



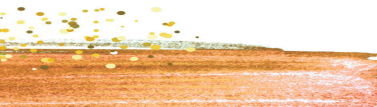
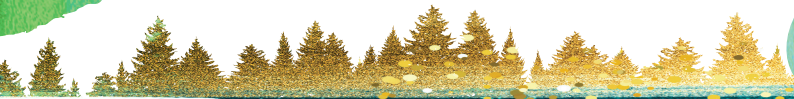
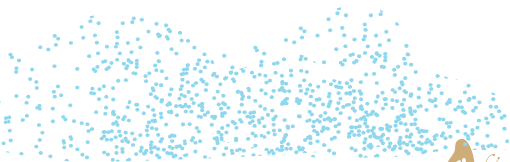
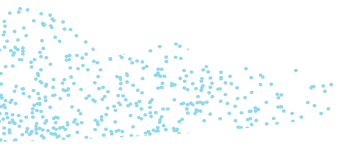
深圳控股有限公司
SHENZHEN INVESTMENT LIMITED

Stock Code: 00604



2021

Environmental, Social
And Governance Report



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About this Report

This report is the seventh environmental, social and governance report issued by Shenzhen Investment Limited (hereinafter referred to as “Shenzhen Investment” or the “Group” or “we” or “us”), which was prepared in accordance with the “Environmental, Social and Governance (ESG) Reporting Guide” issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) while highlighting our own corporate and industry characteristics.

In the preparation of this report, Shenzhen Investment has conducted comprehensive communication with our stakeholders through an independent consultant, and determined the contents after having fully considered the opinions of relevant stakeholders, and in accordance with the four key principles, namely materiality, quantitative, balance and consistency, as required by the Stock Exchange. The Group will continue to strengthen its collection of information for reporting to enhance our performance and disclosure relating to our sustainable development.

SCOPE AND BOUNDARY

This report summarizes the efforts and achievements made by the Group in corporate social responsibility and sustainable development during the period from 1 January 2021 to 31 December 2021 in areas including “responsible governance”, “responsibility of clients”, “responsibility for environment”, “responsibility of employees”, “social responsibility” and other aspects. The entities covered in this report include the headquarters of the Group and the major subsidiaries.

TERM DESCRIPTION

To facilitate presentation, “Shenzhen Investment”, the “Group”, “we” or “us” mentioned in this report all refer to “Shenzhen Investment and its subsidiaries” as a whole.

Name of subsidiaries

Shum Yip Pengji Holdings Co., Ltd.
Shum Yip Southern Land (Holdings) Co., Ltd.
Shum Yip Terra (Holdings) Co., Ltd.
Shum Yip Land Company Limited
Shum Yip East China Property Development Co., Ltd.
Shum Yip Taifu Logistic Group Holding Co., Ltd.
Shenzhen Nongke Holdings Company Limited
Shum Yip Property Group Limited (深業物業集團有限公司)
Shum Yip Intelligent Park Operation (Shenzhen) Co., Ltd.
Shum Yip Commercial Management Co., Ltd.

Short name

Shum Yip Pengji
Shum Yip Southern
Shum Yip Terra
Shum Yip Land
Shum Yip East China
Shum Yip Taifu
Shenzhen Nongke
Shum Yip Property
Shum Yip Intelligent Park
Shum Yip Commercial Management

DATA SOURCES

The information and cases set out herein were mainly derived from the statistical reports and related documents of the Group. Unless otherwise specified, the currency referred in this report is Renminbi.

ACCESS AND FEEDBACK TO THIS REPORT

The electronic version of this report is available on the official website of the Group.

If you have any questions or feedback about this report and its contents, please feel free to contact us at:

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Official website: www.shenzheninvestment.com

Corporate profile

Shenzhen Investment Limited has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 1997. Shum Yip Group, being its controlling shareholder, is an integrated conglomerate directly managed by State-owned Assets Supervision and Administration Commission of Shenzhen Municipal. Positioned as an “Innovative Constructor of Industrial Cities, Wealthy Livelihood Operator”, the Group’s core businesses include property development, property investment and comprehensive urban operation services, and it also engages in innovative businesses such as high-tech agriculture and high-end manufacturing, endeavoring to transform and upgrade into a technology-based industry group focusing on the development of urban complex and investment in technology industry.

Currently, Shenzhen Investment has land reserves with a capacity building area of approximately 6.74 million square meters in various cities of China, of which the quality land reserve with a capacity building area of approximately 4.28 million square meters is located in the Greater Bay Area. We are committed to further optimizing its land reserves structure, and concentrating its assets and business in the Greater Bay Area as well as high-tier cities in key regions. We will continue our presence in the Guangdong-Hong Kong-Macao Greater Bay Area with further development in Shenzhen, mainly expand its business in Shenzhen-Hong Kong, Guangzhou-Foshan and Dongguan district along the development axis of Guangzhou-Shenzhen, and pay close attention to the investment opportunities in Huizhou region adjacent to Shenzhen as well as Zhongshan and Shunde region on the west bank of the Pearl River.

Over the past years of development, Shenzhen Investment has, on the aspect of property development, been committed to offering our customers with high quality property products of various segment markets including residential buildings, industrial buildings and complexes. We have completed the construction of three major operation platforms, namely operation of intelligent park, commercial management and residential property service, and started the mixed-ownership reform with operation business being gradually launched. We continue promoting the long-term sustainable development of our business, with an aim to bring a stable return and create value appreciation for its shareholders.

Please refer to 2021 Annual Report of Shenzhen Investment for further information about our business and financial position at: http://www.shenzheninvestment.com/s/investor_report.php.

Operating performance

Contracted sales

RMB **19.1** billion

Turnover

HK\$ **32.05** billion

Core profit

HK\$ **3.89** billion

Finance cost

3.0 %

Overall gross profit margin

39 %

New land reserve area

3.22 million square meters

About Us

Milestones

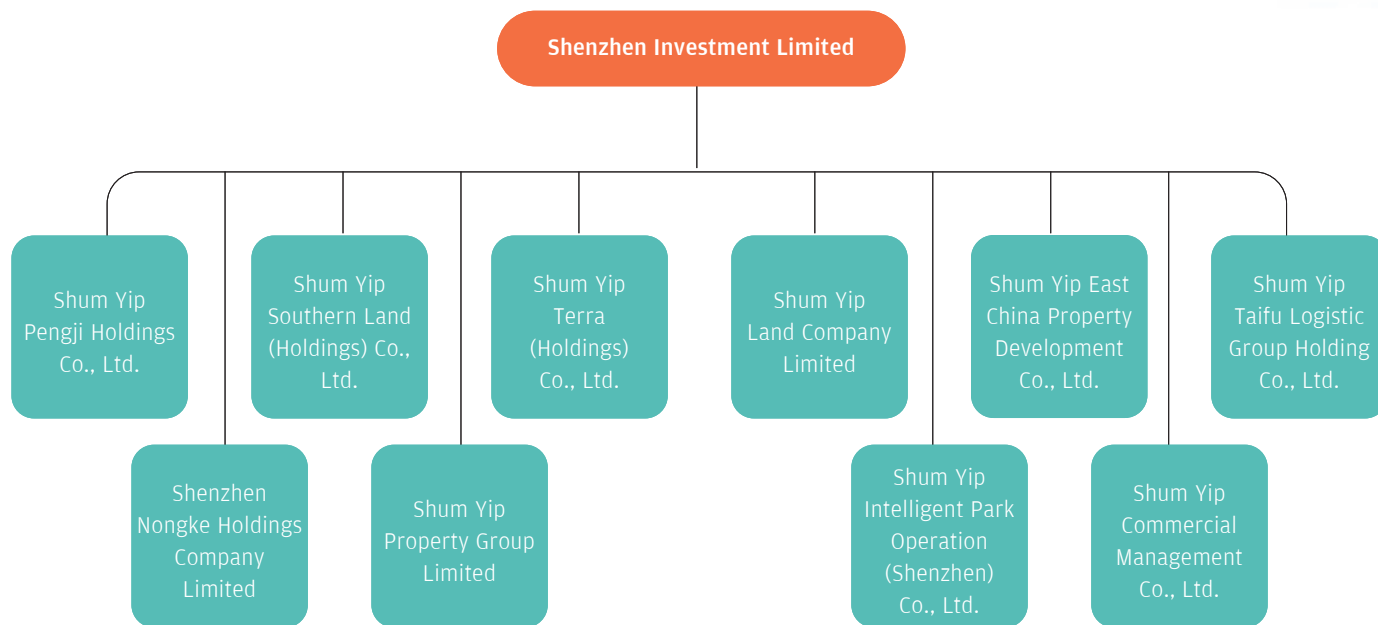
The history of Shenzhen Investment can be traced back to the year of 1992. With development for over 20 years, it has become one of the leading enterprises in the real estate industry in China.

- At the beginning of its establishment, Shenzhen Investment focused on development of middle-high end real estate market in Southern China.
- In 1997, Shenzhen Investment was listed successfully on the Main Board of the Stock Exchange of Hong Kong.
- Since 2000, Shenzhen Investment has continued to expand its business scale and extended its services to various sectors, including real estate, energy and infrastructure, transportation, logistics and information construction through acquisitions and other means, and began to raise its competitiveness in its real estate business.
- Since 2006, Shenzhen Investment has stepped into mature stage, adjusted its strategic development direction, further highlighted and clarified its positioning as a professional real estate company, continued to integrate internal superior resources, stripped non-core business to focus on real estate development and operation, and strengthened its brand influence.

Principal businesses

Land Bank	Urban Renewal
Shenzhen Investment focuses on quality land resources in the Greater Bay Area and key first-tier and second-tier cities.	With the strength of its state-owned controlling shareholder, Shenzhen Investment plans to hasten its progress in redevelopment planning applications, resettlement and land use issues, to drive more projects to construction phase.
As of 31 December 2021, Shenzhen Investment had a land reserve with a capacity building area of approximately 6.74 million square meters, of which the quality land reserve with a capacity building area of approximately 4.28 million square meters was located in the Greater Bay Area.	We have eight urban renewal projects in Shenzhen, and obtained the qualification of general coordinator for certain zone reforming projects covering an aggregate area of nearly 10 square kilometers.
Property Development	Project Leasing and Operations
Shenzhen Investment has over 30-year experience in property development, and has been committed to providing customers with premises of high-quality and multi-usage.	Shenzhen Investment adheres to the dual focuses on property sales and operation of investment properties, continues to increase the ratio of high-quality commercial and office premises in its investment property portfolio, and optimizes its investment property portfolio and the management therein to improve rent pricing system and enhance operation and service standards.
During the reporting period, the Group had a new construction area of approximately 3.92 million square meters, of which the projects in the Greater Bay Area accounted for 71% and the residential projects accounted for 41%, and the construction area increased substantially by approximately 5 times. The completed area was approximately 820,000 square meters.	Shenzhen Investment has investment properties with a total area of approximately 1.73 million square meters, with annual rental income of approximately HK\$1.497 billion.
Urban Integrated Operation Service	Contracted Sales
Shenzhen Investment has undergone mixed-ownership reforms in an orderly manner by carrying out urban integrated operation service through the establishment of wisdom park operational platform, property management platform and commercial management operation platform.	The contracted sales increased by 32% year on year, which exceeded the target.
The annual property management income was approximately HK\$2.5 billion, and the area managed under the property management contracts was approximately 61.55 million square meters.	In 2021, the contracted sales area was approximately 670,000 square meters, and the contracted sales amount was approximately RMB19.1 billion, representing a year-on-year increase of 32% and exceeding the annual contracted sales target of RMB18 billion. As of 31 December 2021, the contracted sales revenue not booked was HK\$26.9 billion.

Corporate structure



Responsibilities and awards

May 2021
The 4th
“China Real Estate Finance Forum 2021”
**2021 TOP 100
Listed Housing
Enterprise in China**



29 December 2021
Co-sponsored by Roadshow China and
China Excellent IR Award
The 5th China Excellence IR
**“Best ESG Award”
“Best Digital Investor
Relations Award”**



Message from the Chairman

With combined effect of changes and pandemic in a century, the year 2021 represented a critical period for following new trends and forming new patterns. During the year, we took advantage of the momentum and recorded robust performance, and achieved a good start to the “14th Five-Year Plan”.

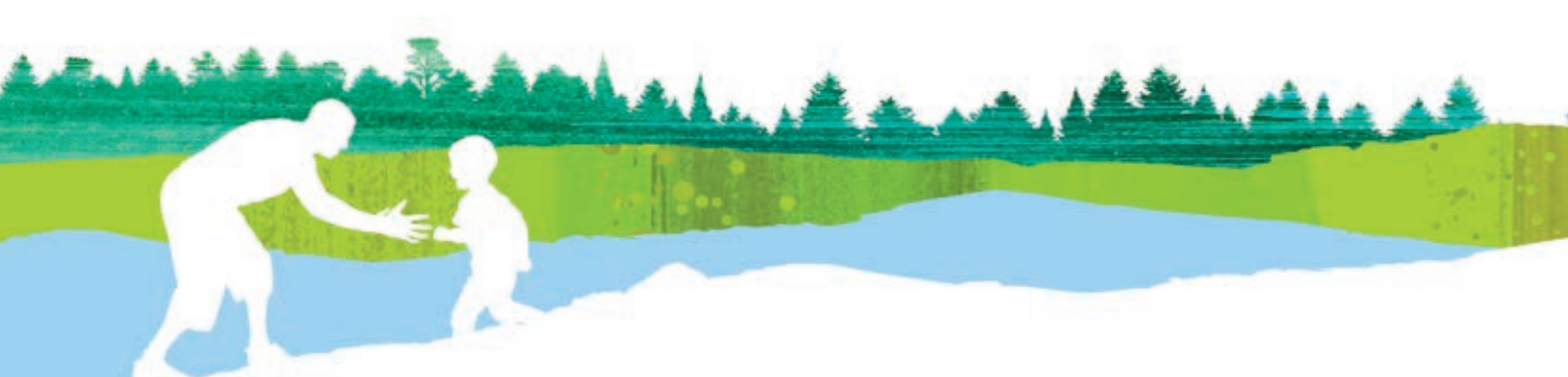
Facing the accelerated reconstruction and profound changes in the external environment, Shenzhen Investment stayed true to itself and kept its mission in mind. While enhancing its own competitiveness, it focused on the future, adhered to and implemented the concept of sustainable development, and independently published ESG report on the Stock Exchange of Hong Kong for seven consecutive years, fully demonstrating the Group’s practice and effectiveness in sustainable development. In 2021, Shenzhen Investment won the 5th China Excellence IR “Best ESG Award” and was rated A in the MSCI ESG ratings again, maintaining the highest level of ESG among domestic real estate companies.

Insist on achieving stability for sustainable development

We understand that compliance operation is the solid foundation for the stable operation of the Group and the driving force for its flourishing development. Adhering to the core values of “Sunshine and Honesty, Innovation and Excellence, Diligence and Commitment, Harmony and Sharing”, Shenzhen Investment continues to improve its corporate governance, strengthens its risk management and control, advocates a clean government culture, supports healthy business development, and strengthens its foundation for steady development.

Build craftsmanship quality

Shenzhen Investment adheres to the vision of “leader in value creation for urban space”, strengthens its foundation of high-quality development and continuously improves the quality of its products. We provide all products with craftsmanship, integrate our sincerity into all of our services, and strive to create a better urban life. We continue to improve our product quality system and standardization construction, adhere to the customer-focused service philosophy, integrate smart services into the entire product system in our “14th Five-Year Plan” blueprint, further improve our product and service quality by technological innovation, and fully meet various requirements of our customers.



Practice green development

Enhance quality and increase greening rate in the opening year. Shenzhen Investment pays more attention to improving the quality of life of residents, focuses on green building and green operation, embeds “carbon peaking and carbon neutrality” into the top-level design, promotes scientific planting and re-greening, and minimizes energy consumption and emission. We firmly believe that “in a prosperous ecosystem, there is a thriving civilization, and in a deteriorating ecosystem, there is a fading civilization”, and are committed to green development by supporting the Greater Bay Area to transform from a place merely piled up with steels and irons to a place suitable for green living in order to develop with cities in a sustainable manner.

Grow with employees

We always believe that employees shall grow and develop with the enterprise and are the key resource for the development of the enterprise. Shenzhen Investment insists on the talent-oriented concept of “Put morality first, and make good use of talent”. On the basis of the development of employees, we understand more of employees’ thoughts, and pave the ways for employees’ growth and further development. We have firmly established the concept of employees’ care, and strived to create an equal, safe and harmonious working environment to realize the common growth and mutual achievement of the Group and employees.

Building social harmony together

We never change our mind with a long way through. As a state-controlled listed company, we are committed to serving the public and promoting social welfare. We actively respond to the national policies by focusing on the Bay Area with cultivation in Shenzhen. We strive to create a pleasant living and business environment and stimulate the inner vitality of the city. We make full use of our advantages to organize and carry out rich public welfare activities, gather social warmth, promote community integration, and practice the role of state-owned enterprises with practical actions. In 2021, a total of 5,223 people participated in voluntary service projects and served for 19,919.5 hours.

Long-term efforts have been made of minor achievements. In the future, Shenzhen Investment will continue to make efforts and focus on the construction of the Greater Bay Area by taking the trend of the times and giving full play to the Group’s strengths. We will continue to take the opportunities for sustainable development, practice the concept of sustainable development, and strive to create higher value returns for shareholders with contribution to high-quality development.

Dr. LU Hua
Chairman



Statements of the Board of Directors

The Group attaches great importance to environmental, social and governance management, while continuously improving its corporate governance system.

The board of directors of Shenzhen Investment takes ultimate responsibility for environmental, social and governance matters. Our responsibilities are developing the Group's environmental, social and governance strategy and monitoring the implementation of the strategy; establishing the bank of environmental, social and governance key issues through communication with stakeholders and identification of internal risks while combining with policies and current news; setting environmental, social and governance goals and regularly reviewing the achievement of such goals; and including key environmental, social and governance risks into risk management system and developing risk response measures.

The board of directors will continue to strengthen our engagement in the environmental, social and governance matters, and constantly review matters relating to environmental objectives management, so as to fulfill the commitment of sustainable development.





Milestones 2021

Fruitful results achieved in core businesses with significant development and lease growth recorded

The Group realized an aggregate of annual contracted sales of approximately RMB19.1 billion, representing an increase of 32.0% year on year.

Booked revenue from development amounted to approximately HK\$26.7 billion, representing an increase of 89% year on year; and rental income amounted to approximately HK\$1.497 billion, representing an increase of 22% year on year.

Urban operations integration showing some initial effect and innovative businesses accumulating transformation momentum

Upon completion of the integration of its property management service, intelligent park operation, commercial operation, hotel management and property management city business as well as optimization and enhancement of the management, the Shenzhen Investment has been fully upgraded to an urban comprehensive operation service company with “a diversified business mix, an extensive customer base and a wide range of services”.

Innovative businesses such as industry and city, well-being and technology have been accelerated, accumulating momentum for further transformation and optimization.

A record high in land resources expansion and a breakthrough made in industrial land application

The Group acquired 16 land projects during the year, adding capacity building areas of land reserve of approximately 3.22 million square meters.

The Group acquired property projects in Chengdu, Ma'anshan and Jiangyin, and successfully expanded into Jiading District, Shanghai by focusing on hydrogen energy, thus establishing its presence in Shanghai for the first time.

Improvement in business management and advancing commitment to corporate social responsibilities and sustainable development

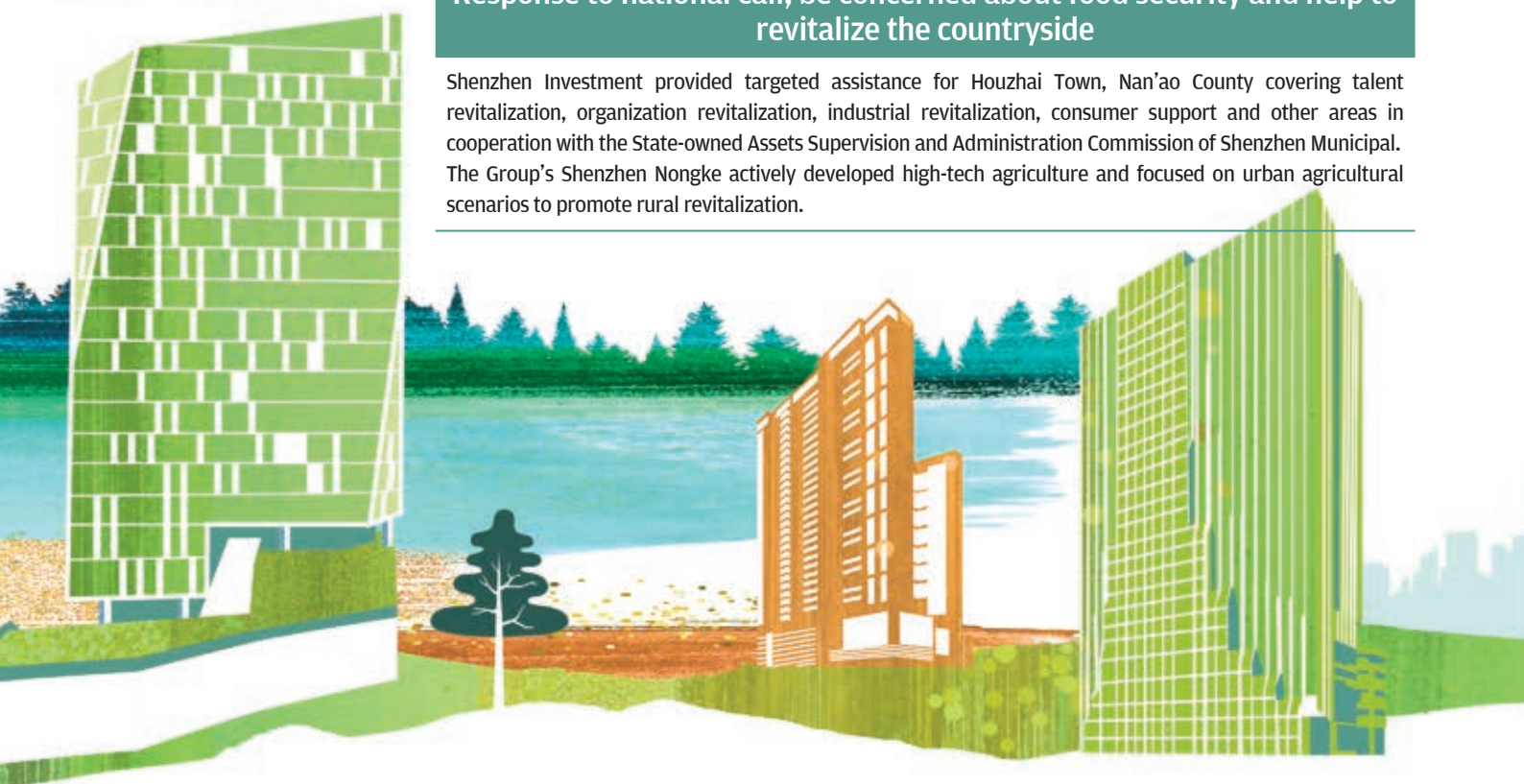
Shenzhen Investment promoted the reform of organizational management and control and the digitalized planning and construction to secure its sustainable high-quality development from the perspectives of organization, mechanism and system.

Shenzhen Investment maintained stable and highly efficient financial management by completing twice issuance of CMBS and further expanding its funding channels.

During the ESG ratings assessment by MSCI, Shenzhen Investment again received a rating of A, the highest among domestic real estate enterprises for two consecutive years.

Response to national call, be concerned about food security and help to revitalize the countryside

Shenzhen Investment provided targeted assistance for Houzhai Town, Nan'ao County covering talent revitalization, organization revitalization, industrial revitalization, consumer support and other areas in cooperation with the State-owned Assets Supervision and Administration Commission of Shenzhen Municipal. The Group's Shenzhen Nongke actively developed high-tech agriculture and focused on urban agricultural scenarios to promote rural revitalization.



Annual Performance Highlights

Walk steadily over great distances

- ✈ In the assessment of ESG materiality issues, stakeholders identified 5 highly important issues.
- ✈ 0 criminal cases of corruption, bribery, extortion, fraud and money laundering was concluded with 100% newly employed staff signing the 'Incorruptible Practice Commitment' (《廉潔從業承諾書》).
- ✈ Completed pre-assessment and review of 38 major business projects, which provided an effective basis for the management to make decisions.

Environmentally friendly

- ✈ Baguang project actively explored the module integration prefabricated construction (the "MIC") with a module integration prefabricated rate of 91% achieved.
- ✈ Carried out climate change risk analysis, identified climate risk to be faced by the Group and potential opportunities and strengthened the building of the capacity of responding to climate change.

Contributing to community

- ✈ In 2021, Shenzhen Investment newly expanded urban renewal projects with an area of approximately 40,000 square meters.
- ✈ A total of 5,223 people participated in volunteer services, and the total service hours reached 19,919.5 hours.
- ✈ Total investment in charitable activities/donations reached RMB4,270,320.54.

Quality perseverance

- ✈ 92.46% of customer satisfaction was achieved.
- ✈ There was no complaint arising from violation of regulations for protecting consumer information and privacy incurred during the year.
- ✈ Realized full coverage of transparent transactions and launched 4,334 procurement projects through municipally running transparent procurement platform.

Supporting employees

- ✈ Appointed 2 female executive directors and had 21 disabled employees and 777 minority employees.
- ✈ All of the employees were covered by the headquarters union of the Group.
- ✈ During the year, 82,456 employees participated in training with an average of 23.07 training hours for each employee.
- ✈ Carried out 214 safety trainings that covered all employees of the Group, with more than 11,000 employees received the trainings.
- ✈ Carried out more than 1,200 safety inspections with an average score of 83.88 and 82.26 rated by third party in respect of the Group's construction projects and property management projects for the fourth quarter of the year, representing 4.04 and 6.05 scores higher as compared with that of the first quarter.



Special Theme: Outstanding Quality Boosting the Construction of “Two Areas” and Diversified Development Creating Growth Potential in the Future

The year of 2021 marks the first year of the “14th Five-Year Plan” period. Forging ahead with Shenzhen and focusing on the Greater Bay Area, Shenzhen Investment made every effort to promote the innovation and high-quality development of its diversified main businesses including real estate, property, commerce and industry in order to boost the construction of “Two Areas”, thus contributing to the creating of a grand chapter for the era.

I. Focusing on Industry-City Integration Development to Create an Internationally First-Class Bay Area

A city is built for people, while an industry is created for a city. Being an industry-city building operator with extensive experiences, Shenzhen Investment focused in depth on industry-city creative integration covering a diversified business mix in real estate including residential, office, industrial, commercial, apartment, etc., according to its own business features. Through the effort, Shenzhen Investment constantly injects new momentum for city development, sparing no effort to promote industrial innovation and upgrading for cities in the Guangdong-Hong Kong-Macao Greater Bay Area.

🦋 Implementing strategic layout in key cities in the Guangdong-Hong Kong-Macao Greater Bay Area

The “14th Five-Year” Plan of Shenzhen Investment starts with Shenzhen but never ends with Shenzhen. Shouldering the mission of boosting the construction of the Guangdong-Hong Kong-Macao Greater Bay Area, we pay close attention to the future development direction of each city in the Greater Bay Area while accelerating strategic layout, thereby contributing to the rapid, balanced and sustainable development of the Greater Bay Area.

As an important hub in the Guangdong-Hong Kong-Macao Greater Bay Area, Shenzhen Investment has positioned Zhongshan as a strategically key investment city and an important area to fully participate in the construction of the Guangdong-Hong Kong-Macao Greater Bay Area. During the year, we further increased our investment in Zhongshan. By providing internal cooperation channels among Shum Yip Land and Shum Yip Terra and carrying out cooperation with leading enterprises in industry, we have formed the cooperative mechanism of “combining internal cooperation with external cooperation”. Leveraging on the mechanism, we have jointly won the bid for the project of the “Gate of the Future” (未來之門) in Ma’an Island, Cuiheng New District, Zhongshan, which is another initiative to promote the construction of the Greater Bay Area.

In the future, Shenzhen Investment will adhere to the requirements of high-starting point planning, high-standard construction and high-level management, accelerate the construction of investment projects in the Greater Bay Area, and pay close attention to economic construction and urban development of Shenzhen, Zhongshan and other cities in the Greater Bay Area. Through these efforts, Shenzhen Investment aims to seize opportunities and practically implement the Group’s “14th Five-Year” Plan, thus contributing to the development of the Greater Bay Area.



▲ Concept map of the architectural design of the “Gate of the Future” in Ma’an Island, Cuiheng New District, Zhongshan

Government-enterprise cooperation boosts high-quality development of Shenzhen

By integrating the Group's resources and leveraging on its business advantages, Shenzhen Investment continuously furthers its deep cooperation with the governments at all levels of Shenzhen, endeavoring to become a reliable partner of Shenzhen on the road to high-quality development.

In 2021, in response to the development strategy of its parent company, i.e., Shum Yip Group, Shenzhen Investment collaborated with the government of Longhua District, Shenzhen City in conducting the pilot projects to explore and study various urban scenarios in the future, which takes the lead in exploring the system and mechanism as well as the approach and path suitable for future development of high-density urban area, and serves as an important innovative initiative for Shenzhen to be built into a pilot demonstration zone of socialism and a global benchmarking city.

Through the exploration of future urban scenarios, Shenzhen Investment aims to enhance the sense of gain, sense of happiness and sense of safety of people in Longhua District on the aspects of getting out, consumption, education, medical treatment, travelling, etc., thus promoting the transformation from “businesses, cities and residents” to “residents, cities and businesses”.

II. Promoting Transformation and Upgrading of Urban Operation Service to Build a New Smart City of Benchmark

Traditional property management is facing the challenge of transformation and upgrading in the new era, and Shenzhen Investment is striving to explore new ways of property management, such as smart park operation and “property city”, to demonstrate its responsibility and commitment to “serve the overall situation, the city, the industry and the people's livelihood” and to contribute to the exploration of social governance pattern of common construction, common governance and sharing.

Intelligent operation feeds technology innovation industry

To cope with the demand for industrial parks for economic restructuring and upgrading as well as innovative development, Shenzhen Investment has established a new type of integrated service enterprise for industrial parks—Shum Yip Intelligent Park Operation (Shenzhen) Co., Ltd. (abbreviated as “Shum Yip Intelligent Park”) to deploy “Intelligent Park” through Internet and Internet of Things to help the high quality development of technology and innovation industries.

Shum Yip Intelligent Park is accelerating the construction of the intelligent park with advanced technology empowerment and park governance in Baguang International Bio-Valley. Through intelligent operation, we are creating a good development environment for biomedicine, life health, marine and other technology innovation industries to build a small city of life science that is comparable to global heights.



▲ Shenzhen Baguang International Bio-Valley Project

Special Theme: Outstanding Quality Boosting the Construction of “Two Areas” and Diversified Development Creating Growth Potential in the Future

In addition, we are committed to turning Baguang City Demonstration Area into a quality green living area that is suitable for living, working and visiting, realizing the integrated development of “people, city and industry”, and presenting to the outside world the “urban scene of Baguang’s future mountain and sea industry city” under the guidance of the “people, city and industry concept”. Shum Yip Intelligent Park has taken over the management of Baguang Silver Leaf Tree Wetland Garden, Exhibition Hall, Phase III temporary construction, municipal road cleaning and area security projects, with a management area of about 1.17 million square meters.

✈ “Property City” initiating a new journey in urban governance

Shenzhen Investment innovatively introduced the “property city” model, through integrating of “administrative force + professional services + intelligent platform”, with professional service turnkey, modular service division, socialized governance structure and refined governance means, the whole process of “management + service + operation” of multiple subjects of collaborative governance mode, to realize the transformation from traditional urban management to corporatization and service-oriented.

Shum Yip Property, a subsidiary of Shenzhen Investment, followed the trend of the times and embraced the changes, responding to the “property city” reform pilot project launched by Futian District Government of Shenzhen. In this project, Shum Yip Property launched the “all-in-one” operation model of greening maintenance, city inspection, digital city management and sanitation cleaning, dividing Huaifu Street into 12 operation areas for “housekeeper-style” one-to-one management.

In order to realize precise management, Shum Yip Property has taken technical innovation as the guidance, invented and transformed 4 types of “environmental sanitation cleaning mini machinery”, obtained 11 utility patents and 1 appearance patent, realized full mechanization, solved the traditional market-based environmental sanitation staffing shortage, old facilities and equipment, unscientific resource allocation and other difficult problems. At the same time, we take the intelligent management platform as a guide to realize online order reporting, intelligent order distribution and offline solution. Through the platform, each employee may report and receive orders, realizing the effect of “everyone is a green worker, everyone is a sanitation worker, and everyone is an inspector”, greatly enhancing the speed of response to problems.



▲ Mini Machinery Show in Property City

The high-quality operation service of Shum Yip Property has achieved fruitful results. In 2021, the average score of Huaifu Street’s sanitation index ranked among the top three of 74 streets in Shenzhen, and the overall management level of the street’s cityscape was improved and the living environment of residents was significantly improved. In addition, the six experiences and practices of “urban village co-construction, co-management and shared governance model” and “six messes and one super (六亂一超)” were promoted by Futian District and included in the government working report.

III. Development of Special High-tech Agriculture and Construction of Beautiful Urban Villages

Shenzhen Nongke, a subsidiary of Shenzhen Investment, has been developing agriculture and real estate as its two principal businesses for more than 30 years and has been making breakthroughs and innovations. In 2021, Shenzhen Nongke continued to develop the “High-tech Agriculture + Characteristic Property” model and promotes the development of rural tourism to realize the organic integration of “agriculture, tourism and residence”. At the same time, it actively responds to the strategy of rural revitalization, gives full play to the advantages of state-owned capital, and works closely with local governments to promote the modernization of agriculture and rural areas, and jointly stage a new presence of rural revitalization in the “14th Five-Year” Plan.

✈ Cultivating the special high-tech agricultural industry park

Shenzhen Nongke insists on vigorously developing high-tech specialty agriculture in order to promote the revitalization of rural industries and increase farmers' income. Shenzhen Nongke Vegetable Technology Co., Ltd. (深圳市農科蔬菜科技有限公司) (hereinafter referred to as “Nongke Vegetable Company”), a subsidiary of Shenzhen Nongke, has built the Xinfeng Functional Agriculture Industrial Park (新豐功能農業產業園) in Xinfeng County, Shaoguan City, Guangdong Province, making use of the unique geographical location and climatic conditions of the area to create a vegetable industrialized zone on both sides of the river. Based on the characteristics of different villages, different crops are planted to create “one village, one product” for each village. Xinfeng Functional Agriculture Industrial Park has now become the green organic “vegetable basket” production base of the Guangdong-Hong Kong-Macao Greater Bay Area.

After the completion of the park, Nongke Vegetable Company moved in and started the planning, land transfer, planting and production of the park, which not only revitalized the abandoned land in the village and improved the village appearance, but also provided more employment opportunities for the villagers and increased their income. As of August 2021, Nongke Vegetable Company has made a transfer of around 1,500 mu of land from villagers and planted purple asparagus, red okra, high leaf acid corn, high anthocyanin sweet potatoes, peppers and other crops one after another.

In order to promote the transformation and upgrading of agricultural development, Nongke Vegetable Company plans to build more than 200 mu of high-standard glass greenhouse in the park, introduce agricultural weather system, water and fertilizer integration, product traceability, digital agriculture and other high-tech agricultural scenes, and plans to build three major sectors, such as sweet potato production base, pepper production base and vegetable base for Hong Kong and Macao, while taking into account the construction of leisure picking base and other functional areas to create a functional agricultural-industrial park integrating variety selection and breeding, production of functional agricultural products and leisure picking.

▼ Planning map of Xinfeng Functional Agriculture Industrial Park



▼ Rendering of greenhouse design of Xinfeng Functional Agriculture Industrial Park



▲ High anthocyanin sweet potato planted in Xinfeng Functional Agriculture Industrial Park



▲ Xinfeng Functional Agriculture Industrial Park

Special Theme: Outstanding Quality Boosting the Construction of “Two Areas” and Diversified Development Creating Growth Potential in the Future

At the same time, Shenzhen Nongke has integrated resources and launched the project of Shum Yip Fengnong Ecological Hot Spring Resort Town (深業豐農生態溫泉度假小鎮), relying on the project's resources of farmland, hot springs and mountain water, further promoting the construction of the agricultural industry belt and hot spring resort town around the three themes of “agriculture, tourism and residence”, creating a “back garden of ecological hot spring resort and leisure in the Greater Bay Area” integrating the functions of modern agricultural production, agricultural tourism and leisure experience and idyllic hot spring resort, further promoting the integrated development of local agriculture and tourism, and comprehensively assisting in the revitalization of the village.

The implementation of the Xinfeng Functional Agriculture Industrial Park project has promoted the transformation and upgrading of local agriculture, driven the development of industrial integration, and become a benchmark demonstration of rural revitalization. In the future, Xinfeng Functional Agriculture Industrial Park will become the first modern agricultural-industrial park in Guangdong Province with the theme of “functional agriculture” and strive to become a national-level agricultural-industrial park and build a high-standard supply base for Hong Kong and Macao and a supply base for “Shenzhen products”.

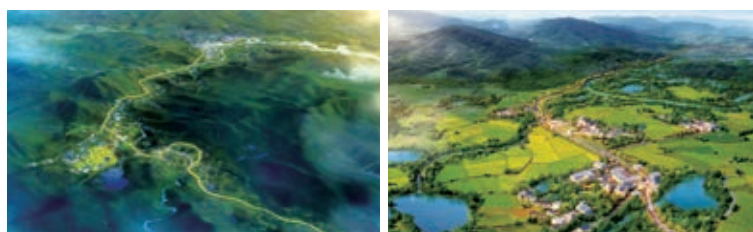


▲ Planning map of Shum Yip Fengnong Hot Spring Resort Town

🦋 Construction of Shenzhen-Shantou Special Cooperation Zone with “dual chains of agriculture and tourism”

In November 2021, Shenzhen Nongke, together with the top team in the industry, the Architectural Research Institute of South China University of Technology and MADA s.p.a.m., Shanghai, won the bid for the “Colorful” Greenway Landscape Recreation Demonstration Zone Project in Shenzhen-Shantou Special Cooperation Zone with the first place in two rounds, fully demonstrating Shenzhen Nongke's high standard, high level and high capability in rural revitalization planning and design.

The “Colorful” Urban Village Demonstration Zone is a “pioneering move” to promote the rural revitalization strategy in the Shenzhen-Shantou Cooperation Zone, comprising five demonstration zones. Among them, the Greenway Landscape Recreation Demonstration Zone, which we won the tender, is regarded as the jewel in the “Colorful” crown. It is the one with the widest scope, the richest resources, the most complicated planning and design, and the largest number of bidders.



▲ Planning map of the “Colorful” Greenway Landscape Recreation Demonstration Zone in Shenzhen-Shantou Special Cooperation Zone

Shum Yip Jinnong Modern Urban Garden Complex Project (深業錦農現代都市田園綜合體項目) under Shenzhen Nongke is also located in the project. It is the key project in the “Colorful” Urban Village Demonstration Zone and the first agricultural tourism project introduced to the cooperative area. The project focuses on farming, around the “agriculture, tourism and residence” three major sectors, through the “agriculture and tourism dual chain + residential support” model, to promote the deep integration of the three industries, to build a national pilot demonstration project of comprehensive rural reform pilot area.



▲ Rural revitalization

The pace of urban and rural transformation and development has never stopped. At the moment when the economy of Guangdong-Hong Kong-Macao Greater Bay Area has begun to take off, Shenzhen Investment, with the strategic vision of being the “Innovative Constructor of Industrial Cities, Wealthy Livelihood Operator”, will continue to take advantage of our diversified synergies and state-owned enterprise platform to keep pace with the development needs of the “Two Zones”. At the same time, we will focus on the Yangtze River Delta, the middle reaches of Yangtze River, Chengdu and Chongqing, and other national-level city clusters, and set up our business toward integrated urban development, industrial property, and intelligent cities to provide strong support for industrial upgrading and urban space creation in the Bay Area and the whole country.

01



Responsibility Governance and Innovation from our Original Aspirations

Shenzhen Investment has continued to deepen our awareness of sustainability responsibilities, establish an effective sustainable development management system, promote communication with stakeholders, and select material issues of importance for focused disclosure to continuously improve our sustainable management level. At the same time, we have strengthened the management of information disclosure, strictly enforced internal supervision, and continuously improved the construction of the risk control system to ensure the normal and efficient operation of the risk management and internal control system.

ESG issues we concern	SDGs issues we respond to	HKEx ESG Indicators we respond to
Compliance governance and responsibility management Compliance operation Strengthening risk control Anti-corruption and anti-unfair competition Intellectual property protection	 	B6.3/B7.1/B7.2/B7.3





Responsibility Governance and Innovation from Our Original Aspirations

1.1 SUSTAINABLE DEVELOPMENT MANAGEMENT

Shenzhen Investment actively implements the concept of sustainable development, insists on fulfilling its social responsibility, formulates ESG strategies and targets, and always implements ESG concepts in production and operation, while continuously promoting and optimizing environmental, social and governance management to promote the stable and sustainable development of the Group, so as to achieve a win-win situation for the enterprise, shareholders and business partners.

1.1.1 ESG philosophy

With the mission of “Building living vision, Achieving Shenzhen edifices”, Shenzhen Investment adheres to the values of “sunlight and honesty, innovation and excellence, diligence and responsibility, and harmony and sharing”, based on the objectives of the “14th Five-Year” Plan, incorporates the fulfillment of ESG issues into the Group’s strategic objectives, insists on the collaborative development with consumers, industrial chain, employees, environment and society, and strives to realize the beautiful vision of becoming an “Innovative Constructor of Industrial Cities, Wealthy Livelihood Operator”.

1.1.2 ESG strategy

Shenzhen Investment always puts the ESG philosophy into our production and operation. We stick to the concept of “Health, Quality and Culture”, continuously promote the application of new energy-saving and emission-reduction technology, encourage the use of renewable resources, strive to improve the recycling rate of waste, advocate clean production, and strive to create an ecologically livable and environmentally friendly building environment.

The Group will continue to take the initiative to assume its social responsibility and continuously implement the concept of sustainable development in the course of project development and operation and strive to achieve balanced development in terms of economic, environmental and social benefits in the following three aspects:

Enhancing the awareness of ESG:

The Group will correctly grasp the core meaning of ESG, get a profound understanding of the significance of undertaking ESG, attach great importance to ESG related works and strengthen employees’ awareness of ESG philosophy through ESG training and universal education, striving to develop the corporate value and enterprise culture of undertaking sustainable development.

Gradually improving ESG management system:

Through the enhancement of the identification, evaluation and management of ESG material issues, the Group will determine the key works of its various business segments and division of responsibilities for various functions from the main aspects covered by social responsibility including laws, economy, morality, charity and etc. In addition, the Group will continue to optimize its operating systems for internal work to achieve key breakthrough and effective coordination of works; it will also continue to improve internal appraisal mechanism to boost its management level.

Exploring ways to establish ESG reporting system:

The Group will issue ESG report on a regular basis through various media channels in an effective way to publish the status, plan and measures for the Group to fulfill ESG, thereby initiatively accepting social supervision and timely learning about and responding to advices and recommendations from all parties, dedicating to optimize the performance of ESG uninterruptedly.

1.1.3 ESG management system

Shenzhen Investment has established ESG risk management and internal control system, and implemented ESG supervision at all levels, forming a whole process from decision making, communication to actual implementation. Shenzhen Investment has established an ESG Working Committee and an ESG Working Group, forming a three-in-one ESG management system of the Board of Directors, the ESG Working Committee and the ESG Working Group. In the future, the Group will be more deeply involved in ESG work and strengthen the management of ESG risks on the basis of the existing ESG responsibilities and help identify and manage ESG risks.

Responsible for the leadership, decision-making and promotion of the Group's ESG strategic direction, accepting the Committee's report on the Group's ESG vision, strategy, ESG report, ESG target formulation and completion progress, climate change risk identification and mitigation, and conducting audit and review.



Board of Directors

ESG Working Committee

ESG Working Group

Responsible for formulating ESG goals and policies, supervising the work of the ESG Working Group, coordinating ESG report related contact and review work, and regularly reporting ESG work to the Board of Directors.

Responsible for coordinating and supervising the annual ESG implementation work, ESG policy implementation, ESG information system management and ESG report preparation, assisting to contact subordinate companies, and collecting ESG data and text materials from the corresponding business departments on a regular basis.

Environmental, Social and Governance Structure of Shenzhen Investment



1.2 COMMUNICATION AND ENGAGEMENT WITH STAKEHOLDERS

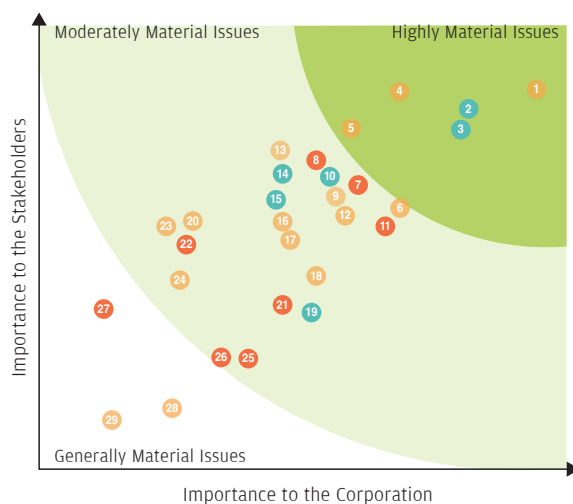
Stakeholders	Expectation and Requests	Response Measures	Measures Taken in 2021
Governments and Regulators	- Law-abiding compliance operations - Appreciation in assets value - To support local development	- Daily report and communication - Forum and exchange activities - To respond on national policies actively	- Carried out 2 integrity letter inquiries and 27 reminder interviews - Accepted 38 petitions and reports, dealt with 29 matters and clues and filed 9 cases
Shareholders and Investors	- To acquire returns on investment - Information disclosure and transparency - To protect the interests and fair treatment of shareholders - To lower operating risks	- To establish sound and scientific decision-making and supervision mechanism - To strengthen risk management and control - To achieve open and transparent information disclosure - To organize and participate in activities for different types of shareholders	- Met with more than 100 investors - Convened 2 general meeting - Paid dividends - Dispatched 3 shareholders' circulars - Published 42 announcements and 12 Monthly Statements of Movements in Securities
Customers	- To safeguard the quality and safe of products - Quality customer services - Privacy protection - Opinions and complaints handling	- Product quality control - To provide quality services - Satisfaction survey - To protect customer privacy	- Full life cycle control of project quality - Conducted customer satisfaction surveys regularly - Strictly implemented customer information management and formulated corresponding rewards and penalties system - Provided intelligent services to customers to meet their diverse needs and enhance customer experience
Employees	- To protect basic rights and interests - Career development and equal promotion opportunity - Health and safety - Democratic management - Caring for people	- Staff representative congress - To carry out various trainings actively - To improve talent promotion and remuneration mechanism - To strengthen occupational health and safety management - To provide diversified employee benefits	- Carried out key projects such as training for reserve talents and high potential talents, new employee training and middle and senior management coaching leadership - The total training hours of the Group's employees were approximately 486,373 hours, covering all of the employees
Business Partners and Suppliers	- Integrity and fulfillment of obligations - Resource sharing - Win-win development	- To perform contract in accordance with the law - Open tender - To eliminate commercial bribery - To participate in industry exchange activities	- Released bidding information on the transparent procurement service platform of municipal state-owned enterprises to achieve full coverage of transparent transactions and full disclosure of transaction information - Reached cooperation intention with leading enterprises in the industry and multiple governments
Community and the Public	- To boost development of public services in communities - Public welfare and charities	- To carry out various public welfare activities - To strengthen industry-based poverty alleviation - To support the rural revitalization strategy - To encourage employees to participate in volunteer service	- Assisting Houzhai Town, Nan'ao County, which covers the areas of talent revitalization, organization revitalization, industry revitalization and consumer support - Held many healthy and interesting community activities in the commercial, industrial and residential area of the Group
Environment	- Effective use of resources - To reduce emissions - Protection of biodiversity - Response to climate change	- Development of green buildings - Energy management, water resources management and waste management - To strengthen environmental information disclosure	- Intelligent transformation of the park equipment to fully improve the energy efficiency of the various industrial area of the Group and significantly reduce the energy consumption of the park - Formulated and implemented garbage sorting management regulations, and incorporated the requirements for household garbage sorting into daily assessment

Responsibility Governance and Innovation from Our Original Aspirations

1.3 ESG MATERIAL ISSUES

By positive and effective communication with stakeholders, Shenzhen Investment has got a full understanding of demands from and expectations of the Group's management and all stakeholders in respect of the disclosure and management of ESG-related information and identified various material sustainable development issues. As there were no significant changes to the business operation and sustainable management systems of the Group during the year, we have used the results of the analysis of materiality issues from the previous year as the basis for preparing the report and have made key disclosures in the report.

The survey of previous year covered 843 stakeholders and prioritized 29 issues on the two bases of "importance to the corporation" and "importance to the stakeholders", and selected 5 highly material issues.



Materiality	Rank	Issues
Highly Material Issues	1	Employee Safety and Health
	2	Anti-corruption and Anti-unfair Competition
	3	Compliance Operation
	4	Product Quality Assurance
	5	Employee Training and Development
Moderately Material Issues	6	Employees Compensation and Rights and Interests Protection
	7	Waste Management
	8	Biodiversity Protection
	9	Compliance Employment
	10	Strengthening Risk Control
	11	Pollutant Discharge Management
	12	Customer Privacy Protection and Information Security
	13	Customer Opinions and Satisfaction
	14	Response to Public Policy
	15	Compliance Governance and Responsibility Management

Materiality	Rank	Issues
Moderately Material Issues	16	Intellectual Property Protection
	17	Employee Diversity and Equal Opportunity
	18	Attraction and Retention of Talent
	19	Operating Performance and Investor Rights and Interests
	20	Responsible Procurement
	21	Energy Usage
	22	Green Building
	23	Responsible Marketing
	24	Industrial Research and Development, Innovation and Development
	25	Water Resources Usage
	26	Material Usage
Generally Material Issues	27	Response to Climate Change
	28	Social Welfare Participation
	29	Promoting Community Communion

1.4 COMPLIANCE OPERATION

Shenzhen Investment strictly complies with relevant laws and regulations, corporate governance and business ethics standards, and continuously improves our legal and compliance management system to ensure that all of our business activities are legal and regulated. At the same time, we have organized offline trainings, online courses and other diversified legal compliance trainings to enhance our employees' awareness of legal risks in the course of business.

1.4.1 Transparent operation

Shenzhen Investment strictly abides by the Stock Exchange requirements of such laws and regulations as the 'Rules Governing the Listing of Securities' (《證券上市規則》), the 'Companies Ordinance' (《公司條例》), the 'Securities and Futures Ordinance' (《證券及期貨條例》) and the 'Articles of Association' (《公司章程》), and continues to enhance its corporate governance level, strengthens information disclosure management, strictly enforces internal supervision and continuously improves the construction of its risk control system to ensure the efficient operation of the Group's risk management and internal control system.

Continue to improve information disclosure

Shenzhen Investment is always concerned about the impact of our business activities on the environment and society. We disclose ESG-related policies and data on the Group's website and in this report, proactively practice ESG disclosure, and actively respond to sustainability indices such as the MSCI ESG Rating, in response to investors' ESG disclosure requirements and expectations.

Protect the rights and interests of investors

Shenzhen Investment has established diversified and smooth communication channels for shareholders to ensure that they are fully informed of the Group's strategies, operations and development. In 2021, we served investors through various means such as online results press release, web conference, telephone, WeChat and website, etc. We have disclosed financial conditions and business information to the capital market and investors in a timely, proactive and detailed manner. For our significant shareholders, we have provided monthly updates and communication on the Group's business development and provided feedbacks to the management and the Board of Directors.

Key Performance

In November 2021, MSCI released its latest corporate ESG index rating, and Shenzhen Investment Limited was once again awarded an A rating among domestic real estate enterprises, making it the highest MSCI-ESG rating.

SHENZHEN INVESTMENT LIMITED
(604)
Real Estate Development & Diversified Activities | HK
Relatively strong workholder safety and green investment focus



Key Performance

In 2021, Shenzhen Investment held 19 investor meetings, organized or participated in 15 roadshows and research activities, and held more than 100 communications with investors.



▲ 2021 Annual Results Press Release



▲ Foreign investors communicated with the investment team and the management of the Group



▲ The investment team made a reverse roadshow presentation to investors

1.4.2 Risk management and control

Risk control and risk management system

Shenzhen Investment has continued to improve and strengthen the functions of risk identification, control and prevention at the Board of Directors and internal management levels. An audit committee has been set up under the Group to evaluate the effectiveness of the internal control and risk management structure; the risk management department is responsible for the establishment and operation of the comprehensive risk management system of the Group, and setting up risk management functions in level-2 companies, guiding and supervising risk identification and evaluation performed by each departments of the Group and the respective enterprises which they belong to.

Key Performance

In 2021, Shenzhen Investment completed the prior assessment and review of 38 major projects, including 28 land auction risk reviews, 5 capital operation risk reviews, 5 preassessments of amendments to systems and management rules, etc., and presented 59 risks and management recommendations, providing an effective basis for management decision-making.



Internal audit, internal control and risk control integration mechanism

- ✈ To promote the construction of a large supervision system with “six-in-one” supervision resources, including discipline inspection and supervision, supervisory committee, chief financial officer, internal audit, internal control and risk control, and establish a joint supervision committee to strengthen supervision synergy and enhance the overall effectiveness of supervision;
- ✈ In view of the significant risks faced by the Group and the potential or already caused losses and impacts, the Group works together with relevant business departments and affiliated enterprises to carefully analyze the causes and sort out the countermeasures taken, and closely track the changes in response to the significant risks;
- ✈ To identify risks through the five elements of the risk assessment model COSO and develop relevant countermeasures;
- ✈ To systematically review and evaluate the relevant systems of the Group’s internal control system, supplement the implementation details of internal control evaluation and internal control audit, and ensure that the relevant systems cover the grassroots enterprises;
- ✈ To organize and carry out special audits on overseas investment and operation of the affiliates to improve the level of decision making and risk control of overseas investment and ensure the safety and hedging of the Group’s assets.

Environmental, social and governance risk management

Environmental, social and governance (ESG) risk is one of the key risk categories that Shenzhen Investment’s comprehensive risk management system focuses on. Material ESG risk issues identified, such as bribery and corruption, business ethics, product quality and safety, occupational health and safety, climate change, etc., have been incorporated into the internal regular risk assessment and monitoring process.

1.4.3 Anti-corruption

Shenzhen Investment insists on the principle of “zero tolerance” for malpractice, and actively promotes the construction of anti-corruption systems. In addition to the ‘Anti-corruption Measures on Prevention of Malfeasance in Construction Project Tendering’ (《工程建設項目招標廉潔從業風險防控辦法》), the Group formulated the ‘Measures for the Management of Procurement and Tendering’ (《採購招標管理辦法》) and the ‘Guidelines for the Supervision of Tendering and Procurement’ (《招標採購監督工作指引》) to further standardize tendering and procurement process, and reduce the possibility to receive benefits by improper or unlawful means. Before major festivals or holidays, various measures, such as printing and distributing the notice of anti-corruption, and sending short messages and reminders on anti-corruption during festivals, will be adopted by us as a part of our discipline reaffirmation, supervision and inspection work in order to create an atmosphere of integrity and austerity and celebrating festivals incorruptibly.



▲ 2021 integrity training for key employees in key posts

In order to further strengthen the risk prevention and control for business integrity, Shenzhen Investment conscientiously implemented the ‘Anti-corruption Measures on Prevention of Malfeasance in Construction Project Tendering’ (《工程建設項目招標廉潔從業風險防控辦法》), ‘Probity Audits Measures’ (《廉政審查辦法》), ‘Interim Measures for the Management of Internal Audit’ (《內部審計工作管理暫行辦法》) and other systems to carry out integrity management measures, and conducted audits on a regular basis. The discipline inspection and supervision office is responsible for the implementation of business ethics and anti-corruption work, and reports to the audit committee on a regular basis. An internal audit is conducted every three years to effectively prevent and manage commercial bribery and corruption existed in all business of the Group and its subsidiaries. Besides, the Group continuously improves whistleblowing mechanism, strives to promote fair corporate operation and maintain vitality for its long-term development.

Key Performance

- ✂ In 2021, no corruption, bribery, extortion, fraud, money laundering and other unlawful acts were identified with Shenzhen Investment.
- ✂ In 2021, 100% new employees from campus recruitments signed the ‘Incorruptible Practice Commitment’ (《廉潔從業承諾書》).
- ✂ In 2021, Shenzhen Investment held talks with 27 persons to remind and correct any signs of disciplinary violations in a timely manner.



Whistle-blowing Mechanism

In order to strengthen internal and external supervision and whistleblowing work, effectively fight corruptions and frauds and create an honest and regulated working environment, Shenzhen Investment strictly abides by the ‘Petitioning Work Regulations’ (《信訪工作條例》), ‘Rules for the Handling of Whistleblowers and Accusation by Disciplinary Inspection and Supervision Agencies’ (《紀檢監察機關處理檢舉控告工作規則》) and other relevant regulations, and revised the ‘Whistleblowing Policy of Shenzhen Investment’ (《深圳控股舉報政策》), to specify the procedures for the acceptance, registration, storage and investigation of whistleblowing. In addition, we issued the ‘Measures for the Management of Whistleblower Cases’ (《問題線索管理辦法》) in line with relevant laws and regulations as well as the actual situation to strengthen the centralized and unified management of whistleblower cases, and further standardized the procedures for the registration, research and judgment, reporting and transfer of letters and visits to lay a foundation for the improvement of supervision.

Responsibility Governance and Innovation from Our Original Aspirations

Shenzhen Investment provides a number of reporting channels such as the official website, hotline, e-mail and mailbox, and encourages whistle-blowing in real names. At the same time, we are determined to protect the safety and privacy of whistleblowers, to keep their names, workplaces, home addresses and other relevant information strictly confidential, to protect the basic rights of whistleblowers from infringement, to eliminate any form of retaliation, to achieve reporting channels, acceptance procedures, in a responsible and effective approach to deal with corruption and other improper behavior.

Key Performance

In 2021, the supervision department of Shenzhen Investment accepted a total of 38 whistleblower letters, and 29 whistleblower cases were solved.



Integrity education

Shenzhen Investment actively builds an anti-corruption culture and conducts integrity publicity and training for the Board of Directors, management and employees through various means and channels to create a clean corporate culture and prevent corruption ideologically. The major activities include the following:

- Organizing “personalized courses” on integrity education for more than 400 persons from 25 departments and units, and organizing more than 60 employees in key positions to visit and study at the integrity education base;
- Carrying out article soliciting activity on the theme of integrity, and collect, order and distribute learning materials on integrity;
- Carrying out “Integrity and Refreshing” (清風廉韻沁人心), posting quotes on integrity, and playing integrity education films.



▲ Integrity education

Key Performance

In 2021, Shenzhen Investment organized 6 anti-corruption training sessions, with 3,329 participants. 100% of leading cadres above middle level and 6 members of the Board of Directors received the anti-corruption training.



Case Study:

Launch of the “100 Years of Integrity – Reading by Secretaries (百年百廉·書記讀)” series of activities

Relying on the “online + offline” advantages, coupled with the large number of properties under management and wide-ranging projects, Shenzhen Investment launched promotion and publicity campaign in nearly 150 properties under management (such as Qiaoxiang Village, Pengxing Garden, and Shum Yip Center Building), more than 60 construction and sales sites (such as Nanjing Shum Yip Binjiang Project) and 4 highway service areas (such as Jingdong and Guanghe). The 116th article of the series headed “100 Years of Integrity – Reading by Secretaries” (百年百廉·書記讀) was pushed and forwarded more than 1,500 times, and accessed by over 40,000 readers online, helping readers to “learn the history of integrity and keep the righteousness”.

Case Study II:

The “Positive Energy of Integrity” (“廉潔圳能量”) Video Shows

All employees of Shenzhen Investment participated in the “Positive Energy of Integrity” video Shows, during which, employees were encouraged to participate in the collection, shooting and production of videos in relation to the “Positive Energy of Integrity”. 25 creative ideas and 14 video works were produced, and also exhibited and played via WeChat video account. Over 12,000 persons viewed the 10 selected excellent works.

1.4.4 Intellectual property protection

In 2021, in order to implement the “14th Five-Year” Plan for the Protection and Use of National Intellectual Property Rights’ (《「十四五」國家知識產權保護和運用規劃》) and stimulate innovation with intellectual property rights, Shenzhen Investment strictly complied with the ‘Patent Law of the People’s Republic of China’ (《中華人民共和國專利法》), ‘Trademark Law of the People’s Republic of China’ (《中華人民共和國商標法》), ‘Copyright Law of the People’s Republic of China’ (《中華人民共和國著作權法》), ‘Civil Code of the People’s Republic of China’ (《中華人民共和國民法典》), ‘Computer Software Protection Ordinance’ (《計算機軟件保護條例》) and other laws and regulations, and formulated and implemented internal systems for intellectual property protection. By improving trademark registration, software copyright registration and patent application management, we enhance the protection of intellectual property rights, and actively provide protection for technical research and development and business operation by means of trademark monitoring and litigation to safeguard our legitimate rights and interests.

Key Performance

✈ In 2021, Shenzhen Investment applied for a total of 79 patents, 75 of which have been authorised.

✈ In 2021, Shenzhen Nongke was granted four utility model patents: Rooftop Winter Heating and Summer Cooling Planting System (《屋頂冬暖夏涼種植系統》), Three-forked Sprouting Melon Planting Device and Planting System (《三叉留芽瓜果種植裝置及種植系統》), a Mixing and Dispensing Device (《一種攪拌分裝器》), and an Electric Spray Ion Source Device Based on Solid Phase Extraction (《一種基於固相萃取的電噴霧離子源裝置》).



▲ Patents authorised

Up to date, Shenzhen Nongke has been granted 42 national patents, including 13 invention patents and 29 utility model patents.



02

Customer Responsibility, Quality Improvement



Shenzhen Investment always insists on top quality to meet the core needs of customers. Upholding the brand concept of “Building living vision”, we make good control of the quality of construction, and improve the level of construction. Based on customer needs, we provide customized professional services, and bring ideal living environment and quality of life to customers.

ESG issues we concern	SDGs issues we respond to	HKEx ESG Indicators we respond to
Product quality assurance Customer privacy protection and information security Customers opinions and satisfaction	  	B5.2/B5.3/B5.4/B6.2/B6.4/B6.5



Customer Responsibility, Quality Improvement

2.1 PRODUCT SAFETY AND QUALITY

Shenzhen Investment insists on strict quality assurance for each project during the product supply stage and the whole engineering cycle of the product manufacturing stage, to satisfy customers' pursuit of high - quality life in all aspects.

2.1.1 Product quality assurance

Shenzhen Investment strictly complies with the 'Construction Law of the People's Republic of China' (《中華人民共和國建築法》), the 'Regulations on Quality Management of Construction Projects' (《建設工程質量管理條例》) and the 'Provisions on Supervision and Management of Quality of Construction Projects' (《建設工程質量監督管理規定》), and each project company has eight detailed engineering technical standards and nine project quality management rules for masonry, plastering, waterproofing, curtain wall, stone, wood finishing, water supply and drainage, electrical installation, etc., to restrain third parties throughout the process from construction to acceptance.

The Group also sets up an independent management team to strictly manage material acceptance, quality inspection, construction quality and construction sites. We have established an internal project progress and quality assessment mechanism, directly linking the project quality results to the performance of the relevant engineering departments. We engage independent third-party organizations to conduct quality inspection and evaluation of the entire project development, so as to achieve all-round project quality management from internal to external, and ensure the quality of the project passes.

2.1.2 Product safety assurance

Elimination of potential accident dangers

In accordance with the newly revised 'Work Safety Law of the People's Republic of China' (《中華人民共和國安全生產法》), Shenzhen Investment has continued to improve the safety management system of the Group, fully implement the corporate responsibility of production safety, and further enhance the standardization and effectiveness of safety management based on the requirements of the 'Shenzhen Three-Year Action Plan for Construction Safety Special Rectification Action' (《深圳市建築施工領域安全生產專項整治三年行動實施方案》). At the same time, we have improved the disaster risk consultation and diagnosis mechanism, and promoted the special production safety management focusing on small and scattered sporadic operations, as well as fire safety and dangerous operations.

Safety risk control

Shenzhen Investment has carried out risk classification and control as well as potential danger investigation and management, and also has built a double prevention mechanism in strict accordance with the 'General Rules for the Construction of Dual Prevention Mechanism for Shenzhen Enterprises' (《深圳市企業雙重預防機制建設通則》). We have formulated the 'Safety Risk Classification and Control System' (《安全風險分級管控制度》), 'Emergency Management Measures' (《應急管理辦法》) and 'Accident Reporting and Investigation Management Measures' (《事故報告與調查處理管理辦法》) to form a comprehensive production safety risk management mechanism from the identification of the source of safety hazards to the investigation and treatment of hidden hazards. We also strengthen the safety production management assessment mechanism, focusing on strengthening the safety assessment closely related to safety production management, and the assessment results are directly linked to the remunerations of relevant executives.

At the same time, we have a sound emergency planning system and organize emergency evacuation and rescue, emergency drills and safety education and training to enhance the safety awareness, professionalism and operational skills of our front-line employees to prevent and reduce safety accidents.



▲ Safety training at construction site



▲ Fire safety inspection of construction in progress



▲ Fire fighting practice



▲ Fire evacuation drill

Case Study:

Launching the “New Safety Law” promotion activities

In order to implement the deployment of “12-4” National Constitution Day and ‘Work Safety Law’ (《安全生產法》) Promotion Week and ‘Provisions on the Main Responsibilities for Production Safety of Shenzhen Business Operation Entities’ (《深圳市生產經營單位安全生產主體責任規定》), from 2 to 3 December, a total of 47 persons, including the main person-in-charge, the person-in-charge of safety, the person-in-charge of the safety committee office and the safety management staff of each subsidiary company of Shenzhen Investment, participated in the promotion of the new safety law and the re-education training on safety production in 2021 organized by the parent company, Shum Yip Group.

The training focused on the new ‘Work Safety Law of the People’s Republic of China’ (《中華人民共和國安全生產法》), ‘Shum Yip Group Safety Management System’ (《深業集團安全管理制度體系》), the typical accident case analysis, construction project safety risk control and property safety management and other aspects of in-depth lectures and exchanges, which laid a good foundation for full implementation of the main responsibility of safety production and effective prevention of various production safety accidents in the future.



▲ New Safety Law Promotion and 2021 Safety Production Re-education Training Site

2.2 CUSTOMER SERVICES

Shenzhen Investment continues to integrate business resources, continuously innovate products and increase service categories to meet customers' needs for high-quality life in a comprehensive and multi-dimensional manner. We pay attention to responsible marketing, actively respond to customer complaints and open up communication channels to continuously improve customer satisfaction and upgrade customer experience of Shenzhen Investment brand.

2.2.1 Service quality assurance

Shenzhen Investment has strictly complied with the 'Law of the People's Republic of China on Product Quality' (《中華人民共和國產品質量法》), 'Law of the People's Republic of China on the Protection of Consumer Rights and Interests' (《中華人民共和國消費者權益保護法》), 'Advertisement Law of the People's Republic of China' (《中華人民共和國廣告法》) and 'Trademark Law of the People's Republic of China' (《中華人民共和國商標法》), etc., and has formulated internal standards and systems such as the 'Marketing Management Measures' (《營銷管理辦法》) and the 'Standard Manual of Property Service Center' (《物業服務中心標準手冊》) to provide customers with high quality services. Shum Yip Property and several other subsidiaries of the Group have passed the ISO 9001 quality management system certification, and the properties under its management cover the headquarters, Shum Yip Center Building (深業中心大廈) and Shum Yip Garden.



▲ Terra Property ISO 9001:2015 Quality Management System Certification



▲ Environmental Management System Certification and Energy Management System Certification of Shum Yip Property



- ✂ In terms of products, we ensure full disclosure of the project construction process, transparent information, truthful and compliant promotion, continuous improvement of product quality, and full consideration of customer needs to ensure high quality products and on-time delivery;
- ✂ In terms of services, we have built a comprehensive customer service system, providing comprehensive services to our customers from organization, customer relationship and customer information management;
- ✂ In terms of internal empowerment, we strengthen the training of our sales staff to ensure sales quality, efficiency and quality, and incorporate customer satisfaction into our management system, and always pay attention to maintenance and rectification, complaint handling and property service satisfaction to ensure quality service to our customers.

2.2.2 Protection of customer rights and interests

Shenzhen Investment has strictly complied with the 'Personal Information Protection Law of the People's Republic of China' (《中華人民共和國個人信息保護法》), the 'Law of the People's Republic of China on the Protection of Consumer Rights and Interests' (《中華人民共和國消費者權益保護法》), the 'Cyber Security Law of the People's Republic of China' (《中華人民共和國網絡安全法》), etc. and has formulated the 'Sales Management Measures' (《銷售管理辦法》) to regulate the customer information management system. All customer information is entered into the system and managed in a unified manner, and only the person in charge can access it, but all entry and access operations will leave traces in the system for traceability to ensure unified management and strict confidentiality of customer information.

Key Performance

In 2021, the Group had no complaints (including complaints from third parties or regulators) arising from violations of consumer data and privacy protection regulations.

2.2.3 Responsible marketing management

Shenzhen Investment has strictly complied with requirements of the 'Advertisement Law of the People's Republic of China' (《中華人民共和國廣告法》), the 'Law of the People's Republic of China on Urban Real Estate Administration' (《中華人民共和國城市房地產管理法》) and other laws and regulations. In addition, we have formulated relevant procedures and legal documents to ensure standard process, open information and real publicity. In 2021, we had internal management systems such as 'Marketing Management Measures for Property and Real Estate of Shum Yip Pengji and Shum Yip Southern Land' (《深業鵬基、深業南方集團物業配合地產營銷管理辦法》) and 'Sales Management System and Regulations' (《銷售管理制度及條例》) in place internally to standardize and guide the content of property cooperation services in the project, including early stage positioning, engineering construction, marketing promotion, on-site management, after-sales maintenance, vacant properties (including shops), parking spaces and so on.

We strictly regulate the standardization and transparency of all project information. We make public disclosure of legal risks and other information at sales venues to ensure that the information received by customers is complete and true, and insist on avoidance of any false and fraud action or blurred marketing to entice consumers to consume. During the process of sales, we insist on display of sand table and show flat at real scale, regularly inspect material risk notice and transparent notification, clarify the red line of sales management business, and adhere to responsible marketing.

- ✦ In order to protect customers' legitimate rights to purchase house, prevent the transaction risks and avoid confliction, dispute or litigation caused by house-purchase, we have included the 'House-purchase Risk Tips' (《購房風險提示》) in the appendix to the sales contracts of projects on sale and disclosed at the sales office as well, so as to protect the capital safety and the right to know about the project of customers based on the principles of clear notification, fair transaction, risk prevention and interest protection.
- ✦ We put forward "high requirements, high standards" for all sales employees, and regularly organize training as well as carry out research of market and competitive projects to improve the comprehensive business capability of sales employees. We clearly require sales employees to strictly abide by the Group's commitments on products and services during propaganda works and shall not mislead consumers or make commitments beyond their duties.

During 2021, "Shum Yip Haofang (深業好房)" App continued to provide diversified forms of interaction as selling houses online and through live stream to consumers, providing customers with channels convenient to visit our properties and professional services, and enhanced customers' experience of house-purchase.

Key Performance

In 2021, there were 28,138 customers visiting the “Shum Yip Haofang” app on an accumulative basis, among which, 15,425 customers left telephone numbers, 824 customers conducted appointments and 1,969 customers conducted consultancies.



▲ “Shum Yip Haofang” app’s promotional activities

2.2.4 Respecting customer opinion

In order to set up smooth access to receive complaints, the Group has established multiple communication channels to accept and handle improvement suggestions and service complaints from customers, correct the weakness of our business and appropriately address customers' concerns. The Group is committed to providing customers with better services.

Shum Yip Property Group, a subsidiary of the Group, has established a customer management and supervision system, including, 'Management Measures for Customer Relationship' (《客戶關係管理辦法》), 'Customer Management Guidelines' (《客戶管家管理工作指引》), 'Customer Complaint Management Measures' (《客戶投訴處理辦法》) and so on.

Key Performance

In 2021, each of our level-2 companies had an average rating of 92.46% in terms of customer satisfaction surveys.

In 2021, Shum Yip Property accepted a total of 8,211 improvement suggestions, among which, 7,187 were effective suggestions, 6,161 were effective suggestions at project level, representing an acceptance percentage of 85.72%. The timeliness rate of projects handling was 99.72% and customer satisfaction was 99.07%.



Case Study:

Conduct Third-party Customer Satisfaction Survey

Shum Yip Commercial Management engaged an external third-party, Shenzhen Shang Shu Fang Information Consultation Co., Ltd (深圳市上書房資訊諮詢有限公司) to carry out the 2021 Customer Satisfaction Survey in UpperHills Phase I and Tanglang City. The respondents included 271 commercial tenants in the shopping malls, 77 property owners (tenants) of office buildings and 500 consumers.

According to the survey results, the customer satisfactions of the two projects are 91.9 points and 90.6 points respectively, both in the upper reaches of the industry. Of which, UpperHills performed better in indicators such as pandemic prevention and control, personnel services and environmental management, and both the consumers' and commercial tenants' customer satisfaction in Tanglang city increased significantly as compared to the previous year.

2.2.5 Intelligent empowering services

Shenzhen Investment continues to deepen its digital and intelligent operations. In the Group's "14th Five-Year Plan", it clearly focuses on six core businesses: real estate, parks, operations, happiness, capital and digitalization, encourages the "Digital+" empowerment business, applies intelligent services to the whole product system, and builds park operations, property services, government services, marketing services, human resources services, financial services, commercial services and information interaction into eight sections with intelligent operations as the core competitiveness.

Combined with the Group's strategy of "building an integrated ecological loop of industrial real estate features and industrial development around the park" and "actively exploring the layout of smart city business and comprehensively upgrading urban operation capability", Shum Yip Intelligent has been deeply engaged in industrial park operation and light asset operation, deeply explored the potential of multi-mode operation, vigorously promoted the digital construction of the park, built an industrial service ecosystem around industrial customers, and led the new direction of park operation with technological innovation and comprehensive services.

Building an enterprise service ecosystem

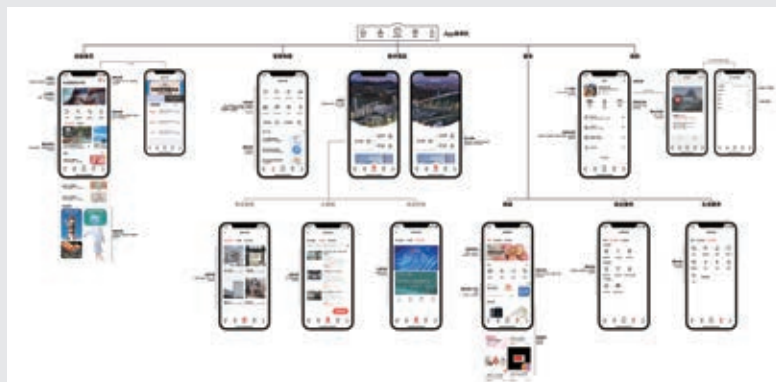
Shenzhen Investment actively approaches the introduction of financial services, insurance services, intelligent communications and other social quality resources to provide a pan-intelligent industrial park solution that integrates market research, human resources, industrial investment, and digital park operations, taking the projects under management as the landing point to realize data management and value-added park resources.

Customer Responsibility, Quality Improvement

Case Study:

Put into use of Shen Hui Tong APP

In 2021, Shen Hui Tong APP has been put into use in Che Gong Miao Ind. Zone to provide customers with services such as repair reporting and online bill payment; intelligent communication products have been fully promoted in Terra Tech Park (泰然科技园) and Hengming Project (恒明项目); the 1,000th Tesla's Supercharger Station has been introduced to improve the infrastructure facilities in Golden Valley Park (金谷园区); cooperation with third-party companies have been established to provide IT supporting services and various insurance services for enterprises and employees in the valley.



▲ Show picture of Shen Hui Tong APP



▲ Introducing Tesla's 1,000th Supercharger Station in Golden Valley Park

Shenzhen Investment has successfully created the "Future City Scene Experiment" to develop and design robots in various application scenarios and connect them to the park's intelligent App for management. In 2021, in the Shenzhen Longhua office building and the District Committee Compound, the welcome robots based on face recognition function have been put into use, which can conduct location guidance, real-time dialogue, and provide traffic inquiries, motor vehicle license number restriction inquiries, flight inquiries and other professional consulting services. In the future, we will also introduce "parking robots" and other intelligent products.

Build an integrated platform for security management

In 2021, Che Gong Miao Terra Tech Park, a subsidiary of the Group, has been fully enabled with intelligent security integration, empowering property management innovation with intelligent platforms, implementing dual prevention mechanisms of intelligent monitoring platforms and personnel linkage patrol methods, creating a new model of digital governance for park security, and improving the level of park security management.

Intelligent Building	✈	In the area of safety and environmental protection, 143 building automation systems, 173 environmental monitoring devices and 24,833 fire signal points were deployed and collected;
	✈	For the energy-saving system, 3,608 smart lighting sensors, 312 power monitoring devices, and 1,219 smart meter readings were deployed. It avoids human factors such as untimely data remittance and low data credibility, reduces management costs and improves economic efficiency.
Intelligent Security	✈	A total of 515 access control devices and cameras on more than 2,000 roads have been installed to achieve full coverage of the park, and more than 200 roads have been intelligently monitored and patrolled online at regular intervals;
	✈	Through the installation of a variety of access control equipments to collect the number of people and personnel in the building, the district management mode from open to closed change to improve the security level of the district.
Intelligent Sanitation	✈	In terms of public area cleaning services, by introducing driverless sanitation sweeping vehicles, the machines can start independently at regular intervals to complete sweeping, watering and garbage collection, which reduces duplicated labor and improves the quality of sanitation and cleaning.



▲ Terra Tech Park Intelligent Operation and Management Platform

Case Study: Build a digital park management platform

In 2021, Baguang International Bio-Valley project built a digital park operation and management platform with unmanned aerial vehicles and unmanned sweepers introduced. It has basically achieved the goals of intelligent security, intelligent cleaning and intelligent maintenance, which has provided strong support to the construction of Baguang's intelligent park and property management city construction.



▲ Digital Park Management Platform

2.3 SUPPLY CHAIN MANAGEMENT

Shenzhen Investment attaches great importance to upstream and downstream supply chain management and strives to build a sustainable business ecosystem. We incorporate transparent procurement, anti-unfair competition and information management into our supply chain management system and strive to promote the sustainable development of the entire industry.

2.3.1 Improvement of supply chain development

Shenzhen Investment has strictly complied with 'Law of the People's Republic of China on Tenders and Bids' (《中華人民共和國招標投標法》), the 'Administrative Measures of the State-owned Assets Supervision and Administration Commission of the People's Government of Shenzhen Municipal for Engagement of Intermediaries' (《深圳市人民政府國有資產監督管理委員會選聘中介機構管理辦法》) and other related laws and regulations, and has formulated the 'Code of Conduct for Suppliers of Shenzhen Investment' (《深圳控股供應商行為準則》), 'Management Measures for Bid Evaluation Expert Pool for Major Bidding Projects (Tentative)' (《重要招採購項目評標專家庫管理辦法(暫行)》), 'Administrative Measures for Engagement of Intermediaries' (《選聘中介機構管理辦法》), 'Anti-corruption Measures on Prevention of Malfeasance in Construction Project Tendering' (《工程建設項目招標廉潔從業風險防控辦法》) and other management systems. In 2021, 'Tender Procurement Management Regulations' (《招標採購管理辦法》) and 'Guidelines for the Supervision of Tendering and Procurement' (《招標採購監督工作指引》) were formulated to refine the internal system of tender procurement management and optimize the supervision and protection measures. In 2021, the subsidiaries revised the 'Measures for Management of Supplier's Warehouse' (《供方庫管理辦法》) and 'Shum Yip Pengji and Shum Yip Southern Land Construction Materials and Equipment Brand Library (Trial)' (《深業鵬基、南方集團建設工程材料設備品牌庫(試行)》) to further improve the quality of tender procurement work and project quality.

Transparent procurement

In accordance with the 'Notice of Shenzhen State-owned Assets Supervision and Administration Commission on Implementing Unified Issuance of Procurement Information within Municipal State-owned Enterprises of Shenzhen' (《深圳市國資委關於深圳市屬國企實行採購信息統一發佈的通知》) and other related regulations, Shenzhen Investment has fully utilized the Shenzhen transparent procurement platform to promote the system of disclosure of information on state-owned assets and enterprises, further realizing the use of the system to control power, act in accordance with the system, and use the system to control personnel. We publish procurement information on the Shenzhen transparent procurement platform to ensure full coverage of transparent transactions and full disclosure of transaction information, and to promote the integrity of all employees in the industry. When we sign a contract with a supplier, we must also sign the 'Integrity Contracts' (《廉政合同》) to eliminate corruption in the construction of the projects and achieve the dual goal of "quality project" and "clean project".

In 2021, in order to strengthen the Group's management of tender procurement, Shenzhen Investment further improved its procurement management system. We have set up a tender management organization at the Group level, with a tender leadership team and a tender supervision team respectively. The Chairman of the Supervisory Committee of the Group is the head of the Tender Supervision Team, the Director of the Supervisory Committee Office is the deputy head of the Team and the employees of the Supervisory Committee Office are members of the Tender Supervision Team. The Tender Supervision Team is mainly responsible for the organization, coordination, guidance and inspection of the risk prevention and control of tender procurement, the organization of tender procurement supervision, and the verification of tender-related complaints and reports.

During the reporting period, the Tender Supervision Team strictly supervised and audited the filed procurement projects, randomly assigned 103 persons from the supervisory team to carry out supervision work, strengthened the prevention of integrity risks in the core aspects of the tender, and promoted the quality and efficiency of transparent procurement.



▲ Live tender supervision



Key Performance

In 2021, we have achieved full coverage of transparent transactions, full disclosure of information online and full chain of big data monitoring, and published 4,334 procurement projects through the Shenzhen transparent procurement platform.



Anti-unfair competition

Shenzhen Investment is committed to practicing the value of “sunlight and honesty”, eliminating all unscrupulous competition, conducting qualification examination, bid evaluation and supervision in a reasonable and compliant manner, and developing a fair and transparent mechanism to prevent bid-rigging and collusion. Subject to strict compliance with laws, regulations and policies, we actively develop and establish mutually beneficial and win-win partnerships with government, enterprises, media and other partners, insist on responsible procurement, and prevent and eliminate commercial corruption and improper competition.

Informationalization management

In order to strengthen the information management of the supply chain, Shenzhen Investment has implemented the supervision of the whole process for the procurement and bidding of major projects of the Group and its affiliated enterprises, standardized the operation of the bid evaluation, and actively promoted the application of the transparent procurement platform in the Group.

We have taken the initiative to explore digital auditing, through a series of steps such as overall analysis, suspicion detection, decentralized inspection, and systematic research, to achieve “double penetration” of business and financial information, and use information management as a basis to improve the standard of supply chain management of the Group by applying digital auditing.

2.3.2 Establishment of responsibility supply chain

Shenzhen Investment adheres to high standards of business ethics and integrity, encourages suppliers to conduct rigorous screening of their upstream and downstream companies and is committed to building a responsible supply chain to fulfill social responsibility with them and creating an excellent business environment.

We work closely with our suppliers and actively promote the fulfillment of their responsibilities by formulating the ‘Code of Conduct of Suppliers’ (《供應商行為準則》), which requires them to comply with applicable local laws and regulations when conducting business, and sets out clear requirements for suppliers in the areas of ethics, environmental protection, employee compensation and working hours protection, anti-child labor and forced labor, health and safety protection, anti-discrimination and protection of intellectual property rights.



▲ Code of Conduct of Suppliers of Shenzhen Investment Limited

Customer Responsibility, Quality Improvement

Protecting stakeholders' interest

In order to protect the rights of the parties concerned, Shenzhen Investment places high demands on the business standards, product quality, and social responsibility of suppliers. In 2021, we started to participate in the procurement platform for the material collection, and commissioned a third-party vendor organization to conduct on-site audits of the bidders during the procurement tender process. The audit includes quality certificates (ISO 9001, ISO 14001, ISO 45001, CCC certificate, etc.), financial status, production equipment, patent certificates, compliance, environmental protection and safety, quality control system, supplier management, production process management, finished product inspection, research and development, degree of information technology, contract technical standards and other aspects. We also conduct comprehensive assessments of suppliers and contractors to control the quality, environmental, financial and integrity compliance risks of suppliers and contractors at the source.

Supply chain ESG risk management

We continue to strengthen our supply chain risk management capabilities and integrate ESG risk management and control concepts into the management of the entire supply chain to develop a sustainable supply chain. In 2021, Shum Yip Land developed and improved the system related to ESG risk management in the supply chain, established a long-term mechanism for supervision, and implemented the construction of a green supply chain.

-  Green procurement process: put forward environmental protection-related requirements when purchasing raw materials, products and services; contract the contractor's environmental protection responsibilities in the tender document or contract

-  Green supplier screening: add relevant green indicators to the evaluation when selecting suppliers

-  Green procurement contract fulfillment: the total verification and dispute handling mechanism and penalty clauses are agreed upon in the procurement contract

-  Green procurement information disclosure: suppliers that violate the green procurement terms of their contracts will be disclosed internally

2.3.3 Promoting industrial development

Shenzhen Investment actively cooperates and establishes strategic partnerships, aiming to realize the complementary advantages of key resources and focus on strengthening core competencies, so as to develop new opportunities and open up new markets. We focus on national-level city clusters and locate in regional high-capacity cities, following national policies to win together with cities in the face of the trend of urban change.

Case Study:

Shum Yip Property cooperated with various entities in the industry and took the lead in compiling the first national property management city group standard

Shum Yip Property, a subsidiary of Shenzhen Investment, cooperated with institutions (enterprises and organizations) in different regions, in upstream and downstream and in the industry to draft and compile the Group Standard of 'Property Management City Operation Standard' (T/CUCO 3-2021). The standard is the first property management city standard in China and has been published in October 2021 to guide all participating entities in the "property management city" to better operate and practice.



▲ Announcement of property management city group standard

03

Environmental Responsibility, Green Inclusion



Environmental protection is an unshakable social responsibility for enterprises, and Shenzhen Investment has incorporated the concept of ecological civilization and the spirit of early demonstration into its production and operation. In the process of project development and construction, we adhere to the product concept of “health, quality and culture”, and put the concepts of green building, clean production and waste reduction throughout the whole process of building design and construction. We actively respond to the national “carbon peaking and carbon neutrality” strategy, and promote various energy-saving and emission reduction measures and green construction techniques to construct an ecological civilization system.

ESG issues we concern

Waste management
Biodiversity protection
Pollutant discharge management
Energy usage
Green building
Water resources usage
Material usage
Response to climate change

SDGs issues we respond to



HKEx ESG Indicators we respond to

A1.1/A1.2/A1.3/A1.4/A1.5/A1.6/
A2.1/A2.2/A2.3/A2.4/A2.5/A3.1/A4.1



Sustainable Development Goals

Greenhouse gas emissions

Chaohu Holiday Hotel	 Taking 2019 emissions as a reference, the annual carbon emissions decrease by 1.5% as compared with the previous year; the carbon emissions in 2025 decrease by 6% as compared with that in 2019.
Suzhou Marriott Hotel	 Total carbon emissions in 2022 decrease by 2% as compared with that in 2021.

Waste reduction

Shum Yip Commercial Management	 Use 3C electrical products to extend the service life, and reduce the number of waste lamps by 500 in 2022 as compared with that in 2021.
Suzhou Marriott Hotel, MUJI Hotel	 Strictly follow the requirements of garbage sorting to achieve 100% recycling of renewable waste in 2022.

Energy efficiency

Shum Yip Commercial Management	 Based on 2021, according to seasonal changes and business hours of shopping malls, adjust the lighting time and quantity of outdoor and garage lighting, and reduce power consumption by 5% in both shopping malls and garages in 2022.
	 Reduce the energy consumption of the oil smoke exhausters by 30% in 2022 as compared with that in 2021 by changing the frequency control of the exhausters.
Chaohu Holiday Hotel	 The photovoltaic power supply rate reaches 80% for the lighting outside the hotel from 2022 to 2025.

Water efficiency

Shum Yip Commercial Management	 Based on 2021, reduce commercial and office water consumption by 30,000 cubic metres in 2022.
Chaohu Holiday Hotel	 90% of the water consumption for greening in the hotel area comes from rivers from 2022 to 2025, and the annual water consumption decreases by 9% in 2025 as compared with that in 2019.
Suzhou Marriott Hotel	 Strictly implement the water use plan of Suzhou Water Conservation Office, and the water intensity in 2022 decreases by 1% as compared with that in 2021.
Radisson Blu Kashgar	 Save 1,500 tonnes of water in 2022 as compared with that in 2021.

3.1 Green Management

Shenzhen Investment strictly complies with the laws and regulations such as the 'Law of the People's Republic of China on Environmental Protection' (《中華人民共和國環境保護法》), the 'Environmental Factors Identification and Assessment Management Procedures' (《環境因素識別與評價管理程序》), the 'Waste and Chemical Management Procedures' (《廢棄物及化學品管理程序》) and other systems, and has formulated and improved internal systems such as 'Guidelines on Environmental Protection of Shenzhen Investment' (《深圳控股環境保護指引》). The Group's Environmental, Social and Governance Working Committee coordinates environmental management, continuously monitors and regularly reviews the environmental protection policies formulated, and promotes the implementation of various tasks by working groups to ensure the long-term operation of the Group's environmental management system and mechanism. Many members of Shum Yip Property have obtained ISO 14001 environmental management system certification.



▲ Terra Property (a subsidiary of Shum Yip Property) ISO 14001:2015 Environmental Management System Certification

3.2 Green Design

Shenzhen Investment always insists on the principle of green and sustainable development, incorporating the green design concept of “reducing environmental pollution, reducing energy consumption and enhancing the recyclability of construction materials” into its products and services, and promoting resource conservation and environmental friendliness by reducing environmental pollution or reducing the use of raw materials.

3.2.1 Green building concept

Shenzhen Investment actively implements the concept of green building and strictly controls the environmental management of the whole life cycle of the building from design to operation, so as to reduce the negative impact on the environment and to promote the construction of an environmentally friendly and resource efficient society.

In the planning and design stage, we follow the principles of function compound, healthy and livable, safety and resilience, and development for sharing, and take the building of a green infrastructure network as an important construction orientation to meet the people’s needs for high-quality green public products and public services.

In the process of project architectural design, we formulate green building design strategies through the analysis of the surrounding environment and climate conditions of the project, and implement refined design method to optimize the plan, vigorously promote all kinds of land-saving, energy-saving, water-saving, material-saving and environmentally friendly green building materials, technologies and equipment, and consider the relationship with the green building performance indicators when determining the building shape, plane, space and structure. We actively implement low-carbon, ecological, wisdom and other advanced concepts, from the design source to create comfortable, efficient, healthy, environmentally friendly residential buildings. We strive to achieve the construction and operation of new buildings in Shenzhen is not lower than one star standards of the green building, and one-star evaluation standards for existing building transformation to help create a “green building capital”.

3.2.2 Green building technologies

Shenzhen Investment insists on exploring and practicing environmental protection technology and actively promotes technology innovation and implementation. In order to meet the thermal insulation performance of buildings and achieve the energy-saving requirement index, we promote high-efficiency energy-saving lamps, energy-saving electronic ballasts, energy-saving transformers, and adopt energy-saving and environmental-friendly materials such as extruded foam thermal insulation panels, common aluminum alloy frames, LOW-E transparent hollow tempered glass, and recyclable color boxes.



▲ LOW-E transparent hollow tempered glass



▲ Dry type transformer

Meanwhile, we have incorporated the “Sponge City” construction concept into more projects, using roof greening, recessed green space, permeable paving, rainwater collection, and reuse of low-impact development design to reduce the peak flow of flooding and realize the efficient use of water resources.

Case Study:

Shum Yip Zhongcheng applied for a green building design label

Shenzhen Nongke' Shum Yip Zhongcheng project has completed the application of Shenzhen's gold-level green building design label, realizing the unification of economic, environmental and social benefits.

Economic Benefits:

- Optimize the selection of basement cover and use high-strength reinforcement to save steel consumption and reduce project cost.

Environmental Benefits:

- Adopt LED lighting, rainwater collection system, water-saving irrigation system and other energy-saving and water-saving facilities.
- Build a green roof area to improve the ecological environment.
- Sound-proof floor panels are installed in the main functional spaces of offices, hotels and residences to reduce noise interference.
- Establish a good waste recycling and sorting system to reduce environmental pollution.
- Adopting air treatment measures, the removal rate of formaldehyde, benzene, ammonia and other pollutants reaches over 80% in 6 hours.

Social Benefits:

- A number of bicycle parking spaces are provided in the basement to solve the parking problem of the community residents and bicycle users.



▲ Shum Yip Zhongcheng's Green Building Certification

Case Study:

“Sponge City” Project of Shum Yip Taifu Square

Shum Yip Taifu Square fully complies with the national two-star green building standard to build the Sponge City (海綿城市) in Kechuang Building (科創大廈), which integrates the green ecological system into the building design and actively explores the sustainable development of business + sponge city, adding a boost to the transformation of ecological development of Sungang area.

The project uses rainwater instead of tap water for green watering and landscape water recharge, with an annual rainwater reuse volume of 1,813.32 cubic meters, effectively reducing water consumption; the ground and part of the roof use nanometer inorganic polymer permeable paving, which is conducive to rapid infiltration of rainwater and reduction of surface runoff; the loop purifies and recycles rainwater for watering of landscape plants on the roof, achieving a rainwater storage volume of 356.22 cubic meters. In addition to reducing water consumption and surface source pollution caused by rainwater entering the river, the energy-saving and emission reduction renovation of the property company was enhanced, with an actual annual runoff control rate of 81.3% and an actual surface source pollution reduction rate of 47.14%.

In August 2021, Shenzhen Luohu District Government awarded Shum Yip Taifu Square the title of “Sponge-type Model Building Community”.



▲ Shum Yip Taifu Kechuang Building



3.2.3 Green building certification

Shenzhen Investment made further efforts to promote green building certification, with a continuously increasing number of certified projects as follows:



Certified Project	Name of Certificate
Shum Yip Qinglong Mansion (深業青龍上府)	One-star green building design
Shum Yip Upper Life (深業青麓上居)	Two-star green building design
Shum Yip Splendid City (深業錦繡姜城) Phase 3	One-star green building design
Shum Yip Heron Mansion (深業鷺栖府) Batch 1	One-star green building design
Shum Yip Four Seasons Mansion	One-star green building design
Parkview Bay	Two-star green building design

3.3 Green Construction

Shenzhen Investment strives to implement the concept of green construction, and strengthens the identification and management of environmental risks. We adopt various energy-saving and water-saving measures and so on, in order to reduce the impact of under-construction projects on the surrounding environment. During the construction process of the projects, we require the construction units to formulate environmental protection plans for the construction sites, provide self-assessment reports on the environmental protection results, sort and treat solid wastes generated during the construction, old construction demolition and site clearance, and recycle and reuse construction materials as far as possible.

3.3.1 Environmental governance

Shenzhen Investment promotes clean production, develops internal systems for the prevention and control of atmospheric, water and soil pollution, and prepares the Soil and 'Water Conservation Proposal' (《水土保持方案》), 'Energy Conservation Report' (《節能報告》), 'Environmental Impact Assessment Report' (《環境影響評價報告》) according to the project, makes solid efforts to water and soil conservation and energy conservation and environmental protection for the project, to achieve coordinated development of economic construction and environmental protection. At the meantime, we have prepared the 'Preliminary Investigation Report on the Soil Contamination' (《土壤污染狀況初步調查報告》) of the project to ensure that the project site is pollution-free and proceed with the project after the expert review.

Environmental Responsibility, Green Inclusion

3.3.2 Green construction

In strict accordance with regulations such as the 'GB/T 50640-2010 Green Construction Evaluation Standard for Building Engineering' (《建築工程綠色施工評價標準GB/T 50640-2010》), 'GB/T 50378-2019 Green Building Evaluation Standard' (《綠色建築評價標準GB/T 50378-2019》), Shenzhen Investment has fully considered energy-saving, water-saving, material-saving, land-saving and indoor environment requirements during the construction process of the projects. By analyzing the overall layout, building form, orientation and elevation of the building scheme, we use natural ventilation and natural lighting to ensure good natural ventilation and lighting inside and reduce energy consumption.

Save resources

- ✈ Application of BIM technology: The application of Building Information Model (BIM) technology in the planning and design of buildings, and construction will enable rational planning of construction sites, reduce the occupation of land resources, optimize construction sites and improve the quality of building construction.
- ✈ Scientific utilization of water resources: We make full use of non-traditional resources such as rainwater and recycled water, set up a reasonable rainwater collection and utilization system, and collect rainwater around the purification sites for greening and irrigation. In the future, we will continue to enhance the application of technologies such as water reuse to improve the utilization of water resources continuously.

Energy saving and emission reduction

- ✈ Energy-efficient measures: We design ventilation and air conditioning systems on a reasonable basis, and select energy-efficient electrical equipment, lighting and lifts.
- ✈ Use of new energy machinery: We continue to promote the use of electric and natural gas-powered excavators, bulldozers, road rollers, loaders, and other construction machinery and loading machinery to satisfy the national emission standards for diesel engines used in non-road mobile machinery at the current stage.

Building materials selection

- ✈ Building materials selection: We preferentially select high-strength, high-performance, high-durability, corrosion-resistant and anti-aging materials to extend the service life of buildings, reduce the frequency of component replacement, reduce raw material consumption from a long-term perspective and achieve source emission reduction; and insist on using recyclable and reusable building materials to decrease construction costs while reducing environmental pollution.

Construction waste management

- ✈ Establish a comprehensive management system to clarify the responsibilities of all parties, clean and collect waste regularly.
- ✈ Adopt garbage bags easy to degrade and make waste bagged.
- ✈ Classification collection of waste into two categories: recyclable and non-recyclable.
- ✈ Transport waste regularly at least once a day.
- ✈ Collect used batteries, waste paint and other hazardous wastes separately and hand them over to qualified units for disposal.

Pollution prevention & control

- ✈ Noise management: While being contractually bound to implement relevant requirements, the related construction parties shall strictly comply with relevant laws and regulations including the 'Regulations of Shenzhen Special Economic Zone on Noise Pollution Prevention and Control' (《深圳經濟特區環境噪聲污染防治條例》), to make a reasonable arrangement of operation hours, thus reducing noise pollution during nighttime.
- ✈ Dust management: Construction parties are strongly required to prevent and control dust pollution and conduct real-time monitoring of environmental data (including particle concentration).

Ecology and biodiversity protection

- ✦ Ecological environment protection: The construction and operation of the projects will not damage the local ecological environment and will not emit excessive pollution sources; the projects will set up refuse transfer stations, public toilets and bus terminals to enrich the environment of the supporting infrastructure in the area.
- ✦ Biodiversity protection: Strictly comply with various laws and regulations on land development including the 'Law of the People's Republic of China on Land Management' 《中華人民共和國土地管理法》 and firmly adhere to the bottom line when formulating relevant plans for green land development, brownfield development and biodiversity. During the process of development, the land resources can be sustainably utilized for the purpose of biodiversity protection.
- ✦ The commitment to green development: Strictly abide by relevant laws and regulations, commit to transforming the urban brownfields and carry out reasonable development on the premise of effectively protecting the ecological environment and the habitat of animals and plants around the green space.

Key Performance

All Shenzhen Investment projects under construction meet the following standards:

- ✦ 100% recycling and treatment of polluted solid waste
- ✦ 100% strict control of noise emission
- ✦ 100% up-to-standard discharge of acid and alkali wastewater from construction upon retreatment
- ✦ 100% eradicating the leak of radioactive substances
- ✦ 100% timely restoration and rehabilitation of ecological environment that is damaged during construction
- ✦ 100% discharge of wastewater meeting grade II discharge standards from living areas in the construction site



Case Study:

Shum Yip Dongling Business Building Construction Waste Disposal Measures

Huangbeiling Project Waste Disposal Plan 《黃貝嶺項目廢棄物處置方案》 for Shum Yip Dongling Business Building was prepared in accordance with Shenzhen Waste Disposal Regulations. The project is supervised by the project team and the engineering department to ensure that all construction waste is discharged in accordance with the emission standards and arranged to be carried out by professional subcontracting teams. At the same time, all domestic waste of the project is divided into recyclable waste and non-recyclable waste, which are bagged in garbage bags and collected at designated locations, and transported out by special vehicles of sanitation companies every day.

Project site garbage sorting ►



3.3.3 Prefabricated construction

Shenzhen Investment is actively responding to the national call to promote the high-quality development of assembled buildings and green buildings. In 2021, we are actively exploring MIC modular integrated construction. Among them, the MIC modular integrated assembly rate of Shum Yip Land project has reached 91%. In line with the Group's "X-Space" research direction, Shum Yip Land has been studying variable space and maximizing the value of space by working in the front line of manufacturers. Through the cooperation with Huawei in the Nansha project, Shum Yip Land has explored the whole-house intelligence in the residential field and laid the foundation for building its own whole-house intelligence platform in the future.

Through the above exploration and attempts, not only our building quality, construction efficiency, building integration and building technology element are enhanced, but also our labor cost, quality risks, safety risks and pollution loss are reduced. It is fully characterized by such environmental protection features of "energy saving, land saving, water saving, material saving and environmental protection".

Case Study:

Design of Eco-friendly Building of Shum Yip Shanshui Dongcheng Garden

We are committed to building Shum Yip Shanshui Dongcheng Garden project into the first "perceptible green intelligent livable area demonstration project" in China. In accordance with the national standard two-star green building standard, the green building design strategy is formulated and refined design means are implemented. The green building technology plan is formulated base on the concepts of safety and durability, health and comfort, convenience of living, resource conservation and environmental livability, to create a green, humanized and healthy community.



▲ External view of Shum Yip Shanshui Dongcheng Garden



3.3.4 Make the best use of everything

Shenzhen Investment establishes a sound management system for construction waste, increases the promotion of new technologies and techniques such as assembled buildings and fully furnished houses, insists on the recycling of construction waste, and realizes the reduction, classification and resource utilization of construction waste at source.

Case Study:

Waste reuse in Qianhai Parkview Bay project in Shenzhen

For the residential part of the Qianhai Parkview Bay project in Shenzhen, the prefabricated interior wall panels damaged during transportation and installation were collected and transported back to the prefabricated site and then crushed into raw materials for recycling. At the same time, designated construction waste dumping sites in the residential, office and commercial projects were set up, where construction waste generated during construction was sorted and piled up and transported out in a uniform manner.

3.4 Green Operation

Shenzhen Investment upholds the concept of “green development” throughout the whole process of operation and management, such as saving resources, protecting and improving the ecology and environment, and actively fosters employees’ awareness of saving. We implement various energy-saving and consumption reduction measures to reduce resources and energy consumption in the process of operation.

3.4.1 Emissions management

Shenzhen Investment is actively responding to the national goals of “carbon peaking and carbon neutrality”, thoroughly implementing national laws and regulations such as the ‘Atmospheric Pollution Prevention and Control Law of the People’s Republic of China’ (《中華人民共和國大氣污染防治法》), strictly enforcing internal systems such as the ‘Environmental Factors Operation Control Procedures’ (《環境因素運行控制程序》), and practicing the concept of sustainable development. In 2021, Chaohu Hot Spring Hotel and Radisson Blu Kashgar under Shenzhen Investment actively promoted the low-nitrogen renovation of gas boilers to reduce nitrogen oxide emissions and concentrations. In the future, we will continue to implement emission reduction measures and promote low-carbon and zero-carbon technologies to further reduce greenhouse gas and air pollutants emissions.

3.4.2 Waste management

Shenzhen Investment strictly abides by the ‘Law of the People’s Republic of China on Prevention and Control of Solid Waste Pollution’ (《中華人民共和國固體廢物污染環境防治法》), ‘National Hazardous Waste Inventory’ (《國家危險廢物名錄》), ‘Administrative Measures for Classification and Reduction of Domestic Waste in Shenzhen’ (《深圳市生活垃圾分類和減量管理辦法》) and other regulations. We have formulated a series of internal systems for waste management to speed up the realization of the goal of reducing, harmless and resourcefulness of waste disposal.

Office waste disposal

Shenzhen Investment actively implements ‘Administrative Measures for Classification and Reduction of Domestic Waste in Shenzhen’ (《深圳市生活垃圾分類和減量管理辦法》) and the ‘Notice of the Shenzhen Municipal Development and Reform Commission on the Unification of the Billing Method of Domestic Waste Disposal Fees for Residents in Shenzhen’ (《深圳市發展和改革委員會關於統一我市居民類生活垃圾處理費計費方式的通知》), promotes the knowledge of waste separation to employees, and popularizes it by posting slogans and other forms to build up employees’ awareness of garbage sorting, so as to put the work of waste separation collection and disposal into practice.

Domestic garbage sorting

Targeted measures in Shenzhen Investment projects have been adopted for domestic waste separation based on the actual situation. The number of property projects that have implemented waste separation in 2021 is 293. In addition, we put aroma diffusers, dryers, pressure washing facilities, intelligent sensor equipment and other environmental improvements at the sorting points. Through the establishment of management accounts, the installation of hardware facilities for garbage sorting, increased publicity efforts, the establishment of on-site supervisors, the establishment of publicity volunteer groups, etc. we help raise residents’ awareness of garbage sorting and solve the problem of collection, transportation and disposal of sorted garbage. In 2021, two communities under the management of Terra Property were awarded as excellent districts in garbage sorting.

Case Study:

The “centralized classified placement + fixed-time and fixed-point classification” model has been set up in Wansha No. 1 Meilin Village

The No. 1 Meilin Village managed by Wansha has established the “centralized classified placement + fixed-time and fixed-point classification” model 3.0, and set up a “garbage sorting supervisory team” with building cleaners as supervisors to guide and demonstrate to residents who are resistant or inaccurate in sorting in order to promote residents to implement garbage sorting action.

Meanwhile, garbage sorting input and collection intelligent visual monitoring system have also been introduced in the No. 1 Meilin Village, where 35 garbage centralized drop-off points have been installed with AI intelligent image, RFID wireless identification camera, and RFID chip are embedded in the food waste collection bucket to realize the whole monitoring and recording of food waste separation situation.

▼ Domestic Waste Separation Point in Wansha No.1 Meilin Village



▼ Garbage sorting supervisor at work



▲ Garbage sorting promotion activity in Wansha No. 1 Meilin Village

Key Performance

In January 2021, in the Announcement on the Evaluation Results of Shenzhen Municipal Incentives for Classifying Domestic Waste in 2020 (《關於〈深圳市生活垃圾分类工作激勵辦法〉2020年評選結果的公告》) issued by Shenzhen Municipal Bureau of Urban Management and Comprehensive Law Enforcement, nine projects under the management of the property group, namely No.1 Meilin Village, Shum Yip Dongling Garden, Shum Yip Coast (深業新岸線), Meishan Garden, Qiaoxiang Village, Shengshi Pangcheng, Guotai Haoyuan, Fenglin Zuo'an (風臨左岸) and Harbour Lido Garden (港灣麗都花園), were awarded the “Green Community for Classifying Domestic Waste”.



3.4.3 Energy saving and consumption reduction

With the goal of building a resource-saving and environment-friendly society, Shenzhen Investment insists on integrating the concept of clean production into the whole process of planning, construction and operation of the intelligent park. We made full use of the Internet of Things, big data, artificial intelligence, cloud computing and other technologies to gradually carry out intelligent transformation of equipment, which has fully improved the energy efficiency and reduced the energy consumption during the course of operation, and we also empowered green operation of buildings through intelligent means. In the future, we will continue to increase the promotion of cleaner production, promote the full implementation of cleaner production in the park, promote the innovation and practice of energy-saving equipment and technology, and realize the refined management of resource consumption.

- ✈ Energy-saving renovation project: In 2021, a number of projects under the Group actively launched energy-saving renovation projects to upgrade underground garage lighting systems and streetlights. For example, the management office of Bagua Ling 5 Zone of Shum Yip Pengji dismantled 12 old streetlights and temporary streetlights in its area and transformed them into solar-powered streetlights, saving energy consumption by about 25.38%.
- ✈ Build energy management system: We strictly follow the requirements of ISO 50001 energy management system, and the energy management of air conditioning, elevator, lighting, power distribution, water supply and drainage, boiler, fire protection system and office involved in the provision of property services have successfully passed the audit of the certification institution.
- ✈ Application of intelligent management platform: Through the platform of intelligent park management application system, Shum Yip Intelligent Park manages the big data platform, IoT platform and property management platform of the application system with intelligent means to improve the property work order processing, equipment management, access management, security management and park services, realize the interconnection and interoperability of park data and real-time monitoring, improve the level of operation and management intelligence and reduce the energy consumption of the park.

Case Study:

Reduce energy consumption at MUJI Hotel

MUJI Hotel under Shenzhen Investment used electricity rationally and saved energy resources by formulating and implementing an annual electricity consumption plan.

- Centralized guest room floor occupancy was adopted according to the occupancy rate, and energy consumption was reduced by controlling the centralized power blackout and reducing the opening time of each air handling unit;
- In extreme weather, the heater was added in a single room, and the central ventilation system in all rooms was turned off to reduce the opening time of the central air-conditioning;
- Reduce and turn off unnecessary electrical equipment in the hotel logistics area with lighting.

3.4.4 Water resources management

Shenzhen Investment has been stepping up its water conservation promotion efforts to raise awareness of water conservation among the entire population. We have posted water conservation reminders at hand-washing areas at all levels of office operations to enhance staff awareness of water conservation and create a positive atmosphere for water-saving entities. We require our on-duty inspection staff to conduct weekly inspections of the Group's water supply facilities to ensure the proper operation of water pipes and faucets and to avoid water wastage caused by leaks and damages.

Case Study:

Rainwater Recycling System in UpperHills

The rainwater recycling system is adopted in UpperHills to effectively reduce tap water consumption. Part of the rainwater is collected by rainwater bucket and flows by gravity to the rainwater regulating pond on the third basement level of T2, where it is treated by PH value adjustment, chlorine disinfection and filtering tank, and then enters the rainwater clear water pond for commercial cooling tower water replenishment. The condensate generated from the air conditioning cabinets on the floor enters the recycling system through the condensate pipeline, and the condensate from the cabinets is uniformly recycled and treated for recycling in the cooling tower.

3.4.5 Green lease

Shenzhen Investment is actively exploring green leasing models for commercial properties and plans to include sustainability guidelines in leases to encourage landlords and tenants to enter into green leases and to promote environmental commitments among tenants. At the same time, we continue to promote the formation of an environmental inspection team, requiring inspectors to monitor tenants' environmental compliance, with the aim of enabling landlords and tenants to reverse the benefits of their investment in energy efficiency and encouraging cooperation between the two parties to promote sustainable leasing, operation and management of buildings.

3.5 Green Advocacy

Shenzhen Investment promotes a culture of co-governance and co-creation and is committed to creating a green, friendly, safe, civilized and growing environment for the benefit of residents, enhancing their sense of community belonging and satisfaction, and promoting community development.

3.5.1 Green office

Shenzhen Investment is actively responding to the “Green Office” initiative, advocating all employees implement energy saving, water saving, waste separation and other environmental protection behaviors, and contributing to the Group’s energy saving and consumption reduction. We will continue to allocate resources in a rational manner to reduce energy consumption in the course of the operation and improve the efficiency of resource use.

Build up the awareness of electricity saving at all times	✈ In the case of sufficient natural light, offices, hallways, elevator halls, staff lounges and pantries do not use lighting as much as possible, and if it is necessary to turn on the lights, do so after people leave or used to close, to avoid the situation of people leaving but the lights do not go out. ✈ To reduce standby time of office computers, printers, copiers and other office equipment. ✈ To adjust the air-conditioning of meeting rooms, offices and pantries according to temperature changes, so that no air conditioning is used in the spring and autumn, and the appropriate temperature is set while the air conditioning is used. ▲ Office resource savings notice
Build up awareness of water conservation at all times	✈ Warm tips are posted on water conservation at the water consumption area to advocate employees to turn off the faucet after using water, so as to use water resources reasonably. ✈ Induction faucets are installed in premises with a high frequency of use, with routine daily management and maintenance of water equipment in place. The integrity of faucets, water pipes, toilet switches and other parts are regularly checked, and any damage is reported for repair in a timely manner. ✈ We advocate employees cherish drinking water resources, eliminate waste, develop good water habits and enhance water conservation awareness. ✈ Water-saving faucets are installed in daily life areas such as offices with a 100% installation rate. ▲ Office resource savings notice
Office supplies scrap disposal	✈ We advocate employees pick up and use office supplies on demand, and print on both sides of the paper as much as possible. ✈ We advocate repairing old and using waste, old for new, the unified repair of those may be repaired and reused, and reusing of those may be reused.

Garbage separation promotion	✈ The cafeteria is equipped with sorted garbage cans. Daily domestic garbage is sorted and disposed of on the principle of total participation and gradual progress with much attention. We further standardize the management of domestic garbage sorting, implement the responsibility of domestic garbage sorting and improve the standard of domestic garbage sorting. ✈ Domestic garbage is divided into recyclables, food waste, other garbage and other categories. We strengthen garbage sorting publicity to actively promote garbage sorting. We advocate for all staff to be the practitioners and examples of “garbage sorting”, and contribute to the creation of a beautiful office environment. ▲ Garbage sorting notice
Empty Plate Campaign	✈ We actively carry out the “Civilized Dining Table, Empty Plate Campaign”, and advocate “promote civilization and spread frugality to make a promoter of the ‘Empty Plate Campaign’”. ✈ To promote the “Empty Plate Campaign” through traditional or online media such as posters, rewards for check-in on official accounts, etc. ▲ Promoting the “Empty Plate Campaign”

3.5.2 Green culture promotion

Shenzhen Investment has firmly established the concept of “green”, adhered to the bottom line of “green”, and taken multiple measures to give full play to green benefits. We have launched a variety of green publicity activities in the communities to popularize the meaning, content and methods of garbage sorting and raise residents’ awareness of environmental protection of “Garbage sorting for everyone, good sorting for everyone”. At the same time, we have promoted the bio-reactor technology of green waste in the Shum Yip Intelligent Baguang project, and built an ecological cycle chain of green waste crushing and composting for reuse, which opens up a new way of waste reuse while saving management and maintenance costs.

Case Study:

Launch of “Learn Water Law, Study Water Regimen” publicity activities

On the morning of 4 December 2021, Shenzhen River and Bay Watershed Management Center, together with Shenzhen Water Education Exhibition Hall Project Team of Wansha, launched a public service promotion activity entitled “Learn Water Law, Study Water Regimen” at Qiaoxiang Village community. Through display boards and on-site explanations, we meticulously promoted national water laws and regulations to residents, and introduced the “Shenzhen Meilin Reservoir Water Education Base”, deepening residents’ understanding of water laws and knowledge of water conditions. At the same time, the staff handed out publicity materials to the residents, and explained the law to the residents in an easy-to-understand way, so that the concept of water law and water knowledge really came into the residents’ daily lives. The public service publicity activity enhanced the community residents’ understanding of water knowledge, improved their awareness of water law, and created a good community atmosphere of water conservation.



▲ “Learn Water Law, Study Water Regimen” activity

3.5.3 Green procurement

Shenzhen Investment strictly enforces green supply chain management, implements the strategic plan of “fully implementing green supply chain management”, promotes the construction of a resource-saving and environment-friendly society with green circulation and sustainable development, and actively fulfills its environmental protection responsibilities. Under the premise of economic and environmental benefits, we upgrade the procurement process and tender files, gradually form a green procurement system, and realize green, low-carbon and circular development.

In 2021, we optimized our green procurement process under the green targets we set, and proposed corresponding requirements related to environmental protection for specific projects when purchasing raw materials, products and services, and strictly followed the requirements. We contracted the environmental protection responsibilities of contractors in the tender documents or contracts, and added relevant green indicators to the evaluation in order to screen green suppliers. Meanwhile, we established a mechanism for inspection and dispute handling during performing of green procurement contracts, stipulated corresponding penalty clauses in the procurement contracts, and disclosed suppliers who violated the green procurement terms in the contracts within the Group.

3.5.4 Biodiversity protection

Biodiversity is the basis of human survival and is closely related to human well-being. Shenzhen Investment continues to explore and promote the practice of biodiversity conservation, and actively carries out various forms of publicity and science popularization activities to provide a wider platform for the public who are willing to participate in biodiversity conservation activities.

Case Study:

Ecological Construction of Baguang International Bio-Valley

With a focus on ecological construction, Shum Yip Intelligent has completed lawn restoration, nursery cultivation, weed removal and pest control for Baguang International Bio-Valley, renovated and replanted flowers such as periwinkle, goldenrod, gooseberry vine, and Cui Lu Li. It also provides ecological flower management services to protect the biodiversity of the Bio-Valley and provide a natural resting place and a clean and tidy garden environment for public visitors.

We organized public welfare ecological science volunteer lecture activities, for which we used Baguang Exhibition Hall as a physical nature classroom and relied on the ecological background of Baguang to open a “mountain, sea, forest and river” nature education system. Wetland park lecturers were selected to participate in the second phase of Baguang ecological lecturer (volunteer) training in Baguang Nature School. We organized public welfare science activities for the general public and tourists to carry out the concept of “development in protection, higher level of protection in development” in Baguang area.

Meanwhile, we popularized the knowledge of ecological civilization through posters, online social platforms, etc., and promoted and educated the concept of green ecology to contribute to the biodiversity of Baguang area.



▲ Sightseeing Platform in Baguang International Bio-Valley



▲ The second phase of Baguang ecological lecturer (volunteer) training in Baguang Nature School

3.6 Response to Climate Change

In the context of the “30•60” carbon peaking and carbon neutrality goals, Shenzhen Investment actively explores the opportunities and challenges brought about by climate change and identifies its own business model in response to climate change risks. We cooperate with our partners to share our experience in addressing climate change and work together to address climate change so as to reduce the impact on our business operations.

In 2021, we conducted the climate change risk analysis for the first time. In the future, we will incorporate the risks and opportunities related to climate change into the scope of ESG management so as to identify the climate risks and potential opportunities that we are facing, improve the ability of climate risk management and seize the opportunities of climate change.

Major types of risk	Risk description	Risk response and mitigation measures
Physical risk		
Extreme weather	- Extreme hot - Typhoon - Extreme precipitation - Flood - Extreme cold - Drought	 Employee safety: The project company of work in progress is required to purchase relevant insurance, arrange construction period reasonably, reduce the risk of employees working in extreme weather, and prevent work-related accidents based on the actual situation.
		 Architectural design: It is required to fully consider the impact of typhoon on buildings in architectural design, for example, strengthening structural measures, selecting durable materials and strengthening connecting components to resist the damage of typhoon to buildings, and also fully consider orientation, ventilation and thermal insulation.
		 Emergency plan: Each project company of works under construction is required to formulate and implement the emergency plans for rainy season and flood season, including but not limited to prevention and alert, establishing an emergency work group, preparing materials and equipment storage list for flood control and rescue, preparing construction plan for rainy season and flood season, conducting a safety inspection in dangerous areas, emergency response measures, organizing emergency plan drills for rainy season and flood season in due time to improve flood response ability, and carefully organizing and implementing drills.
		 Rectification of hidden dangers: All project companies of works under construction are required to know the shortcomings of safety production in extreme weather and flood seasons, and quickly organize and carry out special safety inspection, and identify and eliminate potential safety hazards in rainy seasons and flood seasons.
Environmental change	- Rising temperature - Sea-level rise - Water resource scarcity and supply instability - Desertification	 Material selection: Improve knowledge of new materials, broaden the selection scope of materials, and compare the cost-effectiveness of various materials.
		 Geological exploration: Expand the scope of geological exploration with greater efforts, enhance project operation capabilities, conduct in-depth analysis during land acquisition and avoid desertified land.
		 Building maintenance: Maintain building facilities carefully with a focus on the maintenance of heating, cooling, ventilation and air conditioning facilities and equipment to ensure that customer needs are met.
		 Water-saving measures: Implement water-saving measures in daily life in supporting the government and property owners in implementing upgraded water-saving and wastewater reuse projects.

Major types of risk	Risk description	Risk response and mitigation measures
Transition risk		
Impact of policies and regulations	- Green building objectives and standards - Energy structure and energy use - Waste management standards - Carbon pricing - Environmental information disclosure	✦ Green promotion: Comply with related climate change policies and improve corporate reputation by promoting the Group's position as a low-carbon enterprise and improve the Group's green reputation. ✦ Green building: In the process of a project's architectural design, through the analysis of the surrounding environment and climate conditions of the project, formulate green building design strategies, implement refined design optimization plans, and adopt various suitable land-saving, energy-saving, water-saving, material-saving and environmentally friendly green building materials, technologies and equipment showing low-carbon, ecology, intelligence and other leading concepts in order to create comfortable, efficient, healthy and environmentally friendly residential buildings starting from design. ✦ Green construction: In the process of project construction, strictly follow the green construction requirements, require the construction unit to formulate a construction site environmental protection plan and provide a self-assessment report on the environmental protection results; treat solid wastes generated during construction, demolition of old buildings and site cleaning upon sorting, and try to realize the recycle and reuse of reusable materials and recyclable materials. ✦ Policy tracking: Track policies in real estate-related industries from time to time and conduct research and analysis on relevant policies involving this risk in a timely manner. Communicate with the engineering, cost, design and other departments in preparing investment forecasts and investment analysis reports, and the opinions of the above departments will be considered and included in the relevant preparation, if required. ✦ Energy-saving renovation: Study the relevant regulations and policies in relation to green building, evaluate project energy consumption and carry out energy-saving renovation work based on the evaluation results, and compare and select the most economical energy-saving and carbon-reducing design together with the design department.

Major types of risk	Risk description	Risk response and mitigation measures
Technology risk	- Green building technology - Energy technology	✦ Improving efficiency: Establish an operation efficiency strategy, improve the production efficiency of the Group through technological transformation, improvement of management measures, etc., continue to track the development of new energy technology and actively use new energy technology under appropriate conditions to improve corporate efficiency. ✦ Reducing value chain carbon emissions: Reconstruct the Group value chain and reduce the carbon intensity of the Group's operations by redesigning the supply chain or distribution network. ✦ Green building technology: Continue to track the development of green building technology, allocate relevant professional and technical personnel depending on the application of green building technology, improve the property management of green buildings, and maximize the use of established green building technology and low-energy consumption equipment in the process of design.
Market risk	- Shift in customer preferences - Raw material cost and supply	✦ Image promotions: Abide by the climate change policy, promote the Group's low-carbon image, improve its green reputation and social reputation, and leverage its front-line advantages to carry out greening and environmental protection publicity work in communities to enhance its image in environmental protection. ✦ Operation management: Identify the demand and level of acceptance of green buildings from operation level, evaluate the impact of green building products on the cost of operation in multiple aspects, make scientific forecasts on the price increase of labors, materials and machines from market level and make alerts. ✦ Customer expectations: For existing projects under management, take corresponding measures based on the needs of property owners and customers to meet customer expectations; in expanding new projects, consider customer preferences that affect the subsequent operation and maintenance of such projects.

Major types of risk	Risk description	Risk response and mitigation measures
Other stakeholders	- Supply chain (upstream and downstream) - Investors - Local community	🦋 Compliance disclosure: Ensure the legality and compliance of cost information disclosure. 🦋 Policy tracking: Continuously track green and low-carbon policies, conduct research and analysis on new policies and adjust business development methods in a timely manner based on investment expansion risks and new demands. 🦋 Green supply chain: Establish a supplier pool for centralized procurement and a strategic procurement platform. 🦋 Risk control: Pay attention to risks caused by climate change, ensure that risks are controllable and avoid the negative impacts of such risks on corporate image.

Case Study:

The 7th Asia Environmental Innovation Forum by Shum Yip Commercial Management and ASDSN

On 7 March 2021, Shum Yip Commercial Management and the Asian Sustainable Development Solutions Network (ASDSN) cosponsored the 7th Asia Environmental Innovation Forum (AEIF), aiming to encourage and support the innovative concepts in respect of, and solutions to, the key environmental challenges in the world, provide a more opened exchange and cooperation platform for the realization of the Sustainable Development Goals (SDGs), promote the relevant departments to actively respond to the climate change crisis, advocate green and low-carbon production and lifestyles, and identify opportunities and motivations for innovation and development from the green recovery.

More than 150 persons attended the meeting, producing 1.65kg of food and drink waste, 0.69kg of recyclable waste and 0.39kg of other waste. After the meeting, such data will be disclosed in the WeChat group of attendees. Besides, the traffic data of the attendees to and from the meeting will be collected online through a feedback evaluation form for the calculation of carbon consumption, helping achieve China's carbon neutrality goal in subsequent projects.



▲ The 7th Asia Environmental Innovation Forum

04



Employee Responsibility and Cohesiveness

Shenzhen Investment is committed to developing an employer brand widely popular among talents. We adhere to the people-oriented concept, focus on employee safety and health, provide employees with reasonable rights and benefits, as well as a broad platform for employee development. Meanwhile, it endeavors to form a talent echelon and establish a high-quality talent team in order to support the transformation and upgrading of the Group's business as set out in its "14th Five-Year Plan".

ESG issues we concern	SDGs issues we respond to	HKEx ESG indicators we respond to
Employee safety and health Employee training and development Employee remuneration and rights and interests protection Compliant employment Employees diversity and equal opportunity Attraction and retention of talent	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES	B1.1/B1.2/B2.1/B2.2/B2.3/B3.1/ B3.2/B4.1/B4.2



Employee Responsibility and Cohesiveness

4.1 Employment and Management



Shenzhen Investment adheres to compliant employment and the concept of diversity and inclusiveness. It continuously improves the construction of a talent echelon and strives to develop a passionate and foresighted talent team.

◀ “Shen Drive (深動力)” campus recruitment in 2021

4.1.1 Compliant employment

Shenzhen Investment strictly follows the ‘Labor Contract Law of the People’s Republic of China’, 《中華人民共和國勞動合同法》, the ‘Hong Kong Employment Ordinance’ (香港《僱傭條例》) and other relevant laws and regulations in places where the Company operates, and has established and updated a series of internal human resources management systems, including the ‘Recruitment Management System’ 《招聘管理制度》, the ‘Administrative Measures for Campus Recruitment of the Shum Yip Group’ 《深業集團校園招聘管理辦法》 and the ‘Administrative Measures for the Selection and Appointment of the Management’ 《管理人員選拔任用管理辦法》. Besides, with the adoption of various measures such as verification of ID cards, the Company forbids illegal employment, such as the employment of child labor and forced labor, to protect the basic rights and interests of employees in all aspects.

In 2021, Shenzhen Investment continued to improve its human resources management system by updating the “Shen Drive” Measures for Development and Management of Talents of the Shum Yip Group’ 《深業集團「深動力」人才發展與管理辦法》 and the ‘Administrative Measures for Internal Talents Selection’ 《內部人才選拔管理辦法》 to improve the selection and appointment mechanism of professional core talents and promote the tenure system and contract management in respect of managers in enterprises at all levels.

Total employees/Total employees by gender

Total employees

21,084



Total male employees

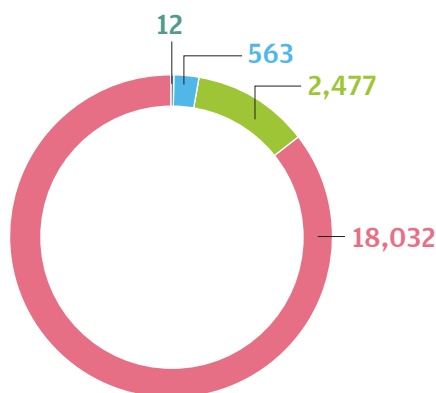
13,299



Total female employees

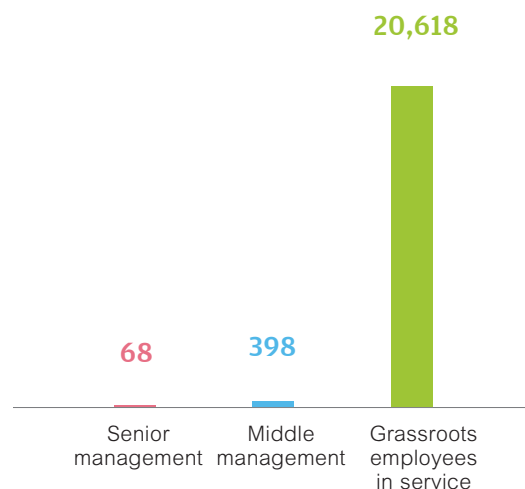
7,785

Total employees by education level



- Doctor
- Master
- Bachelor
- Tertiary or below

Total employees by rank



4.1.2 Diversity and inclusiveness

Under the principles of fairness, justice, openness and inclusiveness in recruitment and employment, Shenzhen Investment treats every employee equally, regardless of gender, age, disease, ethnicity, etc., and insists on providing an equal, healthy and harmonious working environment.

At the Board level, Shenzhen Investment is committed to a merit-based diversity approach to appoint board members in strict accordance with the 'Board Diversity Policy' (《董事會成員多元化政策》) to ensure that the board members have their own areas of expertise, and also reviews the diversity performance of the Board annually to achieve a diversified and balanced corporate development. As of March 2022, we had 3 executive directors, 1 non-executive director and 3 independent non-executive directors, including 2 female executive directors.



In 2021, Shenzhen Investment took further steps in its talent echelon construction system and adopted various measures to enrich its talent pools at all levels, including engaging younger people to act as senior management, encouraging fair competition for mid-level positions in its subsidiaries and organizing "Shen Drive" campus recruitment. Shenzhen Investment also organized recruitment for special groups, such as veterans and people with disabilities, to further improve the diversity and inclusiveness of the Group.

Shenzhen Investment's talent echelon construction work in 2021

Senior management	Set the proportion of persons born in the 1970s, 1980s and 1990s respectively, and revised the 'Administrative Measures for Internal Selection' (《內部選拔管理辦法》) in order to select young and excellent management talents within the Group.
Middle management	Coordinated and carried out the middle-level position competition work in its subsidiaries to address the pain points identified during the talent team survey on such companies, such as the management age gap, lack of skilled persons, slow growth of the younger management and lack of communication. The competition was open to the public, state-owned enterprises and the Group. Among 311 persons who attended the competition, 72 were appointed with an average age of 34. It was the largest competition in the history of the Group.
New employees through campus recruitment	Since 2014, Shenzhen Investment has organized "Shen Drive"(深動力) campus recruitment every year. In 2021, we went to more than ten well-known schools in China, such as the Southern University of Science and Technology and South China University of Technology, for publicity and recruitment. We received nearly 5,000 resumes from such universities. After the first-round interview with more than 1,200 persons, second-round interview with more than 300 persons and the final interview with more than 170 persons, we eventually issued more than 70 offer letters.

Key Performance

- Appointed 2 female executive directors, representing 67% of total executive directors.
- Hired 21 disabled employees and 777 minority employees.



4.2 Protection of Rights and Interests

In a people-oriented manner, Shenzhen Investment provides employees with a sound and competitive remuneration package in practicing human rights protection. It listens to the opinions and suggestions of every employee, allowing employees to be engaged in the operations of the Group.

4.2.1 Remuneration package

Shenzhen Investment provides competitive remuneration package systems to employees. The ‘Employee Remuneration Management System’ (《員工薪酬管理制度》), ‘Management System for Performance Appraisal of Staff’ (《員工績效考核管理制度》), ‘Equity Incentive Plan’ (《股權激勵計劃》) and other systems have been established in place to regulate employee evaluation management. It insists on equal pay for equal work, establishes and improves the remuneration package systems, protects the basic benefits of the employees, such as the five insurances and one housing fund and statutory holidays, and provides overtime payment and high temperature subsidies as required.

In 2021, Shenzhen Investment began to optimize its performance appraisal and incentive mechanism. It revised and improved the ‘Management System for Performance Appraisal of Staff from the Headquarters’ (《總部員工績效考核管理制度》) and other systems and adjusted the employee appraisal and promotion mechanism, pursuant to which the appraisal results are linked to the distribution of tenure bonuses and long-term incentives, and the executives’ compensations are linked to corporate performance; and the long-term incentive and restraint mechanism has also been improved with the implementation of EP (economic profit) incentive stock purchase scheme.

4.2.2 Human rights protection

Shenzhen Investment attaches great importance to the protection of human rights. It strictly abides by the ‘International Labor Standards’ (《國際勞工標準》), the ‘International Labor Law’ (《國際勞動法》) and other internationally recognized human rights norms, and integrates human rights protection into the daily operation and management of the Group.

Shenzhen Investment insists on and actively promotes the labor union system to expand the coverage of labor unions. At the same time, we further enhance the construction of labor unions, facilitate the relevant establishment and re-election in a due time, normalize the work of the Group’s internal labor unions and set work goals for each level so as to encourage organizations at all levels to complete such tasks, effectively improve the level of employee rights protection, develop a corporate culture respecting human rights and achieve effective coverage based on tangible coverage.

Key Performance

- ✦ Shenzhen Investment and its subsidiaries have newly established 12 labor unions.
- ✦ The labor union at the headquarters level covers all employees of the Group.



4.2.3 Democratic communication

Shenzhen Investment listens carefully to the voice of every employee, encourages employees to give feedbacks and suggestions through communication channels such as internal complaining and whistleblowing, staff representative congress, employee satisfaction/engagement surveys, etc., to participate in corporate governance, and develops a shared corporate culture with deepened democratic management.

Shenzhen Investment's democratic communication channels

Internal complaining and whistleblowing	The audit committee of the Group provides employees with several whistleblowing channels, including but not limited to email, mailbox and telephone. The whistleblower may report to the audit committee in person or in writing, and may choose whether to provide their personal data, which may be helpful to the subsequent investigation, if provided. Meanwhile, the Group will keep the personal data of the whistleblower confidential. The audit committee will conduct internal investigation procedures or refer to external auditors, relevant public or regulatory bodies. Upon receiving the whistleblowing message, the chairman of the audit committee will respond to the whistleblower as soon as practicable and handle the whistleblowing in a timely manner to improve employee satisfaction.
Staff representative congress	Formulate the 'Working System of the Staff Representative Congress' (《職工代表大會工作制度》) to ensure the staff representative congress to operate in accordance with rules and regulations; hold a staff representative congress of Shum Yip Group annually to listen to and consider the major decisions of the Group pursuant to the 'Regulations on Corporate Democratic Management' (《企業民主管理規定》), including establishing or revising the rules and regulations or plans for major issues in relation to labor remuneration, working hours, rest and holidays, labor safety and health, insurance benefits, employee training, labor disciplines, and labor quota management that directly involve the interests of labors, in order to effectively protect the right to know, participate, express and supervise of employees. In 2021, the labor union of the Group's headquarters completed re-election, considered and approved the work report, the financial report and the cost review report of the labor union.
Employee satisfaction/engagement surveys	Conduct employee satisfaction/engagement surveys for new employees from campus recruitment on a regular basis and incorporate the results into the assessment indicators of the relevant companies, establish a mechanism that links senior management's compensation with the Group's performance, and improve the awareness of employee satisfaction/engagement of relevant personnel.

4.3 Training and Development

Shenzhen Investment attaches great importance to the career development and self-realization of employees. We provide employees with diverse training systems and smooth promotion channels, and are committed to talent cultivation and rapid promotion to stimulate new vitality of the organization and realize shared growth.

4.3.1 Training systems

Shenzhen Investment reviews and optimizes the allocation of training resources in accordance with the ‘Measures for Management of the Shum Yip Group’s Trainings’ 《深業集團培訓工作管理辦法》 and the Group’s “14th Five-Year Plan” strategic plan. In 2021, we established the Group’s 2021 Training Plan, which set out multi-dimensional talent training programmes of different types, at different levels and focusing on different professions to empower our business. Based on the training + practicing model, the Company works with business departments and subsidiaries to improve employees’ competency to perform their duties and promote the construction of talent echelon from strategic thinking, business capabilities, core competitiveness and other aspects.

Training Courses for Improvement of Employee Competency held by Shenzhen Investment in 2021

Get to Know Huawei – Group High-Performance Human Resource Management Courses Seminar

In order to improve the human resources management capabilities of the Group to support the implementation of strategies and benchmark against world-class enterprises, the headquarters of the Group and its subsidiaries organized Get to Know Huawei – Group High-Performance Human Resource Management Courses Seminar for the first time to learn experience and promote improvement.



▲ High-Performance Human Resource Management Courses Seminar

Leadership Improvement for Middle and Senior Management – “Organization and Transformation” Huawei Management Practice Courses Seminar

In order to improve strategic leadership, the Leadership Improvement for Middle and Senior Management of the Group – “Organization and Transformation” Huawei Management Practice Courses Seminar was organized, covering topics such as corporate culture, talent management, strategy interpretation and implementation. More than 40 members of the middle and senior management participated in this training seminar.



▲ Leadership Improvement for Middle and Senior Management – Huawei Management Practice Courses Seminar

“Company Legal Practice” Advanced Seminar

Shenzhen Investment continuously holds the “Corporate Legal Practice” Advanced Seminar to strengthen the talent capacity building of the Group’s legal system. 2021 has been the third year to hold the seminar, with an aggregate of 8 seminars organized.



▲ “Company Legal Practice” Advanced Seminar

Training Courses for Improvement of Employee Competency held by Shenzhen Investment in 2021

Discipline Inspection and Supervision System Special Business Training Class

The Discipline Inspection and Supervision System Special Business Training Class 2021 was held to improve the ability of the discipline inspection and supervision staff to supervise discipline and accountability.

Property rights management business training

The property rights management business training was provided within the Group in order to update our employees with the latest property rights management policies and systems.

In addition, Shenzhen Investment focuses on the rapid integration and development of its new employees, and provides orientation for new employees from campus recruitment.

Case Study:

“Striving for Youth, Building Dreams in Shum Yip” — New Employee Orientation for “Shen Drive” Campus Recruitment in 2021

“Striving for Youth, Building Dreams in Shum Yip”—the Group organized training for new employees of “Shen Drive” campus recruitment in 2021. The five-day training program, which combined the Group’s strategy, training objectives and new employees’ characteristics, aimed to provide more than 120 new employees with internal training courses on corporate awareness, professionalism, team development, team co-creation and online learning, as well as external training courses on DISC personality assessment, self-awareness and innovative thinking and problem solving.

In addition, we have launched an innovative “Workplace Treasure” that brings together the experience of our predecessors and the “Shen Drive” Cloud Academy, which covers 4,600 online courses on topics such as professionalism, professional positions, and industry courses, including official writing, office software applications, time management, stress management, and mindset management. Through multi-dimensional training courses and formats, new employees can quickly understand and integrate into the company, understand themselves and change their roles, and improve themselves and adapt to their positions.

▼ “Shen Drive” New Employee Orientation of the Group in 2021



▲ Outstanding new employees in orientation

▲ Launch of “Shen Drive” Cloud Academy

Employee Responsibility and Cohesiveness

Key Performance

In 2021, 82,456 employees of Shenzhen Investment participated in the training, with average 23.07 training hours per person.



4.3.2 Promotion channel

Upholding the employment philosophy of selecting and recommending the talented persons, Shenzhen Investment has established a scientific performance-oriented employee appraisal mechanism to stimulate the potential and value of employees by evaluating their work performance and promote the retention of outstanding talents.

Case Study:

“Shen Drive” Talent Development Program

In order to cultivate a group of professional backbone talents with self-management, team management and business management abilities, Shenzhen Investment has issued a series of systems, such as “Shen Drive” Measures for Development and Management of Talents of the Shum Yip Group’ (《深業集團「深動力」人才發展與管理辦法》), ‘Administrative Measures for New Employee Mentor Training’ (《新員工導師培養管理辦法》) and ‘Rules for Assessment during New Employee Mentor Training Period’ (《新員工導師培養期考核細則》), aiming to help new employees adapt to the workplace quickly, and to identify and retain talents through talent policies.

In the rotation and training stage, the company and the mentor in charge will conduct stage and summative assessment for the “Shen Drive” employees, and combine the assessment and evaluation to differentiate the positions and salaries of the new employees who become regular staff after one year. In 2021, in order to maintain the attractiveness for the Group’s talents, we have optimized the assessment and promotion method for “Shen Drive” employees by benchmarking the salary and promotion level of the market and the industry.

4.4 Safety and Health

In order to protect the safety and health of employees and partners, Shenzhen Investment takes “zero fatality and zero serious injury” as its safety target, adheres to the working principle of “safety first, prevention focus and comprehensive management” to construct a well-established safety production management system, strengthen safety knowledge dissemination and promote safety management informationization.

4.4.1 Safety production management system

Security system guarantee

In order to implement the requirements of production safety laws and regulations and enhance the science, professionalism and standardization of safety management, Shenzhen Investment and its subsidiaries have formulated a comprehensive safety management system in strict accordance with the relevant laws and regulations such as the ‘Work Safety Law of the People’s Republic of China’ (《中華人民共和國安全生產法》), and the ‘Prevention and Control of Occupational Diseases Law of the People’s Republic of China’ (《中華人民共和國職業病防治法》), including internal system documents such as the ‘Safety Production Management Measures’ (《安全生產管理制度》), ‘Production Safety Accident Management System’ (《生產安全事故管理制度》) and ‘Safety Management Measures for Related Parties’ (《相關方安全管理辦法》).

In 2021, Shenzhen Investment revised and improved the system. With the Group's safety production system documents as key reference, its subsidiaries adjusted and revised the applicable safety system documents, covering safety production objectives and responsibilities, regulatory identification and record management, education and training, equipment and facilities management, related party management, safety risk control and hidden danger investigation and management, emergency management and accident management, etc., to further strengthen the awareness of safety production responsibilities and establish a long-term mechanism for safety production. Shum Yip Property and its subsidiaries have passed ISO 45001:2018 Occupational Health and Safety Management System Certification.

Safety organization guarantee

The organizational structure of safety production of Shenzhen Investment is top-down, with the Chairman and General Manager jointly serving as the director of the Group Safety Committee. The Group, the second level and the subsidiaries and projects have special staff in the safety system. The Chairman and General Manager of each subsidiary are the first responsible person for safety production, and there are special staff for safety production. We have also added the 'Safety Production Staffing Management Regulations' (《安全生產人員配置管理辦法》) to set up corresponding staffing according to different types of business.



▲ ISO 45001:2018 Occupational Health and Safety Management System Certification of Shum Yip Property

Key Performance

- ✦ By the end of 2021, 48 Level 2 and Level 3 enterprises under Shenzhen Investment have successfully obtained certificates of standardized production safety.
- ✦ The Group had a total of more than 110 special staff in the safety system and 24 registered safety engineers.
- ✦ In 2021, the coverage of employee medical examination was 100%.



Safety assessment and reward and punishment mechanism

In order to fully implement the responsibility system of safe production, Shenzhen Investment has set up a safety assessment mechanism for senior management, linking safety indicators to the performance of executive compensation, and promoting a positive safety culture in which responsible persons take the lead in fulfilling their responsibilities. In addition, we have set up safety production responsibility "understanding cards" for more than 30 positions, improved the list of safety responsibility system for positions, and required all employees to sign the 'Production Safety Responsibility Statement' (《安全生產責任書》) every year, so as to build a safety responsibility system with each person taking his or her own role and responsibility.

At the same time, Shenzhen Investment and its subsidiaries have formulated the 'Safety Production Assessment, Reward and Punishment Management System' (《安全生產考核獎懲管理制度》) and 'Dangerous Operations Management Policy' (《危險作業管理辦法》) to incorporate safety objectives into the annual safety assessment. We classify work-related injuries and safety accidents according to four dimensions: whether there is a fatal and injury accident, the amount of direct economic loss caused, whether there is an adverse impact, and whether our management responsibility is involved, and determine the intensity of accident punishment accordingly. In order to avoid the recurrence of similar incidents, we conducted case analysis and project rectification.

Contractor safety management

Shenzhen Investment has formulated the 'Safety Production File (including Electronic File) Management System' (《安全生產檔案(含電子檔案)管理制度》), incorporated the safety credit rating of contractors, the approved safety production technology implementation measures and the safety assurance system into the project safety production management-related files, and refined the safety production responsibility terms in the construction contract signed with the contractors. In the course of the project, we will regularly inspect the contractors' implementation of safety production measures.

Employee Responsibility and Cohesiveness

4.4.2 Safety promotion and training

Shenzhen Investment takes safety training as a firm basis to build a powerful line of defense for safety production. We have set up diversified safety training and promotion channels, established a strict safety inspection and assessment mechanism, and launched safety drills to continuously strengthen the safety awareness, self-protection ability and safety management ability of employees and other related parties.

Safety promotion and safety training

Shenzhen Investment insists on the safety publicity “into the park, into the enterprise and into the family”, and continuously enhances the safety awareness of the relevant parties including partners, tenants and property owners. Throughout the year, the Group conducted more than 4,000 safety education, consultation and knowledge quiz activities, and put up 12,000 safety posters and slogans. More than 194,000 copies of safety publicity leaflets and reading books were distributed to create a good safety atmosphere and business environment within the Group’s business scope.



▲ Safety promotion and training

Shenzhen Investment Safety Promotion and Safety Training Activities

Policy Studying	 Promotion and Interpretation of the new ‘Work Safety Law of the People’s Republic of China’ (《中華人民共和國安全生產法》)
	 Promotion and Interpretation of the ‘Certain Regulations on Fire Fighting in Guangdong Province’ (《廣東省消防工作若干規定》)
	 Promotion and Interpretation of ‘Interim Measures for Safe Production Management of Small-Scale Projects and Sporadic Operations in Shenzhen’ (《深圳市小散工程和零星作業安全生產納管暫行辦法》)
	 Promotion and Interpretation of ‘Fire Safety Management Regulations for High-Rise Buildings’ (《高層建築消防安全管理規定》)
Skill Enhancement	 Property Safety Management Training
	 Gas equipment and facilities safety management training
	 First aid training on escape techniques for high-rise buildings and CPR
	 Epidemic prevention and control training
	 Safety production education and training to ensure that practitioners are proficient in operation skills and emergency handling measures. Practitioners who did not obtain special operating permits and have not passed the safety production education and training shall not be allowed to work on positions

Shenzhen Investment Safety Promotion and Safety Training Activities

Special Training

- 🦋 Install the Xuexi Qiang'an (學習強安) APP to conduct daily online training and exams.
- 🦋 During the production safety month, the Group organized the online production safety knowledge competition for 2021. This activity was held for 5 days with nearly 7,000 participants, creating a safety culture of "everyone cares about safety and everyone participates in safety".
- 🦋 A total of 214 training sessions on safety leadership, construction engineering, property management and occupational health were held, with more than 11,000 participants throughout the year.

Public Promotion

- 🦋 Launch "5-12" National Disaster Prevention and Mitigation Day, "Safety Production Month", "Fire Prevention Month", "Special Protection Period", "Safety Production Law Promotion Week" and other thematic educational activities.
- 🦋 Post or publish warm tips on production safety on the Group's OA website, public venues and bulletin boards to enhance education on fire prevention, wind prevention, flood prevention, natural disaster prevention, explosion prevention, falling objects, electric shock prevention, theft prevention and drug prevention, etc.
- 🦋 Through the official website, WeChat official account, special publicity columns and other forms, promote the new 'Work Safety Law of the People's Republic of China' (《中華人民共和國安全生產法》), implement the main responsibility for enterprise safety production, fire safety notes and other safety production knowledge. More than 1,300 various articles are released and above 12,000 posters and slogans are posted.
- 🦋 The Group organizes staff to watch educational videos about the production safety month and accident warning to promote their safety awareness.

Case Study:

Strengthen the construction of AED station while comprehensively enhancing the first-aid capabilities of employees

In 2021, Shum Yip Commercial Management, a subsidiary of Shenzhen Investment, accelerated the systematic and modernized construction of the safety and security system, actively communicated and coordinated with Shenzhen Volunteer Association to jointly promote the construction of the AED station through win-win cooperation, and sent 18 people to participate in professional AED medical first aid training in the Group, community workstations and street fire stations in order to enhance the professional first aid capabilities of employees and ensure the provision of high quality customer service. 26 AEDs have been installed in Shum Yip Commercial Management and Tanglang City.



▲ AED medical first aid training

4.4.3 Safety inspection and emergency drills

Safety inspection

Focusing on key areas such as construction projects and old property management, the Group insists on moving forward to continuously strengthen safety risk identification, assessment and control; commissions third-party professional organizations to carry out regular safety inspections and evaluations, comprehensively investigates accidental hazards, identifies management weaknesses, and forms a closed-loop mechanism of “Group coordinates investigation, enterprise implements remediation, and precise rectification of project”.

In order to solve the problems found in the safety inspection in a timely manner, we take the supervisory inspection of the Municipal State-owned Assets Supervision and Administration Commission and the third-party inspection of the Group as a basis, establish the mechanism of graded responsibility for the rectification of hidden dangers. We have also implemented the “five-in place” mechanism to ensure that the responsibility, measures, funds, time limit and plans for rectification of potential hazards are in place, and urged frontline projects to re-investigate with “learn by analogy” and rectify with “from point to area” against the potential hazards list, effectively realizing closed-loop management. At the same time, we implement the project safety assessment and evaluation, link incentives and penalties to specific positions and employees, fully motivate the enthusiasm of the junior management staff on safety work, and consolidate the safety responsibility system.



▲ Group leaders inspect pandemic prevention code of imported food



▲ Group leaders inspect construction in progress



▲ Third-party safety inspection



▲ Third-party safety inspection

Emergency drills

Establishing the “horizontal to the edge, vertical to the end”, “simple and practical, effective implementation” of the emergency plan system, the Group has gradually solved some enterprises’ problems on emergency plan such as non-implementation of risk assessment, ineffective operation, incomprehensive system, non-connection each other. At the same time, the Group has systematically tightened the effective linkage with the emergency plans of the streets and other units, and regularly organize part-time and full-time volunteer fire prevention departments and all employees to conduct emergency rescue drills. During the reporting period, the Group and its enterprises completed the revision and update of the comprehensive emergency response plan, improved a number of special plans for emergency response, epidemic prevention and control, limited space operations, gas leak disposal, and continuously optimized the emergency disposal mechanism.



▲ Firefighting drill



▲ Shum Yip East China organized employees to carry out emergency rescue training



▲ Shum Yip Terra’s construction projects carried out special emergency drills for fire prevention and flood control



▲ Shum Yip Commercial Management carried out emergency drills in UpperHills

Key Performance

- ✈ Group leaders led 22 inspections, and the leadership team of each enterprise and the safety committee office led more than 1,000 inspections;
- ✈ 201 safety inspections were carried out by the third-party, and the average scores of construction projects and property management projects in the fourth quarter of the year were 83.88 and 82.26 respectively, with an increase of 4.04 and 6.05 points over the first quarter;
- ✈ More than 25,000 safety hazards were rectified and more than 1,900 large or above potential risks were treated throughout the year;
- ✈ Implemented project safety assessment and evaluation, with more than 260 front-line managers rewarded;
- ✈ 3,841 safety and emergency drills were conducted for key locations, key facilities and dangerous operations.



4.4.4 Implementation of improving security by science and technology

The Group has been integrating “digital transformation”, exploring the establishment of the Group’s safety management information platform, accelerating the development of safety management to digitalization and intelligence; We actively apply new technologies, new equipment, new methods and new concept in safety management and continuously improve the intrinsic safety level of the enterprise to escort for safe production.

In 2021, we continued to explore the establishment of the Group’s safety management information platform and initially formed the system construction idea of “1+8+6” to gradually promote the continuous improvement of the Group’s safety technology support capability. Based on BIM, VR and other technologies, intelligent construction platform, visualization system and other advanced means are used in projects under construction, such as Shum Yip Dongling Business Building (深業東嶺商務大廈) and Shum Yip Taifu Boying Building (深業泰富博盈大廈) to effectively control the major sources of hazards at the construction sites. For property operation and management projects, such as UpperHills · Shum Yip Zhongcheng and Tanglang City Commercial Center, intelligent firefighting and Internet of Things systems are deployed to actively explore the construction of intelligent property management and enhance the reliability and wisdom of property safety management through 5G, VR and other technologies.

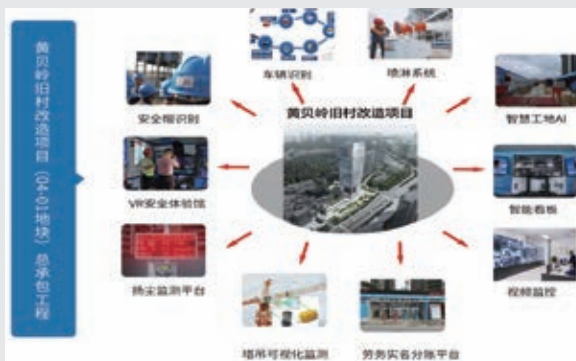
Case Study:

The application of improving security by science and technology on intelligent site

The Group's Dongling Business Building project continues to promote intelligent site construction. Through advanced measures such as smart construction platform and visualization system, realize remote monitoring, AI image and thermal imaging identification, real-time positioning and other functions to effectively control major sources of danger such as tower cranes, construction elevators and deep foundation pits on site. The "Internet + safety management" mode is achieved through "one database, one management line, one supervision network".



▲ Intelligent site for comprehensive coverage collection, three-dimensional supervision



▲ Application of intelligent site in Huangbeiling old village renovation

Case Study:

Intelligent identification of potential hazards

In 2021, the Group's Shum Yip Commercial Management installed AI cameras in places where there is a risk of high falls. When someone passes through the camera area, the central control room will immediately report an alarm, and the screen of the alarm camera will pop up on the screen, so that the risk can be controlled and handled in time.

Besides, the Company has set up a platform for reporting hidden hazards and launched a rewarding reporting activity to achieve a good atmosphere for the common management of hidden hazards; window cleaning machine hanging for high operation, along with the basket equipped with compliance recorder to record the operational safety status and find out violations as a penalty basis to form a management deterrent.



▲ Digital Intelligence Security System in UpperHills

Employee Responsibility and Cohesiveness

4.5 Care and Support

Shenzhen Investment treats employees as family members, cares about them in their daily lives and provides help when they are in trouble to enhance their sense of belonging to the Group.

4.5.1 Employee assistance

In 2021, Shenzhen Investment continued to support employees suffering from serious illnesses. We provided financial assistance and spiritual sympathy to serving and retired employees suffering from serious illnesses as well as their families in accordance with the 'Administrative Measures for Mutual Aid Funds for Critical Diseases' 《重大疾病互助基金管理辦法》. In addition, based on different seasons, we organized activities to send coolness in summer and warmth in winter to front-line workers.



▲ Send coolness in summer



▲ Group leaders expressed condolences to frontline employees



▲ Group leaders expressed condolences to employees at the anti-pandemic frontline

Key Performance

- ✦ The Critical Illness Mutual Aid Fund of Shenzhen Investment provided RMB 60,000 of relief funds for employees with serious illnesses.
- ✦ Shum Yip Terra accumulatively distributed heat cooler and cold repellent supplies of 4,500 person-times.



4.5.2 Work-life balance

To promote the balance between work and life of employees, Shenzhen Investment attaches importance to the physical and mental health of employees in three aspects: health checkup, cultural and sports activities, and holiday care.

Health Checkup	Cultural and Sports Activities	Holiday Care
✦ Free medical diagnosis ✦ Women's health check-up program covering all female employees of the Group ✦ Caring for employees in case of sickness, childbirth, marriage, etc.	✦ Interest team activities ✦ Photography competition ✦ Dumpling-making activity ✦ Table tennis competition organized by SASAC ✦ "7.1" red songs competition	✦ "Staying in Shenzhen for the Chinese New Year" activity ✦ Sending flowers to female employees on "Women's Day"

Case Study:

Organize a variety of employee activities

In 2021, Shenzhen Investment organized a series of cultural activities and sports events popular among employees to enhance corporate cohesiveness.



▲ Free medical diagnosis for employees



▲ Group leaders made dumplings with employees staying in Shenzhen for Chinese New Year

05



Social Responsibility to be Positive and Kind

Shenzhen Investment closely follows the national policy direction, enhances the foresight of planning for the future, takes the integration of industry and city, the revitalization of rural areas and the coordination of interests in land as a breakthrough, actively participates in community construction work, organizes diversified community activities such as community convenience, anti-epidemic services, voluntary labor and promotion of environmental protection, and sets a new benchmark for cooperation between government and enterprises.

ESG issues we concern	SDGs issues we respond to	HKEx ESG Indicators we respond to
Response to public policy Promoting community communion Social welfare participation		B8.1/B8.2





Social Responsibility to be Positive and Kind

5.1 Rural Revitalization

Shenzhen Investment is committed to social responsibility as its mission and has steadfastly shouldered the important tasks of rural revitalization while realizing its own development. In the past ten years, we have focused on Linzhi in Tibet and Lianjiang, Lufeng and Heyuan in Guangdong, built a number of industrial assistance projects and accumulatively invested nearly RMB1.5 billion of assistance funds with remarkable results.

The Group has been assisting Songlin Village in Tianxin Town, Longchuan County since May 2016. Over the past five years, the Group has successively invested RMB11.32 million, implemented 24 assistance projects, and built the first high-tech agricultural industry project of spirulina chook farming in Longchuan County with legal compliance and complete licenses, leading the poor households in Songlin Village to work in the vicinity, increasing the income of the poor households, strengthening the collective economy of the village, and turning Songlin Village from “a poverty-stricken village (輸血)” to “a wealth-creating village (造血)”. Eventually, the poverty alleviation achievements of assisting Songlin Village to get rid of the title of “provincial poverty-stricken village” and so on were widely praised by provincial and municipal leaders at all levels.

The Group was awarded the honorary titles of “2016 - 2018 Shenzhen Key Benefactor to Alleviate Poverty” and “2019 - 2020 Guangdong Province Key Benefactor to Alleviate Poverty”, etc. In May 2021, the Group completed the smooth handover of targeted poverty alleviation projects, which also marked the successful conclusion of the Group’s targeted poverty alleviation work in Songlin Village.



▲ MOU signing ceremony focusing on poverty alleviation in Songlin Village

Case Study:

Promoting rural revitalization has achieved results - Targeted Assistance for Houzhai Town, Nan’ao County

In July 2021, Shenzhen Investment and the Municipal State-owned Assets Supervision and Administration Commission formed a team to help Houzhai Town in Nan’ao County, Shantou City. The team carried out in-depth research to understand the basic situation of the local industry development and culture, and completed research on more than 20 livelihood and industrial projects. According to the overall development plan of Nan’ao County, we proposed the first batch of assistance plans based on the actual situation of the local area, covering talent revitalization, organization revitalization, industry revitalization and consumption assistance, etc. with an estimated investment of RMB2.6 million.

✈ Undertake the space design project for the renovation of the talent post station

The assistance team intends to fully undertake the space design project of the three buildings at the talent post station and upgrade the existing buildings. Training center, party masses service center, canteen, cafe, water bar and other supporting venues will be added through the planning and design for internal space, which is a flag of talent revitalization work in the local area.



▲ Investigation at talent post station of Nan’ao country

Case Study:

Targeted Assistance for Houzhai Town, Nan'ao County

- Establish “white pearl bitter gourd (「白珠苦瓜」)” characteristic agricultural demonstration base

Focusing on small yield, minority market problems of white pearl bitter gourd, the local characteristic agricultural product, we will use controllable ecological technology, scientific improvement of bitter gourd planting methods, reasonable layout of greenhouse facilities and equipments and other modern agricultural technologies to build a high quality production demonstration base of Nan'ao white pearl bitter gourd in Xishan rural areas based on achievements of previous standard demonstration area of white pearl bitter gourd and the test land.



▲ Examine the bitter gourd production center

- Consolidate the achievements of poverty alleviation and implement consumption-based assistance

The Group plans to arrange special funds for early warning mechanism of poverty-returning prevention and the revitalization of village organization in order to provide capital guarantee for the convergence of the achievements of poverty alleviation and village revitalization. In addition, the Group's “Fengnong Premium”(豐農優品) e-commerce platform will help local aquatic products and agricultural products such as bitter gourd, ipomoea batatas and bananas in Nan'ao to build up their brands and expand the market.



▲ Exhibition hall of consumption-based poverty alleviation

- Launch of Huanghua Mountain (黃花山) natural spring water quality testing project

On the premise of protecting the clear water and green mountains of Huanghua Mountain, we did a basic research work such as measuring the amount and testing quality of spring water with professional and scientific measures for the later development and utilization of mountain spring water.

5.2 Co-Construction of the Bay Area

In response to the national policy, Shenzhen Investment actively participates in the construction of the Greater Bay Area with the strength of its state-owned controlling shareholder. We speed up progress of application, resettlement and land use for urban renewal through the “Three Olds Reconstruction”, to drive the project to construction stage and support development opportunities in the Greater Bay Area.

Urban renewal

In response to the national policy, Shenzhen Investment actively participates in the “Three Olds Reconstruction” with the strength of its state-owned controlling shareholder. We speed up progress of application, resettlement and land use for urban renewal to drive the project to construction stage.

Expand the renewal projects

Shenzhen Investment has 8 urban renewal projects in Shenzhen, which are located in Lianhuashan, Chegongmiao, Shangbu and Bagualing in Futian District, Sungang, Qingshuihe and Huangbeiling in Luohu District, and Guanlan area in Longhua District. In addition, we worked together with our parent company, Shum Yip Group, to successfully obtain the qualification of overall planning on the transformation of nearly 10 square kilometers, including Bagualing and Chegongmiao in Futian. Among them, the land contract of Shanglingyuan Project in Bagualing area has been signed and the construction has commenced, while the approval and planning of the project has been completed for renewal in Chegongmiao area in cooperation with Futian District.

Insist on green development

We promote urban renewal projects in strict accordance with ecological protection requirements and laws, improve the urban ecosystem and protect the natural scenery of urban mountains by adopting near-natural, localized, easy-to-maintain and sustainable ecological construction methods. We do not arbitrarily change or encroach on river and lake systems, in order to realize comprehensive land improvement and ecological restoration, and promote the optimization of urban ecological patterns and ecological functions. We undertake:

- ✦ In urban renewal, we always put historical and cultural preservation as the first priority to inherit the history, tradition, streets and lifestyles of the city, and implement preservation requirements in strict accordance with relevant regulations and opinions of the competent cultural heritage authorities.
- ✦ Ancient and valuable trees within the transformation area of urban renewal projects are protected in strict accordance with the ‘Greening Ordinance of Shenzhen Special Economic Zone’ 《深圳經濟特區綠化條例》 and the opinions of the forestry authorities.

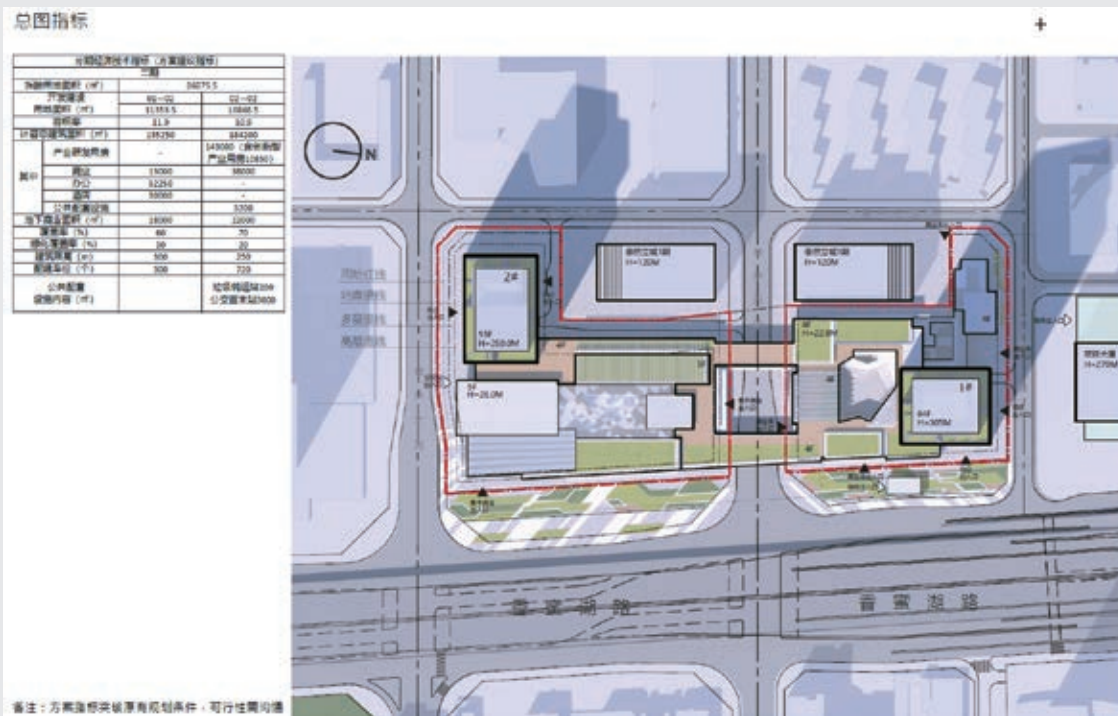
Key Performance

By the end of 2021, Shenzhen Investment had completed urban renewal projects of 1,859,200 square meters and a capacity area under construction of 476,600 square meters.



Case Study :

Accelerate Urban Renewal in Chegongmiao



▲ Planning map of contiguous transformation in Chegongmiao

Case Study :

Shenzhen Women and Children Tower (深圳市婦兒大廈) Renovation PPP Project

Shenzhen Women's Building Renovation PPP Project, which was renovated by the Group's subsidiary Shum Yip Land in cooperation with the municipal government is the first social investment PPP project in Shenzhen from the PPP Center and has a great significance to the renovation of a large number of old government properties in Shenzhen. In 2021, the renovation project of the Women and Children Tower kicked off. The project includes the Shenzhen Women's Federation office, the Children's Discovery Center, the Family Reading Center, the One-Stop Growth Center, the Women's Innovation and Entrepreneurship Center, and the Women's Service Center in Bay Area. The renovated building will become a leading and new landmark of municipal public welfare for women's and children's activities, radiating the Guangdong-Hong Kong - Macao Greater Bay Area.



▲ Shenzhen Women and Children Tower Renovation PPP Project

5.3 Volunteer Charity

Shenzhen Investment called on its employees to actively participate in voluntary services and established a volunteer service team in November 2011. We actively innovate service mechanism, explore new modes of voluntary services and launch various public welfare activities such as environmental education, charity clinics, material transportation and promotion on garbage sorting to contribute to building a harmonious society.

Key Performance

In 2021, Shenzhen Investment has a total of 5,223 person-times participating in volunteer services, with a total service hours of 19,919.5 hours.



Case Study :

Promotion on garbage sorting in Shum Yip Wanlin Lake community

On 3 November 2021, the volunteers of Shum Yip Wanlin Lake Project Company jointly worked with Longfeng Street Sanitation Office in Huicheng District and Resident Committee of Wanlin Lake Community in Longfeng Street to promote the garbage sorting in Wanlin Lake community, aiming to raise residents' awareness of environmental protection of "everyone do garbage sorting which is good for everyone", encouraging all participation and supporting the green development.



▲ Promotion on garbage sorting in community



Case Study :

Shum Yip Intelligent launched the community escort project

In 2021, the volunteers of Shum Yip Intelligent launched a community escort project in the property management area under the company, such as voluntary traffic guidance at the intersection of the kindergarten in the park, establishing "convenient service station" to provide free medicine, portable chargers, needles and threads to residents.



▲ "Convenient service station" in community



▲ Convenient charging station

5.4 Community Communion

Shenzhen Investment is committed to enhancing the residents' sense of gain, sense of happiness and satisfaction, doing a good job of "micro-realities for people's livelihood", actively carrying out the practical activities of "I do practical things for the public", and continues to promote the "One-to-One" project in the community of Longhua Street. Based on actual needs of the community, the Group collaborated with the residents committee, the street office and other relevant government departments to think what the public wants and do what the public needs, which was highly praised by the street and community cadres and the public.



Case Study :

Supported Longhua Street Anti-epidemic Services

Since the epidemic situation in Shenzhen became more intense, Shenzhen Investment has actively fulfilled its social responsibility by taking the initiative to contact the streets and dispatching 40 staff members and 10 cadres to above ten communities in Longhua street for 45 days of anti-epidemic services. During the vaccination period, the Group's volunteers assisted community health care workers in taking temperature and blood pressure, building individual files, guiding people to present their health codes and appointment information, and helping to screen people who are not suitable for vaccination. Our volunteers have assisted in over 200,000 nucleic acid tests and over 100,000 vaccinations. Since August 2021, we have sent 6 volunteers every week to participate in community anti-epidemic promotion in weekends, which has been highly praised by the street, community cadres and the public.



▲ Supported Longhua Street anti-epidemic service

Case Study :

Food testing service - “ Food safety in my mind, health and happiness with me”

In 2021, Shenzhen Shum Yip Space Food & Environmental Testing Technology Co., Ltd. (hereinafter referred to as “Shum Yip Testing”), a subsidiary of Shenzhen Nongke, reached out to Qinghu Community in Longhua Street, and held an event with the theme of “Food safety in my mind, health and happiness with me”. Through hanging banners, posters and distributing food safety brochures, we disseminated food safety knowledge to community residents, shared tips on how to purchase fresh ingredients and remove pesticide residues, and set up on-site food safety testing points to provide community residents with fruit and vegetable testing services to enhance their understanding of pesticide residue testing.



▲ Food testing service by Shum Yip Testing



Case Study :

Property Safety Management training

On 20 October 2021, the Group invited property management experts to organize a training session on property safety management in Jinglong Community, Longhua Street, Shenzhen. Based on property-related safety laws and regulations, the session used a large number of vivid property safety management cases and combined with the actual work of the streets and communities to carry out the standard guidance. It also provided new ideas, new thoughts and new methods for the healthy and orderly development of street and community property safety management. Through this training, Longhua street property staff had a more comprehensive understanding of property safety management policies and regulations, which greatly enhanced working enthusiasm and initiative. It has laid solid foundation for further implementation of the property management safety responsibility and property management safety system. More than 50 people participated in this training.



▲ Property safety management training



06

Outlook for 2022



In 2022, the Group will keep improving its management capabilities with the determination and willpower to “work hard and reform”, and realize prudent development with “crisis awareness and prevention consciousness”. Riding on the tide of urban transformation, the Group will make constant efforts and seize development opportunities to improve its capabilities of sustainable development and value creation, realize corporate transformation, make greater contributions to social, economic and urban development, and create more satisfactory returns for shareholders.

Improve Management for Prudent Progress

The Group has positioned 2022 as the “Year of Management Improvement” to improve its management efficiency in all aspects. Focusing on “organizational reform and digital transformation”, the Group works hard in “talent team building” as a strong measure to improve management and, leveraging the synergy among various business segments, comprehensively and steadily promote and seek high-quality sustainable development. By improving internal management, the Group injects new mechanism power into itself, which lays a solid foundation for future development in response to intense market competition and provides a strong support for the realization of Group’s strategic goals.

Implement a People-Oriented Concept for a Win-Win Situation

Recognizing corporate social responsibility, we adhere to a morality-focused and merit-based talent selection concept. With established human resources management system, we keep improving the quality of talent team building and also the talent selection system to bring new momentums into the Group. We attach great importance to the safety, health and career development of our employees, and aim to create a healthy and harmonious, open and fair and respecting working environment to align the development and growth of our employees with the Group.

Operate Compliantly for Further Development

Compliance operation is a cornerstone for the stable operation of the Group. Based on the establishment of a standardized corporate governance structure, we continuously strengthen risk management and control and advocate a culture of integrity. Meanwhile, we further promote operational innovation and strengthen the development of strategically innovative businesses for the development of a group of listed companies in order to improve corporate value.

Invest in Community Communion for a Better Future

We will continue to be engaged in building a harmonious society, assist in rural revitalization, and support community development. In the future, we will increase investment in public welfare, targeted poverty alleviation and anti-pandemic undertakings, strive to create a pleasant living and business environment, gather in the warmth of the society, promote community communion and practice our responsibility as a state-owned enterprise with practical actions.

Focus on Green Civilization and Ecological Harmony

Recognizing corporate environmental responsibility, we charge ourselves with the important mission of “building a beautiful life and achieving Shenzhen undertaking”. In response to the “carbon peaking and carbon neutrality” strategy of the country, we are committed to creating an ecologically livable building environment. In the process of project development and operation, we continuously intensify environmental protection measures, adopt new energy-saving and emission-reduction technologies, and continue to promote “green building”, “green construction”, “green property” and “green office” and other concepts, strive to improve waste recycling rate, advocate clean production, endeavor to promote urban renewal to improve the value of urban space, and ultimately create comfortable living space and achieve the great mission of good environmental quality and green ecology.





Summary of Sustainability Development

Appendix I: List of Policies and Laws

ESG Indicator	Laws and regulations complied with	Internal policy
A. Environment	Law of the People's Republic of China on Environmental Protection (《中華人民共和國環境保護法》) Law of the People's Republic of China on Appraising of Environment Impacts (《中華人民共和國環境影響評價法》) Atmospheric Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國大氣污染防治法》) Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法》) Regulations on the Implementation of the Water Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國水污染防治法實施細則》) Ocean Environmental Protection Law of the People's Republic of China (《中華人民共和國海洋環境保護法》) Administrative Regulations of the People's Republic of China on the Prevention of Pollution and Damage of Marine Environment by Terrigenous Pollutant (《中華人民共和國防治陸源污染物污染損害海洋環境管理條例》) Law of the People's Republic of China on Prevention and Control of Solid Waste Pollution (《中華人民共和國固體廢物污染環境防治法》) Regulations on Nature Reserve of the People's Republic of China (《中華人民共和國自然保護區條例》) Law of the People's Republic of China on Land Management (《中華人民共和國土地管理法》) National Hazardous Waste Inventory (《國家危險廢物名錄》) Emission Standard of Environment Noise for Boundary of Construction Site (《建築施工場界環境噪聲排放標準》) Measures for the Management of Municipal Solid Waste (《城市生活垃圾管理辦法》) Policy on Hazardous Waste Pollution Control Technologies (《危險廢物污染防治技術政策》) Regulations of Guangdong Province on Environmental Protection Management of Construction Projects (《廣東省建設項目環境保護管理條例》) Regulations of Shenzhen Special Economic Zone on Ecological Environmental Protection (《深圳經濟特區生態環境保護條例》) Regulations of Shenzhen Special Economic Zone on Environmental Protection of Construction Project (《深圳經濟特區建設項目環境保護條例》) Regulations of Shenzhen Special Economic Zone on Noise Pollution Prevention and Control (《深圳經濟特區環境噪聲污染防治條例》) Administrative Measures for Urban Drainage Permit (《城市排水許可證管理辦法》) Administrative Measures for Classification and Reduction of Domestic Waste in Shenzhen (《深圳市生活垃圾分類和減量管理辦法》) Thirteenth Five-Year Plan for Controlling Greenhouse Gas Emissions (《「十三五」控制溫室氣體排放工作方案》) GB/T 50640-2010 Green Construction Evaluation Standard for Building Engineering (《建築工程綠色施工評價標準 GB/T 50640-2010》) GB/T 50378-2019 Green Building Evaluation Standard (《綠色建築評價標準 GB/T 50378-2019》) Notice of the Shenzhen Municipal Development and Reform Commission on the Unification of the Billing Method of Domestic Waste Disposal Fees for Residents in Shenzhen (《深圳市發展和改革委員會關於統一我市居民生活垃圾處理費計費方式的通知》)	Environmental Factors Identification and Assessment Management Procedures (《環境因素識別與評價管理程序》) Waste and Chemical Management Procedures (《廢棄物及化學品管理程序》) Guidelines on Environmental Protection of Shenzhen Investment (《深圳控股環境保護指引》) Environmental Factors Operation Control Procedures (《環境因素運行控制程序》) Meteorological Disaster Emergency Response Plan (《氣象災害應急處置預案》) Typhoon Emergency Response Plan (《颱風應急處置預案》) Emergency Response Plan for Thunder and Storms (《雷電、暴雨應急處置預案》) Response Plan for Heavy Fog, Haze, High Temperature and Cold Weather (《大霧、灰霾、高溫、寒冷天氣應急處置預案》) Emergency Response Plan for Collapse, Landslide and Debris Flow (《崩塌、滑坡、泥石流應急處置預案》)

ESG Indicator	Laws and regulations complied with	Internal policy
B1. Employment	International Labor Law (《國際勞動法》) Labor Law of the People's Republic of China (《中華人民共和國勞動法》) Labor Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) Law of the People's Republic of China on Employment Promotion (《中華人民共和國就業促進法》) Social Insurance Law of the People's Republic of China (《中華人民共和國社會保險法》) Provisions on the Prohibition of the Use of Child Labor (《禁止使用童工規定》) Law of the People's Republic of China on the Protection of Minors (《中華人民共和國未成年人保護法》) Standards on Minimum Wage (《最低工資標準》) Hong Kong Employment Ordinance (香港《僱傭條例》) Regulations on Corporate Democratic Management (《企業民主管理規定》)	Recruitment Management System (《招聘管理制度》) Administrative Measures for Campus Recruitment of the Shum Yip Group (《深業集團校園招聘管理辦法》) Administrative Measures for the Selection and Appointment of the Management of the Shum Yip Group Limited (《深業集團有限公司管理人員選拔任用管理辦法》) "Shen Drive" Measures for Development and Management of Talents of the Shum Yip Group (《深業集團「深動力」人才發展與管理辦法》) Administrative Measures for Internal Talents Selection (《內部人才選拔管理辦法》) Employee Remuneration Management System (《員工薪酬管理制度》) Management System for Performance Appraisal of Staff (《員工績效考核管理制度》) Equity Incentive Plan (《股權激勵計劃》) Management System for Performance Appraisal of Staff from the Headquarters of the Shum Yip Group (《深業集團總部員工績效考核管理制度》) Tentative Administrative Measures for Remuneration and Performance of the Senior Management of the Shum Yip Group' Subsidiaries (《深業集團所屬企業高級管理人員薪酬與績效管理暫行辦法》) Administrative Measures for Mutual Aid Funds for Critical Diseases (《重大疾病互助基金管理辦法》)

Summary of Sustainability Development

ESG Indicator	Laws and regulations complied with	Internal policy
B2. Health and Safety	Labor Law of the People's Republic of China 《中華人民共和國勞動法》 Fire Prevention Law of the People's Republic of China 《中華人民共和國消防法》 Work Safety Law of the People's Republic of China 《中華人民共和國安全生產法》 Prevention and Control of Occupational Diseases Law of the People's Republic of China 《中華人民共和國職業病防治法》 Regulation on Work-related Injury Insurance 《工傷保險條例》 Law of the People's Republic of China on Emergency Response 《中華人民共和國突發事件應對法》 Provisions on the Supervision and Administration of Occupational Health in the Workplace 《工作場所職業衛生監督管理規定》 Regulations on the Reporting, Investigation and Handling of Production Safety Accidents 《生產安全事故報告和調查處理條例》 Regulations on the Safety Administration of Hazardous Chemicals 《危險化學品安全管理條例》 Interim Regulations for the Accident Investigation and Handling of Potential Safety Hazards in Workplace 《安全生產事故隱患排查治理暫行規定》 Occupational Disease Classification and Catalog 《職業病分類與目錄》 Certain Regulations on Fire Fighting in Guangdong Province 《廣東省消防工作若干規定》 Provisions on the Main Responsibilities for Production Safety of Shenzhen Business Operation Entities 《深圳市生產經營單位安全生產主體責任規定》 General Rules for the Construction of Dual Prevention Mechanism for Shenzhen Enterprises 《深圳市企業雙重預防機制建設通則》	Safety Production Management Measures 《安全生產管理制度》 Production Safety Accident Management System 《生產安全事故管理制度》 Safety Management Measures for Related Parties 《相關方安全管理辦法》 Safety Production Staffing Management Regulations 《安全生產人員配置管理辦法》 Safety Production File (including Electronic File) Management System 《安全生產檔案(含電子檔案)管理制度》 Safety Production Assessment, Reward and Punishment Management System 《安全生產考核獎懲管理制度》 Dangerous Operations Management Policy 《危險作業管理辦法》 Production Safety Responsibility Statement 2021 《2021 年安全生產責任書》 Standard Management of Small-scale Projects and Sporadic Operations in Shenzhen 《深圳市小散工程和零星作業規範管理》 Fire Management Requirements for High-Rise Buildings 《高層建築消防管理規定》 Shum Yip Commercial Management Safety Risk Classification and Control System 《深業商管安全風險分級管控制度》 Emergency Management Measures 《應急管理辦法》 Accident Reporting and Investigation Management Measures 《事故報告與調查處理管理辦法》 Shum Yip Group Safety Management System 《深業集團安全管理制度體系》

ESG Indicator	Laws and regulations complied with	Internal policy
B3. Development and Training	N/A	Measures for Management of the Shum Yip Group's Trainings (《深業集團培訓工作管理辦法》) “Shen Drive” Measures for Development and Management of Talents of the Shum Yip Group (《深業集團「深動力」人才發展與管理辦法》) Administrative Measures for New Employee Mentor Training of the Shum Yip Group (《深業集團新員工導師培養管理辦法》) Rules for Assessment during New Employee Mentor Training Period of the Shum Yip Group (《深業集團新員工導師培養期考核細則》) Interim Administrative Measures for Job System and Ranks of the Shum Yip Group (《深業集團職位體系及職級管理暫行辦法》) Administrative Measures for Internal Selection (《內部選拔管理辦法》)
B4. Labor Standards	Labor Law of the People's Republic of China (《中華人民共和國勞動法》) Provisions on the Prohibition of the Use of Child Labor (《禁止使用童工規定》) Law of the People's Republic of China on the Protection of Minors (《中華人民共和國未成年人保護法》) International Labor Standards (《國際勞工標準》) Regulations on Corporate Democratic Management (《企業民主管理規定》)	Recruitment Management System (《招聘管理制度》) Working System of the Staff Representative Congress (《職工代表大會工作制度》) Board Diversity Policy (《董事會成員多元化政策》)
B5. Supply Chain Management	Law of the People's Republic of China on Tenders and Bids (《中華人民共和國招標投標法》) Administrative Measures of the State-owned Assets Supervision and Administration Commission of the People's Government of Shenzhen Municipal for Engagement of Intermediaries (《深圳市人民政府國有資產監督管理委員會選聘中介機構管理辦法》) Guiding Opinions of the State-owned Assets Supervision and Administration Commission of Shenzhen Municipality on Further Strengthening the Comprehensive Supervision of the Procurement of Municipal Enterprises (for Trial Implementation) (《深圳市國資委關於進一步加強市屬企業採購綜合監管的指導意見(試行)》) Notice of Shenzhen State-owned Assets Supervision and Administration Commission on Implementing Unified Issuance of Procurement Information within Municipal State-owned Enterprises of Shenzhen (《深圳市國資委關於深圳市屬國企實行採購信息統一發佈的通知》)	Code of Conduct for Suppliers of Shenzhen Investment (《深圳控股供應商行為準則》) Management Measures for Bid Evaluation Expert Pool for Major Bidding Projects (Interim) (《重要招採項目評標專家庫管理辦法(暫行)》) Administrative Measures for Engagement of Intermediaries (《選聘中介機構管理辦法》) Anti-corruption Measures on Prevention of Malfeasance in Construction Project Tendering (《工程建設項目招標廉潔從業風險防控辦法》) Measures for the Management of Procurement and Tendering (《採購招標管理辦法》) Guidelines for the Supervision of Tendering and Procurement (《招標採購監督工作指引》) Measures for Management of Supplier's Warehouse (《供方庫管理辦法》) Shum Yip Pengji and Shum Yip Southern Land Construction Materials and Equipment Brand Library (Trial) (《深業鵬基、南方集團建設工程材料設備品牌庫(試行)》) Integrity Contracts (《廉政合同》)

Summary of Sustainability Development

ESG Indicator	Laws and regulations complied with	Internal policy
B6. Product Responsibility	Trademark Law of the People's Republic of China (《中華人民共和國商標法》) Advertisement Law of the People's Republic of China (《中華人民共和國廣告法》) Patent Law of the People's Republic of China (《中華人民共和國專利法》) Copyright Law of the People's Republic of China (《中華人民共和國著作權法》) Civil Code of the People's Republic of China (《中華人民共和國民法典》) Personal Information Protection Law of the People's Republic of China (《中華人民共和國個人信息保護法》) Construction Law of the People's Republic of China (《中華人民共和國建築法》) Fire Prevention Law of the People's Republic of China (《中華人民共和國消防法》) Law of the People's Republic of China on Product Quality (《中華人民共和國產品質量法》) Law of the People's Republic of China on the Protection of Consumer Rights and Interest (《中華人民共和國消費者權益保護法》) Network Security Law of the People's Republic of China (《中華人民共和國網絡安全法》) Law of the People's Republic of China on Urban Real Estate Management (《中華人民共和國城市房地產管理法》) Opinions of the General Office of the State Council on Promoting Healthy Growth of Construction Industry (《國務院辦公廳關於促進建築業持續健康發展的意見》) Guiding Opinions of the General Office of the State Council on Vigorously Developing Prefabricated Buildings (《國務院辦公廳關於大力發展裝配式建築的指導意見》) Notice of the State Council on Promoting the Sustained and Sound Development of the Real Estate Market (《國務院關於促進房地產市場持續健康發展的通知》) Opinions on Promoting the Modernization of Housing Industry and Improving Housing Quality (《關於推進住宅產業現代化提高住宅質量的若干意見》) Management Measures for 1 - and 2-Star Eco-friendly Building Identification Logo (For Trial Implementation) (《一二星級綠色建築評價標識管理辦法(試行)》) Detailed Rules for Implementation of Eco-friendly Building Identification Logo (Revised for Trial Implementation) (《綠色建築評價標識實施細則(試行修訂)》) GB/T 50640-2010 Green Construction Evaluation Standard for Building Engineering (《建築工程綠色施工評價標準 GB/T 50640-2010》) GB/T 50378-2019 Green Building Evaluation Standard (《綠色建築評價標準 GB/T 50378-2019》) GB 50368-2005 Residential Building Code (《住宅建築規範 GB 50368-2005》) Regulations on Quality Management of Construction Projects (《建設工程質量管理條例》) Provisions on Supervision and Management of Quality of Construction Projects (《建設工程質量監督管理規定》) Shenzhen Three-Year Action Plan for Construction Safety Special Rectification Action (《深圳市建築施工領域安全生產專項整治三年行動實施方案》) Measures for Regulating the Sales of Commercial Houses (《商品房銷售管理辦法》) "14th Five-Year" Plan for the Protection and Use of National Intellectual Property Rights (《「十四五」國家知識產權保護和運用規劃》) Computer Software Protection Regulations (《計算機軟件保護條例》)	Marketing Management Measures (《營銷管理辦法》) Standard Manual of Property Service Center (《物業服務中心標準手冊》) Group Standard of 'Property Management City Operation Standard' (T/CUCO 3-2021) (《物業管理城市運營規範》團體標準(T/CUCO 3-2021)) Measures for Regulating the Sales (《銷售管理辦法》) Marketing Management Measures for Property and Real Estate of Shum Yip Pengji and Shum Yip Southern Land (《深業鵬基、深業南方集團物業配合地產營銷管理辦法》) Sales Management System and Regulations (《銷售管理制度及條例》) House-purchase Risk Tips (《購房風險提示》) Customer Complaint Management Measures (《客戶投訴處理辦法》) Management Measures for Customer Relationship (《客戶關係管理辦法》) Customer Management Guidelines (《客戶管家管理工作指引》)

ESG Indicator	Laws and regulations complied with	Internal policy
B7. Anti-corruption	Company Law of the People's Republic of China 《中華人民共和國公司法》 Securities Law of the People's Republic of China 《中華人民共和國證券法》 Anti-money Laundering Law of the People's Republic of China 《中華人民共和國反洗錢法》 Anti-monopoly Law of the People's Republic of China 《中華人民共和國反壟斷法》 Anti-unfair Competition Law of the People's Republic of China 《中華人民共和國反不正當競爭法》 Interim Provisions on Banning Commercial Bribery 《關於禁止商業賄賂行為的暫行規定》 Law of the People's Republic of China on Tenders and Bids 《中華人民共和國招標投標法》 Rules Governing the Listing of Securities on the Stock Exchange (聯交所《證券上市規則》) Companies Ordinance 《公司條例》 Securities and Futures Ordinance 《證券及期貨條例》 Petitioning Work Regulations 《信訪工作條例》 Rules for the Handling of Whistleblowers and Accusation by Disciplinary Inspection and Supervision Agencies 《紀檢監察機關處理檢舉控告工作規則》 Guiding Opinions of the State-owned Assets Supervision and Administration Commission of Shenzhen Municipality on Further Strengthening the Comprehensive Supervision of the Procurement of Municipal Enterprises (for Trial Implementation) 《深圳市國資委關於進一步加強市屬企業採購綜合監管的指導意見(試行)》 Guiding Opinions of the State-owned Assets Supervision and Administration Commission of Shenzhen Municipality on Further Strengthening the Construction of Six-in-One Supervision System 《深圳市國資委關於進一步加強市屬國企六位一體監督體系建設的指導意見》	Articles of Association 《公司章程》 Implementation Rules for Internal Control of Shum Yip Group 《深業集團內部控制實施細則》 Anti-corruption Measures on Prevention of Malfeasance in Construction Project Tendering 《工程建設項目招標廉潔從業風險防控辦法》 Probity Audits Measures 《廉政審查辦法》 Incorruptible Practice Commitment 《廉潔從業承諾書》 Whistleblowing Policy of Shenzhen Investment 《深圳控股舉報政策》 Integrity Contracts 《廉政合同》 Interim Measures for the Management of Internal Audit 《內部審計工作管理暫行辦法》 Measures for the Management of Whistleblower Cases 《問題線索管理辦法》
B8. Community Investment	N/A	N/A

Summary of Sustainability Development

Appendix II: Key Performance Indicator List

Environmental Data ¹				
ESG Indicator	Unit	2021	2020	2019
A1 Emissions				
A1.1 Types of emissions and respective emissions data²				
Nitrogen oxide (NOx) emissions	Kilogrammes	6,150.72	3,351.34	-
Sulfur oxides (SOx) emissions	Kilogrammes	8.19	7.16	-
Particulate matter emissions	Kilogrammes	589.36	321.12	-
A1.2 Greenhouse gas emissions and intensity³				
Scope 1: greenhouse gas emissions	tCO ₂ eq	6,045.02	3,799.03	5,281.37
Scope 2: greenhouse gas emissions	tCO ₂ eq	36,402.74	64,154.17	39,683.17
Total greenhouse gas emissions	tCO ₂ eq	42,447.76	67,953.20	44,964.54
Greenhouse gas emissions intensity	tCO ₂ eq/HK\$ million	1.32	3.61	3.01
A1.3 Total hazardous waste produced and intensity⁴				
Abandoned electrical and electronic equipment	Pieces	528	926	380
Printer cartridge used	Units	3,771	3,241	3,574
Fluorescent tubes or energy-saving lamps with mercury	Tubes	12,991	13,640	9,415
Total hazardous waste	Kilogrammes	9,767.76	10,466.40	7,913.00
Hazardous waste intensity	Kilogrammes/HK\$ million	0.30	0.56	0.53
A1.4 Total non-hazardous waste produced and intensity⁵				
Wastepaper	Tonnes	145.77	80.95	50.73
Construction waste	Tonnes	30,514.50	200,895.19	229,357.00
Kitchen waste	Tonnes	612.42	798.32	514.16
Total non-hazardous waste	Tonnes	31,272.69	203,172.86	229,921.89
Non-hazardous waste intensity	Tonnes/HK\$ million	0.98	10.81	15.41
A1.6 Total hazardous and non-hazardous wastes recycled⁶				
Electrical and electronic equipment (e.g. computer) recycled	Sets	237	246	207
Metals recycled	Kilogrammes	70,538.00	2,718.53	840.00
Plastic recycled	Kilogrammes	18,040.00	724.62	3,069.00
Glass recycled	Kilogrammes	83,562.40	403.20	5,604.00
Wastepaper recycled	Kilogrammes	78,788.27	6,183.19	27,936.00
Reinforcing steel recycled	Tonnes	3,087.76	6,856.73	1,218.00
Earth recycled	Cubic metres	788,982.33	669,285.24	40,120.00

Environmental Data¹

ESG Indicator	Unit	2021	2020	2019
A2 Use of Resources⁷				
Bricks	Cubic metres	199,587.92	104,200.14	45,709.00
Concrete	Cubic metres	1,387,012.47	928,591.26	258,332.00
Reinforcing steel	Tonnes	163,386.31	128,294.92	29,774.00
Stones	Tonnes	28,957.45	128,228.26	61,853.00
Timber	Tonnes	48,289.10	33,799.19	4,145.00
A2.1 Direct and/or indirect energy consumption in total by type and intensity				
Gasoline ⁸	Litres	433,439.92	362,680.11	543,791.00
Diesel oil	Litres	112,965.60	113,794.55	451,227.00
Liquefied petroleum gas	Kilogrammes	67,387.90	73,339.07	33,569.55
Natural gas	Cubic metres	2,092,080.43	1,121,261.41	1,224,310.00
Purchased heat ⁹	Megajoules	1,129,103.36	11,913,229.00	-
Total power consumption	Kilowatt hours	62,454,799.47	73,453,528.85	47,428,200.00
Total energy consumption	Megawatt hours	89,373.72	93,755.85	69,869.01
Energy consumption intensity	Megawatt hours/HK\$ million	2.79	4.99	4.68
A2.2 Water consumption in total and intensity¹⁰				
Total water consumption	Cubic metres	2,510,725.14	3,824,491.09	1,684,064.99
Water consumption intensity	Cubic metres/HK\$ million	78.34	203.40	112.88

Notes:

1. Scope of statistics:

- The scope of statistics of 2021 includes the office areas of the Group's headquarters, the office and operation areas of the Group's subsidiaries and their project companies.
- In 2021, the Group continues to adopt ESG data online collection platform used in 2020, with the number of indicators and scope of statistics remaining the same as in 2020.

Reference for calculation:

- The disclosed values of greenhouse gas emissions include the consumption of gasoline, diesel, liquefied petroleum gas, natural gas, purchased heat and purchased electricity. Scope 1 emission factors are calculated with reference to the 'Reporting Guidance on Environmental KPIs' of the Stock Exchange of Hong Kong and GHG Protocol; and for Scope 2, both of the greenhouse gas emission factors of power grid in Mainland China and The Special Administrative Region of Hong Kong, the PRC are calculated with reference to the 'Reporting Guidance on Environmental KPIs' of the Stock Exchange of Hong Kong, and the greenhouse gas emission factor of purchased heat is calculated with reference to the 'CO₂ Emissions Accounting and Reporting Requirements-Other Industries' (DB11T 1787-2020).
- The energy consumption values include the consumption of gasoline, diesel, liquefied petroleum gas, natural gas, purchased heat and purchased electricity, the relevant factors of which are calculated with reference to 'General Principles for Calculation of the Comprehensive Energy Consumption' of China (GB/T2589-2020).

Consistency description:

For the purpose of meaningful comparison and monitoring of changes in greenhouse gas emissions from purchased electricity, this report adopts a consistent and applicable purchased electricity emission factor to revise the historical data of greenhouse gas emissions (Scope 2), as well as the relevant intensity indicators of greenhouse emissions, of 2020 retrospectively. This year, the emission factor of carbon emissions from purchased electricity changes to the grid emission factor of 0.5810 tCO₂/MWh according to the 'Notice on the Management of Corporates' Greenhouse Gas Emissions Report 2022' issued by the Ministry of Ecology and Environment of the People's Republic of China. We will continue to adopt a comparable measurement and improve data management.

Summary of Sustainability Development

2. The emissions mainly include the exhausts from the use of official vehicles of Shenzhen Investment. The emission data of official vehicles are calculated pursuant to the 'Appendix 2: Reporting Guidance on Environmental KPIs' issued by the Stock Exchange. In 2021, due to the inconvenience of public transportation caused by the pandemic, the demand for business vehicles increased, hence the mileage and gasoline consumption. As a result, the exhaust emissions increased compared with previous years.

3. The Scope 1 greenhouse gas emissions mainly include the direct greenhouse gas emissions from the fossil fuels (e.g. gasoline, diesel oil and natural gas) consumed during the operation process of the Group. The formula for the calculation of the main greenhouse gas emissions from fossil fuel consumption is: carbon dioxide emissions from fossil fuel combustion = fuel consumption × emission factors.

The Scope 2 greenhouse emissions mainly include the indirect greenhouse gas emissions from the purchased electricity and heat consumed during the operation/production processes of the Group. For the performance data of greenhouse gas emissions in 2021, 0.5810 kg CO₂/kWh is adopted for the calculation of the carbon emission coefficient of purchased electricity, and 0.11 tCO₂/GJ is adopted for the calculation of carbon emission coefficient of purchased heat.

4. The hazardous wastes mainly include the waste electronics & electrical appliances, mercury-containing fluorescent lamps and other hazardous wastes generated during the operation process of the Group.

5. The non-hazardous wastes mainly include the wastepaper, construction waste, kitchen waste and other non-hazardous wastes generated of during the operation process of the Group. The construction waste generated in 2021 dropped significantly compared with previous years, mainly due to the larger number of underground construction projects in 2019 and 2020.

6. Shenzhen Investment is committed to recycling wastes (e.g. glasses and metals) that can be reused in the operation process, and also actively implements green construction. The Women and Children's Building, being a pilot project of green construction, started construction in December 2020, therefore, the 2020 data only cover one month. In 2021, The overall recycling volume of Shenzhen Jinghua Displays Electronics Co., Ltd., a subsidiary of Shum Yip Pengji, increased due to the increase in recyclable waste generated in line with output.

7. In 2021, as many construction projects were in the main structure construction stage, the consumption of bricks and concrete were high.

8. The gasoline consumption mainly represents the gasoline consumed by business vehicles. In 2021, due to the inconvenience of public transportation caused by the pandemic, the demand for business vehicles increased, hence the gasoline consumption.

9. In 2021, due to the restructuring of energy used by hotels, clean energy has been increasingly used. Therefore, the consumption of natural gas increased and the purchased heat decreased. Statistical disclosure of purchased heat started in 2020.

10. The scope of statistics of water consumption includes engineering water and domestic water. In 2020, the renovation project of Zhongfa Building consumed a large amount of water, so the total water consumption was higher than that in 2021.

Social Data

ESG Indicator	Unit	2021	2020	2019
B1. Employment				
B1.1 Total workforce by gender, employment type, age group and geographical region				
Total employees	Persons	21,084	20,452	21,164
By gender				
Male	Persons	13,299	13,132	13,542
Female	Persons	7,785	7,320	7,622
By rank				
Senior management	Persons	68	74	71
Middle management	Persons	398	376	338
Grassroots employees	Persons	20,618	20,002	20,755
Male senior management members	Persons	57	63	-
Female senior management members	Persons	11	11	-
Male middle management members	Persons	303	285	-
Female middle management members	Persons	95	91	-
Proportion of male senior management members	%	83.82	85.14	-

Social Data

ESG Indicator	Unit	2021	2020	2019
Proportion of female senior management members	%	16.18	14.86	-
Proportion of male middle management members	%	76.13	75.80	-
Proportion of female middle management members	%	23.87	24.20	-
By education level				
Doctor	Persons	12	12	12
Master	Persons	563	459	438
Bachelor	Persons	2,477	1,970	2,270
Tertiary or below	Persons	18,032	18,011	18,444
By age group				
29 and below	Persons	3,184	3,227	4,710
30-49	Persons	9,992	10,187	10,827
50 and above	Persons	7,908	7,038	5,627
By geographical region				
Mainland China	Persons	21,042	20,409	21,124
Hong Kong, Macau and Taiwan	Persons	42	42	40
Overseas	Persons	0	1	0
By employment type				
Full-time	Persons	21,063	20,450	21,164
Part-time	Persons	21	2	0
By other type				
Disabled employees	Persons	21	40	-
Minority employees	Persons	777	697	-
B1.2 Employee turnover rate by gender, age group and geographical region¹¹				
Employee turnover rate	%	36.07	28.75	33.55
By gender				
Male	%	35.83	28.95	33.16
Female	%	36.48	28.39	34.25

Summary of Sustainability Development

Social Data

ESG Indicator	Unit	2021	2020	2019
By age group				
29 and below	%	63.13	49.27	40.79
30-49	%	28.75	21.86	26.41
50 and above	%	34.42	29.31	40.47
By geographical region				
Mainland China	%	36.12	28.81	33.94
Hong Kong, Macau and Taiwan	%	9.52	2.38	7.50
Overseas	%	0.00	0.00	0.00
B2. Health and Safety				
B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.				
Number of work-related fatalities	Persons	0	0	0
Rate of work-related fatalities	%	0.00	0.00	0.00
Number of accidents involving serious injuries and fatalities among construction contractors	Cases	0	1	-
B2.2 Lost days due to work injury¹²				
Number of injured employees	Persons	32	0	-
Rate of injured employees	%	0.15	0.00	0.00
Lost days due to work injury	Days	3,420	0	1,189.50
Lost hours due to work injury	Hours	27,560	0	-
Injury rate per million working hours	%	9.97%	0%	-
B3. Development and Training				
B3.1 Employees trained by gender and employee category				
Total employees trained	Person-time	82,456	69,108	105,302
By gender				
Male	Person-time	51,597	43,763	61,652
Female	Person-time	30,859	25,355	43,650
By employee category				
Senior management	Person-time	463	436	239
Middle management	Person-time	2,296	2,332	2,393
Grassroots employees	Person-time	79,697	66,339	102,670

Social Data

ESG Indicator	Unit	2021	2020	2019
B3.2 The average training hours completed per employee by gender and employee category				
Total training hours	Hours	486,373.00	630,216.39	161,076.25
Average training hours	Hours/persons	23.07	30.81	-
By gender				
Training hours of male employees	Hours	314,602.00	397,753.83	91,031.05
Average training hours of male employees	Hours/persons	23.66	30.29	-
Training hours of female employees	Hours	171,771.00	232,734.56	70,045.20
Average training hours of female employees	Hours/persons	22.06	31.80	-
By employee category				
Training hours of senior management	Hours	4,015.50	3,169.10	3,197.50
Average training hours of senior management	Hours/persons	59.05	42.83	-
Training hours of middle management	Hours	10,533.00	13,238.20	12,463.20
Average training hours of middle management	Hours/persons	26.46	35.21	-
Training hours of grassroots employees	Hours	471,824.50	613,607.59	145,415.55
Average training hours of grassroots employees	Hours/persons	22.88	30.68	-
B5. Supply Chain Management				
B5.1 Number of suppliers by geographical region				
Professional service suppliers				
Guangdong Province	Suppliers	995	1,176	1,259
Mainland China (ex-Guangdong Province)	Suppliers	417	375	118
Hong Kong, Macau and Taiwan	Suppliers	27	20	19
Overseas	Suppliers	3	5	0
Engineering suppliers				
Guangdong Province	Suppliers	650	601	1,068
Mainland China (ex-Guangdong Province)	Suppliers	266	522	446
Hong Kong, Macau and Taiwan	Supplier	0	0	1
Overseas	Suppliers	0	4	0

Summary of Sustainability Development

Social Data

ESG Indicator	Unit	2021	2020	2019
B6. Product Responsibility				
B6.2 Number of products and service related complaints received				
Total number of complaints	Complaints	59	36	260
Number of complaints received for pre-delivery quality of work/building quality issues	Complaints	5	0	42
Number of complaints received for post-delivery quality of work/building quality issues	Complaints	2	4	91
Number of complaints received for property problems	Complaints	46	32	74
Number of complaints received for marketing service problems	Complaints	6	0	53
B7. Anti-corruption				
B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period				
Corruption lawsuits filed or concluded	Case	0	0	0
B7.3 Anti-corruption training¹³				
Number of employees received trainings on anti-corruption policies	Persons	1,500	950	-
Number of board members and senior management received trainings on anti-corruption policies	Persons	100	15	-
B8. Community Investment				
B8.2 Resources contributed to the focus area				
Total investment in public welfare activities/donations	RMB	4,270,320.54	8,352,645.70	385,407.00
Total employees participating in volunteer activities	Person-time	5,223	2,749	2,465
Total volunteer hours of employees	Hours	19,919.50	9,849.00	13,732.50

11. Employee turnover includes regular employees who resign or terminate employment due to dismissal, retirement or death. The calculation method of employee turnover rate: employees of the group who left in the year/employees of the group at the end of the year. In 2021, due to the project cancellation caused by the expiration of some business expansion contracts of the property group, the employee turnover rate increased.

12. The statistical scope of work-related injury data covers the full-time employees of Shenzhen Investment. Such data sources from work-related injuries recorded by the human resources department and identified by the local Human Resources and Social Security Bureau. The types of work-related injuries mainly include injuries at work and on the way to work. All work-related injuries have been properly dealt with.

13. The statistical disclosure of anti-corruption training started in 2020. In 2021, due to the further improvement of data collection method and statistical caliber, such data increased significantly compared with 2020.

Appendix III: Environmental, Social and Governance Content Index

Environmental, Social and Governance and General Disclosure and Key Performance Indicators (KPIs)		Corresponding Chapters
A. Environment		
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 non-hazardous waste. Note: Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. Hazardous wastes are those defined by national regulations.	Environmental Responsibility, Green Inclusion
	A1.1 The types of emissions and respective emissions data.	Key Performance Indicator List
	A1.2 Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Environmental Responsibility, Green Inclusion Key Performance Indicator List
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Indicator List
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Indicator List
	A1.5 Description of emissions target(s) set and steps taken to achieve them.	Environmental Responsibility, Green Inclusion
	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 Responsibility, Green Inclusion Key Performance Indicator List

Summary of Sustainability Development

Environmental, Social and Governance and General Disclosure and Key Performance Indicators (KPIs)

Corresponding Chapters

A. Environment

A2: Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.		Environmental Responsibility, Green Inclusion
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Environmental Responsibility, Green Inclusion Key Performance Indicator List
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Key Performance Indicator List
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Responsibility, Green Inclusion
	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 Responsibility, Green Inclusion
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Not applicable. No packaging material is required for the finished products of the Group
A3: Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.		Environmental Responsibility, Green Inclusion
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Responsibility, Green Inclusion
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 Responsibility, Green Inclusion
	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 Responsibility, Green Inclusion

B. Society

Employment and Labour Practices

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.	Employee Responsibility and Cohesiveness
	B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employee Responsibility and Cohesiveness Key Performance Indicator List
	B1.2 Employee turnover rate by gender, age group and geographical region.	Key Performance Indicator List
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.	Employee Responsibility and Cohesiveness
	B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Employee Responsibility and Cohesiveness Key Performance Indicator List
	B2.2 Lost days due to work injury.	Key Performance Indicator List
	B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Employee Responsibility and Cohesiveness

Summary of Sustainability Development

Environmental, Social and Governance and General Disclosure and Key Performance Indicators (KPIs)

Corresponding Chapters

B. Society

Employment and Labour Practices

B3: Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		Employee Responsibility and Cohesiveness
	Note: Training refers to vocational training. It may include internal and external courses paid by the employer.		
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Key Performance Indicator List
	B3.2	The average training hours completed per employee by gender and employee category.	Key Performance Indicator List
B4: Labour Standards	General Disclosure Information on:		
	(a)	the policies; and	Employee Responsibility and Cohesiveness
	(b)	compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	
	B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employee Responsibility and Cohesiveness
	B4.2	Description of steps taken to eliminate such practices when discovered.	Employee Responsibility and Cohesiveness

Environmental, Social and Governance and General Disclosure and Key Performance Indicators (KPIs)

Corresponding Chapters

B. Society

Operating Practices

B5: Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.		Customer Responsibility, Quality Improvement
	B5.1	Number of suppliers by geographical region.	Key Performance Indicator List
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Customer Responsibility, Quality Improvement
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Customer Responsibility, Quality Improvement
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Customer Responsibility, Quality Improvement
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.	Customer Responsibility, Quality Improvement
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable. There were no product and service recalls that had a material impact on the Group's operations during the reporting period
	B6.2	Number of products and service related complaints received and how they are dealt with.	Key Performance Indicator List
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Customer Responsibility, Quality Improvement
	B6.4	Description of quality assurance process and recall procedures.	Customer Responsibility, Quality Improvement
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Customer Responsibility, Quality Improvement

Summary of Sustainability Development

Environmental, Social and Governance and General Disclosure and Key Performance Indicators (KPIs)

Corresponding Chapters

B. Society

Operating Practices

B7: Anti-Corruption	General Disclosure Information on:	
	(a) the policies; and	Responsibility Governance and Innovation from our Original Aspirations
	(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. Responsibility Governance and Innovation from our Original Aspirations Key Performance Indicator List
	B7.2	Description of preventive measures and whistle-blowing procedures and how they are implemented and monitored. Responsibility Governance and Innovation from our Original Aspirations
B8: Community Investment	B7.3	Description of anti-corruption training provided to directors and staff. Responsibility Governance and Innovation from our Original Aspirations
	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. Social Responsibility to be Positive and Kind	
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). Social Responsibility to be Positive and Kind
	B8.2	Resources contributed (e.g. money or time) to the focus area. Social Responsibility to be Positive and Kind Key Performance Indicator List



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