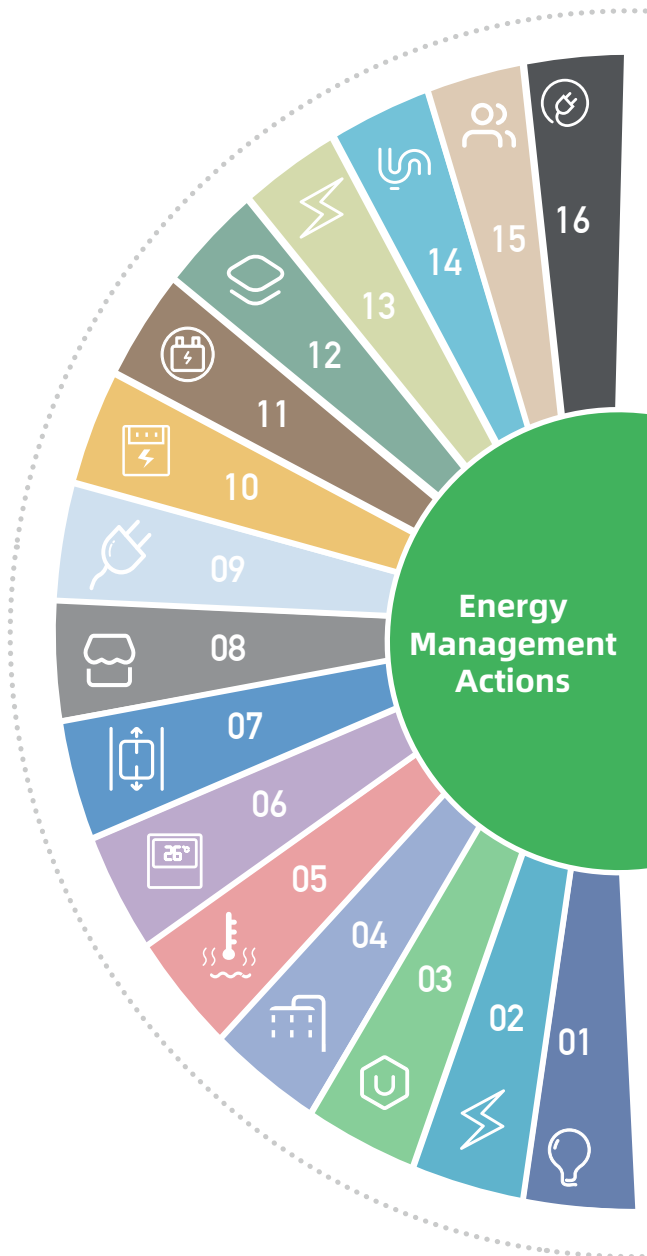
-  Replace traditional incandescent lamps with LED lamps.
-  Minimize lighting power consumption without compromising illumination by utilizing energy-efficient lamps, fluorescent lights, and induction lamps. Implement multi-group control to prevent unnecessary use of long lighting lamps and ensure that lights are switched off when rooms are unoccupied.
-  Tailor the lighting control timing in public areas to various usage scenarios to reduce energy consumption in a reasonable manner.
-  Re-optimize the hot water system by adopting more eco-friendly options such as gas-fired boilers or air-source heat pumps to reduce pollution and energy consumption.
-  Adjust the hot water supply temperature of hotels on a regular basis according to the local temperature conditions and reduce the hours of working the boiler and heat pump system while maintaining the hot water temperature of the hotels, so as to reduce energy consumption.
-  Switch the high energy consumption air conditioning system with a variable frequency air conditioning system with low energy consumption.
-  Advocate parallel operation of elevators at hotels equipped with more than two elevators to avoid the energy waste caused by separate operation.
-  Adopt intelligent control management on external signage of hotels and streetlamps which are to be illuminated at different times to reduce the likelihood of human operational errors. This will guarantee that the hotel's image is correctly displayed and energy is used in a standardized manner.
-  Disconnect unused electrical equipment to decrease the quantity of appliances in standby mode, and safeguard against damage due to lightning induction during the thunderstorm season.
-  Install electricity meters in various locations to facilitate prompt troubleshooting and adjustment through the comparison of monthly consumption data and flow variations.
-  New energy vehicles as shuttle bus

Regular Review and Inspect of Facilities and Equipment:

-  Monitor energy usage and address issues such as electricity leaks, steam emissions, water drips, and oil leaks in a timely manner during the operation of equipment to minimize energy squandering.
-  Conduct regular maintenance and overhaul of hotel power equipment.
-  Regularly clean the cold and hot water pipelines, boiler and air conditioning pipe walls, and soften the water quality. This prevents thermal resistance caused by pipeline fouling from reducing heat transfer efficiency and creating energy waste.

Low-Carbon and Energy Conservation Advocacy Campaign :

-  Regularly conduct energy-saving and awareness training for internal staff.
-  Encourage consumers to save electricity.



Jin Jiang Hotels has employed energy-saving equipment to the maximum extent and increased investment in environmental protection projects to highlight the concept of environmental protection. As of the end of the reporting period, within Jin Jiang Hotels China Region, solar energy utilization equipment (such as rooftop photovoltaic, used for hotel equipment and emergency lighting, etc.) has been applied in over 300 hotels, and geo-energy utilization equipment (such as ground source heat pump) has been installed in over 50 hotels. Many of its hotels have also been set with air energy hot water systems, central air-conditioning unit heat recovery, and other energy-saving systems and equipment.

As a pioneer in energy management, the Kunlun Jing An Hotel under Jin Jiang Hotels Management has been actively involved in the pilot program of the Shanghai Carbon Emission Quota Management System since 2013. This program is overseen by the Shanghai Municipal Bureau of Ecology and Environment. The hotel participated in the pilot implementation of the Trial Measures for Shanghai Municipality on Carbon Emission Management. The annual total carbon emissions by the Kunlun Jing An Hotel not only meets the prescribed quota, but also exhibits a consistent year-over-year decline. By the close of the reporting period, the Hotel had a remaining carbon emission allocation of 11,975 tons.

has been applied in

300 +hotels

has been installed in

50 +hotels

Case

Campanile-Solar Energy Program in Lingang New City

Campanile has optimized its solar water heating system by reducing the number of horizontal glass tube collectors from 36 sets to 27, and by replacing outdated manifolds, sealing rings, pipelines and valves. To make efficient use of the rooftop space on the auxiliary buildings flanking the main structure, 70 groups of vertical solar tube collectors have been added 35 groups to each side. Spread across the three rooftops, the solar collectors are connected in such a way that they utilize three separate loops to warm the original rooftop hot water tank utilizing the existing equipment. This approach maximizes spatial usage and achieves energy efficiency. Solar-heated water from the heat collecting tank replenishes the hot water supply. In weather conditions unfavorable for utilizing solar energy, the gas boiler will be activated to provide supplemental heating, ensuring a continuous supply of hot water to hotel rooms.



Case

7 Days Inn Guiyang Huaguoyuan Branch - Air Source Heat Pump Project

7 Days Inn Guiyang Huaguoyuan Branch reused the original stainless-steel cold and hot water tank on the roof of the 8-storey building and replaced the damaged air source heat pump which has reached its service life with a more energy-efficient side-outlet air source heat pump. The replaced heat pump is more energy-saving and efficient, and the scroll compressor is more stable.



Case

Park Inn by Radisson, National Exhibition and Convention Center Branch (New Hongqiao Area, Shanghai) - Low Nitrogen Storage Water Heater Project

Park Inn by Radisson adopts a condensing low-nitrogen water heater, which enables recovery of waste heat from flue gas when nitrogen oxide emission is less than 30 mg, with a thermal efficiency of over 103%. Moreover, the heat source is highly reserved, and can be flexibly opened and used under different accommodation in different seasons. The thermal source has a strong standby capability and can be started flexibly for different seasons and accommodation.



Case

The Kunlun Jing An Hotel- “Carbon Emission Quota Project”

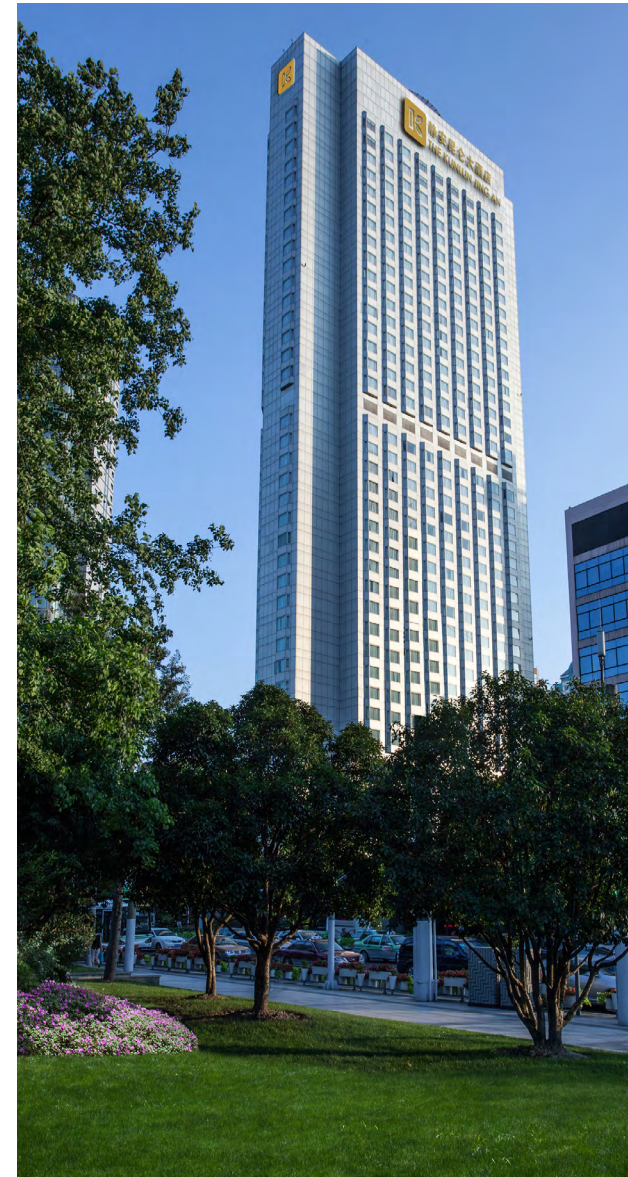
In alignment with the national directive for dual carbon goals—achieving peak carbon emissions by 2030 and net-zero emissions by 2060, the Kunlun Jing An Hotel, managed by Jin Jiang Hotels, has been actively participating in the Carbon Emission Quota Management Program. This program was initiated by the Shanghai Municipal Bureau of Ecology and Environment since 2013, during its previous tenure as Hilton. The hotel has instituted a framework that designates the Engineering Director as the chief carbon emission steward. The Engineering Department Commissioner is tasked with logging energy consumption and financial staff handling carbon credit transactions. This setup ensures seamless collaboration with district-level environmental agencies. By engaging in this program, energy conservation has been integrated into the hotel's daily operations. It fosters an enhanced awareness of energy efficiency among all employees, encouraging them to start with small but significant actions such as switching off computers, lights, and air conditioning units after use. Secondly, the Hotel's engineering department has intensified the management of daily energy consumption by checking the electricity and gas meters twice a day, and promptly analyzing and adjusting any abnormal data, creating effective control over daily energy use and the reduction of carbon emissions. Thirdly, the Hotel entered an energy management contract with a third-party that has invested in the renovation of the Hotel's energy systems. Between 2020 and 2021, the Hotel upgraded its domestic hot water heat pump system and the intelligent control system for its chiller units. Additionally, the installation of frequency converters on motors and replacement of lamps with efficient LED lighting lamps further decreased carbon emissions.



High-Energy consumption cooling tower before transformation



Energy-saving cooling tower after transformation



Optimization of Resource Management

Water Resource Management

Jin Jiang Hotels attaches great importance to water resource management, one of the ESG issues that need to be taken seriously by the hotel industry. Water is necessary for hotel operation, and one of the important factors affecting the sustainable development of a hotel. Therefore, improving water resource management and enhancing utilization efficiency in regions facing water scarcity stands as a pivotal approach for the sustainable development of the hotel industry. Under the supervision and management of the ESG Committee, the ESG Taskforce of Jin Jiang Hotels has established resource management objectives and plans. Jin Jiang Hotels China Region has also incorporated standards for water supply, drainage, domestic hot water and reclaimed water systems into the Manual of Mechanical and Electrical Standards. It has combined water resource analysis modules into the energy input system and management platform, and cooperated with the promotion of HSB in hotels by constantly mapping and collecting energy resource data, with the aim to collect water data from directly operated hotels in 2024.

Water resources management objectives

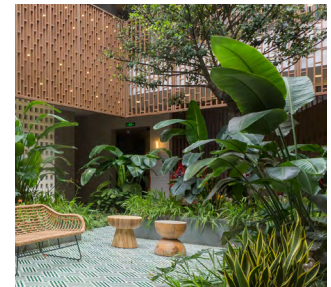
HSB Criteria 2-Measure & Reduce Water Use:

Measure water consumption footprint at least once a year as recommended by industry standards and methods.

Formulate an action plan to progressively reduce water consumption, clarifying roles and responsibilities, and identifying the best practice attributes by reference to common industry frameworks.

At the end of the third year of participation in the action plan, the action plan should contain a record of the local water risk level and water management actions to mitigate the water risk.

Track the status of initiatives, processes and specifications over time to show progress, and have an ongoing plan for what should be implemented.



Water Resources Management Action

Water-saving measures of Jin Jiang Hotels China Region

The hotels of Jin Jiang Hotels China Region have incorporated water conservation into their daily management, and the relevant measures are as follows:

Use More Efficient Water-Saving Equipment and Methods:

- 1) To eliminate the waste of water resources, hundreds of hotels have installed rainwater collection devices (such as cleaning ditches with collected rainwater), reclaimed water reuse devices, water-saving sanitary ware, water-saving faucets and other equipment.
- 2) Power frequency pumps and high-power pumps used in hotels are gradually replaced by intelligent variable frequency pumps to reduce the energy consumption while ensuring the water supply pressure of hotels.
- 3) Adjust water level in toilet tank to save water.
- 4) Set the opening height of the washbasin faucet in the guest bathroom to enable reasonable water flow without excess spray. This provides guests with a good experience while achieving the goal of water conservation.
- 5) Raw materials should be thawed in advance to avoid washing as much as possible. Basin or barreled water should be used to reduce unnecessary high-pressure washing.

Regularly Record Water Consumption:

- 6) The engineering personnel should record water consumption on a regular basis so that problems related to water consumption may be found in a timely manner.
- 7) Water meters should be set in different areas to facilitate the timely inspection and adjustment of problems by comparing monthly consumption patterns and flow fluctuations.

Publicity and Implementation of Resource Conservation:

- 8) Post water conservation signs to raise staff awareness.

Training on Water Resources Management

In 2023, Jin Jiang Hotels China Region actively organized training on water resources and energy management during the daily management of their hotels. In 2023, a total of 14 training sessions were conducted for 478 participants.



Total duration of environmental protection training on water resources

5353.6 hours

Intensive Utilization of Resources

To align with the dual carbon initiative and advocate the low-carbon circular development of the hotel industry, Jin Jiang Hotels promotes the green transformation of the Company's development mode, improves the Company's policies to support green development, and develops characteristic circular economy of Jin Jiang Hotels. Guided by the overall objective of high-quality development, advancing the circular economy has emerged as an essential strategy for the sustainable eco-environmental and social-economic development.



Using straw material



Action on reducing the use of plastic materials

WeHotel worked with Alipay in launching the “Green Check-in” initiative to hotel members: from the end of 2022 to the end of 2023, the initiative has attracted 6,248 people, and 574kg of green energy in Alipay Ant Forest has been distributed, significantly reducing the use of hotel disposables.

Jin Jiang Hotels China Region gradually promotes environmental protection in all hotels by incorporating six environment-friendly items made from straw into its brand standards. By 2023, some brands have achieved a 100% replacement rate, while others are still adopting these items as existing stocks are depleted. Likewise, in a bid to reduce plastic usage, Jin Jiang Hotels proactively seeks alternatives through Jin Jiang Joint Procurement platform. The Hotel's branches have replaced miniature bottles and disposable soaps with bath supplies in large bottles, provided slippers made of natural linen and degradable EP materials, replaced plastic packaging with degradable materials. These include environment-friendly paper seals made of stone paper, material packages made of 60g cotton paper or corn starch, kraft paper packing boxes made of degradable materials, slippers made of linen and EVA environmentally friendly materials, and face towels made of plant fibers, further reducing waste and plastic production.

Jin Jiang Hotels China Region delved deeply into the pilot project focused on hotel linen recycling and waste reuse. By collecting discarded linen from hotels and sorting it for resource regeneration, they established a standardized 4R (Retrieve-Regenerate-Redeem-Report) module for hotel linen recycling. Following the successful feasibility pilot in 2022, Jin Jiang Hotels China Region concentrated on establishing a closed-loop system for linen circulation in 2023. Brands under Jin Jiang Hotels, including 7 Days Inn, Jin Jiang Inn, and Magnotel, participated in recycling 3.13 tons of waste linen, which was utilized for regenerating polyester-cotton yarn (via physical recycling) and recycled cellulose fiber (via chemical recycling). According to calculations by their partner, the China National Textile and Apparel Council, the project resulted in a reduction of 208,034 MJ of energy consumption, 23,012 kg of greenhouse gas emissions, 7.79 kg of photochemical ozone impact, 361 kg of acidification impact, and 114.5 kg of eutrophication impact in 2023, showcasing significant environmental benefits.

Case

Light Stay

Jin Jiang Hotels promotes sustainable travel mode by organizing “Light Stay” campaign. This engages consumers through a reward point system, cultivating sustainable check-in behaviors. Examples include not using disposables (toothbrushes/toothpaste/combs) or continuously using the same bed sheets/bath towels without changing. The aim is to establish the concept of sustainable development for consumers. By the end of 2023, 732 hotels had participated in Subtraction Accommodation, resulting in 90,627 bookings and the distribution of 4,531,350 reward points.

Light Stay

Stay in the hotel a little less, the earth green a little more

Welcome to an HSB certified hotel
We sincerely invite you to participate in the Practice Environmental Protection campaign while enjoying your wonderful travels.
If you do not use disposables (including toothbrushes, toothpaste, soap, slippers, and comb) during your stay, you will get an extra 200 reward points after checking out.
Thank you for choosing to stay in a hotel that has passed the certification of the sustainable development benchmark program.
We will work with you to implement the sustainable development benchmark and contribute to the achievement of the national double carbon goal!



Precise Pollution Prevention and Control

Waste Management

Energy conservation, emission reduction and environmental protection have always been the focus of Jin Jiang Hotels, and the Company has always followed a green development path that is clean, efficient, emission reducing, and energy saving. Through the establishment and improvement of environmental protection rules and regulations, environmental management institutions and full-time personnel are set up to ensure environmental and ecological safety. These regulations pertain to responsibility assessment, education and training, facility operation, etc. The Company actively takes specific measures to reduce energy consumption and pollution emissions and promotes sustainable development. The discharges from the hotels, including sewage and exhaust gas, meet the national and local emission standards.

- (1) Water pollution prevention and control: implementing the segregation of sewage and waste, conserving water and electricity through construction practices, and ensuring the automatic shutoff of water and power supplies upon human departure.
- (2) Thermal pollution prevention and control: using solar energy, air source heat pump and other energy-saving and environmental protection equipment as the heat source, and making full use of waste heat. Materials entering the site should be inspected in strict accordance with national standards. Materials not satisfying the standards are strictly prohibited from entering the site. Efforts should be made to adopt material standards meeting the requirements of environmental protection, energy conservation and fire protection.
- (3) Air pollution prevention and control: the waste on the construction site should be cleaned and transported by containers. It is strictly prohibited to throw the waste in the air to cause dust. The waste should be properly watered to reduce the dust. The construction road should be hardened, cleaned and watered regularly to reduce the dust on the road. All kinds of diesel and gasoline machinery used on the construction site should comply with the relevant pollutant emission standards. Machinery with excessive gas emissions should not be used.
- (4) Noise pollution prevention and control: the noise should be controlled as much as possible during the construction, the equipment and machinery with excessive noise should be used as little as possible or not at all, and measures should be taken to minimize the noise impact during the construction. A closed operation shed should be set up for the machinery with loud noise (such as mixer, electric saw, grinder, etc.) to reduce the noise diffusion. Efforts should be made to avoid construction at night as far as possible, and if necessary, apply to the environmental protection department for approval in advance.



The Company has always followed a green development path that is clean, efficient, emission reducing, and energy saving.

Waste management is a continuous concern of Jin Jiang Hotels. The main wastes produced by the Company are harmless, such as kitchen waste. The Company improves waste management in terms of waste facilities, waste disposal, waste cleaning and disinfection to reduce the generation of waste.



Waste storage containers and facilities

Provide waste storage containers, clearly marked to distinguish them from food processing and manufacturing containers. Waste storage containers should be equipped with covers to prevent food contamination.



Waste disposal

Kitchen waste should be sorted, placed and cleaned up in time, and should not overflow from the storage container. Waste disposal should meet the requirements of all relevant laws and regulations. A kitchen waste disposal account should be established to record in detail information such as the disposal time, type, quantity and collector of kitchen waste.



Cleaning and disinfection

Detergents and disinfectants should meet the relevant provisions of national food safety standards and requirements such as GB14930.1 and GB14930.2, respectively.

Reduce Food Waste

Jin Jiang Hotels has always attached great importance to reducing food waste and has taken active measures to meet this challenge. As a responsible company, we know that food waste not only has a negative impact on the environment, but also causes a huge waste of social resources. Therefore, we have implemented a series of measures to reduce food waste in all our hotels and branches.

We actively promote a personalized service system in our restaurants. We encourage guests to order meals based on their actual needs, thereby reducing the waste that results from excessive ordering. To further facilitate portion control, we introduce options such as smaller and half-size portions, allowing guests to better manage their consumption. We have established close cooperation with our suppliers to ensure the freshness and quality of food materials. In addition, we have implemented a strict food material management system, supervising the purchase, storage and processing of food materials to ensure rational use.

Through the implementation of these initiatives, we hope to make a positive contribution to reducing food waste. We believe that only through the joint efforts of the whole society can we achieve the goal of reducing food waste and contributing to sustainable development.

HSB Criteria-3 Identify & Reduce Waste (to be implemented in hotels within three years after initiating the application of HSB verification)

Formulate an action plan to progressively reduce waste, clarifying roles and responsibilities, and identifying the best practices by referring to common industry frameworks.

Track the status of initiatives, processes and specifications over time. By the third year, hotels should be able to annually measure their total waste stream and waste diversion rate.

Case

Normalized Promotion of Clean Plate Campaign

Jin Jiang Hotels China Region raises the awareness of conserving food among its guests, adopting the Clean Plate Campaign to record food saving behavior. This encourages consumers to constantly practice Clean Plate behavior across various dining contexts within their daily lives. Following their meal, customers can capture images of their plates and upload to the Clean Plate Campaign app. Upon being recognized as adhering to the Clean Plate Campaign by artificial intelligence, they are awarded with reward points which may be redeemed for gifts within the app.

The 2023 Clean Plate Campaign covers **21** brands and **186** hotels. It has accumulated more than **500** times to avoid wasting **100 +** kilograms of food. In the future, Jin Jiang Hotels China Region will continue to promote the normalization of Clean Plate Campaign, expand the coverage of hotels, improve the punch card mechanism, and attract more consumers to participate.



Continuous Green Operation



Sustainable Green Hotel

Jin Jiang Hotels follows the current national, local and industrial green and energy-saving regulations in hotel design to ensure green operation. It upholds the energy-saving concept during the design, decoration and operation of the hotel, and selects environmentally friendly, green and pollution-free materials and products to reduce building pollution and minimize environmental impact. It also advocates a greener and more sustainable lifestyle.

Jin Jiang Hotels integrates the green concept completely in the process of project design and construction. The Company extensively applies various green technologies to achieve energy conservation and consumption reduction. It is committed to meeting the five criteria of green construction and creating a green and livable environment for guests.

Green Design and Construction, Environmental Protection Measures



- the Company adopts air-cooled heat pump module unit for air conditioning system and carries out zoning control to effectively reduce energy consumption.
- Air heat pump and solar energy are used as a heat source for the Hotel.
- Some properties are equipped with reclaimed water systems to recycle wastewater.
- Water-saving appliances are adopted.
- The enclosed structure is heat-insulated.
- Energy-saving lamps are used as lighting sources, adopting zoning and time-sharing control for the lighting of public areas.
- Select environment-friendly and recycled materials are used.
- Building Automation Systems (BAS) are set up for energy monitoring within buildings.

Case

Sustainable Show House

During the process of foundation construction, hard decoration, soft decoration and selection of materials necessary for the operation of sustainable concept rooms in Jin Jiang Hotels, the availability of renewable materials is taken into account by integrating green building technology. This show room demonstrates the new trend of the hotel industry that is eco-friendly, simple, low-carbon and healthy. It provides strong support for the future development of the Hotel. Concerning hard decoration, we adopt plant ash wall, straw wood floor, and terrazzo floor tiles (made of glass and stone waste) in bathroom. Concerning soft decoration, we select fast-growing bamboo which does not need to be planted and adopt high-strength and lightweight modern furniture made from recycled corrugated paper, which can save lots of wood and reduce environmental pollution.



Case

Assembled and Modular Decoration

The difference in the environmental protection performances of assembled decoration and traditional decoration is mainly caused by three factors: selection of specific materials, materials for internal process and construction methods. The main sources of indoor air pollution caused by decoration are formaldehyde (HCHO), benzene (C6H6), ammonia (NH3), radon (RN), inhalable particles PM10, etc. Assembled decoration alleviates after-effects decoration of harmful chemicals from the source, enabling hotel operation at the earliest date.

Traditional decoration: mainly refers to the wet operation of traditional construction method. Construction interfaces are mainly connected by means of cement and gypsum putty leveling.



Assembled decoration: The assembled quick decoration mainly adopts a dry construction method to facilitate maintenance without necessitating destructive demolition, thus saving economic cost and realizing the wall turnkey project.



Advocate for Green Offices

Jin Jiang Hotels actively advocates the concept of green and environmental protection, and is committed to implementing offices that are green in every detail. We attach great importance to cultivating employees' awareness of environmental protection and strive to integrate the concept into all aspects of daily work.

The Company will adhere to the concept of green offices, and strive to contribute to the cause of environmental protection. We believe that only when all employees work together can we achieve the goal of green development and contribute to the sustainable development of the earth.

Green Office Initiative

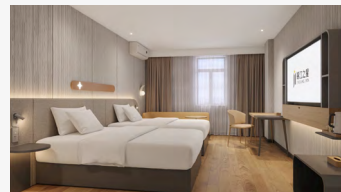
- 1) The air conditioning temperature in summer should not be lower than 26 °C .
- 2) Energy-saving lamps should be installed in the office area. Personnel are required to turn off lights upon departure, and the security personnel should conduct regular patrols after work.
- 3) The video conferencing room is equipped with an intelligent conference screen that supports online video meetings, enhancing meeting efficiency and reducing time and travel costs.
- 4) Print after verification by swiping card to reduce paper waste and enhance data confidentiality.
- 5) Implement paperless offices.



Case

Jin Jiang Inn's all-aluminum made furniture

By employing an assembly process, Jin Jiang Inn's all-aluminum made furniture not only cuts cycle time by 30% but also minimizes dust pollution and formaldehyde emissions during construction, in contrast to traditional process. Additionally, this furniture boasts high residual value and recyclable materials, contributing to the reduction of environmental pollution.



Biodiversity Conservation

Through in-depth sustainable development work, Jin Jiang Hotels understands the planning, construction and operation of hotels may have an impact on the surrounding biodiversity. The biodiversity loss will significantly impact the development of enterprises, hotel and tourism industries. Improper construction may lead to decreasing soil fertility, declining water levels and water siltation due to erosion. Destruction of critical habitats may seriously affect flora and fauna, and hotel construction and landscape design may also affect the ecological balance around it. Therefore, Jin Jiang Hotels places a high priority on the protection of biodiversity. The hotels under the Company's management are acutely aware of the potential impact their operations may have on the surrounding ecosystems and have outlined biodiversity conservation measures tailored to the unique characteristics of each hotel.

Objectives and Planning of Biodiversity Conservation

Jin Jiang Hotels has made the following plans in Jialipo Village of Tunchang county:

- (1) Reserves are to be established in areas where precious rare plants are centrally distributed. If necessary, measures should be taken to promote natural regeneration or to restore natural growth by means of artificial regeneration.
- (2) Concerning the rare plants that have been introduced and cultivated in botanical gardens and nurseries, efforts should be made to popularize the role and significance of protecting precious and rare plants, and carry out research on experimental biological ecology, genetic ecology and introduction and cultivation methods.
- (3) Important rare plants that have been extinct or are on the verge of extinction should be replanted in their original places to restore their natural distribution and reproduction.
- (4) Cultivation bases for rare plants with high economic value and large demand should be built.

Case

Renjoy Hotel: Protecting Plants at dreamland Xiangshan

Based on the four fragrant plants and the theme of experiencing aromatic culture, the dreamland Xiangshan project effectively integrates the tropical high-efficiency agricultural planting, R&D and production of aromatic products with an aromatic culture experience.

Cultivating precious spice plant resources

Dreamland Xiangshan project, situated in Jialipo Village in Tunchang County, Hainan Province, China, benefits from a prime location on a crystal vein, where plants are irrigated with zinc-rich spring water. Local air has a high concentration of negative oxygen ions, ranging from 4,000 to 20,000 cm³ throughout the year. This exceptional quality of soil and water provides an ideal environment for the cultivation of these rare and fragrant plants.

① Agarwood

Hainan agarwood, known as Qiongzhi, is billed as “a piece worth ten thousand pieces, unrivaled in the world.” A total of 10,000 agar woods are planted in dreamland Xiangshan. They are divided into two categories: *aquilaria sinensis* and *aquilaria crassna*. 5,000 of the *aquilaria sinensis* are over 20 years old. Agarwood is a kind of precious traditional Chinese medicine and a rare high-grade spice, ranking the first among the four great fragrances in China (agarwood, sandalwood, ambergris, and musk).

② Herbs and aromatic plants

Nearly 100 kinds of herbs and southern medicinal plants are introduced from all over the world, which have certain edible and medicinal values in addition to ornamental value. These include French lavender from the Mediterranean coast, *pelargonium graveolens* and *portulacaria afra* from southern Africa, yarrow and rosemary from Europe, and catnip from the Americas.



5 Building Hotels with Quality

Comprehensive Safety Guarantee for Hotel Guests
Diverse Intensive Services
Premium Responsible Operation

Comprehensive Safety Guarantee for Hotel Guests

Adhering to the principle of “Safety First and Focusing on Prevention”, Jin Jiang Hotels has formulated the Regulations on Public Security and Fire Safety Management and the Emergency Plan for Typhoons and Floods (Version 2023) for Shanghai Jin Jiang International Hotels Co., Ltd. as well as other systems. To prevent major fire accidents, production safety accidents leading to severe casualties, significant food poisoning events, and serious criminal cases, we have tightened safety management and supervision, reinforced safety culture building, and established a long-term mechanism for safe production.

Jin Jiang Hotels China Region, following a high-quality development strategy, has established a multi-dimensional closed-loop management system, and conducted a comprehensive analysis on the factors affecting its products and services. This improves customers’ core experiences, builds sustainable trust and enhances the brand value.

Jin Jiang Hotels China Region released the Overall Quality Management System in March 2023. The operation quality inspection management system has been implemented to monitor the efficacy of hotel management and operation. It encompasses the quality examination of environment, equipment, service, and sanitation across regional hotels. This is realized through four ways: unannounced inspection management, tiered inspection management, resolution of major quality issues, and addressing defects identified during the Post-Opening Compliance Check (POCC). By addressing potential risks and implementing corrective actions, the system ensures that every hotel meets the Company’s quality benchmarks.

The Overall Quality Management System stipulates that the operation quality management system of Jin Jiang Hotels is implemented by the Overall Quality Management Committee. The standing committee is comprised of the front-end and back-end presidents of Jin Jiang Hotels China Region, presidents of all the headquarters and the directors over the Brand Support Center. The member units consist of the Quality Safety Department, the Public Relations and Communication Department, the Compensation and Performance Department, as well as the middle office of each headquarter, BG support of each headquarter, and BU of each region and brand.

Quality Safety Department

Is responsible for formulating and improving the Overall Quality Management System, analyzing the industry and customer satisfaction, formulating and analyzing relevant assessment indicators, and providing the direction of rectification for the front-end headquarters.

BG support of each headquarter

Is responsible for policy interpretation and organization of training sessions on the Overall Quality Management System, guiding and supervising the system implementation, improving the overall quality management methods, and promoting quality improvement.

The middle office of headquarter

Is responsible for formulating supervision measures according to the management contents of the Overall Quality Management System, promoting the effective implementation of the system across our regional hotels and branches, reviewing the inspections at all levels and promoting quality management.

Regional hotels

Are responsible for formulating and fully implementing the management measures for the hotels in the jurisdiction area according to the Overall Quality Management System, inspecting the implementation of the hotel management system, conducting skill training for employees at all levels, promoting the rectification of major issues, and dealing with issues related to special hotels.

BU of each brand

Is responsible for formulating and updating brand hardware standards and brand characterized service standards, analyzing customer consumption habits, collecting customer feedbacks, and examining and implementing the Overall Quality Management System.

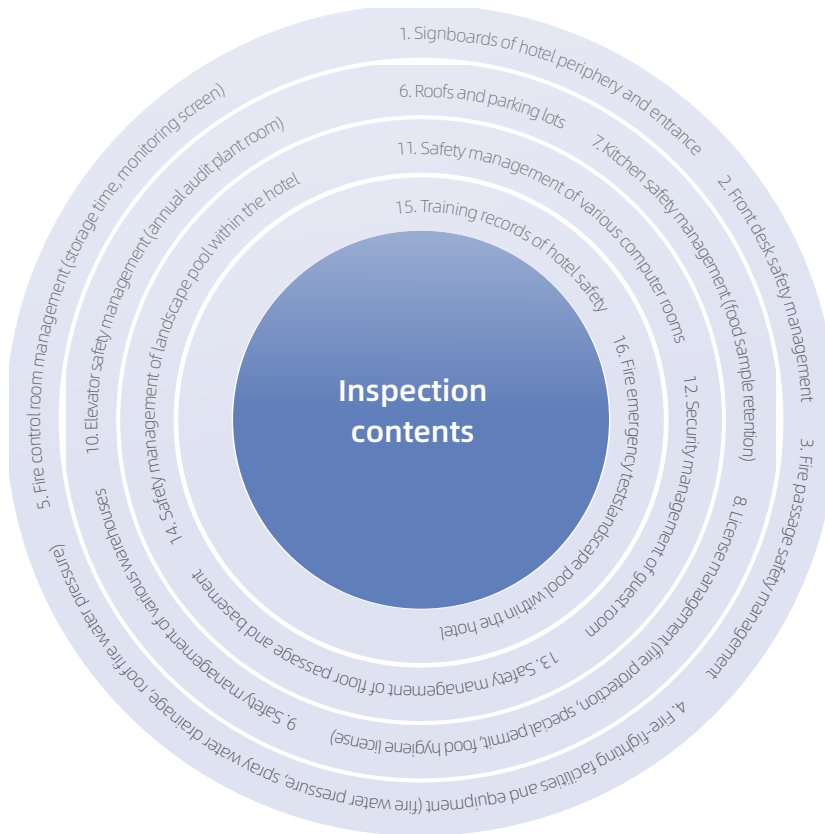
Compensation and Performance Department

Is responsible for calculating the performance penalties associated with quality accountability, inputting the reward and punishment information of all staff members, and participating in the investigation and handling of major disciplinary incidents.

Assurance of Accommodation Safety

Safety inspection

Jin Jiang Hotels China Region mandates that all hotel managers perform routine safety management inspections across the hotels, encompassing areas such as the hotel front desk, fire protection facilities, warehouses, and elevators. The in-hotel safety production bulletin boards shall be set up to publicize such contents as “four fire-fighting abilities” , “ensuring that evacuation passage and safety exit are unblocked and be able to use fire alarm, control incipient fire hazards and assist in evacuation” , seismic and anti-typhoon precautions, 119 emergency tests, and fire case education. This proactive approach aims to prevent safety hazards and uphold the safety standards for Jin Jiang Hotels China Region.



Emergency handling

To meet the requirement for regulated construction, Jin Jiang Hotels has established an emergency handling management system to enhance its ability in emergency response to incidents. The Company has formulated the Management System for Emergency Disposal of Emergency Incidents of Jin Jiang Hotels China Region Based on Its Classification and Grade, enabling timely response, efficient and properly disposal of emergencies, minimized impact and loss caused by such incidents, and maintaining normal operational order and high-quality development.

The Safety Committee of Jin Jiang Hotels China Region has developed a complete set of regulatory files regarding safety management. It coordinates the prompt rectification of various safety hazards and consistently optimizes its emergency disposal plan. The Company has implemented the Management System for Emergency Disposal of Emergency Incidents Based on Its Classification and Grade (Trial) and Jin Jiang Hotels China Region Staff Safety Responsibility Manual and Implementation Methods. Based on the emergency handling management system, it has revised various types of emergency disposal standards, and formulated relevant emergency disposal plans such as Emergency Plan for Emergency Fire Alarm, Emergency Plan for Elevator Failure, Emergency Plan for Sudden Water, Power and Gas Outage, the Emergency Plan for the Loss, Theft and Damage of Guest Items, Emergency Plan for Suspected Food Poisoning Incidents, and Emergency Plan against Typhoons, Floods and Natural Disasters.

Hygiene management

Accommodation quality assurance is crucial for high-quality hotel operations. In order to strengthen the hotel hygienic management, the Hotel Hygiene Management Standard was formulated according to the relevant laws and regulations such as the Hygienic Standard for Accommodation Industry issued by the Chinese Ministry of Health. All management regulations comply with relevant Chinese laws and regulations, all operational norms comply with those norms for Jin Jiang Hotels China Region, and the red line issues in health and safety are to be seriously dealt with. Sanitary facilities, equipment and staffing of a hotel are compatible with its scale, the hygienic operation standards align with the relevant laws and regulations formulated by the Chinese Ministry of Health, hotel public goods and appliances meet relevant national usage standards, and the air quality of the guest rooms is healthy, comfortable and guaranteed. By strictly implementing hotel hygiene management system, the health and safety of guests are guaranteed to the greatest extent.

Room Cleaning Procedures

Entry

Enter the guest room according to the guest room entry procedure, and record the entry time in the Guest Room Attendant Worksheet.

Removal

During cleaning and check-out, all trash, cups, linens, and guest supplies in the room should be removed before bed-making, ensuring “disinfection once per guest, and replacement once per guest”.

Bed-making

Remove the hair from bedding with transparent tape or hair sticking device, then replace it with one full set of bedding of the same specification, following the bed-making process for each brand.

Cleaning

Put on gloves, spray detergent, and clean the toilet from top to bottom, starting with the washbasin area, followed by the shower area, then the closetool area, and finally the floor. After cleaning each section, use a designated cloth to dry the areas in the order they have been cleaned.

Wiping

Use a dry cloth to wipe down dust from the top areas of the room, beginning at the door, and then proceed to the lower areas. Follow this with a wet cloth for cleaning surfaces as needed. Afterward, arrange the room’s items according to the specific standards for each brand’s room setup.

Replenishing

Replenish guest articles according to the quantity and placement standards specified by each brand hotel, and replenish sterilized and clean cups into the room.

Dust absorption/mopping

Clean carpet and floor “from inside to outside” to ensure that the carpet and floor are clean, free of stains and hair, with special attention given to the cleanliness of hard-to-reach corners.

Disinfection

Disinfect with quaternary ammonium salt disinfectant, applying it in the sequence of office and leisure area, sleeping area, toilet and shower area, and finally the main passageway, either by spraying or wiping.

Inspection

Look around the overall condition of the room, check that the room facilities and equipment are working, ensure the completeness of various items, and confirm that their placement complies with brand standards.

Recording

Turn on the lamps according to the requirement of each brand, close the door, and fill in the Guest Room Attendant Worksheet (time of departure from the room, quantity of supplemented linen and guest supplies, maintenance items and special remarks, etc.)

Double removing: cups, cotton fabrics (bed sheets, quilt covers, pillowcases, towels, bathrobes) should be withdrawn from the room before bed-making.

Disposable products: disposable products should be utilized within their expiration date and must not be reused, ensuring “replacement once per guest”.

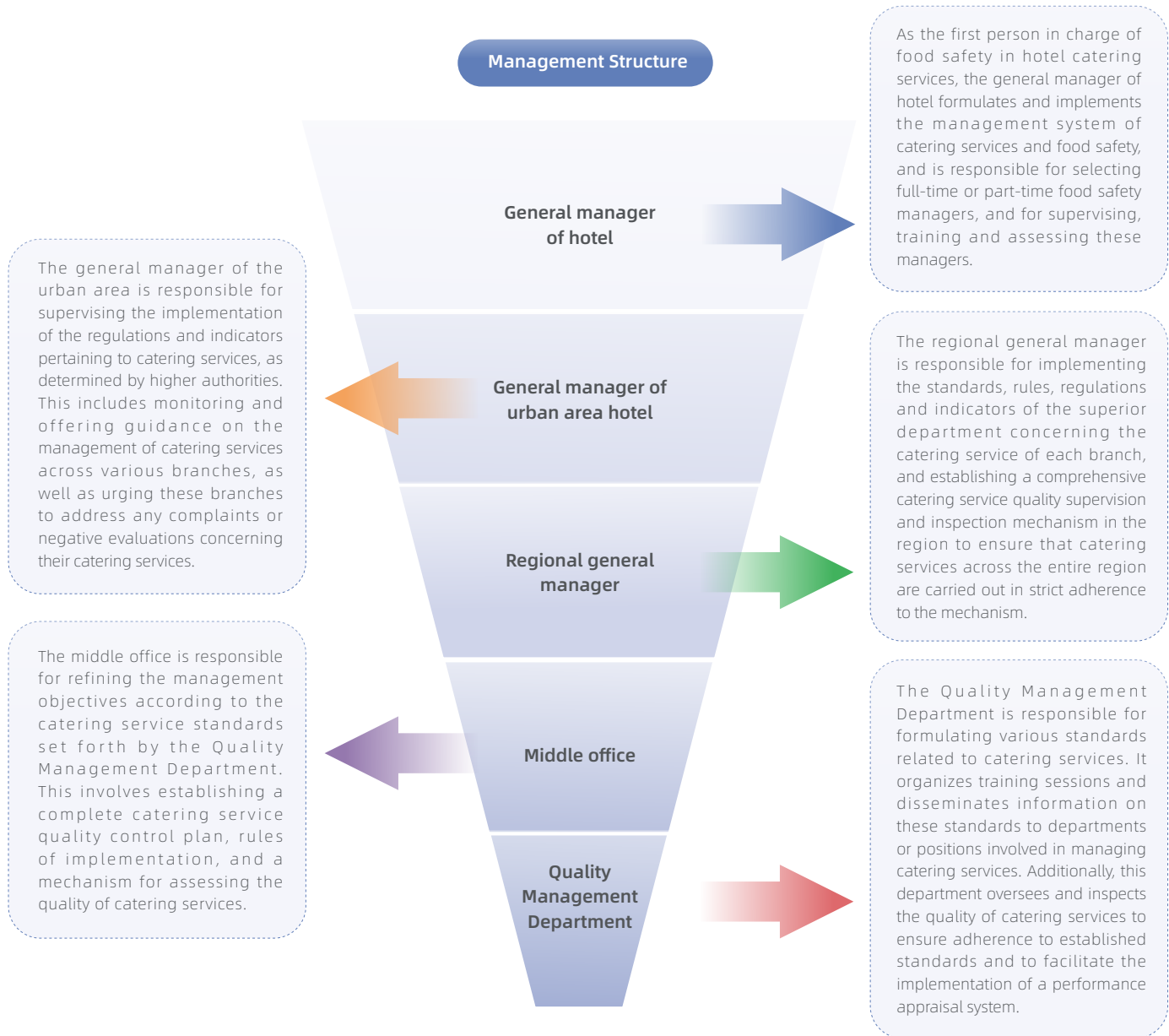
Cleaning tools: tools designated for cleaning guest rooms and toilets shall be separately placed in their respective cleaning baskets. Cloths or brushes used for cleaning washbasins, surfaces, showers/bathtubs, closetools and floors shall be placed separately.

Disinfection of rooms: switches, handles, telephones, washbasins, bathtubs and closetools (including seat) should be disinfected after each guest’s stay and on a daily basis for long-term guests.

Food Safety Guarantee

Food safety is the cornerstone of hotel operations and a key factor in enhancing customer experience. In compliance with relevant Chinese laws and regulations, and tailored to the specific circumstances of Jin Jiang Hotels, the Catering Service Standard for Jin Jiang Hotels China Region has been established. This standard clarifies the responsibilities of management personnel at all levels, with the objective of raising employees' awareness of food safety and ensuring that customers are provided with healthy and safe food. Furthermore, guided by the Overall Quality Management System, Jin Jiang Hotels conducts regular covert investigations, inspections and surveys on food safety to create an effective supervisory mechanism.

Jin Jiang Hotels has established a professional food safety responsibility management structure. Within this framework, the general manager of each hotel is responsible for appointing either full-time or part-time food safety managers who are subject to supervision, training and assessment.



Hotel catering standards

Jin Jiang Hotels has developed a set of food safety management standards to strictly control the quality of catering services across our chain hotels and to ensure food safety of guests. Such standards cover regular maintenance of premises, facilities and equipment, utilization of food additives, disposal of kitchen waste, control of raw material quality, incoming goods inspection and recording, tracing of food safety information, cleaning and disinfection of tableware, process control of catering service, food sample retention, etc.

Case

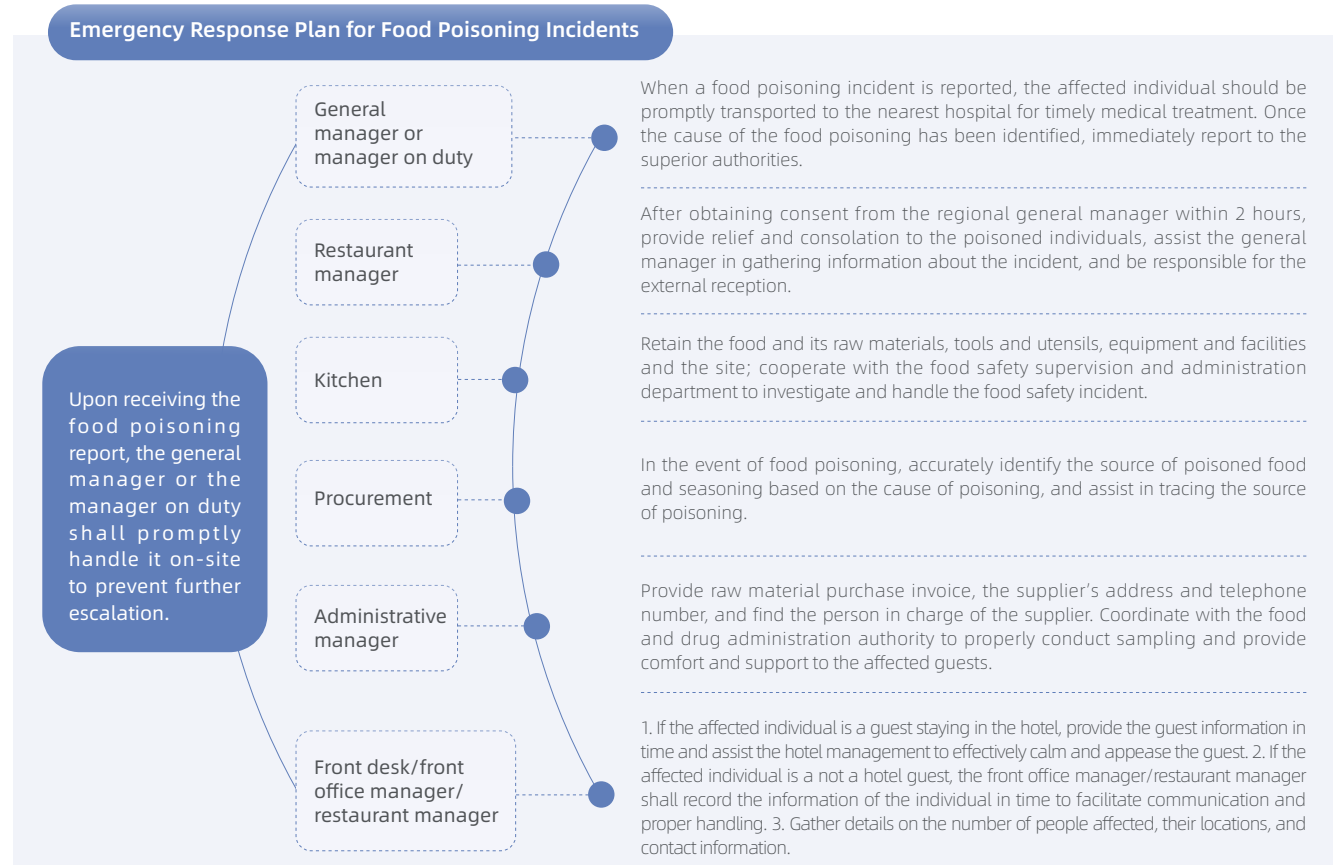
Jin Jiang Catering manages food safety through sourcing

The Department of Jin Jiang Catering has formulated the Code of Practice for Raw Material Procurement pursuant to relevant Chinese laws and regulations, aiming to enforce unified standards for food safety and quality management, strengthen control over suppliers and quality management, and enhance the quality of raw food material procured. The Logistics Support Center oversees the entire operational process, including the inspection of supplier qualifications and raw material sampling. The Company has also established a food safety traceability system and a liability insurance mechanism to ensure that the origin of food can be verified, its destination tracked, and responsibilities clearly defined. The Quality Control Department regularly inspects raw materials and prompts the rectification of any potential quality issues. These comprehensive measures allow the Company to effectively manage the quality of raw material procurement.

Emergency disposal of food poisoning incidents

In an effort to protect the health and safety of customers, prevent emergencies in catering services in a timely and effective manner, and minimize the hazards of food poisoning, the Emergency Handling System for Food Poisoning Incidents for Jin Jiang Hotels China Region has been formulated in accordance with the Food Safety Law of the People’s Republic of China, the Regulations on Preparedness for and Response to Emergent Public Health Hazards and relevant regulations, and in combination with the specific circumstances of hotels.

Food poisoning emergency teams are set up at the hotel operation business, with the hotel manager as the team leader, the administrative manager or general assistant, deputy general manager and part-time food safety management personnel as the deputy team leader. The team members include personnel engaged in catering service or food processing and purchasing, and the person in charge of the front desk/restaurant. They are responsible for investigating and analyzing the causes of incidents, analyzing and evaluating the state and trend of such incident and taking corresponding effective measures.



Training on Food Safety Conducted by Jin Jiang Hotels

Jin Jiang Hotels Food Safety Management System Certification

Food safety training:
“food safety is indeed in my hand”



Customer Privacy Protection

Jin Jiang Hotels attaches great importance to the confidentiality of customer information. In order to protect the security of customers' personal data, the Company has enforced stringent data security and privacy protection mechanisms, such as the Detailed Rules for the Management of Data De-identification and Anonymization Processing, clarifying the technical and management requirements of customer information de-identification and anonymization, so as to protect customer information and privacy security. The contents that may be related to the personal information of guests shall be effectively protected in accordance with the following procedures.

During the data collection phase, the Company adheres to the principle of "minimum authority" in managing members' personal information, notifying customers of the intended use, and securing their consent. For data storage, encrypted methods are employed to prevent unauthorized access to customers' information. In the data transmission phase, the Company uses encryption to safeguard the transfer of customer data. Any utilization of customer data mandates its desensitization prior to display, and the access is promptly revoked from employees and partners once it is no longer required. Upon the expiration of the customer information storage period, the information is anonymized and deleted to prevent any potential leakage of customer information.

Complete data flow	Actions and Implementations	Response to potential risks
Data collection stage	<ol style="list-style-type: none"> 1. The personal information collected and utilized shall fall within the scope specified in data collection and utilization rules, such as the privacy policy. 2. Users shall be informed with the purpose, method and extent of personal information collection and utilization via privacy policy, and users' authorization and consent shall be obtained. 	Prevent excessive and illegal collection
Data storage stage	Encrypted storage of users' privacy data.	Prevent data from being stolen and modified during processing
Data transmission stage	Use HTTPS protocol encryption during transmission.	Prevent information from being intercepted and leaked
Data usage stage	<ol style="list-style-type: none"> 1. Personal information data directly displayed at the front end must be displayed after desensitization. 2. Limit, authorize and approve the access and use of data, timely withdraw permissions that are no longer necessary due to circumstances such as resignation, changes in position, shifts in demand, or alterations in collaborative partnerships. 	Prevent data from being leaked, stolen, tampered with, or accessed without authorization
Data deletion and destruction stage	Delete or anonymize the personal information after the storage period of the personal information expires.	Prevent data from being leaked



Diverse Intensive Services

Customer Service Management

In terms of customer service management, Jin Jiang Hotels prioritizes customer demands and has earned the trust and commendation of our customers through our high-quality and personalized services. Jin Jiang Hotels will, guided by the “customer-first” service philosophy, consistently enhance our service framework to foster an exceptional accommodation experience for customers.

Jin Jiang Hotels pays attention to customer experience and feedback. The Company has established a professional customer service management system. The Quality Safety Department on the backend is responsible for customer experience management and maintenance. They also support the middle office’s Quality Management Team and the middle office’s operation by coordinating with the three headquarters on the front end. This forms an effective flow line that is directly accessible to the quality management posts in all regions. It also improves the overall quality of Jin Jiang Hotels China Region’s service.

Meanwhile, Jin Jiang Hotels, based on the management and maintenance of customer feedback, sets up a full-channel closed loop of listening to customers. We collect and summarize customer feedback data through four ways: investigations of the main channel, investigations by the third party, mysterious visitor investigations and customer complaint handling. Using data summary and analysis, relevant data reports are presented on a weekly, monthly, quarterly, and annual basis. These provide the direction for higher-quality service of the front-end entities.

Investigation Method

Based on the investigation of customer demands and by referring to competitor data, the share of channel review, and the share of sales, the Company defined the scoring indexes for the external channel network. Target values varied based on factors such as the brand matrix, the main channel for the brand, and the share of the channel, facilitating better-individualized development of the brand. We analyze the demands of the guests that were making comments, regularly output an analysis report, and support the improvement of the front end of the company.

As of 2023, the combined network scoring was 4.84 for middle-end hotels and 4.64 for economy hotels.

Independent Investigations by third-party

Customer evaluation is an important aspect when it comes to enhancing a hotel’s reputation. Jin Jiang Hotels adopted independent investigations by third-party to improve our services, sanitation, and facilities. This was done based on customer comments and the aspects therein.

Customer satisfaction in 2023 scored 91.65.

Mysterious Guest Survey

In 2023, we activated a mysterious guest survey program, in which tests and evaluations are made from the perspective of guests to effectively reveal existing problems of the brand and the hotel. The program provides the direction we need to go to improve. The program tests how guests feel about the services, sanitation, product utilization, safety, brand element, and personalized services of the hotel.

As of the end of December 2023, a total of 420 middle-end and high-end hotels from 18 brands were tested using this program. The front end of the Company was empowered by analyzing the results.

In order to handle with customer complaints in a timely and proper manner, Jin Jiang Hotels has established the customer complaint disposal management system for all the brands in accordance with Customer Complaint Handling System, Customer Complaint Handling Procedure and Overall Quality Management System. We classified complaint work orders and determined the handling deadlines based on the handling results. We also identified rules for upgrading, assigned different personnel needed to assist with handling procedures, and formed a complete system for handling complaints. Meanwhile, to manage customer complaints, we conducted performance assessments on all levels of management personnel on the front end based on the assessment mechanism. We took the complaint rate for every 1,000 guest rooms as one item to be assessed and linked complaint indicators with the accommodation rate. Jin Jiang Hotels then set up a monthly warning mechanism after fully listening to the dissatisfaction of the guests and marking down any pain points. Then we urged the management at all levels and the hotel to rectify these pain points. In 2023, the customer complaint response rate reached 100%, and the settlement rate was 95%.

Jin Jiang Hotels takes every customer's complaint seriously, and improves the system and mechanism of customer complaint management by communicating with guests in a timely manner, upgrading the type of complaint, regularly analyzing the content of complaints, optimizing the complaint process, etc. This enables effective response to the ideas and suggestions of each guest, prompt issue resolution, and ongoing improvement of service quality.

Number of customer complaints

827,286

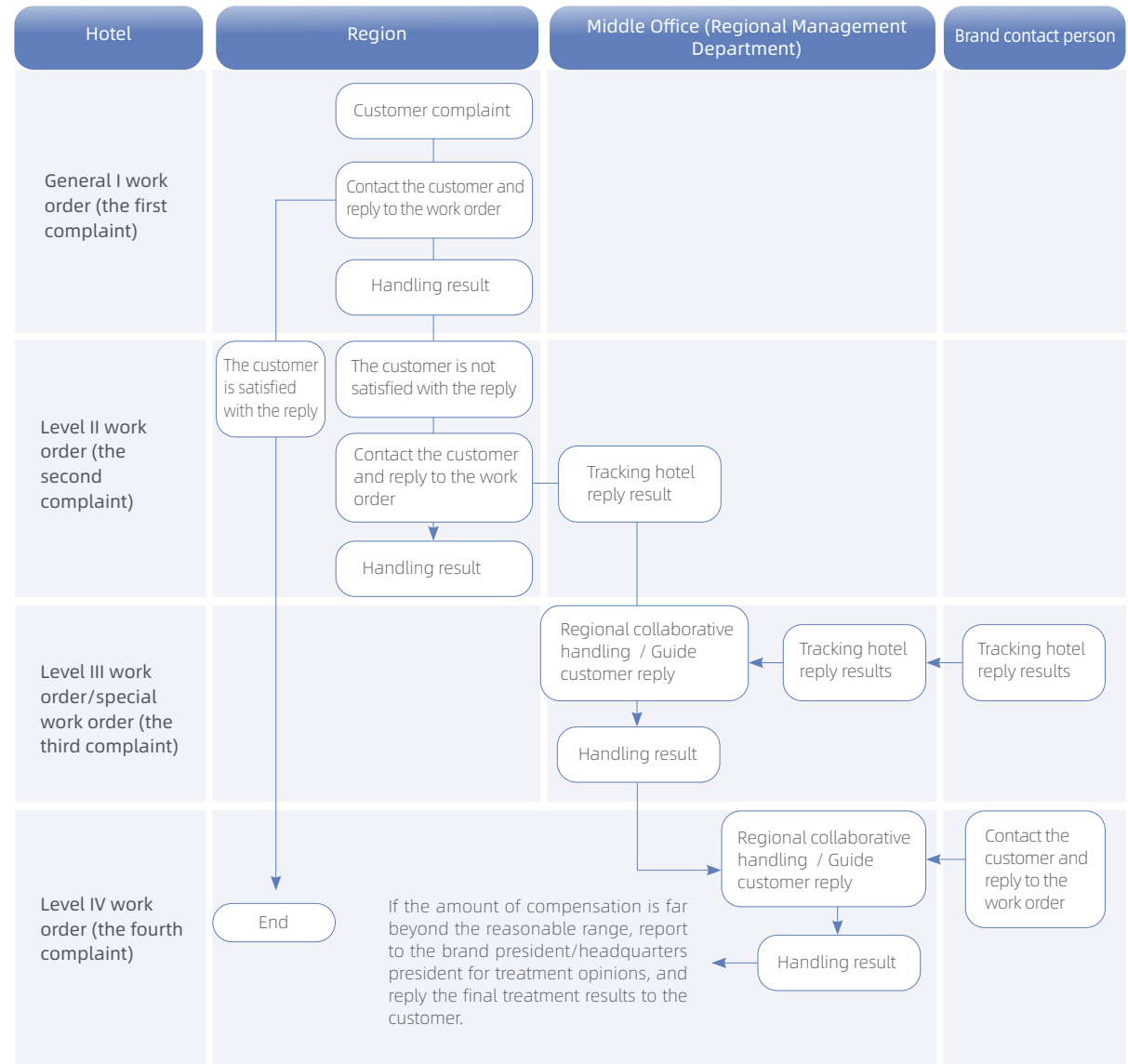
Complaints Response Ratio

100%

Complaints Solving Ratio

99%

Customer Complaint Solving Processes and Procedures at Jin Jiang Hotels



Enhanced Accommodation Experience

In 2023, guided by the principle of “taking customer experience data as the reference”, we fully leveraged the strength of the newly built quality management system, implement digital supervision, and further improve the customer management system. We took the enhancement of accommodation experience as our target and improved customer satisfaction assessment by offering good services. Jin Jiang Hotels China Region improved living and tourism experience from all aspects, encompassing elements such as music, fragrance, working clothes, breakfasts, and spatial design, thereby empowering the brand's value.



Acoustical control of hotel

To create a acoustically and visually pleasant hotel environment, improve the quality of sleeping environment for our guests, and enhance their acoustical experience, noise control measures shall be taken. All hotel staff members politely greet customers and ensure the playing of soothing music.

Visual control of hotel

To enhance accommodation experience, showcase high-quality image of our brand and elevate operational management efficiency, we mandate that all the hotels shall neatly and uniformly place signage and relevant items within visual range to meet the standardized requirement of the Company.

Gustatory control of hotel

To enhance the dining and accommodation experience and promote the hotel's reputation, we mandate that all hotels must procure and store food that satisfies sanitary, safety, and quality requirements. They must also offer dishes of high quality and good taste, as well as clean tableware and facilities.



Case

Excellent Housekeeper Skill Contest

To accelerate the operational efficiency of guest rooms, improve service quality and further elevate the service awareness of staffs of Jin Jiang Hotels China Region, the Quality Safety Department, focusing on “service etiquette” and “innovative service” , held the 2023 Excellent Housekeeper Skill Contest and Innovative Service Contest of Jin Jiang Hotels China Region. The contest, which spanned three rounds from the preliminary, intermediate to the final, fostered communication and exchange among the Hotel, regional hotels and headquarters, while also instilling a spirit of excellence among Jin Jiang Hotels’ staff.



Case

Innovative Guest Room

Miniplanit Family Room

Miniplanit Family Room, characterized by "edutainment, family sharing, and environmental protection practice", is designed by Jin Jiang Hotels to provide family guests with a unique immersive and joyful parent-child accommodation experience. It offers standardized product packages tailored to hotels with varying positioning, including basic and expansion packages. This approach allows for differentiated solutions. Unique features such as specially designed theme room card sets for check-in, curated surprise gift packages, entertaining environmental activities like lobby bottle recycling, customized bedding, educational toys, diverse interactive play scenes, and meaningful parent-child interactive activities all contribute to nurturing the joyful journey of young children as they grow.

As of the end of November 2023, the Miniplanit Family Room has been implemented in 75 parent-child rooms across 29 hotels under 16 brands.



Purestay Room

Purestay Room, characterized by its core features of "healthy, comfortable, and high-quality," is designed to provide customers with a fresh and unpolluted accommodation experience. By focusing on the modern demand for a healthy lifestyle and aiming to offer "pure air, pure body, and pure home utensils," we rigorously select high-quality and pollution-free products, ensuring that each guest can enjoy pure air and a tidy environment during their stay.

A comprehensive package of services is available in the Purestay Rooms, including stringent indoor air quality control, specially selected instant hot water dispensers, bedding resistant to dust mites, and sterilized toilet fittings. We wish our guests to feel relaxed and content during their stay in the Purestay Room.



Premium Responsible Operation

Intellectual Property Protection

Jin Jiang Hotels China Region attaches great importance to the protection of intellectual property rights, and has outlined the Regulations on Trademark Management of Jin Jiang Hotels China Region in accordance with the relevant laws and regulations of the countries and regions where it operates, including but not limited to the Patent Law of the People’s Republic of China, the Copyright Law of the People’s Republic of China, and the Trademark Law of the People’s Republic of China. The Regulations on Trademark Management of Jin Jiang Hotels China Region stipulates the procedures and norms governing the layout, application and maintenance of trademark copyright.

The Company has also set up an intellectual property working group tasked with the supervision and management of the protection of intellectual property rights, and has formulated corresponding measures to address instances of intellectual property right (IPR) infringement. In addition, we have incorporated explicit terms regarding intellectual property protection into our contracts with partners, augmenting the oversight and management of our partners to safeguard the legitimate rights and interests associated with intellectual property.

The Company regularly carries out staff training to improve staffs’ awareness and understanding of intellectual property protection, including training on intellectual property laws and regulations, case sharing, etc.

Responsible Marketing and Propagandization

In order to standardize the implementation and compliance management of front-end and back-end marketing, Jin Jiang Hotels China Region, according to the relevant laws and regulations of the countries and regions where it operates, has outlined the Integrated Marketing Process and Mechanism for Jin Jiang Hotels China Region, which stipulates the responsibilities and work division across various marketing sections, clarifies the types and management strategies for marketing activities, integrated marketing project processes management, integration of cross-border value-added resources and procedures, and illustration on the application for matching marketing activity levels with resource positions, etc., thereby facilitating the marketing efforts through the adoption of standardized marketing processes and mechanisms.

IPR Data

	Trademarks	Copyrights	Patents
2023	63	11	0
2022	135	2	0
2021	101	3	1
2020	111	7	1

6 People-oriented Philosophy

Jin Jiang Hotels (China Region)
锦江酒店(中国区)

- Compliant Employment Management
- Diversified Compensation and Benefit System
- Taking Care of Employees
- Supporting Career Development
- Employee Health and Safety Management



Compliant Employment Management

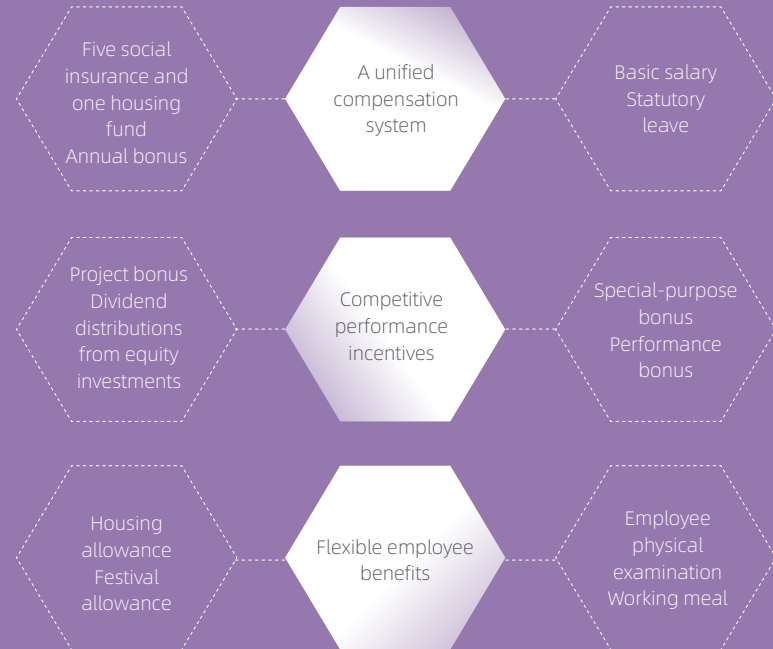
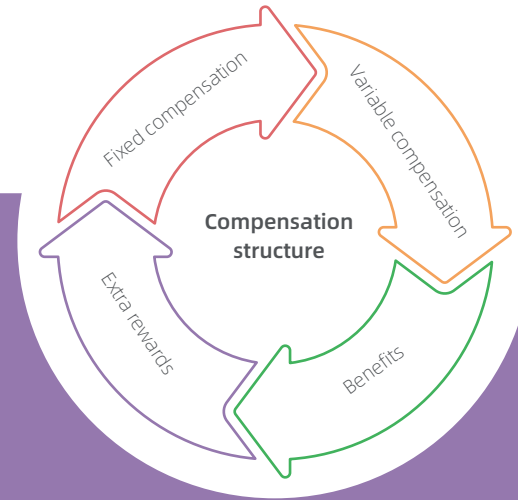
Jin Jiang Hotels upholds the principle of equitable remuneration for equivalent work and ensures gender parity in employment. We prohibit the use of child labor, forced labor, and workplace harassment. We oppose all discrimination on the grounds of race, gender, age, family background, and religious belief. Jin Jiang Hotels holds every employee in esteem, fostering an environment that is inclusive, healthy and diverse.

In accordance with the Chinese national and local laws and regulations and relevant rules and regulations of the Company, Jin Jiang Hotels has formulated the Policy Procedures-Recruitment and Hiring of Personnel. Among these laws and regulations are the Labor Law of the People's Republic of China, the Contract Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Workers' Rights and Interests, the Provisions on the Prohibition of Child Labor, and the Law of the People's Republic of China on the Protection of Women's Rights and Interests. All the subsidiaries and branches, based on the Company's requirement and their respective circumstances, have formulated the Employee Manual of Jin Jiang Hotels China Region, the Human Resource Management Procedures for Shanghai Jin Jiang International Hotels Corporation Limited First Branch, Baisuicun Company Recruitment Management Manual, and Jin Jiang Industrial Internet Platform Recruitment Management System, aiming to strengthen and regulate the human resources management, clarify the allocation of human resources, the recruitment of employees, the adjustment of job positions, the administration of labor contracts, the admission and departure of staff, as well as the management of staff record, etc.



Diversified Compensation and Benefit System

To attract and retain talent during the Company's development and to enhance employee motivation, we have established a scientific and standardized salary management system. Jin Jiang Hotels strictly adheres to Chinese laws and regulations as well as the standards set by Jin Jiang International. As a hotel division of Jin Jiang International, Jin Jiang Hotels China Region follows the Company's overall leadership and has formulated the Employee Manual of Jin Jiang Hotels China Region (hereinafter referred to as the Manual). The Manual clearly dictates that Jin Jiang Hotels China Region employs a position-based salary system, where salaries are determined by the position held and vary with changes in position. Additionally, salary standards are differentiated based on various position categories and functions.



Taking Care of Employees



Employee Caring Events

Jin Jiang Hotels actively fosters an environment of solidarity, mutual support, and care for others, offering tangible assistance to our employees, particularly those facing challenges, to overcome their temporary difficulties. Embracing the “people-oriented” philosophy, the Company has established the Shanghai Jin Jiang International Hotel Co., Ltd. Trade Union Assistance Management System to standardize and coordinate the criteria, application processes, and timelines for providing aid. By promoting mutual support, we enhance the employee security system, aligning it with social support mechanisms to effectively assist employees in distress. Moreover, the Company rigorously upholds and implements the provisions for the special protection of female employees. To ensure the safeguarding of female employees’ rights and interests, the Company and the trade union have negotiated and signed the Special Collective Contract for the Protection of Female Employees. This agreement mandates that the Company reserves 100% of job positions for female employees during their pregnancy, childbirth, and breastfeeding periods, and provides corresponding salaries and benefits in accordance with national regulations and the Company’s policies.

Jin Jiang Hotels is dedicated to enhancing employee well-being and fostering their physical and mental health. The Company has established internal communication channels that allow employees to voice their concerns or seek clarification from their immediate superiors when encountering issues. Their immediate superiors are expected to provide guidance to assist employees in resolving their problems and facilitate their full integration into the team. We have organized, on an irregular basis, various kinds of recreational activities to bring joy into employees’ work and promote their sense of happiness.

Democratic Management

The Company insists on employing the system of employees’ representatives conference as the basic form for democratic management. The employees’ representatives conference actively endorses the administrative department’s exercise of its operational management decision-making and unified business activity command, enacting the principles and policies of the Communist Party of China (CPC) and our country, and properly managing the interests of country, the Company, and our employees. Based on the principle of equal consultation, and according to the Labor Law of the People’s Republic of China, the Labor Contract Law of the People’s Republic of China, the Trade Union Law of the People’s Republic of China and the Regulations of Shanghai Municipality on Collective Contracts, the Company has formulated the Collective Contract of Shanghai Jin Jiang International Hotel Co., Ltd., which provides for the rights and obligations of the Company and our employees, safeguards their rights and interests, fosters harmonious and stable labor relations, and extensively mobilizes the enthusiasm of employees.

Jin Jiang Hotels customized office exercise



Jin Jiang Employee Culture Festival



Jin Jiang International Rowing Team



Supporting Career Development

Career Development System

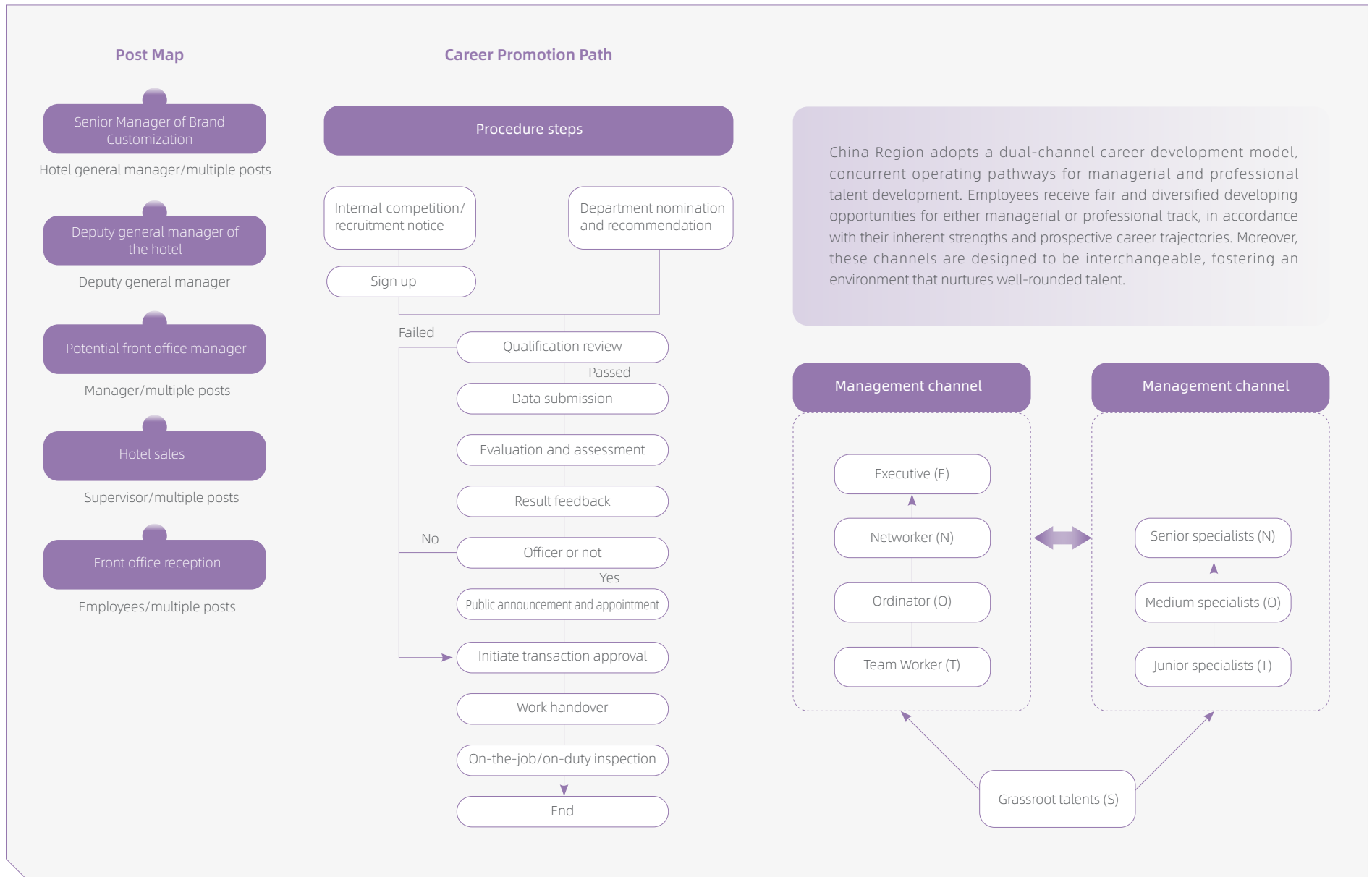
Jin Jiang Hotels pays attention to the development and training of talents. We are committed to building a career development platform for employees to broaden their career development channels. Jin Jiang Hotels has established a complete career development system with a clear promotion mechanism empowering the growth of employees. The system was set up in strict accordance with the Chinese laws and regulations, the career development standards of Jin Jiang International, and also by taking into account a series of documents formulated by its subsidiaries and branch companies, including the Performance Appraisal System, Employee Performance Management System, Post Rank Management System, Employee Promotion System, Jin Jiang Hotels China Region Employee Mobility Management System, and Employee Career Development Channel Management System. Jin Jiang Hotels China Region has tailored management systems conducive to the career evolution of different types of talents, including the Training Management System for Management Trainee, the Talent Cultivation System for Hotels, and the Cultivation System for Hotel General Manager.

Jin Jiang Hotels China Region Career Development System

Under the “Jinyu Talent System” adopted by Jin Jiang Hotels China Region, the “STONE” model encompasses five post layers: E-Executive, N-Networker, O-Ordinator, T-Team Worker and S-Staff. Each post layer is divided into three post ranks.

Post layers

Management layers	Positioning	Main responsibilities
E-Executive	<p>Lead to success Establish an efficient organization, so that the management and operation of the enterprise can effectively support the achievement of strategic objectives, seize business opportunities, keep pace with the times and realize sustainable development.</p>	Manage the Company, being accountable for its overall operations and growth, with the primary duty of ensuring the Company’s enduring success.
N-Networker	<p>Build and leverage advantage Cultivate and leverage the strengths of each division, function, or specialty within the enterprise to aid in establishing a differentiated competitive edge, positioning us as industry leaders and underpinning the enterprise’s sustainable growth.</p>	As a manager, manage a certain brand/business division/functional department, or as an expert to coordinate cross-disciplinary works, with direct decision-making power on the responsible affairs. The main responsibility is to ensure the effective operation of the brand/business division/functional department, and to effectively support the realization of the enterprise strategy.
O-Ordinator	<p>Central coordination Coordinate the middle-senior management staff of the enterprise with the front-line executors, ensuring that they maintain optimal productivity and make effective contribution in alignment with the Company’s objectives, priorities, and progress.</p>	As a manager, manage a team (comprised of front-line manager or individual contributor), being responsible for managing the front-line managers or individual contributors, or engaging in a single area of expertise as a professional, ensuring that the front-line executors work in line with the Company’s strategic direction.
T-Team Worker	<p>Keep improving Devote energy to enhancing the details, and strive for excellence in delivering personal work results.</p>	As an individual contributor or front-line manager, engage in self-management by rigorously following processes and norms to execute work at a superior level. Alternatively, as a leader of a single working group, guide the daily efforts of the grassroots staff and assume accountability for the outcomes of their work.
S-Staff	<p>Achieve results Use one’s expertise to deliver the desired results within the desired timeframe.</p>	As a grassroots staff, be responsible for the basic tasks and operations within each functional line, being accountable to the outcomes of individual works.



Career Development System in Baisuicun Restaurants

The positions of Baisuicun Restaurants are divided into five post layers (decision-making, executive, networker, coordinator and team worker) and nine post ranks.

Position group classification criteria

Position group	Position category	Definition
Management group	Company management	A collection of positions responsible for the operation and management of the Company and the routine management of the functional systems of the headquarters
Professional group	Plan management	A collection of functional positions responsible for the execution and management of planning formulated by various departments of the Company
	Financial management	A collection of functional positions responsible for budget management, financial management, fund settlement, auditing and supervision of various departments of the Company
	Operational management	A collection of functional positions offering support for the Company's business process standardization and information
	Procurement and supply	A collection of functional positions responsible for procurement, supplier management, warehousing, and logistics of the Company
	Human resources	A collection of functional positions responsible for the Company's compensation and benefits, HRBP, recruitment, corporate culture, performance, administration, etc.
Technology group	Marketing and planning	A collection of functional positions responsible for the Company's brand management and marketing planning
	Research and development	A collection of technical positions responsible for product design, product standard setting, new product development, etc.
Operation group	Kitchen administration	A collection of technical positions responsible for kitchen production management and kitchen production cost control at each branch
	Production	A collection of positions related to production works in the kitchen of the hotel and processing plant, as well as a collection of positions engaged in physical works in other places, such as cooks, kitchen workers, production workers, etc.
Marketing group	Marketing	A collection of positions responsible for customer development, marketing, and franchise recruitment

FSSC Career Development System

Based on FSSC, staff transfer encompasses internal selection and external recruitment. Internal selection includes superior nomination and self-recommendation. Human Resources Department is responsible for reviewing the relevant information of the Management Personnel Nomination/Self-recommendation Form for evaluation. Once approved, the evaluation leads to an inspection period, which is set for either 3 or 6 months. As for external recruitment, it involves interviews and hiring according to the Company's Personnel Management Method. The employment contract probation period of externally selected and recruited personnel serves as the inspection period. At the end of this period, the individual is required to report on their work during the inspection period, subject to further inspection and evaluation. Superiors, colleagues at the same level in the internal cooperation department, and direct subordinates at all levels are each expected to fill out the Evaluation Form during Investigation.

As of the end of December 2023, Jin Jiang Hotels has issued **550** offers, of which, **35** offers were from the institutions engaged in deep basic cooperation with Jin Jiang Hotels, and **5** from institutions were our deep partners.



Career Development Training

Jin Jiang Hotels has established and further improved the career development training system for our employees and formulated the Policy Procedures for Shanghai Jin Jiang International Hotel Co., Ltd.-Public Training and Agreed Service Period. The Company is committed to offering various forms of complimentary training to our staff under suitable conditions, leveraging our human resource potential, identifying the core competencies of our workforce, and enhancing internal talent cultivation. A clear career progression pathway is provided for the staff, which not only fosters their self-directed learning and personal advancement, but also contributes to the enduring growth of Jin Jiang Hotels. As reported by the end of the fiscal year, a total of 1,487,413 employees had engaged in the training programs, totaling 106,345 hours of training throughout the year, and averaging 33 hours of training per employee.

Jin Jiang Hotels China Region has set up an internal online learning platform called Xiangxuetang (Enjoy Learning Classroom). The platform combines external course procurement with internal course development and is composed of five major sections: excellent culture, excellent operation, excellent management, excellent support, and excellent workforce. At the same time, the Enjoy Learning Classroom encourages employees to proactively upload their knowledge, transforming valuable individual insights and experiences into collective organizational wisdom. This approach aims to facilitate the Company's legacy of knowledge, sharing of application, innovation, and value enhancement.

WeHotel has developed the Training Management System that categorizes training into four types according to objectives and content: concept training, knowledge training, skill training, and management training. For the ease of administration, concept training and management training are collectively termed "general training," while knowledge and skill training sessions are grouped under "professional training."

Shenzhen Baisuicun Catering Co., Ltd, a subsidiary of Jin Jiang Hotels, has formulated the Baisuicun Restaurants Headquarters Performance Management System, which stipulates that each employee will receive differentiated professional training based on their performance evaluations. For instance, an employee rated "S" is given priority for further training opportunities. Conversely, an employee rated "C" or below receives targeted intensive training through collaboration between the HR Support Center and the head of the department center. Additionally, the leader assists their subordinates in devising a personalized training development plan and performance enhancement strategy for the subsequent quarter. This approach aims to aid employees in elevating their performance levels.

1,487,413

employees had engaged in the training programs

106,345

hours of training throughout the year

33

hours of training per employee

Case

Shanghai Lausanne Practical Training Course

By leveraging the overall advantage of Jin Jiang International, and taking the hotels as practical training bases to cultivating talents for the hotel industry, Jin Jiang International Management College has partnered with the College of Shanghai Lausanne Hospitality Management in setting up a small-class, modular, and rotational service-oriented practical course for students from the College of Shanghai Lausanne Hospitality Management. These training courses are held twice a year, in the first half and second half of a year, respectively. The training contents cover hotel kitchen operations, guest room service and food & beverage service. Each training course lasts for 3 months. Nearly 180 trainees have received the training.



Case

Domestic and Overseas Exchange and Training Program Themed by "Setting Sail, Long-Voyage, Piloting"

By leveraging the resources of Jin Jiang International, Jin Jiang Hotels carries out the domestic and overseas exchange and training program themed by "Setting Sail, Long-Voyage, Piloting". The program aims to foster mutual understanding, enhance leadership, teamwork, and cross-cultural integration through interactions and knowledge sharing with overseas corporate headquarters' functional departments and management teams. In the year 2023, multiple batches of these exchange programs were conducted, engaging over a hundred participants.



Employee Health and Safety Management

Employee Health and Safety Management System

Core Management System

Jin Jiang Hotels has consistently raised awareness of staff members on the red line of safety, and has formulated the Regulations on Public Security and Fire Safety Management for Shanghai Jin Jiang International Hotel Co., Ltd. and the Detailed Rules for the Implementation of Workplace Safety Responsibility Systems for the Leading Officers of the Party and Government of Shanghai Jin Jiang International Hotel Co., Ltd. (Revised Edition). These regulations have been strictly enforced to ensure compliance, thereby enhancing the standardization of workplace safety across various units. With a focus on preventing major accidents and aiming for zero work-related injuries, Jin Jiang Hotels has strengthened our management and supervision. Furthermore, we have established a sustainable occupational health and safety mechanism.

Jin Jiang Hotels (China Region) Management System

To enhance the management of workplace safety within Jin Jiang Hotels (China Region) and firmly establish the concept of safety development, Jin Jiang Hotels has formulated the Jin Jiang Hotels (China Region) Staff Safety Responsibility Manual and Implementation Measures. This was done in accordance with the notice of Ministry of Emergency Management of the People's Republic of China on the issuance of the Grading Measures for Standardized

Construction of Enterprise Workplace Safety and the relevant documents released by Jin Jiang International. A Safety Production Management Committee has been formed with the CEO of the Jin Jiang Hotels China Region as chairman, the president of the China Region and the leader in charge of the brand support center serving as the deputy chairmen, and other vice presidents as members. In addition, Jin Jiang Hotels China Region has formulated the Jin Jiang Hotels (China Region) Safety Responsibility Letter Sample and the List of Jin Jiang Hotels (China Region) Safety Management Inspection Items. Safety leaders at all levels are required to sign safety responsibility letters and regularly conduct safety management inspections of their hotels. Jin Jiang Hotels China Region actively implements the work safety responsibility system to ensure overall operational safety and workplace safety.

Jin Jiang Hotels China Region has established a comprehensive and advanced workplace safety standard system. As of 2023, seven hotels have achieved compliance with these workplace safety standards: Metropolo Jin Jiang Hotels Nanjing, Metropolo Jin Jiang Hotels Xincheng, Metropolo Jin Jiang Hotels Nanhuating, Metropolo Jin Jiang Hotels Tianzifang, Metropolo Jin Jiang Hotels Bund Branch, Radisson RED(China) Wujiaochang Hotel, and Campanile Shanghai Bund Hotel. To further enhance the standardization of workplace safety in China and to establish a more extensive workplace safety management system, we aim to ensure that another six to eight hotels will meet the workplace safety standardization criteria by 2024. This initiative is designed to continuously improve our safety management level and advance workplace safety standardization.

Safety Production Management Committee of Jin Jiang Hotels China Region (composed of leaders above the Vice President of Jin Jiang Hotels China Region).

The CEO of Jin Jiang Hotels China Region serves as chairman. The President of Jin Jiang Hotels China Region and certain leaders in charge of the Brand Support Center act as deputy chairmen, and other leaders serve on the Committee as members.

The Office of Safety Production Management Committee of Jin Jiang Hotels China Region (set in the Brand Support Center Quality Safety Department).

The Safety Production Management Committee of Shenzhen Division I

The leaders holding positions above vice president are the members of the Headquarters Safety Production Management Committee, with the President serving as the chairman and the Vice President of the Headquarters as a member.

Shanghai Headquarters

The leaders holding positions above vice president are the members of the Headquarters Safety Production Management Committee, with the President serving as the chairman and the Vice President of the Headquarters as a member.

The Work Safety Committee of Shenzhen Division II

The leaders holding positions above vice president are the members of the Headquarters Safety Production Management Committee, with the President serving as the chairman and the Vice President of the Headquarters as a member.

The Office of Safety Production Management Committee of Shenzhen Division I <BG supports middle office (Quality Safety Support Department) >

The Office of Safety Production Management Committee of Shanghai Headquarters <BG supports middle office (Quality Safety Support Department) >

The Office of Safety Production Management Committee of Shenzhen Division II <operation middle office (Quality Management Department)>

Safety management measures

Upon self-inspection and self-correction, we meticulously organize large-scale work safety inspections and targeted rectifications. We inspect hidden dangers and signs of accidents, promptly re-inspect the hidden dangers after rectification. In 2023, we carried out more than 350 inspections, identified and rectified 870 hidden dangers, achieving a rectification rate of 100%

Through safety emergency drills, measures for workplace safety management and safety precautions are deeply rooted in the hearts of every employees. According to statistics, in 2023, Jin Jiang Hotels held 71,943 emergency drills, 1,103 safety training sessions and 122 safety lectures, with 14,601 participants.

As at the end of the reporting period, the Company invested RMB 187,292,500 in workplace safety.

Employee Health and Safety Training

Jin Jiang Hotels diligently conducts learning on workplace safety, intensifies our efforts in publicity, education, and training, and enhances the awareness of workplace safety. Throughout the year, the hotels convened four specialized safety meetings for the leaders and safety officers of the affiliated units to deliberate on and execute tasks related to workplace safety, following industrial safety expert training and case study and analysis. In conjunction with the "Workplace Safety Month" and "119 Fire Safety Month" initiatives, and in line with the principle of "putting prevention, people, and life first", the Company has prioritized the dissemination and enforcement of the Work Safety Law of the People's Republic of China and Regulations of Shanghai Municipality on Work Safety as our main focus, totaling 116 activities that included emergency management and significant expositions on workplace safety, engaging 2,503 participants, with 29 commentary articles or experiences published. We organized 136 events such as "Discussions on Workplace Safety", "Meeting Before Work", and "Case Statement" to exchange learning experiences, involving 2,147 individuals. We also arranged for 547 people to participate in the online knowledge contest of "Everyone Talks about Workplace Safety, and Everyone Will Respond to Emergencies", which received responses from 2,126 individuals. Additionally, participants engaged in the online "escape drill training camp" activity, which resulted in the release of 21 videos. These endeavors solidified the concept of safe development and raised the awareness of safety among the Company's staff.

71,943

emergency drills

1,103

safety training sessions

RMB 187,292,500

in workplace safety

"Workplace Safety Workshop"



7 Growing Together with our Partners

Supplier Management
Franchisee Management

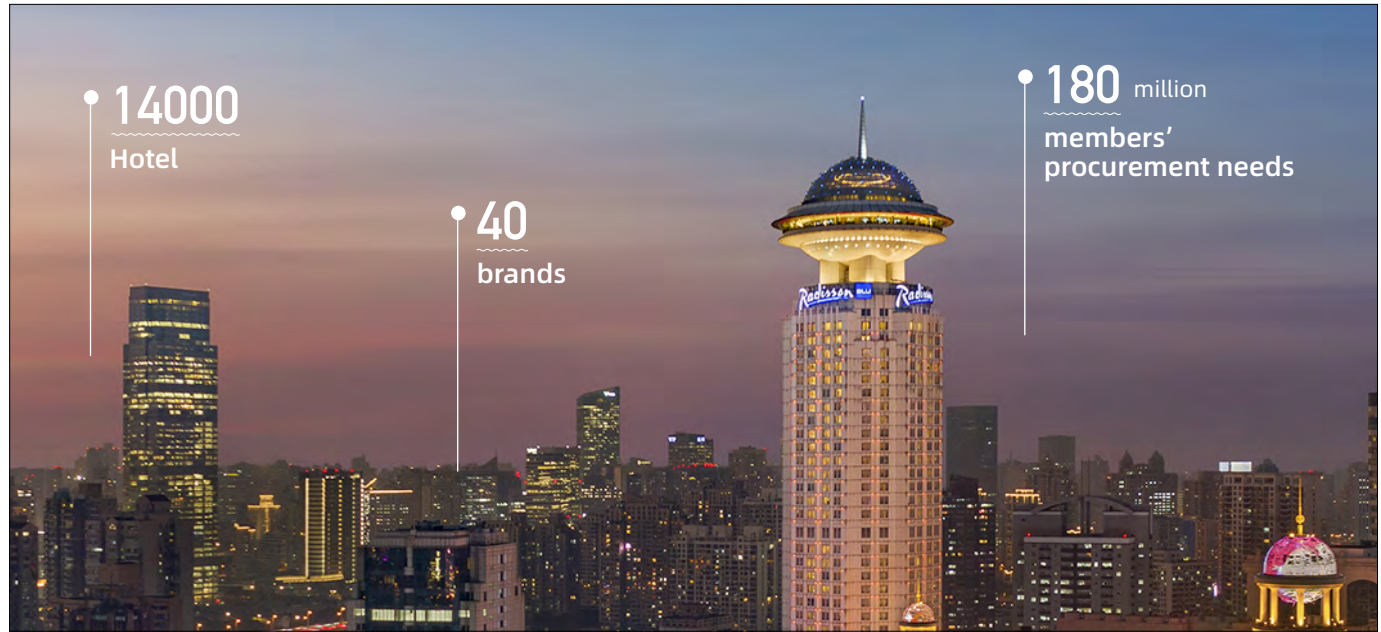


Supplier Management

Supplier Management System

Jin Jiang Hotels Supplier Management System relies on Jin Jiang Global Procurement Platform (GPP). It is an important procurement platform for Jin Jiang International. This platform, built on supply chain service capabilities, integrates the advantages of Jin Jiang International's physical resources and facilitates multi-party trading. It provides more than 40 brands comprising over 14,000 hotels around the world with intelligent, digital, and platform-based procurement and supply chain services, covering the whole chain from brands' and hotels' preparatory and planning stages to when they are up and running. This platform has served over 180 million members' procurement needs.

GPP has formulated and implemented a series of supplier management rules, such as the Measures for Procurement Management of Shanghai Jin Jiang Joint Procurement Supply Chain Company Limited; the Rules for Supplier Evaluation Management; the Measures for Onboarding Management and Product Offering Upload of Shanghai Jin Jiang Group Procurement & Supply Chain CO.,LTD. and the Measures for Evaluating and Replacing Suppliers of Shanghai Jin Jiang Group Procurement & Supply Chain CO.,LTD. These measures empower process specifications, supplier management, transparency, impartiality, data-driven decision-making, continuous improvement, and compliance, as well as provide comprehensive guidance and assurance for our company's procurement activities.



让采购变得简单
To Make Hotel Purchase Simple



Supplier Management: Goals and Plans

GPP is committed to working with suppliers to build and maintain a responsible and ethical supply chain. To this end, we have developed a series of rules, standards, and plans concerning ethics, safety, health, labor rules, and environmental protection, among other aspects, to contribute to the Group's sustainable development. When Jin Jiang Hotels China Region signs contracts with its partner suppliers, it requires them to sign a Letter of Commitment to Anti-Commercial Bribery, to ensure both parties cooperate in a compliant and ethical manner.



Ethical standards



We have developed strict ethical procurement-relevant guidelines that all suppliers are required to adhere to, including not engaging in bribery or any form of corruption. Also, we regularly provide ethics-themed training sessions for suppliers to raise their awareness of ethics.

Labor standards



We work with our suppliers to protect labor rights, requiring them to comply with international labor standards, including protecting workers' rights, making proper working hours-relevant arrangements, and ensuring health and safety in the workplace. We conduct audits on our suppliers to check their compliance with labor rules, making sure they meet international labor standards.

Environmental protection standards



We attach great importance to sustainable development and require our suppliers to make their products in environment-friendly ways to reduce waste, save energy, and reduce carbon emissions. We regularly conduct environmental audits to ensure compliance with environmental regulations and incorporate environmental requirements.

Health and safety standards



We care about the health and safety of our employees and suppliers. We require suppliers to provide a safe workplace and to comply with national and international health and safety standards.

Rules and plans



We work with our suppliers to develop long-term business plans and strategies to ensure that they are aligned with our philosophy and goals. In addition, we are constantly improving our supplier evaluation and review mechanisms, and regularly assess the performance of our suppliers to ensure that they continue to meet our requirements.

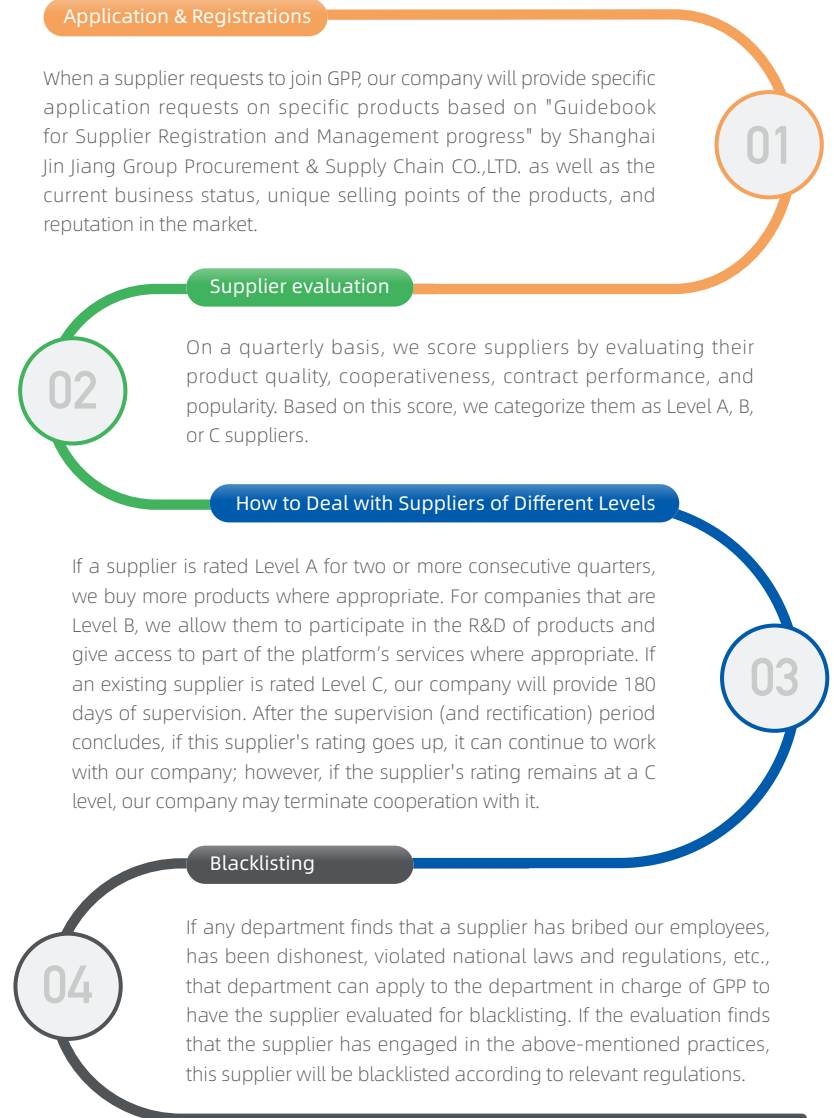
Process of Supplier Management

In terms of cooperation with suppliers, GPP has made a number of ESG-relevant moves: reducing costs by integrating different kinds of products; supporting the hotel by helping to implement measures to reduce the use of plastic; and improving digital capabilities, which facilitates continual improvement of one-stop hotel supply chain services and customer experiences. GPP has formulated the Measures for Onboarding Management and Product Offering Upload of Shanghai Jin Jiang Group Procurement & Supply Chain CO.,LTD. (2023) to ensure that businesses joining the platform and their products meet strict quality inspection standards and qualifications. These requirements are a byproduct of our ESG mentality.

Our plan for GPP's future development is to further open up the service platform, comprehensively improve service capabilities, offer sustainable development certification to suppliers who join the platform, and create an ESG sub-pool with suppliers of ten kinds of products. These moves show that GPP values responsible cooperation with our supply chain partners and aims to ensure our businesses grow together in an ethical and sustainable way.



Supplier Evaluation Process Diagram



Growing Together with our Partners

To ensure suppliers meet the requirements and standards of the Company, GPP holds regular supplier review meetings to assess their performance regarding compliance, quality, delivery cycle, price, etc. Through such meetings, we identify qualified suppliers and establish long-term partnerships to promote sustainable procurement.

Our supplier management rules cover a total of 1,015 tier-1 suppliers. Regular meetings between GPP and suppliers ensure efficient GPP-supplier communication, promote close cooperation and collaborative development of both sides, and help to identify and solve problems in a timely manner. This boosts efficiency and supports mutual sustainable development.

Review process	At the review meetings, suppliers are comprehensively evaluated on aspects, such as compliance, quality management, delivery cycle control, price, and cost. The evaluation is based on pre-set criteria and procedure, to ensure fairness and objectivity.
Compliance standards	To become qualified, suppliers must meet a number of basic requirements. These include having a good record of compliance, a stable quality management system, a reliable and guaranteed delivery cycle, competitive pricing, and good after-sales service and customer support.
Method of confirmation	Those that pass the evaluation are included in the list of qualified suppliers. To ensure suppliers' quality and reliability, this list is regularly updated and maintained. If things go wrong in future cooperation, or they fail to meet our requirements, we remove them from this list.
Future cooperation	Suppliers, once confirmed as qualified, will have the opportunity to establish a long-term partnership with Jin Jiang GPP. We will develop cooperation plans and strategies specific to them, so that both sides will help grow the business.
Constant improvement	We encourage qualified suppliers to constantly improve their performance to meet changing market demands and customer expectations. We maintain close communication and cooperation to take business to the next level and promote its sustainable development.



Green Supply Chain

Our company's procurement gives priority to green, low carbon and environment-friendly products with an ESG concept incorporated into them. GPP, through the formulation of relevant documents, such as the Measures for Onboarding Management and Product Offering Upload of Shanghai Jin Jiang Group Procurement & Supply Chain CO.,LTD. has improved the level of green supply chain management and helped to develop a sustainable supply chain.

Case

Integration of green cleaning agents

To support high-quality sustainable development of the hotels while further reducing costs and increasing efficiency, GPP works with Jin Jiang Hotels China Region to select high-quality suppliers, promote the integration of green cleaning agents, and support the introduction and usage of low-carbon and environment-friendly products. In 2023, our company piloted and launched green cleaning agents. All the cleaning agents that failed to pass the China Environmental Labeling Certification (also known as the "Ten-Ring Certification") were replaced by certified ones. There are 105 certified products that fully meet hotels' cleaning and disinfecting needs as part of their day-to-day operations. Hotel operators can purchase green cleaning agents via GPP.



Supplier Training

GPP has been actively working on raising suppliers' ESG awareness. We provide a broader learning and communication platform for industry chain entrepreneurs who join GPP by holding events such as the GPP Industry Chain Entrepreneur Training, the Supply Chain Enterprise Growth Camp, and Youcai Club's ESG Salon (Youcai means good procurement in Chinese). GPP constantly improves the application of ESG awareness and the delivery of services through a long-term laboratory operation mechanism and guiding suppliers through a module on innovation. GPP also encourages suppliers to consider more environment-friendly products, social responsibility, and effective governance, which all can lead to the creation of more competitive services and products.

Case

GPP Industry Chain Entrepreneur Training

In 2023, GPP offered training and education activities such as the GPP Industry Chain Entrepreneur Training, providing these entrepreneurs with a unique communication and development platform. This not only strengthened the link between the platform and supply chain companies, but also made a positive impact. First of all, this training primarily focused on GPP, with a secondary focus on sharing the entrepreneurs' sustainable development practices. This deepened the supply chain business operators' understanding of ESG, and also encouraged them to pay more attention to sustainable development of the supply chain, as well as how the operation of their companies impact the environment, society, and governance.



Case

2023 Dun & Bradstreet ESG and Sustainable Supply Chain Development Forum

The GPP Supply Chain Center invited core suppliers to join the 2023 Dun & Bradstreet ESG and Sustainable Supply Chain Development Forum, where they discussed hot topics with government and industry association leaders, experts and scholars at home and abroad, as well as people from some of the pioneering companies. Topics included the supply chain's low-carbon transformation, the transformation of ESG regarding the sustainable development of the industry chain, and the building of a digital ESG management system.



Franchisee Management

Jin Jiang Hotels China Region has created a management and service system for franchisees, which is holistically planned by the Franchise Service Department and collaboratively managed and served by the brand head and regional heads (based on how their management responsibilities are defined). This system goes hand in hand with our company's franchisee management system consisting of five aspects: "investment, financing, building, management, and elimination."

INVESTMENT
FINANCING
BUILDING
MANAGEMENT
ELIMINATION

Franchisee Management System

Franchisee-related scenarios	Franchisee full-process management system	Specifics
Satisfaction survey	Jin Jiang Hotels China Region Rules for Managing franchisee Satisfaction	To ensure investors' complaints and requests are handled more efficiently, we've standardized the franchisee satisfaction survey, the process of handling investors' complaints, as well as relevant performance evaluations, creating greater value for them. We strive to continuously improve our franchisee services and enhance our market competitiveness.
Management of investors based on their respective levels	Jin Jiang Hotels China Region Measures for Managing Investors	For all of our brands' franchisees, we have a scoring standard including hard-and-fast indicators and comprehensive indicators. Our investors are divided into four levels: Diamond, Platinum, Gold, and VIP. They are served and maintained by our Franchise Service Department, headquarters, and regional brand teams.
Reinvestment management	Jin Jiang Hotels China Region Measures for Managing Existing Investors' Reinvestment	To cement and develop the friendship between investors and our company, and to secure the continued growth of new projects, we provide different levels of preferential policies and support for investors who reinvest in our franchise.
Expiration of investment contracts	Jin Jiang Hotels China Region Rules for Managing Contract Expiration and Renewal	To ensure the healthy development of all of our brands and franchisees, and to maintain a continued win-win partnership with investors, we offer different levels of preferential policies for investors concerning contract renewal and two-way improvement.
Upgrading of franchised outlets	Jin Jiang Hotels China Region Rules for Upgrading Existing Franchised Outlets	To help our existing outlets stay fresh and constantly improve, thereby advancing the market competitiveness of our brands' products, we offer certain preferential policies concerning the management fees and central estimated costs for each month. These policies are based on how our brands are positioned and how the existing outlets are upgraded (whether thorough, big, medium, or small).
Management of dormant outlets	Jin Jiang Hotels China Region Rules for Handling and Managing Dormant Franchised Outlets	Based on our company's needs, we clean up and activate franchised projects whose decoration has not started within a certain period or whose decoration has started and has been put on hold due to various reasons, to maintain our image and develop our brands. This fends off legal risks while ensuring project preparations can move along in an orderly manner.
Mechanism of cooperation with strategic franchisees	Mechanism for Managing Strategic Partners	This is designed to accommodate our company's needs for high-speed development, motivate strategic partnership, and ensure our partners can work closely with us, create greater benefits, and support our company's long-term development.

Franchisee Audit and Evaluation System

In the first quarter of each year, we have an annual grading of all Jin Jiang Hotels China Region investors. First, we score them based on 5 hard-and-fast indicators: franchise scale, multi-brand franchising, annual payment collection, quality of relevant equipment and facilities, and special contributions made in a single year. Then, our front-end operation team adds or subtracts points based on four aspects: brand loyalty, execution of corporate policy, management team support, and high-quality business operation support. The comprehensive indicators include four disqualifiers. If investors are found having done one disqualifier, they will not be graded, and their relevant rights and interests will be canceled. Finally, investors' annual scores are confirmed and given a Diamond, Platinum, Gold, or VIP franchisee status.

Franchisee management

	Index Points	2023
	Total number of franchisees	
Number of strategic franchisees		19
Number of Diamond franchisees		590
Number of Platinum franchisees		588
Number of Gold franchisees		1,175
Number of VIP franchisees		10,019
Number of ESG-themed franchisee reviews/evaluations in one year		12,372
Number of disqualified franchisees		658
Number of franchisees joining the ESG training		11,576
Franchisee' ESG training time		143 hours

Franchisee management

Franchisee Activities

In recent years, Jin Jiang Hotels has remained dedicated to empowering franchisees by actively organizing cross-departmental activities and fostering communication and collaboration with them. Offering professional training in investment, finance, management, and other areas, Jin Jiang Hotels aims to assist franchisees in exploring new ideas, creating fresh opportunities, and collectively striving for leadership in the hotel industry.

Franchisee events



"Gather Strength, Think Long-term, Be a Visionary"
South China franchisee Meeting



"Feel the Jin Jiang Vibe, Live the Jin Jiang Dream"
North China franchisee Meeting



"Travel and Accommodation in China"
masterclass presented by Jin Jiang Hotels BOSS Institute

8

Bringing Benefits to Society and People's Livelihood

Serving Rural Revitalization
Driving Industrial Development
Engaging Social Charity

维爱发声
Sound out for love



Jin Jiang Hotels has actively responded to the national strategy by taking actions to empower the rural revitalization initiative, benefiting society and people's livelihood. For Jin Jiang Hotels, sustainable development does not stop at environmental protection, emission reduction and resource saving. As a state-owned enterprise, we take benefiting society and people's livelihood and realizing rural revitalization as our own responsibility, and firmly pursue our unique path to green and sustainable development.

We know very well that companies play an important role in social development, and are always committed to promoting the coordinated development of players on the upstream and downstream sides of the industry chain. By working closely with rural areas, we not only provide employment opportunities, but also help upgrade local industries. Jin Jiang Hotels is devoted to boosting regional economic growth and people's income and employment while promoting green development, promoting business for good and honoring national legacy; we have effectively helped transform lucid waters and lush mountains into assets in a practical sense, and further contributed to consolidating local areas' gains in poverty alleviation and their achieving rural revitalization.

In the future, Jin Jiang Hotels will continue to practice the ESG concept and work hard to create a harmonious coexistence of economy, society and environment. We will continue to improve our operation model, use resources more efficiently, and drive the green transformation of the industry chain. We will continue to pay attention to social issues, make good use of our strengths, and contribute more to building a better society.

ESG

Serving Rural Revitalization

Jin Jiang Hotels actively fulfills our corporate social responsibility and does our part to serve the country and help build a harmonious society. While serving the national strategy of rural revitalization, we also pay attention to environmental protection, and work hard to reduce carbon emissions; we adhere to the ESG philosophy and constantly improve how we implement the national strategy as a company.

Case

ZMAX's Yuandian Program

ZMAX, a brand of Jin Jiang Hotels, launched the Yuandian Program characterized by integration and reuse of resources; this is where disposable consumables customers used but left at the hotel (such as toothbrushes and combs) are recycled, disinfected, and made into pencil boxes and other stationery, kids' table and chair set, etc., which are then donated to school kids who need them. This program helps those students in an environmental-friendly way, supporting their growth in general. From May 2019 to December 2023, a total of 3.3 tons of toothbrushes and combs were recycled and sent out, which were made into 15,000 pencil boxes, and 9,610 children received the Yuandian stationery.



Case

Renjoy Hotel Charity Transfer Station

To add to local area's signature offerings and support rural revitalization, at the beginning of 2022, the Renjoy Hotel Charity Transfer Station was set up in Yilamila Hotel, Gongshan County, Nujiang Lisu Autonomous Prefecture of Yunnan Province. It's a platform where Renjoy Hotel practices its social responsibility. And as of December 31, 2023, the Renjoy Hotel series brands had collected donations of tables and chairs, televisions, curtains, sports supplies and stationery, totaling RMB 100,000.



Driving Industrial Development

Jin Jiang Hotels attaches great importance to the high-quality and sustainable development of the hotel industry. Now, with the advent of the high-quality development plan and the “dual carbon goals” era, Jin Jiang Hotels has been actively enabling upstream and downstream industry chain participants and industry stakeholders, and working with them to help improve and inject new vitality into the hotel industry and tourism industry.

Case

Jin Jiang GPP's industry-empowering actions

After nearly two years of cooperation, communication and promotion between Jin Jiang GPP and Accor Group since the end of 2020, the model room manufactured and assembled according to Accor's latest design standards was recognized by Accor's technical design department.

In order to better mobilize the Jin Jiang GPP supply chain, the two sides have established a vision for long-term cooperation. In 2023, Jin Jiang GPP and Accor Group signed the Memorandum of Long-term Strategic Cooperation on the Supplies for the Building and Operation of Jin Jiang-Accor Novotel Guest Rooms.

Jin Jiang GPP applied centralized procurement to its supply chain resources, provided Accor's projects at home and abroad with prefabrication technique as well as the solutions of exportable materials for the building and operation of guest rooms, and coordinated suppliers to continuously improve the products and deepen the design according to Accor's design and actual project-relevant requirements, including Accor's reasonable requirements related to carbon emission research. Based on the delivery of the model rooms, Accor has entered into a long-term cooperation with Jin Jiang GPP to promote the model room solution, and facilitated the implementation of relevant big projects. Both sides recognize each other, develop together, and have established the common goal of long-term strategic cooperation.

In June 2023, the two sides delivered the complete deepened design drawings and completed the acceptance check, and received the site visit of Accor's global chief procurement officer. And in July 2023, the design of the big-project cooperation model and the signing of the framework agreement were done.

Jin Jiang GPP's joint procurement project also covers the potential Accor-Jin Jiang full-service hotels, and under this project, there are eight joint-procurement partner suppliers for kitchenware (a pilot project) covering a total of 112 potential Accor-Jin Jiang full-service hotels, and there are five partner suppliers of fruit, vegetable, egg and milk (a pilot project) covering a total of 30 potential Accor-Jin Jiang full-service hotels (Shanghai area). The signing of this project promotes the development of the hotel industry supply chain while strengthening our cooperation with suppliers.

Case

Gui Tea

Jin Jiang Hotels integrates ESG into our development strategy, and actively links the upstream and downstream industry chain players to implement green practices, create a responsible supply chain, and to promote the sustainable development of Jin Jiang's industry chain ecosystem. Since 2020, Jin Jiang GPP started to purchase Gui Tea products. As a leading business in Guizhou's tea industry, Gui Tea Group has helped drive 35 companies on the upstream side of the industry chain and nearly 50,000 tea farmers to increase their income and acquire wealth. Since 2020, 819 hotels under in 238 cities have purchased Gui Tea products and promoted its distribution, leading to a cumulative sales volume of more than RMB 9.6 million and practically supporting Guizhou tea industry's growth.



Engaging Social Charity

Jin Jiang Hotels firmly believes the power of a business comes from society and a business should give back to society. Through continuous investment and thoughtful planning, Jin Jiang Hotels has achieved remarkable results in Engaging Social Charity. Whether it is donating money to help students, helping the poor, supporting environmental protection, or caring for the vulnerable, Jin Jiang Hotels sets an example by doing good deeds to bring love and warmth to every corner of our society, showing just how a responsible business should operate. While pursuing economic benefits, we always remember our social responsibility and are committed to achieving a win-win situation in our development journey.

Social Charity initiated by our brands



XANA HOTELLE brand and its sub-brands including XANA Deluxe Hotel have launched a number of "Blue Ribbon" public service IP actions and projects since 2019 that are meant to empower women and children. So far, they worked with investors and philanthropic organizations to donate libraries to a total of 5 elementary schools, providing reading spaces for at least 6,000 families and nearly 10,000 children.



Every year, the Y.TUO HOTEL brand, together with the inheritors of intangible cultural heritage, art creators, people from cultural and creative brands and other like-minded people, presents a wide variety of fun carnival activities in the hotel, and provides an Intangible Cultural Heritage Workshop space where different intangible cultural heritage-themed DIY activities are held from time to time, which has made the intangible cultural heritage culture known to more people, and allowed those inheritors' stories to reach a wider audience.



The Vienna Hotel launched the philanthropy project called Vienna's Voice of Love (Wei Ai Fa Sheng in Chinese pinyin) for children with autism. The project is designed to bring help and love to these "children of the stars", and is expected to draw more good-hearted people's attention to these children, so that they can help them integrate into society and show them love.



Case

Jin JIang Hotels' first ESG micro film

As a pioneer of ESG sustainable development practice, Jin JIang Hotels actively explores sustainable development solutions and integrates the outcomes of its own sustainable development practice into the micro film Where There is Light. The film actively conveys the concept of "practicing green, growing towards the light" to society, and motivates more aspirational people to be part of the sustainable development vision.



Case

Helping out earthquake victims in Linxia Hui Autonomous Prefecture, Gansu

On December 18, 2023, a 6.2-magnitude earthquake hit Jishishan County, Linxia, Gansu Province. The northwest region of Jin JIang Hotels China Region worked with Chengguan District of Lanzhou, Gansu Province to set up an emergency team overnight to check the situations of its local outlets, and issued earthquake safety guidelines to help those outlets evacuate and comfort the customers and provided daily necessities. For a few days, Jishishan's temperature continued to be low, with the minimum temperature reaching -16 °C , and Jin JIang Hotels China Region urgently mobilized all Lanzhou outlets to collect bedding sets (quilt and quilt cover), and had regional employees buy electric blankets and cotton-padded coats from local offline stores. They managed to collect a total of 200 bedding sets, 220 cotton-padded coats and 150 electric blankets, and immediately sent them to the disaster-hit area.



Outlook for 2024

The 14th Five-Year Plan is the first period in which we will start the new journey of comprehensively building a modern socialist country and march towards the second centenary goal. The year of 2024 is key for realizing the goals and tasks of the 14th Five-Year Plan. Jin Jiang Hotels shoulders its due responsibilities as a state-owned enterprise, stays committed to developing new quality productive forces to promote high-quality development, and highly values the key elements of harmony, integration, peace, cooperation, management rules, code of conduct, work ethics, etiquette, and service standards.

This year, Jin Jiang Hotels will work harder to overcome difficulties, strive to bring the 14th Five-Year Plan goals and tasks to fruition, and lay a solid foundation for the comprehensive development of a modern socialist country. Jin Jiang Hotels always adheres to the principles of “following the Party’s leadership, carrying forward revolutionary spirit, utilizing complementary advantages, and seeking common development.” As the the country issues favorable policies and the consumer demand for leisure and vacation increase, we will continue to improve Jin Jiang Hotels’ ESG governance system. In addition, we will further integrate the concept of sustainability and the HSB verification goal into our hotel operation, advocate the low-carbon lifestyle, further raise the hotels’ service awareness, help employees grow in different directions, and Engaging Social Charity. We are committed to creating lasting value for our shareholders and investors, providing better products and services to our customers, creating broader growth opportunities for our employees, fulfilling our responsibility to society, and actively giving back to all stakeholders who trust us. Those who continue to work hard and take action often succeed in the end; those who persevere and keep going usually reach their destination. History will not fail the doers. We worked hard to create a brilliant past and will keep up the hard work to create a better future.

Appendix

Quantitative Performance Table

Indicator	Unit	2021	2022	2023
Economic performance				
Operating income	RMB 100,000,000	114.00	113.10	146.49
Net profit attributable to shareholders of the Company	RMB 100,000,000	0.96	1.27	10.02
Total tax	RMB 100,000,000	10.83	7.10	12.13
Indicator	Unit	2023		
Investment in environmental protection	RMB 10,000			2220.39

Indicator	Unit	2021	2022	2023
Governance performance				
Corporate governance				
Number of the Directors	person	10	9	9
Number of female Directors	person	1	2	2
Number of male Directors	person	9	7	7
Number of independent Directors	person	4	4	4
Meetings of regular assessment of performance	time	2	3	3
Shareholders meetings	time	2	2	4
Proposals passed	time	13	20	14
Meetings of the Board of Directors	time	18	24	12
Indicator	Unit	2021	2022	2023
Proposals passed	time	43	65	44
Number of hot line calls from investor relations	time	Over 300	Over 300	Over 400
Research from brokers and institutional investors	time	70	52	100

Indicator	Unit	2023	
Compliance management			
Number of employees trained on compliance	person	11,727	
Hours of compliance training sessions	hour	12.75	
Anti-corruption			
Number of corruption lawsuits	piece	0	
Indicator	unit	2022	2023
Total number of training sessions on anti-corruption	time	17	246
Total number of employees trained on anti-corruption	person	25,242	13,187
Indicator	Unit	2023	
Hours of training sessions	hour	219.5	
Lawsuit			
Number of corruption lawsuits brought and concluded against enterprises or their employees	piece	0	
ESG governance			
Total number of ESG training	time	46	
Total number of employees trained on ESG training	person	6,628	
Hours of ESG training sessions	hour	276,738	

Environment performance		
Total investment in environmental protection	RMB 10,000	2,220.39
Training on environmental protection		
Environmental protection training per capita	hour	12.26
Hours of water resource protection training	hour	5,353.6
Total number of employees trained on water resource protection	person	478

Indicator	Unit	2023
Social performance		
Basic information of employees		
Labor contract signing rate	%	100%
Total number of employees	person	33,461
By employment category		
Contract labour	person	30,561
Temporary workers/Labour dispatching/ Intern		2900
By gender		
Male employees	person	16,319
Female employees	person	17,142
By management category		
Core management employees	person	56
Middle management employees	person	819
Grass-roots management employees	person	22,685
Number of employees with disabilities		
Employees with disabilities	person	61
Female employees' interests		
Number of core female management employees	person	17
Proportion of core female management employees	%	30.00%
Number of middle female management employees	person	316
Proportion of middle female management employees	%	39.00%
By age		
60 years old and above	person	151
50-59 years old	person	3,089

Indicator	Unit	2023
40-49 years old	person	9,173
30-39 years old	person	13,318
29 years old and under	person	7,730
By region		
Employees in mainland China	person	27,257
Ethnic minorities employees	person	1,224
Overseas employees and employees from Hong Kong, Macau and Taiwan, China	person	15,844
By education background		
Employees with PhD degrees	person	6
Employees with Master degrees	person	300
Employees with Bachelor degrees	person	6,128
Employees with two-or three-year college diploma	person	11,183
Other qualifications	person	15,844

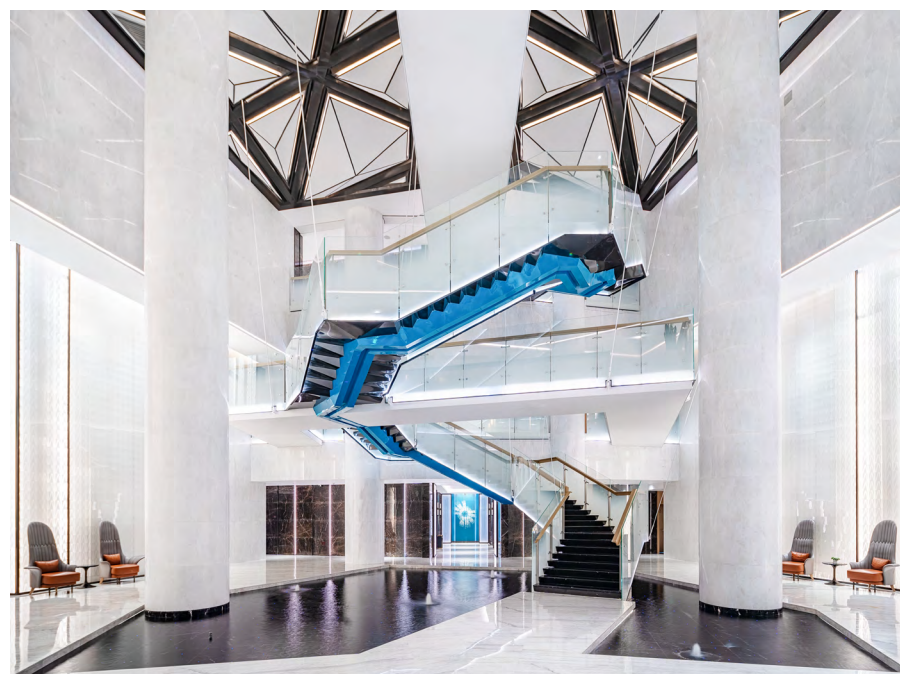
Indicator	Unit	2021	2022	2023
Employee training				
Total number employees trained	person	433,415	652,095	1,487,413
Hours of training	hour	12,059	51,779	106,345
Investment in training	RMB 10,000	/	/	136
Average hour of training	hour	4	47	33
Average training hour of regular employees	hour	11	84	44
Average training hour of temporary workers/labour dispatching/intern	hour	2	39	29
Average training hour of core management employees	hour	0.1	0.5	0.5
Average training hour of middle management employees and technical backbones	hour	8	35	15
Average training hour of grass-roots employees and technicians	hour	4	48	33

Indicator	Unit	2021	2022	2023
Occupational health and safety				
Number of serious work injury	person	1	0	0
Number of working hours lost due to injury	hour	1,129	1,137	873
Work-related deaths	person	2	1	1
Work-related death rate	%	0.01%	0.00%	0.00%
Indicator	Unit	2022	2023	
Emergency drill and hidden danger				
Total number of various emergency drill	time	17,988	71,943	
Security check				
Safety hazards by self-checked	place	9,545	9,850	
Rectification within the year	place	7,631	8,937	
Investment in work safety	RMB 10,000	11,854	18,729.25	
Indicator	Unit	2023		
Safety training				
Total number of employees trained	person	2,503		
Indicator	Unit	2022	2023	
Hours of training	hour	30,557	146,302	
Employee training coverage rate	%	100%	100%	
Supply chain management				
Total number of suppliers		880	1,015	
Indicator	Unit	2023		
Supplier Audit				
Number of suppliers passed the quality management system certification			516	
Number of suppliers passed the environmental management system certification			548	

Indicator	Unit	2023		
Number of suppliers signed the Sunshine Cooperation Agreement (or Commitment)	1%	887		
Indicator	Unit	2022	2023	
Number of supplier reviews/evaluations in one year		876	887	
Franchisee management				
Total number of franchisees		14,092	14,791	
Number of strategic franchisees		16	19	
Number of Diamond franchisees		567	590	
Number of Platinum franchisees		566	588	
Number of Gold franchisees		1078	1,175	
Number of VIP franchisees		9140	10,019	
Number of ESG-themed franchisee reviews/evaluations in one year		8982	12,372	
Number of disqualified franchisees		273	658	
Number of franchisees joining the ESG training		734	11,576	
Hours of franchisees' ESG training		80	143	
Customer satisfaction				
Customer satisfaction	Score	92.22	91.65	
Indicator	Unit	2022	2023	
After-sale system				
Number of customer complaints		632,965	746,269	827,286
Indicator	Unit	2023		
Response rate of customer complaints	%	100%		
Indicator	Unit	2021	2022	2023
Settlement rate of customer complaints	%	99%	95%	99%

Indicator	Unit	2023		
Customer information and privacy protection				
Number of training on customer information and privacy protection				2
Indicator	Unit	2021	2022	2023
Information safety training				
Number of training on information safety	person	19,081	17,099	25,336
Innovation and R&D				
R&D results				
Number of acquired trademarks		101	135	63
Number of acquired copyright		3	2	11
Number of acquired patent		1	0	0
Indicator	Unit	2022		2023
Public welfare events				
Number of public welfare events		113		301
Number of volunteers	person	453		4,499
Duration of volunteer services	hour	4,209		9,250
Indicator	Unit	2022		2023
Investment in public welfare events	RMB 10,000			95.06
Indicator	Unit	2022	2023	
Total amount of donation	RMB 10,000	86.28	72.33	
Indicator	Unit	2023		
Rural revitalization	RMB 10,000	10.35		
Environmental protection	RMB 10,000	0.85		
Education	RMB 10,000	38.30		
Other donations	RMB 10,000	22.83		
Employment				
Number of annual employment	person	9,270		

Indicator	Unit	2022	2023
Campus recruitment	person	630	538
Indicator	Unit	2023	
Social recruitment	person	8,732	
Male employees	person	3,741	
Female employees	person	5,529	



Index

- Indicator System on Environmental, Social and Governance (ESG) of Listed Companies Controlled by State-Owned Enterprise in Shanghai (Version 1.0)

- GRI Standards

Indicator System on Environmental, Social and Governance (ESG) of Listed Companies Controlled by State-Owned Enterprise in Shanghai (Version 1.0)				GRI Standards	Corresponding Chapter
Level-I Indexes	Level-II Indexes	Level-III Indexes		Disclosures	
Environment					
Environment	E1 Environmental Management	E1.1	Goals and Systems of Environmental Management		Protecting Our Natural Environment-- Sustainable Environmental Management
		E1.2	Certification of Environmental Management	GRI: 2-5 External assurance	
		E1.3	R&D of Green Products and Application of Environment-friendly Technology		Protecting Our Natural Environment -- Continuous Green Operation
		E1.4	Total Investment of Environment Protection		Protecting Our Natural Environment -- Sustainable Environmental Management
		E1.5	Performance of Environment Protection Training		
	E2 Energy	E2.1	Goals and Plans of Energy Governance		Protecting Our Natural Environment -- Strengthening Energy Management
		E2.2	Measures of Energy Saving	GRI: 302-4 Reduction of energy consumption	
		E2.3	Development and Application of Sustainable Energy	GRI: 302-1 Energy consumption within the organization	
		E2.4	Energy Consumption	GRI: 302-1 Energy consumption within the organization GRI: 302-2 Energy consumption outside of the organization	
	E3 Resource	E3.1	Systems and Plans of Resource Management		Protecting Our Natural Environment -- Optimization of Resource Management
		E3.2	Goals and Plans of Water Resources	GRI: 3-3 Management of material topics	Protecting Our Natural Environment -- Optimization of Resource Management
		E3.3	Water-Saving Measures	GRI: 303-2 Management of water discharge-related impacts	Protecting Our Natural Environment -- Optimization of Resource Management
		E3.4	Annual Amount of Water Use	GRI 303: Water and Effluents	
		E3.5	Use and Management of Other Resources		Protecting Our Natural Environment -- Optimization of Resource Management
	E4 Pollutant	E4.1	Goals and Plans of Effluent Management	GRI 303: Water and Effluents	Protecting Our Natural Environment -- Optimization of Resource Management
		E4.2	Measures of Effluent Reduction	GRI 303: Water and Effluents	
		E4.3	Use of Recycled Effluents	GRI 303: Water and Effluents	
		E4.4	Emissions of Effluent Contaminants	GRI 303: Water and Effluents	
		E4.5	Goals and Plans of Exhaust Gas Management		

Environment	E4 Pollutant	E4.6	Measures of Exhaust Gas Reduction		Protecting Our Natural Environment -- Optimization of Resource Management
		E4.7	Emissions of Exhaust Emissions		
		E4.8	Goals and Plans of Solid Waste Management	GRI: 306-2 Management of significant waste-related impacts	Protecting Our Natural Environment -- Precise Pollution Prevention and Control
		E4.9	Measures of Solid Waste Treatment	GRI: 306-2 Management of significant waste-related impacts	
		E4.10	Emissions of Solid Waste	GRI: 306-3 Waste generated	
		E4.11	Recycling, Utilization, and Treatment of Solid Waste	GRI: 306-5 Waste directed to disposal	
		E4.12	Management of Other Contaminants		
	E5 Climate Change	E5.1	Identification of Climate Change Risks and Establishment of Related Goals and Strategies	GRI 3-3 Management of material topics	Protecting Our Natural Environment -- Response to Climate Change
		E5.2	Measures of Promoting "Dual Carbon" Goals		Protecting Our Natural Environment -- Strengthening Energy Management
		E5.3	Carbon Accounting Measures		
		E5.4	Green House Gas Emissions	GRI 305-1, 305-2, and 305-3 Direct (Scope 1) GHG emissions, Energy indirect (Scope 2) GHG emissions, and Other indirect (Scope 3) GHG emissions	
	E6 Biodiversity	E6.1	Systems of Biodiversity Protection	GRI: 304 Biodiversity	Protecting Our Natural Environment -- Continuous Green Operation
		E6.2	Measures of Biodiversity Protection	GRI: 304 Biodiversity	
	Social				
Social	S1 Product and Service	S1.1	Systems of Product Safety and Quality Management		Building Hotels With Quality -- Comprehensive Safety Guarantee for Hotel Guests
		S1.2	Certification of Product Quality Management		
		S1.3	Innovation of Product R&D		Protecting Our Natural Environment -- Continuous Green Operation
		S1.4	Intellectual Property Protection		Building Hotels With Quality -- Premium Responsible Operation
		S1.5	Privacy and Protection of Customer Information	GRI: 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Building Hotels With Quality -- Comprehensive Safety Guarantee for Hotel Guests
		S1.6	Systems of Customer Service Management		Building Hotels With Quality -- Diverse Intensive Services
		S1.7	Responsible Publicity	GRI: 417-3 Incidents of non-compliance concerning marketing communications	Building Hotels With Quality -- Premium Responsible Operation
		S1.8	Number of Customer Complaints and Settlement rate of Customer Complaints		Building Hotels With Quality -- Diverse Intensive Services
		S1.9	Customer Satisfaction		

Social	S2 Employee Liability	S2.1	Employee Hiring and Structure	GRI: 405 Diversity and Equal Opportunity 2016 GRI: 406 Non-discrimination 2016 GRI: 408 Child Labor 2016 GRI: 409 Forced or Compulsory Labor 2016	People-oriented Philosophy -- Compliant Employment Management
		S2.2	Employee Turnover Rate	GRI: 401-1 New employee hires and employee turnover	
		S2.3	Democratic Management of Employees	GRI: 407 Freedom of Association and Collective Bargaining	People-oriented Philosophy -- Taking Care of Employees
		S2.4	Compensation and Benefit System	GRI 402: Labor/Management Relations 2016 GRI: 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People-oriented Philosophy -- Diversified Compensation and Benefit System
		S2.5	Employee Caring	GRI: 401-3 Parental leave	People-oriented Philosophy -- Taking Care of Employees
		S2.6	Employee Satisfaction		
		S2.7	Management of Employee Health and Safety	GRI: 403-1 Occupational health and safety management system	People-oriented Philosophy -- Employee Health and Safety Management
		S2.8	Certification of Occupational Health and Safety Management System		
		S2.9	Measures of Safety Emergency Management	GRI: 403-5 Worker training on occupational health and safety	People-oriented Philosophy -- Employee Health and Safety Management
		S2.10	Total Input of Safety Production		
		S2.11	Performance of Safety Production Training		
		S2.12	Injuries and Deaths Due to Work	GRI: 403-8 Workers covered by an occupational health and safety management system GRI: 403-9 Work-related injuries	Quantitative Performance Table
		S2.13	Coverage Rate of Employee Health Check-ups		
		S2.14	Employee Career Development System	GRI: 404-2 Programs for upgrading employee skills and transition assistance programs	People-oriented Philosophy -- Supporting Career Development
		S2.15	Measures of Employee Training and Practice	GRI: 404-3 Percentage of employees receiving regular performance and career development reviews GRI: 404-1 Average hours of training per year per employee	
		S2.16	Effectiveness of Employee Development		
	S3.1	Supplier Management System			
	S3 Supply Chain Liability	S3.2	Supplier ESG Review	GRI: 414-1 New suppliers that were screened using social criteria	Growing Together with our Partners -- Supplier Management
	S4 Community Liability	S4.1	Charity Events		Bringing Benefits to Society and People's Livelihood -- Engaging Social Charity
		S4.2	Input of Charity Events		Quantitative Performance Table
S4.3		Performance of Volunteer Services			

Social	S5 Enterprise Liability	S5.1	Serving National or Shanghai Strategic Goals		Bringing Benefit to Society and People's Livelihood -- Serving Rural Revitalization
		S5.2	Response to Public Crises		
		S5.3	Information Security		Upholding Robust Governance with Efforts -- Digital Governance
		S5.4	Public Services		Bringing Benefit to Society and People's Livelihood -- Serving Rural Revitalization Engaging Social Charity
		S5.5	Tax Contributions		About Jin jiang Hotels -- Corporate Profile
Governance					
Governance	G1 Corporate Governance	G1.1	CPC Leadership		Upholding Robust Governance with Efforts -- Corporate Governance
		G1.2	Chairman/CEO Division	GRI: 2-9 Governance structure and composition	
		G1.3	Ratio of External Directors	GRI: 2-9 Governance structure and composition	
		G1.4	Compliance Management System		
		G1.5	Risk Management System		
		G1.6	Audit System		
		G1.7	Measures of Avoiding Violating Business Ethics	GRI: 205 Anti-corruption	
		G1.8	Anti-Monopoly and Fair Competition		
	G2 ESG Governance	G2.1	Participation of Board of Directors in ESG Management	GRI: 2-22 Statement on sustainable development strategy	Upholding Robust Governance with Efforts -- ESG Governance
		G2.2	ESG Organizational Structure	GRI: 2-22 Statement on sustainable development strategy	
		G2.3	ESG Strategy/Goals	GRI: 2-22 Statement on sustainable development strategy	
		G2.4	Identification of ESG Stakeholders	GRI: 2-22 Statement on sustainable development strategy	
		G2.5	Identification of Material Topics		
		G2.6	ESG-Related Policies	GRI: 2-22 Statement on sustainable development strategy	
		G2.7	Stakeholder with Communications	GRI: 2-29 Approach to stakeholder engagement	
		G2.8	Management Compensation Linked to ESG Performance	GRI: 2-19 Remuneration policies	
		G2.9	ESG Factors in Specific Business		
	G3 Data Governance	G3.1	Infrastructure Platform Development		Upholding Robust Governance with Efforts -- Digital Governance
G3.2		Data Aggregation and Interoperability			
G3.3		Data Governance System			



上海锦江国际酒店股份有限公司

Shanghai Jin Jiang International Hotels Co., Ltd.

📍 20/F, Lian Yi Building, No. 100 East Yan'an Road, Huangpu District, Shanghai

☎ 021-63217132

✉ JJIR@jinjianghotels.com