



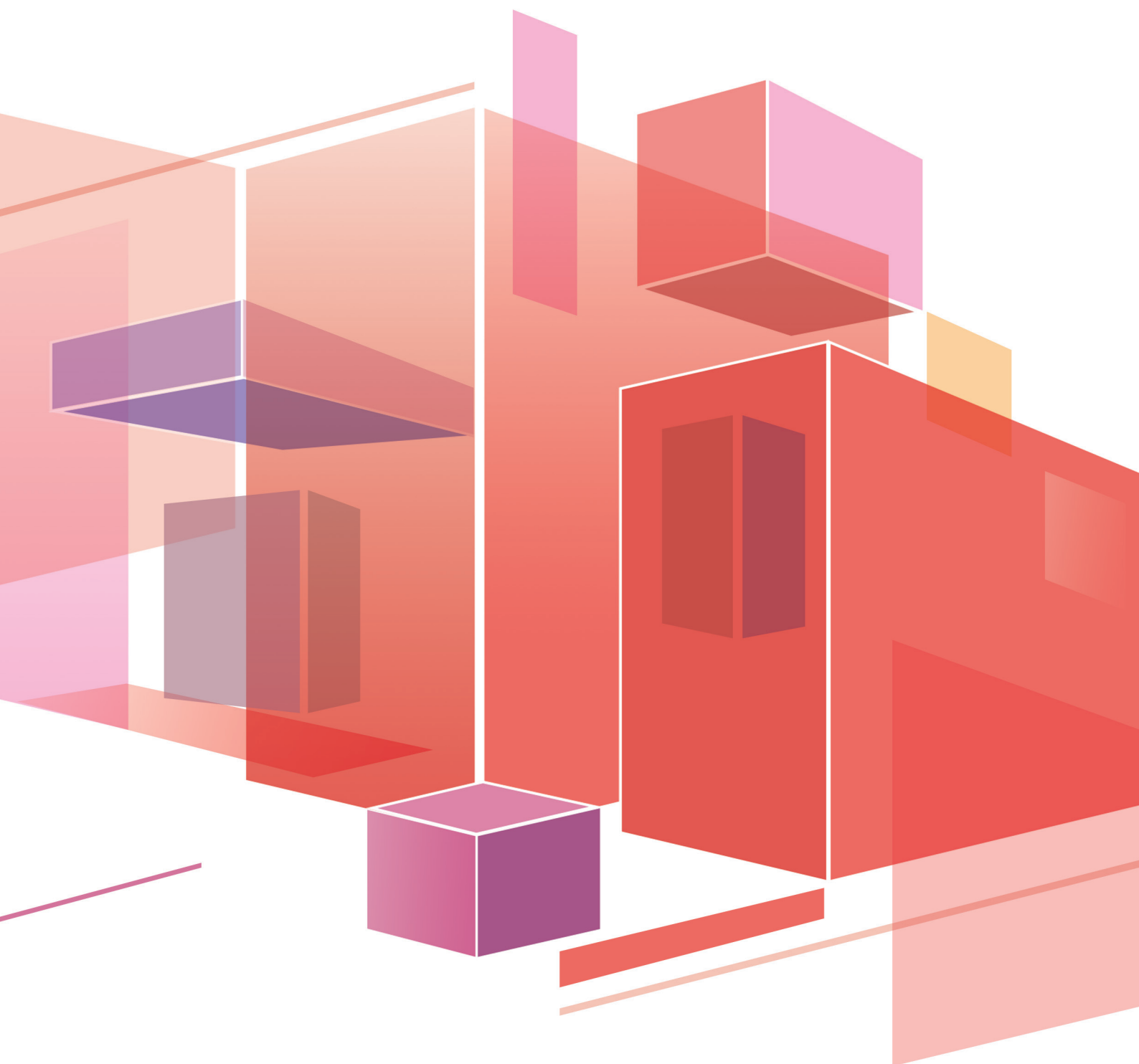
百仕達控股有限公司*

SINOLINK WORLDWIDE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code : 1168

Environmental, Social & Governance Report 2017



* For identification purpose only

Sinolink Worldwide Holdings Limited 2017 Environmental, Social and Governance Report

Table of content

1.	ABOUT THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT.....	2
2.	GROUP PROFILE	3
3.	SUSTAINABLE DEVELOPMENT STRATEGIES	6
4.	INTEGRITY.....	7
4.1.	INFORMATION SECURITY AND CUSTOMER PRIVACY	7
4.2.	ANTI-CORRUPTION.....	8
4.3.	HANDLING CUSTOMER FEEDBACK.....	9
4.4.	SUPPLIER MANAGEMENT.....	9
4.5.	SERVICE RESPONSIBILITY.....	9
5.	PEOPLE-ORIENTED MANAGEMENT	10
5.1.	EQUAL EMPLOYMENT OPPORTUNITY	12
5.2.	EMPLOYEE BENEFITS	12
5.3.	HEALTH AND SAFETY.....	13
5.4.	NURTURING TALENTS	14
6.	LOW-CARBON ENVIRONMENT	16
6.1.	LOW-CARBON ENTERPRISE	16
6.2.	GREEN OPERATION.....	18
7.	PAYBACK TO COMMUNITY.....	20
8.	FUTURE PROSPECTS.....	21
9.	APPENDIX: INDEX OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE OF THE STOCK EXCHANGE OF HONG KONG LIMITED	22

1. ABOUT THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Sinolink Worldwide Holdings Limited (“Sinolink” or the “Group”) and its subsidiaries are pleased to publish this environmental, social and governance report (the “ESG Report”) to summarize our strategic approach, policies and objectives regarding environmental, social and governance aspects and describe our visions and principles for sustainable development.

This report is prepared in compliance with the Environmental, Social and Governance Reporting Guide (the “Guide”) set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the content in this report is also in compliance with the disclosure requirements under the Guide.

The Group is principally engaged in premier property development and property investment in first tier cities in China and the ESG Report focuses on the entire performance of these businesses in terms of progressing towards sustainable development and corporate social responsibility from 1 January 2017 to 31 December 2017 (the “Current Year”). Unless otherwise stated, this report covers all businesses directly controlled by Sinolink.

With support from our stakeholders, the preparation of the ESG Report enhances our understanding of the Group’s development in the environmental and social aspects. This report concludes our work on the environment and society and facilitates the establishment of our short and long term sustainable development strategies in future.

For details of the Group’s corporate governance, please refer to the section headed “Corporate Governance Report” of the annual report and the official website of Sinolink (www.sinolinkhk.com). Your invaluable feedback is crucial to our successful improvement on sustainable development. Should you have any queries or suggestions, please feel free to contact us by email at group@sinolinkhk.com.

2. GROUP PROFILE

Sinolink Worldwide Holdings Limited was established in 1992 with its corporate headquarter located in Hong Kong and its PRC operational headquarter located in Shenzhen, and was listed on the Stock Exchange of Hong Kong in 1998. The Group is a property developer in the PRC with extensive experience, which developed various major premium property projects successfully in Shenzhen and Shanghai. The major businesses for the Group include property development, property management, property investment, financial service and asset financing.

Business Performance Summary (As at 31 December 2017)

Turnover	:	HK\$398.3 million
Cost of sales	:	HK\$210.4 million
Tax paid	:	HK\$66.817 million
Profit attributable to shareholders	:	HK\$110.1 million
Basic earnings per share	:	HK3.11 cents
Salaries and welfare to staff	:	HK\$120.3 million

Please refer to 2017 annual report of the Group.

Our major businesses are stated as below,

Sinolink Properties Limited (“Sinolink Properties”)

Sinolink Properties is the major property development subsidiary of Sinolink which is listed on the Stock Exchange of Hong Kong. Established on 16 March 1993 with a registered capital of RMB375 million, Sinolink Properties has developed luxury residential communities with total site area of about a million square meters, which include Phases One to Five of Sinolink Garden, the Mangrove West Coast development site and The Vi City commercial integrated project. The Vi City commercial integrated project comprises The Vi City shopping centre, Sinolink office, Phase Four commercial project with total floor area of 100,000 square meters. It is the commercial integrated project providing with shopping, catering, entertainment, supermarket and office.

For the year ended 31 December 2017, total rental income of real estates amounted to HK\$181.1 million, representing an increase of 11% as compared to last year. The rental income was mainly contributed by our commercial property portfolio comprised of The Vi City, Sinolink Garden Phases Four and Sinolink Tower.

Sinolink Tower – hotel and office complex under Sinolink Garden Phase Five is located in Luohu district, Shenzhen. This project has a total gross floor area of approximately 50,000 square meters, and office space occupies 20,000 square meters. As at 31 December 2017, the occupancy rate of the office building of Sinolink Tower was 85%. Tenants are mainly engaged in jewelry, investment and real estate businesses.

Sinolink Properties Limited – O Hotel (“O Hotel”)

O Hotel, the Group’s first hotel dedicated to delivering a personalized experience to its guests, with total floor area of 30,000 square meters. O Hotel provides with 188 rooms and suites, a stylish restaurant, a specialty coffee shop, a premium fitness club and other facilities. Our principle is to develop niche projects, focusing on delivering products and services considered with quality rather than quantity. It creates a living space which best suits your journey. With “Your health comes first” as its operating concept, O Hotel endeavors to become a 100% smoking-free hotel, which offers a fresh and healthy indoor environment.

Located in the East of Luohu district, Shenzhen, O Hotel is hidden in the landmark- Sinolink Tower and near to The Vi City and East Lake Park. It is surrounded by a scenic landscape of mountains and lakes and equipped with abundant leisure facilities and outdoor sports resources, being another choice of relaxing accommodation for urban dwellers and travel lovers.

In 2017, confronted with the economic slowdown in the PRC, O Hotel being a newly-opened brand boutique operation might experience pressure of its average rent and occupancy rate. We acknowledge that it takes time to build a strong hotel branding. Nevertheless, we are confident that holding a good and long term quality asset will maximize its value. We will wait patiently for the investment return comprising a higher value of the asset and an increase in operating profit generated therein. There has been a gradual improvement in business conditions during the year.

Shenzhen Sinolink Property Management Co., Ltd. (“Sinolink Management”)

Sinolink Management is a large scale listed corporate, providing with professional property management under Sinolink Group. Established in 1996 with solid foundation, Sinolink Management embraces the mission of “Safe and civilized work, Quality services, Efficient management”, featuring three professional service areas including security and guarding, cleansing and greening and engineering maintenance with Sinolink’s distinctive community culture. It also nurtures a group of professional talents, formulates a series of rules and regulations and continues to develop new management models, with an aim to providing the owners with more and better tailored-made services gradually.

As at 31 December 2017, the Group has the following properties under development:

Rockbund

Located at the Bund in Shanghai, Rockbund is an integrated property project jointly developed by the Group and The Rockefeller Group International, Inc. The project has a total site area of 18,000 square meters with a GFA of 94,080 square meters with preserved heritage buildings and some new structures. The Group intends to redevelop the historical site into a high-ended and mixed-use area, combining with residential, commercial, retail, food and beverages, offices and cultural facilities. The section of preserved heritage buildings has commenced operation and gradually leased out. The construction foundations of the new building have been finished and main construction has successively completed. The entire project is expected to commence operation upon completion of the construction in 2019.

Ningguo Mansions

Located in Changning District, Shanghai, Ningguo Mansions is a residential project under construction. The project, with a total site area of 13,599.6 square meters and a plot ratio of 1.0, will be developed from 11 court houses, fused with Chinese and Western cultures, each building with a GFA of 1,000 to 1,500 square meters. David Chipperfield Architects, a British architecture design company, is in charge of the construction, decoration and design of the project. Situated in one of the most accessible, low-density and tranquil luxury neighborhood in Shanghai, Ningguo Mansions is approximately 10-minute and 30-minute ride away from the airport and the downtown respectively. The project is currently undergoing deluxe decoration for the garden area, façade renovation and other facility installation works. Due to the unstable market conditions, appropriate operational arrangements will be made based on the actual situation.

深圳百仕達商業管理有限公司（“百仕達商業”）

深圳百仕達商業管理有限公司 was established and registered with the Market Supervision Administration of Shenzhen Municipality on 23 March 2009. Its scope of operation includes commercial management, property management and property ancillary services. The Sinolink commercial has the vision of “Service provider of constructing the friendly social and environmental”. It promotes the following positioning of the company:-

- Active followers of innovative operational model;
- Builders of the social, environmental friendly commercial communities;
- Service providers to manage assets well;
- Achievers to fulfill the customers’ requirement;
- Reliance of the community’s consumption and leader of community’s fashion; and
- Definers of community culture, the advocates of community values and the practitioners of community and humanities

Financing Services

The Group has newly established a wholly-owned subsidiary in the PRC at the end of 2016, 眾聯融資租賃(上海)有限公司 (Zhong Lian Financial Leasing (Shanghai) Co., Ltd.*), 眾安國際融資租賃(天津)有限公司 (Zhong An International Financial Leasing Co., Ltd.*) and 眾安國際商業保理(天津)有限公司 (Zhong An International Commercial Factoring Co., Ltd.*). They mainly provide financing services to various customers (including financial leasing, business factoring services and other financing services) and manage the asset financing services industry. The operation has gradually started during the year.

3. SUSTAINABLE DEVELOPMENT STRATEGIES

The corporate vision of Sinolink is to “Provide international resources and incentives to support to the PRC’s economy, build a platform for international investors to share the PRC’s economic growth and enhance the value of the Group and contribute to the society in the process”. In addition to promoting our business development, Sinolink also strives to embrace sustainable development as its core operational value and actively reduce its impacts caused to the environment and society.

Sinolink as a company to take up corporate responsibility to the society and environment, it endeavors to “Achieve Sustainable Development with Stability”, incorporating sustainable development strategies as its daily business operation and formulates the “Energy Saving and Management System for hotels” and “Rules on Environmental Protection and Energy Saving at Office”, so as to arouse employees’ awareness of environmental protection and promote the integration of those sustainable development strategies with the Group’s business.

The Board takes full responsibilities for reviewing the environmental, social and governance strategies and reporting of the Group, leads in the evaluation and determination of the Group’s risk management and internal control systems in terms of environmental, social and governance aspects with our management, ensures the Group’s compliance with relevant laws and regulatory requirements and monitors and responds to the latest environmental, social and governance issues.

We communicate with stakeholders through various channels and formulate the sustainable development strategies for the Group, which are classified into four domains- “Integrity”, “People-oriented Management”, “Low-carbon Environment” and “Payback to Community”.



4. INTEGRITY

Adhering to its corporate spirit of “Integrity, Team Co-operation, Learning to improve and Mutual development”, Sinolink conducts business in compliance with laws and strictly abides by laws and regulations of the state and regulatory authorities. The Group achieves outstanding performance in the property industry - an industry with the biggest growth potential in the PRC, and continues to provide clients with safe and quality property projects and commercial services.

4.1. INFORMATION SECURITY AND CUSTOMER PRIVACY

Sinolink attaches great importance to customer privacy and information security with the setting up of “Information Management Policy” and “Administrative Measures on Customer Privacy” in accordance with the Information System Security Management Requirements and Personal Data (Privacy) Ordinance, to maintain confidentiality of the Group’s information and the personal data of all clients. Information is classified into various levels of confidentiality and marked to identify the different method of usage and management. Staff members are prohibited to copy and take away information related to our businesses away from working environment or leak out relevant information without clients’ consent or permission.

In addition, we also establish the “Administrative Measures on Data” and “Administrative Measures on Network Security” to optimize our information safety system and to ensure that our information system is well-protected. Any equipment that requires access to our internal network shall be examined and approved by our IT department to ensure the Group’s data are used properly, kept safely and free from infringement.

4.2. ANTI-CORRUPTION

The Group strives to implement and maintain a candid and upright accountability standard, prevent illicit actors conducting money laundering activities through the Group and strictly abide by relevant laws and regulations including the Law of the People’s Republic of China on Anti-Money Laundering, the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance, Drug Trafficking (Recovery of Proceeds) Ordinance and the Organized and Serious Crimes Ordinance and the United Nations (Anti-Terrorism Measures) Ordinance of the HKSAR.

In order to establish a corporate culture of transparency, integrity and commitment, the directors, supervisors and senior management of the Group act as the pioneers promoting and strengthening compliance education and creating an atmosphere of fraud prevention. Employees are strictly prohibited from accepting or soliciting bribes, kickbacks, corruption, misappropriation, embezzlement, stealing of the Group’s asset or bribery etc. of other illegal acts to avoid any bribery and financial crimes.

In preventing from fraud and strengthening our internal control, we formulate the “Whistleblowing Policies and Procedures” and establish various safe and confidential reporting channels specific for different positions to encourage employees to report any non-compliance, improper conduct or fraud. This enables us to promptly identify and rectify non-compliances of the Group, enhance our governance standard and provide employees and people with business relationship with channels for and guidelines on whistleblowing. For the sake of protecting their interests, the Group works diligently to avoid any misconduct that threatens its shareholders, investors, clients and other stakeholders and pays attention to its internal financial management; internal control or other misconduct that may happen or happened in any aspects, so as to maintain good corporate image and corporate governance standard. During the year, there was no bribery, money-laundering or other financial crimes found in the Group.

Our preventive measures also include regular training sessions on anti-money laundering, and introduction of the obligations, laws and regulations and importance of anti-money laundering. We introduce the basic features of money-laundering to employees and teach them the laws, regulations and requirements and relevant obligations of anti-money laundering to enhance our anti-money laundering enforcement.

4.3. HANDLING CUSTOMER FEEDBACK

The Group places high emphasis on customer feedback to facilitate the healthy development of our long term business. We formulate the “Administrative Measures on Handling Customer Complaints” with standardized channels for customer to enquire or complain. Our relevant departments will actively approach the clients to confirm the details about the complaints and requests and solve by following our established procedures. Taking serious concerns and giving quick response to customer feedback and complaints are always our commitment to maintain our reputation and image.

As for complaints regarding our product quality and refund policy, products can be refunded or exchanged when it is within our designated return/exchange period and also not affecting the re-sale process for enhancing customer satisfaction.

4.4. SUPPLIER MANAGEMENT

With close attention paid to the supplier management, Sinolink actively conducts surveys and examinations on suppliers’ social responsibility, arouses their awareness of corporate responsibility and endeavors to achieve a stable and sustainable supply chain together with its suppliers.

Being a conglomerate with integrity as its corporate value, Sinolink stipulates the “Integrity Agreement” to maintain honest and transparent commercial manners in our cooperation with suppliers. In selecting our suppliers, we evaluate the suppliers’ standards in terms of corporate governance, manpower situation, morality and environmental standards. We wish to contribute to our sustainable development with our suppliers hand in hand, heart to heart.

We had over 43 major suppliers, which are from Guangdong Province and their products include electronic products, office supplies, cleaning supplies, photocopier leasing service and consumables, maintenance and engineering materials and green planting leasing and maintenance service. In selecting their products, in addition to evaluate their product or service quality, reputation, costs and other factors, we care about their commitments and contributions to ecological civilization and community harmony during the production process and give high priority to the products with moral values.

4.5. SERVICE RESPONSIBILITY

Sinolink strictly complies with relevant laws and regulations to ensure all advertising materials related to brand promotion are completely, truly and accurately delivered to the public. All false or misleading product descriptions that may cheat customers are avoided.

Furthermore, we abide the laws and regulations related to intellectual property rights to protect such rights of the Group and third parties. We ensure safe and copyrighted software are installed to our staff's computer systems to avoid using intellectual properties illegally from third parties. Our relevant rules on intellectual property rights of internal operation are extended to our operational requirements of selecting external suppliers. Our suppliers are required to ensure there is no infringement of all legal rights of third parties including legal patents, trademarks and copyright involved in all technologies and research results provided to our cooperation.

5. PEOPLE-ORIENTED MANAGEMENT

It is always our belief that employees are the key to success and we adhere to our manpower management model of "People and morality oriented", in which employees are provided with opportunities and platforms for their career development and continue to optimize staff's remuneration and welfare benefits through offering comprehensive trainings and chances for building interpersonal network, in the pursuit of forging a first-class commercial property development, management and service team.

In particular, an "Employee Handbook" and "Administrative Measures on Recruitment" are compiled which contain the relevant policies, standards, procedures, remuneration, welfare benefits and training programs. Below is particular of employees of the head office of Sinolink Properties Limited, Shenzhen Sinolink Property Management Co., Ltd. ("Sinolink Management"), 深圳百仕達商業管理有限公司 and Sinolink Properties Limited-O Hotel:

Numbers of employees in 2017 by age and gender

Total number of employees		2017	
Direct employees	Number	609	
External employees	Number	0	
Direct employees (by staff contracts and gender)		Male	Female
Long term contract	Number	435	174
Temporary contract	Number	0	0
Employees under long term contract (by positions)		Male	Female
Full-time	Number	435	174
Part-time	Number	0	0

Numbers of new employees in 2017 by region, age and gender

Direct employees (by age and gender)			
Total number of new employees (by age and gender)		Male	Female
Below 30	Number	85	70
30-50	Number	304	104
Above 50	Number	46	
New hire rate (by age and gender)		Male	Female
Below 30	%	25	18
30-50	%	39	9
Above 50	%	9	

Employee turnover in 2017 by age and gender

Total turnover (by age and gender)		Male	Female
Below 30	Number	72	42
30-50	Number	100	19
Above 50	Number	5	
Turnover rate (by age and gender)		Male	Female
Below 30	%	85%	60%
30-50	%	33%	18%
Above 50	%	11%	

Employee category in 2017 by age and gender

Employee breakdown by category, age and gender		<30	30-50	50+
Management	%	1%	4%	0%
Supervisors	%	7%	11%	0%
Clerical/secretarial staff	%	55%	33%	20%
Others	%	37%	51%	80%
Employee breakdown by category, age and gender		Male	Female	
Management	%	3%	7%	
Supervisors	%	13%	20%	
Clerical/secretarial staff	%	84%	73%	
Others	%	3%	7%	

5.1. EQUAL EMPLOYMENT OPPORTUNITY

Sinolink is dedicated to creating a fair, diversified and harmonious workplace and non-discriminatory job promotion opportunities for all employees. The Group strictly complies with relevant laws and regulations including the Labor Law, Labor Contract Law, Protection of Minor Laws and Provisions on Prohibition of Child Labor, prohibits employment discrimination and forced labor exploitation, ensures the elimination of child labor and adopts a zero-tolerance attitude toward all forms of discrimination and harassment. During the reporting period, the Group did not involve in any misconducts relating to discrimination, child labor or forced labor.

We set up the “Administrative Measures on Recruitment” and “Labor Management Systems”, in which we stipulate the principles and approval procedures of recruitment to standardize our staff recruitment procedures. We have an equal and unified candidate selection criteria and recruitment procedures including examination, written test, interview, job-related background investigation and approval. We evaluate academic qualifications, working experience and skills of the interviewees and all of them have an equal opportunity regardless of their gender, age, nationality and race.

5.2. EMPLOYEE BENEFITS

The Group is committed to offering competitive remuneration and welfare package and healthy workplace to employees to build up their sense of belongings. In addition, we have compiled an “Employee Handbook” and “Remuneration and Benefit Management Systems” which expressly stipulate our remuneration and benefit policies and such policies are reviewed regularly to attract and retain talents. The Group makes overall adjustments to staff remuneration based on economic trends, price index and industrial development, development situation and with reference to staff’s performance appraisal results.

Sinolink highly values welfare management. It sets up the “Administrative Measures on Employee Benefits” to provide employees with benefits that are favorable than the statutory minimum benefits. In addition to various kinds of benefits and statutory paid leaves provided according to the national laws and regulations, we offer marriage leave, family planning leave and consolation leave. Our welfare benefits not only include pension, medical, work injury, unemployment and maternity insurance, but also enhancement of the insurance coverage related to pension and medical aspect, so as to allay employees’ worries. Additional benefits include wedding gifts and condolences money, and we visit staff suffered from illness at hospital as well as providing accommodation for them where necessary.

The Group encourages employees to have a balanced life and provides them with a workplace where they can work wholeheartedly and show their strengths. We hope our employees can trust, help and complement each other to show team spirits and cooperation. We organize different activities and festival celebrations regularly to gather our staff to move towards the future together.

5.3. HEALTH AND SAFETY

The Group cares about the health and safety of our staff. We strictly follow relevant laws and regulations including the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases of Mainland China, Provisions on the Supervision and Administration of Occupational Health in the Workplace, Industrial Injury Insurance Ordinance and the Occupational Safety and Health Ordinance of the HKSAR, striving to creating a safe, health and harmonious workplace for our staff.

In each of our businesses we implement the "Safety Management System" that specifies the respective management duties of each of the departments, which enables our safety management works to be more standardized, systemized and regularized. Hence, our staff is able to handle any incidents promptly and effectively when sudden cases happen. We have "Operating Guides" for large machines to standardize the operation and inspection of machines and ensure safety of both the operator and machine.

We organize regular seminars related to safety in workplace, such as three regular practices in our fire safety management, namely regular inspections, regular tests and regular drills. Our precautionary approach is to identify the existing fire hazards at risk and eliminate them promptly. During the year, no working injuries or work-related fatality were recorded.

The Company encourages employees to maintain candid communication and develops a good corporate culture featuring with team spirit and cares. For building a healthy and comfortable working environment, we enhance indoor air quality, maintain appropriate temperature of air conditioners and brightness for the lighting system in our offices as well as promote green planting.

5.4. NURTURING TALENTS

The Group cares about our staff's personal career development and our corporate growth and provides them with challenging but diversified chances for development based on their abilities and our development needs. We establish the "Administrative Measures on Staff Training", endeavor to build a comprehensive training system and organize various training sessions for employees, enabling them to understand the necessary knowledge and skills related to their positions and develop their own potentials. Our trainings are divided into three parts, which are induction training for new staff before work, internal and external on-the-job training.

Type of training	Objective	Theme
Induction training	Enable each new staff with different working experiences, cultural backgrounds and ways of thinking to understand our corporate culture, operation goal, rules and regulations and working environment and to integrate into our team to get involved in work as soon as possible.	❖ New staff induction training
Internal training	Offer internal and external on-the-job training based on the Group's development needs. Enhance, improve and optimize employees' professional skills through our trainings to enrich their talents and work ability, reduce mistakes at work, increase working quality and efficiency. Build up their passion on work and team spirit and create a good working environment and atmosphere.	❖ Office skills training ❖ Professional skills training ❖ Introduction to the Company's rules ❖ Interpersonal social and communication skills
External training	Visit to other peer companies for skills exchange and organize industrial consultation themed training and short-time external assignments. The trainees have to impart and share the skill learnt after attending external trainings and exchange programs.	❖ Team development training ❖ Training for safety management personnel examination

We believe that employees holding different positions have to learn and develop on an ongoing basis. Our Human Resources department has established the training program and system that are in line with our culture, so as to enhance employees' performance by enriching their knowledge and skills, showing our team spirit of "Working together to fly higher". Below are details of Sinolink's training programs:

Numbers of staff training in 2017

TYPE OF TRAINING		NUMBER
INTERNAL TRAINING	All staff training	1
	New staff training	4
	Junior staff training	4
	Middle level staff training	17
	Senior staff training	<u>11</u>
TOTAL		<u>37</u>

Average training hours of staff in 2017 by gender and position

Average training hours (by gender)	Hours
Male	18
Female	23
Average training hours (by position)	
Senior	13
Middle level	17
Junior	29
Others	8

Our Human Resources department reviews and evaluates the staff's performance after training to encourage our staff to comply with discipline and learn hard. Such evaluation is important for us to improve our training programs to ensure our staff to apply their knowledge and skills learnt in their work.

In order to strengthen our management on all departments, we examine the performance of them and establish the "Performance Appraisal Management System" that lists out our appraisal indicators including review on major demands of core clients, service quality, handling of customer complaints and completion rate of projects of various departments. Our annual performance appraisal is linked to employees' annual performance bonus as their appraisal results are the key indicators to their promotion, salary adjustment, demotion or salary cut. Its main objective is to increase the Group's value and highlight its corporate vision to satisfy customers' needs.

6. LOW-CARBON ENVIRONMENT

Upholding the idea of “Competition under the Sun”, Sinolink pays high attention to the impacts of the Company’s operation on the environment and natural resources, develops the “Environmental Protection Concepts and Policies”, complies with the environmental protection laws of the places where it operates business and encourages staff to utilize resources in business operation in a more effective way, so as to cope with the global climate changes.

6.1. LOW-CARBON ENTERPRISE

The world has now realized the importance to take urgent action on climate change. The Paris Agreement, a historical turning point in global action on climate change, was officially passed on 12 December 2015 with its terms unanimously agreed by 195 signatories to reduce carbon emission and strengthen the global response to climate change.

Main goals under the Paris Agreement

- ◆ Holding the increase in the global average temperature to well below 2 °C above pre-industrial levels (many scientists consider it as the threshold for disastrous effects) and pursuing efforts to limit the temperature increase to 1.5 °C
- ◆ Reaching a near-term peak in global greenhouse gases (the “GHG”) emissions and by 2050–2100 achieving “Carbon Neutrality”, i.e. a balance between the emissions and absorption of GHG
- ◆ Setting a carbon emissions reduction target and renewing the emissions reduction progress every five years

As a socially responsible enterprise, Sinolink has conducted the first GHG emissions audit for the Group, including head offices of Sinolink Properties Limited, Sinolink Management, 深圳百仕達商業管理有限公司 and Sinolink Properties Limited-O Hotel, in accordance with the Greenhouse Gas Protocol developed by the World Resources Institute and World Business Council for Sustainable Development and the ISO14064–1 prepared by the International Organization for Standardization. The GHG emissions during the reporting period are summarized as follows:

Sinolink Worldwide Holdings Limited
2017 Environmental, Social and Governance Report

GHG emissions performance	Unit	2017
GHG emissions		
Direct GHG emissions (scope 1)	tCO ₂ e	225.74
Indirect GHG emissions (scope 2)	tCO ₂ e	13,378.54
Other indirect GHG emissions (scope 3)	tCO ₂ e	1,937.80
Total GHG emissions (scope 1, 2 & 3)	tCO ₂ e	15,542.08
GHG emission intensity		
Per m ³ floor area (scope 1, 2 & 3)	tCO ₂ e/m ³ floor area	0.51
Per employee (scope 1, 2 & 3)	tCO ₂ e/employee	25.52

Scope 1 : direct GHG emissions from sources that are owned or controlled by the Group.

Scope 2 : indirect GHG emissions resulting from the generation of electricity, heating and cooling, or steam generated off site but purchased by the Group.

Scope 3 : emissions include indirect GHG emissions from sources not owned or directly controlled by the Group but related to our activities.

Other environmental performance	Unit	2017
Fuel consumption		
Fuel consumption by vehicles	Tonne	35.57
Natural gas	Ten thousand cubic meter	6.5
Diesel oil	Tonne	0.85
Energy consumption		
Power consumption	kWh	25,381,413.72
Total power consumption intensity (per m ² floor area)	kWh/m ² floor area	833.13
Total power consumption intensity (per employee)	kWh/employee	41,677.20
Hazardous waste		
Amount of hazardous waste	Set (computer)	2
Intensity of hazardous waste (per employee)	Tonne	0.003
Non-hazardous waste		
Solid waste consumption	Tonne	723.94
Solid waste consumption intensity	Tonne/employee	1.19
A4 paper	Sheet	703,003.00
Recycle of natural resources		
Paper	Tonne	5.17
Glass	Tonne	2.08
Metal	Tonne	0.78
Plastics	Tonne	0.87

6.2. GREEN OPERATION

On the basis of sorting out GHG emissions, we put great effort in reducing GHG emissions and energy consumption in our daily operation and strictly abide by laws and regulations and related requirements of environment protection in the PRC and Hong Kong. It is our commitment to enhance our performance in terms of environment protection. As a citizen of the world performing its responsibilities, the Group establishes the “Energy Saving and Consumption Reduction Rules” and “Notice of Environment Protection and Energy Saving at Office” to minimize GHG emissions and improve energy efficiency.

As our businesses involve property development, we acknowledge our construction projects cause potential impacts to the surrounding environment. The Group ensures all contractors comply with the environmental protection and construction safety standards and relevant laws and the requirements under contracts. The content below summarizes the major sources of emissions and the corresponding measures.

Power Conservation

As for lighting systems, high efficiency lighting fixtures are installed in our offices and hotels and the devices and bulbs are regularly cleaned to maintain their energy efficiency. In addition, our office is divided into several lighting areas where the lighting switches can be adjusted independently, allowing our employees to switch off the unneeded lights more flexibly.

We also check the luminosity regularly at different positions in our office and hotel and remove lamps at places where exceeding the required brightness level to reduce energy consumption. The removed lamps will be reused to replace the lamps with energy loss to prevent waste generation. Dynamic sensors are also installed in places that are not frequently occupied to save energy.

As for electronic equipment and appliances, we set our idle computers to the automatically standby/sleep mode, and turn off all electronic equipment in our office at non-working time, in rest days and holidays to prevent energy waste. The minimum air-conditioning temperature is set at 25°C and our staff are encouraged to turn off the air-con when leaving office.

Water Conservation

We are facing the crisis of global shortage of water resources. Therefore, we paste stickers in our pantry and washrooms and hotel rooms to remind and encourage our staff and guests to save water. To reduce waste of water resources, the Company regularly conducts leakage test for hidden water pipes and inspect overflowing water vats and periodically check readings of water meter to see whether there is any hidden water leakage, and promptly repair the leaking pipes.

Paper Conservation

The Group is heading towards a paperless office and employees are encouraged to transmit message with electronic communication technologies to reduce paper consumption. We adopt the electronic office system (OA System) to substitute the paper records for major office administration affairs. For the documents that must be printed, we set our computers and printers as default duplex printing and toner saving mode. A recycle box is placed near the printers for our staff to collect paper documents including waste paper, posters, letters and envelopes and therefore develop a habit on recycling.

Waste Management

We strictly comply with the laws and regulations in relation to waste and insist on minimizing the loss of natural resources by reusing and recycling.

During our property construction, in order to reduce the amount of mud and sludge generated from road excavation works, we shoot jets of water to wash the vehicles and wheels to prevent the contaminated soil from being carried out from the contaminated site. We actively introduce environmentally-friendly materials and engineering technologies and endeavor to reduce waste in our properties and construction sites as well as launching effective waste management. For instance, we classify and recycle the waste at the sites and reuse and treat such construction waste in a proper way. Solvents and solvent-based coatings classified as chemical waste are collected and delivered to licensed chemical waste collectors according to the Waste Disposal Ordinance.

In the meantime, we strictly monitor and implement environmental site management to reduce air, noise and water pollution. Qualified third-party cleaning suppliers are engaged to regularly collect the domestic garbage, remove oil from the pools and wash the kitchen fumes to strictly prevent the spread of smoke and soot, which ensures the proper disposal of waste.

The wastes mainly generated from our daily operations in office include waste paper, solid waste in office, waste electric appliance and electronic products (electronic waste), etc. We encourage employees to give priority to the products available for recycling or refill in purchasing office stationery to reduce using disposable and unrecoverable products. We also encourage them to re-use envelopes, spring binders, recyclable toner cartridge/ink cartridge and use refills for reuse of pens to reduce the

volume of waste. We have waste classification guides in our office and hotel to encourage our staff and guests to dispose of recyclable materials after classification, e.g. metal cans, plastic products, waste paper and glass bottle, and the recycled waste will then be delivered to eligible collective for further treatment.

Outlooks

The Group has not recorded any material accidents that caused impacts to the environment and natural resources nor has been subject to any punishment or litigation in relation to the environment. During the year, we conducted accounting for and reported the GHG emissions performance of the Group's office for the first time we expect to expand the coverage and extent of the report on environmental performance in the future. We insist on performing responsibilities for the environment and society and continuously monitor the performance of our sustainable development. In the coming year, we will conduct a detailed analysis and review on GHG emissions and endeavor to reduce energy consumption, GHG emissions and use of resources based on the efforts made this year to improve the Group's overall performance in environmental protection.

7. PAYBACK TO COMMUNITY

Sinolink concerns about the sustainable development of the community and gives support to its construction. In 2017, the Group placed its focus on the public welfare programs concerning poverty alleviation, education and environment protection. With the Party branch as our core, we made tireless efforts to strengthen the Party construction and were devoted to contributing to the social harmony, ecological civilization and youth development.

Inspiring Public Cohesiveness

With its far-sighted knowledge and caring for the society, the Group realizes that people who buy their own homes nowadays are not just buying a house. They need a home in its true meaning, a place where they can regain vitality and where they can relax and communicate with each other sincerely. The goal Sinolink pursues is a complete community culture, allowing residents to refresh their mind which will certainly form part of the efforts in establishing peace in society.

Therefore, leveraging its solid strength and foundation, the Sinolink Garden under development provides first-class services such as swimming pool, tennis court, top luxury club, affiliated primary and secondary schools, kindergarten, hypermarket, parking lots, post office, bank and other supporting facilities. The entertainment and information system is even more diversified. Equipped with advanced satellite television reception system for receiving television programs from dozens of domestic and foreign channels, residents can truly "Know the world at home".

The community cultural development promoted by Sinolink is impressive. The regular dancing party in the open-air garden provides a relaxing public leisure space for the owners, which does not only enable the owners to have a pleasant place for refreshing their mind and bodies, but also increase opportunities for their communication with our management personnel. On New Year's Day and the Spring Festival, there are celebration activities at the Sinolink Garden for both the owners and our management staff. Through a variety of cultural performances and dancing parties, all participants join the big family of Sinolink under a harmonious atmosphere, showing that our achievements in constructing the Sinolink Garden far exceed the economic returns as it is a public welfare project instead. The distinctive community culture concept of the Group will be developed into a "Big community culture" which contributes to the entire society.

8. FUTURE PROSPECTS

Sinolink will insist on its corporate culture of "Achieving sustainable development with stability" and contribute to "Integrity", "People-oriented Management", "Low-carbon Environment" and "Payback to Community". It will also adhere to its operation principle of sustainable development and endeavor to the living environment and standards of the people, contributing to the change of community environment while creating its own miracles in its development.

9. APPENDIX: INDEX OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE OF THE STOCK EXCHANGE OF HONG KONG LIMITED

Indicator			Relevant section
A. Environmental			
A1 : Emissions	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Low-carbon Enterprise Green Operation
	A1.1	The types of emissions and respective emissions data.	Low-carbon Enterprise
	A1.2	Greenhouse gas emissions in total and intensity.	Low-carbon Enterprise
	A1.3	Total hazardous waste produced and intensity.	Low-carbon Enterprise
	A1.4	Total non-hazardous waste produced and intensity.	Low-carbon Enterprise Green Operation
	A1.5	Description of measures to mitigate emissions and results achieved.	Green Operation
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Green Operation
A2 : Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Green Operation
	A2.1	Direct or indirect energy consumption by type (e.g. electricity, gas or oil) in total and intensity.	Low-carbon Enterprise

Sinolink Worldwide Holdings Limited
2017 Environmental, Social and Governance Report

	A2.2	Water consumption in total and intensity	Low-carbon Enterprise
	A2.3	Description of energy use efficiency initiatives and results achieved.	Green Operation
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Green Operation
	A2.5	Total packaging material used for finished products and, with reference to per unit produced.	Not applicable, for the business of the Company does not involve packaging material
A3 : The Environment and Natural Resources	General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources.	Low-carbon Enterprise
	A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	Low-carbon Enterprise
B. Social			
B1 : Employment	General Disclosure	Information on: the policies; and 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.	Equal Employment Employee Benefits Health and Safety Nurturing Talents
	B1.1	Total workforce by gender, employment type, age group and geographical region.	People Oriented Management
	B1.2	Employee turnover rate by gender, age group and geographical region.	People Oriented Management
B2 : Health and Safety	General Disclosure	Relating to providing a safe working environment and protecting employees from occupational hazards:	Health and Safety
	B2.1	Number and rate of work-related fatalities.	Health and Safety

Sinolink Worldwide Holdings Limited
2017 Environmental, Social and Governance Report

	B2.2	Lost days due to work injury.	Health and Safety
	B2.3	Description of occupational health and safety measures adopted how they are implemented and monitored.	Health and Safety
B3 : Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Nurturing Talents
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Nurturing Talents
	B3.2	The average training hours completed per employee by gender and employee category.	Nurturing Talents
B4 : Labor Standards	General Disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor:	Equal Employment
	B4.1	Description of measures to review employment practices to avoid child and forced labor.	Equal Employment
	B4.2	Description of steps taken to eliminate such practices when discovered.	Equal Employment
B5 : Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supplier Management
	B5.1	Number of suppliers' geographical region.	Supplier Management
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supplier Management
B6 : Product Responsibility	General Disclosure	Information on: the policies; and 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.	Service Responsibility
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Service Responsibility

Sinolink Worldwide Holdings Limited
2017 Environmental, Social and Governance Report

	B6.2	Number of products and service related complaints received and how they are dealt with.	Handling Customer Feedback
	B6.3	Description of practices relating to observing and protecting intellectual property rights.	Service Responsibility
	B6.4	Description of quality assurance process and recall procedures.	Handling Customer Feedback
	B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Information Security and Customer Privacy
B7: Anti-corruption	General Disclosure	Information on: the policies; and compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering:	Anti-corruption
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Anti-corruption
B8: Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Payback to Community
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Payback to Community
	B8.2	Resources contributed to the focus area	Payback to Community