



盛業資本
SHENG YE CAPITAL

盛業資本有限公司 SHENG YE CAPITAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 6069

2019

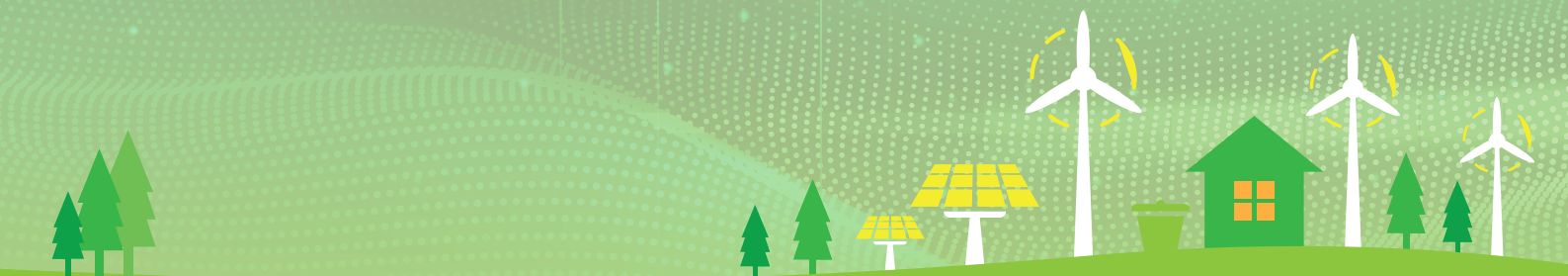
ENVIRONMENTAL, SOCIAL
AND GOVERNANCE REPORT



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ABOUT THIS REPORT

Sheng Ye Capital Limited (the “Company”), together with its subsidiaries (the “Group”), is pleased to present this Environmental, Social and Governance Report (the “Report”) to provide an overview of the Group’s management of significant environmental, social and governance issues. This Report is prepared by the Group with the professional assistance of APAC Compliance Consultancy and Internal Control Services Limited.

PREPARATION BASIS AND SCOPE

This Report is prepared in accordance with Appendix 27 – “Environmental, Social and Governance Reporting Guide” to the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (“Listing Rules”).

This Report summarises the performance of the Group in respect of corporate social responsibility, covering its operating activities which are considered as material by the Group – provision of factoring service business in the People’s Republic of China (the “PRC”). With the aim to optimise and improve the disclosure requirements in the Report, the Group has taken initiative to formulate policies, record relevant data as well as implement and monitor measures. This Report will be published both in Chinese and English on the websites of the Stock Exchange and the Company. Should there be any discrepancy between the Chinese and the English versions, the English version shall prevail.

REPORTING PERIOD

This Report demonstrates our sustainability initiatives during the reporting period from 1 January 2019 to 31 December 2019.

CONTACT INFORMATION

The Group welcomes your feedback on this Report for our sustainability initiatives. Please contact us by email to ir@shengyecapital.com.





INTRODUCTION

The Group is a data driven supply chain financial services provider. Being part of the non-bank financial sector, the Group is regulated by the China Banking and Insurance Regulatory Commission. The Group strives to reshape the traditional supply chain financing landscape through innovative application of information technology. Benefitting from a professional and comprehensive risk management mechanism, the Group is able to fully leverage on its self-developed “Sheng Yi Tong” online factoring system to deliver convenient, efficient, secured and quality supply chain financing and information technology services at lower cost for small and medium enterprises (“SME”s) and micro-enterprises. As of 31 December 2019, the Group offered accounts receivables financing services to SMEs and micro-enterprises aggregately amounting to over RMB34 billion, and the Group managed accounts receivables aggregately totaling over RMB70 billion. Its headquarter is in Shenzhen, the People’s Republic of China (“PRC”).

In order to response to the growing trends on the expectation of the stakeholders on corporate responsibility performance, the Group is committed to maintaining its operation in a responsible and value-optimizing manner and value creation for stakeholders and community by integrating environmental and social factors into management considerations. Sustainability strategy is based on the compliance with the legal requirements applicable to us and opinions from stakeholders. Sustainability is essential for the Group’s growth in order to achieve business excellence and enhance capabilities for long-term competitiveness. The Group has established and implemented various policies to manage and monitor the risks related to the environment, employment, operating practices and community. Details of our management approaches to sustainable development of different areas are illustrated in this Report.

STAKEHOLDERS ENGAGEMENT

We understand that the success of the Group’s business depends on the support of its key stakeholders, who (a) have invested or will invest in the Group; (b) have the ability to influence the outcomes within the Group; and (c) are interested in or affected by or have the potential to be affected by the impact of the Group’s activities, products, services and relationships. It allows the Group to understand risks and opportunities. The Group will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

Stakeholders are prioritised from time to time in view of the Group’s roles and duties, strategic plan and business initiatives. The Group engages with its stakeholders to develop mutually beneficial relationships and to seek their views on its business proposals and initiatives as well as to promote sustainability in the marketplace, workplace, community and environment.






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The Group acknowledges the importance of intelligence gained from its stakeholders' insights, inquiries and continuous interest in the Group's business activities. The Group has identified key stakeholders that are important to our business and has established various channels of communication. The following table provides an overview of the Group's key stakeholders, the various engagement channels and practices.

Stakeholders	Issues of Concerns	Engagement channels	Practices
Government 	<ul style="list-style-type: none">– Compliance with the laws and regulations– Proper tax payment	<ul style="list-style-type: none">– Research and discussions through work conferences, work reports preparation and submission for approval– Annual reports and announcements– Company website	<ul style="list-style-type: none">– Operate, manage and pay taxes according to laws and regulations
Shareholders and Investors 	<ul style="list-style-type: none">– Return on investments– Information disclosure and transparency– Protection of interests and fair treatment of shareholders	<ul style="list-style-type: none">– Annual general meetings and other shareholders meetings– Annual reports, interim and quarterly reports and announcements– Meeting with investors and analysts– Company website	<ul style="list-style-type: none">– Issue notices of general meetings and proposed resolutions according to regulations, disclose Company's information by publishing announcements and quarterly reports in the year– Carry out different forms of investor activities with the aim to improve investors' recognition– Disclose Company contact details on website and in reports and ensure all communication channels are available and effective





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Stakeholders	Issues of Concerns	Engagement channels	Practices
Employees 	<ul style="list-style-type: none"> - Rights and interests - Occupational health and safety - Work environment - Career development opportunities - Self-actualization 	<ul style="list-style-type: none"> - Meetings and conferences - Training, seminars, briefing sessions - Cultural and sport activities - Intranet and emails 	<ul style="list-style-type: none"> - Provide a healthy and safe work environment - Develop a fair mechanism for promotion - Establish labor unions at all levels to provide communication platforms for employees - Care for employees by helping those in need and organizing employee activities
Customers 	<ul style="list-style-type: none"> - Stable relationship - Business ethics and integrity 	<ul style="list-style-type: none"> - Company website, brochures, annual, interim and quarterly reports and announcements - Email and customer service hotline 	<ul style="list-style-type: none"> - Organize marketing activities and visits to customers
Suppliers and Business partners 	<ul style="list-style-type: none"> - Long-term partnership - Fairness and openness - Sharing of resources - Risk reduction - Business ethics and integrity 	<ul style="list-style-type: none"> - Business meetings, supplier conferences, phone calls, interviews - Performance reviews and assessments - On-site audit or checks - Emails, circulars and manuals - Company website 	<ul style="list-style-type: none"> - Establish long-term cooperation with qualified suppliers





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Stakeholders	Issues of Concerns	Engagement channels	Practices
Industry associations 	<ul style="list-style-type: none"> – Long-term partnership – Cooperation – Fair competition 	<ul style="list-style-type: none"> – Regular meetings 	<ul style="list-style-type: none"> – In 2016, the Group was appointed as a Deputy President Unit of the Commercial Factoring Expertise Committee of the China Service Trade Association (CATIS), and a deputy president unit of the Shenzhen Commercial Factoring Association – In 2017, the Group became a "Year 2016 Commercial Factoring Contribution Unit" of the China Commercial Factoring Industry Conference
Bank 	<ul style="list-style-type: none"> – Repayments on schedule – Business status – Operational risk 	<ul style="list-style-type: none"> – Conferences 	<ul style="list-style-type: none"> – Repay loan and interests on schedule and cooperate with the lenders in investigation and inspection
Market Regulator 	<ul style="list-style-type: none"> – Compliance with the law and regulations – Disclosure information 	<ul style="list-style-type: none"> – Information disclosure – Reports 	<ul style="list-style-type: none"> – Comply with regulatory requirements in a strict manner – Disclose and report true information in a timely and accurate manner according to law
Public and communities 	<ul style="list-style-type: none"> – Career opportunities – Social responsibilities 	<ul style="list-style-type: none"> – Volunteering – Charity and social investment – Annual reports and announcements 	<ul style="list-style-type: none"> – Partner with charitable organizations and support medical and children development to enhance community harmony





Through communication with stakeholders, the Group understands the expectations and concerns of its stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impact.

The Group has adopted the principle of materiality in the ESG reporting by understanding the key ESG issues that are important to the business of the Group. All the key ESG issues and key performance indicators (KPIs) are reported in the Report according to recommendations of the ESG Reporting Guide (Appendix 27 of the Listing Rules) and the GRI Guidelines.

The Group has evaluated the materiality and importance in ESG aspects through the following steps:

STEP 1: IDENTIFICATION – INDUSTRY BENCHMARKING

- Relevant ESG areas are identified through the review of the relevant ESG reports of the local and international industry peers.
- The materiality of each ESG area is determined based on the importance of each ESG area to the Group through internal discussion of the management and the recommendation of ESG Reporting Guide (Appendix 27 of the Listing Rules).



STEP 2: PRIORITIZATION – STAKEHOLDER ENGAGEMENT

- The Group discuss with the key stakeholders on the key ESG areas identified in Step 1 to ensure all the key aspects have been covered.



STEP 3: VALIDATION – DETERMINING MATERIAL ISSUES

- Based on the discussion with the key stakeholders and internal discussion among the management, the Group's management will ensure all the key and material ESG areas, which are important to our business development, are reported and in compliance with ESG Reporting Guide.





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As a result of this process which was carried out in 2019, important ESG areas to the Group are discussed in this Report.

ENVIRONMENTAL ASPECT

Environmental protection is one of the key focuses of the Group in fulfilling its social responsibilities. We integrate environmental considerations into our business process and strive to continually improving our environmental performance while providing a high quality of services to our customers.

As a responsible corporate citizen, the Group is in strict compliance with the relevant laws and regulations in the PRC to mitigate the adverse impacts of our operations on the environment. During the reporting period, the Group is not aware of any non-compliance to environmental laws of the PRC.

ASPECT A1: EMISSIONS

AIR POLLUTANTS EMISSION

Air pollutant emission control is essential to mitigate the adverse impact on the environment and to protect the health of our employees. No substantial emissions are generated from any type of fuels in our daily operation as the Group is not engaged in any industrial production. The increase in air pollutants emission in 2019 was mainly attributable to the acquisition of vehicles for management and staff use in the PRC during the year. The air pollutants emission during the reporting period is as follows:

Air pollutants emission	Unit	2019 Total	2018 Total
Nitrogen oxides (NO _x)	kg	3.45	–
Sulfur dioxide (SO ₂)	kg	1.68	–
Particulate matter (PM)	kg	1.21	–

GREENHOUSE GAS (GHG) EMISSION

Greenhouse gas is considered as one of the major contributors to climate change and global warming. As a financial service provider, our main source of emission is the indirect emission through electricity consumption for our office operation. The Group attaches great importance to reduce the carbon footprint by adopting energy saving initiatives as mentioned in the section "Use of Resources". The increase in GHG scope 1 emission was mainly attributable to the acquisition of vehicles for management and staff use in the PRC during the year. The increase in GHG scope 2 emission in 2019 was mainly attributable to the increase in the number of PRC staff and the increase in revenue generated from the provision of factoring and relevant services in the PRC during the year.





During the reporting period, the emission of greenhouse gas is as follows:

GHG emission ¹	Unit	2019 Total	2018 Total
Scope 1 ²	tonnes of CO ₂ -e	49.36	–
Scope 2 ³	tonnes of CO ₂ -e	233.63	24.00
Total	tonnes of CO ₂ -e	282.99	24.00
Intensity	tonnes of CO ₂ -e/m ²	0.158	0.092

HAZARDOUS AND NON-HAZARDOUS WASTES

The Group's operational activities do not generate hazardous waste. For the non-hazardous waste generation, the Group strives to minimize the adverse environmental impacts by reducing the commercial waste generated. The Group implements a variety of waste reduction measures as follows:

Paper Saving

Employees are encouraged to use both sides of paper, suitable font size and shrinkage mode to maximise the utilization of resources consumed. The back of single-sided documents is used as printing or as draft paper. Furthermore, we promote dissemination of internal information by electronic means as much as possible to reduce our paper consumption.

Stationery Conservation

Refilling the used-up pens is recommended instead of using new pens to reduce stationery waste. We also purchase stationery with certification for green products that cause minimal adverse impacts on the environment.

Materials Re-use and Conservation

We encourage our employees to reuse packaging materials so as to reduce the consumption of packaging boxes. Moreover, product manufacturers are encouraged to extend the product lifecycle.

Green Pantry

Reusable glass cups are provided in conference rooms and reception rooms to reduce paper cups consumption. Green cleaning products, including phosphate free detergents and refillable soaps, are used.

Recycling

To increase environmental awareness of our employees, recycle bins are set up at public area to separate general wastes. For discarded computers, they are collected and will be recycled by recycling companies.

Although the amount of our non-hazardous waste is insignificant, we make every effort to reduce wastes in our operation. In future, the Group will continue to execute the "3R Principle", (that is Reuse, Reduce and Recycle,) in order to minimize the adverse environmental impacts from our operations.

1 The calculation of the greenhouse gas emission is based on the "Corporate Accounting and Reporting Standard" from greenhouse gas protocol.

2 Scope 1: Direct emission from sources that are owned or controlled by the Group.

3 Scope 2: Indirect emissions from the generation of purchased electricity consumed by the Group.





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The decrease in the amount of non-hazardous wastes generated in 2019 was mainly due to the effective implementation of paperless policy during the year. The wastes generated by the Group during the reporting period are as follows:

Non-hazardous waste generated	Unit	2019 Total	2018 Total
Non-hazardous wastes generated	tonnes	5.94	7.04
Non-hazardous wastes generated intensity	tonnes/employee	0.0298	0.0592

The non-hazardous waste recycled by the Group during the reporting period is as follows:

Non-hazardous waste recycled	Unit	2019 Total	2018 Total
Paper	tonnes	0.064	0.016
Plastic Bottle	tonnes	0.575	0.119
Total wastes recycled	tonnes	0.639	0.135
Waste recycled intensity	tonnes/employee	0.0032	0.0011

ASPECT A2: USE OF RESOURCES

In our daily operation, energy and water are the major sources of resource consumption. The Group consistently aims to implement energy and water efficiency initiatives to reduce the energy and water consumption. The Group also motivates all its employees to participate in resources conservation activities and encourages them to save energy and water.

ENERGY CONSUMPTION

In view of the scarcity of resources, the Group advocates various energy conservation strategies. For examples, standby mode is set for computers when they are not in use for a long period of time, unnecessary lighting are switched off during lunch hours and all electrical appliance are switched off in the area before leaving to improve our energy efficiency and management. In our daily operation, purchased electricity is the major source of energy consumption. The increase in electricity consumption in 2019 was mainly attributable to the increase in revenue generated from the provision of factoring and relevant services in the PRC during the year. During the reporting period, the energy consumption is as follows:

Energy consumption	Unit	2019 Total	2018 Total
Purchased electricity	MWh	269.04	27.47
Petrol consumption	MWh	201.18	–
Total energy consumption	MWh	470.22	27.47
Energy consumption intensity	MWh/m ²	0.263	0.105

WATER CONSUMPTION

The business of our Group is operated in a commercial building where the water supply is solely controlled by the property management company. In this case, it is infeasible for the Group to provide water consumption data as there is no sub-meter to record the data. Nevertheless, the Group endeavours to reduce water usage, for examples, automatic sensor water taps are installed and flush toilets are equipped with water-saving devices.





ASPECT A3: THE ENVIRONMENT AND NATURAL RESOURCES

We are not aware of any significant adverse impacts of our activities on the environment and natural resources. With the implementation of green office measures, we strive to minimize the adverse impacts on the environment and natural resources. The Group will continue to implement environment-friendly practices in the Group's operation in order to enhance environmental sustainability.

SOCIAL ASPECT

EMPLOYMENT AND LABOUR PRACTICES

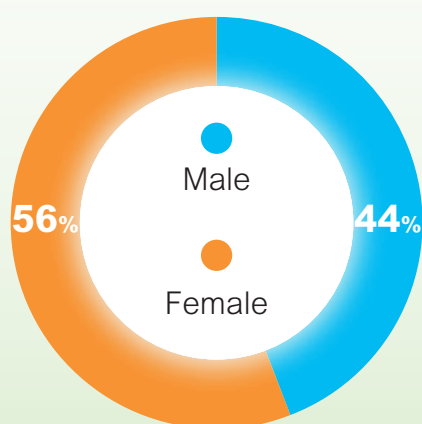
ASPECT B1: EMPLOYMENT

The Group regards its employees as essential assets, which are the foundation of its success and development. As such, we aim to attract and retain talents, ensure a safe and equal work environment for our employees, provide development opportunities and promote employee health and well-being. Our commitment is incorporated into our staff handbook. The staff handbook covers the Group's policies in respect of compensation and dismissal, recruitment and promotion, working hours, rest periods and other benefits and welfare.

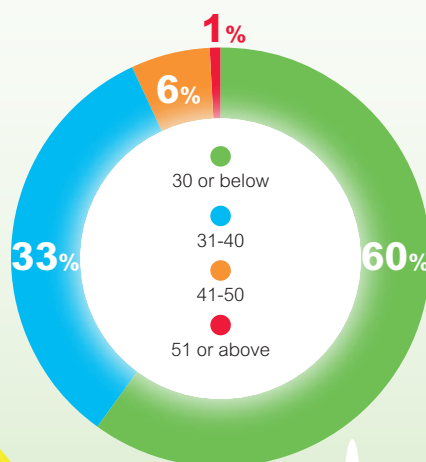
The Group is in strict compliance with the Labour Law of the PRC, the Labour Contract Law of the PRC and other applicable laws and regulations in the PRC. During the reporting period, the Group is not aware of any non-compliance with those applicable laws and regulations.

At the end of the reporting period, the Group has 199 employees located in Hong Kong and the PRC. Below is the employee breakdown by gender, age group, employment category and geographical region.

BY GENDER

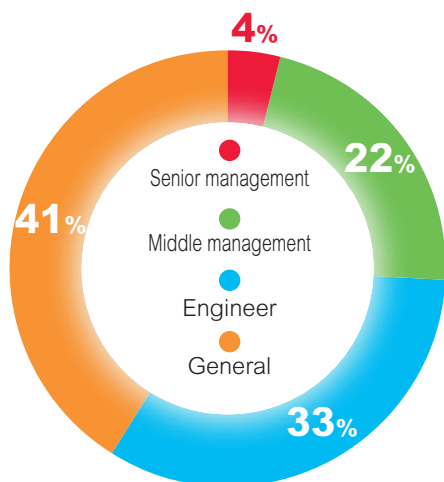


BY AGE GROUP

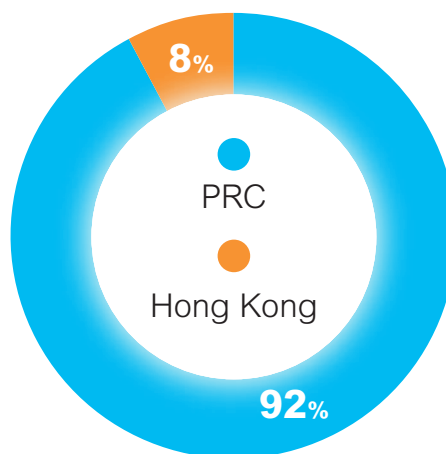




BY EMPLOYMENT



BY GEOGRAPHICAL REGION



The employee turnover rate during the reporting year by gender, age group and geographical region are as follows:

Employee turnover	Unit	2019
By gender		
Male	%	15.13
Female	%	21.95
By age group		
Age 30 or below	%	37.23
Age 31-40	%	42.99
Age 41-50	%	11.11
Age 51 or above	%	0.00
By geographical region		
Hong Kong	%	36.36
The PRC	%	17.35
Overall	%	18.67

Remuneration is an important tool to attract, retain and motivate talents in achieving key goals of the Group. We provide our employees competitive remuneration according to their performance, experience and relevant skillset in recognition of their invaluable contribution to the Group. In addition, we fully comply with relevant laws and regulations to provide social insurance and housing provident fund for our employees.

The Group strives to create a competitive welfare system for employees. Employees can enjoy birthday welfare, festivals welfare, health welfare and other allowances. We advocate our employees to maintain a work-life balance. Hence, we have organized a range of leisure activities for our employees, for example, festival gathering and annual dinner, to promote a healthy working style and strengthen employees' sense of belongings.





We are an equal opportunities employer who endeavours to create a diverse and inclusive workplace where all our employees are treated with dignity and respect. The principle of equal opportunities is applied in all our employment policies, in particular to recruitment, training, career development and promotion of employees. The Group promotes fair competition and prohibits discrimination or harassment against any employee on their gender, age, marital status, religion, race, nationality, disability or any status protected by law.

The Group offers fair promotion opportunities which serve as a motivation for employees to continue learning and improving work performance. We conduct performance appraisal regularly on employees' working ability, behavior and development potential to rank and adjust job positions. We are devoted to helping our employees to demonstrate their capabilities in line with their own career ambitions and the business objectives of the Group.

The staff handbook regulates the working hours of employees. For employees who are required to work overtime and on public holidays, overtime pay and additional compensation will be provided as defined in the staff handbook. Furthermore, employees are entitled to statutory holidays, paid annual leave, marriage leave, maternity leave and paternity leave, etc. during their term of employment.

ASPECT B2: HEALTH AND SAFETY

The Group has always placed the highest priority on securing health and safety for our employees. We strive to provide a safe and healthy work environment for all employees to protect them from occupational injuries or accidents. We are committed to achieving this goal by providing insurances, including social insurance, labour insurance and business accident insurance for all employees. We also provide annual body check for employees who have passed probation. Furthermore, we reserve no effort to minimize the risk of fire by prohibiting smoking in all enclosed area of office and participating in fire drills of office building.

The Group adheres to the Labour Law of the PRC, the Law of the PRC on the Prevention and Treatment of Occupational Diseases and other applicable laws and regulations in the PRC in providing a safe working environment. During the reporting period, the Group is not aware of any non-compliance with the relevant laws and regulations and there is no case of work-related injuries or accident during the reporting period.

ASPECT B3: DEVELOPMENT AND TRAINING

The Group aims at building a learning organization and ensuring all its employees are provided with growing opportunities. We continue to promote a learning and sharing culture by providing outstanding and all-round trainings in various channels, including face-to-face training, department sharing, E-learning, internal and external training, to ensure employees at all levels are well-equipped to excel work and in life.



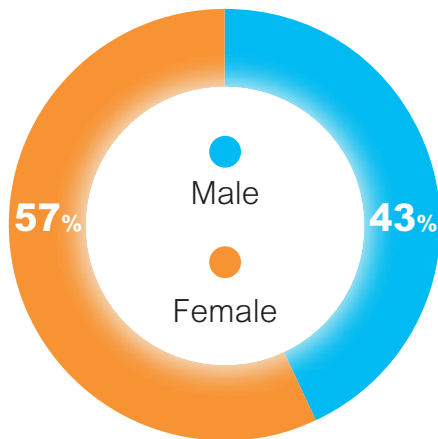


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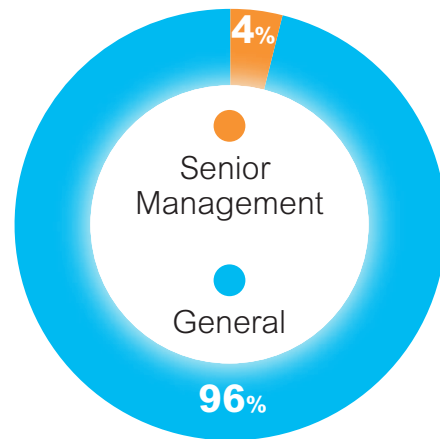
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During the reporting period, the percentage of employees trained and the average training hours completed per employee by gender and employment category are as follows:

BY GENDER



BY EMPLOYMENT CATEGORY



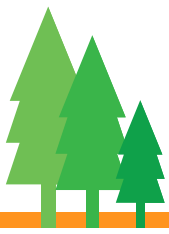
Training hours	Average training hours (hours/employee)
By gender	2019
– Male	16
– Female	15
By employee category	
– Senior management	8
– Middle management	16
– General	15

Taking into considerations the development goals of the Group and staff, trainings can be divided into three main categories targeting employees at different levels, including:

- Management Training: specialized training for management staff to strengthen their management awareness and management ability.
- Professional Training: specialized training depending on the needs of respective departments and positions, including professional certificate training and seminar.
- General Training: training target employees at all levels to increase their work efficiency, including computer skills training.

In order to better respond to employees' needs, the Group always seeks improvements on the effectiveness of trainings programs by conducting assessment and collecting feedback of the participants. These help the Group to continuously improve the training programs offered in all levels so as to enhance the performance of the employees.





ASPECT B4: LABOUR STANDARDS

The Group is committed to upholding the elimination of all forms of forced and compulsory labour and supporting the effective abolition of child labour. The Group strictly complies with the Labour Law of the PRC, the Labour Contract Law of the PRC and other applicable laws and regulation. We have formulated regulations on managing the prohibition of child labour. To prevent recruitment of employees under the age of 16, candidates are required to provide identity proofs to the Human Resources Department to verify the age. All work should be voluntarily performed and shall not involve forced labour.

During the reporting period, the Group is not aware of any non-compliance in relation to the employment of child labour, forced or compulsory labour in any operation.

OPERATING PRACTICES

ASPECT B5: SUPPLY CHAIN MANAGEMENT

The Group works with an array of different product and service providers. We integrate sustainability into the supply chain by purchasing products from reputable enterprises that uphold high corporate standards. The Group also emphasizes on the selection of products that cause minimal adverse impacts on the environment, for example, we purchase green cleaning products and reusable items instead of single-use disposable items.

ASPECT B6: PRODUCT RESPONSIBILITY

As a financial service provider, we acknowledge the importance of protection of data privacy. The Group is committed to protecting the confidentiality of the personal data and privacy of our customers. This commitment is incorporated into our staff handbook. We convey clearly to our employees the Group's requirement and request the employees to fully abide by the guidance on prohibiting any unauthorized access or disclosure of confidential information which includes transaction records and client identity. Employee who discloses confidential information to unauthorized person will be subject to disciplinary actions as defined in the staff handbook.

With the aims to create a highly secure environment and to mitigate the risk of accidental leakage of client information, the Group has implemented a range of measures which include prohibition of downloading and installing unauthorized software, compulsory installation of anti-viruses system for all our computers and prohibition of personal use of workplace computers and emails.

With the implementation of these measures, the Group has not discovered any cases regarding leakage of customer data during the reporting period.





ASPECT B7: ANTI-CORRUPTION

The Group maintains a high standard of business integrity throughout its operations. We have no tolerance in any form of corruption, bribery, extortion, fraud, money laundering and embezzlement. We request our employees to conform to our requirements on anti-corruption outlined in staff handbook. Once a misconduct case is discovered and confirmed, the employee will be subject to disciplinary action and reported to the law enforcement authority when necessary.

The Group adheres to the Criminal Law of the PRC, the Anti-Unfair Competition Law of the PRC and other applicable laws and regulations. During the reporting period, no legal case concerned with corrupt practices has been brought against the Group.

COMMUNITY

ASPECT B8: COMMUNITY INVESTMENT

Our enterprise culture emphasizes on "Sharing and Growing" and we always encourage our employees to actively participate in community and social services. Since 2014, the Group has actively contributed to the communities and continuously donated to various charitable organizations which include "Raleigh China" and "Handpicked Love Foundation". Since 2014, the Group has donated approximately RMB5.6 million.

We always believe community care is an important part of our operating practices. In future, the Group will continue to focus on community care and staff development, with the aim to improve the society through community involvement. In January 2020, the Group was awarded "Corporate Social Responsibility Model Award" (企業社會責任行業典範獎) in the 9th China Charity Festival.

Raleigh China

"Raleigh China (雷勵中國)" is a non-profit organization dedicated to youth development. They believe and act in the way of "Serve and Achieve" by inspiring young people to step out of their comfort zone and contribute to sustainable communities. The Group was the sole sponsor in the building of the Raleigh China Guizhou Camp with an area of 3,679 m² and has made RMB400,000 donation. On 26 July 2017, the Camp was officially put into use which helped in running Raleigh programs that benefit local education, community infrastructure, environmental protection, as well as youth development. The Raleigh China Guizhou Camp was nominated in the World Architecture News Award in 2019. In September 2019, the Raleigh China Guizhou Camp was awarded the Architecture MasterPrize™ in Education and Other Category. The Group sponsored RMB500,000 to support the "Raleigh China TA Campsite" events and repairment of campus. In 2019, the Group has been awarded the "Raleigh China Top 10 partner institution" (雷勵中國十佳夥伴機構).

Handpicked Love Foundation

"Handpicked Love Foundation (首彩愛心基金)" was founded in 2010. It focuses on the health and growth of children while promoting medical assistance and art and charity. Until the end of 2017, it has provided free medical treatments for about 700 poor children who have congenital heart disease. In 2019, the Group has continued to support the "Handpicked Love Foundation" by making donation to provide free diagnosis and surgery for children.





Medical Development

One of the Group's subsidiaries, Sheng Heng Factoring Limited, has been invited to participate in the Strategic Cooperation Signing Ceremony organised by the International Emergency Management Society ("TEMCO") and the Dali University. TEMCO and Dali University cooperated to create exchange platforms in which members can share their medical knowledge and experience. As an enterprise that cares for medical development, we have committed to donate RMB1 million to Dali University and ten of its affiliated hospitals, as to foster academic exchange, talent cultivation and scientific research cooperation of the medical sector.

Children development

The Group's volunteer team participated in the "An egg runaway" charity walk which was organized by the Shanghai United Foundation from 2017 to 2019. Participants were required to walk 50 kilometers with the aim to raise funds for supporting children development in remote areas, in particular nutrition and health, education development, safety protection and social integration. In the past three years, the Group has raised approximately RMB150 thousand dollars and additionally donated approximately RMB1 million to charities. Moreover, the Group has donated RMB250 thousands dollars to support clothes donation and the library renovation of a primary school in the PRC in order to provide a better learning environment to students.

Poverty Alleviation

In January 2018, the Group took part in the poverty alleviation activity in Heyuan and donated some daily consumables, which worth approximately RMB80,000. In June 2018, the Group took part in the 8th Community Poverty Alleviation Activities. The Group donated electrical appliance such as fans, rice cookers and rice to 43 local household in poverty.

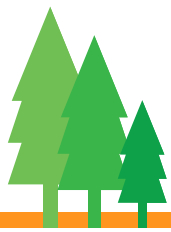
In April 2019, the Groups cooperate with the Shouning county in the Fujian Province to establish a tea leaf brand "下鄉的味道—茶之緣" and sponsored RMB40,000 to 2 local tea farms. In October 2019, the Group donated RMB1 million dollars to support social service in order to provide care and help to elderly, disables, children and teenagers.





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KPI A1.3	Total hazardous waste produced and, where appropriate, intensity	Not applicable to the Group's business.	–
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KPI B6.2	Number of products and service related complaints received and how they are dealt with	–	–
KPI B6.3	Description and practices relating to observing and protecting intellectual property rights	–	–
KPI B6.4	Description of quality assurance process and recall procedures	–	–
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	"Product Responsibility"	15
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KPI 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 case	No concluded legal case regarding corrupt practices has been noted.	–
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	–	–
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盛業資本
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