



Fineland Living Services Group Limited
方圓生活服務集團有限公司

(formerly known as Fineland Real Estate Services Group Limited 方圓房地產服務集團有限公司)
(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9978)

**ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT**

2021



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FINELAND LIVING SERVICES GROUP LIMITED
» ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2021

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Fineland Living Services Group Limited (the “Company”, together with its subsidiaries, hereinafter referred to as the “Group”) is pleased to present its annual Environmental, Social and Governance Report (the “Report”) for 2021 to provide an overview of the Group’s management of significant issues affecting its operation, including environmental, social and governance (“ESG”) issues. The Board has the overall responsibility for and oversight on the Group’s ESG strategy and reporting.

The Board is responsible for evaluating and determining the Group’s ESG-related risks and ensuring that appropriate and effective ESG risk management and internal control systems are in place. In addition, the Board, in close interaction with the Company’s management, also determines material ESG factors and defines the Group’s sustainability strategies and sets objectives relevant to the Group and its operations as a provider of property agency services, property management services and value-added services for residential and commercial properties.

REPORTING PERIOD

The Report illustrates the Group’s policies and performance regarding the environmental and social aspects during the reporting period from 1 January 2021 to 31 December 2021 (the “Reporting Period”).

REPORTING SCOPE

The Report covers the Group’s core business: the provision of comprehensive real estate agency services, provision of professional property management services and value-added services for residential and commercial properties in the People’s Republic of China (the “PRC”). The acquisition of 4 subsidiaries in the PRC during the Reporting Period led to a change of scope when compared with last year. The Group will continue to assess the impacts of its business on the major ESG aspects and to include them in the Report.

REPORTING BASIS

The Report was prepared in accordance with the requirements of Appendix 27 “Environmental, Social and Governance Reporting Guide” (“ESG Reporting Guide”) of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited (the “HKEX”). The Group has complied with the disclosure requirements of the “comply or explain” provisions set out in the ESG Reporting Guide. During the process of preparation of this Report, we summarised the Group’s performance in corporate and social responsibilities based on the principles of “Materiality, Quantitative, Balance and Consistency”. Please refer to the table below for our understanding and response to such reporting principles.

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Reporting Principles	Definitions	Our Response
Materiality	The issues covered in the Report should reflect the significant impacts of the Group on the economy, environment and society, or the scopes which might affect the assessments or decision making by investors and other stakeholders.	Through continuous communication with investors and other stakeholders, combined with the Group's strategic development and business operations, we can identify current material sustainable development issues.
Quantitative	The Report should disclose key performance indicators ("KPIs") and targets in a measurable manner.	The Group quantitatively discloses its environmental and social KPIs and targets as appropriate, and provides textual explanations on quantitative resources.
Balance	The Report should reflect fairly the overall sustainability performance of the Group.	The Group has explained in detail the sustainable development issues that have a significant impact on the business, including the results achieved and the challenges it faces.
Consistency	The Group should use consistent disclosure principles for the preparation of the Report to allow for meaningful comparisons of ESG data over time.	The Group will ensure that the disclosure scope and reporting methods of the Report are generally consistent every year.

SOURCE OF INFORMATION

The information disclosed in this Report is derived from the Group's formal documents, statistics or public information. The Board is responsible for the truthfulness, accuracy and completeness of its contents.

ACCESS TO THE REPORT

The Report is available in Chinese and English versions. In case of any discrepancy between the Chinese and English versions of the Report, the English version shall prevail. You may access the Group's official website at www.finelandassets.com or the website of the Stock Exchange at <http://www.hkex.com.hk> for an electronic copy of the Report.

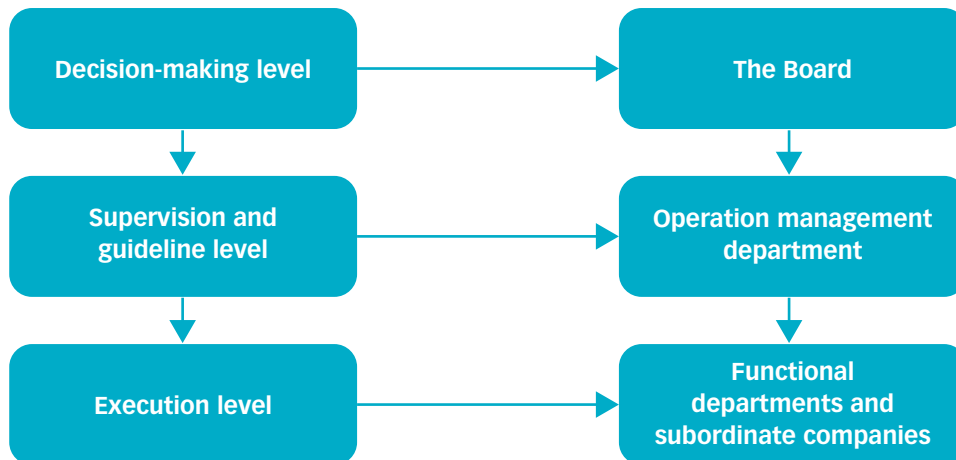
CONTACT INFORMATION

The Group welcomes your feedback on the Report for our sustainability initiatives. Please contact us by email at ir@fydc.cn.

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SUSTAINABILITY GOVERNANCE

The Group has established an ESG framework to promote and implement the Group’s sustainability strategy. To ensure effective ESG management, our ESG governance structure, comprising the Board, operation management department, respective functional departments and subordinate companies, was established to promote ESG management and disclosure. The Board, the ultimate decision-making body of the Group, is responsible for the Group’s ESG governance and oversight. The Board steers the Group’s sustainable development forward and bears the overall responsibility of its ESG efforts. In the future, the Board will continue to strengthen ESG risk management and improve ESG working mechanism and regulatory processes to enhance its ESG governance standard. The operation management department, serving on the supervision and coordination level, is responsible for implementing ESG governance strategy, coordinating ESG matters, compiling ESG reports, and reporting relevant work progress to the Board on a regular basis. Each functional department and subordinate company, serving on the execution level, is responsible for rolling out initiatives set up by the operation management department and reporting the relevant work progress and data.



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STAKEHOLDERS ENGAGEMENT

The Group emphasises the participation of its stakeholders, including, among others, employees, customers, third party real estate agencies that cooperate with the Group, shareholders and regulators. All of them have a substantial impact on the success of the Group’s business or activities. The Group engages with its stakeholders to develop mutually beneficial relationships and to seek their views on its business proposals and initiatives as well as to promote sustainability in the workplace and under community to which the Group belongs.

In compiling the Report, the Group consulted its internal stakeholders to monitor and manage its impact on all aspects of the environment and society. In addition, the Group has established various engagement channels for its stakeholders to express their concerns regarding the Group’s operation so the Group may further understand and address their concerns. With this understanding, the Group believes that stakeholders may have a considerable level of influence in developing sustainable development strategies and fulfilling social responsibilities, which is the basis for the Group’s strategy formulation and decision-making.

Stakeholders	Issues of concern	Engagement channels
Government	Compliance with laws and regulations Proper tax payment Promote regional economic development and employment	On-site inspections and check Research and discussion through work conferences, work reports preparation and submission for approval
Shareholders and investors	Risk management Return on the investment Information disclosure and transparency Protection of interests and fair treatment of shareholders	Annual general meeting and other shareholder meetings Annual and interim reports, announcements and circulars Websites, both of the Company and The Stock Exchange of Hong Kong Limited Company contact information
Employees	Safeguard the rights and interests of employees Working environment Career development opportunities Occupational health and safety Staff remuneration, benefits and well-being	Training, seminars, briefing sessions Entertainment, cultural, sport and other activities Intranet, emails and notice Meetings and conferences

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Stakeholders	Issues of concern	Engagement channels
Customers	Safe and high-quality products and services Stable relationship Integrity Reputation, brands and market demands	Company website, notice board, Meetings, Emails, phone calls Satisfaction survey Service hotline Industry exhibitions Mobile application
Partners	Long-term partnership Honest cooperation Fair, open Information resources sharing Risk reduction	Business meetings, supplier conferences, phone calls Regular meetings Review and assessment Tendering process Strategic cooperation
Industry peers/ Industry associations	Experience sharing Cooperation Fair competition	Industry conferences Site visits and field trips
Market regulators	Compliance with the law and regulations Information disclosure	Annual and interim reports, announcements and circulars and other published documents Seminars
Public and communities	Community involvement Career opportunities Social responsibilities	Volunteering Charity and social investment

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MATERIALITY ASSESSMENT

The Group attaches importance to the materiality assessment of ESG issues for the purpose of timely and comprehensive understanding of the materiality of each ESG issue to the business development of the Group and the expectation of stakeholders, in order to facilitate the Group's effective disclosure of ESG information and continuous improvement in the management level of relevant issues. The materiality assessment on ESG issues of the Group during the Reporting Period covers the following steps:

Step 1	The Group identified the following 20 issues in accordance with the disclosure requirements set out in the ESG Reporting Guide and based on the business characteristics and daily operation of the Group. These issues are considered to have impacts on the environment and the society during our operation.
Step 2	Based on the understanding of the demands and expectations of stakeholders during the daily operation, the Group determined the materiality of ESG issues by benchmarking the key points and the trend of ESG works of industry peers.
Step 3	Based on the result of the materiality assessment, the Group discussed and determined the key disclosure of the Report for the year and the key points for improvement in the future ESG work of the Group.

Social Aspects	Environmental Aspects
<ol style="list-style-type: none"> 1. Equal opportunity 2. Employment and employee benefits 3. Occupational health and safety 4. Employee development and training 5. Prevention of child and forced labor 6. Supplier management 7. Control and management on environmental and social risks along the supply chain 8. Service quality and customer satisfaction 9. Protection of intellectual property rights 10. Customer information and privacy protection 11. Anti-corruption and money laundering 12. Community investment 	<ol style="list-style-type: none"> 13. Exhaust emissions 14. Greenhouse gas emissions 15. Waste management 16. Energy consumption 17. Water consumption 18. Paper consumption 19. Environmental risks management 20. Climate change

According to the results of materiality assessment, 8 material topics (note) are regarded as the most concerned issues of the Group and its stakeholders. While taking into account environmental and social responsibilities, the Group will pay more attention to the above areas, and strive to achieve continuous improvement and sustainable business development.

Note: Presented in bold.

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ENVIRONMENTAL ASPECTS

EMISSIONS

We are committed to environmental protection and have adopted and implemented measures to ensure that we meet our goal and target for environmental protection. Our core subsidiary in property management service segment obtained the certification of ISO 14001: 2015 Environmental Management System. Given the nature of our operations, we do not believe that we are subject to material risks or compliance costs in relation to environmental issues. Nevertheless, to demonstrate the Group's commitment to sustainable development and compliance with laws and regulations relating to environmental protection, the Group endeavors to minimise the environmental impact of the business activities and maintain green operations and green office practices.

Our operations are subject to PRC environmental laws and regulations including but not limited to the Environmental Protection Law of the PRC (中華人民共和國環境保護法), Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste (中華人民共和國固體廢物污染環境防治法) and Prevention and Control of Atmospheric Pollution of the PRC (中華人民共和國大氣污染防治法). Our Group would be subject to fines and penalties, and our reputation may be damaged if there is any failure to comply with present or future laws and regulations. We continuously observe the relevant laws and regulations in relation to environmental protection in the PRC and have been in strict compliance with them. We have implemented environmental protection measures in our operations to treat and dispose of all of our waste in accordance with national and local environmental laws and regulations.

Reduction of emissions

The emission of exhaust gases including greenhouse gases have brought significant impact to the environmental change and thus low carbon emission has observed to our Group so as to pursue low carbon emission and environmental protection. The Group's carbon emission was mainly generated by the use of electricity during our daily operation. In order to achieve low carbon emission, we have adopted energy conservation and consumption reduction measures into our daily operation and encouraged employees to reduce carbon emissions in various ways as described in the section headed "Use of Resources".

Waste management

We actively responded to local government policies to carry out waste recycling and waste sorting in our projects in orderly and timely manner. Routine domestic waste generated from the daily operation is stored according to the local garbage classification requirements and then will be transferred to waste treatment plant by the local environment and hygiene authority.

We believe that our operations does not generate hazards that have any significant adverse effect on the environment and our environmental protection measures are adequate to comply with all applicable current local and national PRC laws and regulations. During the Reporting Period, there was no material generation of hazardous waste and non-hazardous waste in our operations and also there was no material breach of or non-compliance with the applicable laws and regulations related to environmental protection in the PRC.

USE OF RESOURCES

The Group places high priority on the efficient use of resources. The major resources used by the Group are electricity, natural gas, water, fuel for the Company's vehicles and paper. The Group strives to improve the efficiency in the use of natural resources, such as minimising waste and emissions and implementing an effective recycling program.

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Energy conservation

Various energy conservation measures are formulated for our landscape water system, lighting system, elevator equipment and offices etc., with reference to the local situation of the projects, combined with relevant management systems, so as to enhance energy efficiency and reduce energy consumption. We did not face any issue with sourcing water that is fit for purpose. We also organise trainings so that our employees can develop practices of saving energy and reducing consumption. Practical measures implemented including but not limited to the following:

- Switching off lights and turning off unnecessary energy-consuming devices such as air-conditioning system when employees leave the office;
- Setting air-conditioning system to an appropriate temperature per local conditions;
- Preference to equipment with relatively high energy efficiency;
- Regular maintenance of equipment; and
- Monitoring usage regularly, dealing with anomalies in a timely manner.

Water saving

- Using water-saving appliances;
- Putting up slogans for water saving in public areas;
- Monitoring water usage and checking for anomalies; and
- Inspecting water supply pipelines on a regular basis to prevent water leakage.

General environmental measures

- Encouraging printing or photocopying on both sides of paper, where applicable;
- Using online office system to minimise the use of paper;
- Regular maintenance of machineries and vehicles for operational efficiency;
- Strictly following the procurement plan to avoid making redundant purchases and idle resources; and
- Enhancing the monitoring of food consumption in canteens to reduce wastage.

During the Reporting Period, paper consumption of the Company was 8,999.55 kg (2020: 1,999.48 kg).

Packaging material

As the Company's business is service focused, there were no significant amounts of packaging material used for finished products during the Reporting Period.

In view of our continuous effort, we target to maintain zero substantial non-compliance case in relation to the emission of exhaust gases, greenhouse gases, energy consumption, water consumption and paper consumption in the coming five years.

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THE ENVIRONMENT AND NATURAL RESOURCES

The Group raises employee awareness on environmental issues through education and training and enlists employees' support in improving the Group's performance, promoting environmental awareness amongst the customers, business partners and shareholders and supporting community activities in relation to environmental protection and sustainability. The Group also regularly evaluates and monitors past and present business activities impacting health, safety and environmental matters. With the implementation of policies mentioned in sections headed "Emissions" and "Use of Resources", the Group has no significant impact from its activities on the environment and natural resources and continues to minimise any such impact.

Apart from the measures mentioned on energy conservation, waste management and efficient resource consumption, the Group does not have other significant climate change issues that have direct or indirect impact on the business.

CLIMATE CHANGE

The Group is committed to mitigating the climate change and enhancing its resilience to adapt to the increasing threat of climate-related consequences.

The Group had established internal risk management processes and procedures to identify, assess and manage major risks (including ESG-related risk) of the Group. The Board has the overall responsibility to establish and maintain an effective risk management and internal control systems of the Group and reviewing their effectiveness.

The management is responsible for implementing the procedures approved by the Board and to monitor compliance with the procedures. The audit committee of the Company reviews the risk areas and assesses the feasibility and effectiveness of the procedures at least once a year.

As a result of the above risk management process, physical risks and transitional risks arising from climate change might not bring significant impacts to the Group's business. As a supporter of the recommendations of the Taskforce on Climate-Related Financial Disclosure ("TCFD"), the Group has assessed the potential climate related risks and identified the rising mean temperature and increasing severity and likelihood of extreme weather events such as rainstorms, floods, fire and heatwaves as major physical risks impacting our daily operation.

The Group's operation management department is responsible for identifying and assessing any climate-related risks to which the Group's operations are exposed to and updating the Board with the latest news and developments on climate regulations and industry benchmarks. In order to cope with climate-related risks, the Group implemented various emergency response mechanism and purchase adequate insurance against natural disasters so as to cope with extreme weather.

In the future, we will continue to identify potential business activities impacting the environment and develop corresponding improvement measures, so as to further prevent the possible negative impacts of our operation on climate change.

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SOCIAL ASPECTS

EMPLOYMENT AND LABOUR STANDARDS

EMPLOYMENT

The Group's human resources policy sets out the Group's standards for compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. The Group has complied with local employment laws and regulations, such as Labour Law of the PRC. During the Reporting Period, there were no material non-compliance incidents regarding employment brought against the Group or its employees.

The Group recruits employees based on its business needs. The human resources department recruits employees based on needs according to the annual business development plan or specific requests from other departments. The Group seeks candidates through various channels, including online recruitment platforms and recruitment fairs. The Group also encourages internal transfer of employees where appropriate.

The remuneration package of the employees includes salary and discretionary bonuses (as the case may be). The Group also provides employees with benefits such as medical care, health check, birthday and festival cash allowance, as well as social insurance and housing provident fund.

HEALTH AND SAFETY

The Group aims to enhance wellness of its employees by providing a harmonious and comfortable environment, in addition to providing a safe and effective working environment. The Group has adhered with related laws and regulations, such as Law of the PRC on the Prevention and Control of Occupational Diseases. The Group has established occupational safety and sanitation systems, implemented the national occupational safety and sanitation rules and standards, and provided employees with workplace safety trainings on a regular basis to increase their awareness of work safety issues. Our core subsidiary in property management service segment obtained the certification of ISO 45001: 2018 Occupational Health and Safety Management System.

We are committed to provide a comfortable and safe working environment for our employees and protecting them against occupational hazards. The measures including but not limited to the following:

- Providing our employees with regular body checks at the cost of the Group;
- Conducting safety checks regularly to ensure that the safety measures are implemented;
- Interacting with the community to carry out fire drills and trainings regularly;
- Paying attention to about the physical and mental health of our employees and carrying out staff-caring activities regularly; and
- Advocating the importance of work safety by arranging office safety inspections, fire inspections and carrying out fire drills regularly.

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Policies and procedures regarding public order maintenance, carpark management, fire control management and emergency response mechanism are established in order to enhance our safety management together with relevant training and drills. Besides, the patrol inspection of our equipment for fire control and monitoring system is strengthened to ensure those equipment are under proper operation and to maintain the safety management system in our projects.

In light of the outbreak of COVID-19 epidemic (the "Epidemic") since January 2020, the Group has paid close attention to its latest developments and taken initiatives to help with prevention and control of the Epidemic.

The Company places the health and safety of its employees as its highest priority. To safeguard the health of employees and the public, the following hygiene measures were adopted:

- (a) enhancing the hygienic level of the Group's working space by cleaning and sanitising indoor facilities, elevators and nearby public areas regularly;
- (b) performing daily temperature checks of all employees before they enter into office premises;
- (c) limiting the use of elevators;
- (d) monitoring travel history of employees;
- (e) minimising in-person meetings to the extent possible; and
- (f) requesting employees to wear masks at all times during work and report to the Group promptly whenever they feel unwell.

The Board will continue to monitor the Epidemic situation closely and continue to place the health and safety of its employees as its highest priority while ensuring compliance with all applicable laws, rules and regulations.

During the Reporting Period, the Group has complied with the PRC laws in relation to workplace safety in all material respects and has not incurred any incidents which have materially and adversely affected our operations.

DEVELOPMENT AND TRAINING

The Group regards its employees as invaluable assets. The Group has established employee training management regulations to provide guidelines for the planning of trainings to improve the skills and competency of the employees and fulfil the needs for the corporate development. The Group emphasises on the development of employees and has implemented a training programme for employees tailored to their skillsets for them to leverage on their expertise. The Group provides in-house training to employees and from time to time engage external service providers, with the aim of providing training appropriate for employees.

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LABOUR STANDARDS

The principle of the Group's labour standards is to comply with the national and local labour laws. During the Reporting Period, the Group has complied with local employment laws and regulations, such as Labour Law of the PRC. No child labour or forced labour was employed during the Reporting Period. Also, in the recruitment process, the human resources department takes effective procedures to verify applicants' age and inspect their identification documents and valid proof of identity before making any hires. Employment contracts and other records documenting all relevant details of the employees (including age) are properly maintained for verification by the relevant statutory body upon request. In order to help the employees to achieve work life balance and reduce their working pressure, the Group regularly provides benefits to employees and organises activities such as leisure trips, festival banquets, and sport games. It has provided employees with opportunities to socialise, have better understanding, and exchanges between departments, foster the spirit of teamwork and create a pleasant working atmosphere.

OPERATING PRACTICES

SUPPLY CHAIN MANAGEMENT

The Group works closely with our suppliers and subcontractors who are committed to high quality, environmental, health and safe standards. Our suppliers are primarily subcontractors located in the PRC who provide security services, and maintenance of elevators and fire extinguishing systems, gardening and waste cleaning services.

Regarding the selection of subcontractors, we maintain and regularly update a list of pre-approved subcontractors primarily based on merit and history of cooperation. We evaluate subcontractors in accordance with criteria such as credibility, service quality, qualification and experience, financial status and performance before adding into the list of pre-approved subcontractors. In hiring subcontractors, we may send at least three invitations to tender to sub-contractors on our pre-approved list and assess their tender submissions based on criteria such as and in particular price and service quality. Preference will be given to subcontractors with certification and qualification related to environmental protection such as ISO 14001 environmental management system certification, ISO 9001 quality management system certificate and occupational safety and health management system (OSHMS) certificate. Each subcontractor shall sign the integrity agreement and abide by the relevant agreements upon being appointed. We formally review and evaluate our subcontractors on an annual basis. We will remove subcontractors that deliver substandard services from our pre-approved list and no further cooperation will be allowed in the following two years.

We believe there are no significant environmental and social risks for our management decision on supply chain management during the Reporting Period.

PRODUCT AND SERVICE RESPONSIBILITY

The Group's key customers are property developers, property owners, property buyers and tenants. The Group considers customers as a major stakeholder and requires all frontline employees to provide customers with accurate market information in a professional manner.

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Quality control over our services

As a provider of real estate agency and related services, the Group aims to improve user experience through customer review and diversified social and digital platforms. Mystery shoppers also conduct irregular inspections to improve customer service. The Group also established a customer relationship team.

The Group promotes its services through a wide range of marketing initiatives including advertising through traditional and new media, introducing incentive schemes for employees, and reward schemes for referrals of new customers by existing customers. For primary property projects, the Group collaborates with property developers in organising promotional events in order to raise the profile of the project and to attract more customers. The Group has complied with the relevant laws and regulations in this area, such as Advertisement Law of the PRC.

The Group also works on maintaining good relationships with property developers through participating in tender bidding of new projects, establishing cooperative partnerships and contacting potential customers. The Group also places an emphasis on leveraging its capabilities in a broad range of services by acting as a one-stop shop for different types of customers to enhance their loyalty.

Customers can provide their feedback via hotline, email, mail or visiting our outlets or offices in person. The customer relationship team will work and follow up with the relevant parties to arrive at reasonable solutions. The results and follow-up process will also be documented.

As a provider of property management service, we understand the importance of service quality management. We have established a service quality management and monitoring system, including multiple formats and sets of standardised service management systems and procedures, such as quality control measures, project operation and maintenance management system, environmental health management system, greening maintenance management, safety management system and customer service management system. We have been certified by ISO 9001: 2015 quality management system, ISO 14001: 2005 environmental management system and OHSAS 18001: 2007 occupational health and safety management system.

In order to improve our service, the Group has set up 400 service hotlines in the PRC to ensure feedback from customers are processed under our strict service standard and according to the customer's feedback and follow-up procedures so that feedback from customers can be promptly responded. Customer satisfactory surveys will be conducted by an independent third-party organisation on a regular basis so as to continuously improve our service quality in combination with following up our customer's feedback.

Intellectual property

We believe that our intellectual property rights are critical to our continued success. We primarily rely on laws and regulations on trademarks and trade secrets and our employees' and third parties' contractual commitments to confidentiality to protect our intellectual property rights.

The Group's risk control management centre is the department responsible for the work related to intellectual property rights, which includes (i) the acquisition, modification, renewal, licensing, pledge, transfer, logout, and monitoring of intellectual property of all units including trademarks, functional variable names, copyrights, patents, (ii) guiding, supervising, and managing the intellectual property rights maintenance and rights protection, and (iii) anti-counterfeiting of all units. The Group regularly conducts intellectual property rights business training for relevant employees of various departments to enhance employees' awareness of intellectual property rights protection. The risk control management centre conducts random inspections on the management of intellectual property rights of various units from time to time.

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Besides, the Group requires our employees to protect and develop intellectual property rights of the Group while respecting legal intellectual property rights of third parties. In addition, the Group would also sign confidentiality agreements and competition prohibition agreements with its employees and suppliers to prevent the infringement of intellectual property rights. Employees who are suspected of violating relevant rules of intellectual property rights of the Group shall be subject to investigations and the Group would take appropriate actions as necessary.

Customer data protection and privacy

The Group respects the privacy of customers and their intellectual property rights. Customer data and information obtained during the course of business operation will only be used in providing services for customers, and will not be disclosed to third-party organisations or be used for other purposes other than providing customer services without customers' consent. The Group has stipulated the process and precautions of handling important documents in which our employees are required to treat customer data in strict confidence. The Group's customer information is attended by specified personnel and can only be accessed by authorised personnel. Classified paper documents are properly placed in the storage room to avoid data breaches. Additionally, the Group provides regular trainings for employees to enhance their awareness in personal data security, and to prevent employees from using, leaking, and selling customers' personal information illegally.

The Group does not manufacture products which have material health and safety impacts and implications. In view of the Group's business nature, there were no products that required any labelling.

ANTI-CORRUPTION

To ensure operation efficiency and employees' development in a fair and honest working environment, the Group has formulated policies, established procedures for declaration and reporting of conflict of interest and provided channels for employees to report internal misconducts regarding suspected bribery, extortion, fraud and money laundering activities. The Group organises trainings for employees to raise their awareness towards anti-corruption policies and issues. The Group also conducts investigations regarding the integrity of its employees at all levels regularly. The risk of fraud is also one of the criteria in performance appraisal. The Group has set up a whistleblowing hotline. If there are any suspected case related to bribery, extortion, fraud and money laundering, employees are encouraged to report the related cases and give suggestions to senior management. Besides, anti-corruption trainings were provided to a total of 499 employees with a total of 499 training hours noted during the Reporting Period.

The Group has been in strict compliance with Anti-Unfair Competition Law of the PRC and Anti-Money Laundering Law of the PRC. During the Reporting Period, there was no legal case regarding corrupt practices brought against the Group or its employees.

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COMMUNITY

COMMUNITY INVESTMENT

The Group has recognised the importance of community investment to the sustainable development. The Group advocates the importance of equal opportunities and has hired disabled people in past years (as at 31 December 2021: 10 disabled staff; as at 31 December 2020: 3 disabled staff). In addition, the Group also actively cooperates with various education institutions and organises various social activities during the Reporting Period:

Time	Event
January	Celebrating activities of Chinese New Year such as community dress-up
February	2021 new year greeting to employees who are on duty Online guessing lantern riddles game and offline activities around the Lantern Festival
March	Gifts to female employees to celebrate Women’s Day 2021 speech contest
May	May 4 th Youth Day online singing contest Voluntary work for anti-epidemic activities in Guangzhou
April to June	Online activity — Remember the good life in Fineland communities photo contest
August to September	Painting and calligraphy exhibition, celebrating the 100th anniversary of the founding of the Chinese Communist Party
October	Visit elderly who lived alone
November	Charitable activities to promote green life The 4th “Oriental Champion” competition of all lines of property management front line service
December	Donation to Guangdong Province Huali Technician College to complete the training center of the school of management and organise the cooking competition

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Appendix I Overview of Key Performance Indicators

1. Environmental Aspects¹

No. of KPIs	KPIs	Unit	2021	2020
A1.1 Emissions	Nitrogen Oxides (Nox)	kg	14.667	0.377
	Sulphur Dioxide (Sox)	kg	0.173	0.082
	Particulate Matter (PM)	kg	0.470	0.033
A1.2 Greenhouse gas emissions	Scope 1 Direct emissions	tonne of equivalent CO ₂ emission	132.50	2.41
	Scope 2 Indirect emissions	tonne of equivalent CO ₂ emission	4,112.64	9.62
	Total	tonne of equivalent CO ₂ emission	4,245.14	12.03
	Intensity	tonne of equivalent CO ₂ emission/ Revenue RMB\$'000	0.0074	0.000043
A2.1 Energy consumption	Unleaded petrol	kWh	87,299.82	10,101.06
	Diesel	kWh	278.28	Nil
	Natural gas	kWh	564,302.53	Nil
	Purchased electricity	kWh	6,740,928.00	182,476.00
	Total	kWh	7,392,808.63	192,577.06
	Intensity	kWh/Revenue RMB\$'000	12.94	0.70
A2.2 Water consumption	Total water consumption	tons	497,962.00	1,747.00
	Intensity	tons/Revenue RMB\$'000	0.87	0.0063

Note

1. The calculation of environmental KPIs are with reference to "A Corporate Accounting and Reporting Standard" from The GHG Protocol and the "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" issued by HKEX.

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2. Social Aspects

No. of KPIs	KPIs	Unit	2021
B1.1 Total number of employees	By gender		
	Male	person	1,001
	Female	person	1,070
	By employment type		
	Full-time	person	2,055
	Part-time	person	16
	By age group		
	30 or below	person	601
	31-40	person	684
	41-50	person	328
	51 or above	person	458
	By geographical region		
the PRC	person	2,071	
B1.2 Employee turnover rate	Turnover rate by gender		
	Male	%	68
	Female	%	67
	Turnover rate by age group		
	30 or below	%	100
	31-40	%	61
	41-50	%	40
	51 or above	%	26
	By geographical region		
	the PRC	%	68

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No. of KPIs	KPIs	Unit	2021
B2.1 Number and rate of work-related fatalities²	Number of work-related fatalities	person	Nil
	Rate of work-related fatalities	%	Nil
B2.2 Number of working days lost due to work injury	Number of working days lost due to work injury	day	Nil
B3.1 Percentage of employees trained	Percentage of employees trained	%	100
	By gender		
	Male	%	100
	Female	%	100
	By employment category		
	Normal	%	100
	Middle	%	100
	Senior	%	100
B3.2 Average training hours completed per employee	Average training hours completed per employee	hour	18.51
	By gender		
	Male	hour	21.66
	Female	hour	15.55
	By employment category		
	Normal	hour	16.14
	Middle	hour	34.31
	Senior	hour	4.64
B5.1 Number of suppliers	Number of suppliers by geographical region		
	the PRC	supplier	1,522

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No. of KPIs	KPIs	Unit	2021
B6.2 Number of complaints about products and services	Number of complaints about service received	case	Nil
B7.1 Legal cases in relation to corruption	Number of legal cases in relation to corruption filed and concluded	case	Nil
B8.2 Community investment	Total amount of donation	RMB	859,802
	Total number of hours for providing voluntary services	hour	Note 1
	Total number of staff involved for providing voluntary services	person	Note 1

Note

1. In light of the materiality assessment, such KPI is not considered as material and thus not disclosed.
2. The number and rate of work-related fatalities occurred in the past three years including the Reporting Period is nil.