



Wenye Group Holdings Limited 文業集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1802



ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE REPORT
2021

CONTENTS

1.	ABOUT THIS REPORT	2
1.1	Reporting Standards	2
1.2	Scope of the Report	3
1.3	Reporting Language	3
1.4	Feedback	3
2.	SUSTAINABLE DEVELOPMENT STRATEGY	4
2.1	Statement of the Board	4
2.2	ESG Working Group	4
2.3	Stakeholder Engagement	5
2.4	Materiality Assessment	6
3.	ENVIRONMENTAL PROTECTION	7
3.1	Carbon Emission Management	7
3.2	Energy Management	8
3.3	Water Conservation	8
3.4	Waste Reduction	9
4.	EMPLOYEE CARE	10
4.1	Welfare and Labour Standards	10
4.2	Health and Safety	11
4.3	Mutual Growth	12
5.	OPERATIONAL RESPONSIBILITY	12
5.1	Product Quality	13
5.2	Customer First	14
5.3	Data Protection	14
5.4	Cooperation with Suppliers	15
5.5	Anti-corruption	16
6.	COMMUNITY CONTRIBUTION	16
	APPENDIX I: SUSTAINABILITY DATA STATEMENTS	17
	APPENDIX II: THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED	20

1. ABOUT THIS REPORT

Wenye Group Holdings Limited (the “Company”) and its subsidiaries (“Wenye Group”, the “Group” or “we”) is headquartered in Shenzhen, Guangdong province in China for the provision of building decoration services. Having three decades of operating history, we mainly provide our customers with professional, comprehensive building decoration services. Our projects cover different kinds of interior and exterior building decorations, including, (i) interior construction and decoration works and installation works; (ii) interior electrical and mechanical installation works; (iii) fire safety installation works; (iv) electronic and intelligent systems installation works; and (v) curtain wall installation works. The Group is pleased to publish the third Environmental, Social and Governance Report (the “ESG Report” or the “Report”) to demonstrate the principles and sustainable development concepts that we uphold in fulfilling our corporate social responsibility, and to summarize the Company’s work and practices in environmental, social and governance (hereinafter referred to as the “ESG”) aspects. You may access the Report by clicking “Financial Information” under “Investor Relations” section on the Company’s website (<http://www.szwyzs.com.cn>) or relevant documents by browsing the website of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

1.1 Reporting Standards

This Report is prepared in accordance with Appendix 27: Environmental, Social and Governance Reporting Guide (the “Guide”) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). This Report has complied with the “comply or explain” provisions and the requirements of the four reporting principles (materiality, quantitative, balance and consistency) in the Guide. Readers can refer to Appendix II: The ESG Reporting Guide Content Index of Hong Kong Stock Exchange for quick reference.

Materiality: The Report has identified important stakeholders in the preparation process, and incorporated the process and results of stakeholder engagement and materiality assessment as the basis for determining the materiality of ESG issues.

Quantitative: All information in this Report is derived from relevant statistical reports and documents of the Group, and relevant standards and methods used in the calculation of greenhouse gas emissions/energy consumption have been reported.

Balance: This Report follows the principle of balance and objectively presents the Group’s ESG management status.

Consistency: The statistical methods used for information disclosed in this Report are consistent with those of the previous year.

1.2 Scope of the Report

The Report focuses on the performance of businesses directly controlled by the Group from 1 January 2021 to 31 December 2021 (the “Year” or “Reporting Period”). On the principle of consistency, data collected for the Year only covers our Shenzhen headquarters. We will continue to evaluate various businesses and expand the disclosure scope as and when appropriate.

1.3 Reporting Language

The Report is available in both traditional Chinese and English versions. In case of any discrepancy, the Traditional Chinese version shall prevail.

1.4 Feedback

Stakeholder’s comments and suggestions can assist the Group’s planning for sustainable development strategy. If you have any questions or suggestions about the content or form of this Report, please contact the Board Office of the Company at:

Email : ir@szwyzs.com.cn
Tel : (0755) 8328 8118

2. SUSTAINABLE DEVELOPMENT STRATEGY

2.1 Statement of the Board

To strengthen our management of sustainable development, we have established an ESG governance structure. The Board assumes full responsibility for the Group's ESG governance and sustainable development, and is responsible for reviewing and approving the Group's material issues, monitoring ESG performance, and regularly evaluating ESG-related risks and opportunities. With the authorization of the Board, the ESG Working Group considers and evaluates the concerns of various stakeholders through materiality assessment to determine the Group's ESG management approach, strategy, priorities and objectives. The Group has set relevant ESG targets. In the future, we will review the progress against these targets to improve our sustainability efforts.

2.2 ESG Working Group

Wenye Group has established an ESG working group to fulfill the following responsibilities to provide better ESG management:

The Board	ESG Working Group	Departments
<ul style="list-style-type: none">Oversee and manage ESG issues	<ul style="list-style-type: none">Oversee ESG-related policies to ensure compliance with laws and regulations	<ul style="list-style-type: none">Implement ESG-related policies
<ul style="list-style-type: none">Formulate sustainable development strategies	<ul style="list-style-type: none">Report the progress of ESG work to the Board	<ul style="list-style-type: none">Assist in collecting information and data related to the ESG Report
<ul style="list-style-type: none">Review the effectiveness of ESG management	<ul style="list-style-type: none">Make ESG-related recommendations to the Board	

2.3 Stakeholder Engagement

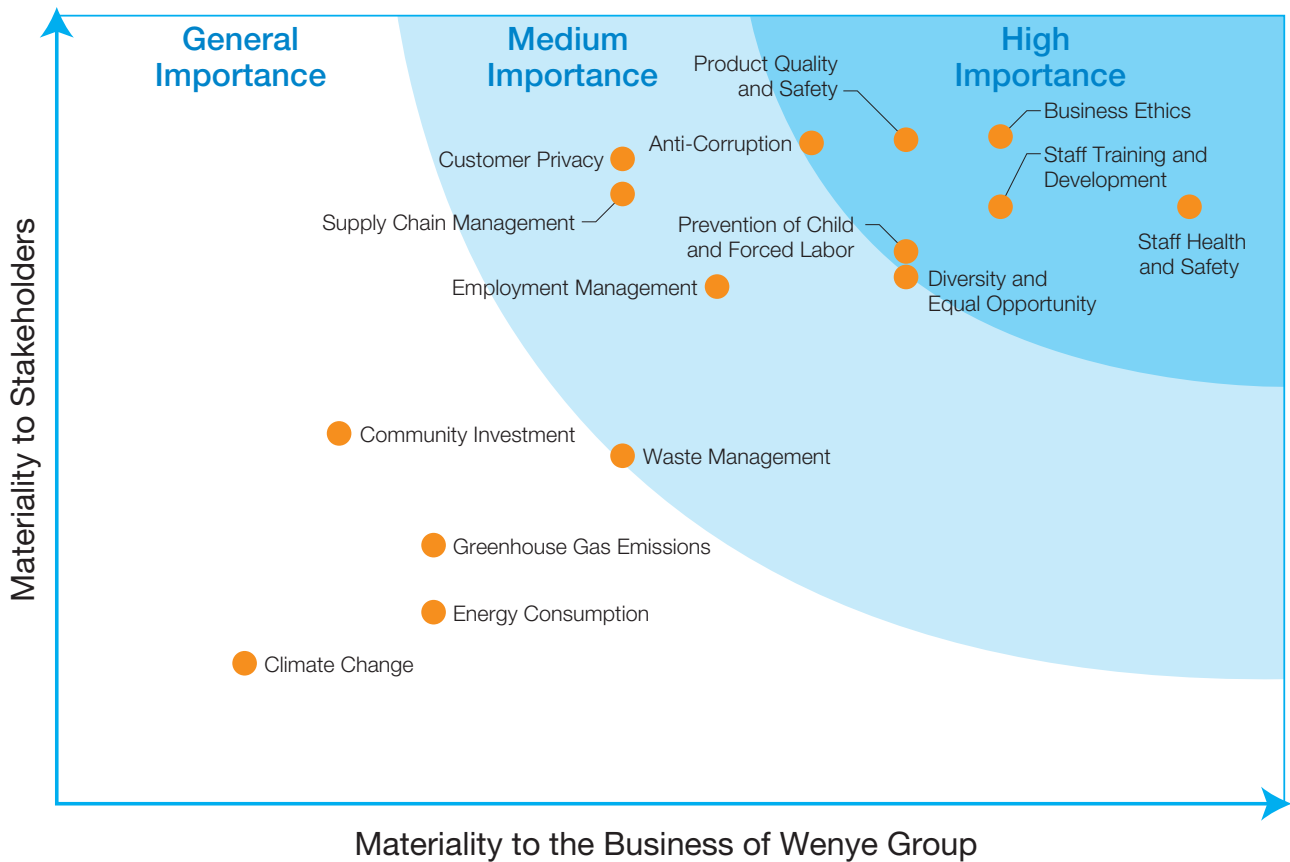
We continue to communicate with different stakeholders and understand their concerns through various channels. Through the following major communication methods, stakeholders can have a more comprehensive understanding of the Group's inputs and achievements, and also help the Group to absorb the opinions of stakeholders to improve the Group's ESG matters.

Key Stakeholders	Main Communication Channels
Customers	<ul style="list-style-type: none"> • Customer satisfaction survey and feedback forms • Daily operation/communication • Emails
Shareholders	<ul style="list-style-type: none"> • Annual general meetings and other general meetings • Interim and annual reports • Corporate communications such as letters/circulars to shareholders and notices of meetings • Results announcement
Employees	<ul style="list-style-type: none"> • Channels for employees to express their opinions (forms, suggestion boxes, etc.) • Meetings and interviews • Staff intranet
Investors	<ul style="list-style-type: none"> • Results announcement • Senior management meetings
Business partners	<ul style="list-style-type: none"> • Conference
Regulatory authorities	<ul style="list-style-type: none"> • Compliance reports
Media	<ul style="list-style-type: none"> • Results announcement
Suppliers	<ul style="list-style-type: none"> • Supplier management procedures • Supplier/contractor evaluation system

2.4 Materiality Assessment

The ESG Working Group and the management confirmed that the results for the Year 2020 were still applicable to the Year as (i) there was no significant change in the business and operating environment during the Year; and (ii) the results of materiality assessment last year were still able to respond to the stakeholders' expectations. Readers can refer to the 2020 ESG Report regarding the methods and procedures for conducting materiality assessment.

Materiality Matrix of Wenye Group



3. ENVIRONMENTAL PROTECTION

We are committed to integrating environmental protection concepts and practices into all of our operations and strictly comply with relevant laws and regulations such as the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Water Pollution, the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, the Energy Conservation Law of the People's Republic of China and the Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution. We have formulated the Environmental Protection Policy Statement of Wenye Group Co., Ltd., undertaking that we will adopt various environmental protection-related measures, save energy and reduce emissions, minimize the impact on the environment, and enhance employees' environmental awareness. We hope to extend the concept of sustainable development into our business to achieve the goal of sustainable development.

We also focus on environmental protection measures during the construction process. In order to reduce the impact of construction noise on the surrounding environment, we use high-quality equipment, install noise reduction facilities, and turn off idle equipment to reduce unnecessary noise. We also use recyclable materials and maximize the use efficiency of decoration materials. We classify and recycle construction waste according to local requirements.

During the Year, we had no violations of any environmental-related laws and regulations that have a significant impact on the Group.

3.1 Carbon Emission Management

In line with the carbon reduction targets set up by the state, we monitor the sources of carbon emissions from our operations and regularly collect information for monitoring to manage our carbon emissions. The Group's greenhouse gas emissions mainly come from electricity consumption involved in office operations. We continue to refer to the Greenhouse Gas Protocol developed by the World Resources Institute and the World Business Council for Sustainable Development and the ISO14064-1 formulated by the International Organization for Standardization for carbon emissions calculation. The greenhouse gas emissions performance of the Group's headquarters in Shenzhen is as follows:

GHG Emissions Performance	Unit	2021
Greenhouse Gas Emissions		
Scope 1: Direct greenhouse gas emissions	tonnes of CO ₂ e	15.31
Scope 2: Indirect greenhouse gas emissions	tonnes of CO ₂ e	67.25
Total greenhouse gas emissions	tonnes of CO ₂ e	82.55
Intensity of Greenhouse Gas Emissions		
Per square meter (Scope 1 & 2)	tonnes of CO ₂ e/m ²	0.02

Scope 1: Direct GHG emissions from sources that are owned and controlled by the Group.

Scope 2: Indirect GHG emissions from electricity generation, heating and cooling or steam purchased by the Group.

3.2 Energy Management

During the Year, the total electricity consumption in our operation was 110,223.00 kWh, and the intensity of electricity consumption was 22.07 kWh per square meter, representing a decrease of approximately 68% as compared to 2020. In the full cycle of project planning and construction management, we followed the concept of resource conservation, improved energy efficiency, and thus reducing energy consumption. We have formulated the Office Electricity Saving Management Regulations to improve energy efficiency, including:

Air-conditioning system	<ul style="list-style-type: none">• Clean the filters regularly;• Avoid installing air conditioners in locations that are directly exposed to sunlight;• Regular maintenance of air-conditioners is carried out to ensure efficient operation of the air-conditioning system;• Turn off air conditioners when the office is not in use;• During hot weather, employees are allowed not to wear ties and full suits to reduce the use of air conditioners.
Lighting system	<ul style="list-style-type: none">• Maximise the use of natural light;• Adopt lighting equipment with high energy efficiency (e.g. T5 fluorescent lamps and light-emitting diode);• Keep lighting fixtures and lamps clean to maximize their energy efficiency;• Lighting and air-conditioning equipment should be turned off in areas where employees have left off or which are not in use;• Switch off office equipment after work.
Electronic equipment and electrical appliances	<ul style="list-style-type: none">• Purchase electronic equipment with energy efficiency labels;• Completely switch off electronic equipment during non-business hours.

According to the Group's electricity saving measures, we set preliminary directional targets in energy use efficiency during the Reporting Period to maintain or gradually reduce greenhouse gas emissions, electricity consumption and water consumption.

3.3 Water Conservation

Our daily water consumption mainly comes from municipal water supply and there is no issue in sourcing water. We advocate water conservation, post "water conservation" signs in washrooms, use automatic sensor water-saving taps, regularly monitor water consumption, and timely repair problematic water pipes to reduce unnecessary waste. During the Year, the Group's total water consumption was 2,760.00 cubic meters, and the water consumption per square meter was 0.55 cubic meters.

3.4 Waste Reduction

The Group advocates “source reduction”, “reuse” and “recycling” to reduce waste generation. Recycling bins are placed in our offices to increase recycling rate. Our offices use paper from suppliers who have been certified to ISO14001 environmental management system certification and ISO9001 quality management system. During the Reporting Period, the Group consumed a total of 2.52 tonnes of paper, or 0.01 tonnes per employee.

We have formulated the Regulations on the Management of the Use of Informatized Office Equipment of Wenye Decoration, which requires all informatized office equipment and accessories to be registered and managed in a unified manner and reasonably allocated according to actual needs. For computers that cannot work normally due to aging, damage or other reasons, an application for renewal or scrapping shall be made in accordance with relevant rules of the Group. The Information Department of the Group will recycle the components of obsolete computer after formatting.

During the Year, non-hazardous waste generated by the Group was mainly office domestic waste, totaling 3.25 tonnes, equivalent to 0.01 tonnes per employee, and was all legally treated.

Due to the impact of the pandemic, we will continue to review the amount of waste and set relevant directional targets in the future.

Response to Climate Change

As global climate change becomes increasingly severe, we are aware that climate change will be a common issue to tackle. We are aware that climate change may have an impact on the Company’s operations. Therefore, we assess the risks and opportunities of climate change and reduce the impact on the environment through low-carbon operations and implementation of different green initiatives. The climate change-related risks we have identified are mainly extreme weather risks, such as high temperature and rainstorm caused by climate change, which may lead to service interruptions under severe weather conditions, and office facilities may need to be temporarily closed. Existing measures to deal with adverse weather conditions will be reviewed to ensure the safety of employees. We will continue to monitor climate change-related risks, pay attention to the latest laws and regulations, and improve various energy conservation and carbon reduction measures.

4. EMPLOYEE CARE

The Group strictly complies with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, the Implementation Regulations of the Labor Contract Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of Minors, the Provisions on the Prohibition of Using Child Labor and other relevant laws and regulations. We have also formulated the Employee Handbook, the Employment and Labour Practices Policy Statement, etc., to establish the employee system and welfare system, protect the rights and interests of employees, and strive to provide all employees with a diversified working environment free of discrimination and harassment, so that every employee can exert his/her strengths and potential. During the Year, we did not violate any relevant laws and regulations that have a significant impact on the Group. During the Year, the Group had a total of 265 employees and all of them are based in Shenzhen.

4.1 Welfare and Labour Standards

We are committed to creating an ideal workplace environment with equality, openness, inclusiveness and respect. We prohibit any form of discrimination in the workplace, including unfair treatment based on factors such as gender, age, nationality, race, colour, religion, physical appearance, illness, mental or physical disability, sexual orientation or social status. We are committed to creating a diverse and respectful workplace culture and providing equal employment opportunities.

The Human Resources Department of the Group adopts different evaluation methods according to the nature of the position to comprehensively inspect professional skills and comprehensive quality of applicants, and select the most suitable candidates for the position. We verify candidates' personal information during the recruitment process to ensure that no child labour is employed. We also eliminate forced labour and clearly set out working hours and resignation arrangements of employees in the Employee Handbook. In case of any non-compliance, we will handle each case as what has been clearly stipulated in the Employee Handbook of the Group. During the Year, the Group did not have any case of non-compliance in relation to the employment of child labor or forced labor.

We offer quarterly bonuses and year-end bonuses based on employee performance and project completion progress to reward their past contributions and efforts. After the output target is met, bonus attributable to each department is allocated by the department head according to the workload of each employee. We require our performance appraisal personnel to be fair and just, and not to commit favoritism or fraud.

In terms of welfare and holidays, in addition to the five insurances and one fund and statutory holidays stipulated by the state, we also provide employees with paid sick leave, marriage leave, maternity leave, funeral leave, work-related injury leave, etc. We also provide employees with travel subsidies, living subsidies, holiday fees, etc.

We encourage mutual communication and have established an internal network platform to enable management to understand employees' thoughts and expectations through questionnaires and employee forums.

4.2 Health and Safety

The Group strictly complies with the Production Safety Law of the People's Republic of China, the Fire Protection Law of the People's Republic of China, the Social Insurance Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases and other laws and regulations. Amid the pandemic, in order to reduce the chance of infection among employees, the Group distributed pandemic prevention supplies such as masks and hand-washing disinfectants to employees to further protect the health and safety of employees. The Group conducts rescue and fire evacuation drills on a regular basis.

Our occupational health and safety management system has been certified to OHSAS 18001 and operates in accordance with its standards. We attach great importance to the health and safety of every employee and strive to minimize the accident rate. During the Reporting Period, the Group was not involved in any complaints and litigations regarding violations of health and safety laws, and there were no cases of work-related fatalities in the past three years (including the Reporting Period).

We have established the "Safe and Civilized Construction" plan for employees, contractors and engineers to strictly abide by. We conduct three-level safety education for employees and construction workers to enhance their safety awareness. We also require our contractors to comply with the standards and requirements for safe production and civilized construction of relevant projects, and be responsible for supervising and inspecting safety measures at construction sites. We provide employees with personal protective equipment such as hard hats and protective gloves.

We also stipulated safety production management and civilized construction management measures in the Compilation of Management Rules and Standards, and standardized project management and inspection process. Each of our project has been granted a production safety permit. Prior to the commencement of construction, we require the person in charge of the project to reflect organizational image planning, production safety and civilized construction planning in their project planning, and set up signs as required. Signs of major hazard sources at construction site shall indicate on-site hazard factors and precautions. We also require our employees to establish a safety production management account for each project, and sign the Production Safety Responsibility Rules and the Project Department shall sign a safety production agreement and a civilized construction management responsibility statement with the in-charge person of contractor. We implement an accountability system for accidents. After the commencement of a project, we require the relevant responsible person to conduct safety inspections on a daily basis and keep records. If problems are found, rectification suggestions must be proposed and such problems must be re-examined. In case of any production safety accident, the Group will conduct strict accident investigation and hold relevant persons liable.

4.3 Mutual Growth

We attach great importance to the training and development of employees. The Group provides targeted and systematic training for employees to ensure that they can quickly meet the needs of relevant positions and explore their potential to support sustainable development of the Group. The Group believes that the skills and experience of employees are important factors for long-term development of the Group. The Group provides comprehensive training for new employees to help them understand the Group's culture and business skills as soon as possible. In order to improve the overall quality of employees, we provide subsidies for internal training and external training, examination fee and training fee, and encourage employees to improve their professional standards through continuous learning. We also reward employees who have obtained national or international professional and technical certificates.

During the Year, we organized various training activities, including job skills and technique training. Training programmes are regularly revised and updated based on feedback from employees and management.

5. OPERATIONAL RESPONSIBILITY

The Group complies with the Anti-Unfair Competition Law of the People's Republic of China, the Intellectual Property Law of the People's Republic of China, the Implementation Rules of the Patent Law of the People's Republic of China, the Trademark Law, the Copyright Law, the Advertising Law of the People's Republic of China and other relevant laws and regulations. The Group ensures that information on services provided to customers is accurate and open. All public information is subject to review, so that the public can receive complete, true and accurate information.

We have formulated the Patent and Construction Technique Management Rules and the patent application process to promote technological innovation and protection of the Group. We require our employees to respect and protect the Group's patent and safeguard the Group's legitimate interests. Meanwhile, we also require our employees to consciously abide by the Patent Law and relevant regulations and not to infringe upon third-party patents. If any violations are found, we will handle them in accordance with legal procedures.

5.1 Product Quality

Wenye Group attaches equal importance to quality and service, and has strict requirements on product quality to ensure compliance with relevant laws and regulations of construction industry and technical specifications such as the Product Quality Law of the People's Republic of China, the Construction Law of the People's Republic of China and the Regulations on Quality Control of Construction Projects, and has formulated various guidelines and policies and basic procedures. The Group's quality management system is certified to ISO9001. During the Year, we did not violate any relevant laws and regulations that have a significant impact on the Group.

We have established a sound organizational structure of the engineering management center, which is divided into four departments (Engineering Department, Contract Department, Quality and Safety Department and Information Department), each with the following corresponding responsibilities:

Engineering Department	<ul style="list-style-type: none"> Abide by and implement relevant national laws and regulations, various guidelines and policies and basic procedures of construction projects; Responsible for preliminary work, research, data collection and site investigation; Cooperate in project construction application and completion filing; Manage the whole process of construction progress, quality and safe and civilized construction; and Coordinate and solve various issues encountered by the Project Department.
Contract Department	<ul style="list-style-type: none"> Be responsible for daily management of the Company's contract performance, collecting, recording and sorting information, and conduct filing and archiving in a timely manner; Be responsible for contract terms review and overall project evaluation; Cooperate with the Cost Control Center to do a good job in cost accounting.
Quality and Safety Department	<ul style="list-style-type: none"> Consistently implement the laws and regulations at national, industrial and corporate level in relation to production safety, engineering quality, construction progress, civilized construction, occupational health and environmental protection; Formulate management regulations, implementation rules and methods for production safety, engineering quality and occupational health; Be responsible for supervision and inspection of production safety, engineering quality, occupational health and special equipment; Be responsible for the organization, inspection and evaluation of project quality and reputation evaluation, and organize the implementation of work objectives and guarantee measures in respect of production safety, engineering quality and occupational health; Be responsible for the planning, guidance, examination and acceptance, evaluation and reporting of construction sites with safety and civilization standards; Regularly organize safety inspection in respect of production safety and engineering quality and, occupational health, special equipment, and project safety and quality rectification; Participate in and cooperate with relevant departments in the investigation and handling of quality and production safety accidents and the implementation of other emergency measures; Be responsible for the investment, use, supervision and inspection of production safety expenses for the unit's projects.
Information Department	<ul style="list-style-type: none"> Against the project data collection list, collect all project process data, and set up, sort out and save a full set of data in electronic form; Be responsible for reviewing labor information; Monitor employee attendance, etc.

In terms of quality control, the Quality and Safety Department tracks and controls construction quality of the project, conducts project acceptance and records in strict accordance with regulatory requirements, and also reviews construction quality. Our project management personnel shall carry out on-site safety and quality inspection, and conduct all-round inspection in terms of quality, safety, civilization and data. They are required to take examinations on safety education from time to time, and if they fail the examinations, they will be subject to re-education and assessment.

The Group has also signed the Project Quality Warranty Agreement and the Project Quality Defects Warranty Agreement with customers to further enhance customer satisfaction with our services.

5.2 Customer First

The Group strictly complies with the Law of the People's Republic of China on the Protection of Consumer Rights and Interests. We are willing to listen to customers' opinions through different channels, such as customer feedback surveys, in order to provide quality services and maintain our competitiveness. The Group makes timely improvements based on customers' opinions and suggestions. The Group collects customers' opinions and gives timely feedback. In the event of substandard services, we will take corresponding remedial measures and take it as an opportunity to continuously improve its service quality.

The Group has also formulated the Data Center Safety Management Rules to ensure the safety of the Group's assets. We collect and use customer information in a legal manner, and the use of customer information is limited to the channels specified in the contract. We require our employees to strictly comply with the regulations on customer information processing, and take measures to ensure the security of the Company's computer database and protect the security of customer information.

During the Year, the Group did not receive any complaints from customers.

5.3 Data Protection

We strictly abide by the Confidentiality Law of the People's Republic of China and the Implementation Measures of the Confidentiality Law of the People's Republic of China to protect customer privacy. We have also established various rules to regulate the processing of personal data. We have in place the Confidentiality Agreement and confidentiality rules, requiring employees to consciously keep the Group's trade secrets. We have also established the Data Center Security Management Rules to supervise, inspect and guide the management of each server room to ensure the safe operation of the server room. People other than server room managers who need to enter the server room due to work reasons are subject to approval by the relevant personnel, and their identities must be confirmed under the supervision of the server room administrators. We require information such as the Server Room Entry and Exit Registration Form to be kept for at least one year for inspection.

5.4 Cooperation with Suppliers

We continuously manage our supply chain and procurement to ensure the quality of our products and services. We have 2,866 suppliers in total, mainly providing us with construction materials and labour service. We have formulated the Supplier Management and Assessment Rules. Before engaging suppliers, we select suppliers based on established assessment criteria, including product quality, qualification standards, service standards, industry reputation and compliance with national standards in relation to safety and environmental. We will arrange employees from more than two relevant departments to inspect each new supplier, and the results of inspection will be recorded in the Supplier Inspection and Rating Form, and only qualified suppliers will be given access to the Group's supplier platform. We also conduct annual supplier evaluation. In each December, the procurement center adjusts the supplier database based on the Supplier Assessment Form of the Year. For unqualified suppliers, we will remove them from the supplier database.

Our procurement personnel will dynamically monitor project materials in accordance with the Material Sample and Procurement Dynamic Control Form, including whether construction sample confirmation, material price comparison, bidding, contract signing, and material order placement are on schedule. We have also in place the Statement on Supply Chain Management, Product Responsibility and Anti-corruption Policy. We avoid selecting suppliers involved in corruption, bribery, extortion, fraud and money laundering. In addition, we also encourage the selection of green suppliers, and take into account environmental protection factors as much as possible in procurement, such as whether the products have a long validity period and higher energy efficiency.

Our suppliers are geographically located as follows:

Region	Guangdong	Shandong	Sichuan	Zhejiang	Tianjin	Hubei	Jiangsu	Heilongjiang	Fujian	Henan	Chongqing	Guangxi	Beijing	Shanxi
Number	1,117	228	178	122	260	112	81	53	32	76	119	90	67	36

Region	Hebei	Guizhou	Anhui	Yunnan	Hainan	Jiangxi	Hunan	Shaanxi	Jilin	Liaoning	Qinghai	Xinjiang	Shanghai
Number	25	4	30	18	14	16	9	3	5	10	3	109	49

5.5 Anti-corruption

The Group attaches great importance to anti-corruption management, and understands that relevant work requires active cooperation from various departments to continuously effect control, optimisation and improvement. We adopt a zero-tolerance approach to corruption, bribery, extortion, fraud and money laundering. During the Year, we were not involved in any litigation cases against Wenye Group and its employees in relation to corruption, bribery, extortion, fraud and money laundering. In addition, we also ensure that we comply with relevant laws and regulations such as the Company Law of the People's Republic of China, the Anti-Money Laundering Law of the People's Republic of China, the Supervision Law of the People's Republic of China and the Criminal Law of the People's Republic of China in our operations.

We have in place the Internal Audit Rules, and conduct independent and objective inspection, supervision and evaluation of operation and management through the Internal Audit Department of the Group. We also encourage employees to report incidents that violate relevant management rules of the Group to the internal audit and supervision committee at internal audit e-mail address, and also adopt confidentiality measures for reporting. Employees shall not take advantage of their positions to accept or provide entertainment, gifts, rebates and other illegal benefits, and shall not retaliate or shelter other employees. We provide anti-corruption training to directors and employees of the Group through anti-corruption teaching materials to strengthen their awareness of integrity risks.

During the Reporting Period, there were no concluded legal cases regarding corrupt practices, bribery, exploitation, fraud and money laundering against the Group or its employees.

6. COMMUNITY CONTRIBUTION

While promoting business development, the Group actively encourages employees to participate in community activities to promote cultural exchange and cooperative development with the community. We care about the community, respect the culture and values of the community, and hope to have a positive impact on the society. We will also cultivate employees' sense of social responsibility and encourage them to voluntarily participate in volunteer projects or community activities. During the pandemic, our employees had less opportunity to take part in welfare activities as the Group adopted pandemic control measures mandated by the government. Looking ahead, we will continue our efforts to contribute to sustainable development of the socio-economic environment and strengthen our partnership with the community to create synergies and contribute to the society.

APPENDIX I: SUSTAINABILITY DATA STATEMENTS

The following is a summary of sustainability data in environmental aspect of the Group's head office in Shenzhen for the Year:

Environmental Aspects	Unit	2021
Vehicle emissions		
Nitrogen oxides	kg	6.56
Sulphur oxides	kg	0.08
Particulate matter	kg	0.48
Greenhouse Gas Emissions		
Direct GHG emissions (Scope 1)	tonnes of CO ₂ e	15.31
Indirect GHG emissions (Scope 2)	tonnes of CO ₂ e	67.25
Total GHG emissions (Scopes 1 and 2)	tonnes of CO ₂ e	82.55
GHG emission intensity (per square meter) (Scopes 1 and 2)	tonnes of CO ₂ e/m ²	0.02
Energy Consumption		
Total energy consumption	kWh	162,275.63
Energy consumption intensity (per square meter)	kWh/m ²	32.50
Energy consumption intensity (per employee)	kWh/employee	598.80
Consumption of purchased electricity	kWh	110,223.00
Electricity consumption per square meter	kWh/m ²	22.07
Gasoline consumption	kWh	52,052.63
Water Consumption		
Total water consumption	m ³	2,760.00
Water consumption intensity (per square meter)	m ³ /m ²	0.55
Water consumption intensity (per employee)	m ³ /employee	10.18
Paper Consumption		
Total paper consumption	tonnes	2.52
Paper consumption per capita	tonnes/employee	0.01
Waste		
Non-hazardous waste produced (e.g. office domestic waste)	tonnes	3.25
Non-hazardous waste produced (e.g. office domestic waste)	tonnes/employee	0.01
Waste battery generated	pieces	480
Waste battery generated	pieces/employee	1.81

The following is a summary of the Group's sustainability data in social aspect for the Year:

Social Aspects	Unit	2021
Employment management*		
Total number of employees	person	265
By gender		
Female	person	71
Male	person	194
By employment type		
Full-time junior employees	person	224
Full-time middle management	person	28
Full-time senior management	person	13
By age group		
Under 30 years old	person	44
30-50 years old	person	170
Over 50 years old	person	51
By geographical region		
Northern China	person	13
Northeast China	person	13
Eastern China	person	25
Central China	person	61
Northwest China	person	4
Southern China	person	147
Others (including Hong Kong, Macau and Taiwan)	person	2
Employee turnover rate**		
Total turnover rate	%	36.53
By gender		
Female	%	13.81
Male	%	22.71
By age group		
Under 30 years old	%	42.04
30-50 years old	%	50.32
Over 50 years old	%	7.64
By geographical region		
Northern China	%	1.27
Northeast China	%	4.46
Eastern China	%	10.19
Central China	%	36.31
Northwest China	%	0.00
Southern China	%	47.77
Others (including Hong Kong, Macau and Taiwan)	%	0.00
Work safety and health		
Number of work-related fatalities in the past three years	person	0
Lost days due to work-related injury	days	0

Social Aspects	Unit	2021
Staff training		
Percentage of female employees trained	%	45.05
Percentage of male employees trained	%	54.95
Average training hours per female employee	hours	4.22
Average training hours per male employee	hours	2.13
Percentage of full-time junior employees trained	%	76.92
Percentage of full-time middle management trained	%	16.48
Percentage of full-time senior management trained	%	6.59
Average training hours of full-time junior employees	hours	3.35
Average training hours for full-time middle management	hours	2.21
Average training hours for full-time senior management	hours	1.98
Labor standards		
Number of child labors found during the Reporting Period	person	0
Number of forced labors found during the Reporting Period	person	0

* Calculated based on the number of employees as at 31 December 2021

** Calculated as the percentage of total number of leavers in the Year to the sum of total number of employees and total number of leavers

APPENDIX II: THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED

Indicators		Sections
A. ENVIRONMENTAL ASPECTS		
A1: EMISSION	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.
		Environmental Protection
	A1.1	The types of emissions and respective emissions data.
		Appendix I: Sustainability Data Statements
	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).
		Appendix I: Sustainability Data Statements
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
		Appendix I: Sustainability Data Statements
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).
		Appendix I: Sustainability Data Statements
	A1.5	Description of emission target (s) set and steps taken to achieve them.
		Energy Management
	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.
		Energy Management

Indicators		Sections	
A2: Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Protection
	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).	Appendix I: Sustainability Data Statements
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Appendix I: Sustainability Data Statements
	A2.3	Description of energy use efficiency target (s) set and steps taken to achieve them.	Energy Management
	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.	Energy Management
	A2.5	Total packaging material used for finished products (in kg) and, if applicable, with reference to per unit produced.	The Group's business does not involve packaging materials
A3: The Environment and Natural Resources	General Disclosure	Policies on minimizing the issuers' significant impact on the environment and natural resources.	Environmental Protection
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Protection
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.	Response to Climate Change
	A4.1	Description of significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Response to Climate Change

Indicators		Sections	
B. SOCIAL ASPECTS			
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 Care
	B1.1	Total workforce by gender, employment type (for example, full-or part-time), age group and geographical region.	Appendix I: Sustainability Data Statements
	B1.2	Employee turnover rate by gender, age group and geographical region.	Appendix I: Sustainability Data Statements
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.	Health and Safety
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the Reporting Period.	Health and Safety
	B2.2	Lost days due to work-related injury.	Health and Safety
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety

Indicators		Sections	
B3: Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Mutual Growth
	B3.1	Percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix I: Sustainability Data Statements
	B3.2	Average training hours completed per employee by gender and employee category.	Appendix I: Sustainability Data Statements
B4: Labor Standards	B4	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Welfare and Labour Standards
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	Welfare and Labour Standards
	B4.2	Description of steps taken to eliminate such practices when discovered.	Welfare and Labour Standards
B5: Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Cooperation with Suppliers
	B5.1	Number of suppliers by geographical region.	Cooperation with Suppliers
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Cooperation with Suppliers
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Cooperation with Suppliers
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Cooperation with Suppliers

Indicators		Sections	
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.	Operational Responsibility
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	The Group's business does not involve production and manufacturing of products
	B6.2	Number of products and service-related complaints received and how they are dealt with.	Customer First
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Operational Responsibility
	B6.4	Description of quality assurance process and recall procedures.	The Group's business does not involve the production and manufacturing of products and therefore no product recall procedures is established
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Data Protection
B7: Anti-Corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Anti-Corruption
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Anti-Corruption
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-Corruption
	B7.3	Description of anti-corruption training provided to directors and employees.	Anti-Corruption
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Community Contribution
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Contribution
	B8.2	Resources contributed to the focus area.	Community Contribution