

SUSTAINABILITY REPORT  
**FY2018**



**WEIYE HOLDINGS LIMITED**  
**偉業控股有限公司**



# Contents

<b>About This Report</b> .....	1
Basis of Preparation .....	1
Reporting Scope .....	1
Information and Feedback .....	1
<b>Sustainability Management</b> .....	2
Introduction .....	2
Sustainability Strategy .....	2
Stakeholder Engagement .....	3
Materiality Assessment .....	3
<b>Environmental Protection</b> .....	4
Emissions Management .....	4
Resource Conservation .....	5
Environmental Key Performance Indicators .....	7
<b>Product Responsibility</b> .....	8
Supply Chain Management .....	8
Product Quality .....	9
Customer Services .....	9
<b>Employment and Labour Standards</b> .....	10
Overview of Employees .....	10
Health and Safety .....	11
Development and Training .....	12
<b>Anti-corruption</b> .....	14
<b>Community Involvement</b> .....	14
<b>Appendix: Index of the Environmental, Social and Governance</b> Reporting Guide Issued by the Hong Kong Stock Exchange .....	15



## About This Report

### Basis of Preparation

This report is the Environmental, Social and Governance (“ESG”) Report for the year 2018 prepared by Weiye Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group” or “We”) in accordance with the requirements of the Environment, Social and Governance Reporting Guide (the “ESG Guide”) issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The reporting period is from 1 January 2018 to 31 December 2018 (the “Year” or the “Reporting Period”). The board of directors of the Company (the “Board”) takes full responsibility for this report. For details on corporate governance, please refer to the “Corporate Governance Report” of the Group’s 2018 Annual Report.

### Reporting Scope

This report covers the environmental, social and governance policies, activities carried out and performance achieved in relation to the Group’s property business during the Reporting Period. During the Reporting Period, we disclosed Key Performance Indicators (“KPIs”) on important environmental issues, and the reporting scope also included those entities with actual equity interest of over 50% and completed project progress of over 50% in the Year. As compared with the 2017 Sustainability Report, three subsidiaries located in Guangdong Province were included in the entities disclosed.

Henan Province	Hainan Province	Guangdong Province
<ul style="list-style-type: none"><li>• Henan Weiye Construction Development Group Co., Ltd.</li><li>• Henan Tiandao Assets Management Co., Ltd.</li><li>• Henan Xingwei Property Co., Ltd.</li><li>• Xinxiang Weiye Property Co., Ltd.</li></ul>	<ul style="list-style-type: none"><li>• Weiye Holdings Hainan Real Estate Co., Ltd.</li><li>• Wanning Yingde Property Co., Ltd.</li><li>• Tunchang Hongji Weiye Property Development Co., Ltd.</li><li>• Tunchang Yajing Property Co., Ltd.</li></ul>	<ul style="list-style-type: none"><li>• Huizhoushi Dajinzhou Property Development Co., Ltd.</li><li>• Guangdong Leiding Property Development Co., Ltd.</li><li>• Huizhou Dayawan Pengrun Shiye Fazhan Co., Ltd.</li></ul>

### Information and Feedback

The Group values your views on this report. Should you have any comments or suggestions, please feel free to email us at [weiyegroup@weiyeholdings.com](mailto:weiyegroup@weiyeholdings.com).



## Sustainability Management

### Introduction

Founded in 1999, Weiye Holdings Limited is principally engaged in developing large-scale and multi-phased property projects in the People's Republic of China (the "PRC"). The Group was listed on the Mainboard of the Singapore Exchange Securities Trading Limited (the "SGX-ST") in August 2011 and dual primary listed on the Stock Exchange of Hong Kong Limited in April 2016. In August 2018, the Company voluntarily delisted from the SGX-ST. Since it was established, the Group's property business has expanded to various parts of China with strategic focuses on 5 regions – Henan, Hainan, Pearl River Delta, Yangtze River Delta and the Jing-Jin-Ji regions. At of 31 December 2018, the Group's portfolio comprised 30 property development projects which were either completed or under various stages of development in Mainland China, the development of which is set out below:

Project Type	Number	Total GFA (ten thousand square meters)
Completed	20	179.94
Under development	4	94.64
Held for future development	6	55.33 (planned GFA)

Due to its quality standards in construction and management, the Group has built the brand and attained numerous awards such as "Top 50 Property Development Enterprise of Comprehensive Strengthen in Henan", "Leading Property Development Enterprise in Zhengzhou City", "Excellence Property Development Enterprise in Zhengzhou City" (鄭州市房地產開發優秀企業), "Best Residential Landscape Design in Kaifeng City" (開封市最佳人居景觀設計獎), "Economy Development Contribution Enterprise Excellence in Hongqi District" (紅旗區經濟發展突出貢獻企業), and so on.

### Sustainability Strategy

The Sustainability Steering Committee ("SSC") established by the Group in 2016, which comprise senior management representatives across our divisions and regions, is primarily responsible for managing the Group's sustainability performance and reporting to the Board on a regular basis. The Board also oversees the SSC to ensure the alignment of the overall sustainability performance with the business strategy.

As a premium property developer, the Group fully understands the importance of sustainability-driven operation to its long-term business development. While pursuing economic growth and meeting consumer needs, we also focus on protecting the environment, caring for our employees, serving the community, and creating a healthy and comfortable living environment. We are committed to maintaining communication and cooperation with our stakeholders to mitigate environmental and social risks in our business operations, to enhance our environmental and social benefits, and to drive a long-term stable development of our business.



## Stakeholder Engagement

The Group is well aware of the interaction and importance of its business operations with internal and external stakeholders. Thus, we set up and constantly improve our effective communication mechanisms to understand and manage the expectations and needs of our key stakeholders through various channels and to maintain a collaborative relationship with stakeholders for the long term.

Stakeholders		Communication Channels	Frequency
Internal Stakeholders	Board of Directors	Board meeting	Quarterly
		Reporting to the board	Throughout the year
	Employees	Intranet, email and meetings	Throughout the year
		Employee trainings	
		Employee activities	
External Stakeholders	Government and regulatory agencies	Regular information reporting	Monthly
	Shareholders and investors	Announcements and newsletters	Throughout the year
		Annual General Meeting	Annually
		Company website	Throughout the year
	Customers	Customer service center and hotline	Throughout the year
		Customer satisfaction survey	Upon project handover
		Social media platforms (such as WeChat public account)	Throughout the year
	Suppliers	Bidding process	Throughout the year
	Community	Social media platforms (such as WeChat public account)	Throughout the year

## Materiality Assessment

The Group re-examined and reviewed the materiality issues determined in the 2017's report in accordance with the "Materiality" principle in the "ESG Guide" of the Stock Exchange. On this basis, we have further determined the materiality issues that are necessarily prioritized for consideration during the year, which is also subject to confirmation by the SSC. Details of such materiality issues are as follows:

Environmental Aspects		Social Aspects	
Materiality issues	Corresponding section(s)	Materiality issues	Corresponding section(s)
<ul style="list-style-type: none"> <li>Environmental Compliance</li> <li>Use of Resources</li> </ul>	<ul style="list-style-type: none"> <li>Emissions Management</li> <li>Resource conservation</li> </ul>	<ul style="list-style-type: none"> <li>Product Responsibility</li> <li>Development and Training</li> <li>Health and Safety</li> <li>Anti-corruption</li> </ul>	<ul style="list-style-type: none"> <li>Product Quality</li> <li>Development and Training</li> <li>Health and Safety</li> <li>Anti-corruption</li> </ul>





## Environmental Protection

### Emissions Management

The Group fully acknowledges that, as a company engaged in property development, construction and use of buildings will generate certain emissions and its business activities will inevitably cause environmental impacts. Therefore, in response to the government requirements, the Group undertakes to minimize negative impacts on the environment during its business operations. In strict compliance with relevant laws and regulations on environmental protection, such as “the Environmental Protection Law of the PRC”, “Law of the PRC on Environmental Impact Assessment”, “Law of the PRC on the Prevention and Control of Atmospheric Pollution” and “Law of the PRC on Prevention and Control of Pollution from Environmental Noise”, the Group implements stringent oversight of emissions, such as sewage discharge, dust control, construction waste management and noise control. In addition, project managers regularly communicate with construction contractors to review the environmental compliance on the construction sites.

The Group’s construction and residential sewage discharge is in strict compliance with national and local standards, and sewage is precipitated before being discharged into the municipal sewage pipe network. To reduce dust, we adopt the water-based dust control method to carry out ground works by spraying water regularly. The construction site is covered with dust filter materials. We monitor the real-time air pollution index. To store and dispose waste, we place and classify construction wastes in specific areas to take measures to manage different types of wastes and recycle them where practicable. For toxic materials such as chemicals and oils, seepage control is applied to storage sites. We require the waste cleaning and transportation unit to obtain a transportation permit. Transportation vehicles are completely blanketed to prevent the overflow of waste and flying dust during transportation. The cleaning equipment is installed at the entrance of the construction site to ensure that the incoming and outgoing vehicles are cleaned. In order to reduce the impact of noise on the surrounding environment during construction, we not only deploy a dense network of acoustic barriers for the buildings, but also measure the noise level of the construction site in accordance with the relevant standards so that the daytime noise level of the construction site is strictly controlled within the standard limits.



Fencing, spraying and firefighting facilities at early stage



Covering exposed loess on site

During the Reporting Period, the Group did not breach any environmental laws and regulations.



## Resource Conservation

### Green building

The Group actively applies environmental protection elements to its property development. It also draws on and adopts the experiences of leading companies in the industry in the architectural design, construction and operation to reduce the resource consumption while improving performance.

All property development projects of the Group are designed based on the “Code for Green Design of Civil Buildings” 《民用建築綠色設計規範》, “Assessment Standard for Green Building” 《綠色建築評價標準》, “Green Building Evaluation Technical Rules” 《綠色建築評價技術細則》, “Supplementary Instructions to Green Building Evaluation Technical Rules” 《綠色建築評價技術細則補充說明》, “Design Standard for Energy Efficiency of Buildings” 《建築節能設計準則》 and green building and energy saving standards at provincial level. In order to meet the requirements of energy efficiency standards, the materials such as hollow bricks, aerated concrete, thermal insulation material of exterior walls and aluminum alloy windows are used in the construction of the Group’s property projects to improve the insulation performance of the building. We also take various measures to improve the water efficiency. For example, a map of water distribution regarding the construction site is prepared to ensure that the water source is clearly identified and controlled; water pipes and equipment receive regular inspection to prevent leakage; a recycling pool is established to collect water for washing machines, equipment and vehicles; and use of new materials or processes is vigorously promoted to improve water efficiency.

Given that lighting energy consumption accounts for a large proportion, the Group has replaced incandescent lamps for all property projects with energy-efficient LED lamps. In addition to the lighting system, we also optimize heating and cooling systems to reduce energy consumption. During the Reporting Period, Xinxiang Weiye Property Co., Ltd. and Henan Xingwei Property Co., Ltd adopted the Sponge City Construction System to collect rainwater for flushing and greening, and enhanced the environmental awareness of residents by organizing property owners to participate in environmental protection campaigns, as well as offering books and periodicals on environmental protection.



During the Reporting Period, the Group's projects, Meiyuewan and Lantingwan were granted the "Certificate of Green Building Design Label" by the Commission of Housing and Urban-rural Development of Guangdong Province, demonstrating the Group's investment and achievements in green building.



Certificates of green building

## Green office

To promote cost-effective office values and reduce waste of resources, the Group has developed the Office Supplies Management Policy, which stipulates that office supplies, as needed, shall be purchased, distributed and managed. The Group also maintains a policy of "reduce", "recycle" and "reuse". We have fully implemented the electronic information approval system, and actively promoted paperless office and WeChat group office. We also reduce long-haul flights by means of video and telephone conferences. In addition, we encourage our staff to turn off electricity and water equipment when they are not in use. Furthermore, double-sided printing is encouraged for delivery of documents and waste papers are used for printing informal documents.



Environmentally-friendly slogans for offices





## Environmental Key Performance Indicators

During the year, set out in Table 1 and Table 2 are the basic data of the entities disclosed and the environmental key performance indicators, respectively. Among which, the “office” in Table 2 covers data related to offices, the sales department (or marketing center) and the staff canteen and dormitory of the Company; while the “worksite” covers data related to construction sites, and staff canteen and dormitory at worksites.

Table 1

Category	Data	Unit	Remarks
Total GFA	154.63	ten thousand square meters	The total GFA of the entities disclosed as of 31 December 2018
Total office area	6,586	square meter	The total office area of the entities disclosed as of 31 December 2018
Total number of employees	164	person	The total number of employees in the entities disclosed as of 31 December 2018

Table 2

Category	Office	Unit	Worksite	Unit
Total energy consumption <sup>1</sup>	920,602	kWh	3,316,675	kWh
Energy consumption intensity	139.78	kWh/square meter of office area	21,449.66	kWh/ten thousand square meters of GFA
Electricity consumption	908,896	kWh	3,308,434	kWh
Intensity	138.00	kWh/square meter of office area	21,396.37	kWh/ten thousand square meters of GFA
Total liquefied gas consumption <sup>2</sup>	1,536	liter	–	–
Intensity	0.23	liter / square meter of office	–	–
Total natural gas consumption <sup>3</sup>	–	–	762	cubic meter
Intensity	–	–	4.93	cubic meter/ten thousand square meters of GFA
Water consumption	20,535	cubic meter	80,401	cubic meter
Water consumption intensity	3.12	cubic meter/ square meter of office area	519.97	cubic meter/ten thousand square meters of GFA

<sup>1</sup> Energy includes electricity, liquefied petroleum gas and natural gas, among which, the liquefied petroleum gas and natural gas are calculated with reference to conversion factors in the “Guidelines for Accounting and Reporting Greenhouse Gas Emissions – Public Building Operation Units (Enterprises) (Trial)” 《公共建築運營單位（企業）溫室氣體排放核算方法和報告指南（試行）》。

<sup>2</sup> Liquefied gas used in the canteen of the Company.

<sup>3</sup> Natural gas used in the canteens at the construction sites.



## Product Responsibility

### Supply Chain Management

Supply chain management is an important factor in ensuring the quality of products and services. The Group regards supplier management as partner management, as a good partner could guarantee the smooth progress of property projects. Therefore, we are committed to optimizing supply chain operations, so that the supply chain could operate efficiently to the satisfaction of end customers' needs at the lowest cost from the procurement process to other processes, which will deliver suitable products to consumers in a timely and accurate manner at a reasonable price. Our close collaboration with a number of suppliers and contractors starts from supplier access, supplier performance evaluation and supplier classification management, allowing us to effectively manage the quality of supply and project, as well as to actively promote the sustainable development of the supply chain.

The supplier selection of the Group is open to the public, and all suppliers can recommend themselves or be recommended to participate in the construction of the resource library. According to our own needs, we conduct review on the information of the required suppliers, pay on-site visits to such suppliers when the suppliers meet the requirements of the Group, and then determine whether to approve the suppliers' access based the on-site inspection opinions and interviews with its senior management. We implement dynamic hierarchical management based on the supplier's competitive advantages and performance evaluation. When considering inclusion of a supplier into our resource library, the management system certification obtained by the supplier will be one of the evaluation factors. At the time of bidding, we explicitly request the bidders to formulate detailed environmental protection management systems and measures in the technical tender, which will also be an important part of the review. We specify environmental protection agreements in the contract with the suppliers, including the management of environmental impact factors, such as noise and dust. When the construction affects the surrounding environment, we will strictly stop the constructors, and urge them to make improvements and strengthen supervision and management in a timely manner. We also reduce the negative impact of the construction on the environment by purchasing or leasing dust-reducing equipment. At the same time, we monitored and disclosed the use of water, electricity and fuel at the construction sites during the Reporting Period to assess the efficiency of resource utilization in relation to the construction. For relevant data, please refer to the section headed "Environmental Key Performance Indicators".

The Group has formulated the "Management Measures for Bidding and Procurement" to regulate the bidding procurement workflow and to improve the supervision and management and risk prevention mechanisms for bidding and procurement, thus increasing the cooperation efficiency with suppliers and contractors and the quality of bidding and procurement. We include the track records of the suppliers, such as credit, non-compliance records or conflicts of interest, in the assessment. In the future, the Group will continue to improve the supply chain management to reduce environmental and social risks in the supply chain.



## Product Quality

Following the principle of “integrity, pragmatism, professionalism and innovation”, the Group aims to build a high-end brand and deliver quality housing and services.

To monitor the quality and safety of the properties, the Group has developed relevant policies, such as the “Construction Supervision Management Policy”, regularly carries out sample checks on safety, construction and bidding process, and completes and reviews necessary documentation. In order to ensure the safe and effective operation of the facilities, we also require the responsible departments to record and properly maintain the construction plan, equipment maintenance plan and test records, fire protection system, waterpipe and water pressure test records, and water supply pipe flushing and disinfection records.

The Group’s Investment Operation Division, Regional Group and Project Team are engaged in product quality management to meet the expectations of different internal stakeholders. The Investment Operation Division and the project team are responsible for supervising project compliance to ensure that the projects follow the Group’s internal policies and procedures, and comply with the standards such as the “Unified Standards for Constructional Quality Acceptance of Building Engineering” and various engineering construction quality acceptance specifications. Throughout the project construction process, the Regional Group is responsible for monthly checking and evaluating the quality level and safety of projects under construction in respective regions according to the acceptance standards, while the Investment Operation Division is responsible for performing quarterly inspections. As for the project team, the Group requires the project manager to monitor the quality of raw materials through sample inspections, and to check the factory certification or inspection and test reports for new equipment. At the same time, we also carry out the supervision and management of the projects under construction during the process by engaging professional supervision companies, to ensure that the quality complies with the construction project management regulations.

## Customer Services

The Group views customer satisfaction as a tool to understand customer demands and improve the quality of our products and services. The Group focuses on building long-term relationships with our clients and hence puts much effort in providing clients with one-stop services including after-sales maintenance management.

The Group pursues consistency and standardization in customer service. We have established the “After-Sales Maintenance Management Policy”, “Member Management Manual” and “Measures to Establish, Manage, and Use Customer Resource Library”, with a view to delivering consistent and well managed services to our customers, including after-sales maintenance, product warranties, managing and resolving customer complaints, and improving relations with the members of the Club. For example, the “After-Sales Maintenance Management Policy” stipulates that the maximum turn-around time to respond to a customer’s report or complaint is three work days. Apart from that, the policy also clarifies the scope of maintenance work, supervision, quality requirements, warranty period, maintenance flow chart and time required, and standard operating procedures to ensure that all complaints are addressed and resolved professionally.



The Group's sales and marketing service center has set up a Call Center to provide a platform to collect customer enquiries and feedback in order to optimize customer relationships and improve customer service standard. We have established a "Call Centre Management System". The call center handles matters such as sales complaints, maintenance, property delivery complaints, and property owners enquiry. The sales support center is responsible for tracking the repair and maintenance process, and supervising the third parties and suppliers during repair and maintenance. In addition, they collect feedback from clients regarding their satisfaction of the maintenance work.

During the Reporting Period, the Group recorded no non-compliant incident of the relevant laws and regulations governing health and safety, advertising, labelling, privacy matter and methods of redress related to products and services provided. The customer complaint rate of the Group was below 2%. We intend to select pilot venues in 2019 to launch a series of membership activities to boost the activity of owners and improve satisfaction on community culture.

## Employment and Labour Standards

### Overview of Employees

Human resources are a key factor in building the core competitiveness of the Group. In strict compliance with the relevant laws and regulations on labour in the jurisdiction where it operates, such as the Labour Law, the Labour Contract Law in the PRC, and the Employment Ordinance in Hong Kong, the Group is committed to safeguarding the legitimate rights and interests of its employees. Employees are entitled to have equal opportunities and benefits in recruitment, promotion, advancement, and personal development regardless of gender, age, ethnicity, and cultural background.

The Group's recruitment, allocation and promotion management practices are developed to meet the Group's strategic development needs, which aims to establish high-quality workforce, optimize talent allocation, improve talent selection and stimulate work motivation. Following the principle of "openness, fairness and justice", the Group sources external staff by using diversified recruitment channels and selects appropriate talents in accordance with the recruitment and probation process, to eliminate any employment of child labour in accordance with the law.

The Remuneration and Benefit Policy of the Group follows a fair and motivational principle of providing employee with rewards based on positive contributions, appraisals and performance. In addition, the Award and Penalty Policy is designed to stimulate the enthusiasm and potential of employees. We strictly abide by the minimum wage requirements in each place of operation, and comply with laws and regulations in terms of social insurance, paid annual leave, and salary and benefits during work-related injuries. We also provide employees with comprehensive benefits, including holiday benefits, high temperature subsidies, heating allowance, wedding and funeral money gifts, labour insurance, meal allowance, birthday allowance, medical examinations, and so on. The Staff Attendance Policy and the Employee Holiday Management Policy specify the requirements for communicate procedures, leave and allowance relating to injury, sickness, study, marriage, maternity, paternity and bereavement. In terms of promotion and advancement, the Group provides employees with a two-channel promotion system for vertical and horizontal positions, where employees can choose a development for management or technology based on individual performance and their own experience.



During the Reporting Period, the Group had no violation of the laws and regulations on equal opportunities, diversification, anti-discrimination and other treatment and benefits, nor did it have any irregularities in employing child or forced labour.



Anniversary celebration



Employee team building activities

## Health and Safety

The Group regards employees as the most important assets and promises to provide a safe and healthy working environment for each employee. Safety operation is listed as one of the key performance indicators. It is the responsibility of the regional manager to ensure that the Company's overall safety levels across the business are monitored and managed effectively. We prevent occupational health and safety risks by purchasing accident and injury insurance policies and providing annual health checks for our employees.

In order to strengthen the safety management at the workplace, the Group has designated safety inspectors to conduct daily safety inspections of offices and workplaces in accordance with the "Regulations Governing the Use of Office by Employees and their Responsibilities" 《員工辦公室使用行為及責任規定》, and "Office Environment, Office Order and Safety Management System" 《辦公環境、辦公秩序及安全管理制度》, to ensure the normal operation of infrastructure such as windows, emergency exits, wires, and electrical equipment. We also provide firefighting training to all employees to improve their fire response capacity and fire prevention awareness. We engage a professional cleaning company to be responsible for the daily cleaning of the office and install an indoor air purification system in areas with poor air quality to ensure a comfortable and healthy working environment.





At the construction site, we also attach great importance to the occupational health and safety of construction workers and ensure construction safety by implementing the following measures:

- Set up occupational health and safety management objectives and establish safety management organizations;
- Organize pre-job training and establish the certificate-for-job system;
- Strictly implement the rules and regulations on work safety, and establish a safety production responsibility system for management staff at different positions;
- Develop implementation rules on safety production and safety fire management;
- Prepare an emergency rescue plan for safety production accidents;
- Divide the living quarters of workers and implement environmental and health protection measures;
- Implement health protection measures on food storage and processing;
- Implement detailed dust control measures;
- Implement measures to reduce the hazards of vibration and noise.

During the Reporting Period, the Group did not have any violation in terms of health and safety, nor did it have any major safety incidents related to work.

## Development and Training

Employees play an important role in the growth and development of the Group. The Group attaches great importance to the professional development and personal growth of its employees. Through the establishment of training platforms and the provision of internal rotations, the Group develops the potential of its employees and enhances their overall quality and capabilities.

The Group offers four types of training around awareness, management knowledge, business skills and tools based on the needs of employees in different positions and levels. Trainings may be in the form of internal training, external training, on-the-job training, visits or outward-bound training. We also provide new employees with knowledge and skills to help them adapt to their positions as quickly as possible by offering pre-employment training and mentoring programs for them. To enhance management's awareness and management of environmental, social and corporate governance, the Group conducts two to three senior management training programs each year, covering courses such as environmental management, employment, health and safety and corporate governance issues. Furthermore, the senior management team is involved in the management rotation training program to develop and enhance management capabilities through in-depth understanding of the business's operations across all portfolio.



Training on workplace etiquette



Learning and training systematically

Our Regional Human Resource and Administrative Division are responsible for all the Group's trainings. A collaborative and interactive learning experience was created through the recording of trainers' attendance and exchange meeting held after training, to obtain employees' feelings and opinions on training, and thus improving and customizing the trainings. In addition, The Group encourages staff's self-learning and continuing education, such as to obtain professional qualification certificate and title certificate, attend external training and pursue further education. The Group also provides training award and allowance for staff.



## Anti-corruption

The Group has consistently adopted a zero-tolerance policy on all forms of corruption, bribery, fraud and money laundering, and strictly complies with laws and regulations in the PRC and the Prevention of Bribery Ordinance in Hong Kong.

The Group has formulated rules and regulations such as the “Code of Conduct”, the “Conflict of Interest Policy”, the “Whistle Blowing Policy”, the Regulations on Business Discipline Ordinance”, the “Independent Commission against Corruption Policy”, and so on, which detail out the guidelines for employees to prevent various illegal and improper behaviors and to avoid potential conflict of interests with related parties, as well as the provisions for supervision and verification in bidding and procurement. The terms of the commitment to integrity will be also included by us when entering into business contracts with our customers, suppliers and other partners, to eliminate any violation of business Integrity.

The Legal Department of the Group is responsible for updating the internal policies according to the latest changes with the relevant laws and regulations, and informs relevant teams to prevent violations. Above these preventive mechanisms, we have also established annual training provided to all employees, and require all newly recruited employees to undergo the “Code of Conduct” training. The Group has setup independent mailbox, e-mail and hotline to encourage its employees to report any concerns about misconduct, malpractice or irregularities in any matters related to the Group. Every reasonable effort will be made by us to maintain the confidentiality of all whistleblower, and the mechanism will be followed by careful investigation procedures.

During the Reporting Period, there was no incident of non-compliance with the relevant law and regulations resulting in internal disciplinary action or public allegation. There was also no noncompliance relating to bribery, extortion, fraud and money laundering.

## Community Involvement

The Group rewards the society through charitable donations and participation in poverty alleviation organized by government. During the Reporting Period, Henan Xingwei Property Co., Ltd made charitable donation to charity federation in Jinshui District, Zhengzhou City for charity activities, such as disaster relief, poverty alleviation, helping the elderly, health aid and assistance for the impoverished students. In actively response to the local government’s call, Xinxiang Weiye Property Co., Ltd. participated in the activity of “100 Enterprises to Help 100 Villages” (百企帮百村) organized by Xinxiang Commission of Housing and Urban-rural Development, to make its contribution to poverty alleviation by donation.



Participated in the poverty alleviation activities of Xinxiang City



## Appendix: Index of the Environmental, Social and Governance Reporting Guide Issued by the Hong Kong Stock Exchange

Aspects		Corresponding section(s)	Remarks
<b>A Environmental</b>			
Aspect A1	<b>Emissions</b> Information on: (a) the policies; and (b) 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	Emissions Management	
KPI A1.1	The types of emissions and respective emissions data.	–	This data has not been collected for the time being. We will continue to review and disclose as soon as practicable
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	–	This data has not been collected for the time being. We will continue to review and disclose as soon as practicable
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	–	This data has not been collected for the time being. We will continue to review and disclose as soon as practicable
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	–	This data has not been collected for the time being. We will continue to review and disclose as soon as practicable
KPI A1.5	Description of measures to mitigate emissions and results achieved	Emissions Management	
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved	Emissions Management	



Aspects		Corresponding section(s)	Remarks
Aspect A2	<b>Use of Resources</b> Policies on the efficient use of resources, including energy, water and other raw materials	Resource Conservation	
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)	Table of Environmental Key Performance Indicators	
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Table of Environmental Key Performance Indicators	
KPI A2.3	Description of energy use efficiency initiatives and results achieved	Resource Conservation	
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved	Resource Conservation	
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	–	This report covers only the Group's property business and the use of packaging materials is not related to the project development and operation.
Aspect A3	<b>The Environment and Natural Resources</b> Policies on minimising the issuer's significant impact on the environment and natural resources	Emissions Management Resource Conservation	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Emissions Management Resource Conservation	





Aspects		Corresponding section(s)	Remarks
<b>B Social</b>			
Aspect B1	<b>Employment</b> Information on: (a) the policies; and (b) 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	Overview of Employees	
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	–	
KPI B1.2	Employee turnover rate by gender, age group and geographical region	–	
Aspect B2	<b>Health and Safety</b> Information on: (a) the policies; and (b) 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	Health and Safety	
KPI B2.1	Number and rate of work-related fatalities	–	
KPI B2.2	Lost days due to work injury	–	
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Health and Safety	
Aspect B3	<b>Development and Training</b> Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Training and Development	
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	–	
KPI B3.2	The average training hours completed per employee by gender and employee category	–	



Aspects		Corresponding section(s)	Remarks
Aspect B4	<b>Labour Standards</b> 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 labour	Overview of Employees	
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	–	
KPI B4.2	Description of steps taken to eliminate such practices when discovered	–	
Aspect B5	<b>Supply Chain Management</b> Policies on managing environmental and social risks of the supply chain	Supply Chain Management	
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, how they are implemented and monitored	Supply Chain Management	
Aspect B6	<b>Product Responsibility</b> Percentage of total products sold or shipped subject to recalls for safety and health reasons	Product Quality Customer Services	
KPI B6.1	Information on the policies and 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	Product Quality Customer Services	
KPI B6.2	Number of products and service related complaints received and how they are dealt with	–	
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	–	
KPI B6.4	Description of quality assurance process and recall procedures	–	
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	–	



Aspects		Corresponding section(s)	Remarks
Aspect B7	<b>Anti-corruption</b> Information on: the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Anti-corruption	
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	Anti-corruption	
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Anti-corruption	
Aspect B8	<b>Community Investment</b> 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	Community Involvement	
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	–	
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	–	