

Environmental, Social & Governance Report



2019

POWER OF HUMANITY FOR A BETTER LIFE

About the Report

Reporting Guideline

The report is prepared in accordance with the Environmental, Social and Governance Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reporting Boundary

The report is the first Environmental, Social and Governance ("ESG") report published by Poly Property Development Co., Ltd. The report primarily discloses the Company and its subsidiaries' ESG performance, along with the relevant information during the period from January 1, 2019 to December 31, 2019. Time frames for certain content such as that relating to certain awards received or combating COVID-19 have been moderately adjusted. Unless otherwise stated, the scope of the report is consistent with Poly Property Development Co., Ltd.'s 2019 annual report.

Reporting Principles and Data Sources

The report is based on the reporting principles of materiality, quantitative, balance and consistency of the Environmental, Social and Governance Reporting Guide. The data and cases are all extracted from statistical reports and relevant documents of the Company. The Company undertakes that the report does not contain false records or misleading statements and takes responsibility for the authenticity, accuracy and completeness of the content. Unless otherwise specified, currency amount in the report is measured in RMB.

Reference Terms

Poly Property Development Co., Ltd. is also referred to as "Poly Property", "the Company", "we" in the report for the convenience of expression and reading.

Confirmation and Approval

The report was reviewed and approved by the Board of Directors on July 20, 2020 for release.

Access to the report

The electronic copy of the report can be accessed from the Hong Kong Stock Exchange's website (www.hkexnews.hk) or the Company's official website (www.polywuye.com).

Feedback on the Report

If you have any questions or suggestions on the report and its contents, please contact us via the following methods:
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E-mail: stock@polywuye.com

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About Us

Company Profile

Poly Property is a leading comprehensive property management service provider in China with extensive property management scale and state-owned background. According to the China Index Academy (the “CIA”) in 2019, the Company ranked fourth among the Top 100 Property Management Companies in China in terms of overall strength and the first among property management companies in China with state-owned background. In 2019, the brand was valued at more than RMB9.0 billion. As at December 31, 2019, the Company had a total of 1,490 contracted projects under management with an aggregate contracted gross floor area (“GFA”) of 498.1 million sq.m., covering 170 cities across 29 provinces, municipalities and autonomous regions in China. The aggregate GFA under management of the Company’s projects reached 287.0 million sq.m. with a total of 1,010 projects under management. The Company has actively pushed forward the “Comprehensive Property” strategy, with its business portfolio covering residential communities, commercial and office buildings, schools and scientific research centers, industrial parks, and urban scenic area, etc.

As at December 31, 2019, the Company’s aggregate contracted gross floor area (“GFA”) reached

498.1 million sq.m.

The number of contracted projects under management the Company ranked fourth reached

1,490

Covering

170 cities across

29 provinces, municipalities and autonomous regions in China

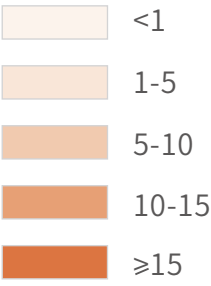
The total area of the aggregate GFA under management of the Company’s projects

287.0 million sq.m.

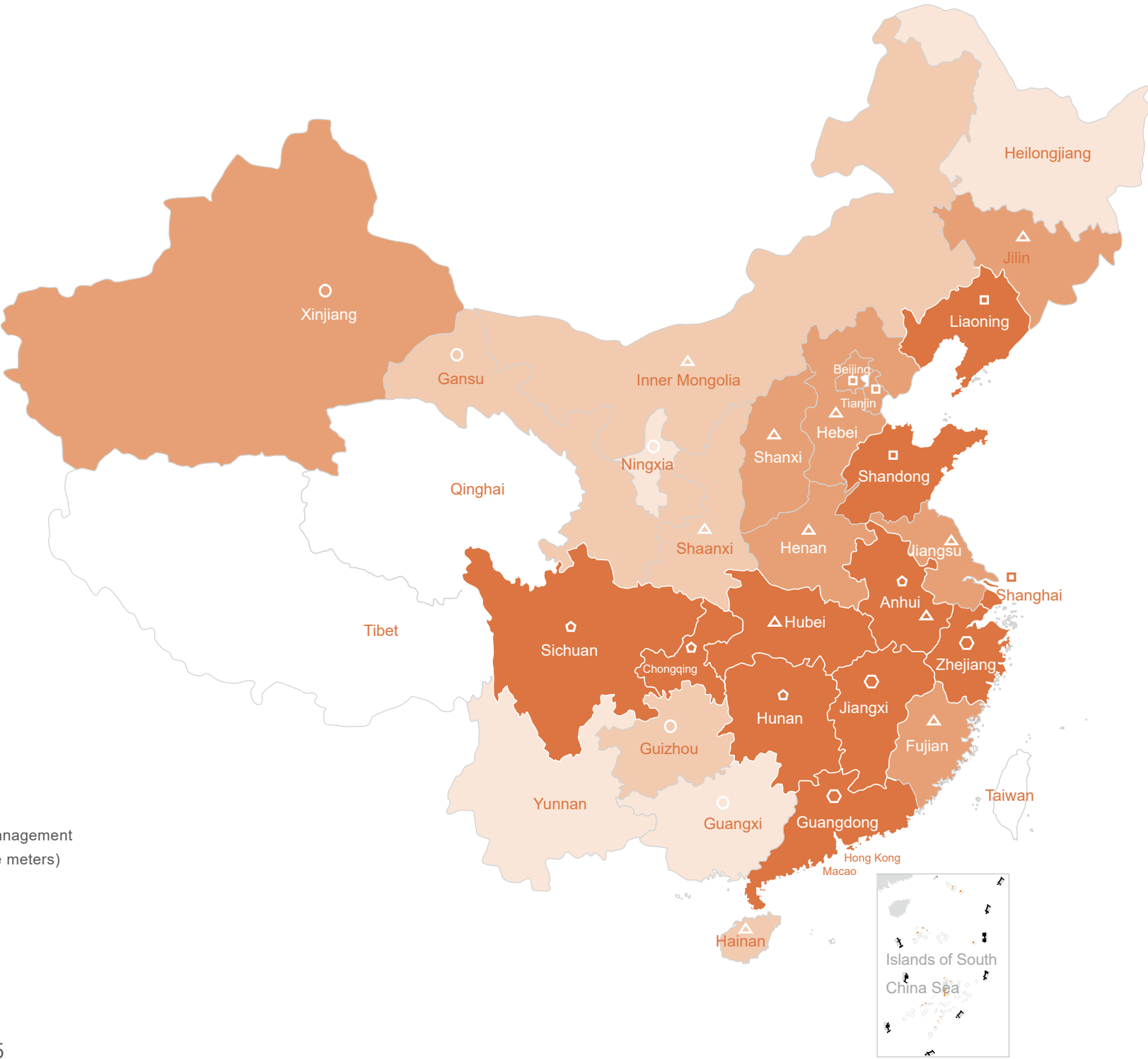
The number of projects under management

1,010

Contracted GFA
(million square meters)

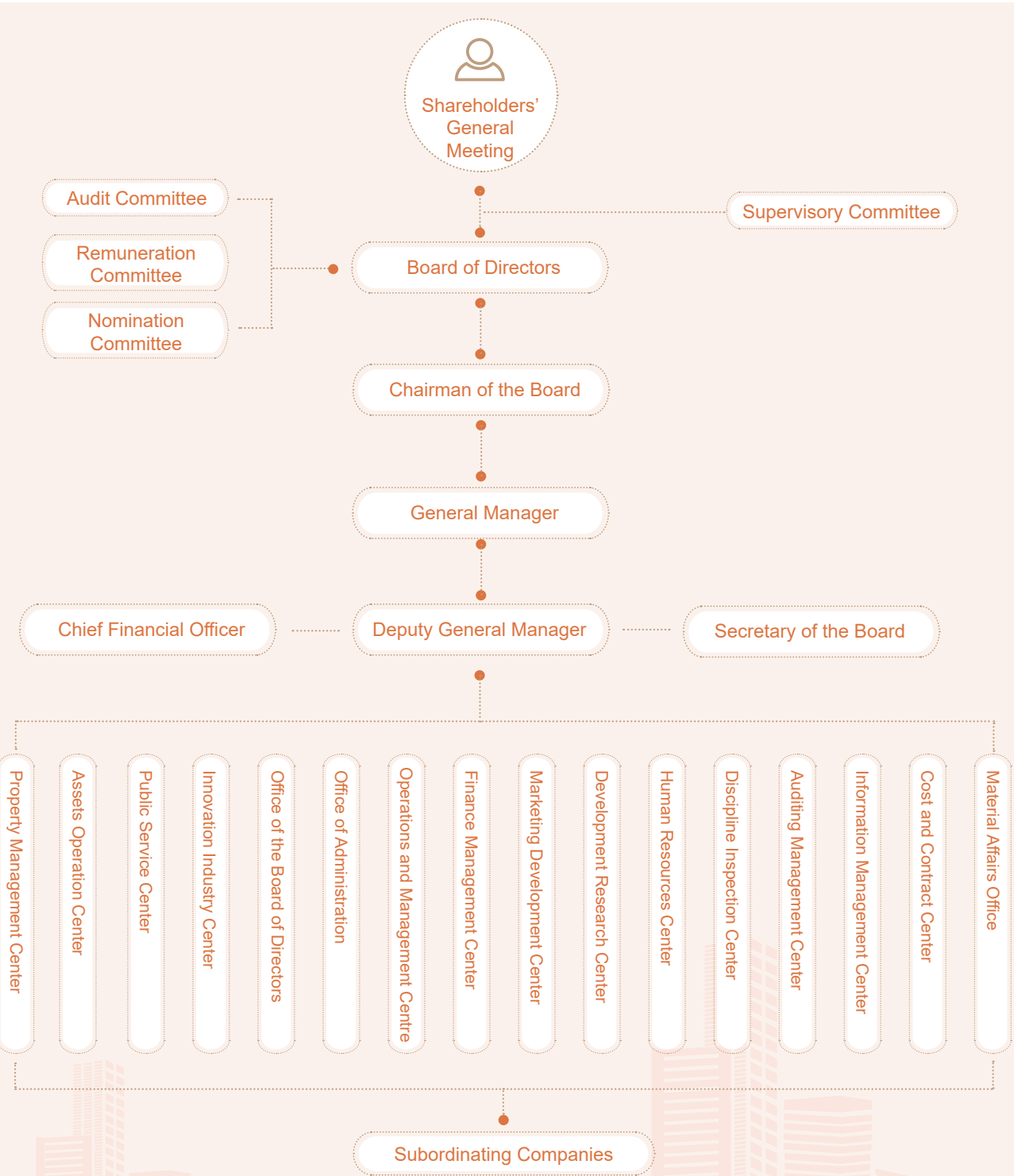


GFA Under Management
(million square meters)



Organizational Structure

The Company's headquarter and functional departments are divided into three business lines: core business, innovative industry and shared support services.



Key Performance in 2019

Business Performance



Social Performance



Company Honours

Award Name	Awarding Organization
Industry	
2019 TOP100 Property Management Companies in China (TOP 4)	China Index Academy (the "CIA")
2019 China TOP10 Property Management Companies in terms of Business Performance	CIA
2019 China TOP10 Property Management Companies in terms of Business Size	CIA
2019 China Leading Property Management Companies in terms of Characteristic Service – Towns Revitalization	CIA
2019 China Brand Property Management Companies in terms of Characteristic Service – Nebula Ecology	China Property Management Institute (the "CPMI")
2019 Potential Unicorn of Property Service Industry	CPMI
2019 Leading Companies in Public Property Service	CPMI
2019 Leading Companies in Office Property Service	CPMI
Security	
Beijing Work Safety Standardization Level 2 Enterprises——Poly International Plaza	Beijing Property Management Guidance Center
Technology	
Liaoning Poly Property Management Co., Ltd. -- Gold Champagne	National Office for Science and Technology Award
Environment	
2019 Carbon Emission Challenge Award – Poly Skyline Plaza	Greenbuild China 2019
Garden-style Community in Beijing – Poly Spring	Beijing Capital Greening Committee
Demonstration Community on Water Saving in Shandong Province – Poly Jasmine Mansion	Shandong Leading Group for Building National Water-saving City
Water-saving community in Shandong province – Poly Prosperous Life	Shandong Industry and Information Technology Department
Water-saving community in Guangdong province – Poly Metropolis	Guangdong Housing and Urban-Rural Development Bureau
Green community in Tianjin – Xiangsong Lake	Tianjin Environmental Education Leading Group
Employment	
Excellent Project Design and Operation Management – Galaxy Operation Officer, Nebula Project	TTT college in Jingyue Consultant Co., Ltd.
Social Responsibility	
2019 China Leading Property Management Companies in terms of Social Responsibility	CIA
2019 poverty alleviation star enterprise in property service industry in Henan province	Henan Property Management Association
2018 Liaoning Advanced Unit in Social Charity Work in the Real Estate Industry -- Liaoning Poly Property Management Co., Ltd.	Liaoning Real Estate Association
Honorary Certificate of Poverty Alleviation – Poly Metropolis	Nanshi Sub-district Work Committee of CPC Heping District Committee in Tianjin, China



Corporate Governance

The Board of Directors of the Company (the "Board") is committed to maintaining a high level of corporate governance and believes that good corporate governance is critical to the sustainable development and stable business growth of the Company. Sound corporate governance is put in place to safeguard the interests of shareholders and enhance corporate value.

A clear governance structure has been established by the shareholders' general meeting, the Supervisory Committee, the Board, the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company in accordance with the relevant laws, Articles of Association of the Company (the "Articles of Association") and their respective terms of reference. Each entity of the governance structure will discharge their respective duties and responsibilities and coordinate with each other with effective supervision to continuously improve the corporate governance level of the Company, form a sound corporate governance structure and standardize its operations to ensure strict adherence to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). In 2019, the Company held 11 Board meetings, 5 shareholders' general meetings and 4 Supervisory Committee meetings in total.

As the implementation body of daily operation, the management of the Company are responsible for organizing the general meeting of shareholders, implementing the resolutions from the Board and taking charge of managerial work in accordance with the authorization of the Board.



11 Board Meetings



5 Shareholders' General Meetings



4 Supervisory Committee Meetings

Risk Management

In compliance with the Company Law of the People's Republic of China and other laws, relevant regulations and industry rules, Poly Property has formulated policies of risks management and internal monitoring and standardized the corresponding work processes . The Company adopts multi-level management for its comprehensive risk management work. The framework includes the Board, Audit Committee, Operation Management of the Group, Management at the headquarter of the Group and its subsidiaries, and the Auditing Management Center. The risk management process can be ensured by risk identification, risk analysis, risk rectification, continuous risk control and regular risk reporting.

The Company conducted risk assessment for the year, during which the Company prioritized key risks from the five major risk categories, namely, strategic risk, financial risk, market risk, operation risk and legal risk. A series of control activities were implemented through the formulation of various measures in order to mitigate the potential effect of risks. The operation management has adopted a systematic evaluation to review the changes of nature and extent of major risks, recognize potential material risks, streamlined the current condition of risk control and the next response measures and key risk management programs, and reported assessment outcomes to the Board and the Audit Committee.



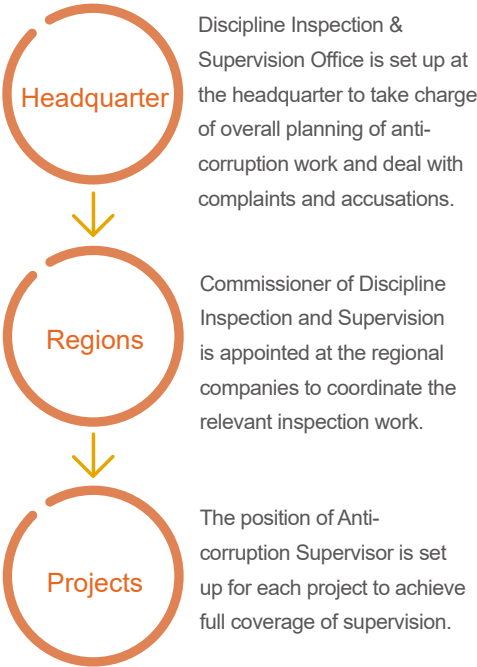
Poly Property's Main Achievements of Risk Management in 2019

- The Company streamlined 27 core procedures and 53 major measures to reorganize its internal control system with reference to the requirements under the Basic Standards for Corporate Internal Control and the complementary guidelines.
- The Company engaged a professional institution to conduct an internal control audit and organized the implementation of rectification works inside the Company.
- The Company updated the Application Manual for Internal Control and Evaluation Manual for Internal Control.
- The Company carried out internal control compliance tests activities and completed two reviews
- The Company completed the 2019 self-evaluation of internal control.

Anti-bribery and Corruption

The Company strictly complies with the Company Law of the People's Republic of China, Law of the People's Republic of China on Anti-money Laundering, Law of the People's Republic of China Against Unfair Competition, the Interim Provision on the Prohibition of Commercial Bribery and other relevant laws and regulations. The Company also formulates and implements several prohibitions and measures such as the Implementation Measures for the Construction of Discipline Inspection and Supervision System, Ten Prohibitions for Leading Cadres, and the Convention on Integrity of Cadres in order to ensure the integrity of the Company. In terms of governance, the Board and the Audit Committee have confirmed the sufficiency and effectiveness of the Company's risk management and internal control system during the reporting period, ensuring that control procedures against risks, such as corruption risks, in business activities are effectively implemented. In terms of operation, based on the principle of strengthening self-discipline, with a focus on education and prevention, the Company has established a three-layer inspection and supervision system which covers the headquarter, regions and projects, and closely integrates the clean governance infrastructure and anti-corruption work with its business operation.

Poly Property Three-Layer Inspection and Supervision system



Anti-bribery and Corruption Management

The Company takes measures that combine prevention and management such as signing the Letter of Commitment to Integrity and Self-discipline, establishing the archives of anti-bribery governance and conducting resignation auditing to implement anti-bribery and corruption management. The Company also offers channels for supervision and reporting, such as reporting hotlines, emails as well as integrity supervision function in the Company's online OA platform, etc., establishing an open supervision network of full coverage. In order to protect whistleblowers, the Company ensures that their information is kept private. In case of retaliation of the informant, the Company will strictly follow the relevant provisions and seriously deal with the personnel involved. During the reporting period, there were no corruption lawsuits filled against the Company or its employees.

Open Channels for Anti-bribery and Corruption Reporting

- ✉ Reporting email: polyjijian@polywuye.com
- ☎ Reporting telephone: +86 13544576242

Anti-bribery and Corruption Education

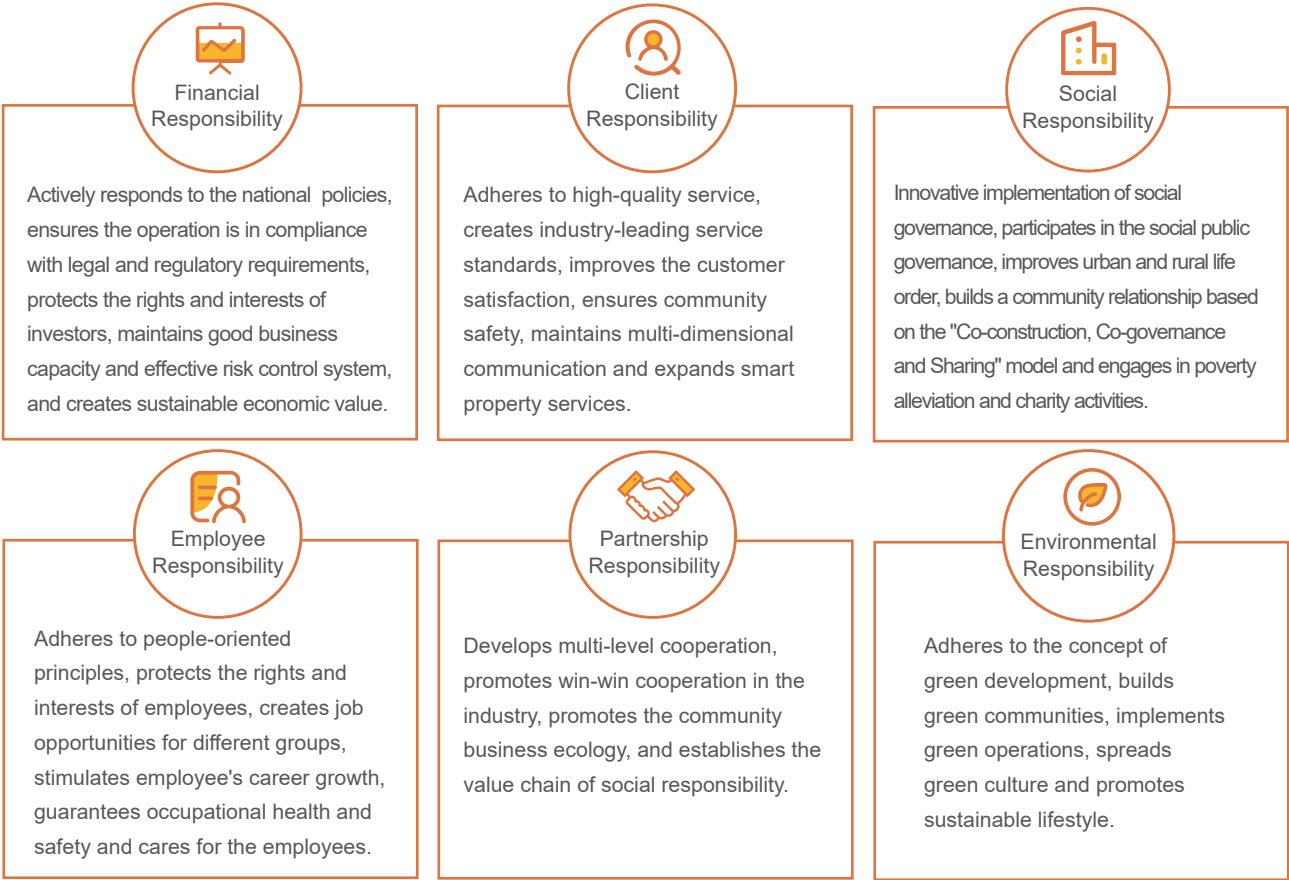
The Company, together with its various units, launched a series of anti-corruption education activities such as seminars, speeches, plays, warning education, etc. to improve the employees' awareness of integrity. We also organized employees visits to integrity educational centres, carried out anti-corruption publicity among communities and launched disciplinary knowledge contests and other thematic education activities to create a culture of integrity within the Company. During the reporting year, the Company organized 240 educational events in total.

Sustainable Development Management

Management Policy

The Company believes that promoting sustainable development is as important as achieving long-term business growth. It has therefore made continuous efforts to maintain a high degree of sustainable development in its operations. The Company is committed to propelling its a sustainable development plan in areas such as good corporate governance, environmental protection, community investment and workplace practices, and maintain active relationships and good communication with various stakeholder groups such as customers, investors, governments, suppliers and non-profit organizations, etc.

Sustainable Development Strategy of Poly Property



ESG Governance Structure

In order to ensure the effective ESG management of Poly Property, the Company's ESG governance structure is composed of the Board, ESG working group, repective functional departments and subordinating companies, with multi-level decision-making and overall planning to promote ESG management. The Board as the ultimate decision-making body of the Company, is responsible for the ESG governance. The Board will continue to strengthen ESG governance and improve working mechanism and regulatory processes. The ESG group, serving as the execution level of ESG work, is responsible for implementing ESG governance strategy, coordinating ESG management, disclosing ESG information, and reviewing relevant internal systems. It reports the progress of ESG work to the Board on a regular basis. Each functional department and subordinating company, serving as the implementing body and the foundation of ESG management, is responsible for the daily ESG management and reports key information to the working group.

Stakeholder Communication

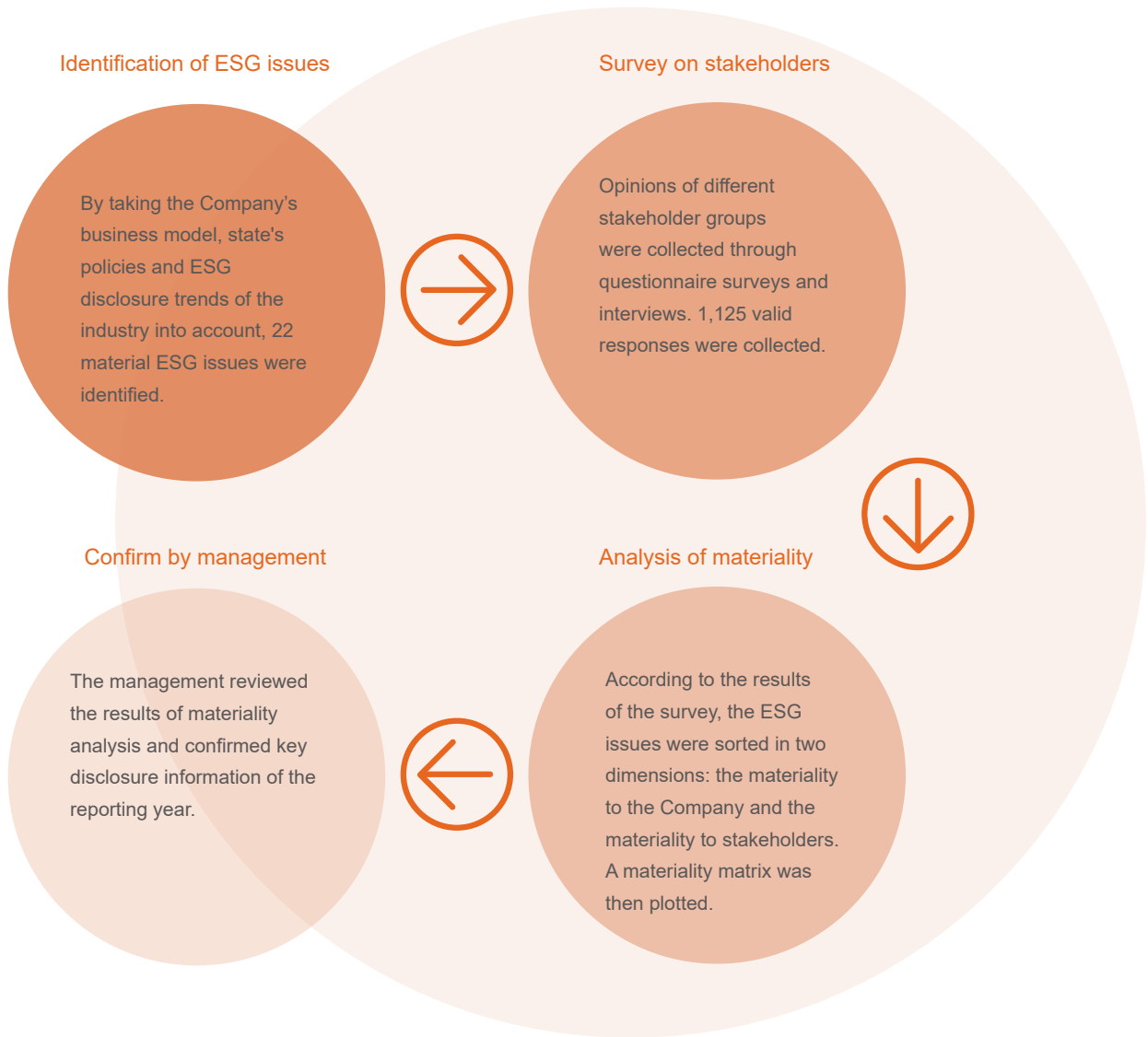
The Company keeps active contact with stakeholders through various way and listens to their opinions and suggestions on the sustainable development. Moreover, the Company establishes close contact with various stakeholder groups, reviews the management practice on key issues and integrates the core demand into the work planning. As a result, the ESG governance capacity and performance can be improved steadily.

Types of Stakeholders	Main Requests	Ways of Communication
 Investors/ Shareholders	<ul style="list-style-type: none">Sustainable profitabilityProtection on shareholders' rights and interestsEffective risk managementImproved information transparency	<ul style="list-style-type: none">Shareholders' general meetingAnnouncements and noticesPerformance conferenceInvestors' hotlines and email
 Clients/ Owners	<ul style="list-style-type: none">Professional and responsible property servicesSafe and comfortable community environmentHarmonious community culture	<ul style="list-style-type: none">Surveys on customer satisfactionCustomer service hotlineAPP for property owners' serviceRegular meetings with property ownersCultural activities in communities
 Government & Regulatory Agencies	<ul style="list-style-type: none">Operation compliant with laws and regulationsImplementation of state's policiesParticipation in social governance	<ul style="list-style-type: none">Report on policy implementationInspections by government
 Employees	<ul style="list-style-type: none">Protection on basic labor rights and interestsGuarantee for occupational health and safetyCompetitive benefitsEqual opportunities and communication	<ul style="list-style-type: none">Staff's democratic life meetingsWorkers' representative assemblyHotlines and emails for complaints
 Suppliers & Partners	<ul style="list-style-type: none">Cooperation and mutual benefitPromotion of industry development	<ul style="list-style-type: none">Daily communication of bidding and procurementParticipation in promotion of cross-sector cooperationParticipation in industry exchange and promote sustainable development of the industry
 Non-profit organization & the Public	<ul style="list-style-type: none">Participation in targeted poverty alleviationDevelopment of community charitySupport for charity activitiesProtection of ecological environment	<ul style="list-style-type: none">Conducting projects such as "Poly Spark Class" and Consumer-aid Poverty AlleviationCollaboration on charity eventsDonations and volunteer activitiesInvolved in urban environmental enhancement projects

Materiality Assessment for ESG Issues

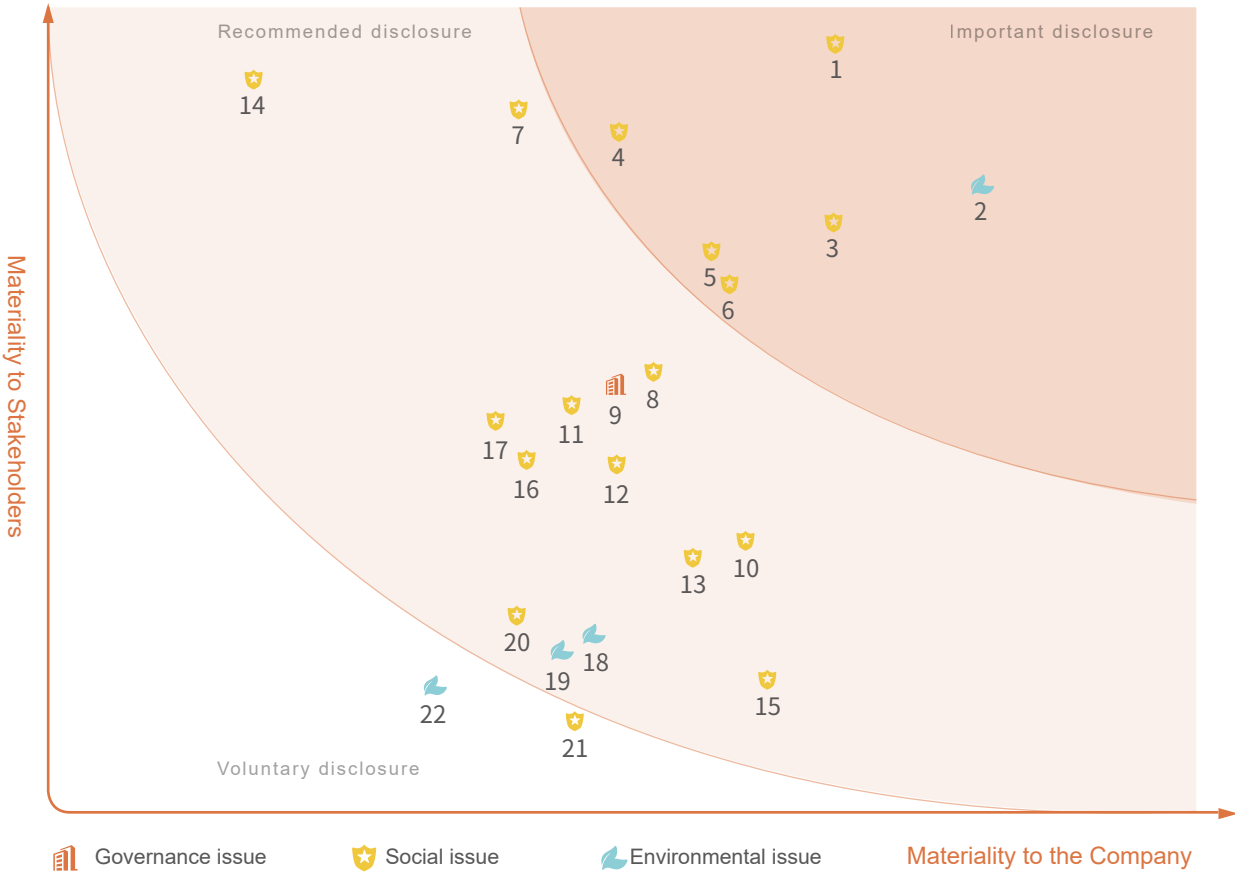
In order to identify ESG issues which are material to stakeholders and the business development of the Company, we conducted a series of procedures to assess the materiality of the ESG issues.

Assessment procedures for the materiality of ESG issues



Following the assessment procedures above, the Company prepared a materiality matrix of ESG issues. The issues at the top right of the matrix are of higher materiality than the issues at the bottom left. The Company grouped a total of 22 issues into three categories: important disclosure, recommended disclosure, and voluntary disclosure. Although the Issue 22 -- Responding to climate change -- is of lower materiality than others, the Company still considers it as an important factor affecting long-term development of the business, and will keep close monitoring of the impact of climate change risks on the Company's operation.

Materiality matrix of ESG issues



List of ESG Issues			
Materiality level	No.	Issue	Type of issue
Important disclosure	1	Service quality	Social
	2	Green property services	Environmental
	3	Innovative service model	Social
	4	Employee health and safety	Social
	5	Community culture	Social
	6	Customer relationship	Social
Recommended disclosure	7	Customer health and safety	Social
	8	Involvement in social governance	Social
	9	Anti-bribery and corruption	Governance
	10	Employees' career development	Social
	11	Customers' privacy protection	Social
	12	Employees' rights and interests	Social
	13	Smart services	Social
	14	Supply chain management	Social
	15	Salary and benefit	Social
	16	Charity	Social
	17	Protection of intellectual properties	Social
	18	Advocation of green culture	Environmental
	19	Green office work	Environmental
	20	Targeted poverty alleviation	Social
Voluntary disclosure	21	Prohibition of child labor and forced labor	Social
	22	Responding to climate change	Environmental

Illuminating
Human-oriented
Communities,
Creating a
Prosperous Life



Based on the concept of “humane community, worthy life”, Poly Property is committed to building warm and harmonious atmosphere and providing standardized service for customers. From the community to the city, we have created high-quality public services and participated in social governance by using projects as a minimum unit. We have maintained all-encompassing communications with customers and organized diversified community activities while ensuring the security of the community; In the meantime, we have promoted smart services through continuous innovation and exploration, creating a more valuable life for our customers.

- Forging Highest Standards & Enhancing Service Quality
- Inaugurating Public Services & Participating in Social Governance
- Ensuring the Security of the Community & Safeguarding Life of Property Owners
- Enriching Community Culture & Creating Humane Life
- Improving Multi-Dimensional Communication & Responding to Property Owners' Need
- Innovating Smart Services & Facilitating Property Owners' Life



The Company has built
25
demonstration bases of
“Harmony Courtyard” all over
the country

Forging Highest Standards & Enhancing Service Quality

Poly Property stays committed to providing clients with high-standard services and strictly complying with the Urban Real Estate Administration Law of the People's Republic of China and Regulation on Realty Management. The Company has created a series of standardized documents regarding several service brands such as "Harmony Courtyard", "Oriental Courtesy" and "Nebula Ecology" etc. Poly Property continues to promote the standardization of system infrastructure. Currently, the Company has obtained ISO9001 quality management system certification and developed a series of systems to further standardize management.

Property Service for Residential Community

Poly Property has been leading standardized and quality service. Centering on two major brands "Harmony Courtyard" and "Oriental Courtesy", we have continuously optimized service standards and provided better services to our customers. In 2019, Poly Property upgraded its brand and endowed "Harmony Courtyard" with connotations of "True, Goodness, Beauty, and Harmonious". We have formulated standardized system files and management to optimize service standards. The Company has built 25 demonstration bases of "Harmony Courtyard" all over the country.

Harmony Courtyard



Real-time monitoring system to ensure safety



Regular surveys on the owners' needs

Oriental Courtesy



Smooth communication with owners



Reliable relationship with owners

Upholding the brand value of "Humane Community and Worthy Life" and the details in services, Poly Property aims at creating a better life for customers. The Company has developed a complete evaluation system of service which helps to effectively control, assess and optimize the whole service-providing process in accordance with customers' needs in different stages.

Case "Harmony Courtyard" project got accepted after a 90-days quality test on 284 items

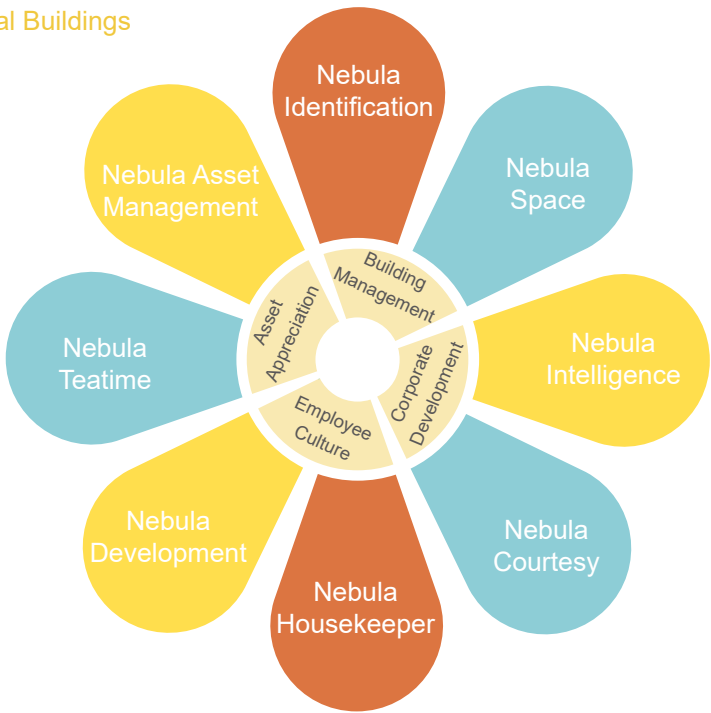
In November 2019, Poly Property invited a professional third-party service evaluation company agency to assess the achievement of the "Harmony Courtyard".By thorough investigation and unannounced visits, the appraisal experts conducted comprehensive audit on the Company's property management and service, testing the data management, facilities and equipment management and the risk management level of each project to seek out areas of improvement for service quality.

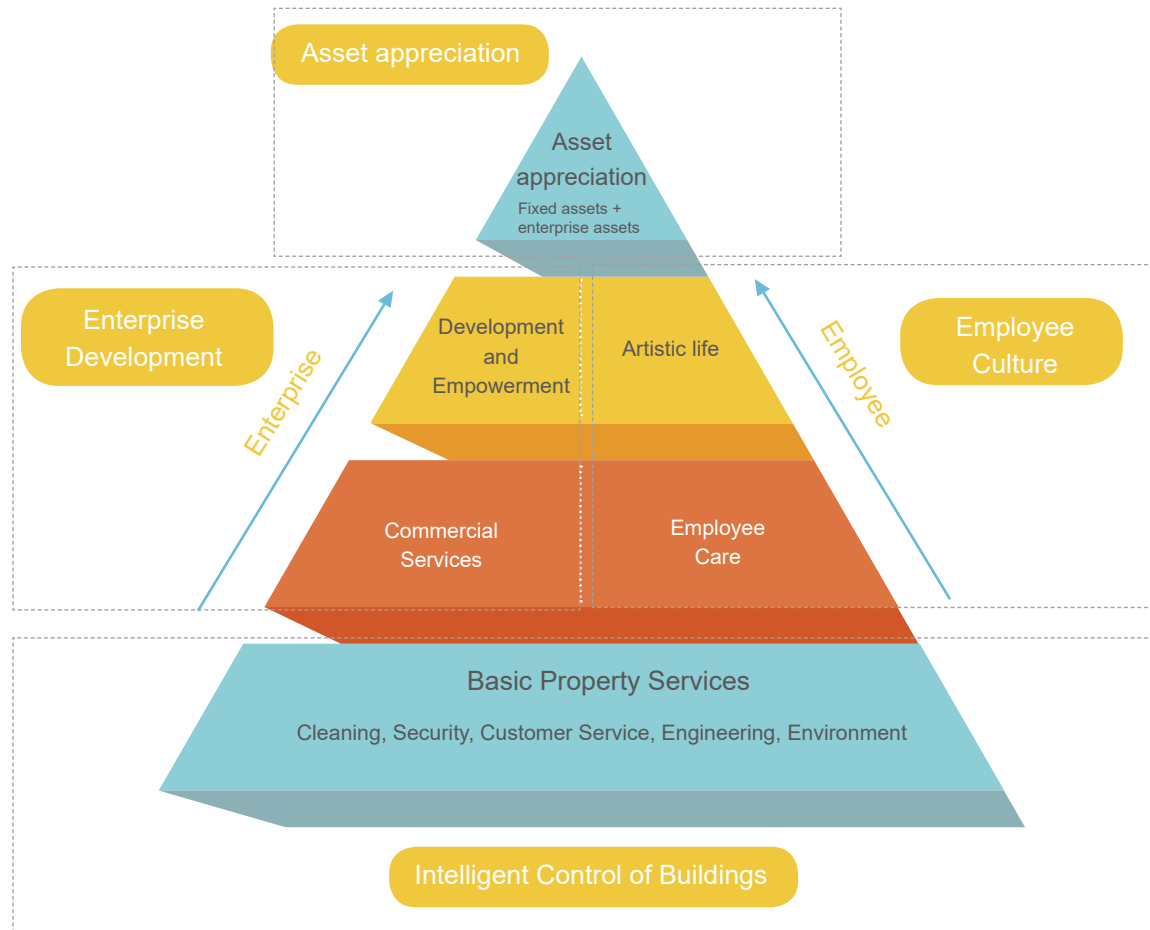


Each of the demonstration projects was reporting the construction work of "Harmony Courtyard" to the appraisal experts and listening to their comments.

Property Services for Commercial Buildings

"Nebula Ecology", an ecological platform of Poly's business, integrates Poly Property's high-quality services and resources and provides full life-cycle service experience for customers. The platform has formed a service system consisting of eight modules convening the aspects of intelligent control, business development, employee culture and value-added assets. A series of relevant documents such as Nebula Ecology Manual and Nebula Ecology Standard further guarantee the high quality to services provided for the customers.





Evaluation system for Poly Property's service management and business operation

Case Nebula Concierge of Poly Property assisted at the 2019 Guangzhou Culture Industry Fair

In November 2019, the opening ceremony of the 2019 Guangzhou Culture Industry Fair was held successfully in Xinghai Concert Hall. Nebula Concierge, a service team of Poly Property, was in charge of the reception work and provided high-quality service experience for every guest.

When greeting the audience, Nebula Concierge always wore smiles and stood upright. They warmed every individual guest with professional service and graceful manner. In face of questions from the audience, Nebula Concierge patiently listened, answered and guided.



Nebula concierge leading the audience to their seats

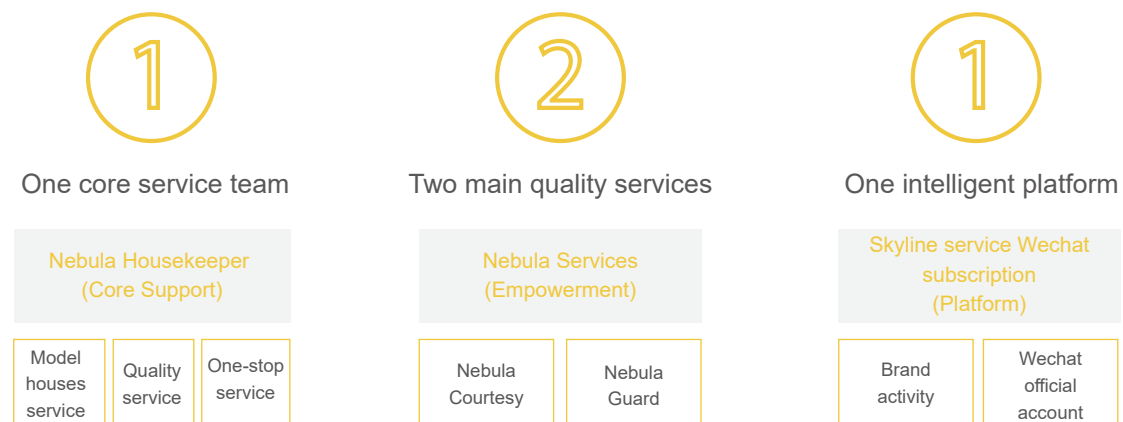
At the opening ceremony, Nebula Concierge provided guidance and assistance to every guest. Despite the demanding work, Nebula Concierge always kept focused and behaved professionally, showing high quality service of Poly Property.



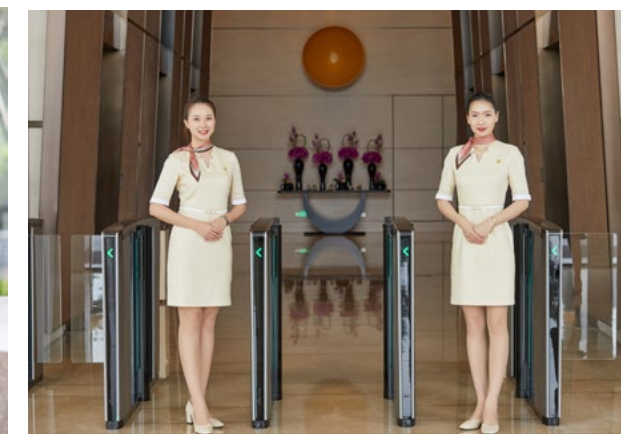
Nebula concierge assisting in the awards presentation

Case The customized "121 Service System" by Poly Skyline Plaza

Based on the concept and standard of "Nebula Ecology", Guangzhou Poly Skyline Plaza constructed a specific "121 service system" according to the practical situation of projects and customer needs. With a full service coverage, the new system provides customized high-quality services for the business clients.



Reception desk of Poly Skyline Plaza



Elevator welcome service of Poly Skyline Plaza

Diversified Value-added Services

Poly Property has always been focusing on the owners' request and integrating external resources to provide value-added services. Based on a comprehensive survey on owner's request, the Company designed targeted value-added services in different scenarios such as home decoration service, community retail, parking lot management service, community space management, community convenience, etc.



Inaugurating Public Services & Participating in Social Governance

With the advancement of urbanization and rural revitalization, property service has gradually evolved from "Small Property" which is simply equivalent to community management and commercial office management, to "Comprehensive Property" which embraces urban and rural public services. With the country's promoting equitable public services in urban and rural areas, Poly Property has actively responded to national policies and upgraded the comprehensive managing model based on traditional property management. The Company also actively delivered multi-functional public services and set up service criteria, forming the "Poly model" of social governance. Aiming at "winning official recognition, local acceptance and public satisfaction", the Company continues to fulfill the social responsibilities so as to build the top brand in the public service industry.

Actively Delivering Multi-format Public Services

Underpinned by its urban public service management and public property services, Poly Property's has a comprehensive business coverage including colleges and universities, urban scenic spots, government office buildings, public facilities and transportations, which helps us establish the leading role in the public service industry, and increase our participation in multidimensional social governance. As at December 31 2019, the number of public projects under Poly Property's management has reached 266, with the GFA under management of about 140.3 million square meters.

Public service management in townships— "Towns Revitalisation"

Poly Property has created a public property service brand of "Towns Revitalization". With a new public service management mode where government leads namely "Towns Revitalization", Poly Property serves as main entity and customers actively participate, we have optimized the order management of urban scenic spots and provided high-quality services for township residents.

Case Scenic spots service in the Xitang Ancient Town, Jiashan County, Zhejiang Province

Poly Property stationed a high-quality service team in the Xitang Ancient Town, closely cooperated with the local government, and improved the quality and efficiency of scenic spot management through professional services.

After entering the ancient town in 2016, Poly Property team took the initiative and conducted research on the governance measures. They were highly recognized by the local government, local residents, vendors and tourists with services. In June 2019, the service centre of Poly Property at the Xitang Ancient Town successfully won the title of "2017-2018 Youth Civilization of Central Enterprise" awarded by the Central Enterprise Committee.



The night scene of the Xitang Ancient Town



Recognition for managing the Xitang Ancient Town

Holding the "2nd Social Governance and Collaborative Innovation China Mayor Forum" with "Refined Governance, Towns Revitalisation" as the theme and communicating new models of public service

Poly Property hold the "2nd China Social Governance and Collaborative Innovation Mayor Forum". More than 500 politicians, experts and scholars from 28 cities and regions in China participated in Shanghai and discussed social governance and collaborative innovation in the new era centering on the theme of "Refined Governance, Towns Revitalization".



Signing ceremony for the social governance and public service project

Helping launch a national sanitation town project in Gushan town of Liaoning Province

Upholding a service mode where "government leads and Poly Property supplies", we officially settled in Gushan Town in Liaoning Province in July 2019. In the next five months, Poly Property won high recognition from the local government and people because of its professional and customized services. At the end of October 2019, with the help of Poly Property, Gushan Town successfully won the acceptance for the establishment of a national sanitation town.



Staffs were cleaning the river



Poly Property received a banner from Gushan Caring Association

Exploring new public service management model – "Government + Enterprise" in Tianning Town, Jiashan County, Zhejiang Province

Using the comprehensive improvement of urban and rural environment as the breakthrough point, Poly Property fully cooperated with the comprehensive planning of the local government of Tianning Town to provide treatment services. The services covered 203 management service indicators and 7 major sectors including customer service, engineering, greening, cleaning, security and so on. The Company makes effort to improve the quality of production, life and environment of Tianning Town with the help of the modern information technology. Through trials and errors, Poly Property helped complete the comprehensive environmental improvement work for Tianning Town, resulting in the improved townscape. The professional service operation saves fiscal expenditure and creates a win-win situation for both the government and the Company.



Public Property Services

Poly Property provides targeted services for people from all walks of life, including providing industrial park services for enterprises, school property services for teachers and students, hospital property services for medical staff and transportation services for the public, participating in all aspects of social governance. The school property services as provided by Poly Property have covered over 70 schools and formed several benchmarking projects, receiving commendation and several awards for its services.

Integrated Property Management Service for the Central South University

With the aim and mission of "people-oriented and educating through service", Poly Property provides various services including cleaning, order maintenance, dormitory management, canteen management, quality and safety monitoring services for the Central South University. The Company also established joint prevention and control mechanism with the school's logistics management department. For example, the emergency management mechanism can guarantee the successful operation of teaching activities, conference activities and other school activities.

Through years of efforts, Poly Property has formed a set of standard management modes featuring grid construction of party, governance modernization and extreme professionalization. In terms of urban public service management, Poly Property created a “5M、 7M、 XM” mode targeted at scenic spot management, urban universal management and urban optimization management to further standardize public services and provide high quality public service to more customers.

Theme demonstration

Public service management mode of Poly Property

Grid Construction

Governance Modernization

Extreme Professionalization

Poly Property separates and manages urban areas according to the matrix and grid group structures. Through the implementation of grid management, the Company established several service stations and connected with the local government. It is through joint governance that Poly Property helps relieve the management pressure on the government and improve its efficiency in serving the public.

Poly Property maintains a strategic cooperation with a professional design company to build a brand-new smart city with Jiashan Town serving as a pilot project. Without breaking the existing administrative divisions, management structure and the grass-roots democratic autonomy, the urban and rural communities are divided into several grid-like units to maximize the integration of existing service management resources, and to improve the standardization and refinement of grid management.

After several years of experience, the Company has published a set of professional public service standardization systems and guidance documents, including the Manual for Standardization of Public Service Management and Theory and Practice of Public Service Management Innovation. Poly Property has formed a replicable and extendable management model and selected several management model as benchmarks.

Public Service Management in Scenic Spots (5M mode)

Urban Public Service Management (7M mode)

Preferred Public Service Management (XM mode)

- Environmental management
- Five small industry supervision
- Security management
- Integrated service management
- Scenic spots management

- Environmental management
- Five small industry supervision
- Security management
- Integrated service management

- Market management
- Building service management
- Maintenance management

- Environmental management
- Five small industry supervision
- Security management
- Integrated service management

- Market management
- Building service management
- Maintenance management
-

Ensuring the Security of the Community & Safeguarding Life of Property Owners

Ensuring the Owner's Health and Safety

Guided by the principle of “safety first, prevention foremost and management all-round”, the Company strictly abides by the Production Safety Law of the People's Republic of China and the Fire Protection Law of the People's Republic of China, formulates and implements relevant regulations such as the Emergency Response Manual and the Safe Production Management System Compilation. Meanwhile, the Company implements safety check mechanism on equipment, order maintenance and transportation in order to better control the potential risks. We also carry out regular safety trainings and emergency drills to effectively eliminate potential safety risks within the community. In 2019, the Company revised and improved the previous management procedure to ensure the rapid and effective response to emergencies.

Safe Production Management

Poly Property has set up a Safety Production Committee to oversee the production work safety within the Company. The committee is led by the general manager who is in charge of the overall formulation and promotion of the safety management system. The management departments are set up at the Company's headquarter, branches and projects respectively to implement their safety responsibilities by promoting safety education, emergency drills and other safety management. In 2019, multiple projects completed the safety management standardization (level 3) certificate check. Throughout the year, no work safety-related fatal accidents occurred. The safety management work was carried out in an orderly and smooth manner.

安全管理标准化
三级管理等级
(商业商务楼宇)

编号: 蓉AQBLY III 20170072

成都市应急管理局颁发
成都市应急管理局监制
二〇一九年一月十八日(有效期三年)

Safety Management Standardization (level 3)
Certificate of project company

In 2019, the Company organized

8,560

safety production meetings and trainings

with 145,972 person-time

Safety Production Management Measures

Equipment maintenance

- Inspect engine rooms, water/electricity equipment and troubleshoot potential security risks regularly to ensure the safety and reliability of the infrastructure;

Order management

- Set up monitoring systems and equipment and arrange security personnel for shift inspections to ensure the stability of regional environment;

Travel management

- Apply the personnel information system to ensure the authenticity of passers-by information and guarantee the safety of the management area;

Safety training

- Establish a "Safety Education Registration Card" for new recruits to ensure mandatory training for all new employees;
- Safety education for all employees;



Safety Training before Work



Watching Warning Video

Prepare safety case database

- Compile and distribute the Security Production Case Library to learn the lessons from significant production safety cases;

Safety check

- Conduct internal inspections and prepare inspection reports;

Safety production activities

- Organize annual safety check, investigate into safety hazards in the beginning and at the end of the year and implement "Working Safety Day" activities to eliminate potential safety risks.

Case

monthly investigation on safety production

In June 2019, Director of Poly Property Safety Production Committee and Senior manager in charge of safety production, came to the Poly (Guangzhou) Property to inspect the community safety management and control. This inspection focuses on the control of hazard sources, emergency management, on-site safety management, etc.



Poly Property attaches great importance to the training of employees in dealing with emergency situations, and carries out four types of safety emergency drills, namely, natural disaster, public safety (theft), equipment safety and fire safety, so as to ensure that employees can respond to special situations quickly and effectively.



Fire emergency drills



In 2019,
2,969
emergency drills were
carried out



with
61,726
participants

Brave and courageous, Poly Property staff came to rescue a diesel car of spontaneous combustion

In December 2019, an accident concerning the spontaneous combustion of a hazardous chemical transport vehicle took place in the highway service area which is under Poly Property's management. In the face of heavy smoke and fire, 7 employees of Poly Property did not fear the danger and organized a voluntary fire-fighting team to rescue the vehicle. When the on-site supervisor found that the fire extinguisher had no obvious effect on suppressing the fire, he then immediately arranged the engineering and security team to connect the fire hose and spray into the vehicle for 15 minutes, in order to prevent the reignition and to ensure that the fire was completely extinguished. Finally, the crisis was solved professionally and efficiently.



Fire Fighting scene of Poly Property staffs

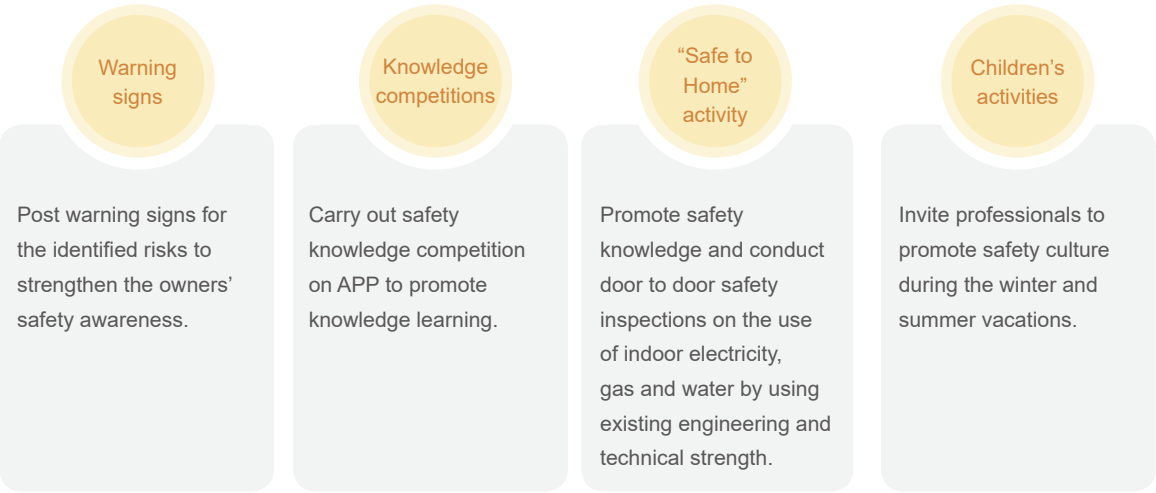


Poly Property staff coordinated with the road administration personnel for site enclosure and evacuation

Promotion of Safety Culture

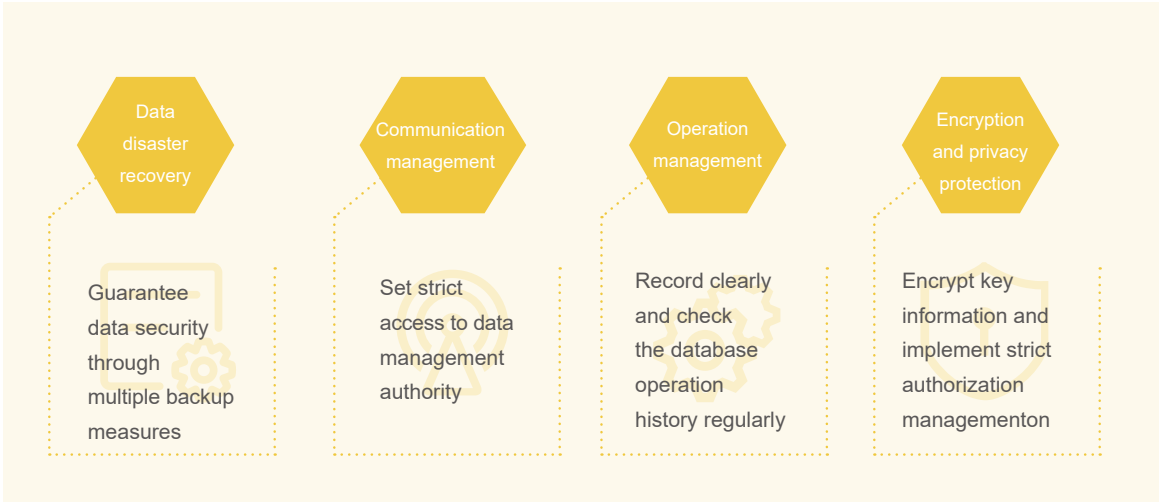
Poly Property shares safety knowledge with the owners to help them improve their safety awareness and response capacity and build a safe community together. In 2019, the Company carried out 7,863 publicity activities, with more than 260,000 people and employee participants.

Promotion Activities



Ensuring Owners' Privacy and Security

Poly Property attaches importance to customers' privacy protection, and strictly abides by the Law of the People's Republic of China on the Protection of Customers' Rights and Interests and other relevant laws and regulations. The Company formulated several guidelines such as the Guidelines for Management of Archives and Data of Residential Property and establishes information security teams to implement the information security management system construction and operation process so as to ensure the privacy security of customers. The main control measures include:



Enriching Community Culture & Creating Humane Life

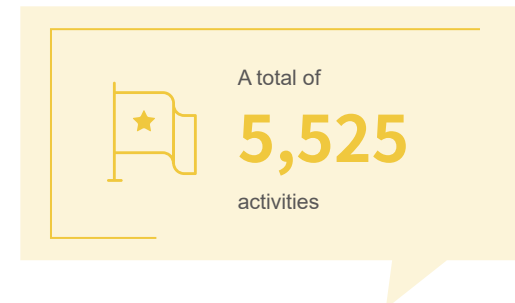
With the theme of "True, Goodness, Beauty and Harmonious", Poly Property designed diversified community activities for different age groups such as families, the elderly, children and the youth to enrich the community's cultural life and atmosphere. In 2019, regional companies across the country carried out a total of 5,525 activities. Typical activities include:

Activities relating to children development

Organize visits to the Base for Patriotism, historical attractions and field training, promote patriotism and cultivate perseverance through historical and cultural education



Summer Camp



Mid-Autumn activity- Yearly Lighting up Families Reunion Feast

In 2019, more than 1 million owners from 26 cities and 246 communities across the country shared more than 8,000 dishes to taste the uniqueness of each city and spread the "home spirit".



Scenes at Lighting up Families Reunion Feast

The third Courtyard Culture Festival & the second Owner Art Festival of Poly Property Chengdu

In September 2019, Poly Property Chengdu Branch Company held the third Courtyard Culture Festival and the second Owner Art Festival. Thousands of owners from eight regional areas of Poly (Chengdu) Property gathered in the Grand Theater, performing Sichuan Opera, song and dance shows, tricks and enjoying the grand feast of art and culture.



Activity site of the the third Courtyard Culture Festival and the second Owner Art Festival

Improving Multi-Dimensional Communication & Responding to Property Owners' Needs

Innovative Models to Build Harmonious Relationship

In the context of national promotion of the "Co-construction, Co-governance and Sharing" social governance model, in 2019, the Company upgraded its brand and proposed a new model of community management named "Harmony Courtyard". The model, relying on the standardized service system of "Harmony Courtyard", emphasizes on the communication and coordination among the property owners, the Company and the government, and sets up a tripartite joint mechanism within Poly communities. Regular joint meetings are held to discuss complicated management problems such as rubbish classification, high-rise littering, etc.



Press conference for "Harmony Courtyard" Brand Upgrade

In August 2019, Poly Property co-operated with multiple demonstration projects across the country to simultaneously hold the "Harmony Courtyard" press conference, setting up joint conference base and mechanism for owners, property companies and government officially. Nearly 3,000 owners jointly issued the "Harmony Courtyard" community proposal, and worked with the property company and the government to create a new "Co-construction, Co-governance and Sharing" community.



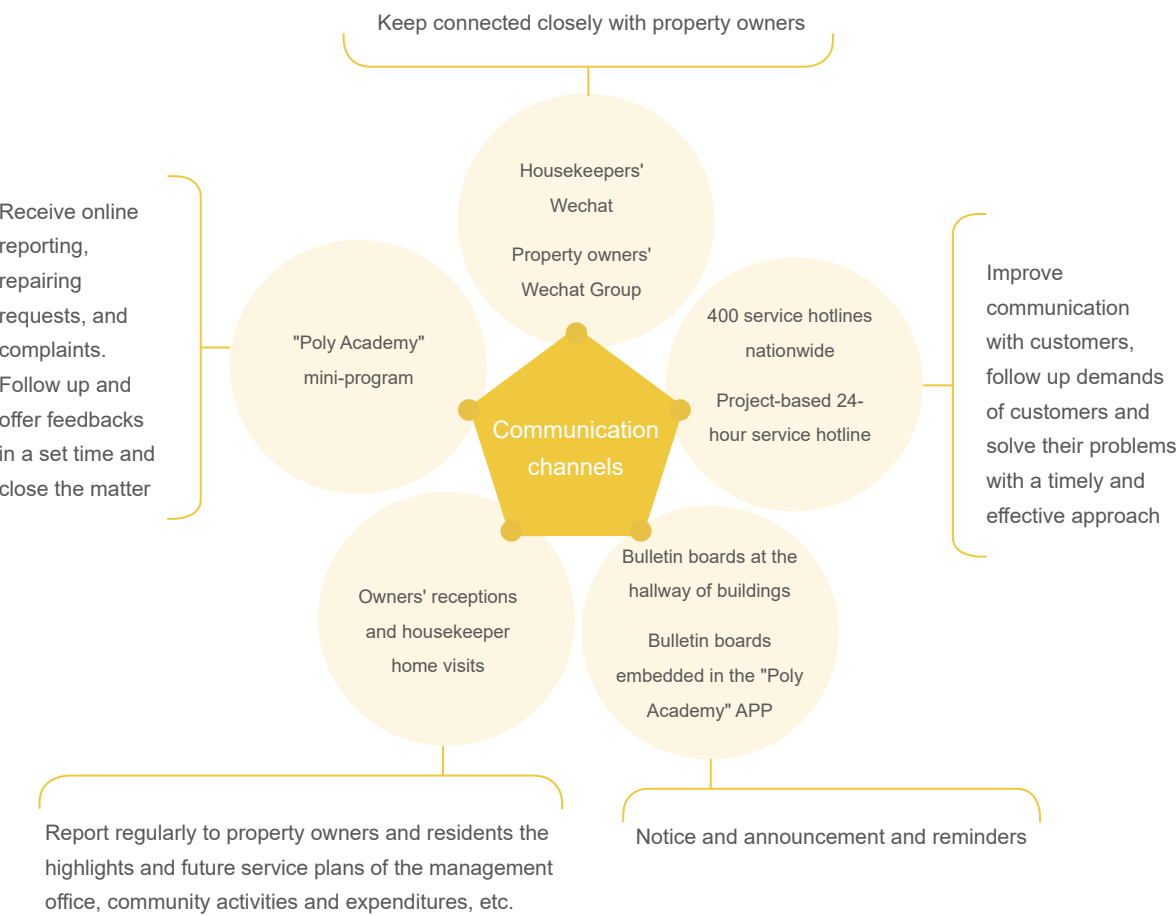
Wuhan property owners signed on the "Harmony Courtyard" community proposals



Press conference

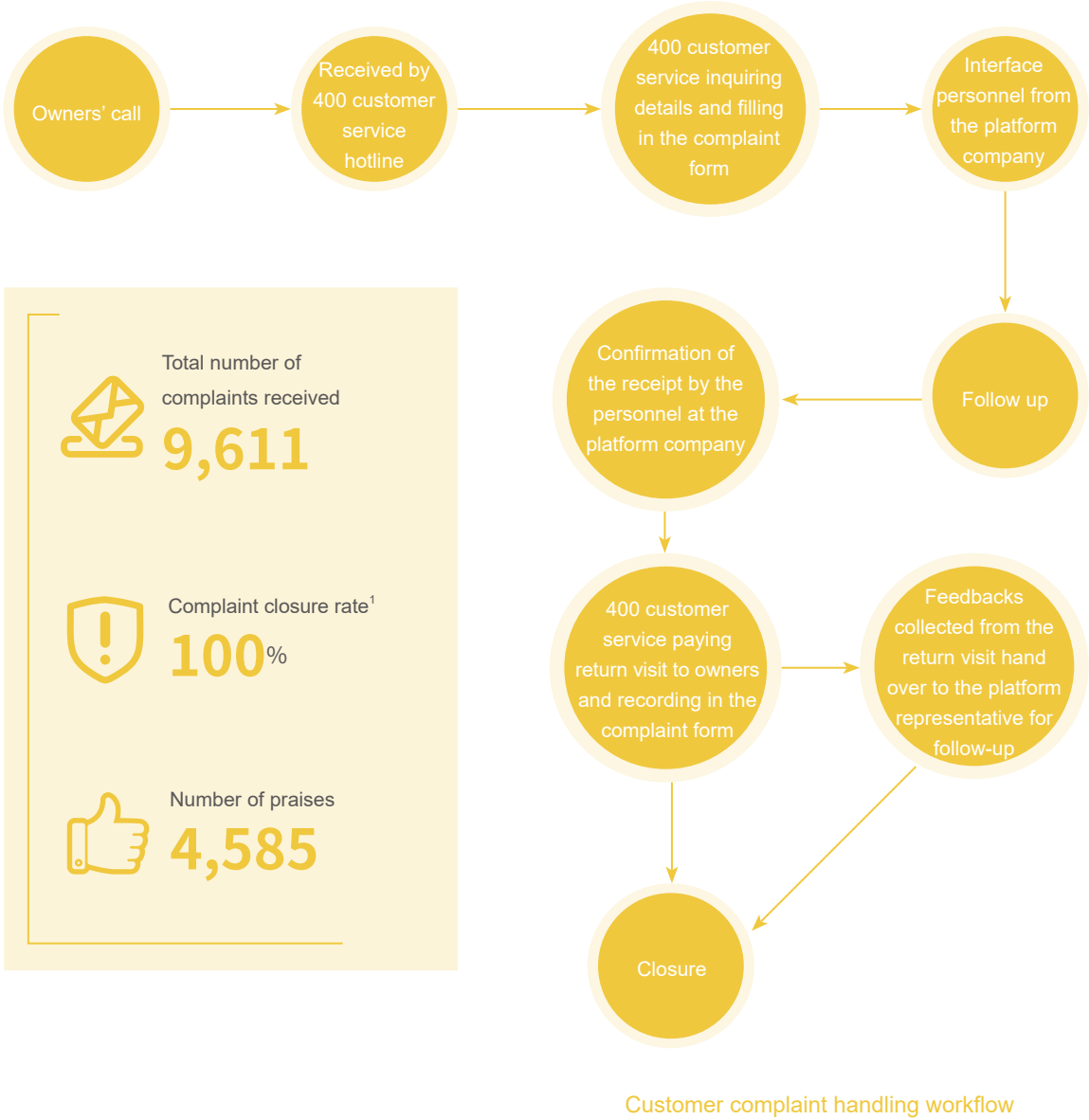
Multi-Channels to Communicate

Poly Property keeps active contact with the owners and sets up various communication channels online and in-person. The Company maintains a sustainable and harmonious relationship with the owner by collecting their suggestions and feedbacks and rectifying problems in delivering services.

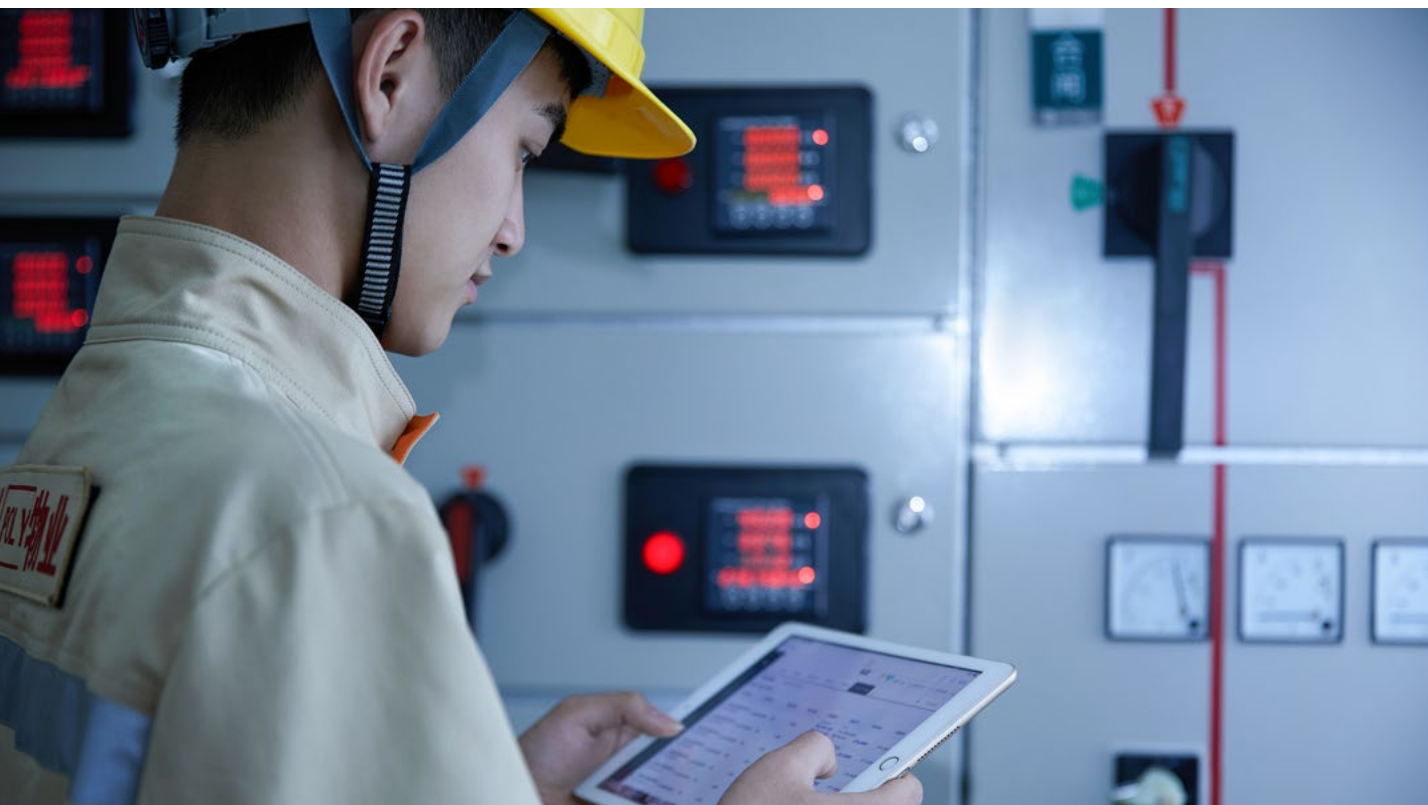


Complaint Management System

Poly Property has established a sound customer complaint management system which formulates standards of complaint and assess handling processes. The complaints and inquiries from customers received via the service hotline will be coordinated and distributed by the headquarter and followed up by subordinate companies. In the end, the headquarter would review whether the matter was handled properly. In 2019, the Company quickly responded to all types of consultation and complaints from customers and achieved 100% follow-up. The responsible interventions from the headquarter further improve customers' satisfaction. For 9,611 customer inquiries received by the customer complaint center, the headquarter recorded and distributed to subordinate companies in 30 minutes. The subordinate companies started the compliant resolving procedures within 24 hours.



¹Proportion of complaints resolved in 2019 as at the disclosure date of the report



Innovating Smart Services & Facilitating Property Owners' Life

APP for property owners

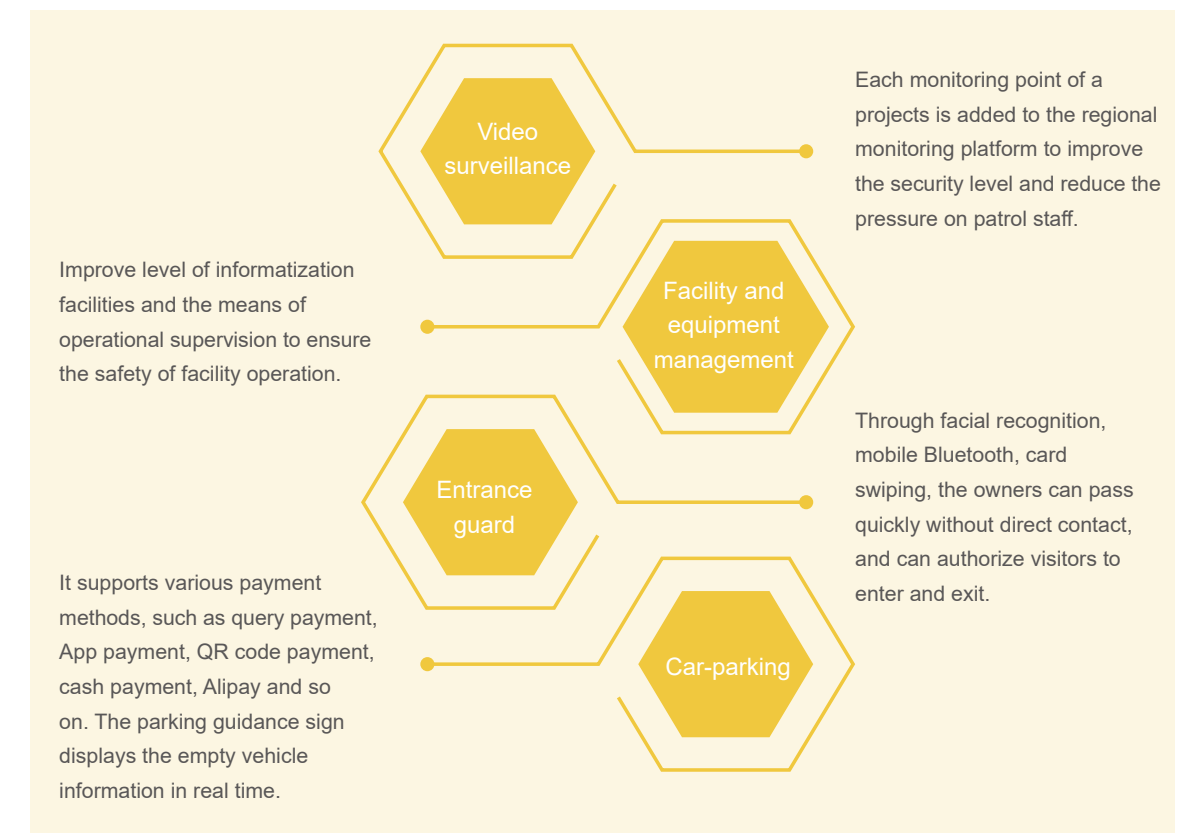
Poly Property continues to push forward the digitization development. The Company has developed digital platforms including public Wechat account, app and mini programs. The platform covers multiple functions including repair reporting, checking accounts, paying fees, calling for housekeepers, community announcements, community emergency notice, suggestion mailbox, safety guards, etc. to improve efficiency and customer satisfaction. As at end of 2019, the mini program named "Poly Academy" has been deployed among the residential communities across the country.



Main interface of the APP

Intelligent IOT

Poly Property increased investment in intelligent community and accelerated the development of application scenario research. The Company is committed to provide more convenient services to the owners based on the improved community security.



Intellectual Property Protection

Abiding by the Copyright Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Patent Law of the People's Republic of China, the Tort Liability Law of the People's Republic of China and other relevant laws and regulations, Poly Property has formulated Intangible Assets Management Measures and Brand Management Regulations. It has integrated the management of intellectual property into the infrastructure of the legal system. The legal department coordinated the management of intellectual property, helped form the intellectual property risk prevention mechanism with joint efforts of multiple departments and trained employees on intellectual property rights protection regularly. As at December 31, 2019, Poly Property has obtained 17 registered trademarks, 7 patents, 26 software copyrights and 1 domain name.

As at December 31, 2019, Poly Property has attained

 **17** Registered trademarks

 **7** Patents

 **26** Software copyrights

 **1** Domain name

Enlightening Employees, Inheriting Corporate Culture



Poly Property adheres to the people-oriented principle and takes “enlighten clients, ourselves, colleagues, work and society” as the standard to further develop the staff members. The Company provides employees with reliable rights protection mechanism as well as the competitive benefits and welfare. We attach importance to the rights and interests of employees as well as occupational health and safety. We actively recruit talents from the society and universities to adapt to the strategic development of the Company. The talent training system, cultural activities, as well as employee condolence contributes to the employees' working capability and their team spirits. We aim at improving the organization's executive ability and cohesiveness by inheriting the corporate's “Spark Culture” , which will lay a solid foundation for the steady development of the Company.

- Protecting Employees' Rights and Interests
- Protection of Employees' Health
- Attracting Talents
- Stimulating Growth
- Caring for Employees

Number of employees

38,774

Total training hours of employees

605,883^{Hours}





Protecting Employees' Rights and Interests

Equal Employment

Poly Property strictly abides by the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, local regulations and other relevant laws and policies, and establishes labor relations on the basis of the principles of "legal and justice, equality and voluntary, consensus and credibility". The Company formulates and strictly implements the Labor Contract Management Measures and other regulations, which clearly define the conditions and procedures for the formation, implementation, alteration and termination of labor contracts. The Company requires new employees to provide identification cards or, if necessary, other verification materials such as Hukou, combined with professional background checks, to ensure that the child labor and other non-compliant employment behavior is avoided. During the reporting period, there were no cases of child and forced labor.



Compensation and Benefits

Poly Property continuously optimizes the remuneration and benefits system, formulates and implements the Measures for the Administration of Compensation and the Measures for the Administration of Personnel Deployment, conducts remuneration review, provides employees with competitive remuneration. In accordance with the Social Insurance Law of the People's Republic of China and the respective local implementation rules, the Company pays "five insurance and one fund" to employees, and provides a variety of benefits. According to the Labor

Contract Management System, the Company implements a standard working hours system, defines working hours and remuneration composition in the labor contract, and pays employees overtime compensation in a timely and adequate manner. In addition, we provide employees with comfortable and warm dormitory, commute shuttles and staff canteens, to ensure the convenience and comfort of the lives of employees, so that employees feel the Company's care.

Vacation benefits

Paid annual leave, maternity leave, paternity leave, examination leave, parent meeting leave, marriage leave

Subsidy and welfare

Heating fee, food stipend, communication stipend, transportation stipend, enterprise annuity, regular physical examination and other welfare.

Employee Communication

To encourage employees to speak up, the Company sets up several up and down communication channels. We stimulate the collective negotiation function of the labor union and constantly improve the infrastructure of the labor union system. We encourage subordinate companies to establish labor unions, sign collective agreement with employees and encourage employees to speak through labor unions and maintain close communication with the Company. We also designed several activities such as face-to-face talk with the general managers, democratic life meeting and sharing from the headquarter in order to motivate all the staff members to discuss their personal growth, business and future with ease.

Protection of Employees' Health

Poly Property strictly follows the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and relevant laws and regulations. The Company formulates and implements the Management System Manual and Safety Production Rules, and continuously drives the infrastructure of the occupational health and safety management system and external certification, in order to protect the safety rights and, interests of employees. The headquarter and its 13 subordinating companies of the Company have passed OHSAS 18001 and other relevant certifications. We also invite external organizations with professional qualifications to assess and evaluate, and update the certificate every three years.



OHSAS 18001 occupational health and safety management system certification of the Company headquarters

Poly Property strengthens the communication with employees on the topic of occupational safety and health by appointing the employee representatives and empower them to take part in the decision making process of the occupational health plan formulation. Taking the perspective of employees into consideration, the Company can identify the potential health hazards in the workplace and carry out more targeted and effective activities to ensure the improvement of safety management.



In 2019, physical examination coverage rate of employees is

100%

Case

Pay attention to employees' health and relieve "sub-health" symptoms

In 2019, in order to improve the "sub-health" status of the employees, the Company and the Guangdong Second People's Hospital coordinated "three-volt paste", "spinal treatment experience", "Chinese medicine consultation" activities, which received wide welcome.



Consultation Site

Attracting Talents

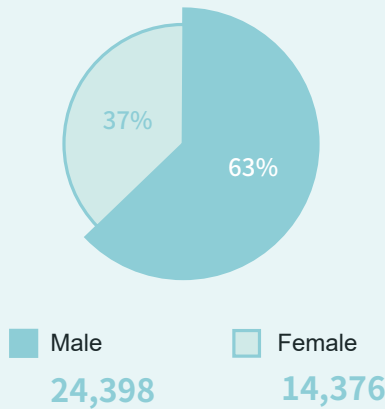
Poly Property offers direct and indirect job opportunities to better fulfill the social responsibility and lays a solid foundation for business development. The Company pays attention to applicants' both moral sense and work capability. Through selecting channels featuring "fairness, equity and openness" and the "market + school recruitment" mechanism and in light of the 4D capacity model incorporating 4 aspects—development experience at Poly Property, performance, capacity and motivation, Poly Property selects experienced, capable and cultural-identified applicants in a fair and just manner. Currently, the Company has launched "Galaxy Talent Plan" and offered a large number of jobs of key positions for Galaxy Commanders, Galaxy Operation Officers, Galaxy Life Officers, in a bid to bring in decisive talents in nationwide programs.

- For school recruitment, the Company has established a property employer brand, namely "Star Generation" and actively carried out school-enterprise cooperation. In 2019, we have actively cooperated with 64 prestigious universities including Peking University and Sun Yat-sen University in over 22 provinces nationwide.
- For social recruitment, the Company promoted the "Commander Plan" to attract experienced social talents who meet the demands of business development and recognize the development of the Company.
- For military personnel and other special talents, the Company signed a strategic agreement with Veterans' Bureau, and provided pre-job training and evaluation to help veterans better transit to a different career path.

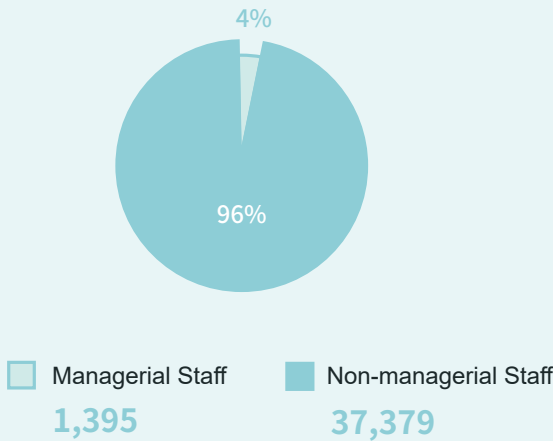
Number of employees 38,774



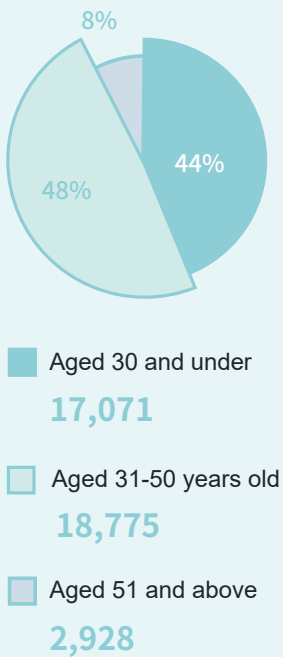
By Gender



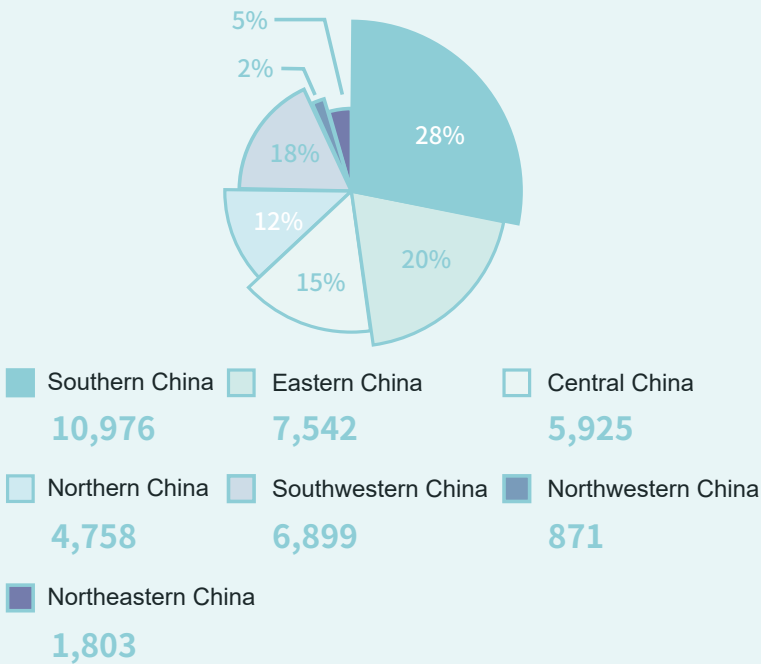
By Employment Type



By Age Group



By Region



Stimulating Growth

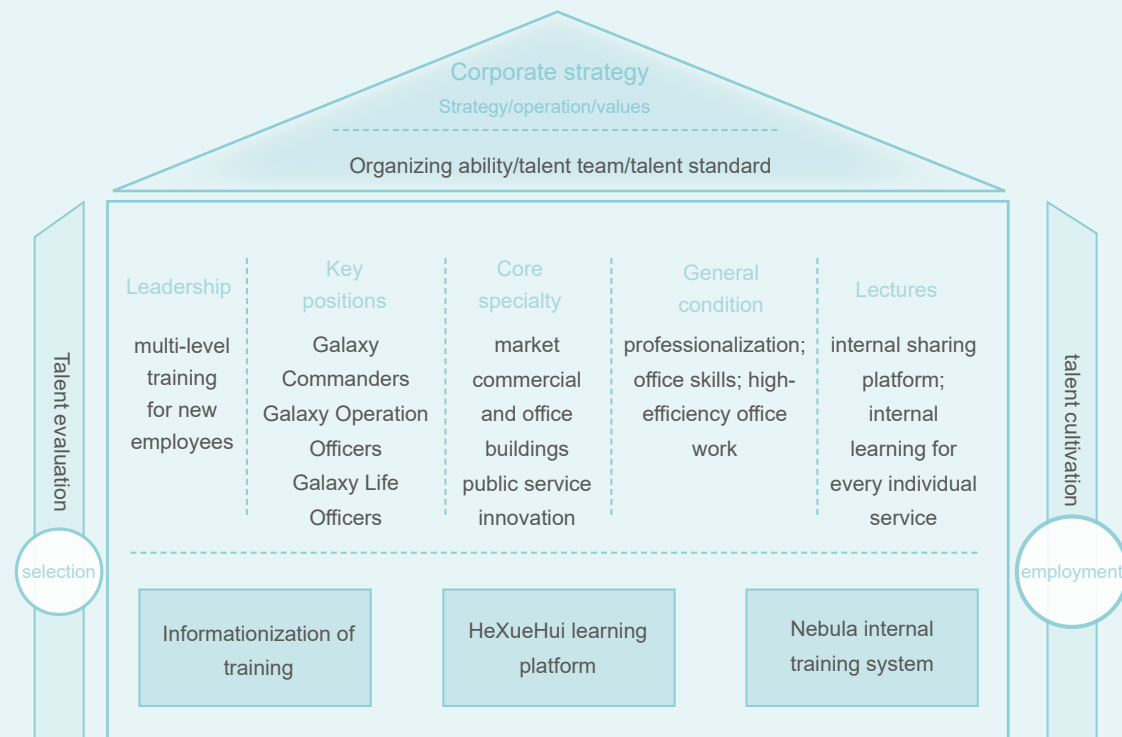
Poly property creates a "management + professional" dual career development path, opens up the development ladder for the talents, carries out skills competition, providing opportunities for talents to stand out. At the same time, based on the Company's strategic development plans and business upgrading needs, Poly Property has formed our Galaxy training system for key positions. The system's verticle talent echelon line runs through entire employees' career cycle, and the horizontal professional training line covers the comprehensive scope of business operation. In addition, Poly Property Training College has been developed to provide both online and offline learning platforms, as an important addition to the learning resources, to realize the mutual growth of both talents and the Company.



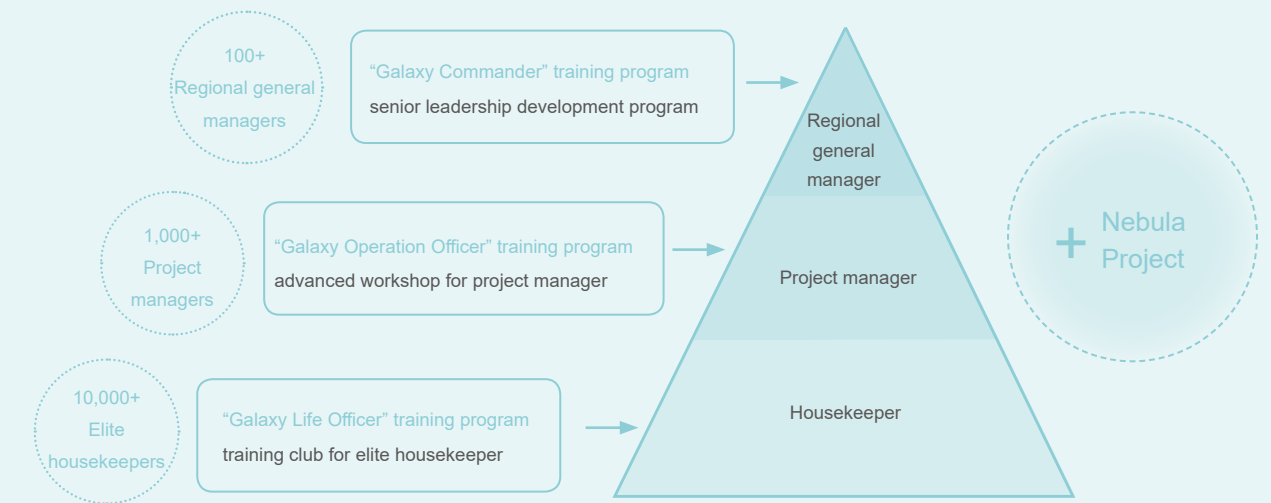
Training data		Unit	2019
The number and percentage of employees trained			
Total number	>	Headcount(%)	● 38,774 (100%)
By gender			
Male	>	Headcount(%)	● 24,398 (63%)
Female	>	Headcount(%)	● 14,376 (37%)
By employment category			
Managerial Staff	>	Headcount(%)	● 1,395 (4%)
Non-managerial Staff	>	Headcount(%)	● 37,379 (96%)

Training data		Unit	2019
Average training hour completed per employee			
Total training hours of employees	>	Hours	● 605,883
Average training hours of employees	>	Hours	● 16
By gender			
Male	>	Hours	● 15
Female	>	Hours	● 16
By employment category			
Average training hours for Managerial Staff	>	Hours	● 21
Average training hours for Non-managerial Staff	>	Hours	● 15

Poly Property Training College (structure)



Training of Three Key Positions



Special training programs



“Galaxy Commander” for senior managers’ leadership development, “Galaxy Operation Officer” for middle-level managers’ qualification enhancement, “Galaxy Life Officer” for housekeeper training, and Nebula Project for internal trainers cultivation.



Provide property management training, innovation industry training, asset operation training, public service training, etc. in a bid to accelerate the building of professional teams within the Company.



Establish an internal experience sharing mechanism, create three internal sharing sub-platforms of "Ace vs. Ace", "Management Acceleration" and "Club of the Outstanding", and make plans such as "Casting sword" and "Growth of all things—promotion of human professional ability in 100 hours", etc. We promote mutual learning from the previous successful experiences, facilitating the internal communication and management.

Galaxy Operation Officer

case

A set of project manager training mechanism and evaluation criteria has been established for the "Galaxy Operation Officer" special training project. In 2019, the Company formulated 132 training documents and trained 251 super project managers. At the same time, the Company has established a team of 67 "Nebula internal trainers" from 22 regions, covering 10 professional lines, delivering 14 professional internal courses, and building an internal professional curriculum system that supports the core competitiveness.

In June 2019, Galaxy Operation Officer project was officially launched. Under focus group discussions and in-class testing, the trainees completed various courses such as military training, professional training, executive salon, etc. The trainees kept reflecting on their growth, and benefited greatly from professional skills learning and team cooperation. When reporting the completion of the project, eight groups put forward improvement plans and action plans covering six topics, including the implementation of project standards and the improvement of property service quality, combined with detailed data analysis and industry benchmarking analysis, and replied to the questions raised by the guests' review, demonstrating the fruits of this training project and the professionalism of Poly Property staff.



Group discussion

Skill competitions among Poly Property's craftsman

Poly Property encourages its employees to challenge themselves. In August 2019, the front-line engineers participated in the Company's internal skills competition. The competition is divided into two parts: theoretical examination and practical examination, covering 11 categories, which comprehensively trained the overall ability of employees.



theoretical examination



Practical examination

The Second Cross-Year Fun Challenge

In December 2019, The Second Cross-Year Fun Challenge of Poly Property officially began, with all employees of the headquarter participating. This activity will enhance staff interaction through five kinds of fun games, such as 123 Woodman, tug of war, and two major theme activities as well as the themes of "New Year Market" and "Go Public Celebration".



Fun Challenge Event at the turning of the year



Field Gobang



Tug of War

Caring for Employees

Poly Property promoted a series of activities with the concept of "people-oriented", including festival activities such as "March 8th Woman's Day", brand activities such as "where is the baby" as well as league building activities such as "Autumn Party". It is through all kinds of activities that the Company's Spark Culture can be rooted in all employees' mind.



Family open day

In June 2019, the Company launched the first "where is the baby - family open day" through four kinds of activities, namely color painting, kitchen competition, music and art experience. Through the event, the Company was able to enrich the lives of children, create a unforgettable family time for employees, and build a better workplace.



Singing competition on May 4th

In April 2019, Poly Property held the online May 4th singing competition, and gathered colleagues to record and submit singing videos. The competition received more than 4,000 works in total, which led to more than 300,000 times of forwards and likes, and 28 people with more than 1,000 kudos won the final title of "popular singer".



One of the Singing Champions: Chen Liang from Poly (Jilin) Property

Staff Care

Poly Property has set up a "Love Fund" to help employees in need to arrange employment for their children, provide special consolation during holidays and particular occasions and help employees get rid of difficulties effectively.

Holiday condolences

Before the Spring Festival, the Company prepared special new year's gifts and "red envelopes" for the employees in need, helping them to spend a warm Spring Festival.



Condolence to employees

When the Company learned that one employee was seriously ill and the family had to bear the heavy financial burden, the Company's representative paid a home visit afterwards, and brought RMB 5,000 of consolation money and RMB 400 of consolation gifts, wishing him to recover soon.





Joining Hands, Pursuing Win-win Progress

Poly Property has set up and continuously improved supply chain management mechanism. We forged a stable and win-win partnership with suppliers to better practise social responsibility. Furthermore, the Company promotes high-quality cooperation in and outside the industry as well as win-win progress of community businesses, participates in exchanges within the industry and scales new heights in sustainable development with its counterparts.

- Building Sustainable Supply Chain
- Promoting Coordinated Development

Total number of suppliers

6,093

Since the launch of the community investment promotion plan, Poly Property has reached strategic cooperation with over

250

well-known companies

Building Sustainable Supply Chain

Poly Property is committed to building a sustainable supply chain. Upholding the principle of “open, fair and just” in bidding and procurement process, the Company standardizes the supplier screening and warehousing process to ensure the operation quality of the supply chain. We also actively take on social responsibilities, advocate green and transparent operation of suppliers and forge a value chain with a sense of corporate social responsibility.

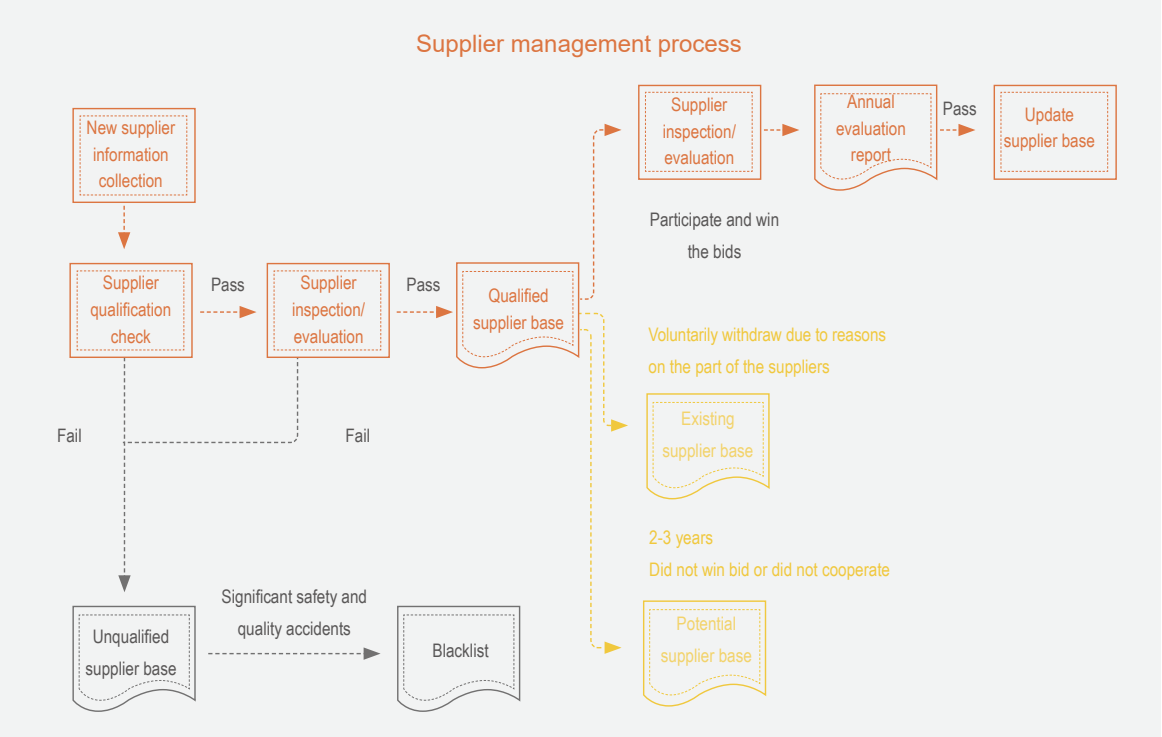
Standardizing Supply Chain Management

Poly Property strictly abides by the Law of the People's Republic of China on Tenders and Bids and the Bidding Management System and other relevant regulations. The Company formulates and implements the "Bidding Managment Policies" and "Supplier Management Measures", which clarify the qualification requirements of the merchants to enter the warehouse and the relevant management regulations after entering the warehouse, to ensure that the introduction of suppliers is "open, fair and just", to ensure that high-quality suppliers provide good products and services, and to actively maintain good cooperative relations with suppliers. As at December 31, 2019, Poly Property has 6,093 suppliers in total.



Poly Property adopts level-to-level management of suppliers, strictly sources, screens, audits and admits suppliers and implements completed the whole process management.

The main management process is as follows:



Fulfilling Social Responsibility of Supply Chain

Poly Property actively undertakes the corporate social responsibility in the process of supply chain management, and strictly abides by regulations on anti-corruption, and eliminates corruption in the procurement process. The Company attaches much importance to green purchase to reduce the possible environmental impact caused by the procurement process.

Transparent Procurement



Poly Property strictly abides by the Regulations on the Incorruptible Behavior to fulfill the procurement process, and also manages all employees and suppliers. Any bribery or inappropriate behaviors will be punished as soon as discovered. For those suppliers suspected of violating behaviors, the Company would transfer its clues for violations of discipline to the relevant departments, and immediately cancel the deals, put them into the blacklist and end the partnerships.

Poly Property uses the internet platform for procurement to ensure the fair prices and transparency. In order to avoid the risk of fraud, the Company also makes full use of the customer service hotline to avoid the direct contact between the purchasers and suppliers. Meanwhile, to prevent unfair competition, the Company encourages employees and external personnel to report violations via the of inspection hotline, emails and online petition reporting.

Green Procurement

Poly Property pays attention to shouldering environmental and social responsibilities in the purchasing process, and integrates the concept of green purchase into the entire process of supply chain management. Referring to ISO14001 environmental management system certification, we give priority to suppliers of high caliber. During the process of purchase, in light of the emission standards of various purchased goods, we prefer energy-saving and environmental-friendly materials. For projects concerning complex technology, Poly Property analyzes different schemes in terms of environmental protection and energy-saving factors, and selects the materials which are the most environmental-friendly. The Company actively promotes green purchase nationwide. Subordinating companies with outstanding performance in energy conservation and environmental protection will be praised and further promoted.



Promoting Coordinated Development

In the context of the rapid development of the property management industry and the continuous expansion of service space, Poly Property strengthened industry cooperation, promoted industry exchange, opened up market space, and explored with partners to achieve more quantitative and qualitative changes.

Encouraging Industrial Cooperation

Through cooperation with enterprises and schools, Poly Property explores the theoretical basis and information technology to promote the development of the whole industry.

Cooperation with central state-owned companies

Through cooperation with central state-owned enterprises, Poly Property built a joint community in the property management industry to explore property services, forging a benchmark of within the industry.

Case

Cooperation with central state-owned enterprise, explore office property services in depth

In January 2019, in order to provide better property services and asset management, Poly Property and China Machinery Engineering corporation jointly established Poly Zhongshe (Beijing) Property Management Co., Ltd. Through the wholehearted cooperation of both parties, Poly Zhongshe (Beijing) Property Management Co., Ltd. will continue to work on office property services to provide every customer with the most comfortable experience.

Cooperation with local companies

Relying on the strength of central state-owned enterprises, Poly Property has continuously enriched the concept and connotation of "urban services", and cooperated with local enterprises to jointly export residential, commercial and public property service brands to promote urban construction to a higher level.

Case

Jointly established a city comprehensive service company with Chongqing Xiangrui

In March 2019, Poly Property and Chongqing Xiangrui Property Group Co., Ltd. held a strategic cooperation signing ceremony. Based on the cooperation strategy, the two sides formally cooperated to establish Poly Huichuang (Chongqing) City Comprehensive Service Co., Ltd. The two sides will use Jiangjin District of Chongqing as the base, and explore new spaces for cooperation around the residential sector and the commercial sector to create a good value life for the city and the owners.



Cooperation agreement signed by both parties

Jointly established a city service company with Shandong Heze Chengtou Group

In September 2019, Poly Property entered into a strategic cooperation agreement with Shandong Heze Chengtou Group, and announced the official establishment of Shandong Chengtou Poly Huichuang City Services Co., Ltd. Both parties will make in-depth exploration in urban construction and development, creating a "government + enterprise" public service innovation mode to improve the quality of urban life.




Cooperation agreement signed by both parties

School enterprise cooperation

Case

Joining with Shanghai University of Finance and Economics to deepen public service in Yangtze River Delta

In April 2019, Poly Property and Shanghai University of Finance and Economics reached a comprehensive and in-depth strategic cooperation on the exploration of public services in the Yangtze River Delta region, established a public service think tank and a regular senior management mutual visit mechanism, and jointly promoted research outcomes to the public in order, to assist the government in making management decision and jointly promoting the development of public services research and application services in urban scenic spots.



Cooperation agreement signed by both parties

Empowering the Community

Poly Property is committed to create new business model and provide a more convenient life for owners. In 2019, the Company launched the community investment promotion plan which taps into the community market by collaborating with external business, and enabling upstream and downstream cooperation of enterprises in the community commercial industry chain. Since the launch of the plan, Poly Property has reached strategic cooperation with well-known enterprises in many fields nationwide, and successfully recruited more than 250 cooperative merchant resources.

Poly Property is oriented to customer needs, provides solid protection for merchants, and provides diversified service platforms for owners. In particular, we launched a new community retail business with the business orientation of "building a multi-platform based on the needs of the owners and the community life services of property owners", and launched the festival themed activities with the Panda Warehouse as the activity carrier, and cooperated with the national centralized procurement and distribution model to launch Heyuan "preferred", "selected" and "dedicated" series products.



Promoting communications within the Industry

Poly Property actively participated in exchanges held by industry associations and research institutions, embracing the trends of branding, informationizing and pluralizing. The Company also shared in-depth ideas and best practices with other companies.

Case 2019 Property Service Enterprise Brand Development Forum

In June 2019, 2019 Property Service Enterprise Brand Development Forum and National Property Management Industry Media Work Exchange Meeting were held in Chongqing. At this meeting, Poly Property executives delivered a keynote speech entitled "The era of comprehensive property: from community to city", which is the first time to elaborated the property strategy of Poly Property. Given its sterling reputation, strong influence, competitiveness and brand premium, Poly Property has achieved "grand slam". It was awarded with "2019 TOP 50 Property Management Companies in terms of Brand Value" "Featured Brand of Property Management Service", "2019 TOP 1 Influential Property Management Companies in terms of WeChat Official Account Operation", and "2019 TOP 3 Property Management Publications".



Case 2019 Research Results Conference of Top 100 Property Service Enterprises

In May 2019, the Research Results Conference of Top 100 Property Service Enterprises in 2019 was held in Beijing. Poly Property ranked fourth among the top 100 property service enterprises in 2019 with excellent performance and won six awards in a row.



Practising Environmental Protection, Creating Green Space



Poly Property adheres to the concept of harmonious coexistence of human and nature, pays attention to the environmental impact during the operation process and continuously improves environmental protection measures in order to build green communities. The Company keeps advocating the concepts of low-carbon office, creating green office atmosphere. It vigorously promotes the idea of environmental protection by actively carrying out environmental protection activities.

- Green Property Services
- Green Office Operation
- Green Culture Publicity



Green Property Services

Poly Property strictly abides by the laws of the Environmental Protection Law of the People's Republic of China and other relevant laws and regulations. We take pollution prevention and control as the core, pay attention to the management of the entire process, focus on energy, water resources and waste management, reduce the risk of environmental accidents and the negative impact on ecological environment during our operation, which helps us to establish a green and healthy corporate image. In 2019, Poly Property continued to improve its environmental management system and completed the ISO14001 environmental management system certification.



Certification of ISO14001 environmental management system of headquarter office



Emissions ¹		Greenhouse Gas emissions and intensity ¹	
Nitrogen Oxides	626 Kg	Greenhouse Gas emissions ² (Scope1)	Greenhouse Gas emissions ³ (Scope 2)
		389 Tonnes CO ₂ e	49,862 Tonnes CO ₂ e
Sulfur Oxides	2.51 Kg		
Particulate Matter	59 Kg	Total Greenhouse Gas emissions (Scope 1+Scope 2) ⁴	Intensity of Greenhouse Gas emissions ⁵
		50,251 Tonnes CO ₂ e	175 Tonnes CO ₂ e/million sq.m.

1.The Emissions and Greenhouse Gas data statistics for 2019 includes office operation areas of the Company headquarter, subordinates companies, and project offices.
2.The direct Greenhouse Gas emissions are generated by the consumption of gasoline, the emissions from gasoline shall be calculated by reference to the Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Operating Units (Enterprises) of Public Buildings (Trial) released by the General Office of the National Development and Reform Commission;
3.The indirect Greenhouse Gas emissions from purchased electricity and heating are calculated by reference to Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Operating Units (Enterprises) of Public Buildings (Trial) released by the General Office of the National Development and Reform Commission;
4.The total Greenhouse Gas emissions are the sum of direct (Scope 1) and indirect (Scope 2) Greenhouse Gas emissions;
5.Intensity of greenhouse gas emission are calculated by taking aggregated area of 287 million square meters of Poly Property in 2019 as the denominator.

Energy Management

In order to reduce the energy consumption of projects under management and enhance the implementation of energy conservation work for the enterprise, Poly Property strictly abides by the Energy Conservation Law of the People's Republic of China, formulates and implements the Regulations on Cost Control Management, manages energy-consuming facilities such as lighting systems, heating and ventilation systems and water supply systems with effective technical means and necessary upgrades, in order to improve the efficiency of resource use.

Management method

Project introduction

- Reasonably distribute the public energy consumption meters

Pre-delivery

- Standardize management of energy consumption account of water and electricity metering system diagram

Project under operation

- Strictly implement the energy consumption control plan
- Regularly track and analyze energy consumption data

Lighting system

- Install time controlled LED or light sensing lighting system, to improve the operation time difference between seasons.
- Use LED lamps to save energy and reduce consumption

HVAC system

- Recycle the air conditioning condensate for the cooling water system to improve energy efficiency

Water supply system

- Conduct remote monitoring of water supply equipment to prevent running and dripping issues
- Use the non-pressure water supply system to reduce the number of pump times and the energy consumption of water supply equipment operation

Air conditioning cooling water system of Poly International Plaza

Guangzhou Poly International Plaza underwent renovation to address issues such as high energy consumption and high security risks in the office areas. By adopting the centralized air supply system of the air processor and the air-conditioning water cooling function, the energy efficiency of the air-conditioning refrigeration host was improved, the unit operation was improved, thereby saving energy and reducing consumption. Currently, Poly International Plaza saves about 30 tonnes of water and 200-300 kWh of electricity per day during the cooling season.

Energy consumption and intensity^{1,2}Total energy consumption^{2,3}

64,545 MWh

Intensity of total energy consumption⁴

225 MWh/million sq.m

Direct energy consumption^{2,5}

1,530 MWh

Indirect energy consumption^{2,6}

63,015 MWh

- 1.The energy consumption data statistics for 2019 includes office operation areas of the Company headquarter, subordinates companies, and project office;
 2.The calculation methods of data refer to "How to Prepare an ESG Report-Appendix 2: Reporting Guidance on Environmental KPIs" of The Stock Exchange of Hong Kong;
 3. The total energy consumption includes the total energy consumption generated by gasoline, purchased heating, purchased electricity;
 4.Intensity of energy consumption and water consumption are calculated by taking aggregated area of 287 million square meters of Poly Property in 2019 as the denominator;
 5.The direct energy consumption includes gasoline consumption of office vehicles;
 6.The indirect energy consumption includes purchased electricity and heating.



Water Resources Management

Poly Property attaches great importance to the reasonable application and discharge of water resource. The Company strictly abides by the Law of the People's Republic of China on the Prevention and Control of Water Pollution, formulates and implements the Regulations on the Management of Project Cost Control. We also adopt various measures to control the use of water resources and improve utilization efficiency. In 2019, the Company actively responded to the government's call to create the water-saving communities, among which seven typical projects including Tangyue, Xijiangyue, Luolan Chuntian and Zijing Gongguan organized by Poly(Jiangsu) Property and Zhonghuan Plaza, Xinyu Garden and Luyuan Building organized by Poly (Guangzhou) Property. were successfully built into "water-saving" communities that meet the general criterion via process monitoring and standardized regulations.

In order to improve the efficiency of water resource utilization within the operation scope of Poly Property, we implemented the following measures:

Construction of rainwater recycling system

Use water-saving facilities and equipment

Employ automatic irrigation for landscaping

Underground sprinkler irrigation with UPVC

Put up water-saving signs in water use places

Clarify the daily water management measures

Rainwater recycling system in Poly Skyline Plaza

Poly Skyline Plaza is equipped with a rainwater recycling system. After the rainwater is discarded, disinfected and filtered by the system to ensure that it meets the use standard, it flows into the clean water pool for flushing civic landscapes, green belts and roads, so as to effectively improve the utilization efficiency of water resources. In 2019, the system saved 1,019 m³ of water.

Water consumption in total and intensity¹

Water consumption in total

1,778,670 m³Water consumption intensity⁴6,197 m³/million sq.m.

Waste Management

Poly Property follows the Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution and other laws and regulations, formulates and implements the Guidelines for Waste Classification, and takes action to reduce, recycle and re-purpose solid waste.

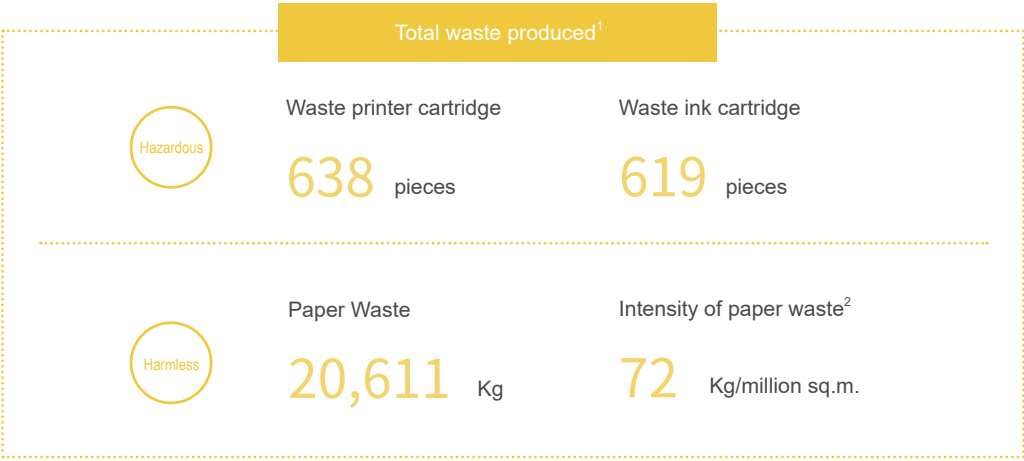
The main solid waste produced during the property operation process is domestic waste. Poly Property would collect and manage all the waste and entrust a qualified third party agency to clear and transport such waste at regular collection points and in regular intervals. At the same time, the Company encourages every project property service centers to recycle greening garbage, fertilize yard forests, and promote the reuse of waste.

The main hazardous wastes generated by the Company during its operation are printer cartridges and toner cartridges. The Company strictly followed related regulations of the city where the project was located and cooperated with qualified suppliers and entrusted them to either process or recycle the pollutants.

Poly Property fulfills the responsibilities of community managers and actively responds to the promotion of waste classification. The headquarter takes the lead in setting up recycling stations in the communities and carries out waste classification work together with the owners. Take Poly (Guangzhou) Property as an example, the project actively cooperates with the government on the waste classification work based on the relevant regulations such as the regulations on the management of domestic waste classification in Guangzhou, the three-year action plan for deepening the classification and treatment of domestic waste in Guangzhou (2019-2021) and the local government's requirements of "full promotion, all-round coverage and whole society participation". In 2019, the Company in Guangzhou has withdrawn all garbage cans in passageways and has completed the work of garbage on spot classification and distribution, providing guarantee for promoting waste classification at community level in urban areas.



Waste sorting point



1.The total waste data statistics for 2019 includes office operation areas of the Company headquarter, subordinates companies, and project office;
2.Intensity of paper waste is calculated by taking aggregated area of 287 million square meters of Poly Property in 2019 as the denominator.

Green Office Operation

Poly Property actively advocates the energy-saving operation model within the office area, and integrates the awareness of environmental protection to the daily operation to create a green office environment.



Energy saving of the office equipment

- Enhance employees' awareness of energy conservation and consumption reduction, and effectively reduce waste of water, electricity, paper and other resources
- Close all kinds of water and electrical equipment that are not needed in time, to reduce the non-load loss of electronic equipment
- Inspect lighting equipment on a regular basis



Paper recycling for office work

- Encourage employees to respond to the concept of paperless office and use electronic equipment to modify materials and reduce photocopying
- Promote double-sided printing and use of secondary paper to improve the utilization rate of office paper



Carbon reduction for business travel

- Encourage employees to use public transport to commute and advocate green travel
- Implement OA system to apply for official vehicles travel, standardize the application process of official vehicles travel, and improve the accuracy of vehicle management



Standardization of office supplies

- Implement the management system and process of purchase and registration of office supplies, and strengthen the recycling rate of office supplies



Green office purchase

- Purchase products that meet the environmental protection standards and do not contain harmful chemicals, and raise employees' awareness of green utilization of resources

Green Culture Publicity

Poly Property has always paid attention to the environmental protection and advocate green life. It stays committed to building green communities with the owners. In 2019, the Company held various types of environmental protection publicity activities both online and offline, including garbage classification, tree planting activities, earth hour and clothing recycling etc. to promote environmental protection in society. We also promoted the environmental protection concepts such as energy conservation, emission reduction and waste classification through bulletin boards, internet as well as other publicity channels. By introducing impact of the waste on the environment, the owners' awareness of environmental protection can be improved.

Case

Building green residential community together via youth team

In 2019, Poly Property launched the "Hueyuan Little Bee" garbage sorting public welfare activity targeting children in multiple communities across the country, attracting more than 100 young-aged owners to participate in the activity, and contributing to building a green community with young people. At the same time, we actively build a community school co-construction mechanism, and carry out small classes for garbage classification with neighboring schools to enhance the impact of garbage classification promotion.



Case

Publicity activities of garbage classification

Poly Property has carried out a number of popular activities on garbage classification knowledge in the community, including residents mobilization and publicity, household investigation and registration, special knowledge lectures for owners, etc., so that the owners can learn garbage classification knowledge and promote environmental protection concept through lively and interesting activities.



Garbage classification activity targeted at owners in Poly (Hunan) Property



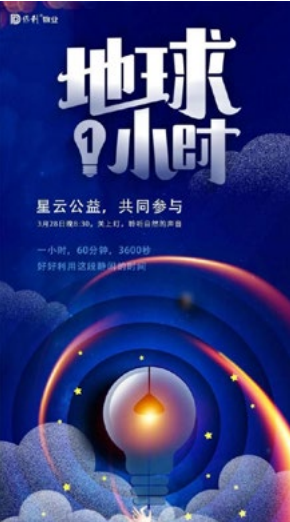
Community activities of garbage classification in Shandong Poly Prosperous Life



Case

Theme publicity of environmental protection

Poly Property takes the opportunity of environmental festivals to carry out a number of publicity activities nationwide. During the tree planting festival, we carried out tree planting activities in communities across the country. On the day of earth hour activity, business projects across the country carried out a unified lights out activity to support the global low-carbon development, demonstrating our determination to tackle climate change.





Contributing to the Society, Lighting Up Households

As a state-owned enterprise, Poly Property always bears social responsibility in mind, devotes itself to poverty alleviation, helps promote community charity work, carries out community public welfare activities, supports the fight against COVID-19, and builds positive interaction between the business and the society. The Company not only provides property services, but also aims to bring happiness to tens of thousands of households.

- Devoting in Poverty Alleviation
- Promoting Charity Work
- Developing Voluntary Community Activities
- Fighting Against COVID-19

Public welfare and charity investment RMB
358.3
Thousand

Employee's participation in voluntary events
12,825
Person-time



Devoting in Poverty Alleviation

Spreading Spark Culture and Implementing Targeted Poverty Alleviation Strategy

Poly Property has always been keen on the national targeted poverty alleviation strategy. Poly Spark Class is an employment facilitation program targeted at poverty-stricken counties promoted by China Poly Group Corporation Limited. It provides professional skills training for the school-age children from filed poor households. We also provided them with internships and helped them seek jobs at Poly Property with an innovative mode featuring “teaching a man to fish” so as to achieve targeted poverty alleviation and long-term poverty alleviation. At present, “Poly Spark Class” has been successfully held for three phases and enrolled 193 students from 6 national poverty-stricken counties. All students have successfully graduated and started to pursue their dreams in the property company.



Mobilizing the Power of Communities, Responding to the Call on Poverty Alleviation

Poly Property implements the national call for poverty alleviation through consumption, actively responds to “Power of Community” which is a specific activity organized by China Property Management Institute to help alleviate poverty, gathers all strength in property service industry and devotes itself to poverty alleviation. In September 2019, the specific project named “Power of Community” was officially launched. Throughout the year, more than 100 communities all over the country participated in this project and it has held over 20 activities so far. With the help of community resources and the idea of “Bring One Kilo Home”, it attracted millions of owners to participate. As a result, the Company connected the agricultural products from poor areas with the urban community's consumption need, contributing to the improving income level of farmers from poor areas. In the year, the produce sales volume added up to 25.15 tonnes, and the sales reached over RMB 270 thousand.



The poster of “Power of Community”

Case The opening ceremony of the second phase of “Poly Spark Class”

In April 2019, the opening ceremony of the second phase of “Poly Spark Class” was officially held in Shanxi Vocational and Technical College of Architecture. 68 new students of Poly Spark Class coming from Ludian and Qiaojia, Yunnan Province and Xincheng, Guangxi Province were about to start a new journey of pursuing dreams. The new model and mature experience of targeted poverty alleviation advocated by Poly Spark Plan will be comprehensively promoted in other designated poverty alleviation counties.



The opening ceremony of the second phase of “Poly Spark Class”

Case The Company's representatives' visit to Poly Spark Class students

By September 2019, the students graduating from the first phase of “Poly Spark Class” have been employed for more than 9 months. Poly Property has always been paying attention to their career growths. The Company's management representatives came to the “Poly Spark Class” to have a talk with each student, concerned about their job situations, family life, existing difficulties and requirement, and encouraged the students to seize every possible opportunity to build their career paths and create more colorful lives.



Greetings from the Company's representatives

Case The specific poverty alleviation activity named “Power of Community” first starts in Guangzhou, Journey of Guangdong Community

In November 2019, a special initiative named “Power of Community” jointly organized by China Property Management Institute, Guangdong Property Management Industry Institute, and Poly Property, was officially launched in Poly Garden, Journey of Guangdong Community (Guangzhou stop). Owners purchased poverty-alleviation products and supported “Power of Community” with practical actions. As a result, Poly Property won the “Poverty Alleviation Pioneer Award” as the top 3 property company in Guangzhou because of the special contribution to poverty alleviation through consumption.



Owners were purchasing produce for poverty alleviation



Poly Property was awarded with “Poverty Alleviation Pioneer Award”

Promoting Charity Work

Poly Property adheres to the Charity Law of the People's Republic of China to better conduct charity work. In 2019, Poly Property donated about RMB 85.3 thousand and carried out a series of assistance practices including donating money to support education, helping the poor and rebuilding communities, etc.

Students assistance program

Poly (Wuhan) Property, together with Hubei TV station, Clothes Action, Charity Association and other charity organizations, carried out Hot Heart Aid Education activity in a local primary school, sending warm blessings to more than 30 poor children.



On the spot of Hot Heart Aid Education activity

Community charity activity named "Preventing AIDS with Love, Protecting AIDS Together"

In June 2019, Poly Property Chengdu Branch Company launched the public activity called "Preventing AIDS with Love" in Nanhongyuan square. The activities were carried out in the form of fun games, aiming to spread health knowledge, advocate the concept of healthy life and strengthen the awareness and understanding of AIDS as well as the healthy lifestyle among the community residents, especially teenagers. There were over 50 participants in the activity, including employees from Poly Property Chengdu Branch Company, residents and college students from Nanhong Village and other communities.



Activity site

Poly Harmony Courtyard voluntary service team – insisting on community voluntary work for ten years

The Company's voluntary service team was founded in 2008. Through decades of growth and refinement. There are currently 11 urban teams, over 30 project teams and over 4000 owners participated in the volunteer team. Internally, service teams target the elderly in the community through activities such as regular visits, home decoration and the training for the elderly, improving the elderly's awareness of health and safety as well as their sense of self-confidence and self-value. Externally, service teams delve into the society and launched public activities such as Charity Run, Hot Heart Aid Education, Visit to Vulnerable Group, etc. As a result, those vulnerable groups can be cared for and protected. Currently, the Company's voluntary work is benefiting more owners, employees and all walks of life.

Developing Voluntary Community Activities

Poly Property actively develops various voluntary activities, promoting the positive influence of charity in the society. At the same time, in order to standardize the management of public service activities and strengthen the influence on the community charity work, the Company conducted the Empirical Research on the Effect of Community Activities on the Relationship Between the Property Service Company and the Owners. Based on the previous experiences of voluntary service team, the Company explored the effective mode of community activities which further provides the innovative perspectives and guidance for conducting charity activities and fulfilling social responsibilities.

Poly Spark Community - communicating and constructing together, relieving people's difficulties, removing people's worries and helping people solve problems

Happiness and harmony comes from love and hope. Poly Property has continuously promoted to all branches and communities on mutual communication and construction, relieving people's difficulties, removing people's worries and helping people solve problems. Based on the various needs of residents, Poly Property fully mobilizes the resources and improves the quality of service to actively practice the brand concept of "Humane Community and Worthy Life".

"Humane Poly, Loving Property" – The annual anniversary of learning from Lei Feng

In March 2019, all Party branches and League branches of Poly Property, together with the volunteer service team, visited elderly who lived alone. They also inspected the gas valves, doors and windows for the owners and cleaned the house. The activity named "Humane Poly, Loving Property" -- The annual anniversary of learning from Lei Feng was successfully carried out by Poly Property Party League as well as Youth League Committee. The volunteer representatives moved the owners with sincere service, spreading the warmth and power of Poly Property as a big family.



Group photo of voluntary service team



Volunteer was closely communicating with the elderly

Poly (Foshan) Property established "Red Property" voluntary service team

Poly (Foshan) Property took the opportunity of commemorating the 100th anniversary of the May 4th Movement to establish a "Red Property" volunteer service team. On the day of establishment, the "Red Property" volunteer service team went to Poly Garden in Foshan to carry out cleaning volunteer service. Volunteers used hand-made cleaning tools to clean the green belt, wells and other neglected corners, improving the community environment with practical actions.



The oath-rite of "Red Property" voluntary service team



The "Red Property" voluntary service team is cleaning the community

"Voluntary Work, Youth League Member First" voluntary activity

In November 2019, Poly Property initiated the "Voluntary Work, Youth League Member First" voluntary activity and held a series of positive and colorful voluntary service activities with the help of "Spark Youth Voluntary Team" in regional companies.



▲ Poly (Hunan) Property did community cleaning-up to raise the labor consciousness and contribute to the improvement of environment.



◀ Poly (Foshan) Property carried out "Help with Community Environment" activity with Dongping community committee, Lecong County, Shunde District.



Poly Property Chengdu Branch Company organized owners' reception day and owners' communication meetings, attracting the owners with various kinds of activities.



▲ Poly Property Chengdu Branch Company organized fire knowledge publicity and fire escape activity.

Fighting Against COVID-19

In face of COVID-19 in the early spring of 2020, Poly Property established the special leading group and working group in response to the country's herculean effort to overcome the epidemic. As the smallest unit of social governance, the epidemic control by the community is the foundation of the whole social epidemic control. Poly Property puts the communities under strict control and formulates a long-term security mechanism to help enterprises return to normal production as soon as possible. Poly Property actively participates in social governance and is determined to fulfill its social responsibility as a state-owned enterprise.



Quick response to the government policies

At the beginning of the epidemic outbreak, Poly Property immediately set up the leading group for COVID-19 prevention and control, and two-level working group combining the headquarters as well as regional companies. At the same time, the Company implemented the standardization of the epidemic prevention and control and formulated the guidelines and relevant documents on residential, public service and commercial projects, such as Three-tier Management and Control Work Guideline for Poly Property, Guidelines for Epidemic Prevention, Guide Manual for Staff on Epidemic Prevention and Guidelines for Returning to Work. The Company also motivates the members of Communist Party and Communist Youth League to take measures against COVID-19. We build strong protecting front around residential buildings, office buildings, industrial park, urban areas, scenic area, schools, hospitals and expressway service areas.



All-round prevention and control in communities

Since the spread of COVID-19, Poly Property has mustered all resources to fight against the epidemic. Staff from the front line guarded their positions and tried their best to ensure the safety of owners. Hospitals serve as the front line for treating and curing the diseases, while the property service serves as the front line for COVID-19 prevention and control. As the smallest unit of social governance, Poly Property has seriously conducted a set of prevention measures including one must health-check, double disinfection, three-level protection, four-type publicity and five-party cooperation.



One must health-check

Internal and external staff must measure the temperature and keep record



Double disinfection

The Company increases the frequency of disinfection and sterilization at the entrance and exit of the community and public areas.



Three-level protection

The Company equips employees with protective equipment, including masks, goggles, protective clothing, and ensures the adequacy of protective materials.

Four-type publicity

Through the WeChat official account, the owners' WeChat group, the bulletin board, and the Anti-epidemic Department, the Company ensures that the each important notice will be released to the owners no less than 3 times a day.

Five-party cooperation

Poly Property headquarter, subordinating companies and projects actively cooperate with street communities and epidemic prevention departments to form a five-party linkage. The linkage mechanism can help collect, summarize and report the epidemic situation in time.

During the quarantine period, Poly Property also launched the "Community Vegetable Basket Project", in which the owners place orders and purchase commodities online, and the products will be uniformly distributed. In this case, the owners can enjoy the direct supply of fresh vegetables without leaving home.



Daily temperature measurement
on delivery clerk



Contactless delivery

Extending the prevention and control work outside the community

The public service area is the top priority for epidemic prevention and control because of its dense population. In order to stabilize the situation, Poly Property launched the emergency plan to assist the government in improving the long-term emergency management mechanism in different situations such as commercial buildings, hospitals, schools, scenic spots and transportation hubs. In the Terminal 2 of Baiyun Airport, the Company applied the latest sensing technology and innovated the pushing buttons so that the elevator can be operated without passengers' direct touch. In the scenic spot, Poly Property provided centralized control and prevention services such as isolation areas, which made up for the weaknesses of public health service and emergency management service, showing the "co-construction, co-governance and sharing" relationship with the government.

Case Fighting against COVID-19, protecting the area of 1.02 million sq.m. in Gaolan County

When preventing and control the epidemic, Poly Property Lanzhou Branch Company also carried out the "clean-up" activities within the community of 1.02 million square meters in Gaolan County. Through the cooperation of the government, the community and the property service company, the team of 140 people cleared 36 barrels of domestic waste in total. The local Bureau of Urban and Rural Construction of Gaolan County gave positive response to our quick response as well as the effective prevention and control actions.



The cleaning team was ready to start

表扬函

保利物业发展股份有限公司兰州分公司保利领秀山项目：
你公司在新冠肺炎疫情防控期间，积极配合我局疫情防控工作，坚守岗位，认真落实疫情防控主体责任，认真守护小区秩序，保障了小区广大业主的健康卫生安全，自疫以来主动生活必需品以满足生活保障，体现了央企担当。鉴于你公司为我县物业行业作出了较好的表率，在疫情防控期间表现突出，特发此函进行表扬，以资鼓励。希望你公司再接再厉，继续做好物业行业模范带头作用，守好物业小区疫情防线，团结并紧密围绕广大人民群众共同打赢打好这场疫情防控阻击战！



Bureau of Housing and Urban-Rural Development of
Gaolan County sent the letter of commendation.

Supporting the resumption of work and production

In order to overcome the challenge of resuming work, the Company strengthened the Eight Prevention Work in important places such as the entrance, the lobby, the elevator, the canteen, the waste bin, the air conditioner, the washing room, the meeting room, etc. Poly Property took technological measures to prevent the spread of coronavirus. By the use of contactless access control system, mask induction and thermal imaging thermometer, the Company tried its best to guarantee the health of all owners.

Faced with paused business production and operation, Poly Property actively responded to the urgent need for the resumption of work and production. Poly Property has opened a special employment channel for job seekers, veterans and fresh graduates. The specialized channel includes multiple recruitment projects such as Spring Recruitment, online recruitment for high-level talents and other programs targeted at veterans and migrant workers. At the same time, in order to help workers stuck in Hubei Province, Poly (Hubei) Property Co., Ltd provided employment opportunities with the coordination of nine cities.

Case Measuring temperature at the multi-functional entrance and sterilizing professionally to help to resume work and production

At the entrance and exit of residential buildings, commercial buildings and public service projects, Poly Property arranges temperature measurers to conduct non-contact temperature measurement to ensure the safety.



Temperature measurement
at the entrance of residential
buildings



Temperature measurement
at the entrance of
commercial buildings



Temperature measurement
at the entrance of public
service county

Poly Property has set up a professional disinfection team to train the staff before service. Employees should wear a mask, take relevant protective measures, and show the health records of the day to ensure safety before work.



Professional all-round disinfection and sterilization

Poly Property will never give up until COVID-19 is over. In this battle against COVID-19, Poly Property sticks to its positions, enlightening and warming the community, enterprises, schools and airports. Serving as a strong guarantee for ensuring the safety of front line, Poly Property fulfills the responsibility of state-owned companies with practice.

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A1.3	Total hazardous waste produced	Green Property Services, ESG Key Performance Indicators
A1.4	Total non-hazardous waste produced	Green Property Services, ESG Key Performance Indicators
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A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Green Property Services, Green Office Operation
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B6：Product responsibility		
General Disclosure		Forging Highest Standards & Enhancing Service Quality
B6.1	Percentageage of total products sold or shipped subject to recalls for safety and health reasons	Non-applicable
B6.2	Number of products and service related complaints received and how they are dealt with	Improving Multi-Dimensional Communication & Responding to Property Owners' Need, ESG Key Performance Indicators
B6.3	Description of practices relating to observing and protecting intellectual property rights	Innovating Smart Services & Facilitating Property Owners' Life, ESG Key Performance Indicators
B6.4	Description of quality assurance process and recall procedures	Forging Highest Standards & Enhancing Service Quality
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Ensuring the Security of the Community & Safeguarding Life of Property Owners
B7：Anti-corruption		
General Disclosure		Anti-bribery and Corruption
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Anti-bribery and Corruption, ESG Key Performance Indicators
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	Anti-bribery and Corruption
B8：Community investment		
General Disclosure		Contributing to the Society, Lighting up Households
B8.1	Focus area of contribution	Contributing to the Society, Lighting up Households
B8.2	Resources contributed to the focus area	Contributing to the Society, Lighting up Households, ESG Key Performance Indicators

List of ESG Policies, Laws and Regulations

ESG Aspects		Laws and Regulations	Policies
A Environment		Environmental Protection Law of the People's Republic of China	Regulations on Cost Control Management Guidelines for Waste Classification
		Energy Conservation Law of the People's Republic of China Law of the People's Republic of China on the Prevention and Control of Water Pollution Law of the People's Republic of China on the Prevention and Control of Solid Waste Pollution	
B1. Employment		Labor Law of the People's Republic of China Labor Contract Law of the People's Republic of China Employment Promotion Law of the People's Republic of China Social Insurance Law of the People's Republic of China	Measures for the Administration of Compensation Measures for the Administration of Personnel Deployment Labor Contract Management Measures
B2. Health and safety		Labor Law of the People's Republic of China Fire Protection Law of the People's Republic of China Production Safety Law of the People's Republic of China Law of the people's Republic of China on Prevention and Control of Occupational Diseases Emergency Response Law of the People's Republic of China Regulations on Work-related Injury Insurance	Safe Production Management System Compilation Emergency Response Manual
B5. Supply chain management		Law of the People's Republic of China on Tenders and Bids	Bidding Management Policies (general rules) Supplier Management Measures
B6. Product responsibility		Trademark Law of the People's Republic of China Advertising Law of the People's Republic of China Patent Law of the People's Republic of China Copyright Law of the People's Republic of China Tort Law of the People's Republic of China Product Quality Law of the People's Republic of China Law of the People's Republic of China on the Protection of Rights and Interests of Consumers Urban Real Estate Administration Law of the People's Republic of China Property Management Regulations	Guidelines for Management of Archives and Data of Residential Property Intangible Assets Management Measures Brand Management Regulations
B7. Anti-corruption		Company Law of the People's Republic of China Anti-money Laundering Law of the People's Republic of China Anti-monopoly Law of the People's Republic of China Anti-Unfair Competition Law of the People's Republic of China Interim Provisions on Banning Commercial Bribery	Responsibility Letter for Integrity and Self-discipline Implementation Measures for the Construction of Discipline Inspection and Supervision System Ten Prohibitions for Leading Cadres The Convention on Integrity of Cadres Probity Code of Conduct
B8. Community investment		Charity Law of the People's Republic of China Guiding Opinions of the General Office of the State Council on Deepening Poverty Alleviation Through Consumption	Three-tier Management and Control Work Guidelines for COVID-19 Prevention of Poly Property Guidelines for Epidemic Prevention Guide Manual for Staff on Epidemic Prevention and Guidelines for Returning to Work

ESG Key Performance Indicators

Environmental Data		
ESG Key Performance Indicators		Data of 2019
A1 Emissions		
A1.1 Emissions ^{b)}		
Nitrogen oxides	Kg	626
Sulfur oxides	Kg	2.51
Particulate Matter	Kg	59
A1.2 Greenhouse gas emission and intensity		
Direct Greenhous Gas Emissions(Scope 1) ^{2)b)c)}	Tonnes CO ₂ e	389
Indirect Greenhouse Gas emissions (Scope 2) ^{3)b)d)}	Tonnes CO ₂ e	49,862
Total Greenhouse Gas emissions ⁴⁾	Tonnes CO ₂ e	50,251
Intensity of Greenhouse Gas emissions ^{a)}	Tonnes CO ₂ e/million sq.m.	175
A1.3 Total hazardous waste produced		
Waste printer cartridge	Pieces	638
Waste ink cartridge	Pieces	619
A1.4 Total non-hazardous waste produced		
Paper waste	Kg	20,611
Intensity of paper waste	Kg/million sq.m.	72
A2 Use of Resources		
A2.1 Energy Consumption		
Total energy consumption ⁵⁾	MWh	64,545
Intensity of total energy consumption ^{a)}	MWh/million sq.m	225
Direct energy consumption ^{6)b)}	MWh	1,530
Gasoline consumption	Litre	171,039
Indirect energy consumption ^{7)b)}	MWh	63,015
Purchased electricity	MWh	54,057
Purchased heating	MWh	8,958
A2.2 Water consumption in total and intensity		
Water consumption in total	m³	1,778,670
Water consumption intensity ^{a)}	m³/million sq.m.	6,197

Social Data			
ESG Key Performance Indicator		Unit	Data of 2019
B1. Employment			
B1.1 Total workforce by gender, employment type, age group and geographic region			
Total number of employees		Headcount	38,774
By gender	Male	Headcount	24,398
	Female	Headcount	14,376
Employment type	Managerial Staff	Headcount	1,395
	Non-managerial Staff	Headcount	37,379
	Aged 30 and under	Headcount	17,071
	Aged 31-50	Headcount	18,775
	Aged 51 and above	Headcount	2,928
By region	Southern China	Headcount	10,976
	Eastern China	Headcount	7,542
	Southwestern China	Headcount	6,899
	Central China	Headcount	5,925
	Northern China	Headcount	4,758
	Northeastern China	Headcount	1,803
	Northwestern China	Headcount	871
B2. Health and Safety			
B2.2 Lost days due to work injury			
The number of lost-days as a result of work injuries		Days	5,026
B3. Development and Training			
B3.1The number and percentage of employees trained by gender and employee category ^{b)}			
Total number of employees trained (percentage)		Headcount (%)	38,774(100%)
By Gender	Male (percentage)	Headcount(%)	24,398(63%)
	Female (percentage)	Headcount (%)	14,376(37%)
By employment type	Managerial Staff(percentage)	Headcount (%)	1,395(4%)
	Non-managerial Staff (percentage)	Headcount (%)	37,379(96%)

ESG Key Performance Indicator		Unit	Data of 2019
B3.2 The average training hours completed per employee by gender and employee category			
Total training hours		Hours	605,883
Average training hours of employees		Hours	16
By gender	Male	Hours	15
	Female	Hours	16
By employment type	Managerial Staff	Hours	21
	Non-managerial Staff	Hours	15
B5 Supply Chain Management			
B5.1 Number of suppliers			
Total number of suppliers		Number of suppliers	6,093
B6 Product Responsibility			
B6.2 Number of products and service related complaints received			
Total number of complaints		Times	9,611
B3.1 Anti-corruption			
B3.1 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.			
Number of concluded legal cases		Cases	0
B8 Community Investment			
B8.2 Resources contributed to the focused area			
Amount in targeted poverty alleviation		Thousand RMB	273
Other charity donations		Thousand RMB	85.3
Employee's participation in voluntary events		Person-time	12,825

Index Description:

1) The environmental data statistics for 2019 includes office operation areas of the Company headquarter, subordinates companies, and project office.

2) Scope 1: The direct Greenhouse Gas emissions are generated by the consumption of gasoline;

3) Scope 2: The indirect Greenhouse Gas emissions are generated by purchased electricity, purchased heating;

4) The total Greenhouse Gas emissions are the sum of direct (Scope 1) and indirect (Scope 2) Greenhouse Gas emissions;

5) The total energy consumption includes the total energy consumption generated by gasoline, purchased heating, purchased electricity;

6) The direct energy consumption includes gasoline consumption of office vehicles;

7) The indirect energy consumption includes purchased electricity, purchased heating;

Data Calculation Description:

a) Intensity of Greenhouse Gas emissions intensity, Wastepaper, energy consumption and water consumption are calculated by taking aggregated area of 287 million square meters of Poly Property in 2019 as the denominator;

b) Unless otherwise stated, the relevant coefficients and calculation methods of data conversion refer to "How to Prepare an ESG Report - Appendix 2: Reporting Guidance on Environmental KPIs" of The Stock Exchange of Hong Kong;

c) The direct Greenhouse Gas emissions from gasoline shall be calculated by reference to the Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Operating Units (Enterprises) of Public Buildings (Trial) released by the General Office of the National Development and Reform Commission;

d) The indirect Greenhouse Gas emissions from purchased electricity and heating are calculated by reference to Greenhouse Gas Emission Accounting Methods and Reporting Guidelines for Operating Units (Enterprises) of Public Buildings (Trial) released by the General Office of the National Development and Reform Commission;