

# Colour Life Services Group Co., Limited Stock code: 1778



**Environmental, Social and Governance Report 2020** 

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## THIS REPORT

#### BRIEF INTRODUCTION AND SCOPE OF THE REPORT

Colour Life Services Group Co., Limited ("Colour Life" or the "Company"), together with its subsidiaries (collectively referred to as the "Group", "we" or "us") are pleased to publish the 2020 Environmental, Social and Governance Report (the "Report" or "ESG"), aiming to disclose to the stakeholders the strategies, resource inputs and performance in relation to the sustainable development of the Group on ESG over the past year.

#### REPORTING PERIOD AND SCOPE

The reporting period of the information contained in this Report is from 1 January 2020 to 31 December 2020 (the "Reporting Period"). The disclosure in this Report focuses on the two main workplaces of the Company: our headquarters (Shenzhen) and the fifth floor of Colour Life Time Plaza in Shanghai.

#### **REPORTING BASIS**

This Report is prepared in accordance with the disclosure requirements of the Environmental, Social and Governance Reporting Guide as set out in the Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), and was approved by the Board of Directors of the Group in July 2020.

#### PUBLICATION CYCLE AND VERSIONS OF AND ACCESS TO THE REPORT

This Report is an annual report, which is available in both traditional Chinese and English. An electronic version of the Report can be downloaded from the website of the Stock Exchange as well as the official website of the Group (www.colourlife.hk). In the event of any conflicts or inconsistencies between the Chinese and English versions, the Chinese version shall prevail.

#### INFORMATION COLLECTION METHOD

The information in this Report is derived from the official documents and statistics of the Group and has been reviewed by the relevant departments of the Group.



#### **FEEDBACK**

Colour Life highly values the opinions from every stakeholder. We promise to adopt the opinions of stakeholders as appropriate to promote sustainable development. Should you have any opinion regarding this Report or the Group's sustainability performance, please contact us through email at IR@Colourlife.com.

#### **REPORTING PRINCIPLES**

This Report is prepared in accordance with the following four reporting principles:

Principle	Definitions	Descriptions
Materiality	The issues covered in the Report should reflect the significant impacts of the Group on the economy, environment and society, or the scope of assessments and decisions of stakeholders being affected.	Through communication with stakeholders as well as considering the Group's business nature and development, material sustainability issues are being identified.
Quantitative	The Report should disclose key performance indicators in a measurable manner.	The Group will disclose its key environmental and social key performance indicators quantitatively where appropriate.
Balance	The Report should reflect fairly the overall sustainability performance of the Group.	The Group has identified the environmental, social and governance issues that have significant impact on the Group's business, including the results and challenges faced by the Group.
Consistency	The Group should confirm that the preparation methods of the ESG report is consistent with those used in the previous year(s), or state the revised reporting methods, or illustrate other relevant factors that will affect meaningful comparison.	The reporting scope and reporting method of the Report are substantially consistent with those in last year.



Colour Life Services Group Co., Limited ("Colour Life Services Group") was established in June 2002 and was the first community service enterprise listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 30 June 2014. The Company is a leading property management and community services provider in China. In 2020, the Company was awarded "2020 Leading Property Management Companies in terms of Market-oriented Operation in China", "2020 Excellent Brand of Property Management Service Platform in China", "2020 China TOP 10 Listed Property Management Companies in terms of Comprehensive Strength" by China Index Academy and was awarded "2020 TOP 3 Influential Property Management Companies in the China Real Estate Fashion Award" by Guandian Index Academy.

Over the 6 years since its listing, with its outstanding business development capabilities, Colour Life has become a leading community service operator in the PRC in terms of service scale. Based on the property management services, Colour Life always adheres to its core value of "Creating Values for Customers" and its brand concept of "Service to Your Family" to provide high-quality services to customers. Besides, Colour Life explores more community consumption scenarios by utilising internet technology to build offline and online service platforms, so as to provide more convenient, advanced and comfortable experience and enjoyment to property owners.

#### **BUSINESS OVERVIEW**



#### **Property Management Services**

• To render services to communities on commission basis and lump sum basis; to provide pre-delivery services to property developers; consultancy services to property management companies



#### Value-added Services

 To render online promotion services; sales and leasing assistance services and other value-added services



#### **Engineering Services**

• To render facility installation services; repair and maintenance services and energy-saving services

#### **Brand Concept**

Service to Your Family



#### **Core Values**

 Creating values for customers



#### **Vision**

 To serve as a neighborhood bridge

# ABOUT COLOUR LIFE

#### **BRAND HONORS**











Ranking 2nd in the "2020 Top 20 Property Management Companies of Outstanding Operation Performance in China"

"2020 Leading Property Management Companies in terms of Market-oriented Operation in China"

"2020 Top 100 Property Management Companies in China" "2020 Top 100 Most Valuable Brand of Property Management Service" "2020 China Top 10 Property Management Companies in terms of Service Scale"

"2020 Top 500 Property Management Companies in terms of Comprehensive Strength" "2020 China Leading Property Management Companies in terms of Technology Application" "2019 Shenzhen's Top 100 Property Management Companies in terms of Comprehensive Strengths" "2020 China Leading Property Management Companies in terms of Characteristic Service – Intelligent Community"

"TOP 100 Most Influential WeChat Official Accounts"

"2020 China TOP 10 Listed Property Management Companies in terms of Comprehensive Strength"

"Best Companies with Social Responsibility of the Year" "2020 China Excellent Listed Property Management Companies by Investment Value" Ranking 4th in the "2020 China Top 100 Property Management Companies in terms of Market Competitiveness"

"2020 Top 10 Listed Companies of Property Management Service"

Ranking 3rd in the "2020 TOP 30 Influential Property Management Companies in China" "2020 Top 10 Listed Companies of Property Management Service"

"2020 Outstanding Property Management Service Model in China" Ranking 3rd in the "2020 Satisfaction Survey Regarding Epidemic Prevention by Property Management Companies in China"

"2020 Excellent Brand of Property Management Service Platform in China"

## SUSTAINABLE DEVELOPMENT



Maintaining sound corporate governance is the key to the business development of the Group. Colour Life has a good governance structure that can promote business management efficiency. As the top decision maker, the Board of Directors takes the lead in guiding the sustainable development and strategy making of the Group. The Board of Directors is also responsible for regularly discussing, identifying and reviewing the risks, opportunities, performance and progress of the Group's sustainable development to ensure that sustainable development measures can be delivered and implemented in an orderly manner from top to bottom.

For more information regarding the corporate governance of the Group, please refer to the "Corporate Governance Report" section in the 2020 Annual Report.

## SUSTAINABLE DEVELOPMENT

#### STAKEHOLDER ENGAGEMENT

We believe that keeping close communication with stakeholders is an indispensable part of a company's sustainable development. We are determined to use different communication channels to collect opinions of stakeholders from different sectors, listen to and identify their expectations on the environment, society and the Group, which are treated as benchmarks for our development target. Besides, the Group engaged a sustainability consultant to assist us in conducting a materiality assessment, and invited different stakeholders to conduct an online survey to assign scores to the materiality of various issues.



#### Staff

- Official WeChat of Human Resources Centre
- Intranet
- Staff General Meetings
- New Staff Tea Parties
- Annual Meeting
- Colour Life's Housekeeper System



#### Owner/Resident/Lessee

- Caizhiyun Platform
- Customer Manager Interview
- Telephone Hotlines
- Official WeChat
- Community Activities



#### **Shareholders or Investors**

- General Meetings
- Annual Report, Financial Reports and Announcements
- Social Media
- Websites
- Mass Media
- Roadshow and Investor Researches



#### Suppliers and Business Partners

- Site Visits
- Quarterly and Annual Performance Appraisals
- Websites
- Interviews
- Annual Supplier Meetings



# Governmental and Non-governmental Organization

- Qualification Assessments
- Environmental Investigation
- Meetings
- Interviews



#### Community

- Websites
- Social Media
- Mass Media
- Caizhiyun Platform
- Community Activities

# SUSTAINABLE DEVELOPMENT

We identified 27 environmental, social and governance issues that are material to the Group according to the Listing Rules, daily stakeholder communication, industrial trend and daily operation. The results from this year's materiality assessment are presented in the materiality matrix below. We concluded 5 issues are material for the year.

### **Materiality Matrix**



Importance to the Group

No.	Topics
14	Customers' personal and health safety and security of their properties
12	Legal compliance of operation
13	Product and service quality
17	Customers' satisfaction
11	Anti-corruption system

# SUSTAINABLE DEVELOPMENT

#### List of material categories

Pro	vironmental etection and een Operation	Operation Practices	Product and Service Responsibility	Quality of Working Environment	Community Contribution
1.	Management of exhaust gas and Greenhouse gas emissions	11. Anti-corruption system	14. Customers' personal and health safety and security of their properties	18. Diversity and equal opportunities, as well as prevention of discrimination and harassment	25. Participation in volunteer activities
2.	Wastewater discharge management	12. Legal compliance of operation	13. Product and Service quality	19. Employment Arrangements, including recruitment, promotion and dismissal procedures	26. Charitable donations
3.	Waste management	Suppliers'     environment     and social risk     management	17. Customers' satisfaction	20. Occupational safety and health	27. Community inclusive activities
4.	Energy and water resources management		15. Intellectual Property Rights	21.Training and development	
5.	Other resources management (including papers)		16. Customer/ Consumer privacy protection	22. Child labour and forced labour prevention	
6.	Environmental impact of other business activities			23. Employment relationships and employee communication	
7.	Green procurement			24. Staff benefits, including remuneration, working hours, holidays, etc.	
8.	Risks associated with changes in climate (such as typhoons, floods, etc.)				

## **SERVICES**

As the world's leading operator of community service platforms, providing the residents in the community with products of the highest quality and the most comfortable and convenient life is the core of colour life's services. We consistently adhere to the concept of "Service to Your Family". At the same time, it is our inherent duty as a property management and community service operator to ensure the life and safety of owners.

Through online community service platform - Caizhiyun, we convert traditional communities into smart communities by introducing rich and diversified products and services to the communities, to provide a genuinely "colourful life" for owners.

#### CAIZHIYUN (COLOUR LIFE'S COMMUNITY SERVICE PLATFORM)

Caizhiyun is a one-stop service APP system that helps owners of Colour Life's communities to solve life-related problems by providing merchant services including clothing, food, housing, transportation, entertainment, shopping and travel, thus forming a community-centred ecosystem.

#### **Property Management**

The traditional property service, as a cornerstone, is made intelligent. Our one-stop service covers payment, door opening, parking, cleaning, elevator management, maintenance, decoration, construction reporting, and complaint. Besides, it includes online customer service to solve all problems for owners.

#### E-Store

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便民服务

彩利是

人力资源地

It covers WeChat Commercial Circle and Colour Benefit Life platform, providing all-inclusive living consumables, food, digital appliances, jewelry, beauty and skincare products, as well as agricultural products for poverty alleviation, so as to





- Group Buying Service: Collective purchase of consumables such as masks, fresh meat, vegetables and fruits.
- Financial supermarket: Providing a financial platform ("Colour Wealth Life") for customers to promote financial products such as insurance.
- Product Recommendations: Understanding and analysing customer needs through big data, to introduce suitable products.

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## **SERVICES**

At the same time, Colour Life has a comprehensive strategic partnership with JD.Com and its JD Logistics Group, JD Digital Technologies Group (collectively, "JD"), 360 Security Technology Inc. ("360"). With the extensive community resources of Colour Life and the huge e-commerce resources and operation capability of JD, we strengthened online and offline retail experience. Besides, with the advantages of 360 in the core security capability, we enhanced security of smart communities. We will further explore innovations in the integration of "community + business", "community + logistics", "community + security", and "community + technology", develop deeply community scenarios and optimise the experience of owners to develop a fine "smart community" with warm services.

Registered ecosystem users of Colour Life over **37.8 million** 

Platform service area over

563.4 million m<sup>2</sup>

Accumulated gross merchandise volume (GMV) of online platform amounted to RMB

59.1 million

#### **Service Quality**

The quality and safety of our services determine our relationship with our customers, as well as the pace of our business development. In addition to stepping out of the comfort zone to constantly come up with innovative services, we have been working hard to maintain our high quality, and emphasise both quality and quantity. We have perfect management system across different aspects, such as Parking Area Management System, Notice on Special Inspection of Fire Safety, Management Measures on Fire Safety, Fire Safety Management System, Elevator Management System, and Major Event Management System, and obtain the Quality Management System Certification (GB/T19001-2016/ISO9001:2015).



Pre-service assessment

Workers have to undergo our training and pass our assessment before they can provide services

On-the-job training

Contractors shall formulate annual and monthly training plans, and arrange on-the-job training on workers' skills regularly

Supervision and evaluation

We will examine and give ratings to various cleaning, security, greening and other services through daily inspection, weekly inspection, monthly inspection and irregular sampling. A "Rectification and Penalties Notice" (《整改處罰通知單》) will be issued for any substandard performances, demanding the responsible contractors to rectify within a time limit. We will link the service fee to the monthly quality service ratings. If a contractor failed in our evaluation for three months, we are entitled to terminate the contract with such contractor.

## **SERVICES**

#### BIG DIPPER SERVICE SYSTEM(北斗七星服務體系)

The property services of the Big Dipper Service System are available for the supervision and evaluation by responsible persons of the projects. In addition, we have formulated quality standards, requiring workers to follow the steps, and strictly supervised each service in the following manner to strive for excellence.

#### **Parking Group**

Enable unmanned management of parking services to improve its management efficiency, and provide high-quality, efficient and unified services, to meet the owners' needs for security and convenience in parking their cars

#### **Decoration Group**

Provide whole-cycle interior decoration service and professionalise in-depth community operation

#### **Energy Group**

In terms of energy expenses, support collection and payment of electricity charges, refine management of energy consumption of public areas, and manage energy efficiency through Internet platform

#### Payment Group

Provide property fees collection solutions, improve fund transparency and efficiency in financial auditing and reduce the labour cost of cashier of the property management company by 58%

#### **Elevator Group**

Monitor the full-life cycle of the lifts through SaaS (Software as a Service), connect the owners, property maintenance companies and raw material suppliers

#### **Complaint Group**

Eliminate labour-intensive processing model by improving the automation level of the systems and making the processing process fully transparent, and allow real-time conversations with the handlers and star rating from different dimensions

#### Cleaning Group<sup>1</sup>

Order-oriented follow up of the Four Guarantees service, real-time settlement

<sup>&</sup>lt;sup>1</sup> Due to the epidemic, the cleaning group responsible for the cleaning of the project is suspended.



#### **COMMUNITY SAFETY**

Ensuring community safety is the fundamentals of a property manager. Colour Life has provided better and safer services through the Big Dipper Service System. The two functional modules are as follows:

#### **Safety Group**

- Install comprehensive Sky-eye System in every community to monitor the real time situation in various areas
  of the community round-the-clock, and at the same time be able to monitor the working conditions of security
  guards; and
- Set up electronic access control systems in multiple communities, such that residents can use mobile applications to open doors, and access their communities through interfaces such as QR code, Cloud Talking, IC card, thus reducing the risk of strangers breaking into the community.

#### **Elevator Group**

- Monitor every elevator in the community under our management through the platform of elevator group round-the-clock. The platform will report to the police automatically if breakdowns or trapped events occurred. In addition, the platform also stored the maintenance data of each elevator, and it will remind the responsible persons the annual checking date of individual elevator;
- Suppliers of elevator maintenance services will be evaluated monthly in accordance with the "Special Equipment Safety Law of the People's Republic of China"(《中華人民共和國特種設備安全法》),"Special Equipment Safety Technical Specification TSG T5002-2017"(《特種設備安全技術規範TSG T5002-2017》) and contract provisions, and service quality assessment will be conducted quarterly. If any non-compliance is identified, such as causing economic loss, expiry of elevator usage signs, failure to meet the standard of satisfaction for 3 consecutive months, or quality being unusually lower than the required standard including the number of complaints, the number of breakdowns and the number of trapped events, the supplier will be black-listed. There will be a penalty for the first time, no new business will be granted, and its business volume will be cut by 20% when the contract expires. There will be a penalty and a 50% reduction in the business volume for being black-listed twice, and the contract will be terminated if it is black-listed for three times; and
- Suppliers of elevator maintenance services will be strictly managed and their qualification requirements will be specified in the contract. Evaluation will be conducted on projects when contract expires, and the contract will only be renewed after passing such evaluation. Suppliers will be required to participate in the safety and quality meetings held by the Group regularly.

## **SERVICES**

#### **CUSTOMER FEEDBACK**



Sustainable development is available only when customers are free to give their feedback, which is also the key to our progress. As a result, we strive to improve customer service procedures that allow our customers to provide their feedback at any time and place. Colour Life created a complaint platform on the Caizhiyun platform, on which users can file complaints and check the processing progress and details of complaint and give their comments. We also have 400 customer service hotlines for customers to provide their feedback, so that we have the opportunity to improve our service quality. We will respond to customers as soon as possible through Caizhiyun platform and calling back.

#### PRIVACY AND INTELLECTUAL PROPERTY RIGHTS



Protecting the personal information of customers is the most essential and important requirement for our operations. This is because we collect and process a large volume of sensitive information in our daily operations, such as company information, financial data, personal information of customers, patented technology and software. Therefore, we attach great importance to data protection and implemented a series of measures to prevent data leakage. For example, Caizhiyun mobile application procedures are set up with encryption protection and 360 security anti-virus software to avoid data leakage of cloud users. In terms of internal work, paper-based information of the project site meeting shall be scanned, and the electronic version shall be stored in the ERP system (Enterprise Resource Planning System). Our customer departments are responsible for controlling relevant measures, including checking whether scans are performed on time and setting permissions for the system. Each customer personnel can only view the information of their self-managed customers. Registration is required for borrowing of the paper version.

In addition, employees are requested to sign letter of professional undertaking and confidentiality agreement, which stipulate that they shall not disclose information without permission. We will collect and use information of customers strictly in compliance with the "Law of the People's Republic of China on the Protection of Customer Rights and Interests" (《中華人民共和國消費者權益保護法》) and "Decision of the Standing Committee of the National People's Congress on Strengthening the Protection on Networks" (《全國人大常委會關於加強網路信息保護的決定》). We will also arrange trainings on protection of privacy and intellectual property rights to raise employees' awareness of confidentiality and protection of intellectual property rights.

### **ADVERTISING AND PROMOTION**



When advertising and promoting our business, we comply with all applicable laws and regulations, including but not limited to the "Advertising Law of the People's Republic of China"(《中華人民共和國廣告法》)and "Law of the People's Republic of China on the Protection of Consumer Rights and Interests"(《中華人民共和國消費者權益保護法》),so as to ensure the authenticity of advertising content and protect the interests of consumers. As our business is not related to product manufacturing, product labelling is not a major issue of concern for the Group.

# COLOUR LIFE'S SERVICES

#### **EPIDEMIC PREVENTION AND CONTROL**



In the belief that "hospitals are the frontline against the epidemic and properties are the frontline to prevent and control the epidemic", the Group made great efforts to fight against the epidemic and protect the property owners and households. During the epidemic, the Fantasia Group, the controlling shareholder of Colour Life, made a unified deployment to fight against it. With the personal instruction of Zeng Jie, Baby, who is the executive director and founder of the Fantasia Group, and led by the executive directors of Fantasia China Group, we established an emergency decision-making system at the shareholder level, and quickly set up a leading group to prevent and combat the epidemic. They kept a close communication 24 hours a day and discussed major issues such as epidemic prevention and control, material procurement, etc., so as to grasp any change of the epidemic.

Immediately after the epidemic broke out, Colour Life called for the four business divisions in Wuhan to organise and establish an emergency-response team. This team developed an emergency policy on how to report and cope with any suspected case. It also issued the work plan to combat COVID-19.

At the beginning of the epidemic, Colour Life also adapted to the situation and created some innovative management standards and value-added services:

- In terms of daily travel of property owners, Colour Life cooperated with E-Parking to equip the entrance and exit of vehicles with smart parking technology, which can automatically identify vehicles from elsewhere and reduce the risk of virus transmission to a certain extent.
- In terms of logistics, Colour Life also introduced corresponding software, which enables
  property owners to find their own packages in the first place and reduces time staying
  outside.

#### **EXPRESS ONE-STOP SERVICE**



Against the backdrop of the severe epidemic, delivery couriers were not permitted to enter the community, which turned to be inconvenient for our property owners. In view of this, Colour Life further improved its services. It cooperated with large express delivery companies including S.F. Holding Co., Ltd., Cainiao Network Technology Co., Ltd. and JD Logistics Group to provide home delivery services in the user-oriented mindset. That is, Colour Life collected delivery packages for the communities under its management and delivered these packages door to door, so that the property owners can truly enjoy shopping without leaving home. We plan to upgrade our services in the future and cover our daily offices. The door-to-door service mode of "Internet Property + Logistics" proposed by Colour Life targeted for different communities has undoubtedly achieved win-win results.

## **SERVICES**

#### **EDUCATION ON EPIDEMIC PREVENTION AND CONTROL**



#### Educational Short Films



We released short films on epidemic prevention in the Company's and the property owners' WeChat groups to direct everyone on how to prevent epidemic at home, including how to properly select masks and disinfection products, deal with clothes and wash hands.



#### "Handbook of COVID-19 Prevention"



We issued the handbook of COVID-19 prevention jointly compiled by many medical doctors, which included epidemic prevention and medical knowledge, such as understanding of the COVID-19 and the transmission risk, personal hygiene protection, infectious disease related knowledge, etc., so that property owners/households could have enough knowledge to prevent themselves from getting COVID-19, protect their

homes through their own practices, and greatly alleviate the spread of the epidemic.



#### • The Emergency Plan for COVID-19 Epidemic for Property Owners/Households

We developed the Emergency Plan for COVID-19 Epidemic for Households, which included the epidemic prevention stage, the handling process of suspected cases of property owners/households, the handling process of confirmed cases, customer records and reporting requirements. It ensured that there were clear guidelines for our staff to follow, so that these measures can be implemented smoothly to protect the health and safety of property owners and households.

Being concerned about the safety of the communities, the employees of Colour Life, both the senior management and staff on the frontline, all stuck to their posts to implement measures of epidemic prevention and control 24 hours a day without break.









## **SERVICES**

Zhang Yong, the director responsible for Wuchang District in the Tian Yu Hong business division in Wuhan and the project manager of Nan Hu Qin Kang Garden, stuck to his post during the epidemic. Following the instruction of leaders, he purchased epidemic prevention supplies such as thermometers, masks and rubbing alcohol as well as vegetables, and brought them to Wuhan for the property owners in need. His practice moved the property owners so much. As such, Zhang Yong was awarded the medal and certificate of "the Volunteer to Fight against the Epidemic" by the Street Office of the community.





Since the beginning of the epidemic, every employee of Colour Life has stuck to his/her post, and in the Southwest Region covered by the Group, the property owners have been moved by the tenacity, responsibility and commitment of the Southwest Team of Colour Life. Its team was praised by the government, including 9 commendations from the Ministry of Housing and Urban-Rural Development of Chengdu and its districts, 43 commendations from sub-district offices and communities, and 169 banners and letters of commendation from property owners.

Donghu Xincheng Community is one of the 56 communities served by Colour Life in Wuhan, with nearly 13,000 residents. Since the outbreak of the epidemic, this community haven't seen any additional confirmed case with strict measures of prevention and control, and it was awarded "Epidemic-free Community" on 8 March. General Secretary Xi Jinping made a special visit to Donghu Xincheng Community in Wuhan, paid his respect to the community staff and recognised the works they've done for epidemic prevention and control.

On 1 July 2020, in the "2020 Satisfaction Survey for Epidemic Prevention and Control for the Property in the PRC" in Season 2 of "Outstanding Property Management Companies (《物業英雄》)" co-organised by Leju Finance (樂居財經) and China Property Management Research Institute (CPMRI) (中物研協), Colour Life, with its good service and



capacity of prevention and control during the epidemic, was ranked 3rd in terms of scores of the Satisfaction Survey. Colour Life and Kaiyuan International ranked eighth and ninth in the popularity rankings of the Satisfaction Survey for Epidemic Prevention and Control, respectively.

On 27 November 2020, at the Third CSR Pioneer Forum and Corporate Social Responsibility Award Ceremony with the theme of Starting a New Journey of Public Welfare with You hosted by International Financial News under the People's Daily, Colour Life won the title of "Pioneer in the Fight against the Epidemic in 2000" with high scores and high popularity.



We have obtained the Quality Management System Certification (GB/T19001-2016/ISO901:2015) and strictly followed the relevant laws and regulations, including but not limited to "Advertising Law of the People's Republic of China"(《中華人民共和國廣告法》),"Cybersecurity Law of the People's Republic of China"(《中華人民共和國網絡安全法》),"Law of the People's Republic of China on the Protection of Consumer Rights and Interests"(《中華人民共和國消費者權益保護法》)and "Decision of the Standing Committee of the National People's Congress on Strengthening the Protection on Networks"(《全國人民代表大會常務委員會關於加強網路信息保護的決定》),etc.



## **SERVICES**

#### SUPPLY CHAIN MANAGEMENT

Suppliers are the partner of enterprises. We are committed to establishing close relationships with suppliers, supporting and respecting each other, and providing high-quality services and products with environmental and social responsibilities to achieve the goal of sustainable development. A total of 925 suppliers have cooperated with us in many fields, including security, cleaning, fire fighting, elevator maintenance and greening maintenance. We also demand our suppliers to operate in accordance with the principles of probity and integrity to avoid any transfer of benefits. According to the contracts entered into by both parties, they shall fulfill their corporate social responsibilities and abide by business-related laws and regulations. We have established a "Supplier Evaluation Mechanism" for suppliers, with strict standards and systems to identify suppliers with high service and product quality.

**SELECTION** 

**EVALUATION** 

RECTIFICATION



- Selection: For procurement projects of over RMB200,000, tenders will be conducted in accordance with the principle of comparison to select the most suitable proposed suppliers. Qualified suppliers will be recorded in the supplier information database. Suppliers are required to meet all the evaluation criteria, such as licenses, registered capital, operation years from establishment, service performance, etc., before they can be rated as qualified.
- Evaluation: The suppliers are divided into three categories, namely construction, administrative & office and software. Assessment will be conducted quarterly and annually, and the assessment criteria include product quality, timeliness and accuracy of delivery, after-sales service, price level, etc. Suppliers will be classified into levels A to D, with priority given to level A suppliers and order volume from level C suppliers will be reduced.
- Rectification: For suppliers who are classified as level D in the assessment, we will suspend cooperation with them and request for rectification. Furthermore, for suppliers with less than 80 points for 2 consecutive quarters, we will issue a yellow card to them and request for rectification within 3 months; for suppliers with less than 70 points for 2 consecutive quarters and less than 80 points for 4 consecutive quarters, we will issue a red card to them and suspend cooperation with them for half year.

# COLOUR LIFE'S SERVICES



We expect suppliers to make progress with us, work hand in hand for mutual benefit. In order to encourage suppliers to make continuous progress, we conduct the selection of the annual outstanding supplier every year. We will select the best from A-level suppliers who have cooperated with us for one year or more without "yellow cards", and praise them at the annual supplier conference.



#### **Green Procurement**

We have formulated a detailed green procurement list, requiring suppliers to purchase qualified products on the list, such as cleaning supplies, fertilisers for greening, etc., in order to reduce our indirect pollution to the environment.

#### **ANTI-CORRUPTION**

Colour Life adheres to the principles of business ethics and anti-corruption, which not only enhances our competitiveness in the industry, but also consolidates the reputation of the enterprise. It is one of the indispensable factors for our stable development. We strictly comply with the "Rule of Avoidance for All Staff" prepared by the parent company Fantasia. In addition, the Group also clearly sets out the regulations on anti-corruption in the "Employee Handbook", prohibiting employees from receiving benefits from third parties through taking advantage of their positions and business. We also require suppliers and partners to conduct business transactions in accordance with the principle of integrity and avoid all violations to safeguard the interests of the Group and its stakeholders. During the Reporting Period, our employees participated in anti-corruption training organised by the parent company, thus enhancing relevant knowledge.



During the Reporting Period, the Group was not involved in any litigation and complaint in respect of breach of laws and rules relating corruption, bribery, extortion, fraud and money laundering, including but not limited to "Anti-Unfair Competition Law of the People's Republic of China"(《中華人民共和國反不正當競爭法》)and "Criminal Law of the People's Republic of China"(《中華人民共和國刑法》).



## **TALENTS**



Human resources are the foundation for Colour Life to provide quality services to property owners and residents and the key to improve our competitiveness. "Transforming from management of Things to services for People" is the management philosophy of Colour Life, which is not only the core of our business, but also the principle of our employee management. We attach importance to the enthusiasm, skills, performance, experience and physical and mental health of our employees. We have formulated the "Employee Handbook" in respect of all aspects of human resources management, including remuneration, recruitment, dismissal, promotion, training, occupational health and safety, employment standards, etc. We also have formulated clear and sound policies and measures in order to protect the interests of both the Group and its employees comprehensively.

In order to improve human resources management and make the operation more efficient, Colour Life will formulate an annual human resources plan in the future and review the implementation of the plan for the year. We implemented automated procedural management of the staff profile process, and through the online recruitment system, applicants can fill in personal data online, and record interview notices, resumes, evaluations, salary determination, enrollment, passing of probation period, contract renewal, etc. In addition, we have also realised the personnel file management of full life cycle, including pre-employment management and enrolment management of new employees, new employee training, promotion/demotion/appointment and removal/salary adjustment management, reward and punishment management, resignation management, etc., thus greatly improving the efficiency of human resources management.

## **TALENTS**

#### **EMPLOYMENT RIGHTS**

In order to attract and retain outstanding talents, Colour Life provides employees with competitive remuneration and benefits. We clearly specify working hours and arrangements for termination of labour contracts or dismissal in the employee handbook, so as to protect the rights and interests of employees. We also established different communication channels and organised various employee activities to maintain vertical and horizontal employee communication, listen to employees' opinions attentively, and help us continue to make progress in business and human resources. The employees of Colour Life employeed in Mainland China are all full-time employees.

Staff remuneration includes basic salary, position subsidy and bonus. Colour Life strictly contributes social insurance and housing provident fund for our staff in the PRC in accordance with the law. We provide a sufficient compensation to staff for termination of labour contracts or dismissal in accordance with laws and regulations. In addition, we also formulated a rich welfare system, which provides different benefits and allowances to ensure the physical and mental needs of our employees.



#### **Holiday**

- Marriage leave
- Spring Festival extension holiday
- Compassionate leave
- Annual leave
- Paid compensation leave
- Maternity leave
- Paternity leave
- Work injury leave



#### Medical and health

- Critical illness insurance in Shenzhen
- Subsidies from Colour Life Charity Foundation
- Gears for labour protection
- Cooling items



#### Recreation

- Trips
- Sports activities
- · WeChat festival gift
- Clubs
- New Year's lucky draw
- Team building



# Incentives and subsidies

- Monthly Colour Life Meal Coupons red packets
- Year-end bonus red packets
- Mid-Autumn/ Dragon Boat Festival Red packets
- Meal allowance
- Red packet from the CEO
- Computer allowance
- Colour Life residential products
- Group ticket reservation during the Spring Festival travel season

## **TALENTS**

#### **LABOUR STANDARDS**

We have taken the following measures to avoid the employment of child labour and forced labour, and corresponding measures will be taken if such situation is discovered:



- Identification documents of new staff will be checked during recruitment process to ensure they meet the legal working age;
- If there is a child labour, according to legal requirements, the child labour will be immediately taken
  away from the workplace, the Human Resources Department will be notified to verify their identity and
  terminate the labour contract, and local social welfare agencies will be notified to follow up on the child
  labour;
- Arrange specialised agencies to conduct health check for the child labour; and
- Investigate loopholes in the human resources process with timely rectification.



- List the relevant arrangements for working hours, holidays, compensation, termination of employment contracts and termination of employment in the human resources system to avoid forced labour;
- If there is a force labour, the force labour concerned will be taken away from the workplace in a timely manner, and the Human Resources Department will be notified to verify their identity and arrange for health check; and
- Investigate loopholes in the human resources process with timely rectification.

We strictly comply with all applicable laws and regulations related to employment, including but not limited to the "Labour Law of the People's Republic of China"(《中華人民共和國勞動法》),the "Social Insurance Law of the People's Republic of China"(《中華人民共和國社會保險法》),"Law of the People's Republic of China on the Prevention and Control of Occupational Diseases"(《中華人民共和國職業病防治法》),the "Law of the People's Republic of China on the Protection of Minors"(《中華人民共和國未成年人保護法》)and "Provisions on the Prohibition of Using Child Labour"(《禁止童工規定》),to provide adequate protection for our employees. During the Reporting Period, we were not aware that the Group was involved in any material breach of laws and regulations relating to employment and labour standards.

## **TALENTS**

#### **OCCUPATIONAL HEALTH AND SAFETY**

Employees are the most important assets and foundation of an enterprise. Colour Life strives to provide the healthiest and safest working environment for all employees and is committed to minimize the risk of injury. In case of work-related injuries or fatalities, we will first be well informed of the situation of the employees involved in the accident, then investigate the cause of the accident before further handling, and take appropriate measures to reduce the number of injuries and fatalities to protect the safety of our employees. We pay attention to the physical and mental health of our employees, and know well that both mental and psychological demands should be satisfied in addition to physical health and safety. We have worked hard to improve the policy on occupational safety and health. Some of the measures include:



- Provide physical examination for new recruits and general management personnel every year;
- Provide labour protection supplies, such as safety helmets;
- Offer cooling items such as herbal tea and drugs to staff who work outdoor in summer;
- Arrange regular fire drills and trainings to enhance staff's awareness of fire safety;
- Provide sufficient compensation and work injury leaves to staff suffered from work-related injuries in accordance with the requirements of laws;
- Publish safety information on the WeChat public account during festivals and holidays to enhance employee safety matters; and
- Provide wardrobes, tables, mosquito nets, shoe racks and other facilities in offices and dormitories in different regions to provide employees with a comfortable working and resting environment.

The Group strictly complies with the laws and regulations related to occupational safety, including but not limited to the "Law of the People's Republic of China on the Prevention and Control of Occupational Diseases"(《中華人民共和國職業病防治法》),and has obtained the Occupational Health and Safety Management System Certification (ISO 45001:2018). During the Reporting Period, we were not aware of any material breach of laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards.



## **TALENTS**

Facing the full-blown COVID-19, Colour Life pays close attention to the health and safety of employees. We have formulated a number of epidemic prevention measures, which require employees to strictly implement and follow.

Colour Life has formulated a comprehensive "Emergency Plan for COVID-19 Epidemic for Employees" to effectively prevent the epidemic, through which we can effectively respond to and control the epidemic when it occurs, minimising the impact of the epidemic. We have to first ensure the



life safety of our employees and then that of the owners, so as to guarantee the smooth operation of each project. Some measures include:



- Safety knowledge training about the epidemic: Conduct employee trainings online with the training materials such as "COVID-19 Prevention Manual" and "How to Prevent Pneumonia from the Perspective of a Doctor's Family" to enhance employees' awareness of epidemic prevention;
- Employee care: Provide all employees with all kinds of protective materials for each project free of charge. Employees are required to do all kinds of protection, in particular when they contact the property owners, they shall wear rubber gloves and goggles, and wear protective clothing under special circumstances to fully ensure the safety of employees; Check body temperature twice every day/every shift, and keep records of employees' health monitoring;
- Handling process of suspected infection of employees: When employees are suspected to be infected
  with COVID-19, they should immediately notify the community (CDC) for testing or seek medical
  treatment under its guidance, and report to the Company for filing;
- Require employees to report their body temperature to their superiors every morning through WeChat, such that we can keep record and stay informed about the physical status of employees; Suspected cases should be reported in real time to Company and government functional departments; and
- Formulation of the "COVID-19 Prevention and Elimination Procedures": Clear guidance on how to wear and take off protective clothing and the disinfection process.

During the challenging periods of the epidemic in February 2020, all employees of Colour Life worked day and night, held two meetings every morning and evening and delivered supplies to Wuhan, such as disinfection materials, to ensure zero infection among employees. Their hard work to fight against the epidemic also paid off. In one of Colour Life's communities-Wuhan Donghu Xincheng Community, a total of 32 people were diagnosed with COVID-19, and the incidence rate for households was much lower than the average level in Wuhan. After a wide screening on 19 February, this community continued to maintain zero confirmed case. Donghu Xincheng Community was thus awarded the "Epidemic-free Community".

# COLOUR LIFE'S TALENTS

#### **DEVELOPMENT AND TRAINING**

For Colour Life, an excellent and dedicated team is an important factor in the Group's sustainable development. We place great emphasis on the personal development of our employees and therefore we need to help them leverage their strengths in the workplace. We offer a wide range of training courses for our employees to enhance their knowledge and capability in various areas. We will regularly review the policies and mechanisms in respect of training and promotion such that employees and the Group will advance together. To assist our employees in their career development and encourage them to keep learning, we formulate a training plan every year, and arrange internal and external training courses, seminars, workshops, etc..



For staff promotion, Colour Life will promote employees by putting equal emphasis on morality and performance. We also offer sufficient room for our employees to develop their careers. They can be promoted by their personal development direction and specialties. We have also formulated the "Promotion Mechanism" to manage the promotion of employees in a more systematic and efficient way. In addition, the promotion, deployment and salary of employees will be adjusted according to the results of their annual performance assessment, which focuses on the personal qualities and performance of employees.

Colour Life Training School was established in 2013, which has headquarters and branches in various regions with principals, deans and training directors, to more effectively implement and monitor the school's training courses.

#### Headquarters

- Annual training planning, implementation of training projects, formulation of standard procedures;
- · Approval and distribution of training and teaching materials; and
- Evaluation and supervision of training results.

#### **Branches**

- Cooperate with the headquarters to complete regional training tasks for supervisors/account managers; and
- Complete quarterly special and centralized training for the branches.

#### Divisions

- Cooperate with the headquarters to complete training projects; and
- Complete training data statistical feedback.



# **TALENTS**

### **KEY SOCIAL PERFERMANCE INDICATORS**

		<b>Unit</b> Person(s)	2020
Total employees		Person(s)	22,588
By gender	Male		14,043
by gender	Female		
Dy ampleyment actors			8,545
By employment category	Management		5,117
Durana	Operators		17,471 220
By age	Aged 20 or below		
	Aged 21-30		4,760
	Aged 31-40		6,718
	Aged 41-50		5,808
	Aged 51-60		4,472
	Above 60		610
Employee turneyer rete		Doroontogo	
Employee turnover rate		Percentage	
By gondor	Male		3
By gender	Female		3
Py ogo			3
By age	Aged 20 or below		5
	Aged 21-30		4
	Aged 31-40		
	Aged 41-50		3
	Aged 51-60		1
	Above 60		0
	***		
Cases of work-related fat		Case(s)	2
Rate of work-related fatal		Percentage	0.01
Lost working days due to	work injury	Day(s)	51
Date of staff twelvis ::			
Data of staff training			
Total number of employee	es trained	Person(s)	435
Total training hours		Hour(s)	4,926

# COLOUR LIFE'S **ENVIRONMENT**



As a property manager, our responsibilities go beyond property and personnel. Protecting the environment is a matter that we need to pay attention to as it provides us with abundant natural resources that enables us to enjoy in a world of material abundance. More importantly, it provides a good and sustainable home for our property owners. Colour Life fully understands that its business also has a certain impact on nature. Therefore, we have formulated the sound Energy Management Policy and obtained the Environmental Management System Certification (ISO 14001: 2015), with a view to improving our environmental management and supervision mechanism to achieve better management and control of carbon emissions, and striving to become an environmentally-friendly and energy-saving industry pioneer.



#### **GREENHOUSE GAS EMISSIONS AND ENERGY USE**

The daily operation of buildings and offices is dependent on energy and its main energy consumption is purchased electricity generated from fossil fuels<sup>1</sup>, which brings high carbon emissions. Although we do not directly emit major greenhouse gas pollutants as we are not involved in the use of other fuels according to our Group's business types, we are still willing to fulfil our environmental obligations.

The Group's daily operation strictly follows all laws and regulations related to environment, including but not limited to the "Environmental Protection Law of the People's Republic of China" (《中華人民共和國環境保護法》), the "Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Wastes" (《中華人民共和國固體廢物污染環境防治法》), the "Atmospheric Pollution Prevention and Control Law of the People's Republic of China" (《中華人民共和國大氣污染防治法》) and the "Water Pollution Prevention and Control Law of the People's Republic of China" (《中華人民共和國水污染防治法》). During the Reporting Period, we were not aware that the Group had been accused or complained for any breach of laws and regulations relating to environment, which would have a material impact to the Group.

As no direct energy is used, it is not involved in discharging exhaust emissions (including nitrogen oxides, sulfur oxides and suspended particles).

## **ENVIRONMENT**



As an environmentally responsible company, we advocate the concept of making the best use of materials, reducing waste at source and reducing energy consumption. We are committed to implementing environmental protection measures to minimise our impact on the environment. Some of the measures include:

- Proper collection, recycling and disposal of waste;
- General office waste will be collected separately from recyclables;
- · Recycling batteries and plastic bottles, reusing paper and printing on both sides;
- Requiring employees to use our online systems, micro-service of Colour Life housekeeper (彩管家微服務), for daily work such as receiving and sending emails, clock-in, application for leave, approving documents and disseminating information; and
- Encouraging our employees to take public transport or walk to and from work as far as possible.

#### WATER RESOURCE

The world faces countless environmental challenges, and one of the most severe is water scarcity. Colour Life is aware that reducing water consumption and reusing water can contribute to the efficient use of water resources. The Group does not involve in large amount of water consumption. We use residual mineral water in meeting rooms and water used for cleaning purposes to water plants, and also post water saving labels in washrooms and control water flow of some faucets to strengthen the awareness of water conservation. We do not have any problems in sourcing for appropriate water sources as our domestic water is provided by local water supply companies.



#### **ENVIRONMENT AND NATURAL RESOURCES**

The natural environment is inseparable from us, and is an irreplaceable asset to us, because human's survival depends on the abundant resources provided by the natural environment, so that they can grow and live a healthy life. We need to do our best to protect our home and create a sustainable future for our descendants. Due to the nature of the business of Colour Life, the Group do not have significant impact on the environment and natural resources. However, we fully understand that each individual has a role to play in environmental protection, and pass the concept from an individual to the community. We require ourselves to have such appeal and make our modest contributions.

The Group not only frequently monitors the emissions and resource consumption performance of our own business, but also conducts energy audits on our offices and some property management projects to monitor and analyse our energy consumption pattern through "Energy Group", the energy efficiency management data platform of Colour Life.



Meanwhile, Colour Life utilises internet technology to strengthen energy saving and environmental protection measures, making the users enjoy a more convenient service and and more willing to implement. These measures include:

- Install energy-saving switches in public office areas, head offices and meeting rooms, and staff can turn off the lights with mobile phone applications when leaving office; and
- Use facial recognition systems for clocking in/out in head offices, where lights will be off automatically through the network when the heads leave their offices.



#### **CLIMATE CHANGE**

Due to the rapid development of human beings, the natural ecosystem has been damaged, leading to the global warming and bringing with it climate changes. This leads to a vicious cycle in the ecological environment, causes damage to our homes, and threatens our health and safety. The extreme weather generated has become what we often have to face and prevent. Therefore, we should strive to reduce our carbon footprint, and manage and control energy conservation. We also need to make prevention and control plans for extreme weathers and strengthen our ability to adapt to climate change issues to ensure that we can do our job well. In addition to making emergency plans, we have also held flood control drills and notified owners of such drills through WeChat, by posting notices or through other channels to raise their awareness of flood prevention.

In mid-to-late June 2020, Colour Life formulated a "Special Emergency Plans for Typhoon and Rainstorm" for the purpose of flood prevention, stipulating clear procedures to guide staff to do appropriate tasks and take appropriate measures at different stages. The measures include:

- i) **Precautionary stage before the emergency:** Check if the suspensions (such as antennae, billboards, light boxes) in each area are installed firmly with no potential risks; prepare daily necessities in advance, such as instant noodles, biscuits, mineral water, etc.;
- ii) **Emergency handling stage during the emergency:** Focus on checking the damage to windows and doors, parking lot entrances and exits, and report any danger in a timely manner; collect the latest information on typhoon and rainstorm, making it available for owners to soothe their nerves in a timely manner; and
- iii) Subsequent processing stage after the emergency: Cooperate with the environment organizations to clean up collapsed trees, broken limbs and fallen leaves; focus on inspecting the damage to elevators, power distribution rooms and electric rooms, etc. and do timely maintenance.
  - The continuous rainstorm caused problems to some projects such as water logging and blockage of drainage pipes. The emergency command team of each project activated the flood control plan in the first time, and effectively controlled the flood, thus protecting the personal and property safety of the owners.





# **ENVIRONMENT**

### **KEY ENVIRONMENTAL PERFORMANCE INDICATORS**

	Unit	2020	2019
Greenhouse gas emissions			
Total emissions	Tonnes of CO2e	102.00	269.70
Scope 2		102.00	269.70
Intensity	Tonnes of CO <sub>2</sub> e/m <sup>2</sup>	0.01	0.02
Energy			
Total energy consumption	MWh	177.85	484.17
Purchased electricity		177.85	484.17
Intensity	kWh/m²	14.30	40.90
Water consumption			
Total water consumption	$m^3$	3,329.00	4,980.20
Intensity	m³/m²	0.27	0.47
interiority	111 / 111	0.21	0.47
Waste <sup>1</sup>			
Total non-hazardous waste	Tonnes	10.56	66.83
Total non-hazardous waste disposed		10.56	66.83
Intensity	Kg/m <sup>2</sup>	0.85	5.65

<sup>&</sup>lt;sup>1</sup> Due to the nature of its business, the Group does not generate hazardous waste.

## **COMMUNITY**

The core of property management is to serve the community, and we, as a member of the industry, are naturally obliged to do so. Bearing in mind the corporate concept of "Service to Your Family", we eagerly participate in community activities, go deep into various communities, and spread love and care to those in need and create a harmonious and beautiful community.



Colour Life Charity Foundation was founded in 2015 to provide appropriate support to the community in need, including our staff, property owners, residents and even the integrated communities. The Foundation combined resources and manpower from various regions to form "Colour Life Volunteers" with our staff. During the Reporting Period, the Foundation raised donations of nearly RMB300,000.

#### **COLOUR LIFE CHARITY FOUNDATION'S WORK**

#### Arbor Day



Environmental conservation is an obligation that we shall fulfill. Colour Life understands that, to pass eco spirit from individuals to the community, we must start from ourselves and educate the communities we serve to integrate the concept of environmental protection into our lives step by step. During the Reporting Period, the Group carried out tree planting activities in all business departments in conjunction with the Arbor Day promotion, and invited residents to participate in planting trees to promote a green lifestyle and beautify the community environment at the same time.

#### Garbage Classification Science Experience Hall in Nanshan District

It is indispensable to sort and recycle domestic garbage. In order to enhance the awareness of the owners on garbage classification, Colour Life has conducted publicity and practice activities with the theme of sorting and reducing domestic garbage. On 5 June 2020 – World Environment Day, Colour Life's community workers led the owners to the Garbage Classification Science Experience Hall in Nanshan District for a unique visit and practical learning activities to experience eco and low-carbon living.



## **COMMUNITY**

#### • Charity Haircut

During the COVID-19 pandemic, the owners responded to the government's call to stay at home and not to gather. Under the strict supervision of Colour Life, there were no suspected or confirmed cases for the time being in our communities. Therefore, Colour Life organised a "Charity Haircut" activity to provide free haircuts for the owners, caring for them with practical actions.



#### • Charity Bazaar



The Charity Foundation organised a charity bazaar to promote "One Good Deed a Day to Enjoy the Charity". By inviting owners to participate in more charity activities, charity organizations can raise more money. It also facilitates the effective use of resources, reduces waste from the source, and gives children the opportunity to experience being a small stallholder for a day. The proceeds from the charity bazaar were donated to Fantasia Charity Foundation to help the students of Fantasia Hope Primary School.

#### Free Clinic Activities

Colour Life cares more about the owner's physical health, not simply their material life. During the Report Period, Colour Life held a free clinic activity to make careful and meticulous body diagnosis for the owners, and guide them to develop a healthy lifestyle. Free clinic items included oral examination, shoulder and neck moxibustion, vision check, etc.



#### Donation to Patients Suffering from Serious Illness

People suffering from serious illnesses are a vulnerable group in the society. They are not able to work for long hours and their working ability is limited, so they need our support and assistance with practical actions. During the Reporting Period, Colour Life Charity Foundation donated RMB150,000 in total to support disadvantaged owners and employees of the Company who are suffering from serious illnesses or accidents so as to reduce their medical expenses.



#### Donation to Employees in Financial Need

To assist employees in financial difficulty as a result of health or other factors requiring special assistance and help them to pull through the difficult time, Colour Life Charity Foundation formulated the Employee Assistance Programme to ensure the satisfaction of their basic needs in life. Employees in financial need can apply to the Charity Foundation for aid. The Charity Foundation assisted 11 employees in total during the Reporting Period.

# COLOUR LIFE'S COMMUNITY

#### **ENCOURAGE CANDIDATES FOR GAOKAO**



There are students cramming for tests for a better future each year. Colour Life and NetEase Cloud Music jointly held assistance activities for Gaokao named "The Youngster Forging Ahead" on 6 July, covering 1,500 communities across the country including Shanghai, Guangzhou, Shenzhen, Hangzhou, Chengdu, Nanjing and Changzhou in which the Group provide services. The activities include:



"Gaokao Support Station sponsored by Colour life and NetEase": Place signature walls "Gaokao Support Station" at all major entrances and exits of the community. Students, parents and neighbours were all willing to leave words on the posters to extend their most sincere encouragement and blessing to the candidates for Gaokao.

"Forging ahead with our loving escort": Colour Life and volunteers from the communities who care for the young, offered free ride to candidates for Gaokao with more than 2,000 "Loving Cars" during the Gaokao period, in over 12 cities including Shenzhen, Guangzhou, Chengdu, Shanghai, Hangzhou, Suzhou, Nanjing, Changzhou, Nanchang, Xiamen, Nanning, Guillin etc.





"To win instant success with the Champion Kits": We distributed stationery kits among candidates, which include medical masks and alcohol wipes in addition to the regular stationery. Only with a healthy body can a candidate struggle for studies.



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General Disclosure	<ul> <li>Information on:</li> <li>(a) the policies; and</li> <li>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</li> </ul>	Service Quality	11
	relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress		
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	N/A	-
B6.2	Number of products and service related complaints received and how they are dealt with	Not disclosed for this year	-
B6.3	Description of practices relating to observing and protecting intellectual property rights	Privacy and Intellectual Property Rights	14
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