



DOWWAY HOLDINGS LIMITED

天平道合控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8403

ENVIRONMENTAL,
SOCIAL AND
GOVERNANCE
REPORT 2020

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Scope and Reporting Period

This is the third Environmental, Social, and Governance (“**ESG**”) report of Dowway Holdings Limited (“**Dowway**”) and its subsidiaries (together referred as “**the Group**”), highlighting the Group’s ESG performance, with disclosure reference made to the ESG Reporting Guide as described in Appendix 20 to the GEM Listing Rules and Guidance set out by the Stock Exchange of Hong Kong Limited.

The Group is an integrated exhibition and event management service provider in China, offering one-stop exhibition and event services for clients. Clients’ exhibitions and events are neatly crafted with distinctive themes and carefully executed in terms of planning, coordination and management in collaboration with suppliers. This ESG report covers the overall performance of Beijing Dowway International Exhibition Company Limited, Tianjin Dowway International Exhibition Company Limited, Beijing Dowway Culture Technology Company Limited, Connect-To-Create (CTC) PR Consultant Company Limited, and Sense and Creative Technology Company Limited regarding the Environmental and Social aspects of their business operations of the subsidiaries of Dowway in Beijing from 1 January 2020 to 31 December 2020 (“**Reporting Period**”), unless otherwise stated.

During the Reporting Period, the Group has complied with all the “comply or explain” provisions stipulated in the “Environmental, Social and Governance Reporting Guidelines”. The Group has also complied with relevant laws and regulations that have a significant impact on the Group.

The Group’s Sustainability Mission and Vision

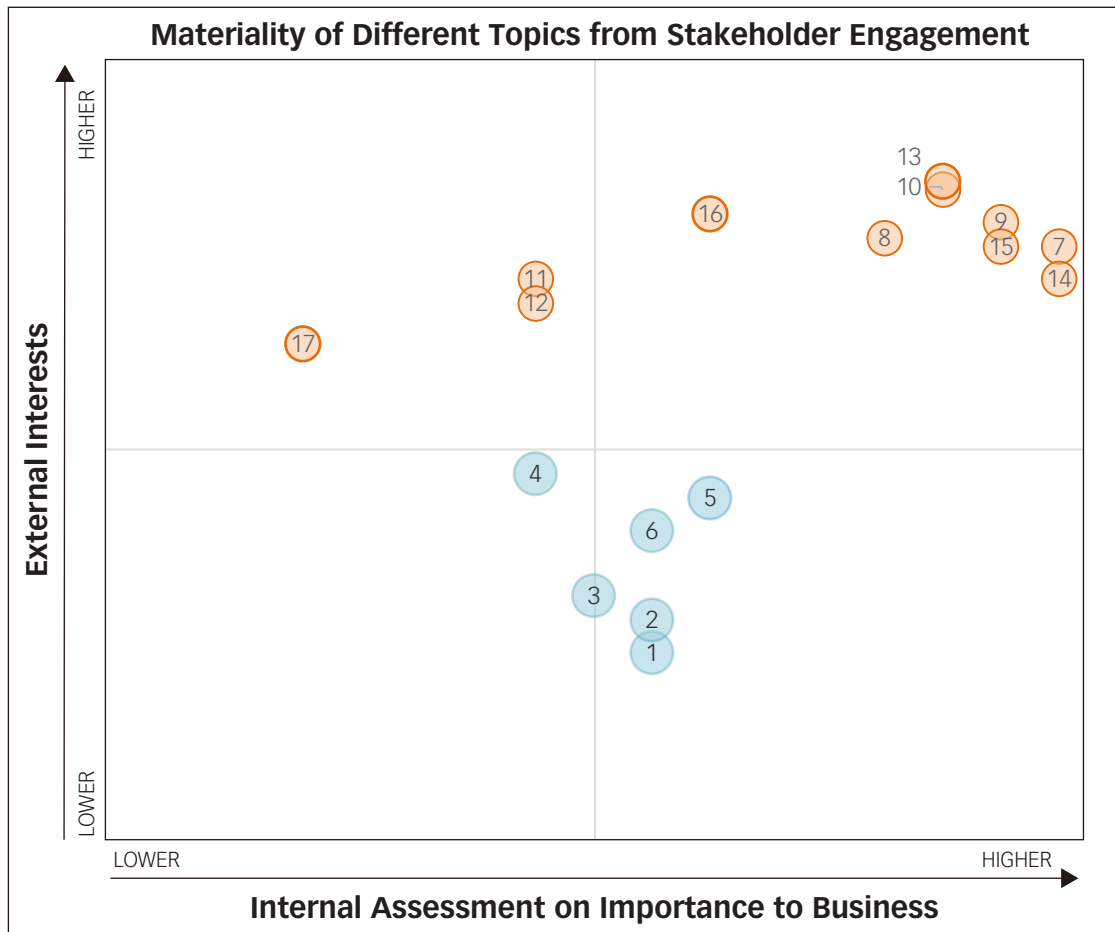
The Group recognises the values of sustainable development and integrates Environmental, Social and Governance aspects in its business operations. The Group maintains a high standard in business ethics and invests in sustainable business development to enhance its brand value.

The Group has fulfilled its corporate social responsibilities through various policies. Environmental and social measures have been constantly improved and enhanced in a bid to become the leading exhibition and event management service provider in China. The Group is particularly concerned about the rights and physical and mental health of its employees. Job opportunities are created for young people. Waste and effluent are properly handled. The Group hopes to extend its medical insurance coverage in the future and more group activities and sports activities will be organized to provide employees with a better working environment.

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Stakeholder Engagement and Materiality

The Group values stakeholders' feedback and opinions, which are indispensable to the business. The Group has engaged different stakeholders via various communication channels, including regular shareholder meetings, management meetings, task force analysis and discussions, regular face-to-face interviews or online meetings with employees, and opinion surveys to engage key internal and external stakeholders such as board members, managers, frontline staff, business partners and customers, etc. The following matrix shows the results of the materiality assessment of the stakeholder engagement on various topics.



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Environmental		Social	
1	Energy	7	Employment
2	Water	8	Occupational Health and Safety
3	Air Emission	9	Development and Training
4	Waste and Effluent	10	Labour Standards
5	Other Raw Materials Consumption	11	Supply Chain Management
6	Environmental Protection Measures	12	Intellectual Property
		13	Data Protection
		14	Customer Service
		15	Product/Service Quality
		16	Anti-corruption
		17	Community Investment

The most material topics to the Group's stakeholders and its operations are:

- Data Protection
- Labour Standards
- Development and Training
- Employment
- Product/Service Quality

The Group will continue to improve its ESG management and performance by proactively communicating with its stakeholders and constantly enhancing its internal policies.

Stakeholders' Feedback

The Group welcomes stakeholders' feedback on its environmental, social and governance approach and performance. Please give your suggestions or share your views with us via email at dowway@dowway-exh.com.

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A. Environmental

The Group understands that as a responsible corporate, it plays an important role in environmental protection. Although the Group does not cast significant impacts on the environment due to its business nature, it strives to raise its employees' environmental awareness through promoting green office practices.

During the Reporting Period, the Group complied with relevant laws and regulations including but not limited to the Environmental Protection Law of the PRC and the Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Wastes. No material non-compliance case against environmental laws and regulations has been identified.

A1. Emissions

A1.1. Air Emissions

The Group owns a petrol-fueled vehicle for its business operation and the sulphur oxide emission from mobile combustion was 0.01kg during the Reporting Period. As the vehicle was rarely used, its air emissions were insignificant.

A1.2. Greenhouse Gas (GHG) Emissions

The Group's GHG emissions were 37.23 tCO₂eq. during the Reporting Period and the overall intensity of the GHG emissions was 0.07 tCO₂eq./m².

Sources of GHG emissions included:

- Direct (Scope 1) emissions: Mobile combustion sources;
- Indirect (Scope 2) emissions: Purchased electricity;
- Other indirect (Scope 3) emissions: Processing of freshwater and sewage, landfilling of waste paper, and business air travel.

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The table below summarises the GHG emission sources of the Group.

Scope of GHG Emissions	Emission Sources	Emission (in tCO ₂ eq.)	Total Emission (in percentage)
Scope 1			
Direct emissions	Mobile combustion source — petrol consumed by vehicles	2.13	6%
Scope 2			
Indirect emissions	Purchased electricity	24.32	65%
Scope 3			
Other indirect emissions	Paper consumption	2.81	29%
	Fresh water processing	0.1	
	Sewage processing	0.05	
	Business Air Travel	7.83	
Total		37.23	100%
Intensity (tCO₂eq./m²)		0.07	

Note 1: Emission factors were referred to Appendix 20 to the GEM Listing Rules and their referred documentation as set out by Hong Kong Exchanges and Clearing Limited, unless stated otherwise.

Note 2: Combined margin emission factor of 0.942 tCO₂eq./MWh was used for purchased electricity in Beijing, the PRC.

Note 3: Emissions were calculated using the online tool provided by the International Civil Aviation Organisation.

Due to the pandemic, emissions from business air travel dropped by 80 percent, so scope 3 and the overall emissions decreased significantly.

A1.3. Hazardous Waste

Hazardous wastes involved in the business operation of the Group were mainly fluorescent tubes, waste print cartridges and ink cartridges. During the Reporting Period, the amount of hazardous waste generated was 0.7 ton, with an intensity of 1.28 kg/m².

A1.4. Non-hazardous Waste

Non-hazardous waste generated by the Group was mainly paper waste. The Group generated a total of 585 kg of paper waste, with an intensity of 1.07 kg/m², during the Reporting Period.

A1.5. Measures to Mitigate Emissions

To reduce carbon footprint, employees are encouraged to commute by public transport and virtual conference is considered and encouraged for conducting meetings with colleagues, business partners and clients to reduce business travel. When a face-to-face meeting is necessary, the Group tends to use the most energy-efficient transit. If air travel is necessary, the economic class, which has a lower emission, is always preferred. The Group keeps tracks of employees' business air travel.

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A1.6. Waste Reduction and Initiatives

The major type of non-hazardous waste generated from the Group's business operations is paper. The non-hazardous waste is collected by the property management of the office buildings.

The Group strives to tackle the problem of paper waste in the offices by establishing paperless offices. Certain waste reduction measures have been formulated:

- Adopting paperless work practices to reduce the use of paper;
- Encouraging employees to use double-sided printing;
- Collecting and reusing single-sided printed paper; and
- Encouraging employees to recycle whenever possible.

Recycling bins for collection of recyclable waste and hazardous waste are placed in the office area. Employees can handle waste according to their categories. Hazardous waste such as waste florescent tubes are put into specific containers set up by the property management companies for recycling. Printer leasing parties come to the Group's offices regularly to collect and replace print supplies such as ink cartridges.

The Group has not formulated formal waste reduction policies to govern its subcontractors, but it has encouraged subcontractors to reduce waste and reuse resources whenever possible.

A2. Use of Resources

In order to enhance efficient use of resources, the Group has implemented various resource-saving measures and has encouraged green practices among employees. For details of the measures and the implementation of the policies, please refer to Sections A2.3 and A2.4 of this report.

A2.1. Energy Consumption

The Group's business operations consumed electricity and petrol, with a total energy consumption of 32,907 kWh and the intensity of 59.94 kWh/m².

Energy Source	Direct Consumption	Consumption in kWh
Electricity	25,818 kWh	25,818
Petrol	800 L	7,089
Total		32,907
Intensity (kWh/m²)		59.94

A2.2. Water Consumption

The total water consumption of the Group was 240 m³, with an intensity of 0.44 m³/m². All water consumed by the Group is from municipal source. No issue on sourcing water was reported during the Reporting Period. Sewage is discharged through municipal wastewater system.

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A2.3. Energy Use Efficiency Initiatives

The Group supports energy conservation. Emission reduction and cost saving were achieved by reducing energy consumption, which in turn benefits both the environment and the Group. Certain measures have been implemented to control energy consumption:

- Installing energy efficient LED lightings;
- Setting the room temperature at or above 26°C during summer and at or below 20°C during winter;
- Ensuring doors and windows are closed when air conditioners are on;
- Switching off all lights, air conditioners, computers, photocopiers and other electrical appliances before leaving the offices; and
- Assigning employees to manage the electricity usage to ensure that all lights and equipment are turned off before all employees leaving the office buildings.

A2.4. Water Use Efficiency Initiatives

The Group's water resource consumption was insignificant. Hence, no policies nor initiatives have been formulated. Nevertheless, employees are reminded to always conserve water and reduce wastage. When a water leak is found, it will be repaired immediately to prevent water loss. Reuse of wastewater for watering plants and car washing is encouraged.

The Group has not established formal policies regarding efficient use of energy or water for its sub-contractors. However, they are reminded to conserve water and energy.

A2.5. Packaging Material

The Group's business operation has not involved a significant use of packaging materials. The corresponding data is not yet available.

A3. The Environment and Natural Resources

The Group's business nature does not pose significant impacts on the environment and natural resources and hence, no formal policy has been formulated in this respect. However, the Group has monitored and managed the working processing of its business partners. For details, please refer to Section A3.1 of this report.

A3.1. Impacts on the Environment

The Group is an integrated exhibition and event management service provider, principally engaging in the design, planning, coordination and management of exhibitions and events. The impact of its business operations on the environment and resources is relatively small. The Group is aware of the emissions generated from the construction works by its suppliers for various projects. Construction wastes such as plastic, cardboard and wooden frames are generated during the project implementation, and the amount of waste varies by the scale of exhibitions. Although the Group does not have direct control over the outsourced construction projects, it monitors and manages its contractors' environmental practices to fulfil its role as a responsible corporate. The Group will consistently promote the principles of environmental protection among employees and monitor its air emissions and solid waste generation to minimise the impacts on the environment.

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B. Social

The Group sees employees as a pillar of its business and equal opportunity of all employees is always upheld. Hence, the Group strives to comply with the best employment standards and practices.

1. Employment and Labour Practices

During the Reporting Period, the Group stringently complied with national and local laws and regulations regarding employment and labour practices, including but not limited to the followings:

- Labour Law of the PRC;
- Labour Contract Law of the People's Republic of China;
- Social Insurance Law of the People's Republic of China;
- Labour Protection Regulations for Female Workers;
- Regulation on the Administration of Housing Accumulation Funds; and
- Regulation on Work-Related Injury Insurance.

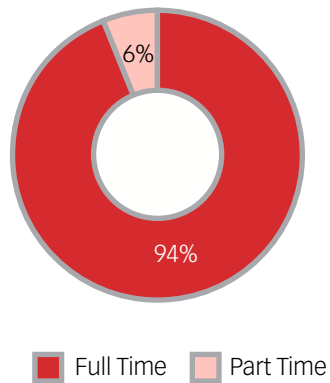
The Group has awarded SA8000 certificate, ensuring the implementation of socially acceptable practices in the workplace. No non-compliance with relevant laws and regulations that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare had been identified during the Reporting Period.

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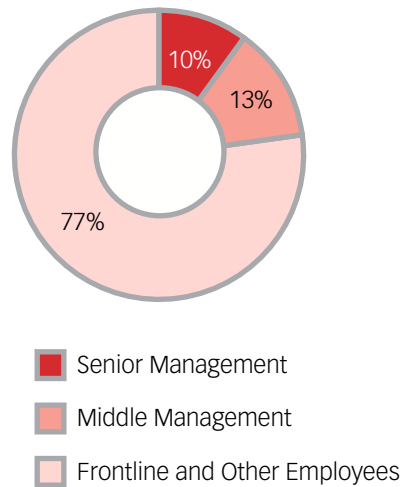
B1. Employment

As of 31 December 2020, the Group had a total of 62 employees, all from mainland China. The figures below show the workforce distribution by different categories.

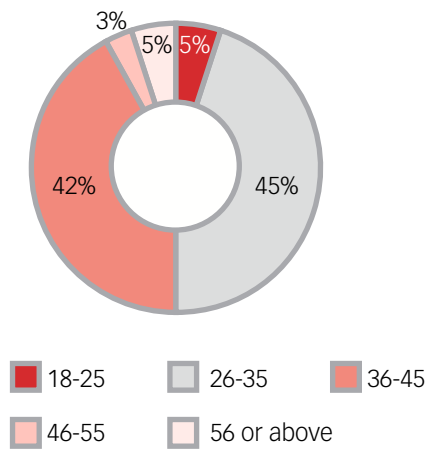
Employment Type



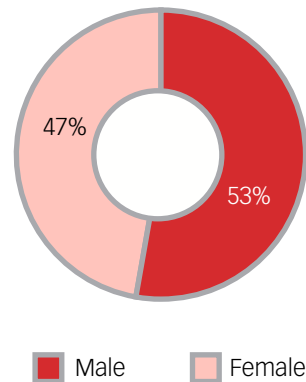
Category



Age

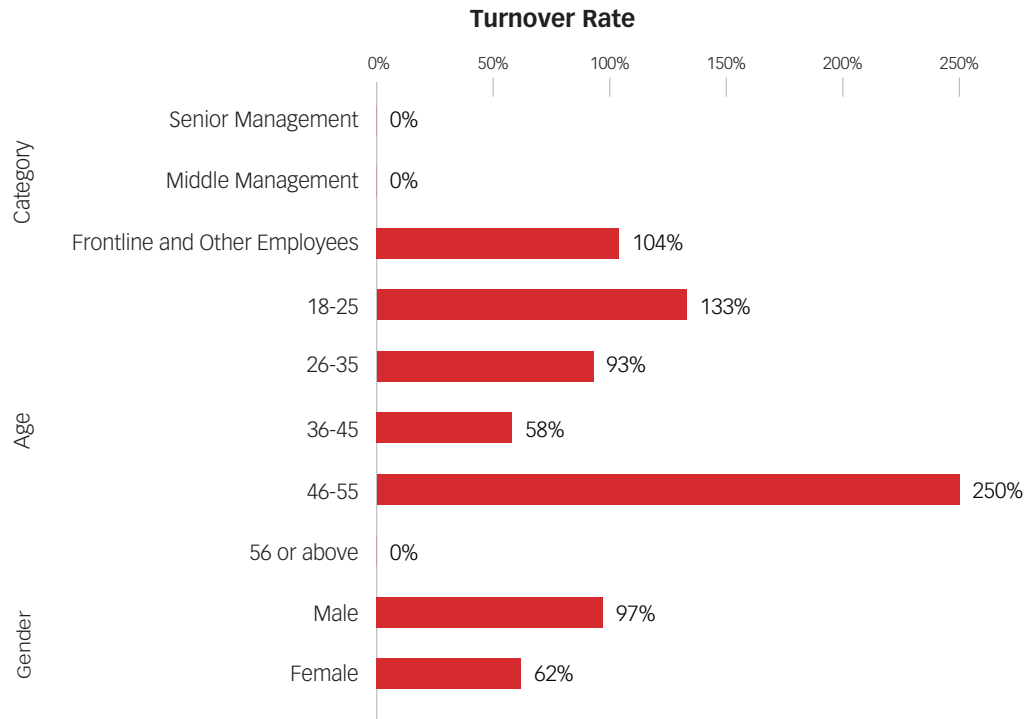


Gender



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The total turnover rate during the Reporting Period was 80.65%. The details of the turnover rate are shown below.



Due to the pandemic, the Group saw a drop in the number of projects. Employees were allowed to choose to stay, or voluntarily resign and work for the company on the basis of flexible staffing. Those who opted for the latter were compensated with replenishment.

Competitive Compensation and Benefits Package

Employees are entitled to a basic salary commensurate with their educational background, professional knowledge, experience and responsibilities. Various types of leaves, including annual leave, sick leave, work-related injury leave, marriage leave, maternity leave and compassionate leave, are provided. The Group contributes to the mandatory social insurance and housing provident fund monthly. The Group reviews employees' performances regularly and makes pay adjustment with reference to the average salary level of the market. Promotion of employees is considered when there is a business need and vacancy is available.

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Equal Opportunity

The Group provides equal opportunities for all employees in respect of recruitment, job advancement, compensation and benefits, and training and development. Employees are not discriminated against or deprived of such opportunities based on gender, ethnic background, religion, colour, age, marital status, family status, retirement, disability, pregnancy or any other discrimination prohibited by applicable law. The Group hires unemployed senior citizens and disabled, offers ample opportunity to fresh graduates, and guarantees to offer reasonable pay to disadvantaged groups.

Employee Communication

The Group attaches great importance to workplace communication as it allows effective collaboration among employees of different categories and increases productivity. Various channels are in place to enhance communication among employees of different levels. Line managers conduct appraisal meetings with employees at year end to review employees' performance, understand their concerns and difficulties, and set targets for coming years. The Group also organizes activities such as annual meetings, dinners and virtual reality (VR) experience programmes to strengthen the bond between employees during the Reporting Period.

B2. Employee Health and Safety

The Group is committed to providing a safe and healthy working environment to its employees. It strictly complies with relevant laws and regulations relating to occupational health and safety. It has implemented the safety management system and awarded OHSAS 18001 certificate.

The Group complies with the requirements for working hours and related labour environment and labour protection measures under the labour law. To ensure the physical wellbeing of employees, free medical examinations are arranged for new employees and annual health checks for existing employees. Additional medical and accident insurance are provided. Together with the property management, the Group arranges regular fire safety trainings and drills for employees to raise their awareness of safety and emergency response management. Inspections of firefighting equipment and manual alarms are performed regularly. Signages with the numbers of the local fire station and emergency call are placed on conspicuous places in office for exigency.

The Group has printed and distributed the Safety Handbook that explains the general rules of workplace safety to all employees. The Handbook covers the proper safety practices of employees; precautionary measures against work injuries caused by machineries, lifting, electric shock, pressure vessels, poisoning and suffocation, falling from height and vehicles; safe use of work equipment; and common violations in project implementation and precautions.

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COVID-19

In the early stage of the pandemic, the Group issued the DOWWAY Hygiene Guide to instruct employees to take personal protective measures. During the pandemic, the Group immediately kept track of employees' activities within and out of Beijing. Collective on-site nucleic acid tests were arranged. Employees were requested to measure body temperature before going to work, fill out the health record card and synchronize it to the Health Kit app for record. In line with the control measures taken by the community and the office property management, the Group disinfected the offices regularly, distributed preventive supplies such as surgical masks and disinfection alcohols to employees, and post stickers in different parts of the offices to convey messages such as dining alone, keeping social distance at work, washing hands frequently, frequent ventilation, in a bid to lower the risks of infection.

Although the construction works of the projects are outsourced, the Group keeps a close eye on the implementation done by service providers to ensure that effective control and mitigation are available at construction sites. Project managers regularly review the safety compliance of the service providers.

Occupational Health and Safety Statistics during the Reporting Period

There was no material non-compliance with the applicable laws and regulations relating to occupational health and safety which had a material impact on the Group during the Reporting Period.

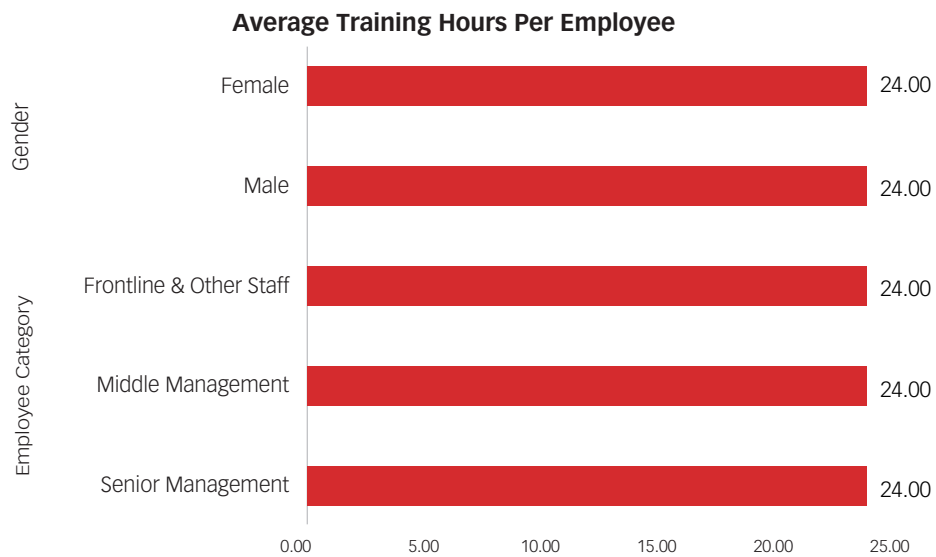
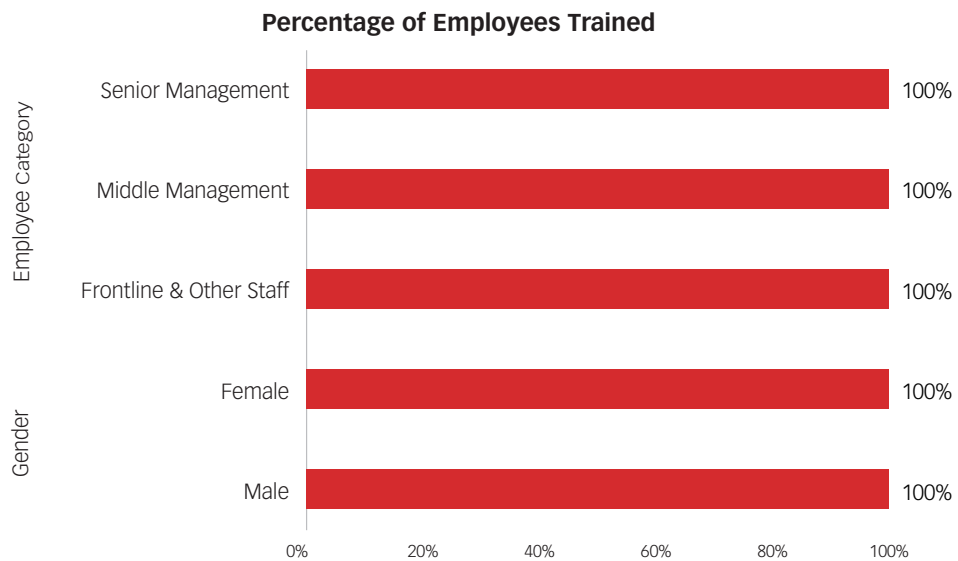
Occupational Health and Safety Statistics during the Reporting Period	2020	2019
Work-related fatality	0	0
Work injury cases > 3 days	0	0
Work injury cases ≤ 3 days	0	0
Lost days due to work injury	0	0

B3. Development and Training

The Group provides continuous training and development programmes for its employees. Training needs of different employees are identified and assessed regularly in order to arrange appropriate training programmes for them. The Group values employees' opinions. Feedback on the training programmes is collected and analysed for future enhancement.

During the Reporting Period, 100% of the employees were trained and a total of 1,488 hours of training were provided. Each employee received 24 hours of training on average, which is an increase of 2 hours compared with last year. The tables below illustrate the average training hours per employee and the percentage of employees trained by category.

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Various kinds of trainings were provided by the Group to enrich employees' professional knowledge and broaden their horizon. Training topics include:

Categories	Topics
Induction	Corporate Culture, Rules and Regulations, Administrative Issues and Green Practices
Basic Knowledge	Email Writing Skills, Financial Policies and Reimbursement, Anti-corruption, First-aid and Safety
Professional Knowledge	Audio-visual Skills and Exhibition Events
Certificate Courses	Intermediate Economist Certificate, Safety Officer Certificate, Construction Officer Certificate
Software Application Training	Adobe Illustrator, Photoshop and Computer-aided Design

B4. Labour Standard

The Group adopts a zero-tolerance policy for child labour and forced labour. In accordance with the Labour Law of the People's Republic of China, there were no child labour nor forced labour in the Group's operations during the Reporting Period. In order to prevent child labour or forced labour, the Human Resources Department checks the applicant's identification documents, such as identity cards and academic certificates, and their proofs of resignation from previous employers or reference letters from schools to ensure that they are legally eligible to work for the Group before hiring them as the Group's employees. If any child labour or forced labour is discovered subsequent to his/her employment, the Group will immediately dismiss the employee concerned and report the incident to the related authority. If any violation of Labour Law of the PRC is found, the employee will be dismissed without any financial compensation.

2. Operating Practices

B5. Supply Chain Management

The Group understands that proper management of its supply chain brings positive impacts to the Group, the society, and the environment. Suppliers are chosen through a stringent selection process to ensure the delivery of work is of high quality. The Group also maintains a close relationship with its suppliers to ensure a stable supply chain.

The Group complies with laws and regulations such as the Regulation on the Implementation of the Bidding Law of the PRC, Measures for the Bid Invitation and Bid Tendering for Construction and Engineering Projects, and Measures for Survey and Design Bidding of Construction Projects. Suppliers are selected through tendering. The Group conducts pre-qualification and tender analysis on bidding suppliers. Before working with the Group, suppliers are required to sign Confirmation of Compliance with the Code of Integrity and Professional Ethics.

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Regulations on Procurement Management has been formulated to establish a robust supplier management system, standardize the procurement operation procedure, and better collaborate with suppliers, in order to control the risks in procurement. The system stipulates the roles and responsibilities of the procurement department, procurement standards, the criteria used in supplier selection, the supplier ranking list, the procurement rights management and procurement procedure. The Group's procurement department strives for effective supplier management. Principally, there will be no less than three suppliers in each procurement category. If there is a quality problem on service or product provided by a supplier, or there is a collusion between internal procurement staff and a supplier to raise price or to provide false products, the Group will terminate its cooperation with the supplier involved.

The Group ensures its suppliers are capable of providing qualified products. Priority is given to companies which are large and medium-sized, awarded with ISO 9001 quality control system certification and with the capacity for mass production of highquality products. Supplies are required to submit test reports approved by a product quality assurance agency, such as National Building Material Quality Supervision and Inspection Center and National Fireproof Building Material Quality Supervision and Inspection Center, etc. to prove that the raw materials used are non-toxic and safe.

In addition to quality assurance, environmental performance is also considered in supply chain management. Prospective suppliers are requested to submit their business licences, the environmental impact assessment reports, and the certificates from China Association for Exhibition Centres for selection. The Group visits its suppliers' factories regularly for compliance check.

During the Reporting Period, the Group had a total of 8 suppliers in China, providing construction, lighting and operations services. All the suppliers must comply with the above-mentioned policies in order to minimize the environmental and social risks of the supply chain.

B6. Product Responsibility

Quality Assurance and Customer Satisfaction

The Group is dedicated to maintaining the highest standard of exhibition services quality. Its exhibition design, construction and after-sales service are all ISO 9001 Quality Management System certified.

The Group ensures that sufficient resources are available on site for supervision of the project implementation. For quality assurance, onsite checks are conducted against the workmanship and the materials used, according to the requirements of the contracts. Inspection is conducted in every stage of the project. If any defect or any non-conformity with the operating procedures arises, project managers will follow up the case immediately. Remediation will be made accordingly before proceeding to the next stage. Materials used in the projects have obtained respective certificates, so as to ensure that the products meet the requirements of the certificates.

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To enhance customers' satisfaction, customers will be asked to fill in the evaluation form at the end of each project to rate against the parameters such as product quality, odour control, communication, and service. The Group treasures feedback from customers and strives to make improvement to stay competitive.

During the Reporting Period, the Group did not violate any law and regulation relating to the health and safety of products and services. All negative feedback from customers has been resolved immediately, and no further complaints have been received. No sold products were returned for safety and health reasons.

Information Protection

Protection of the privacy and confidentiality of stakeholders is of utmost importance. The Group has established the Data Privacy System to prevent data breach, and misuse or abuse of the sensitive information of customers. Employees and business partners are required to sign Confidentiality Agreement with the Group to prevent unauthorised disclosure of information.

It is stated in the Group's Employee Handbook that all employees are obliged to keep trade secrets. The Employee Handbook clearly defines trade secrets and lists measures to protect privacy and confidentiality. For instance, visitors to the office should be accompanied by its employees and not allowed to read confidential documents. Meetings should not be recorded without authorisation. Circulation of minutes are only restricted to relevant personnel only. Private CDs, floppy disks, or USB drives should not be allowed on computers of the Group.

Intellectual Property

The Group extensively introduces innovative designs and services to various customers. Hence, the Group attaches great importance to the protection of intellectual property (IP) rights. At all times, Employee shall keep confidential, except authorised by the Group, any trade secrets, confidential information, knowledge, data or other information of the Group relating to its designs, software systems, models and any other intellectual properties.

Clauses on intellectual property rights have been listed in employees' contracts to strictly protect the Group's intellectual property rights, such as copyrights, patents, trademarks, trade secrets, domain names, etc.

As of 31 December 2020, the Group had 12 registered patents. No non-compliance with relevant laws and regulations that have a significant impact on the Group relating to privacy matters had been identified during the Reporting Period.

Product Labelling and Advertising

The Group strictly complies with applicable laws and regulations, such as Advertising Law of the PRC and Trademark Law of the PRC. During the Reporting Period, no violations of relevant laws and regulations related to product labelling and advertising that have a significant impact on the Group were found.

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B7. Anti-corruption

The Group is committed to managing all businesses to avoid undue influence and upholds honesty, integrity, and fairness as its core values. The Group strictly abides by the Anti-Unfair Competition Law of the PRC, The Company Law of the PRC, Criminal Law of the PRC and other laws, regulations and regulatory documents related to commercial bribery. All directors and employees are required to strictly observe the Group's policy to prevent bribery, extortion, fraud and money laundering.

The Group has formulated the Code of Business Conduct to provide all employees with an official guideline on business conduct. It is stated in the guideline that employees should not have interest conflict with the Group and its customers. Employees and their immediate family members shall not accept, or offer, gifts and benefits from, or to, any personnel who has business engagement or is in business negotiations with the Group.

Employees who offer or accept gifts and benefits must comply with Dowway's Policy on Gifts and Hospitality. Any act that may be considered as bribery and covert payment is prohibited. Suppliers, contractors, and any other companies and/or individuals being regarded by the Group as suppliers or service providers must abide by the Group's procurement policies. Employees' decisions should be based only on price and quality, as well as suppliers' integrity. In the process of considering the signing of such contract or the procurement of goods or services, gifts, benefits, and other personal benefits and concessions shall never be accepted.

The Group has formulated relevant policies and established whistleblowing channels, including complaint mailboxes, suggestion boxes, and employee committees. Employees can report any suspected fraud and violations to the management. The Integrity Risk Control and Management Team has been set up to monitor employees' integrity. When a suspicious case is reported, an investigation will be conducted by the Integrity Risk Control and Management Team. The identity of the whistle-blower will be kept confidential.

Employees of the Group play a crucial role in fighting against corruption. The Group has been taking proactive steps to raise employees' awareness. Training sessions on anti-corruption are arranged regularly to introduce relevant national laws and regulations, as well as the Group's own policies on anti-corruption. Employees are reminded of the anti-corruption policies through memorandums on a regular basis. Also, all employees have signed the Rules on Integrity in Business and Integrity Pledge.

There was no concluded legal case regarding corrupt practices brought against the Group or its employees during the Reporting Period.

B8. Community Investment

The Group actively supports the community, with emphasises on education and supporting the disabled. In addition to fulfilling corporate responsibilities in daily business operations, the Group employed staff with disabilities during the Reporting Period. The Group also jointly organized a one-day visit and activities with Beijing Disabled Persons' Federation to share joy and happiness with the physically disabled. The Group will continue to support the development of a sustainable and dynamic communities.