



HENG TEN NETWORKS GROUP LIMITED

恒騰網絡集團有限公司

(a company incorporated in Bermuda with limited liability)
(Stock Code: 136)

2020

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE REPORT





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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

I. ABOUT THE REPORT

HengTen Networks Group Limited and its subsidiaries (“HengTen Networks”, the “Group” or “we”) are pleased to present the 2020 Environmental, Social and Governance Report (the “Report”) for the purpose of disclosing and presenting the Group’s progress and performance in the environmental, social and governance (“ESG”) fields during 2020, presenting the vision of sustainable development of the Group to stakeholders, and facilitating the Group’s improvement of its ESG performance in a sustainable way.

1. Scope of the Report

The information contained in the Report covers the businesses of the internet community and related services (including internet home furnishing business, internet materials business), as well as manufacture and sales of accessories of the Group. The Report sets out the sustainable development measures of the Group during the period from 1 January 2020 to 31 December 2020, and prior years for certain disclosures.

2. Preparation basis

The 2020 ESG Report is prepared by the Group in accordance with the requirements of the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The principles of materiality, balance, quantitative and consistency were followed to strive to fully and objectively demonstrate the efforts and performance of the Group in respect of ESG matters during 2020. An ESG report guidelines content index is included in the final part of the Report for quick reference for the readers.

3. Source of information

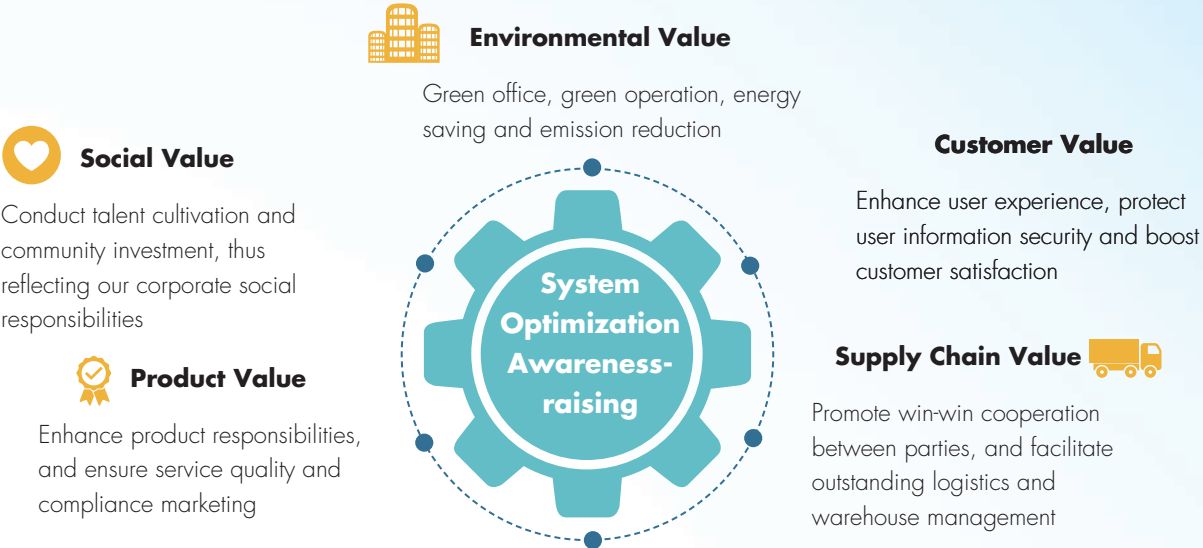
The information disclosed in the Report is sourced from internal official documents and statistical data, third-party questionnaire surveys and public information. Unless otherwise stated, the data in the Report uses RMB as the settlement currency.

4. Form of publication

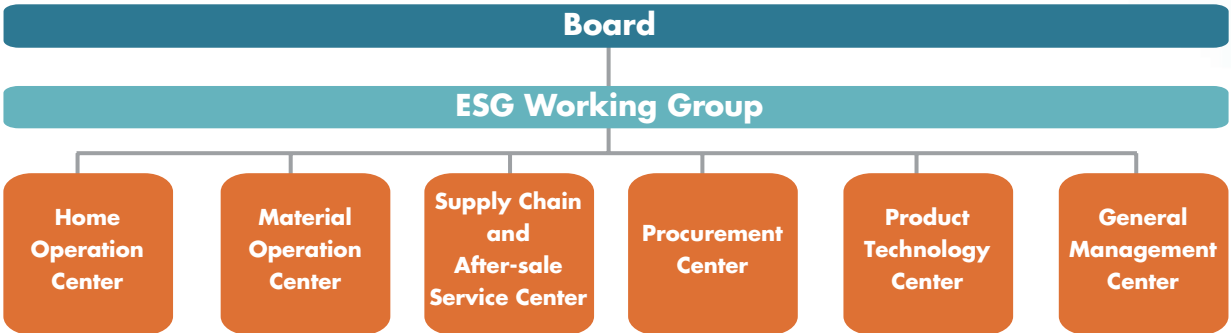
The Report is available in both Chinese and English. If there is any discrepancy between the Chinese and English versions of the Report, the Chinese version shall prevail. You can visit the official website of the Group at <http://www.htmimi.com> or the website of the Stock Exchange at <http://www.hkex.com.hk> to obtain an electronic copy of the Report.

II. SUSTAINABLE DEVELOPMENT MANAGEMENT

HengTen Networks, as an integrated internet service operator developed with the vision of platform operation, deepens the integration of quality resources through new technologies and new models, and focuses on the development of new functions, thereby creating a new norm in post-property service market. While developing its three major businesses, namely internet home furnishing, internet materials and manufacture and sales of accessories, the Group also actively explores other diversified businesses, expands the new media business, and adheres to promote the development of integrated internet services. We understand that the performance of corporate social responsibilities is vital for the sustainable development of the Company. Hence, we continuously implement sustainable development measures, integrate those measures into the daily operation and decision-making procedures of the Group, and facilitate stakeholder engagement, thus jointly promote the value creation for sustainable development of the Group.



Strictly following the requirements of the Corporate Governance Code contained in Appendix 14 to the Main Board Listing Rules of the Stock Exchange, the Group has established the board of directors (the "Board") and its audit committee, nomination committee and remuneration committee with clear responsibilities. The Board of the Group assumes full responsibility for the ESG strategy and the reporting of the Group, and is responsible for the review, passing and formal approval of annual ESG reports. The Board understands and discusses ESG-related issues through general meetings and Board meetings, and gives instructions depending on the particular situations of the relevant issues. At the same time, the Group has established the ESG working group, which comprised of core personnel from relevant functional departments. The ESG working group is responsible for daily management of ESG issues such as enhancement of product and service quality, supply chain management and employment management. The management structure of ESG issues of the Group is set out in the diagram below:



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III. STAKEHOLDER ENGAGEMENT

Support and recommendation from stakeholders to the Group are meaningful for our sustainable development. The Group understands the expectations of internal and external stakeholders on ESG issues of the Group via a variety of channels, including online and offline activities, emails, hotlines and seminars. We fully take into consideration of the expectations and demands of different stakeholders, and formulate corresponding strategies in response to the concerns of stakeholders, aiming to create common values for different parties.

For 2020, the Group has sorted out the following expectations and demands from stakeholders as well as its responses thereto:

Class of stakeholders	Communication methods and channels	Expectations and demands	Communication and response
Customers	Customer service hotline Online platform Physical stores Customer satisfaction survey	Safe and quality product Business ethics Customer information and privacy protection Pre-sale and after-sale services	Strengthen quality management and control Ensure operation integrity Network security and permission settings Improve the mechanism for communication with customers
Employees	Employee satisfaction survey OA system of the Company Performance appraisal Staff forums	Staff recruitment and team building Occupational development and training Equal employment Occupational health and safety	Improve talent recruitment system Construct talent training channels Comply with laws and regulations Strengthen occupational health and safety management
Investors and shareholders	Annual general meeting Investor hotline/email/website Press release and announcements	Financial results Protect rights and interests Improve corporate governance	Improve profitability Compliance information disclosure Enhance risk control and management Improve risk control system
Partners	On-site visit Regular partner conferences Partner evaluation and training	Open and fair tendering Cooperation and win-win Industry development	Improve partner management mechanism Optimize project management Build an exchange platform for partners
Government and regulatory authorities	Tax information submission Participation in meetings Daily communication	Operation according to laws and regulations Tax payment according to law Contribution to society	Accept government supervision Strengthen anti-corruption and integrity development Pay taxes in a timely and proactive manner Create job opportunities
Industry associations	Industry seminars Daily communication	Promote industry development Facilitate industry exchange	Promote industry innovation Participate in industry communication and exchange
Community	Community projects Open information disclosure	Protect community environment Participate in charitable activities	Fully practice green operation Charity and social investments

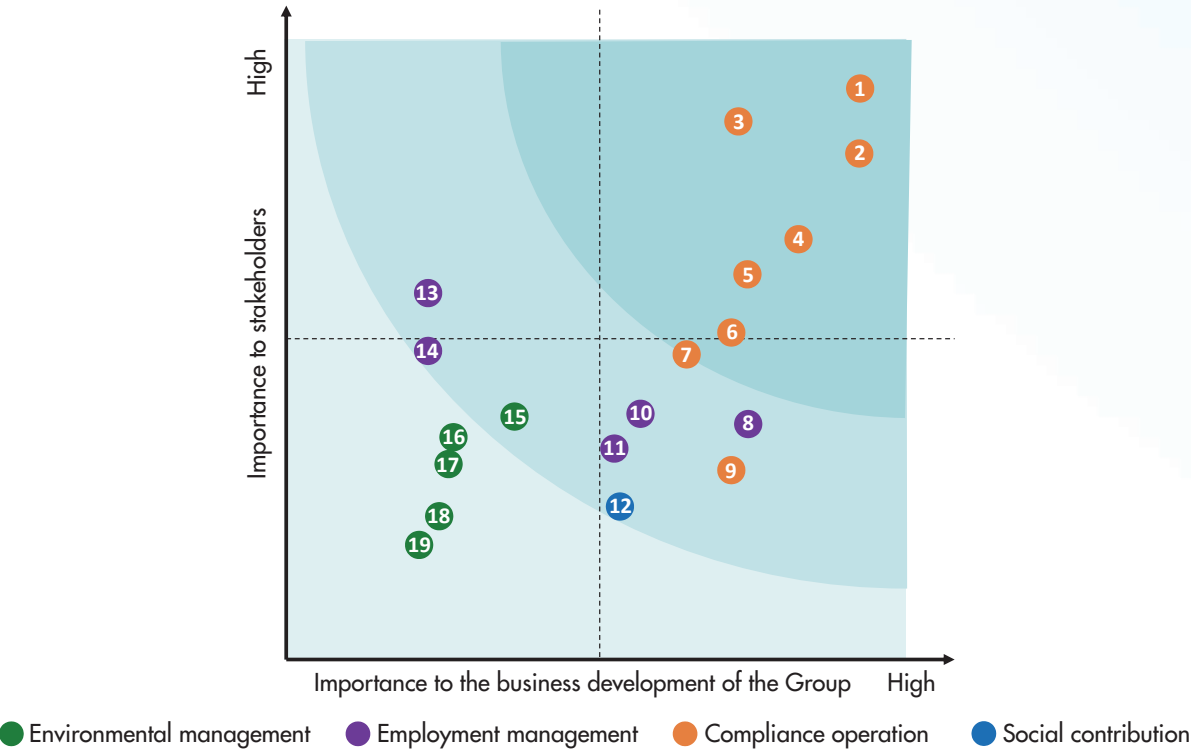
IV. MATERIALITY ASSESSMENT ON ESG TOPICS

In 2020, the Group identified a total of 19 ESG topics. To determine the ranking of such topics by materiality, we have invited employees, customers, partners, charity associations and other stakeholders to complete online questionnaires and attend face-to-face interviews so as to assess the materiality and impacts of the 19 topics on different stakeholders and the operations of the Group.

Assessment procedures for the material topics of 2020:



The ranking and matrix of the Group's material ESG topics for the year 2020 are as follows:



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

Materiality	Ranking	Topic
Very Important	1	Customer satisfaction and handling of complaints
	2	Product and service quality management
	3	Customer privacy protection and information security
	4	Anti-corruption management mechanism
	5	Supply chain management and sustainable development
	6	Compliance management and fight against unfair competition relationship
Important	7	Responsible marketing and promotion
	8	Prevention of child and forced labor
	9	Protection of intellectual property rights
	10	Occupational health and safety
	11	Staff training and development
	12	Engagement in social welfare activities
	13	Performance appraisal and remuneration and benefits
	14	Talent recruitment and team building
Less Important	15	Green operation
	16	Energy consumption and energy saving initiatives
	17	Waste treatment
	18	Water resource consumption and sewage treatment
	19	Greenhouse gas emissions

The assessment results of the 2020 material ESG topics show that customer satisfaction and handling of complaints, product and service quality management, customer privacy protection and information security and other topics are the top concerns of stakeholders. In particular, the materiality ranking of topics such as customer satisfaction and handling of complaints, product and service quality management were higher than that of last year. The Group will make detailed disclosure in the subsequent sections of the Report based on the assessment results of material ESG topics, and use the assessment results of material topics of this time as a reference for the ESG management plan for the year ahead, so as to continuously improve the Group's performance in sustainable development and act in response to the expectation of stakeholders on us.

V. DEVELOP PRODUCT QUALITY

As an integrated internet service operator, HengTen Networks attaches great importance to the control of product quality and improvement of service quality. We strictly abide by the Product Quality Law of the People's Republic of China (《中華人民共和國產品質量法》), the 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法》), the Regulations on the Customer Information Protection for Telecom and Internet Users (《電信和互聯網用戶客戶信息保護規定》) and other laws and regulations, striving to provide customers with quality, competitive multi-scene solutions and services. While developing our major operations, we integrate our internet service platform, and actively explore for diversified products and services. In October 2020, the Group acquired Ruyi Films, a film production company, to tap into new media business. With the industry-leading content production and IP development capability, the Group can provide innovative cultural and entertainment experience for wide range of users.

Strict Product Quality Control

In respect of strict product quality control, the Group focuses on the quality of home furnishing products and material products supplied by our partners. The qualifications of our partners are strictly reviewed. In order to ensure product quality, we conduct on-site visits to production bases of our partners. For the partners who have been included in the qualified supplier database of China Evergrande, we have reviewed their qualifications or conducted on-site visits pursuant to relevant internal requirements. For the Group's own partners, our partners are required to file the information of their production bases in the contracts and pass the Group's on-site visits and inspection before making any supply. Please refer to Chapter VI "Reaching Out for Remarkable Development" for details on partner access and quality management. In 2020, there were no sold or delivered goods of the Group subjected to product recalls for safety and health reasons.

The Group has formulated different quality management standards and systems for internet home furnishing business, internet materials business, as well as manufacture and sales of accessories:

1) Internet Home Furnishing Business

In order to provide quality products for our customers, the Group strictly complies with the requirements of national, industrial or local mandatory standards such as the Product Quality Law of the People's Republic of China and implements its internal systems such as the Technical Standards for Home Furnishing Works (《工程類家居技術標準》), thus ensuring that our partners continuously and steadily provide products that meet with laws, regulations and the quality specifications of the Group, and no unqualified products will be sold in the market. We strictly ensure that the emission of hazardous substances from all kinds of products and raw materials meet with current national requirements, including GB 18580-2017 Interior Decoration and Refurbishment Materials — Limit of Formaldehyde Emission of Wood-based Panels and Finished Products (《GB 18580-2017室內裝飾裝修材料人造板及其製品中甲醛釋放限量規定》), GB 18584-2001 Interior Decoration and Refurbishment — Limit of Harmful Substances in Wood Furniture (《GB 18584-2001室內裝飾裝修材料木家具中有毒物質限量》) and GB 6566-2010 Limit of Radionuclides in Construction Materials (《GB 6566-2010建築材料放射性核素限量》). The Group expressly stipulates its quality standards and specifications in contracts, and requires its partners to provide quality inspection reports according to product batches so as to ensure product quality.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

2) Internet Materials Business

In respect of materials of the Group, HengTen Networks conduct product quality supervision and management over various processes including product admission, product acceptance and product warehousing.

- Admission: The Group laid down supplier selection criteria by type. These criteria stipulated that the scale and quality system of suppliers should meet the requirements of national quality, safety and environmental protection standards, and the product implementation standards should be stipulated in the contract. We require suppliers to provide qualification certificates, product certificates, product quality inspection reports issued by state authorized institutions and other documents to ensure a perfect actual quality of our products and a perfect quality management system;
- Acceptance: The Group designated on-site quality inspectors to project sites pursuant to the Material Acceptance Standards for HengTen Networks (《恒騰網絡材料驗收標準》). Quality inspectors are responsible for carrying out on-site acceptance inspection on raw materials, production process, inventory capacity and supply timeliness of the factory by making photo and paper records. In case of failure in meeting major criterion, on-site quality inspectors would issue a letter to the factory, which requires the factory to suspend its operation to bring up to standard, determine handling methods and handle the issue on a case-by-case basis. Upon passing the goods inspection, the Group will arrange supervisory engineer from engineering department and the construction department to conduct on-site acceptance;
- Warehousing: The Group requires warehouse quality inspectors to check the product orders, models and quantities with the representative of the supplier, and carry out quality sampling inspection on the products to prevent unqualified products from entering the warehouse. After passing the sampling inspection, the products are stored in different areas according to the product performance, category, characteristics, usage and stacking standard.

In 2020, Hengten Networks has created a furniture brand named "Initial Star", a ceramic tile brand named "Lafamia", a wood floor brand named "Hengsenran (恒森然)", a sanitary ware brand named "Purez" and other private brands. By fully relying on the mature refined decoration supply chain management system and strict quality management system in procurement bidding, product standards, distribution supply, quality control, cooperation evaluation, service and other aspects, we vigorously integrate the high-quality resources of the household materials industry, aiming to achieve the efficient collaboration of the whole process of product design, production, procurement, sales and construction, and provide Chinese families with a full range of high-quality household materials products.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

In respect of our private brands, the Group has formulated the General Requirements for Selection of Private Brand Products (《自有品牌選品總體要求》). We pay close attention to and review product quality, product technology standards and other aspects of the partners so as to ensure product quality standards meet or exceed market standards, and the product design is in line with mainstream style and development trend of the market. We focus on the implementation of national standards, industry standards and certification requirements of various categories of products. By extensive and in-depth market research, we study and formulate product planning, technical standards and service standards for end consumers of private brands.

The Group implemented the internal Quality Management Measures for OEM of Finished Furniture (《成品家具代工質量管理辦法》), established manufacturer inspection system, sampling inspection system and sample sealing management system, conducted regular inspection on raw materials, finished products, inventory capacity and supply timeliness of the manufacturer, and sent the sampled products to the third-party inspection organizations certified by China Metrology Certification (CMA) and China National Accreditation Service for Conformity Assessment (CNAs) for inspection according to the product acceptance standards, requiring the structure and key parts of all raw materials, semi-finished products and finished products must be sealed as the basis of acceptance standard. We dealt with the products with quality problems in time, clarified the quality or process problems of manufacturers, and provided product optimization scheme to manufacturers for improving product quality.

For the Group's integrated business, the Group laid down the Hengten Mega Construction Standard Manual (《恒騰蜜家施工標準手冊》), which was supervised and assessed by the engineering department, and implemented quality control from four phases, namely design, material selection, construction and delivery.

- Design: In the early stage, we discussed the design with customers, reviewed the design quotation and preferential policies, and clearly divided the responsibilities of all parties;
- Material selection: The Group conducted a unified verification on the selection of main and auxiliary materials and the acceptance of goods. If the goods were unqualified, the problem would be fed back to the supplier and solved according to the contract;
- Construction: The construction process was supervised by the supervisor, and the supervision and acceptance were carried out according to the internal control documents of production process quality control standards;
- Delivery: The Group carried out the rectification according to the customer's requirements, and delivered goods after the customer's acceptance. The person in charge carried out the quality acceptance of each link, ensuring that the whole process met the safety construction standards and relevant quality requirements.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

3) Manufacture and Sales of Accessories

The main products of the Group's manufacture and sales of accessories business are nylon and leather bags. For this business, we formulated and implemented the Quality Control Management Regulation (《品質控制管理規定》), the Production Process Control Regulation (《生產過程控制規定》) and other standardized procedure documents, strictly implemented the whole process quality supervision from raw materials to finished products, and required special testing or inspection of raw materials, semi-finished products, finished products and packaging materials, ensuring that the final products meet the national quality regulations and customer needs.

Before the mass production of products:

We evaluated whether the production process was comprehensive through the trial production of new products;

Mass production

— materials supplied:

We checked all materials supplied according to the Raw Material Inspection Standards (《原材料檢驗標準》) before acceptance;

Mass production

— production:

We implemented the quality control accountability system. Unqualified products are prohibited from entering the follow-up process, and the quality control department will carry out random product check;

Mass production

— finished product inspection:

The quality department completed the Finished Product Delivery Checklist (《成品出貨檢查表》) attached with the Finished Product Inspection Status Form (《成品檢驗狀態票》), and carried out the final quality inspection on the delivered products.



ISO Quality Management System Certification

In terms of manufacture and sales of accessories, Mascotte (Dongguan) Leather Product Co., Ltd. was recertified by ISO 9001:2015 Quality Management System in 2019 (to be expired on 25 December 2022).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

Improving customer service

Hengten Networks strives to improving the quality of our customer service continuously. We promote the development of the Group to a higher level by optimizing users' shopping experience, securing an efficient logistics service and ensuring service quality, thus achieving efficient operation and a high level of customer satisfaction.

1) Optimizing users' shopping experience

The Group always puts serving users in the first place. In 2020, for users' online shopping experience, we optimized product promotion and guidance, enriched transaction scenes and optimized order process, continuously enhancing customers' trust and experience satisfaction on the online shopping platform "Hengten Online Furnishing Mall" and its after-sales service.

Online shopping experience improvement

First improvement: Product promotion guidance

01

O2O Integration

By scanning the QR code on our optimized price tag, customers could make purchases in the exhibition hall. We optimized users' one-stop shopping experience with the combination of online and offline scenes. Our optimization brought in a lot more customers.

02

Various tools

Free designs, intelligent quotations, the exhibition hall experience, appointments and other tools were added. Customer management tool was developed, making advance payment management, customer visit management and follow-up management at shops a reality.

03

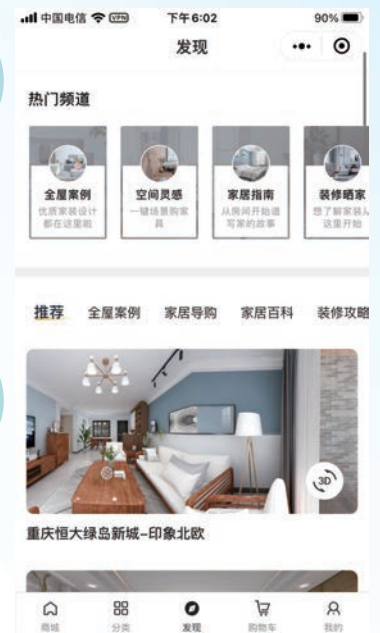
Membership rights

The membership was introduced. We provided each member with different services, making our users become more loyal to our products than ever before. Online members could claim their rewards when giving their patronage to our shops, attracting more customers into the shop.

04

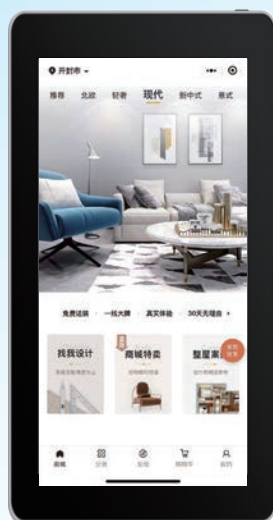
Other optimization

The display of shops on the front page and the location of the entrance of shops were optimized. The variety of goods in our shops was taken to the next level, for instance, preferential packages were introduced. Pop-ups management was added with 22 types of pop-up notifications according to different user groups.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

Second improvement: Diversified transaction scenes



Newly-added VR display

- Model rooms and designs can be displayed by our online VR technologies. Both the features and quality of our products can be reproduced with a sweet home atmosphere, providing users with an immersive household shopping experience.

Rich content

- Model house samples, the rendered images of model rooms, decoration diaries, product reviews, PSA short videos, short videos about household knowledge and other contents were uploaded, providing users with a comprehensive multidimensional experience of home atmosphere.

Updated UI/UE

- The UI/UE of our shops were upgraded with special attention paid to the front page, offering an immersive household shopping experience. Model rooms and purchasing on the scene and some other aspects are the highlights of our display. The average daily views of the upgraded front page for the first seven days boosted by 30%.

Third improvement: Optimized ordering procedures

We also attach importance to users' ordering experience and optimize the ordering procedures. The specific measures include: optimizing the display of the product lists, introducing the product classification pages, displaying the users' recent search records and popular products, new product screening criteria and the new function of adding products to "My Favorites". Process optimization can make users pay attention to the price fluctuation of their favorite goods by adding them to "My Favorites", making ordering and operation much easier than ever before.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

The improvement of offline shopping experience

The Group took customers' offline shopping experience to the next level by improving our shop atmosphere, one-stop services, reasonable pricing and after-sale service. Thanks to our efforts, our customers can purchase reasonably-priced products with great value and mitigate their worries about after-sale services.



2) Efficient logistics service

In order to meet the logistics and distribution demands of the Group, HengTen Networks has adopted modernized Warehouse Management System (WMS) and transportation management system (TMS) for warehouse management to enhance the quality assessment and daily management of logistics carriers and ensure that product quality is effectively controlled during the warehousing and logistics processes.

Self-owned warehouse management

For the management of warehouses owned by the Group, HengTen Networks introduced the Warehousing and Logistics Management Measures (《倉儲物流管理辦法》) regulating the functions of relevant departments, which strictly controls the management of self-owned warehouses throughout the four stages of inbound management, in-warehouse management, outbound management and inventory management.

Logistics carrier management

The supply chain and after-sales service department reasonably chooses means of carriage such as express delivery, car-load or less-than-car-load cargo, maritime transport and railway transport, and sets up bidding, identifies service providers, formulates the bidding document and assigns scores for technical criteria in terms of the various means of carriage. Regional supply chain evaluates the quality at delivery, quality at arrival, quality upon receipt and quality of service of the logistics carriers to ensure the efficiency and timeliness of product delivery.

Timeliness of the supply chain

In order to ensure supply timeliness, the Group focused on the control and management of factory supply cycle and logistics cycle and regularly followed up on the progress of production and delivery, ensuring the timeliness of the supply chain and customers' demands on efficient logistics supply.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

3) Guarantee service quality

Handling of customers' complaints

HengTen Networks strictly complies with the laws and regulations relating to consumer rights and interests, and has formulated and implemented systems and documents such as the Material After-sales Service Management System of HengTen Networks (《恒騰網絡材料售後服務管理制度》), the Management of After-sales Service Process for Materials (《材料售後服務流程管理》), the After-sales Management Measures of Mimi Home (《密蜜家居售後管理辦法》), the 365-day Return and Exchange Policy of HengTen Mega (《恒騰蜜家365天退換貨政策》) and the Price Protection Policy of HengTen Mega (《恒騰蜜家保價政策》). The Group regulated service standards, clarified the duties of each process and effectively ensured customer service level.

Our customers submit their complaints through various channels, including but not limited to online customer service, after-sales hotline, complaint hotline of the headquarters and the real estate 400 after-sales hotline. Upon receiving a complaint, the after-sales center will timely refer the issue to the head of the sales area for coordinated handling with the manufacturers, simultaneously follow and monitor the progress of complaint handling and conduct satisfaction survey to the complaining customer. In 2020, the customer complaint satisfaction rate of the internet home furnishing business of HengTen Networks was 96%, marking an improvement compared with prior years.

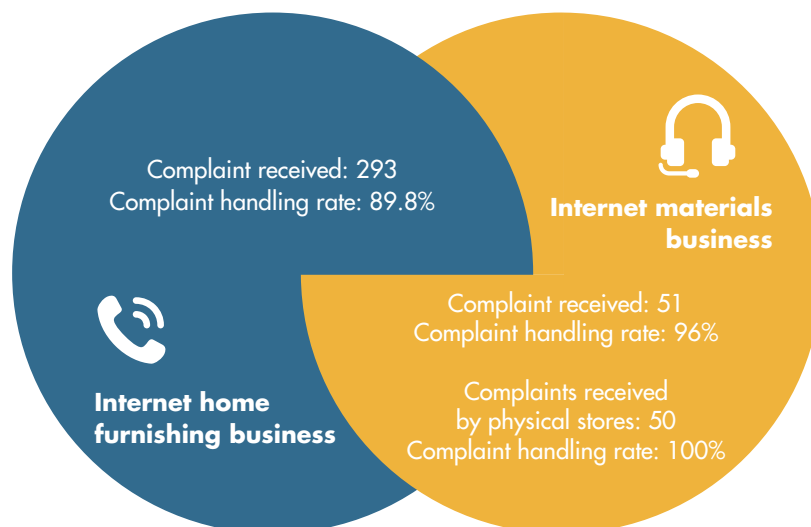
- Complaint handling process for the internet home furnishing business:



- Complaint handling process for the internet materials business:



The Group's complaint handling for the internet home furnishing business and internet materials business in 2020 are as follows:



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

Customer return visits

Customer opinions and suggestions are of great significance to the Group's continuous business growth. The Group actively carries out customer return visits to understand and follow up customers' satisfaction with complaint handling and delivery of the Group's own brands, and makes constant improvements based on customer requirements. The supply chain and after-sales service department has formulated the List of Return Visits After Delivery (《售後訂單到貨回訪表》) and the List of Return Visits After Complaint Handling (《售後投訴處理回訪表》), with 100% telephone return visits to complaining customers, the integrated results of which will be provided to the relevant departments to continuously optimize internal management.

Improving service quality

The Group's supply chain and after-sales service center has formulated and implemented the Customer Service Communication Skills for Reception of HengTen Mega (《恒騰蜜家客服接訪話術》) and the Customer Service Communication Skills for After-sales Return Visits of HengTen Mega (《恒騰蜜家客服售後回訪話術》), and is available for customer consultation through the after-sales service hotline or after-sales mailbox. All questions raised by the customers will be answered within 24 hours. In addition, the Renshou store of the Group has formulated the Hospitality Manual of HengTen Mega Renshou Store (《恒騰蜜家仁壽門店待客服務手冊》) to regulate the hospitality criteria of the store.

In 2020, the Group carried out trainings for the after-sales customer service personnel and in-store sales personnel, which set out the management requirements for the whole process of staff hospitality, continuing to clarify staff's scope of service, enhance their professional skills and improve their service quality. We have set out relevant appraisal requirements for customer service and sales personnel, the results of which has been consolidated into the individual salary assessment process, in order to incentivize the staff to enhance service awareness and ensure service quality.

Safeguarding Information Security and Customer Privacy

The Group strictly complies with the requirements of laws and regulations such as the Cyber Security Law of the People's Republic of China (《中華人民共和國網絡安全法》) and the Regulations on the Customer Information Protection for Telecom and Internet Users of the People's Republic of China (《中華人民共和國電信和互聯網用戶客戶信息保護規定》), and has formulated internal customer information protection policies such as the Policy on User Privacy and Information Protection (《用戶隱私與信息保護政策》) and the Policy on User Privacy and Information Security (《用戶隱私與信息安全政策》). Additionally, the Group entered into confidentiality agreements with all partners and employees in order to comprehensively safeguard customers' rights, protect customer privacy and prevent any leakage of information on the customers. Moreover, the Group strictly implemented authority management policies and the data collaboration procedure, with the product operation department coordinating the management of data and authority of the business platforms, each supervised by the relevant product technology center in an effort to safeguard customers' information security. For online platforms, we have prepared user registration and user data authorization agreements in accordance with national regulations, informing customers of the collection of data and its usage, scope and methods to ensure the legitimate use of customer information.

In order to safeguard internal data security, the Group has formulated the Management System for Data Backup and Data Security (《數據備份和數據安全管理制度》), the Disaster Recovery Plan (《災難恢復計劃》), Procedures for Authority Management and Data Collaboration (《權限管理及數據協作流程》) and other systems to manage data security through data management, system vulnerability scan, penetration test, encrypted transmission and authority control. We have carried out classified management to sensitive data information, including encrypting classified data that would cause direct economic loss to the Group or customers. In addition, the Group used the Enterprise Edition of Alibaba Cloud Shield (阿里雲盾企業版) to regularly scan for system vulnerabilities, upgrade related components and conduct penetration test to the system.

Protection of Intellectual Property Rights

HengTen Networks attaches great importance to the protection of internal intellectual property rights. We strictly complied with laws and regulations such as the Copyright Law (《著作權法》), the Trademark Law (《商標法》), the Patent Law (《專利法》) and the Tort Liability Law of the People's Republic of China (《中華人民共和國侵權責任法》). Internally, the Group intensified the management and raised awareness of intellectual property rights, ensuring compliance with laws and regulations in all respects in the application, registration, use and filing for all intellectual property right.

In 2020, the Group has commenced the trademark registration for self-owned brands such as the "Initial Star (初星)" and "Hengsenran (恒森然)" series, and applied for patent protection for the Group's proprietary home decoration engineering technology. The Group has also actively applied for copyright registration for its software products to protect its interests. In addition, we place heavy emphasis on the protection of existing intellectual property rights, including the valid use of trademarks and prevention of trademark invalidation. We also intensified our searching to prevent any illegal use of our trademarks or copyrights.

The Group's legal affairs department, which is responsible for the management and protection of intellectual property rights, regularly organized intellectual property rights training activities participated by the Group's internal employees to enhance their awareness on protecting the intellectual property rights. In terms of regulating the intellectual property rights management of partners, the Group has required partners to issue the Brand Authorization Letter (《品牌授權書》) authorized by the trademark owner when signing the contract, and specifically stipulated in the contract the terms related to intellectual property rights, requiring that the products or services provided by the partner to the Group shall not infringe the rights of any third party. Moreover, the brand department of the Group strictly reviewed its promotion materials to prevent the inclusion of any unauthorized images or texts.

As at 31 December 2020, the Group successfully obtained 39 software copyrights. For a list of the software copyrights of the Group, please refer to Appendix III of the Report.

Responsible Marketing

The Group complies with the requirements of laws and regulations such as the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》) in order to ensure the compliance, authenticity and accuracy of various marketing information. We maintain strict control over the information from output channels such as radio and television, print media and portal websites and impose specific design requirements. We also implement strict internal review process, with marketing materials subject to review by relevant business departments and the brand department at the headquarters prior to launching so as to reject any false marketing.

The Group has organized product trainings on product information and marketing communication skills with practical exercises to ensure that employees strictly follow the product information provided by the brand channels, enhance the compliance awareness of marketing personnel and prevent any consumers from being misled.

VI. REACHING OUT FOR REMARKABLE DEVELOPMENT

HengTen Networks strictly abides by the laws and regulations such as the Law of the People’s Republic of China on Bid Invitation and Bidding (《中華人民共和國招投標法》) and the Government Procurement Law of the People’s Republic of China (《中華人民共和國政府採購法》), cooperated with quality suppliers and enhanced supply chain management and is dedicated to providing customers with safe and high-quality products and services.

As at 31 December 2020, suppliers and partners for the internet home furnishing business and internet materials business of the Group reached a total number of 661.

Number of Suppliers and Partners by Region



Supplier Admission

The Group formulated and adhered to the Procurement Management System of HengTen Networks Group (《恒騰網絡集團採購管理制度》), strictly inspecting the quality of suppliers and ensuring the quality of supplier recruitment. We maintained the recruitment model of “warehousing first, bidding later”, with specific requirements for the admission conditions for suppliers as follows:

When selecting suppliers for the internet home furnishing business, the Group inspects the objective data on the sales, service quality and integrity of suppliers with cooperation history. After evaluation of the suppliers’ sales strength, service capabilities and cooperation integrity, the Group selects suppliers with distinction in all respects. For suppliers with whom the Group has no cooperation history, the Group primarily inspects data on dealership team, store status and product compatibility of potential suppliers, as well as conducting an evaluation on the strengths in personnel investment, capital and operations and products of the suppliers.

For processed products of self-owned brands, the Group selects relatively large-scale and strong suppliers in the industry and evaluate its level of products and environmental protection, key material standards, raw material brand, quality and workmanship standards, functional allocation and the core unique selling point, in order to ensure that the quality meets or exceeds the market mainstream standards, and that the aesthetics are in line with market mainstream styles and development trends.

The Group’s partner admission process is as follows:

01



Supplier recruitment

- To explore more than 10 units with cooperation intents according to the principle of “back-to-back”
- To issue the Contact Letter (《聯繫函》) to such units to obtain their qualification information
- The procurement center will report to the chairman for approval of adding other admission channels

02



Partner qualification review

- To review the business qualifications of the suppliers in strict accordance with the eligibility criteria
- To carry out on-site visits to national or annual partners
- To determine the list of tender with at least three finalists

03



Supplier management

- To establish qualified, unqualified and prohibited supplier pools based on the reviews
- To conduct annual inspection on qualified suppliers, eliminate unqualified suppliers and develop a supplement plan

Dynamic Management of Suppliers

HengTen Networks has formulated and implemented evaluation methods such as the Comprehensive Evaluation Methods for Home Furnishing Partners of HengTen Networks Group (《恒騰網絡集團家居類合作商綜合評估辦法》) and the Comprehensive Evaluation Standards for Material Suppliers of HengTen Networks (《恒騰網絡材料類供應商綜合評估準則》), thus comprehensively and objectively evaluating the cooperation with each partner. The Group scientifically assesses its partners based on their sales performance, cooperation, sample unit results and after-sales service and assigns a monthly rating, ensuring compliance of partners in all respects to be eligible for future cooperation.

For suppliers of internet home furnishing, the Group organizes and evaluates information on the cooperation with partners and blacklists those with severe after-sales issues.

For suppliers of materials, the Group familiarizes itself with the factory status and level of quality management via on-site factory inspections. Inspections for suppliers in cooperation with the stores primarily concern on-site product quality examination and management, while inspections for engineering projects are primarily in the form of inspecting actual in-factory product quality and project on-site inspection and acceptance, in order to timely resolve existing issues and eliminate suppliers with severe issues.

For processing suppliers for its self-owned brands, the Group conducts on-site inspections to the factories and regular sampling tests on raw materials, semi-finished products and finished products to assess whether the quality of the actual product and the quality control system are satisfactory. The Group compiles product feedbacks in the course of usage and requests for rectifications in the cases of problematic products. For ineffective rectifications, the relevant suppliers will be eliminated.

Supply Chain Sustainable Development

The Group highly appreciates the sustainable development of the supply chain and pays considerable attention to the environmental and social performance of the suppliers. Under the supplier supervision mechanism of the Group, in addition to ensuring sufficient qualification, scale, operation, product and quality control, we require suppliers to provide relevant certifications on environment and quality management system and clean production, and review the quality inspection standards of each factory process to ensure compliance with relevant regulatory requirements in respect of environment, safety and quality.

When identifying suppliers, the Group prioritizes local products and services, as well as local logistics providers delivering with new energy trucks, in order to reduce the carbon emission in the course of transportation. In 2020, the Group had a total of 116 local suppliers, representing 58.6% of the total suppliers.

In the course of selecting suppliers, the Group continuously prevents and monitors any acts of fraudulence or corruption. We have implemented and improved on the supply chain monitoring mechanism, provided expedient whistle-blowing channels and have been supervising the supplier selection process in real time. In addition, the Group reviews the quotation through multiple channels and in multiple aspects to single out high-quality suppliers.

Communication with Suppliers

The Group attaches great importance to establishing and maintaining a smooth communication mechanism with the suppliers and keeps close and regular contact with the suppliers via various channels to consolidate the long-term partnership for win-win cooperation.

The Group convenes regional supplier review meeting based on the actual regional situation to facilitate the suppliers in summing up experience from the projects and clarifying subsequent work plan, working together to ensure efficient and effective cooperation.

Case

Opening ceremony of HengTen Mega Langzhong store

On 1 May 2020, the artistic outfitting team of Guangzhou Holike Creative Home Co., Ltd., a partner of the Group, visited HengTen Mega, participated in the opening ceremony of the Langzhong store and observed its operation. Through the meeting, Holike has deepened its understanding on the store operation of the Group, with both parties' inclination for and confidence in long-term cooperation being enhanced.



**Image 1: Communications with partners:
Opening ceremony of HengTen Mega Langzhong store**

VII. CREATING A PROMISING FUTURE

The Group understands that talent is a key factor to promote corporate development. In strict compliance with requirements of national and local labor-related laws and standards such as the Labor Law of the People’s Republic of China (《中華人民共和國勞動法》), the Labor Contract Law of the People’s Republic of China (《中華人民共和國勞動合同法》), the Group actively develops a platform for talent growth by improving a series of talent development systems and focusing on employee health and safety and the forming of its corporate culture, and is dedicated to enabling employees to display their talents in an industry leading and diverse team. As at 31 December 2020, the total number of our full-time employees was 292, all of them are working in China.

Statistics of Employees by Gender

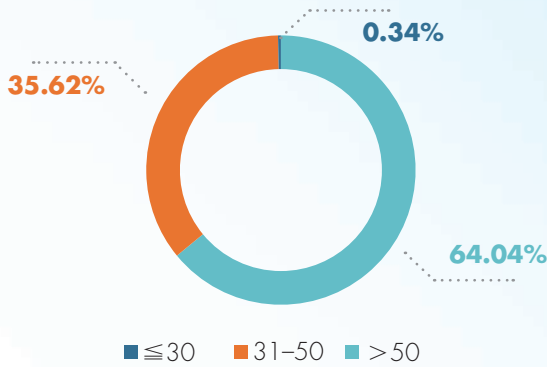


Proportion of Male Employees
59.59%

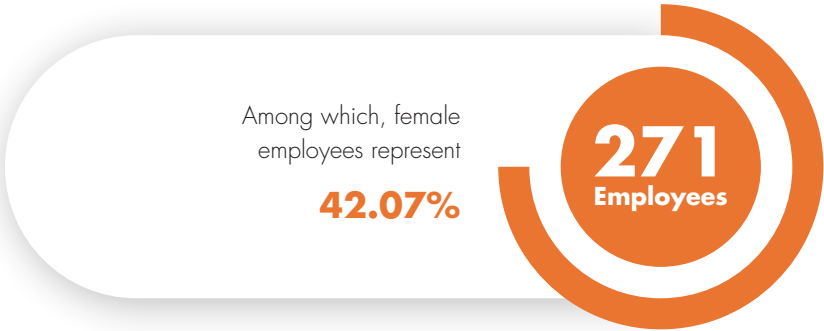


Proportion of Female Employees
40.41%

Statistics of Employees by Age



Statistics of Employees by Ranking



Protection of Employees' Rights and Interests

The Group considers the protection of the employees' legitimate rights and interests of the utmost importance. It complies with the relevant national laws and regulations, earnestly implements internal employment management systems such as the Recruitment Management Rule for HengTen Networks (《恒騰網絡招聘管理制度》), ensures fairness and compliance of all procedures and safeguards the equal opportunities and rights of the employees.

The Group has established a sound recruitment management system, under which it attracts and employs talents via professional recruitment websites, internal referrals, headhunting recommendations and other means. The personnel center is responsible for salary negotiation with prospective candidates. The Group explicitly forbids any excess of the maximum stipulated salary or any false promises made to the candidates.

We are dedicated to recruiting talents from various backgrounds and experiences, regardless of their age, gender, religion, nationality, marital status and physical ability. To ensure an open and transparent recruitment process where candidates have an equal opportunity, the Group adheres to the recruitment principle of "openness and fairness, merit-based recruitment, internality first and externality later, and relative avoidance", and strictly follows the evaluation process of written examinations, career assessments, interview evaluations and background investigations.

In addition, we strictly abide by 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》), the Regulations on the Prohibition of the Use of Child Labor of the People's Republic of China (《中華人民共和國禁止使用童工規定》) and other laws and regulations, strictly forbidding recruitment of child labor or forced labor. During the recruitment process, the Group conducts identity verification to applicants, including but not limited to their age and qualifications, to ensure compliance with the national laws and regulations and the Group's management system.

The Group protects the employees' legitimate rights and interests in terms of working overtime, strictly abides by its internal labor discipline management system and forbids forcing employees to work or work overtime in any manner. The Group also urges the suppliers and other partners to follow the same labor standards.

In 2020, there was no violation of any laws or regulations in relation to the recruitment of child labor or forced labor by the Group. In the event of discovering any false information in the ID card of applicants, or any false reporting of age or forced labor, the Group will conduct relevant investigations and implement internal rectifications.

Employees' Performance, Remuneration and Benefits

The Group has established a sound and market-competitive remuneration management system, and based on the principle of fairness, reasonableness and responsibility-based compensation, ensured timely salary payment and contribution to the statutory social insurances and housing fund. The Group also provides incentives to employees who have performed outstandingly. The Group conducts a general salary adjustment at least once a year to ensure that remuneration remains market-competitive and encourages the retention of talents in key positions of the Group.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

The Group has formulated and implemented the Performance Appraisal Standards (《績效考核標準》) and the Administrative Provisions on the Selection and Appointment of Leading Cadres (《領導幹部選拔任用管理規定》), striving to ensure objective, fair and transparent appraisal of employees to expedite their growth along the career path. We also emphasize on providing various benefits to the employees such as free canteen, annual physical examination, financial assistance for re-education, staff housing discount and shopping discount, as well as meal subsidies, accommodation subsidies and transportation subsidies to on-site sales personnel. By organizing various team building activities and sports events, the Group has elevated the employees' sense of happiness and participation.

In 2020, the welfare programs provided by the Group include but not limited to:

Employee caring activities

In recognition the employees' efforts and contributions, and in an effort to create a harmonious and friendly atmosphere and enhance team cohesion, the Group organized a series of team building and humanistic care activities in 2020, including afternoon tea and online games, which received enthusiastic responses and praises from the employees.

Image 2: Afternoon tea as part of the team building activity



Sports group activities

In order to enrich employees' after-hours cultural lives and enhance their spirit of unity, cooperation and communication, the Group encourages the organization of various sports activities such as basketball, badminton, football and table tennis, with venue leasing, uniforms, materials and other relevant expenses reimbursed by the Group.

Image 3: Employee badminton friendly match



Children's Day celebration for employees recruited from campus

The Group provides rich and diverse communication channels for new employees recruited from campus. In 2020, the Group organized Children's Day activities for college students, where they actively expressed themselves and participated. From these activities, the students were made aware of their collective cohesion and the Group's humanistic care.

Image 4: Children's Day activity for employees recruited from campus



Staff Training and Development

The Group pays attention to the development and growth of employees within the enterprise, and set out clear career development paths for employees of different positions and ranks. We continued to explore employees' needs for trainings, with the administrative personnel center responsible for the formulation and implementation of an annual training plan based on the actual situation and needs. In 2020, the Group's key training programs included the new staff induction training, staff business empowerment training, management ability training and online training camp.

In 2020, the overall trainings of the Group were as follows:



In 2020, the key training programs organized by the Group include:

Employee trainings at the headquarters



- The Group set up the "Ignite Your Strength" online training camp, selected external quality courses to provide online teaching to the Group's backbone and certain middle-level employees, improving their comprehensive management capabilities.
- The Group actively provided trainings to its backbone employees to enhance their industry awareness and career capabilities to cope with the new business that will be vigorously developed with sufficiently accumulated knowledge and skills.

Induction training for new employees



- Two learning activities were organized for 2020 employees recruited from campus, namely induction special training and accelerated growth series of courses.
- In 2020, the Group held a total of 3 intern induction trainings, primarily featuring a video introduction of the Group, growth of employees recruited from campus and precautions for interns, aiming to help students quickly integrate into the company atmosphere and seamlessly commence their work.

Training for in-store staff

- In 2020, the Group organized 70 trainings for in-store staff, including induction and business trainings, with 2,008 staff participating.
- 2 interviews were conducted with the four "Outstanding HengTen Model Employees" to boost staff enthusiasm, incite internal learning atmosphere and explore and accumulate internal experience.
- In April 2020, the business school organized the in-store centralized implementation trainings, covering sales skills, promotion policies, product information, system operation and use and other modules.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

In order to attract and develop young talents, the Group created the 3-Year Star Program (三年恒星計劃) training mechanism specifically for employees recruited from campus. Under this system, employees recruited from campus spend their first year transitioning from students into working people and integrating into the corporate culture; the second year refining their professional skills and cultivating their communications and collaboration abilities; and the third year forming a clear development positioning and comprehensively improving business and overall management capabilities.

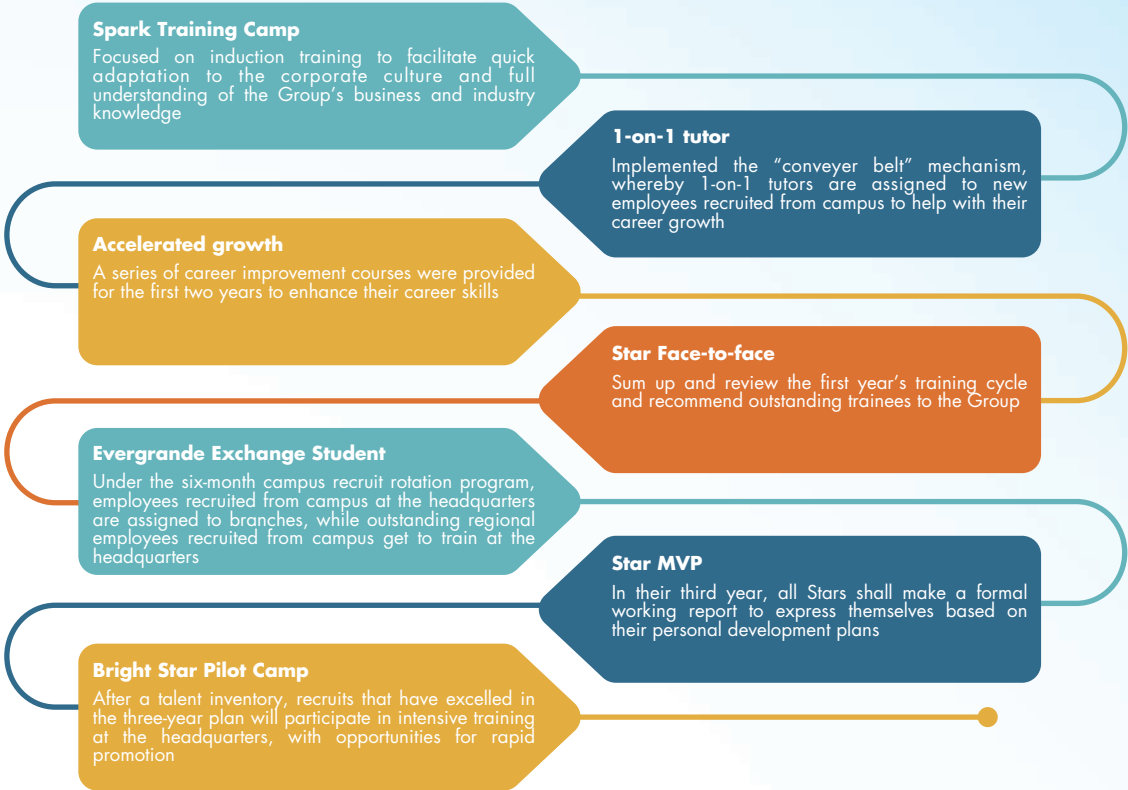


Image 5 Campus recruitment for "Star Program" of HengTen Networks



Image 6: Campus recruitment symposium of HengTen Networks

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

We actively provide internship opportunities for college students, and implement mentoring mechanism to help students to understand the training system and working modes of the Group. Meanwhile, we organize various internship activities such as intern TED speech and industry expert sharing seminar to attach high quality talents, thus reserving talent pool for the official recruitment of the Group.

In 2020, the Group evaluated and optimized the training procedures, and conducted target training based on the career characteristics of employees so as to help them to integrate into our corporate culture. In addition, we aim to understand the career demands of our employees and expand their career paths by designing career planning guidelines on regular basis and organizing monthly exchange or quarterly symposiums.



Image 7: Intern TED Talk of HengTen Networks



Image 8: HengTen Networks Internship Completion Ceremony

Occupational Safety and Health

The safety and health of our employees is the core concern of the Group. We strictly abided by the Production Safety Law of the People's Republic of China, the Regulations on Work-Related Injury Insurance of the People's Republic of China and other laws and regulations, and formulated the Enterprise Safe Production Management System within the enterprise to ensure the safest working environment for employees. From 2018 to 2020, the Group did not violate any laws and regulations related to occupational health and safety for three consecutive years, and the number of work-related deaths and the number of days away from work due to injury at work were zero.

1) Occupational health management

The outbreak of COVID-19 pandemic occurred in early 2020. Hengten Networks confronted the pandemic with quick actions. From 21 January 2020, we conducted a survey on the whereabouts of all staff during the Lunar New Year holiday. We have arranged over 200 employees to undergo annual body check at Nanfang Hospital of Southern Medical University. In February, the Group built a logistic service team for pandemic prevention and control to arrange production resumption and pandemic prevention work and implement the following management policies:

- Storage of pandemic prevention materials: the joint purchasing center purchased disposable medical masks, forehead thermometers, mercury thermometers, hand sanitizers, 75% alcohol, chlorine dioxide disinfectant, 84 disinfectant and other pandemic prevention materials through various channels;

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

- Resuming work in a safe and orderly manner: We filled in the application form of work resumption according to the requirements of the Management Committee of Tianhe District in Guangzhou, Guangdong. Our staff members returned to work group by group in an orderly manner.
- Thorough disinfection: We conducted thorough disinfection of office buildings and checked whether enough pandemic prevention goods and materials were in place.
- Proper publicity of pandemic prevention: We prepared guidelines for pandemic prevention and work resumption. Notices and the information of pandemic prevention were posted;
- Flexible work arrangement: In order to avoid cross infection, we cancelled use of fingerprint time-punching, posted seals on attendance machine, coffee machine and other materials, and adopted online office, online meeting, online signature and approval and other office modes.



Image 9: the Group’s pandemic prevention goods and materials

In order to strengthen the fire safety management and ensure the reliable operation of the central fire control system, the Group cooperated with the property management department to conduct the fire-fighting exercises in Evergrande Center in Guangzhou, the main office of the Group in January, March and May. We tested our emergence broadcast system, fire alarms, smoke extraction fans, elevator emergency automatic rescue device, non-fire-fighting power cutoff, rolling down fire shutters. On 18 August, 2020, the Group’s employees cooperated with the property management department to participate in the fire prevention knowledge publicity, education and training activities, which effectively strengthened the ability of employees in finding and eliminating fire hazards, putting out the incipient fires, evacuating, escaping and fire prevention publicity, education and training.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

2) Production safety management

In respect of the manufacture and sales of accessories, the Group has formulated and implemented the Safety Production Management System (《安全生產管理制度》) and the principle of “all staff, all processes, all-round and all-weather” safety supervision and management to strengthen the Group’s safety production supervision and management and safeguard the properties of employees and the Company.

We clearly defined the work safety responsibilities of all departments and levels, and required employees at all levels to perform their work safety responsibilities strictly in accordance with the work safety responsibility statement. In addition, the Group set up a work safety management committee to be responsible for the investigation, handling and settlement of various safety accidents. At the same time, we standardized the management system of safety inspection, formulated the Safety Checklist (《安全檢查表》), and timely discovered and identified various potential dangers. Safety education for management personnel and production staff was also our core concern. By providing instructional materials such as safety skills, safety technology knowledge, safety awareness and safety legal education to employees, their safety awareness and self-protection ability were taken to a higher level.

Communication with Employees

We have established real-time, effective communication mechanism to communicate with employees through different channels such as corporate mailbox, KK, EMS, anonymous questionnaires and job briefing, so that employees could keep abreast of our business development trend. At the same time, we also tried our best to understand the feelings of our employees to enhance their sense of recognition and sense of belonging. With the launch of Evergrande KK6.0 mobile app in 2020, the mobile office communication became convenient. The user-friendly interface of the app has greatly enhanced efficiency of work communication.

In 2020, we conducted 2 surveys for all staff within the Group, with theme on attendance knowledge and trainings needs. Details are as follows:

01

Flexible working hours survey

We tried to understand our employees’ suggestions and opinions through the results of over 100 online questionnaires that we collected, helping us in considering flexible work arrangements.

02

Training needs survey

We understood that each level of the Group has its own expectations on training. We commence various types of trainings, such as trainings for college students and business backbones according to the survey.

We used an anonymous survey to understand employees recruited from campus in 2020. The executives of the Group and the persons in charge of each department used surveys and forums to understand the status of the employees recruited from campus, helped them get rid of negative emotions and offered them some advice and guidance about their career development.



Image 10: 2020 campus recruitment seminar

VIII. SAFEGUARDING GREEN ENVIRONMENT

The Group adhered to the policy of green operation and the concept of sustainable development to minimize the impact of business on the environment and make a contribution to local communities and environment. We strictly abided by the Environmental Protection Law of the People’s Republic of China, the Energy Conservation Law of the People’s Republic of China and other relevant laws and regulations. We also formulated the Waste Gas and Noise Management Rules (《廢氣和噪音管理規定》) and a series of measures and procedures in relation to management and control, showing our commitments and practices in green operation and green production.

Green office and operation

In view of the daily office work of the Group, in order to improve the overall environmental performance of the Group, we started from the establishment of environmental protection objectives and the monitoring of energy consumption, and implemented various green environmental protection measures for the five aspects: water and electricity saving in offices, waste disposal, paperless office, green and healthy decoration and green storage supply. The details are as followed:

Green office

Water and electricity saving

- We promote water and electricity saving among staff, and a check-up system was set up.
- We use intelligent light switches to control the duration of lighting;
- We use our electricity consumption monitoring system to ensure highly efficient energy use;
- We use our elevator access control to save energy.



Waste disposal

- Our specially-assigned persons are responsible for the classification and disposal of non-hazardous waste generated at work;
- The collection and recycle of hazardous wastes such as ink cartridges and toner cartridges are outsourced;
- Our specially-assigned persons are responsible for the classification of kitchen waste, and professional companies are responsible for the disposal of the kitchen waste.



Paperless office

- Except some documents that need to be presented, we use electronic documents for communication, implementation and signing;
- We encourage printing on both sides of paper in grayscale. Evergrande Cloud Storage and shared folders are promoted;
- We encourage online meetings to reduce travel costs.



Green and healthy decoration

- We adhere to green procurement, use the main materials, auxiliary materials and electrical products that meet national standards;
- We adhere to the principle of safe and civilized construction in the decoration process to reduce the environmental impact.



Green storage supply

- Priority have been given to the logistics companies with new energy trucks as the main models for secondary transportation;
- Reducing packaging waste, and no over-packaging and re-packaging of in-storage products other than essential packaging.

Green operation

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

The Group understands that the implementation of green production and operation also requires employees to have a clear understanding and give active cooperation. In order to enhance the staff's awareness on green environmental protection, the Group organized the knowledge explanation on environmental protection, the release of environmental protection slogans, the posting of green concept posters and other measures, which are well received by the members of the Group. We are also committed to enhancing the environmental awareness of all stakeholders, providing environmental information to all stakeholders through network platforms and other channels, creating a low-carbon future together.

Green production

In respect of the manufacture and sales of accessories, we strictly controlled all sorts of emissions in accordance with our internal systems such as the Environmental Monitoring and Measurement Control Program (《環境監視和測量控制程式》), the Wastewater Management Regulations (《廢水管理規定》) and the Solid Waste Management Regulations (《固體廢棄物管理規定》). We have obtained the Permit on Discharge of Urban Sewage Into Drainage Network (《城鎮污水排入排水管網許可證》) in August, 2020. In addition, we have engaged third-party professional testing agencies to conduct testing on sewage and waste gas emission by the Company so as to ensure our emissions meet the requirements of relevant rules and standards.

The Group formulated the Registration Evaluation Form of the Laws and Regulations and Other Requirements (《法律法規和其他要求登記評價表》), and updated the Registration of Key Environmental Factors (《環境要素登記冊》) on regular basis. By compiling the control standards of environmental substances pursuant to the latest Management Procedure of Hazardous Substances (《有害物質管理程序》), we have optimized and updated the Group's internal environmental control standards, thus ensuring the latest requirements of the laws and regulations in relation to environmental protection are met.



Environmental Management System Certification

In terms of manufacture and sales of accessories, Mascotte (Dongguan) Leather Product Co., Ltd. (馬斯葛德雅(東莞)皮具製品有限公司) has passed the recertification of ISO 14001 Environmental Management System (to be expired on 25 December 2022) for its nylon and leather bag manufacturing business.

In order to ensure effective hazardous waste management, we strictly implemented the hazardous waste management procedures and entrusted professional companies with the disposal of the hazardous waste. The Group also took corresponding measures to promote energy conservation and consumption reduction, thus contributing to the green environment.

Waste management

1. Classification of solid waste: Solid waste is classified as recyclable waste, non-recyclable waste and hazardous waste for management, and labeled by category;
2. Professional disposal: We have engaged qualified companies for disposing of hazardous waste by using the format of Five Joint List for the Transfer of Hazardous Wastes in a professional way.

Energy saving management

The Group set up an energy-saving and consumption reduction working group, which comprised of the department head, workshop foreman and assistant foreman. The working group is responsible for improving stitching techniques, monitoring energy consumption and the waste of materials and analyzing on improving technology process and reduce the energy consumption and the emissions generated in production.

Environmental key performance indicators

The key environmental indicators for the Group in 2020 are shown as follows:

Serial No.	Environmental key performance indicators	Unit	Usage/Emission Amount
A1.1	Sulfur dioxide	kg	0.16
	Nitrogen oxide	kg	23.72
	Particulate matter	kg	1.98
A1.2	Greenhouse gas emissions (scope I)	tCO ₂ e	35.09
	Greenhouse gas emissions (scope II)	tCO ₂ e	1,101.58
	Total greenhouse gas emissions (scope I and II)	tCO ₂ e	1,136.67
A1.3	Used batteries	kg	2.28
A1.4	General waste	ton	42.91
	Waste materials (cloth)	ton	12.20
A2.1	Total electricity consumption	MWh	1,313.31
	Gasoline (corporate vehicles)	L	10,042.30
	Diesel (corporate vehicles)	L	817.72
	Direct energy consumption	MWh	123.57
	Indirect energy consumption	MWh	1,313.31
	Total energy consumption	MWh	1,436.88
	Energy consumption intensity (network service)	MWh/person	5.22
A2.2	Water consumption	Cubic meter	15,083.00
	Water consumption intensity (network business)	Cubic meter/person	44.12
	Water consumption intensity (manufacturing and sales of accessories)	Cubic meter/accessory	0.01
A2.5	Plastic packing bag (manufacture and sales of accessories)	kg	142.00
	Plastic packing bag consumption	kg/accessory	0.0003
	Packaging box (manufacture and sales of accessories)	kg	2,015.00
	Packaging box consumption	kg/accessory	0.0037

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

Remarks:

- (1) The time span of the environmental data is from 1 January 2020 to 31 December 2020; the data collection scope includes the office and staff canteen area at the Group's headquarters, the production area, office area and staff canteen area for the headquarters and factories in Guangdong Province of the production and sales of accessories business, and the warehouse and logistics centers established by the Group in Changshu, Chengdu, Foshan, Wuhan and Tianjin.
- (2) For the calculation of A1.1 emissions, the emission coefficient of natural gas is referred to the 2017 Coefficient Material Balance Method Not Included in the Emission Permit Management Industry (《2017未納入排污許可管理行業適用的系數物料衡算方法》), and the other refers to the Reporting Guidance on Environmental KPIs of the Stock Exchange.
- (3) Greenhouse gas emission (scope I) mainly comes from primary energy consumption of gasoline of official vehicle and staff canteen. Greenhouse gas emission (scope II) is generated from electricity purchased. Emission coefficients are based on the Reporting Guidance on Environmental KPIs of the Hong Kong Stock Exchange. In particular, emission coefficients of greenhouse gas of purchased electricity are based on the China Regional Power Grid Baseline Emission Factor for Emission Reduction Project for 2017 (《2017年度減排項目中國區域電網基準線排放因子》).
- (4) The types of energy consumed by the Group in 2020 include electricity purchased, fuel of staff canteen and gasoline of official vehicle. Reference is made to the national GB/T2589-2008 General Principles for Calculation of Comprehensive Energy Consumption (《GB/T2589-2008綜合能耗計算通則》) for conversion coefficient of energy unit.

IX. STICK TO OUR ORIGINAL INTENTION OF INTEGRITY OPERATION

Establishment of Integrity System

HengTen Networks promotes the culture of anti-corruption and integrity, and treats honesty and integrity as the most vital part for the sustainable development of the Group. We strictly abide by the Companies Law of the People's Republic of China (《中華人民共和國公司法》), the 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》), the Interim Provisions on Banning Commercial Bribery (《關於禁止商業賄賂行為的暫行規定》) and other laws and regulations. Moreover, the Group strictly implements internal management systems such as the Management Measures for Anti-Corruption Supervision of China Evergrande (《恒大集團廉政監察工作管理辦法》) and the Management Measures for Cash Gift and Gifts (《禮金、禮品管理辦法》), thus forming sound accountability mechanism for promoting good conduct of management and employees and facilitating integrity operation.

For the internet community and its related services, we, together with the supervision center of China Evergrande, jointly implement the management of integrity operation. The supervision center of China Evergrande has set up centralized whistle-blowing hotline, email, KK and other compliant channels to handle the report and complaint on suspected corruption and acts of harming the interests of the Group. The Group strictly controls the whistle-blowing, investigation and handling procedures, seriously holds employees with disciplinary acts accountable, and creates a more open, transparent information disclosure and integrity working atmosphere. In accordance with relevant national policies, laws, regulations and constitutional systems, the Group has conducted works on prohibiting commercial bribery, enhanced the integrity working supervision and management on key areas and key personnel, prevented and managed corruption at source, and adhered to address both symptoms and root causes and improve system establishment.

With respect to manufacture and sales of accessories, the Group has introduced the Anti-Corruption and Anti-Bribery Control Procedures (《反腐敗反賄賂控制程序》) to enhance internal control system of the Company, and optimize the management and control over key areas such as material procurement, outsourced processing, facility work, business sale and quality supervision. In addition, the Procedures also cover all customers, suppliers, service providers and contractors that maintained business relationship with the Group. The Group conducts regular evaluation to ensure that relevant parties have adopted compliance business practice.

In 2020, HengTen Networks did not aware any concluded legal cases regarding corrupt practices brought against the Group or its employees.

Integrity Education and Training

The Group provides integrity education and training courses for all employees, including the management. In May 2020, the Group organized all management and employees to watch admonitory films relating to anti-corruption. By learning from the admonitory films as to anti-corruption, employees can have a deeper understanding on the meaning of anti-corruption, be strict with oneself, conduct introspection, and always keep anti-corruption concept in mind.

X. PROMOTING SOCIAL DEVELOPMENT

HengTen Networks always adheres to performing its corporate social responsibilities. It fully understands that corporate development shall not only strive for its own economic benefits but also continuously optimizing resources allocation, serving the public and contributing to the society. We provide a platform for employees of the Group who care and support charity activities to participate in charity and relief activities, thus jointly promoting social development and creating harmonious, caring corporate culture.

Supporting the Battle Against Pandemic



During the key period of the outbreak of COVID-19 pandemic, we actively assumed our social responsibilities. In regions that severely affected by the pandemic such as Wuhan, Renshou and Lanzhou where our stores located, we provided free emergency anti-pandemic materials, such as medical masks, to supporting the public in fighting the pandemic. When actively arranged employees to make money and material donations, we also arranged employees to record caring videos and take part in the composition of Wuhan supporting song, supporting the anti-pandemic works in China with concrete actions.

Image 11: HengTen employees recorded anti-pandemic videos

One-on-One Assistance

In response to the national call on poverty alleviation, we actively organized employees to participate in the "one-on-one targeted assistance" campaign to support children from poor rural families and orphans in Dafang County, Bijie City, Guizhou Province, aiming to help them get rid of difficult situation in living, learning and psychological life. Our volunteers have made one-on-one donations to dozens of children in poverty.

In May 2020, the Group launched the Farmer Caring Spring Breeze Campaign with Langzhong Human Resources and Social Security Bureau to help farmers to apply causality insurance for free and make material donation.

Image 12: Farmer Caring Spring Breeze Campaign of HengTen Mega



“100 Lightings” Work in Gaoba Village

In October 2020, HengTen Networks conducted the “100 Lightings” work in Gaoba Village, Tongle District, Sanjiang County, Guangxi. The infrastructures in Gaoba Village were under developed, and was lack of streetlight for a long period of time. Lighting was insufficient at nights. Most of the roads in the village are narrow, rough mountain roads. Hence, villagers experienced difficulties in walking at nights, creating certain difficulties in their living. To improve infrastructures in the village, HengTen Networks launched the “100 Lightings” assistant work, helping to light up roads in Gaoba community with solar power street lamps.

Image 13: “100 Lightings” work in Gaoba Village of HengTen Networks



Assist in Nationwide Fitness Campaign

By creating a sports environment suitable for nationwide fitness, we actively organized sports events for all citizens, aiming to enhance their physical strengths, live with confidence and enjoy their lives through sports.

At the opening ceremony of Santai flagship store of HengTen Mega, we donated all proceeds from biddings at the ceremony to local sports bureau, and donated jerseys and football signed by all players of China Evergrande Taobao Football Club.

Image 14: HengTen Mega donated proceeds from biddings to Education and Sports Bureau of Santai County



APPENDIX I. CONTENT INDEX OF ESG REPORTING GUIDELINES

ESG Indicators		Disclosure Situation ¹	Corresponding Chapter
A1 General disclosure	Information on the policies and 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.	Disclosed	VIII. Safeguarding Green Environment
A1.1	The types of emissions and respective emissions data.	Disclosed	VIII. Safeguarding Green Environment
A1.2	Direct (scope I) and indirect (scope II) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	VIII. Safeguarding Green Environment
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	VIII. Safeguarding Green Environment
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Disclosed	VIII. Safeguarding Green Environment
A1.5	Description of emission goals and measures to achieve these goals.	Partially disclosed	VIII. Safeguarding Green Environment
A1.6	Description of how hazardous and non-hazardous wastes are handled, as well as emission goals and measures to achieve these goals.	Partially disclosed	VIII. Safeguarding Green Environment
A2 General disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Disclosed	VIII. Safeguarding Green Environment
A2.1	Direct and/or in direct energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Disclosed	VIII. Safeguarding Green Environment
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Disclosed	VIII. Safeguarding Green Environment
A2.3	Description of energy use efficiency goals and measures to achieve these goals.	Partially disclosed	VIII. Safeguarding Green Environment
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency goals and measures to achieve these goals.	Partially disclosed	VIII. Safeguarding Green Environment
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Disclosed	VIII. Safeguarding Green Environment
A3 General disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Disclosed	VIII. Safeguarding Green Environment
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Disclosed	VIII. Safeguarding Green Environment

¹ As the latest ESG Guidelines of Hong Kong Stock Exchange amended key performance indicators A1.5, A1.6, A2.3, A2.4, B5.3 and B5.4, relevant amendments were officially effective from financial year commencing on or after 1 July 2020. The Group will enhance relevant disclosure on new indicators in subsequent years.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

ESG Indicators		Disclosure Situation ¹	Corresponding Chapter
A4 General disclosure	Policy on identifying and responding major client-related issues which have or might affected the issuer.	To be disclosed in due course in subsequent consideration	—
A4.1	Description of major client-related issues which have or might affected the issuer and corresponding measures.	To be disclosed in due course in subsequent consideration	—
B1 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.	Disclosed	VII. Creating a Promising Future
B1.1	Total workforce by gender, employment type (full-time or part-time), age group and geographical region.	Disclosed	VII. Creating a Promising Future
B1.2	Employee turnover rate by gender, age group and geographical region.	To be disclosed in due course in subsequent consideration	—
B2 General disclosure	Information on the policies and compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Disclosed	VII. Creating a Promising Future
B2.1	Number and rate of work-related fatalities in past three years (including the reporting year).	Disclosed	VII. Creating a Promising Future
B2.2	Lost days due to work injury.	Disclosed	VII. Creating a Promising Future
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Disclosed	VII. Creating a Promising Future
B3 General disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Disclosed	VII. Creating a Promising Future
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	To be disclosed in due course in subsequent consideration	—
B3.2	The average training hours completed per employee by gender and employee category.	To be disclosed in due course in subsequent consideration	—

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

ESG Indicators		Disclosure Situation ¹	Corresponding Chapter
B4 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.	Disclosed	VII. Creating a Promising Future
B4.1	Description of measures to review employment practices to avoid child and forced labor.	Disclosed	VII. Creating a Promising Future
B4.2	Description of steps taken to eliminate such non-compliant practices when discovered.	Disclosed	VII. Creating a Promising Future
B5 General disclosure	Policies on managing environmental and social risks of the supply chain.	Disclosed	VI. Reaching Out for Remarkable Development
B5.1	Number of suppliers by geographical region.	Disclosed	VI. Reaching Out for Remarkable Development
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Disclosed	VI. Reaching Out for Remarkable Development
B5.3	Description of practices relating to identifying environmental and social risks in every part of the supply chain, and how they are implemented and monitored.	Partially disclosed	VI. Reaching Out for Remarkable Development
B5.4	Description of practices relating to promoting usage of environmental friendly products and services when selecting suppliers, and how they are implemented and monitored.	Partially disclosed	VI. Reaching Out for Remarkable Development
B6 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, labeling and privacy matters relating to products and services provided and methods of redress.	Disclosed	V. Develop Product Quality
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Disclosed	V. Develop Product Quality
B6.2	Number of products and service related complaints received and how they are dealt with.	Disclosed	V. Develop Product Quality
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Disclosed	V. Develop Product Quality
B6.4	Description of quality assurance process and recall procedures.	Disclosed	V. Develop Product Quality
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Disclosed	V. Develop Product Quality

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

ESG Indicators		Disclosure Situation ¹	Corresponding Chapter
B7 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.	Disclosed	IX. Stick to Our Original Intention of Integrity Operation
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.	Disclosed	IX. Stick to Our Original Intention of Integrity Operation
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Disclosed	IX. Stick to Our Original Intention of Integrity Operation
B7.3	Description of anti-corruption trainings for directors and employees.	Disclosed	IX. Stick to Our Original Intention of Integrity Operation
B8 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.	Disclosed	X. Promoting Social Development
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Disclosed	X. Promoting Social Development
B8.2	Resources contributed (e.g. money or time) to the focus area.	Disclosed	X. Promoting Social Development

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

APPENDIX II. LIST OF POLICIES AND REGULATIONS

ESG Indicators	Scope	Compliance with Regulations and Rules	Internal Policy of HengTen Networks
A1 Emissions	Air and greenhouse gas emissions, sewage discharges, non-hazardous and hazardous waste emissions and treatment	Environmental Protection Law of the People's Republic of China Law of the People's Republic of China on Prevention and Control of Water Pollution Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste	Measures for Control and Management of Indoor Environmental Quality Environment Monitoring Measurement and Control Procedures Disposal and Noise Management Regulations Wastewater Management Regulations Management Measures for Guangzhou Evergrande Center
A2 Use of resources	Efficient use of energy, water and other raw materials		
A3 Environment and natural resources	Minimizing the impact on the environment and natural resources		
B1 Employment	Compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	Labor Law of the People's Republic of China Labor Contract Law of the People's Republic of China Employment Promotion Law of the People's Republic of China Social Insurance Law of the People's Republic of China Provision on Minimum Wage	Recruitment Management Rule Staff Resignation Management Rule of China Evergrande Performance Appraisal Standards Administrative Provisions on the Selection and Appointment of Leading Cadres of HengTen Network Group Enterprise Safety Production Management System
B2 Health and safety	Providing a safe working environment and preventing occupational hazards	Production Safety Law of the People's Republic of China Fire Control Law of the People's Republic of China	
B3 Development and training	Improving employees' knowledge and skills for discharging duties at work	Law of the People's Republic of China on Response to Emergencies Regulations on the Safe Management of Hazardous Chemicals Regulations on Reporting, Investigation and Handling of Production Safety Accidents Interim Provisions of Detection & Elimination on Accident Hidden Trouble Regulations on Work-related Injury Insurance of the People's Republic of China Regulations on Supervision and Administration of Occupational Health in the Workplace Classified Catalogue of Occupational Diseases The Law on the Protection of Minors Provisions on Prohibition of Using Child Labor in the People's Republic of China	
B4 Labor standards	Preventing child and forced labor		
B5 Supply chain management	Managing environmental and social risks of the supply chain	Tendering and Bidding Law of the People's Republic of China The Law of Government Procurement of the People's Republic of China	Purchasing Management System of HengTen Networks Group Comprehensive Evaluation Method for Furniture Partner of HengTen Networks Group Comprehensive Evaluation Standards for Material Supplier of HengTen Networks Quality Management Requirements for Home Furnishing Partner of HengTen Networks Materials Acceptance Standards of HengTen Networks

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

ESG Indicators	Scope	Compliance with Regulations and Rules	Internal Policy of HengTen Networks
B6 Product responsibility	Health and safety relating to products and services, protection of customers' private information and reasonable advertisement and marketing	<p>Product Quality Law of the People's Republic of China</p> <p>GB 18584 Indoor Decorating and Refurbishing Materials — Limit of Harmful Substances of Wood-Based Furniture</p> <p>GB 18580 Indoor Decorating and Refurbishing Materials — Limit of Formaldehyde Emission of Wood-Based Panels and Finishing Products</p> <p>GB 18583 Indoor Decorating and Refurbishing Materials — Limit of Harmful Substances of Adhesives</p> <p>Law on Consumer Rights and Interests of the People's Republic of China</p> <p>Limits of Radionuclides in Building Materials</p> <p>Law of the People's Republic of China Against Unfair Competition</p> <p>Interim Provisions on Prohibiting Commercial Bribery</p> <p>Chinese Anti-monopoly Law</p> <p>Network Security Law of the People's Republic of China</p> <p>Regulations on the Customer Information Protection for Telecom and Internet Users</p> <p>Copyright Law</p> <p>Trademark Law</p> <p>Patent Law</p> <p>Tort Liability Law of the People's Republic of China</p> <p>Advertising Law of the People's Republic of China</p> <p>Decision of the Standing Committee of the National People's Congress on Strengthening Information Protection on Networks</p> <p>Regulations on the Customer Information Protection for Telecom and Internet Users</p> <p>Provisions on Registration of True Identity Information of Telephone Users</p> <p>Administrative Methods for the Confirmation of New and High Technology Enterprises</p> <p>National Standards for On-site Acceptance of Materials</p>	<p>Technical Standards for Home Furnishing Works</p> <p>Quality Management Requirements for Home Furnishing Partners of HengTen Network</p> <p>Materials Acceptance Standards of HengTen Networks</p> <p>Management Regulations on Quality Control</p> <p>Policy on User Privacy and Information Protection</p> <p>Policy on User Privacy and Information Security</p> <p>Management System for Data Backup and Data Security</p> <p>Disaster Recovery Plan</p> <p>Management Regulations on Intellectual Property Rights of China Evergrande</p> <p>After-sales Service Management System of Mimi Home of HengTen Networks</p> <p>Material Logistics After-sale Service Process</p> <p>After-sales Service Management System of HengTen Network Materials</p> <p>Management of After-sales Service Process for Materials</p> <p>After-sales Management Measures of Mimi Home</p> <p>365-day Return and Exchange Policy of HengTen Mega</p> <p>Price Protection Policy of HengTen Mega</p> <p>Customer Service Communication Skills for After-sales Return Visits of HengTen Mega</p> <p>Customer Service Communication Skills for Reception of HengTen Mega</p>
B7 Anti-corruption	Preventing bribery, extortion, fraud and money laundering	<p>Company Law of the People's Republic of China</p> <p>Law of the People's Republic of China on Anti-money Laundering</p>	<p>Management Measures for Anti-Corruption Supervision of China Evergrande</p> <p>Management Measures for Cash Gift and Gifts</p>

APPENDIX III. LIST OF SOFTWARE COPYRIGHT

Serial No.	Name of Software Copyright	Registration Number of Software Copyright
1	HengTen Mimi (Android) APP software V1.0	2016SR076319
2	HengTen Mimi (iOS) APP software V1.0	2016SR076322
3	HengTen Mimi APP software (iOS version) V2.8.0	2016SR312033
4	HengTen Mimi APP software (Android version) V2.8.0	2016SR312035
5	Multi-platform flexible permission allocation management system V2.0	2017SR634386
6	HengTen continuous integration platform V1.0	2017SR635057
7	HengTen Mimi e-commerce platform V3.1.20	2017SR634012
8	HengTen Mimi precision marketing system V3.1.10	2017SR634941
9	HengTen Mimi community life service platform V3.1.20	2017SR635030
10	HengTen Mimi property manager APP software V3.1.10	2017SR635018
11	HengTen Mimi operation background management system V2.0	2017SR634395
12	HengTen Mimi intelligent parking system V3.1.20	2017SR635026
13	Flexible and configurable property service system V3.1.20	2017SR635837
14	Mimi home decoration public platform 1.0	2017SR638220
15	Mimi community public platform 3.1.20	2017SR633947
16	Database connection pool monitor software V1.0	2017SR634026
17	Generic data asynchronous export component software V1.0	2017SR634034
18	Smart community access control system V1.0	2017SR634039
19	Automated interface testing framework software V1.1	2017SR634271
20	HengTen Mega security monitoring and defense system V1.0	2019SR1457896
21	HengTen Mega system data change tracking system V1.0	2019SR1399168
22	HengTen universal code generation platform V1.0	2019SR1406010
23	HengTen universal timed task system V1.0	2019SR1430310
24	HengTen Mimi Household home app — scan code purchase software V1.0.0	2019SR1398922
25	HengTen Mimi Home Furnishing Mall Platform V3.0.3	2019SR1398915
26	Interface white box test platform V1.0.0	2019SR1398956
27	HengTen Mega commodity search engine platform V1.0	2019SR1399174
28	System performance tuning R & D and application software V1.0.1	2019SR1404368

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT (Continued)

Serial No.	Name of Software Copyright	Registration Number of Software Copyright
29	HengTen Mimi Household home mini program-scan code purchase business software V1.0.0	2019SR1398909
30	Settlement service system V6.0.1	2019SR1398950
31	HengTen Mega APP software (abbreviation: HengTen Mega) V1.0.0	2020SR1534850
32	HengTen official website content management system (abbreviation: HengTen official website CMS system) V1.0.0	2020SR1534912
33	web automation framework R&D and application software (abbreviation: web automation framework) V1.0.0	2020SR1644395
34	HengTen Mega move-in operation backstage system (abbreviation: Move-in backstage) V2.0.0	2020SR1644394
35	HengTen Mega customer recommendation system (abbreviation: Customer recommendation system) V1.0.0	2020SR1644393
36	HengTen front desk data mapping system V1.0.0	2020SR1660954
37	HengTen lightweight framework software (abbreviation: Mini project framework) V1.2.0	2020SR1644396
38	HengTen online documentation system V1.0.0	2020SR1644391
39	Mini program automation framework software V1.0.0	2020SR1644392