

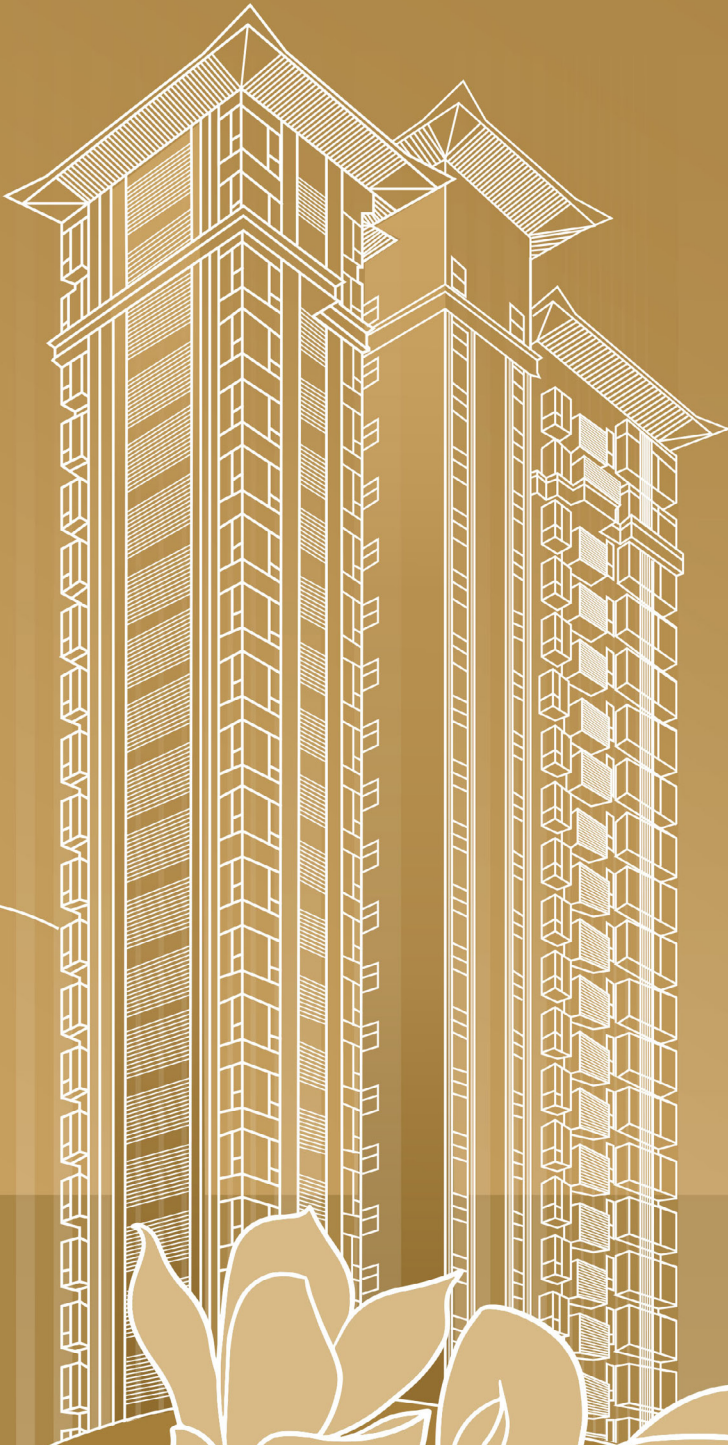
**HUIJING** 滙景

Huijing Holdings Company Limited

滙景控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 9968



2021

Environmental, Social  
and Governance Report

INSPIRING  
GROWTH TOGETHER



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# MESSAGE FROM MANAGEMENT

Huijing Holdings Company Limited (the “Company”), together with its subsidiaries (collectively the “Group”) are pleased to present the Environmental, Social and Governance Report 2021 to share with stakeholders the value we brought to the environment, our employees, customers, supply chain and communities under the guidance of our sustainability strategy, and to present the related performance and results. The concept of sustainability has long been embedded in the DNA of the Group, and relevant elements have been adopted in various policies and guidelines to enable the Group to maintain sustainable operations.

In 2021, with the persisting COVID-19 pandemic in addition to extreme weather changes, it will be hard for companies to ignore long-term sustainability risk management. Developing diversified management measures while reducing the overall carbon footprint has become an imperative issue for many companies. In response to this, the Group has been actively promoting and implementing sustainability initiatives within the Group to address the crisis brought about by extreme weather while coping with the pandemic.

In the course of sustainable development, the Group believes that maintaining good communication with stakeholders is an important foundation for business development. Therefore, in addition to discussing policies and approaches with the board of directors (the “Board”), the Group has invited internal and external stakeholders to conduct an online sustainability questionnaires and, based on the results of the communication, adjusted the policies and measures as necessary to address the inadequacies and areas of improvement. At the same time, the Group could ensure a consistent development value with its stakeholders and move towards a more sustainable future together. The Group collected a total of 95 valid responses to the questionnaires in 2021 and the results were similar to last year, with stakeholders expressing the greatest concern on employment-related issues, which were reported and responded to by the Group.

The Group hopes to review and update its policies and measures in light of the importance of each issue, so that all departments could work together to raise the overall level of environmental awareness. In the future, the Group will continue to maintain two-way communication with all stakeholders and adopt a more forward-looking strategy to deliver exceptional value to the market and to the communities where we operate in.

# ABOUT THE GROUP

## The Group's Business

The Group is a People's Republic of China ("PRC") integrated residential and commercial property developer incorporated in the Cayman Islands and listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "HKEX") (stock code: 9968). Maintain foothold in Greater Bay Area, the Group has gradually extended its business to the Yangtze River Delta Urban Cluster and the Yangtze Mid-stream Urban Cluster, covering a total of 12 cities. The Group persists in the strategy of "focusing on residential development project while taking the urban renewal projects as the core, as well as the cultural and tourism-healthy living towns and the scientific and innovative technologies industrial towns as the two-wing", which constitutes its "one focus, one core, and two wings" blueprint. The core project is urban renewal, and the property projects include residential properties, integrated properties and properties promoting specific industries. During the Year, the Group continued to pursue its mission of "penetrating into Dongguan, maintaining foothold in the Greater Bay Area, and sustaining coverage of high value-added cities in the Southern, Central and Eastern China areas", emphasizing the potential of urban development and seizing market opportunities to become a leading developer in the field of urban renewal in the Greater Bay Area.

## The Group's Development

In addition to the Group's main development line of "industry, city and people", the Group also focuses on "scientific and innovative technologies industrial towns, and cultural and tourism-healthy living towns" as the core of its development. According to the "Outline of the 14<sup>th</sup> Five-Year Plan (2021-2025) for National Economic and Social Development and Vision 2035 of the People's Republic of China" ("the 14<sup>th</sup> Five-Year Plan"), the science and technology industry has been placed in a very important position. In view of this, the Group is actively cooperating with the 14<sup>th</sup> Five-Year Plan, and is making every effort to develop science and technology at full speed with a new mindset to promote the integrated development of industry and city. Riding on the momentum of 5G development, the Company has constructed a variety of industrial spatial generator, including spaces for research and development as well as manufacturing. It has also built a platform for cooperation between industry, academia and research to nurture industrial talents, creating a significant competitive advantage for the Group. In terms of cultural and tourism-healthy living towns, the Company focuses on creating real estate projects with distinctive features for its customers, creating the concept of a comfortable and quality living environment, introducing various facilities with a focus on tourism, health and elderly care, and providing ideal homes for customers who seek cultural experiences and maintain a healthy lifestyle.





# ABOUT THE REPORT

The Report is the third Environmental, Social and Governance Report (the “Report”) published by the Group, with an aim of allowing stakeholders to understand the Group’s actions, policies and practices in relation to environmental, social and governance (“ESG”). The Report covers the Group’s strategies, policies, measures and performance on ESG for the financial year from 1 January 2021 to 31 December 2021 (the “Year”). The Report also provides in-depth disclosure on “Support during the Epidemic”, which aims to highlight the Group’s commitment to the frontline prevention of the epidemic and its contribution to the community by providing support for the nucleic acid testing in Dongguan.

This Report is prepared in both Chinese and English and has been uploaded to the websites of HKEX and the Company. The Group welcomes comments from stakeholders on the contents of this Report to help the Group build a better ESG strategy in the future. If you have any questions or suggestions on the contents of this Report, please send to Suites 911–912, 9/F, One Pacific Place, 88 Queensway, Hong Kong.

## Reporting Standards

This Report has fully complied with the requirements set out in the Environmental, Social and Governance Reporting Guidelines (“ESG Guidelines”) issued by the HKEX and the four reporting principles, including materiality, quantitative, balance and consistency, have been applied in the preparation of the Report. A full index is included in the last chapter of this Report to facilitate readers to read this Report in accordance with the ESG Guidelines.

<b>Materiality</b>	The Group conducted a questionnaire with stakeholders to help identify the relevant key ESG issues to the Group and used this as a reporting framework for this Report to ensure that it responded to the issues identified as important by stakeholders.
<b>Quantitative</b>	The Group presents the Group’s performance in quantitative manner and provides comparative data where appropriate.
<b>Balance</b>	The Group upholds the principle of impartiality and reports fully on both positive and negative impacts.
<b>Consistency</b>	The Group adopts consistent statistical methods to enable stakeholders to compare the Group’s performance over the years.

## Reporting Scope

Based on the principle of materiality, the scope of disclosure in this Report is consistent with previous year, focuses on the operation of the Group’s headquarters in Dongguan, as well as the three regional offices in Southern, Central and Eastern China. The Group will continue to review the scope of disclosure in the light of business development and plans to expand it gradually in the future.

# FEATURE STORY – TOGETHER, WE FIGHT THE VIRUS

The pandemic is raging, affecting all countries and industries around the world, and fight against epidemics and epidemic prevention has become the new social norm. Due to the implementation of various epidemic prevention measures, the Group's business has been affected to varying degrees. Despite this, the Group is still actively maintaining stable business operations while actively fulfilling its social responsibilities and providing immediate assistance to those in need. In particular, to prevent the further spread of the epidemic in the community and to enable residents to live safely, the Group's volunteer service team took the initiative to assist in a number of community nucleic acid tests during the Year.

Region	Anti-epidemic Supporting Work
<p><b>Qingxi town-wide launching of large-scale nucleic acid testing</b>  <b>Nucleic acid testing work in Xinnan Village, Qishi Town</b>  <b>Nucleic Acid Testing in Shatian Town</b></p>	<p>There was a serious shortage of manpower in some regions, so the Huijing Volunteer Service Team rushed to the scene to assist as frontline epidemic prevention staff and built a safety barrier for residents in Qingxi Town, Qishi Town and Shatian Town. They were responsible for checking Guangdong health code, measuring body temperature, maintaining order, assisting in the registration of Guangdong nucleic acid code and helping medical staff to take samples.</p>
<p><b>The second nucleic acid testing in Dongguan</b></p>	<p>The Huijing Volunteer Service Team actively responded by organizing a support team of nearly 80 people to rush to Wanjiang, Hongmei, Chashan, Qishi, Qingxi, Shatian, Wangniudun, Xiegang and other towns and streets to assist in the full-scale nucleic acid testing work all day.</p>

In appreciation of the contribution of Huijing Volunteer Service Team, representatives of the Sanxing Village Committee of Qingxi Town and the Xinnan Village Committee of Qishi Town both presented a flag of anti-epidemic appreciation to the Huijing Volunteer Service Team.

The Huijing Volunteer Service Team is always prepared to be on the front line of epidemic prevention, hoping to contribute their efforts and give back to the community.





# OUR SUSTAINABLE GOVERNANCE CONCEPT

With increasing social and international concerns about the ESG performance of companies, the establishment of a good governance culture and system is vital to the future development of the Company. By formulating, approving and implementing policies and measures to manage ESG issues, it helps to reduce the Group's operational risks while improving efficiency. The Group will also continue to strengthen its governance capability in sustainable development, maintain regular meetings with the management to communicate and review the progress and effectiveness of work, and establish a stable value chain for stakeholders in the long run.

## **Governance Structure**

Faced with different ESG issues, the Board is actively engaged in and fully responsible for its effectiveness and is committed to building a good governance culture to effectively respond to societal expectations. The Board leads the Group's various departments in setting ESG targets and priorities, identifying significant ESG risks, formulating, approving and implementing policies and measures to manage ESG matters and ensuring the continued effectiveness of relevant countermeasures, and reviewing and approving ESG disclosures.

In addition, to integrate ESG elements into the Group's governance structure more effectively, the Board has authorised a member of the senior management of the Group to establish an ESG working group in the previous year, which consists of staff from relevant functional departments, project leaders and employees working on various important ESG issues of the Group. Members of the working group maintain close communication with stakeholders through various channels and assist the Group in making recommendations on ESG-related priorities, targets, and action plans in line with market and industry trends and needs. They are also responsible for the implementation of ESG-related policies and practices, and the preparation of ESG reports, with a view to implementing ESG approaches and related governance into daily operations. The working group also assists the Board in assessing and reviewing the needs of the Group and allocating appropriate resources to better enhance the Group's ESG performance.

# OUR SUSTAINABLE GOVERNANCE CONCEPT

## Internal Risk Management

Effective risk management is critical to the long-term growth and sustainability of the Group's business. The Group has established a comprehensive risk identification and management process in accordance with the framework of The Committee of Sponsoring Organizations of the Treadway Commission ("COSO") to enhance risk mitigation and response. The process is overseen by the Board, which assesses and determines the nature and extent of risks that the Group is willing to accept in achieving its strategic objectives in order to develop more targeted risk management plans. In addition, the management is responsible for establishing a well-structured risk management and internal control system with clearly defined responsibilities, and carries out risk management work regularly in accordance with the "Three Lines of Defense Model" to systematically organize, mitigate and monitor risks to ensure the effectiveness of risk management programs.

## Key ESG-related Risk Factors

Risk Factors	Potential Impact	Response
<b>Public Health Crisis Risks</b>	<p>Local government measures to prevent the disease, such as mandatory work stoppages and border controls, have had a negative impact on the Group's daily operations and property development project schedules. At the same time, the Group's operations may be seriously and adversely affected if any of its employees infected with COVID-19.</p> <p>These risks could result in significant financial losses and even bring business interruptions to the Group.</p>	<p>Details of the preventive measures adopted by the Group are as follows:</p> <ol style="list-style-type: none"> <li>1. all employees are required to establish screening and reporting files to fully implement "early detection, early reporting and early isolation";</li> <li>2. all employees are required to have their body temperature measured, and disinfection work is carried out regularly at all Group facilities;</li> <li>3. to adopt a separate meal system for office workstations, and report regularly the number of employees and meals for the following day;</li> <li>4. to arrange for the purchase of epidemic prevention materials, including masks, disinfectant, hand sanitizer, etc;</li> <li>5. to carry out psychological counseling for employees, remind them to pay attention to the epidemic, and guide them to understand the epidemic properly;</li> <li>6. set up an epidemic prevention leadership team to guide the resumption of work at the Group headquarters.</li> </ol>







# OUR SUSTAINABLE GOVERNANCE CONCEPT

Risk Factors	Potential Impact	Response
<b>Project Risks</b>	If the Group's third party contractors are unable to consistently perform to the quality levels required by the Group, or if their performance does not consistently meet the quality requirements, this will delay the progress of the Group's investment projects and may result in additional unnecessary investment costs being incurred by the Group.	The Group has established a Qualified Suppliers List as a database of qualified contractors and also conducts qualification checks and inspections on potential contractors to ensure the quality of our suppliers. The Group also arranges regular inspections during the construction process and records the quality and safety issues in the Project Management Weekly Report to ensure the quality of works.
<b>Talent Drain Risks</b>	The market for professionals in the property development field is extremely competitive and if the Group loses personnel or if suitable replacements may not be found, additional time and costs will be required to recruit and train other relevant staff. In addition, the loss of key personnel would also affect the Group's ability to develop projects and market commercial property products, which in turn may affect the Group's day-to-day operations.	The Group offers a generous remuneration package to its employees and rewards them according to their performance in order to retain them and meet their future development needs. The Group also organises a variety of corporate events on a regular basis and provides training to boost morale and enhance employee's sense of belonging to the Group.
<b>Cyber and Data Security Risks</b>	The day-to-day operations of the Group may be adversely affected in the event of an information system failure, such as the Point of Sale System (PoS), which records daily sales.	To effectively maintain and manage the Group's information systems and servers, data backup and system maintenance are carried out regularly to minimise the chance of information system failure or disruption. In the event of an information system failure, the Group's information department will restore the system as soon as possible to minimise the impact on the Group's daily operations.
<b>Corruption Risks</b>	If the Board, senior management or employees of the Group were to become involved in fraud or corruption for their own benefits, it would have a material adverse effect on the reputation and operations of the Group.	<p>The Group is continuously improving its anti-fraud system and has outlined the Group's whistleblowing system so that the interests of all employees and other stakeholders of the Group are effectively protected. The Group also requires its partners to sign the Tender Integrity Pledge, the Tender Integrity Notice and the Anti-Commercial Bribery Agreement to ensure a clean business environment for both parties.</p> <p>The Group also provides regular training to the Board and employees on anti-corruption issues to enhance their awareness and compliance with the law.</p>

# OUR SUSTAINABLE GOVERNANCE CONCEPT

Risk Factors	Potential Impact	Response
<b>Labour Practice Compliance Risks</b>	In the event of a breach of labour practices, the Group may be subject to penalties by the relevant government authorities and may not be protected from potential employee claims and this could adversely affect the Group's reputation, financial position and business operations.	The Group has put in place a comprehensive administrative system to ensure timely and full payment of social insurance and housing provident fund for its employees every month.
<b>Environmental Legislation Related Risks</b>	If the Group violates the relevant legal and regulatory requirements, it may be subject to penalties (e.g. suspension of works, fines, etc.) by the relevant government authorities, thus causing financial losses to the Group.	The Group Risk Control Centre is responsible for regularly monitoring the Group's compliance with relevant laws and regulations. If there are changes to the development plan of a project, the Project Management Centre will notify the design department for review and submit it to the management of head office for approval to ensure that the changes are in compliance with the law and regulations.

In the future, the Group will continue to leverage the assistance of our team and external consultants to develop a better and more targeted ESG risk management framework for the Group, and conduct regular review, monitoring, assessment and management of relevant ESG risks to ensure that our business operations are capable of meeting different challenges and opportunities in the future.

## Compliance Management

The Group understands the importance of operating in compliance with the law and that any violation of the law and regulations will have a significant impact on the Group's business operations, operation achievement, financial position and reputation. The Group places great importance on corporate integrity to ensure that all business and activities are conducted in accordance with the laws and regulations. To ensure that the Group's daily operations are legal and compliant, the Audit Committee is responsible for monitoring the Group's operational processes to strictly comply with all business-related laws and regulations, including those relating to the environment, such as the Environmental Protection Law of the PRC, the Law of the PRC on the Prevention and Control of Environmental Noise Pollution, the Regulations on the Administration of Construction Project Environmental Protection and the Temporary Regulations on the Environmental Inspection of Completed Construction Projects, as well as the Urban Real Estate Administration Law of the PRC, the Advertising Law of the PRC, the Labor Contract Law of the PRC and the Law of the PRC on Work Safety, which are related to business practices, employees' rights and community development. In respect of corporate integrity management, the Group also strictly complies with the Criminal Law of the PRC, the Anti-money Laundering Law of the PRC, the Anti-unfair Competition Law of the PRC and the Tendering and Bidding Law of the PRC and other laws and regulations.

During the Year, the Group was not aware of any violations of laws and regulations relating to ESG matters, and no corruption proceedings were concluded against the Group or its employee.

Ethical operation is the cornerstone of the Group's stable development. In order to regulate corporate and employee behavior, the Group has also incorporated the code of conduct into the work system and action manuals of various businesses and departments. Through a series of institutional documents such as the Employee Handbook, the Tender Management System and Implementation Rules, the Intellectual Property Management Measures, the Protocol on Receiving Gifts and the Complaint Reporting Management System, the Group's assets, interests and corporate image are protected while creating a clean working environment.





# OUR SUSTAINABLE GOVERNANCE CONCEPT

## **Integrity Culture**

The Group promotes a clean business culture and strictly prohibits any form of corruption. The section on “Managing Integrity and Confidentiality” in the Employee Handbook states that employees are not allowed to accept gifts, hospitality, kickbacks or bribes in the performance of their duties. It is also clearly stated in the Protocol on Receiving Gifts that for gifts that cannot be refused or returned, the receiving unit or individual should report to the Audit and Supervision Centre or the Administration Department of the district and municipal companies.

The Group also provides anti-corruption training regularly to convey relevant concepts and policies to directors and employees. During the Year, a total of 13 directors and 443 employees received relevant training, with a total of 6.5 hours for directors and 373.3 hours for employees.

## **Cyber and Data Security**

The Group values the privacy and personal information of its customers and business partners. The Employee Handbook requires employees to undertake the obligation of confidentiality, not to conduct unauthorized use and not to disclose any customer information to third parties. In order to prevent information and data leakage, the Group has completed the build up and promotion of anti-virus system to enhance the security protection to protect the privacy of customers from leakage.

## **Intellectual Property Protection**

The Group has established the Intellectual Property Management Measures which require employees to protect the Group’s trademarks, patents, copyrights and other intangible assets to enhance market competitiveness and economic efficiency. At the same time, the Group is fully aware of the importance of safeguarding the intellectual property rights of third parties and has not committed any infringement of the intellectual property rights of third parties such as peers and partners.

### **Laws and regulations that are strictly complied with:**

The Criminal Law of the PRC (《中華人民共和國刑法》)

The Anti-money Laundering Law of the PRC (《中華人民共和國反洗錢法》)

The Anti-unfair Competition Law of the PRC (《中華人民共和國反不正當競爭法》)

The Tendering and Bidding Law of the PRC (《中華人民共和國招標投標法》)

In terms of integrity management, the Group has established Regulations on Complaint and Reporting Management. If employees, customers, suppliers or other partners discover any improper conduct, including corruption, bribery, unfair competition and other violations of corporate norms, they can report to the Group through internal complaint telephone number, supervision mailbox and face-to-face conversation with staff of the Supervision Department. Upon receipt of a report, the Supervision Department is responsible for conducting direct investigation or referring the matter to other departments according to the type of reported problem, and following up on the progress and outcome of the matter. If the report is substantiated, the Group will offer a cash reward to the whistleblower. During the whole process, the information of the whistleblower will be kept strictly confidential.

# OUR SUSTAINABLE GOVERNANCE CONCEPT

## Stakeholder Engagement

The Group believes that stakeholder engagement is an integral part of the development of our sustainability process. We seek to engage stakeholders' views and suggestions on our sustainability performance through a wide range of communication channels. This enables us to take a more comprehensive review at the effectiveness of our existing measures and provides a solid foundation for the Group's long-term sustainability capability.

The Group ensures that stakeholder communications are conducted systematically by reference to the following criteria for identifying key stakeholders:

- o groups or individuals for whom the Group has legal, financial, operational or other responsibilities
- o groups or individuals who are significantly affected by the Group's operations
- o groups or individuals that have a significant impact on the Group's operating performance

Through an analysis conducted by the above criteria, the key stakeholders identified by the Group are directors and senior management, employees, investors and shareholders, suppliers, customers and communities. Through the following diversified communication channels, the Group maintains good relationships with various stakeholders to bring its business practices closer to their needs and expectations.

Key Stakeholders	Issues of Concern	Key Communication Channels
<b>Directors and Senior Management</b>	<ul style="list-style-type: none"> <li>• Compliance management</li> <li>• Risk management</li> <li>• Operational stability</li> <li>• Stakeholder communication</li> </ul>	<ul style="list-style-type: none"> <li>• Board meeting</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Employee health and safety</li> <li>• Development and training</li> <li>• Equal opportunity</li> <li>• Compensation and benefits enhancement</li> </ul>	<ul style="list-style-type: none"> <li>• Regular meetings</li> <li>• Regular training</li> <li>• Grievance channels</li> <li>• Performance evaluation meetings</li> </ul>
<b>Investors and Shareholders</b>	<ul style="list-style-type: none"> <li>• Operational compliance</li> <li>• Risk management</li> <li>• Anti-corruption</li> <li>• Economic performance</li> <li>• Investor communications and rights</li> </ul>	<ul style="list-style-type: none"> <li>• Annual General Meeting and other shareholder meetings</li> <li>• Public information such as annual and interim reports, announcements and circulars</li> <li>• Business roadshows</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Fair and open procurement</li> <li>• Stable business relationships</li> <li>• Timely and adequate information sharing</li> </ul>	<ul style="list-style-type: none"> <li>• Tendering meeting</li> <li>• Site visits</li> <li>• Evaluation surveys</li> <li>• Supplier management meetings</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Construction and service quality</li> <li>• Protection of interests and privacy</li> <li>• Complaint handling</li> </ul>	<ul style="list-style-type: none"> <li>• Satisfaction survey</li> <li>• Service hotline</li> <li>• Social media</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>• Community services</li> <li>• Environmental protection</li> </ul>	<ul style="list-style-type: none"> <li>• Charity activities</li> <li>• Volunteer service</li> </ul>

# OUR SUSTAINABLE GOVERNANCE CONCEPT

## Materiality Assessment

The Group conducts stakeholder communications and materiality assessments through independent consultants. Through an online questionnaire, the Group’s directors, senior management, employees of across key functions, customers and suppliers are involved in identifying key ESG issues and assessing the importance of the relevant issues to the Group’s business and to them personally. The following process of identifying materiality issues allows the Group to fully understand and respond to the expectations and requirements of stakeholders.

### 01 Identifying the list of issues

**16 relevant issues**

The consultant assisted the Group in consolidating 16 ESG issues related to its business, covering the four major areas of “Environment”, “Employment and Labor Practices”, “Operating Practices” and “Community Investment”, in accordance with the requirements of the latest HKEX guidelines and by combining sustainability trends, national policies, industry characteristics and its own development strategies.

### 02 Establishing priorities

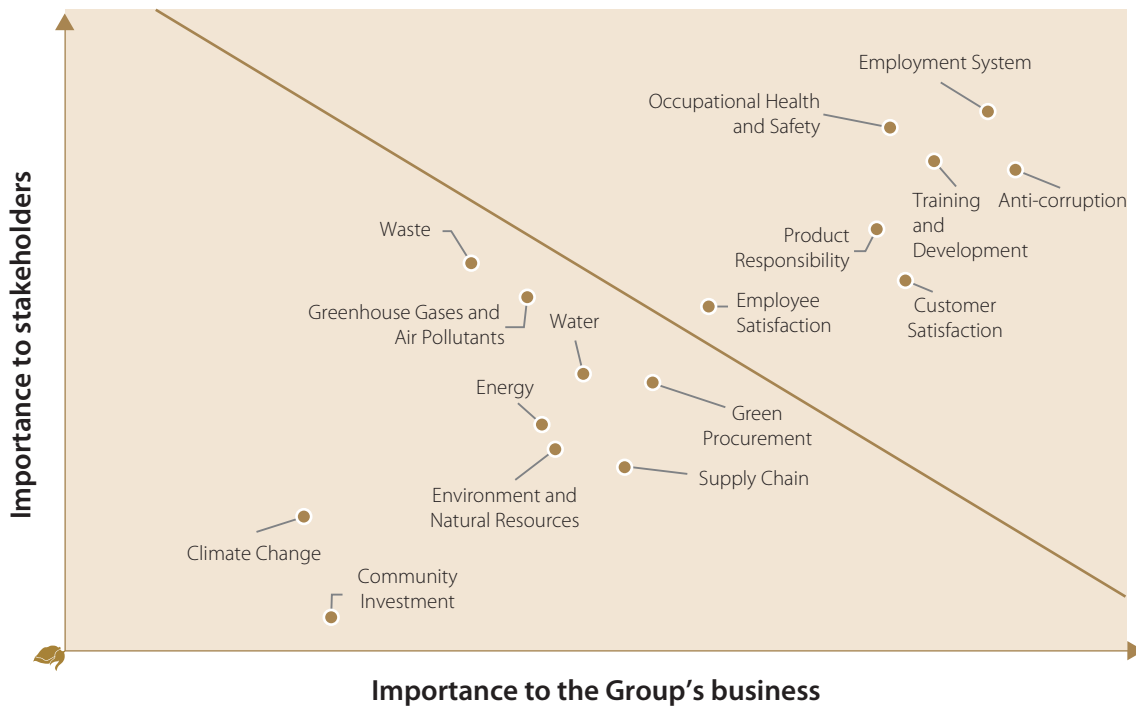
**9 important issues**

In order to gauge the views of different stakeholders, the Group invited stakeholders to conduct an online questionnaire to rate the importance of each issue based on the consolidated ESG-related issues and collected a total of 95 valid responses to the questionnaires, of which 52 were from internal stakeholders and 43 from external stakeholders.

### 03 Confirming important issues

Important ESG issues were discussed and confirmed by the Board and senior management for focused disclosure in the Report. Based on the analysis of stakeholders' views and discussions with the Board and senior management, 9 ESG important issues have been identified and highlighted in the Report. For details, please refer to the following materiality matrix.

The graph below shows the materiality matrix obtained by aggregating the questionnaire results, reflecting the level of concern of the Group’s stakeholders on different ESG issues.





# OUR SUSTAINABLE GOVERNANCE CONCEPT

After the 26<sup>th</sup> United Nations Climate Change Conference, countries have pledged to take active actions to further reduce carbon emissions significantly in order to achieve the target of limiting global warming by 1.5 degrees Celsius. In addition, under the background of the dual carbon policy, the Group will actively respond to the national policy. Therefore, the Board and senior management believe that the impact of "Greenhouse Gas and Air pollutants" and "Climate Change" on business operations is becoming more and more obvious and require companies to prepare in advance to ensure that they are resilient to climate change. Based on the feedback from stakeholders, these issues have been included in the ESG areas that the Group should prioritize and respond to.

The highly important ESG issues for the Group are listed in the table below:

Environment	Employment and Labour Practices	Operating Practices
<b>Greenhouse Gases and Air Pollutants</b> <b>Climate Change</b>	Employment System Occupational Health and Safety Training and Development Employee Satisfaction	Anti-corruption Product Responsibility Customer Satisfaction

## Caring for Employee Interests

Policy	Purpose	Content
<b>Employee Handbook</b>	Provide a clear basis for human resource management to ensure that employees understand their responsibilities and rights as well as working in a friendly, equal, diverse, and respectful environment.	Including onboarding guidelines, personnel administration policies, compensation and benefits management, financial reimbursement management, and regulation of employee behavior.
<b>The Recruitment Management System</b>	Standardize the Group's human resources recruitment and allocation management, enhance the recruitment efficiency and improve the talent selection mechanism.	Specify the Group's recruitment principles, division of responsibilities, application requirements and selection of candidates.
<b>The Regulations on Entry and Probationary Period</b>	Standardize the onboarding process to ensure that new employees integrate into the Company atmosphere and work environment as soon as possible.	Contains onboarding workflow and orientation for new employees.
<b>The Attendance Management System</b>	Strengthen the Company's attendance management, standardize employee behavior and discipline, improve self-discipline of employees, and ensure normal work order.	The system of attendance processing, working hours and leave has been set out.
<b>The Regulation Governing Personnel Changes</b>	Standardize the work of personnel changes within the Group companies, so that there is a basis for personnel change management and promote the orderly development of personnel work.	There are clear procedures for promotion, demotion, transfer, and termination of employment.

### Laws and regulations that are strictly complied with:

The Labor Contract Law of the PRC (《中華人民共和國勞動合同法》)

The Labor Law of the PRC (《中華人民共和國勞動法》)

The Social Insurance Law of the PRC (《中華人民共和國社會保險法》)

The Interim Regulation on the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》)

The Trial Measures for Maternity Insurance of Enterprise Employees (《企業職工生育保險試行辦法》)

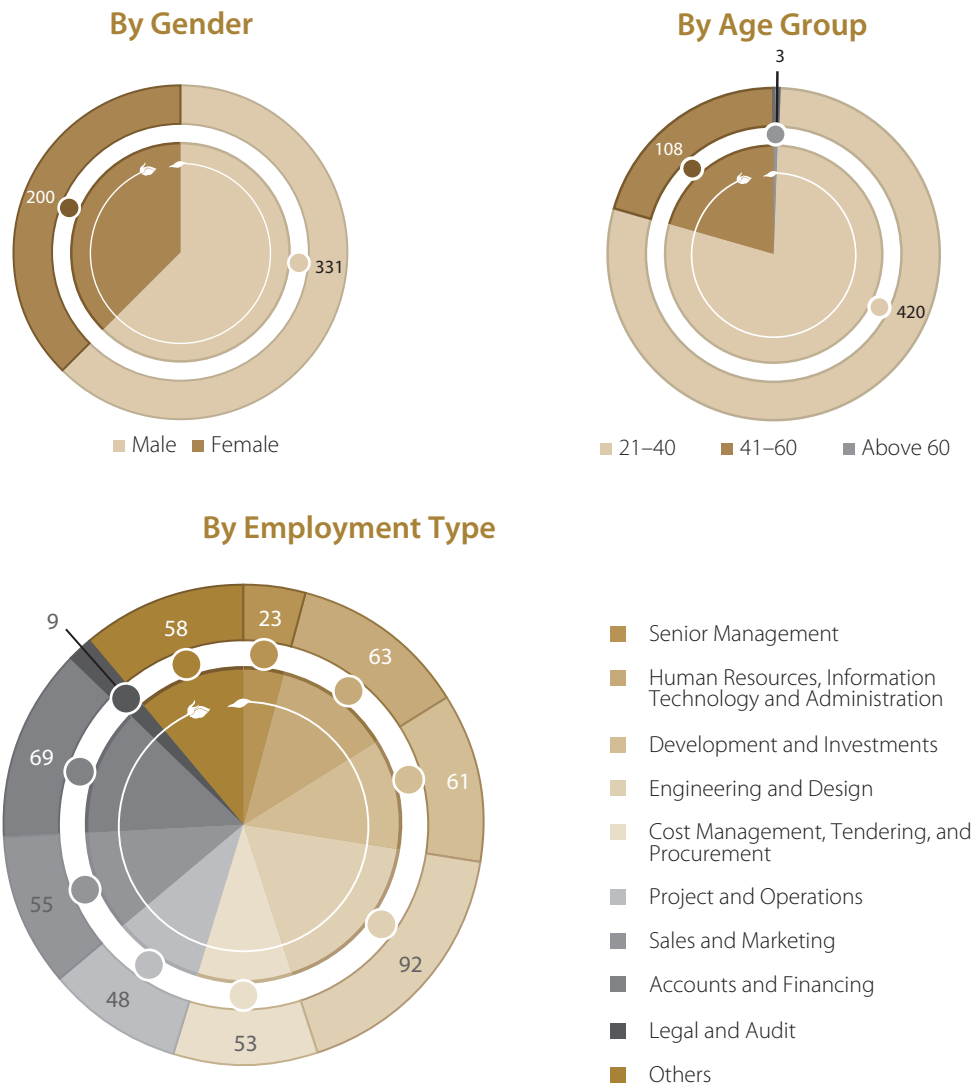
The Regulations on Management of Housing Provident Fund (《住房公積金管理條例》)

The Group believes that a sound employment system could attract and retain talents, and has always recruited and promoted suitable employees based on the basic principle of "meritocracy". In order to maintain a fair and competitive corporate culture, the Group only evaluates applicants or employees based on objective criteria such as their work experience, qualifications and abilities, and strictly prohibits any discrimination against any candidates or employees in relation to race, color, nationality, religious beliefs, gender, etc. The Group assesses the performance of employees through quantifiable performance indicators, such as the Employee Performance Report, which is then reviewed and evaluated by the Human Resources Department or the Human Resources Administration Department to ensure that equal promotion opportunities are provided to each employee.

If an employee of the Group wishes to leave the Company, he or she may request to terminate his or her employment contract with at least one month's notice and in accordance with the Regulation Governing Personnel Changes. In addition, if any employee is found to have misbehaved in a way that is in conflict with their duties and obligations to the Group or company policy, the Company will terminate the employment and settle the salary in accordance with the law to ensure full compliance with local labor laws and regulations.

The Group prohibits the recruitment or use of any child labor and conducts background checks on applicants and new recruits during the recruitment process. All applicants and new recruits must provide their identification documents for inspection and verification to ensure their eligibility for work and compliance. If any forced labor violations are found, the Group will handle them in accordance with the relevant laws and regulations, including reporting to law enforcement, assisting victimized employees, and taking disciplinary actions.

As of December 31, 2021, the Group had 531 employees<sup>1</sup>. The breakdowns of employees by gender, age group and employment type are shown below:



<sup>1</sup> All employees included in the reporting scope are full-time employees in Mainland China.



# SOCIETY

## Compensation and Benefits

The Group cares for its employees and attaches importance to their basic rights and benefits, and provides statutory benefits in accordance with the law. The Group strictly enforces the national social security and welfare system, which includes basic wages, as well as heat allowance and holiday allowance in accordance with the provisions of the Employee Handbook. In addition to statutory holidays, our employees are also entitled to a wide range of paid leaves, including annual leave, marriage leave, maternity leave, paternity leave, bereavement leave, work-related injury and sick leave, etc.

In order to enhance the performance of our employees, the Group has also set up a performance evaluation mechanism whereby employees who are awarded annual merits will be given additional rewards in the hope of encouraging them to work actively and develop a sense of belonging to the Company, thus achieving the effect of attracting and retaining talents.

The Group is committed to ensuring the physical and mental health and safety of our employees. We provide group accident insurance and arrange annual physical examination for employees, and hold leisure activities such as badminton competitions and birthday parties from time to time, so that they could strike a balance between work and life while enhancing their productivity.

## Health and Safety

Policy	Purpose	Content
<b>Office Environment Management Regulations</b>	Standardize the work of the office in accordance with rules and regulations to ensure that the Company's work is carried out in an orderly manner, together to create a good office environment and enhance the Company's image.	This includes the management of the safety and hygiene environment, such as the safety of electricity in the office, the protection of fire-fighting facilities and the use of hygiene tools.
<b>Emergency Management Regulations</b>	Ensure the ability of employees and contractor workers to respond in the event of an emergency.	Guidelines for prevention and response to on-site accidents and injuries, natural disasters, pandemics, and hazardous chemical spills.

### Laws and regulations that are strictly complied with:

The Law of the PRC on Work Safety (《中華人民共和國安全生產法》)

The Group attaches great importance to health and safety in the workplace and is committed to providing a safe working environment for our employees. We maintain the safety of our workplace through four aspects: protective measures, emergency response, awareness and training, and contractor management. The Group has standardized measures to maintain a safe office environment, including checking the power supply in office common areas, fire fighting facilities protection and the use of hygiene tools, etc., to identify and eliminate safety hazards in a timely manner.

To promptly respond to health and safety incidents, we have established Emergency Management Regulations, which provide guidelines for on-site accidents and injuries, natural disasters, pandemics and hazardous chemical spills, to avoid such risks in the workplace as much as possible. In addition, the Group has installed emergency equipment such as fire-fighting facilities and emergency vehicles at its operating sites, including construction sites, and arranges regular fire-fighting and flood emergency drills and training to enhance the safety awareness of its employees. At the same time, the Group provides safety training to all employees to enhance their safety awareness. During the Year, the relevant training included online courses and promotion on the prevention of the COVID-19 outbreak.

In terms of contractor management, the Group actively communicates with and manages its contractors and works together to build long-term and mutually beneficial partnerships. The Group has established a comprehensive supply chain management mechanism with a subcontractor selection and elimination system that covers safety and quality assessment factors. At the same time, in conjunction with the specification and clarification of processes to contractors during the construction phase and the monthly evaluation of their quality and safety performance, we expect to minimize health and safety risks through the implementation of the above measures.

Our construction team is committed to ensuring the physical and mental health and safety of our workforce. During the Year, the Group did not record any work-related injuries. There were no work-related fatalities in the past three reporting years.

## Training and Development

Policy	Purpose	Content
<b>Training Management Manual</b>	Standardize the Company's training management activities and improve the comprehensive ability of employees through training, so as to facilitate the achievement of the Group's objectives and sustainable development, while enabling employees to realize their self-value.	Specify the types of training, training requirements and discipline, and subsidies for outbound training, etc.
<b>Talent Pool Management Regulations (for Trial Implementation)</b>	Implement and improve the development of the talent pool related system to provide the Group with a talent supply chain that supports strategic development.	A Talent Management Team has been established to set development goals from the Group level.

The Group understands that nurturing talents is the cornerstone to maintain the long-term development of the Group. Every year, the Human Resources Administration Center designs training questionnaires in accordance with the Group's strategic objectives, annual business goals and human resources planning, to understand the training needs of different departments and the abilities and development aspirations of different employees, and to update the content of the annual training plan. After completing the training, the Group also conducts a four-level assessment on the effectiveness of the training, the results of which help to improve the future training contents.

<b>Level 1: Response Assessment</b>	Feedbacks and suggestions about the training organisations, course arrangements and trainer performance, as well as their own experiences, are reflected in the Training Satisfaction Assessment Form completed by the employees.
<b>Level 2: Knowledge Assessment</b>	Employees' mastery of the knowledge, concepts and methods learned in the training is checked through written tests or practical exercises.
<b>Level 3: Behaviour Assessment</b>	Effectiveness of the training in improving the behaviour of trainees is assessed by the observation of their performance by their supervisors and colleagues.
<b>Level 4: Performance Assessment</b>	Evaluate the extent to which employees' skills have been enhanced through training and have had an impact on the achievement of performance indicators.





# SOCIETY

During the Year, the Group arranged different training activities to complement the Group's talent development program in order to achieve 100% of trained employees, which include:

Types of Training	Training Content
<b>Induction Training</b>	Help new employees understand the corporate culture, rules and regulations, rights and responsibilities of the process.
<b>In-service Training</b>	Anti-corruption, safety education, skill enhancement and self-development training, such as: business etiquette for drivers training, business etiquette and professional image training, and online courses and promotion on the prevention of the COVID-19.

## Strengthen Internal Communication

The Group has been maintaining regular communication with employees through various channels and collecting more opinions from them, including setting up a mailbox as a feedback channel. If employees have any questions or disputes about the employment system and working environment, he or she could raise the matter with the management through his or her immediate supervisor, department heads or the Human Resources Department. In order to effectively address the concerns or comments, the Human Resources Department will investigate the incident with the aim of ensuring timely responses and effective resolution of employee grievances.

In addition, the Group has established an office automation system, including channels such as email and WeChat Official Account to disseminate corporate news and management information so that employees could understand the Group's policies and development status in a timely manner. In the future, the Group will consider conducting employee opinion surveys with the aim of listening to the voices of employees and understanding their satisfaction with the employment policies, benefits, training, development and corporate participation, so as to enhance communication between employees and the Group, promote mutual understanding and improve the efficiency of business development.

## Valuing Customers' Rights

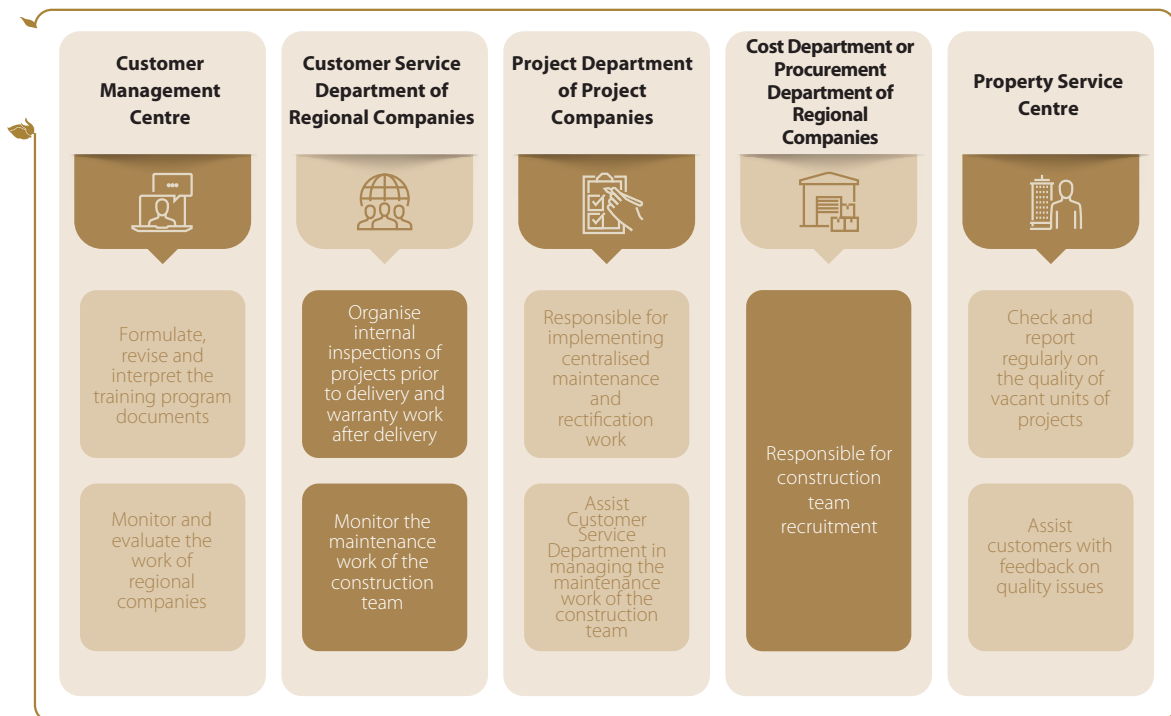
Policy	Purpose	Content
<b>Quality Assurance and Maintenance Management Policy for Real Estate Projects</b>	Provide standards and guidelines for fast and efficient implementation of maintenance services.	Clarified the responsibilities of customer service, project and cost departments, as well as the workflow of quality assurance and maintenance.
<b>400 Hotline Customer Complaint Management Regulations</b>	Standardize the complaint handling process of 400 Hotline Centre of Huijing Holdings Group and clarify the complaint handling routine, so as to improve the efficiency of customer complaint handling and the quality of customer service work.	The 400 Hotline Centre handles customer complaints, including 400 customer complaints, inquiries and suggestions within the scope of operation of the Group and its subsidiaries, such as real estate project companies and property companies.
<b>Client Risk Prevention Work Manual for Sales Phase</b>	Ensure that no misleading or false information is provided to customers and that no negative information is concealed.	Clear advertising and marketing guidelines.

### Laws and regulations that are strictly complied with:

The Urban Real Estate Administration Law of the PRC (《中華人民共和國城市房地產管理法》)

The Advertising Law of the PRC (《中華人民共和國廣告法》)

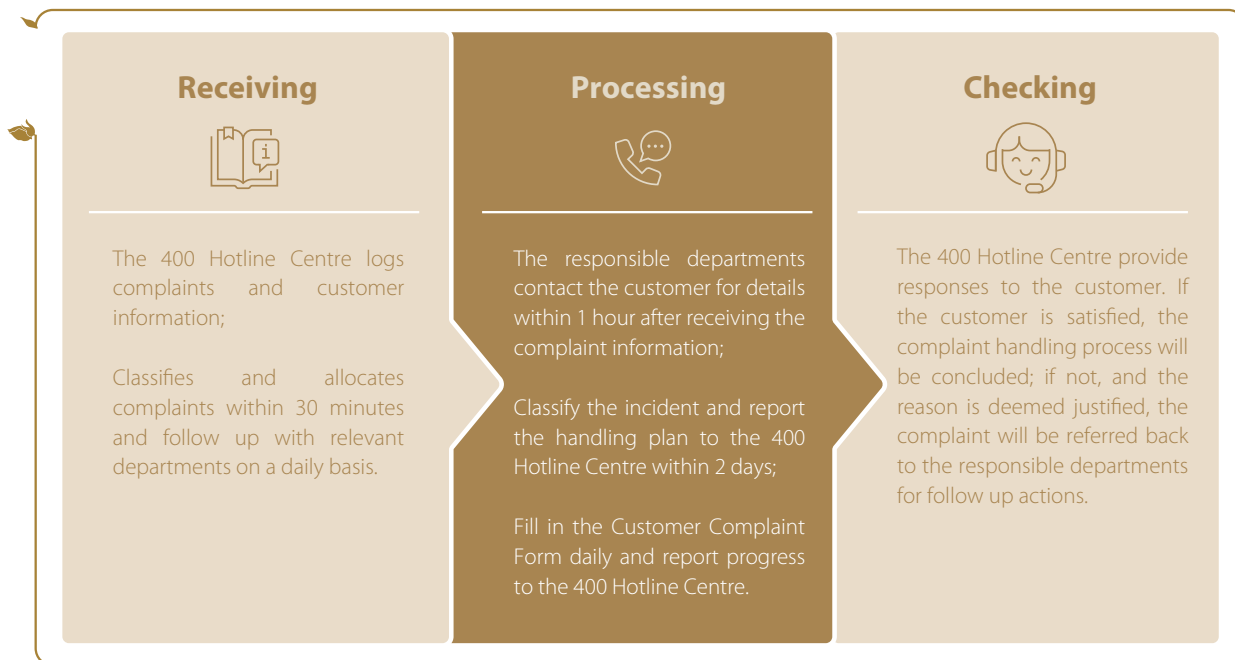
The Group has established a quality control program to ensure that every stage of the project is in compliance with the relevant regulations and the Group's standards through regular monitoring by our internal team and independent monitoring companies to provide quality and safe construction to the public. At the same time, the Group has also established the Quality Assurance and Maintenance Management Policy for Real Estate Projects, which sets out the responsibilities of different departments and is structured as follows:



Product quality is always a concern for the Group. We employ third-party consultants to conduct regular inspections at all construction sites on the quality performance of employees and contractor workers. In case of non-compliance, the supervisors immediately notify the relevant personnel and management to ensure excellent construction quality.

# SOCIETY

In addition, the Group has tried to enhance the quality of interaction with customers and broaden the contact channels with them. The Group has established the 400 Hotline Customer Complaint Management Regulations to implement classification and categorization according to the nature and urgency of the problem in order to improve the efficiency and quality of complaint handling as well as customer satisfaction and to understand and satisfy customer needs and expectations. The handling system and process of 400 Hotline Customer Complaints are as follows:



During the Year, the Group received a total of 80 customer complaints, including 36 property related complaints, 28 construction and maintenance related complaints and 16 sales related complaints. The customer complaint handling rate reached 100%.

The Group is committed to ensuring that its project information, advertising and promotional materials comply with the relevant legal requirements to protect the interests of its customers. According to the Client Risk Prevention Work Manual for Sales Phase, which sets out clear advertising and sales guidelines to ensure that customers are provided with correct information. At the same time, no adverse factors such as noise, odor and radiation will be concealed in the sales process.

## Responsible Supply Chain Management

Policy	Purpose	Content
<b>Tender Management System and Implementation Rules</b>	Provide standards and guidelines for tender management systems.	List out the specific application and execution process of different methods such as invitation to tender, direct commissioning, piecemeal procurement and strategic procurement.
<b>Supplier Management System and Implementation Rules</b>	Ensure the introduction, retention and development of quality suppliers, thereby enhancing the quality of products and services.	Select the suppliers based on the company size, basic information, quality and credibility, performance, ability to perform the contract and other aspects.

While the Group continues to develop, the performance of our suppliers and contractors is also closely related to our operations. During the Year, the Group had 1,825 suppliers. We will closely monitor our new collaborations and existing suppliers to establish a comprehensive system of supply chain management mechanism.

The Group selects and evaluates suppliers and contractors based on standardized criteria, and formulates and implements the Tender Management System and Implementation Rules to regulate the criteria for cooperation with suppliers, aiming to select suppliers based on the principles of objectivity, fairness, impartiality and high transparency. In the process of selecting suppliers, the Group will rate suppliers according to their company size, basic information, quality and credibility, performance and ability to fulfill contracts and other aspects. In the pre-qualification documents, the quality of work, environmental protection risks and social and governance risks of suppliers will be included as one of the criteria for supplier cooperation. We expect to cooperate with suppliers and contractors throughout the construction process to prevent pollution and reduce the use of resources so as to minimize the impact on the environment.

At the same time, the Group has established a performance evaluation system to evaluate suppliers. Under the evaluation system, suppliers are regularly selected and graded annually based on their quality, progress, cost, service and cooperation. For suppliers with higher scores, the Group will give preference to them and provide incentives such as certificate of excellence, priority shortlisting, promotion of chances of winning bids, priority payments and signing of strategic cooperation agreements to recognize their professionalism and become a trustworthy business partner. For suppliers with scores below 70, the Group will communicate with them and request performance improvement. Suppliers that fail to pass the evaluation or fail to make timely improvements will not be cooperated with the Group. During the Year, the Group completed the rating of 673 suppliers with an average score of 79 points.

Supplier Grading	Excellent	Good	Pass	Fail
<b>Score</b>	90 and above	80-89	60-79	60 below
<b>Distribution for the Year</b>	33	402	204	34

## Building a Harmonious Community

The Group has always been committed to the belief of “Inspiring Growth Together”, providing appropriate assistance and support to meet the needs of the communities in which we operate.

The direction of community investments and services was assessed on an annual basis. During the Year, the Huijing Volunteer Service Team actively participated in volunteering activities to serve the local community, including the launching of activities to honor the elderly and organizing visit for old party members. At the same time, the Group launched the “Mobile Book Box” campaign in Shaoguan City, hoping to create an impact in the community in various aspects. In addition, the Group also made donations to the affected areas in Henan to enable the residents to resume their normal lives as soon as possible.



# SOCIETY

Even though affected by the pandemic during this Year, the Group still actively participated in various charity activities as follows:

## **Launching Activity to Honor the Elderly**

In order to promote the traditional Chinese virtue of respecting the elderly and to further strengthen the interaction with the villagers, Huijing Volunteer Service Team visited Lianzi Village in Wanjiang Gonglian and Mintian Village in Shatian Town on the eve of the Mid-Autumn Festival to deliver moon cakes and gifts to the elderly and grassroots workers in the villages where the project is located, to let them feel the care and warmth of the Group. During the event, the volunteers visited some of the elderly with mobility problems and gave them gifts to show our concern for their living conditions. At the same time, the Group also looks forward to further cooperation with the local community to promote the development of the project.

## **Organizing a Visit for Old Party Members**

To celebrate the 100<sup>th</sup> anniversary of the founding of the Communist Party of China, Huijing Volunteer Service Team visited Cha Shan Village in Cha Shan Town and Xin Nan Village in Qishi Town from June to July to send warmth and blessings to the old party members. As a sponsor, the Group prepared a variety of gifts for the old party members to express our care for them. We hope that the Group will continue to maintain this sense of social responsibility while speeding up the project work, so that the town and village enterprises can work together to build a better new community.

## **Launching the “Mobile Book Box” Campaign**

During the Year, the Group established “Walk to the Light, Inspire the Future” as its social contribution concept, and launched the “Read to the Light Project” to focus on the reading problem of young children. This is the first step to alleviate the shortage of reading resources for rural children.

The public welfare mobile book box was officially opened at Dongtang Town Center Primary School in Renhua County, Shaoguan City, Guangdong Province. In order to strengthen the reading guidance for the children, our staff volunteers launched a special “reading party” to the students, guiding the children to enjoy the charm of reading through a number of reading experience activities.

## **Donation to Affected Areas in Henan**

In mid-July, Henan experienced a rare and continuous heavy precipitation. Under the influence of heavy rain, Zhengzhou and other areas suffered from heavy flooding, which threatened the lives and properties of the public. In order to help the flood relief and post-disaster reconstruction work in Henan, the Group donated RMB1 million to Henan through Dongguan Charity Association, which were used for the procurement of emergency relief materials, safety of the people and post-disaster reconstruction work to help the people in the affected areas to resume their normal life as soon as possible.



# ENVIRONMENT

While strictly complying with the following laws and regulations, the Group is constantly improving the environmental performance of its project operations. The Group hopes to contribute to the community by investing in renewable energy and green buildings, improving the efficiency of resource application, coping with climate change, and using innovative solutions to reduce the risks and impacts of its business operations on the environment.

## Laws and regulations that are strictly complied with:

The Environmental Protection Law of the PRC (《中華人民共和國環境保護法》)

The Law of the PRC on the Prevention and Control of Environmental Noise Pollution  
(《中華人民共和國環境噪聲污染防治法》)

The Law of the PRC on Environmental Impact Assessment (《中華人民共和國環境影響評價法》)

The Regulations on the Administration of Construction Project Environmental Protection (《建設項目環境保護管理條例》)

The Temporary Regulations on the Environmental Inspection of Completed Construction Projects  
(《建設項目竣工環境保護驗收暫行辦法》)

## Creating a Green Community

Mainland China is committed to achieving the target of "achieving carbon peak by 2030 and carbon neutrality by 2060". The Group is also actively exploring the general direction of sustainable development to contribute to the country's efforts, aim at achieving carbon neutrality. The Group adopts a comprehensive approach to integrate sustainable development throughout the life cycle of a property, taking into account the environmental and social impacts of the development project, and strives to promote the achievement of the carbon peak and carbon neutrality targets through green design and construction.

In order to understand the potential impact of each project on the environment, the Group conducts a detailed environmental impact assessment for each property development project during the pre-construction stage to ensure that the project will not cause harm to the surrounding environment, and minimize inconvenience to local residents. In terms of architectural design, the Group strives to incorporate sustainable building elements into different projects and enhance the environmental performance of its properties to complement the green development of local communities. For example, by using solar panels and geothermal heat to provide renewable energy, and actively responding to the concept of sponge cities by constructing new buildings with flood-proof and eco-friendly features in the city.

During the construction period, the Group specifies to the contractors the environmental laws and regulations, contract terms and other internal policy requirements that they must comply with, and the project departments monitor the entire process and compliance with the relevant requirements, including reducing construction pollution emissions, natural resource depletion and avoiding damage to the ecological environment, to ensure that the projects comply with the relevant regulations and the Group's standards, and provide quality and safe construction to the public.



# ENVIRONMENT

For different wastes and emissions, the Group has implemented a series of measures to minimize the impact on the environment:

<b>Waste</b>	Waste from construction work, such as construction and demolition materials, is stored in designated areas and is transferred and removed on a daily basis. Waste with hazardous components, such as chemical waste and fluorescent lamps, will be handled separately by qualified companies.
<b>Wastewater</b>	Being aware that improper treatment of wastewater may lead to pollution of land and water bodies, the Group requires its contractors to strictly follow the environmental management plan drawn up before the commencement of each project for wastewater treatment and, where appropriate, reuse the treated wastewater from the site treatment facilities. The remaining wastewater is pre-treated to fulfil the discharging standard before discharging to the wastewater treatment plant through the municipal sewerage network.
<b>Air Pollutants</b>	The primary source of air pollutants on site is the use of fossil fuel vehicles and machinery. The Group therefore encourages the use of fuel-efficient vehicles and machinery and the use of light diesel oil as fuel.
<b>Dust</b>	The impact of dust on the surrounding environment is reduced by installing continuous closed board fencing and regular water spraying.

In addition, the Group has made suppliers' environmental performance and risk management as one of the criteria for supplier cooperation, encouraging suppliers to adopt more environmentally friendly equipment, facilities and new technologies to reduce their environmental impact more effectively.

## Protecting Environmental Resources

Policy	Purpose	Content
<b>Office Environment Management Regulations</b>	Ensure that employees are aware of the Group's environmental policies and measures and have the responsibility to comply with and implement them.	Standardize the work of the office in accordance with rules and regulations to ensure that the company's work is carried out in an orderly manner, together to create a good office environment.

## Emissions Management

The Group is concerned about the environmental impact of emissions generated from its operations, and is aware of the importance of addressing climate change, and is committed to managing greenhouse gas emissions by reducing energy use and quantifying emission data. To establish the long-term emission reduction target, the Group is actively improving the data collecting system and starting internal discussion. Further information will be disclosed in due course.

Due to the business nature of the Group, Direct GHG emissions (Scope 1) are mainly from vehicle fuel combustion, while Energy indirect GHG emissions (Scope 2) are mainly from purchased electricity. During the Year, the Group's total greenhouse gas emissions amounted to 165.006 tonnes of carbon dioxide equivalent.

# ENVIRONMENT

The use of vehicles also contributes to air pollutants, mainly nitrogen oxides, sulphur oxides and respirable suspended particulates. The Group strives to reduce emissions by improving fuel efficiency, such as preventing vehicle engines from idling.

Category	Emissions	Unit
<b>Nitrogen Oxides</b>	6.132	kg
<b>Sulphur Oxides</b>	1.943	kg
<b>Respirable Suspended Particulates</b>	1.082	kg

The Group takes the environmental and social impact of waste seriously. Therefore, we have been making efforts to reduce waste production at source and to raise employees' awareness of environmental protection. The Group has established an Office Environment Management System to encourage employees to adopt paperless office, including reducing excessive printing, using electronic communication to circulate documents and avoiding the use of disposable products, in order to practice a sustainable office and lifestyle. The Group's main waste is domestic waste and paper from the offices, which is collected and handled by public institutions. The total amount of non-hazardous waste is 1.2 tonnes, intensity is 0.002 tonnes/each employees, all of which is reused paper from the offices in Southern China. The Group does not have a waste data recording and collection system in place, but plans to estimate relevant data through sampling and weighing in the future. As the reporting scope only included the headquarters and the three regional offices, and thus hazardous waste is not its material issue. Regarding the target setting on waste reduction, the Group is actively improving current data quality and starting internal discussions. Further information will be disclosed in due course.

## Climate Change

Climate change is already imminent and its impact on business operations is becoming increasingly apparent. With the growing concern over climate change, the Group is aware of its responsibility as a corporate citizen and has taken various measures to conserve energy and reduce greenhouse gas emissions, and has made progress in reducing its overall greenhouse gas footprint and enhancing resource conservation efforts. At the same time, the Group understands that climate change will bring about changes in society and daily operations and is developing policies to enhance the management of climate risks and opportunities.

The Group is aware that the frequency of extreme weather is increasing and has the potential to affect its business operations, including threats to building structure and safety from super typhoons, floods or other extreme weather, as well as resulting in asset impairments and increased maintenance costs. The Group is considering conducting climate risk assessments for each of its properties in the future to enhance resilience and ability to withstand climate change.

## Valuing Resources

The Group is actively committed to the social responsibility of energy saving and emission reduction. We are committed to strengthening the management of environmental protection and implementing a series of energy saving measures, such as increasing the use of energy saving products such as LED lighting, turning off the lighting in the work area during lunch time, and regularly maintaining the central air-conditioning units to avoid unnecessary energy loss due to old machines, so as to reduce the carbon emission of our operations. During the Year, the Group's total energy consumption was 304.516 MWh.

Recognizing that water is a precious resource on earth, the Group is committed to enhancing water management, reducing waste and raising awareness of water conservation in our operations. In terms of office water consumption, the total water consumption of the headquarters, Southern, Central and East China offices was 738 cubic meters for the Year. Besides, the Group receives its water supply from the municipal network and has no problems in sourcing water that is fit for purpose. Meanwhile, the Group is also committed to make progress on target setting on energy efficiency and water efficiency, and make reference to and compare the relevant historical data. Further information will be disclosed in due course.

# SUMMARY OF KEY PERFORMANCE INDICATORS

## Environmental Performance

### Air Emissions<sup>2</sup>

Statistics	Total	Unit
<b>Nitrogen Oxides</b>	6.132	kg
<b>Sulphur Oxides</b>	1.943	kg
<b>Respirable Suspended Particulates</b>	1.082	kg

### Greenhouse Gases<sup>3</sup>

Statistics	Total	Unit	
<b>Scope 1: Direct Emissions</b>	Combustion of Fossil Fuels	128.348	tonne of CO <sub>2</sub> -e
<b>Scope 2: Energy Indirect Emissions</b>	Purchased Electricity	36.658 <sup>4</sup>	tonne of CO <sub>2</sub> -e
<b>Total GHG Emissions</b>		165.006	tonne of CO <sub>2</sub> -e
<b>GHG Intensity (by Employees)</b>		0.311	tonne of CO <sub>2</sub> -e/person

### Energy

Statistics	Total	Unit	
<b>Direct Energy</b>	Petrol	241.734	MWh
<b>Indirect Energy</b>	Purchased Electricity	62.782 <sup>4</sup>	MWh
<b>Total Energy Consumption</b>		304.516	MWh
<b>Energy Intensity (by Employees)</b>		0.573	MWh/person

### Water<sup>5</sup>

Statistics	Total	Unit
<b>Total Water Consumption</b>	738.000 <sup>5</sup>	cubic metre
<b>Water Consumption Intensity (by Employees)</b>	1.390	cubic metre/person

<sup>2</sup> Refers to the Road Vehicles Air Pollutant Emission Inventory Preparation Technical Guide . (《道路機動車大氣污染物排放清單編制技術指南》)

<sup>3</sup> Refers to the Guidelines for Accounting and Reporting Greenhouse Gas Emissions China Public Building Operation Units (Enterprises) (Trial). (《公共建築運營企業溫室氣體排放核算方法和報告指南(試行)》)

<sup>4</sup> Electricity consumption and greenhouse gas emissions were lower than previous year due to the inclusion of electricity charges in the rental property fees for some floors of the Dongguan office and the Southern China office during the Year.

<sup>5</sup> Water consumption was lower than previous year due to the inclusion of water charges in the rental property fees for some floors of the Dongguan office and the Southern China office during the Year.

# SUMMARY OF KEY PERFORMANCE INDICATORS

## Social Performance

### Employment

Statistics			Total
<b>Number of Employees<sup>6</sup></b>	Gender	Male	331
		Female	200
	Age Group	21-40	420
		41-60	108
		Above 60	3
	Employment Type	Senior Management	23
		Human Resources, Information Technology and Administration	63
		Development and Investments	61
		Engineering and Design	92
		Cost Management, Tendering, and Procurement	53
Project and Operations		48	
Sales and Marketing		55	
Accounts and Financing		69	
Legal and Audit		9	
Others		58	
<b>Total Number of Employees</b>		531	
<b>Employee Turnover Rate</b>	Gender	Male	77.95% (258 people)
		Female	51.00% (102 people)
	Age Group	21-40	68.57% (288 people)
		41-60	64.81% (70 people)
		Above 60	66.67% (2 people)
	<b>Total Employee Turnover Rate<sup>6,7</sup></b>		67.80% (360 people)
<b>New Hires Ratio</b>	Gender	Male	69.49% (230 people)
		Female	40.50% (81 people)
	Age Group	21-40	66.19% (278 people)
		41-60	30.56% (33 people)
		Above 60	0% (0 people)

<sup>6</sup> All employees in the reporting boundary are full time employees in Mainland China.

<sup>7</sup> Although the turnover rate of the Group was relatively high during the Year due to the characteristics of the industry, business operation needs and the impact of the epidemic, we have timely replenished the relevant manpower requirements to maintain the overall stable operational performance of the Group and ensure that the Group maintains its growth momentum.



# SUMMARY OF KEY PERFORMANCE INDICATORS

## Training and Development

Statistics			Total
<b>Percentage of Employees Trained</b>	Gender	Male	100.00%
		Female	100.00%
	Employee Category	Senior Management	100.00%
		Middle Management	100.00%
Other Employees		100.00%	
<b>Total Percentage of Employees Trained</b>		100.0%	
<b>Average Training Hours</b>	Gender	Male	43.0
		Female	43.0
	Employee Category	Senior Management	11.9
		Middle Management	19.2
Other Employees		54.1	
<b>Total Average Training Hours</b>		43.0	

## Supply Chain Management <sup>8</sup>

Statistics			Total
<b>Number of Suppliers</b>	Service		804
	Product		318
	Combination		66
	Engineering		637
<b>Total Number of Suppliers</b>			1825

## Anti-corruption Training

Statistics			Total
<b>Total Training Hours</b>	Directors		6.5
	Employees		373.3
<b>Total Number of People trained</b>	Directors		13
	Employees		443

<sup>8</sup> The Group applies the practice of hiring, managing and monitoring suppliers to all suppliers of the same type to ensure fairness in the system. During the Year, all suppliers within the reporting boundary were located in Mainland China.

# HKEX ESG REPORTING GUIDE CONTENT INDEX

General Disclosure and KPIs	Description	Page Number/Remarks
<b>A. Environmental</b>		
<b>A1 Emissions</b>		
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.	23-25
A1.1	The types of emissions and respective emissions data.	24-26
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.	26
A1.3	Total hazardous waste produced and intensity.	25
A1.4	Total non-hazardous waste produced and intensity.	25
A1.5	Description of emission target(s) set and steps taken to achieve them.	24
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.	25
<b>A2 Use of Resources</b>		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	24
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	24, 26
A2.2	Water consumption in total and intensity.	26
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	25
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.	25
A2.5	Total packaging material used for finished products and per unit produced.	It has no relevance to the Group's business.



# HKEX ESG REPORTING GUIDE CONTENT INDEX

General Disclosure and KPIs	Description	Page Number/Remarks
<b>A3 The Environment and Natural Resources</b>		
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	24
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	25
<b>A4 Climate Change</b>		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	25
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.	25
<b>B. Social</b>		
<b>B1 Employment</b>		
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.	14-17
B1.1	Total workforce by gender, employment type, age group and geographical region.	15, 27
B1.2	Employee turnover rate by gender, age group and geographical region.	27
<b>B2 Health and Safety</b>		
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.	16
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	In the past three years, the Group did not have any work-related fatalities.

# HKEX ESG REPORTING GUIDE CONTENT INDEX

General Disclosure and KPIs	Description	Page Number/Remarks
B2.2	Lost days due to work injury.	There was no work-related injury to the Group during the Year.
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	16-17
<b>B3 Development and Training</b>		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	17-18
B3.1	The percentage of employees trained by gender and employee category.	28
B3.2	The average training hours completed per employee by gender and employee category.	28
<b>B4 Labour Standards</b>		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	14-15
B4.1	Description of measures to review employment practices to avoid child and forced labour.	15
B4.2	Description of steps taken to eliminate such practices when discovered.	No such non-compliances were identified in the Group's operations during the Year.
<b>B5 Supply Chain Management</b>		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	20-21
B5.1	Number of suppliers by geographical region.	28
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.	21
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	21, 24
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	21

# HKEX ESG REPORTING GUIDE CONTENT INDEX

General Disclosure and KPIs	Description	Page Number/Remarks
<b>B6 Product Responsibility</b>		
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.	18
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	It has no relevance to the Group's business.
B6.2	Number of products and service related complaints received and how they are dealt with.	18-20
B6.3	Description of practices relating to observing and protecting intellectual property rights.	10
B6.4	Description of quality assurance process and recall procedures.	19
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	10
<b>B7 Anti-corruption</b>		
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.	9-10
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.	9
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	10
B7.3	Description of anti-corruption training provided to directors and staff.	10
<b>B8 Community Investment</b>		
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.	21
B8.1	Focus areas of contribution.	21
B8.2	Resources contributed to the focus area.	22



**HUIJING** 滙景

Huijing Holdings Company Limited  
滙景控股有限公司

