



Radiance Holdings (Group) Company Limited

金輝控股(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9993)

2020

**Environmental,
Social and Governance
Report**



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About this Report

OVERVIEW

This report is the first Environmental, Social and Governance Report (“this Report” or “ESG Report”) issued by Radiance Holdings (Group) Company Limited. The Group intends to disclose its vision, strategies and practices on the path of sustainable development in a comprehensive and objective manner, so as to promote the continuous improvement of its performance in sustainable development, thereby enhancing the understanding and confidence of all stakeholders in the Group in all aspects.

REPORTING PERIOD

The reporting period of this Report is from 1 January 2020 to 31 December 2020 (the “Reporting Period”).

SCOPE OF THE REPORT

This Report covers Radiance Holdings (Group) Company Limited (“Radiance Holdings” or the “Company”) and its subsidiaries (the “Group”, “we” or “us”). Among which, the environmental and social key performance indicators disclosed in this Report cover the property development business.

BASIS OF PREPARATION

This Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

This Report has been organized based on the identified key stakeholders and ESG-related issues pursuant to which the Group has determined the scope of the ESG Report, collected relevant materials and data, prepared the report based on the data, and reviewed the data in the report to ensure the completeness, substance, authenticity and balance of the content of the report.

About this Report

SOURCES OF DATA

The information and data disclosed in this Report have been derived from the Group's statistical reports and internal documents, and have been reviewed by relevant departments. The last section of this Report contains a complete content index for readers' quick reference. The Group undertakes that there is no false record or misleading statement in this Report, and takes responsibility for its authenticity, accuracy and completeness.

REVIEW AND APPROVAL

This Report has been reviewed and approved for issue by the board of directors of the Company (the "Board").

REPORT PREPARATION PROCESS

This report is prepared by working group, stakeholder interview, stakeholder questionnaire, information collection, framework determination, report preparation, report design, information review and review by departments and senior management.

REPORTING LANGUAGE AND FORM OF ISSUE

This Report is available in Chinese and English, which are issued in electronic versions. You can visit the websites of the Group (www.radiance.com.cn) or HKEX News of the Stock Exchange (www.hkexnews.hk) to obtain the electronic versions of this Report. In case of any inconsistency, the Chinese version prevails. If you have any comments or suggestions concerning the environmental, social and governance performance of the Group, you are welcome to contact us via email at irhk@radiance.com.cn.

Chairman's Statement

Looking back at 2020, a year full of challenges and tests, the unexpected pandemic brought significant influences to the global economy and people's livelihood. Benefited from the prompt and effective control measures as well as the concerted efforts of all walks of life, the Chinese economy first saw a recovery where enterprises resumed their production and people went back to their daily life quickly. In 2020, Radiance Holdings also achieved a milestone development as it was successfully listed on the Main Board of the Hong Kong Stock Exchange and was newly added to the list of constituent stocks of the Hang Seng Composite Index in half a year. Firmly adhering to the development strategy of "national presence, regional focus and leading positions in selected cities", Radiance Holdings completed its deployment in the economically developed areas with huge growth potentials, such as the Bohai Economic Rim, the Yangtze River Delta, Central China, Southern China, Southwest China and Northwest China, which enabled the Group to continuously rank among top 36 in China's real estate developers.

Upholding the corporate mission of "build properties with craftsmanship and make better homes (用心建好房，讓家更美好)" as always, the Group focused on the key task of continuous enhancement of its product strength. Based on the product concept of "building with craftsmanship, using our heart to build homes (匠造質感，臻心築家)", the Group launched a few product series, such as the "New Block series (優步系)", the "Elite's Mansion series (雲著系)", the "King's Garden series (銘著系)" and the "Metropolitan series (大城系)", and was well recognized by the industry in terms of planning and design, garden landscape, interior design, and standard research and development. Through engineering technology quality management as well as engineering material and equipment quality management, we have adopted standardized product quality control procedures for all development projects to continuously improve project quality and create a safe and comfortable community space and indoor environment for residents. We have also strictly implemented environmental management throughout the entire life cycle of our projects from development to operation. Through proactively practicing the concept of green office, establishing green buildings and communities with our greatest efforts, and promoting and using eco-friendly technology and equipment, we have never forgotten to facilitate the harmonious integration of communities and the nature along our growth.

"Customer First (客戶第一)" is the primary value upheld by the Group. Leveraging the customer service system of "Radiance Happy Home System (金輝幸福家)", the Group has established a continuous and sound communication method with customers in eight directions and eleven aspects, covering sales service, housing quality, housing design, community planning and facilities, in order to continuously understand customer needs and strive to improve customer satisfaction. By organizing activities under the six major themes of "warm sun, good neighborhood, baby-friendly, healthy aging, festive season, and listening (暖陽、睦鄰、寶貝、頤年、佳節、傾聽)", we have provided owners with interactive activities suitable for all age groups, enabling them to enjoy a heartwarming and high-quality community life.

As the Group believes that employees are the most precious wealth of an enterprise, it is committed to creating a fair, just and transparent employment environment for employees, and expanding the talent team based on the concept of diversification and equality in order to establish an open, efficient and harmonious team. We have built a comprehensive multi-level and systematic talent development system. Based on three types of needs, i.e. internal talent supply, improvement of on-the-job staff's competence, and integration of new employees, the Group has set up advancement and training projects for talent development such as the "Radiance Kickstart (輝動力)" and "Radiance Leader Program (千里馬計劃)". We attach great importance to the health and safety of employees, providing an important guarantee for project construction safety and employees' personal safety. For organizational development, through the three-tier management and control system of "group – region – city", the Group has continued to promote the optimization of organizational structure and realize operation in lower-tier cities in an orderly manner with independent development, so as to unleash organizational potential.

Chairman's Statement

"Integrity" is one of the important principles of the Group's corporate value. We evaluate the safety, quality control and major non-performance practices of suppliers, and conduct supplier exchange meetings to actively explore ways to achieve win-win cooperation. We have joined the "Chinese Enterprise Anti-fraud Alliance" to assist different industries in establishing dishonest lists and database. We do not only build a line of defence for companies with the integrated resources and shared information, but also help alliance companies avoid supply chain risks as part of our joint efforts to create a clean business environment.

The Group adheres to its original commitments and is willing to take responsibilities. The Group enthusiastically participated in public welfare activities such as anti-pandemic aid, establishment of schools and provision of teaching services, poverty alleviation, and cultural inheritance, and actively integrated social responsibility into the sustainable development of the Company. During the anti-pandemic period, through "Radiance Charity Fund (金輝愛心基金)" under the Overseas Chinese Charity Foundation of China (中國華僑公益基金會), China Industrial Trust (興業信託), Shanghai Trust (上海信託) and other channels, the Group proactively assisted in the fight against the pandemic in the form of donations and co-organised activities.

On its steadfast path towards high-quality growth, Radiance Holdings brings various colors to urban development and create value for the wonderful life of millions of households through architectures. Thanks to the trust and companionship of all customers and partners, as well as the support and favor of shareholders and friends in all sectors, Radiance Holdings will assume social responsibilities with its utmost efforts and contribute to environmental management in its course of sustainable development.

Decisive and Bold in Action and Result-Oriented

ABOUT US

Radiance Holdings (Group) Company Limited is a fast-growing large-scale real estate developer in China, headquartered in Beijing. With more than 24 years of operating experience and the development policy of “national presence, regional focus and leading positions in selected cities (全國佈局、區域聚焦、城市領先)”, the Group has expanded its presence to six regions with strong economic momentum and high growth potential in China, namely the Bohai Economic Rim, the Yangtze River Delta, Central China, Southern China, Southwestern China and Northwestern China.

The Group focuses on the development of diversified residential properties, fully covering the needs of first-time home homebuyer, first-time upgraders, high-end customers, etc., and is committed to becoming a leading comprehensive real estate developer in China. Upholding the corporate mission of “build properties with craftsmanship and make better homes (用心建好房，讓家更美好)”, the Group has created product series including the “New Block series (優步系)”, the “Elite’s Mansion series (雲著系)”, the “King’s Garden series (銘著系)” and the “Metropolitan series (大城系)”.

Guided by the regional expansion strategy, the Group has been affirmed by many parties in the industry. In terms of comprehensive strengths, we were ranked the 36th among “2020 China’s Top 50 Real Estate Developers”, were ranked as one of “China’s Top 50 Real Estate Developers” by the China Real Estate Association and the China Real Estate Appraisal Center of E-house China Research Institute for seven consecutive years since 2014, and won the honor of “China’s Top 10 Real Estate Developers of Comprehensive Strength”.

Decisive and Bold in Action and Result-Oriented

SOCIAL RECOGNITION

In 2020, the Group adhered to the business model of “rapid development, rapid sales, reasonable pricing, and relying on professional ability to obtain fair returns (快速開發、快速銷售、合理定價、依靠專業能力獲取公平回報)”, and continued to focus on iterative upgrades of products and services, while not forgetting to fulfil social responsibilities, become a leading enterprise and trustworthy brand in the industry, and create greater social value. The Group has made epoch-making breakthroughs in development capabilities, operational capabilities, and management capabilities, and won major awards both inside and outside the industry during the Reporting Period, covering comprehensive strength, development potential, management system, product services, social responsibility and other fields. The development of the Group is well recognized by the industry.



2020 Best 10 of Development of
China Real Estate Developers



2020 China Top 100
Real Estate Developers



2020 Best 10 of Growth of China Real Estate Developers Brand Value



2020 Best 30 of China Real Estate
Developers Brand Value



2020 Best 50 of
China Real Estate Developers

Decisive and Bold in Action and Result-Oriented

CORPORATE GOVERNANCE

The Group recognizes the importance of incorporating elements of good corporate governance in the management structures and internal procedures so as to achieve effective accountability. In order to consistently strive to maintain a high standard of corporate governance to safeguard the interests of shareholders and increase the value of the Company, the Company has adopted the Corporate Governance Code set out in Appendix 14 to the Listing Rules and complied with the Company Law of the People's Republic of China (《中華人民共和國公司法》) and other relevant laws and regulations since the listing, and the Board will also regularly review and improve corporate governance practices to construct efficient management. For more information on the corporate governance of the Group, please refer to the Corporate Governance Report section in the Company's 2020 Annual Report.

Anti-Corruption

The Group has strictly complied with the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》) and the Interim Provisions on Prohibition of Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》) and other laws and relevant regulations, established an internal audit department, formulated and implemented internal system documents such as the Internal Audit System of Radiance Group (Revision), the Integrity Agreement (《廉潔協議》), and the Regulations on Issuing Audit Opinions for Radiance Group's Internal Audit (Trial Version) (《金輝集團內部審計出具審計意見的規定》(試行版)), so as to make internal audit work institutionalized, standardized and programmed. The Group promotes the establishment and improvement of the internal control system, resolutely eliminates all corruption, and comprehensively builds an integrity system for the Group.

Integrity System

During the Reporting Period, in order to improve the mechanism and requirements of internal restraint, the Group revised the Internal Audit System of Radiance Group (《金輝集團內部審計制度》), mainly explaining the scope, procedures, and handling methods of internal audit work. Meanwhile, the Group has formulated a whistle-blowing and implemented the Administrative Measures for Complaints and Reports (《投訴舉報管理辦法》), including the establishment of public reporting channels such as websites, WeChat, telephone, email, letters, official accounts, etc. The Group has listed out the email address (jhsj@radiance.com.cn) and telephone number (+86 18073068889) for Complaints and whistle-blowing in the Integrity Agreement (《廉潔協議》) and the Tendering Document (《招標文件》), and has assigned special personnel to handle the Group's reporting information such as phone calls and emails, so that the complaint mechanism can handle all situations in an orderly manner. We require public posting and display in all units within the Group, so that employees can clearly receive relevant information, and create and maintain an honest and clean workplace atmosphere.

The Group also promises to protect the personal information of complainants and whistle-blowers, and requires all employees to sign confidentiality agreements. According to the List of Grades for Audit Handling Opinions (《審計處理意見等級劃分列表》), the behavior of audit violations is described and grades are defined. In particular, leakage of case information to the outside world will be regarded as the most serious grade of violation, and it is clearly prohibited to crack down or retaliate against the whistle-blowers and investigators. Meanwhile, the scope of operations is divided by region to reduce the chance of inquiring about complaints with each other.

Decisive and Bold in Action and Result-Oriented

Integrity Culture

In order to maintain and promote integrity and put an end to all kinds of improper behavior in external business, the Group requires the Group Management Center and various local companies to sign an Integrity Agreement (《廉潔協議》) with partners when signing all external business contracts. If it is impossible or not applicable to sign the agreement due to special reasons, such situation needs to be reported, approved, and recorded.

During the Reporting Period, the Group strictly complied with various laws and regulations, and no major corruption cases occurred.

ESG MANAGEMENT

ESG Working Mechanism

The Group understands that business activities are closely related to society, and therefore actively injects ESG elements into all levels of corporate operation and management, in order to consolidate and drive the sustainable development of the Group, and reduce the impact of business on the environment. While dedicated to improving business performance and stable development, the Group pursues continuously optimizing the management of the project's work environment quality, environmental protection, humanities and social responsibility, identifies the key issues of the Group through efforts to communicate with stakeholders, and strives to keep in line with the priorities in global sustainable development. The Group fulfils our commitment to sustainable development by constructing an ESG working mechanism.

Decisive and Bold in Action and Result-Oriented

Stakeholder Engagement

The Group attaches great importance to communication with stakeholders. By identifying groups that have decision-making power, significant influence and close relationships over or with the Group, the Group establishes a daily communication mechanism to deeply understand the demands, opinions and suggestions of various stakeholders, in order to identify the sustainable development issues they are concerned about and take such issues into consideration during the Group's operational decision-making. In addition, the Group can gain insight into the related risks and promote its long-term sustainable development. The following table sets out the ESG issues of concern to each category of stakeholders during the Reporting Period and our major communication methods.

Category of stakeholders	Issues of concern	Communication channels/ feedback methods
Employees	Labour Standards Employee health and safety Employee training and promotion system Employee care	Various employee activities Internal journals (Group and project press release) Employee performance appraisal
Shareholders/investors	Anti-corruption control Anti-unfair competition Business development Economic performance	General meeting/extraordinary general meeting Investors meeting Results press conference Press release/announcement On-site investigation
Governments and regulators	Operational compliance and risk management Support for the implementation of national policies	On-site investigation Meetings
Partners/suppliers	Supplier management Honesty and integrity	Supplier qualification review Supplier exchange meetings
Customers/property owners	Product quality and customer service Customer satisfaction and complaint handling Protection of consumers' information security and privacy	Customer satisfaction survey Customer service hotline Official media platform
Public welfare organizations and community organizations	Community development Social welfare	Press release/announcement Various public welfare undertakings

Decisive and Bold in Action and Result-Oriented

Material ESG Issues

During the Reporting Period, we invited stakeholders to assess the relevance and importance of a series of ESG issues to the sustainability and development of the Group's business as well as to the wider society. By collecting, sorting, analyzing and integrating the concerns of key stakeholders, we can more suitably and efficiently customize short-term and long-term ESG development goals and strategies. We have identified five material issues, namely "protection of sensitive and private information of customers", "training and development of staff", "quality and safety of project construction", "biodiversity and green construction" and "customers' opinions and complaints" respectively. The following list sets out the issues that key stakeholders believe are crucial to the Group.

Environmental protection and green operation	1	Legality and compliance of environmental protection	Product and service responsibilities	15	Quality and safety of project construction
	2	Wastewater emissions		16	Trademark and patented technology
	3	Greenhouse gas emissions		17	Protection of sensitive and private information of customers
	4	Treatment of hazardous and non-hazardous wastes		18	Customers' opinions and complaints
	5	Addressing the risks related to climate changes (such as typhoon and floods)	Workplace quality	19	Legality and compliance of employment
	6	Energy and water saving		20	Prevention of child labours and force labours
	7	Exhaust gas emissions		21	Occupational health and safety of staff
	8	Education and promotion of environmental protection		22	Diversified and equal employment opportunities of staff
	9	Use of natural resources (including energy and water)		23	Training and development of staff
	10	Assessment of environmental and social performance of suppliers		24	Remuneration package of staff
	11	Biodiversity and green construction		25	Employment relationship and staff communication
Operation practices	12	Legality and compliance of operation practices	Community contribution	26	Staff welfare/recreational activities
	13	Anti-corruption		27	Charity donations
	14	Disaster contingencies		28	Participating in charity activities

Actions Speak Louder than Words and Efficient Execution

The Group has always implemented the corporate mission of “build properties with craftsmanship and make better homes (用心建好房，讓家更美好)”, and kept each process under quality control from land acquisition, real estate planning, project design and planning, to project construction, completion and subsequent property management, so as to reach the high standard in the industry and create the best quality products and services.

PRODUCT QUALITY ASSURANCE

The Group strictly complies with the requirements of the Urban Real Estate Administration Law of the People's Republic of China (《中華人民共和國城市房地產管理法》), Regulation on the Administration of Development and Operation of Urban Real Estate (《城市房地產開發經營管理條例》) and other laws and regulations to provide our customers with high-quality, legal and continuously innovated products and services. The Group adheres to the concept of “attitude outputs products, products create value, and value reflects the pursuit (態度輸出產品，產品創造價值，價值體現追求)”, and strives to create four product systems covering the entire life cycle, i.e. the “New Block series (優步系)”, the “Elite's Mansion series (雲著系)”, the “King's Garden series (銘著系)” and the “Metropolitan series (大城系)”. With an emphasis on innovations in quality, comfortable and high-end products, the Group continues to expand and consolidate its competitive advantages in the industry, bringing living with texture and aesthetics to more families, and becoming the most trustworthy industry-leading brand enterprise.

Quality Improvement

The Group is committed to improving the service quality of its products through continuous innovation, with technology, comfort, and art as its core life values, in order to create an advanced community life with its products around the concepts of life aesthetics, health, wisdom, and technology. With the gradual saturation of the real estate industry, the entire industry needs to transform and upgrade in the direction of technology, digitalization and greening. We have won many recognitions in the industry from planning and architecture, interior design, garden landscape, standard research and development, and won product-related awards in many fields. During the year, a total of 34 projects have received awards, including the Kinpan Award (金盤獎), one of the most authoritative awards in China's real estate industry and real estate design industry, and was rated as “2020 Kinpan Real Estate Innovative Enterprise” (「2020年度金盤地產創新企業」).

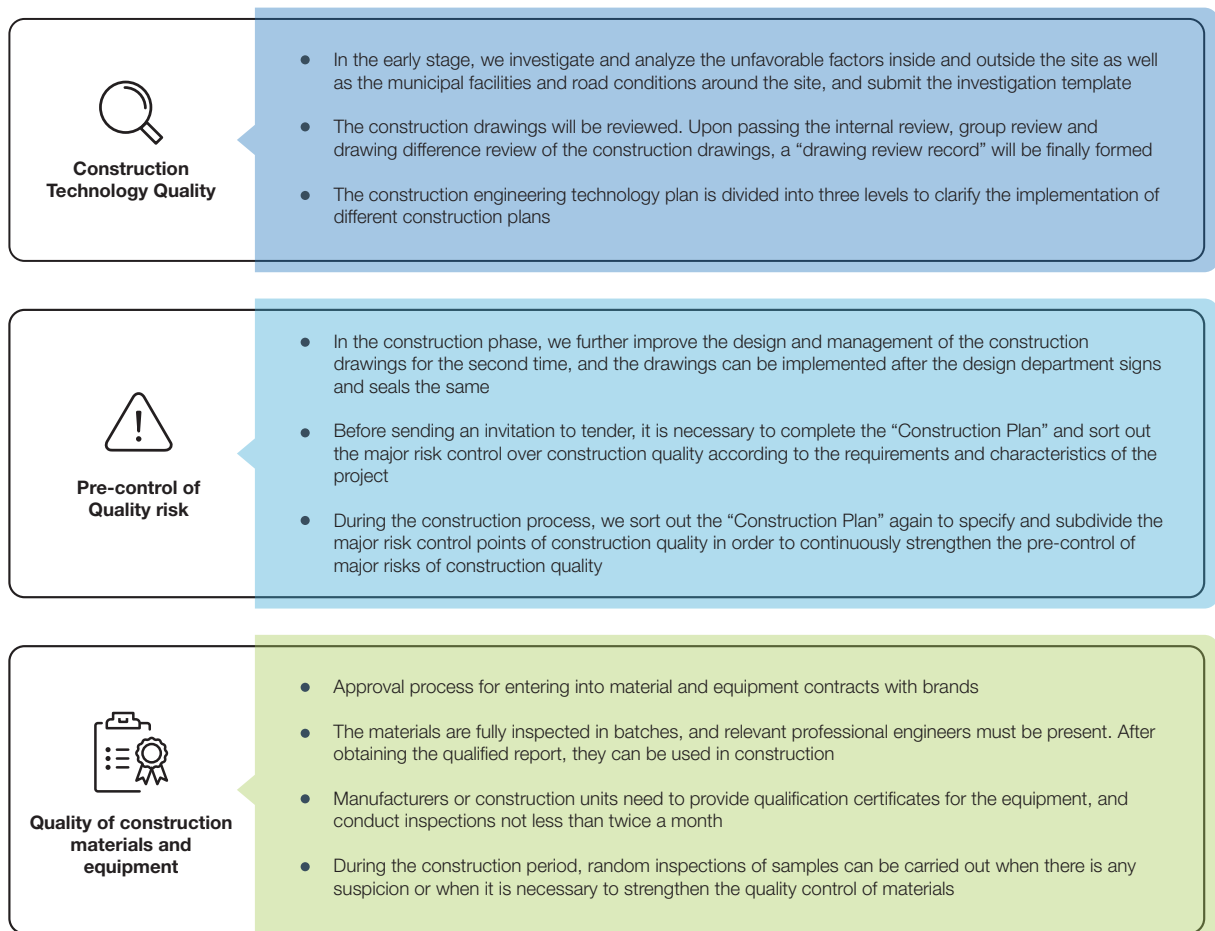


Actions Speak Louder than Words and Efficient Execution

The Group has always adopted rigorous construction requirements. When constructing hotel projects and residential garages, it adopts Building Information Modeling (hereinafter referred to as “BIM”) to consolidate all electromechanical pipelines and makes reasonable arrangement and integration on the computer to guide the construction process of different pipelines, which eliminates the trouble of traditional stack-up of single-layer pipelines and effectively increase the indoor clear height. In addition, the Building Information Modeling provides conditions for using materials for installation, thereby avoiding unnecessary material waste. It is more efficient in functional use and subsequent inspections and repairs, allowing more reasonable adjustments to the construction period and improving operational efficiency.

Management of Construction Quality

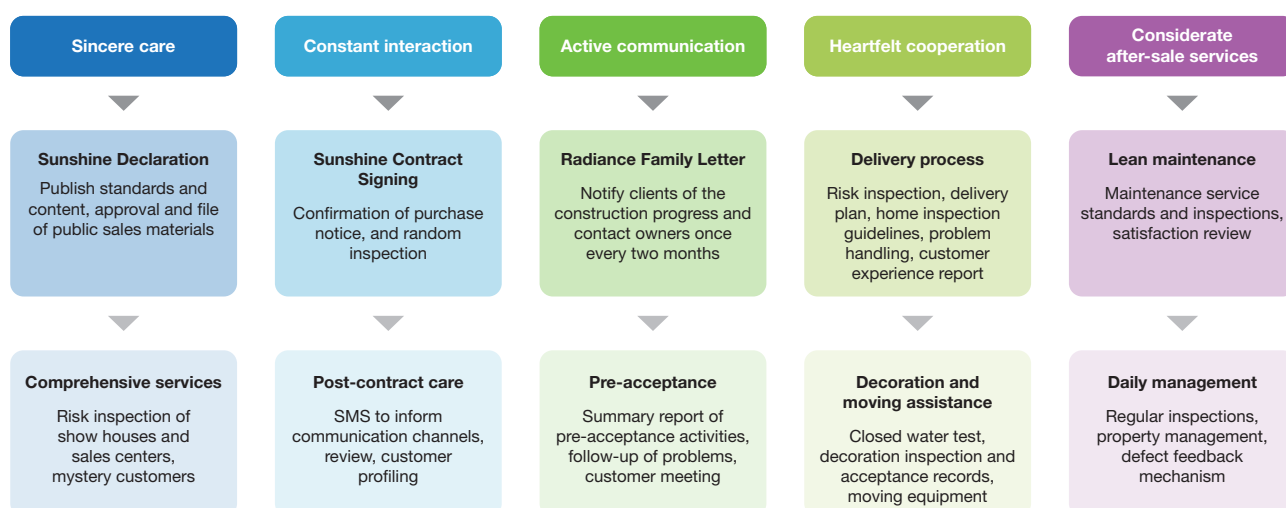
In order to guarantee and improve the construction quality, in compliance with the Unified Standard for Quality Acceptance of Construction works (《建築工程施工質量驗收統一標準》) and Code of Construction Project Management (《建設工程監理規範》) and other national standards and laws and regulations requirement, the Company has formulated Management Measures for Construction Technology Quality Behaviors (《工程技術質量行為管理辦法》), Management Measures for Quality of Construction Materials, Equipment and Components (《工程材料、設備及構配件質量管理辦法》) and other systems. Based on these measures and systems, the Company standardizes the construction technology quality management for development and construction projects and uses corresponding management systems and methods to carry out systematic management activities, thus ensuring that the projects can proceed smoothly.



Actions Speak Louder than Words and Efficient Execution

Management of Customer Service Quality

“Gaining an insight into the changes in residential demand of customers and actively enhancing the soft strength in services (洞悉客戶對居住需求的轉變，主動提升服務軟實力)” has been a trend in the service side of real estate companies in recent years. In an increasingly fierce market environment, the Group upholds the core value of “Customer First (客戶第一)” to develop a customer service system of “Radiance Sweet Home (金輝幸福家)”, which covers the entire life cycle from house-viewing, contract signing, waiting, delivery to living. In addition, the Group has formulated an inspection score sheet and method requirements for “Radiance Sweet Home” to set out the scoring rules and points of attention, with an aim to strive for “efficient execution where actions speak louder than words (行勝於言，高效執行)”.



Management of Patents

The Group strictly follows the Trademark Law of the People’s Republic of China (《中華人民共和國商標法》) and the Patent Law of the People’s Republic of China (《中華人民共和國專利法》), so as to standardize the registration and management of our trademarks, thereby protecting our brand interests. During the Reporting Period, 13 of our trademark applications have been approved and we have 109 trademarks in total. The type of which covers type 35 to 45 of the International Classification of Goods and Services for the Purposes of the Registration of Marks (《商標註冊用品和服務國際分類》). We will follow the Group’s system and hand over such files to administrative departments for sorting and storage within 5 days after obtaining the trademark registration documents, so as to ensure proper management.

Actions Speak Louder than Words and Efficient Execution

DEDICATED SERVICES

We provide customers with a full range of services from house purchase, house acquisition, residence to property in an intentional and innovative way. We adhere to the corporate values of “customer first, accountability, openness and inclusiveness, innovation, integrity and pragmatism (客戶第一、勇於擔當、開放包容、創新、誠信、務實)” to gain customer trust and recognition from the industry, so as to provide customers with a whole-process customer service standard system. At the same time, we provide different needs from five dimensions of “planning and design, sales service, project quality, customer service, and property management (規劃設計、銷售服務、工程質量、客戶服務、物業管理)” and four owner stages of “prospective owner, running-in period, stable period, and old owner (準業主、磨合期、穩定期、老業主)” to understand and improve customer satisfaction and achieve high-quality enjoyment by caring for the owners in an all-round way.

The Group has also organized 88 offline events in 2020 with the themes of “warm sun, good neighborhood, baby-friendly, healthy aging, festive season and listening (暖陽、睦鄰、寶貝、頤年、佳節、傾聽)” through continuous activities of “high frequency, strong landing and multiple forms (高頻次、強落地、多形式)”, which covered 31 cities and more than 100 projects across the country. It fully embodies the unique cultural retention of the Group and brings together a living community with strong emotional identity for the owners. We understand that “living happiness (居住幸福感)” has always been an important issue for real estate companies for product upgrades. With the consideration of human settlement experience, we put forward the concept of “warm home, love life, and accompanied (暖家、愛生活、有陪伴)” this year and add a number of humanized and intelligent equipment, such as mosquito repellent lamps, LED floor lamps for safe night running and online posting of maintenance and fault reports. By the principle of “people as the original intention and wisdom as a tool (以人民為初心，以智慧為工具)”, we can create a “Warm Light Community (暖光社區)”. We have been awarded the “TOP 10 Leading Brands of China Residential Real Estate Companies (中國房地產住宅開發專業領先品牌價值 TOP 10)” issued by the China Index Academy, which is an affirmation of the living experience in Radiance’s community.



China Real Estate TOP 10 Research Team 2020 TOP 10 Leading Brands of China Residential Real Estate Companies – Warm Light Community

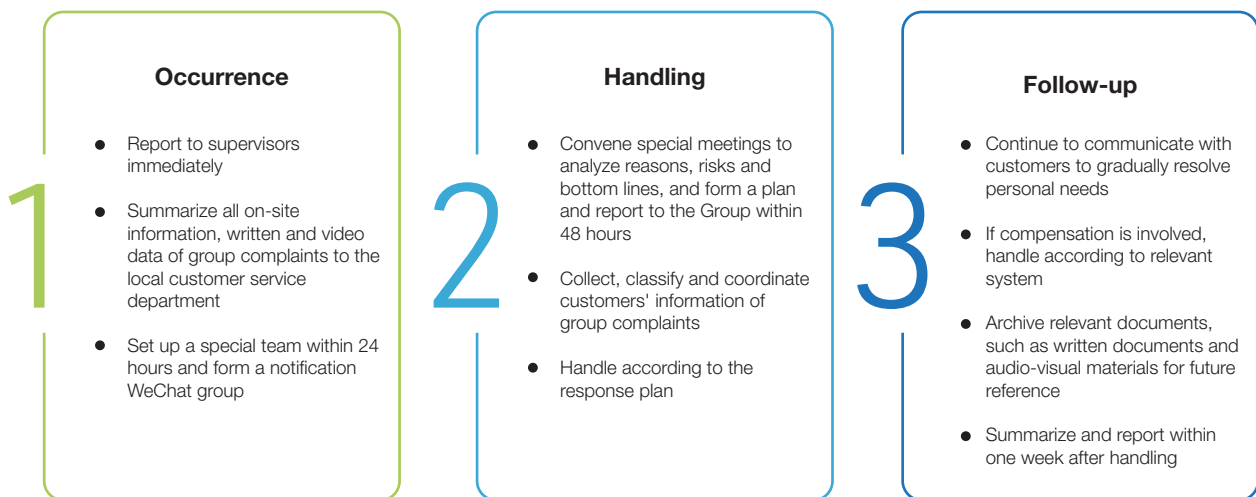
Actions Speak Louder than Words and Efficient Execution

Customers' Satisfaction

The Group's unremitting pursuit of a better life experience allows every resident to feel our service attitude of attentive and convenient. We investigate customer satisfaction through a third party and use 11 indicators ranging from sales service to housing quality, complaint handling and property services to form and record in the "Residential Customer Satisfaction Score Sheet (《住宅客戶滿意度得分表》)". During the Reporting Period, we collected 20,718 samples and the overall satisfaction reached 82%. Among the respondents who answered effectively, the satisfaction rate of our sales service reached 94% and 84% of the respondents were satisfied with the continuous communication and service after signing the contracts.

Customers' Complaints

In order to fulfill the core value of "Accountability (勇於擔當)", the Group welcomes and encourages customers to provide feedbacks on products and services. To make it possible to deal with customers' complaints or comments as quickly and efficiently as possible, we will integrate all complaints into the "Complaint List (《投訴明細表》)" and display the area, project name, time and content of the report, method and category of the report as well as the status of the matter. We have formulated the "Customer Group Complaints and Key Complaints Management Measures (《客戶群訴及關鍵投訴管理辦法》)", and group complaints were divided into three levels based on broadness, form and impact. We clearly specify the conditions for categorizing as a key complaint in the system, so as to strengthen the management of relevant aspects, establish mechanisms and methods for rapid response to emergencies and ensure that the incident can be resolved quickly or the negative impact can be minimized.



Actions Speak Louder than Words and Efficient Execution

Protection of Privacy

We are exposed to a certain degree of privacy information in our daily operations, including customer information, financial information and group confidential information. In view of this, the Group is extremely cautious and strictly enforces the confidentiality system when processing data. We implement decentralized management of the customer information system. Specific permissions are required to access customer data. We have set up information protection measures at all stages of the sales process, and employees are prohibited from downloading or exporting customer information privately. For business needs, employees need to apply and obtain relevant approvals before downloading or exporting customer information. In the entrusted survey of customer satisfaction, it will inevitably involve customers' information. We set out confidentiality and restrictive clauses in signed contracts and explicitly require third-party research companies to comply with relevant clauses. All information must be strictly confidential, so as to commit to protecting customer information.

For the customer information required for third-party satisfaction surveys, we have signed relevant customer confidentiality agreements with third-party research companies to strictly regulate third-party vendors' access to customer information, so as to ensure the security of customer information to the greatest extent possible.

COMPLIANCE IN PROMOTION

The Group strictly follows laws and regulations like the Law of the People's Republic of China on the Protection of Customer Rights and Interests (《中華人民共和國消費者權益保護法》), and formulated guidelines such as "Standard Requirements for Show Houses Display (《樣版間展示標準要求》)", "Operation Guidelines for Contract Drawings (《合同附圖操作指引》)" and "Operation Guidelines for Official Website News Release (《官網新聞發佈操作指引等》)", so as to regulate relevant sales and promotional materials and press releases to comply with all relevant regulations and industry guidelines and avoid violating advertising laws. We will lead customers to make reasonable decisions and conduct responsible consumptions when purchasing, as well as safeguarding customer rights, corporate culture and our brand image. At the same time, we will set up different handling mechanisms for different promotional contents, such as product promotion, major contract signing and regular business activities, etc., so as to strengthen the management of internal control of the public opinions.

We strictly regulate our sales advertisements, announcements, promotion materials, showrooms and site information displayed at online and sales centers and construction sites. According to the "Standard Requirements for Show Houses Display (《樣版間展示標準要求》)", overall delivery standards are placed at the entrance of the show houses, which cover the public area. All prompts must be clearly visible, kept unobstructed, intact and visible from the line of sight. There are also specific requirements on the size of the displayed texts and the use of poorly displayed and low-quality forms such as roll-up banners, X-display stands is prohibited. If the delivery standards discover inconsistency with actual delivery, a special reminder need to be posted and make a description of the actual delivery in the corresponding part, and use different colors for distinction. For displays without physical samples, a sample display manual should be provided which contains the product's price, specifications, brand, model, color, material and renderings. In addition, we will also focus on whether there are improper promises in advertising and whether there are corresponding prompts for the location, business entity, business format and deadline. The customer service and marketing departments will check and score the above requirements and complete the inspection report. During the Reporting Period, the Group strictly complied with various laws and regulations related to product liability, and no major violations occurred.

Effective Innovation to Improve Quality

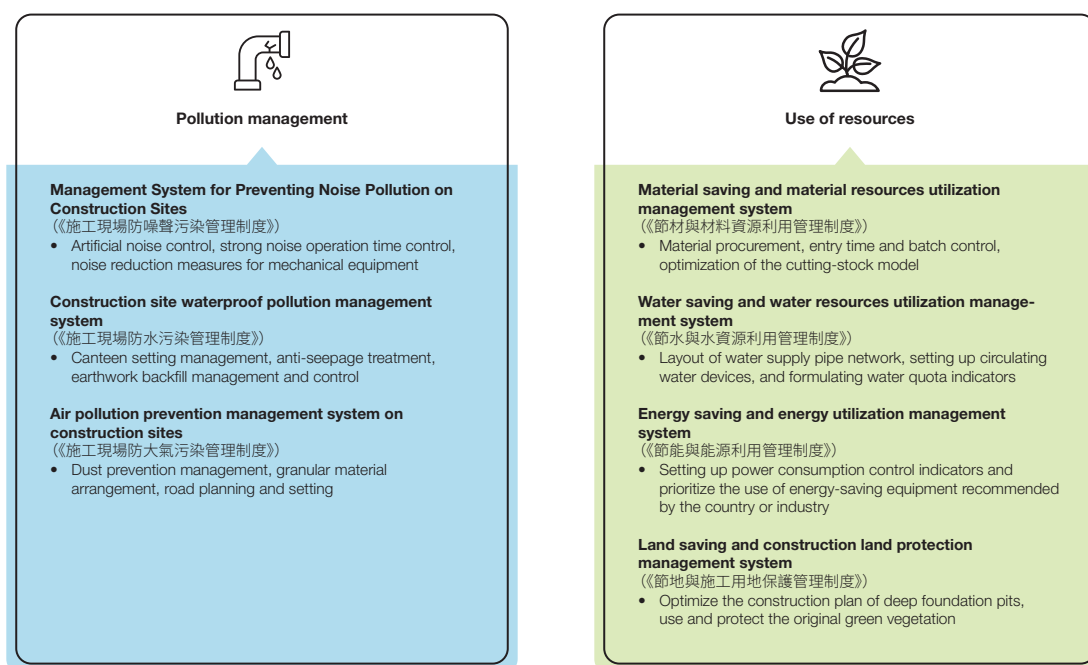
The Group realizes that in order to achieve sustainable and long-term development, while creating ideal homes for customers, it is necessary to reduce the impacts on the environment and surrounding communities, live in harmony with nature and share the same home. With the corporate mission of “build properties with craftsmanship and make better homes (用心建好房，讓家更美好)”, we promise to emphasize and implement green concepts from the development of corporate strategy, and to achieve perfection in the three aspects of environment, society and economy.

GREEN OPERATION

We strictly comply with various laws and regulations, such as Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise (《中華人民共和國環境噪聲污染防治法》), Law of the People's Republic of China on Environmental Impact Assessment (《中華人民共和國環境影響評價法》), Atmospheric Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國大氣污染防治法》), Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》), Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes (《中華人民共和國固體廢物污染環境防治法》) and Regulations on the Administration of Construction Project Environmental Protection (《建設項目環境保護管理條例》) and other laws and regulations related to emissions and environmental impacts. We will fulfill our responsibility as one of the top 50 of China Real Estate Developers in terms of comprehensive strengths and promote positive developments in the industry in terms of environment and bring substantial and meaningful contributions.

Construction Management

The Group has formulated the “Green Construction Management System (《綠色施工管理制度》)”, which clarifies the environmental protection management policies of construction sites in terms of environmental pollution, use of resources and energy conservation, in order to reduce the impact of business operations on the environment. At the same time, relevant clauses of civilized construction will be set in the contracts, requiring the preparation of pollution management and control plans of on-site noise and dust on construction sites.



Effective Innovation to Improve Quality

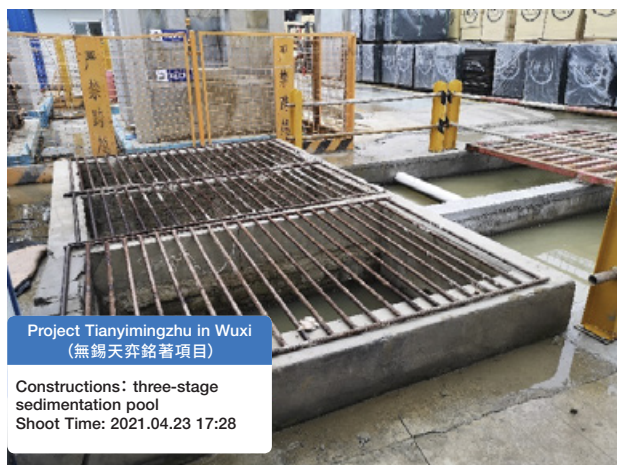
We require all functional departments to coordinate with the Group's environmental protection principles, and we will control the discharge of various pollutants at construction sites and the use of energy according to the established system. The Group's Engineering Management Center is assigned to organize special inspections of regional functional departments and project management activities regularly and the inspection results will be announced. Institutions with professional qualifications are regularly entrusted to carry out environmental impact assessments, so as to confirm that new projects have no potential unfavorable factors to the environment and strictly implements and promotes safe and civilized construction. During the Reporting Period, the Group was not subject to any penalty for violating any environmental laws and regulations in material aspect.

Emissions Management

In terms of wastes, in order to guide and standardize the construction and management of civilized construction sites of projects, realize the refined management of projects and improve the degree of green construction on construction sites, the Group has customized the "Regulations on Waste Management at Construction Sites (《建築施工現場廢棄物管理規定》)" to implement reduction, recycling and harmlessness to the wastes generated in construction sites, and pollution to the environment is reduced through the principles of prevention and management. In order to implement waste reduction at source level, wastes are classified as general and hazardous wastes, and subdivided into non-recyclable and special wastes for employees to identify. At the same time, contractors are required to arrange separate storage for hazardous wastes specified in the "Directory of National Hazardous Wastes (《國家危險廢物名錄》)". The stored containers must also clearly display the name and quantity of wastes and arrange qualified recyclers for recycling. Also, it is required that works should be done by the warehouses of raw materials and finished goods to avoid moisture, sunray, rust and deterioration, so as to reduce unnecessary consumption of materials.

In terms of wastewater and exhaust gas management, we require employees to strictly abide by the "Management Measures for Wastewater Discharge at Construction Sites (《施工現場污水排放管理辦法》)" to effectively supervise and control wastewater emissions from construction sites and daily life, as well as reduce water pollution through water conservation. For the discharge of water pollutants that may exceed national regulations, the "Pollution Discharge Declaration and Registration Form (《排污申報登記表》)" is required to be filled in and submit to the relevant local competent authority before the project commences. The construction unit is also required to collect all wastewater and discharge it to the designated discharge outlet after the wastewater has been treated by three-stage sedimentation specifications. We will construct drainage ditches on construction sites and set up grit chambers before the drainage ditches into the main ditch to intercept sediment and reduce the probability of blockage in the construction site or the river. During the construction process of projects, finished mortar and finished concrete are used to avoid wet work and sewage, so as to strive to reduce air pollution. We will set up grease traps in workplace and living areas to separate grease in wastewater to avoid grease accumulation when wastes are discharged into sewers or drains, which will result in clogging, siltation, odor and unsanitary environment.

Effective Innovation to Improve Quality



At the same time, in order to control the emission of small particulate matters, the Group requires the installation of environmental monitoring sensors around the sites, so as to monitor the air quality of the sites in real time and adopt or optimize corresponding emission reduction measures as and when necessary. We also encourage contractors to strengthen the use of technologies such as finished bathrooms and prefabricated machine rooms to reduce on-site construction and reduce emissions of exhaust gas, wastewater and construction wastes. During the Reporting Period, the Group's wastewater and exhaust gas were discharged in compliance with regulations.

Saving of Resources

The Group actively promotes the concept of green office and implements paperless office and controls the number of color printing in the office area. We will reuse printed single-sided printed paper as much as possible. At the same time, an intelligent conference system is implemented to reduce the power consumption and energy consumption during standby by office equipment. By optimizing the arrangements of using official vehicles and advocating green travel, to prompt the reduction of energy consumption and emissions of greenhouse gas and pollutants caused by business travels, so as to enhance employees' awareness of saving and environmental protection. Employees are reminded to use office supplies sparingly from time to time, and they are encouraged to bring their own water cups, in order to minimize the consumption of plastic bottles and paper cups. In order to reduce water consumption, a car wash pool circulating water system is used in the construction site to save water while reducing the environmental problems caused by the falling mud and generated dust on nearby public roads or communities.

The main water source of the Group is municipal water, so there is no major problem in obtaining water source.

Effective Innovation to Improve Quality

GREEN DESIGN

In the process of urban development, the Group not only pursues product and service quality, but also always pays attention to regional environmental protection, building energy conservation and urban culture, and drives urban development with a strong sense of social responsibility. Many construction projects have met the green building design requirements of the state, review organizations and experts. Environmental protection, high efficiency and low consumption factors have been added and considered in the design of such projects. In addition, some projects have been recognized by the “Leadership in Energy & Environmental Design Building” (《能源與環境設計先鋒》), which is a green building evaluation system recognized as the most complete and influential among various international building environmental protection assessment, green building assessment and building sustainability assessment standards, referred to as “LEED”. It is a recognition of the design at all levels of the projects which can effectively reduce the negative impacts on the environment and residents.

During the Reporting Period, the Group received 50 design awards in total. It received a number of overseas and domestic awards and was honored as the “Kinpan Real Estate Innovative Enterprise” (年度金盤地產創新企業). The awards include two international awards, namely GDPD Design Award (法國雙面神國際設計大獎) and INNODESIGN PRIZE (法國創新設計大獎), “CREDAWARD” Real Estate & Design Award (地產設計大獎), APDC Design Awards (亞太室內設計大獎), four Landscape Ingenuity Awards (園匠杯), Idea-Tops (艾特獎) and Jin Teng Award (金騰獎). Among which, the INNODESIGN PRIZE (法國創新設計大獎) is regarded as a professional award in the field of design which attracts designers from all over the world to participate in. In respect of its judging criteria, in addition to the original and truly innovative elements, the works are also required to reflect environmentally-friendly and sustainable elements from multiple perspectives, such as usage, materials, technologies or concepts, so as to be in line with current world trends. One of the Group’s projects, namely “Xuzhou Jinhui New Block” (徐州金輝•信步蘭庭) is a shortlisted candidate of “Guangsha Prize (廣廈獎)”. The projects selected for this award must aim at building a resource-saving and environment-friendly socialism, harmonious societies and ecological civilizations, and achieve high planning and design standards, good environmental quality and excellent engineering quality, so as to be able to promote the industrialization of housing, concept of “Four Saving and Environmental Protection (四節一環境)” and being influential and demonstrative in solving the housing problem of the masses. This award represents the highest honor in the comprehensive real estate development industry. Even if we fail to win this award, it is still a very significant recognition and milestone which is very meaningful to the Group’s projects.



CREDAWARD Real Estate & Design Award
– Merit



INNODESIGN PRIZE



Jin Teng Award — TOP 100



Landscape Ingenuity Award



International Space Design Award



APDC Design Awards —
Honorable Award



GDPD Design Award

Effective Innovation to Improve Quality

Environmental Key Performance Indicators

Types of emissions	Unit	2020
Air emissions		
Nitrogen oxides (NOx)	kg	113.65
Sulphur oxides (SOx)		2.73
Particulate Matter (PM)		8.24
GHG emission		
Total GHG emission (scope 1 and scope 2)	ton (CO ₂ e)	8,141.08
Scope 1 Direct emission		568.12
Scope 2 Indirect emission		7,572.96
Density (per square meter of gross floor area)	ton (CO ₂ e)/square meter	0.00 ¹
Hazardous wastes		
Total hazardous wastes	kg	220
Density (per square meter of gross floor area)	g/square meter	0.05 ²
Non-hazardous wastes		
Total non-hazardous wastes	kg	384,280
Density (per square meter of gross floor area)	kg/square meter	0.08

Summary of Resource Consumption Data

Type of resource consumption	Unit	2020
Energy consumption		
Total energy consumption	kWh	14,349,426.02
Indirect energy		
Electricity	kWh	12,542,545.88
Direct energy		
Fuel	kWh	1,806,880.14
Density (per square meter of gross floor area)	kWh/square meter	3.17
Paper	kg	360,224.04
Water		
Total water consumption	cubic meter	588,031.67
Density (per square meter of gross floor area)	cubic meter/square meter	0.13

¹ Actual figure is 0.0018 (rounded to two significant figures)

² Actual figure is 0.049 (rounded to two significant figures)

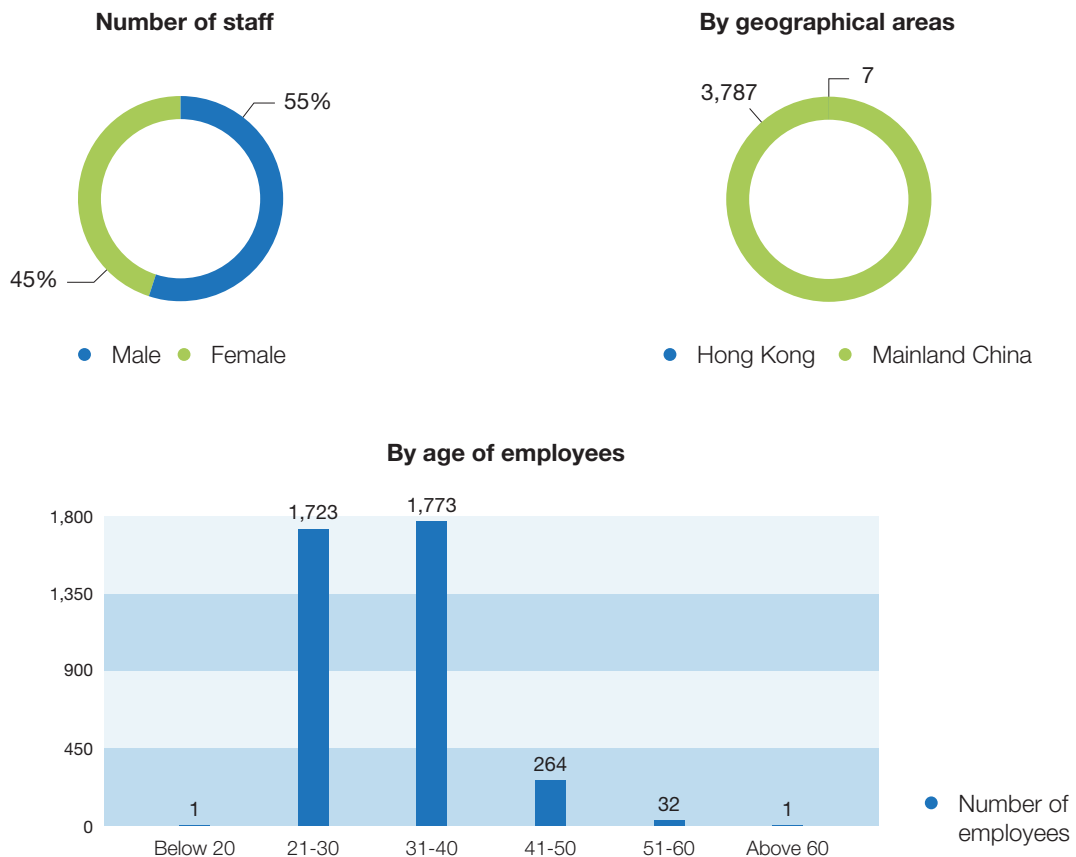
Match the Right People with the Right Job and Promote Co-creation and Co-sharing

The Group firmly believes that employees are important wealth of the Company, and it depends on the concerted efforts from the employees to achieve today's achievements. Therefore, attracting and retaining excellent and enthusiastic employees is one of the key points of sustainable business operations and sustainable development strategies. We will try our very best to create a stage for employees to realize their different potentials, meet their expectations and create an ideal working environment.

STAFF PROFILE

The Group strictly follows the Labour Law of the People's Republic of China (《中華人民共和國勞動法》), the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》), the Provisions on the Prohibition of Using Child Labour (《禁止使用童工規定》), the Employment Ordinance (《僱傭條例》), the Occupation Safety and Health Ordinance (《職業安全及健康條例》) and other laws and regulations, so as to establish a fair and just environment for employment. Combining with our actual operation, we have formulated the Staff Handbook (《員工手冊》), the Recruitment Management System (《招聘管理制度》) and the Management System of Training and Development (《培訓發展管理制度》). At the same time, third parties are required to clearly specify the relevant clauses prohibiting all contractors from employing child labor or forced labor in the service contractor's contract, and submit the list of employees to the Group for record. Through multiple human resource management systems, the legal rights of employees in respect of recruitment, promotion, training, working hours as well as remuneration and benefits are protected. The Group will not accept entry procedures for applicants under the age of 16. During the Reporting Period, the Group had no non-compliance matters due to violations of labor-related laws and regulations.

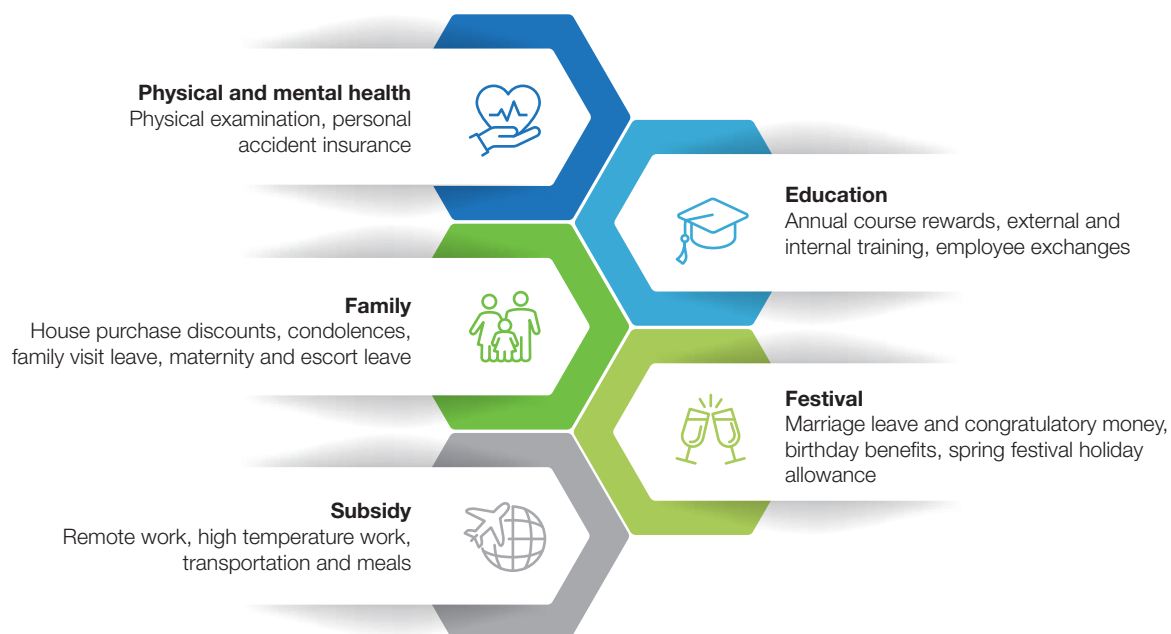
In order to establish an open, diverse and respectful working environment, we will eliminate any threats, nuisances, prejudice and discrimination due to age, gender, disabilities, beliefs, family status and responsibilities and race during the recruitment and employment process. As of December 31, 2020, the total number of employees of the Group is 3,794, all of whom are full-time employees. The specific staff structure is as follows:



Match the Right People with the Right Job and Promote Co-creation and Co-sharing

REMUNERATION AND BENEFITS

We are committed to embodying the Company's care and love for employees and consolidating our employees' sense of belonging and cohesion to the Company. Through a variety of channels, we maintain close and effective communication with employees, promote a work-life balance model and provide diversified benefits. During the Reporting Period, the Group strictly complied with various laws and regulations, and no major employment violations occurred.

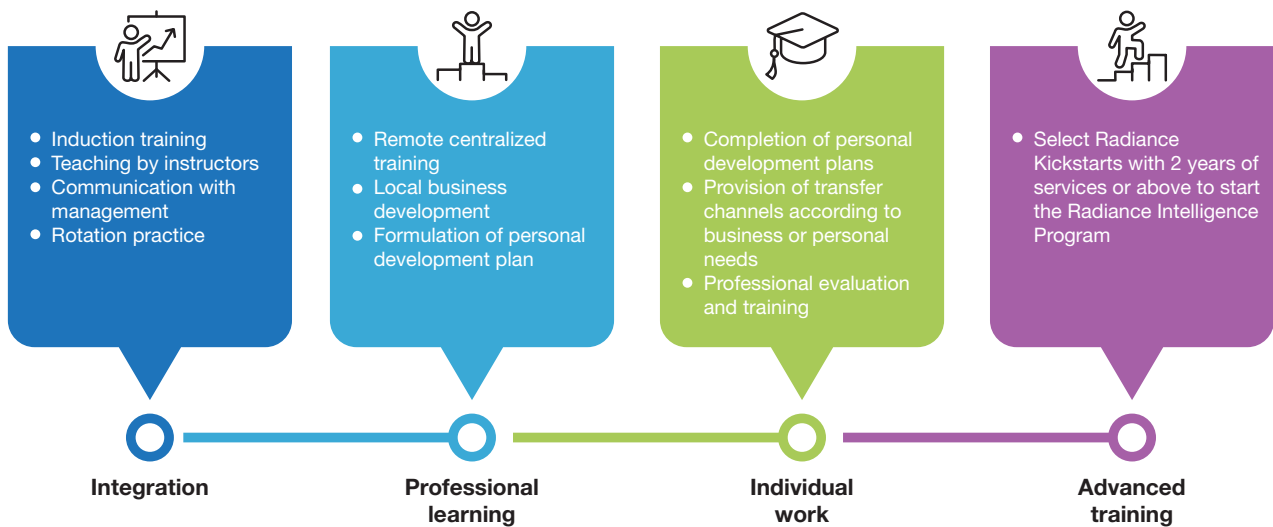


Match the Right People with the Right Job and Promote Co-creation and Co-sharing

TALENTS TRAINING

Talents training is one of the strategic priorities of the Group, and we are committed to providing talent development plans at different stages of development. We have formulated the Management System of Training and Development 《培訓發展管理制度》 and the Training and Management System of Radiance Kickstart 《輝動力培養管理制度》 to regulate the management of the Group's trainings and unify relevant standards and processes, so as to ensure the direction and effectiveness of development projects and continue to monitor and amend the key points.

The "Radiance Kickstart" talent development program is a customized cultivation project for high potential backup talents for the outstanding graduate students by the Group. With clear development path, long-term and comprehensive tutor and cultivation system as well as passionate and open atmosphere to help the participants, so as to provide talents for the enterprise's long-term strategies.



Match the Right People with the Right Job and Promote Co-creation and Co-sharing

Based on the three types of needs of internal talent supply, improvement of on-the-job staff's capabilities and integration of new employees, the Group has formed a talent training project system with the themes of executive improvement, managerial echelon training, learning and exchange among current employees as well as new employee integration. Multi-level training courses were carried out to help employees grow quickly and improve themselves.



Match the Right People with the Right Job and Promote Co-creation and Co-sharing

During the Reporting Period, we devoted and continued to establish our brand image as an excellent employer and also obtained multiple awards in respect of staff management.



China Real Estate Association 2020 Best Employer in China
Real Estate Industry



EH Consulting 2020 China Real Estate Industry Best
Employer



Beisen Research of Talent Management 2020 HeRo
(China Talent Management Enterprise Epitone Award)

Match the Right People with the Right Job and Promote Co-creation and Co-sharing

SAFETY AND HEALTH

The Group believes that the safety in productions and operations of enterprises is closely related to the safety awareness and operation level of staff. At the same time, we highly emphasize the health and safety of our staff. We strictly comply with laws and regulations like the Work Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (《中華人民共和國職業病防治法》) and the Regulations on Work-Related Injury Insurance (《工傷保險條例》), and formulate guidelines on construction safety. The documents explain common protective measures, list the procedures for safe work and matters that need attention, and clearly indicate the responsible persons of different positions. We request to set up safety goals and emergency plans before the constructions commencement. By immediate reporting on project accidents, it will be reported to relevant departments and retain relevant records for regular assessments, so as to provide safe and healthy working environment for the employees, contractors and customers.

Safety of Construction Projects

During the projects, organizations in various levels are required to set up safety patrol teams, so as to carry out special examination and clean-up actions periodically and aperiodically. At the same time, dedicated personnel are required to hold relevant certificates or licenses for management of safe construction, such as special equipment operation, working at height, etc. We will implement safety protection measures for high-altitude and high-temperature operations, and add safe and civilized construction inspections and carry out random inspections of construction safety during the monthly project inspection, so as to establish a stable and safe production environment.

We provide safety trainings, identification of safety risks as well as prevention and control guidance for all employees by focusing on occupation health and safety as well as cultivation of safety awareness. By case explanations and analyses, we will let our staff learn about our safety requirements and remind our staff to maintain their safety awareness all the time, so as to lower potential safety hazards commonly found in the industry.

We continue to pay attention to the hidden danger investigation and management of safety production, sorting out and forming a safety risk list including management risks, civilized construction risks, on-site safety and other risks. During the Reporting Period, we carried out special safety assessment, and required organizations at all levels of projects under construction to set up safety inspection teams and carry out special inspection and rectification actions on regular and irregular basis, so as to continuously create a stable safety production environment. During the Reporting Period, the Group was not aware of having any work-related fatalities.

Match the Right People with the Right Job and Promote Co-creation and Co-sharing

Preventive and Control Measures for the Pandemic

During the pandemic, to better implement relevant prevention works and effectively complete the sterilization of office areas, the Group formulated and published the Prevention and Control Standards of Sterilization of Office Areas in Head Office (《總部辦公區域消毒防控規範》), so as to strictly follow the national requirements on the management of pandemic prevention. We have adopted measures like flexible working hours and work-from-home arrangement for some staff, and we have provided anti-pandemic materials, such as masks, to our staff. The open and close of glass doors and windows is stipulated. During non-working hours, our staff can only access our office area by authentication. Sterilization points are set up in the front desks of the Company for measuring body temperatures and recording data. Staff whose body temperature is above 37.3 degree cannot enter our office and is required to fill in the abnormal body temperature registration form, so as to let us follow up the situation of the staff concerned. Employees will have the second body temperature check as and when appropriate every day. After entering the office areas, it is required to wear mask all the times, discarded masks are required to be put in designated rubbish bins for subsequent handling.

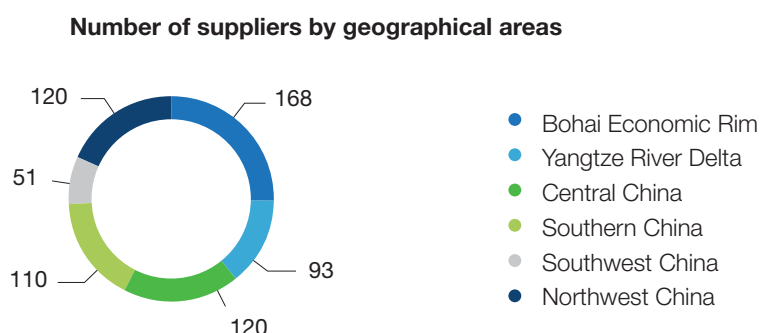
Cleaners will sanitize the office areas no less than twice each day. Cleaners will also wipe and sterilize door handles, fingerprint machines and switches no less than four times each day. In order to avoid or minimize the usage of fingerprint machines to report duty, we suggest our staff to use “Hui Yao (輝耀)” to clock-in and clock-out. Also, employees are encouraged to use the internal communication platform to hold video conferences, so as to avoid meetings with people gathered. We provide a healthy working environment for our staff and reduce their anxiety, so as to ensure our staff can wholeheartedly devote to their work.

Actions Correspond with Words to be Trustworthy

The Group always believes that our own growth is closely linked with our partners, so as to endeavor to build up stable, flexible and continuous cooperative relationships, thereby strengthening the management and cooperation continuously. We have set up multi-dimensional assessment and monitoring procedures to help identify the relevant risks arise or may arise during the cooperation with suppliers.

MANAGEMENT OF SUPPLIERS AND CONTRACTORS

We stabilize and strengthen the management of suppliers through responsible procurement, quality control, transparent tendering and performance of contracts. In choosing our suppliers, we prefer to choose those suppliers who passed the ISO9000 and ISO14001 certifications for environmental and quality management system. We require our suppliers to be eco-friendly and encourage them to procure artificial material in place of natural materials and select environmentally friendly and energy saving materials. During the Reporting Period, our supplier database has a total of 662 cooperating suppliers, details of which are as follows:



Actions Correspond with Words to be Trustworthy

Management of Suppliers

We execute the Supplier Probity Agreement (《供應商廉潔協議》) with suppliers and require them to adhere to integrity and ethical values in external business cooperation, so as to ensure that both parties strengthen integrity cooperation in order to eradicate illegitimate behaviors and fulfill their obligations with efficiency and high quality. If any breach occurs and validated, such suppliers will be blacklisted. Subsequent cooperation will be restricted or contracts will be terminated. On the contrary, suppliers are also responsible for reporting the offenders in the Group and making complaints to the Group's audit and supervision department. To those suppliers who strictly follow incorruptible behaviors, we will invite them for subsequent business cooperation in priority under the same conditions.

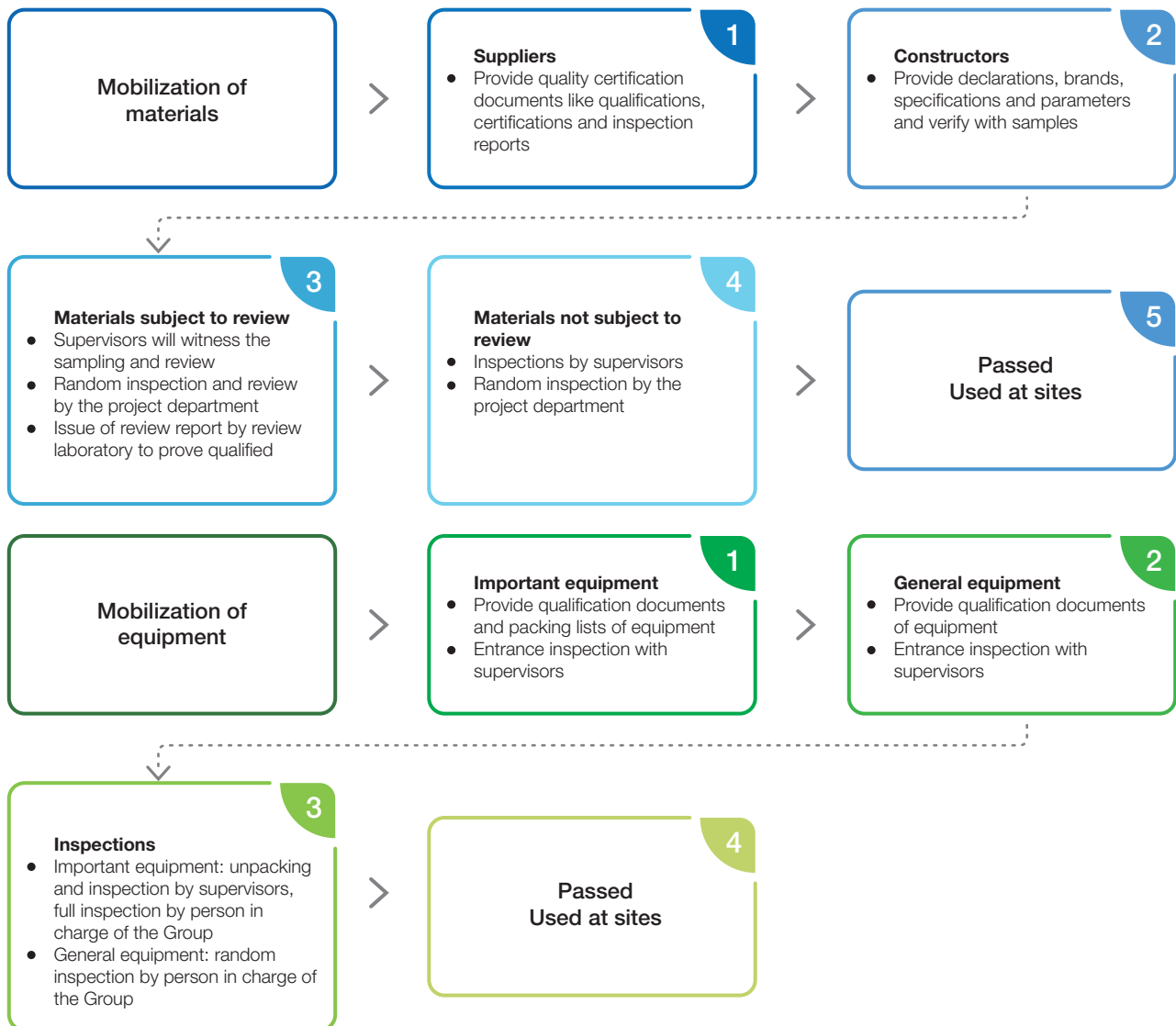
Also, we joined China Enterprise Anti-fraud Alliance in 2017. With respect to the suppliers or other institutions involving in fraud and corruption, we will fulfill our responsibility to publish and share relevant information in the platform to promote the excellence and liquidity of risk resources as well as building up a honest atmosphere and environment for our society, so as to insist on our vision of "integrity in China and influence the world".



Actions Correspond with Words to be Trustworthy

Assessments of Suppliers

We have formulated the Standard and Scoring System of Third-party Process Assessment (《第三方過程評估標準及評分表》), the Standard and Scoring System of Third-party Delivery Assessment (《第三方交付評估標準及評分表》) and Operation Manual on Third-party Process Assessment (《第三方過程評估操作手冊》), which provide strict quality assessment standards from the procurement and processing to completion and delivery of materials, equipment, components and semi-finished products. The scope of assessment mainly includes the management of constructions and quality of materials, safety and civilization as well as breaches of contracts. We will carry out comprehensive inspections on contracting and sub-contracting which include process assessment, delivery assessment and assessment of underground construction. Such assessments will be saved after confirmations and used for random inspections by the Group's construction management center in the future.



Actions Correspond with Words to be Trustworthy

We will conduct third party irregular quality inspection on contractors annually and exchange reviews in respect of results and outstanding contractors will be awarded. After a project is handed over, the Group will collect feedback on project quality through third party survey on customer satisfaction and rate of incidents reported by customers.

When engaging suppliers, we will interview its project manager and the project manager of suppliers who cannot pass the interview must be substituted before undertaking our projects. Subsequently, we will conduct shareholder relevance check on the shortlisted candidates in order to identify and avoid collusive bidding. We will review and assess our suppliers regularly to manage unqualified suppliers. We will terminate the cooperation with units who emit excessively, violate relevant regulations and serious quality issues are found in the projects, so as to lower the risks the suppliers bring to the Group, our customers and the industry.

Manage Both Internal and External Matters to be Satisfactory

This unusual year is also a meaningful year to the public welfare undertakings of the Group. Since its establishment, the Group has been performing corporate social responsibilities while committing to achieving its own stable development. In 2020, we spared no effort to participate in a number of charity events, including the battle against the pandemic, the promotion of teaching and learning activities, schools and educational establishments, poverty alleviation campaigns and activities for culture inheritance, so as to facilitate the sustainable development of charity activities. We successively received recognitions and acknowledgements in respect of our public welfare undertakings, proving the contributions the Group brought to the society.



China Business Journal — 2020 Outstanding Enterprise on Contribution to Social Responsibility



International Finance News of People's Daily — 2020 Outstanding Enterprise in Social Responsibility

Manage Both Internal and External Matters to be Satisfactory

FIGHTING THE PANDEMIC

In the face of the sweeping pandemic, we made prompt responses and bore social responsibilities immediately. Through donating money and materials, setting up “quarantine sites (隔離觀察點)” and starting free online consultation, we establish a solid backing for epidemic prevention and control, so as to commit ourselves to protecting the health and safety of each and every person. To combat the pandemic, the Company donated RMB10 million through the “Radiance Charity Fund (金輝愛心基金)” under the Overseas Chinese Charity Foundation of China (中國華僑公益基金會). Apart from helping the community by donations, in Wuhan where the pandemic was the most severe, we actively redeveloped the office and residential buildings of Jiangyue Elite’s Mansion into “quarantine sites (隔離觀察點)” and only spent two days to clear the original materials in the buildings to deliver the area to the NCP Prevention and control emergency command department against time. The area was provided to the government free of charge.

Also, we distributed free “gift set for fighting the pandemic (防疫大禮包)” to local medical personnel, teachers and students as well as citizens in primary schools, TCM hospitals and squares in Fuqing jointly with Fuqing TCM Hospital to initiate the advocacy of “treasure health, prevent and fight the pandemic (珍愛健康、防疫抗疫)”. We offered pandemic prevention supplies like customized medical masks, hand sanitizers and wet wipes as health care gifts to hospital personnel who hold fast to their posts, commuters who work diligently and students who are pursuing their dreams, so as to salute to the key players in our city who contribute quietly.



Manage Both Internal and External Matters to be Satisfactory

CHARITY WORKS

The Group deeply understands that the year of 2020 was a year for the country to build a moderately prosperous society in all respects and alleviate poverty. For the purpose of improving local hospital environment, we donated RMB18.75 million to Fuqing City, Fujian Province. For the purpose of supporting the studies of the Overseas Chinese Studies Fund, we donated RMB1 million to Overseas Chinese Charity Foundation of China (中國華僑公益基金會). During the year, we partnered with “Sanbaohong (三寶紅)” roasted tea of Yi nationality to carry out a charity project named the “cultural industry of Yi roasted tea (彝族烤茶文化產業)”. During the Reporting Period, we held the online live broadcast named the “live house of public welfare poverty alleviation by property developers” and attracted near 1 million views online, which aroused the attention of all walks of life towards products from farmers. Through targeted poverty alleviation with the assistance of online sales, the tea gardens successfully operated and thus help the poverty to achieve ample lives, thereby further expanding the coverage of poverty elimination. In addition, to recognize the Group achieving a higher level of success in respect of consolidating and expanding the results of poverty alleviation and giving full play to the role of leading and demonstrating during the Reporting Period, the All-China Federation of Returned Overseas Chinese (the “ACFROC”) awarded the honorary title of “Advanced Groups for Poverty Alleviation of the All-China Federation of Returned Overseas Chinese” (全國僑聯系統助力脫貧攻堅先進集體) on February 2021 for recognition.

The Group has long focused on childhood education sector and lightens up their future through various community activities. During the year, we donated RMB1 million to Liaoning Federation of Returned Overseas Chinese (遼寧省僑聯) for poverty alleviation, provision of grants and helping overseas Chinese and RMB4.5 million to help Chongqing Renmin Rongqiao Primary School obtain education indicators, so as to help the children struggling in the harsh environment to have normal education and development opportunities. In addition, the Group, together with Marwei Fund of Sichuan Red Cross Foundation, collected the drawings of the children from Daliang Shan in Sichuan to organize art exhibitions in our sales offices while producing the drawings as customized postcards named “Warm Planet (暖光星球)” and carried out charity sales in our sales centers in Chongqing, Changsha, Hefei and Xi’an, etc. By organizing such type of activities, we called on citizens to concern about impoverished children in remote areas. Also, we visited a charitable school in Zhaojue County, Liangshan Prefecture, Sichuan to hold the charity activity named “spread warmth at the start of a school year (開學送溫暖)”. We distributed a gift package to children full of school life necessities such as stationery, daily necessities and sports equipment to protect their healthy growth physically and psychologically.



Manage Both Internal and External Matters to be Satisfactory

FOCUS ON OUR COMMUNITY

In addition, the Group also cares about the living conditions of old residents and implements the “Renewal Plan” (also known as the “Community Reverse Growth Plan”). Starting from the actual needs of owners, we conceive the concept of “residential, often new”. In over 50 delivered communities across the country, we have implemented more than 500 renovation projects, including the renovation and restoration of community roads and the installation of guardrails to diverge pedestrians and vehicles, modify the non-motorized road ramp ground and replace electronic fences, etc. The Group has regularly maintained and upgraded children’s amusement equipment, recreational facilities and viewing sketches with a large degree of wear and tear, and try to take care of everyone in the community, so as to let our “Warm Light Community (暖光社區)” always stays fresh.



Manage Both Internal and External Matters to be Satisfactory



Fuzhou



Chengdu



Xi'an



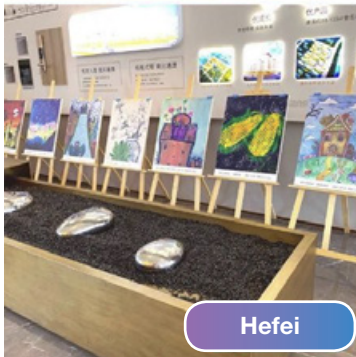
Wuhan



Chongqing



Huai'an



Hefei



Shaoxing



Changsha

Indices

Main aspect	Content	Chapter	Page
A. Environmental			
A1 Emissions			
General Disclosure	Information on:	Effective innovation to improve quality	19-21
	(a) the policies; and		
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste		
A1.1	The types of emissions and respective emissions data		23
A1.2	Greenhouse gas emissions in total and intensity		23
A1.3	Total hazardous waste produced and intensity		23
A1.4	Total non-hazardous waste produced and intensity		23
A1.5	Description of measures to mitigate emissions and results achieved		19-22
A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved		19-22

Indices

Main aspect	Content	Chapter	Page
A2 Use of Resources			
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Actions speak louder than words and efficient execution	14
		Effective innovation to improve quality	19-21
A2.1	Direct and/or indirect energy consumption by type in total and intensity		23
A2.2	Water consumption in total and intensity		23
A2.3	Description of energy use efficiency initiatives and results achieved		19, 21-22
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved		21
A2.5	Total packaging material used for finished products and with reference to per unit produced	The business nature of the Group does not involve packaging materials	
A3 The Environment and Natural Resources			
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	Effective innovation to improve quality	19-21
		Actions correspond with words to be trustworthy	31
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them		20-21

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Main aspect	Content	Chapter	Page
B. Social			
B1 Employment			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Match the right people with the right job and promote co-creation and co-sharing	24-25
B1.1	Total workforce by gender, employment type, age group and geographical region		24
B1.2	Employee turnover rate by gender, age group and geographical region	Such data is not disclosed	
B2 Health and Safety			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Match the right people with the right job and promote co-creation and co-sharing	29-30
B2.1	Number and rate of work-related fatalities		29
B2.2	Lost days due to work injury	Such data is not disclosed	
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Match the right people with the right job and promote co-creation and co-sharing	29-30

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Main aspect	Content	Chapter	Page
B3 Development and training			
General Disclosure	Policies on improving employees knowledge and skills for discharging duties at work. Description of training activities	Match the right people with the right job and promote co-creation and co-sharing	26-27, 29
B3.1	The percentage of employees trained by gender and employee category	Such data is not disclosed	
B3.2	The average training hours completed per employee, by gender and employee category	Such data is not disclosed	
B4 Labour Standards			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Match the right people with the right job and promote co-creation and co-sharing	24
B4.1	Description of measures to review employment practices to avoid child and forced labour		24
B4.2	Description of steps taken to eliminate such practices when discovered		24
B5 Supply Chain Management			
General Disclosure	Policies on managing environmental and social risks of the supply chain	Actions correspond with words to be trustworthy	31-34
B5.1	Number of suppliers by geographical region		31
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored		31-34

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Main aspect	Content	Chapter	Page
B6 Product Responsibility			
Product Responsibility	Information on:	Actions speak louder than words and efficient execution	13-18
	(a) the policies; and	Actions correspond with words to be trustworthy	33
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer		
	relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress		
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	The Group does not involve in product manufacturing	
B6.2	Number of products and service related complaints received and how they are dealt with	Actions speak louder than words and efficient execution	17
		Number of complaints is not disclosed	
B6.3	Description of practices relating to observing and protecting intellectual property rights	Actions speak louder than words and efficient execution	15
B6.4	Description of quality assurance process and recall procedures	The Group does not involve in product manufacturing	
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Actions speak louder than words and efficient execution	18

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Main aspect	Content	Chapter	Page
B7 Anti-corruption			
General Disclosure	Information on:	Decisive and bold in action and result-oriented	9-10
	(a) the policies; and		
	(b) compliance with relevant laws and regulations that have significant impact on the issuer	Actions correspond with words to be trustworthy	32
	relating to bribery, extortion, fraud and money laundering		
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		10
B7.2	Description of preventive measures and whistleblowing procedures, how they are implemented and monitored	Actions correspond with words to be trustworthy	9-10 32
B8 Community Investment			
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities interests	Manage both internal and external matters to be satisfactory	35-39
B8.1	Focus areas of contribution		35
B8.2	Resources contributed to the focus area		36-39



Radiance Holdings (Group) Company Limited
金輝控股(集團)有限公司