

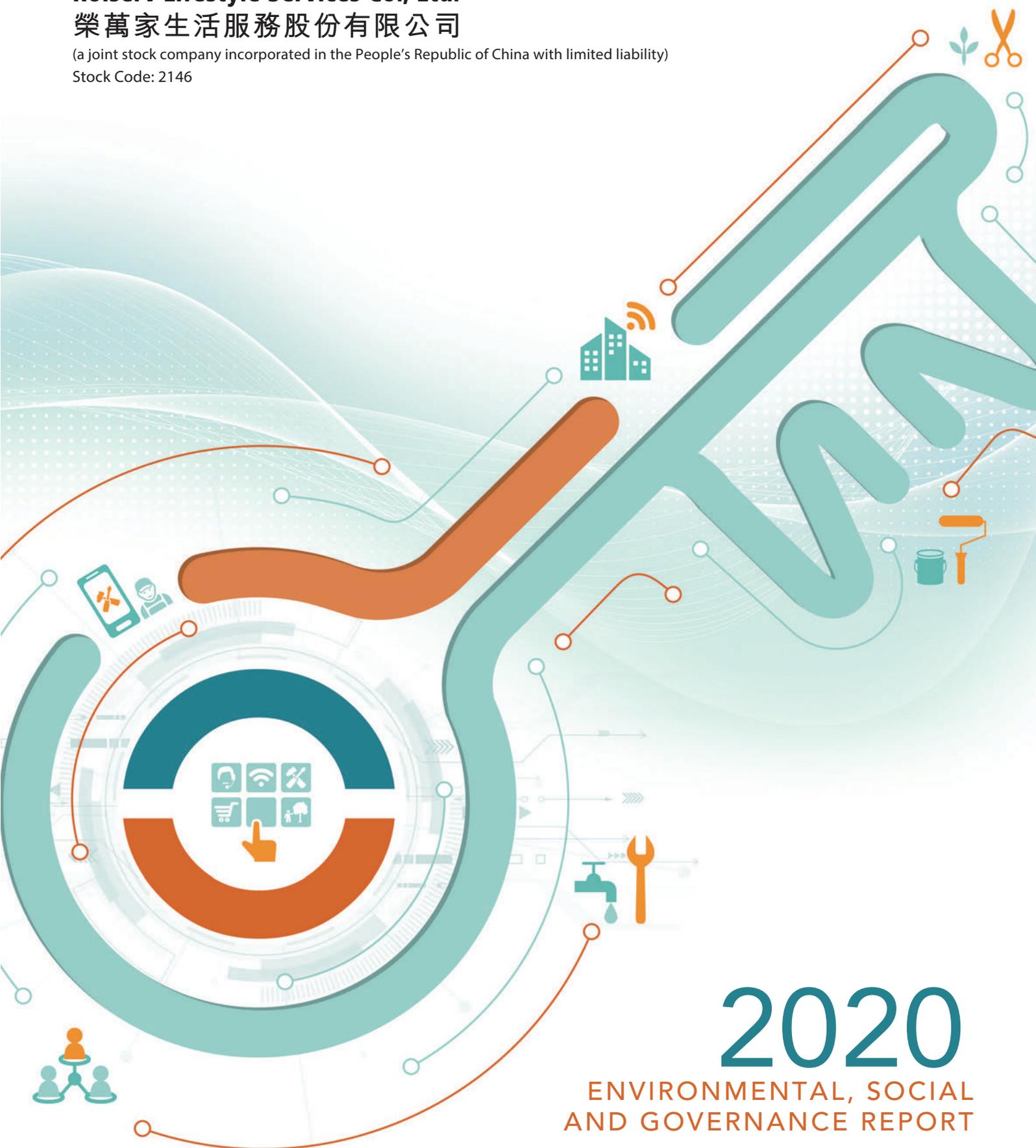
ROISERV 榮萬家

Roiserv Lifestyle Services Co., Ltd.

榮萬家生活服務股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

Stock Code: 2146



2020

ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT

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Environmental, Social and Governance Report

I. ABOUT THIS REPORT

The Group prepared and issued the 2020 Environmental, Social and Governance (“ESG”) Report of the Group (the “Report”) by collecting and sorting out relevant information and data on the key stakeholders and the ESG issues they were concerned about. The Report is the first ESG report issued by the Group, aiming to disclose the status quo of ESG management and ESG performance of the Group in 2020. For details on corporate governance, please refer to the Corporate Governance Report as set out in the 2020 Annual Report of the Group.

(I) Preparation Basis

The Report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Guide”) as set out in the Appendix 27 of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Report has complied with the “comply or explain” provisions set out in the ESG Guide.

(II) Reporting Scope

The Report covers the year of 2020 (namely the period from 1 January 2020 to 31 December 2020) (the “Reporting Period”) in relation to the headquarters of the Group, city companies and their property management projects unless otherwise stated.

II. ESG MANAGEMENT

(I) ESG Concepts

Live a good life with Roiserv. Focused on property owners’ demands, the Group adheres to the corporate vision of “being the most satisfying life scene service provider and lifestyle operator for property owners”, upholds the values of “offering the sincerest, warmest and farthest services” and insists on providing property owners with high-quality services. Meanwhile, the Group has an in-depth insight into the materiality of ESG management, proactively takes up the social responsibility and is committed to building harmonious communities, in an effort to create an ideal lifestyle that is warm, healthy, abundant and efficient and build a happy, convenient, reassuring and exquisite living space for property owners.

The Group promotes the integration of ESG concepts into corporate operations, continuously improves the ESG management system and actively enhances ESG performance, boosting the sustainable development of the Group.

(II) Communication with Stakeholders and Materiality Assessment of ESG Issues

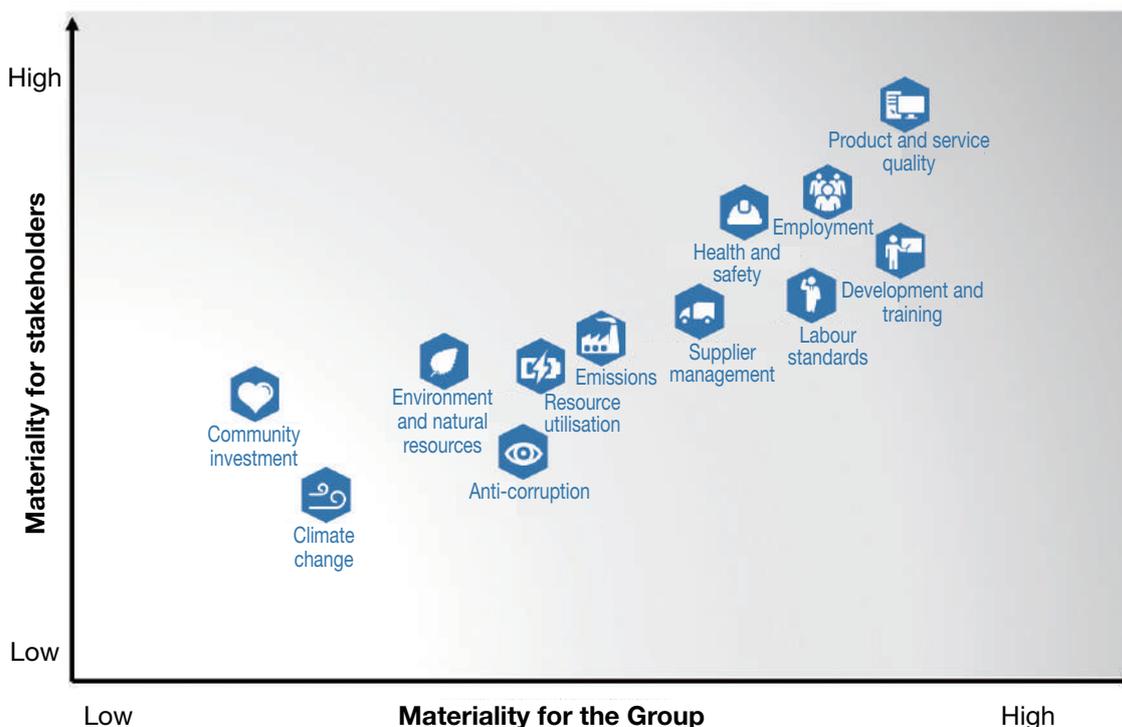
The Group has established a mechanism for the communication with stakeholders with a variety of smooth communication channels for stakeholders, proactively identifying the ESG issues concerned by stakeholders and giving positive responses.

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The key stakeholders identified by the Group and their communication channels are set out in the following table:

Stakeholders	Main Communication Channels
Government and regulators	Policy and guidance, official correspondence, daily communication, work meetings, information disclosure, social public welfare activities
Shareholders and investors	General meetings, investor meetings, annual and interim reports, announcements, company's website
Employees	Employee meetings, employee trainings, employee activities, Rice Home (米到家) APP
Customers	Customer satisfaction survey, 400 customer service centres, Rice Community (米飯公社) APP, discussions and visits
Suppliers and partners	Collaborative negotiations, communications and interactions, business meetings
Community public	Public welfare activities, community education and publicity, discussions and communications, corporate recruitment presentation, etc.

Also, based on the concerns of stakeholders, the Group referred to the ESG Guide of the Stock Exchange, and summarised 12 major ESG issues and assessed their materiality in line with the actual situation of the Company and the hot topics on sustainable development in the industry. The results are as follows:



The most material issues are “product and service quality”, “employment”, “health and safety”, “development and training” and “labour standards”; major issues are “supplier management”, “emissions”, “resource utilisation” and “environment and natural resources”; and relevant issues are “anti-corruption”, “community investment” and “climate change”.

III. ENVIRONMENTAL PROTECTION

Complying with the Environmental Protection Law of the People's Republic of China and other environmental protection laws and regulations, the Group is committed to pursuing green development. The Group established a standardised environmental management system and various environmental management systems, and obtained the ISO 14001:2015 environmental management system certification in 2018, carrying out the environmental protection work in a closed-loop management model of planning, implementation, inspection and handling.

(I) Green Project Operation

The Group adheres to the concept of green operation in property management project operations, and improves energy efficiency as well as reduces emissions while ensuring the service quality for property owners and customers.

Energy consumption management

The Group has formulated systems and standards relevant to energy consumption management, including Management System of Energy Conservation and Emission Reduction in Public Areas and Management System of Early Involvement in Planning and Design, to guide the unified management of energy consumption in communities and provide detailed requirements for energy conservation practices in project communities. The measures taken by the Group to reduce energy consumption in project operations include:

- Stipulate the technical specifications for energy-saving lamps, and give priority to the use of energy-saving lamps on the premise of ensuring the lighting quality;
- Eliminate the use of incandescent light in public areas, promote the use of LED energy-saving voice-activated and light-sensitive lamps and adjust the running time of lighting equipment according to the season and weather in order to reduce the power consumption of lighting equipment;
- Carry out data analysis for energy consumption of project operation and conduct performance assessment of energy management for the directors of relevant projects.

Water resources management

The Group proactively carries out water use planning for property management projects, makes rational use of water resources and has formulated the Standard Operating Procedures for Routine Greening Maintenance and other regulations to instruct the management of water use for the projects. Management measures of water resources for project operations of the Group include:

- Clearly state the irrigation methods of landscape and greening in communities, and implement scientific water-saving irrigation methods such as drop irrigation or rotary jet irrigation to reduce the use of water resources;
- Carry out water-saving publicity and implementation for property owners and employees of the Group to enhance their awareness of water conservation.



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Emissions management

The major emissions generated by the Group are greenhouse gases (“GHG”) and non-hazardous wastes produced in energy consumption where the non-hazardous wastes mainly include office waste, domestic waste, kitchen waste and construction waste generated from the operation and maintenance of property management projects. The Group has formulated systematic waste classification and normative disposal standards to actively respond to the waste classification requirements of the places where the projects are located. Waste management practices of the Group include:

- Establish waste classification stations to classify garbage while publicizing and practicing the knowledge of waste classification;
- Formulate the Standard Operating Procedures for Domestic Waste Removal and Cleaning as the basis for waste management, timely remove and dispose of the waste in public areas, and set up fixed storage places and waste transfer stations in property management projects. After temporary storage and disposal, non-hazardous wastes such as domestic waste, kitchen waste and construction waste will then be handled by municipal departments or qualified cleaning suppliers uniformly;
- A small amount of hazardous waste generated from project operations, such as waste oil residue and waste paint generated in the process of facility maintenance in communities, should be collected and stored separately by the Group and handled by qualified professional companies.

Green Management for Ground-Floor Commerce in Communities

The Group has clear requirements on the environmental management for the ground-floor commerce in property management projects. For example, when catering merchants discharge waste water, they should add oil separation device and install cooking fume purification device in accordance with the relevant laws and regulations to meet the relevant acceptance standards of the environmental protection departments, and they will be allowed to start business only after they pass the acceptance inspections.

Ecological protection of communities

In the community environment building of property management projects, the Group is committed to reducing environmental impacts by integrating the ecological protection concepts into operations, and paying attention to the protection of ecological environment and biodiversity of communities. For instance, the Group grows plant varieties suitable for the climate at the location of the projects, nurses vegetation, and maintains the ecological health of communities. While maintaining the community landscape and vegetation, the Group uses environmentally friendly pesticides in accordance with national standards and strictly controls the pesticide spray concentration to prevent the harm to soil and water sources.



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(II) Green office

The Group implements the low-carbon green office concept in our office process, and has formulated Measures for Management of Office Supplies and other internal management systems to standardise all practices of energy conservation, emission reduction and water saving in work places. Meanwhile, the Group keeps building employees' awareness of environmental protection, and constantly seeks and applies new ways of reducing consumption on resources in the office process. The specific green office measures taken by the Group in the work places include:

- Purchasing low energy consumption office supplies (including desktops, printers, etc.), adjusting properly the running time of electrical appliances according to business needs, and requiring employees to switch off the appliances when they leave the work places; assigning security staff to undertake patrol inspection during non-business hours, and timely switching off unused equipment or switching it to the hibernation mode to reduce power use as well as to ensure electrical safety;
- Specifying the air conditioning temperature in offices, and closing doors and windows when air conditioners are on to avoid wasting electricity while maintaining appropriate temperature in work places;
- Requiring all departments to follow the principle of saving when collecting office items, control the quantity of office supplies used, and reduce unnecessary material consumption;
- Using duplex printing and copying in office as far as possible, and collecting paper of which only one side is used as recycled paper for reuse;
- Educating employees on water saving, improving all staff's awareness of water conservation, urging them to develop a good habit of saving water by "keeping unused water taps closed" and preventing leaving the water taps running;
- Proactively promoting waste sorting, communicating waste sorting knowledge to employees, collecting separately domestic waste, office waste and other non-hazardous wastes produced in work places and delivering them to qualified specialised companies for treatment; and delivering the small amount of hazardous wastes produced such as waste fluorescent tubes, toner cartridges, and ink cartridges to qualified specialized companies or original manufacturers for treatment in compliance with laws.

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(III) Environmental performance in 2020

The Group's environmental performance data covers the office areas of the headquarters, city companies and their project companies of the Group as well as property management projects. The major emissions generated by the Group are the GHG and non-hazardous wastes produced in energy use, where the non-hazardous wastes generally include office waste, domestic waste, kitchen waste and construction waste generated from the operation and maintenance of the property management projects. The small quantity of hazardous wastes produced in the Group's operation have all been treated or recycled by specialised companies and have not had significant environmental impact, and thus are not disclosed. The major resources used for the Group's operation are water, purchased electricity, purchased steam, gasoline, diesel, liquefied petroleum gas (LPG), natural gas, etc. There is no problem with the use of water sources by the Group. As very few wrappages are produced in the Group's operation, they are not disclosed.

Emissions KPIs¹

Indicator	Performance
Total GHG emissions (Scope 1 and Scope 2) (tonnes) ^{2, 3}	112,225.90
GHG emissions (Scope 1) (tonnes)	6,229.88
GHG emissions (Scope 2) (tonnes)	105,996.02
GHG emissions density (Scope 1 and Scope 2) (tonnes/m ²) ⁴	0.002
Total non-hazardous wastes (tonnes)	56,024.16
Non-hazardous waste density (kg/m ²)	0.94

Use of resources KPIs

Indicator	Performance
Total comprehensive energy consumption (MWH) ⁵	199,349.40
Comprehensive energy consumption density (MWH/m ²)	0.003
Direct energy consumption (MWH) ⁵	31,611.71
Gasoline (MWH)	712.76
Diesel (MWH)	62.53
LPG (MWH)	1.25
Natural gas (MWH)	30,835.17
Indirect energy consumption (MWH) ⁵	167,737.69
Purchased electricity (MWH)	149,792.87
Purchased steam (MWH)	17,944.82
Water consumption (tonnes)	5,392,870.33
Water consumption density (tonnes/m ²)	0.09

1. Based on the nature of the Group's business, gas emissions are mainly GHG emissions generated from the use of fossil fuel-converted electricity and fuels;
2. The Group's GHG calculation covers carbon dioxide, methane and nitrous oxide. GHG emissions data is presented in carbon dioxide equivalent ("CO₂e"), and was calculated in conformance with China's Regional Grid Baseline Emission Factors for Emission Reduction Projects in 2019 and 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories;
3. GHG Scope 1: which covers the GHG emissions directly generated from the Group's operation; GHG Scope 2: which covers the GHG emissions as a result of the Group's consumption of electricity and heat (indirect energy);
4. The floor area managed by the Group as of 31 December 2020;
5. Total comprehensive energy consumption was calculated based on direct and indirect energy consumption with the conversion factor in General Rules for Calculation of the Comprehensive Energy Consumption (GB/T2589-2008).

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IV. HARMONIOUS EMPLOYMENT

Talent is the driving force for the Group's sustainable development. Centring on the people, the Group shares success and advancement with our employees. The Group ensures and protects employees' interests, improves the talent training mechanism, safeguards proper competition and fair selection of employees, and provides them with a safe and comfortable working environment and a comprehensive and healthy platform for development.

(I) Employment and promotion

The Group complies with the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, the Law of the People's Republic of China on the Protection of the Disabled and other relevant laws and regulations. By developing internal rules and regulations including Measures for Talent Recommendation Management, Welfare Management System, Compensation Management System, and Attendance and Vacation Management System, the Group standardises such aspects as employment, vacation, compensation and benefits, resignation, promotion and development, etc.

In the recruitment process, the Group emphasises the quality, potential, character, and experience of candidates. At the same time, the Group follows the rule of fair selection and open competition to promote equality and oppose discrimination against employees on grounds of race, nationality, skin, religion, gender, age and other factors.

The Group has established the Attendance and Vacation Management System, which specifies employees' working hours and the official holidays they are entitled to, and normalises the process and management model for employees to apply for a business trip and leave.

The Group resolutely prohibits the use of child labour and forced labour. The employee's identity information auto-check in the human resource system and the automatic age identification in the online induction system enable dual verification of employee's identity so as to prevent child labour. During the Reporting Period, to the best of the Group's knowledge, the Group did not have any non-compliance issues in relation to labour laws and regulations.

To further improve the talent introduction and promotion mechanism, the Group has formulated the Measures for Talent Recommendation Management to build a standardised internal job competition channel. If there is a vacancy for a key post within the Group, employees can apply and compete for the post. The final result will be reviewed by interviewers from different departments to ensure the employees are treated and judged fairly in the process of promotion application. Moreover, the Group has established the incentive mechanism for talent recommendation to encourage referral and mining of internal talents and accelerate our qualified personnel development.

Employment KPIs

Indicator	Performance
Total	8,813
Male	4,558
Female	4,255
30 years old or below	2,889
31 to 50 years old	4,518
Above 50 years old	1,406
Mainland China	8,813
Hong Kong/Macao/Taiwan	0
Overseas	0
Full-time	8,813
Part-time	0



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(II) Compensation and benefits

The Group has built up a complete and transparent compensation and benefits system. The Group made amendments to the Compensation Management System of the Group in 2020, setting personalised competitive compensation levels that are fair, just, compliant and reasonable to employees based on job nature and characteristics.

In addition, the Group provides employees with comprehensive welfare, including marriage, funeral and maternity subsidies, telephone expense subsidies, high temperature subsidies, canteen subsidies, accommodation subsidies, free physical examination, paid annual leave and other indemnity benefits, as well as housing benefits and property expenses reimbursement based on employee performance.

The Group actively organises employee activities, including traditional festival celebrations, open day to employees' family, basketball match, jogging club, warm winter and cool summer to enrich the employees' leisure time.



Open Day to employees' family

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(III) Development and training

Attaching great importance to talent development, the Group has developed rules and regulations such as Measures for System Map Management, and Case Management Measures and guiding documents like Map of Refuelling Points, and delivered training courses tailored to employees' job responsibilities and career development stages.

- Front-line staff training courses: designed to enhance their service capability and improve their service level. The Group reinforces standardised training to make employees understand work requirements and related operating processes, and regularly verifies the training effect. The Group establishes professional competence certification and evaluation and improves the professional skills of front-line employees;
- Management staff training courses: designed to enhance multi-task management capability, business capability, and strategic planning capability. The Group carries out project-based training camps based on specialty, and strengthens management training to enhance the management staff's management capability;
- Senior management training courses: mainly external training based on specific training needs. The training is focused on corporate strategy decoding, and improvement of high-level and comprehensive operation abilities;
- “Xinshengli (新盛力)” talent training plan: The Group has formulated the “Xinshengli” talent training plan specifically for fresh graduates. In this year's training, the Group organised Xinshengli training camp with the theme of “Struggle in youth, create the future” to help fresh graduate employees become “professionals” through teaching, “military” training, team activity and competition, saloon, etc.



2020 Xinshengli training camp



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(IV) Employee communication and care

The Group has built open channels for communication with employees to hear their voices and make corresponding improvements, and heighten employees' satisfaction and sense of belonging. To this end, the Group regularly carries out a series of communication activities including monthly assessments and feedback, and quarterly debriefing and comments to enhance work efficiency while caring for employees' physical and mental health.

The Group conducts employee engagement survey covering all staff in the second half of each year to receive their feedback through questionnaires. The Group also makes pertinent employee satisfaction enhancement plan and continuously follows up the plan implementation to ensure the issues of employees' concern are addressed and solved.

(V) Employees' health and safety

The Group stresses the health and safety of employees, and is committed to creating a healthy, safe, harmonious, friendly, reassuring and comfortable working environment. The Group has established an occupational health and safety management system and obtained the ISO 45001:2018 certification. The human resource department of the Group has appointed dedicated persons responsible for employees' health management, which includes statistics and management of the health, physical examination and vaccination of people on each post.

For the health and safety management in the workplace of property management projects, the Group has formulated the Management System of Employees' Safety and Health, which contains education and training on employees' health and safety, environmental safety and fire safety in workplace, to protect employees' safety and their physical and mental health. The Group also identifies safety risks in the working areas of projects and makes corresponding safe work requirements. For instance, the system provides that flame operations in high-risk areas such as transformer room, distribution room and generator room must be approved by the manager of property service centre and conform to the relevant operating rules and procedures for flame operations established by the Group, and the operators shall wear protective equipment.

For the health and safety management in employees' daily life in offices and living areas, the Group has formulated Measures for Dormitory Management and Systems for Canteen Management which specify the electrical safety, fire safety, gas safety, anti-theft security, food safety, etc. in staff dormitories and canteens, and implemented the following safeguards for employees' health and safety:

- Providing extinguishers and fire safety signs in office areas, and prohibiting smoking in office areas for fire safety;
- Requiring employees to use appliances and power strips safely and not having them run at full capacity for electrical safety;
- Equipping front-line employees (repairers, gardeners, and canteen workers) with labour protection supplies such as insulating boots and gloves for operation safety;
- Regularly checking Safety Check Records for dormitories and canteens for the safety of employees and equipment in dormitories and canteens.

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(VI) Pandemic prevention and control

During the outbreak of the pandemic, the Group developed hygiene, disinfection and prevention plans, project site disinfection and hygiene plan, site disinfection implementation summary, work management measures in the pandemic period, and provided all sorts of pandemic prevention supplies to fully protect the health and safety of employees in the pandemic period.

For regular response to and management of the pandemic, the Group has taken related prevention and control measures, e.g.:

- Strictly following the total registration system, prohibiting non-staff persons from entering the workplace, setting up pandemic control checkpoints to record staff's disinfection and body temperature and check and record in details visitors' body temperature;
- Setting up depositories for parcels and takeaways, which shall be received and disinfected by the property management personnel only;
- Maintaining clean environment in office areas, conducting disinfection, and ensuring ventilation frequency and duration;
- Holding meetings by way of teleconferencing, and requiring everyone in offices to wear a mask.

V. PRODUCT QUALITY

As a leading company in the property service industry in China, the Group has the first-level qualification for national property service enterprises and is a member of the China Property Management Institute. Carrying through the service vision of "Live a good life with Roiserv", the Group centred on the service concept of "full life cycle, full service chain", and is committed to creating a "warm community culture" with a technological and modern community and living space for customers and property owners. In 2020, the Group was successively awarded Top 6 of 2020 Quality Leading Companies in Property Service, TOP15 of 2020 Top 100 Most Valuable Brand of Property Management Service, TOP19 of 2020 TOP 100 Property Management Companies in China, and 2020 Specialized Operational Leading Brand of China Property Services Companies by well-known organisations and institutions such as China Index Academy, China Real Estate TOP 10 Research, and Beijing CPMRI Information Technology Co., Ltd. ("CPMRI").



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(I) Quality Service

The community is not only home, but also where life centres. The Group deeply understands the needs of property owners, optimises the service process, and continuously improves the efficiency of internal operations, provides property owners with high-quality and differentiated community life services, and brings property owners a new and convenient living experience and a “warm, soft, caring, and deserving” service experience. The Group has been qualified for ISO 9001:2015 quality management system since 2018, and has formulated the Quality, Environment, and Occupational Health and Safety Management Manual in conjunction with the quality management system to provide a standardised basis for the implementation of the Group’s service management. Meanwhile, the Group has formulated the Visualization Standard Manual, with system standards and implementation procedures well defined, so that employees can quickly and efficiently understand management standards and service specifications when implementing relevant requirements.

Full Life Cycle & Full Service Chain

The Group has established a complete property management system, and its scope of services starting from the full life cycle covers all chain stages for the establishment and operation of property management projects.

- Early-stage intervention: In the early stage of the completion of a project, the Group begins to conduct in-depth research on it, builds a profound understanding, drafts a property service management plan, enters the community to found a property service centre, and performs service personnel training and drills;
- Delivery inspection: Acceptance inspection of the project delivered by the builder aims to submit the identified problems to the builder for settlement and track the rework results, ensure the quality of the community’s appearance and use of equipment, and assist the property owners to complete the house delivery;
- Operation management: In the operation phase, the Group establishes property owners’ relationships with customers, and improve the life and living quality of property owners through environmental management, safety management, project management, special services and emergency handling services. At the same time, the Group understands property owners’ status and needs at all stages of customer services, provides targeted services, eliminates property owners’ unfamiliarity with the community during the “run-in period” after delivery, carries out complaints reconciliation, and actively organises community cultural activities in the “stability period”, analyses the use of community equipment and carry out its improvement/maintenance, investigates and survey property owners’ needs in the “old property owners period”, adjusts service products, and conducts satisfaction surveys.



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Housekeeper Service

As an important part of the property management system, the Group has set up a “housekeeper” system in the property management project to directly interact with property owners as the core tool for maintaining the relationship with property owners. Through the connectivity day and night between the housekeeper and the property owners, the housekeeper understands property owners’ ideas and needs and builds mutual trusts. To ensure that property owners’ service needs can be dealt with at any time, and property owners can enjoy the considerate service from housekeepers at any time, the Group’s housekeeper as the main channel for the property owners to link with the Group is defined as:

- A cultural propagator: Being a good promoter of corporate culture, whose every word and deed represents the genuine feelings of the Group to property owners, and helps build a warm community atmosphere for customers;
- An emotional liaison: Being the emotional liaison between property owners and the Group, thinking about what property owners think, and creating a happy and secure living space for all property owners;
- A business linker: Being a good business linker to improve service capabilities, integrate service resources, and help realise the “good life” of the property owners community.

Intelligent Community

Based on a deep understanding of the industry and the continuous pursuit of service quality, the Group adheres to a sustainable innovative development strategy, enhances the application of intelligent systems, and integrates mobile Internet, big data, artificial intelligence and other technologies to independently develop community service APP “Rice Community” and “Rice Home”, an intelligent property operation management platform of the Group, which aims to provide property owners with all-round intelligent community life services based on the “Internet + Property” model.

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Property owners can use the “Rice Community” APP to realise all-round service functions in the cloud such as reporting and call for repair, property fee payment, complaints & suggestions and community activities, which facilitates the lives of property owners and customers to the greatest extent. In terms of value-added services, the Group makes full use of the online platform advantages of the “Rice Community” APP to provide property owners and customers with value-added community services through characteristic e-commerce and community group buying, and implement high-quality customer services from details. The specific service types of “Rice Community” APP include:

- Smart property: online collection of property management fees, water and electricity charges; online processing of complaints and call for repairs; parking lot management; surrounding security and smart security access control;
- Value-added services: community supermarkets and group buying; community housekeeping services, car wash services and canteen services, etc.;
- Big data: facility and equipment operation data analysis; employee service evaluation data analysis, etc.

About 800,000 property owners have registered and joined the Rice Community APP of the Group.



Rice Community APP

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Meanwhile, the Group utilises the Rice Home APP to perform systematic job management. Its specific functions are as follows:

- Facility and equipment management system: different facilities and equipment in the community are connected through the online management system that displays in real-time the operating status of the equipment in the community and matches it with the dynamic maintenance plan to improve the efficiency of equipment operation;
- Employees' operation management system: The "work order competition" model of reporting work orders is set up. After processed intelligently, the work orders are automatically matched to the closest and most appropriate operators. The employees accept and process accordingly on the platform to realise "Confirm an order within 3 minutes, go for repair within 30 minutes" to the full extent;
- Intelligent patrol system: to ensure the implementation of basic patrol in the community, improve the efficiency of personnel management and work effect, and help community managers understand the status of the community in a timely manner.

The Group aims to build a smart community with uplifted service quality by integrating management area, hardware and management services.

Community full of vitality

To build a warm community where harmonious neighbourhood is set up, the Group has launched a wide range of community events to gather all property owners desirous of good life and make their lives enriched.

Since 2019, the Group has organised the "YOHO Family Festival" community activity from August to October each year. Under the theme of "thousands of families gather to ride against the tide", by using the online "Rice Community" APP, WeChat group links, housekeeper's Moment links, offline posters, announcements and other channels for publicity, the 2020 YOHO Family Festival was held in 86 venues in 17 cities, attracting more than 510,000 property owners to interact online and offline. Activities included community orienteering, YOHO night market, nostalgic carnival, etc. Property owners and their families were deeply involved through the wonderful activity design and passionate and happy activity content, which enhanced the property owners' satisfaction and established the property owners' emotional resonance with the Group.



YOHO Family Festival (啲吼家庭節)



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(II) Property owners' Security Assurance

The Group focuses on providing a safe living environment for property owners, and the principle of separation of people and vehicles was adopted in the community planning to reduce the impact of car flow in the community, and to verify the identity of visitors at the entrance of the community. At the same time, the Group has formulated the Emergency Plan Management Guideline and emergency response procedures, and organises safety trainings and drills every year to ensure the basic life safety of property owners.

During the outbreak of the pandemic, the Group upgraded the community management measures to make anti-pandemic registration and monitor body temperature of people accessing the communities; and upgraded the disinfection in all areas of the environment of the communities. For key areas such as lobbies, lift cars, entrance halls, domestic waste containers, disinfection was carried out at least once a day. Meanwhile, the Group proposed initiatives and health guide to all property owners, reminding them of paying attention to all health conditions, avoiding taking part in collective activities, and protecting themselves and their families well. The Group equipped property owners with various anti-pandemic materials, such as drug sprayers, watering cans, raincoats, rubber shoes, disposable masks, infrared thermometers, 84 disinfectants and indoor medical disinfectants. And during the lockdown of the community, in order to ease the lives of property owners, the Group arranged for employees to provide warm-hearted services to property owners, and deliver fruits, vegetables, and daily necessities to their homes to provide guarantees for their normal lives.

(III) Property owners' Complaints & Satisfaction

The Group has formulated the Standard Operating Procedures for Handling Customer Complaints as a guideline for handling customer complaints, and actively collected suggestions and opinions from property owners and customers through such channels as face-to-face complaints, online complaints via the APP, complaints via housekeeper WeChat account and 400 hotline. The Group sets up a dedicated housekeeper to handle complaints. It is stipulated that the complaints will be responded to within 24 hours and the 400 customer service centre will make return visits. For complaints that cannot be handled immediately, feedback and handling measures must be given within 24 hours. For the handling of specific complaints, the housekeeper needs to report the progress of the handling to the property owners every 72 hours. The conditions for closing the work order are dependent on the property owner's evaluation. If the owner's evaluation is satisfied, the work order will be closed in a closed loop, and if unsatisfied, the complaint will continue to be handled.

In 2020, the Group received complaints 24 hours each day and the timely handling rate of complaints was 97%, and the complaint settlement rate was 96%.

The Group uses the third-party institution China Index Academy to conduct customer satisfaction surveys every year. In 2020, the third-party China Index Academy's satisfaction survey result was 83.8 points.

VI. COMPLIANCE OPERATIONS

(I) Anti-corruption

The Group has zero tolerance to corruption and fraud, and severely combats and eradicates any corruption, fraud, bribery, blackmail, money laundering and other incidents. The Group strictly abides by the Criminal Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China and other relevant laws and regulations, and has formulated and issued the Integrity and Self-discipline Code, Employee Behaviour Red and Yellow Line Manual, Implementation Rules for Reporting, Confidentiality, Protection & Reward, Implementation Rules for Supervision Information Publicity, Implementation Rules for Cash Gift and Gift Disposal, Implementation Rules for Employee Reporting and other management systems to regulate employees' behaviours. Among them, the Integrity and Self-discipline Code of the Group as an integral part of the labour contract must be signed by all employees when onboarding. At the same time, the Group regularly conducts staff's integrity training based on the above rules.

In terms of reporting and whistle-blowing, the Group has established reporting channels such as telephone, WeChat, and email, and abides by the Implementation Rules for Reporting, Confidentiality, Protection and Reward to protect whistle-blowers and clarify the rewards to them.

In terms of staff integrity training, the Group has organised videos and on-site anti-fraud and integrity trainings fully covering staff at all levels. In 2020, the Group had no corruption cases reported and concluded.

(II) Publicity & Advertising Management

In accordance with relevant national advertising laws and regulations, the Group strictly reviews product publicity content to prevent exaggerated, distorted, untruthful, and indelicate content. Regarding the review of content such as official website publicity articles and official account tweets, the legal and branding departments of the Group jointly review the promotional materials to ensure that the images and texts are legal, compliant, objective and accurate.

(III) Intellectual Property Protection

The Group complies with the Trademark Law of the People's Republic of China, the Patent Law of the People's Republic of China and other laws and regulations, protects its own intellectual property rights, applies for trademark protection for the trademarks used by the Group, and fully respects the existing intellectual property rights of other parties. The Group identifies intellectual property rights to prevent infringement of the intellectual property rights from other parties. The specific measures taken by the Group to protect intellectual property rights include but are not limited to:

- Regularly investigate the infringements of the fraudulent use of the Group's name and trademarks; immediately communicate with the related party after discovering such infringement, and request it to make rectification and replacement;
- The legal affairs and branding departments review the intellectual property in official website publicity content, and public account tweets to prevent infringements upon images, fonts, text, etc.;
- The ownership and protection of intellectual property rights are made clear in the Rice Community APP user agreement;



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(IV) Information Security & Privacy Protection

The Group attaches great importance to the information security and privacy protection of property owners and customers, strictly abides by the Cybersecurity Law of the People's Republic of China, Information Security Technology & Personal Information Security Regulations of the People's Republic of China and other relevant laws and regulations, and has formulated privacy management policies such as Customer Information Management Regulations to provide guiding specifications in terms of information access permission, cloud data security, and data leakage emergency protection.

In terms of access permission, the Group strictly controls employees' access to customer privacy, implements the principle of not storing non-business customer information, and continuously improves the company's internal systems and access systems. At the same time, the Group uses a self-developed access control system to double-protect and encrypt customer privacy information, and conduct regular inspections to review the process and check for deficiencies.

In terms of protection of property owners' and customers' data stored in the cloud, the Group regularly monitors the number of accounts and their usage, and accordingly formulated emergency plans to prevent consumers' data leakage. At the same time, the Group has improved the ability to detect and identify, understand and analyse, and respond to and dispose of security threats from a global perspective, and implemented real-time upgrades to technologies such as internal firewalls to ensure the full-process encryption of information.

When responding to data leakage emergencies, after receiving and identifying an alarm of abnormal customer data call, the Group limits and downgrades temporary services, and controls the amount of information retrieved. After discovering the signs of leakage, the Group collects and retains them on the spot, and reports them to the public security and judicial systems urgently to minimise the impact of the accident within the minimal time and protect the privacy of customer information to the greatest extent. In 2020, the Group had no major data breaches.

(V) Supply Chain Management

Adhering to the principle and original intention of being responsible to property owners, the Group has formulated the Management Measures for Bidding and Procurement, Operational Guidelines for the Monthly Performance Evaluation of Cleaning and Order Outsourcing Suppliers, Integrity and Honesty Commitment and other management systems to guide and standardise supply chain related management work. Conduct standardised management for suppliers and incorporate the supplier's ESG performance into the considerations of supplier access and evaluation.

In terms of supplier access, the Group requires relevant departments to check the company qualifications, past services experience, and performance of all suppliers. Labour outsourcing suppliers shall be inspected in terms of the scale and quality of their cooperation projects, project maintenance suppliers shall be reviewed in terms of whether their maintenance records are detailed and comprehensive, and material procurement suppliers shall be inspected in terms of the completeness of their categories and their satisfaction of quality requirements. At the same time, the Group requires that the relevant parts must be checked on-site at the supplier's office and service site, and the management structure, financial condition and capital flow status must be reviewed.

In terms of supplier evaluation, the Group conducts service quality evaluations on a monthly basis, and conducts evaluations in different dimensions for different types of suppliers. For those with lower evaluation scores, the Group will organise relevant departments to communicate with the supplier's responsible person to understand the current status of the supplier and the reason for the low evaluation score. At the same time, the Group conducts a summary of supplier evaluations at the end of each year. If a supplier has low scores or violates the contract multiple times, the Group will blacklist it after understanding the objective situation.



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VII. GIVING BACK TO SOCIETY

A warm and harmonious community is an integral part of a harmonious society. The Group creates a warm community for property owners, provides high-quality property services, contributes to the building of a harmonious society, and actively assumes its own social responsibilities.

(I) Assistance in anti-pandemic, farmer supports & people-benefit

Since the outbreak of COVID-19 in 2020, the Group has fully supported the social pandemic prevention work, closely monitored the development of the pandemic, protected property owners' health and safety, and organised a number of supply donations by joining hands with all walks of life.

In the meantime, during the pandemic spread period, the Group actively supported farmers and benefited the people, helping farmers who were affected by the pandemic with products not well sold out of their difficulties, and at the same time bringing high-quality agricultural products to property owners of the Group.

Weixian County, Hebei Province is the birthplace of high-quality pears. When the pandemic was pervading this year, the pears were unmarketable in Weixian County. After learning of the situation, the Group actively gave support to the farmers, and the senior management led a team to Weixian County to perform product research and brainstorming. In the end, the high-quality pears were sold to property owners through group buying on its own platform, which solved the urgent needs of the fruit farmers, and the excellent quality of the products was also unanimously recognised by property owners.

With the recognition and encouragement by multiple parties, the Group continued the cooperation with Weixian County for a long term, keeping supporting farmers and benefiting the people while serving property owners.



Aid in the Sale of Hebei Pears



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(II) Green & Environmental Protection Events

In May 2020, the environmental protection month was launched by the Group themed by “Sowing plants for tomorrow’s blue sky” under each property management project. The activities included planting in the community and exchanging waste products for potted plants, advocating a low-carbon lifestyle and calling for joint efforts of property owners and employees to protect the environment and build a green community home.

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APPENDIX: HONG KONG STOCK EXCHANGE ESG REPORTING GUIDE CONTENT INDEX

ESG REPORTING GUIDE CONTENT		CORRESPONDING SECTION
Environmental	A1 Emissions	
	General Disclosure	III.(I) Green Project Operation III.(II) Green office
	A1.1 The types of emissions and respective emissions data.	III.(III) Environmental performance in 2020
	A1.2 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	III.(III) Environmental performance in 2020
	A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	The small amount of hazardous wastes generated in the Group's operation were disposed of or recycled by professional companies. Since there was no significant impact on the environment, no disclosures were made.
	A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	III.(III) Environmental performance in 2020
	A1.5 Description of measures to mitigate emissions and results achieved.	III.(I) Green Project Operation III.(II) Green office
	A1.6 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	III.(I) Green Project Operation III.(II) Green office

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ESG REPORTING GUIDE CONTENT		CORRESPONDING SECTION	
A2 Use of Resources	General Disclosure	III.(I) Green Project Operation III.(II) Green office	
	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).	III.(III) Environmental performance in 2020	
	A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	III.(III) Environmental performance in 2020	
	A2.3 Description of energy use efficiency initiatives and results achieved.	III.(I) Green Project Operation III.(II) Green office	
	A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	III.(III) Environmental performance in 2020	
A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	N/A		
A3 The Environment and Natural Resources	General Disclosure	III.(I) Green Project Operation – Ecological protection of communities	
	A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	III.(I) Green Project Operation – Ecological protection of communities	
Social	B1 Employment	General Disclosure	IV.(I) Employment and promotion IV.(II) Compensation and benefits
		B1.1 Total workforce by gender, employment type, age group and geographical region.	IV.(I) Employment and promotion – Employment KPIs Indicator
	B1.2 Employee turnover rate by gender, age group and geographical region.	–	

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ESG REPORTING GUIDE CONTENT		CORRESPONDING SECTION
B2 Health and Safety	General Disclosure	IV.(V) Employees' health and safety IV.(VI) Pandemic prevention and control
	B2.1 Number and rate of work-related fatalities.	—
	B2.2 Lost days due to work injury. B2.3 Description of occupational health and safety measures adopted, how they are implemented and monitored.	— IV.(V) Employees' health and safety
B3 Development and Training	General Disclosure	IV.(III) Development and training
	B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	—
	B3.2 The average training hours completed per employee by gender and employee category.	—
B4 Labour Standards	General Disclosure	IV.(I) Employment and promotion
	B4.1 Description of measures to review employment practices to avoid child and forced labour.	IV.(I) Employment and promotion
	B4.2 Description of steps taken to eliminate such practices when discovered.	—
B5 Supply Chain Management	General Disclosure	VI.(V) Supply Chain Management
	B5.1 Number of suppliers by geographical region.	—
	B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	VI.(V) Supply Chain Management



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ESG REPORTING GUIDE CONTENT		CORRESPONDING SECTION
B6 Product Responsibility	General Disclosure	V.(I) Quality Service VI.(II) Publicity & Advertising Management N/A
	B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	
	B6.2 Number of products and service related complaints received and how they are dealt with.	V.(III) Property Owners' Complaints & Satisfaction
	B6.3 Description of practices relating to observing and protecting intellectual property rights.	VI.(III) Intellectual Property Protection
	B6.4 Description of quality assurance process and recall procedures.	V.(I) Quality Service
	B6.5 Description of consumer data protection and privacy policies, how they are implemented and monitored.	VI.(IV) Information Security & Privacy Protection
B7 Anti-corruption	General Disclosure	VI.(I) 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.	VI.(I) Anti-corruption
	B7.2 Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	VI.(I) Anti-corruption
B8 Community Investment	General Disclosure	VII. GIVING BACK TO SOCIETY
	B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	VII.(I) Assistance in anti-pandemic, farmer supports & people-benefit VII.(II) Green & Environmental Protection Events
	B8.2 Resources contributed (e.g. money or time) to the focus area.	VII.(I) Assistance in anti-pandemic, farmer supports & people-benefit VII.(II) Green & Environmental Protection Events