

(Incorporated in the Republic of Singapore with limited liability) (於新加坡共和國註冊成立的有限責任公司)

> Hong Kong Stock Code: 1570 香港股份代號: 1570

2019年度可持績發展報告 2019 Sustainability Report

*For identification purpose only 僅供識別



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About This Report

Weiye Holdings Limited (the "Company", together with its subsidiaries, hereinafter referred to as the "Group") is pleased to present our Environmental, Social and Governance Report for year ended 31 December 2019 (the "Report") to provide an overview of the Group's management of significant issues affecting the operation, including environmental, social and governance ("ESG") issues.

The Board has overall responsibility for the Group's ESG strategy and reporting. The Board is responsible for evaluating and determining the Group's ESG-related risks and ensuring that appropriate and effective ESG risk management and internal control systems are in place. For details on corporate governance, please refer to the "Corporate Governance Report" of the Group's 2019 Annual Report.

Reporting Period

The Report illustrates the Group's initiative and performance regarding the environmental and social aspects during the reporting period from 1 January 2019 to 31 December 2019 (the "Reporting Period").

Reporting Scope

This Report covers certain subsidiaries of the Group with core business that principally engaged in property development for residential and commercial properties. Among the business segment of property development, we disclosed certain Key Performance Indicators ("KPIs") for those entities with actual equity interest of over 50% and with completed project progress of over 50% during the Reporting Period.

Henan Province

- Henan Weiye Construction
 Development Group Co., Ltd.
- Henan Tiandao Assets Management Co., Ltd.
- Henan Xingwei Property Co., Ltd.
- Xinxiang Weiye Property Co., Ltd.

Hainan Province

- Weiye Holdings Hainan Real Estate Co., Ltd.
- Wanning Yingde Property Co., Ltd.
- Tunchang Hongji Weiye Property Development Co., Ltd.
- Tunchang Yajing Property Co., Ltd.

Guangdong Province

- Huizhoushi Dajinzhou Property Development Co., Ltd.
- Guangdong Leiding Property Development Co., Ltd.
- Huizhou Dayawan Pengrun Shiye Fazhan Co., Ltd.

Reporting Basis

The Report is prepared with the ESG Reporting Guide set out by Appendix 27 to the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Group has complied with the disclosure requirements of the "comply or explain" provisions set out in the ESG Reporting Guide. Certain KPIs which is considered as material by the Group during the Reporting Period are disclosed in the Report. The Group will continue to optimize and improve the disclosure of KPIs. The Report is prepared and published in both English and Chinese. In the event of contradiction or inconsistency, the English version shall prevail.

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.

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 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 4 regions – Henan, Hainan, Pearl River Delta and Yangtze River Delta. As of 31 December 2019, the Group's portfolio comprised 33 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	22	257.24
Under development	9	86.19
Held for future development	2	17.32 (planned GFA)

Due to its quality standards in construction and management, the Group has built the brand and attained numerous awards from past years 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

Senior management of the Group is primarily responsible for managing the Group's sustainability performance and reporting to the Board on a regular basis. The Board also oversees them 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
	Board of Directors	Board meeting	Quarterly
	Board of Directors	Reporting to the board	Throughout the year
Internal Stakeholders	Frankright	Intranet, email and meetings	Thursday
	Employees	Employee trainings	Throughout the year
		Employee activities	
	Government and regulatory agencies	Regular information reporting	Monthly
	Shareholders and	Announcements and newsletters	Throughout the year
investors		Annual General Meeting	Annually
		Company website	Throughout the year
External		Customer service center and hotline	Throughout the year
Stakeholders	Customers	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 Reporting Period. Details of such materiality issues are as follows:

Environment	tal Aspects	Social A	Aspects
	Corresponding section(s)	Materiality issues	Corresponding section(s)
	 Emissions Use of Resources 	 Product Responsibility Development and Training Health and Safety Anti-corruption 	 Product Quality Development and Training Health and Safety Anti-corruption



Environmental Aspects

Emissions

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.



Use of Resources

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漸充說明》, "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. Starting from 2018, 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.



In 2018, 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. During the Reporting Period, Yuejiangwan, another project of the Group, has received the Award of Excellence in relation to Elite Habitat Award (精瑞科學技術獎) under People's Republic of China Social Forces Set Up Science & Technology Awards (中華人民共和 國社會力量設立科學技術獎).



Award of Excellence in relation to Elite Habitat Award under People's Republic of China Social Forces Set Up Science & Technology Awards

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



The Environment and Natural Resources

The Group raises staff's awareness on environmental issues through education and training and enlist employees' support in improving the Group's performance, promote environmental awareness amongst the customers, business partners and shareholders and support community activities in relation to environmental protection and sustainability and evaluate regularly and monitor past and present business activities impacting upon health, safety and environmental matters. With the integration of policies mentioned in sections "Emissions" and "Use of Resources", the Group strives to minimise the impacts to the environment and natural resources.

Environmental Key Performance Indicators

During the Reporting Period, set out in Table 1 are the basic data of the subsidiaries disclosed. Table 2 to table 6 covers data related to offices, the sales department (or marketing center), the staff canteen, dormitory of the Company, construction sites, staff canteen and dormitory at worksites.

Table 1

Category	Data	Unit	Remarks
Total area	117.81	ten thousand square meters	The total GFA and total office area of subsidiaries disclosed as of 31 December 2019

Table 2

Major air pollutants emission from use of vehicles during the Reporting Period and the corresponding period in 2018 are set out as follows:

Air Pollutant Emission		
	2019	2018
Type of Air Pollutants	(kg)	(kg)
Sulphur dioxide	0.76	Note
Nitrogen oxides	205.79	Note
Particulate matter	19.62	Note

Note: In view of our first time adoption of ESG Reporting Guide starting from last year, certain KPIs during 2018 is not available, the Group will continue to optimize and improve the disclosure of KPIs.



Greenhouse gas ("GHG") emissions from our operation during the Reporting Period and the corresponding period in 2018 are set out below:

GHG Emission			
	2019	2018	
Type of GHG emissions	Equivalent CO ₂ emission (tonne)	Equivalent CO ₂ emission (tonne)	
Scope 1 Direct emissions	114.82	Note 2	
Scope 2 Indirect emissions	975.64	Note 2	
Total	1,090.46	Note 2	
Intensity (tonne/total area)	9.26	Note 2	

Note:

The calculation of the GHG is based on the "Corporate Accounting and Reporting Standard" from greenhouse gas protocol.

Scope 1: Direct emission from vehicles that are owned by the Group and liquefied gas used in the canteen

Scope 2: Indirect emissions from the generation of purchased electricity consumed by the Group

Scope 3: Other indirect emission is optional disclosure that the corresponding emission is not controlled by the Group

Note 2: In view of our first time adoption of ESG Reporting Guide starting from last year, certain KPIs during 2018 is not available, the Group will continue to optimize and improve the disclosure of KPIs.

Table 4

Due to the nature of our business, no material hazardous waste was generated during the Reporting Period. Non-hazardous waste generated during the Reporting Period and the corresponding period in 2018 are set out below:

Non-hazardous waste		
	2019	2018
	(tonne)	(tonne)
Non- hazardous waste	1,793.32	Note
Intensity (tonne/total area)	15.22	Note

Note: In view of our first time adoption of ESG Reporting Guide starting from last year, certain KPIs during 2018 is not available, the Group will continue to optimize and improve the disclosure of KPIs.



Energy consumption by the Group during the Reporting Period and the corresponding period in 2018 are set out below:

Energy Consumption			
	2019	2018	
Type of energy	(kWh)	(kWh)	
Petrol	427,529.39	Note	
Diesel	33,808.82	Note	
Liquefied gas	8,111.30	Note	
Purchased electricity	1,450,686.50	4,217,330.00	
Total	1,920,136.01	Note	
Energy intensity (kWh/total area)	16,298.58	Note	

Note: In view of our first time adoption of ESG Reporting Guide starting from last year, certain KPIs during 2018 is not available, the Group will continue to optimize and improve the disclosure of KPIs.

Table 6

Water consumption by the Group during the Reporting Period and the corresponding period in 2018 are set out below:

Water Consumption		
	2019	2018
	(m³)	(m³)
Water	23,483.41	100,936.00
Intensity (m³/total area)	199.33	519.97



Social Aspects 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 of certain subsidiaries 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 KPIs".

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 aftersales 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

In strict compliance with the relevant laws and regulations on labour in the jurisdiction where it operates, such as 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 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. In terms of promotion and advancement, the Group provides employees with a two-channel promotion system for technology and management positions, where employees can choose their development based on individual needs.

Regarding labour standards, the Group strictly abides by the Labour Law that there is neither recruitment of child labour nor forced labour. In terms of working hours, the Group adopts 5 working days per week and 7 working hours per day. The Group also provides various holidays for employees, including annual leave, study leave, marriage leave, paternity and bereavement leave, work-related injury leave, maternity leave, sick leave, etc. The application, use and payment of various holidays are detailed in the related policies of employee leave management.



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.

Below is a detailed breakdown of our employees by gender, age group and employment category as at 31 December 2019:

	2019	
	Number of staff	% of total
By gender		
Male	84	64
Female	48	36
Total	132	100
By age group		
Below 30	43	33
31–50	85	64
51 or above	4	3
Total	132	100
By employment category		
Normal	91	69
Middle	32	24
Senior	9	7
Total	132	100

Below is a detailed breakdown of our employees turnover rate by gender and age group as at 31 December 2019:

	2019
Turnover rate by gender	
Male	52%
Female	65%
Turnover rate by age group	
Below 30	56%
31–50	56%
51 or above	50%





Group's strategic planning meeting for 2019



Group's meeting for operational discussion for third quarter of 2019

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 enhancement of internal training, the Group strengthens the overall quality and learning capabilities of its employees.

Guided by the Group's sustainable development strategy, the Group has established a training system combining internal training and external training with the goal of improving employees' business skills, comprehensive quality and management ability. Internal training focuses on corporate culture, institutional process and professional knowledge training in order to stimulate employees' innovation ability, sense of belonging and sense of urgency, and constantly enhance the vitality and cohesion of the enterprise. It is mainly applicable for middle management, normal employees and new employees.

External training focuses on improving the management concept, ideology, innovation, and resource management, so as to improve the comprehensive quality and management ability of employees. It is mainly applicable for middle and senior management of the Company.

The Group regards training as a routine management of the Company in which different type of training will be held 2–3 times a month on average.



Below is a detailed breakdown of the percentage of trained employees by gender and employment category during the Reporting Period:

	2019
Employee trained by gender	
Male	100%
Female	100%
Employee trained by employment category	
Normal	100%
Middle	100%
Senior	100%

The average training hours for employees by gender and employment category during the Reporting Period is as follows:

	2019
By gender	Hours per employee
Male	53
Female	42
By employment category	
Normal	48
Middle	51
Senior	52



Internal training among finance department



External training- site visit by local construction institution



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. In 2018, 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" (百企幫百村) organized by Xinxiang Commission of Housing and Urban-rural Development, to make its contribution to poverty alleviation by donation.



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

Subject ar	eas, aspects, general disclosures and KPIs	Section	Remarks
Environmer			
Aspect A1:			
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 air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non- hazardous waste. 	Emissions	
KPI A1.1	The types of emissions and respective emissions data.	Environmental KPIs	
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental KPIs	
KPI A1.3	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	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).	Environmental KPIs	
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Emissions	
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Emissions	



Subject ar	eas, aspects, general disclosures and KPIs	Section	Remarks
Aspect A2: l	Jse of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Use of Resources	
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).	Environmental KPIs	
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Environmental KPIs	
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Use of Resources	
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Use of Resources	
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: 1	he Environment and Natural Reso	urces	
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Emissions Use of Resources	
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Emissions Use of Resources	



Subject ar	eas, aspects, general disclosures and KPIs	Section	Remarks
Social (Note)		
Employmen	t and Labour Practices		
Aspect B1: E		1	
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 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.	Overview of Employees	
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Overview of Employees	
Aspect B2: H	lealth and Safety		
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 providing a safe working environment and protecting employees from occupational hazards. 	Health and Safety	
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety	



Subject are	eas, aspects, general disclosures and KPIs	Section	Remarks
Aspect B3: D	Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training	
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training	
KPI B3.2	The average training hours completed per employee by gender and employee category.	Development and Training	
Aspect B4: L	abour 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 labour. 	Overview of Employees	
Operating P	ractices	L	
	upply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management	
Aspect B6: P	Product Responsibility		
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 health and safety, advertising, labeling and privacy matters relating to products and services provided and methods of redress.	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	



Subject are	eas, aspects, general disclosures and KPIs	Section	Remarks	
Aspect B7: A	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. 	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		
Community	Community			
Aspect B8: Community Investment				
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.	Community Investment		

Note:

Pursuant to Appendix 27 of the Listing Rules, KPIs in this section are recommended disclosures only.