

JOVAN 佳源

Jiayuan International Group Limited
佳源國際控股有限公司

(Incorporated in the Cayman Islands with Limited Liability)

Stock Code : 2768



2021 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Overview of Sustainability Performance

Governance	<ul style="list-style-type: none">• Conducted stakeholder survey with a total of 54 questionnaires• Formulating policies on climate changes• Identified risks associated with sustainable development
Employment	<ul style="list-style-type: none">• Hired a total of 455 employees, with a new recruit rate of 11% and employee turnover rate of 12%
Health and safety of employees	<ul style="list-style-type: none">• No fatality or injury cases
Training	<ul style="list-style-type: none">• Provided training to 137 employees, with an average of 6.41 hours of training per employee
Intensity of greenhouse gas emissions	<ul style="list-style-type: none">• 29.86 tCO₂e/'000 sq.m.
Intensity of non-hazardous wastes	<ul style="list-style-type: none">• 0.32 tonnes/'000 sq.m.
Intensity of energy consumption	<ul style="list-style-type: none">• 111.6 MWh/'000 sq.m.
Intensity of water consumption	<ul style="list-style-type: none">• 1,168.0 m³/'000 sq.m.

About Jiayuan International

Jiayuan International Group Limited ("Jiayuan International" or the "Company" and together with its subsidiaries, collectively as the "Group") (Stock Code: 2768) is an established property developer in the People's Republic of China ("PRC") and was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") in March 2016. Developing large-scale residential complexes and commercial complexes in the PRC, our business scope is expanding to various key provincial capital cities, including Shanghai, Jiangsu and Anhui in the Yangtze River Delta Region, Guangdong, Hong Kong and Macao in the Guangdong-Hong Kong-Macao Greater Bay Area, Hainan Free Trade Port and Guiyang and Urumqi in central and western China, as well as countries and regions along the "Belt and Road" initiative, such as Vietnam and Cambodia. As at 31 December 2021, the total land bank of the Group was approximately 17.43 million sq.m..

SUMMARY OF BUSINESS DEVELOPMENT

Property development business

- Residential complexes
- Commercial complexes

Property management business

- Established presence in 13 provinces and municipalities and over 20 key cities across the PRC and owned 150 service centers, among which 20 projects were awarded "Provincial Excellence" and "Municipal Excellence" accolades as role-model residential (building) projects of property management



About Jiayuan International (Continued)

The Group strives to infuse the following key values into the developments:

Education value	Leisure value	Commercial value
The Group believes that education is of paramount importance to customers as parents. Therefore, the Group focuses on selecting locations with relatively mature school nets. In addition, the Group has participated in the construction of five schools in its developed property projects, aiming at building an excellent school net.	It is the Group's general practice to spare a large portion of its site area for the construction of classical landmarks, European or Chinese-style theme parks and plazas, aiming at enhancing the visual attraction of properties and bringing leisure enjoyment to its customers.	The residential properties under the Group also include retail stores and shopping malls, providing a "one-stop" shopping experience to its customers and taking care of the daily needs of residents and citizens nearby.

About This Report

This is the sixth Environmental, Social and Governance (“ESG”) Report (the “Report”) published by the Group, reporting with focus on the sustainable development performance of the Group from 1 January 2021 to 31 December 2021 (the “year”). Jiayuan International publishes ESG reports regularly, so as to provide various stakeholders with an understanding on the Group’s policies, measures and effectiveness on relevant ESG issues. The Report has been prepared in both Chinese and English and uploaded to the website of the Stock Exchange and the website of the Group (<http://www.jiayuanintl.com>).

SCOPE OF REPORT

The Group principally engages in property development in which its revenue accounts for 95% of our total revenue. Unless otherwise specified, the disclosures of the Report are mainly about the operations of property development of the Group, including the sale of residential and commercial properties. This year, the Group expanded its reporting scope from two projects last year to nine major projects under construction and completed during the reporting period. The reporting scope is as follows:

Respective Sale Projects	Total GFA (‘000 sq.m.)	Ownership Interest (%)	Total Area of Marketing Centers (‘000 sq.m.)
Silk Road Cultural City	10,000	60	170.0
Venice	1,825	100	7.4
Enping Empire Phase II	201	90	3.6
Siyang Jiayuan Paris Metropolis	600	90	5.0
He County Central City	700	100	3.5
Lingshihuaifu	617	63	2.1
Hefei Jiayuan Paris Metropolis Jiayuan Square			
Land Lot No. 13	612	100	–
Jiayuan Wuxing Plaza	686	66	2.9
Centurial City Phase II (Honour Mansion)	568	100	1.7

The Group has not yet covered all our property development projects¹ and the operations of other business segments (including property investment and property management segments). Looking ahead, the Group will expand the scope of the report based on the principle of materiality to be consistent with our financial report so as to provide more comprehensive information to our stakeholders.

REPORTING STANDARDS AND REPORTING PRINCIPLES

The Report is prepared in accordance with the mandatory disclosure standard in the Environmental, Social and Governance Reporting Guide (the “Guide”) set out in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) issued by the Stock Exchange and the provision of “comply or explain”, and is based on four reporting principles set out therein: Materiality, Quantitative, Balance and Consistency. A complete content index is appended in the last chapter of the Report for easy comprehension with reference to the Guide.

¹ As of 31 December 2021, the Group had a total of 100 property development projects, with a total GFA of 30.19 million sq.m..

About This Report (Continued)

Reporting Principle	Definition	Response
Materiality	Issuers should report on ESG issues which have important impacts on investors and other stakeholders.	The Group has identified ESG issues important to stakeholders by conducting stakeholder surveys.
Quantitative	<p>Key performance indicators of historical data should be measurable. The issuers should set targets to reduce a particular impact, so that the effectiveness of the ESG policies and management systems can be evaluated and validated.</p> <p>Quantitative information should be accompanied by a narrative, explaining its purpose, impacts, and giving comparative data where appropriate.</p>	<p>Data of the Group's social KPIs are sourced from statistics of relevant departments. In addition, to ensure the accuracy of the environmental KPIs, the Group has commissioned Carbon Care Asia, a professional consulting firm, to conduct a carbon assessment in accordance with the guidelines prepared by Environmental Protection Department of Hong Kong and Electrical and Mechanical Services Department and by reference to ISO14064-1 and international standards such as Corporate Accounting and Reporting Standards of GHG Accounting System.</p> <p>The Group includes forward-looking statements when applicable. Quantitative information accompanies descriptions and standards, method, assumptions and/or calculating tools adopted.</p>
Balance	The issuers shall provide an unbiased picture of its performance and should avoid selections, omissions, or presentation formats that may inappropriately influence the decision or judgment made by the report readers.	The Group fully reports on the ESG performance of the Group in the Report to avoid giving biased information.
Consistency	The issuers should adopt consistent disclosure and statistical approach to enable meaningful comparison on ESG data in the future.	Unless otherwise stated, the methods used in preparing the Report are generally the same as last year. The Group will make sure that a consistent method is used to make statistics on future ESG data for comparison between the data of the year and the past.

CONFIRMATION AND APPROVAL

The Group has developed a set of internal controls and formal review procedures, striving to ensure the accuracy and reliability of all information presented in this Report. This Report was reviewed and approved by the Board on 30 March 2022.

FEEDBACK

The Group attaches great importance to opinions from stakeholders. If you have any questions or suggestions on our work in relation to ESG or the content of this Report, you are welcome to contact our sustainability taskforce via info@hkjiayuan.com.hk.

Board Statement

SUSTAINABLE DEVELOPMENT GOVERNANCE RESPONSIBILITY

The Group fully understands that sustainable development is crucial to the long-term development of the enterprise, and highly regards the sustainable development performance of its operations. To align with the business development of the Group, the Board of the Group shoulders all responsibilities for its strategies and reports on sustainable development, and the sustainability taskforce will be responsible for planning and supervising the efforts of each business segment in respect of sustainable development, as well as reviewing the effectiveness of relevant policies and progress of relevant measures periodically. The taskforce will report to the Board through the Chief Executive Officer regularly and the cross-departmental taskforce will enforce the finalized plans.

The Group perceives communications with stakeholders as an important path to achieve sustainable development. In order to further understand the expectations of stakeholders, the Group conducted online surveys in the way of questionnaire this year and integrated the result with that of communications with stakeholders such as customers, employees and suppliers, which enabled the Board to determine the materiality issues on sustainable development. Those issues covered scopes of employment and labour practices and operation responsibility and have been taken as the reporting focus of the year. The Group described the working progress in various scopes during the year and the future plans in different chapter of this Report. In the coming year, the Group will proactively communicate with the stakeholders to ensure the understanding of their demands and expectations.

RISKS AND OPPORTUNITIES ASSOCIATED WITH SUSTAINABLE DEVELOPMENT

Under rapid change of sustainable development, it is crucial to manage risks associated with sustainable development while seizing opportunities thereof. The Board is responsible for assessing and managing risks associated with sustainable development. The Group will further improve its risk management and actively respond to matters related to sustainable development. To manage the most significant risks, considerations about sustainable development are taken into account in the risk management system and corporate strategy and sustainability risks related to the Group's business are prioritized. In addition, the Group

will also seize the opportunities brought by sustainable development, so as to ensure that risks can be turned into opportunities in a timely manner.

In recent years, climate change has been affecting the globe. As indicated in the sixth report issued by the Intergovernmental Panel on Climate Change, the global temperature may rise by 2.2°C by the end of the 21st century. The rise may lead to an irreversible situation and will be a "red alert for human survival", which means climate change will have serious impacts on corporates and daily activities and lives of people. The Group will actively respond to the potential risks brought by climate change and deploy plans to tackle the possible financial risks brought by climate change as soon as possible. The Group is formulating climate change policies and devises the direction of risk management with regards to the group level. In the future, the Group will also identify the material climate-related issues having impacts on its operation and formulate relevant actions in response.

SUSTAINABLE DEVELOPMENT GOALS

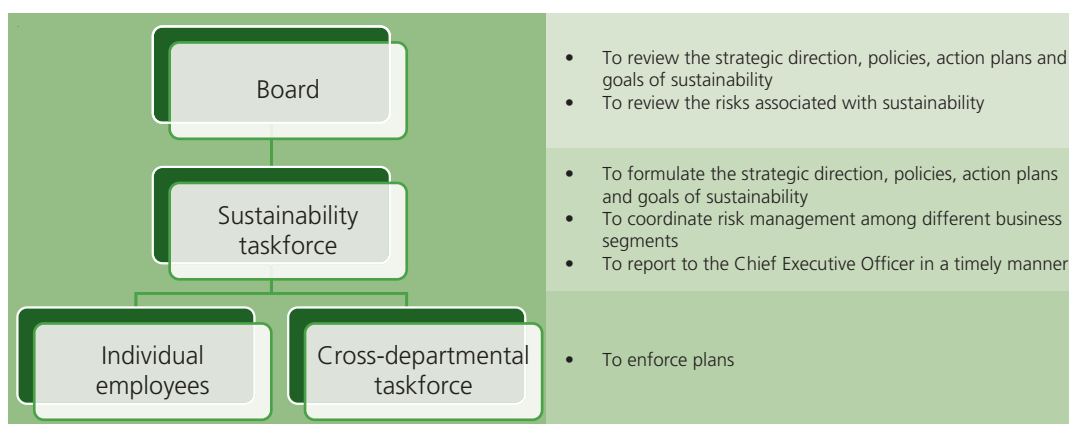
The Group understands that setting goals related to sustainable development enables a review on its sustainability performance in a timely manner. As such, the Group established directional environmental goals during the year by reviewing existing environmental management measures and data of key performance indicators. Looking ahead, the Group will review the progress and effectiveness of the goals regularly to ensure improvements in terms of environmental protection during its operation. At the same time, the Group will also gradually establish quantifiable goals, which allows stakeholders to compare data and have a clearer understanding on its environmental management progress.

Being a responsible property developer in the PRC, the Group shall shoulder the responsibility to make contributions on the path to sustainable development and create value for the stakeholders in a long run.

Management Principles of Sustainable Development

GOVERNANCE STRUCTURE

A highly transparent governance structure lays a solid foundation for the corporate's sustainable development strategies. The Group has designated the Board as the decision maker of the Group in executing corporate social responsibilities, and the sustainability taskforce will be responsible for planning and supervising the efforts of each business segment in respect of environmental protection and social care, as well as summarizing and reviewing these works periodically. The taskforce will report to the Board through the Chief Executive Officer regularly about the performance and work progress.



RISK MANAGEMENT

The Group understands the importance of risk management and a sound risk management system can meet stakeholders' expectations. Members of the Board have a wide spectrum of valuable business experience, knowledge and professionalism and lead the management in formulating strategies to address risks and capture opportunities.

With the assistance of the audit committee of the Company (the "Audit Committee"), the Board ensures that the internal control and risk management system are sound and effective. The Group has adopted risk management procedures and guidelines to delineate the duties and powers of the relevant units and requires all departments to undergo regular internal control assessment, so as to effectively identify, assess, alleviate, report and monitor various potential risks of the Group, including environmental and social risks, so that strategies can be formulated and addressing measures can be implemented in a more prudent way to achieve better business performance. At the same time, the management reports to the Board and the Audit Committee on the effectiveness of Group's risk management and internal control system for the year. The internal audit department of the Company is responsible for performing independent review of the adequacy and effectiveness of the respective systems. Based on the abovementioned report and audit outcome, the Board conducts further review and ascertains the effectiveness and adequacy of the respective systems.

Management Principles of Sustainable Development (Continued)

During the year, the Group engaged external consultants to identify and assess material sustainability risks in the industry for the Group. Looking ahead, the Group will formulate addressing measures to ensure duly management of the identified risks.

Areas of Sustainable Development	Types of Risks	Description of Risks
Environment	Exhaust gas and greenhouse gas emissions	With the tightening national and regional environmental protection policies, the construction and transportation process of the Group will be under stricter regulations. In the absence of formulation of effective measures on emission reduction, the risks of violation of the Group may be increased, which in turn leads to an increase in operating costs.
	Impacts on the surrounding environment	The Group may have different levels of impact on the neighboring communities during the construction process, including air quality, noise, land pollution, landscape and visual impacts. If the Group fails to identify and effectively control relevant environmental factors, its risks of violation may be increased.
	Climate change	Climate change leads to frequent extreme weather events, which may increase the physical risks of the Group, affect the normal operation of construction projects and employee safety, impose a burden on business operations and have a negative impact on property valuation, resulting in higher costs. In addition, climate change brings transition risks. When transiting to the low-carbon economy, the risks incurred from changes in policies, markets and technology development may also affect the operation of the Group.
Employment	Health and safety	There are certain safety risks in the construction industry. The Group will be seriously affected by significant safety incidents that may happen, including damage to reputation or even possible litigation and fines.
	Employee training	The Group's business relies on experienced talents. If the Group fails to improve the professional ability of employees by training, the sustainable development, competitiveness and employee career development of the Group may be further affected.
Operation practices	Supply chain management	The Group's construction projects are undertaken by contractors, and the contractors' negative environmental and social issues will affect the reputation of the Group.
	Technology innovation	The Group predicts that sustainable construction and low-carbon construction materials will become more common and gradually replace traditional construction materials. If industry peers take the lead in increasing sustainable construction and adopting low-carbon construction materials, the Group's competitiveness and position in the market will be affected.
	Business ethics	Violating business ethics imposes significant legal risks on the Group's operation, including litigations, fines or imprisonments of related persons. Even if the Group is suspected of violating the relevant laws, its reputation will also suffer serious damages.

Management Principles of Sustainable Development (Continued)

COMPLIANCE OPERATION

The Group understands that compliance with laws is the basic requirement for its operation. The Group recognises that violations will result in relevant law enforcement actions taken by regulatory authorities, which will harm its reputation and have material adverse impacts on its business, operating results or financial positions at the same time. The Group provides clear guidance to employees by reviewing work practices and compliance. Business operation of the Group is regulated by different laws and regulations, including but not limited to those set out in the table below.

Aspect	Relevant Laws	Compliance Disclosure
Emissions	The Environmental Protection Law of the PRC (《中華人民共和國環境保護法》) The Water Pollution Prevention and Control Law of the PRC (《中華人民共和國水污染防治法》) The Atmospheric Pollution Prevention and Control Law of the PRC (《中華人民共和國大氣污染防治法》)	During the year, the Group identified no noncompliance with relevant laws and regulations that have a significant impact on us at the points of business.
Employment	The Labour Law of the PRC (《中華人民共和國勞動法》) The Labour Contract Law of the PRC (《中華人民共和國勞動合同法》) The Law on Protection of Women's Interests of the PRC (《中華人民共和國婦女權益保護法》) The Social Insurance Law of the PRC (《中華人民共和國社會保險法》)	During the year, the Group identified no noncompliance with relevant laws and regulations that have a significant impact on us at the points of business.
Health and Safety	The Production Safety Law of the PRC (《中華人民共和國安全生產法》) The Prevention and Control of Occupational Diseases Law of the PRC (《中華人民共和國職業病防治法》) The Fire Prevention Law of the PRC (《中華人民共和國消防法》)	During the year, the Group identified no noncompliance with relevant laws and regulations that have a significant impact on us at the points of business.
Labour Standards	The Labour Law of the PRC (《中華人民共和國勞動法》) The Law on Protection of Minors of the PRC (《中華人民共和國未成年人保護法》)	During the year, the Group identified no noncompliance with relevant laws and regulations that have a significant impact on us at the points of business.
Product Responsibility	The Product Quality Law of the PRC (《中華人民共和國產品質量法》) The Urban Real Estate Administration Law of the PRC (《中華人民共和國城市房地產管理法》) The Advertising Law of the PRC (《中華人民共和國廣告法》) The Copyright Ordinance (《版權條例》)	During the year, the Group identified no noncompliance with relevant laws and regulations that have a significant impact on us at the points of business.
Anti-corruption	The Criminal Law of the PRC (《中華人民共和國刑法》) The Anti-Unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》)	During the year, the Group identified no noncompliance with relevant laws and regulations that have a significant impact on us at the points of business.

COMMUNICATION WITH THE STAKEHOLDERS

Maintaining good communication with stakeholders facilitates the Group's review of potential risks and opportunities in respect of sustainable development, identification of the priorities of different issues, and formulation of corresponding policies and measures, so that a solid foundation for the corporate's long-term development can be laid. The Group is committed to establishing a good mutual trust and communication mechanism with stakeholders and adopting open policies to encourage stakeholders to make suggestions or express opinions through various communication channels. Set out below are the communication ways and channels between the Group and stakeholders:

Employees	Customers	Regulatory authorities
The employees may express their difficulties at work or views towards the Group through platforms such as performance appraisals, corporate communications, training, seminars and whistle-blowing mechanism.	The Group holds appreciation receptions for customers and makes periodic customer visits. Trained staff members provide customers with sales services according to marketing management procedures and guidelines to ensure that they are satisfied with our services and products.	The Group makes disclosures of the matters including operating statistics, material transactions and inside information of the Company to the Hong Kong Stock Exchange in a timely manner to ensure information transparency.
Investors	Suppliers	Community groups
The Group encourages shareholders to participate in annual general meetings to collect and respond to their feedback	The Group conducts supplier inspection to ensure the suppliers satisfy the requirements of the Group.	The Group launches voluntary activities and organizes donations to serve and contribute to the community.

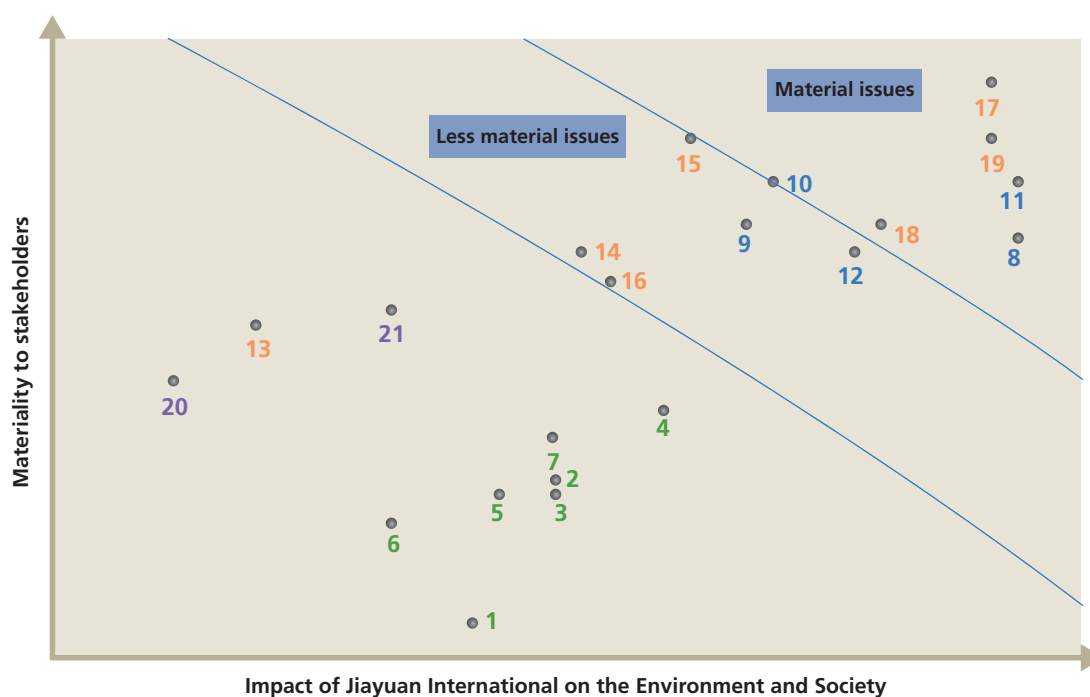
IDENTIFICATION OF MATERIALITY ISSUES

1. Establishing a list of relevant sustainable development issues	With reference to the international trends, industry practices and the ESG reports of Jiayuan International during previous years, the Group was able to identify 21 ESG issues which are the most closely related to its business and impacts, covering four major areas of "environmental protection", "employment and labour practices", "operation responsibilities" and "community development".
2. Collecting opinions from stakeholders	By means of online questionnaire, the Group invited internal and external stakeholders to score the identified ESG issues. The scoring criteria included the importance to stakeholders and the impact of the Group on the environment and society. The Group collected a total of 54 valid responses.
3. Identifying material issues	Based on the results and analysis of the online questionnaire, the Group identified 11 materiality issues. In addition, the Group also invited stakeholders to identify fields that the Group can actively contribute to, and took it into consideration for the future strategic development direction of the Group's sustainable development.
4. Verifying	The Board of the Group reviewed and verified the analysis results of the materiality matrix and issues.

LIST OF ESG ISSUES

Environmental Protection	1) Greenhouse gas and air pollutant management	Operation Responsibilities	13) Supply chain management
	2) Waste management		14) Product and service quality management
	3) Energy use and efficiency		15) After-sales service management
	4) Water use efficiency and sewage management		16) Fair and responsible marketing
	5) Other resources use and efficiency		17) Customer information and privacy protection
	6) Environmental and natural resources management		18) Intellectual property rights protection
	7) Response to climate change		19) Anti-corruption
Employment and Labour Practices	8) Employment management system	Community Development	20) Understanding of communities' needs
	9) Diversity, equal opportunity and elimination of discrimination		21) Supporting community development
	10) Occupational health and safety		
	11) Training and development		
	12) Labour standards		

MATERIALITY MATRIX



Management Principles of Sustainable Development (Continued)

Issues		Material issues (✓), less material issues (◆)
17	Customer information and privacy protection	✓
19	Anti-corruption	✓
11	Training and development	✓
8	Employment management system	✓
18	Intellectual property rights protection	✓
10	Occupational health and safety	✓
15	After-sales service management	◆
12	Labour standards	◆
9	Diversity, equal opportunity and elimination of discrimination	◆
14	Product and service quality management	◆
16	Fair and responsible marketing	◆
4	Water use efficiency and sewage management	
21	Supporting community development	
7	Response to climate change	
2	Waste management	
3	Energy use and efficiency	
13	Supply chain management	
5	Other resources use and efficiency	
20	Understanding of communities' needs	
6	Environmental and natural resources management	
1	Greenhouse gas and air pollutant management	

Compliance with Business Ethics

The Group attaches importance to compliance with business ethics and law and regulations and commits to operating in an ethical way to create value for its customers. The Group has formulated the Supply Chain Management, Product Responsibility and Anti-corruption Policy Declaration (供應鏈管理、產品責任及反貪污政策聲明) for ongoing uplift of the quality of the Group's projects and services, proper management of its supply chain, and prevention of corruptive behaviours.

CORPORATE INTEGRITY

The Group has zero tolerance on corruption and has formulated the Regulation Management Work Guideline (規範管理工作指引), which defines misbehaviours and prohibits corruption and bribery in any form. Terms relating to anti-corruption are also clearly stated in the Group's staff handbook, employment contracts and tendering documents to ensure that the employees and business partners are aware of the Group's principles and policies in the prevention of corruption and bribery. The Group also stipulates that, employees shall avoid behaviours or relationships that may be in conflict with the company's interest or their respective work duties. For example, employees are not allowed to request any form of benefits or gifts from business partners, and are required to declare in writing to the Group before engaging in activities that would constitute a conflict of interest.

WHISTLE-BLOWING MECHANISM

To encourage the employees to report, on an identified basis, acts which are in violation of the Regulation Management Work Guideline, the Group has established strict whistle-blowing procedures, which keep the identity of the whistle-blowers confidential to prevent them from being retaliated. Once reported, the Group will investigate the issue thoroughly and take appropriate actions,

including disciplinary actions, termination of employment or precautionary measures. Where cases of suspected corruption or other criminal offences are identified, the Group will report such cases to regulatory bodies or other competent authorities immediately. During the year, no bribery, extortion, fraud, money laundering, corruption or embezzlement cases were reported to the Group or brought against the Group or its employees.

During the year, the Group has provided the Board members and employees with anti-corruption trainings to ensure that they clearly understand the Group's expectations on anti-corruption.

PROTECTION OF INFORMATION AND PRIVACY AND INTELLECTUAL PROPERTY RIGHTS

The Group seeks to protect customer privacy. The Group stipulates in the Supply Chain Management, Product Responsibility and Anti-corruption Policy Declaration that personal information of customers shall be duly kept and managed and employees are prohibited from disclosing customer information to any third party in the absence of express consent. Employees should also keep themselves informed of the hierarchy and duration of confidentiality of information and the proper methods of shredding information for information security. Meanwhile, the Group encrypts digital confidential documents. In case of any leakage of customer information, timely and effective response will be made.

The Group also stipulates in the Supply Chain Management, Product Responsibility and Anti-corruption Policy Declaration that, employees should observe and protect intellectual property rights, undertake to respect intellectual property rights of business partners or other corporations, and comply with all relevant national or local laws and regulations. The Group respects intellectual property rights and employees are only allowed to use licensed software.

PROJECT QUALITY AND SALES MANAGEMENT

The Group attaches great importance to forging and maintaining sound relationship with its customers and is committed to providing customers with safe and high-quality properties. The Group has also set out details of the various quality safety management regime in the Project Operation Work Guidance (項目運營工作指引), providing specific work guidelines for employees and performing the Group's commitments to its customers. Besides, the Group has formulated the Marketing Management Guidelines (營銷管理工作指引) to specify relevant management system to ensure that appropriate guidelines and trainings are provided to the sales staff. In its Supply Chain Management, Product Responsibility and Anti-corruption Policy Declaration, the Group also commits to the provision to customers of product information in an accurate and open manner, covering advertisements and descriptions on product labels.

Key areas	
Design elaboration	Design inspection and conclusion
Meetings on design elaboration are held by the engineering design department. On such meetings, persons in charge of projects are briefed on the plan concepts, key points on landscape design, preliminary design standards adopted and cost control targets etc.	The engineering design department supervises the construction process and ensures that materials and equipment are in compliance with design standards. Upon completion and acceptance, the engineering design department compares the planned effect based on the design layout and the actual outcome upon completion, to identify room for product improvement.
Project renovation and refurbishment	Materials and equipment acceptance management
The Group enhanced management of the renovation and refurbishment works at the display area of projects, the renovation and refurbishment work at the public area, and other renovation and refurbishment works.	The quality of materials and equipment used by the projects shall satisfy pre-determined parameters, requirements under the project undertaking contract and requirements under prevailing industry standards.
Project acceptance management	Landscaping works management
The Group regulated the process of acceptance management to ensure that acceptance upon project completion proceeds as scheduled.	The Group supervised construction progress of landscaping works, and regulated management of landscaping works, to ensure product quality and timely delivery.

To ensure that each stage of construction meets the Group's quality standards, the Group conducts regular monitoring and acceptance through its internal team and an independent monitoring company engaged. Construction units complying with the Group's requirement will receive project completion and acceptance certificates, while non-compliant construction units are required to adopt rectification measures according to the acceptance recommendation.

Case story: Modular Sales Offices

In order to solve the problems of long construction period, high costs and large waste of traditional sales offices, and in line with the industry-oriented policies of governments at all levels on assembled construction, the Group has commenced the pilot work of “modular sales offices” since 2018. Modular building system has the ability to quickly and conveniently repair and recycle modules, which makes it possible to apply it to some business models that cannot be realized by traditional building forms (such as product leasing or installment purchase, etc.), while reducing the waste of resources.

Advantages of steel-structured modular system construction:

- Extremely short construction time
- Advanced manufacturing technology, excellent quality and accurate dimensions
- Excellent sound insulation and thermal insulation capabilities
- Good seismic performance
- Not sensitive to the environment and stable construction period
- Strong regional adaptability and secondary expandability
- Reduce on-site labor requirements for safer construction
- Standardized design, interchangeable and recyclable components and modules
- Low carbon emissions, in line with the national strategic direction

During the year, the Group did not receive any complaints about delivered projects and services. In the coming year, the Group will continuously improve the quality of its projects to ensure that the needs of customers are met.

SUPPLY CHAIN MANAGEMENT

The Group regards suppliers as important long-term partners and hopes to achieve mutually beneficial relationship to jointly promote sustainable development. The Group recognizes that there are different environmental and social risks in the supply chain, and therefore formulated the Supply Chain Management, Product Responsibility and Anti-corruption Policy Declaration, which commits to identify environmental and social risks in the supply chain. Meanwhile, the Group has formulated suppliers assessment criteria to ensure that the tendering processes for suppliers cover environmental protection and care for society, and also established the Guidelines for Safe and Civilized Construction Management (安全文明施工管理工作指引) to regulate safety management in respect of all construction units. The Group selects suppliers on the principles of fair and open competition. For the risks of corruption and bribery in the course of procurement and tendering, the Group has established a monitoring system to prevent corruption, fraud or other malpractice. The Group's major suppliers include contractors for construction², contractors for electricity projects and supply, and contractors for landscaping and greenery works.

Looking ahead, the Group will actively identify potential environmental and social risks in the supply chain and continue to promote the use of environmentally friendly products and services in its operations.

² Due to its business nature, the Group's construction activities are undertaken by contractors.

Supporting Employee Development

As a property developer shouldering social responsibilities, the Group is committed to building a healthy and harmonious working environment, which enable its employees to gain job satisfaction from their work, actively participate in work, as well as cultivate and develop their potential through training and performance appraisal systems, and provide competitive benefits and remuneration to attract talents. When necessary, the Group also conducts regular surveys in form of questionnaires on different aspects to employees, such as salary and welfare, benefits, target planning, satisfaction of position, suggestions on departments, etc., to obtain an understanding on employees' opinions.

EMPLOYMENT MANAGEMENT AND LABOUR STANDARDS

The Group is committed to the notion of being "people-oriented". Growing hand in hand with its employees, the Group strives to provide its employees with an equal and respectful working environment, which in turn helps to build an inclusive and diversified workplace culture. The Group has formulated a series of staff policies such as Staff Handbook (員工手冊) and Human Resources Administration Guidelines (人事行政工作指引) setting out the terms of compensation and dismissal, recruitment and promotion, working hours, holidays, equal opportunity, diversity, anti-discrimination, and other benefits and welfare for convenient access by its staff.

REMUNERATIONS AND WELFARE

The Group provides diversified remunerations and welfare to its employees, including annual salary, medical benefits programs, festival allowance, communication fee allowance, and meal allowance. Employee remunerations are determined based on factors including their qualifications, positions, working experience, educational background and performance. The Group also sets out the working hours and holidays, as well as procedures for leave application in its Staff Handbook.

RECRUITMENT, PROMOTION AND DISMISSAL

The Group follows the principles of transparency, openness and fairness in the recruitment process. In accordance with the guidelines for recruitment management, the human resources department arranges interviews with applicants and objectively analyses the applicants' overall strengths. Meanwhile, the Group conducts regular performance assessments on employees to appraise their performance in an objective manner and take employees' capabilities as the promotion criteria, and awards them with bonus and adjusts their remunerations based on their assessment result. Besides, the Group has set out the procedures and rules for termination of contract in its Staff Handbook, and also arranges an exit interview with the leaving employee to understand the reasons of their resignation.

ANTI-DISCRIMINATION, EQUAL OPPORTUNITY AND DIVERSITY

The Group is committed to creating a fair, open and respectful working environment to provide its employees with a diverse workplace free from discrimination or harassment and enhancing the awareness of the issue of equality. The Group will never treat employees differently by virtue of their gender, age, ethnic origin, race, color, religion, physical shape, illness, mental or physical disability, family status and composition, sexual orientation, political belief or social status.

The Group understands that a diversified team brings diversified skills, experience and ideas to its operations and injects greater development potential into the Group. As stated in its Employment and Labour Practices Declaration (僱傭及勞工常規政策聲明), the Group undertakes to provide a workplace free from any form of discrimination or harassment and to give priority to safeguard health and safety of its employees in its business operation, to ensure peace of mind among employees in utilizing their strengths and developing their potentials.

RESPECT HUMAN RIGHTS

The Group values and defends human rights and strictly prohibits the use of child labour and forced labour in its operations. In its Employment and Labour Practices Declaration, the Group clearly stated that no child labour and forced labour will be employed and also set out measures and arrangements to prevent employment of child labour and forced labour.

Prevention of forced labour	The Group ensures that employees are employed on a voluntary basis and prohibits employment of forced labour in any form. The Group hopes its employees can achieve work-life balance and hence does not encourage overtime working. To ensure that employees' overtime working hours comply with legal standards and regulations, the Group formulated guidelines to regulate overtime hours and provides employees who work overtime with compensatory leave and reasonable rest time.
Prevention of child labour	To prevent unknowing employment of minors, the human resources department will check the identity document of new employees during the recruitment process to verify their actual age and to ensure compliance with the local minimum legal working age requirement.

In the event the Group discovers any use of child labour or forced labour, the Group will deal with the situation accordingly with a view to strictly respect and protect the rights of employees.

DEVELOPMENT AND TRAINING

Providing employees with trainings to develop their skills is the key to the success of the Group. The Group undertakes in its Employment and Labour Practices Declaration to provide various training opportunities and invest more resources in employees' career development. Through internal nurture and development and "A Huangpu Military Academy for Quasi-entrepreneur of Jiayuan International", the Group established a training system to organize and provide various training and development plans, including a number of courses for improving knowledge and skills, so as to ensure that employees have sufficient and timely training and development opportunities. As affected by the COVID-19 epidemic, the Group established the "Jiayuan Cloud School", an online platform, and switched most of the courses to online courses, so that employees can have different trainings at any time.

The human resources administration centre formulates annual training plans every year and conducts research and investigation based on employees' demands on trainings by means of questionnaires or on-site interviews to ensure sufficient understanding on demands of frontline employees and project companies regarding employee trainings, so that annual training plans can be formulated to address the needs of employees from different departments. The human resources administration centre is also responsible for supervising the implementation of the annual training plans. To encourage its employees to pursue continuing education, the Group offers them full-pay or no-pay study leave based on established criteria, during which the employees are entitled to fringe benefits.

Types of major training	
Induction training	System training
Within 10 days upon joining the Group, new recruits are required to attend the training at Jiayuan College. The training topics include principal businesses, management system and operational standards of the Group.	All staff will be arranged for the ERP (enterprise resource planning) system training organised by the human resources administration centre when they receive training at the college.
Training for senior management	Training for financial personnel
In accordance with the annual training program and practical operational needs, the human resources administration centre provides management training to employees at assistant manager level or above from all business divisions, branches and subsidiaries of the Group in July each year.	The financial center of the Group and Jiayuan College provides training sessions to financial personnel twice a year and reviews their training results on a regular basis.
Sales management training	Study tour
Marketing planning department is responsible for conducting training and assessment of customer managers and onsite customer managers. Employees who have not attended the training or failed the assessment shall not be on duty.	Employees from different departments participate in tours to visit domestic and international benchmark companies to learn from their experience in project development and operation and management, to further assist the Group in identifying the areas of improvement.

Case story: Jiayuan College

"A Huangpu Military Academy for Quasi-entrepreneur of Jiayuan International"

Established in 2009, Jiayuan College has engaged experienced management members from Jiayuan International as its lecturers and cooperated with external training institutes to commence a series of personnel training. At present, Jiayuan College works with a number of domestically renowned training institutes, including National School of Development at Peking University, Yangtze Delta Region Institute of Tsinghua University, Jinggangshan Cadre Training Academy, Foretell Business School of Fudan University and Golden Finance and Tax College, as well as institutions of higher education, including Peking University, Zhejiang University, Jiao Tong University and Tongji University, in the provision of more enhanced training courses to employees.

Curriculum system of Jiayuan College	
Yuan Power Curriculum System	New Joiner Curriculum System
Target: New recruits Purpose: To familiarize with the culture, systems and processes of the Group	Target: Young employees in different departments including mid-level management Purpose: To enhance general capability, such as management skills and business skills
Quasi-entrepreneur Curriculum System	Pilot EMBA Curriculum System
Target: General managers, and senior management of functional units Purpose: To enhance management skills such as leadership and operational capability	Target: General managers, assistant executive officers, and employees of higher ranks Purpose: To enhance management skills such as strategic thinking, resources integration capability and leadership

Supporting Employee Development (Continued)

The Group is committed to nurturing a new generation of young employees and enhancing their professional knowledge and skills. Before the epidemic, the Group recruited interns from schools every year. However, as affected by the epidemic, the Groups conducts online recruitments of students instead, which aims to identify young talents for nurturing to unleash their potentials. The Group provides approaches such as position internships and exchange visits to enhance students' abilities. Each student will be led by a mentor and provided with guidance. While the student is following an experienced mentor to learn for practical skills, the mentor is also evaluating his/her working capabilities and performance.

The Group has also in place a monthly and year-end assessment system to conduct working performance assessment and review on employees, so as to review and assess their performance, as well as understand their needs to formulate a personal performance goal for them.

HEALTH AND SAFETY

Safeguarding health and safety of employees is in the Group's first priority. To ensure effective management of occupational health and safety, the Group has formulated a series of measures and policies, and set out its commitments in its Employment and Labour Practices Declaration to adopt a series of measures, so as to ensure health and safety in different work positions.

OCCUPATIONAL HEALTH

The Group's points of business provide appropriate and adequate protective gears to its employees to minimize the risks of employees sustaining injuries or contracting diseases or encountering occupational hazards at the workplace. The Group's projects also provide regular body check-up and arrange events on safety education including firefighting and health seminars for their employees every year, so as to enhance their awareness of health and safety.

As a property developer, the Group's construction projects are undertaken by contractors. Therefore, construction safety is a prominent part of its risk management and supply chain management. For the sake of occupational health and safety at construction sites, the Group has devised its Guidelines for Safe and Civilized Construction Management, to set out all work safety rules for all construction units in order to strengthen the on-site safety management at each and every construction project.

Safe and Civilized Construction Management			
Preparing safe construction plan	Implementing safe and civilized construction plan	Formulating regulations on the handling of safety incidents	
In compliance with regulatory and contractual requirements, the construction unit shall prepare safe and civilized construction plan for projects, which shall be reviewed and approved by an external supervision unit and the engineering design department of the Group. The construction unit must obtain approval before construction commences.	External supervision unit is responsible for regulating the rules for safe construction and inspecting the implementation of safe and civilized construction plan by the construction unit. The supervision unit is also responsible for supervising construction sites and worker quarters in respect of sanitary condition, fire safety and security.	The engineering design department of the Group, together with the supervision unit, head of the construction unit and safety officers carry out a monthly safety inspection of the construction site. If any construction that violates the safety standards is identified, the construction unit must carry out rectification within a specified period.	
		If a safety incident occurs in the construction site, the Group will immediately take measures to assist the construction unit in handling the incident. The construction unit shall submit a safety incident report to the supervision unit and the engineering design department of the Group after handling the incident.	

Case story: Responding to COVID-19 epidemic

Regarding the ongoing COVID-19 epidemic, the Group implemented various measures at workplace to safeguard safety of employees.

- o Ensuring a hygienic working environment
The Group has prepared adequate anti-epidemic protective supplies. The Group arranges special personnel to conduct routine disinfection every day to provide a safe working environment for employees. At the same time, the Group pushes epidemic prevention knowledge on its WeChat official account in advance to raise employees' awareness of epidemic prevention.
- o Employee safety
The Group arranges its employees in orderly batches to ensure that appropriate social distance can be maintained in the workplace. The Group also requires all employees to submit a health code or health commitment letter and travel records for the past 14 days. The Group arranges daily temperature check for employees returning to work normally, and regularly distributes personal protective equipment such as masks. Employees who do not meet the relevant epidemic prevention requirements are not required to return to work for the time being. All employees returning to work from other places are required to stay at home or be observed for 14 days at observation points designated by the Group to reduce the chance of epidemic outbreak in the workplace.
- o Flexible working arrangements
The Group has adjusted its office model to promote home office, online office and working in staggered arrangements. In order to reduce the potential risk of infection caused by employees gathering for meetings, training or communication during working hours, the Group requires that meetings in excess of a certain number of people be held through a video conferencing system. Other on-the-job trainings and induction trainings for new employees were also conducted through an online live broadcast platform to ensure that the daily operation of the Company was not affected while the epidemic was being prevented and controlled.

PHYSICAL AND MENTAL HEALTH

Not only does the Group care about employees' occupational health, but also their physical and mental health. The Group organizes different recreation and sports activities and continuously improves quality of the working environment. The Group's project companies have facilities such as gym and library for employees' use at their leisure times, and also have canteens to provide employees with healthy meals. The Group also requires each project company to organize at least one team building activity every year such as hiking and walking. At the same time, organizing ball games such as basketball games and badminton games is also encouraged. In addition, the Group also organizes different activities on some festivals, such as organizing tea cultural activity on the Women's Day. Before the epidemic, the Group also organized overseas travelling for employees to relax. However, under the impact of the current epidemic, the Group organizes some domestic tours instead and hopes that employees can achieve a work-life balance.

Environmental Resources Protection

The Group is committed to creating green value for the society and actively creates a culture of green operation, adhering to the spirit of low carbon and environmental protection. The Group complies with the relevant environmental laws and regulations for each Point of Business. By implementing the Environmental Protection Policies Declaration (環境保護政策聲明), it also injects the concept of environmental sustainability into its business operations, reduces emissions of air pollutants and greenhouse gases during its business operations as much as possible, manages the wastes appropriately, reduces pollutions towards lands and surrounding waters, uses resources properly as well as protects the environment and natural resources.

EXHAUST GAS EMISSIONS

Exhaust gas emissions from our points of business include nitrogen oxides, sulfur oxides and respirable suspended particles, which are mainly from gasoline vehicles and burning of liquefied petroleum gas in canteen kitchen equipment. In particular, the exhaust gas produced from the gasoline consumed by vehicles is the main source of emissions. To reduce the exhaust gas emissions from vehicles, the points of business select and purchase vehicles in compliance with the emissions standard of exhaust gas as well as carry out regular checks and maintenance of vehicles based on the schedule suggested by manufacturers.

Indicator	2021
Nitrogen Oxides (kg)	12,144.57
Sulfur Oxides (kg)	1,257.04
Respirable Suspended Particles (kg)	647.12

GREENHOUSE GAS EMISSIONS

During the year, the Group continued to entrust the carbon assessment to a consulting firm to quantify the greenhouse gas emissions (or "carbon emissions") produced during its operations. In the process of quantification, references are made to the guidelines³ issued by the National Development and Reform Commission and the international standards such as ISO14064-1 and the Greenhouse Gas Protocol. During the year, the total carbon emissions produced from the points of business amounted to approximately 16,000.04 tCO₂e, mainly attributable to the heat supply and emissions from canteen equipment and gasoline vehicles of scope 1 which accounted for 73.8% of the total carbon emissions.

Indicator	2021
Scope 1 ⁴ : Direct Greenhouse Gas Emissions (tCO ₂ e)	11,811.60
Scope 2 ⁵ : Indirect Greenhouse Gas Emissions by Consumption of Energy (tCO ₂ e)	4,179.15
Scope 3 ⁶ : Other Indirect Greenhouse Gas Emissions (tCO ₂ e)	9.29
Total Greenhouse Gas Emissions (tCO₂e)	16,000.04
Intensity of Greenhouse Gas (per '000 sq.m.) (tCO₂e/'000 sq.m.)	29.86

Currently, the Group has purchased new electric vehicles. In the future, the Group will reduce its carbon emissions in accordance with the national planning requirements, with the objective of gradually replacing its commercial vehicles with electric vehicles throughout its operation, while increasing the use of renewable energy and reducing the Group's carbon footprint.

³ Guidelines for Accounting and Reporting Greenhouse Gas Emissions of Public Building Operating Enterprises

⁴ Source of Scope 1 is the heat supply from natural gas, liquefied petroleum gas cooking stoves and the gasoline consumed by vehicles

⁵ Source of Scope 2 is the externally purchased electricity

⁶ Source of Scope 3 is the business trips taken by air

WASTE AND SEWAGE DISCHARGE

The domestic wastes produced from the points of business are all non-hazardous wastes, and there is no hazardous waste produced. Non-hazardous wastes were handed over to the relevant municipal departments for disposal. During the year, the Point of Business produced in total 174 tonnes of non-hazardous wastes.

Indicator	2021
Total non-hazardous wastes (tonnes)	174
Intensity of non-hazardous wastes (tonnes/’000 sq.m.)	0.32

The Group has commenced the pilot work of “modular sales offices” since 2018. Modular sales offices have the ability to quickly and conveniently repair and recycle modules, which reduce waste of resources. For details, please refer to the section headed “Compliance with Business Ethics – Project Quality and Sales Management”.

The Groups adopts the principles of “reduce”, “reuse” and “recycle” to ensure effective management of waste discharge. Waste classification and recycling areas are set up at the points of business to promote source reduction. Employees are encouraged to reuse products and avoid using disposable products. The domestic sewage generated from the points of business will be discharged at municipal rainwater and sewage pipe network through local sewage pipelines, to ensure that the surrounding ecological environment is not affected.

Looking ahead, the Group is committed to reducing waste generation and minimising the waste sent from its operations to landfills, with the aim of promoting reuse and recycle and exploring ways to improve recycling rate.

Environmental Resources Protection (Continued)

USE OF ENERGY

The Group adopts energy saving as the basic direction of its operation and requires all employees to take the established measures, which include the procurement of energy efficient products and services, and be responsible for the overall energy saving efficiency of the Group. During the year, a total of 59,778.71 MWh of energy were consumed at the points of business, in which the most consumed energy was liquefied petroleum gas, accounting for approximately 81.1% of the total energy consumption.

Indicator	2021
Natural gas (MWh)	3,893.10
Liquefied petroleum gas (MWh)	48,453.33
Gasoline (MWh)	582.34
Electricity (MWh)	6,849.95
Total energy consumption (MWh)	59,778.72
Intensity of energy (MWh/'000 sq.m.)	111.6

To reduce energy consumption, the following measures have been implemented on sales activities and other office activities at the points of business:

Key measures for energy management		
Lighting	Air conditioning	Computers
<ul style="list-style-type: none"> Switching off the unnecessary lighting facilities in shared areas (such as reception, pantry, washrooms and corridors) when there are few people around (such as during lunch hours and outside office hours) Separating the areas, flexible control over the individual lighting system 	<ul style="list-style-type: none"> Setting the temperature of air conditioners to 24-26°C Switching off part of the air conditioning appliances when there are few people around (such as during lunch hours and non-office hours) 	<ul style="list-style-type: none"> Changing computer settings and activating standby or sleeping modes in computers Requesting our staff to switch off their personal computers after office hours

The Group will continue to explore the feasibility of increasing the proportion of renewable energy in its operations to reduce carbon emissions in Scope 2. At the same time, the Group will also reduce the use of traditional fuels in project vehicles through the electrification of vehicles and the replacement of clean fuels.

WATER RESOURCES CONSUMPTION

In terms of water resources, the water used in the Group's projects were all tap water purchased from municipal government and there was no problem in finding water resources for business operation. Total water consumption of the Group for this year was 635,582.0 m³. In order to lower the risk of water wastage, regular checks on water pipes and taps at the points of business were carried out to identify any leakage in a timely manner.

Indicator	2021
Total water consumption (m ³)	635,582.0
Intensity of water consumption (m ³ /1000 sq.m.)	1,186.0

Looking ahead, the Group will continue to explore options to reduce water consumption and take actions where feasible, such as installing water-saving faucets and toilet bowls.

RESPONSE TO CLIMATE CHANGE

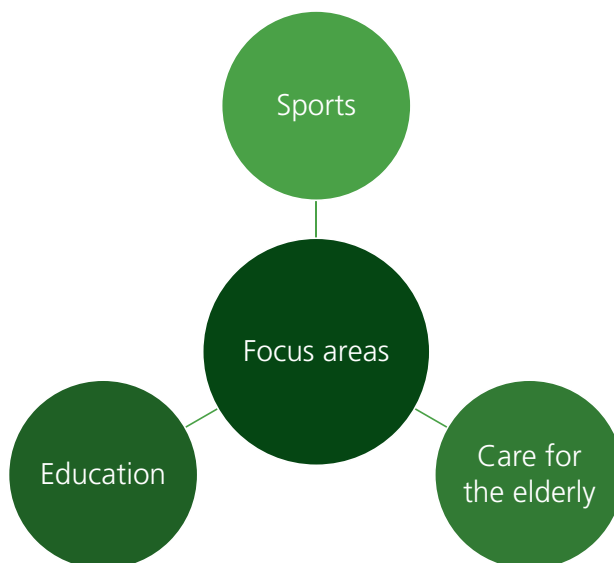
The Group is fully aware of the significant impacts brought by climate change on all parts of the world, including enterprises. The Group will fully cooperate with the "3060" Carbon Emission Peak and Carbon Neutrality Target formulated earlier by the PRC government, and actively explore how to improve the resilience to climate risks and reduce carbon emissions in its own position. The Group has formulated climate change policies, which set out five orientations, including governance, mitigation, adaptation, resilience and disclosure, as a response to climate change. Looking ahead, the Group will explore the impacts of climate change on its operations, including physical risks and transition risks, and formulate relevant response actions.

THE ENVIRONMENT AND NATURAL RESOURCES

The Group is committed to protecting and minimizing significant impacts on the environment and natural resources. The Group will continue to explore and utilize 3D construction printing technology to shorten construction time and reduce energy consumption and waste production during construction, and will seek to extend the use of the technology from gardening and outdoor products to other projects of the Group. The Group will also continue to uplift the environmental awareness among its employees and reduce consumption of energy, paper, water and other resources during its operation to boost the environmental performance of the Group.

Promoting Community Inclusion

The Group is committed to creating long-term benefits for local communities where it operates. The Group has formulated the Community Investment Policy Declaration (社區投資政策聲明) for proper planning of community investment efforts. Our community investment mainly focused on the following three areas: sports, education and care for the elderly. During the year, as the COVID-19 epidemic continued to rage, the Group donated RMB100,000 to help mitigate the impact of the epidemic. At the same time, its employees also volunteered to help maintain order under the epidemic.



Looking ahead, the Group will continue to maintain close communication with the community, constantly organize more volunteer activities and encourage employees to contribute to the community.

ESG Performance at a Glance

ENVIRONMENTAL PERFORMANCE

Environmental Key Performance Indicators ^{7,8} (KPIs)	Unit	2021	2020
Category of emission and relevant emission data			
Nitrogen oxides	kg	12,144.57	6.45
Sulfur oxides	kg	1,257.04	1.16
Respirable suspended particles	kg	647.12	0.45
Total greenhouse gas emission			
Scope 1	tCO ₂ e	11,811.60	26.33
Scope 2	tCO ₂ e	4,179.15	265.00
Scope 3	tCO ₂ e	9.29	—
Total greenhouse gas emission	tCO ₂ e	16,000.04	291.34
Intensity of greenhouse gas (per '000 sq.m.)	tCO ₂ e/'000 sq.m.	29.86	60.16
Hazardous wastes			
Total hazardous wastes	tonnes	—	—
Intensity of hazardous wastes (per sq.m.)	tonnes/'000 sq.m.	—	—
Non-hazardous wastes			
Total non-hazardous wastes	tonnes	174	23.00
Intensity of non-hazardous wastes (per '000 sq.m.)	tonnes/'000 sq.m.	0.32	4.75
Total energy consumption			
Natural gas	MWh	3,893.10	—
Liquefied petroleum gas	MWh	48,453.33	16.56
Gasoline	MWh	582.34	92.64
Electricity	MWh	6,849.95	434.36
Total energy consumption	MWh	59,778.71	543.56
Intensity of energy consumption	MWh/'000 sq.m.	111.6	112.24
Water consumption			
Total water consumption	m ³	635,582.00	6,486.00
Intensity of water consumption	m ³ /'000 sq.m.	1,186.0	1,339.25

⁷ As compared to 2020, there were seven more projects in 2021. Hence, data could not be directly compared.

⁸ In order to more accurately reflect the Group's environmental performance indicators, the intensities of emission and resource consumption for 2021 included the area of public spaces and are therefore could not be directly compared to the 2020 information.

SOCIAL PERFORMANCE

Employment structure ⁹	Overall
Total workforce	455
By Gender	
Male	242
Female	213
By Age	
Below 30	141
31-40	213
41-50	73
Above 50	28
By Position	
C-level senior management	5
Senior management	23
Mid-level management	56
General staff	371
By Employment Type	
Full-time	455
Part-time	0
By Region	
Hong Kong	0
Mainland China	455
Asia (excluding Hong Kong and Mainland China)	0
Other regions	0

⁹ All employees were located in the PRC.

New employees and employee turnover		Overall	
New employees and rate¹⁰		52	11%
By Gender			
Male		24	10%
Female		28	13%
By Age			
Below 30		27	19%
31-40		18	8%
41-50		4	5%
Above 50		3	11%
Employee turnover and rate¹¹		55	12%
By Gender			
Male		34	14%
Female		21	10%
By Age			
Below 30		19	13%
31-40		28	13%
41-50		4	5%
Above 50		4	14%
By Region			
Hong Kong		0	0%
Mainland China		52	11%
Asia (excluding Hong Kong and Mainland China)		0	0%
Other regions		0	0%

¹⁰ New employee rate of specified employee type = new employee of specified type/employee of specified type

¹¹ Employee turnover rate of specified employee type = employee turnover of specified type/employee of specified type

ESG Performance at a Glance (Continued)

Health and safety		Overall
Employees at construction sites		
Male		3,937
Female		1,214
Health and safety of employees at construction sites		
Number of employee suffering from work-related fatality for the past three years		0
Rate of employee suffering from work-related fatality		0.0
Lost days due to work injury		0

Training and development		Overall	
Total number and rate of employees trained¹²		137	30%
By Gender			
Male		68	28%
Female		69	32%
By Position			
C-level senior management		2	40%
Senior management		9	40%
Mid-level management		30	54%
General staff		96	26%
Total training hours and average training hours per person¹³		2,918	6.41
By Gender			
Male		1,189	4.91
Female		1,729	8.12
By Position			
C-level senior management		30	6.0
Senior management		129	5.61
Mid-level management		555	9.91
General staff		2,204	5.94
Number of supply chain		Overall	
Hong Kong			0
Mainland China			36
Asia (excluding Hong Kong and Mainland China)			0
Others			0
Percentage of suppliers ¹⁴ implementing relevant selection practices		Overall	
Suppliers located in Mainland China		36	36
Hong Kong		0	0%
Mainland China		17	47.2%
Asia (excluding Hong Kong and Mainland China)		0	0%
Others		0	0%

¹² Training rate of specified employee type = number of employees trained of specified type/employee of specified type

¹³ Average training hours of specified employee type = average training hours of employees of specified type/employee of specified type

¹⁴ Suppliers include: construction, electricity projects, landscaping and greenery works.

Environmental, Social and Governance Reporting Guide Content Index

Subject Areas	Descriptions	Page index/ Remarks
Mandatory disclosure requirement		
Governance Structure	<p>(i) a disclosure of the Board's oversight of ESG issues.</p> <p>(ii) the Board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses).</p> <p>(iii) how the Board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.</p>	<ul style="list-style-type: none"> • Board Statement • Management Principles of Sustainable Development – Governance Structure & Risk Management
Reporting Principles	<p>Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.</p> <p>Quantitative: Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.</p> <p>Consistency: The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.</p>	<ul style="list-style-type: none"> • About This Report – Reporting Standards and Reporting Principles • Management Principles of Sustainable Development – Identification of Materiality Issues
Reporting Scope	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About This Report – Scope of Report

Environmental, Social and Governance Reporting Guide Content Index (Continued)

Subject Areas	Descriptions	Page index/ Remarks
Provision of “comply or explain”		
A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and nonhazardous waste.	<ul style="list-style-type: none"> Management Principles of Sustainable Development – Compliance Operation Environmental Resources Protection
KPI A1.1	The types of emissions and respective emission data.	<ul style="list-style-type: none"> Environmental Resources Protection – Exhaust Gas Emissions ESG Performance at A Glance – Environmental Performance
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and, where appropriate, intensity.	<ul style="list-style-type: none"> Environmental Resources Protection – Greenhouse Gas Emissions ESG Performance at A Glance – Environmental Performance
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity.	<ul style="list-style-type: none"> Environmental Resources Protection – Waste and Sewage Discharge ESG Performance at A Glance – Environmental Performance
KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	
KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Environmental Resources Protection – Greenhouse Gas Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environmental Resources Protection – Waste and Sewage Discharge

Environmental, Social and Governance Reporting Guide Content Index (Continued)

Subject Areas	Descriptions	Page index/ Remarks
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Resources Protection
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity.	<ul style="list-style-type: none">Environmental Resources Protection – Use of EnergyESG Performance at A Glance – Environmental Performance
KPI A2.2	Water consumption in total and intensity.	
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Resources Protection – Use of Energy
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Environmental Resources Protection – Water Consumption
KPI A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	Due to the business nature of the Group, the relevant item is not applicable.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer’s significant impact on the environment and natural resources.	Environmental Resources Protection – The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Environmental Resources Protection – Response to Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	

Environmental, Social and Governance Reporting Guide Content Index (Continued)

Subject Areas	Descriptions	Page index/ Remarks
B. Social		
Aspect 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.	<ul style="list-style-type: none">Supporting Employee Development – Employment Management and Labour StandardsManagement Principles of Sustainable Development – Compliance Operation
KPI B1.1	Total work force by gender, employment type, age group and geographical region.	ESG Performance at A Glance – Social Performance
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	
Aspect 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.	<ul style="list-style-type: none">Supporting Employee Development – Health and SafetyManagement Principles of Sustainable Development – Compliance Operation
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	ESG Performance at A Glance – Social Performance
KPI B2.2	Lost days due to work injury.	
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Supporting Employee Development – Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.	Supporting Employee Development – Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category.	ESG Performance at A Glance – Social Performance
KPI B3.2	The average training hours completed per employee by gender and employee category.	

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Subject Areas	Descriptions	Page index/ Remarks
Aspect B4: Labour Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour.	<ul style="list-style-type: none">Supporting Employee Development – Respect Human RightsManagement Principles of Sustainable Development – Compliance Operation
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Supporting Employee Development – Respect Human Rights
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Compliance with Business Ethics – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Management Principles of Sustainable Development – Compliance Operation
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Due to the business nature of the Group, the relevant item is not applicable.

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Subject Areas	Descriptions	Page index/ Remarks
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Compliance with Business Ethics – Project Quality and Sales Management
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Compliance with Business Ethics – Protection of Information and Privacy and Intellectual Property Rights
KPI B6.4	Description of quality assurance process and recall procedures.	Due to the business nature of the Group, the relevant item is not applicable.
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Compliance with Business Ethics – Protection of Information and Privacy and Intellectual Property Rights
Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	<ul style="list-style-type: none">Compliance with Business Ethics – Corporate IntegrityManagement Principles of Sustainable Development – Compliance Operation
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	In 2021, there was no concluded legal case regarding corrupt practices brought against the Group or its employees.
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	<ul style="list-style-type: none">Compliance with Business Ethics – Corporate Integrity & Whistle-Blowing Mechanism
KPI B7.3	Description of anti-corruption training provided to directors and staff.	
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure that its activities take into consideration the communities’ interests.	Promoting Community Inclusion
KPI B8.1	Focus areas of contribution.	
KPI B8.2	Resources contributed to the focus area.	