



GREEN BUILD TECHNOLOGY

2023
Sustainability
Report | **GREEN BUILD
TECHNOLOGY
LIMITED**



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1. Board Statement

On behalf of the Board of Directors (the “**Board**”) of Green Build Technology Limited (“**Green Build**” or the “**Company**”, together with its subsidiaries, the “**Group**”), we are pleased to present to you the Sustainability Report (the “**Report**”) for the financial year ended 31 December 2023 (“**FY2023**”). Thank you for your continued support for the Group.

The Group has consistently focused on fostering sustainable urban development within the realms of energy conservation, environmental protection, and ecological enhancement, with the goal of enhancing the ecological environment of our cities. During the financial year ended 31 December 2022 (“**FY2022**”), the Company entered into a sale and purchase agreement (the “**Disposal**”) on 1 December 2022 for the sale of some of its subsidiaries in the People’s Republic of China (“**PRC**”) namely: Harbin Shengming Energy Saving and Technology Co., Ltd., Harbin Utility Tunnel Construction and Management Co., Ltd., Harbin Prevailing Municipal Engineering Co., Ltd., Harbin Utility Tunnel Phase Two Construction and Management Co., Ltd and Harbin Superior Construction Materials Trading Co. Ltd, (collectively known as the “**Disposal Group**”). Following the completion of the Disposal on 24 May 2023, the Group, consisting of the Company and its remaining two subsidiaries, namely Republic Property Management GRP Pte Ltd and Yunbao (Heilongjiang) Investment Co., Ltd (“**Yunbao**”), will continue its business in sustainable development projects with the focus on the consulting and management in relation to the refurbishment of old estates (the “**Continuing Operations**”).

To integrate sustainable development into our business operations, the Board oversees the direction of the Group’s sustainable development, determines the material Environmental, Social and Governance factors (“**ESG**”), and monitors the material ESG factors as part of the Group’s long-term strategy formulation. The Board also has the responsibility of setting the sustainability agenda and overseeing the sustainability performances of the Group. We endeavour to set industry standards by maintaining our reputation as a reliable and esteemed organization, aligned with the Group’s enduring strategic vision and dedication to sustainable development.

On behalf of the Board,

Li Mingyang
Chairman and Executive Director of the Board
30 April 2024



2. About Us

Our Business

Green Build (Registration No. 200401338W) was established on 6 February 2004. It is a company incorporated and domiciled in Singapore and was listed on the Main Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (stock trading code Y06). The Group is in the business of sustainable development projects with a focus on providing consulting and management services in relation to the refurbishment of old estates.

The registered office of the Company is at 16 Raffles Quay, #17-03 Hong Leong Building, Singapore 048581. The principal place of business of the Group is at No. 1 Longxi Xiaoqu, Block T1, Room 3401, Daoli District, Harbin City, Heilongjiang Province, the PRC.

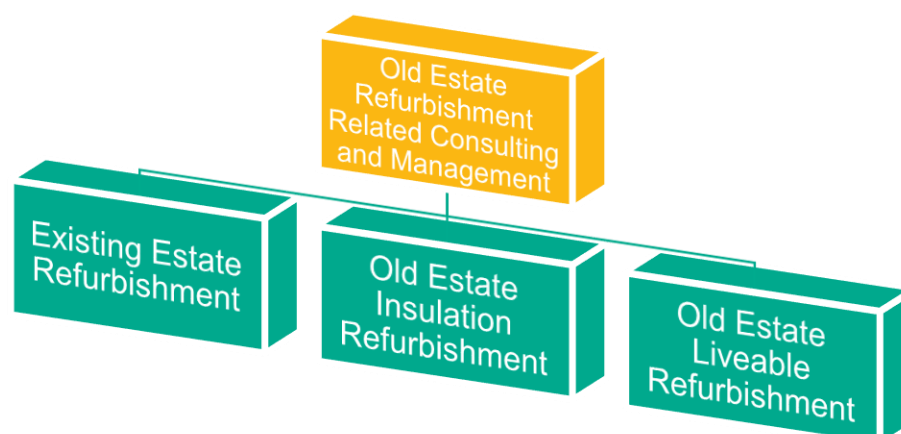
Since our establishment, our senior management team has participated in Harbin’s top ten projects which have benefited many residents. Such projects include the underground utility tunnel projects and the energy-saving refurbishment of old residential estate projects. The Group participated in the preparation of the national level “Evaluation Standard for Existing Building Transformation” and became the first entity participating in the country’s old estate refurbishment demonstration project using green technology. The Group also won the bid for an insulation project and the first and second phases of underground utility tunnel projects in Harbin. In 2019, the Group participated in the comprehensive refurbishment of an old estate, the Gongle Estate, in Harbin city. The Group participated in numerous forums to promote its business and improve industry knowledge.

In financial years ended 31 December 2020 (“FY2020”) and 31 December 2021 (“FY2021”), the Group provided consultancy services to Qitaihe city on the use of sustainable solutions for the comprehensive refurbishment of old estates in that city and also began earning maintenance income from phase one of its underground utility tunnel for related maintenance work performed.

In FY2022, the Continuing Operations of the Group secured a two-year consulting and maintenance contract with annual revenue of RMB3.0 million, which commenced on 1 September 2022.

In FY2023, following the completion of the Disposal on 24 May 2023, the Group recorded a gain on disposal of the Disposal Group of RMB93.4 million.

Based on the Group’s business plans and taking into account urban development trends, we focus on the provision of consultancy and management services in the comprehensive refurbishment of the old estates into livable estates. Following the completion of the Disposal, the principal business segments of the Continuing Operations of the Group are as follows:



Our Past Sustainability Performance

Underground Utility Tunnel

In October 2015, the Disposal Group successfully won the bid for the project involving the construction of 12 kilometres of underground utility tunnel project under the Public – Private Partnership (“PPP”) model (the “Phase One project”). The total investment as of 31 December 2021 is approximately RMB1.05 billion. The construction period was about 3 years starting from 19 October 2015. In 2018, the Disposal Group was contracted to complete a variation order for the installation of electrical wires and cables. As of 31 December 2022, the Phase One project (including its variation order) has been completed and accepted by the PRC government, pending cost finalisation by the relevant government bodies.

In August 2017, the Disposal Group successfully tendered for phase two of the underground utility tunnel project under the PPP model which is 12.623 kilometres long, with a total investment of about RMB1.398 billion (the “Phase Two project”). The construction period of the Phase Two project was to be about 3 years, starting from 1 September 2017. The Disposal Group has commenced some construction work on the Phase Two project. However, financing from banks for this project has been affected by the borrowing ratios of local governments exceeding the nationwide benchmark in the PRC. The local government is in discussions with the Disposal Group to acquire this project from the Disposal Group, and the Disposal Group has completed, with its main contractor and construction supervisor, and submitted, the preliminary review of the work which was carried out by the Disposal Group for the Phase Two project and for which the Disposal Group would want to bill.

Old Estates Refurbishment Projects

On 26 February 2014, the Disposal Group undertook the national “Hebei Demonstration Project - Refurbishment of Hebei Community Estate using green technology”. The project involved 15 residential buildings with a total built-up area of 163,400 square metres. The project won the two-star standard under the “Evaluation Standard for Green Transformation of Existing Buildings”. This project has provided a good example in Heilongjiang Province and even the whole country.

In 2015, the Disposal Group won the bid for the insulation project in Xiangfang District, Daowai District and Hulan District of Harbin. The project for the refurbishment of Daowai District involved 22 tender sections, 85 buildings and a built-up area of 890,600 square metres. The ongoing project in the Xiangfang District involves 8 tender sections, 23 buildings and a built-up area of 201,700 square metres. The Hulan project involved 12 tender sections, 46 buildings and a built-up area of 319,800 square metres. In 2016, the Disposal Group completed the insulation project on existing old buildings with a total built-up area of 1.32 million square metres.

In 2018, the Disposal Group furthered their research on the comprehensive and liveable upgrading of the old estate and was invited to attend the “13th International Green Building and Building Energy Conservation Conference” and the “New Technology and Product Expo”. We also attended the “9th National Building Renovation Conference” and hosted the “Existing Building - Green and Liveable Refurbishment” summit forum.

In 2020 and 2021, the Disposal Group provided consultancy services to Qitaihe City on the use of sustainable solutions for the comprehensive refurbishment of old estates in that city.

3. About the Report

Scope of the Report

The scope of this Report is inclusive of the sustainability aspects related to Green Build, emphasising non-financial performance and the associated management approach disclosures. The reporting period covers 1 January 2023 to 31 December 2023, with any exceptions specified. We have included the historical data for FY2022 for comparison where available. The current Report is crafted to provide a thorough response to stakeholders' concerns regarding sustainability issues stemming from the Group's primary business operations in the PRC - Yunbao, which collectively constitute 100% of the Group's revenue.

The primary business operations included in this Report were determined based on the controls exercised by the Group, which encompassed subsidiaries and excluded joint ventures and associates.

Reporting Standards

The Report is prepared in compliance with the ESG Reporting Guide as set out in Chapter 7: Continuing Obligations of SGX-ST Rulebook, 711A and 711B ("**Mainboard Rules**") which draws on the guidance set out by the Practice Note 7F Sustainability Reporting Guide (the "**SR Guide**").

In addition to complying with the relevant listing rules, this Report is also crafted with reference to the Global Reporting Initiative ("**GRI**") Standards, which is recognised as a comprehensive and globally accepted framework for sustainability reporting. Our Report adheres to the GRI's principles for determining report content and ensuring report quality. This involves a thorough consideration of the Group's activities, their associated impacts, and the significant expectations and interests of our stakeholders. Please refer to **Appendix A** for the GRI content index.

Furthermore, given the heightened importance of addressing climate change within the ESG context, we are committed to progressively incorporating the Task Force on Climate-related Financial Disclosures ("**TCFD**") recommended disclosures, covering governance, strategy, risk management, metrics, and targets, with a phased approach in alignment with the recommendations in SGX-ST SR Guide. We have commenced in disclosing our scope 2 carbon emissions in this Report. Please refer to **Appendix B** for the TCFD recommendations content index.

Restatements

No restatements were made from the previous report.

Independent Verification

The data and information provided within the Report have not been verified by an independent third party. We have relied on internal data monitoring and verification to ensure accuracy. The Group's sustainability reporting policies, processes, and internal controls have also been subject to internal review by the internal auditors of the Company, and any recommendations arising from the review were taken into consideration during the preparation of this Report.

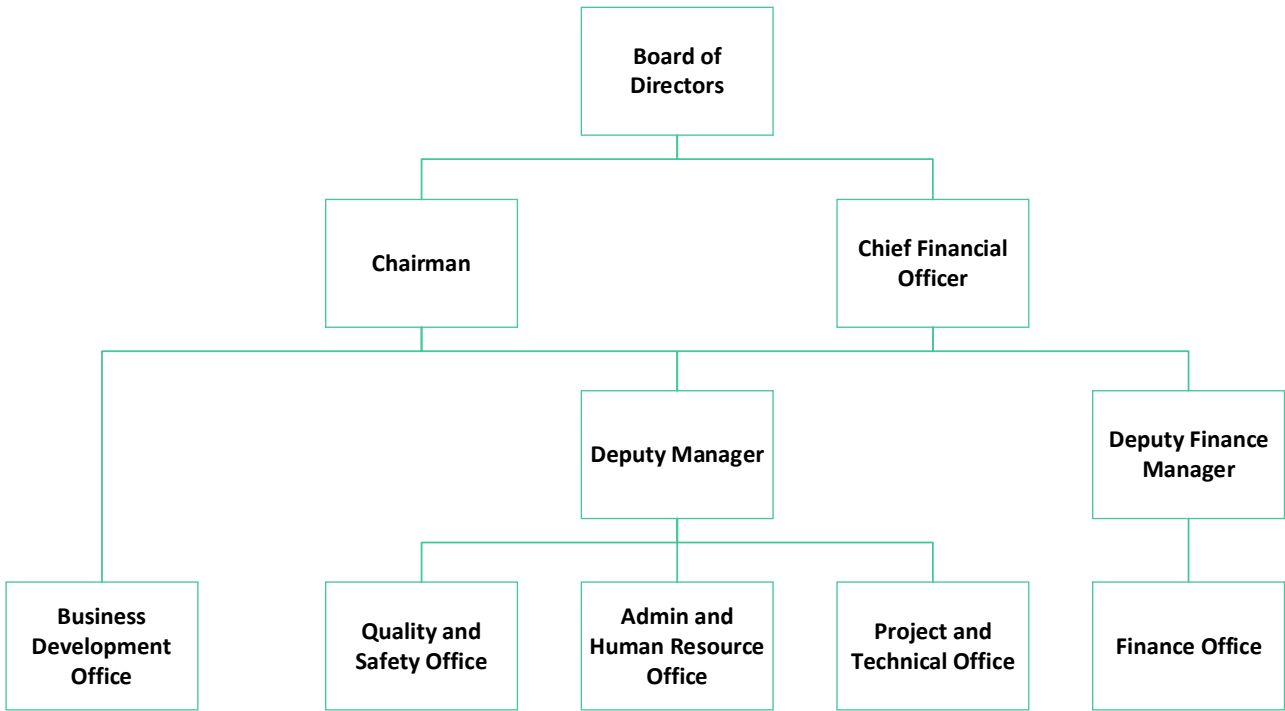
Sustainability Contact

The electronic version of this Report can be accessed on the Company's website (<http://www.gbtlimited.com>) under the section "Investor Relation".

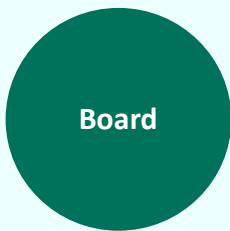
We welcome your views and feedback on our sustainability practices and reporting. For any enquiry related to this Report, please contact us at contact@gbtlimited.com.

4. Sustainability Approach

Sustainability Organisation Structure



The Group has explored and implemented a modern enterprise system aimed at continuously refining our decision-making mechanisms, advancing scientific and participatory decision-making, and further enhancing corporate governance practices. As a listed company, the Group’s decision-making process mainly includes the following core elements:



Board

- Be entrusted by shareholders.
- Be responsible for the Group’s strategic development and related decisions, including overseeing the direction of the Group’s sustainable development.



Executive Directors

- Be responsible for the day-to-day operations of the Group.
- Be responsible for the Group’s business performance.



Chief Financial Officer

- Be responsible for the overall finance and administrative functions of the Group.



Chief Business Development Officer

- Be responsible for the overall development of the Group’s business in the green technology sectors.
- Securing new sustainable development projects for the Group

Sustainability Core Visions



With the mission of “**Improving the Urban Environment and Building a Centennial Enterprise**”, we are committed to becoming an internationally recognised listed group that is trustworthy and respected, having a leading position and influence in the industry.



Openness in business philosophy

We understand that our listing on the Singapore Exchange is not the end, but the starting point. To become a leading company internationally and globally, we share the growth value of the Company with investors, suppliers, strategic partners, and social stakeholders.



Multidimensionality of development space

Our business began in the PRC against the background of promoting environmental protection and improving environment for the city dwellers, reflecting our strong social responsibility. Secondly, we are advocates of environmental protection and promoters of industrial technological advancement for sustainable development



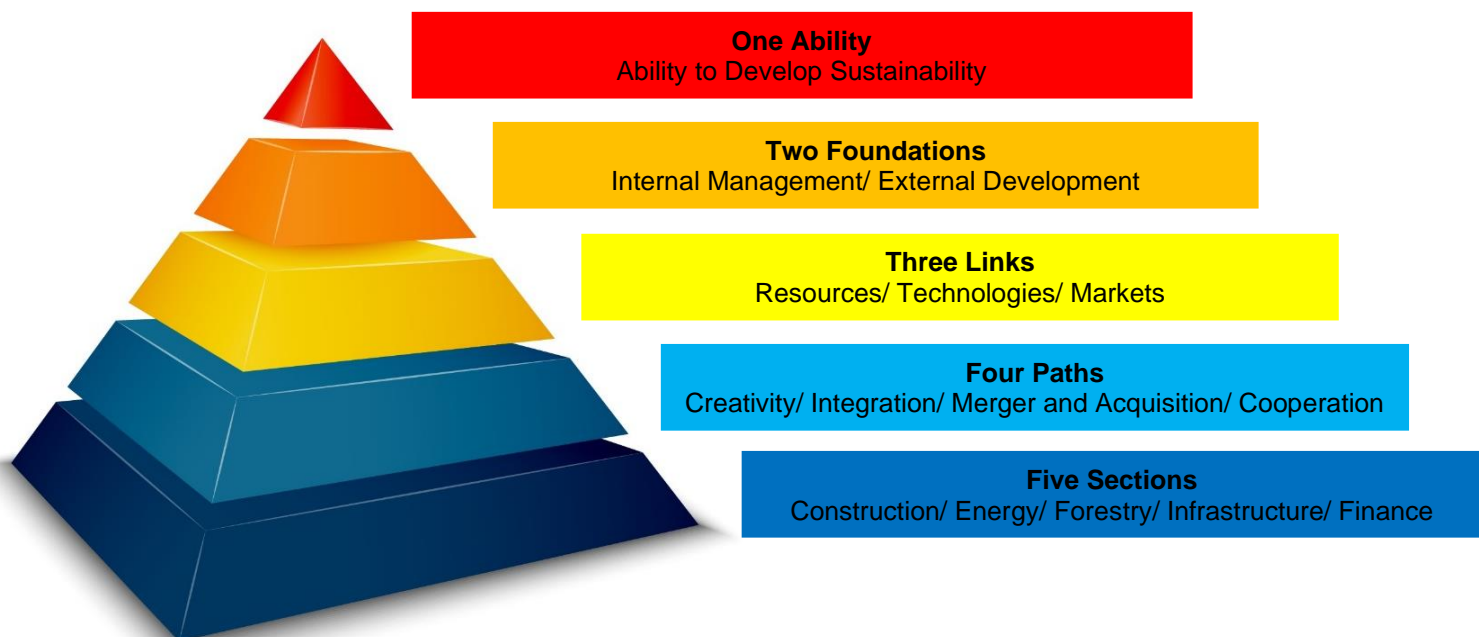
Long-term development goals

A trusted and respected corporate brand (and with such recognition on a global scale) indicates a long-term sustainable development philosophy and a strategic goal. The Group is committed to being a valuable corporate brand.

Sustainability Development Strategies

The Group has embarked on a distinctive path of industrial development, characterized by a focus on the harmonized progress of construction, energy conservation, and urban infrastructure. We prioritize scientific and technological innovation, innovative business models, management strategies, and the effective mobilization of domestic and international resources. Our strategy entails strengthening our existing operations while nurturing and expanding new strategic ventures to bolster our core competitiveness.

Concurrently, we remain agile in responding to internal and external dynamics, actively pursuing strategic transformations when necessary. Through the formulation and execution of development strategies, we aim to address urban resource imbalances, enhance urban environments, champion green initiatives, and cultivate a resilient industrial ecosystem.



Sustainable Development Opportunities and Risks

	Opportunity	Risk	Measures taken in response
Eliminate the imbalance of urban resource allocation	Revitalizing aging estates offers a significant opportunity for construction and real estate sectors. By transforming these older residential areas into energy-efficient and livable communities, businesses can address challenges such as deteriorating infrastructure, inadequate amenities, and overcrowded conditions. This aligns with government sustainability goals and presents a profitable, strategic investment in urban redevelopment.	Residents may be entrenched in their ways, and old practices and may be reluctant to participate in the refurbishment of old estates.	<ul style="list-style-type: none"> • Cooperate with the community and residents to explain the content and the benefits of such refurbishment exercises. • Explain the new property management mechanism, the amount of capital contribution per household, and the benefits arising from the refurbishment exercises. • Establish a “community of interest” relationship with the residents.
Improvement of the urban environment	The current policies supporting urban construction create a significant opportunity for businesses involved in the building and infrastructure sectors. Local government is focused on revitalizing urban areas to accommodate growing populations, improve living standards, and enhance economic vitality.	Increase new competitors in the industry and the competition will increase with new entrants to the market	<ul style="list-style-type: none"> • Enhance technical capabilities • Establish industry standards and pioneer improved operations • Maintenance management in the industry
Promote environmental protection	The global demand for greener environmental and sustainable developments serves to ensure the sustainability of resources for future generations	Organisations may use non-renewable resources	<ul style="list-style-type: none"> • During the construction of our projects, we seek to use advanced and environmentally friendly technologies that reduce energy consumption and pollution • To improve the utilisation rate of clean energy and renewable energy through the use of energy-saving technologies. • To reduce manufacturing and operating costs, we cooperate with upstream and downstream suppliers in the supply chain to jointly create a green supply chain that enhances the efficiency and competitiveness of the value chain.
Establish an industry ecosystem	Opportunity to work not only with partners from within the industry but also from other industries.	The rules and regulations for forming collaborations may not be very well defined.	<ul style="list-style-type: none"> • Train talents with the relevant skills for the industry. • Set industry standards and set benchmarks. • Accumulate experience in exploration, and integrate upstream and downstream industrial resources. • Establish a sound industrial development ecosystem. • Consolidate resources and participate in projects with the aim of improving local economic development

Material ESG Factors

At the Group, our sustainability strategy aims to create integrated values. Not only do we create economic value by maximising profits and shareholder value, but we also take on a broader responsibility as global corporate citizens to create societal values. We commit to delivering value to all our stakeholders. The Group adopted the GRI Framework and has in particular identified and prioritised the following material ESG issues that are most material and relevant to the Group and its stakeholders.



Economic Performance

- Financial performance is one of the key factors which affects our investors' and shareholders' confidence level.



Environmental

- Reducing energy consumption, water consumption, gas emission and waste generation helps to combat climate change and lowers an organization's overall environmental footprint.



Social

- Fair and merit-based employment practices are important to our employees as they affect our ability to attract, retain and develop local talents under the direct hire of the Group's offices and operations.
- Workplace health and safety practices are important to our employees and the employees of our contractors in reducing workplace's hazards, work related injuries and ill-health.



Governance

- Non-compliance with PRC's country-wide and the local government's environmental rules and regulations will result in fines and disciplinary actions.



Stakeholder Engagement

Stakeholders' involvement has always been the focus of the Group's sustainable development management. The Group works closely with various stakeholders to actively listen to their needs to optimise the efficiencies and effectiveness of the management.

The Group is committed to actively engaging with all stakeholders to comprehend their expectations, needs, and suggestions. We promptly and effectively adjust the Company's sustainable development goals in response to this feedback.

Stakeholders	Communication and Interaction
Residents	<ul style="list-style-type: none"> • Develop questionnaires • Owners committee
Employees	<ul style="list-style-type: none"> • Trade union representative meetings • Company meetings
Government agency	<ul style="list-style-type: none"> • Government policy communication meetings • Government project special report meetings
Supplier	<ul style="list-style-type: none"> • Supplier review and appraisal meetings • Supplier contract and signing ceremony • Supplier Training Conferences
Industry/ Standards Association	<ul style="list-style-type: none"> • Industry forums • Standard seminars
Media	<ul style="list-style-type: none"> • Special interviews • Inviting the media to participate in the major conferences of the Group • Social media promotions
Financial institution	<ul style="list-style-type: none"> • Investment and financing meetings • Major corporate events • Auditing
Other organisations and society	<ul style="list-style-type: none"> • Participation in community projects • Participation in NGO meetings

Performance Monitoring

To assess our ESG performance, we have defined metrics and targets for the material ESG factors outlined in our ESG structure. To maintain alignment with our dynamic strategy, we regularly introduce new metrics and update targets, fostering a culture of continual improvement. Our dedication to sustainability is evident in the meticulous annual tracking and review of our program, conducted collaboratively with the Board. This thorough assessment, held at least once a year, underscores our commitment to transparency and accountability.

For comprehensive details on our ESG metrics, please refer to the attached Sustainability Scorecard in **Appendix C**.

For the methodologies for the measurement of our metrics, please refer to the appended Methodologies and Data Boundaries in **Appendix D**.

5. Economic Performance

Our Performance Review for Continuing Operations

For FY2023, the Group marked a 222.2% increase in revenue from RMB0.9 million in FY2022 to RMB2.9 million in FY2023. This revenue was mainly derived from consultancy and management services in relation to the refurbishment of old estates. Consequently, the net loss after tax attributable to equity holders of the Company decreased 48.6% from RMB3.7 million in FY2022 to RMB 1.9 million in FY2023.

As a result of the completion of the Disposal, the excess of current liabilities over current assets of the Continuing Operations has been significantly reduced from RMB97.9 as of 31 December 2022 to RMB6.2 million as of 31 December 2023.

The sale of the Disposal Group has reduced the Group's exposure to issues such as protracted delays in the cost finalisation process and collections of government subsidies for the underground utility tunnel and insulation projects in China, as well as high leverage, principal repayments and interest accruing in respect of facilities obtained by the Disposal Group.

Economic Value Generated and Distributed (RMB'000)

	FY2023	FY2022
Direct economic value generated	3,256	1,043
Revenue	2,940	940
Other income	316	103
Economic value distributed	4,563	4,473
Operating costs (COGS and administration expenses)	1,579	2,308
Employees' compensation and benefits	2,880	2,165
Payment of bank loan interests	104	-
Economic value retained	(1,307)	(3,430)

The Group makes monthly contributions to the employees' compulsory saving/retirement funds, as mandated by the local government in Singapore and PRC respectively. These funds are social security systems which tackle our employees' financial concerns regarding healthcare, home ownership, family protection and asset enhancement. Contribution rates for employers vary depending on the country's jurisdiction. As our companies are set up in Singapore and the PRC, we follow different schemes and their corresponding employer's contribution rates:

- Singapore – Central Provident Fund (“**CPF**”)
- PRC – Five social insurance and one housing fund (“五险一金”)

Our Commitments and Targets

We strive to secure more sustainable development projects, and diversification of businesses to increase revenue streams, reduce administrative expenses and strengthen financial performances.

6. Environmental

Overview

2023 has been a challenging year for the world economy due to the inflationary pressure caused by the war between Ukraine and Russia, and high interest rates. This has inevitably slowed the development of all enterprises, bringing them difficulties and adversity.

However, the Group continues to focus on reform and innovation, making continuous efforts to improve the level of corporate management, and making preparations for market development post-pandemic. We unswervingly promote refurbishment and upgrading, which is the new norm for green construction that adapts to economic development. We will adhere to the principle of steady development, implement resources, market, internationalisation and innovation strategies, focus on restructuring, complementing shortfalls, reducing costs, preventing risks, paying more attention to business layout and structural optimisation, and deepening corporate reforms and paying more attention to open cooperation. We place more emphasis on management's innovation and business model innovation, pay more attention to green and low-carbon development, promote steady economic growth, and strive to become an outstanding enterprise

Our Performance



Full compliance with PRC's country-wide and local government's environmental rules and regulations



Total carbon emissions amounted to **2,607** kgCO₂e, with a carbon emissions intensity of **899** kgCO₂e per RMB million of revenue



Total electricity consumption amounted to **2,408** kWh, with an electricity consumption intensity of **830** kWh per RMB million of revenue



Total water consumption amounted to **172** m³, with a water consumption intensity of **59** cubic meters per RMB million of revenue

Our Carbon Emissions

In current times, mitigating greenhouse gas emissions and safeguarding the environment have emerged as pivotal global imperatives demanding immediate human attention. The Group is actively exploring effective ways to deal with climate change, reduce greenhouse gas emissions, and reduce energy consumption. We help society reduce energy consumption through contract energy management technology and green building materials, while also focusing on reducing the direct impact of our business activities on the environment.

In FY2023, Green Build generated a carbon footprint of 2,607 kilograms of carbon dioxide emissions ("**kgCO₂e**") with a carbon emissions intensity of 899 kgCO₂e per RMB million of revenue ("**kgCO₂e/RMB million of revenue**"). All carbon dioxide emissions in China stem exclusively from purchased electricity. The Group does not utilize diesel for generators or transportation, nor petrol for transportation purposes.

For an annual goal, the Group continues to carry out the “Green Action Plan” such as strengthening life cycle management, energy conservation, emission reduction and environmental protection work across all departments of our operations and project management. We will increase the promotion of energy conservation and emission reduction standards and measures, and ensure all our departments and employees participate in energy saving and emission reduction. Based on the four dimensions of disclosure, cognition, management and leadership, we respond to and disclose our climate change strategy, management system, risks and opportunities, and carbon emission management performance accordingly. We support green developments that truly benefit the people and society.

In addition to the annual goal, we have developed our mid-term and long-term goals to improve the urban environment and create a liveable city for the benefit of the people. We are committed to ecological and environmental protection that benefits mankind.

Our Energy Consumption

Electricity consumed in our operations generates 100% of our carbon emissions. Our electricity consumption mainly arises from our office’s operation. As part of the Group’s efforts to reduce energy consumption, water consumption, green gas emissions and waste generation, the Singapore office of the Group adopted the shared office concept allowing its employees to work from home and the shared office while the PRC office of the Group rented a smaller office unit and allowing employees to work from home and office. In FY2023, the Group consumed 2,408 kilowatt-hours (“kWh”) of purchased electricity with an electricity consumption intensity of 830 kWh per revenue RMB million (“kWh/RMB million of revenue”)

Our Water Consumption

Many of our consulting and management projects necessitate on-site presence from our employees, occasionally requiring access to water resources to facilitate our services. Our water consumption for FY2023 is 172 cubic meters (“m³”) with a water consumption intensity is 59.3 m³ per RMB million of revenue (“m³/RMB million of revenue”).

Our Sustainable Supply Chain



The sustainable development of the supply chain encompasses critical aspects such as labour practices, health and safety standards, environmental stewardship, business ethics, and management systems, all of which significantly impact the sustainable growth of the industry as a whole. The Group embeds sustainable development principles into its procurement operations and processes, integrates them throughout the supplier life cycle, and consistently enhances monitoring and risk management by engaging with and guiding suppliers.

Our Commitments and Targets

The Group is committed to updating the public on our climate change strategy, management system, risks and opportunities, and carbon emission management performance.

At the same time, we continue to embed energy conservation, emission reduction, and environmental protection efforts within the Group's operations and project management, while increasing the promotion of energy-saving and emission-reduction measures. We remain steadfast in our commitment to energy efficiency throughout the entire process, ensuring that the Group continually reduces costs and increases efficiency.

Considering the current operations of the Group and potential future adjustments to our business activities, our goal is to keep our annual electricity consumption below 5,000 kWh.

7. Social

Overview

The Group specializes in comprehensive refurbishment projects for homeowners and businesses. Committed to excellence, we focus on enhancing functionality and aesthetics, creating spaces that are visually appealing and highly functional.

Internally, we prioritize fair and merit-based employment practices to attract, retain, and develop local talent within our offices and operations. Additionally, ensuring workplace health and safety practices is crucial to minimize hazards and injuries for both our employees and contractors.

Our Performance



Zero fatalities



Zero serious incidents



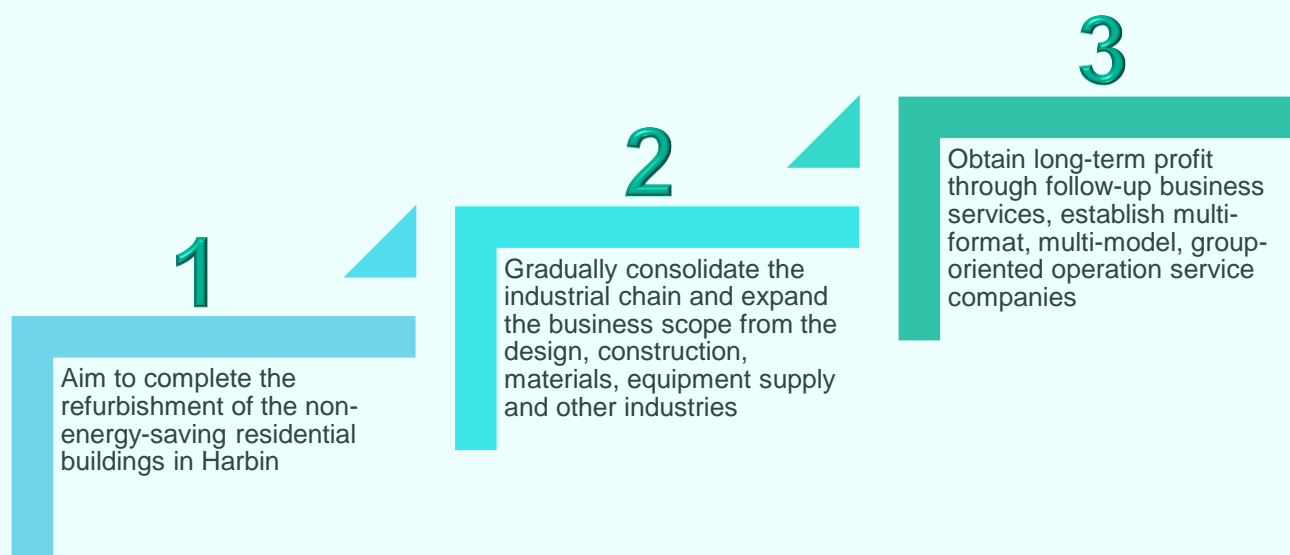
Zero workplace recordable injuries and work-related ill health cases



Female employee's percentage increased to 21% in FY2023, compared to 13% in FY2022

Sustainable Liveable City

Liveable comprehensive refurbishment projects are important to the society as benefits to the community are huge, ranging from improving the livelihood of the owners to generating huge savings in resources, and the consolidation of property management resources. Subject to the availability of financial resources, the Group aims to do the following:



In the future development process, subject to the availability of financial resources, we will establish a smart platform for community construction, and property management, and integrate the operation rights of convenience service facilities, parking charge rights, logistics self-raising facilities, and venue rental fees. Focusing on property services, we will carry out home-based services such as housekeeping, maintenance, installation, sales and purchase, provide small meals, and form a new model for sustainable development of multiple industries.

Our Culture Development

In our development process, we prioritize both the management and cultivation of our corporate culture. This involves organizing a variety of cultural activities, increasing cultural promotion efforts, and fostering stronger employee engagement with our Company's culture.

The Group recognizes the significance of enhancing employees' knowledge and skills through training while fostering a harmonious work environment through cultural exchange and shared ideologies. In line with this, we organize various activities to encourage mutual understanding among employees. These initiatives not only enrich their lives but also invigorate their work enthusiasm. By offering training programs and engaging activities, employees are empowered to make positive contributions to the Group, exhibiting improved physical fitness, heightened spirits, and renewed passion for their roles.

Our Board Diversity

The Nominating Committee oversees the formal and transparent process for the appointment and reappointment of directors, ensuring a progressive renewal of the Board. Comprising 2 Executive Directors and 3 Independent Directors, the committee maintains a balanced representation. Additionally, the committee includes 1 female board member, underscoring our commitment to diversity and inclusivity at the highest governance level.

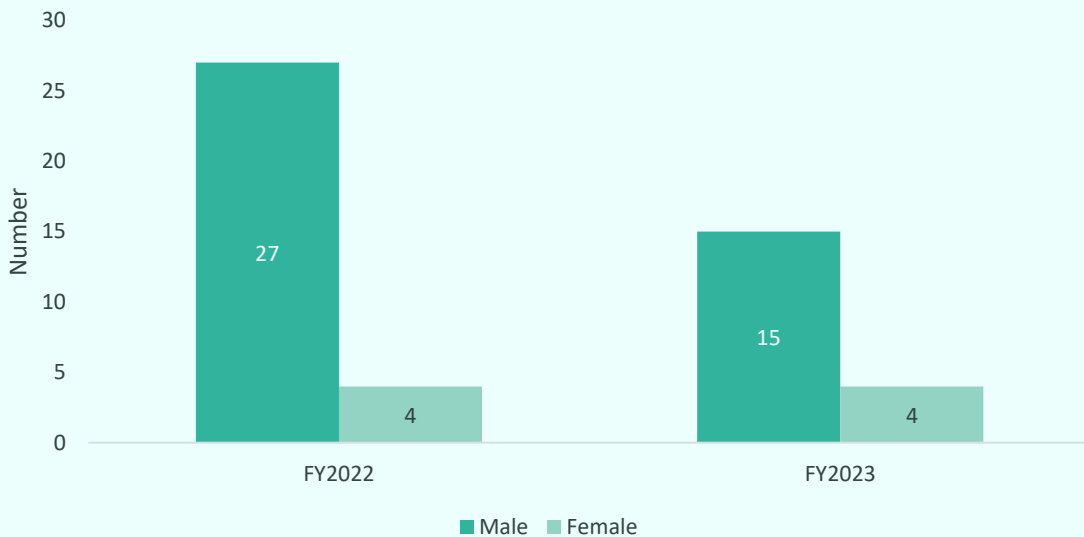
Our Employee Diversity

The Group's employees are instrumental in driving sustainable development and are a key factor in our ability to stay competitive and maintain our leadership position. In today's fiercely competitive landscape, enterprises compete not only in markets, technology, and knowledge but also in talent. Therefore, understanding how to empower employees to unleash their full potential and creating a harmonious work environment have emerged as critical focus areas for the Group. While we continue to grow, we focus on the career development of employees, providing a variety of value channels for diversified employees to help employees achieve personal value.

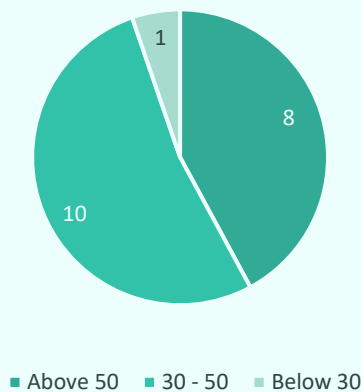
As of the year-end of FY2023, the Group has a total of 19 employees (including 3 Independent Directors at the Group level), of which the ratio of all males to females is 4:1. The percentage of female employees increased to 21.1% in FY2023, compared to 12.9% in FY2022. Among 19 employees, the Group has a total of 7 senior management personnel, which includes 2 females, leading to the percentage of female senior management personnel amounting to 28.6% in FY2023, compared to 11.0% in FY2022. This result demonstrates the Group's commitment to supporting female employees and empowering them to advance in their careers.

The graphs below illustrate our employment profile categorised by gender, age groups and senior management diversity:

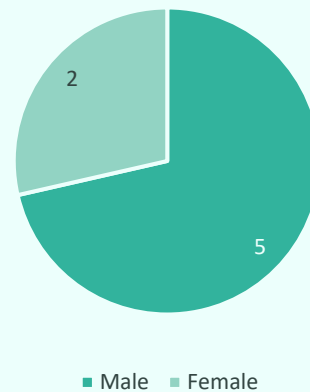
Employee Gender Diversity



Employees by Age Groups



Senior Management by Gender



During FY2023, we welcomed only one new male employee who is above 50 years old, and we are pleased to report that there were no resignations within the Group throughout the financial year.

Our Employee Rights

The Group consistently upholds the principles outlined in the International Convention on Economic, Social and Cultural Rights, the Convention on the Elimination of Discrimination in Employment and Occupation, as well as other international agreements endorsed by the PRC government.

Additionally, we strictly adhere to the Labor Law and Labor Contract Law of the PRC. Our commitment to compliance extends to ensuring that our employment practices align with the applicable laws, regulations, and frameworks, such as the Labour Contract Management Measures and Overseas Employment Management Measures. This includes managing employment contracts, providing fair wages, insurance, and benefits, offering various types of leave (including parental leave), conducting performance evaluations, and facilitating vocational training. Our recruitment process is guided by the principles of equality, fairness, and transparency to attract the most suitable candidates for each role, fostering a harmonious and stable relationship with our employees.

Our Welfare System

The Group has taken further action to improve its employees' performance appraisal and salary review policy and now aims to link work productivity and performance of its employees with their remuneration. The Group has also taken relevant steps to fulfil the requirements of the "Social Insurance Law of the People's Republic of China" by steadily encouraging the participation rate of employees' social insurance and improving the supplementary medical insurance system, so as to protect the vital interests of employees.

Our Training and Supervision

The Group has established a variety of channels for communication with employees, adheres to democratic procedures, conducts multi-level communication and exchanges through employee representatives' symposiums and interactions, and encourages employees to participate in production management. Through feedback from employees, meetings with employees and other avenues, the Group takes the initiative to understand employees' perceptions and appeals to the Group and explore and analyse the reasons behind the same, provide constructive solutions, promote management improvement, and let employees love and respect their work.

Training courses and programs relevant to an individual's job scope are sponsored by the Group. The Group adheres to the modern enterprise concept, allows for talent improvement by conducting training, paying attention to the development needs of employees at different stages of their careers, and providing a platform for employees to realise their capabilities.

Our Employee Health and Safety

In FY2023, the Group established an occupational health and safety management system in accordance with legal mandates and industry-recognized risk management standards. We provided comprehensive education and training to our employees on occupational health and safety protocols and closely monitored their adherence to these measures. It is noteworthy that our project sites have not experienced any accidents since financial year ended 31 December 2018.

To ensure that the Group carries out its projects with high standards and consistency, the Group has put in place certain standard operation procedures. Since July 2017, the management of the Company has personally visited the work sites, and on multiple occasions, made arrangements for the Sub-organisation Quality and Safety Supervision Department, Discipline Inspection and Supervision Department, and other relevant departments to conduct joint inspections of work sites, endeavouring to strengthen safety and quality management and supervision, enhance safety and quality sensitivity, catch any potential weak links, strengthen and improve measures to ensure safety and quality. At the same time, we firmly establish the "red line" awareness of quality and safety, implement responsibility at all levels, rectify the hidden dangers of inspections within a time limit, and implement them in a timely and careful manner, with reference to having a pragmatic approach to the same.



Safety Culture

Safety management forms the cornerstone of a company's sustainable development. We firmly uphold the core value concept of "Safety first. Responsible behavior matters." Continuously, we enhance our safety hazard assessment, reinforce safety management across personnel, processes, and emergency response, aiming to establish a safe working environment for our employees.

The Group remains steadfast in its commitment to prioritizing safe operational practices. Initiatives such as safety responsibility programs for all employees, safety briefings at worksites, and safety awareness month activities have been implemented to enhance and reinforce employees' awareness of safety.

Safe Operation



Safety Training

- The Group has embraced a range of safety training initiatives to help employees deeply understand the significance of safety for both themselves and their colleagues.
- The Group aims to guarantee a secure working environment for its employees by closely aligning employee job specifications with safety training requisites, resulting in the development of a comprehensive safety training curriculum that encompasses all staff members.
- The Group persistently explores cutting-edge training techniques to enhance the quality, efficiency, and applicability of its safety training, effectively managing diverse risks that could emerge during the production process.

Our Society Improvement

The Group conscientiously upholds its corporate social responsibilities, fostering partnerships, community growth, and overall societal betterment. Concurrently, in its business operations, the Group prioritizes fulfilling its obligations, actively engaging with local communities, participating in diverse social welfare initiatives, advocating for the harmonious development of the local economy, environment, and society, and striving to earn the respect and trust of both the international community and local stakeholders.

Through the advancement of its core business, the Company enhances residents' quality of life by providing a comprehensive living environment and associated support services. Simultaneously, within the framework of creating a "smart" community, residents benefit from convenient and efficient intelligent services. The Group's strategic development blueprint is rooted in a commitment to environmental conservation and the establishment of a smart living environment leveraging available resources. Emphasizing green and energy-efficient consumption, ongoing pollution reduction efforts, and a focus on low-carbon construction, the Group remains dedicated to conserving land, energy, and materials to construct resource-efficient and eco-friendly cities conducive to sustainable development.

Our Commitments and Targets

- We aim to continue providing training courses relevant to the job scopes of our staff and organizing activities to boost their morale and loyalty, fostering closer working relationships among them.
- We aim to maintain zero accidents in our operations.

8. Governance

Overview

Corporate governance serves as both a cornerstone for the survival of enterprises and a fundamental catalyst for their sustained, healthy development, ultimately yielding long-term economic benefits. The Group places a high priority on corporate governance, recognizing its pivotal role in ensuring the longevity and prosperity of enterprises.

Our Performance



Full compliance with PRC's country-wide and local government's environmental rules and regulations.



"Zero tolerance" attitude towards bribery and corruption

Our Compliance Management

Adhering to business ethics and complying with international conventions laws and regulations is the cornerstone of the Group's global compliance operations. The core philosophy of the Group is always upheld. We embed compliance requirements into the Group's policies, systems and processes, and train our professional teams to perform compliant operations, advocate fair competition, and oppose any form of corruption and commercial bribery.

The Group consistently follows compliance protocols and incorporates compliance standards into our daily operations. We actively conduct compliance exchanges with relevant government authorities, obtain approvals and necessary licenses, and conduct routine compliance communication with other stakeholders continuously to increase transparency, enhance mutual understanding and trust, and jointly create "strict compliance" based on a benign business environment.

At the same time, we hire external corporate legal counsel, on a need basis, to provide legal guidance on compliance issues such as setting up a compliance system, ensuring business compliance, intellectual property protection, anti-bribery, anti-corruption, and human resources management, and assisting departments in conducting compliance activities by identifying, evaluating, and complying with the requirements.

In FY2023, the Group did not violate any laws and regulations.

Our Anti-bribery and Anti-corruption

The Group insist on good faith management and has a "zero tolerance" attitude towards bribery and corruption. We enhance employees' training on ethical and legal compliance by mandating all employees to study and sign the "Employee Code of Conduct" and "Integrity Practice Book". All employees are required to successfully pass the examination.

Externally, we focus on informing our suppliers of our stance towards bribery and corruption and incorporate relevant requirements into supplier contracts. Our discipline inspection department provides complaint channels to encourage informed reporting of violations.

In FY2023, the Group did not receive any complaints regarding bribery and corruption.

Our Commitments and Targets

- We aim to maintain zero instances of non-compliance to laws and regulations in the coming years.
- We aim to continue our annual mandatory requirement for all employees to study, sign, and pass the exam relevant to our "Employee Code of Conduct" and "Integrity Practice Book."
- We aim to maintain zero instances of bribery and corruption in the coming years.

Appendix A: GRI Content Index

GRI Standards Content Index

The GRI Content Index references the Group's Sustainability Report 2023 ("SR") and the Annual Report 2023 ("AR").

Disclosure number	Disclosure title	Reference and remarks	
GRI 1: Reporting in accordance with the GRI Standards			
Requirement 1	Apply the reporting principles	SR Reporting Standards, Page 5	
Requirement 2	Report the disclosures in GRI 2: General Disclosures 2021	Appendix B, Pages 22 to 25	
Requirement 3	Determine material topics	SR Material ESG Factors, Page 9	
Requirement 4	Report the disclosures in GRI 3: Material Topics 2021	Appendix B, Pages 22 to 25	
Requirement 5	Report disclosures from the GRI Topic Standards for each material topic	Appendix B, Pages 22 to 25	
Requirement 6	Provide reasons for the omission of disclosures and requirements that the organisation cannot comply with	Appendix B, Pages 22 to 25	
Requirement 7	Publish a GRI content index	Appendix B, Pages 22 to 25	
Requirement 8	Provide a statement of use	Appendix B, Pages 22 to 25	
Requirement 9	Notify GRI	We will notify GRI after the publication of the SR	
GRI 2: General disclosures			
The organisation and its reporting practices	2-1	Organisation details	SR Our Business, Page 3
	2-2	Entities included in the organisation's sustainability reporting	SR Scope of the Report, Page 5
	2-3	Reporting period, frequency and contact point	SR Scope of the Report, Page 5 SR Sustainability Contact, Page 5
	2-4	Restatements of information	SR Restatements, Page 5
	2-5	External assurance	No external assurance
Activities and workers	2-6	Activities, value chain and other business relationships	SR Our Business, Page 3
	2-7	Employee	SR Social, Page 16
	2-8	Workers who are not an employee	
Governance	2-9	Governance structure and composition	SR Sustainability Organisation Structure, Page 6
	2-10	Nomination and selection of the highest governance body	AR Board Membership, Page 23
	2-11	Chair of the highest governance body	AR Chairman and CEO, Pages 22 to 23
	2-12	Role of the highest governance body in overseeing the management of impacts	SR Sustainability Organisation Structure, Page 6
	2-13	Delegation of responsibility for managing impacts	
	2-14	Role of the highest governance body in sustainability reporting	
	2-15	Conflicts of interest	AR Interested Person Transactions, Page 34
	2-16	Communication of critical concerns	SR Stakeholder Engagement, Page 10

Disclosure number	Disclosure title	Reference and remarks	
	2-17	The collective knowledge of the highest governance body	SR Board Statement, Page 2
	2-18	Evaluation of the performance of the highest governance body	AR Chairman and CEO, Pages 22 to 23
	2-19	Remuneration policies	AR Remuneration Matters, Pages 26 to 28
	2-20	The process to determine the remuneration	
	2-21	Annual total compensation ratio	
Strategy, policies and practices	2-22	Statement on sustainable development strategy	SR Sustainability Development Strategies, Page 7
	2-23	Policy commitments	SR Governance, Page 20
	2-24	Embedding policy commitments	
	2-25	Processes to remediate negative impacts	
	2-26	Mechanisms for seeking advice and raising concerns	
	2-27	Compliance with laws and regulations	
	2-28	Membership associations	No membership associations
Stakeholder engagement	2-29	Approach to stakeholder engagement	SR Stakeholder Engagement, Page 10
	2-30	Collective bargaining agreements	Green Build has collective bargaining agreements in place.
GRI 3: Disclosures on material topics			
Material topics	3-1	The process of determining material topics	SR Material ESG Factors, Page 9
	3-2	List of material topics	
	3-3	Management of material topics	
GRI 200: Economic disclosures			
Economic performance	201-1	Direct economic value generated and distributed	SR Economic Performance, Page 11
Anti-corruption	205-1	Operations assessed for risks related to corruption	SR Governance, Page 20
	205-2	Communication and training about anti-corruption policies and procedures	SR Governance, Page 20
	205-3	Confirmed incidents of corruption and actions taken	
GRI 300: Environment disclosures			
Energy	302-1	Energy consumption within the organisation	SR Our Energy Consumption, Page 13
	302-2	Energy consumption outside of the organisation	
	302-3	Energy intensity	
	302-4	Reduction of energy consumption	
	302-5	Reductions in energy requirements of products and services	
Emissions	305-1	Direct (Scope 1) GHG emissions	SR Our Carbon Emissions, Pages 12 to 13
	305-2	Energy indirect (Scope 2) GHG emissions	
	305-3	Other indirect (Scope 3) GHG emissions	The Group plans to include other scopes of carbon emissions in the total carbon emissions in the future.

Disclosure number	Disclosure title	Reference and remarks	
	305-4	GHG emissions intensity	SR Our Carbon Emissions, Pages 12 to 13
Water and effluents	303-1	Interactions with water as a shared resource	SR Our Water Consumption, Page 13
	303-5	Water consumption	
GRI 400: Social disclosures			
Employment	401-1	New employee hires and employee turnover	SR Our Employee Diversity, Pages 16 to 17
Occupational health and safety	403-1	Occupational health and safety management system	SR Our Employee Health and Safety, Pages 17 to 18
	403-2	Hazard identification, risk assessment, and incident investigation	
	403-3	Occupational health services	
	403-4	Worker participation, consultation, and communication on occupational health and safety	
	403-5	Worker training on occupational health and safety	
	403-6	Promotion of worker health	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
	403-8	Workers covered by occupational health and safety management system	
	403-9	Work-related injuries	
	403-10	Work-related ill health	
Training and education	404-1	Average hours of training per year per employee	SR Our Training and Supervision, Page 17
	404-2	Programs for upgrading employee skills and transition assistance programs	
	404-3	Percentage of employees receiving regular performance and career development reviews	
Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	SR Our Board Diversity, Our Employee Diversity, Page 15 to 16
	405-2	The ratio of basic salary and remuneration of women to men	

Appendix B: TCFD recommendations content index

TCFD Recommendations Content Index

The TCFD Recommendation Content Index indicates our current implementation status for climate reporting.

TCFD Thematic Areas	Recommended Disclosures	Reference and Remarks
Governance		
Disclose the organisation's governance around climate-related risks and opportunities	Describe the board's oversight of climate-related risks and opportunities	The Group intends to adopt these recommended disclosures starting from financial year ending 31 December 2024 ("FY2024").
	Describe management's role in assessing and managing climate-related risks and opportunities	
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	The Group intends to adopt these recommended disclosures starting from FY2024.
	Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning	
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	
Risk Management		
Disclose how the organisation identifies, assesses, and manages climate-related risks	Describe the organisation's processes for identifying and assessing climate-related risks	The Group intends to adopt these recommended disclosures starting from FY2024.
	Describe the organisation's processes for managing climate-related risks	
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	SR Environment
	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 GHG emissions, and the related risks	The Group has disclosed Scope 2 carbon emissions. The Group plans to include other scopes of carbon emissions in the total carbon emissions in the future.
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	SR Environment

Appendix C: Sustainability scorecard

Environmental

Performance indicators	Units	FY2022	FY2023
Electricity usage	kWh	Not tracked ¹	2,408
Electricity usage intensity	kWh/RMB million of revenue	Not tracked ¹	830
GHG emissions (Scope 1 & 2)	kg CO ₂ e	Not tracked ¹	2,607
GHG emissions intensity	kg CO ₂ e/RMB million of revenue	Not tracked ¹	899
Water consumption	m ³	Not tracked ¹	172
Water consumption intensity	m ³ /RMB million of revenue	Not tracked ¹	59

Social

Performance indicators	Units	FY2022	FY2023
Employment			
Total number of employees	Number	31	19
New Hires	Number (%)	Not tracked ¹	1 (5)
Turnover	Number (%)	Not tracked ¹	0 (0)
Employee by Genders			
Male employee	Number (%)	27 (87)	15 (79)
Female employee	Number (%)	4 (13)	4 (21)
New hires (Male)	Number (%)	Not tracked ¹	1 (7)
New hires (Female)	Number (%)	Not tracked ¹	0 (0)
Turnover (Male)	Number (%)	Not tracked ¹	0 (0)
Turnover (Female)	Number (%)	Not tracked ¹	0 (0)
Employee by Age Group			
Current employee by age group			
• Above 50	Number (%)	Not tracked ¹	8 (42)
• 30 to 50	Number (%)	Not tracked ¹	10 (53)
• Below 30	Number (%)	Not tracked ¹	1 (5)
New hires by age group			
• Above 50	Number (%)	Not tracked ¹	1 (13)
• 30 to 50	Number (%)	Not tracked ¹	0 (0)
• Below 30	Number (%)	Not tracked ¹	0 (0)
Turnover by age group			
• Above 50	Number (%)	Not tracked ¹	0 (0)
• 30 to 50	Number (%)	Not tracked ¹	0 (0)
• Below 30	Number (%)	Not tracked ¹	0 (0)
Workplace safety			
Work-related fatalities	Number	0	0
Work-related high-consequence injuries	Number	0	0
Work-related injuries	Number	0	0
Work-related ill health cases	Number	0	0

¹ Data was not tracked in FY2022

Governance

Performance indicators	Units	FY2022	FY2023
Independent Directors	Number (%)	3 (60)	3 (60)
Female on the Board of Directors	Number (%)	0 (0)	1 (20)

Appendix D: Methodologies and data boundaries

This section details key definitions, methodologies and data boundaries applied to the Group's Sustainability Report, as we endeavour to elevate transparency and facilitate comparability of our data disclosed. These definitions and methodologies are adapted in accordance with the GRI Standards Glossary 2021, Reporting Recommendations and Guidance set out in the respective GRI disclosures and various authoritative intergovernmental instruments.

Electricity consumption

Purchased electricity consumed by the Group. Energy consumed is expressed in kilowatt-hours ("kWh").

Electricity consumption Intensity

This is the ratio of electricity consumption relative to the revenue in million RMB. Electricity consumption intensity is expressed in kWh per RMB million of revenue ("kWh/RMB million").

Carbon Emissions

Scope 2 emissions refer to emissions from the generation of purchased electricity. The emission factor is derived from the Ministry of Ecology and Environment of the People's Republic of China ("MEECN"). All carbon emissions are expressed in kilograms of carbon dioxide equivalent ("kgCO_{2e}").

Carbon Emissions Intensity

This is the ratio of carbon emissions relative to the revenue in million RMB. Carbon emissions intensity is expressed in kg CO_{2e} per RMB million of revenue ("kg CO_{2e}/RMB million of revenue").

Employee

Employees are defined as individuals who are in an employment relationship with the Group.

New Hires and Turnover (rates)

New hires are defined as new employees who have joined the Group during the financial year.

Turnover is defined as all employees who have left the Group voluntarily, or due to dismissal, retirement or death in service during the financial year.

New hires/turnover rate is the total number of new hires/employee turnovers in the financial year, relative to the total number of employees recorded at financial year-end.

New hires/turnover rate by age group is the total number of new hires/employee turnovers for each age group in the financial year, relative to the total number of employees in the respective age groups recorded at financial year-end.

New hires/turnover rate by gender is the total number of female/(male) new hires/employee turnovers for each gender in the financial year, relative to the total number of female/(male) employees recorded as at financial year-end.

Fatalities in workplace

The number of fatalities as a result of work-related injury during the reporting period across the organisation.

High-consequence injuries in the workplace

Number of high-consequence work-related injuries (an injury that results in a fatality from which the worker cannot recover fully to pre-injury health status within 6 months) excluding fatalities during the reporting period.

Work-related injuries

The number of work-related injuries during the reporting period.

Work-related ill health cases

The number of recordable work-related illnesses or health conditions arising from exposure to hazards at work during the reporting period.