



貝殼控股有限公司

KE Holdings Inc.

(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)

2022

Environmental, Social and
Governance Report

NYSE : BEKE / HKEX : 2423

Content

Preface	2	2022 ESG Performance Highlights	10
Message from the Management	2		
About Beike	2	Quality Assurance	12
About This Report	3	Building Quality Transaction	13
		Reshaping Home Renovation and Furnishing Services	18
Corporate Governance	4	Achieving Better Home Rental Services	22
Board Structure	5	Industry Talent Cultivation	25
Board Diversity	5		
Risk Management and Control	5	Business Ethics	30
		Information Security and Privacy Protection	31
ESG Strategy	6	Building a Culture of Compliance and Integrity	36
Board Statement	7	Intellectual Property Rights	40
ESG Governance Structure	7	Advertising Compliance	42
Stakeholder Engagement	8	Supplier Management	43
Materiality Assessment	9		

“
诚实可信
”

合作共赢

客至上

拼搏进取

”

Talent Development 44

Employee Rights and Interests	45
Employee Health and Safety	49
Employee Development and Training	50

Low-Carbon Operations 52

Green Services	53
Green Office	54
Green Stores	56
Responding to Climate Change	57
Environmental Targets	58
Environmental KPIs	58

Caring for Our Communities 60

Community Services	61
Elder Care Service	62
Rural Revitalization	64
COVID-19 Response	65

Outlook 66

ESG Appendix 68



Preface

Message from the Management

The destiny of business operators in our era is to do the hard, tiring work behind the “fireworks” that really improves the quality of basic services.

—ZUO Hui (1971-2021), the Founder and Permanent Chairman Emeritus

The main focus of the housing industry development in the next decade will be quality and efficiency. The customer-oriented mindset, scientific management, and technology that propelled our progress in the past will likewise be the main force driving the industry's efficiency. We firmly believe that building a cooperative ecosystem with the concept of “being virtuous while seeking growth” will foster the enhancement of service quality, assume our social responsibility in housing market and create long-term sustainable value.

—PENG Yongdong, the Co-founder, Chairman of the Board and CEO

About Beike

Business Overview

KE Holdings Inc. (hereinafter referred to as “Beike”, “KE Holdings”, “the Company” or “We”) is the leading integrated online and offline platform for housing transactions and services. As a digital service platform for the housing-related industry, Beike is committed to promoting the industry digitization and intelligence process of housing-related services. By aggregating and assisting high-quality service providers, we provide one-stop, high-quality, and efficient services for Chinese households, including existing home transactions, new home transactions, home rentals, home renovation, home furnishing, and other services. We pioneer the creation of relevant industry infrastructure and standards in China, and are committed to redefining the way service providers operate to deliver

housing-related services to consumers more efficiently.

We own and operate Lianjia, China's leading real estate brokerage brand and an integral part of our Beike platform. We believe the success and proven track record of Lianjia pave the way for us to build the infrastructure and standards and drive the rapid and sustainable growth of Beike. We have more than 21 years of operating experience through Lianjia since our inception in 2001. Such extensive industry experience has provided us with distinct insights into markets, business conditions and customer needs, which we believe are critical for us to offer effective solutions, expand market footprint and capture adjacent opportunities.

Committing to Long-term Value, Doing the Right Thing Even If It's Difficult

Adhering to the corporate mission of “admirable service, joyful living”, and led by the concept of “being virtuous while seeking growth”, we are committed to long-term value creation, choosing to do the right thing even if it's difficult. We have long been dedicated

to facilitating the transformation of the industry infrastructure, improving service efficiency through technological innovation, and empowering the professional growth of service providers to offer a better living experience to consumers.

“One Body & Two Wings”, Improving the Quality and Efficiency

At the end of 2021, Beike announced the “One Body & Two Wings” strategic upgrade, with “One Body” being the existing and new home transaction services, which refers to the core of property transactions. “Two Wings” refer to home renovation and furnishing business and home rental business. The “One Body & Two Wings” is the strategic framework and long-term layout for the Company's future development, providing a comprehensive, forward-looking, and vigorous driving force for the Company's business value enhancement, social responsibility, and environmental sustainability. In 2022, Beike transferred and expanded the capabilities of quality services and digital efficiency enhancement accumulated in the “One Body” business to the “Two Wings” business, empowering the “Two Wings” business system with the concepts of standardization, digitization, and sustainability. The “One Body & Two Wings” business has efficiently collaborated, achieving iterative evolution, efficiency improvement, and quality upgrading of the entire business line, contributing to achieving the goal of “joyful living”.

In 2022, facing the uncertainty of market, we steadily developed

our housing transaction business, and continuously promoted the ecological governance of the industry. We continue improving the construction of industry infrastructure and effectively empowering service providers, establishing a positive cycle of quality. We continue promoting ecological governance of existing and new home businesses, combating violations of our platform policies, and facilitating the healthy development of the industry.

In addition to the “One Body” business, Beike is also making continuous efforts in the “Two Wings” business. Beike integrates its existing management systems to achieve online operation and process management of home renovation and home furnishing retail. We further expand our business scale on home renovation and furnishing by establishing a sustainable and large-scale delivery capabilities on construction process. Meanwhile, Beike's rental business adheres to sustainable development, strengthens the supply of high-quality housing through diversified rental businesses, helps the city new comers, youths, and the low-income group solve housing problems, improving living standards and comfortable housing.

About This Report

This report is prepared and issued by Beike. It aims to provide an objective, fair and balanced view of Beike's environmental, social and governance (hereinafter referred to as “ESG”) performance in 2022.

Preparation Guidance

This report is prepared in accordance with the *Environmental, Social and Governance Reporting Guide set out in Appendix 27 to the Listing Rules* of the Hong Kong Stock Exchange and Clearing (HKEX) Ltd., and upholds the principle of materiality, quantitative, balance, and consistency. Meanwhile, this report is prepared with reference to National Association of Securities Dealers Automated Quotations (NASDAQ) *ESG Reporting Guideline 2.0*, *Sustainability Accounting Standards Board (SASB) Guidelines*, United Nations Sustainable Development Goals (UN SDGs) and integrated with Beike's ESG practices, aiming to systematically reflect Beike's performance in all relevant aspects and respond to the concerns of various stakeholders.

We identified key stakeholders and material ESG issues that are most relevant to them. These issues are prioritized, and we address them in the report according to their level of materiality to stakeholders, as

described in the “Stakeholder Engagement” and “Materiality Analysis” sections of the report. We use quantitative information to present the environmental and social key performance indicators (“KPIs”) in a manner consistent with previous years, allowing the KPIs to be measured and verified. The changes, quantitative criteria, methods, assumptions and/or calculation tools for the KPIs, and sources of conversion factors used, are described in the respective sections.

The scope of disclosure in this report includes ESG performance of businesses directly operated and managed by Beike. This report covers the period from January 1, 2022 to December 31, 2022 (the “Current Year”). To enhance the comparability and completeness of the report, certain disclosure also cover other time periods, and the Connected Stores as other facilities, which are explained in the respective sections. Unless otherwise specified, the amounts mentioned in this report are all in Renminbi (“RMB”).

Access to this Report

This Report is available and can be downloaded at our Investor Relations Site <https://investors.ke.com>. For any suggestions and comments on our ESG management, please contact us via email at ir@ke.com.



Corporate Governance



Beike strictly complies with applicable laws, regulations and listing rules such as the *Company Law of the People's Republic of China*, the *Securities Exchange Act of the United States* and the *Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited*, and has established a corporate governance mechanism with well-defined rights and responsibilities and rigorous corporate structure. The Company endeavors to guiding its integrity and compliance operations, as well as effective risk control through high standards of corporate governance to achieve continuous improvement in corporate value and responsibility and to provide stable protection for the rights and interests of all shareholders.



Board Structure

As the highest decision-making body, the Board of Directors (the Board) is responsible for determining the strategic direction and overall strategy of the Company, leading and overseeing the business development and financial performance of the Company, and ensuring the long-term stable operation of effective risk management and internal controls. The Board has established the Audit Committee, the Compensation Committee, the Nomination Committee and the Corporate Governance Committee to oversee specific issues. The Board delegates the oversight of ESG matters to the Corporate Governance Committee. The ESG governance structure is described in detail in the "ESG Strategy" section. Our Board committees' scope of responsibilities and more detailed

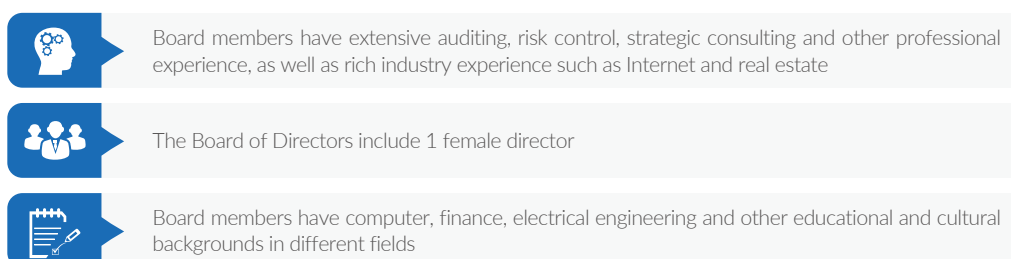
information is published on the official website¹.

The independent non-executive directors of the Company constitute more than one-third of the Board (of the current 8 directors, 3 are independent non-executive directors and 1 is non-executive director). The Chairmen and members of the Audit Committee, Compensation Committee and Corporate Governance Committee are all independent non-executive directors. The Chairman of the Nomination Committee and two-thirds of its members are independent non-executive directors to perform a countervailing role and protect the interests of shareholders and the Company.

Board Diversity

The Company deeply values the diversified composition of the Board, and has formulated the Board Diversity Policy. We emphasize on diversity factors in selecting director nominees, including but not limited to, gender, age, cultural and educational background, industry experience, technical capabilities, professional qualifications and skills. A diverse board secures a more comprehensive and integrated perspective and concept for the Company to improve the level of

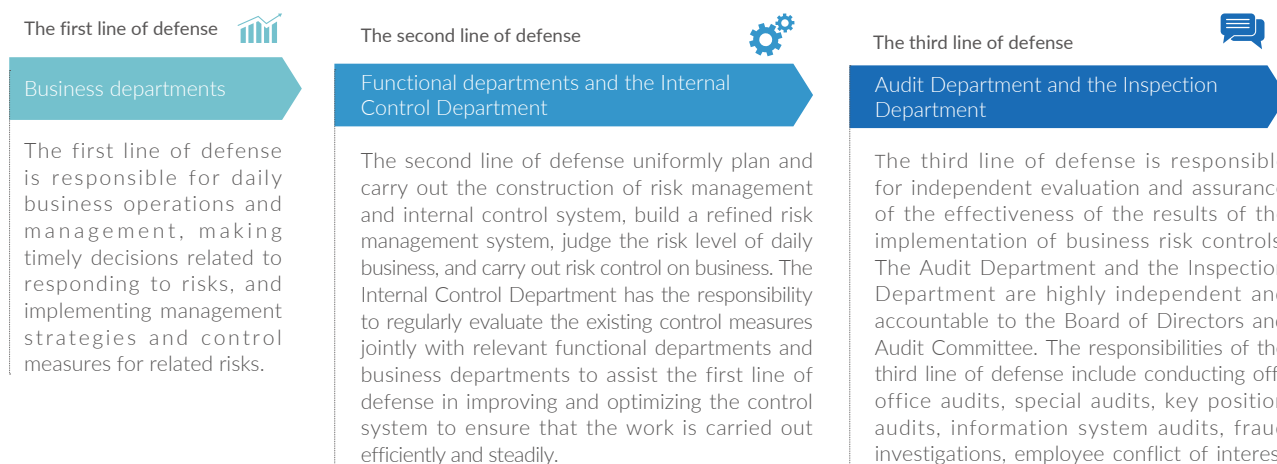
corporate decision-making on matters such as business strategy, risk prevention and control as well as enhance the Board effectiveness. The current Board includes one female director. The Board members have diversified professional backgrounds such as computer, finance, and electronic engineering, as well as extensive professional experience in auditing, risk control, strategic consulting and other industry experience such as Internet and real estate.



Risk Management and Control

An effective risk management and internal control system is important guarantee for achieving corporate strategic goals. To the effectiveness of risk management and internal control systems, the Company has built a risk management structure consisting of three lines of defense with reference to COSO internal control framework and combined with the actual situation, and integrated

ESG into the Company's risk assessment and management system, such as climate change and other related risks. The three lines of defense provide institutional safeguards for the Company's operational organizations at all levels, help the Company to manage risks, improve corporate business performance and achieve long-term stable operations.



¹ <https://ir.ke.com/zh-hans/governance/corporate-governance>

ESG Strategy



Beike's corporate mission is "admirable service, joyful living", and our core values is "customer first, honest and reliable, win-win cooperation, striving beyond better". Focusing on our missions and values, we integrate ESG criteria into our corporate strategy and operation management to promote high-quality development across the industry. We firmly believe that our conviction of "doing the right thing even if it's difficult" will lead us towards long-term prosperity, and eventually help us achieve our vision and goals.



Board Statement

The Board has full accountability for the Company's ESG strategy and reporting. The Board delegates the Corporate Governance Committee to oversee the management of ESG matters and to guide the development of ESG practices.

The Company has developed an ESG philosophy and management strategies, which are integrated into various aspects of its business operation. The Board regularly reviews the ESG philosophy and management strategy to assess their potential impact on our overall strategy.

The Company conducts a materiality assessment of ESG issues stakeholders concerned. The Board is involved in the assessment, prioritization, and management of key ESG issues.

During the year, to further strengthen the Board's expertise in effectively overseeing ESG matters, the Board participated in specific training on ESG trends, ESG work progress and directors for improvement.

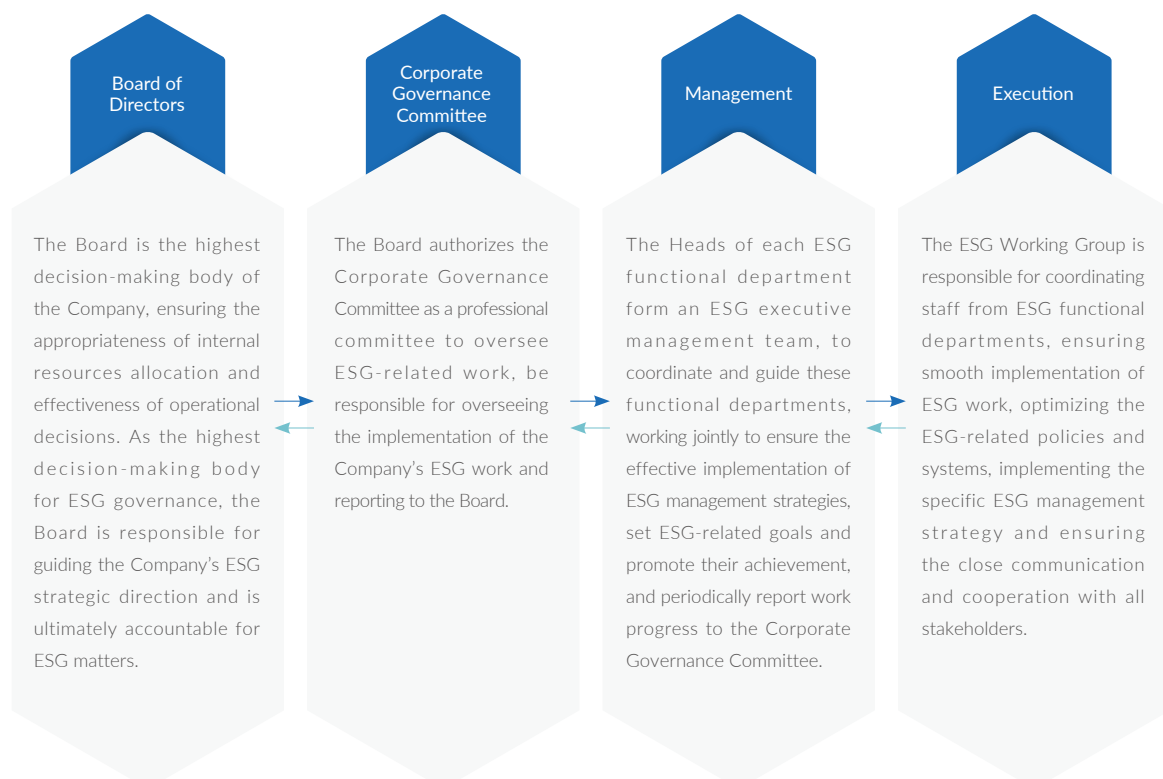
The Company considers the potential significant impact of ESG-related risks and opportunities and incorporates them into our risk management system. The Board oversees the assessment of ESG-related risks and opportunities and ensures that appropriate and effective ESG risk management and internal oversight systems are in place.

The Company has set environmental targets associated with the business. The Board conducts regular reviews of progress against environmental targets.

ESG Governance Structure

We have integrated ESG governance into our corporate governance structure, covering the Board, specialized committees, management and executive levels, so as to better implement our ESG philosophy and strategy, enhance the overall ESG performance, and promote harmonious and win-win development with stakeholders, thereby achieving our medium- and long-term strategic goals.

Our ESG governance structure is as follows:



During the year, to comprehensively standardize the construction of the Company's ESG management system, form a scientific and systematic management mode, and fully consider the ESG impact factors in the Company's business and operation process, we conducted ESG theme sharing for senior management. In addition, the ESG Executive Management Team formulated the management policies including issues on employee rights protection, environmental protection and occupational health and safety, aiming to clarify the company's management responsibility on ESG related issues and improve the company's management transparency. Meanwhile, we encourage the affiliates, business partners and our suppliers to comply with the requirements in the management policy, hoping to jointly practice our concept of sustainable development.



Standardize the Company's **ESG** management system

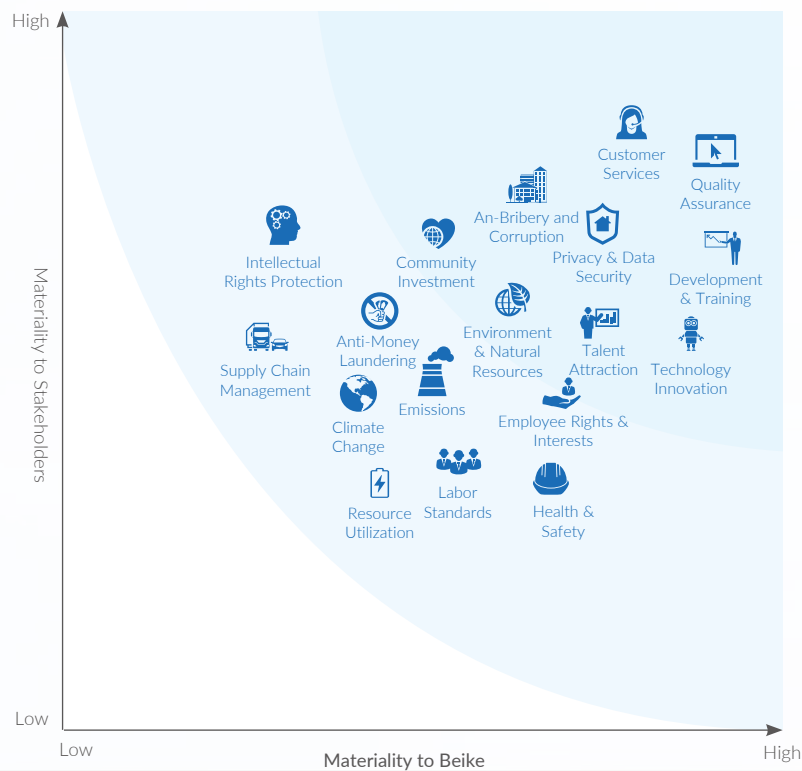
Stakeholder Engagement

We actively communicate with stakeholders to understand their expectations and opinions on our ESG performance. Depending on our business type and operating model, our stakeholders include but are not limited to, users, employees, government and regulatory bodies, shareholders and investors, suppliers and business partners, the media and public, communities, non-profit organizations, etc. Our communication channels include, but are not limited to, regular meetings (such as shareholder meetings, regular communication meetings with employees and brokers, investor summits, and news releases), official websites, satisfaction surveys, and social media platforms.

Materiality Assessment

Beike identified 18 key ESG issues based on ESG-related trends and their potential risks and opportunities for the Company. We comprehensively and systematically understand the evaluation and expectation of key stakeholders on Beike in the area of ESG management from two dimensions: “importance to stakeholders” and “importance to Beike”. We conduct a materiality analysis on the importance of each issue base on business model, national and industry policies. The results of the materiality analysis serve as a critical reference for our ESG actions and discourses in the hope of better responding to the concerns of our stakeholders.

This year, we identified the customer service, quality assurance, development and training, privacy and data security, technological innovation, anti-bribery and corruption, environment and natural resources, talent attraction, and community investment as “highly material topics”. “General material topics” include employee rights and interests, health and safety, anti-money laundering, labor standards, supply chain management, intellectual property protection, climate change, resource utilization, and emissions. The above-mentioned topics are discussed in detail in each chapter of this report.



2022 ESG Performance Highlights

Quality Assurance



In 2022, **75.5%** of the existing home sales completed on the Beike platform involve **cross-store collaboration**. By the end of 2022, approximately **86.2%** of the existing home listings on Beike platform **were posted by agents affiliated with Connected Stores**.



Beike's Commitment to Authentic Property Listings has achieved **100%** coverage on the platform for **12 consecutive years**, and the authentic listings rate has been maintained **above 95%** for a long time. Through years of guidance and supervision from the platform, malicious uploading of fake property listings to mislead users has nearly disappeared.



In 2022, Beike collaborated with developers to jointly build and govern the industry ecology, continuously promoted entire industry to comply with regulations, and constrained all relevant parties in the sales site to jointly create a **healthy environment for new home sales that is trustworthy for consumers**.



In 2022, we released the **Beike Red and Yellow Line Management System for Home Renovation Business** to establish professional ethics standards for home renovation service providers and improve business standards for different service roles.



In 2022, Beike launched the **construction quality self-inspection activity called Lu Ban Campaign**, covering **22 cities** including Hangzhou, Wuhan, Nanjing, Chengdu, Hefei, Guangzhou, and Dongguan, etc.



We continuously strengthen the supply of rental housing by **constructing a multi-level housing rental supply system** through rental brokerage services, apartment operation services, professional institution services, and other means, providing more rental options for new urban residents and young people, and helping to alleviate the problem of difficult housing. By the end of 2022, Beike Carefree Rent business has provided services in **13 cities** in China, covering over **70,000** housing units. By the end of 2022, the New Youth Program covered **over 200,000** housing units, and "issued special discounts worth of **over RMB 20 million**"

Talent Development



In 2022, to ensure the smooth flow of talents in "One Body & Two Wings", Beike **optimized the recruitment data service system**. By the end of 2022, we have completed **11** iterations of recruitment system and process upgrades, and completed **48** system developments on recruitment approval, social recruitment process and mobility process, of which **26** are focused on the "Two Wings" business.



We set up employee activity clubs covering sports, entertainment, art and other aspects. In 2022, we have organized club activities with **more than 2,500** times of participation.



To protect the legal rights and interests of employees, establish a connection between the Company and employees, and create a harmonious working atmosphere, Beike has established labor unions. In 2022, we set up labor unions in **more than 20 cities** across the country, with **more than 20,000 members** joining.

Low-Carbon Operations



In 2022, Beike's paperless service model has covered home transaction scenarios including online property assessment, online loan issuance, and online notarization, and achieved partial paperless in contract signing process of home renovation and furnishing business and home rental, and store owner's agreement signing. Through various paperless online transaction services, Beike saved **more than 68 million** sheets of paper this year. Since April 2022, we have launched the



Store Terminal Night Shutdown Project, deploying and piloting "night shutdown" scripts for **110,000** computers in nearly **30** cities across the country, automatically shutting down in-store computers during non-office hours.



Beike applies **intelligent monitoring and control system** to track the operation status and electricity consumption level of in-store electrical equipment in real time. By the end of 2022, the intelligent store monitoring and control system has covered nearly **90%** of Lianjia stores in Beijing.



Quality Assurance



Beike takes "admirable service, joyful living" as our mission and is committed to promoting this concept to more industry partners. In 2022, under the "One Body & Two Wings" business strategy, Beike's main services expanded from housing transactions to home renovation and furnishing, home rental, and other businesses. Taking into account multiple business scenarios we have built a sound quality assurance system that empowered quality upgrades with technology, accelerated professional transformation of various service providers and provided consumers with high-quality service experiences. Over the years, we have been committed to building a healthier industry ecology and working with industry partners to provide quality services and jointly promote the healthy development of the housing-related industry.



Building Quality Transaction

Beike adheres to the concept of "taking care of customers, helping service providers to take care of customers" and continues strengthening platform infrastructure, leading industry changes in various aspects such as industry ecological governance, improvement of industry standards, enhancement of transaction experience, and protection of consumers' rights, driving quality upgrades in the housing-related industry..

Ecological Co-Governance in the Housing Transaction Industry

The housing transaction service industry has gone through multiple stages of iteration, from "disordered competition" to competition and cooperation; from the absence of industry standards to their establishment, and from high service quality deviation to high quality service. As a leader in industry transformation, we have launched the [ACN \(Agent Cooperation Network\)](#), working standards for service providers, commitment to authentic property listings, and management mechanism of customer complaints, boosting every iteration and upgrade of service quality in the industry.



In 2022, approximately

75.5% of

the existing home sales completed on the Beike platform involved cross-store cooperation

Agent Cooperation Network

From the discovery and maintenance of home listings and customer leads to facilitating transaction completion, ambiguous task allocation among agents and a lack of cooperation will lead to reduced service efficiency, and difficulty in ensuring the service quality. Inheriting the exploration of cooperation within Lianjia's self-operated brand, in 2018, Beike aggregated and empowered the platform brand through the ACN, transforming competition to cooperation among agents on the platform. Through the power of cooperation, every housing transaction service can reach a high-quality standard, effectively solving the difficult problem of connecting "houses", "clients", and "people" (agents), and further optimizing the industry ecology with the concept of cooperation, sharing, and quality.

ACN, refers to a cooperative model in which agents of the same or different brands jointly participate in a transaction in different roles under the premise of abiding by the rules such as full sharing of housing information. The commission is divided according to the actual contribution of each role after the transaction is completed. Based on real business scenarios, the ACN rules divide the work of a single agent under the traditional model into 10 roles. Agents can participate in multiple processes of multiple transactions in their own areas of expertise. Real estate brokerage brands, stores, and agents can effectively improve resource utilization efficiency and service quality through openness and cooperation, thereby enhancing the user experience.

In 2022, approximately 75.5% of the existing home sales completed on the Beike platform involved cross-store cooperation. By the end of 2022, approximately 86.2% of the existing home listings on Beike platform were posted by agents affiliated with Connected Stores.



By the end of 2022, approximately

86.2%

of the existing home listings on Beike platform were posted by agents affiliated with Connected Stores

The Guarantee Mechanism of ACN Rules

To ensure the fairness of ACN rules and enable all collaborators within the ACN system to benefit, Beike adheres to the principles of "collaboration and co-governance, fairness and impartiality" in rule formulation and implementation processes to ensure the effective operation of ACN.

In terms of rule formulation, Beike's ACN cooperation rules were formed under the framework of "general rule - various sub-rules - detailed rules applicable to different cities", have fully absorbed suggestions from numerous brokerage brands, store owners, and agents on the platform and iterate continuously based on actual operational needs.

In terms of rule implementation, the agents, stores, and brands operating on the Beike platform are equally subject to the rules, and their rights are equally protected. At the same time, Beike establishes self-governing organizations such as Store Owners Committee and Beike Jury, which have the right to participate in rule-making discussions, suggestions, rule enforcement supervision, and disputes resolution based on rules, providing better protection for the fair operation of ACN rules.

Beike Jury

The Beike Jury is a self-governing organization consisting of agent representatives, which makes collective decisions to solve disputes arising from benefit distribution during agent operations, protects the rights of agents through independent management and supervision, and guides agents to compete in a positive manner. We conduct strict review processes for the Jury, regularly carry out capacity building, and periodically select, train, and eliminate Jury members to ensure the fairness and independence of adjudications. We will continuously promote the supervisory roles of the Jury and assure the healthy operation of the Beike ACN.

Agent Credit Management System

Based on the ACN rules of the platform, Beike has designed the Agent Credit Management System that combines rewards and punishments to guide agents with correct industry beliefs and attract peers who have long-term perspectives to jointly build a new ecology of the industry.

The credit score rules of the Beike platform include over 500 detailed rules for nearly a hundred types of rule violations, covering the daily operations of agents. We set different levels of penalties based on the severity of the violations, including minor violations, warnings, yellow lines, red lines (requiring re-examination and assessment before returning to work), and black lines (once investigated and punished, never be allowed to rejoin the platform), etc. The credit score management system enables the industry to move away from the "black and white" one-size-fits-all management approach of the old brokerage era, allowing violations that affect user experience to be finely monitored, managed, penalized, and the opposites rewarded, thereby continuously encouraging agents to improve their service, and effectively helping prevent any bad behaviors that violate professional ethics.



The credit score rules of the Beike platform include

over 500 detailed rules for **nearly a hundred types** of rule violations

Commitment to Authentic Property Listings

In the market of property transaction, fake property listings are a chronic problem that not only damages the interests of customers but also challenges the reputation of the industry. In 2011, Lianjia took the lead in formulating the "four authenticities" property listings standard in the industry, opening a new era of real listings in the industry. Beike adheres to the concept of "authentic property listing", drives the improvement of property listing quality with technology, and transmits the concept of authentic property listing to industry partners through platform mechanisms, jointly fulfilling the commitment to authentic property listings, so that high-quality and authentic listings are no longer a scarcity in the industry. Based on the "four authenticities" listings standard, Beike commits that all listings posted by agents through Beike are **truly existing, verified address and property related information, truly available for sale or for rent, and authentic price**. The Beike

Commitment to Authentic Property Listings has achieved 100% coverage on the platform for 12 consecutive years, and the authentic listings rate has been maintained above 95% for a long time. Through years of guidance and supervision from the platform, malicious uploading of fake property listings to mislead users has nearly disappeared.



The Beike Commitment to Authentic Property Listings has achieved

100% coverage on the platform for **12 consecutive years**, and the authentic listings rate has been maintained **above 95%** for a long time

To effectively ensure the implementation of Commitment to Authentic Property Listings, we have conducted four major measures:

- **Platform Mechanism Guarantee:** We uphold Authentic Property Listings as the bottom-line requirement for brokerage brands to join our platform and all listings must pass through the stringent review process before being posted on Beike. Driven by cooperation and trust, we work to lead brands and agents to make commitments on authenticity, while constantly promoting rules and values and supervising the implementation of authentic property listings. Once we identify any fake information of property listings, or receive valid reporting from customers, we will deduct stores business credits and disqualify them from posting property listings.
- **Property Listings Database Support:** We have built an industry-leading online listings database – the Housing Dictionary, which establishes a unique identity for each property based on seven-level address management and 433 housing characteristics fields, such as room number, standard floor plan, amenities information, etc. Any property uploaded to the platform can be verified and checked for the authenticity of each field based on the Housing Dictionary.
- **7×24 Closed-Loop Strategic Authentication System:** Through data-driven strategic authentication, the platform sends maintenance tasks of property with issues to agents, who provide maintenance evidence. The platform then inspects and monitors, forming an intelligent cyclic authentication process for property listings quality in brokerage operations. The 7×24 Closed-Loop strategic authentication covers the entire lifecycle from information posting, content display to information removal. Through ensuring the authenticity of each property, comparing the characteristics of 42 types of properties in real-time, capturing and identifying property information, accurately scoring and dynamically displaying the full range of properties the transaction efficiency and experience for both buyers and sellers are improved.
- **Public Supervision and Commitment Fulfillment:** Considering the complexity and variability of property information, agent violations may occur. To comprehensively guarantee the implementation of Commitment to Authentic Property Listings, we welcome public supervision and reporting and continuously commit to compensating for fake property listings, sparing no effort to promote the authentic listings throughout the network.

Complaints and Compensation

In 2022, Beike formulated

over 120 problem handling standards for **1,542 types** of problems

- In 2022, Beike customer service team received a total of 1.43 million times of service request, and the inquiries satisfaction reached over 98%. In 2022, we received a total of 316,674 customer complaints.
- In 2022, based on the customer complaint handling model, Beike formulated over 120 problem handling standards for 1,542 types of problems, effectively improving the quality of complaint handling and user satisfaction.
- In 2022, Beike held 63 forums with the Company's management and customers with complaints to listen to opinions and suggestions and promote the resolution of problems.

Our word is our bond, with a daring commitment to providing compensation - this is the resolute attitude of Beike and partners towards the quality of user service.

- In 2022, various brands on the Beike platform fulfilled service commitments of housing scenarios such as home transaction, home renovation and furnishing, home rentals, etc., and refunded over RMB 480 million.

Existing Home Transaction Process Guarantee

The existing home transaction process is complex. Issues such as fake property listings, purchase qualifications, non-standard contracts, financial risks, and property disputes, etc., can be hidden within more than a dozen key steps along the transaction process. In addition, there are multiple types of service providers involved including housing maintenance, client maintenance, contracting, and transaction services, as well as different brands, stores and other parties in the extremely long transaction process. There are many scenarios with uncertainty during the transaction process, that can result in disputes occurring from time to time. With the corporate value of "customer first", Beike has implemented 8 service commitments that cover the entire transaction process, standardized the handling process of customer complaints, and implemented efficient online refund and compensation to cover losses suffered by customers due to transaction disputes. Together with service providers, we ensure the protection of consumer interests and bring customers quality delivery with certainty.

Service Commitments for Home Transaction

We have identified the processes that are the most prone to service problems in home transaction, and developed eight service commitments and standards. We advocate cooperative brands to jointly fulfill service commitments and build a good transaction environment to provide customers with quality services. At the same time, customers can learn about service commitment guarantees of the current transaction through various channels on the platform and submit corresponding application and requirement for compliance with service commitments.



In addition, various brands on the platform continue improving their own service commitment system considering the customer pain points and needs, to protect customer rights. On the basis of eight service commitments, Lianjia has launched **14 service commitments** to ensure the safety of the service chain from pre-contracting to post-transaction and provide multiple security solutions for home transactions. Meanwhile, as Beike and the brands on the Beike platform continue to improve service capabilities, some of the service commitment guarantees have become common service standards and capabilities. Starting from the second half of 2022, Beike and the brands connected to the Beike platform gradually begin to focus our service commitment guarantees on areas where users still have service pain points. We optimized the scope of the commitments and performance of the guarantees to achieve real commitments and real fulfillment to ensure the safety and good experience of users in housing transactions.

Lianjia's 14 service commitments



Upgrade of Transaction Service Quality

To further ensure the transaction safety, we have established **Beike Contract Service Center** nationwide, bringing users and the industry a new generation of safe, efficient, and transparent contracting service. Through providing exclusive contracting service scenarios, cultivating professional contracting managers, and deeply integrating with various services such as fund escrow services, we help customers prevent financial risks, property delivery disputes and other issues that may arise during the contracting process of existing home transactions making customers feel at ease with the transaction. In 2022, Beike Contract Service Center conducted innovative upgrades in home transaction service quality, focusing on **three major highlights** to continuously improve home transaction efficiency and ensure safety of home transaction.

- **One-stop Handling of More Services:** Aggregating different types of service providers such as contracting managers, mortgage consultants, bank account managers, and equity consultants, etc. to achieve one-stop handling of various services including contracting, bank fund custody, loan signing, contract interpretation, and transaction consultation, etc.
- **Fully Online and Intelligent Contracting Process:** The six major modules and dozens of processes of contracting are fully online. The combination of intelligent scheduling for appointments and service process management makes the contracting process transparent, secure, standardized and intelligent.
- **Optimization and Upgrading of Transaction Services:** We carefully polish the details of the contracting scenario to meet differentiated needs of customers. We set up different functional areas to serve every possible scenario; control the sound insulation effect to ensure the privacy of communication; provide customers with spacious and comfortable contracting environment; provide four commitments of "zero wasted trips", "timely loan disbursement", "timely loan approval", and "overdue compensation" to guarantee transaction services.

The safety and quality of Beike Contract Service Center have been widely recognized. Beike Contract Service Center in various cities, such as Nanchang, Guangzhou, Chengdu, Hangzhou, and Yantai, etc., have been awarded titles including "Demonstration Base for Home Transaction Safety", "Demonstration Base for Consumption Education", "Consumer Rights Base", "Promising Unit of 'Safe Consumption'" and "Consumer Rights Protection Workstation" among others, by relevant government departments.



Beike Contract Service Center

Online Compensation

We require service providers to improve service quality based on the service commitment to control and reduce the occurrence of risks. In addition, we establish a "catch-all compensation" mechanism to provide compensation guarantees for customer losses caused by transaction disputes. Unlike the complex processes and operations of traditional offline compensation, Beike has established online compensation capabilities, connecting various scenarios and multiple responsible entities to achieve online rapid compensation and ensure customer's experience with timely compensation.

In 2022, Beike upgraded the management capabilities to comply with platform service commitments. By establishing an online management

dashboard, we monitor and track data of service commitments in real-time, effectively managing the compliance with service commitments. We integrate the Service Commitment Guarantee Plan into multiple pages of the Beike App, and through the penetration and operation of the "Guarantee Plan" tool, promote agents to proactively explain commitments to consumers during the showing process, thereby ensuring consumers' rights to be aware of commitments. In addition, we strengthen the quality management of the entire process including application review, compliance and compensation, service evaluation and other processes after compliance application, achieving online management and monitoring compliance of all commitment items and all application channels.

Honor Project for New Home Sales

In the new home market, there are frequent occurrences of unfair competition and violations. Beike is committed to creating a "Healthy Environment for New Home Sales" to protect the interests of developers, agents, and consumers, and to establish a good ecology of new home market. In early 2021, Beike took the lead in making the Beike Service Commitment to Honorable Operations to developer partners nationwide. In 2022, Beike collaborated with developers to jointly build and govern the industry ecology. We have continuously promoted the entire industry to comply with regulations and improve the business conduct of all relevant parties to create a healthy sales site trusted by consumers.

Service Commitment to Honorable Operations

Beike has launched the Service Commitment to Transparent Operations, also known as the **Five Don'ts Commitments** for Developers. These include a) no interception of customers, b) no poaching of customers, c) honest operations, d) transparent transactions, and e) trustworthy advertising. The service commitment to transparent operations aims to eliminate the chaos that has long existed in the new home market, establish a long-term cooperative relationship of mutual trust and mutual benefit with developers, and enable platform agents to obtain reasonable compensation through transparent operations, allowing home buyers to consume transparently and improve the purchasing experience.



At the end of 2022, **the Service Commitment to Honorable Operations** has become a standard requirement for cooperation, covering **over 4,000 properties**

- **No interception of customers:** It is not allowed to intercept, compete for normal visiting customers or obtain contact information of normal visiting customers within the developer's designated location.
- **No poaching of customers:** It is not allowed to collude with developers' personnel or on-site sales personnel to convert natural visiting customers into Beike's customers through improper means.
- **Honest operations:** No bribery to developers' employees, or abnormal benefits exchange with developers' employees, such as kickbacks.
- **Transparent transactions:** No personally collecting any form of fees or payments from customers.
- **Trustworthy advertising:** Strictly abide by the project information, sales prices, and preferential methods confirmed by the developer for advertising, and not conducting fake advertising or providing fake information to mislead customers.

Beike proactively incorporated the service commitment to honorable operations into the cooperation agreement with the developers. At the end of 2022, the service commitment to honorable operations had become a standard requirement for cooperation, covering over 4,000 properties and effectively regulating the behavior of agents involved in Beike's new home operations.

Guarantee Mechanism

To ensure the implementation of the service commitment to honorable operations, Beike has taken [three measures](#):

- **Thorough Investigation Mechanism:** To thoroughly find new home brokerage business problems, Beike has established a thorough investigation mechanism, recruited personnel for secret visits nationwide, and built online tools for secret visits, laying the foundation for safety measurement of new home sales sites nationwide.
- **Facial Recognition for Agents:** To ensure that individuals are held accountable for violations and maintain the sales site's safety, the facial recognition certificate function for new home agents was launched to ensure that every agent serving customers is certificated by our platform.
- **Joint Inspections with Developers:** Developers collaborate with Beike to carry out inspections and cooperate in governing the new home ecology.

During the execution process, if any stores or agents are found to have violated the protocol specifications, Beike will impose fines based on the degree of violation. For serious circumstances, punishment measures such as terminating the distribution agreement and suspending cooperation will be taken. For developers in collaboration, Beike implements "[real commitments and real compensations](#)".

Phone Number Protection

To address consumers' concerns about personal information leakage and repeated harassment during home transactions, and to further improve the operating environment for new homes, Beike has launched the Phone Number Protection service. Before viewing a property, the phone number is reported in a hidden form to Beike staff and developers, protecting privacy and information security of consumer. By the end of 2022, Beike had implemented the Phone Number Protection display operation mode in over 5,000 cooperative properties. In addition, Beike is exploring Phone Number Protection Display services to protect customer privacy before transactions are completed, improving consumer privacy protection throughout the entire property purchasing process.

By the end of 2022, Beike has implemented the **Phone Number Protection** display operation mode in **over 5,000 cooperative properties**

Digitalization

We strengthen the digitalization of new homes related information, achieving a description completion of over a hundred fields for all urban new homes involved by Beike. We also added a module for displaying negative factors of new homes to enhance the comprehensiveness of property information. By collecting and sorting negative factor information on new homes, we have

established a key negative factor vocabulary, such as transportation facilities, public facilities, folk cultural facilities, etc. While displaying unfavorable factors of new homes online, we require agents to convey unfavorable factors to customers objectively, timely, and comprehensively, and help customers understand the risk points of the property, thereby further eliminating information gaps.

Reshaping Home Renovation and Furnishing Services

Home renovation and furnishing businesses often comes with a long cycle, high uncertainty, and require high professionalism,. There is often a gap between delivery quality and consumer expectation. As a new housing service provider, Beike's forerunner, Lianjia, entered the home renovation field in 2013. In 2019, Beike established the home renovation brand "Beiwoo" and continuously empowered home renovation service providers, improved customer home renovation experience by setting clear renovation standards, implementing quality commitments, and promoting standardized quality services. Aligned

with our "One Body & Two Wings" strategic upgrade, Beike completed the acquisition of Shengdu Home Renovation Co., Ltd ("Shengdu") and continued deepening home renovation quality management. Through this acquisition, we are building a positive, efficient, and orderly home renovation organization, stabilizing the underlying ability of construction delivery, and improving the scientific management of the entire construction process. In turn, we are providing customers with high-quality delivery, attracting more high-quality service providers and promoting the positive quality trend in the industry.

Providing Quality Service

Management System

Beike has established clear management systems to break bad practices in the industry and create a healthy home renovation ecosystem. In 2022, we released the [Beike Red and Yellow Line Management System for Home Renovation Business](#) to establish professional ethics standards for home renovation service providers and improve business standards for different service roles. For front-end service providers, we focus on reshaping rules and strengthening the governance of rule violations such as adding additional services, adding private charges, client poaching and off-platform activities, etc. For back-end engineering service providers, we focus on supervising engineering quality and improving governance of violations such as fake acceptance, fake rectification, and dishonest materials usage, etc., so that site problems can be truly managed, truly rectified, with a true closed-loop.

Service Commitment

To effectively address consumer pain points, Beike's subsidiaries, Shengdu and Beiwoo, have successively released the “10 Promises for 10 Worries with Full Attention and Devotion” and the “10 Commitments with Sincerity” service commitments, covering multiple dimensions such as home renovation budget, quality, construction period, and safety, etc. These include the entire home renovation and furnishing service process of signing contracts, design, material selection, construction, delivery, and after-sales, aiming to provide consumers with high-quality home renovation and furnishing services.



- **In response to the price transparency**, Beike commits to eliminating the practice of adding additional costs or private charges, and to taking corrective actions including providing customer compensation and administering employee punishment.
- **In response to the pain point of poor-quality of renovation**, Beike commits to guaranteeing the construction quality.
- **In response to the issue of formaldehyde pollution**, if the formaldehyde detection exceeds the standard, Shengdu will bear the cost of correction where operates.
- **In response to the delay in home renovation and furnishing services**, Beike commits to compensation for postponed delivery.
- **In response to after-sales service problems of home renovation**, Beiwoo has made three commitments. Within two years after completion and acceptance, four proactive door-to-door maintenance services are provided. The Concealed Work, Ten-Year Warranty commitment solves consumers' concerns about concealed works such as heat insulation and waterproofing. The Receiving Deposit Refund within 10 Days commitment enables consumers who decide not to sign contracts with us to also receive satisfactory service.



Customer Complaint Management Mechanism of home renovation and furnishing

In addition, we have established a comprehensive customer complaint management mechanism to address customer needs efficiently and promptly. In terms of complaint timeliness, we propose the "24815" efficient response requirement, which is "2-hour response, 48-hour resolution, 15-day complaint closure". In terms of complaint handling principles, we advocate the complaint concept of "attribute inward, solve customer problems first, solve internal problems later, and keep a good service attitude". To improve the handling quality of various customers' issues, we will establish a customer satisfaction fund, a complaint handling mechanism of compensation first and accountability later, and other measures to fully guarantee the steady implementation and improvement in handling customers' problems. At the same time, we conduct review and analysis of customer complaints, focusing on high-frequency and key issues, identifying improvement points in the service process, and promoting the establishment of long-term mechanisms to fundamentally reduce the occurrence of customer complaints.

In terms of complaint timeliness, we propose the "24815" efficient response requirement, which is "**2-hour** response, **48-hour** resolution, **15-day** complaint closure"

Construction Supervision

Construction supervision is the last line of defense to ensure delivery quality. Beike launched the construction quality self-inspection activity called **Lu Ban Campaign**. In collaboration with internal departments such as the engineering department, operation department, and materials department, etc., we unified the inspection standards and rules, established quality indicators, and adhered to the principle of "true inspection, true rectification, and true closed-loop", improving construction quality and enhancing delivery level. Addressing the pain point of "easy to inspect but difficult to close the loop" for traditional

construction site, Lu Ban Campaign established the "377" principle, which is to inspect, sort out problems, and synchronize with the engineering side in 3 days, complete project rectification and close the loop in 7 days. We further conduct random supervision checks the actual situation and commit to rectify any additional problems in another 7 days.

In 2022, Lu Ban Campaign has covered 22 cities including Hangzhou, Wuhan, Nanjing, Chengdu, Hefei, Guangzhou, and Dongguan, etc.

Digitization Facilitating Quality Upgrade

Home renovation and furnishing projects involve numerous and complex processes. Traditional home renovation and furnishing projects mostly rely on manual delivery, resulting in many uncertainties in terms of service quality. Beike continuously leverages technological innovation to enhance service quality. Cutting-edge technologies such as VR are deeply empowering the

home renovation and furnishing business processes. Among these empowerments include creating Home SaaS system, launching Smart Construction Site and BIM system, reshaping industry processes and standards, improving operational efficiency, and ensuring delivery quality, thoroughly opening the black box of home renovation and creating a trusted ecosystem that realizes customer value.

Home SaaS System

Beike has launched the Home SaaS system for home renovation and furnishing, realizing the system process construction of five major modules including: sales management, BIM design, cost control management, supply chain management, and delivery management, further enhancing the standardization and digitization capabilities of the entire process of home renovation and furnishing services. The system covers the entire lifecycle of home renovation and furnishing projects. All participants in the various processes of home renovation and furnishing projects can track the progress of the project and carry out related management within the same system. Home renovation service providers can achieve digital management of the full business chain including online sales, standardization of construction drawings, visibility of all stages of goods procurement, inventory and sales, etc. Users can use the system to check the progress of construction sites in real-time, and all standard services from the entry of construction personnel to the final completion can be conducted online, including quality acceptance of construction nodes. The Home SaaS system improves overall delivery efficiency and quality.

Conducting **24/7**

online construction site inspections to ensure safety of construction site

Smart Construction Site

The Smart Construction Site is an integrated construction site management solution that combines hardware and software. It utilizes Beike's innovative 3D fusion technology to replicate real construction sites into virtual three-dimensional spaces. Customers and service providers can conveniently and comprehensively view the construction site in real-time, enabling greater transparency of the construction process. Through AI technology and intelligent algorithms, the system automatically tracks and manages aspects such as cleanliness, smoking and non-compliant operations, and issues timely warnings for potential project delays. Additionally, the system incorporates facial recognition for clock-in, allowing managers to complete detailed inspections and maintain records for precise management. Online construction site inspections can be conducted 24/7, ensuring robust safety of construction site.



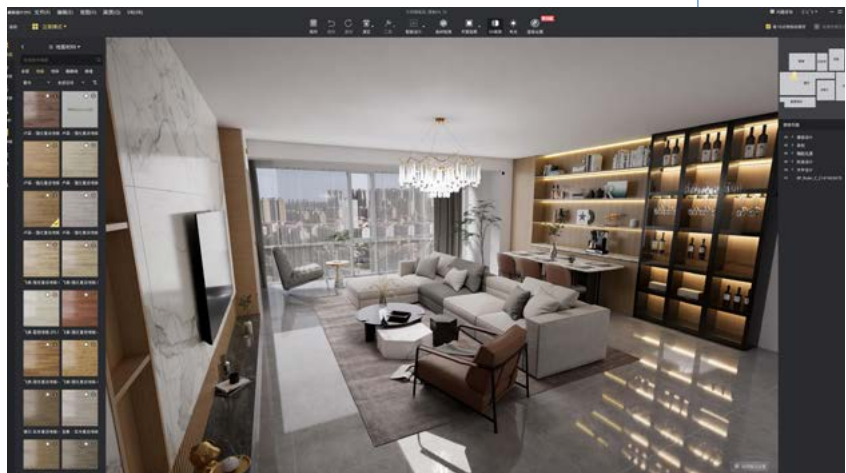
Through Beike's technology, owners and managers can have clear visibility and effective control over the construction process. Leveraging Beike's understanding of the traditional home renovation and furnishing industry and empowerment of digital technology, Beike's "Smart Construction Site Products and Services" have been honored with the "Ingenuity Product Award" of the 19th People's Ingenuity Awards.

Smart Construction Site

BIM Design

Beike incorporates Building Information Modeling (BIM) technology into the field of home renovation and furnishing. By utilizing three-dimensional information models in place of traditional two-dimensional drawings, BIM enables visualized and digitized design schemes, with automated generation of drawings, calculations and quotations by embedding business rules, elevating the intelligence level of design. The BIM system uses 3D visualization to make communication between designers and customers more direct and efficient, and to understand customer needs more accurately. At the same time, the BIM system standardizes the design process, ensuring the efficiency and accuracy of design operations, reducing the burden of designers on calculating quotations and deepening drawings, and solving complex problems of renovation design.

The BIM system uses **3D visualization** to make communication between designers and customers more direct and efficient



BIM Design

Achieving Better Home Rental Services

As a new residential service provider, we have fulfilled the housing needs of nearly tens of millions of tenants in more than 100 cities across the country.

To address the problem of inadequate living conditions for city new comers, young people, and public service workers, we have explored a multi-level rental supply system and strengthened the supply of high-quality housing. In response to the problems

of nontransparent charges, late delivery and early termination in the rental market, we have also continuously optimized the user experience for finding rental housing online, improved our service guarantee system, and provided a high-quality and secure rental experience. We hope to leverage our long-term expertise working with technology, systems, and product operations, along with our partnerships, to create diverse rental solutions with commercial vitality and social value.

Supply of High-quality Housing

We have actively responded to the Opinions on Accelerating the Development of Affordable Rental Housing issued by the General Office of the State Council and the 14th Five-Year Plan for Public Service jointly issued by the National Development and Reform Commission, the Ministry of Housing and Urban-Rural Development, and other departments. We highlight the livelihood nature of housing, promote the coordinated development of housing rental and purchase, expand the supply of affordable rental housing, and solve the housing difficulties faced by city new comers, young people, and other groups. By continuously expanding cost-effective housing rental projects and exploring rental solutions for city new comers and young people, we are committed to providing appropriate and affordable housing services to all levels and groups of society.

We continuously strengthen the supply of rental housing by constructing a multi-level housing rental supply system through rental brokerage services, apartment operation services, and other means, providing more rental options for city new comers and young people, and helping to alleviate the problem of difficult housing. By the end of 2022, over 120,000 housing units were managed by our rental services.

By the end of 2022, **over 120,000** housing units were managed by our rental services

Decentralized Rental Housing Services

We have actively responded to the call of national policies and explore the construction of the long-term rental housing market, aiming to solve the housing problems of city new comers, young people, and others. We have launched the Beike Carefree Rent, which integrates scattered housing units in the market into high-quality and reliable long-term rental housing without changing the layout of housing units. In addition, the Beike Carefree Rent also provides household services such as housekeeping, cleaning, property management, maintenance, and renovation for renting families, truly making the landlords worry-free and the tenants feel at ease. By the end of 2022, Beike Carefree Rent business has provided services in 13 cities, including Beijing, Shanghai, Tianjin, Chengdu, Hangzhou, Suzhou, and Shenzhen, covering over 70,000 housing units.

Beike Carefree
Rent Service Commitment

---Dare to promise, true to compensat---



The total number of **470 refund claims** in Beijing
The total amount of refund in Beijing is **RMB1.28 million**

Total household property coverage of **RMB810,000** in other cities

By the end of 2022, Beike Carefree Rent business has provided services in

13 cities, covering **over 70,000** housing units

In the second half of 2022, we also rolled out two centralized rental apartment projects, with a total of **over 800 rooms** under management

Centralized Solutions for Home Rental

In addition to providing decentralized rental housing services, we also launched multiple centralized rental apartment projects to explore more diversified rental housing solutions. In early 2022, we successfully created the [Beike New Youth Apartment](#) project in Shanghai, which aims to continuously provide affordable, safe, and clean independent living spaces that integrate work and residence for the "new youth" and "city new comers". The Beike New Youth Apartment project covers nearly 40,000 square meters, transformed from an old factory building, with a total of 2,978 rooms under management, superior location conditions, and has better cost-efficient than surrounding housing. In the second half of 2022, we also rolled out two centralized rental apartment projects in Chengdu and Shanghai, with a total of over 800 rooms under management, mainly targeting ordinary young people. The launching of multiple projects marks a solid step in our exploration of diversified rental housing supply-side solutions.

New Youth Program



Beike New Youth Apartment

In June 2022, we jointly launched the New Youth Program with several real estate agencies and centralized apartment brands in cities such as Beijing, Shanghai, Guangzhou, Suzhou, and Guiyang. This program provides special discounts such as "50% off commission or 50% off first-month rent" to recent graduates who rent homes in these cities, and also offers real estate guarantees, online VR selection of campus housing, and other rental rights and benefits to fully support graduates' settlement needs. By the end of 2022, the New Youth Program [covered over 200,000 housing units, with over RMB 20 million in special discounts issued.](#)

Beike's Special Project for Affordable Rental Housing in Chengdu

In order to further respond to the policy guidance of the Opinions of the General Office of the State Council on Accelerating the Development of Affordable Rental Housing, Beike has launched a special project for affordable rental housing in select cities, with the aim of transforming existing homes into rental units to help city new comers and young people solve their housing difficulties.

In July 2022, as [one of the first affordable rental housing operation service enterprises](#) in the Chengdu area, we launched a dedicated page for Affordable Rental Housing to contribute to solving the housing difficulties of local residents. Currently, users can access the Affordable Rental Housing page through the Beike App to learn about project application conditions and select suitable housing. At the same time, we aim to reduce the average vacancy period of idle properties and establish an efficient supply and demand matching system for the Affordable Rental Housing.

In addition, we provide one-stop professional rental service management through our team of rental service managers, covering customer consultation, property inspection, qualification application, contract signing and other aspects. For housing that does not meet rental standards during the inspection process, our managers will assist relevant departments in implementing rectification requirements, help property owners obtain Affordable Rental Housing qualifications, and uphold the safety and quality bottom line of rental properties. By the end of 2022, the number of affordable rental properties we operate in Chengdu has reached over 1,300.

By the end of 2022, the number of affordable rental properties we operate in Chengdu has reached

over 1,300

Rental Service Guarantee

With the continuous growth of the rental housing supply and the continuous improvement and deepening of the standardization and regulatory measures in the rental housing industry, users' demands for service experience during the rental process are also constantly increasing. In response to the problems of nontransparent charges, delayed delivery, and early termination of contracts in the rental market, we have launched a series of guarantee services and provide post-rental services such as cleaning and maintenance. While continuously improving the level of user services, we promote the stable development of rental relationships.

7 Commitments of Beike Rental Twilight Service Guarantee Program



We are committed to protecting the rights and interests of users in every aspect of the housing rental process and providing a service guarantee mechanism that covers housing searches, renting, and comprehensive post-rental services. We have launched the [Twilight Service Guarantee System](#) for both regular housing rentals and Beike Carefree Rent, which covers [seven service commitments](#), including Authentic Property Listings, Transparent Commissions and Rental Security Guarantees. As of the end of 2022, our Twilight Service Guarantee System has been launched in five cities, including Chengdu, Shanghai, Hangzhou, Suzhou, and Tianjin, benefiting over 600,000 property owners and tenants. At the same time, we are continuously developing customized service commitment guarantee systems based on the different housing rental needs of each city. In the future, we will continue to iterate our service system, deepen our service chain, and comprehensively enhance the rental living experience for our users.



By the end of 2022, our Twilight Service Guarantee System has been launched in

5 cities benefiting over
600,000
property owners and tenants

Digitized Services to Improve Efficiency

To address the difficulty of maintaining rental property information in the housing rental service and respond to customer needs throughout the rental cycle, we have launched an online maintenance steward for rental business called the [Cloud Steward](#). The Cloud Steward service adopts an efficient digital and online scheduling mode to complete standardized communication with property owners regarding new rental properties, key retrieval intentions, and timely information maintenance of vacant properties on the platform. It also follows up and serves property owners during the rental period, facilitating the successful completion of the secondary leasing business. Through the standardized management and long-term maintenance provided online by Cloud Steward, we have effectively expanded the scale of property maintenance, achieved standardized property maintenance, and improved the quality of property maintenance.

Efficient Online Operation

Cloud Steward operates entirely online, completing the recording and maintenance of property information through task assignments and managing task completion to ensure the effectiveness of business implementation.

Standardized Centralized Management

Cloud Steward adopts centralized management, focusing on online property maintenance throughout its full life cycle, implementing unified goals and operational standards to effectively improve service efficiency.

Property Information Quality Check

We have established a quality inspection mechanism for Cloud Steward to ensure that property information is true and accurate, improving the quality of property maintenance on the platform.

Long-term Service

Long-term Service: Different from the difficulty of long-term maintenance of offline steward services, Cloud Steward achieves dynamic maintenance of information in the property life cycle through online task scheduling, providing users with a high-quality custodial service experience.

Industry Talent Cultivation

Around the service and delivery quality of real estate transactions, home renovation, and home rental businesses, we have constructed a vibrant operational ecology that is conducive to the development of service providers in many aspects, such as rule building, commitment performance, scientific management, and standardized processes. As the core of business quality, the professional quality of service providers is important. Therefore, Beike continues to improve its internal talent professionalization system, enhance the overall quality of service providers, and refine their professional abilities.

For many years, Beike has been committed to promoting the integration

of vocational education and industrial development. We are committed to the integration of connections between enterprises and universities, and promoting the organic linkage of training and employment, effective matching talent supply and demand, and constructing a talent cultivation ecosystem in the residential service field.

Beike will continue to help more practitioners and potential practitioners in the residential service industry to improve their professional abilities, establish long-term career development paths, cultivate more high-quality professional talents and technical experts for the industry, and assist in the sustainable development of the industry.

Empowering Service Providers

Beike has established a sound training system for the many service providers involved in the business process. We have built various systems to promote the professionalization of service providers. Some of these include the Agents Professionalism Examination, Beike Agents Academy, the Huaqiao Academy and Hongyou Academy for training specialized store owners, the Jinggong School for home renovation workers. All of these and others help service providers to smoothly transition to a professional and vocational path.

Agents

We attach great importance to agent training and adopt a hybrid learning mode that combines online learning, offline centralized training, practical tasks, and passing assessments. We comprehensively improve the professional competence of agents and stimulate them to continue learning and improving.

In 2022, the Agents
"Erudite" Professionalism
Examination covered

97 cities with **over**
515,000
times of participation

Agents "Erudite" Professionalism Examination

Since 2011, we have been conducting the "Erudite" examinations to enhance the level of professionalism among real estate agents. Our aim is to promote greater professionalization and help agents acquire professional, accurate, and comprehensive knowledge of the industry and validate their learning achievements. We assess agents' proficiency in real estate rental brokerage practices, new home sales business, existing home brokerage services, real estate transaction services, basic real estate knowledge, real estate laws and regulations, company culture, and values through the development of professional teaching materials and the establishment of a question review team.

As an important means of measuring the professional level of agents, the "Erudite" Agents Professionalism Examination combines online learning with the exam to encourage agents to continue learning, continuously improve their professional abilities and provide customers with more secure and stable services. In 2022, the "Erudite" Agents Professionalism Examination shifted from offline centralized computer-based exam to an online decentralized computer-based exam, covering 97 cities in two exams throughout the year, with over 515,000 times of participation.

In 2022, the "Sea" Training
Program for Agents held a

total of **1,898**
training sessions,
trained service providers of

676,206
times of participation

The "Sea" Training Program for Agents

Lianjia has launched the "Sea" Training Program for agents, which involves multiple departments jointly creating a series of training programs that meet the needs of different business departments. The program aims to identify problems in business operations and provide timely support, establish efficient and deep trust-based cooperation, and deepen participants' perception and insights into the business.

In 2022, the "Sea" Training Program provided 607 courses in cultural, business, and leadership categories, held a total of 1,898 training sessions, trained agents and service providers of 676,206 times of participation, including 11,035 times of participation of "Two Wings" service providers. In the future, the program will continue to enrich course types and contribute to the development of high-quality, practical talent in the industry.

Store Owners and Brands

Stores are our fundamental operation units and service units; our store owners play an important role as the direct managers and operators of the stores. Beike founded Huaqiao Academy to strengthen the certification training for store owners, continuously promote the professionalization of store owners, and improve the career path for store owner professionalization. As a talent cultivation base in the industry, Huaqiao Academy helps store owners build a complete knowledge system, improve their management and professional capabilities, and ultimately provide consumers with high-quality service experiences. As of the end of 2022, Huaqiao Academy has conducted 40 rounds of store owner certification training, with a total of 6,906 store owners completing professional training, certifying 5,626 store owners. A total of 576,858 total training hours were conducted by the Huaqiao Academy in 2022.



As of the end of 2022, Huaqiao

Academy has conducted **40**
rounds of store owner

certification training, providing a

total of **576,858**
total training hours



Huaqiao Academy

We value the empowerment and management upgrade of brands, and help brands improve their talent development system. We assisted Deyou in building Deyou Home, its online learning platform for store managers and agents. Deyou Home shares business knowledge, experience, and industry information through setting up diverse sections to enhance the professional ability of brand service providers in multiple dimensions. As of the end of 2022, Deyou Home has produced content with 21 million words cumulatively, received a total of over 4.5 million visits, and a satisfaction rate of 8.8 for the learning platform.



As of the end of 2022, Deyou
Home has produced content

with **21** million
words, cumulatively, received
a total of **over 4.5**
million visits



Deyou Home

Home Renovation and Furnishing Service Providers

Beike is committed to cultivating high-quality home renovation and furnishing service providers and providing professional talents for the entire home renovation and furnishing industry chain through a refined training system that continuously upgrades service standards to bring high quality service experience to customers. In 2022, with the integration with Shengdu, we successfully duplicated our home renovation and furnishing training system to Shengdu. In doing so we achieved a business breakthrough from 1 to 100 through refined training and cultural operations to guarantee the quality of engineering delivery. Upholding the concept of “helping

service providers to do good for customers” and incorporating complex business scenarios with a multi-dimensional convergence of ideas, we established an online cultural platform, the Jingong World, for engineering service providers nationwide to create a high quality home renovation and furnishing service provider team.

We combine online and offline training to create a comprehensive training course system that includes (company) cultural, performance benefits, basic data, and other aspects, to empower home renovation service providers in all aspects.

- **Fusion Training:** Through 10 courses including cultural promotion, craft standards, red and yellow line measures, systematic operations, safety assurance, we help new project managers and different types of workers to quickly learn the company culture and standards. We also adopt a mentorship system to accelerate the growth of junior service providers and generate production capacity.
- **Themed Training:** By emphasizing education on construction safety, insurance protection, and quality of process construction, we conduct monthly themed training and business ability improvement training for on-the-job project managers and workers.
- **Talent Reserve Training:** Adopting courses such as site management sharing, switching role thinking, and on-site practical teaching, we aim to create competency training for project managers and workers to promote their roles and identities, and to assist in the rapid transformation of service providers and reserve excellent talent and capacity.

In addition, we continue to empower home renovation and furnishing service providers to achieve professional transformation and contribute to the high-quality and healthy development of the industry. We pioneered the training of Beike's management trainees among service providers and opened up a career development path for project managers, allowing service providers to have long-term career development paths.

Craftsman (Jingong) Academy

Beike Craftsman (Jingong) Academy is dedicated to the development of composite talents in the home renovation and furnishing industry, providing a professional training system for nine types of service providers including designers, project managers and workers, with the goal of exporting professional home renovation and furnishing talents for the entire industry. Through general education courses and interdisciplinary courses, service providers deepen their understanding of the overall home renovation and furnishing service while specializing in their own professions, effectively solving problems such as consumers' unsatisfactory renovation experience and lack of service roles in various aspects.



Craftsman (Jingong) Academy

At the same time, the Craftsman (Jingong) Academy closely combines theory and practice, introducing 38 construction processes, 154 craft acceptance standards, four quality inspection systems and nine nodes in the construction process in its teaching manual. Craftsman (Jingong) Academy replicates real residential renovation sites within its classrooms, providing students with practical opportunities and certification assessments.

In addition, we provide free pre-job training for workers and students must complete the strict training assessments by Craftsman (Jingong) Academy before being certified to work, thereby maximizing the quality of construction services from a professional perspective.

As of the end of 2022, Craftsman (Jingong) Academy had trained and certified 894 project managers and 4,683 workers.

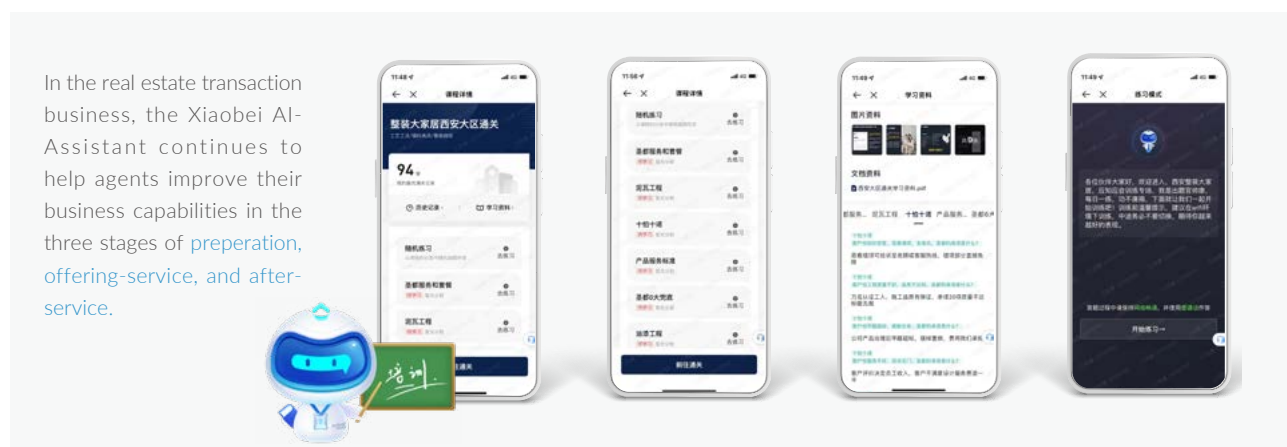
Technology Empowerment

Beike is committed to continuously empowering service providers with technology to improve service quality. **Xiaobei AI-Assistant** is an intelligent online tool designed specifically for agents to develop skills and provide business assistance. Through Xiaobei AI-Assistant, we empower service providers in all aspects to ensure service standardization and improve business efficiency and service quality. With the upgrade of Beike's "One Body & Two Wings" strategy, Xiaobei AI-Assistant will also expand its product technology capabilities accumulated in the real estate transaction business sector to the home renovation and home rental business.

In the real estate transaction business, the Xiaobei AI-Assistant continues to help agents improve their business capabilities in the three stages of preparation, offering-service, and after-service. As the preparation before serving customers, the Xiaobei AI-Assistant provides a simulation training ground. In 2022, a total of 344,000 agents completed self-improvement training, with a total of **9.07 million training sessions** and an average training time of **3.11 hours**

per person. While agents are offering serviced to customers, the Xiaobei AI-Assistant provides services such as property recommendations, language assistance, and information prompts for agents, providing a total of **136 million** assistance suggestions throughout the year. After the service, the Xiaobei AI-Assistant evaluates and diagnoses the broker's service process. The Xiaobei AI-Assistant provided IM Leads Chat Post-Diagnosis Reports for 73,325 agents, helping them improve their service quality.

In the **home renovation and rental business**, the Xiaobei AI-Assistant helps service providers become familiar with service commitments, standardized processes, and operational procedures through online training to achieve standardized services. In 2022, a total of **81,000 service providers** learned about home renovation knowledge through the Xiaobei AI-Assistant, with a cumulative duration of **9,022 hours**. In addition, **14,500** Carefree Rent services providers used the Xiaobei AI-Assistant for self-training, with a cumulative duration of **3,022 hours**.



Xiaobei AI-Assistant

Integration of Industry and Education

Beike is committed to improving the professionalism of service providers and new digital residential service practitioners as one of its core goals. We have collaborated with many universities nationwide to explore the establishment of a professional curriculum system for professional education of agents. Together with industry associations, professional colleges, and well-known enterprises in the industry, we have developed the New Residential Digitalized Brokerage Service Professional Skill Level Certificate. It has been successfully selected as the fourth batch of "1+X Certificate" (where "1" represents an academic certificate and "X" represents several vocational skill level certificates) system project of the Ministry of Education of China, becoming the first 1+X vocational skill level certificate in the housing service industry. As of the end of 2022, more than 40 schools have registered for the certificate exam, with a total of 5,000 participants. While promoting the development of the certificate system, Beike has also led the compilation of the supporting New Residential Digitalized Brokerage Service series of learning materials, providing the most cutting-edge and professional training for real estate agents. At the same time, the 1+X certificate's corresponding learning outcomes have been recognized by the National Credit Bank of Vocational Education, and the certificate has also been included in the latest professional introduction and professional teaching standards released by the Ministry of Education in September 2022.

As of the end of 2022, 1+X vocational skill level certificate

has **more than 40 schools** have registered

for the certificate exam, with

a total of **5,000 participants**

Beike, in collaboration with the China Association of Construction Education, held the [first National University New Residential Digital Innovation Competition](#). It is the first competition in the new residential industry focusing on the existing market in the new real estate era for college students. The competition aims to build a learning and exchange platform for residential service talents and help integrate the "employment, coursework, competition, and certificate" model in colleges and universities, further enriching the social education system of the new residential industry. A total of nearly 700 teams from 110 universities participated in the competition, with more than 3,000 students registering. The multi-round competition, including school-level selection, regional selection, and national selection was held in over 70 cities and regions across the country and attracted more than 300,000 people.



The National University New Residential Digital Innovation Competition

In 2022, we established the strategic plan for the Future Home Industry Academy, starting with school-enterprise cooperation and exploring the development of interior designers' careers with technology-enabled training. We introduced enterprise-oriented vocational education into the school training process and launched the Future Home Scenario-based Training Room. Using 3D engines, we created a virtual world for VR, PC, and other devices, which reproduces the work environment of interior designers, and provides online professional basic skills training.



Future Home Industry Academy



Our achievements in talent development and training system construction in the residential service industry have been widely recognized. In 2022, Beike was approved as a cultivation and integration enterprise of industry and education in Guangdong, Shandong, and Henan provinces. At the 9th Real Estate Brokerage Industry Summit organized by China Alliance of Real Estate Agencies, Beike was recognized as the 2022 Public Welfare Enterprise of the Real Estate Brokerage Industry.



Business Ethics



Compliance operation is the foundation for the sustainable development of the Company, and the healthy growth and prosperity of the Company also are built upon standardized operation and management. Ever since our establishment, Beike has adhered to our core philosophy of “business for good”. We conduct our operations in strict accordance with all relevant laws and regulations, while continuously striving to enhance our compliance framework and implement effective control measures. Our efforts encompass a wide range of areas, including information security and privacy protection, business ethics, intellectual property rights, advertising standards, and supplier management. Leveraging the power of digitalization, we commit to driving sustainable growth within our industry.

We believe that upholding honest business values will ultimately result in increased business opportunities. We have established appropriate management systems and mechanisms and appointed dedicated personnel to establish proper values, ensure compliant operations and practice good business ethics. We are committed to ensuring that our company's services and related products are in compliance with both domestic and foreign legal requirements. Additionally, we collaborate with various stakeholders throughout the value chain of our industry create a clean and honest business atmosphere, foster a healthy market competition, and establish a fair and transparent business landscape.



Information Security and Privacy Protection

Beike places a high priority on ensuring information security and protecting the privacy of our users. To ensure that our business operations comply with the latest legal requirements, we continuously follow up on the legislative and law enforcement dynamics related to information security and privacy protection, and update our compliance databases on information security and privacy protection in a timely manner, including laws and regulations, national standards, and industry standards. We strictly abide by relevant laws and regulations, including but not limited to the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, the *Cryptography Law of the People's Republic of China*, the *Measures for Cybersecurity Review*, the *Provisions on the Administration of Information Services of Mobile Internet Apps*, the *Provisions on the Administration of Mobile Internet Applications Information Services*, the *Provisions on the Necessary Personal Information Scope for Common Types of Mobile Internet Applications*, the *Information Security Technology - Basic Requirements for Collecting Personal Information in Mobile Internet Applications*, and the *Information*

Security Techniques - Guidelines for Mobile Internet Security Audit. We are consistently enhancing our internal management system by implementing robust control procedures and supervision measures to safeguard against the breach of private user information. By comprehensively and timely understanding the relevant laws and regulations on information security and privacy protection, we will incorporate the applicable legal requirements into our business and products, and continuously enhance our efforts in information security and privacy protection.

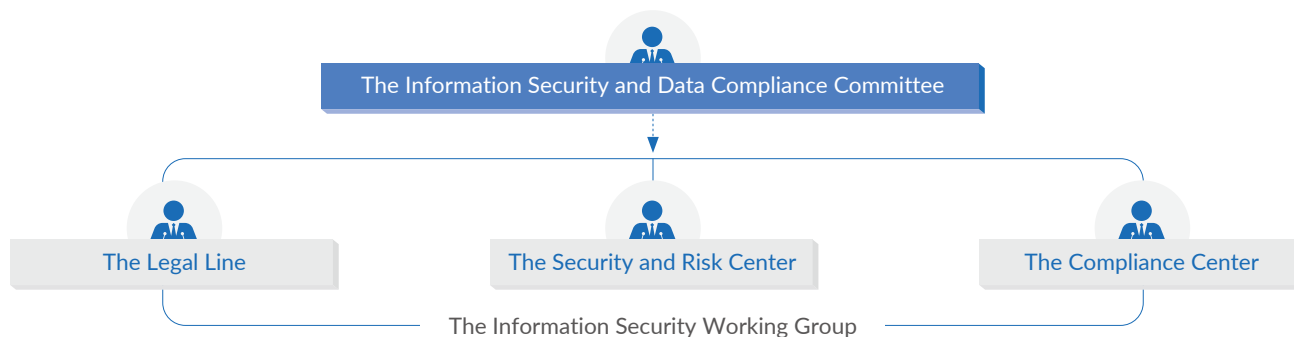


System Infrastructure

We continue to strengthen the system of information security and privacy protection. We have laid a solid foundation for ensuring the privacy and security of our consumers by improving our management framework and system, standardizing the usage of data, optimizing our emergency response procedures, and establishing management barriers to address risks related to information security and privacy protection.

Improving the management framework

Beike has issued the Organization and Management Measures of Beike Information Security and Data Compliance, and established the [Information Security and Data Compliance Committee](#) ("the Safety Committee") as the decision-making body for the Company's information security and data compliance. The Committee is responsible for overseeing the Company's information security and data compliance risks and reviewing and issuing policies and regulations at the Company level. The Committee is composed of Beike's CEO, CFO, general counsel and leaders from each business line. With the Committee's oversight, the Legal Line, Security Center, and Compliance Center together as a working group, are responsible for developing crucial risk management strategies and enhancing risk management through collaborative efforts with various departments. Progress reports on the work of information security and data compliance are reported to the Safety Committee. Meanwhile, we have set up defense lines consist of aspects including business, legal & security, compliance & ethics for information security protection to ensure that all relevant functional departments continue to prevent risks related to information security and privacy protection before, during and after the event.



Clarifying management system

We have developed a set of privacy protection principles that are integrated throughout all of Beike's technology applications, product designs, and business operations. Based on these management principles, we strive to constantly refine our internal systems to enhance information security and safeguard privacy, sort out privacy compliance processes, and provide guidance for executing and implementing privacy protection management systems. We have formulated multiple internal management systems, including the Beike Data Security Management, Personal

Information Protection Guidelines, Beike Security Violation and Punishment Management Measures, Beike Data Export Compliance Guidelines, and Compliance Guidelines for Collecting Personal Information in Mobile Internet Applications. These systems aim to establish data classification and grading standards, outline information security-related violation scenarios and associated responsibilities, and clarify investigation and review processes for violation cases. Through this, we continuously improve the Company's information security management.

Principles of Beike's Privacy Protection

Legal compliance

Beike takes corporate responsibility by complying with the law, strictly adheres to privacy and security regulations, and safeguards the rights of its users.

Minimum necessity

Beike adheres to the principle of data minimization, ensuring that only the minimum amount of data necessary for relevant services is collected and provided. Each data processing behavior is conducted with a specific processing purpose, and legal necessity serves as the criterion.

Open and transparent

Beike guarantees that users have access to and can control their personal information authorized for processing by Beike at any time and from anywhere. Beike also supports users in independently managing the use of their personal information through simple and convenient methods.

Safe and reliable

Beike has a high-level information security protection mechanism to ensure the security of user data.

Standardizing Data Usage

We have established distinct requirements for managing user data usage throughout the product and service development process. We have standardized regulations managing the circulation of data both within and outside our organization to safeguard the security of user personal information. We have implemented a [review and evaluation process for data circulation](#). Mandatory approval from the data applicant, the data circulation management team, and the data owner is required for any internal or external data circulation.

When engaging with suppliers or utilizing third-party services, we rigorously enforce the requirement that these entities adhere to their obligations for protecting personal information, in accordance with relevant laws, regulations, and the Beike's privacy policies. Prior to collaboration, we mandate that Privacy Impact Assessments (PIAs) are conducted in order to identify potential data security risks. In addition, we have data confidentiality agreements with our suppliers/third-party service providers, ensuring that we only share user-authorized data that is necessary for delivering the services. For example, in the ACN agents cooperation network, we only provide authorized information to our partners and will only retain and process user information related to the service within the time limit and scope allowed by law.

Enhancing Management Transparency

To ensure that users truly feel that their information is protected, and their willingness are respected, we have established [Beike Privacy Protection Platform](#) in the public domain to enable users understand Beike's privacy protection values and strategies in a convenient manner.

We incorporate privacy protection into the "One Body & Two Wings" framework, by publicly displaying a series of privacy policy documents such as the Beike Privacy Policy, Privacy Policy for Beiwoo Home Decoration Users, and Beike Rental Privacy Policy. These documents elucidate the nature of the users' personal information we collect, and how we collect, use, protect and store the information. We also value users' attention to their personal information and protect their rights to access, correct, delete, and withdraw consent to their personal information, so that users have sufficient capability to protect their privacy and security. In addition, users can seek personal information protection consultation and provide feedback through the platform, and receive responses and answers from professional personnel.



Beike Privacy Protection Platform

For more information on Beike's information security and privacy protection, please visit the Beike Privacy Protection Platform at <https://privacy.ke.com>.

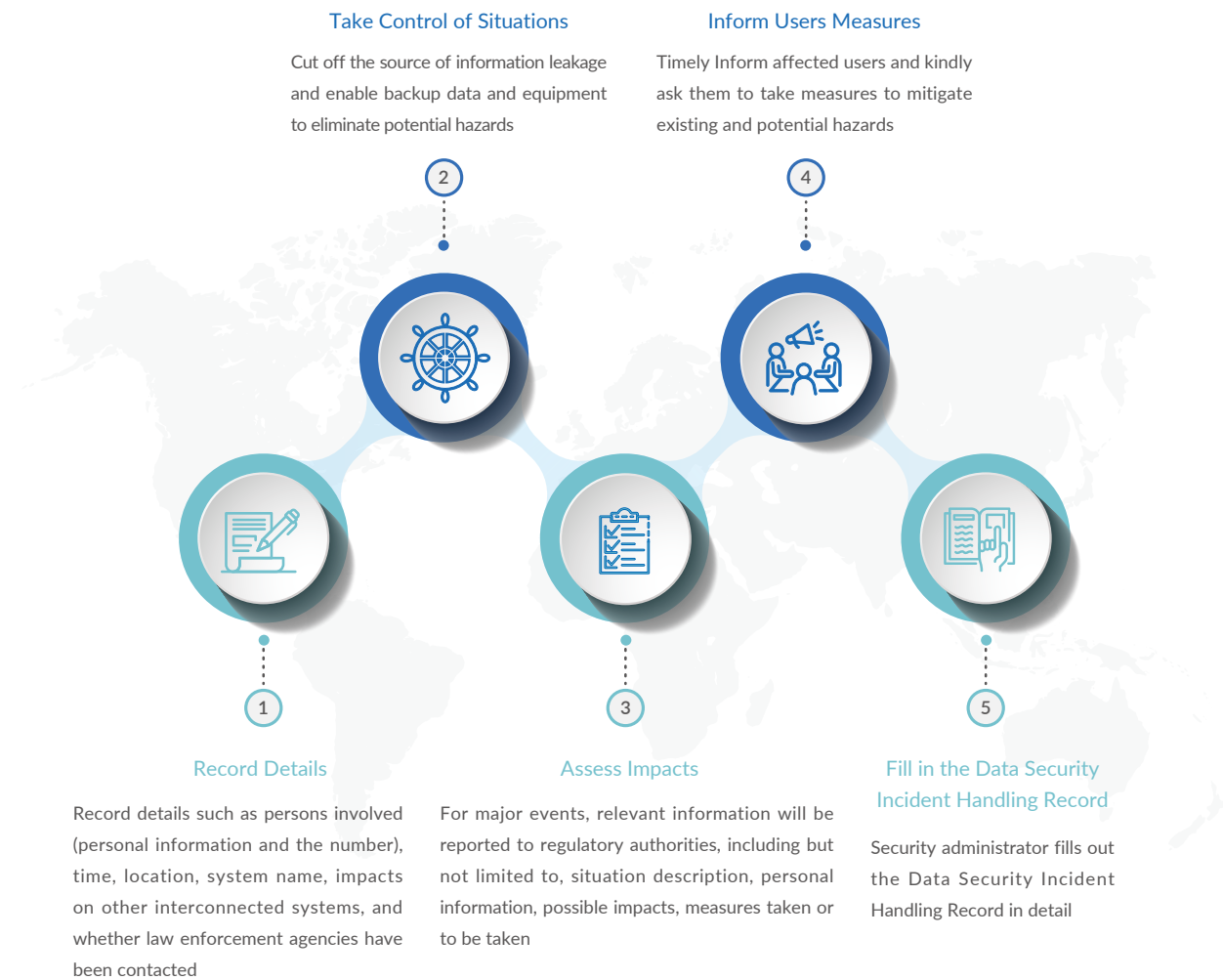
Strengthening Emergency Response

To address the risks of leakage, damage, or loss of personal information, Beike has developed Data Security Emergency Response Plan and established a data security incident emergency working group. We initiate corresponding security emergency response processes for various types of security incidents in accordance with the security incident handling standards specified in the plan.

We implement full-process control over data security incidents, including recording incident details, controlling the development of the situation, assessing the impact of the incident, notifying users, providing follow-up measures, and filling out the Data Security Incident Handling Record. In addition, the Safety Committee

has issued data security risk reporting standards and response procedures to all employees to strengthen their risk awareness and response capabilities.

Furthermore, when personal information security incident occurs, we will promptly notify users of the situation and potential impact of the security incident in accordance with legal requirements, and explain the measures we have taken or will take to address the incident. We will timely notify users of the incident-related information via email, letter, telephone, notification, and other means. When it is difficult to notify individual data subjects one by one, we will issue a public notice in a reasonable and effective manner.



Data Security Incidents Processing Flow

Obtaining Certification

Beike is committed to providing professional, secure, and high-quality products and services, while also striving to build a service platform that instills trust and confidence in consumers. The products and services we provide have obtained multiple external certifications, including:



We obtained dual certifications of [ISO/IEC 27001 Information Security Management](#) and [ISO/IEC 27701 Privacy Information Management](#).



Our data storage system has obtained a [certification from the Ministry of Public Security of China](#) after undergoing an information security protection level 3 assessment.

Technological Support

Beike adopts a range of technological security measures to safeguard users' personal information against unauthorized access, disclosure, use, modification, damage or loss. These measures include but not limited to:

adopting encryption technology to encrypt and store users' personal information involved in data collection, storage, and transmission processes in the business system, and securing the information through isolation technology. In the use of personal information, such as personal information display and personal information correlation calculation, adopting various data masking technologies to enhance the security of personal information during use;

adopting strict data access control and multi-factor authentication technologies to protect personal information and avoid unauthorized use of data;



conducting regular personal information security audits, and strengthening our management level in users' personal information protection through technologies such as data access log analysis.



We also take proactive defense measures to identify and manage potential system vulnerabilities and risks.



We have established the Beike Security Response Center, which collects security vulnerabilities and threat intelligence from our products and services by engaging with users and information security experts. We aim to identify potential security threats and continuously improve the security of Beike products and services, to safeguard the information security of our users.

Capability Development

We attach great importance to data security and privacy protection. We implement our measures from three aspects, including knowledge sharing, training, and assessment. We carry out information security empowerment activities covering different employees, enhance employees' awareness of data security protection, and strengthen the Company's management and professional capabilities in information security and privacy protection.



2022

In 2022, the information security and privacy protection training covered more than

80,000
employees

Training and Assessment

We regularly provide comprehensive information security and privacy protection training for our employees. The Company provides special data compliance learning programs to employees and our managements through a specialized training and examination system "KE Jinxue", aiming to help employees understand information security and establish data protection precautions. For example, the Human Resources Department is responsible for safeguarding employee information, while the Marketing Department ensures user's information is collected and utilized in a compliant manner. Similarly, the Customer Service Department is responsible for possessing a comprehensive understanding of how to address users' requests regarding their personal information rights.

To ensure that the training on information security and privacy protection compliance regulations is put into practice, we require trainees to take exams after the learning activities to strengthen the training effectiveness and effectively improve employees' compliance awareness and capabilities.

In 2022, the information security and privacy protection training covered more than 80,000 employees, including all functional employees and part of our agents.



2022

The Information Security Knowledge Sharing Month campaign attracted more than

20,000 times
of participation

Information Security Knowledge Sharing Month

In 2022, Beike launched the Information Security Knowledge Sharing Month campaign with the theme of Mobilizing Everyone to Safeguard the Security Bottom Line. The activity aimed to enhance information security knowledge and improve the information security-related skills among our different employees, by focusing on three key aspects: interpreting security regulations, explaining technical knowledge, and enhancing security awareness. The activity attracted more than 20,000 times of participation.

In terms of data security policies, we helped employees understand both the Beike Data Security Management and the Beike Data Security Violation and Punishment Management Measures, effectively promoting the implementation of the Company's information security policies.

In terms of technological knowledge, we explained relevant knowledge such as account and permission management, security audit processes, and social engineering, strengthening employees' information security knowledge reserves.

In terms of security awareness, we focused on topics such as "avoid sharing work-related information, use strong passwords, properly manage work accounts, and prohibit the use of unauthorized proxy", and carried out empowerment training to enhance employees' information security awareness.



Information Security Knowledge Sharing Month Campaign



Industry Standardization Construction

We cooperate with domestic and international organizations and research institutes to help standardize the construction of data security and privacy protection in the housing transactions and services industry.



We participated in the compilation of the national standard titled the Information Security Technology - Basic Requirements for Collecting Personal Information in Mobile Internet Applications (GB/T41391-2022), and took the lead in the standard formulation of the module of the necessary personal information collection and use requirements for housing rental and sales Apps. The standard has been issued and implemented by the State Administration for Market Regulation and the Standardization Administration of China.



Beike collaborated with the China Cybersecurity Industry Alliance in formulating the technical standards of Guidance on Social Responsibility of Data Security and Personal Information Protection. The guideline was specifically designed to assist organizations in achieving greater social value by adhering to the highest standards of laws, regulations and rules, and ethical conduct.



Beike participated in the development of the national standard: the Information Security Technology - Risk Assessment Method for Information Security, which is designed to assist organizations in conducting risk assessments related to data security and provide a solid foundation for enhancing data security management capabilities.



Beike participated in the development of the national standard: the Information Security Technology - Security Requirements for Processing Sensitive Personal Information, which offers standardized guidelines for safeguarding individual privacy.

Building a Culture of Compliance and Integrity

Anti-Corruption and Anti-Fraud

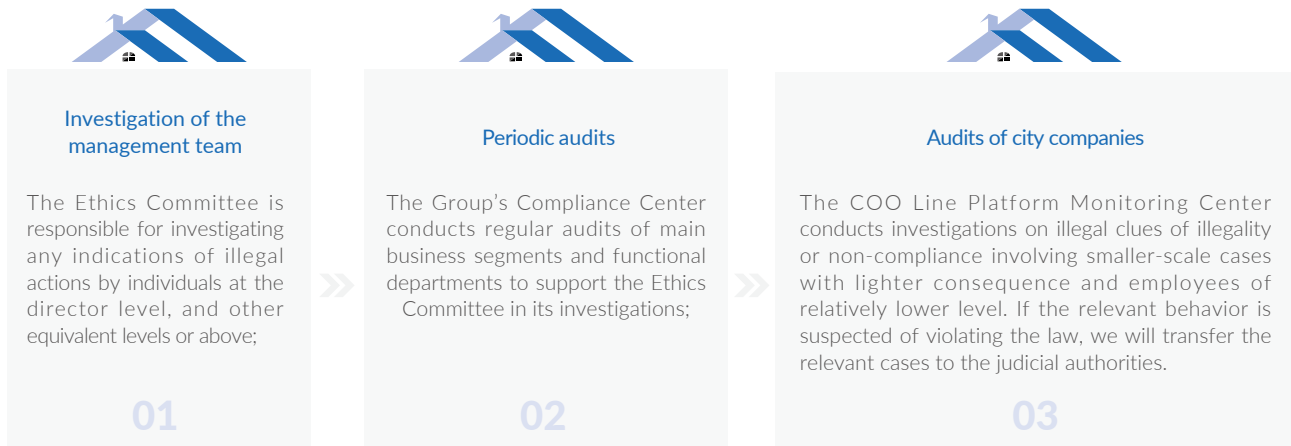
We strictly adhere to the *Anti-Unfair Competition Law of the People's Republic of China* and the *U.S. Foreign Corrupt Practices Act (FCPA)* and other laws and regulations related to anti-corruption and anti-fraud. Based on our business characteristics, we have established a set of policies and standards to prohibit any forms of business bribery, behaviors of corruption and fraud, including the Anti-Corruption Compliance Policy, Regulations on Employee Interest Relationship Management, Code of Conduct for Work Ethics, Beike Employees Code of Conduct for New Homes Transactions, Guidelines Regarding the Third Parties of the Anti-Corruption Compliance Policy, Guidelines on Gifts Hospitality and Travel of the Anti-Corruption Compliance Policy, and the Guidelines on the Cooperation with Public Institutions and Officials of the Anti-Corruption Compliance Policy. We require employees to declare conflicts of interest in a timely and genuine manner and we clarify the situations that employees should avoid and the consequences of violating any relevant regulations.

In 2022, we revised and released the Regulations on Employee Interest Relationship Management and the Code of Business Conduct and Ethics. We continued to organize all employees to report their interest relationships and continuously improved our business ethics standards. We optimized the online reporting system, provided explanations and clarifications of violations during the reporting process, and improved the system's public disclosure function. With the advancement of the "One Body & Two Wings" strategy, we will extend our interest relationship management system to cover the employees of the "Two Wings" business. For example, regarding employees in the integrated home furnishing business, we conducted a special investigation on interest relationship management, based on the characteristics of the home decoration business and the actual situation of the employee group. We conducted sufficient preliminary research and solicited opinions before formulating regulations for interest relationship management.





The Company has appointed a Chief Compliance Officer, who is responsible for approving FCPA-related matters in accordance with our policies and guidelines. [The Audit Committee of Beike Board of Directors is responsible for supervising the improvement of the Company's internal management system for business ethics.](#) Moreover, we strengthen our efforts by setting up an Ethics Committee, a platform Monitoring Department, and an investigation team that will carry out daily supervision and investigation throughout the Company. We conduct several forms of daily management:



In 2022, we received the result of a criminal case in which four individuals were guilty of duty encroachment and sentenced to imprisonment ranging from one year and six months to one year, with the suspended sentence. We have terminated the employment relationship with the above-mentioned employees and have conducted a retrospective investigation of the case and issued a warning notice to prevent its recurrence in the future. None of the cases have had a significant impact on our business.

This year, we have expanded the scope of our Integrity Compliance Survey, and for the first time, conducted a survey on the Beike Sunshine Index of integrity and compliance for our integrated home renovation and furnishing business group and received

nearly **2,000** survey questionnaires and **more than 400** suggestions.

Beike Sunshine Action

We continue to conduct the Beike Sunshine Index and Integrity Compliance Survey project to access the awareness and compliance of employees on the Company's professional ethics construction and audit work. According to results of the survey, we have implemented special adjustments to our professional ethics construction and audit initiatives to improve the efficacy and influence of management

This year, we have expanded the scope of our Integrity Compliance Survey, [and for the first time, conducted a survey on the Beike Sunshine Index of integrity and compliance for our integrated home renovation and furnishing business group.](#) The survey comprised four main themes: perception of violations, awareness of integrity and compliance, compliance with integrity and compliance, and management of interests. We received nearly 2,000 survey questionnaires and more than 400 suggestions. We summarized, discussed and analyzed eight main findings, and formulated eight measures to effectively guide us in carrying out work in areas such as training and knowledge sharing, system construction, and case investigation. We are committed to working collaboratively with our employees to create a thriving ecological environment and positive cycle of quality within our integrated home furnishing business.

Beike Sunshine Integrity Influence

We actively participate in anti-fraud and anti-corruption social organizations such as the Trust and Integrity Enterprise Alliance and the China Enterprise Anti-Fraud Alliance (CEAFA) in 2017 and 2019, respectively. Our goal is to promote integrity in our industry by joining forces with industry peers via the information sharing mechanism between enterprises.

Anti-Money Laundering

We have been carefully managing the potential financial risks that could impact our business, and taking serious risk control measures for any business activities that may be susceptible to money laundering. We strictly comply with anti-money laundering (AML) laws and regulations, including the *Law of the People's Republic of China on Anti-Money Laundering and the Provisions of Anti-Money Laundering through Financial Institutions*. We have also designated the AML compliance officer, who is responsible for establishing relevant AML procedures for conducting relationship screening of transaction parties and performing periodic internal review to ensure the effectiveness of our AML policies. We have established an internal control system for AML, and formulated rules and regulations such as the Anti-Money Laundering Compliance Policy, the Emergency Management Measures for Major Money Laundering Cases, and the Internal Inspection Operation Procedures for Anti-Money Laundering. Moreover, we have a team of professionals to continuously monitor any updates on AML-related laws and regulations, and ensure that our internal policies are always up-to-date. In addition, we enhance our internal AML controls by utilizing an online AML system.

To improve employees' awareness of AML, we regularly conduct AML training to strengthen AML risk management and control. To efficiently and accurately monitor money laundering risks in the transaction process, we have innovatively developed monitoring technologies and continuously strengthened the monitoring and analysis of suspicious transactions. Utilizing our extensive experience accumulated in the field of existing home transactions, we have developed a "Method and Device for Anti-money Laundering Monitoring in Existing Home Transactions" and officially submitted a patent application for invention to the State Intellectual Property Office in November 2022.

We require all employees to report any suspicious activities identified during the KYC (Know Your Customer for customer background check) process, due diligence process, financial activities, and day-to-day operations to the AML compliance officer. After consulting with the Legal Line and Funding Center, the AML compliance officer will determine whether to report these suspicious activities to the Law Enforcement Department. We also hold monthly meetings to analyze suspicious transactions, which are attended by members of the AML leadership group and full-time and part-time AML personnel. These meetings serve as a platform to discuss and analyze difficult situations and key cases encountered in monitoring and analyzing suspicious transactions. We work together to explore the direction of clue collection and submit special reports to the AML authorities on significant suspicious transactions.

Whistle-Blowing and Protection Mechanisms

Our [Policy on Reporting and Investigation of Discipline Violation](#) clearly defines the reporting channels, investigation process, review procedures and protection mechanisms for whistle-blowers. Several reporting channels are available to assist in obtaining reporting information promptly so as to carry out timely investigations. Whistle-blowers can report suspected corruption via a variety of reporting channels such as WeChat, email, hotline, mailbox and letters. For effective reports of suspected fraud, the Center may either directly initiate an investigation or delegate the responsibility to the appropriate functional department or city, depending on the findings of the preliminary examination and screening. For the fraud cases identified, the issues will be publicized on Beike's internal website as warning. If the violation is deemed to be a criminal act, we will report to appropriate judicial authorities and pursue criminal responsibility accordingly. Employees who disagree with the proposed treatment plan are entitled to submit an appeal, which will be forwarded to the Construction Center for review. The Construction Center will designate investigation personnel who have not been previously involved in the matter to review the case.

In 2022, we ensured that the review rate of reported cases (the initial review and response rate of fraud reports) reached 100%, and the timely investigation and handling rate of cases continued to improve. We also attach great importance to safeguarding whistle-blowers and have clearly indicated the protective measures within our Policy on Reporting and Investigation of Discipline Violations. We guarantee the utmost confidentiality of all detailed information regarding both the reports and the identities of the whistle-blowers. Employees who blow the whistle are protected from any form of unfair treatment. If whistle-blowers face any form of retaliation, they can file a complaint to our Center via the public reporting channels. After verifying the complaint, we will provide reporters with compensation and take measures against those who take any adverse personal actions.

As for our agents, we have established a business violation whistle-blowing process that guarantees timely responses, efficient processing, regular progress updates, and results updates for any whistle-blowing incidents. To ensure the confidentiality and security of whistle-blowers, our system provides option for anonymous feedback. The information remains anonymous throughout the incident handling process, and no one is permitted to access the anonymous information to protect the privacy of the whistle-blowers involved.



In November 2022, the

"Method and Device for Anti-money Laundering Monitoring in Existing Home Transactions"

developed

by Beike officially submitted a

patent application for invention

to the State Intellectual

Property Office.



In 2022, we ensured that the review rate of reported cases

reached **100%**

Integrity Training

We regularly conduct anti-fraud trainings, which cover employees of different ranks and functions. We hope, through training, to deepen the anti-fraud awareness for our employees, standardize daily operational behavior, and reduce the occurrence of potential violations. We require all platform employees to undergo comprehensive training and assessment on anti-corruption, anti-fraud, and integrity compliance. These training covers a range of policies, including regulations on conflicts of interest, codes of ethics, guidelines for giving and receiving gifts, whistle-blowing and investigation protocols, data safety procedures, Beike security trading policies, and Beike public channel speech management. To ensure compliance with key rules and regulations, it is critical that all staff members possess a thorough understanding of relevant knowledge and pass the necessary assessments. By enhancing their risk awareness and prevention skills, our organization can cultivate a culture of compliance that permeates throughout all levels of enterprise management.

New Employees

- o Conducting general business ethics training during onboarding;

Platform Employees

- o In 2022, we conducted the Beike Sunshine Action integrity training, which involved a total of **23,000** employees, with total study time and resulted in a **100% pass rate** for the training examination.
- o In 2022, we released **over 30 reports** on integrity cases, provided interpretations of system rules, and reminded all employees (including those from the Two Wings) to maintain integrity during festivals. These resources were made accessible to everyone, with an average of **over 33,000 views** per article.
- o By integrating the theme of anti-fraud into the platform employee monthly meeting, The Chief Compliance Officer of the Group hosted both online and in-person sessions to answer questions from the employees and publicize the cultures and values of the Company.

The Management

- o In 2022, the Beike Organization Department held a conference with the theme of "exercising self-discipline among Beike's management trainees". The conference aimed to reinforce professional ethics and integrity among all management trainees by means of case warnings and integrity reminders. The event emphasized that only with a team that is clean and honest can we achieve our goals. As a result, managers were required to be honest and self-disciplined, and to make significant contributions to the establishment of the organization's integrity.
- o In 2022, we conducted **four sessions** of integrity and compliance lectures for the Beike's management trainees of the integrated home renovation and furnishing business group, with nearly **a thousand participants**.



Moreover, we provide work ethics and compliance development trainings for the Board, with topics covering Beike's integrity and compliance management strategy, work ethics and compliance development status, and related laws, regulations, and corporate policies.

Integrity and Compliance Knowledge Sharing Month Activities

In December 2022, the "Integrity Beike" WeChat official account launched the Integrity and Compliance Knowledge Sharing Month Activities during the International Anti-Corruption Day. The activities were designed in accordance with national laws and regulations and Company rules and regulations, with a primary focus on topics such as "business fraud, cheat using black industry chain, false reimbursement, and conflicts of interest". Through case analysis, cause analysis, and legal reasoning, the importance of integrity and compliance was effectively shared, ultimately receiving a total of **40,000 views**.

Intellectual Property Rights

We attach great importance on respecting and protecting intellectual property rights. To achieve this, we have set up a professional team for the protection of intellectual property rights and a highly efficient set of mechanism to manage our intellectual properties and enhance our abilities to prevent intellectual property risks. By digitizing the entire intellectual property management, we have optimized the quality and efficiency of our intellectual property management, protection and maintenances.

We not only safeguard our intellectual property but also safeguard

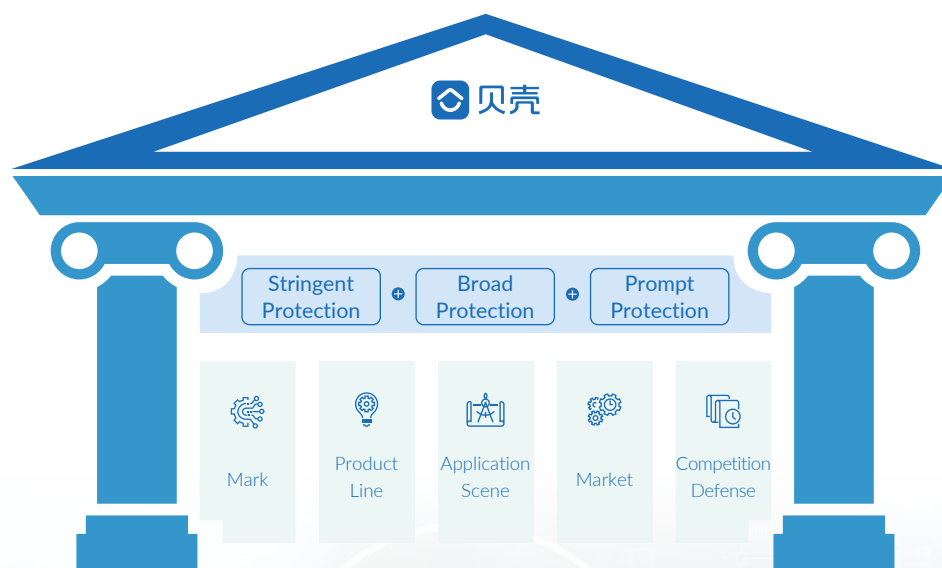
intellectual property of others. When collaborating with our partners, our suppliers sign a confidentiality agreement to ensure that the technical information we provide is kept secure under such confidentiality agreement. We also supplement a warranty agreement for intellectual property defects to ensure that relevant products and services provided by our suppliers do not infringe on the legal rights of third parties. While conducting R&D for hardware products, we carry out patent risk checks of hardware products in advance to ensure, to the maximum extent possible, that our hardware products do not infringe on the intellectual property rights of others.

Trademarks and Copyrights

We abide by the Trademark Law of the People's Republic of China and place great value on the protection of brand reputation customers' rights and interests. We further strengthen our intellectual property management through the formulation of internal policies, including the Beike Platform Intellectual Property Protection Rules and the Specifications on Trademark Process Management. In 2022, we updated the Beike Group Intellectual Property Management System and formulated the Beike Logo Usage Rules to optimize the trademark application process and refine risk control nodes. This ensures that stores and agents using the platform can utilize the Beike logo in a

standardized manner, which helps to prevent any misuse or improper use of the logo that may potentially harm consumer rights and damage Beike's reputation.

Adhering to the principles of "stringent, broad and prompt protection", and considering from five dimensions including the mark, product line, application scene, market and competition defense, we have designed an integrated framework encompassing four core components: verification, safeguarding, protection, and compliance to assure trademark and copyrights protection:



Designed an integrated framework encompassing verification, safeguarding, protection, and compliance to assure trademark and copyrights protection

Trademark rights verification:

We have transferred and applied our trademark protection capabilities in the real estate transaction business to the home renovation and furnishing and home rental business and have built a trademark system and architecture to avoid significant trademark infringement risks. In 2022, we completed **1,472** trademark applications, acquired **373** trademarks of Shengdu and obtained **1,537** registered trademarks (including the trademark rights applied in previous years and were registered in 2022). By the end of 2022, we have carried out overseas layout and protection of our core trademarks across **30** countries and regions, with **8,903** trademark applications completed and **7,387** trademark authorizations granted;

Trademark rights safeguarding:

We have an integrated mechanism for rights protection in place featuring the "Monitor-Combat-Defend" strategy. Inspired by the ACN rules, we started a new safeguard mode featuring synchronic linkage between multiple regions, multi-role division of labor, and the parallel operation of multiple processes. In 2022, we achieved two major innovations in trademark rights protection: firstly, we deconstructed common rights protection scenarios and established different projects based on the characteristics of specific infringing behaviors, implemented a rights protection model that involves classification, grading, minimal modularization, and all-round governance. In specific projects, we have deconstructed the steps of rights protection in an analytical and methodical manner and compiled the Rights Protection Manual to guide and help new comers to effectively protect their rights. Secondly, we transferred and applied our rights protection capabilities to our "Two Wings" business. We carried out our first rights protection action against Shengdu's infringing stores and won the first case. In the future, as our "Two Wings" business continues to develop, more brands will undertake measures to protect their rights. In 2022, we successfully handled **577** infringement cases, including trademark infringement, store infringement, and housing source infringement;

Trademark rights protection:

We require our employees to timely report potential trademark infringement to the Center of Intellectual Property and Litigation Management in their daily work. For suspected trademark infringement, we take proactive measures to verify and address the issue. Additionally, we collaborate with administrative law enforcement agencies and judicial bodies to combat any forms of trademark infringement and counterfeiting. We have released the "**2021 Beike Rights Protection Report**" to all employees and released a special edition of the "**Group Intellectual Property Hundred-Day Rights Protection Report**" during the Hundred-Day Campaign period to promote the Company's efforts in upholding our brand image among all Beike employees;

Trademark rights compliance:

We conduct trademark compliance training and enhance trademark compliance audits to prevent complaints from trademark infringement. In addition, we also conduct special training sessions on four major themes, including safeguarding housing source data, brand naming, terminating contracts without removing store signs, and adhering to logo usage guidelines. These training sessions serve to elevate the collective understanding and consciousness of intellectual property protection within our organization.

Crackdown on "Black and Gray Industries" of Property Listings

In 2022, we achieved a significant legal triumph by securing the first judicial victory in a case against fake property listing information, commonly referred to as "Black and Gray Industries" within the housing sector. This landmark achievement marks a substantial breakthrough in the field of housing source data protection, as we transition from **"0 to 1"** in this critical area of legal protection.

In 2022, we achieved a significant legal triumph by securing the first judicial victory in a case against fake property listing information, commonly referred to as "Black and Gray Industries" within the housing sector. This landmark achievement marks a substantial breakthrough in the field of Property Listings data protection, as we transition from "0 to 1" in this critical area of legal protection. In this case, we obtained the industry's first injunction to preserve the behavior, and the infringing behavior was ordered to stop before the judgment was issued. The success of this case not only had a direct and strong deterrent effect on black and gray industries, but also demonstrated the industry value of Beike's authentic property listing information. This greatly enhanced the Company's confidence in accumulating, developing, and operating of authentic property listing information. It also provides a precedent for establishing a data property rights system and legislation in the real estate industry in the future.

Patents and Software Copyrights

Beike attaches great importance to the management of patents and software copyrights, and complies with applicable laws and regulations of where we operate, including the *Patent Law of the People's Republic of China*, and the *United States Code Title 35 – Patents*, and the *Convention on the Grant of European Patents*, and establishes relevant management systems. As part of our intellectual property management, we set up the Center of Intellectual Property and Litigation Management, which is responsible for the application, authorization, rights protection, litigation and licensing of patents and software copyrights. Additionally, our Beike Policy on Group Patent Rewarding outlines the material and spiritual rewards to reward the R&D colleagues for their contributions to technological innovation and inventions.

We also make global patent strategy and build patent portfolio for our business, and also identifies R&D projects and reviews the intellectual property clauses in contracts to minimize the intellectual property risks of R&D projects and ensure the business well run. In 2022, Beike Technology Co., Ltd. applied to undertake the High-value Patent Cultivation Project and the Key Industrial Chain High-value Patent Pilot Project under the Intellectual Property Operation Service System Construction Project in Binhai New Area, Tianjin.

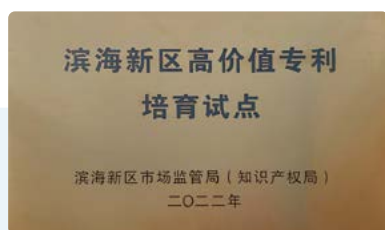
In 2022, we were granted 328 patents domestically and internationally and 80 software copyrights. By the end of 2022, we have received a total of 1,345² granted patents, and a total number of 712³ software copyrights cumulatively.



By the end of 2022, we have received a total of

1,345² granted patents, and a total number

of **712³** software copyrights cumulatively.



◀ In 2022, Beike Technology Co., Ltd. obtained the certificate of intellectual property management system certification

▶ In 2022, Beike Technology Co., Ltd. applied to undertake the High-value Patent Cultivation Project in Binhai New Area, Tianjin

Advertising Compliance

We strictly comply with relevant laws and regulations, including the *Advertising Law of the People's Republic of China*, the *Regulations on the Release of Real Estate Advertisements*, *Interim Administrative Measures on Internet Advertising*. We have also set forth internal policies such as the Criteria of Content Release Compliance on Beike, the Criteria of Speech Compliance on Public Channel of Beike, the List of Prohibited Advertising Words and Phrases, and Beike Advertising Business Registration, Review, and Archive Management System, which define the advertising content for employees to publish while promoting the housing information.

Regarding instances where the advertising content is designed by an agency, the agency is required to strictly follow our requirements as listed in the Criteria of Content Release Compliance on Beike and the List of Prohibited Advertising Words and Phrases, and the release of the advertisement is only permitted upon the approval of the Company. The Demand Department will review self-designed advertising materials and texts in accordance with laws, regulations and internal policies; in cases where potential disputes may arise, the materials will be forwarded to the Legal Department, PR and GR for final verification. When it comes to entering an advertising contract, we have a rigorous reviewing process in place that mandates the approval of the Finance Department, Legal Department, etc. If the contract pertains to other professional content, an additional review from the Quality Control and Intellectual Property Departments is required. The final signing of advertising contracts is completed through a unified seal process. We also have formulated procedures for handling complaints about advertising, taking timely measures to address the specifics of each complaint case, and reviewing and formulating improvement measures afterwards to continuously improve our advertising management.

We strive to enhance brand reputation and foster a culture of compliance awareness throughout the Company. This year, we provided advertising compliance training for business, legal, and other employees, covering various aspects such as the legal basis for advertising compliance, general advertising compliance requirements, real estate industry advertising compliance requirements, illegal advertising cases, and the Company's advertising registration system. In addition, we have provided employees with answers to common questions regarding advertising compliance, so as to timely check and prevent advertising related risks, improve employees' compliance awareness and their abilities to solve related issues.

²As of December 31, 2022, the total number of granted patents obtained by the Company, including the number of granted patents of Shengdu Home Renovation and Vanlian.

³As of December 31, 2022, the total number of software copyrights obtained by the Company, including the number of software copyrights of Shengdu Home Renovation and Vanlian.

Supplier Management

We work closely with our suppliers to promote sustainable development and create stable, long-term business relationships with our partners. We have established policies such as the Beike Procurement Management Policy and Beike Supplier Management Policy to effectively and systematically manage our suppliers.

As the Company advances its "One Body & Two Wings" strategy, we have further expanded the scope of anti-corruption agreement signing and advocated for suppliers to engage in anti-corruption practices. In 2022, Beike mandated the suppliers involved in real estate transactions, integrated home furnishing, and housing rentals to sign an Anti-Bribery Agreement and pledge to act against bribery. We have set up an email and hotline for whistle-blowing. According to the agreement, if a supplier engages in any breach of the Agreement, Beike reserves the right to terminate the partnership. Additionally, the supplier along with any affiliated companies it controls, represents, or assists, will be listed on our list of dishonest partners. This signifies that we will not consider any future cooperation with such suppliers. Being a member of Trust and Integrity Enterprise Alliance and China Enterprise Anti-Fraud Alliance, we work with other members and build an anti-corruption business environment by updating the list of dishonest suppliers with corrupt practices in the system.

In 2022, we have updated and released the Beike Supplier Management Policy, which aims to provide more clarity on the responsibilities of our procurement and business departments in managing suppliers. The policy also seeks to standardize the processes involved in supplier selection, entry, assessment, and withdrawal. As part of our commitment to responsible sourcing, we thoroughly evaluate and monitor the environmental and social risks associated with our suppliers. Additionally, we have achieved 100% centralized management of supplier information by entering it into the Beike procurement system.

Selection

Following the principle of "long-term commercial sustainability of the company", we conduct a comprehensive evaluation and comparison of potential suppliers across various dimensions. These dimensions include reputation, quality of service, adherence to social responsibility and business ethics, among others. Through this rigorous process, we carefully select only those suppliers that meet both our business needs and sustainability criteria. When it comes to the procurement of goods, our selection criteria prioritize low-carbon and environmentally friendly products, including energy-efficient electrical equipment and degradable green packaging bags. Additionally, for our personnel outsourcing services, we hold our providers accountable to respect the rights and interests of employees and refrain from using child labor. This ensures that our labor choices are compliant and legal, as well as socially responsible.



Entry

Suppliers are required to provide proofs of industry authorization, safety qualifications, business scope and other relevant documents for audits. We ensure that suppliers have not been involved with significant legal disputes or litigation, and that they have not received administrative sanctions due to issues related to their integrity. For example, we require suppliers to provide qualification documents such as environmental impact assessment reports, product testing reports, environmental management system certification, quality management system certification, and occupational health and safety management system certification. For food suppliers, we pay attention to food safety issues and require suppliers to provide food production licenses, food circulation licenses, food monitoring reports, etc.



Withdrawal

We have established a management system for blacklisting suppliers who, including but not limited to, engage in activities that violate regulatory compliance and business ethics, severe dishonesty and major product quality concerns. This list is not limited to these examples and may include other relevant criteria. Suppliers who violate our bottom-line standard will result in the termination of partnership.



Assessment

We regularly evaluate our suppliers by considering various indicators such as product quality, service, and business compliance, and we grade and classify them with their assessment results for scientific and efficient supplier management. By conducting supplier performance evaluations, problems can be tracked and resolved in a timely manner, thus improving the delivery quality and capability of suppliers, and ultimately achieving long-term and sustainable cooperation.

We are committed to the practice of green procurement. When selecting data center suppliers, we consider their environmental benefits, including energy consumption levels, use of clean energy, and environmental impact. We prioritize renting green data centers. We also require data center suppliers to hold certification for ISO 14001 environmental management systems. In addition, we incorporate green and environmentally friendly concepts into the procurement process of our daily office supplies. As an example of our commitment to sustainability, we ensure that more than half of the clothing items used in the workplace are sourced from environmentally friendly suppliers, providing our agents and employees with work attire that meets our standards. In the future, we will continue to promote green procurement and extend sustainable development concepts and requirements to a wider range of suppliers, thus creating a green supply chain.

Number of the maintained suppliers by region ⁴	2022 Data
The Mainland of China	7,167
Hong Kong, Macao and Taiwan regions, China	0
Other countries and regions	0

⁴Number of Suppliers refers to the number of suppliers maintained in the supplier management system as of December 31, 2022. Region refers to the place where the suppliers are registered.



Talent Development



Employees are the most valued resources at Beike. Beike pays attention to talents, respects talents and values talents. Adhering to the Five Forces Talent Development Concept, we continuously work on discovering and fostering talents across our industry network who are customer-oriented, industry-focused, perseverant, team players, as well as value contributors. We advocate diverse and inclusive corporate culture, fully safeguard the rights and interests of employees, improve the employee compensation and benefits system, continuously build a healthy and safe work environment, and provide professional development opportunities and resources for employee development, promote talents' development in the housing industry, and strive to become the best partner in employees' career growth.



Employee Rights and Interests

Legal Employment

We strictly abide by the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, the *Provisions on the Prohibition of Using Child Labor*, the *Law of the People's Republic of China on the Protection of Minors*, the *Law of the People's Republic of China on the Protection of Women's Rights and Interests*, the *Special Rules on the Labor Protection of Female Employees*, and other applicable laws and regulations in the location where we operate as well as the requirement of international practices, in order to protect the legitimate rights and interests of all employees and maintain physical and mental health of all employees. We formulated our Code of Conduct, and the Anti-Harassment Policy to regulate recruitment and employment management, especially to standardize the management of employee employment, handling of violations of discipline, providing equal opportunities, anti-discrimination and anti-harassment and employee diversity.

We verify employee identity information, such as age and proof of termination from their previous job to avoid child labor and other non-compliant employment. We fully consider the willingness of employees at all stages of employment, ensuring that employees participate in work voluntarily and avoid forced labor. We strictly comply with the labor regulations of the place where we operate and continuously improve our employment management, identify and specify the remedial measures in case of child labor or forced labor according to regulatory requirements, and we strive to eliminate such violations. In addition, we take the initiative to identify labor compliance risks, monitor risks and rectify risks.

Recruitment and Turnover Management

Upholding our equal and transparent employment policy, we have formulated the Beike Policy on Recruitment Management Policy and conduct standardized management to ensure that there is no differential or discriminatory treatment in hiring process based on race, age, gender, marital status, or religion. We strictly abide by the laws and regulations to handle the issue of resignation of employees and have set up the Measures on Employee Turnover Management to standardize the employee turnover management process and protect the rights and interests of employees at every stage of job termination.

As our business diversifies, we pay more attention to the selection and management of talents. Adhering to the recruitment concept of "excellent people are attracted to each other", we continue to strengthen our recruitment management and improve the interview process, and improve the experience of recruiting candidates. We have developed internal guidance such as the Recruiter Onboarding Handbook and the Interviewer Handbook to standardize the recruitment process and to establish red lines for interview including divergence of opinions, discrimination, harassment, etc. to manage the behavior of recruiters. We also launched a series of professional interview training courses to educate the knowledge of the entire interview process, help recruiters to accumulate and precipitate professional ability, and make an impression on interviewees of good corporate image and culture. In 2022, we launched the Beike Interviewer Certification Project, which requires interviewers to learn the corresponding standards and consolidate their ability to recognize talents, aiming at conducting quality recruitment. The project is divided into two parts: course learning and competency certification. Through online and in-person training, interview practice and interview attending, the Beike Interviewer Certification Project helps interviewers to fully understand the concept of Beike talent and recruitment, clarifying the positioning of interviewers, and promote the positive cycle of talent.

We continue to broaden our campus recruitment channels and expand our diverse information distribution channels. We attract more talented fresh graduates through online and offline campus recruitment talk, programming competitions, video introduction, and live streaming. We also carry out [diversified recruitment activities](#), for example the ADC (Aspiration, Development, Cooperation) program for all graduates globally, featured summer internship programs for current students graduating in the following year, the promotion of campus ambassadors, and collaborative internship programs with universities, covering integrated experiences from the industry, university, and research institutions.

With the clarification of the "One Body & Two Wings" business strategy, the supply of talents in the "Two Wings" business becomes the focus. The Company updates the recruitment rules and processes and builds a recruitment system that is in line with the characteristics of the "Two Wings" team. We have formulated the Competitive Recruitment System for Key Management Positions in Urban Functions to improve the incentive and attraction of excellent talents for "Two Wings" business, and clearly stipulate its competitive recruitment management methods, access conditions, and post-recruitment salary adjustment in the system. In 2022, we set up a digital recruitment management system to continuously improve the recruitment management process, aiming to improve the quality of talent recruitment and the efficiency of person-job matching. By the end of 2022, we have completed 11 updates on recruitment system and process, and completed 48 system developments on recruitment approval, social recruitment process and mobility process, of which 26 are focused on the "Two Wings" business. In the meanwhile, through the establishment of an internal job transfer mechanism, the Mobility Program, we continue to enhance the cross-business and cross-departmental talent circulation under the company's "One Body & Two Wings" strategy to help business development.



By the end of 2022, we have

completed **48** system

developments on recruitment

approval, social recruitment

process and mobility process, of

which **26** are focused on

the "Two Wings" business.

Compensation and Benefits

Beike offers fair and competitive compensation, incentives, and benefits for our employees. Adhering to our guiding principle of "creating internal consistency, incentives motivation and operations sustainability", we regulate and manage employee compensation and benefits. We match the compensation structure with flexible incentive mechanisms to motivate employees and ensure the sustainable development of talents and business, and conduct salary research every year by obtaining external salary reports and interviewing relevant experts to adjust the salary structure in a timely manner to ensure our salary stay competitive in the market. We also take the rank of position to set the salary level, and there is no differential or discriminatory treatment on salary based on gender, age, and other factors. For the "Two Wings" employees, we develop special compensation plans, in order to maximize business development.

We provide various social insurances for employees in accordance with applicable laws and regulations and protect employees' rights on holiday and vacation. We have formulated the Platform Employee Attendance and Leave Policy and the Urban Employee Attendance and Leave Policy, and paid attention to the update and revision of the relevant leave policies in regions where Beike operates, ensuring employees to deserve their vacations. We provide employees with a variety of welfare holidays including [parent-child leave](#), ["Women's Day Leave"](#), ["Mother's Leave"](#), [family visit leave](#). In addition, we provide employees with additional benefits such as transportation allowance, overtime meals subsidy, free meals, and supports on housing renting and payment to reduce employees' commuting, housing prices, and living pressures, while continuously promoting a satisfying work environment.

We actively motivate employees through our attractive equity incentive mechanism and performance bonus mechanism. Following our 2018 Share Incentive Plan, 2020 Share Incentive Plan and 2022 Share Incentive Plan, we recorded RMB 345 million, RMB 2,523 million, RMB 2,253 million, RMB 1,538 million and RMB 2,425 million of share-based compensation in 2018, 2019, 2020, 2021 and 2022 respectively⁵. Please refer to Item 6B. Compensation - Compensation of Directors and Executive Officers in KE Holdings' 2022 Annual Report for the remuneration data of directors and senior management. In addition, at the end of the year, we comprehensively consider the annual performance results of employees, evaluate and incentivize employees in accordance with the company policies.

Employee Activities

We advocate work-life balance and are committed to creating an open, inclusive, and warm working atmosphere, to help our employees relieve work-related stress. We organize a variety of corporate culture activities such as New Year Kick-off Event, Women's Day, Chinese New Year's Day, Thanksgiving Day and other holiday activities, and we carry out employee activity clubs covering fields of sports, entertainment, and art. In 2022, our club activities had 2,500 participants. Besides, we have also carried out a number of cultural seminars to enrich the life of employees while continuing to enhance their sense of corporate cultural identity and team cohesion, creating a positive workplace environment.



In 2022, our club activities

had **2,500** times participants.

Hundred-Day Campaign

We conveyed the work philosophy and value of "staying with the frontline" and "supporting business unit and winning business battles", and by activating the management groups, we promoted the unity of middle-end and back-end office teams to support business development by activating management groups. Hence, in 2022 we launched the Hundred-Day Campaign as an important way for Beike to boost employee confidence and unity. Through 71 morning meetings, 82 guest speakers, cultural posters, summary articles, key node meetings, awards and commendations, the Company's values were conveyed to employees, the quantitative needs of business development were clarified, and the vigorous development of "One Body & Two Wings" business was promoted.



Hundred-Day Campaign

⁵The 2022 Equity Incentive Plan uses the U.S. dollar to Renminbi exchange rate as the point of grant rate.

Chinese New Year Activities



Chinese New Year Activities

We pay attention to improving employee well-being, organizing various celebration activities according to different festivals and occasions to bring benefits to employees. In 2023, on the occasion of the Lunar New Year, Beike distributed New Year gift boxes to employees nationwide, including couplets, white rabbit creamy candy, mystery box of Beike mascot and cups and New Year calendars, to celebrate the traditional Chinese festival and start the outlook of the new year together.

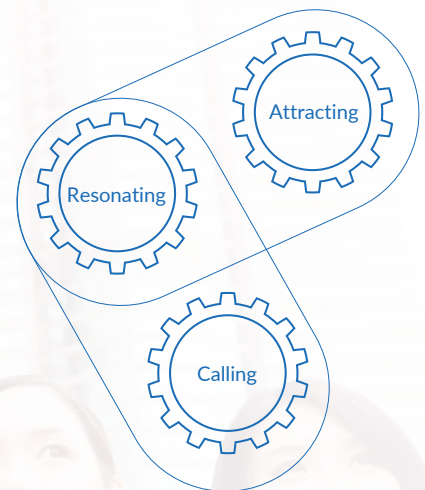
Employee Communication



By the end of 2022, we have established trade unions in more than **20** cities with more than **20,000** members across the country.

Besides, we actively implement the demands of employees for labor remuneration, labor safety, insurance benefits, etc., and in accordance with the *Labor Contract Law of the People's Republic of China*, the *Regulations on Paid Annual Leave for Employees*, the *Trade Union Law of the People's Republic of China*, the *Guiding Opinions on Strengthening Collective Bargaining of Labor Welfare Funds and Education Funds*, *Labor Protection Standards*, *Treatment of High-skilled Talents*, and *Paid Vacation* and other laws and regulations and guiding opinions, sign special collective contracts for wages to safeguard employees' interests and establish positive and stable communication channels and methods. By the end of 2022, we have established trade unions in **more than 20 cities** with **more than 20,000 members** across the country.

We seek to learn about the feedbacks of our employees through employee surveys on work atmosphere. For four consecutive years, we have organized employees to fill in the survey questionnaire anonymously to understand their suggestions for their own development and identify potential problems that may affect the development of the Company. Based on the results of the survey, the Company interprets and analyzes the report in order to help improve its management.



Employment KPIs

Indicators		2022 Data
Total number of employees		98,540
Number of employees by gender	Male	60,564
	Female	37,976
Number of employees by age group	Under age 30	54,470
	Age 31 to 50	43,792
	Above age 50	278
Number of employees by geographical region	The Mainland of China	98,539
	Hong Kong, Macao and Taiwan	1
	Other countries and regions	0
Number of employees by management level	Management	79
	Non-management	98,461
Number of employees by employment type	Formal	97,671
	Others	869
Total turnover rate		31.48%
Employee turnover rate by gender	Male	29.29%
	Female	34.70%
Employee turnover rate by age group	Under age 30	38.78%
	Age 31 to 50	19.63%
	Above age 50	19.19%
Number of employees by geographical region	The Mainland of China	31.48%
	Hong Kong, Macao and Taiwan	0.00%
	Other countries and regions	0.00%

The number of total turnover this year refers to the number of employees who terminated their employment with us due to voluntary resignation. The brokerage industry is characterized by high mobility. Beike's retention rate remains at a decent level in the industry and the turnover rate is comparatively low as we have always been focusing on the career development and welfare of our agents.

Employee turnover rate = the number of employee departure this year/(the number of employee departure this year+ the number of employees at the end of the reporting year).

Employee Health and Safety

Beike attaches great importance to the health and safety of employees. We strictly abide by relevant laws and regulations such as the *Law of the People's Republic of China on Work Safety* and the *Provisions on the Administration of Occupational Health at Workplaces*. We have formulated the Safety Management Policy in Office Areas to regulate the safety management of our offices. In 2022, we revised and expanded the management systems of Elevator Operation Rules and Operations, the Maintenance and Annual Inspection of Major Facilities, the Personnel Access SOP, Elevator Emergency Rescue Plan, the Fire Alarm Contingency Plan and the Emergency Response Plan, in order to standardize the safety management of the workplace, conduct regular safety inspections to identify safety hazards, and take measures to prevent safety incidents.

We pay great attention to the health of employees in our workplaces and establish a safe working environment. We have implemented a series of measures to reduce injury and accident risks, including installation of a fresh air system to purify the air to ensure the air in the workplace is fresh; provision of free physical examination for employees every year; increased number of AED (automated external defibrillator)

equipment in the workplace to meet the demand for emergency equipment; safety risk alerts and emergency plans in gyms of each office area, providing emergency medical supplies to our employees in case of physical discomfort and other situations; selecting employees to learn CPR (cardiopulmonary resuscitation) first aid method, who can receive a first aid trainer certificate issued by the American Heart Association. In addition, to enhance the self-protection awareness of employees, we regularly conduct safety education for our employees and organize fire drills, safeguarding the health and safety of all employees.

In 2022, under the impact of the COVID-19 epidemic, Beike implemented a number of ongoing prevention and control measures in the regular phase, and actively responded to the *Guidelines on Taking Science-based for Covid-19 Prevention and Control* issued by the Joint Prevention and Control Mechanism, the State Council, optimized and adjusted the Regulation on Beike COVID-19 Epidemic Prevention and Control Management and Emergency Plan for Identifying Persons Posing Pandemic Risk, and continued to implement a number of epidemic prevention and control measures.



In 2022, we conducted

11 rounds

of door-to-door

nucleic acid testing

of **9,993**

participations. and

conducted **4** door-to-

door vaccinations with

972 doses

The measures include:

Adjusting and issuing company-wide epidemic prevention requirements at any time in response to the epidemic situation, using questionnaires to obtain employee isolation status, and following up with their nucleic acid results and the time when their lockdown can be lifted;

Setting up a self-inspection section of the epidemic prevention and control policy maintained by a dedicated person to ensure that Company policies and official government notices are updated and employees have convenient access to all COVID-related information;

Inviting the Center for Disease Control and Prevention to visit the Company onsite for vaccination;

Conducting environmental nucleic acid sampling tests in each office area twice a month, to control the risk of virus transmission in our workplace.

In addition, in 2022, we conducted 14 rounds of environmental nucleic acid sampling tests at a total of 460 spots, 11 rounds of door-to-door nucleic acid testing of 9,993 participations. We also conducted 4 door-to-door vaccinations with 972 doses and 2 professional disinfections. At the same time, the Company purchased 5,000 antigens for employees to self-test.

We create a comfortable working environment for our employees. We have built multiple functional areas such as relaxing room, gym, yoga room, basketball courts, childcare facilities in the office area, and offered coffee machine, ice machine, treadmill, disinfection cabinet in childcare facilities, air purifier, etc. to provide diverse and convenient activity facilities for our employees.

Health and Safety related KPIs

Indicators	2022 Data	2021 Data	2020 Data
Number of work-related fatalities	0	0	2
Rate of work-related fatality	0.000%	0.000%	0.002%

Rate of work-related fatalities = Number of work-related fatalities/Number of employees at the end of the reporting period.

The number of working days lost due to work injuries in 2022 is 6,166 days.

The source of occupational health and safety-related fatalities and injuries is the work-related fatalities and injuries recognized by the local Human Resources and Social Security Bureau. 2020 work-related fatalities are accidental deaths of employees due to traffic accidents.

Employee Development and Training

Beike attaches great importance to employee and looks forward to grow together with our employees. We have established a career development system for employees, consisting of "professional development channel" and "management development channel", along with the Promotion Management Policy to regulate our grade management system. In 2022, we formulated the Platform Training Management System, implemented full-platform lecturer management, and established the Course Training Satisfaction scoring system to ensure the effectiveness of training projects.

In terms of employee performance evaluation, we clarify the standards and job level requirements for employees of each category to conduct evaluation, which are applied to various scenarios involving all personnel in "One Body & Two Wings", such as promotion, recap, selection, training, etc., and we guarantee the fairness and justice of performance assessment. In 2022, we carried out online performance evaluation and established a performance communication mechanism. After the performance evaluation, the Company conducts a one-on-one interview between the appraiser and the appraisee as a performance coaching method, and has an appeal mechanism. If the appraisee has doubts about the performance evaluation, he/she can initiate an appeal online, which will be followed up by a special person to communicate with the person in charge of the business line for confirmation.

We ensure fair and equal promotion for employees. Based on values and performance, we provide more opportunities with outstanding employees. In 2022, we combined the Company's development needs and the actual situation of employee growth to initiate the annual promotion period, so that employees with outstanding abilities can stand out through the Company's selection mechanism. At the same time, in the process of management, we established a complete professional channel of talent standards, and constantly strengthened the consensus of various groups (including employees, managers, professional judges) on standards and processes, and set up an effective supervision mechanism around selection to ensure the fairness of promotion.

New Employee Onboarding

Beike provides special training programs for different types of new employees, and is committed to letting each new employee quickly to fit into their positions.

- We offer the New Employees Orientation Training program to new joiners with working experience to help new employees quickly get familiar with the Company's culture and business, and build a communication platform which enables them to identify with our corporate culture and find a sense of belonging in Beike. By the end of 2022, the program had trained more than 3,000 people in total.
- We organize an exclusive Lu Shi Camp for integration training of new employees recruited from campus hire. Through a 9-day paid off-the-job training, the camp helps these new employees familiarize with basic business, understand the Company culture, integrate into their teams, and transition from fresh graduates to Beike staff. The Lu Shi Camp program has covered 306 new hires in the headquarters and urban ADC projects in 2022.



By the end of 2022, the New Employees Orientation Training program has trained more than **3,000** people in total.



In 2022, the Lu Shi Camp program has covered **306** new hires in the headquarters and urban ADC projects.



New Employees Orientation Training Program

Management Talent Development

Beike attaches great importance to the development and improvement of management personnel abilities, providing special training programs for the Company managers, general-managers in cities, and line managers, in order to promote their leadership capabilities. Meanwhile, we provide the Beike DVP Development Program for outstanding employees to cultivate them with a sense of mission, and jointly build a talent pool of Beike's management trainees leadership development in key positions.

Beike Director Leadership Development Program (DLDP Project)

In 2022, the DLDP project covered

2,800
participants



DLDP is a large-scale leadership development project for Beike's management trainees, with a course content based on the manager role cognition model and it consists of four modules: setting goals, managing business, leading teams, and spreading culture. Through online learning, in-person seminars and on-the-job practice and certification, the project enhances the comprehensive management and business leadership capabilities of Beike's management trainees, preparing future leading talents for the Company and helps the development of the Company. In 2022, the project covered 2,800 participants.

Training KPIs



In 2022, we conducted training sessions for employees and agents for more than **7 million** hours in total

Beike is committed to providing diverse training for employees and growing together with agents from Beike platform. To provide customers with high-quality service experience, enhance professional capabilities, and improve service efficiency Beike conducted diversified online and in-person training activities and courses for employees and agents in 2022. This year, we conducted training sessions for employees and agents for more than 7 million hours in total. The key performance indicators for the training provided by Beike for employees and agents from platform are shown in the table below.

Indicators	2022 Data	
Percentage of employees trained by gender	Male	95.03%
	Female	94.13%
Percentage of employees trained by management level	Management	91.65%
	Non-management	94.84%
Average training hours by gender	Male	19.81 hours
	Female	19.47 hours
Average training hours by management level	Management	21.86 hours
	Non-management	19.58 hours



Low-Carbon Operations



Beike complies with relevant environmental laws and regulations, including the *Environmental Protection Law of the People's Republic of China*, the *Energy Conservation Law of the People's Republic of China*, and the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and focuses on practicing the concept of environmental protection in our office and operational processes.

We continue to promote the formulation of environmental management systems and integrate our management requirements for green development into different business models. We fully consider the potential environmental impacts caused by our operations and constantly improve resource utilization efficiency and reduce waste and greenhouse gas emissions through institutionalized management and normalized supervision.

In 2022, we launched a series of projects named KE Sustainable, promoting environmental protection concepts and implementing key sustainable development practices in different business lines throughout the Beike network. Through the KE Sustainable Action Award selection, we motivated and collected major green operation practices from business lines across the country in the past year. After the selection, we promoted and replicated the winning project's operation mechanisms within each business area. To make sustainable development practices better reach Beike's network, we have appointed KE Sustainable Promotion Officers in each business area to assist and motivate the reporting of the KE Sustainable Action Award and the replication and implementation of subsequent projects, ultimately forming a green development path from small-scale highlight projects to nationwide sustainable development projects.



Green Services

Based on the Company's "One Body & Two Wings" strategy, we provide green and low-carbon services to customers at different business segments of home transaction and home renovation and furnishing.

In the home transaction business, we continue to explore the application of technology in our business model and develop VR-based property viewing applications and online paperless transactions to reduce carbon footprint, lower resource consumption, and create conditions for agents to provide green services while improving operational efficiency through technology.

"VR" Aids in Low-Carbon Development



VR Technology Application

We independently developed VR hardware and software. Combining with AI technology, we launched VR property viewing, VR property showing and other products. With the application of digital products in our home transaction business, we can not only effectively improve the overall efficiency for house viewing, but save commute costs, and reduce the carbon footprint for agents and customers.



In 2022, through various paperless online transaction services, Beike saved **more than 68 million sheets** of paper this year.

Paperless Online Operations

In traditional housing services, transactions such as property assessment, contract signing, loan issuance require a substantial volume of printed paper, and the delivery of hard copy contracts also result in significant carbon emissions.

Based on the foundation of implementing paperless online contract signing in the home transaction business, we continue to broaden the scope of paperless services. In different transaction processes of our home rental and home renovation and furnishing, we aim to comprehensively reduce paper consumption in business activities and reduce carbon emissions caused by document delivery. In 2022, Beike's paperless service model has covered home transaction scenarios including online property assessment, online loan issuance, and online notarization, and achieved partial paperless in contract signing process of home rental and home renovation and furnishing business and store owner agreement signing.

In 2022, through various paperless online transaction services, Beike saved more than 68 million sheets of paper this year.

In 2022, with the Company's "One Body & Two Wings" strategic layout, we sorted out potential environmental impacts in the building materials selection, warehousing and logistics, and other aspects of our home renovation and furnishing business. We integrated the Company's environmental protection concept into every aspect of our business, strengthening our environmental management level while providing customers with a secure living environment and satisfied user experience.

According to the “2022 Home Decoration Consumption Trend Survey Report” released by Beike Research, nearly 30% of the 2,000 consumers surveyed believe that they have encountered environmental and health problems with their decorative materials during home renovation process. To promote a healthy industry ecosystem and improve our service quality and consumer confidence, we advocate the unified procurement of high-quality and environmentally friendly decorative materials and construction tools by the Company in the materials selection process to avoid negative health and environmental impacts that may arise from harmful home decorative and auxiliary materials or high energy-consuming equipment. Meanwhile, our spliced wall panels, assembled decorative panels and assembled wall panels used in the home renovation process have respectively obtained the Utility Model Patent Certification and Appearance Design Patent Certification issued by the China National Intellectual Property Administration, and the formaldehyde content of these products is much lower than the formaldehyde emission requirement of the European Standards E0 classification for furniture and decoration.



About **95%** of the branch distribution vehicles of Beijing warehouse are electric vehicles.

In terms of warehousing and logistics, we continuously evaluate the energy consumption efficiency of material inventory and logistics distribution processes, set up designated personnel to monitor warehouse capacity and distribution routes, and calculate the distance between users and warehouses through the material distribution system to evaluate the shortest and most efficient distribution routes, so as to avoid the waste of logistics vehicle capacity and resource use caused by high-frequency long-distance transportation. We also have installed photovoltaic power supply systems on the roofs of warehouses in some cities, and actively evaluated the application of new energy logistics vehicles. Taking home decoration material warehouse in Beijing as an example, more than 60% of the freight vehicles arriving in Beijing through Langfang and Tianjin are electric vehicles, and about 95% of the branch distribution vehicles of Beijing warehouse are electric vehicles.

Roof Photovoltaic Power Generation Project in Jinhua Shengdu Home Renovation Industrial Park

In 2022, we joined hands with external photovoltaic power generation company to put into operation, the first phase of the roof photovoltaic power generation project laid in the Shengdu Home Renovation Industrial Park in Jinhua, Zhejiang province. The photovoltaic power generated is capable of meeting the energy needs during production and operation of enterprises within the park. In the second phase of the photovoltaic power generation project, we plan to further improve the power generation efficiency and power output of the project by optimizing the existing equipment and increasing the area of photovoltaic panel laying, so as to meet the power demand of enterprises within the park and support the green transformation of energy structure for surrounding enterprises and communities.



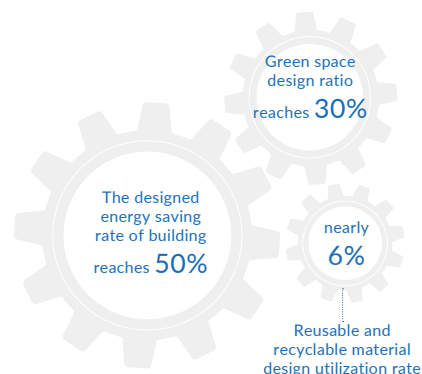
Roof Photovoltaic Power Generation Project in Jinhua Shengdu Home Renovation Industrial Park

In the future, we will continue to evaluate the feasibility of applying renewable energy in our production and operation processes by combining technological development with our accumulated project experience. For example, we will evaluate the feasibility of installing photovoltaic power equipment on the roofs of our warehouses and office buildings, which meet the installation conditions, and further increase the application proportion of electric transportation vehicles and vehicles for warehouse loading and unloading.

Green Office

We believe in the concept of “green office” and continuously strengthen employees’ awareness of environmental protection. We carry out multiple environmental protection measures such as energy saving, water saving and waste management across all our offices. We integrate the concept of environmental protection into our daily work and actively conduct resource conservation trainings, share knowledge of electricity and water initiatives, and enhance employees’ awareness of resource conservation.

Our office area of Beike Huaqiao Academy was designed, built and operated in accordance with green building standards. The building was designed with an energy saving rate reaches 50%, a green space design ratio of 30%, a reusable and recyclable material design utilization rate of nearly 6%, and received the two-starred level of the Certificate of Green Building Label.



Resource Conservation

Beike implements refined energy management practices in our office areas. In 2022, we launched multiple resource conservation measures on the basis of optimizing existing energy management, practices include

- (1) checking the data of water and electricity consumption in the office area by the administrative department every month, reporting the abnormal changes in resource consumption and analyzing the reasons of abnormality;
- (2) assigning dedicated personnel to perform daily switching of major electricity-consuming devices, such as office lighting, stairway room light boxes, conference room TVs, etc., and conducting routine inspection to avoid the waste of energy when the devices are left on for extended period;
- (3) continuing to explore the practice of smart power consumption by installing time control switches in office lighting and air conditioning facilities, and setting the default turn-off time;
- (4) changing the display screen of the meeting room from default to manual control, and replacing the constant lights in the underground parking garage with voice control lights to further reduce the electricity;
- (5) using the online office system and setting the default double-sided black and white printing in the printer of the office area, encouraging employees to practice paperless and green office; and
- (6) continuing to carry out low-carbon awareness knowledge sharing for our employees, sharing the concept of green lifestyle through various forms such as pictures and short videos, and regularly organizing environmental protection theme activities such as the Clear Your Plate Month to promote low-carbon environmental awareness of employees.

Water conservation is a regular theme in Beike's daily operation. We strengthen the daily inspection and maintenance of water facilities in the office area, focusing on the equipment status and employee water-using habits in areas with high water consumption such as the employee cafeteria, shower rooms, and restrooms. We promptly address issues such as water dripping and leaking and optimize water-saving management measures through water-saving signs, installation of water meters to record water usage, and other management methods. At the same time, we actively guide employees to develop the habit of saving water while washing hands, starting from small and personal water saving measures, aim to cultivate a green lifestyle of resource sustainability.

Emissions Reduction

We focus on greenhouse gas emissions generated throughout the lifecycle of our office operations, and constantly seek emissions reduction opportunities. We encourage our employees to practice green transportation, such as carpooling, to lower the proportion of private car travels and reduce carbon emissions from commuting. We support the self-initiated carpooling project: Beiduofen Points Club - Rideshare Driver Volunteer in some cities, encouraging employees to carpool to offices and meeting places, and reward them with gifts for employees who practice green travel.

In terms of waste management in offices, the hazardous waste such as used batteries, toner cartridges and ink cartridges generated from Beike's daily operation are processed and recycled via qualified suppliers. Waste batteries are sorted in hazardous waste bins and transported by waste collection companies for disposal. Toner cartridges, ink cartridges and other printer consumables waste are picked up regularly and disposed by the printer maintenance service providers after the placement by the Company's IT operation and maintenance department. As for non-hazardous waste, the garbage bins in our office area allow employees to sort recyclable and other types of waste. We then require the office cleaning team to sort the garbage during the collection process and separate the garbage by category in the closed garbage room. The garbage will later be transported out of the office area by the waste collection companies at night.

We actively explore the circular economy model in the office scene, recycle and reuse office materials that meet the conditions to achieve waste reduction while helping the development of circular economy. We make full use of existing assets and carry out item reuse assessment before retiring furniture, computers, network equipment and other office supplies. Items that meet the reuse conditions will be refurbished and reused. For electronic equipment that does not meet the conditions for recycling and reuse, it is collected and disposed after regular door-to-door collection by our suppliers through the Company's asset disposal process.

Green Stores

Beike fully recognizes the importance of store-level energy conservation and emission reduction efforts to the Company's green development. Based on the actual business situation in various provinces and cities across the country, our branch offices have developed special environmental management systems and continuously promoted energy-saving management for store operation. Taking the Beijing Lianjia stores as an example, we have formulated the Guidelines for Store Air Conditioner Usage to regulate the appropriate use of air conditioners in operating stores and avoid equipment damage and energy waste caused by improper usage.

We continuously promote the construction and promotion of the remote intelligent control system for in-store electrical equipment. By installing the intelligent control system and terminal control scripts to remotely manage in-store electrical equipment in some stores nationwide, we aim to accurately track the stores' electricity consumption level in real-time and reduce the electricity of unnecessary equipment. Since April 2022, we have launched the [Store Terminal Night Shutdown Project](#), deploying "night shutdown" scripts for 110,000 computers in nearly 30 cities across the country and automatically shutting down in-store computers during non-office hours. With our continuous optimization of the shutdown strategy and improvement of the success rate of shutdown scripts, we will continue to increase the frequency on running the script. The project is expected to reduce carbon emissions by more than 4,000 tonnes annually. At the same time, we continue to promote the refined management of other electrical equipment in stores such as light boxes and air conditioners, and launch the intelligent store monitoring and control system to allow real-time tracking of the power consumption level of stores and abnormal power consumption of equipment.

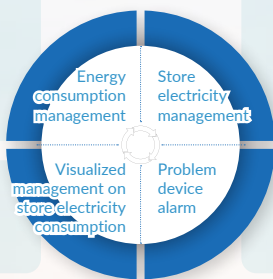
Beijing Lianjia Intelligent Store Monitoring and Control System

Beijing Lianjia has launched and kept updating the intelligent monitoring and control system for store electrical equipment since 2014. By the end of 2022, the system has equipped with four major functions, including equipment's energy consumption management, store electricity management, visualized management on store electricity consumption, and problem device alarm, and enabled related personnel to track the operation status and electricity consumption level of in-store electrical equipment in real time.

In 2022, all Beijing Lianjia stores used LED light strips to replace the low-energy-efficient light boxes. Through the intelligent store monitoring and control system, we are capable of accurately controlling the opening and closing time of the light boxes in the store. Meanwhile, based on the consideration of energy conservation, the opening time of the light boxes can be adjusted according to the daily sunset time and uniformly turned off during night time to avoid continuous lighting. In addition, we continue to promote the application coverage of the intelligent control switches for air conditioners. In some stores, we have realized the remote adjustment of the in-store air conditioners' start-up time according to the changes in season and temperature, achieving remote intelligent energy saving of electrical equipment. By the end of 2022, the intelligent store monitoring and control system has covered nearly 90% of Beijing Lianjia stores.

- Exporting the electricity meter (total electricity, energy consumption, electricity flow) of single stores and regional stores on the system.

- Visualizing all normal and abnormal store conditions on the system.



- Displaying information and operation status of store equipment.
- Automatic control of air conditioner and light box switch, and make adjustment according to seasonal changes.

- Report the device issues in a timely manner when there is an abnormal situation in the store.



Since April 2022, we have launched the Store Terminal Night Shutdown Project, deploying "night shutdown" scripts for **110,000 computers** in nearly **30 cities** across the country, and automatically shutting down in-store computers during non-office hours.



We will continue to increase the frequency on running the script, the project is expected to reduce carbon emissions by more than **4,000 tonnes** annually.

Lianjia.链家

Lianjia.链家

At the same time, we have established a cost model for store electricity usage to evaluate the reasonable electricity consumption range based on the store area and other factors. We issue warnings for stores with abnormal electricity consumption level, and regularly commend and encourage stores and individuals for their energy conservation and cost reduction achievements and used them as demonstration examples. In addition, we carry out store heating optimization, through conducting questionnaires and collecting feedback from store operators, to sort out the operation status of centralized heating facilities in stores. For stores with poor heating conditions, we then organize engineering maintenance personnel to troubleshoot and timely repair and renovate heating facilities. For stores still unable to meet the heating conditions, we will coordinate with the property or lessor to apply for suspension of heating, aiming to reduce the secondary heating energy waste caused by the simultaneous operation of heating facilities and air conditioners, and

promote store-level energy conservation and emission reduction.

In terms of waste management in stores, we actively promote the [reuse of furniture for newly furnished stores](#) and continue to encourage the stores of Beike to install green and environmentally friendly materials and furniture such as eco-doors. We sort out and record reusable furniture and sell or transfer them to the warehouse for classification and storage before store renovation or clearance. During the renovation of new stores, we prioritize the use of existing items and combine the stock furniture and appliance status to design the renovation plans for stores. In 2022, we promoted the development of circular economy in various places; Nanjing Lianjia reused over 2,000 pieces of furniture, Suzhou Lianjia achieved 100% reuse of inventory desks and chairs, and Dalian Lianjia recycled nearly 400 pieces of electronic device.

Responding to Climate Change

Beike attaches importance to the potential impact of climate change risks on the Company's development. At the same time, we recognize the potential impact of business operations on our society and environment, and are committed to working with stakeholders to promote sustainable social and environmental development and effectively address climate change. In this regard, we have identified and analyzed the impacts of climate change.

In terms of physical risks, extreme weather and natural disasters such as floods, typhoons, and rainstorm brought on by climate change may affect the operations of our workplaces, the safety of our employees and the normal provision of our products and services. In 2022, according to the *Measures for Administration of the Release and Dissemination of Early Warning Signals for Meteorological Disaster* issued by the China Meteorological Administration, we recognized various meteorological disasters that might have a significant impact on our office operations and formulated the Standard Operating Procedure for Extreme Weather Conditions. By establishing a hierarchical early warning mechanism and corresponding emergency response measures, we are capable of avoiding and reducing property damage and casualties caused by the occurrence of extreme weather events. We encourage stores to establish emergency response mechanism for extreme weather that fits the local climate conditions. This includes the development of measures and standardized procedures for before, during, and after the extreme weather event. In addition, while strengthening our ability to address climate change risks, we have launched the Blue Ocean Campaign, which aims to restore the damaged coastal mangrove ecosystem and strengthen the resilience of coastal communities to cope with climate change through ecological restoration approaches such as mangrove planting, invasive species removal and marine garbage removal.

In terms of transitional risks, with the gradual intensification of the impact of climate change and the further implementation of China's carbon trading, carbon taxes and other measures, the trends of China's development towards green economy and low-carbon transition will have a profound impact on our business operations. In order to respond to the national low-carbon and green transition, we comply with regulations and policies related to reducing carbon emissions, actively manage the carbon emissions generated by our own operations, and solidify the concept of green development in the process of office and business operations. At the store operation level, we continue to reduce our carbon emissions by carrying out a number of energy conservation measures and management practices, such as the intelligent control system of electrical equipment and the assessment of reasonable electricity consumption. At the daily office level, we continue to optimize the practice of energy and water saving in the workplace, promote employees' awareness on environmental protection, and explore the circular economy model in the office scene, aiming to practice our environmental protection concept of green office.

In addition, we actively seek opportunities for the application of clean energy in our business development through external cooperation. When selecting data center providers, we consider their energy consumption levels, and the use of clean energy. We also install photovoltaic power systems on the roofs of our home decoration industrial parks. In the meantime, we deploy green services by enhancing noticeability of properties with green features and provide customers with environmentally friendly service options. For more information on our efforts in energy efficiency improvement, resource conservation and environmental goals, please refer to the "Green Services", "Green Office", "Green Stores" and "Environmental Targets" chapter of this report.



Environmental Targets

In 2021, based on our past environmental performance along with the characteristics of our operations, we set the following environmental targets. Please see the table below for the progress we made of our environmental targets in this year:

Content of environmental targets	Progress of environmental targets in 2022
By the end of 2022, phase out low-energy-efficient light boxes and replace them with LED light boxes in Beijing Lianjia stores;	In 2022, all Beijing Lianjia stores used LED light boxes to replace the low-energy-efficient light boxes.
By the end of 2022, strive to achieve paperless online contract signing for housing transactions with customers and agreement signing with store owners.	In 2022, we have achieved paperless online contract signing in some processes for housing transactions with customers and agreement signing with store owners.
By the end of 2024, reduce the total water consumption of Beijing's main offices, Beijing Lianjia stores, and Huaqiao Academy, by 5% compared to the level of 2021.	In 2022, the total water consumption of Beijing's main offices, Beijing Lianjia stores, and Huaqiao Academy each decreased by more than 5% compared with 2021.
In 2023, formulate the Beike carbon neutrality target and release the carbon neutrality roadmap report.	A new target set in 2022.
Since 2023, organize environmental protection related activities covering all employees have been carried out every year.	A new target set in 2022.

Environmental KPIs

Energy and Resources Consumption⁶⁷

Indicators	Year 2022
Total comprehensive energy consumption (MWh) ⁸	63,187.48
Direct energy consumption (MWh)	1,893.90
Indirect energy consumption (MWh)	61,293.59
Energy consumption in office areas per floor area (MWh per square meter)	0.24
Energy consumption per capita (MWh per person)	1.94
Water consumption (tonnes) ⁹	232,244.08
Water consumption per floor area (tonnes per square meter)	0.88
Running water consumption per capita (tonnes per person)	7.14

⁶ Environmental data calculated for 2022 covers main offices in Beijing, Beijing Lianjia stores, and Huaqiao Academy. We will further broaden the scope of our environmental data in 2023 and plan to disclose company-wide environmental data in our 2023 ESG report.

⁷ Beike's operations do not involve the production of physical products. KPI A2.5- Total packaging material used for finished products does not apply.

⁸ The total amount of comprehensive energy consumption is calculated according to the consumption of power, natural gas and gasoline, and the conversion factors set out in the General Principles for Calculation of Total Production Energy Consumption (GB/T 2589-2020). Direct energy consumption arises from the consumption of natural gas during Beike's operation and gasoline from self-owned vehicles. In particular, the natural gas consumption was approximately 1,622.33 MWh and gasoline was approximately 271.56 MWh. Indirect energy consumption arises from the consumption of purchased electricity and outsourced heat during Beike's operation.

⁹ Beike's water resources consumed come from the municipal water supply. In use of water resources, in 2022, the Company had no issues in sourcing water.

Emissions¹⁰

Indicators	Year 2022
Total GHG emissions (Scope 1 and 2) (tonnes) ¹¹	30,648.48
Direct GHG emissions (Scope 1) (tonnes)	400.87
Indirect GHG emissions (Scope 2) (tonnes)	30,247.61
GHG emissions in offices per floor area (tonnes per square meter)	0.12
GHG emissions per capita (tonnes per person)	0.94
Total hazardous waste produced (tonnes)	1.24
Hazardous waste produced per floor area (kilograms per square meter)	0.005
Hazardous waste produced per capita (kilograms per person)	0.04
Total non-hazardous waste produced (tonnes)	527.72
Non-hazardous waste produced per capita (kilograms per square meter)	2.00
Non-hazardous waste produced per floor area (kilograms per person)	16.23

¹⁰ In 2022, we have included waste-related data from Beijing Lianjia stores in the scope of our environmental data disclosure, resulting in an increase in our total hazardous waste and non-hazardous waste data compared to 2021.

¹¹ Due to its operational features, the significant gas emissions of Beike are GHG emissions arising mainly from natural gas and electricity generated from fossil fuels. According to Measures for Administration of Carbon Emissions Trading (For Trial Implementation) issued by the Ministry of Ecological and Environment of the People's Republic of China, the inventory of GHG includes carbon dioxide, methane, nitrous oxide, sulfur hexafluoride, hydrofluorocarbons, perfluorocarbons and nitrogen trifluoride. Beike's GHG inventory includes carbon dioxide, methane and nitrous oxide. GHG emissions data is presented in carbon dioxide equivalent and the calculation is based on ISO 14064, the Greenhouse Gas Protocol, the Notice on the Key Work Related to the Management of Corporate Greenhouse Gas Emissions Reporting in 2022 issued by the Ministry of Ecology and Environment of the People's Republic of China, and the 2006 IPCC Guidelines for National Greenhouse Gas Inventories issued by the Intergovernmental Panel on Climate Change (IPCC). GHG emissions (Scope 1) arise mainly from the consumption of "direct energy" (natural gas and gasoline) by Beike's operation. GHG emissions (Scope 2) arise mainly from the consumption of "indirect energy" (purchased or acquired electricity and heat) by Beike's operation. The data covers the consumption of electricity from main offices in Beijing, Beijing Lianjia stores, and Huaqiao Academy, and consumption of heat from main offices in Beijing and Beijing Lianjia stores.



Caring for Our Communities



Beike continuously pursues a win-win situation between corporate's social value and commercial value, and believes that the integration of industrial advantages and community welfare is the right direction for the efficient community development and an important method to improve the competitiveness of our stores. To understand the needs of the community where our operation is located at the first time, we have established a proper communication mechanism and carried out diversified public welfare activities according to their needs, making continuous efforts for the harmonious development of the community. At the same time, Beike calls agents from our platform to participate in community public welfare activities, provide help to the community within their capabilities, and strive to create a good public welfare atmosphere in the real estate brokerage industry.

In addition to delivering convenient services and charitable activities to communities, we actively carry out public interest initiatives in underdeveloped regions. We continue to strengthen Beike's positive role in bridging the educational, medical and economic gaps between urban and underdeveloped areas and strive to improve the living conditions of families in underdeveloped areas.



Community Services

Convenient Service

We worked closely with our partner brokerage brands and leverage our massive off-line presence to offer a wide range of services for our community residents.

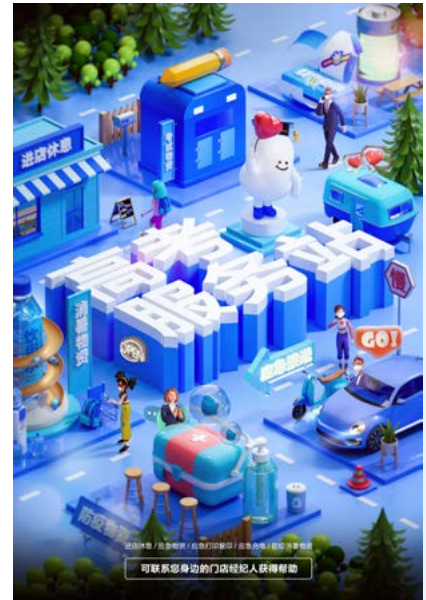


During the 2022 national college entrance examination, we set up National College Entrance Examination

Service Stations in **nearly 10,000 stores** in **more than 50 cities** across the country

National College Entrance Examination Service Stations

Since our establishment, Beike has focused on providing convenient community services, making our stores an important part of the community service system. To ensure students undergoing the National College Examination smoothly, we collaborated with brokerage brands and stores on our platform to set up a number of National College Entrance Examination Service Stations across the country. During the exam, we provided students and their parents with free services such as **in-store resting, printing and copying, direction guiding, paper and pencil borrowing, water refilling, as well as emergency assistance**. During the 2022 national college entrance examination, we set up National College Entrance Examination Service Stations in nearly 10,000 stores in more than 50 cities across the country to help the students and parents in preparing for the exam.



National College Entrance Examination Service Stations

Urban Study Rooms

By the end of 2022, we have set up more than

250 Urban Study Rooms in 5 cities across the country



Urban Study Room

and successively set up Urban Study Rooms stores in Guangzhou, Chengdu, Suzhou, and Hefei. By the end of 2022, **we have set up more than 250 Urban Study Rooms in five cities across the country.**

Since 2021, Shanghai Lianjia has cooperated with Xinhua Bookstore to carry out the project of Urban Study Rooms. This project leverage mature book retail operation system of Xinhua Bookstore and the extensive store presence of us to provide public and comfortable reading spaces for community residents. By designing segregate reading zones, setting up open-designed bookshelves near large windows and equipping with tables and chairs, the store is capable of offering a pleasant reading environment. In 2022, we laid out the Urban Study Rooms project throughout the country,

Common Good Community Project

Beike actively responds the *Opinions of the CPC Central Committee and the State Council on Strengthening and Improving Urban and Rural Community Governance* and its concept of "building a social governance pattern featuring joint construction, joint governance and sharing". Since 2020, Beike has launched the Common Good Community Project to solve community problems from four major aspects: community advocacy, community assistance, sustainable community building, and child-friendly community building. Through supporting community charity organizations and projects, the Common Good Community Project aims to continuously explore innovative practices in community public welfare and strengthen Beike's community influence. At the same time, we arrange agents and stores to participate in community development. Not only does this tighten the bond between our agents and stores with community welfare organizations, but also deepens the connection between Beike and the local residents as we work together to prosper community welfare.

Beike Caring Homes for Medical Care-Seeking Travelers

Since 2021, Beike has collaborated with Deyi Association For Love Promoting to launch the International Rare Disease Day campaign and initiated the Beike Caring Homes for Medical Care-Seeking Travelers project to call on the public to consider the needs of people with rare diseases. By offering the patients and their families with free short-term housing or low-rented housing, the project helps families to solve the accommodation issue often faced by the patients with rare diseases. In 2022, we added four new Caring Homes projects spots in Beijing to provide free accommodation for children with rare diseases and their families in struggles. By the end of 2022, Beike Caring Homes for Medical Care-Seeking Travelers has offered 20 families with 583 days of welfare accommodation.

Shanbei Go Charity Program

Since 2021, in collaboration with brokerage brands, store owners, agents and employees on our platform, we have launched Shanbei GO Charity Program. Volunteers of the program help complete different public welfare projects organized by Beike through making donations in the form of walking miles and exchanging cumulated walking miles into donation funds. With Beike's business empowerment, personnel support, financial support, and other resource support, we aim to jointly create a public welfare atmosphere on the platform. By the end of 2022, we have attracted more than 40,000 volunteers in 146 cities to donate 6.8 billion steps of walking miles. The donation fund exchanged from cumulated walking miles has helped nearly 2,000 children through student grants, stationery donation, book donation, Beike Caring Homes and other charity programs.

In 2022, we jointly launched the Warm Pack Program with the One Foundation. Through the same welfare pattern with Shanbei GO, we donated funds exchanged from employees' cumulated walking miles to provide children in underdeveloped areas with the Warm Pack, which contains more than 10 pieces of emergency supplies and mental health support materials, including clothes, shoes, hats, scarves, hand cream, art sets and other supplies to help them overcome the cold winter. In December 2022, 548 sets of Warm Packs collected through the project were delivered to the area to be helped. The distribution process will then be completed in early 2023 to help children in underdeveloped areas live a warm winter.



By the end of 2022,
we have attracted

more than

40,000

volunteers in

146 cities to

donate **6.8** billion

steps of walking miles

Elder Care Service

As China gradually enters an aging society, the rapid increase of the aging population has led to an enormous demand for elder care services. As the basic spatial unit of a city, a community's living conditions and the variety of elder care services provided by the community will directly impact seniors' quality of life.

We carry out special research on the elderly and continue to explore suitable housing services for the elderly. In March 2022, we released the report of "Research on Seniors-Friendly Community Evaluation Metric System", which supplies explorative notions for the construction of an senior-friendly living environment by formulating a community evaluation system covering three evaluation dimensions of space, service, and culture. In December 2022, in order to explore the demand for residential scenarios under the trend of home-based pension for seniors, the Beike Research, in conjunction with the School of Labor and Human Resources, Renmin University of China, issued the "2022 Insight Report on Housing Needs of the Elderly". The report analyzed the current social development and changes of Chinese family under the aging society from the dimensions of policy orientation, family needs and industrial changes, and combined with the experience of Beike operation, explored the senior-friendly housing scenario under the home-based pension in the aging society.

While conducting research on seniors, Beike continued to expand the scope and community influence of its Smartphone Training Sessions for Seniors and improve user friendliness for seniors when using our products in 2022. In order to further promote senior-friendly optimizations in the industry, we actively participate in the formulation of industry standards related to senior-friendly optimization and barrier-free updates for mobile application products. The two group standards that we participated in, *Aging Technology Requirements and Test Methods for Mobile Applications* and *Guidelines for the Evaluation of Mobile Application Content Accessibility Information Accessibility Technical Services*, were released and implemented in 2022.

Smartphone Training Session Program for Seniors

Since 2018, we have initiated the community public welfare program Smartphone Training Sessions for Seniors, calling on stores and agents to conduct regular smart phone training workshops and free Q&A. The training sessions are prepared for seniors to teach them to use smartphone functions that are helpful to everyday life, including using WeChat, making doctor's appointment digitally, paying fees, using maps, and ordering food delivery. By the end of 2022, the program has been implemented in [55 cities](#) nationwide with a total of 5,769 smartphone classes and more than 17,000 smartphone training sessions held, provided seniors with more than [500,000](#) times of service.

In 2022, we continued to strengthen the social welfare influence of the program and attract more volunteers to participate in community public welfare projects to help seniors. By gathering help from the public, we aim to reach more elderly groups in urban and underdeveloped communities. During the winter and summer vacations of universities in China, the Smartphone Training Session Program for Seniors joined hands with university volunteer organizations to carry out the [Love-Home public welfare practice activities](#). The activity encourages students to use their vacation to carry out either online or offline family/small-scale smartphone classes by themselves, with the help of training material and textbooks provided by the Smartphone Training Session Program for Seniors, to gather middle-aged and elder people who need to learn to use smartphones in their hometown. While bridging the "digital gap" in the era of mobile Internet, the activity fills the "emotional gap" between young people and their elders at home by enhancing intergenerational communication. In 2022, we launched two Love-Home public welfare practice activities, carried out 301 smartphone training courses, with a total volunteer service time of 711 hours.

Care Mode of the Beike Zhaofang App

In order to further solve seniors' difficulties in using digital tools in their daily life, we continue to carry out the optimization of the Beike Zhaofang App for seniors, aiming to narrow the "digital gap" faced by seniors from the user side. Through observation and communications with agents experienced in helping seniors, we discovered the main obstacles for seniors when using smart products and developed multiple features tailored for the obstacles to better assist seniors in using our products.

In 2022, we participated in the Fifth Beijing Responsibility Exhibition and the Research Report On Internet Platform Corporate Social Responsibility (2022) Conference sponsored by the China Social Responsibility 100 Forum. We were included as a representative enterprise in the "[Research Report On Internet Platform Corporate Social Responsibility \(2022\)](#)" released at the conference with the Care Mode of the Beike Zhaofang App. Through the optimization and update of simplifying operation gesture, optimizing visual performance, strengthening information transmission, flattening App interface, reducing advertising interference and other aspects, we solve the practical problems faced by seniors when using smartphones and set an example for the senior-friendly development of the industry.

Rural Revitalization

In 2022, Beike actively responded to the National Rural Revitalization Strategy and supported the country to achieve the important goal of common prosperity. We launched the One Enterprise for One County Support Project, the Rural Community Development Plan and the Agent Agricultural Support Program to help the Country consolidate its achievements in poverty alleviation from the enterprise level, and led agents to participate in the National Rural Revitalization Strategy, aiming to promote the advancement of the underdeveloped regions from the aspects of education support, medical and health care, and industrial development.

One Enterprise for One County Support Project

Since 2016, Lianjia has carried out targeted supporting projects in Jingyuan County, Baiyin City, Gansu Province. In 2021, we officially [signed the rural strategic cooperation agreement](#) on the Consolidating Poverty Alleviation Achievements and Assisting Rural Revitalization Strategy with the Jingyuan County People's Government, aiming to continuously promote the rural revitalization in Jingyuan County.

Beike carries out supporting projects in Jingyuan County mainly focuses on enhancing children's basic education in rural area. Through cooperation with external public welfare organizations, we have launched the Smart Online Class Enlightenment Project, calling on teachers in cities to hold classes for rural schools through the Internet online education platform. In 2022, in order to further improve the teaching quality in rural schools and cultivate teachers' capability to teach in a variety of subjects, we have adjusted the project implementation of our education support program from the previous approach of sponsoring third-party organizations to conduct online classes to [supporting Jingyuan County to establish a local public welfare curriculum management team](#). In the future, we aim to help improve the core competence of rural children and promote the revitalization of rural education by conducting music teaching classes and training music teachers in Jingyuan County.

Beike Seeking the Light Public Welfare Program

In response to the current situation of single curriculum content in physical education, insufficient physical education teachers, and inadequate resources of professional sports equipment and resources in schools of Jingyuan County, we launched the Beike Seeking the Light Public Welfare Program to improve children's learning environment and enrich the basic education materials they required. We provide professional sports equipment and basic teaching facilities for schools in Jingyuan County, to help children in Jingyuan enjoy the same educational environment as in the urban schools. In 2022, the first phase of the program provided professional sports equipment and basic teaching facilities to 12 rural schools in Jingyuan County according to the teaching needs of these schools, benefiting more than 3,000 students.

In 2022, the first phase of the program provided professional sports equipment and basic teaching facilities

to **12** rural schools in Jingyuan County according to the teaching needs of these schools, benefiting

more than 3,000 students.

Rural Community Development Plan

We can never leave alone rural revitalization without considering the healthy growth of our children in the rural areas. We carry out the Rural Community Development Plan with series of public welfare projects around the theme of promoting rural community development and resolving issues around the left-behind children in the rural areas, aiming to protect the healthy growth of left-behind children and migrant children in rural areas with the power of Beike.

We cooperate with One Foundation to launch the [Starlight Hometown - Guarding Hometown Left-Behind Children Public Welfare Action](#), focusing on children's development and protection. We have established safe and friendly children's activity spaces in rural communities, urban-rural integrated communities, and other areas with high demand for children's companion, provided participatory games, safety and health education and psychosocial support services for rural left-behind children, urban and rural migrant children and other children in need, so as to help children's physical and mental health development. We also encourage agents to team up and earn Starlight Points on completing quality service tasks, and we will consequently donate to build a children's service station in the name of the team that earned the most Starlight Points, aiming to drive the agents to participate in rural development together.

By the end of 2022, Starlight Hometown - Guarding Hometown Left-behind Children Public Welfare Action has built



17

children's service stations in 16 cities/counties nationwide, providing children with a total of

50,404

times of service.

Agent Agricultural Support Program

In addition to paying attention to the revitalization of rural children's education, Beike actively participates in the revitalization of rural industries, launches the Agent Agricultural Support Program, and sells agricultural products produced by Beike agents and their immediate relatives through the internal product sales platform of the Beike Service Station. We sort out the types of agricultural products in the agent's home, focus on fruit produce with large overstock and prioritize specific guidance to the agents and their families by offering advice on the entire process, from product packaging to image display and sales services. We have already launched several types of fruit products through the Agent Agricultural Support Program. Further, we plan to join hands with the local government in the agents' hometown to promote the agricultural products and realize rural revitalization of the agents' village and spread the rural agricultural products nationwide through our business.



Agent Agricultural Support Program



The Community Mutual Aid Small Blue Box-Design Image

COVID-19 Response

As a basic unit of the city, communities are at the frontlines for the control and prevention of the pandemic. Since 2020, we have continuously fully leveraged our widespread stores at communities, and provided community convenient services during the pandemic to the greatest extent. These services include contactless delivery collection on receiver's behalf, free printing and copying, and other convenient services. We also encourage that our agents volunteer in no time and participate in different works of pandemic prevention within communities.

In 2022, with the further optimization of pandemic prevention measures around the country, we launched the Community Mutual Aid Small Blue Box public welfare activities, jointly set up shared medicine boxes in offline stores, and encouraged community residents to put spare medicines into shared medicine boxes in stores by means of agent information diffusion

and posters in stores, so as to meet the needs of citizens for urgent demand of medication. In addition to setting up an offline medicine mutual assistance platform, Beike has also established a medicine demand mutual assistance mechanism. Stores record medicine donations and receipts information in the form of online documents, so as to achieve traceability of medicine access and linkage with community medicine information. By doing so, we strive to ensure that information is updated in real time and demands are met in a timely manner. By the end of 2022, the Community Mutual Aid Small Blue Box we set up has covered more than 6,000 stores, new youth apartments and home decoration experience halls in 15 cities across the country; we took the lead in collecting the first batch of [medicine boxes, medicines and other materials with value of more than RMB 300,000](#), which have been delivered to the Community Mutual Aid Small Blue Box to support community pandemic prevention work.



By the end of 2022, the Community Mutual Aid Small Blue Box we set up has covered more than **6,000** stores, New Youth Apartments and home decoration experience halls in **15** cities across the country

Outlook





Since the establishment of Beike, we have been focusing on the development of "committing to long-term value creation, doing the right thing even if it's difficult". As we achieve our own business development, we have taken the initiative to take the important corporate responsibility of improving the status quo of China's housing service industry, supporting the industry's service providers to win dignity, and helping consumers to gain a better living experience.

The year 2022 was a challenging year for Beike, and in the face of a series of factors such as changes in the external environment, market fluctuations, and organizational adjustments, we were determined to pursue long-term interests and do the right thing. In 2023, we will continue to implement the "One Body & Two Wings" strategic layout as the starting point. Through setting five key paths as shown below, we aim to solve the current phase of difficulties while factoring in the long-term development of the company. The five key paths include:

Building a healthy industry ecology: Beike will continue to improve the quality assurance system in different business models under the "One Body & Two Wings" strategy, optimize the quality service commitment align with business development, and accelerate the professionalization of service providers in various business services. At the same time, we will further strengthen the corporation with our industry partners to promote practice quality services, support the healthy development of the housing industry and provide consumers with high-quality service experience.

Implementing standardized company operation and management: While strengthening the company's internal management on information security and privacy protection, integrity building, intellectual property rights protection, advertising compliance and supplier management, the company has developed and published documents such as integrity cooperation agreements and supplier management policies covering partners and suppliers to expand Beike's compliance management requirements to the entire supply chain and enable them to jointly implement the development concept of "business for good".

Constructing a diversified talent system: We will continue to promote equality and diversity in the workplace, protect the health and safety of the workplace environment, safeguard the legitimate rights and interests of employees, value the career path potential of employees, and provide adequate employee support programs. On this basis, we will publish policies on the protection of employees' rights and interests and occupational health and safety in line with the internationally recognized standards and good management practices of our global peer. We will clearly state our management commitments on these topics in our policies to enhance the transparency of our management and to better respond to the concerns of our stakeholders.

Pursuing environmentally friendly sustainable development: We will continue to review the potential environmental impacts and carbon reduction opportunities of different business models under Beike's "One Body & Two Wings" strategy, and further improve environmental management requirements in line with the Company's overall planning and business development, we will further broaden the scope of environmental data disclosure and disclose Beike's carbon neutrality target and Beike's carbon neutrality plan in 2023.

Creating a win-win situation for both social and commercial values: With the community public welfare concept of pursuing win-win situation between corporate's social value and commercial value, we will further strengthen Beike's influence on community public welfare through projects with Beike's characteristics, such as the Shanbei Go and Smartphone Training Session Program for Seniors, to drive more agents and the public to participate in community public welfare activities. We will also continue to help promote the development of rural areas through education support, medical and health care, and help facilitate industrial development to following the country's strategic goals of rural revitalization and common prosperity.



ESG Appendix

Subject Areas	Aspects	Contents of Disclosure	Section in the report
Environmental	Board Statement	a disclosure of the board's oversight of ESG issues	III. ESG Strategy Board Statement (I) Statement of the Board of Directors (II) ESG Governance Structure
		the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's businesses)	
		how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses	
	Reporting Principles	A description of, or an explanation on, the application of the Reporting Principles (Materiality, Quantitative and Consistency) in the preparation of the ESG report.	I. Preface About this report
		Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	
		Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	
		Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used (if any), or any other relevant factors affecting a meaningful comparison.	
	Reporting Boundaries	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	I. Preface About this Report
	A1 Emissions	General Disclosure: Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	VII. Low-Carbon Operations
		KPI A1.1 The types of emissions and respective emissions data.	VII. Low-Carbon Operations Environmental KPIs
		KPI A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	VII. Low-Carbon Operations Environmental KPIs
		KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	VII. Low-Carbon Operations Environmental KPIs
		KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	VII. Low-Carbon Operations Environmental KPIs
		KPI A1.5 Description of emissions target(s) set and steps taken to achieve them.	VII. Low-Carbon Operations (I) Green Services (II) Green Office (III) Green Stores (V) Environmental Targets
		KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	VII. Low-Carbon Operations (I) Green Services (II) Green Office (III) Green Stores (V) Environmental Targets

Subject Areas	Aspects	Contents of Disclosure	Section in the report
	A2 Use of Resources	General Disclosure: Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	VII. Low-Carbon Operations
		KPI A2.1 Direct and/or indirect energy consumption by type (e.g., electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	VII. Low-Carbon Operations Environmental KPIs
		KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	VII. Low-Carbon Operations Environmental KPIs
		KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	VII. Low-Carbon Operations (I) Green Services (II) Green Office (III) Green Stores (V) Environmental Targets
		KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	VII. Low-Carbon Operations (II) Green Office (V) Environmental Targets Environmental KPIs
		KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable due to the fact that we do not produce physical products
	A3 The Environment and Natural Resources	General Disclosure: Policies on minimizing the issuer's significant impacts on the environment and natural resources.	VII. Low-Carbon Operations (I) Green Services (II) Green Office (III) Green Stores
		KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	(IV) Responding to Climate Change (V) Environmental Targets
	A4 Climate Change	General Disclosure: Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	VII. Low-Carbon Operations (IV) Responding to Climate Change
		KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	
Social	B1 Employment	General Disclosure: Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	VI. Talent Development (I) Employee Rights and Interests
		KPI B1.1 Total workforce by gender, employment type (for example, full- or parttime), age group and geographical region.	VI. Talent Development Employment KPIs
		KPI B1.2 Employee turnover rate by gender, age group and geographical region.	VI. Talent Development Employment KPIs
	B2 Health and Safety	General Disclosure: Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	VI. Talent Development (II) Employee Health and Safety
		KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	VI. Talent Development Health and Safety related KPIs
		KPI B2.2 Lost days due to work injury.	
		KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	VI. Talent Development (II) Employee Health and Safety

Subject Areas	Aspects	Contents of Disclosure	Section in the report
B3 Development and Training		General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. <i>Note: Training refers to vocational training. It may include internal and external courses paid by the employer.</i>	VI. Talent Development (III) Employee Development and Training
		KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	VI. Talent Development KPIs of Training
		KPI B3.2 The average training hours completed per employee by gender and employee category.	VI. Talent Development KPIs of Training
B4 Labor Standards		General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	VI. Talent Development (I) Employee Rights and Interests
		KPI B4.1 Description of measures to review employment practices to avoid child and forced labor.	
		KPI B4.2 Description of steps taken to eliminate such practices when discovered.	
B5 Supply Chain Management		General Disclosure: Policies on managing environmental and social risks of the supply chain.	
		KPI B5.1 Number of suppliers by geographical region.	
		KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	V. Business Ethics (V) Supplier Management
		KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
B6 Product Responsibility		KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	
		General Disclosure: Information on: (1) the policies; and (2) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	IV. Quality Assurance (I) Building Quality Transaction (II) Remolding Home Renovation and Furnishing Services (III) Achieving Better Home Rental Services V. Business Ethics (I) Information Security and Privacy Protection (IV) Advertising Compliance
		KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable due to the fact that we do not produce physical products
		KPI B6.2 Number of products and service related complaints received and how they are dealt with.	IV. Quality Assurance (I) Building Quality Transaction (II) Remolding Home Renovation and Furnishing Services
		KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	V. Business Ethics (III) Intellectual Property Rights
		KPI B6.4 Description of quality assurance process and recall procedures.	IV. Quality Assurance (I) Building Quality Transaction (II) Remolding Home Renovation and Furnishing Services (III) Achieving Better Home Rental Services
		KPI B6.5 Description of customer data protection and privacy policies, and how they are implemented and monitored.	V. Business Ethics (I) Information Security and Privacy Protection

Subject Areas	Aspects	Contents of Disclosure	Section in the report
B7 Anti-corruption		General Disclosure: Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	V. Business Ethics (II) Building a Clean Business Environment
		KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	
		KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	
B8 Community Investment		KPI B7.3 Description of anti-corruption training provided to directors and staff.	VIII. Caring for Our Communities
		General Disclosure: Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	
		KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	
		KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	

NYSE: BEKE
HKEX: 2423



KE HOLDINGS INC.

Investor Relations
Email: ir@ke.com