

CULTIVATING GREEN HOME WITH LOVE



新力控股(集團)有限公司

SINIC HOLDINGS (GROUP) COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2103

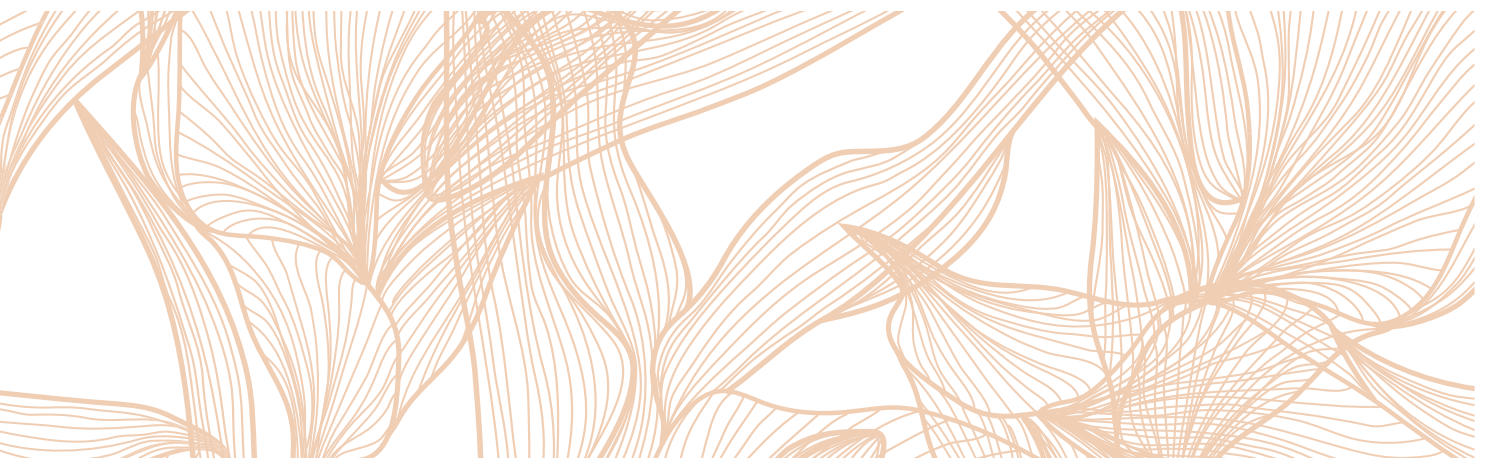
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Environmental, Social and Governance Report



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About This Report

OVERVIEW

The report is the first Environmental, Social and Governance (“ESG”) Report (the “ESG Report”) of Sinic Holdings (Group) Company Limited (hereinafter referred to as the “ESG” Report) delivered to its all shareholders, which focuses mainly on the disclosure of its management, practice and performance on environmental protection, society and governance.

SCOPE OF THE REPORT

This report covers the period between 1 January 2019 and 31 December 2019 (the “Reporting Period”). Part of the content traces back to previous years and will be specifically explained.

COVERAGE AND BOUNDARY OF THE REPORT

The report covers Sinic Holdings (Group) Company Limited and its subsidiaries (hereinafter referred to as the “Group”, “Sinic Holdings”, “Sinic” or “we”).

BASIS OF PREPARATION OF THE REPORT

The report has been prepared in accordance with the Environmental, Social, and Governance Reporting Guide (published in December 2015), set out in the Appendix 27 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). This report identifies and prioritises our key stakeholders as well as ESG issues by materiality, determines the scope of the ESG Report, collects relevant materials and data, compiles the report based on relevant information, and reviews the information in the report to ensure its completeness, substantiality, authenticity and balance.

SOURCE OF INFORMATION AND RELIABILITY ASSURANCE

The information and data cited in this report are originated from internal statistic reports and documents of Group and public information. The Group confirms that the report does not contain any false representation or misleading statement and takes responsibility for the truthfulness, accuracy, and completeness of the contents of the report.



LANGUAGE AND FORM OF THE REPORT

There are Traditional Chinese and English versions for this report. If there is any discrepancy, please refer to the Chinese version. An electronic version of this report is available on the Stock Exchange website (<http://www.hkexnews.hk>) or our website (<http://www.sinicdc.com/>). If you have any question about this report and its contents or want to give us your feedback, please send your email to us at ir@xinlizd.com.

PREPARATION PROCEDURE OF THE REPORT

The report is prepared following the sequence of forming the working group, collecting information, communicating with stakeholders, conducting stakeholder surveys, confirming the framework, preparing, designing and reviewing the report by related departments and the Management.

CONFIRMATION AND APPROVAL

This report was approved by the board of directors of the Group (the “Board”) on 5 June 2020. For more details about the background, business development and sustainability vision of Sinic Holdings, please refer to our website (<http://www.sinicdc.com/>).



Chairman's Statement

Culminating nine years' of experience, Sinic Holdings has achieved a record high performance and steady development by planting our roots deep in Jiangxi while also expanding our footprint throughout the country. In 2019, Sinic Holdings (2103.HK) was listed on the Main Board of the Stock Exchange, becoming the first real estate enterprise from Jiangxi Province to be listed in Hong Kong as well as the youngest of the listed real estate enterprises. Having a new starting point upon the Listing, we will adhere to our role as a good corporate citizen to fulfill our social responsibilities and join hands with our customers, employees, industry partners and the public to build an environmentally friendly and well-coordinated society.

Sinic Holdings never cease to uphold its reflection on the architecture, its creation of space and its pursuit of urban living. With such strong internal drives, we have achieved true transcendental quality and high-end lifestyle in the era of SINIC 4.0, putting forward our three fine assertions on (i) fineness and delicacy, (ii) care for our customers of all ages, and (iii) security. Among the quality real estate developers, Sinic Holdings is a "new talent", and among real estate service providers, Sinic Holdings resolves to be the "pioneer". We have built the customer oriented Sinic "360 Happiness" customer service that recorded a total customer satisfaction score of 89.9 in 2019, and have achieved continuous improvement for five consecutive years.

While creating quality products with ingenuity and creating higher-level enjoyment for cities and residents, Sinic Holdings focuses on the design and development of green products. In the process of product development, we pay attention to the application of energy-saving green technology and take into consideration the proportion of community plant clusters, aiming to create "people-centered" green, healthy thinking. In addition, we are committed to building green standardized construction sites that promote harmonious development of ecological nature in the local communities by establishing detailed requirements for green construction.

Sinic Holdings believes that outstanding talents is a quintessential force to drive the continuous development and progress of an enterprise. We adhere to an equal and transparent employment policy, provide market-competitive remuneration and benefits, and create a unique "one box, two meetings" communication mechanism. Based on the training platform of "two basic types and five major series", we have built an internal talent supply chain in Sinic Holdings to safeguard the supply of talents for our business development. In 2019, Sinic Holdings scored 84% in an employees' dedication survey, which is 25% higher than the industry average.

The steady progress of Sinic Holdings is dependent on the support of and collaboration with our industry partners. We are committed to achieving win-win situations through cooperation with suppliers and strategic partners that leverage on the resources and expertise of both parties. We are also actively involved in the communication and exchanges within the industry, in hope of building a sustainable real estate industry together by combining our ideas.

Sinic Holdings wishes to contribute to society in a professional way and has therefore formally established the Shanghai Sinic Foundation in 2018. The Foundation aims to "Empowering the helpless, growing up with the young, assisting those who persevere, and accompanying those who perform good deeds", seeks solutions to social problems in a professional way and provides caring services for the disadvantaged groups. By joining hands with the Foundation, Sinic Holdings continues to contribute to community building and social assistance, so as to fulfill its social responsibility by helping all those who strive to lead a better life.

The year 2019 was a year of harvest, and after nearly a decade of hard work, Sinic Holdings has finally been listed and has yielded many good results. In 2020, Sinic Holdings will bear in mind its mission and positioning, set sail from a new starting point and face new challenges, strive persistently for breakthroughs and innovation, and endeavour to integrate sustainable development with its own business model to create a better living environment and originate infinite happiness.



Sinic Holdings (Group) Company Limited
Zhang Yuanlin

Co-Chairman and Executive Director



Assume Our Responsibilities, Reinvent Corporate Governance

As a rising force in the industry, Sinic Holdings has always adhered to the strategy of urban cultivation, quality assurance and service productisation. Through high-level corporate and ESG governance, we ensure the Group's compliant operations and sustainable development. We are committed to continuously enhancing our market influence and brand competitiveness, building an all-rounded living platform with the support of a happy community, and originating infinite happiness.

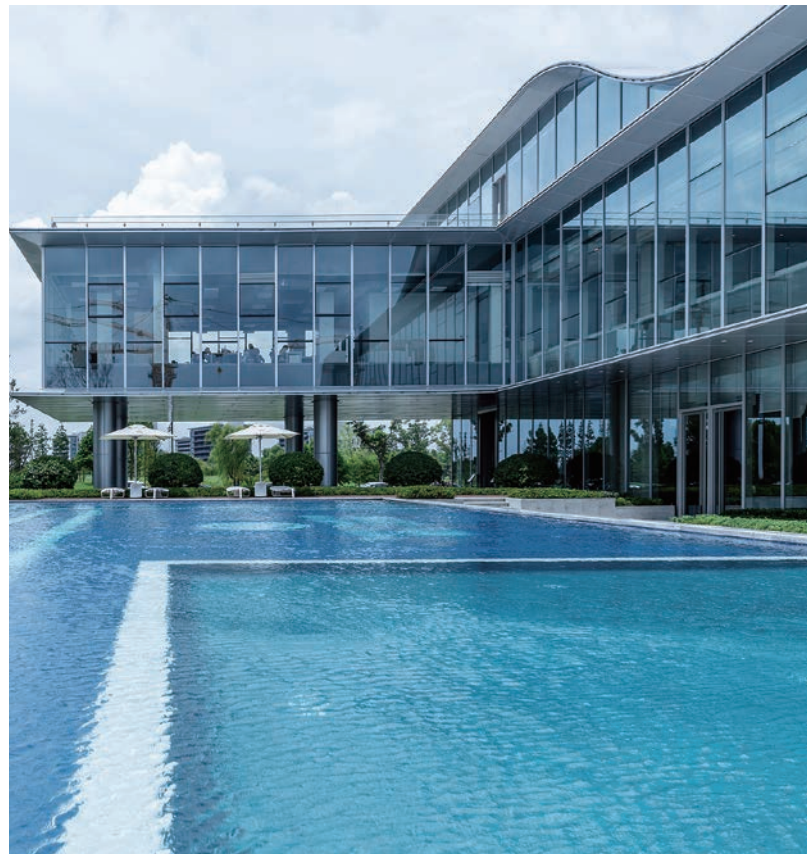


Development Milestones of the Group

ABOUT US

Sinic Holdings (Group) Company Limited (stock code: 2103.HK), headquartered in Shanghai, PRC, is a large-scale and comprehensive property developer that possesses National Class A Real Estate Development Qualification, focusing on the development of residential and commercial properties. Through almost ten years of operations, the Group has established a leading position among residential property developers in Jiangxi Province, and expanded into the Yangtze River Delta Region, the Greater Bay Region and the Central and Western China Core Cities and Other Regions with high-growth potential. The Group ranked 36th, 32nd and 31st respectively by CRIC, CREIS and Yihan Think Tank in 2019 among the property developers in the PRC in terms of total sales amount. In addition, the Group was recognized as one of the "China's Top 50 Real Estate Developers" jointly by the China Real Estate Industry Association, Shanghai Yiju Real Estate Research Institution and China Real Estate Appraisal in 2018 and 2019, as well as one of the "Best 30 of 2020 China's Top 100 Real Estate Developers" and "2020 China's Top 100 Real Estate Developers — Growth Top 10" recognized by China Real Estate Top 10 Research Group and China Index Institute in 2020. As of 31 December 2019, the total land bank attributable to the Group reached approximately 15.09 million square meters, with 117 property projects at different development stages.

Culminating nine years' of experience, the Group has developed three series of residential properties, namely the "Wan" (灣), "Yuan" (園) and "Yue" (悅) product lines. Their standardization has in turn provided strong assurance to our rapid business expansion. We are committed to providing quality products and services, steadily pushing forward our national layout, and we have successfully listed our shares on the Main Board of the Stock Exchange on 15 November 2019.





Brand Recognition

The Group has always taken "high quality" as the brand's DNA and adheres to the corporate cornerstones of "quality + service". We seek the truth in life from the subtleties in ordinary stories, create attitudes and rules for treating our products, adhere to the cultural values of five "Sinic Growth Values" constituted by staying customer-oriented with our product offerings, result-oriented prowess, practicality-oriented influences, collaboration-oriented cohesion as well as sunshine and integrity-oriented penetration, and continue to build the Sinic brand.



Positioning of the Brand

Brand New Quality and Pioneering Services



Core Competitiveness

Rapid decision-making Precise layout Steady growth
 Rapid — Rapid decision-making to guarantee its efficiency
 Precise — Precise layout to maintain its strategy
 Steady — Steady growth to safeguard its development



Corporate Vision

Striving to become an enterprise striving for high living standard



Brand Slogan

Originate Infinite Happiness



Mission of Sinic

Becoming an outstanding enterprise. Happiness originates in the pursuit of perfection beyond expectations



Brand's Character

Energetic, courageous, pragmatic and efficient

During the Reporting Period, the Group achieved a high level of recognition in the community through our outstanding quality service, consistent and steady business performance and extraordinary brand culture influence.



At the 2019 China Real Estate Brands Conference organised by China Real Estate Business Press, Sinic was awarded "No.38 of 2019 China's Top 100 Real Estate Enterprises, Brand Value" with a brand value of RMB39 billion.



At the 19th Annual Meeting of the BOAO 21st Century Real Estate Forum, Sinic was awarded the title of "2019 Real Estate Comprehensive Strength Enterprise", showing remarkable comprehensive strength.



At the 2019 Top 100 China Real Estate Listed Firms Conference organized by Yihuan Think Tank, Sinic received various honours including the "2019 China's Top 30 Real Estate Enterprises, Comprehensive Strength", the "China's Top 20 Real Estate Enterprises, Growth" and "2019 China's TOP 10 Real Estate Enterprises, Central Competitiveness".



At the "2019 China Good Enterprise Awards" initiated by Jieman News, Sinic was awarded the "Emerging Enterprise of the Year Award".



Assume Our Responsibilities, Reinvent Corporate Governance

CORPORATE GOVERNANCE

The Group is well aware of the importance of incorporating good corporate governance elements in its corporate governance structure and internal control procedures to achieve effective accountability. Strictly abiding by the *Company Law of the People's Republic of China* and the regulatory requirements of the Hong Kong Stock Exchange, we have established an efficient and reasonable governance structure for listed companies, strictly regulated risk management and control processes, and continuously improved management transparency and responsibility traceability to improve company value and guarantee the interests of shareholders and other stakeholders.

The Board comprises six Directors, including three Executive Directors and three Independent Non-Executive Directors. The Board is responsible for and has general powers over the management and the conduct of our businesses. The Board consists of three committees: the Audit Committee, the Nomination Committee and the Remuneration Committee.

Please refer to the "Corporate Governance" section of the Group's 2019 Annual Report for further information on our corporate governance.

Risk Management and Internal Control

The Group strictly complies with the *Audit Law of the People's Republic of China* and other laws and regulations against corruption and bribery. We have established an effective risk management and internal control mechanism to carry out comprehensive risk control. We ensure the Group's compliance and sound operation by tracking local regulatory requirements, keeping up-to-date our policy procedures and follow-up mechanisms, organizing regular training and implementing internal controls, so as to prevent non-compliance and effectively control risks.



Management at the Board and Group level



Overall risk control of the Group

Audit Committee



To assist the Board by providing independent advice on the effectiveness of the Group's financial reporting procedures, internal control and risk management systems, overseeing the audit procedures, formulating and reviewing our policies and performing other duties and tasks as assigned by the Board

Audit and Supervision Center at Group Level



Responsible for monitoring and implementing internal control policies, adjusting and improving our internal control policies based on our operations, changes in relevant laws and regulations, industry conditions, organizational structure, issues identified during internal review and internal risk assessment

Senior management team of the branches



Responsible for the daily operation and risk monitoring of the local projects, the daily supervision of different aspects of the local operations, and supervising and approving any major business decisions of the project companies concerned. We have established clear reporting guidelines for our management at the Branch level and Group level



During the Reporting Period, we enhanced the compliance awareness of the employees and strengthened risk prevention and control through themed training on relevant laws and regulations of the real estate industry.

Themed training activities on laws and regulations

On 28 March 2019, we invited a third-party law firm to conduct a training session for our colleagues from the Group's Legal Management Center, the Group's Cost Contract Center, the Group's Engineering Management Center and relevant business lines in various branches under the theme of *Interpretation (II) of the Supreme People's Court on Issues Concerning the Application of Law for the Trial of Cases of Dispute over Contracts on Undertaking Construction Projects*.



On 11 June 2019, we invited a third-party law firm to conduct a training session for our colleagues from the Group's Legal Management Center, the Group's Strategic Investment Center, the Group's Financial Management Center and relevant business lines in various branches under the theme of *Tax Risk and Precautions of Real Estate Mergers and Reorganizations*.



In order to better prevent the risks from process management of the Group's project construction and minimize the economic losses of the Group caused by settlement disputes of the projects, the Group's Legal Management Center, Project Management Center, Cost Management Center and Audit And Supervision Center jointly organized a special legal training session under the theme of *Engineering Litigation Case Review and Project Management Risk Prevention and Control* on 20 September 2019, so as to review and summarize the experience from handling the recent engineering settlement litigations in various branches.



On 15 November 2019, we invited a third-party law firm in Hong Kong to conduct a training session for the general manager and the deputy general manager of the Group's Utilities Center, the general manager, deputy manager and the executive Directors of the Group's branches under the theme of the *Memorandum of the Directors' Responsibilities as well as the Statement of the Listing Rules* of the Main Board of the Stock Exchange. In the future, we plan to conduct at least one training session each year on the laws and regulations of the Listing Rules.

Anti-fraud

The Group is committed to building an open, transparent and accessible new business civilization to resolutely crack down on any corruption. The Group has established an Audit and Supervision Center to actively carry out anti-corruption supervision and encourage reporting of violations of discipline by formulating relevant anti-fraud management standards, strengthening communication and cooperation with law enforcement and judicial departments, as well as keeping abreast of the latest national policies and technical means to combat corruption. We will organize publicity and training activities for integrity education, and comprehensively establish the Group's integrity system.

The Group has formulated our *Code of Conduct for Employees and the Implementation Rules for Accountability*, which specifies the definition, classification and accountability mechanism of integrity and discipline violations, and regulates the reporting channels and investigation and handling mechanisms.

We undertake to keep the personal information of the complainants strictly confidential. The Group's reporting mailbox and public account reporting channel are specially commissioned, and our logbook will not record any information related to the complainants' personal identity. The commissioner handling the reports shall report the complaint that needs to be handled directly to the head of the Anti-Corruption Supervision Department. For anonymous whistleblowers who need to be contacted, only the person in charge of the Anti-Corruption Supervision Department shall make one-way contact with the whistleblower. For matters requiring the proof from the whistleblower, we will discuss with the whistleblower to complete the authentication of important matters without disclosing his/her identity through various methods of evidence conversion.





Assume Our Responsibilities, Reinvent Corporate Governance



Anti-corruption Lectures in 2019

In order to raise the awareness and level of anti-corruption of our employees, the Group carried out 20 anti-corruption training activities during the Reporting Period, covering a total of 3,178 employees from the Group's headquarters and 12 branches. We carry out national anti-corruption lecture tour once a year, and conduct new employee induction and anti-corruption training from time to time. The anti-corruption training focuses mainly on the current national policies, laws and regulations, the general environment of enterprise development, the relevant rules and regulations of the Group, the construction in various aspects of the Group's anti-corruption work, and the anti-corruption cases investigated and handled by the Group.



In order to timely detect integrity and discipline violations, the Group has also formulated its *Guidelines on Integrity Supervision*, which regulates the implementation of integrity supervision through routine supervision, special investigation, preliminary investigation of doubtful cases and special case handling. At the same time, through the audit and supervision channels of the peers, we strengthened the background checks of the proposed senior management, and strictly scrutinized the conduct of our employees-to-be at induction.

In addition, we require employees to sign the *Anti-Commercial Bribery Agreement* at the same time of entering labour contracts with them. We also require all employees to register various gifts received from cooperating entities/individuals and potential cooperating entities/individuals in the course of daily work and external exchanges by formulating the *Guidelines on Registration of Gifts Received by Employees*, so as to maintain the integrity and self-discipline in external exchanges as well as internal operation and management activities of all departments and employees.

Eight Red Lines of Sinic

During the Reporting Period, the Group formulated and published the *Sinic Eight Red Lines* and the *Accountability System of the Red Line Behaviour* to further enhance the understanding and awareness of the values of the five "Sinic Growth Values" of all employees, turning those values into our convictions, reflecting them in our actions, and reinforcing them through our institutions. We regard the acts prohibited by the Group as one of the evaluation standards directly linked to individual growth, promotions and demotions, increase and decrease in salary, and personnel retention. We supervise the implementation of the Eight Red Line items through three methods, namely self-inspection and self-correction, audit review as well as disclosure by the Human Resources and Administrative Center. In order to strengthen the supervision on the implementation of Red Line items, we have also set up the "Chairman Orange Mailbox" to supervise the entire implementation process of Red Line items through online and offline mailboxes, while collecting reasonable suggestions from our employees.



Letter of Commitment of the Chairman Orange Mailbox



Communication with Investors

We believe that good communication mechanism with the investors will help improve the corporate governance structure, enhance our corporate value and ensure long-term and stable development of the Group. The Group actively maintains effective communication with investors through various channels such as telephone, e-mail, information announcements, results presentations, press conferences and investor promotion conferences, so as to continuously improve investor relations management and drive our best practices with a responsible attitude towards the investment community at large. During the Reporting Period, our major investor activities included:



Company visits/meetings/telephone conversations with credit and equity analysts



IPO media conference and investor meetings

More than **50** times

Global Offering Annual Results for the Financial Year 2019



Conversations through e-mail and telephone with

2,000+ investors on a regular basis



Media coverage, approximately

120+ times



Global non-transactional roadshow

59 Meetings



The Listing of Sinic Holdings on the Stock Exchange of Hong Kong

On 15 November 2019, Sinic Holdings (Group) Limited (stock code: 2103.HK) was successfully listed on the Main Board of the Stock Exchange of Hong Kong and became the first real estate enterprise from Jiangxi Province to be listed on Stock Exchange. The listing successfully raised about RMB2 billion, with a share price of HK\$3.98 per share and an over-subscription of approximately 1.66 times for the international placing tranche, reflecting the recognition by international investors. At the listing ceremony where a public sales event was held simultaneously, we provide real-time interpretation in English and Chinese, online broadcasts and Q&A sessions, investor and media briefings, etc., to ensure real-time and effective communication with investors and the public. Meanwhile, the Group has set up an investor relations website (<http://www.sinicdc.com/investor.aspx>) for information disclosure and communication with investors. The Group also opened an investor relations mailbox (ir@xinlizd.com) for investors to inquire.



Public Offering Investor Conference



The Listing Ceremony





Assume Our Responsibilities, Reinvent Corporate Governance

The effectiveness and capital market performance of the Group’s outstanding investor relations management have received ample recognition after the Listing.



The Group was awarded the “2019 Jinling Award – 2019 Real Estate Enterprises with Investment Value” by China Times



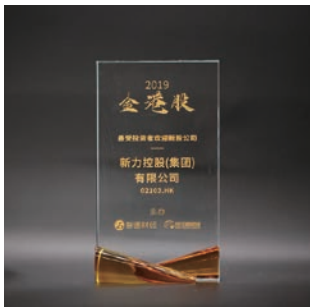
The Group was awarded the “Comprehensive Value Operator” by iFENG.com at the 2020 7th Global Chinese Real Estate Finance Summit



The Group was awarded the “Science and Technology Innovation Enterprise Award” iFENG.com at the 2020 7th Global Chinese Real Estate Finance Summit



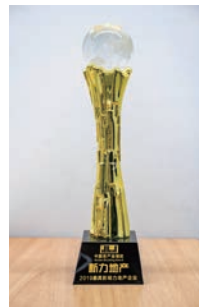
The Group was awarded the “China’s Listed Real Estate Enterprise Operation Capability Award” by Gelonghui



The Group was awarded the “2019 Golden Hong Kong Stocks The Most Popular New Stock Company” by Zhitong Financial and RoyalFlush Financial



The Group was awarded the “2019 China’s Real Estate Enterprises Award, Steady Business Operation” by China Internet Information Center



The Group was awarded the “China’s Golden Building Award – 2019 Most Influential Real Estate Enterprise” by chinalou.cn



The Group was awarded the “China’s Golden Building Award – 2019 Listed Real Estate Company with Best Investment Value” by chinalou.cn

Sinic Holdings captured two awards at “The 3rd China IR Excellence Awards”

The Group won the “Best Investor Relations Innovation Award” at “The 3rd China IR Excellence Awards”. Ms. Zhao Hui, the general manager of the Capital Market and Corporate Communications Department of the Group, was also awarded the “Best Leader Award”, fully demonstrating the trust and recognition of the investment community and the public at large in the Group’s leadership and our investor relations work.

“The 3rd China IR Excellence Awards” was organized by “RoadShowChina”, a leading roadshow service platform in Mainland China, for the recognition of the investor relations team and investors relation professionals who have made outstanding achievements in investor relations work in 2019. This assessment is based on the three dimensions of the candidate’s innovation ability, professional ability and service ability, and focuses on the IR managers, IR directors, representatives of securities affairs, secretaries of board of directors, CFOs and other personnel at the forefront of investor relations work of listed companies. The awards aim to commend outstanding listed companies and IR practitioners for their contribution to innovation and efficiency across the industry.



Best Investor Relations Innovation Award



Best Leader Award



Ms. Zhao Hui (fifth from the right), general manager of Capital Market and Corporate Communications Department of Sinic Holdings, represented Sinic Holdings at the awards ceremony of “The 3rd China IR Excellence Awards” and accepted two awards



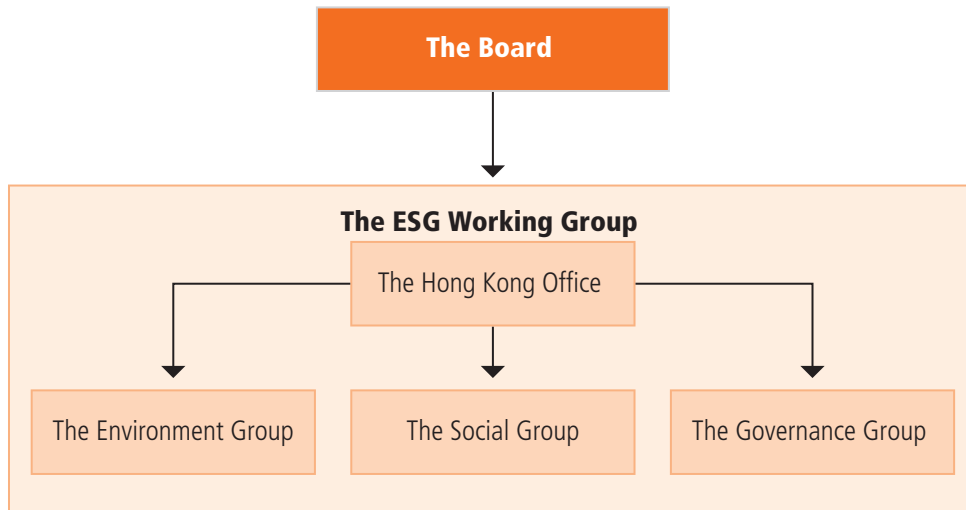
ESG GOVERNANCE

We believe that effective ESG governance mechanism can bolster the sustainable development of the Group. The Group has established an ESG governance structure, which clarifies the authorities and responsibilities of our employees at all levels, identifies material ESG issues of the Group through continuous and effective communication with stakeholders, and persistently improves our level of ESG governance.

The environmental, social and governance working groups established under the Board comprise functional departments of the headquarters and major branches of the Group, which are responsible for implementing the Group's environmental, social and governance strategies and relevant actions.

ESG Governance Mechanism

The Group has established an ESG governance structure to put our philosophy of sustainable development and commitments to stakeholders into concrete actions. We have established a two-tier governance structure, which consists of the Board and the ESG Working Group.



The Board	<ul style="list-style-type: none"> Control ESG-related risks and approve ESG-related policies and reports
The ESG Working Group	<ul style="list-style-type: none"> Assist the Board in handling ESG-related work and reporting them to the Board Review, formulate and approve the ESG visions, objectives and strategies of the Group Review the major trends, risks and opportunities of Corporate ESG Review and assess the adequacy and effectiveness of ESG-related structures at the Group level Identify matters that have a significant impact on the Group's operations and/or the interests of other important stakeholders Review and monitor, adopt and update ESG policies and practices of the Group Implement comprehensively the Group's ESG strategy and relevant actions

Structure of ESG Governance of the Group



Assume Our Responsibilities, Reinvent Corporate Governance

Communication with Stakeholders

The Group has identified the following major stakeholders who are closely related to the Group in terms of decision-making and influence, and has timely and effectively taken in the suggestions and demands of the stakeholders

by establishing a normalized communication mechanism, which is included in the decision-making process of the Group's operations. The table below sets out the ESG issues of concern in respect of various stakeholder groups during the Reporting Period, as well as the major methods and frequency of communication between the Group and those major stakeholders.

Stakeholder Groups	Issues of Concern	Communication Channels
Employees	<ul style="list-style-type: none"> – Labour Standards – Safety and Health of the employees – Training and promotion system for the employees – Employee care 	<ul style="list-style-type: none"> – The Chairman's Orange Mailbox – S.net Seminars – Cultural Retreat Meetings – Surveying on employee's dedication to the work
Property owners	<ul style="list-style-type: none"> – Innovations in research and development – Product quality and customer service – Customer satisfaction and handling of complaints – Security and privacy protection of consumers' information – Compliant and reasonable marketing 	<ul style="list-style-type: none"> – Customer satisfaction surveys – 400 Service Supervision Hotline – Yue Service WeChat Official Account
Investors/Shareholders	<ul style="list-style-type: none"> – Economic performance – Anti-corruption control – Against unfair competition – Product quality and customer service 	<ul style="list-style-type: none"> – General meetings/Extraordinary General Meetings – Results presentations – Press releases/announcements/annual reports/corporate communications – Roadshow activities – Investor Meetings
Partners (contractors, suppliers)	<ul style="list-style-type: none"> – Anti-corruption control – Supplier Management – Respect for and protection of intellectual property rights 	<ul style="list-style-type: none"> – Exchange conferences with partners – Suppliers' qualification review – Visits to and assessment of the suppliers
Public welfare organizations and community organizations	<ul style="list-style-type: none"> – Community development and social welfare – Support for the implementation of national policies 	<ul style="list-style-type: none"> – Annual Report of the Sinic Foundation – Press Releases/announcements – Public welfare volunteer activities
Government and regulatory authorities	<ul style="list-style-type: none"> – Anti-corruption control – Against unfair competition – Compliant and reasonable marketing – Support for the implementation of national policies – Contribution to the industry 	<ul style="list-style-type: none"> – On-site surveys – Communication by telephone – Regular reports and announcements

Material ESG Issues

During the Reporting Period, we conducted media analyses, industry benchmarking, regulatory agency requirements organization and 11 in-depth interviews with stakeholders to understand the major concerns of stakeholders regarding the environmental, social and governance aspects of

the Group. Based on the strategic planning and development status of the Group, a total of 28 issues in the environmental, social and governance aspects were identified, providing a strong basis for the Group to formulate its long-term ESG strategy. Among them, 13 were issues of high-significance, 13 were of medium-significance and 2 were of low-significance. Issues of high-significance form an important part of this report and will be disclosed in detail henceforth.



Matrix of Material ESG Issues of
the Sinic Holdings (Group) Company Limited



Material ESG Issues of the Group in 2019

Environmental issues

- 1 Energy management
- 2 Greenhouse gas emissions
- 3 Wastewater discharge
- 4 Waste management
- 5 Water resources management
- 6 Consumption of materials
- 7 Impact on the environment and natural resources
- 8 Green buildings
- 9 Measures taken to adapt to climate change
- 10 Considering the impact of climate change on business

Social issues

- 11 **Employment and labour practice**
- 12 Employee turnover rate
- 13 **Health and safety of the employees**
- 14 **Employee care**
- 15 **Training and promotion system for the employees**

- 16 Supplier management
- 17 Construction of green supply chain
- 18 **Innovations in research and development**
- 19 **Product quality and customer service**
- 20 **Customer satisfaction and handling of complaints**
- 21 **Respect for and protection of intellectual property rights**
- 22 **Security and privacy protection of consumers' information**
- 23 Community development and social welfare
- 24 Contribution to the industry

Corporate governance issues

- 25 **Anti-corruption control**
- 26 **Against unfair competition**
- 27 **Compliant and reasonable marketing**
- 28 **Support for the implementation of national policies**



Quality First, Setting a New Standard of All-round Services

Since its establishment, Sinic Holdings has always adhered to the corporate cornerstone of “quality+ service”, positioning the brand with “Brand New Quality and Pioneering Services”, based on its accurate prediction of the market and persistent pursuit of high quality. In order to continuously improve its capability of project positioning, product research and development, quality control and service management, Sinic Holdings has always taken its first step from the “customers’ needs”.

RESEARCH AND DEVELOPMENT OF PRODUCTS

We adhere to the research and development philosophy of “consistently pursuing quality” through persistent exploration and innovation, from living space to service system, from commercial development to urban facilities, we integrate resources like commercial facilities, home services, new retail with the latest technology, and provide the customers with the true “superior quality and splendid life”.

The propositions with our products

After ten years of relentless polishing, Sinic Holdings has now formed eight product lines from three major series, covering whole series of residences, urban complexes and commercial innovation projects. We never cease to innovate, keep abreast of market changes, and strive to meet the diversified needs of urban residents with our products. So that further improve the urban living experience and help promote the regional economy.



Whole Series of Residential Properties

- The “Yue” Series
- The “Yuan” Series
- The “Wan” Series



Urban Complexes

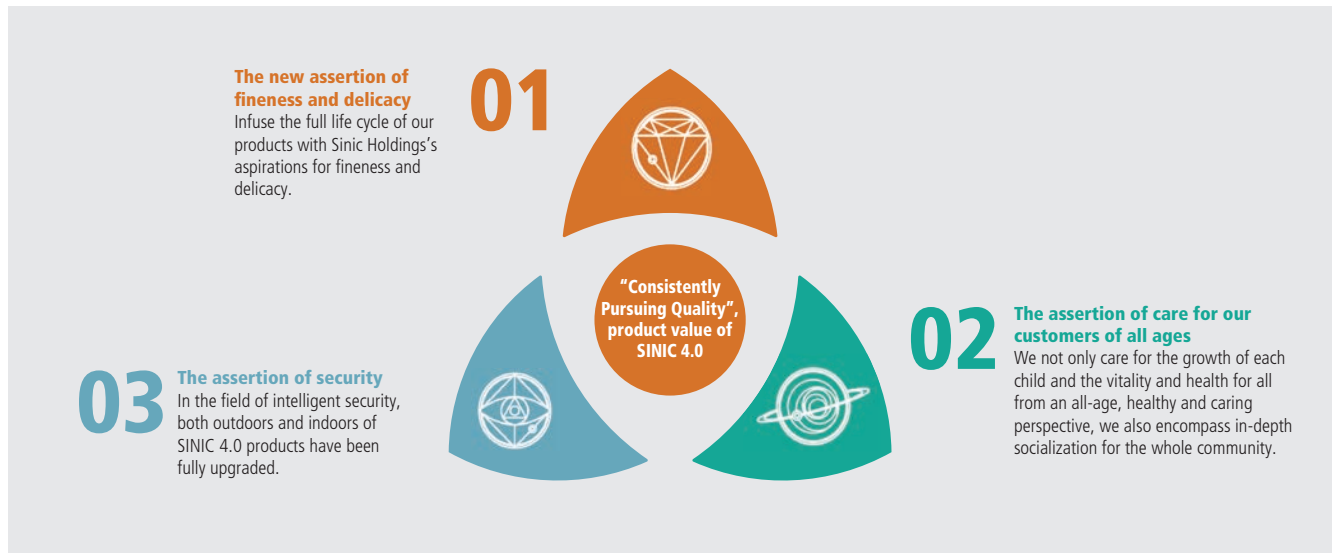
- Community-based Commercial Entities
- District Commercial Complexes
- Urban Commercial Complexes










Commercial Innovation Projects

- Multi-use apartments
- Grade A office buildings

We implement the strategy of “consistently pursuing quality” throughout the research and development as well as service processes. We infuse our products with unique humanistic attentions through our three major assertions, namely, (i) fineness and delicacy, (ii) the care for our customers of all ages, and (iii) security.





 <p>The new assertion of fineness and delicacy Exquisite public areas</p>	Exquisite homeward transit	<p>We guarantee the best experience for homeward owners by car or on foot with the warmth of the designs in the ground floor lobby, the intimate drop-off and pick-up system, the elevator arrival light, the luxurious ceremony porch configuration and so on.</p>  
	Exquisite public areas (aboveground)	
	Exquisite public areas (underground)	
	Exquisite attention to detail of the craftsman	
 <p>The care for our customers of All-age Socialization</p>	Socialization for people of all ages	<p>We pay attention to the needs of children at every stage of their development and create a fun and educational environment for children through the interactive design of outdoor, elevated and indoor spaces.</p>  <p>Time Sculpting Garden</p>  <p>Happy Children's Dreamland (歡樂童夢場)</p>
	Children's needs of all ages	
	Healthcare for people of all ages	
 <p>The security Intelligent security</p>	The Sensorless Path Home (無感歸家路)	<p>We set up "very 6 + 1" electronic fences outside and set up star-level full-color face recognition cameras which work 24 hours a day at the entrances and exits of the community. There is no dead corner for the cameras, which makes face recognition at night clearer. Internally, we create a senseless way for homeowners to return home. Even without the door keys or password, the homeowner can use the facial recognition to pass through smoothly. Putting aside the trouble of being "locked out of the door", the smart home experience is upgraded again, and the Smart Cloud Dwelling system could help homeowners turn on multiple devices in multi-scenes with a single click.</p>
	Surrounding Security	
	Smart Cloud Dwelling	
	The Eyes of an Angel	

Design and Innovation

During the Reporting Period, we further strengthened the construction of product research and development system and improved the research and development management process through a series of measures including simplification of system integration, improvement of standards and supplemental optimization of control tools, formulating the *Management System of the Product Research and Development Center*. In order to ensure the smooth implementation of the system, we have introduced a total of five sets of work guidelines, including the *Guidelines for the Design Management*

Department of Product Research and Development Center, the Guidelines for Interior Design Management, the Guidelines for Landscape Management, the Operational Guidelines for Collaborative Project Design and the Design Information Management Guidelines. We have also set up 36 management and control forms and 26 key management and control points to ensure the effective implementation of the management and control system. At the same time, we have upgraded the decoration scheme, formed a standardized scheme for aluminum alloy parts, and prepared the night lighting design, etc., to provide the optimal research and development output.





Quality First, Setting a New Standard of All-round Services

In 2019, we won 17 awards nationwide for our excellent product design and high-quality products.



2019 Product Awards

The 14 th Gold Property Award

- Nanchang Sinic Shuitou Jinyao Fu (Wan Gan Region)
- Nanchang Sinic Hongzu Fu (Wan Gan Region)
- Nanchang Sinic City (Wan Gan Region)
- Nanchang Sinic Jiangyue (Wan Gan Region)
- Suzhou Sinic Yunyu Bo Yuan (National Grand Selection & Jiangsu Region)

The 10th YUANYE Awards For Professionals- Silver Prize for Real Estate Landscape Demonstration Area

- Nanchang Midea Sinic Gongyuan Tianxia

China Times 2019 Jinling Award – Product Competitiveness Mansion

- Sinic Dingxin Jinhai Wan

The 7th Global Chinese Real Estate Fashion Ceremony-Enterprise Innovation Award

- Sinic Holdings (Group) Company Limited

National “Residential Architecture Landscape” Planning and Design Scheme Competition for Real Estate Architectural Landscape

- Nanchang Sinic Sinic City – 2019 National Residents Comprehensive Awards
- Nanchang Sinic Jiangyue – 2019 National Residents Comprehensive Awards
- Nanchang Sinic Hongyang Fu – 2019 National Residential Architecture and Outstanding Landscape Award
- Nanchang Sinic Dongyuan – 2019 National Residential Architecture and Outstanding Landscape Award
- Nanchang Sinic Shuitou Jinyao Fu – 2019 National Residential Architecture and Outstanding Landscape Award

The 15th China Real Estate & Finance Annual Forum • Craftsmanship Quality Property

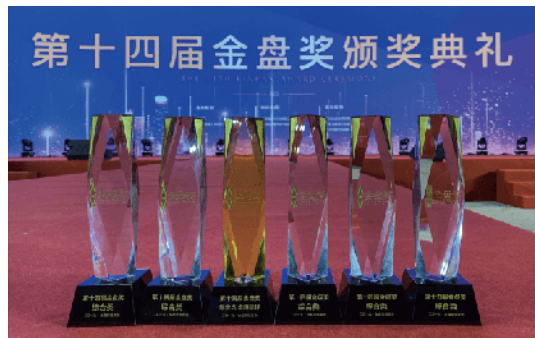
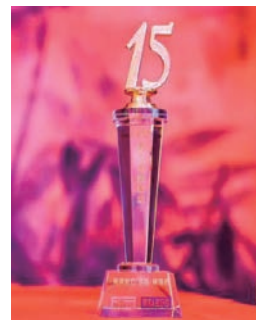
- Nanchang Sinic Shuitou Jinyao Fu

The 9th Golden Bell Award

- SINIC 4.0 Smart Community

CRIC Top 10 List of China Products (Residential Buildings) – Top 30

- Nanchang Sinic Jiangyue





Quality Assurance

Sinic Holdings has regarded "high quality" as the brand's DNA since its inception. From household design to quality construction, from material selection to craftsmanship, we pursuit perfection in every detail, we try our best to achieve zero error in each step of the production, and provide products beyond the market standards to show our customers our meticulousness in quality control.

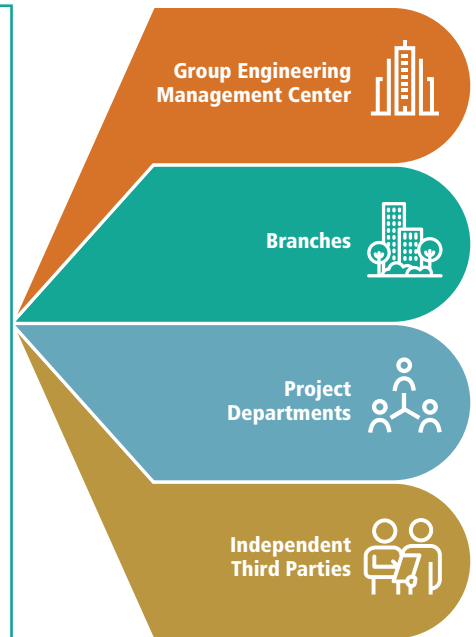
We strictly comply with the *Construction Law of the People's Republic of China*, the *Regulation on the Quality Management of Construction Projects of the People's Republic of China* and other laws and regulations, and established the "3 + 1" quality control system consisting of the Group's engineering management center, the branches, the project departments and independent third parties that ensures the effective management and implementation of the Group's projects.

- 1**
 - Formulation of project management system and technical standards;
 - Project planning, foundation laying, support and earthwork will be evaluated from the pre-engineering decision to the period of construction before the implementation of the project;
 - Develop design standardization, establish a database of excellent supply-side resources that meet design standards, and form a design cost linkage mechanism;
 - Follow up on project delivery priorities and promote engineering risk projects.

- 2**
 - Focus on the implementation of the Group's project management system;
 - Standardization of regional engineering project management according to the characteristics of the city, and the refinement and deepening of the management system;
 - Ensure progress of the Group's project quality management are met and the implementation of safety management targets;
 - Oversee the implementation of control projects.

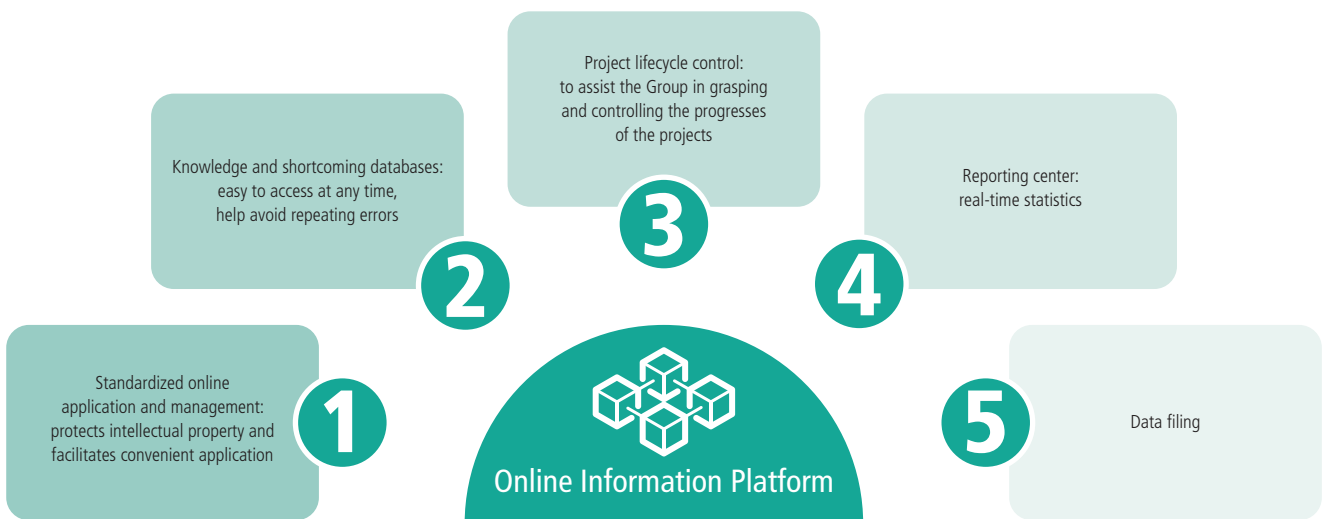
- 3**
 - Implement projects in accordance with the management systems of the Group and the branches to ensure the progress and quality of projects;
 - Feedback on obstacles and recommendations of the projects for system optimization during the implementation process;
 - Work with the Group's branches to conduct analyses and summaries, adjust the optimization system according to the actual situation of each project.

- 4**
 - Implementation of a third-party process evaluation system to conduct on-site inspections in the dimensions of quality risk, safety and advancement for the Group's ongoing projects, at the same time publish third-party assessment reports to provide important basis of reference for site management.



In order to better improve the Group's engineering management system and ensure the quality of the projects delivered, during the Reporting Period, we have formulated and implemented the seven major systems of Sinic Engineering Management, including the *Measures for the Management of Engineering Materials*, the *Measures for the Evaluation and Management of the Delivery Areas*, the *Measures for the Evaluation and Management of the Demonstration Areas*, the *System for the Inspection and Management*

of Project Stop Points, the *System for the Management of Project and Property Transfers*, the *System for the Evaluation of Third Party Process*, and the *System for the Transfer of Work Surface*, forming a complete process management system covering incoming material inspection to delivery evaluations. At the same time, the Group also launched an information management platform online. Through online operations, the experience of the platform knowledge base and defect database could be used to avoid repetitive errors, ensuring full-cycle control of the nodes of the project, as well as high-quality project output.





Quality First, Setting a New Standard of All-round Services

Sinic Holdings not only implements the “Quality adherence” strategy through a sound management system and project implementation regulations, but also promotes our concepts of quality management through systematic training programs and provides trainings on knowledge and skills of engineering management. During the Reporting Period, we conducted a series of themed training sessions on project quality management, full-process management and on-site management for project managers and project directors with our “Growth Plan (聚力計劃)”.

We have been building persistently an industry-leading quality and safety control system, and the high-level engineering quality was also recognized by the government authorities and the professionals in the industry. During the Reporting Period, we received the following engineering awards:

2019 Engineering Awards

<p>Chengdu quality structures, Chengdu standardized construction sites, green construction sites</p> <ul style="list-style-type: none"> Chengdu Jade Bay Project <p>Quality Structure Awards</p> <ul style="list-style-type: none"> Nanchang Sinic Shang Yuan – Phase I Nanchang Sinic Rong Yuan Nanchang Sinic Long Wan – 01 Land Parcel <p>Structural Demonstration Projects in Ganzhou City</p> <ul style="list-style-type: none"> Ganzhou Dibo Wan – Phase I <p>Golden property Awards</p> <ul style="list-style-type: none"> Demonstration Area in Jinyao Fu Demonstration Area in Hongyang Fu 	<p>Hubei Landscaping Quality Project – Gold Award</p> <ul style="list-style-type: none"> Wuhan Dibo Wan <p>Jiangxi Quality Construction Project – Azalea Award</p> <ul style="list-style-type: none"> Sinic Jinsha Wan <p>Jiangxi Quality Construction Project – Quality Construction Awards</p> <ul style="list-style-type: none"> Sinic Yujing Wan Commercial Area Sinic Yinhu Wan Sinic Xianghu Wan <p>Quality Structure Project</p> <ul style="list-style-type: none"> Sinic Jinsha Wan – Building No. 8 <p>Hubei Engineering and Construction QC Team Achievements in – Second Prize</p>
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SERVICE QUALITY

The Group incorporates its service awareness enhancement and customer experience optimisation into its core operations. To this end, we have established an industry-leading customer value management system, formulated service productisation strategies by focusing on our “360 Happiness” services, and provided comprehensive service solutions to our

customers’ concerns, thoughts and needs for the whole process of “purchasing, handover and living” in their residence, in order to offer home buyers services which are comprehensive, professional and personal, bringing into fruition our vision of “worry-free home purchase, housing quality and living”.



Happy Delivery

- Quality assurance: Comprehensive process quality control
- Tracking services: Reporting construction progress; guidance on delivery process
- Quality handover: Special handover services
- Standardised reporting management



“360 Happiness” Customer Service System



Happy Purchase

- Professional consultants: Standardised contract signing process; fast and convenient home purchase from catalogues
- Open sales: Open home purchase; comprehensive service monitoring
- Fine services: 40 fine services; 8 on-site customer service points



Happy Living

- Professional maintenance: Professional maintenance team; fast response in 15 minutes
- Whole-process monitoring: Self-owned quality properties; 400 monitoring services
- Happiness increase: Continuous improvement of the ancillary system offers customers more opportunities for happiness



Customer Satisfaction Management

Adhering to our customer service philosophy of “originating infinite happiness”, we endlessly meet and even exceed our customers’ expectations. During the Reporting Period, the Group conducted customer satisfaction research for 5 consecutive years to more comprehensively understand customers’ experiences and feelings before, during and after their sale. We adopted the contact experience coverage mode involving the whole-life cycle while commissioning a third-party consultancy company to carry out customer satisfaction research to ensure the truthfulness and effectiveness of our customer reviews.

In 2019, the Group’s satisfaction research covered approximately 60,000 customers, who gave an average score of 89.9 for their satisfaction with our service quality, an increase for a five-year streak. In the industry database of third-party consultancy company Beijing FG Consulting Co., Ltd. (北京賽惟諮詢有限公司) involving 93 property companies, we ranked sixth in overall customer satisfaction and amongst the top places in various key indicators on satisfaction with services and products, including property services, garden landscape, maintenance services, planning and layout, and flat design.

Concerning the data and contents of its customer satisfaction research, the Group combined the comments and suggestions of its customers for continuous improvement to bolster the quality of its products and services. Additionally, we introduced customer-oriented advocacy training in satisfaction management and made customer ratings an important indicator in our employees’ appraisal, in an effort to continuously enhance the awareness of our entire staff and allow customers to keep experiencing our quality products and personal services.



The 2019 research covered
nearly **60,000** customers.



Customer Events

We strived to help each of our customers achieve their residential vision with sincere services and focused efforts and care for their family with a persistent and caring attitude. During the Reporting Period, we organised more than 100 customer events, including over 20 holiday parties, of which the ingenuity, quality and warmth became different stories in an ideal community.

Ganyue Branch held an international half-marathon at a high-tech industrial development zone

During the Reporting Period, the Group’s subsidiary Ganyue Branch joined hands with Nanchang’s governmental bodies and the Nanchang Administration of Sports in holding an open half-marathon event on the theme of “Run in Wetland of the City · Bath in High-tech Light”. Through our comprehensive online and offline promotion, we attracted a large group of potential customers while encouraging active participation by property owners. The event saw a total of more than 4,000 participants, which not only brought us closer to our customers and property owners, but also promoted the construction of a harmonious community in the new era.

Western Jiangxi’s Nanchang Sinic City held the “Sing and Enjoy” grassland music festival

In November 2019, Western Jiangxi’s Nanchang Sinic City held a customer event called the “Sing and Enjoy” grassland music festival. On the day of the event, we attracted general customers as well as their family and friends with our slogan of “Better-life Festival with one full year’s beautiful sounds”; in the evening, we pushed the event to the climax on the theme of “Lawn Music Festival, Light the Sound of Music”. This event attracted participation by more than 800 groups of customers and enriched the local community’s culture while leading to 27 sales worth a spectacular total of RMB33 million.



Sinic City’s “Sing and Enjoy” Grassland Music Festival



Quality First, Setting a New Standard of All-round Services

CUSTOMERS' RIGHTS AND BENEFITS

Fully implementing its core values of "open integrity", the Group has always attached importance to the protection of customers' rights and benefits, paid attention to the safety of their privacy, responded to their requests promptly, and enhanced the code of conduct for employees.

Privacy Protection

We pay attention to the management and protection of customers' privacy and information security, strictly abide by the *Network Security Law of the People's Republic of China* and the *Law of the People's Republic of China on the Protection of the Rights and Interests of Customers*, and continuously improve our overall data security and privacy protection. During the Reporting Period, the Group had complied with the relevant laws and regulations relating to privacy in all material respects.

We devised the *Management Regulations on Regulations on Management of Marketing Archives of Sinic Real Estate* to clarify the rights and responsibilities of different departments to use and manage customer information and regulate acts including the saving, retrieval, use and transfer of customer information, as well as introducing the *Data Backup and Recovery Management System* to prevent data losses. Meanwhile, we strengthened the application of information technology, adopted data control, including access control, rights management, and the de-identification of personal sensitive information data, of customer information recorded in Ming Yuan System, which is a customer relationship management system), and provided training in internet data security to constantly bolster customer information security management.

Attaching importance to uniform education for its employees, the Group clarified the confidentiality responsibilities and requirements regarding customer information in the *Sinic Eight Red Lines*, promptly reminded and regulated the behaviours of its employees, and requested all employees to meet their obligation to maintain confidentiality of all customer information and contract documents undisclosed by the Group.

Response to Customer Requests

The Group believes customer feedback and suggestions are main drivers for our continuous self-improvement. Complying with a "customer-oriented" service principle, we have created our customer complaint management mechanism to continue clearing and bolstering customer feedback channels.

We have created a national customer service hotline (4009158885), which works 12 hours per day including weekends throughout the year to handle customer enquiries, complaints and recommendations and allows fast response to customer comments in closed-loop manners such as replying, transferring, tracking and revisiting. Our official WeChat account for our "360 Happiness" services can receive online complaints and suggestions, collect customer comments and transfer them to our call centres in a real-time manner for follow-up until problem resolution.

During the Reporting Period, we received a minimum of 3,085 complaints, 105 of which were related to service issues and 713 product quality ones. We promptly and effectively handled customer complaints and feedback and arranged for dedicated staff members to carry out revisit research, reaching a case close rate of 97.20%. In addition, we troubleshot problems on which more customer complaints concentrated and conducted research and analysis to optimise products and services, thereby further responding to customer requests and enhancing customer confidence.





Compliant Responsible Marketing

We advocate responsible marketing to resolutely safeguard the rights and benefits of consumers and ensure the legal and regulatory compliance of our marketing activities throughout the process.

In respect of product delivery, we have formulated the *Early Warning Management System of Project Operation Plan* to ensure key points of levels one and two (particularly delivery opening and complete delivery) in every project are achieved according to schedule and plan, fully honouring our delivery promise for property owners.

Regarding product advertising, we comply with laws and regulations such as the *Advertising Law of the People’s Republic of China* and *Administrative Measures for Sales of Commercial Housing* by reporting product information accurately, fully and truthfully to consumers in the sales process and avoiding misleading caused by exaggeration or false advertising. During the Reporting Period, we conducted responsible marketing and management work by focusing on legal training in key areas, the formulation and improvement of standardised contracts, investigation into legal risks of external promotion of copywriting work and into the initial legal risks of projects, leading to full compliant control throughout city-level companies and even the Group.

Compliant advertising training:

The Group’s legal affairs centre have created compliant advertising training courseware covering the application of the *Advertising Law of the People’s Republic of China* in the promotion of real estate business and focusing on legal problems encountered during promotion and on related popular legal topics.

Standardised contracts:

According to the requirements of the Group’s marketing centre, the Group’s legal affairs centre has formulated a batch of standardised contracts on marketing-related businesses to push forward with standardised management for the risk prevention and control of marketing business.



Review street promotion copies:

The Group’s legal affairs centre and customer value centre have created a regular review mechanism for street promotion copies and checked the legality of each of the promotion copies, troubleshooting problems related to legal promotion.

Launch early investigations into legal risks:

For risk investigations conducted before each project commences, the Group reviews contract documents and promotional materials for them to ensure compliance with related laws and regulations in promotion and help create an aggressive sales atmosphere.

Moreover, we strictly prevent potential illegalities in the standard process of channel customer visits and e-commerce expense management during marketing, to actively establish a commercial environment with open integrity.



Standard procedures for channel customer visits

- Before obtaining their commissions, all channel customers are required to report to the Ming Yuan Cloud System and complete their visits and deals.
- Channel personnel has to register their true and valid details in the cloud system (e.g. Cloud Marketing and Channel Stewards) and enter their identity card details to ensure they are identical to that of the commission receiver; otherwise, they will not be given their commissions.
- All valid channel customers are required to report to the cloud system 30 minutes before their visits, with the places of attracting customers beyond 1 kilometre of the project to conduct valid visits.



E-commerce expense management

- In all projects, to spend the e-commerce fee, prior completion of the approval procedure for ERP (Enterprise Resource Planning) is required.
- A payment confirmation letter signed by the marketing and financial leaders of a project is required to incur any e-commerce expenses for the project.



Green Practices and Revitalisation of New Urban Ecology

While striving to create an ideal home for every customer, the Group makes efforts to implement green operations and reduce environmental impact on surrounding communities, in a bid to create infinite happiness with green powers and achieve harmonious coexistence between humanity and nature.

GREEN MANAGEMENT

The Group strictly abides by the environmental laws, regulations and industry practices of countries and regions where it operates, including the *Environmental Protection Law of the People's Republic of China*, the *Environmental Impact Assessment Law of People's Republic of China*, the *Administrative Regulations on Environmental Protection of Construction Projects* and the *Administrative Regulations on Environmental Protection for Acceptance Examination Upon Completion of Buildings*. In the initial planning stage of projects, we actively respond to the government's environmental policy guidance, cautiously consider the environmental impact of projects and insist on carrying out project development on unpolluted land to ensure the quality of project residences. We also pay much attention to comprehensive environmental management starting from design to works implementation, and endlessly improve our environmental protection management system through related measures in every stage to push forward the natural ecological environmental construction in the project location.

THE GROUP ACTIVELY INCLUDES THE PLANNING CONSIDERATION OF VARIOUS PROJECTS IN DIRECTIONAL PLANNING FOR URBAN ENVIRONMENT

Municipal Greenland Created for Sinic Yunyu Bo Yuan Project in Wuzhong, Suzhou

We cooperated with the government of Wuzhong, Suzhou in converting the idle region between two plots of land in the project from weed-land into a high-class municipal park to enhance the quality of the project residences and the city's image.



Modern Municipal Park Created in Chengdu Dong Yuan Project

During the Reporting Period, the Group undertook the Chengdu Dong Yuan project located in Shuangliu, Chengdu. After acquiring the land, we discovered a lack of municipal parks on its outskirts, which worsened the environment and severely affected residents' sentiments on the plot and its public image. To upgrade the region, provide residents with a beautiful municipal park for leisure, and improve their living environment, we decided to create a municipal green space for the government's long-term planning outside the plot by turning the original empty land into a modern municipal park, which would enhance the quality of nearby property owners' residences while upgrading the city's image.



Before the facelift



After the facelift



Before the facelift



After the facelift



Before the facelift



After the facelift



Not only did we include green environmental protection concepts in the initial planning stage of our projects, but we also vigorously promoted green office during our daily operations to further heighten employees' green awareness, ultimately achieving energy conservation and emissions reduction.



Implement office waste categorisation



Perform new-style checks of our offices and reward centres with good performance in energy conservation



Advocate energy conservation in offices and perform random inspections of our centres to ensure all power sources are switched off after work



Incorporate recycling concepts into packaging design and avoid excessive packaging when preparing gifts for employees and ensure all such packaging is reusable



Conserve printing paper and ink by printing on both sides of paper, changing the default setting to monochromatic printing and controlling the amount of printing by requiring card swiping to print



Provide employees with potted plants on their desks to increase green coverage



GREEN DESIGN

Whilst bringing every property owner quality residences and spectacular living experiences, the Group hopes to institute green design concepts and create green building projects in an effort to push for the construction of sponge cities. We tailor our design based on the green building star standards for the project location and mainly carry out planning, design and construction for our major buildings in accordance with at least the two-star green building standards. Moreover, the Group adopts sponge city design for its new projects as per requirements by relevant government departments.

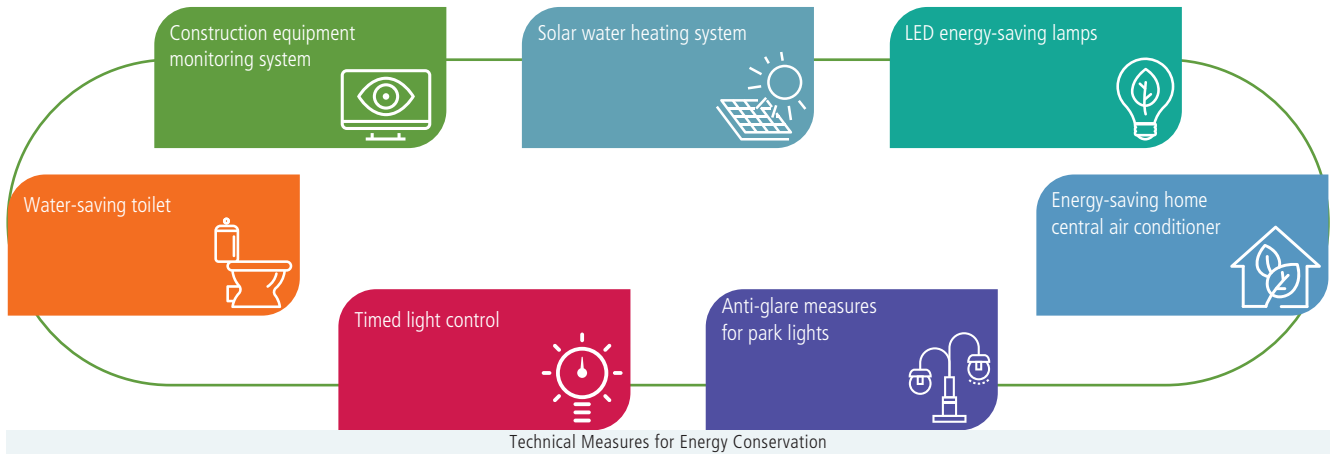
Annual runoff control rate	Pollutant reduction rate (based on suspended matter in wastewater)	Covered depth of underground buildings	Subsidence rate	Depth of sinking greenland	Permeable pavement rate
≥75%	≥50%	≥1.5 m	≥25%	≥100 mm	≥50% Synchronous construction of rainwater collection and utilization system

Design Requirements for Sponge Cities



Green Practices and Revitalisation of New Urban Ecology

In the design R&D stage of projects, with a view of having buildings to better serve our property owners, we pay attention to the application of green and energy-saving technology and facilities while actively conducting measures to reduce energy and resource consumption during operations.



During the Reporting Period, we implemented technical measures for energy conservation in multiple projects, including products in the “Wan”, “Yuan” and “Yue” series, some of our large commercial projects and hotel projects. Among them, the Wuxi • Fecui Wan project achieved Chinese Green Building 2 Star Certification.

Wuxi • Fecui Wan project achieved Chinese Green Building 2 Star Certification

The Wuxi • Fecui Wan project adopted related green building measures and, subsequently, informatisation design for building information modelling (BIM) in terms of land use, conservation and use involving space, energy, water and materials, and indoor environment quality. The green technologies and measures implemented in the project included: super-standard green space rate, reasonable use of underground space, avoiding light pollution, controlling noise on-site, making full use of public transport resources, permeable pavement, rainwater recovery, scientific and reasonable greening configuration, optimizing shape factor and window-to-wall ratio, energy-saving equipment and time-phased light control, water saving appliances, solar hot water, precast concrete, high-strength steel bars, etc.



Real Image of Wuxi • Fecui Wan Project

GREEN CONSTRUCTION

We not only strive to create projects with green properties, but also hope to minimise our environmental impact during the construction of green buildings. The Group has devised the *Environmental Guidelines for Standardised Sites* and *Safe and Civilized Management Requirements* which clarify relevant requirements for green construction and promote the environmental protection and conservation of four resources, namely energy, land, water and materials, aiming to develop green, standardised construction sites. Our typical construction contracts stipulate that our contractors strictly comply with environmental laws and regulations, regularly inspect our construction sites, and promptly rectify any discovered irregularities.

Where construction projects are concerned, the Group places emphasis on pollutant management on its building sites. We strictly abide by the *Law of the People’s Republic of China on Prevention and Control of Water Pollution*, *Law of the People’s Republic of China on Prevention and Control of Environmental Pollution by Solid Waste*, *Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution*, *Law of the People’s Republic of China on Prevention and Control of Environmental Noise Pollution*, *Emission Standard of Environment Noise for Boundary of Construction Site* and other laws and regulations, and strive to reduce pollutant generation and emissions.

We require all our projects to complete the following tasks within seven days of land acquisition:

Noise Management	Dust Management
<ul style="list-style-type: none"> Equipped with noise decibel monitoring 	<ul style="list-style-type: none"> Equipped with a car wash station Build a fully enclosed wall plus green planting Complete on-site bare soil cover

Apart from that, we require all our projects to transport and dispose construction waste to government-designated recycling stations and prioritise the use of static-pressure piles in on-site piling work to reduce noise impact on their nearby communities.

During the Reporting Period, the Chengdu Jade Wan project was named the **Chengdu Standardised Site** and **Chengdu Green Site**.



2019 ENVIRONMENTAL DATA PERFORMANCE TABLE

Key Performance Indicators	2019	Unit
Direct energy use		
Diesel	50	Ton
Gasoline	200	Litre
Indirect energy use		
Purchased electricity	64,481,238.59	KWh
Energy consumption		
Direct energy consumption	73.45	Tons of standard coal
Indirect energy consumption	7,924.74	Tons of standard coal
Total energy consumption	7,998.19	Tons of standard coal
Energy consumption intensity	0.477	kg standard coal/m ²
Greenhouse gas emissions		
Scope 1: Greenhouse gases	599.24	Tons of carbon dioxide equivalent
Scope 2: Greenhouse gases	35,444.63	Tons of carbon dioxide equivalent
Greenhouse gas emissions (Scope 1+2)	36,043.87	Tons of carbon dioxide equivalent
Greenhouse gas emission intensity	0.002	Tons of carbon dioxide equivalent/m ²
Water resources		
Total water consumption	3,262,252.49	Ton
Water consumption intensity	0.195	Ton/m ²
Total wastewater discharge	1,619,078.74	Ton
Wastewater discharge intensity	0.097	Ton/m ²
Waste		
Total non-hazardous waste	264,662	Ton
Non-hazardous waste discharge intensity	15.8	kg/m ²
Total hazardous waste	45	Ton
Hazardous waste discharge intensity	0.003	kg/m ²

Illustrations on environmental data:

- The time for environmental data collection was between 1 January 2019 and 31 December 2019; the scope of the environmental data collection covered 1) a total of 12 regional branches – including Chengdu, Ganxi, Ganyue, Guangzhou, Hangzhou, Huizhou, Jinan, Suzhou, Wuxi, Wuhan, Changsha, Zhongshan – and the construction processes and staff canteens of 73 projects; 2) the office area of our Shanghai headquarters.
- The environmental data intensity calculation involved the total data in 2019 divided by the total area of projects under construction.
- Direct energy included diesel and gasoline, whereas indirect energy included purchased electricity. Please refer to the national standards of the People's Republic of China – the *GB2589-2008T Comprehensive Energy Consumption Calculation Principles*, for the energy consumption calculation.
- Greenhouse gas emissions (scope 1) mainly derive from diesel and gasoline, while greenhouse gas emissions (scope 2) from purchased electricity. For the calculation of greenhouse gas emissions, please refer to the *Guide to Calculating and Reporting Greenhouse Gas Emission in Industry and Other Sectors (Trial Edition)* released by the National Development and Reform Commission in 2015.
- The total wastewater discharge of Wuhan and Zhongshan Branch projects is estimated based on 90% of the total water consumption.



Reform Corporate Powers in People-oriented Ways

Sinic Holdings is convinced that a united and efficient team and competitive talent are significant driving factors in a company's sustainable operations. Through fair and transparent employment policies and the establishment of a scientific incentive mechanism and a comprehensive talent development system, we strive to offer an extensive development platform for diverse talent teams.

EMPLOYMENT PRACTICES

The Group strictly complies with the *Labour Law of the People's Republic of China*, the *Labour Contract Law of People's Republic of China*, *Regulations on the Prohibition of Using Child Labour*, *Law of the People's Republic of China on the Protection of Rights and Interests of Women* and related laws and regulations and combined them with its actual operational circumstances in formulating its internal human resources management system encompassing the *Recruitment Management System*, *Salary and Welfare Management System*, *Management Measures for Employee Benefits*, *Training Management System* and *Enterprise Culture Management Standards*. During the Reporting Period, the Group had complied with the relevant laws and regulations relating to employment and labour practices in all material respect, including those related to equal opportunity, diversity, anti-discrimination, welfare, child labour and forced labour.

In line with our "fair, open and impartial" employment principle, we focus on applicants' business capabilities, personal qualities and development potential during the recruitment process and do not give them differentiated treatment for reasons such as their age, gender, race, nationality, marriage and familial statuses, health conditions and religion. Also, against the employment of child labour, forced labour, harassment and torture, the Group strongly prohibits

any mistaken employment of child labour, forced labour, harassment and torture, and carries out background investigation into potential employees to avoid employing minors. Apart from that, we stipulate employment arrangements including working hours, content, locations and holidays in our employment contracts to ensure employees understand their rights and benefits and avoid forced labour. During the Reporting Period, no incidents of employing minors, forced labour or discrimination happened in the Group.

As a sizeable integrated property developer, we actively create a talent-oriented culture to maintain our sustainable development. During the Reporting Period, we provided excellent employment opportunities for talent with various backgrounds through such recruitment channels as internal recommendation, online recruitment, recruitment events, campus recruitment and recommendation by talent providers. We even forged deep partnerships with schools and launched four campus recruitment programmes, which included "Youth Power" (新力量), "New Talent" (新火計劃), "Talent Cultivation" (新芽計劃) and "Talent Concentration" (新聚計劃), to constantly empower ourselves for sustainable development.

The campus recruitment programme of Sinic Holdings for management trainees

Recruits strategic backup talents

The campus recruitment programme of Sinic Holdings for marketing management trainees

Recruits marketing strategic backup talents



Campus Experience Camp of Sinic Holdings

Provides various tertiary education institutes with an open and free resources output platform

Empowers students with workplace and interview skills

Provides internal learning platform; Organises project visits and the Open Day

Sinic Holdings customised an internship programme for upcoming graduates with a Bachelor's or Master's degree

Campus Recruitment Programmes for 2019





During the Reporting Period, we further established an excellent employer brand and obtained multiple awards in employee management.



2019 National University Graduates' First Choice of Employer for Housing



2019 Outstanding Management Award in Human Resources



2019 Best Innovation Award for Commercial Studies



2019 Technical Excellence Award for China Talent Management



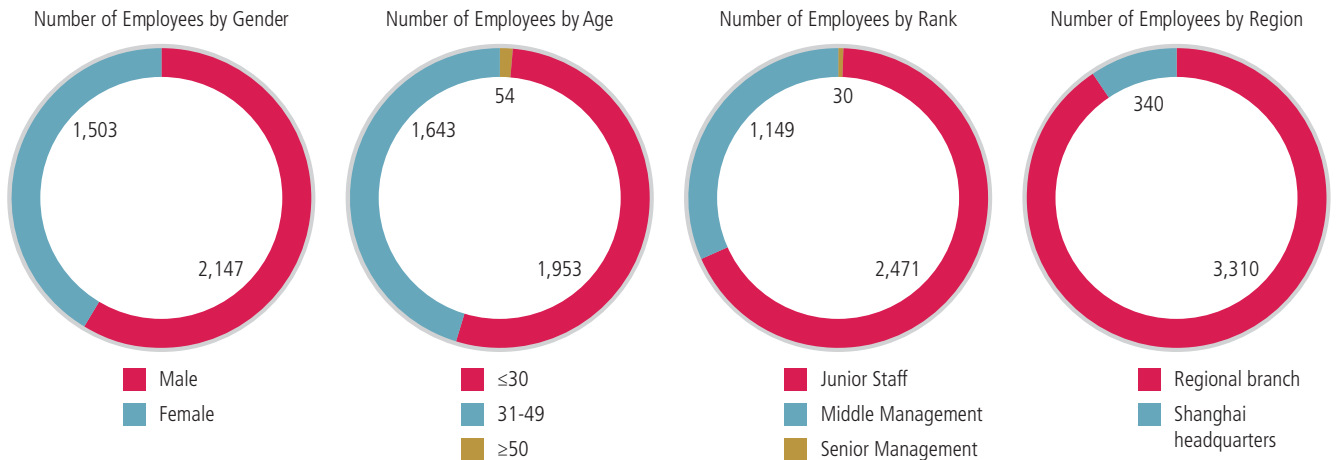
2019 Annual Best China Employer Award for Campus Recruitment



2019 Model Company in Innovation and Demonstration in China's Real Estate Industry



As of December 31, 2019, the Group hired a total of 3,650 employees, whose composition was as follows:





Reform Corporate Powers in People-oriented Ways

COMPENSATION AND BENEFITS

The Group is convinced that harmonious working relationships can attract and retain high quality talent and enhance their sense of belonging. In view of this, we have established a scientifically reasonable and competitive remuneration system to fully incentivise our employees; in compliance with the *Labour Law of the People's Republic of China and Social Insurance Law of the People's Republic of China*, we have created our *Management Measures*

for Employee Benefits and provide diverse additional benefits whilst protecting their rights to enjoy all the statutory holidays, as well as the Insurance and Housing Fund. Moreover, to stimulate employees' potential more effectively, the Group has included factors such as their ranks, abilities and length of service in its benefit and subsidy system, ensuring that their remuneration is equivalent to their value.

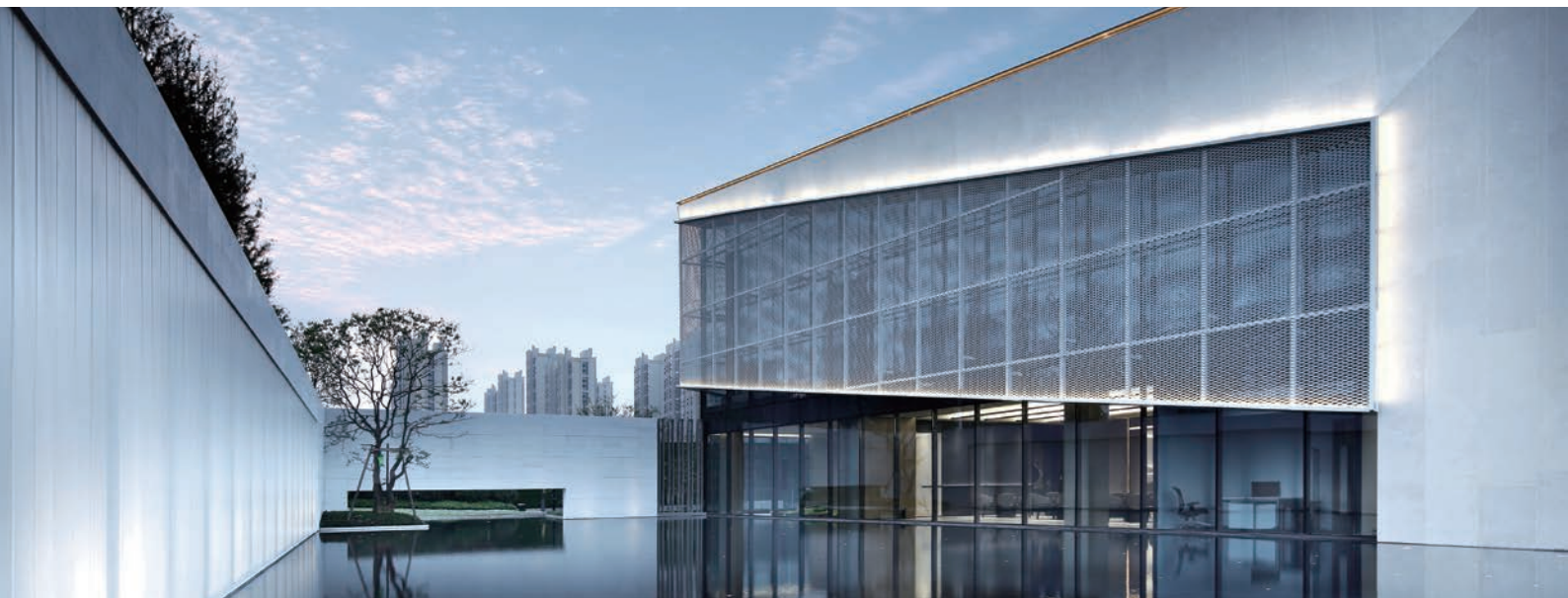
Legal benefits	<ul style="list-style-type: none"> • Insurance and Housing Fund • Annual leave • Statutory holidays
General benefits	<ul style="list-style-type: none"> • Supplementary Provident Fund • Supplementary commercial insurance • Subsidies: Meal, communication, travel, vehicular, housing and high-temperature subsidies • Holiday benefits: Gift money for New year, Dragon Boat Festival, Mid-autumn Festival, International Women's Day, etc. • Gift money for birthdays, marriage, the birth of a new child and illnesses, and compassionate money for the death of a close family member • Health check-ups • Team building expenses: Staff events, inter-departmental events and group travel • Afternoon tea
Special benefits	<ul style="list-style-type: none"> • Competence subsidy • Training benefits • Employee care fund • Medical services for employees • Temporary housing • Staff discounts: Staff discounts for internal home purchases and at Sinic Education, Sinic Your World, and other companies for our brand products and services • Overseas staff benefits: subsidies for housing, visiting family members, mobilisation and settlement

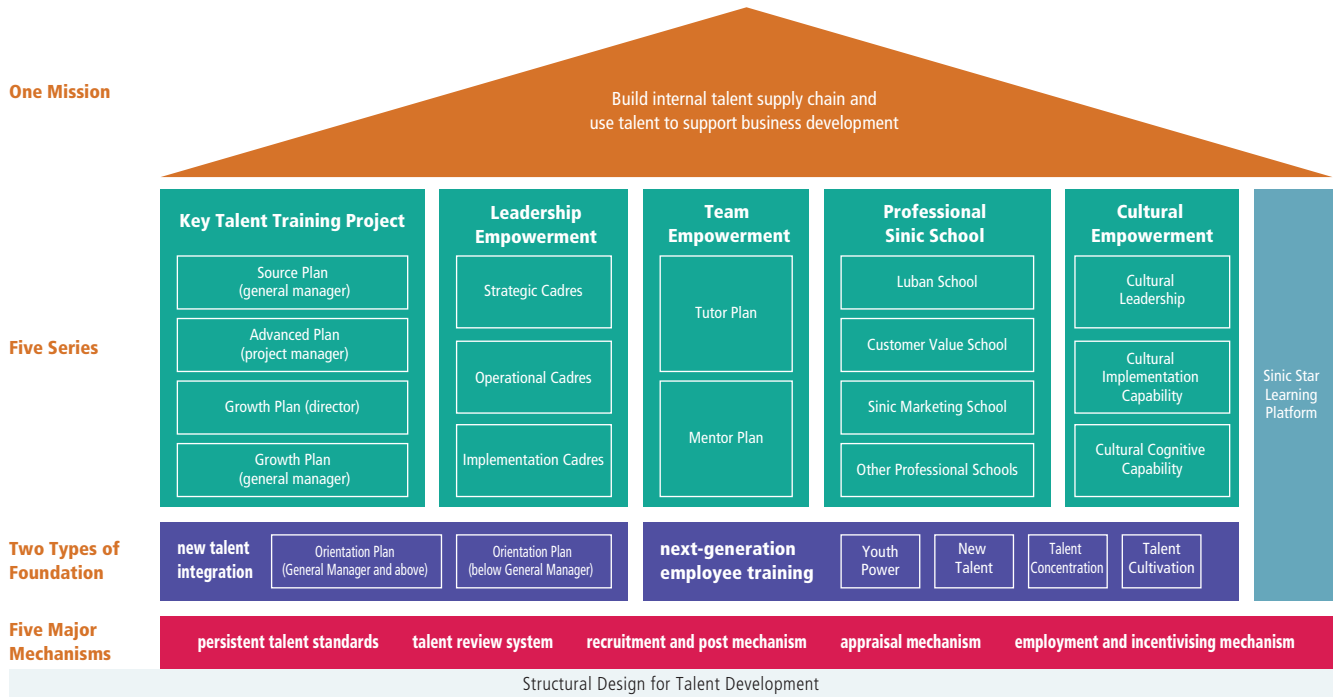
TALENT DEVELOPMENT

Regarding talent as its most precious asset, the Group emphasises nurturing employees and helping them develop their potentials. We are committed to "establishing its internal talent supply chain and safeguarding business development with talent", and have created scientifically reasonable career paths and training systems.

Employee Training

We are committed to creating space for learning and self-improvement for talent, concentrate on building corporate ladders for talent in various business lines, and provide targeted training for employees of different levels, in order to turn the Group's talent orientation plan into reality.





During the Reporting Period, we launched diverse training programmes to continuously help employees achieve fast growth and self-improvement.



Youth Power Plan

As the Group's management trainee programme from campus recruitment, the "Youth Power Plan" aims to nurture tomorrow's leaders and prepare a young backup force for the Group. During the Reporting Period, we conducted 9 rounds of training programmes totalling 28 days for the "Youth Power Plan" on contents such as general courses, fundamental courses on various business lines and corporate culture, involving 515 times of management trainees in 2018 and 2019 campus recruitment.



2019 Group Photo for Dream Home Event in "Youth Power Plan"



2019 Induction Training for "Youth Power Plan"



Reform Corporate Powers in People-oriented Ways

New Talent Plan

With a view to train up and create a marketing talent team with high loyalty, high centripetal force and high result orientation, the “New Talent Plan” is a marketing management trainee programme introduced by the Group for training market cadres and senior marketing management talent. During the Reporting Period, we launched 2 rounds of centralised training totalling 7 days for 102 “New Talent Plan” trainees for 2019, which focused on career design, fundamental marketing knowledge on property development, basically marketing techniques, code of conduct for property consultants, etc.



2019 “New Talent Plan” Training Site

Orientation Plan

To help fresh social-recruited employees better integrate into the Group, we particularly designed the “Orientation Plan” to help them more rapidly get accustomed to our fast pace development in terms of cultural, team and business integration. During the Reporting Period, we launched 58 rounds of training totalling 87.5 days for the Orientation Plan, which covered 1,229 fresh social-recruited employees.



“Orientation Plan” Training Site

Growth Plan

To meet the needs for the Group’s development and talent cultivation, during the Reporting Period, we carried out 22 rounds of training totally 57 days as part of the “Growth Plan” for high-potential professionals and cadres, which covered 561 employees in 7 business lines and 8 major posts.



“Growth Plan” Training Site



Advanced Plan

To cultivate project managers who are adept at operations, management and business, the Group introduced the "Advanced Plan" for the operating team. During the Reporting Period, we conducted 4 rounds of training totalling 18 days for the "Advanced Plan", which covered 89 high-potential employees in the project and focused on investment management, project positioning, team management, experience leadership, etc.



"Advanced Plan" Training Site

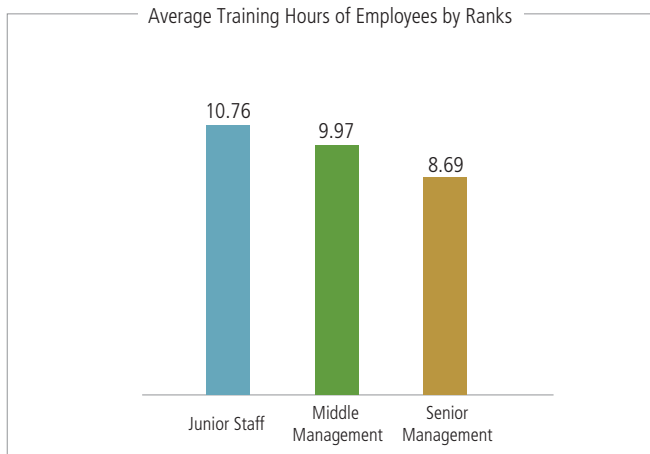
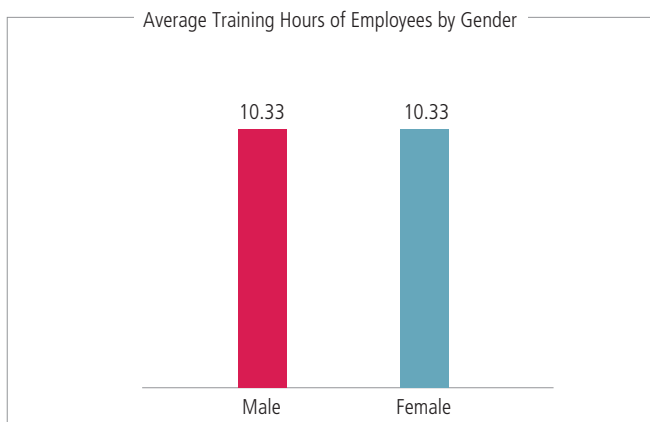
Source Plan

A learning and development plan tailored by the Group for its senior executives, the "Source Plan" aims to create a talented, united core team with uniform goals and values through benchmarking learning, introducing external brains and creating consensus, in order to better support the Group's fast and steady development. During the Reporting Period, we invited Wu Chunbo, a professor at Renmin University of China, also a management consultant of Huawei, to offer a lecture on Huawei's cadre management and highly efficient culture, which was attended by our core cadres, including 30 heads of our branches and centres.

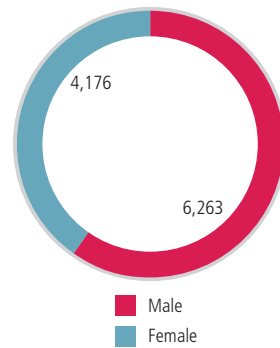


"Source Plan" Training Site

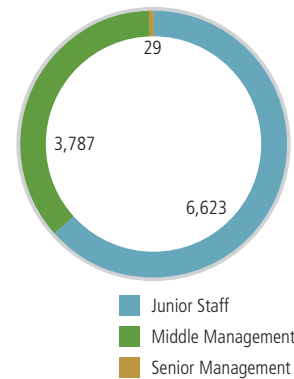
During the Reporting Period, a total of 10,439 participants participated in training organised by the Group, with the participant numbers and average training hours shown below:



Person-time of Trained Employees by Gender



Person-time of Trained Employees by Ranks



Employee Promotion

We insist upon aligning organisational development with personal development and create 3-dimensional talent development channels oriented towards results and abilities, striving to provide management talent and professionals for the Group's development. To further open up career development channels for employees, we set up a Group-City linked cultivation mechanism, offered "management + profession" mutual changeable development paths, and helped employees grow continuously based on their performance and through training, allowing employees to move across different paths according to their personal wishes and striving to achieve "the right job for the right person and vice versa".

Every year, the Group offers two opportunities for employee promotion, where employees' length of service, red line records, performance and results, and cultural values are assessed. We established a cadre cultivation system, which involved a three-year talent team building plan by steadily providing training for employees as per the talent development strategy of "system planning, phased progress and interspersed practice" to make internally promoted staff account for 50% of our strategic cadres (senior cadres), 70% operational cadres (medium and high-ranking cadres) and 90% execution cadres (fundamental cadres), so as to achieve mutual growth between the Group and our employees.



Reform Corporate Powers in People-oriented Ways

SAFETY AND HEALTH

To ensure the life safety and occupational health of employees is the primary task of the Group during the production and operation process. We strictly abide by the *Production Safety Law of the People's Republic of China*, and in combination with the actual operation situation, we have formulated and issued *Management System of Standardized Site* and the *Safety and Civilization Management System*. During the Reporting Period, the Group had complied with the relevant laws and regulations relating to occupational health and safety in all material respects.

During the Reporting Period, we effectively improved the level of safety production management of the enterprise to promote the safety development of the Group through the following management work.

Contractor Management

- Requiring contractors to strictly comply with relevant safety laws and regulations
- The project construction contract specifies zero safety accident of the project
- Visiting the construction site regularly and requiring the contractor to rectify any breach or violation in a timely manner



Performance Linkage

- Safety production shall be included in the performance appraisal. Objectives of the Group's Engineering Management Centre: No major safety accident in each project. No casualties; Target of branches: zero safety accident of projects
- The performance of project management personnel is linked with the government's safety and civilisation inspection of the project. In case of any government document notification, punishment, shutdown, etc. caused by the safety and civilisation matters, the corresponding performance shall be deducted

Third Party Assessment

- Employing an authoritative organisation to conduct a third-party evaluation, setting up a special safety and civilisation-scoring table, and conducting a quantitative evaluation on safety construction

Safety Production Management in 2019

We believe that the safety production and operation of enterprises are integrated with the improvement of employees' safety awareness and safety operation level. In strict accordance with the relevant provisions of the Group's safety and quality management, we actively carried out the publicity and implementation of safety production, including Quality Safety Week/Month, daily team morning meeting on safety, regular three-level education on safety for each team, as well as to organise weekly safety fire drill to improve employees' accident response ability.

In addition, we attached great importance to the occupational health of employees, resolutely implemented the *Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases*, and effectively implemented the occupational health guarantee of employees. We provided safety facilities at the construction site to improve the working environment; ensured the timely provision of safety helmets, gloves, towels and other labour protection articles; regularly organised physical examination of employees, and actively did heatstroke prevention work in summer, provided heatstroke prevention drugs for employees, and comprehensively implement basic medical insurance.

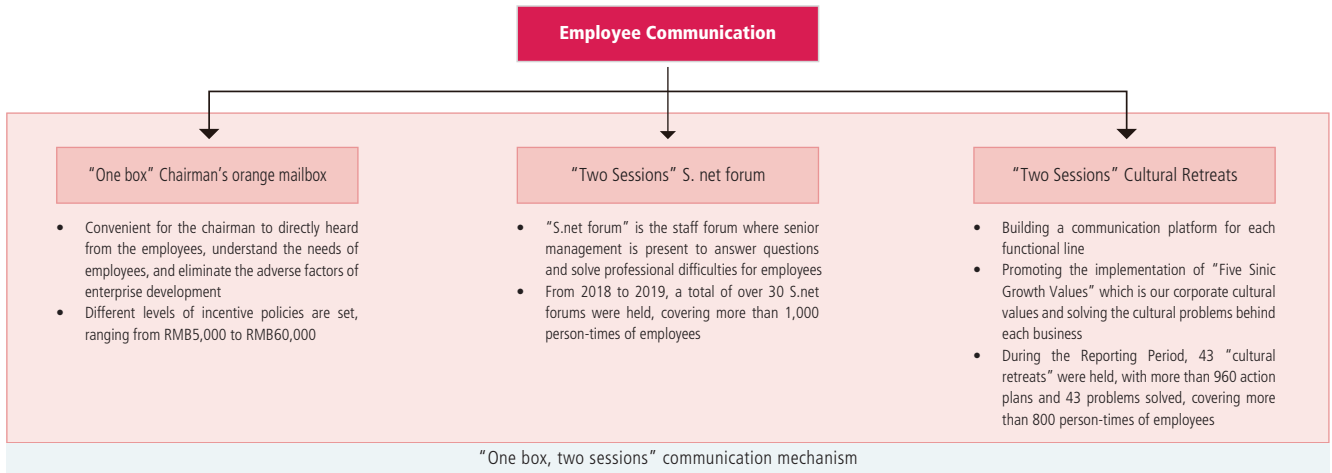
During the Reporting Period, no industrial accidents happened in the Group, and our projects were awarded the Safe and Civilised Construction Site of Wuhan City, the Safe and Civilised Construction Demonstration Project of Wuhan City, and the Safe and Civilised Standardisation Demonstration Site of Nanchang City.

EMPLOYEE CARE

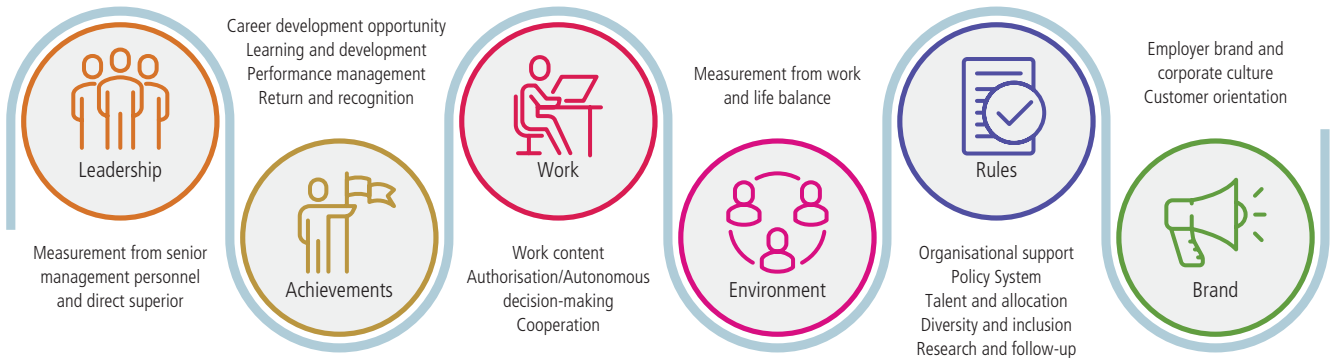
The Group has always adhered to the "people-oriented" talent responsibility concept, and tried to meet the needs of employees by strengthening communication with them. We encouraged our employees to manage their lifestyle attentively, and deeply cared for the difficult-challenged employees to improve their happiness.

Employee communication

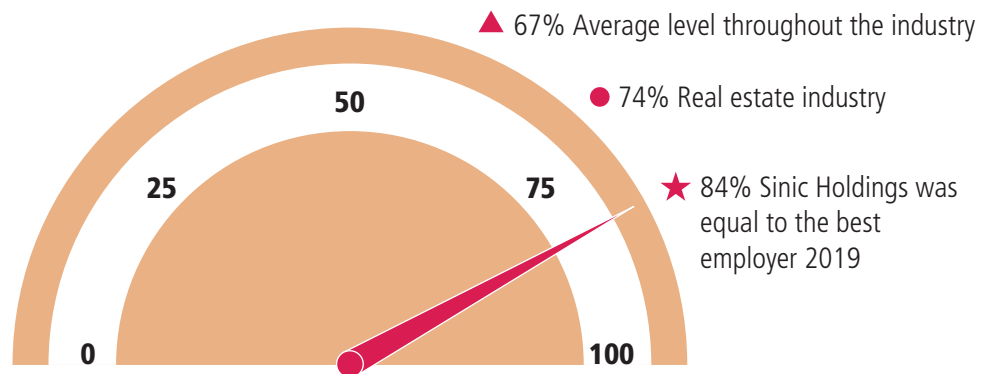
We encouraged employees to participate in the democratic management of our production and operation, strived to create a unique "one box, two sessions" communication mechanism, listened to each employee's suggestions and recommendations, fully mobilised their enthusiasm to participate in democratic decision-making, democratic management and democratic supervision, and help perform management and decision-making of the Group.



In addition, during the Reporting Period, we carried out employee engagement survey around six core issues of "leadership, performance, work, environment, procedures and brand". Based on the effective feedback of 2,977 employees, we seriously analysed the advantages and disadvantages of human resource management, drew reasonable recommendations, and worked with employees to promote the enterprise's long-term development. The total score of engagement survey in 2019 was 84%, the same as the score of the best employer. Among the scores of engagement drivers, brand and corporate culture scored the highest, followed by learning and development, and organisational support.



Engagement Survey of the Group in 2019



Research Results of Engagement of the Group in 2019



Reform Corporate Powers in People-oriented Ways

Staff care

We value work-life balance as well as a positive corporate atmosphere. During the Reporting Period, we carried out a wide range of employee care activities, including themed activities for women's day, Mid-Autumn Festival and other traditional festivals, as well as regular collective birthday parties for employees. In addition, we respect and care for every employee, actively implement the assistance work of the group's difficult employees, implement the employee care fund plan and medical assistance plan, effectively solve the needs of employees, and improve the happiness of every new employee at work.

Anniversary Celebration of Sinic Holdings

The 2019 marks the 9th anniversary of the Group's establishment. At our anniversary celebration, nearly 300 employees gathered together to offer their best wishes to the Group, and celebrated the 9th anniversary of the Group with employees from all cities across the country online. In addition, according to the entry time of our employees in the Group, we provided each fresh and old employee with souvenirs integrated into the "Five Sinic Growth Values" culture to help promote the formation of cultural centripetal force. This anniversary celebration highlighted the pursuit of common value and spiritual strength of Sinic people, and encouraged our employee to work together to create a better tomorrow for the Group.



Anniversary Celebration of Sinic Holdings



Collective Birthday Party for Employees

In order to strengthen the sense of belonging of employees and further promote the construction of corporate culture, the Group regularly holds collective birthday parties for employees, so that employees can feel the humanistic care of the Group, deeply experience the warmth of the family, inspire the enthusiasm of employees to strive with the attitude of the protagonist, and work together to grow together with the Group.

"Goddess Day" Theme Activities

On March 7, 2019, we launched the March 8 Women's Day theme activity with the theme of "Goddess Day". On the day of the activity, we presented flowers, holiday blessings and gifts to female employees in the lobby of the Group to create a working environment with "love and warmth".



Collective Birthday Party for Employees



Goddess Festival Theme Activities

Mid-Autumn Festival Theme Activities

During the Reporting Period, in order to promote traditional culture of our employees, the Group carried out the Mid-Autumn Festival theme activity of "full moon in Mid-Autumn Festival, love in 'Sinic'", including traditional activities such as drawing sugar figurine, playing marbles, guessing riddles and tasting moon cakes. The activity site was filled with the laughter of the staff. With their own sugar figurine in hand, they had pleasant exchanges of work and life enhancing their relationship, so as to establish a closer cooperative relationship and further enhance the team cohesion.



Mid-Autumn Festival Theme Activities



Work Together to Develop New Industries

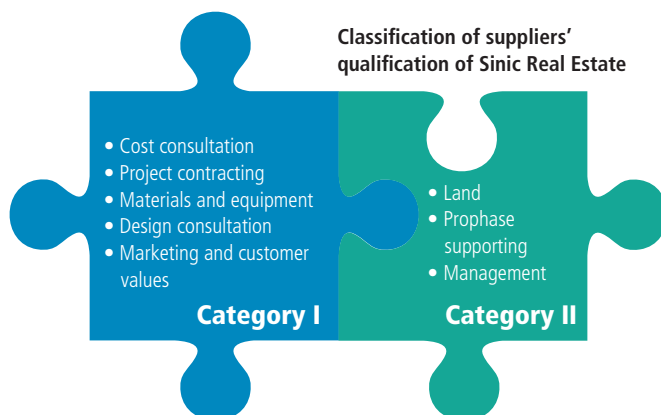
Sinic Holding's growth is inseparable from the strong support of industry partners along the way in the past ten years. We are committed to the co-existence and co-prosperity of all partners. Through a sound management system and accumulated industry wisdom, we will work together to build a responsibility value chain, and work together with partners to advance together, leading to the development of new industries.

SUPPLIER MANAGEMENT

The Group follows the principle of open, fair and just procurement, carries out strict qualification examination on suppliers, selects suppliers according to targeted standards such as category, qualification and performance, and ensures transparent control of procurement process.

Supplier Access

In order to effectively review various kinds of suppliers, we have implemented the classification system for reviewing supplier qualification and formulated the *Access Standard for Suppliers of Sinic Real Estate*, and strengthening the supervision of all kinds of procurement behaviors to ensure that all kinds of suppliers enter the warehouse in accordance with professional standards. We have implemented the relevant operation rules of procurement management, and clarified the responsibilities of each department in the procurement work.



We evaluated the basic situation of suppliers, project cases and processing bases through the Evaluation Form. Meanwhile, we added a special version of the Evaluation Form to set up specific evaluation items for suppliers in different sections. At the same time, we have developed procurement management systems such as *Procurement Management Methods and Operation Rules for Engineering Single Project*, *Strategic Procurement Management Methods and Operation Rules for Engineering*, which respectively set detailed access standards for single procurement and strategic procurement, effectively control the procurement process, and select qualified suppliers that meet the business requirements of the group, so as to ensure the quality of the project.

Access standard for single procurement

- The shortlisted bidder shall be a qualified unit in the warehouse, i.e., the unit has completed the investigation or evaluation and put into storage in the early stage
- The shortlisted bidder shall be selected after considering the matching with the bidding project

- The number of valid bids returned by the shortlisted bidders in a single bidding shall not be less than three, and shall meet the requirement of $2n + 1$ (where n is the number of bid sections)
- The approval basis and responsibility of the single bidder unit shall be approved by relevant departments and company leaders

Access standard for strategic procurement

- Meet the access standard of single purchase
- Original intention of deep strategic cooperation
- Similar historical performance of the bidder
- Business capacity

- Scope of undertaking shall match the project distribution of the Group
- Market reputation
- After sales maintenance capacity
- Industry development trend and R & D capability





Work Together to Develop New Industries

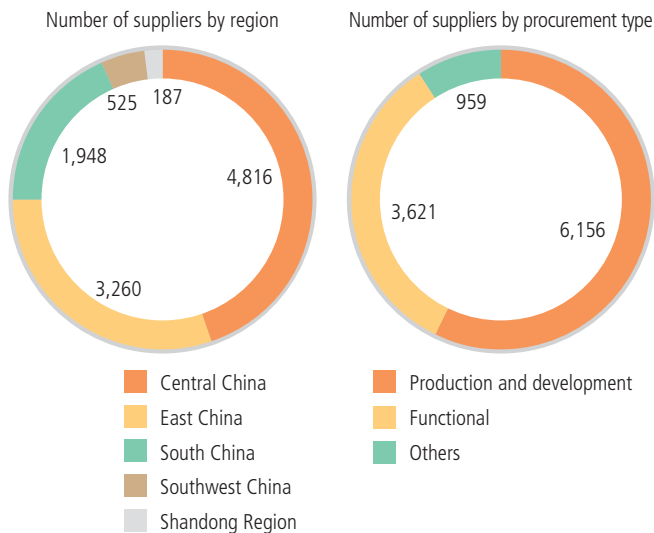


Inspection process of engineering suppliers



Inspection process of material and equipment suppliers

We comply with laws and regulations such as *Formaldehyde Emission from Interior Decoration Materials and Products*, *Code for Indoor Environmental Pollution Control of Civil Construction Engineering*. We set environmental protection standard requirements for some purchased commodities, such as level 1 water efficiency, level E1 formaldehyde emission limit. In addition, we encouraged to drive green production on a market-oriented way and promote green supply chain, so that suppliers with better environmental performance could have more market space. During the Reporting Period, the Group evaluated a total of 1,759 suppliers which entered the quasi supplier pooling. As of December 31, 2019, there are 10,736 suppliers in the Group's supplier pool, which are specifically divided as follows:





Supplier Assessment

We have a *Performance Evaluation Form* for Supplier to evaluate suppliers on a regular basis from the two parts of "cost control" and "coordination and cooperation". Based on the investigation and evaluation results, we have adopted the supplier classification system to classify the existing suppliers into "A (excellent)", "B (qualified)", "C (to be observed)", and taken the supplier reward and punishment measures in accordance with the rating results of the evaluation deadline, so as to encourage suppliers to continuously improve their quality control and management.

Incentives measures

Suppliers with "Grade A" results:

- Being recognized at the annual supplier conference
- Increasing cooperation scale in accordance with the strategic suppliers' willingness
- Giving preemptive rights to major or key projects
- Providing fast track in settlement audit



Punitive measures

Suppliers with "Grade C" results:

- Suspending their participation in new projects



Incorruptible Cooperation

The Group has always advocated the cooperation tenet of "transparent, honesty and self-discipline", resolutely opposed any illegal behaviors such as favoritism, fraud, bribery, etc.. We have set up Integrity Clauses specifically in the supply contract to ensure the open and transparent business cooperation of all parties. In addition, we regularly carry out the supplier satisfaction survey and use the *Supplier Satisfaction Questionnaire* to obtain the feedback and opinions of suppliers and timely adjust our supplier management system. The Group also joined China Antifraud Alliance in March 2017 and Transparent Integrity Alliance in January 2018 to promote the industry's positive development. During the Reporting Period, we won the honorary title of "2015-2018 Antifraud Advanced Enterprise Unit" issued by China Antifraud Alliance.

Strategic Cooperation

During the Reporting Period, we actively cooperated with the government and industrial parties to carry out a number of strategic cooperation projects, improve the quality of the projects, and help improve the image and economic development of the city.

Strategic Cooperation with Hongyang Group

During the Reporting Period, the Group reached a strategic cooperation agreement with Hongyang Group. Based on the strategic layout of real estate development, the two sides would give full play to their own business and resource advantages, share relevant market information, and high-quality project resources. The in-depth cooperation was promoted and open up project cooperation in an all-round way, forming strategic integration and complementarity.

Release Ceremony of Strategic Cooperation with Red Star Macalline

In May 2019, the launch ceremony of the Group's strategic cooperation with Red Star Macalline was successfully held in Red Star Macalline Nanchang Honggutan shopping mall. After Sinic and Red Star Macalline reached the strategic cooperation, the smart marketing mode of home real estate ecological chain would be initiated. Through opening up a new mass flow entrance, the pain points of home and real estate industry would be solved in depth, which was of far-reaching significance to the whole home real estate ecological chain. During the ceremony, Sinic and Red Star Macalline also jointly released the "Xinlong Plan", aiming to create a one-stop industrial chain integration home purchase mode and provide consumers with quality service of household purchase.

Entering into Strategic Cooperation Agreement with Shangkun Group

In August 2019, the signing ceremony of strategic cooperation between Sinic and Shangkun Group was solemnly held in Shangkun headquarters, and many leaders of both parties attended this ceremony. At the signing ceremony, leaders of both parties shared the current strategic layout plan and future development expectation of their respective Groups. Zhang Yuanlin, chairman of Sinic Real Estate Group, said that the strategic cooperation would be based on the strategic layout of real estate development of both parties, give full play to their business and resource advantages, carry out maximum cooperation, and form a deeper mutual benefit and win-win situation in the future.

Holding Strategic Customer Licensing Ceremony with China Minsheng Banking Corp., Ltd.(CMBC)

During the Reporting Period, the Group reached a "strategic private enterprise customer" partnership with CMBC. The two parties would vigorously promote resource sharing and complementary advantages, while continuing to consolidate their respective advantages in the field, they would continue to enhance each other's market influence and popularity. In the existing economic environment, adhering to the principle of "people-oriented", both parties would work together to provide customers with more convenient, high-quality and efficient services. It would also expand cooperation in domestic and foreign businesses, financial services and other aspects to enhance cooperation value and create a better new journey.



Work Together to Develop New Industries



INDUSTRY PARTICIPATION

Sinic Holdings is committed to maintaining good and effective daily communication with suppliers, jointly negotiating the sustainable development of the industry, and creating a symbiotic and win-win industry environment. We actively participate in and hold industry activities, track the dynamic development of the industry, carry out multi-party dialogue, and discuss the development prospects of the real estate industry.

“Sinic Huangjia Reception Hall” Activity

In December 2018, Sinic Huangjia Reception Hall Activity jointly created by the Group and Ifeng.com came to a perfect end in Huizhou Sinic city. Many media tycoons from Hong Kong, Shenzhen, Guangzhou and Huizhou gathered in the hall to interpret the development prospect of Guangdong-Hong Kong-Macao Greater Bay Area in depth from different perspective, and analyze the real estate market of Shenzhen, Huizhou and Dongguan, especially Huizhou. Meanwhile, the large-scale media at the meeting fully recognized the achievements of Sinic in terms of quality and performance after they understood the development process, national layout and market share of Huizhou.

With the theme of “different Sinic”, Sinic has carried out various brand activities such as lawn EDM Festival, Sinic Real Estate brand press conference, owner appraisal, etc. to show all owners, partners and peers Sinic ultimate pursuit of high standards of quality and service, and constantly gains good reviews.

China Urban Agglomeration (Jiangxi) Development Strategy Summit Forum

In March 2019, the China Urban Agglomeration (Jiangxi) Development Strategy Summit Forum, a strategic cooperation with Sinic Holdings, was held in Nanchang, Jiangxi Province, sponsored by China Association of Productivity Promotion Center, hosted by caijing.com (財經網) and New Real Estate caijing.com (新地產財經). Academic think tanks, industry experts and enterprise representatives gathered in Nanchang, the Bank of Ganjiang River, to discuss the development strategy of Jiangxi regional urban agglomeration with Nanchang as the core, and analyze the regional cities Group future: development trend, looking for a new path of diversified development of urban agglomerations.

During the Reporting Period, we also held the first partner conference to exchange with our long-term partners and strategic partners in the industry.

Partner Conference

In May 2019, Sinic Holdings held the first partner conference in Sofitel Hotel, Xinhualian, Hongqiao, Shanghai. The conference reviewed the outstanding achievements of the past years with partners throughout the country, and awarded the suppliers with outstanding performance. More than 500 people in total participated in the conference, including the chairman of Sinic Holdings, the head of relevant functional centers, the heads of branches, strategic partners and long-term partners.





Take Love as the Source and Strive for a New and Warm Society

"Helping everyone who works hard" is Sinic Holdings' unremitting pursuit in the practice of social responsibility. Over the years, we have carried out a number of community construction and social assistance projects in accordance with the concept of "Sinic infinite love creates infinite". In 2018, Sinic Foundation was established, and Sinic people began to explore social problem solutions in a more professional way to help build a better world.

COMMUNITY BUILDING

Child Friendly Pilot Community

In order to further meet the growth needs of children in the community and promote the innovation and development of social governance mode, the Group actively used its own advantages in community development and construction to respond to the initiative of China Children Friendly community promotion plan initiated by Beijing Yongzhen Public Welfare Foundation, and rendered strategic cooperation this foundation, becoming the first pilot community of Children Friendly in China's real estate industry. By the end of 2019, three projects, Huizhou Sinic city, Suzhou Yunyubo Park and Nanchang East Park, have been pre-approved and publicly listed, and will be designed and operated in accordance with the child friendly specifications in the future.



Concept building

- Work with relevant operators to understand and build the basic concept children friendliness

Project operation

- Learn about the existing children friendly projects with strong practical ability, representativeness, popularity and easy replication, which can be directly put into trial operation

Brand communication

- Through international and domestic forums and seminars, as well as the publication of Industry Report books, let more people understand and participate to create social influence



Sinic "Benefiting Space" community

In response to the problems of insufficient cultural service facilities, low happiness index and lack of community public service in the old community of Huizhou City, Sinic Foundation, together with Huizhou Municipal government, try to improve Mai Di community in Huicheng District of Huizhou City. With the reconstruction of the old community public service space, and as a carrier, professional social work institutions was introduced, community self-organization was cultivated, so that improve the level of community governance in Huizhou City.

"Benefiting Space" urban old community micro-reconstruction project is a benefiting people project for solving the problem of people's life in old community. During the Reporting Period, we started to carry out the reconstruction in new Madi village. After the transformation, the community looked bright and new. The original mud road was paved with bluestone, and the lawn and trees became orderly. At the same time, recreational and sports facilities were added in the space to help improve community governance and human settlements. As of December 2019, the new Madi village in Qiaoxi and the southern community of shangbantang, to the east of the bridge, was reconstructed, with an area of more than 4,000 square meters, and more than 10,000 residents were benefited by conservative calculation.



About Child Friendly Community¹

China is a party to the United Nations Convention on the rights of the child. Child friendliness is the central part of recognizing children's rights and respect for their feelings. Child Friendly Community is a safe, healthy and all-round inclusive community support system for children aged 0-18. In Child Friendly Community:

- (1) Children can play safely;
- (2) Children can walk safely to school;
- (3) Children and their families can communicate with other children and adults in the community and help each other without obstacles;
- (4) Children at different ages and family backgrounds can find solutions that meet their different needs, whether in education, health, children's rights or physical and mental safety;
- (5) Community and school provide many opportunities for children to participate in community public welfare activities;
- (6) Children have the opportunity to learn about major issues such as community transformation and actively participate in the expression of their own suggestions;
- (7) Adults in the community understand the concept of children friendly community, respect and protect children.

¹ Source: www.cfc-c.org





Take Love as the Source and Strive for a New and Warm Society

PUBLIC BENEFIT ACTIVITIES

The Group insists on helping the development of public welfare undertakings through enterprise resources and providing caring services for the needy groups. During the Reporting Period, we carried out 16 public welfare projects in China, covering 125 subprojects, benefiting 272,468 people. As of December 31, 2019, we have carried out 31 public welfare projects globally, with 340,461 beneficiaries and 1,162,318 person-time beneficiaries.

Sinic Poverty Alleviation Plan

2019-2020 saw the last two years of the national poverty alleviation battle. With the removal of a large number of poverty alleviation counties, the focus of poverty alleviation has shifted from "helping file and card holder get rid of poverty" to "how to consolidate the poverty alleviation achievements". In order to meet the new challenges of poverty alleviation and prepare for the "post poverty alleviation era", Shanghai Sinic Foundation in January 2019, initiated the "Sinic Poverty Alleviation Plan". Through the implementation of poverty alleviation projects in four aspects of "industry, education, pension and society" in Jiangxi Province, the plan aims to explore an effective model for consolidating poverty alleviation achievements, show "new" poverty alleviation insights, and help the sustainable development of poverty alleviation public welfare in Jiangxi Province.

Industrial Poverty Alleviation • Sinic Premium Product Plan

Through the systematic work of incubation and cultivation of cooperatives, deep cultivation and management of products, and cultivation of product brands, the Sinic Premium Product Plan aims to create poverty alleviation products adapted to local conditions, and linked the market in a wider range with the help of e-commerce and new retail channels. This plan was to establish rural cooperatives, train farmers, and provide all-round support in production technology, rental processing, production and sales of local characteristic agricultural products. Sinic excellent products plan has prepared to build White lotus industrial base at Shicheng County and Ji'an City of Ganzhou City, and build pomelo industrial poverty alleviation base at Jinggangshan.



White Lotus Industrial Support Base

The cooperatives for lotus seed planting and its investment in hardware and software have been completed. A set of technical standards for white lotus production has been formulated and optimized. A 500 mu standardized demonstration base of white lotus production has been jointly built. The cooperative covers an area of 1,829.7 mu, which will drive 1,183 households and 4,884 people, including 184 poor households, 647 people, 132 members, 71 demonstration households and 30 registered poverty households.

Jinggangshan Pomelo Industrial Support Base

We optimized the organization and system construction of Jinggang pomelo professional cooperative, formulated and optimized one set of technical standards for production of pomelo, and improved six demonstration bases of the cooperative, with a total area of 1,100 mu, cooperative driving area of more than 3,000 mu, and production area of more than 80 mu. At present, the cooperative has 367 members, including 73 poverty-stricken households who set up file cards.



Education Poverty Alleviation • Jiangxi Hope Project 2.0

In the Hope Project 2.0, Sinic donated 2 Sinic Hope Primary School and 3 Sinic Hope buildings in Jiangxi Province to improve teaching facilities in poor rural schools. Taking 11 prefecture-level cities in Jiangxi Province as the center, it covers the surrounding poor left behind children, and carries out a series of caring activities for the left behind children's spiritual growth, such as the Sinic research and learning program activity of loving in and children going out, the youth volunteer service activity. Moreover, it helps the children in rural areas to open up their horizons and built a social support network for the left behind children. We carried out rural children's research and learning activities in the whole province, with volunteers leading the left behind children into the city and enriching their experience; in the youth volunteer service sector, we selected the most attentive volunteer activities for the left behind children through the youth volunteer service competition.



Sinic Hope Primary School (hope teaching building) construction project

Number of beneficiary cities:	3
Number of beneficiary counties:	5
Number of direct beneficiaries:	4,554
Number of Indirect beneficiaries:	13,663

Sinic Love Foundation: financial aid program for needy students

Number of beneficiary cities:	3
Number of beneficiary counties:	5
Number of direct beneficiaries:	100
Number of Indirect beneficiaries:	200

Sinic research and learning plan of loving care entering the home and children out of the village

Number of beneficiary cities:	11 (full coverage)
Number of direct beneficiaries:	1,134
Number of Indirect beneficiaries:	2,268

Sinic Cup Social Organization Innovation Competition for youth

Number of youth social organizations:	50
Number of direct beneficiaries:	1,600
Number of Indirect beneficiaries:	1,600

Poverty Alleviation Project Family Support

The project starts from serving the needs of the poor, and responds to the government's policies of health poverty alleviation and supporting the aged to renovate the facilities for the aged, and train the nursing staff for the aged. In addition, it strengthens the response ability to the poverty-challenging elderly care, and helped the poor families get rid of the dilemma of no money and no posterity for the filial piety as soon as possible. We built a semi-disabled area in the Xiaosong elderly care center in Shicheng County, Ganzhou City, developed its corresponding care standards and training system, and explored solutions for semi-disabled elderly care in Jiangxi Province. During the Reporting Period, we also organized and held the elderly fun games at lianxiangyuan. More than 34 elderly people took part in the games and won 8 gold medals, 11 silver medals and 5 bronze medals.

Social Poverty Alleviation • "Hundreds of Societies to Solve Thousands of Difficulties" assists in the formation of poverty alleviation 2019 Jiangxi Social Organization "Sinic Public Welfare Venture Capital"

With appeal for more social forces to take part in the fight against poverty, Shanghai Sinic Foundation invested RMB10 million to carry out Sinic Public Welfare Venture capital in Jiangxi Province under the guidance of Jiangxi Provincial Administration of social organizations, Jiangxi Social Organization Cultivation and Development Center, Jiangxi Provincial Department of Civil Affairs, Jiangxi Poverty Alleviation Office, and Jiangxi Provincial Civilization Office. With the way of competition instead of training, this movement is to select a group of excellent social organizations and poverty alleviation projects, which will be subsidized, cultivated and supported to land in the poverty-stricken areas of Jiangxi Province, promoting the work of social organizations in the last kilometer of poverty alleviation.

Since the launch of the project in March 2019, more than 400 project applications have been obtained in the province, and 30 projects have been evaluated and selected. The 30 poverty-alleviation projects have covered 8 prefecture-level cities and 22 poverty-stricken counties and districts in Jiangxi Province. The direct and indirect beneficiaries are 68,290, the number of beneficiaries is more than 8,000 households and 572,516 person-times, of which approximately 1,000 are registered poverty households, effectively establish the poverty-alleviation case base of Jiangxi Province. In November, the "hundreds of societies to solve thousand difficulties" was launched to help the old revolutionary base area of Jiangxi and win the 2020 poverty alleviation crowdfunding campaign. Together with the love enterprise resources of Jiangxi Province, such as subway, bus, elevator, real estate and convenience store, it helped them win the 2020 poverty alleviation campaign.



Take Love as the Source and Strive for a New and Warm Society

Social assistance

In 2019, in addition to the Sinic poverty alleviation plan, Sinic Foundation also made efforts in the traditional funding. In the emergency relief sector, Sinic - One Foundation Fund for Disaster also played a role. In the sector of industry promotion, the second session of Sinic Cup public venture capital of Shanghai Community Foundation was successfully held. In the sector of children's welfare, through projects such as the children's voice flying, the thousand seedlings plan, etc., efforts were made for the practice of the funding principle to "achieve education equity for rural children". In the sector of marginal assistance, it supports graduates and construction in poor county, and helps people who work hard to live.

Sinic - One Foundation Disaster Preparedness Fund Project

Sinic Foundation directly promoted the world's leading concept and practice of disaster relief. "Sinic - One Foundation of Preparation for Disaster" is the first "fund for disaster" in China's real estate sector, together built with One Foundation, which can provide immediate assistance to level IV and above disasters in Jiangxi Province, Sichuan Province, Yunnan Province, Guizhou Province and other domestic provinces and help more citizens being affected. During the Reporting Period, the Disaster Preparedness Fund launched RMB 489,185 to respond to Jiangxi and Sichuan National IV disaster relief emergency response three times. The materials distributed include: 6,090 liters of cooking oil, 9,890 kilograms of rice, 801 household disaster relief boxes, and 389 warm packs (applicable in summer). The materials cover 2 provinces, 5 counties (cities, districts), 10 townships (towns, streets), and more than 20 villages (schools), with a total of 10,297 person-time beneficiaries.



Children's Singing Project

Through cooperation with professional music groups, Children's Singing Project set up chorus in poor rural primary school, and music teachers to support the holding of campus music festival. In addition, it assist the school to carry out rich and colorful campus cultural activities, so that the children of migrant workers or left behind children in school have access to formal music and art education, and gain more happiness, health and self-confidence. During the Report Period, we carried out 9 chorus music festivals of the first rural music education project in Jiangxi Province, with 1,041 person-time indirect beneficiaries.





Volunteer Service

With the powerful resources of Sinic Holdings, as of the end of 2019, four urban volunteer sub-stations have been established, namely Nanchang sub-station (composed of Ganyue and Ganxi branches), Ganzhou sub-station, Shenzhen-Dongguan-Huizhou sub-station and Suzhou sub-station. Sinic Foundation links local resources, and local branches provide enterprise volunteers to carry out personalized city-level public welfare activities. During the Reporting Period, we organized 23 volunteer service activities, with a total of 498 volunteers participating and 3,671 person-time beneficiaries.

Volunteer activities of children's care in welfare homes

Date:
June 1, 2019

Location:
Huizhou botanical garden, Guangdong Province

Activity content:
together with Huizhou Newspaper Media Group, we took the children of welfare home to visit and play in the botanical garden in Huizhou City, an internet-popular spot, bringing warmth and care to the children, and calling on more people to understand and care for the children living in the welfare home.



Volunteer activity of Jinji Lake International Marathon

Time:
March 10, 2019

Location:
Jinji Lake, Suzhou, Jiangsu Province

Activity content:
on March 10, 2019, the 10th Suzhou Jinji Lake International Half Marathon kicked off at the Jinji Lakeside. Sinic volunteers provided on-site service such as crowd flow guidance, order maintenance, energy supply, safety protection, route guidance, etc., contributing to the smooth proceeding of the activity.



Public Welfare Influence

In 2019, by virtue of our active social public welfare practice and performance, we obtained wide praise from the society and won many honors.

Recognition	Awarding unit	Date
"Hundreds of Societies to Solve Thousands of Difficulties" Outstanding Unit ("百社解千難"優秀單位)	Jiangxi Provincial Department of Civil Affairs/Jiangxi Provincial Poverty Alleviation Office(江西省民政廳/江西省扶貧辦)	October 2019
Outstanding Exhibitors of the 7th Charity Fair (第七屆慈展會優秀參展單位)	Office of China Charity Fair Committee (中國公益項目交流展示組委會辦公室)	October 2019
Innovation Poverty Alleviation Award for the Year (年度最佳創新扶貧獎)	International Financial News from People's Daily (人民日報社國際金融報)	November 2019
Co-organizer of China Foundation Forum in 2019 (中國基金會發展論壇2019年協辦機構)	China Foundation Forum (中國基金會發展論壇)	November 2019
Partner of China Public Welfare Contest (中國公益慈善項目大賽合作夥伴)	Organizing Committee of China Charity Project Competition (中國公益慈善項目大賽組委會)	December 2019
2019 One Foundation Outstanding Role Model (壹基金2019傑出榜樣)	One Foundation (壹基金)	December 2019
Recommended Unit of China Charity Award (中華慈善獎推薦單位)	Jiangxi provincial Department of Civil Affairs (江西省民政廳)	December 2019



Take Love as the Source and Strive for a New and Warm Society



For more information on the performance of the Group's public welfare, please refer to the public welfare annual report of 2019 "helping everyone who works hard".(《幫助每一個努力生活的人》)

FIGHTING THE EPIDEMIC WITH ONE HEART

At the beginning of 2020, the domestic situation of COVID-19 epidemic became increasingly severe, and Sinic Holdings immediately responded, leading Sinic Foundation and Sinic convenience store in to launch the "Subbata (善行者) promotion" financing action in an all-round way. We donated materials and ancillary support to Wuhan, the severely affected area of the epidemic, and support the front-line material purchase. At the same time, we have dispatched human resources to cooperate with the transportation and landing distribution of materials after they are in place to provide support for medical workers and volunteers. As of April 8, 2020, the accumulated value of our donated materials is approximately RMB2 million.



Subbata Program – Free Meal Delivery

In order to solve the catering problem for medical staff in the anti-epidemic front line, Sinic Holdings cooperated with local cooperative institutions in Hubei Province to provide and distribute meals free of charge to several designated hospitals. As of April 8, 2020, we have distributed 137,400 loafs of bread and 146,000 boxes of milk to front-line medical staff for two consecutive months. At the same time, we provided daily necessities for the medical team assisting Wuhan from Jiangxi Province, including 100 boxes of drinking water, 500 lifts of paper, 120 portions of laundry soap and liquid, 220 hooks, 150 pens, 2 umbrellas, 150 books, 100 hangers, 2 scissors, 20 toothpastes, 2 rolls of transparent adhesive tape and 100 washbasins.





Appendix I: List of Laws, Regulations and Internal Policies

Laws and regulations:
Company Law of the People's Republic of China (《中華人民共和國公司法》)
Audit Law of the People's Republic of China (《中華人民共和國審計法》)
Construction Law of the People's Republic of China (《中華人民共和國建築法》)
Regulations on the Quality Management of Construction Projects of the People's Republic of China (《中華人民共和國建設工程質量管理條例》)
Network Security Law of the People's Republic of China (《中華人民共和國網絡安全法》)
Law of the People's Republic of China on the Protection of the Rights and Interests of Consumers (《中華人民共和國消費者權益保護法》)
Advertising Law of the People's Republic of China (《中華人民共和國廣告法》)
Administrative Measures for Sales of Commercial Housing (《商品房銷售管理辦法》)
Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》)
Environmental Impact Assessment Law of the People's Republic of China (《中華人民共和國環境影響評價法》)
Administrative Regulations on Environmental Protection of Construction Projects (《建設項目環境保護管理條例》)
Administrative Regulations on Environmental Protection for Acceptance Examination Upon Completion of Buildings (《建設項目竣工環境保護驗收管理辦法》)
Law of the People's Republic of China on Prevention and Control of Water Pollution (《中華人民共和國水污染防治法》)
Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste (《中華人民共和國固體廢物污染環境防治法》)
Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》)
Law of the People's Republic of China on Prevention and Control of Environmental Noise Pollution (《中華人民共和國環境噪聲污染防治法》)
Emission Standard of Environment Noise for Boundary of Construction Site (《建築施工場界環境噪聲排放標準》)
Labour Law of the People's Republic of China (《中華人民共和國勞動法》)
Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》)
Regulations on the Prohibition of Using Child Labour (禁止使用童工規定)
Law of the People's Republic of China on the Protection of Rights and Interests of Women (《中華人民共和國婦女權益保障法》)
Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》)
Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》)
Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》)
Formaldehyde Emission from Interior Decoration Materials and Products (《室內裝飾裝修材料及其製品中甲醛釋放量》)
Code for Indoor Environmental Pollution Control of Civil Construction Engineering (《民用建築工程室內環境污染控制規範》)



Appendix I: List of Laws, Regulations and Internal Policies

Internal Policies:
IMPLEMENTATION RULES FOR CODE OF CONDUCT AND ACCOUNTABILITY OF EMPLOYEES (《員工職務行為規範及問責實施細則》)
GUIDELINES ON INTEGRITY SUPERVISION (《廉政監察工作指引》)
ANTI-COMMERCIAL BRIBERY AGREEMENT (《反商業賄賂協定》)
GUIDELINES ON REGISTRATION OF GIFTS RECEIVED BY EMPLOYEES (《員工收受禮品登記指引》)
SINIC EIGHT RED LINES (《新力八大紅線》)
ACCOUNTABILITY SYSTEM OF THE RED LINE BEHAVIOR OF SINIC (《新力集團紅線行為追責制度》)
MANAGEMENT SYSTEM OF THE PRODUCT RESEARCH AND DEVELOPMENT CENTER (《產品研發中心管理制度》)
GUIDELINES FOR THE DESIGN MANAGEMENT DEPARTMENT OF PRODUCT RESEARCH AND DEVELOPMENT CENTER (《產品研發中心設計管理部工作指引》)
GUIDELINES FOR INTERIOR DESIGN MANAGEMENT (《室內設計管理指引》)
GUIDELINES FOR LANDSCAPE MANAGEMENT (《景觀管理指引》)
OPERATIONAL GUIDELINES FOR COLLABORATIVE PROJECT DESIGN (《合作類項目設計操作指引》)
DESIGN INFORMATION MANAGEMENT GUIDELINES (《設計信息管理指引》)
MEASURES FOR THE MANAGEMENT OF ENGINEERING MATERIALS (《工程材料管理辦法》)
MEASURES FOR THE EVALUATION AND MANAGEMENT OF THE DELIVERY AREAS (《交付區評審管理辦法》)
MEASURES FOR THE EVALUATION AND MANAGEMENT OF DEMONSTRATION AREAS (《示範區評審管理辦法》)
SYSTEM FOR THE INSPECTION AND MANAGEMENT OF PROJECT STOP POINTS (《工程停止點檢查管理制度》)
SYSTEM FOR THE MANAGEMENT OF PROJECT AND PROPERTY TRANSFERALS (《工程與物業交接管理制度》)
SYSTEM FOR THE EVALUATION OF THIRD PARTY PROCESS (《第三方過程評估制度》)
SYSTEM FOR THE TRANSFER OF WORK SURFACE (《工作面移交制度》)
REGULATIONS ON MANAGEMENT OF MARKETING ARCHIVES OF SINIC REAL ESTATE (《新力地產營銷檔案管理規定》)
DATA BACKUP AND RECOVERY MANAGEMENT SYSTEM (《數據備份和恢復管理制度》)
EARLY WARNING MANAGEMENT SYSTEM OF PROJECT OPERATION PLAN (《項目運營計劃預警管理制度》)
ENVIRONMENTAL GUIDELINES FOR STANDARD CHEMICAL INDUSTRY SITES (《標準化工地環境指引》)
SAFETY AND CIVILIZATION MANAGEMENT REQUIREMENTS (《安全文明管理要求》)
RECRUITMENT MANAGEMENT SYSTEM (《招聘管理制度》)
SALARY AND WELFARE MANAGEMENT SYSTEM (《薪酬福利管理制度》)
MANAGEMENT MEASURES FOR EMPLOYEE BENEFITS (《員工福利管理辦法》)
TRAINING MANAGEMENT SYSTEM (《培訓管理制度》)
ENTERPRISE CULTURE MANAGEMENT STANDARD (《企業文化管理規範》)
MANAGEMENT MEASURES FOR EMPLOYEE BENEFITS (《員工福利管理辦法》)
MANAGEMENT SYSTEM OF STANDARDIZED SITES (《標準化工地管理制度》)
SAFETY AND CIVILIZATION MANAGEMENT SYSTEM (《安全文明管理制度》)
ACCESS STANDARD FOR SUPPLIERS OF SINIC REAL ESTATE (《新力地產供方入庫准入標準》)
PROCUREMENT MANAGEMENT METHODS AND OPERATION RULES FOR ENGINEERING SINGLE PROJECT (《工程類單項目採購管理辦法及操作細則》)
STRATEGIC PROCUREMENT MANAGEMENT METHODS AND OPERATION RULES FOR ENGINEERING (《工程類戰略採購管理辦法及操作細則》)



Appendix II: Content Index of Environmental, Social and Governance Reporting Guide of the Stock Exchange

Subject Areas, Aspects, General Disclosures and KPIs		Section
A. Environmental		
Aspect A1: Emissions		
General Disclosure	<p>(a) the policies; and</p> <p>(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.</p> <p>Note: Waste gas emissions include NO_x, SO_x, and other pollutants regulated under national laws and regulations.</p> <p>Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.</p> <p>Hazardous wastes are those defined by national regulations.</p>	Green Practice and Revitalisation of New Urban Ecology
KPI A1.1	The types of emissions and respective emissions data.	Green Practice and Revitalisation of New Urban Ecology – Green Work Implementation
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Practice and Revitalisation of New Urban Ecology – Green Work Implementation
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Practice and Revitalisation of New Urban Ecology – Green Work Implementation
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Green Practice and Revitalisation of New Urban Ecology – Green Work Implementation
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Green Practice and Revitalisation of New Urban Ecology – Green Work Implementation
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Planned to be disclosed in the future
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Green Practice and Revitalisation of New Urban Ecology
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).	Green Practice and Revitalisation of New Urban Ecology – Green Work Implementation
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Green Practice and Revitalisation of New Urban Ecology – Green Work Implementation
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Green Practice and Revitalisation of New Urban Ecology – Green Design Green Practice and Revitalisation of New Urban Ecology – Green Work Implementation
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Green Practice and Revitalisation of New Urban Ecology – Green Work Implementation



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Subject Areas, Aspects, General Disclosures and KPIs		Section
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	The operation of the Group basically does not involve the use of product packaging
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources	Green Practice and Revitalisation of New Urban Ecology
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Practice and Revitalisation of New Urban Ecology
B. Society		
Employment and Labour Practices		
Aspect B1: Employment		
General Disclosure	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.	Reform Corporate Powers in People-oriented Ways
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Reform Corporate Powers in People-oriented Ways – Employment Practices
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	During the Reporting Period, the turnover rate of the Group's employees by gender group is as follows: Male employees: 34%; Female employees: 29% The turnover rate by age group is as follows: 18–30 years old: 25%; 31–49 years old: 39%; 50 and over: 36%
Aspect B2: Health and Safety		
General Disclosure	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.	Reform Corporate Powers in People-oriented Ways – Safety and Health
KPI B2.1	Number and rate of work-related fatalities.	Reform Corporate Powers in People-oriented Ways – Safety and Health



Subject Areas, Aspects, General Disclosures and KPIs		Section
KPI B2.2	Lost days due to work injury.	Reform Corporate Powers in People-oriented Ways – Safety and Health
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Reform Corporate Powers in People-oriented Ways – Safety and Health
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Reform Corporate Powers in People-oriented Ways – Talent Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Reform Corporate Powers in People-oriented Ways – Talent Development
KPI B3.2	The average training hours completed per employee by gender and employee category.	Reform Corporate Powers in People-oriented Ways – Talent Development
Aspect B4: Labour 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.	Reform Corporate Powers in People-oriented Ways – Employment Practices
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Reform Corporate Powers in People-oriented Ways – Employment Practices
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Planned to be disclosed in the future
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Working Together to Develop New Industries – Supplier Management
KPI B5.1	Number of suppliers by geographical region.	Working Together to Develop New Industries – Supplier Management
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.	Working Together to Develop New Industries – Supplier Management



Appendix II: Content Index of Environmental, Social and Governance Reporting Guide of the Stock Exchange

Subject Areas, Aspects, General Disclosures and KPIs		Section
Aspect B6: 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, labelling and privacy matters relating to products and services provided and methods of redress.	Quality First, Setting a New Standard of All-round Services
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Quality First, Setting a New Standard of All-round Services – Customers’ Right and Benefits
KPI B6.4	Description of quality assurance process and recall procedures.	Quality First, Setting a New Standard of All-round Services – Quality Assurance
Aspect 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.	Assume Our Responsibilities, Reinvent Corporate Governance – Corporate Governance
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.	Assume Our Responsibilities, Reinvent Corporate Governance – Corporate Governance
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Assume Our Responsibilities, Reinvent Corporate Governance – Corporate Governance
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.	Take Love as the Source and Strive for a New and Warm Society
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Take Love as the Source and Strive for a New and Warm Society
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Take Love as the Source and Strive for a New and Warm Society